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#### NOTE

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To:	Delegations
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Subject:	Proposal for an Interinstitutional Proclamation on the European Pillar of Social Rights

Delegations will find attached the text of the Interinstitutional Proclamation on the European Pillar of Social Rights as agreed in Coreper on 20 October with a view to the Council (EPSCO) on 23 October 2017.

# The European Parliament, the Council and the Commission solemnly proclaim the following text as the European Pillar of Social Rights

## EUROPEAN PILLAR OF SOCIAL RIGHTS

#### Preamble

- (1) Pursuant to Article 3 of the Treaty on European Union, the aims of the Union are inter alia to promote the well-being of its peoples and to work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment. The Union shall combat social exclusion and discrimination, promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.
- (2) Pursuant to Article 9 of the Treaty on the Functioning of the European Union, the Union, in defining and implementing its policies and activities, shall take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion and a high level of education, training and protection of human health.
- (3) Article 151 of the Treaty on the Functioning of the European Union provides that the Union and the Member States, having in mind fundamental social rights such as those set out in the European Social Charter signed at Turin on 18 October 1961 and in the 1989 Community Charter of the Fundamental Social Rights of Workers, shall have as their objectives the promotion of employment, improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained, proper social protection, dialogue between management and labour, the development of human resources with a view to lasting high employment and the combating of exclusion.

- (4) Article 152 of the Treaty on the Functioning of the European Union provides that the Union recognises and promotes the role of the social partners at its level, taking into account the diversity of the national systems. It is to facilitate dialogue between them and respect their autonomy.
- (5) The Charter of Fundamental Rights of the European Union, first proclaimed at the Nice European Council on 7 December 2000, safeguards and promotes a number of fundamental principles that are essential for the European social model. The provisions of this Charter are addressed to the institutions, bodies, offices and agencies of the Union with due regard for the principle of subsidiarity and to the Member States only when they are implementing Union law.
- (6) The Treaty on the Functioning of the European Union contains provisions laying down the powers of the Union relating inter alia to the freedom of movement of workers (Articles 45 to 48), the right of establishment (Articles 49 to 55), social policy (Articles 151 to 161), the promotion of dialogue between management and labour (Article 154), including agreements concluded and implemented at Union level (Article 155), equal pay for men and women for equal work (Article 157), the contribution to the development of quality education and vocational training (Articles 165 and 166), Union action complementing national policies and fostering cooperation in the field of health (Article 168), economic, social and territorial cohesion (Articles 174 to 178), the formulation, and the surveillance of the implementation, of the broad guidelines of the economic policies (Article 121), the formulation, and the examination of the implementation of the employment guidelines (Article 148) and more generally, the approximation of legislation (Articles 114 to 117).

- The European Parliament has called for a solid European Pillar of Social Rights to reinforce (7) social rights and deliver a positive impact on people's lives in the short and medium term and enable support for European construction in the 21<sup>st</sup> century.<sup>1</sup> Leaders of 27 Member States have stressed that economic and social insecurity needs to be addressed as a matter of priority and called for the creation of a promising economic future for all, safeguards for our way of life and the provision of better opportunities for youth.<sup>2</sup> The leaders of 27 Member States and of the European Council, the European Parliament and the European Commission made a commitment to work towards a social Europe in the Rome agenda. That commitment is based on the principles of sustainable growth and the promotion of economic and social progress, as well as cohesion and convergence, while upholding the integrity of the internal market; a Union taking into account the diversity of national systems and the key role of social partners; a Union which promotes equality between women and men as well as rights and equal opportunities for all; a Union which fights unemployment, discrimination, social exclusion and poverty; a Union where young people receive the best education and training and can study and find jobs across the continent; a Union which preserves our cultural heritage and promotes cultural diversity.<sup>3</sup> The social partners have committed to continue contributing to a Europe that delivers for its workers and enterprises.<sup>4</sup>
- (8) The completion of the European single market in the last decades has been accompanied by the development of a solid social acquis which has resulted in progress in the freedom of movement, living and working conditions, equality between women and men, health and safety at work, social protection and education and training. The introduction of the euro has provided the Union with a stable common currency shared by 340 million citizens in nineteen Member States, facilitating their daily lives and protecting them against financial instability. The Union has also enlarged significantly, increasing economic opportunities and promoting social progress across the continent.

<sup>&</sup>lt;sup>1</sup> European Parliament resolution of 19 January 2017 on a European Pillar of Social Rights (2016/2095(INI)).

<sup>&</sup>lt;sup>2</sup> The Bratislava Declaration of 16 September 2016.

<sup>&</sup>lt;sup>3</sup> The Rome Declaration of 25 March 2017.

<sup>&</sup>lt;sup>4</sup> Joint statement of the social partners of 24 March 2017.

- (9) Labour markets and societies are evolving quickly, with new opportunities and new challenges arising from globalisation, the digital revolution, changing work patterns and societal and demographic developments. Challenges, such as significant inequality, long-term and youth unemployment or intergenerational solidarity, are often similar across Member States although in varying degrees.
- (10) Europe has shown its resolve to overcome the financial and economic crisis, and as a result of determined action, the Union economy is now more stable, with employment levels at an unprecedented high and a steady fall in unemployment. However, the social consequences of the crisis have been far-reaching from youth and long-term unemployment to the risk of poverty and addressing those consequences remains an urgent priority.
- (11) To a large extent, the employment and social challenges facing Europe are a result of relatively modest growth, which is rooted in untapped potential in terms of participation in employment and productivity. Economic and social progress are intertwined, and the establishment of a European Pillar of Social Rights should be part of wider efforts to build a more inclusive and sustainable growth model by improving Europe's competitiveness and making it a better place to invest, create jobs and foster social cohesion.
- (12) The aim of the European Pillar of Social Rights is to serve as a guide towards efficient employment and social outcomes when responding to current and future challenges which are directly aimed at fulfilling people's essential needs, and towards ensuring better enactment and implementation of social rights.
- (13) A stronger focus on employment and social performance is particularly important to increase resilience and deepen the Economic and Monetary Union. For this reason, the European Pillar of Social Rights is notably conceived for the euro area but it is addressed to all Member States.

- (14) The European Pillar of Social Rights expresses principles and rights essential for fair and well-functioning labour markets and welfare systems in 21<sup>st</sup> century Europe. It reaffirms some of the rights already present in the Union acquis. It adds new principles which address the challenges arising from societal, technological and economic developments. For them to be legally enforceable, the principles and rights first require dedicated measures or legislation to be adopted at the appropriate level.
- (15) The principles enshrined in the European Pillar of Social Rights concern Union citizens and third-country nationals with legal residence. Where a principle refers to workers, it concerns all persons in employment, regardless of their employment status, modality and duration.
- (16) The European Pillar of Social Rights shall not prevent Member States or their social partners from establishing more ambitious social standards. In particular, nothing in the European Pillar of Social Rights shall be interpreted as restricting or adversely affecting rights and principles as recognised, in their respective fields of application, by Union law or international law and by international agreements to which the Union or all the Member States are party, including the European Social Charter signed at Turin on 18 October 1961 and the relevant Conventions and Recommendations of the International Labour Organisation.
- (17) Delivering on the European Pillar of Social Rights is a shared political commitment and responsibility. The European Pillar of Social Rights should be implemented at both Union level and Member State level within their respective competences, taking due account of different socio-economic environments and the diversity of national systems, including the role of social partners, and in accordance with the principles of subsidiarity and proportionality.
- (18) At Union level, the European Pillar of Social Rights does not entail an extension of the Union's powers and tasks as conferred by the Treaties. It should be implemented within the limits of those powers.

- (19) The European Pillar of Social Rights respects the diversity of the cultures and traditions of the peoples of Europe, as well as the national identities of the Member States and the organisation of their public authorities at national, regional and local levels. In particular, the establishment of the European Pillar of Social Rights does not affect the right of Member States to define the fundamental principles of their social security systems and manage their public finances, and must not significantly affect the financial equilibrium thereof.
- (20) Social dialogue plays a central role in reinforcing social rights and enhancing sustainable and inclusive growth. Social partners at all levels have a crucial role to play in pursuing and implementing the European Pillar of Social Rights, in accordance with their autonomy in negotiating and concluding agreements and the right to collective bargaining and collective action.

# European Pillar of Social Rights

## Chapter I: Equal opportunities and access to the labour market

#### 1. Education, training and life-long learning

Everyone has the right to quality and inclusive education, training and life-long learning in order to maintain and acquire skills that enable them to participate fully in society and manage successfully transitions in the labour market.

# 2. Gender equality

- a. Equality of treatment and opportunities between women and men must be ensured and fostered in all areas, including regarding participation in the labour market, terms and conditions of employment and career progression.
- b. Women and men have the right to equal pay for work of equal value.

## **3.** Equal opportunities

Regardless of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation, everyone has the right to equal treatment and opportunities regarding employment, social protection, education, and access to goods and services available to the public. Equal opportunities of under-represented groups shall be fostered.

#### 4. Active support to employment

- a. Everyone has the right to timely and tailor-made assistance to improve employment or self-employment prospects. This includes the right to receive support for job search, training and re-qualification. Everyone has the right to transfer social protection and training entitlements during professional transitions.
- b. Young people have the right to continued education, apprenticeship, traineeship or a job offer of good standing within 4 months of becoming unemployed or leaving education.
- People unemployed have the right to personalised, continuous and consistent support.
  The long-term unemployed have the right to an in-depth individual assessment at the latest at 18 months of unemployment.

# **Chapter II: Fair working conditions**

# 5. Secure and adaptable employment

- Regardless of the type and duration of the employment relationship, workers have the right to fair and equal treatment regarding working conditions, access to social protection and training. The transition towards open-ended forms of employment shall be fostered.
- b. In accordance with legislation and collective agreements, the necessary flexibility for employers to adapt swiftly to changes in the economic context shall be ensured.

- c. Innovative forms of work that ensure quality working conditions shall be fostered.
  Entrepreneurship and self-employment shall be encouraged. Occupational mobility shall be facilitated.
- d. Employment relationships that lead to precarious working conditions shall be prevented, including by prohibiting abuse of atypical contracts. Any probation period should be of reasonable duration.

## 6. Wages

- a. Workers have the right to fair wages that provide for a decent standard of living.
- b. Adequate minimum wages shall be ensured, in a way that provide for the satisfaction of the needs of the worker and his / her family in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. Inwork poverty shall be prevented.
- c. All wages shall be set in a transparent and predictable way according to national practices and respecting the autonomy of the social partners.

# 7. Information about employment conditions and protection in case of dismissals

- a. Workers have the right to be informed in writing at the start of employment about their rights and obligations resulting from the employment relationship, including on probation period.
- b. Prior to any dismissal, workers have the right to be informed of the reasons and be granted a reasonable period of notice. They have the right to access to effective and impartial dispute resolution and, in case of unjustified dismissal, a right to redress, including adequate compensation.

## 8. Social dialogue and involvement of workers

- a. The social partners shall be consulted on the design and implementation of economic, employment and social policies according to national practices. They shall be encouraged to negotiate and conclude collective agreements in matters relevant to them, while respecting their autonomy and the right to collective action. Where appropriate, agreements concluded between the social partners shall be implemented at the level of the Union and its Member States.
- b. Workers or their representatives have the right to be informed and consulted in good time on matters relevant to them, in particular on the transfer, restructuring and merger of undertakings and on collective redundancies.
- c. Support for increased capacity of social partners to promote social dialogue shall be encouraged.

## 9. Work-life balance

Parents and people with caring responsibilities have the right to suitable leave, flexible working arrangements and access to care services. Women and men shall have equal access to special leaves of absence in order to fulfil their caring responsibilities and be encouraged to use them in a balanced way.

# 10. Healthy, safe and well-adapted work environment and data protection

- a. Workers have the right to a high level of protection of their health and safety at work.
- b. Workers have the right to a working environment adapted to their professional needs and which enables them to prolong their participation in the labour market.
- c. Workers have the right to have their personal data protected in the employment context.

## Chapter III: Social protection and inclusion

## 11. Childcare and support to children

- a. Children have the right to affordable early childhood education and care of good quality.
- b. Children have the right to protection from poverty. Children from disadvantaged backgrounds have the right to specific measures to enhance equal opportunities.

#### 12. Social protection

Regardless of the type and duration of their employment relationship, workers, and, under comparable conditions, the self-employed, have the right to adequate social protection.

## 13. Unemployment benefits

The unemployed have the right to adequate activation support from public employment services to (re)integrate in the labour market and adequate unemployment benefits of reasonable duration, in line with their contributions and national eligibility rules. Such benefits shall not constitute a disincentive for a quick return to employment.

#### 14. Minimum income

Everyone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services. For those who can work, minimum income benefits should be combined with incentives to (re)integrate into the labour market.

## **15.** Old age income and pensions

- a. Workers and the self-employed in retirement have the right to a pension commensurate to their contributions and ensuring an adequate income. Women and men shall have equal opportunities to acquire pension rights.
- b. Everyone in old age has the right to resources that ensure living in dignity.

# 16. Health care

Everyone has the right to timely access to affordable, preventive and curative health care of good quality.

# 17. Inclusion of people with disabilities

People with disabilities have the right to income support that ensures living in dignity, services that enable them to participate in the labour market and in society, and a work environment adapted to their needs.

#### 18. Long-term care

Everyone has the right to affordable long-term care services of good quality, in particular home-care and community-based services.

# **19.** Housing and assistance for the homeless

- a. Access to social housing or housing assistance of good quality shall be provided for those in need.
- b. Vulnerable people have the right to appropriate assistance and protection against forced eviction.

c. Adequate shelter and services shall be provided to the homeless in order to promote their social inclusion.

## 20. Access to essential services

Everyone has the right to access essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications. Support for access to such services shall be available for those in need.