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ANNEX 1

ANNEX

First preliminary outline of a European Pillar of Social Rights

Accompanying to the

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

Launching a consultation on a European Pillar of Social Rights

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Explanatory note

This annex presents a first, preliminary outline of the European Pillar of Social Rights for the consultation of the general public. The Pillar is conceived to be established within the euro area, but would also be open for other Member States to join on a voluntary basis.

The starting point of the Pillar is the social objectives and rights inscribed in the EU primary law, consisting of the Treaty on European Union (TEU), the Treaty on the Functioning of the European Union (TFEU), the Charter of Fundamental Rights and the case-law of the Court of Justice of the European Union. To ensure a broad enough basis for consultation, the Pillar touches on both on areas which are where the EU is competent to legislate and on others where Member States are primarily responsible, and where the EU has a more supportive and complementary role. It also draws inspiration from practices at national level and international sources of law.

The outline of the Pillar does not re-state or modify existing rights, which remain valid. It aims to complements them by detailing a number of essential principles which should become common to participating Member States for the conduct of their employment and social policy, with a specific focus on the needs and challenges confronting the euro area. Once established, the Pillar should become a reference framework to screen the employment and social performance of participating Member States, to drive reforms at national level and, more specifically, to serve as a compass for renewed convergence within the euro area.

The principles presented here are grouped according to 20 policy domains, which are seen as essential for well-functioning and fair labour markets and welfare systems. They take account of economic and social considerations and of the wide diversity of situations in Europe and of changing realities on the ground. They address key concerns for a deeper and fairer Economic and Monetary Union, such as the need to boost competitiveness, to increase participation in the labour market, develop adequate social protection floors, make full use of people's potential, ensure the sustainability of public finances and increase the adjustment capacity and resilience of economic structures.

The principles presented here cover EU citizens and legally residing third country nationals, active or inactive, in line with the wording of each principle. Provisionally, for the purpose of this consultation, the term 'worker' designates any person who, for a certain period of time, performs services for another person in return for which she or he receives remuneration, and acts under the direction of that person as regards, in particular, the determination of the time, place and content of her or his work.

'Self-employed' designates all persons pursuing a gainful activity for their own account. 'Persons in employment' refers to both workers and self-employed. The

scope of application of these terms may need to be further refined during the process of consultation.

The choice and formulation of the principles draw inter alia on existing guidance in the European Semester of economic policy coordination, on EU secondary legislation and on "soft law" guidance where it exists. To better situate each principle, the outline gives indication of the main outstanding challenges, points to the potential added value of each principle and recalls the corresponding rights in primary law through boxes, where applicable. The principles should be widely discussed and refined in the context of the consultation process, with a view to finalising a proposal for the European Pillar of Social Rights in 2017.

CHAPTER I: EQUAL OPPORTUNITIES AND

ACCESS TO THE LABOUR MARKET

1. <u>Skills, education and lifelong learning</u>

Basic skills in language, literacy, numeracy and ICT, which are the first building blocks for learning, remain a challenge for a significant share of the population, from children to adults. To increase quality and relevance of education outcomes, education and training systems need to become more effective, equitable and responsive to labour market and societal needs. Equal access regardless of economic means to acquiring a foundation of basic skills and key competences in initial education needs to be complemented by quality opportunities for adults to acquire basic skills and key competences throughout the life course. Population ageing, longer working lives and increased immigration of third country nationals require additional actions for upskilling and life-long learning, to successfully adapt to technological transformations and fast-changing labour markets.

a. All persons shall have access to quality education and training throughout the life course to acquire an adequate level of basic skills and key competences for active participation in society and employment. Low skilled young people and working age adults shall be encouraged to up-grade their skills.

Article 14 of the Charter of Fundamental Rights sets out: *Everyone has the right to education and to have access to vocational and continuing training. This right includes the possibility to receive free compulsory education.*

Articles 165 and 166 TFEU set out that the Union shall implement a vocational training policy and shall contribute to the development of quality education by encouraging cooperation between the Member States, supporting and supplementing their action.

2. Flexible and secure labour contracts

Flexible contracts can facilitate entry to the labour market and promote career transitions, while allowing employers to respond to shifts in demand. Digital economies are changing the work patterns and leading to new forms of work such as self-employment. This may allow more diverse entry routes in the labour market and can help to keep people active. Large differences in employment conditions persist however across different employment contracts.

Moreover, there are "grey zones", such as 'dependent' and 'bogus' self-employment, leading to unclear legal situations and barriers to access social protection. Such phenomena risk leading to precariousness and/or two-tier, segmented labour markets, which hamper productivity and lead to exclusion. Non-permanent employment can raise risks of precariousness through lower levels of protection against dismissal, lower pay, limited access to social protection and training. Moving towards types of contracts that have comparable guarantees and costs can allow temporary employment to become a stepping stone towards stable and secure employment, while increasing the resilience of labour markets to shocks.

- a. Equal treatment shall be ensured, regardless of employment contract, unless different treatment is justified on objective grounds. Misuse or abuse of precarious and non-permanent employment relationships shall be prevented.
- b. Flexibility in the conditions of employment can offer a gateway to the labour market and maintain employers' ability to swiftly respond to shifts in demand; however, the transition towards open-ended contracts shall be ensured.

Article 153 TFEU sets out that the Union shall adopt minimum requirements, as well as support and complement the activities of the Member States in the field of working conditions.

3. <u>Secure professional transitions</u>

Working lives are becoming more diverse, including multiple jobs and forms of employment, career interruptions, increased mobility and professional changes within one's lifetime. Making the most of technological change and fast-changing labour markets requires faster and improved support for job and professional transitions, as well as support for regular up-skilling throughout the working life.

Up-skilling requires investment from individual workers, companies and society. Some social protection entitlements, such as occupational pensions, unemployment benefits, health insurance or training entitlements cannot always be easily transferred when changing jobs, nor can they be valorised or accrued when starting up selfemployment. Conversely, some of the entitlements of jobseekers or inactive persons should not become disincentives to re-staring work or starting up own enterprises.

- a. All working age persons shall have access to individualised job-search assistance and be encouraged to take up training and up-skilling in order to improve their labour market or entrepreneurial prospects and faster job and professional transitions.
- **b.** The preservation and portability of social and training entitlements accumulated during the career shall be ensured to facilitate job and professional transitions.

Article 151 of TFEU sets out that the Union and the Member States shall have as an objective the promotion of employment. Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the social security and social protection of workers, the combating of social exclusion, and the modernisation of social protection systems.

4. <u>Active support to employment</u>

Persistent, recurrent as well as long-term unemployment, in particular for young people and people with low skills, calls for adequate and targeted support for (re)entering work as well as measures to develop, skills, qualifications or work experience to enable entering into new occupations. Rapid and effective access to such measures can prevent labour market and social exclusion.

- a. All people under the age of 25 years shall receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within a period of four months of becoming unemployed or leaving formal education.
- b. It shall be equally ensured that registered long term unemployed persons are offered in depth individual assessments and guidance and a job integration agreement comprising an individual service offer and the identification of a single point of contact at the very latest when they reach 18 months of unemployment.

Article 151 of TFEU sets out that the Union and the Member States shall have as an objective the promotion of employment. Article 153 also sets out that the Union shall adopt minimum requirements, as well as support and complement Member States' efforts to promote the integration of persons excluded from the labour market.

5. <u>Gender equality and work life balance</u>

Women continue to be underrepresented in employment, overrepresented in part-time work and lower-paid sectors, and receive lower hourly wages even though they have surpassed men in educational attainment. Supporting their labour market participation is fundamental for ensuring equality of opportunities, and becomes an economic imperative in a context of ageing workforce.

Lack of adequate leave and care arrangements for children and other dependent family members can discourage people with caring responsibilities, mainly women, from continuing their jobs or re-entering employment. Barriers to female participation in the labour market include lack of adequate work-life balance policies, fiscal disincentives for second earners or excessive taxation of labour, and stereotypes on fields of study and occupation. Access of self-employed or workers who are not on full time and permanent contracts to paid family-related leave or insurance schemes remains uneven. Moreover, insufficient possibilities and encouragement for men to take leaves is reinforcing women's roles as primary carers, with negative effects on female employment.

There is also an enhanced opportunity for flexibility in the organisation of work partly derived from digital environments and combination of several occupations in the sharing and collaborative economy. Flexible working arrangements can also help facilitate work-life balance by allowing both people in employment and firms to adapt working schedules and patterns to their needs.

- a. Gender equality in the labour market and education shall be fostered, ensuring equal treatment in all areas, including pay, and addressing barriers to women's participation and preventing occupational segregation.
- b. All parents and people with caring responsibilities shall have access to adequate leave arrangements for children and other dependent relatives, and access to care services. ¹An equal use of leave arrangements between sexes shall be encouraged, through measures such as the provision of remunerated leave for parents, both men and women.
- c. In agreement between employers and workers, flexible working arrangements including in the area of working time shall be made available and encouraged, taking into account both workers and employers' needs.

Article 33 of the Charter of Fundamental Rights sets out: To reconcile family and professional life, everyone shall have the right to protection from dismissal for a reason connected with maternity and the right to paid maternity leave and to parental leave following the birth or adoption of a child.

Article 153 TFEU sets out that the Union shall adopt minimum requirements, as well as support and complement the activities of the Member States in the area of working environment, working conditions, as well as equality between men and women with regard to labour market opportunities and treatment at work.

Article 24 of the Charter of Fundamental Rights moreover sets out: Equality between women and men must be ensured in all areas, including employment, work and pay. The principle of equality shall not prevent the maintenance or adoption of measures providing for specific advantages in favour of the underrepresented sex.

Article 3 TEU sets out that the Union shall combat social exclusion and discrimination. Moreover, Article 8 TFEU sets out that the Union shall aim to eliminate inequalities and to promote equality between women and men. Article 19 TFEU sets out that the Union may take appropriate action to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Article 153 TFEU sets out that the Union shall adopt minimum requirements, as well as support and complement the activities of the Member States with regard to the integration of persons excluded from the labour market as well as promoting equality between women and men with regard to labour market opportunities and treatment at work.

¹ In accordance to Principles 17-18 below.

6. Equal opportunities

Discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation is illegal throughout the Union. However certain groups face difficulties in accessing the world of work. In particular, third country nationals and ethnic minorities are under-represented in employment and incur a greater risk of poverty and social exclusion. It is important to address the obstacles to their participation, which can include language barriers or gaps in recognition of skills and qualifications. As far as discrimination on the grounds of nationality or ethnic origin is concerned, the experience on the ground shows a lack of awareness both of employers of non- discriminatory hiring practices and of people subject of discriminations of their rights.

Supporting their labour market participation is fundamental for ensuring equality of opportunities, and becomes an economic imperative in a context of ageing workforce.

a. Labour market participation of under-represented groups shall be enhanced, ensuring equal treatment in all areas, including by raising awareness and addressing discrimination.

Article 21 of the Charter of Fundamental Rights sets out: Any discrimination based on any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation shall be prohibited

Article 3 TEU sets out that the Union shall combat social exclusion and discrimination. Moreover, Article 8 TFEU sets out that the Union shall aim to eliminate inequalities and to promote equality between women and men. Article 19 TFEU sets out that the Union may take appropriate action to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Article 153 TFEU sets out that the Union shall adopt minimum requirements, as well as support and complement the activities of the Member States with regard to the integration of persons excluded from the labour market as well as promoting equality between women and men with regard to labour market opportunities and treatment at work.

CHAPTER II: FAIR WORKING CONDITIONS

7. <u>Conditions of employment</u>

New forms of flexible employment require additional care to specify the nature, volume or duration of work, to identify the employers as well as the associated level of social protection and to avoid abuses in periods of probation. Decentralised, self-organised forms of work can increase worker autonomy and boost business development, while leading to lower awareness of rights and unclear information requirements for employers. Existing EU legal provisions to inform employees on the conditions of employment do not apply from the start of employment and become more difficult to apply in increasingly transnational, mobile, digital and de-localised business organisation models. Complex, costly and uncertain regulation governing the termination of open ended contracts makes firms reluctant to hire and also lead to uneven enforcement of the rules in place.

- a. Every worker shall be informed in written form prior to the start of employment on the rights and obligations derived from the employment relationship.
- **b.** If there is a probation period, the probation period shall be of a reasonable duration; prior to its start, workers shall receive information on its conditions.
- c. Dismissal of a worker is to be motivated, preceded by a reasonable period of notice, and there shall be an adequate compensation attached to it as well as access to rapid and effective appeal to an impartial dispute resolution system.

Article 30 of the Charter of Fundamental Rights sets out: Every worker has the right to protection against unjustified dismissal, in accordance to Union law and national laws and practice.

Article 153 TFEU sets out that the Union shall adopt directives setting out minimum requirements, as well as support and complement the activities of the Member States in the field of working conditions and for the protection of workers where their employment contract is terminated.

8. <u>Wages</u>

Minimum wages with an adequate level ensure a decent standard of living for workers and their families and contribute to tackle the incidence of in-work poverty. A wide coverage avoids distortions leading to a two-tier labour market. A predictable evolution of wages is important for a stable business environment. Minimum wages need to be set at a level maintaining employment prospects for the low skilled and make work pay for the unemployed and inactive. Maintaining an evolution of wages in line with productivity has proven crucial for competitiveness, particularly within the euro zone.

a. All employment shall be fairly remunerated, enabling a decent standard of living. Minimum wages shall be set through a transparent and predictable mechanism in a way that safeguards access to employment and the motivation to seek work. Wages shall evolve in line with productivity developments, in consultation with the social partners and in accordance with national practices.

9. <u>Health and safety at work</u>

New challenges for health and safety at work have emerged in light of less stable employment relationships, new working patterns and an ageing workforce. Ensuring protection against occupational injuries and ill-health to all workers, irrespective of the form of employment and addressing "grey zones", such as 'dependent' and 'bogus' self-employment leading to unclear legal situations offers an important way to reduce precariousness, social costs and improve firms' productivity. Reinforcing reintegration and rehabilitation efforts requires more involvement of the employers for re-training or workplace adaptation. However, enforcing preventive and corrective measures by small enterprises remains burdensome.

a. An adequate level of protection from all risks that may arise at work, with due support for implementation, notable in micro and small enterprises, shall be ensured.

Article 31 of the Charter of Fundamental Rights sets out: Every worker has the right to working conditions which respect his or her health, safety and dignity.

Article 153 TFEU sets out that the Union may adopt directives setting out minimum requirements, as well as support and complement the activities of the Member States for the improvement of the working environment to protect workers' health and safety.

10. Social dialogue and involvement of workers

Well-functioning social dialogue requires autonomous and representative social partners with the capacities to reach collective agreements. Given the decreases in terms of organisational density and representativeness, social partners need to further build their capacities to engage in a better functioning and effective social dialogue. The engagement of social partners at EU and national level is crucial for the success of design and implementation of economic and social policies, including in efforts to safeguard employment in periods of economic downturns. Moreover, new forms of work organisation such as in the services sector and in the digital economy make the involvement of workers uneven, and their information and consultation more complex.

- a. Social partners shall be consulted in the design and implementation of employment and social policies. They shall be encouraged to develop collective agreements in matters relevant to them, respecting national traditions, their autonomy and right to collective action.
- b. Information and consultation shall be ensured for all workers, including those working digitally and/or operating across borders, or their representatives in good time, in particular in the case of collective redundancies, transfer, restructuring and merger of undertakings.

Article 12 and Article 27 of the Charter of Fundamental Rights set out, respectively: *Everyone has the right to freedom of peaceful assembly and to freedom of association at all levels, in particular in political trade union and civic matters, which implies the right of everyone to form and to join trade unions for the protection of his or her interests. Workers or their representatives must, at the appropriate levels, be guaranteed information and consultation in good time in the cases and under the conditions provided for by Union law and national laws and practices.*

Article 28 of the Charter of Fundamental Rights sets out: Workers and employers, or their respective organisations, have, in accordance with Union law and national laws and practices, the right to negotiate and conclude collective agreements at the appropriate levels and, in cases of conflicts of interest, to take collective action to defend their interests, including strike action.

Article 151 TFEU sets the Union and the Member States shall have as their objective the promotion of dialogue between management and labour. Article 152 TFEU provides that the Union recognises and promotes the role of social partners and shall facilitate dialogue between them. Article 153 TFEU sets out that the Union shall adopt minimum requirements, as well as support and complement the activities of the Member States in the field of information and consultation of workers and representation and collective defence of the interest of the workers and employers. Article 154 and 155 TFEU give management and labour a role in the legislative process.

CHAPTER III: ADEQUATE AND SUSTAINABLE SOCIAL PROTECTION

11. Integrated social benefits and services

In some cases, the multiplicity of benefits and services, agencies, and application procedures make it difficult for people to access all the support that they need. Lack of integrated benefits and services also reduces their effectiveness in addressing poverty, as well as supporting social and labour market integration. A three-fold alignment between social benefits, active support and social services is key to effective support. Such alignment should concern eligibility and coverage, coordinated offers of support and maintaining some entitlements when re-entering work or self-employment. Better integration of benefits and services can improve the cost-effectiveness of social protection.

a. Social protection benefits and services shall be integrated to the extent possible in order to strengthen the consistency and effectiveness of these measures and support social and labour market integration.

Article 34 of the Charter of Fundamental Rights sets out: The Union recognises and respects the entitlement to social security benefits and social services.

Article 151 TFEU sets the Union and the Member States shall have as objectives proper social protection and the combating of exclusion. Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the social security and social protection of workers, the modernisation of social protection systems and the integration of persons in the labour market.

12. <u>Healthcare and sickness benefits</u>

Population ageing and the high costs of treatments are putting increased pressure on the financial sustainability of health systems and the ability to provide adequate healthcare for all. High cost of treatment relative to income, or too long waiting periods have been shown to be key determinants in the inability to access medical care. Ensuring universal access to high quality care while guaranteeing the financial sustainability of health systems, encouraging the cost-effective provision of care, and encouraging health promotion and disease prevention requires increased efforts in improving the resilience, efficiency and effectiveness of health systems, and can improve the ability of healthcare systems to cope with the challenges. Providing universal access to healthcare and addressing health inequalities will reinforce social cohesion and improve economic outcomes. Arrangements for sickness benefits and/or paid sick leave vary considerably in what concerns waiting days, duration, replacement levels and control mechanisms. Securing an adequate minimum replacement level of sickness benefits and encouraging rehabilitation and reintegration while, simultaneously, maintaining the financial sustainability of such schemes remains a challenge.

- a. Everyone shall have timely access to good quality preventive and curative health care, and the need for healthcare shall not lead to poverty or financial strain.
- b. Healthcare systems shall encourage the cost-effective provision of care, while strengthening health promotion and disease prevention, in order to improve the resilience of healthcare systems and their financial sustainability.
- c. All workers, regardless of contract type, shall be ensured adequately paid sick leave during periods of illness; the participation of the self-employed in insurance schemes shall be encouraged. Effective reintegration and rehabilitation for a quick return to work shall be encouraged.

Article 35 of the Charter of Fundamental Rights sets out: Everyone has the right of access to preventive health care and the right to benefit from medical treatment under the conditions established by national laws and practices. A high level of human health protection shall be ensured in the definition and implementation of all the Union's policies and activities. Article 34 of the Charter of Fundamental Rights sets out: The Union recognises and respects the entitlement to social security... in the case of illness.

Article 151 TFEU sets the Union and the Member States shall have as objectives proper social protection. Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the social security and social protection of workers and the modernisation of social protection systems.

Article 168 TFEU sets out that a high level of human health protection shall be ensured in the definition and implementation of all Union policies and activities.

13. Pensions

Rising longevity and a shrinking working age population raise a double challenge of ensuring the financial sustainability of pensions and being able to provide an adequate income in retirement. Linking the statutory age to life expectancy and reducing the gap between the effective and statutory retirement age by avoiding early exit from the labour force are important for reconciling the long-term sustainability of public finances while maintaining inter-generational fairness. Pension inadequacy is an additional challenge in several Member States. A high gender pension gap also exists in most countries, with women's lower earnings and accumulated career gaps leading to lower pension contributions, and ultimately lower pension entitlements.

The self-employed and those in atypical employment also experience higher pension adequacy risks and lower coverage of occupational pensions.

- a. Pensions shall ensure all persons a decent standard of living at retirement age. Measures shall be taken to address the gender pension gap, such as by adequately crediting care periods. According to national specificities, the participation of the self-employed in pension schemes shall be encouraged.
- b. Pension systems shall strive to safeguard the sustainability and future adequacy of pensions by ensuring a broad contribution base, linking the statutory retirement age to life expectancy and by closing the gap between the effective retirement and statutory retirement age by avoiding early exit from the labour force.

Article 34 of the Charter of Fundamental Rights sets out that: The Union recognises and respects the entitlement to social security... in the case of old age...[and]... the right to social assistance for those who lack sufficient resources.

Article 151 TFEU sets the Union and the Member States shall have as their objective proper social protection and the combating of exclusion. Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the social security and social protection of workers, the combating of social exclusion, and the modernisation of social protection systems.

14. <u>Unemployment benefits</u>

Effective unemployment benefits succeed to allow job search and improve skills matching, provide economic security during unemployment spells, prevent poverty and allow automatic stabilisation in economic downturns. In some cases the coverage of unemployment benefits is very low due to strict eligibility requirements. The duration of benefits in some Member States, as well as the enforcement of conditions for job search and participation in active support are a concern.

a. Action to support the unemployed shall include the requirement for active job search and participation in active support combined with adequate unemployment benefits. The duration of benefits shall allow sufficient time for job search whilst preserving incentives for a quick return to employment².

² As set out in Principle 3 above.

Article 34 of the Charter of Fundamental Rights sets out: The Union recognises and respects the entitlement to social security benefits ... in the case of loss of employment...

Article 151 TFEU sets the Union and the Member States shall have as objectives proper social protection and the combating of exclusion. Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the social security and social protection of workers, the combating of social exclusion, and the modernisation of social protection systems.

15. Minimum income

Minimum income for persons in or at risk of poverty and lacking other means of subsistence is provided by most but not all Member States. However, current challenges include inadequacy of benefit levels making it impossible for beneficiaries to escape poverty, low coverage, and non-take-up of minimum income support due to complexity in accessing these arrangements. For those of working age, weak links to active support and social services, as well as benefits not tapered when re-entering employment, can lead to benefits traps and disincentives to work. Income security insufficiently covers those who exhaust their unemployment benefits, with weak coordination between unemployment and minimum income benefits. For the elderly, in most Member States minimum income provisions are insufficient in lifting those without any other resources out of poverty.

a. Adequate minimum income benefits shall be ensured for those who lack sufficient resources for a decent standard of living. For those of working age, these benefits shall include requirements for participation in active support to encourage labour market (re)integration.

Article 34 of the Charter of Fundamental Rights sets out: In order to combat social exclusion and poverty, the Union recognises and respects the right to social and housing assistance so as to ensure a decent existence for all those who lack sufficient resources.

Article 151 TFEU sets the Union and the Member States shall have as an objective the combating of exclusion.

Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the combating of social exclusion and the integration of persons in the labour market.

16. Disability

People with disabilities are much higher risk of poverty and social exclusion than the general population. They face the lack of adequate accessibility in the work-place, discrimination and tax-benefit disincentives. The design of disability benefits can lead to benefit traps, for example when benefits are withdrawn entirely once (re-)entering employment. The availability of support services can also affect the capacity to participate in employment and community life.

a. Persons with disabilities shall be ensured enabling services and basic income security that allows them a decent standard of living. The conditions of benefit receipt shall not create barriers to employment.

Article 26 of the Charter of Fundamental Rights sets out: *The Union recognises and respects the right of persons with disabilities to benefit from measures designed to ensure their independence, social and occupational integration and participation in the life of the community.*

Article 151 TFEU sets the Union and the Member States shall have as objectives proper social protection and the combating of exclusion. Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the social security and social protection of workers, the combating of social exclusion, and the modernisation of social protection systems.

17. Long-term care

Population ageing, changing family structures and women's increased participation in the labour market all contribute to the increased demand for long-term care services. Family carers, usually women, often fill the gap left by unavailable or costly institutional care services. Formal home-based care, although preferred by many beneficiaries and family members remains under-developed, making informal care is often the only option for many families, putting a high financial burden on those affected. Ensuring access to adequate long-term care services, while guaranteeing the financial sustainability of long-term care systems, thus requires increased efforts in improving the provision and financing of long-term care.

- a. Access to quality and affordable long-term care services, including home-based care, provided by adequately qualified professionals shall be ensured
- **b.** The provision and financing of long-term care services shall be strengthened and improved in order to ensure access to adequate care in a financially sustainable way.

Article 34 of the Charter of Fundamental rights sets out: The Union recognises and respects the entitlement to social security benefits and social services providing protection in cases such as...dependency.

Article 151 TFEU sets the Union and the Member States shall have as objectives proper social protection. Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the social security and social protection of workers and the modernisation of social protection systems.

18. Childcare

Childcare services improve the cognitive and social development of children, especially those living in disadvantaged households, and enhance educational and labour market prospects later on in life. Formal childcare is also a key tool for work-life balance, encouraging parental employment, especially for women. However, limited availability, access, affordability and quality remain major obstacles and hamper children's development. The access of children from disadvantaged backgrounds to these services also remains challenging.

- **a.** Access to quality and affordable childcare services, provided by adequately qualified professionals, shall be ensured for all children.
- **b.** Measures shall be taken at an early stage and preventive approaches should be adopted to address child poverty, including specific measures to encourage attendance of children with disadvantages backgrounds.

Article 24 of the Charter of Fundamental Rights sets out: Children shall have the right to such protection and care as is necessary for their well-being.

Article 151 TFEU sets the Union and the Member States shall have as objectives proper social protection. Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the social security and social protection of workers, the combating of social exclusion, and the modernisation of social protection systems.

19. Housing

Lack of adequate housing and housing insecurity continues to be a large concern across the EU, leading to increasing financial risk taking, evictions, arrears in rental and mortgage payments, and in some extreme cases, homelessness. Restrictions to supply in housing sector and rental market distortions are contributing to the lack of availability. Lack of adequate housing also remains a barrier for labour mobility, for the establishment of young people on the labour market and for fulfilment of life plans and independent living.

- a. Access to social housing or housing assistance shall be provided for those in need. Protection against eviction of vulnerable people shall be ensured, and support for low and medium income households to access home property provided.
- **b.** Shelter shall be provided to those that are homeless, and shall be linked up to other social services in order to promote social integration.

Article 34 of the Charter of Fundamental Rights sets out: In order to combat social exclusion and poverty, the Union recognises and respects the right to...housing assistance so as to ensure a decent existence for all those who lack sufficient resources...

Article 151 TFEU sets the Union and the Member States shall have as an objective the combating of exclusion. Article 153 TFEU sets out the Union shall support and complement the activities of the Member States' in the combating of social exclusion.

20. Access to essential services

Essential services, such as electronic communications, transport, energy (such as electricity and heating) and financial services (such as a bank accounts), which ensure the full social inclusion of people in society, as well as to ensure equal opportunities to access employment, are not always available or accessible to everyone in need of them. Barriers to access include affordability, lack of infrastructure, or failure to meet accessibility requirements for people with disabilities.

a. Affordable access to essential services including electronic communications, energy, transport, and financial services, shall be ensured for all people. Measures to support access to these services shall be available for those in need.

Article 151 TFEU sets the Union and the Member States shall have as their objective proper social protection and the combating of exclusion.