

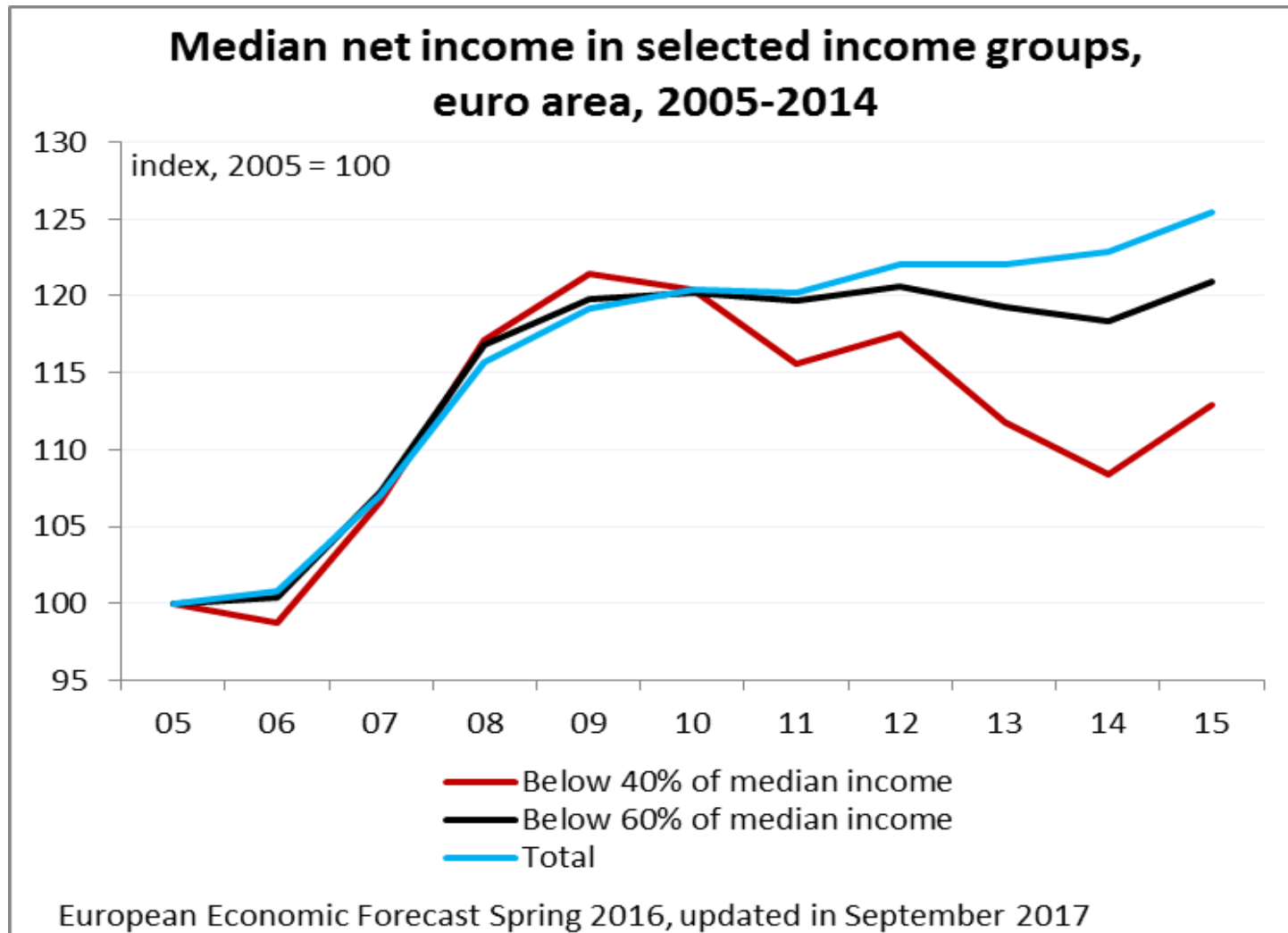
The European Pillar of Social Rights – towards “More Social Europe”?

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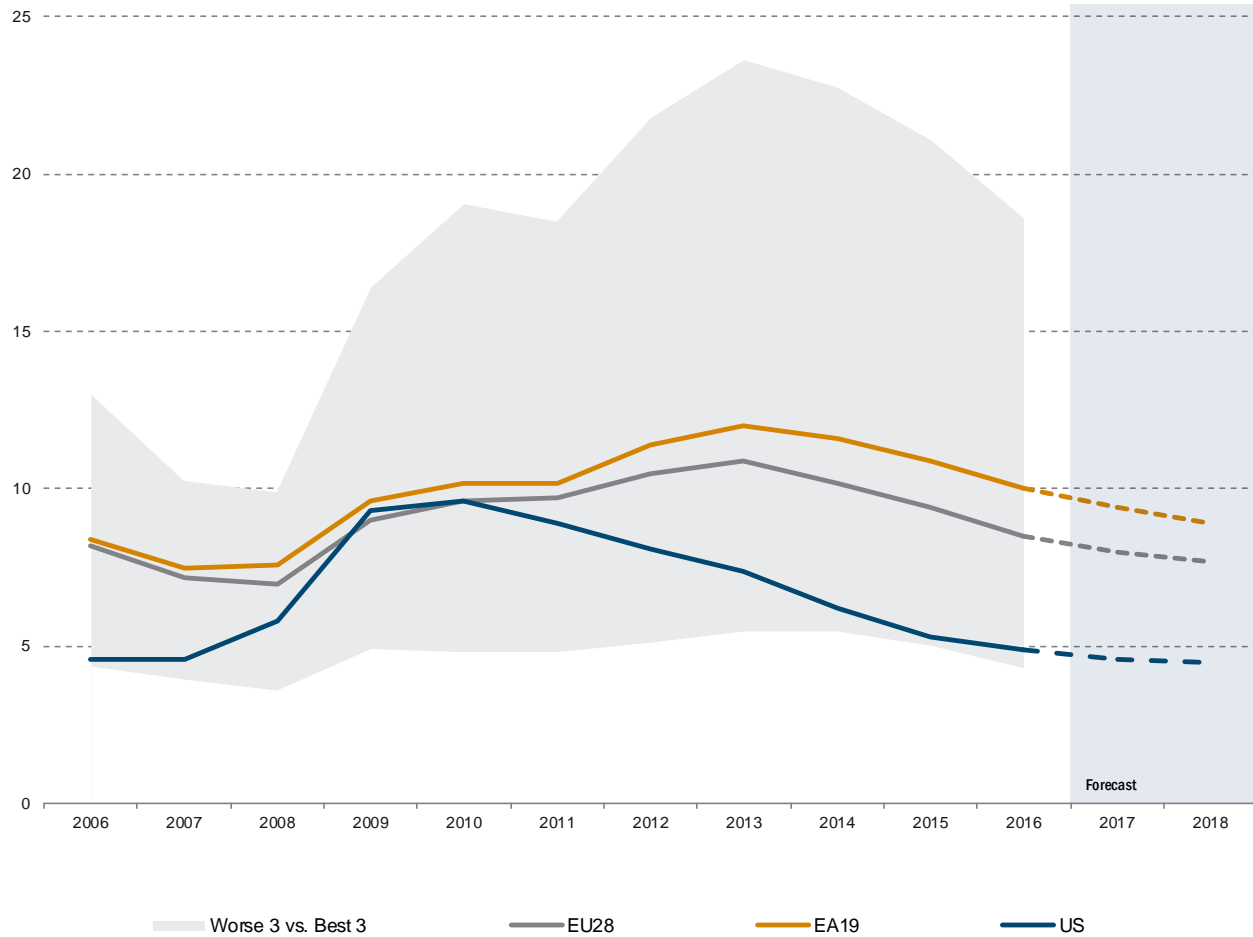
Structure of Presentation

- Pillar of Social Rights adopted in Gothenborg: Proclamation by Council, EP, Commission;
- Main social trends confronting Europe:
 - globalisation, digital revolution and ageing
 - inequality increasing (before and after crisis),
 - massive increase in divergence in crisis,
 - East West convergence too slow?
- Challenges for the EU and need for more Social Union?
- Pillar of Social Rights substance and implementation,
- Reflection: going beyond what is today on the table?

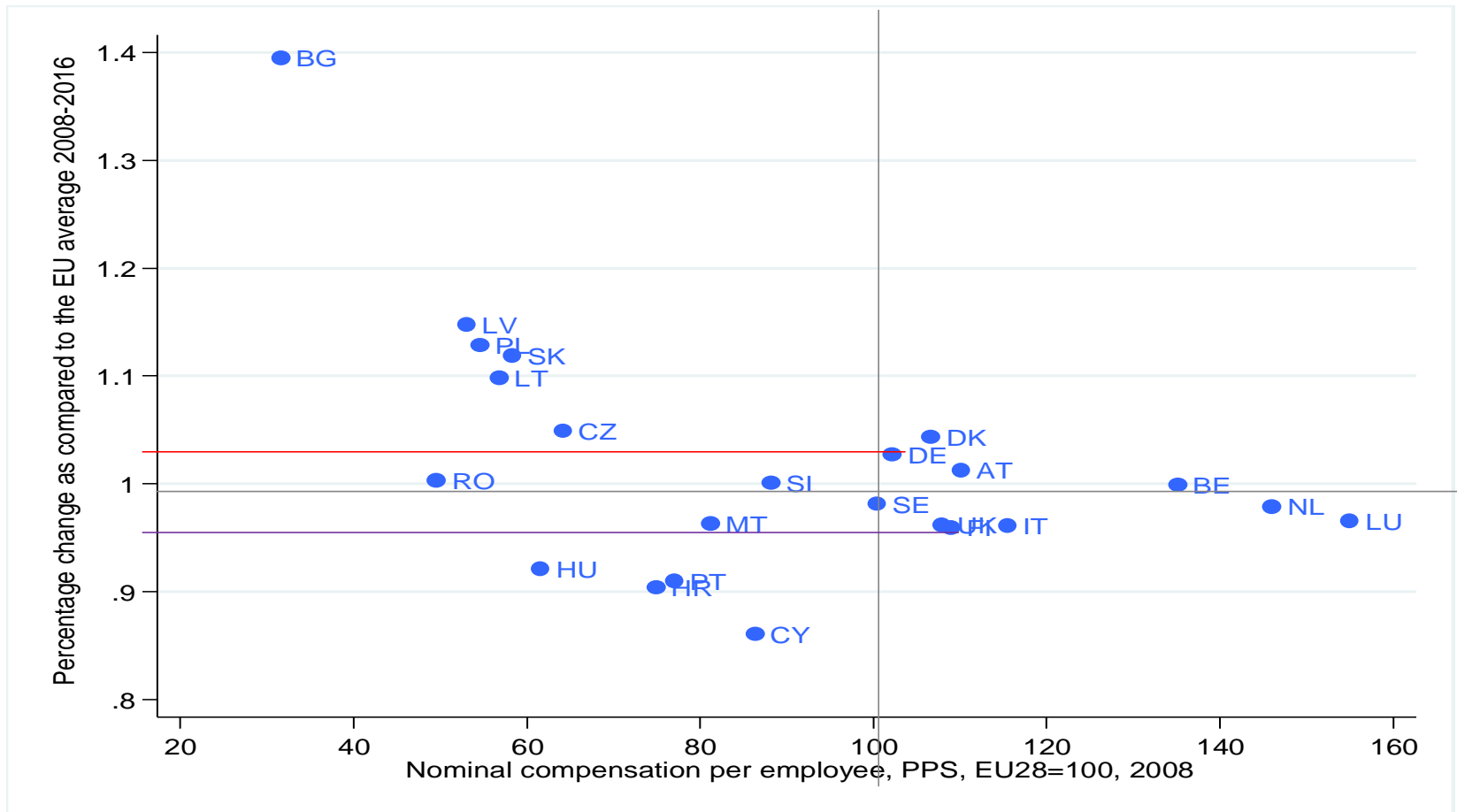
Low income groups suffer most in crisis and benefit last from recovery



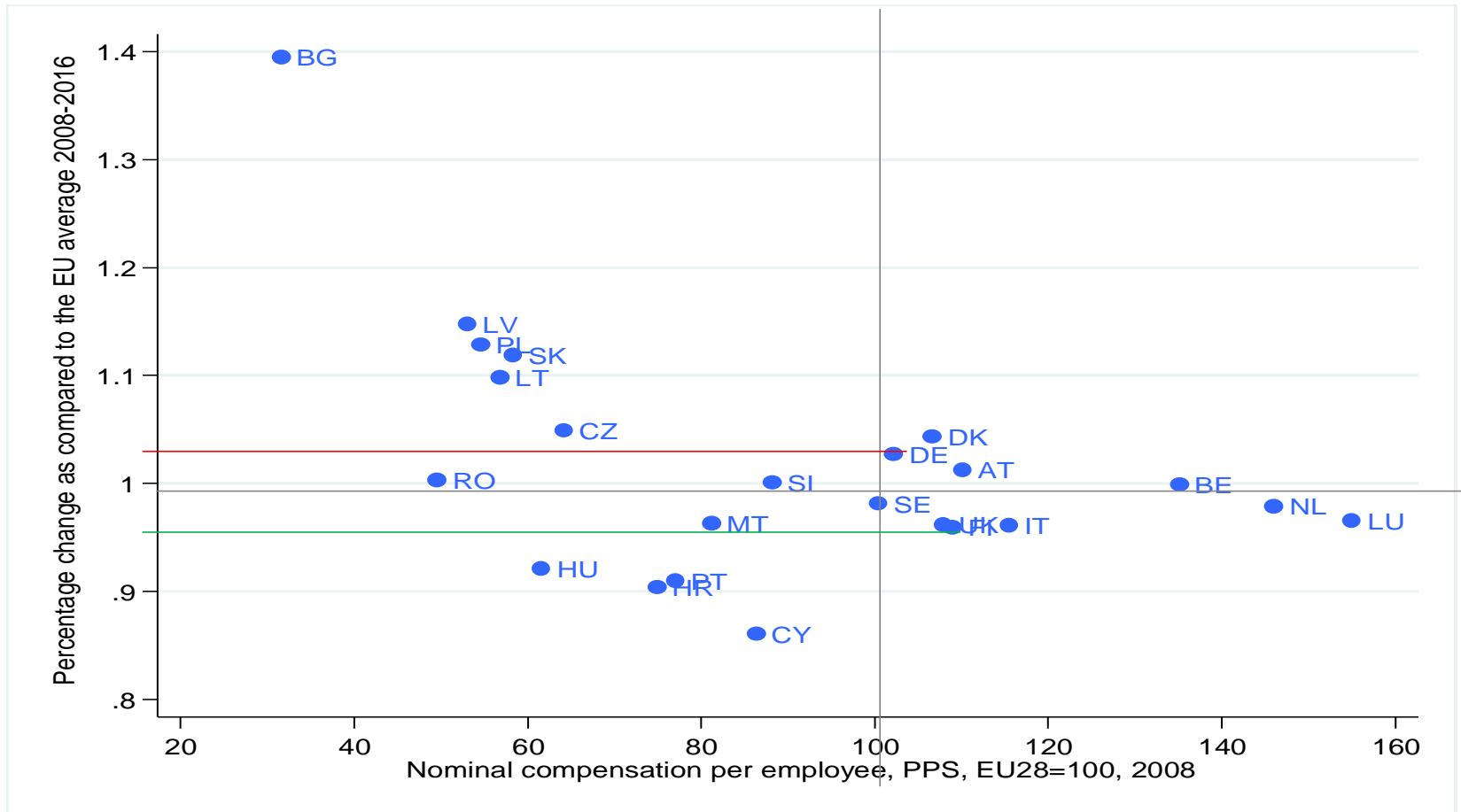
North South : Convergence followed by Explosion of Divergence



Wage convergence: nominal compensation PPS 2008 - 2016



East- West-Wage convergence: “damaging wage gap” (ETUC)



Luca Visentini: “the damaging wage gap .. that fuels social dumping”

Proclamation of the Pillar of Social Rights

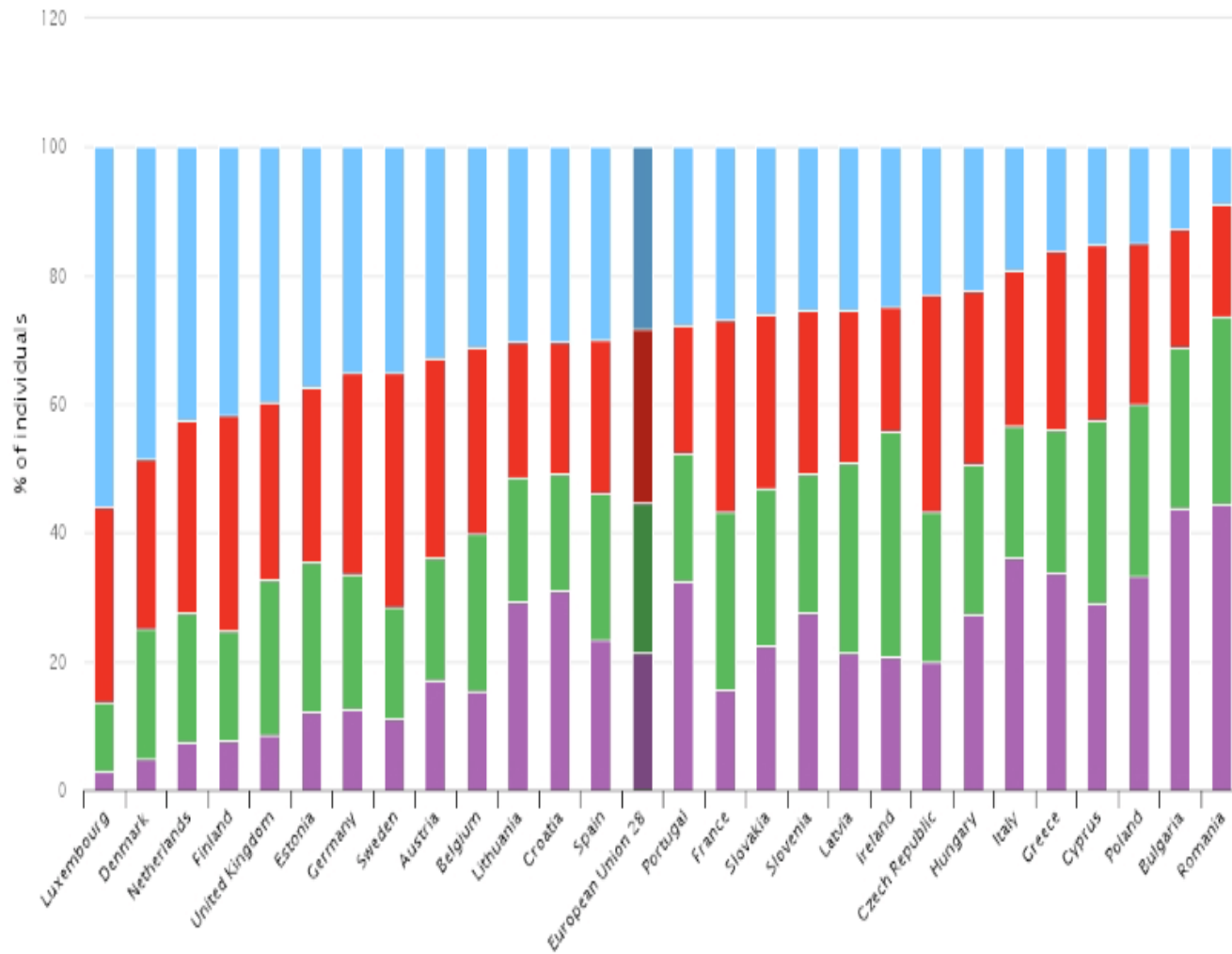
- 20 principles drafted as individual rights; a vision of a „Europe that cares not only for banks but also for workers and the disadvantaged“
- Commitment by all parties to implement in their area of competence (beyond Charta);
- Recognition of need for new EU legislative action; “.. adds new principles ..” to make “them legally enforceable require dedicated measures or legislation”,
- Implementation – a challenge ... Commission proposes three initiatives and a labour authority,
- Monitoring of implementation through refocused European Semester (scoreboard), benchmarking and (conditional funding) (*examples: digital skills, redution of inequality*)

Digital skills indicator (all individuals), by digital skills level

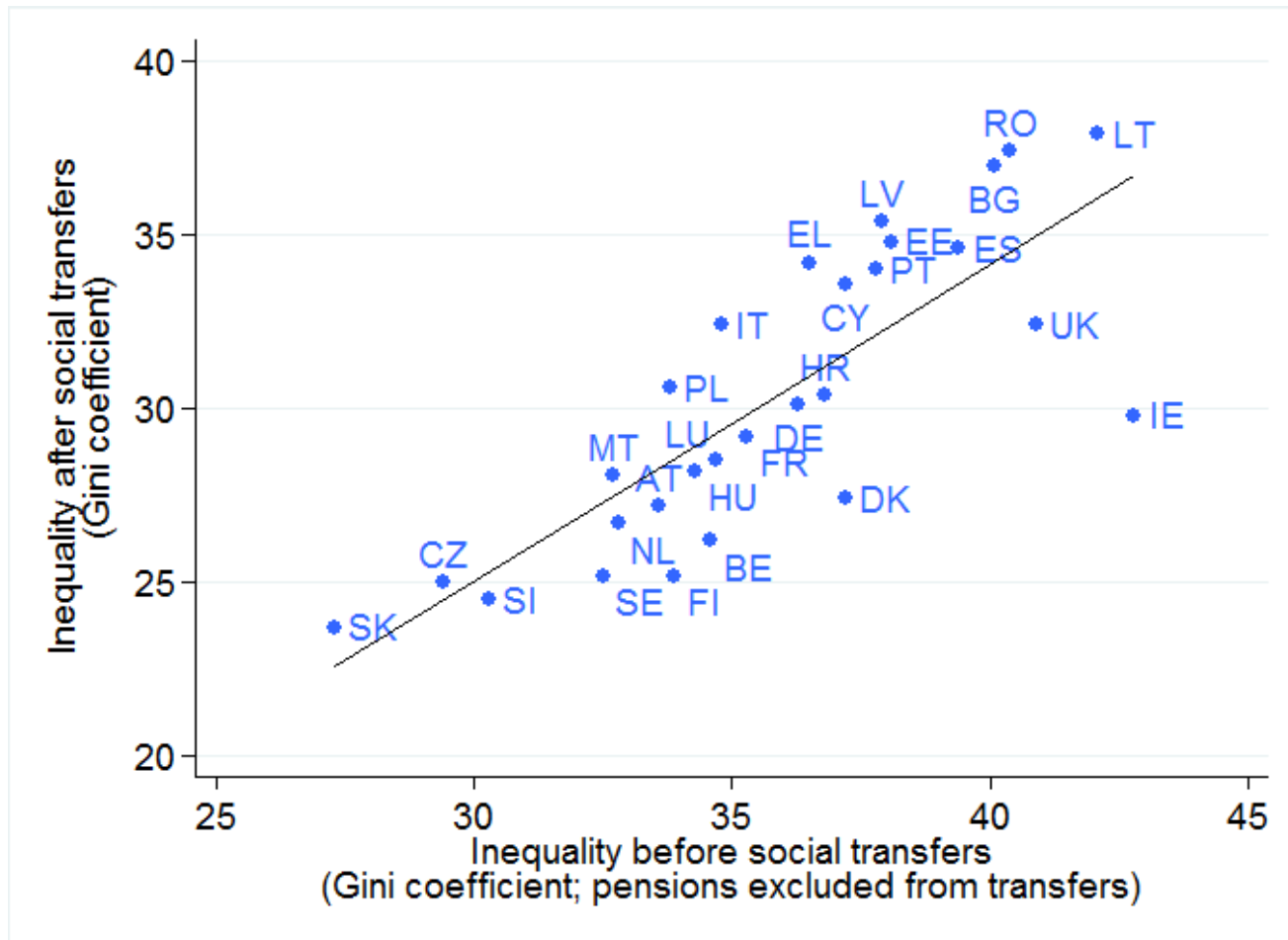
Year: 2015

Legend

- level: Above Basic
- level: Basic
- level: Low
- No digital skills



Inequality before and after transfers



Source: Labour market and wage developments in Europe
Annual review 2017. European Commission

Benchmarking and conditional funding

More rapid convergence in income and wages requires major reforms and investments in member states - principle set out goals but more needed than regulation of practices –

Benchmarking for encouraging reform in reshaped European Semester (Scoreboard)

Combined with conditional funding (not agreed but mentioned in several reports)

Transform structural funds many ideas around:

Target funds better, transparency in results, link effectively support to reaching milestones ...

How to avoid that conditionality excludes those that need funding most (countries, regions, people)?

Conclusion

- Yes there is a need for “More Social Union”,
- The old argument for EU not to be involved less valid as broad challenges are shared (global) and EU policies impact on social conditions;
- Pillar of Social Rights addresses these challenges with a vision of rights of workers and citizens in Union;
- Implementation decisive, first tests: new legal initiatives, labour authority, how real are the changes in policy coordination in the European Semester;
- Packages of policy coordination: agreement on goals and broad policy, assuring all sides of communality in approach – capacity development, funding (?);
- Greater use of solidarity to ensure social standards being applied in situations when they are most needed;