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Roadmap on a Social Europe: two years after Porto

European Parliament resolution of 11 May 2023 on a roadmap towards a social Europe — two years after the Porto Social Summit (2023/2586(RSP))

(C/2023/1072)

The European Parliament,

— having regard to the European Pillar of Social Rights (EPSR), solemnly proclaimed by Parliament, the Council and the Commission on 17 November 2017,

— having regard to the Commission communication of 4 March 2021 entitled 'The European Pillar of Social Rights Action Plan' (COM(2021)0102),

— having regard to the Porto declaration of the European Council of 8 May 2021,

— having regard to the Commission communication of 7 September 2022 on the European care strategy (COM(2022)0440),

— having regard to the Council recommendation of 8 December 2022 on access to affordable high-quality long-term care ([1]),

— having regard to the Council recommendation of 30 January 2023 on adequate minimum income ensuring active inclusion ([2]),

— having regard to its resolution of 15 March 2023 on adequate minimum income ensuring active inclusion ([3]),

— having regard to Rule 132(2) of its Rules of Procedure,

— having regard to the motion for a resolution of the Committee on Employment and Social Affairs,

A. whereas sustainable development is a fundamental objective of the EU; whereas the three interlinked pillars of sustainable development are the economic, the social and the environmental; whereas sustainable development is based, among other things, on full employment, social progress and fairness; whereas a key fundamental objective of the EU, as laid down in Article 3(3) of the Treaty on European Union, is to achieve a highly competitive social market economy, aiming at full employment and social progress; whereas the emphasis currently lies on economic and environmental sustainability;

B. whereas the EPSR was proclaimed in 2017 in Gothenburg, setting out 20 principles and establishing a social rulebook towards a strong social Europe that is fair, inclusive and full of opportunity in the 21st century; whereas at the Porto Social Summit in May 2021, the Council committed to three headline targets for 2030 on employment, training and poverty; whereas at least 78 % of the population between 20 and 64 years old should be in employment by 2030; whereas job quality and working conditions remain outside of the scope of this target; whereas at least 60 % of all adults should participate in training every year; whereas the number of people at risk of poverty or social exclusion should be reduced by at least 15 million by 2030 — 5 million of whom should be children; whereas according to the Organisation for Economic Co-operation and Development, the risk of downward mobility among lower middle-income households has risen in the last two decades and is expected to continue to increase ([4]); whereas the three headline targets do not cover the full implementation of the EPSR;

([1]) OJ C 476, 15.12.2022, p. 1.
([2]) OJ C 41, 3.2.2023, p. 1.
([3]) Texts adopted, P9_TA(2023)0076.
([4]) OECD, 'A Broken Social Elevator? How to Promote Social Mobility', OECD Publishing, Paris, 15 June 2018.

C. whereas the headline targets set out by the Commission have been implemented by the Member States for the past year; whereas the additional crises since the targets were decided have put additional pressure on reaching these targets; whereas five Member States have reached their national targets on employment, and half of the Member States have surpassed the 78 % target on employment; whereas however, projections show that not all Member States will reach the employment target by 2030 ([5]);

D. whereas the social economy is a key driver for the implementation of the EPSR and can actively contribute to achieving the headline targets by 2030;

E. whereas inflation at the EU level has increased the cost of living of median households by around 10 %, the incidence of material and social deprivation by around 2 % and the rate of energy poverty and absolute monetary poverty by around 5 %; whereas in selected Member States and among vulnerable groups, the corresponding welfare effects are expected to be several times higher; whereas this is likely to widen existing gaps in poverty and social exclusion across the EU ([6]); whereas Europe needs a new vision to become an innovative industrial location by 2050, especially in the context of the US Inflation Reduction Act and other similar investment plans from other non-EU countries;

F. whereas according to Eurofound, the target of 60 % in training courses (paid for by the employer) was not reached in any Member State in 2021; whereas the data also shows that those most in need of training (young people, those with lower levels of educational attainment and those in low-skilled occupations) benefited the least;

G. whereas the Commission presented a European care strategy in September 2022 and the Council adopted a Council recommendation on long-term care in December 2022 to implement principle 18 of the EPSR; whereas the COVID-19 pandemic has unveiled and highlighted the unsustainable working conditions of professional carers, the high burden on informal carers in the absence of formal care services and the high exposure of persons in need of care to infections, severe diseases and fatalities; whereas community- and home-based care have been shown to reduce the exposure of persons in need of care to infections; whereas in its 2021 report on long-term care, the Social Protection Committee revealed that long-term care needs increase the risk of poverty and social exclusion; whereas in the light of demographic developments, long-term care should be made more accessible and should ensure independence and quality of care, provide for sustainable working conditions and support informal carers;

1. Reiterates the importance of the adoption of the conclusions of the 2021 Porto Social Summit, which underline that we are still living in unprecedented times; notes that COVID-19 and the ongoing Russian war of aggression against Ukraine on our doorstep resulted in the cost of living and energy crises, which are hitting the most vulnerable groups in our society the hardest, leading to increasing inequalities; reiterates the importance of the EPSR as a guiding compass to a more social Europe and welcomes its action plan in this regard; calls on the Commission and the Member States to use social innovation as a key driver for addressing socioeconomic challenges and urges them to take into account Parliament's recommendation in its resolution on the EU action plan for the social economy ([7]); stresses, however, that the resulting headline targets for 2030 set out by the Commission and endorsed by the Council on employment, skills and poverty are insufficient to ensure its full implementation; highlights that the EPSR is a powerful tool to ensure that the European project can act as a strong shield to protect the health, safety and living conditions of its people; stresses that social dialogue, democracy at work and the right to collective bargaining are key to implementing the EPSR and to achieving upward convergence in living and working conditions across Europe;

2. Calls on the Commission and the Council to take measures to mitigate the impact of the crises on people and on Member State labour markets in order to keep employment rates and social contributions high through the creation of quality jobs; calls on the Commission and the Member States to improve the functioning of labour markets and to promote the integration of women, young people and vulnerable groups into the labour market; calls therefore on the Commission, the Member States and EU social partners to work towards a higher collective bargaining coverage of at least 80 % by 2030, with a view to improving living and working conditions in the EU, which will contribute to well-being at work and upward

([5]) European Commission, 'Commission welcomes Member States' targets for a more social Europe by 2030', 16 June 2022.
([6]) Menyhert, B., 'The effect of rising energy and consumer prices on household finances, poverty and social exclusion in the EU', Publications Office of the European Union, Luxembourg, 2022.
([7]) European Parliament resolution of 6 July 2022 on the EU action plan for the social economy (OJ C 47, 7.2.2023, p. 171).

social convergence and reduce in-work poverty, social exclusion and wage inequality; notes that in-work poverty needs to be tackled by ensuring decent wages; highlights the need to boost the uptake of upskilling and reskilling programmes to empower workers and strengthen competitiveness;

3. Welcomes the adoption of the Directive on adequate minimum wages in the EU ([8]) and the Directive on pay transparency ([9]); asks the Council to agree on a general approach concerning the directive for platform work ([10]) in order to improve workers' protection and working conditions in the platform economy and to create fair competition; welcomes the Commission's commitment to occupational health and safety in the workplace; highlights the need for further action to work towards the objective of zero deaths at work; welcomes the Commission's commitment to follow up with a legislative proposal after the adoption of Parliament's resolution of 2 February 2023 ([11]); welcomes the launch of a two-stage consultation of EU social partners;

4. Notes that, even with the Support to mitigate Unemployment Risks in an Emergency (SURE) instrument as part of the European unemployment reinsurance scheme, the economic fallout of the COVID-19 crisis has lasted longer than anticipated; highlights, however, that thousands of jobs were saved thanks to this instrument and that the shock to the labour market was less severe than expected; notes, in this regard, that this instrument should remain in use for the duration of the current exceptional situation and continue to be based on loans and quickly activated in the event of new external financial or economic shocks;

5. Is highly concerned about the overall erosion of middle-income groups in the EU, which are the backbone of our economies, key contributors to our national social protection systems and essential for the stability of our democracies, and therefore about economic polarisation, in particular the growing size of lower-income groups due to the economic downturn, adverse labour market developments and tax reforms adopted in recent years; calls, in this context, for an EU action plan to increase the size of and consolidate middle-income groups;

6. Welcomes the Commission communication entitled 'Long-term competitiveness of the EU: looking beyond 2030' aiming to rationalise and simplify reporting requirements by 25 % for each of the green, digital and economic thematic areas, and the Commission's presentation of a proposal for achieving this by autumn 2023; calls on the Commission to demonstrate this commitment swiftly, thereby improving the competitiveness of all undertakings in the EU, including small and medium-sized enterprises (SMEs), and enhancing the basic conditions for social justice and prosperity; recalls that SMEs are the backbone of our social cohesion;

7. Highlights the importance of reducing income inequalities and fighting poverty, as 21,7 % of the EU population in 2021 (95,4 million people) were at risk of poverty or social exclusion and calls for a commitment towards achieving the EU poverty target in this regard; recalls principle 14 of the EPSR, which states that anyone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life; reiterates the points outlined in its resolution of 15 March 2023 on adequate minimum income ensuring active inclusion;

8. Highlights that, in line with principle 15 of the EPSR, everyone in old age has the right to resources that allow them to live in dignity and that workers and the self-employed in retirement have the right to a pension commensurate to their contributions and ensuring an adequate income; believes at the same time that the Member States should ensure long-term income security, that minimum pensions are high enough to prevent poverty in old age and that women and men have equal opportunities to acquire pension rights and to close the gender pension gap; calls on the Member States to promote targeted incentives to facilitate a gradual transition to retirement, by, inter alia, supporting flexible working-time arrangements and making suitable adjustments to workplaces; reiterates the Porto Social Commitment's call on the Commission and the Member States to take measures to reinforce national social protection systems to ensure a life with dignity for all, while preserving the sustainability of these systems; highlights that the Commission could contribute to the creation of a UN convention on the rights of older persons;

([8]) Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union (OJ L 275, 25.10.2022, p. 33).

([9]) Proposal for a Directive of the European Parliament and of the Council of 4 March 2021 to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms (COM(2021)0093).

([10]) Proposal for a Directive of the European Parliament and of the Council of 9 December 2021 on improving working conditions in platform work (COM(2021)0762).

([11]) European Parliament resolution of 2 February 2023 with recommendations to the Commission on Revision of European Works Councils Directive (Texts adopted, P9_TA(2023)0028).

9. Calls on the Commission to swiftly follow up on the upcoming Parliament legislative-initiative report on quality traineeships in the EU; welcomes the European Year of Skills and highlights the importance of access to training and reskilling for workers, in particular in industries and sectors that need to undergo fundamental changes in order to achieve the green and digital transitions, ensuring no one is left behind; stresses the role of social partners in developing skills strategies for the green economy at every level in order to ensure that such training takes place without wage cuts and is considered to be working time, as well as to provide detailed information on the skills needed for the twin transitions; calls on the Commission to put forward a legislative proposal for a European social security pass to provide national authorities, such as labour and social security inspectorates, and social partners involved in labour and social security inspections with a real-time instrument to effectively enforce national and EU law;

10. Welcomes the Commission's commitment to presenting a proposal, by the end of 2023, on the creation of an EU disability card to be recognised in all Member States; welcomes the ongoing negotiations of the social partners on teleworking and the right to disconnect, with a view to putting forward a legally binding agreement implemented via a directive; calls on the Commission and the Member States to work towards the swift implementation of the European care strategy to support carers; calls on the Member States to implement the Council recommendation on affordable high-quality long-term care; welcomes the Commission's initiative to launch a comprehensive approach on mental health and reiterates its call for a directive on psychological risks and well-being at work;

11. Notes that, although many legislative and non-legislative initiatives have been initiated by the Commission, so far the EU has fallen short on fully implementing the EPSR; stresses the need to regularly review the action plan; stresses the need for further legislative action by the Commission and the Member States to ensure the EPSR's full implementation, with a specific focus on implementing principles 11 (childcare), 12 (social protection), 19 (housing) and 20 (essential services); underlines that the next EPSR action plan should be supported by an EU integrated anti-poverty strategy to tackle the multidimensional issue of social exclusion;

12. Calls for specific actions to be taken to ensure respect for the right to education and training for all, by guaranteeing high-quality training and paid educational leave for all workers;

13. Reiterates its call for the Council to adopt the horizontal non-discrimination directive ([12]), which has been pending since 2008, in order to fully implement principle 3 of the EPSR (equal opportunities) and the promises of the EU's founding Treaties with regard to equal treatment;

14. Recalls that principle 11 on childcare and support to children requires further action to break the generational cycle of poverty and to boost social mobility; believes that all children should have access to affordable, quality education and care services, in particular to early childhood education; reminds the Commission and the Member States about Parliament's repeated call to allocate more funding to the European Child Guarantee, with a dedicated budget of at least EUR 20 billion; calls on the Member States to present their national action plans and to ensure that they are effectively implemented and respond to the key principles of Council Recommendation (EU) 2021/1004 establishing a European Child Guarantee ([13]); underlines that the Member States should continue with the full roll-out of the reinforced Youth Guarantee;

15. Believes that periods of caregiving in which the carer shifts to part-time working arrangements or gives up paid employment should count towards their pension contributions ([14]);

16. Warns that, for the correct implementation of principle 12, adequate social protection needs to take into account ongoing trends, such as climate change, the digitalisation of the economy and demographic ageing, and needs to be expanded in order to cover the risks associated with the unequal impact of climate change and environmental degradation on different income groups and workers in different sectors, as well as the social consequences of the transformation of our

([12]) European Parliament position of 2 April 2009 on the proposal for a Council directive on implementing the principle of equal treatment between persons irrespective of religion and belief, disability, age or sexual orientation (OJ C 137 E, 27.5.2010, p. 68).
([13]) Council Recommendation (EU) 2021/1004 of 14 June 2021 establishing a European Child Guarantee (OJ L 223, 22.6.2021, p. 14).
([14]) European Commission, 'Final report of the High-Level Group on the future of social protection and of the welfare state in the EU', Publications Office of the EU, Luxembourg, January 2023.

societies towards climate neutrality; calls on the Commission and the Member States to propose a European action plan for social protection that will take into account the risks of social exclusion resulting from climate change and environmental decline; calls on the Member States to build on the Social Climate Fund and lay the foundations for the development of green social protection schemes at national level with EU support;

17. Welcomes the launch of the EU Platform on Combating Homelessness and stresses the need to secure EU support in order to deliver on its ambitions and targets under the Lisbon Declaration; highlights that, according to principle 19, access to social housing or housing assistance of good quality should be provided for those in need; urges the Commission to develop an ambitious action plan, in line with the principle of subsidiarity, to achieve accessible, green and affordable social housing to meet the housing needs of all EU citizens, and to eradicate homelessness by 2030; stresses in the current context, the need to put an end to energy poverty and the importance of banning disconnections during critical times for vulnerable households and energy-poor consumers; reiterates its call to adopt a 'housing first' principle to foster access to housing, and notes that said housing should be based on 'universal design' principles to ensure accessibility;

18. Expresses its concern about the lack of access to essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications for those in need (principle 20), as these services have come under additional stress; highlights that less developed regions, and rural and sparsely populated areas have been disproportionately affected, exacerbating the growing economic, social and territorial disparities across EU regions; urges the Commission to identify which stronger social provisions in Regulation (EU) No 360/2012 for services of general economic interest ([15]) are necessary and based on that assessment, to present a revision in order to improve access to water, sanitation, energy, transport, financial services and digital communications, as well as housing;

19. Reiterates its call for, in the light of the framework of the Green Deal industrial plan, EU funding, including State aid, to be conditional on public policy objectives, in particular social requirements, in order to offer high-quality jobs, promote collective bargaining, respect EU labour rights and standards and ensure improved working conditions; calls on the Commission and the Member States to enforce the social clause in the existing Directive on public procurement ([16]) and to consider a revision of the Directive, based on an impact assessment, in order to further strengthen social clauses in public contracts to require economic operators and subcontractors to fully respect the right of workers, including the right to collective bargaining, to account for the recently adopted Directive on adequate minimum wages in the EU;

20. Highlights the need to strengthen the social dimension of the European Semester and the implementation of the EPSR, especially in the light of the economic governance review; calls on the Commission to consider presenting an instrument for a social convergence framework in order to prevent social convergence risks, detect potential setbacks in the proper implementation of the EPSR and establish social targets; believes that social divergence risks should be included in the country-specific recommendations and taken into account when laying out fiscal adjustment paths;

21. Believes that, in order to make a fair and social Europe a reality and to ensure the highest levels of social protection in the green and digital transitions, it is necessary to ensure a sustainable, fair and inclusive Europe where social rights are fully protected and safeguarded to at least the same level as economic and environmental standards; stresses the need to take steps to reinforce the role of the EPSR, so that social aspects are put on an equal footing with economic and environmental ones, and to ensure that social rights in Europe are placed at the centre of the EU's forthcoming policies and that social convergence is one of the EU's top political priorities; notes that, consequently, social investment will be needed for the implementation of the EPSR in upcoming funding initiatives and the revision of the multiannual financial framework;

22. Reiterates its call on the Commission to revise the Directive on temporary agency work ([17]) in order to establish a legal framework to ensure decent working conditions and equal treatment for intra-EU seasonal workers and mobile workers on fixed-term contracts with temporary work agencies or any other type of labour market intermediary, including recruitment agencies, as promised by the Commission in the Porto declaration;

([15]) Commission Regulation (EU) No 360/2012 of 25 April 2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid granted to undertakings providing services of general economic interest (OJ L 114, 26.4.2012, p. 8).

([16]) Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65).

([17]) Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work (OJ L 327, 5.12.2008, p. 9).

23. Calls on the Commission to present a legal framework to anticipate and manage changes related to the green and digital transitions in the world of work, focusing first on the importance of safeguarding high-quality employment, by accompanying workers through labour market transformations and providing access to adequate training, and second, on the involvement of social partners in decision-making processes, including by promoting collective bargaining on the anticipation and management of change;

24. Reiterates the importance of a well-functioning and efficient European Labour Authority (ELA) and calls on the Commission to make use of the opportunity presented by the evaluation due 1 August 2024 to submit a legislative proposal to review the scope of the ELA's founding regulation ([18]) and realise its full potential, especially concerning the ELA's inquiry powers;

25. Reiterates the right to access human intervention and the right to not be subject to a decision based solely on automated processing, as stated in the General Data Protection Regulation ([19]); stresses the need for EU action to further incorporate the 'human in control' principle in the world of work and to regulate algorithmic management; calls on the Commission to consider a legislative proposal on artificial intelligence in the workplace;

26. Calls for the stronger integration of the EPSR action plan with related strategies, including the EU Roma strategic framework, the gender equality strategy, the strategy on combating homelessness and the anti-racism strategy;

27. Calls for the inclusion in the Treaties, in line with the conclusions of the Conference on the Future of Europe and with its resolution of 9 June 2022 on the call for a Convention for the revision of the Treaties ([20]), of a social progress protocol to guarantee that workers' rights, trade union rights and social rights are fully protected and safeguarded;

28. Instructs its President to forward this resolution to the Council and the Commission.

([18]) Regulation (EU) 2019/1149 of the European Parliament and of the Council of 20 June 2019 establishing a European Labour Authority, amending Regulations (EC) No 883/2004, (EU) No 492/2011, and (EU) 2016/589 and repealing Decision (EU) 2016/344 (OJ L 186, 11.7.2019, p. 21).

([19]) Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (OJ L 119, 4.5.2016, p. 1).

([20]) OJ C 493, 27.12.2022, p. 130.