

Delivering the European Pillar of Social Rights

Challenges and Opportunities

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Europe's social rulebook

"As we overcome the pandemic, as we prepare necessary reforms and as we speed up the twin green and digital transitions, I believe it is time to also adapt the social rulebook. A rulebook which ensures solidarity between generations. A rulebook that rewards entrepreneurs who take care of their employees. Which focuses on jobs and opens up opportunities. Which puts skills, innovation and social protection on an equal footing"

President Ursula von der Leyen

Headline Targets – EPSR Action Plan

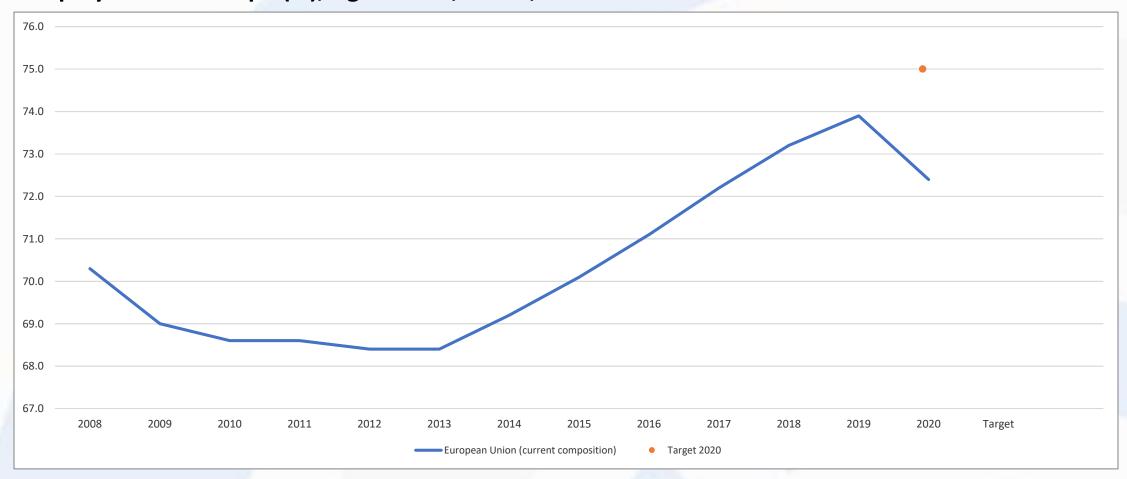
- at least 78% of the population aged 20 to 64 should be in employment by 2030;
- at least 60% of all adults should be participating in training every year by 2030;
- a reduction of at least 15 million in the number of people at risk of poverty or social exclusion.

Challenging context

- Failure to meet Europe 2020 targets on poverty and employment
- Financial crisis uneven recovery
- In 2020 EU had to confront:
 - 14.9m people unemployed of which 5.8m are long term unemployed
 - 84.5m people at risk of poverty including more than 18.7m children
- A strong European Social Model must deliver

Trends - Employment

Employment in Europe (%), Ages 20-64, EU-28, 2008-2020



Trends - Employment

- Europe 2020 strategy set a headline target that 75 per cent of 20-64 yearolds would be employed by 2020.
- EU was already on course to miss this target pre-pandemic.
- Significant variations in employment rates across the EU.
- Trend of increased temporary employment and part-time employment
- Youth unemployment remains challenging.
- NEET rate also very concerning.

Trends - Employment

EPSR Action Plan target - 2030:

- at least 78% of the population aged 20 to 64 should be in employment by 2030'.
- Specific sub-targets:
 - at least halve the gender employment gap compared to 2019;
 - increase the provision of formal early childhood education and care (ECEC);
 - decrease the rate of young people neither in employment, nor in education or training (NEETs) aged 15—29 from 12.6% (2019) to 9%;
 - Ensure labour market participation of other under-represented groups.

Europe 2020 Strategy targets:

- Reducing early school leaving rate to below 10 per cent;
- Completion of third level education by at least 40 per cent of 30-34 yearolds;
- An average of at least 15 per cent of adults (age group 25-64) should participate in lifelong learning.

- The average **early school leaving** rate across Europe in 2020 was 9.9 per cent marginally below 2020 target.
- Highest rates in Malta (16.7 per cent), Spain (16 per cent), Romania (15.6 per cent) and Italy (13.1 per cent).
- Young disabled people have an early school leaving rate of 23.6%.
- Progress is being made, but significant challenges remain.

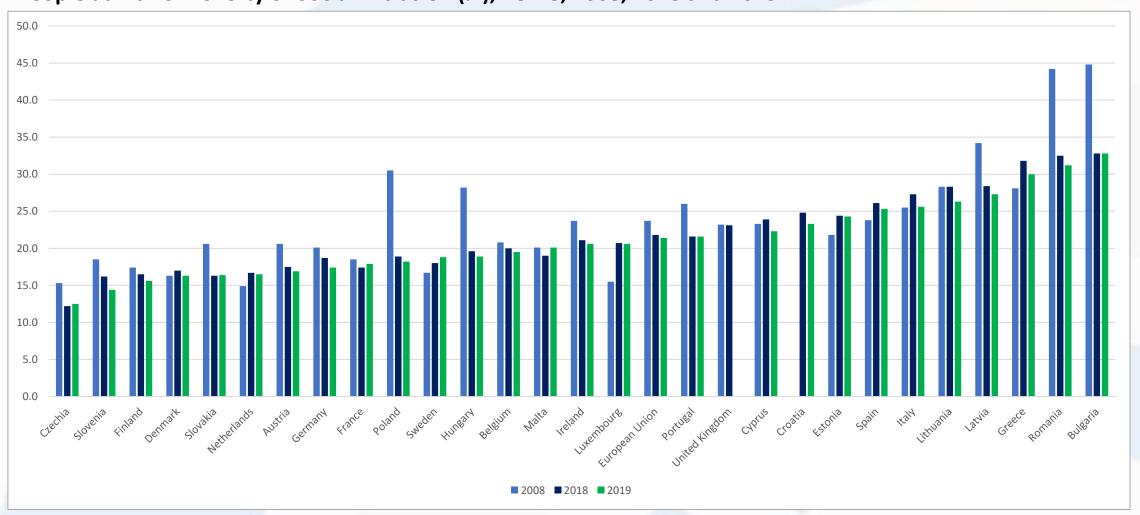
- In 2020, the EU-27 average for **completion of third-level education** was 41 per cent the Europe 2020 target has been reached.
- Luxembourg, Cyprus, Lithuania, Ireland, the Netherlands and Sweden all with rates at or over 50 per cent.
- Large disparities across EU and large gaps between Member States.
- Countries with the lowest rates of third level completion are Romania (26.4 per cent), Italy (27.8) and Hungary (33.2).

- In 2020 the average rate of participation in lifelong learning was 9.2 per cent far from the target of 15 per cent.
- Great variation across Europe in terms of the rates of participation.
- In 2020 the top three countries were Sweden (28.6 per cent), Finland (27.3 per cent) and Denmark (20 per cent).
- At the other end of the scale, the rate was lowest in Romania (1 per cent), Bulgaria and Slovakia.

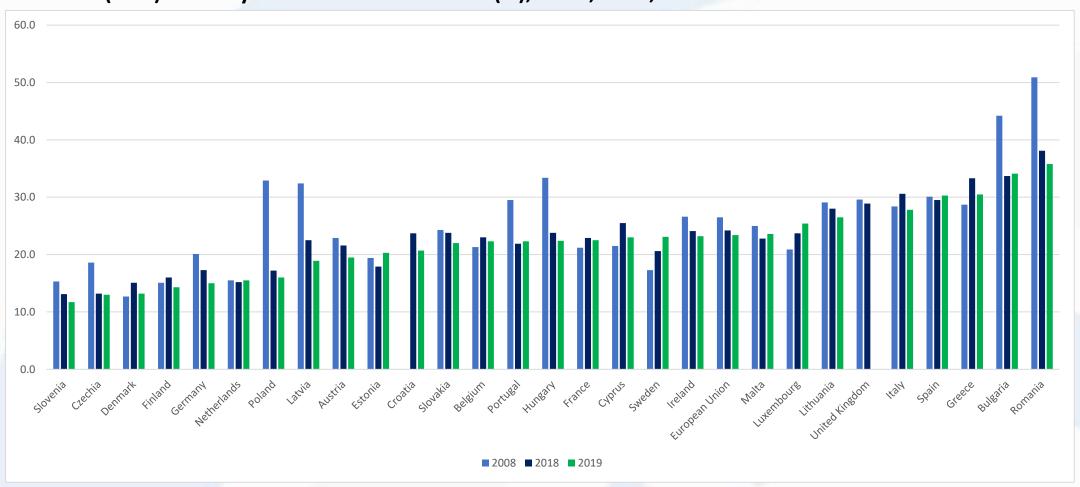
- The headline target for training in the European Pillar of Social Rights is that 'at least 60% of all adults should be participating in training every year by 2030'.
- There are also two sub targets set out in the Action Plan:
 - at least 80% of those aged 16-74 should have basic digital skills, a
 precondition for inclusion; and participation in the labour market and society
 in a digitally transformed Europe;
 - early school leaving should be further reduced and participation in upper secondary education increased.

- The Europe 2020 Strategy target was to reduce the number of Europeans living in or at risk of poverty or social exclusion by 20 million by 2020.
- The average rate for poverty and social exclusion in the EU still stands at 21.4 per cent in 2019 (more than one in 5 Europeans) amounting to over 107.5 million people.

People at Risk of Poverty or Social Exclusion (%), EU-28, 2008, 2018 and 2019



Children (u 18): Poverty or Social Exclusion Rate (%), EU28, 2008, 2018 and 2019



- The European Pillar of Social Rights Action Plan sets a target to lift 15 million people out of poverty or social exclusion, of which at least 5 million should be children.
- The Action Plan states that the focus on children will contribute to break the intergenerational cycle of poverty.

An opportunity to deliver social rights

The right to sufficient income

- Minimum wage
- Living wage
- Minimum income
- Basic income

The right to meaningful work

- Valuing all work
- Job Guarantee schemes
- Shorter working week

Policy proposals to deliver on 2030 ambitions

- Ensure greater coherence of European policy
 - integrate the SDGs and the European Pillar of Social Rights into the economic processes of the European Semester
 - Take greater account of social impacts when making Country Specific Recommendations
- Address inappropriate EU governance structures
- Advance proposals for a guarantee of an adequate minimum income or social floor in the EU
 - should include access to childcare, access to education and healthcare across member states
- Monitor and address poverty amongst groups such as children, young people, older people and working poor

Policy proposals to deliver on 2030 ambitions

- Focus on Youth Unemployment
- Support developments in the Social Economy
 - support from the EU for social initiatives would benefit both people in need of support and would be consistent with the Social Investment Package.
- Improve representation
- Structural Funds
 - bridge the gap between the economic and social dimensions of policy
- Adopt a Human Rights Strategy



Thank you