Moving forward on the European Pillar of Social Rights: Commission continues work on fair and predictable employment contracts

With this initiative, the Commission continues to roll out the European Pillar of Social Rights, aiming to create convergence between Member States towards better working and living conditions.

Valdis Dombrovskis, Vice-President responsible for the Euro, Social Dialogue, Financial Stability, Financial Services and Capital Markets Union said: "The role of the social partners is central for moving forward with the European Pillar of Social Rights. This is particularly the case when it comes to addressing challenges related to new forms of employment and providing adequate working conditions in atypical forms of employments. Clear rules and common fair employment standards can ultimately protect companies that provide workers with adequate information on their working conditions. The Commission is mindful of the need to balance essential protection for workers with companies' scope for job creation and labour market innovation. That is what our proposal is about".

Marianne Thyssen, Commissioner for Employment, Social Affairs, Skills and Labour Mobility, added: "Workers have the right to be informed in writing at the start of employment about their rights and obligations. But millions of Europeans working in non-standard contracts are uncertain about their rights. I want all workers across the EU to be clearly covered by the basic rules, independent of their employment status, be them IT platform workers or delivery people. Ensuring fairer and more predictable employment contracts is a basis for fair working conditions across the EU. This is what we strive for with the European Pillar of Social Rights, which I hope will be proclaimed at the highest political level during the Summit for Fair Jobs and Growth in Gothenburg on 17 November."

The Commission wants to broaden the scope of the current Directive on employment contracts (the so-called <u>Written Statement Directive</u>), extending it to new forms of employment, such as on-demand workers, voucher-based workers and platform workers, so that no one is left behind. The current rules should also be modernised, taking account of developments on the labour market in the past decades. By improving the timeliness and information that is given at the start of an employment contract, workers will be better aware of their rights, and therefore more able to enforce these rights. For employers, bringing the rules up to date will bring more legal clarity and certainty and will avoid unfair competition.

Social partners will be able to share their views on the envisaged updates of EU legislation on employment contracts until 3 November 2017. The Commission aims to present a legislative proposal before the end of the year.

Background

On 26 April 2017, the Commission presented the European Pillar of Social Rights in two legal forms with identical content: a Commission Recommendation, effective as of that date, and as a proposal for a joint proclamation by the Parliament, the Council and the Commission. The final outline of the European Pillar of Social Rights, consisting of 20 principles and rights which aim to achieve convergence towards better working and living conditions across the EU. Making a priority of delivering on the Pillar, the Commission presented in parallel a concrete legislative proposal, notably the proposal to improve work-life balance of working parents and carers, and launched the first stage of two social partner consultations — one to modernise the rules on labour contracts, and another one on access to social protection for all. From 26 April to 23 June 2017, social partners had the occasion to express their views on both topics. Now, the second stage consultation on the modernisation of labour contract rules has started, and the one on access to social protection will follow soon. This second stage consultation builds upon the outcome of the first phase discussions.

The Juncker Commission made a more social Europe one of its priorities from the very start, as reflected in its Political Guidelines of July 2014. In September 2015, on the occasion of <u>President Juncker's first State of the</u> Union, he said: "We have to step up the work for a fair and truly pan-European labour market. (...) As part of these efforts, I will want to develop a European Pillar of Social Rights, which takes account of the changing realities of Europe's societies and the world of work." In his most recent State of the Union address, on 13 September 2017, the President confirmed the Commission's commitment to move forward with the Pillar as an essential means to create a deeper, fairer and more social internal market: "If we want to avoid social fragmentation and social dumping in Europe, then Member States should agree on the European Pillar of Social Rights as soon as possible and at the latest at the Gothenburg summit in November. National social systems will still remain diverse and separate for a long time. But at the very least, we should work for a European Social Standards Union in which we have a common understanding of what is socially fair. Europe cannot work if it shuns workers."

The Social Summit for Fair Jobs and Growth will take place in Gothenburg, Sweden, on 17 November 2017. More information on the Summit can be found here.

For more information

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<u>Factsheet on the Social dimension of Europe</u> — overview of initiatives since the start of the Juncker Commission

Second stage consultation on the Written Statement Directive

Website on the European Pillar of Social Rights

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