

Remarks by Commissioner Thyssen at the European Semester Autumn Package press conference

Ladies and gentlemen,

Last week the European Pillar of Social Rights was proclaimed at the Social Summit in Sweden.

All European institutions and Member States will now be mobilised to deliver on a social Europe that improves perspectives for our citizens, our businesses, and our future generations.

We are not wasting time to make the Pillar a reality on the ground.

Already today, we are streamlining the Pillar in the European Semester to put it into practice.

The Annual Growth Survey confirms that the European Semester is the main instrument to support Member States in delivering on the Pillar.

Our draft Joint Employment Report reflects the Pillar ambition by assessing concrete results. It keeps track of Member States' performance on the Pillar principles in the new Social Scoreboard. We identified 14 indicators and for each indicator Member States get a mark, from best to worst performer. And we look at social and employment reforms recently implemented by Member States.

The Pillar will continue to guide us through the rest of the European Semester cycle:

- The Country Reports to be published in February will be guided and inspired by the Pillar.
- And the Country Specific Recommendations that we will propose in spring 2018, will identify the most urgent challenges in the Member States to deliver on the Pillar.

Today's results confirm that we have to seize the moment to continue putting social at the heart of our political agenda.

The economic expansion, which now has reached all Member States, is accompanied by steady improvements in the labour market and people's social situation. Although differences between countries remain enormous – for example the unemployment rate is around 3.5% in Germany and the Czech Republic, but over 17% in Spain and Greece – there are signs of convergence.

Unemployment is at 7.5% at the lowest level since November 2008. More than 235 million people are at work in the EU: the highest number ever. At the current pace of job creation we expect to deliver on the Europe 2020 target of 75% employment rate by 2020! This gives us more than ever room to invest

in the social dimension.

But at the same time we still NEED social investment:

- Investing in education and skills is key to have motivated citizens and workers that can take advantage of the current positive economic environment and the new world of work.
- Our society is ageing fast so Member States need to get more people into work to maintain growth also in the years to come.
- And we have to adapt our social protection systems to more diverse circumstances, especially in response to new forms of work.

Social challenges remain at stake:

- There is still slack in the labour market, with many people discouraged from looking for work or wishing to work more hours;
- Despite the improvements in the labour market, wage growth remains subdued in most countries. This could be because of the existing slack, but also due to poor productivity growth and low inflation expectations.
- Although household income is increasing everywhere, in a number of Member States it has not yet reached the pre-crisis level.
- The level of poverty has stabilised, but with 118 million people at risk of poverty or social exclusion, it remains very high.

More policy action is necessary. I therefore count on the support of all actors: Member States, social partners and regional authorities.

From the very start, we have launched the European Pillar of Social Rights as a common understanding of what social Europe is.

But a common understanding is only effective if we are fully committed to deliver on it – each at his or her level of competence.

I firmly believe that with this Semester Cycle, we have put another important brick to build the Pillar as the fundament of a more social, fair and future-proof Europe. Thank you.