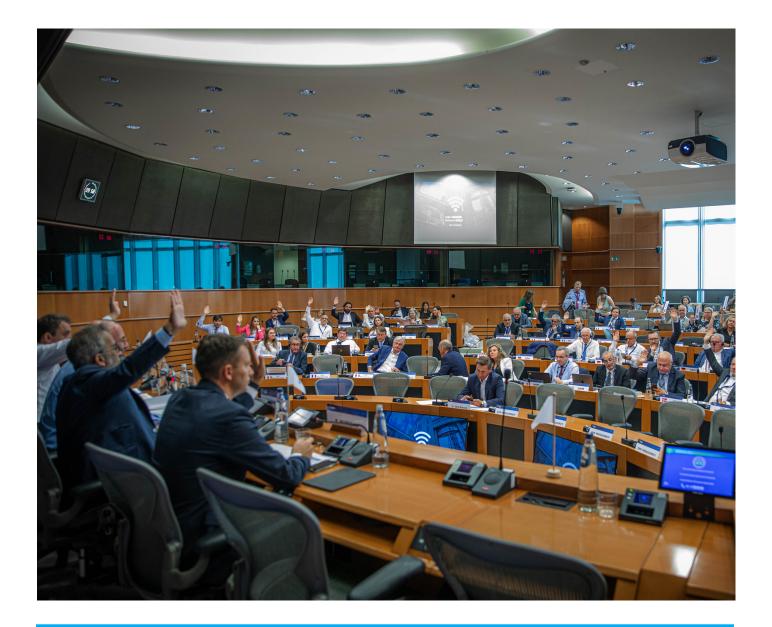


BRIDGE THE GAP: Our Social Agenda for All Europeans



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The EPP stands for both growth and social progress. The sustainability of the EU's unique **social market economy** is based on responsibility, solidarity, entrepreneurship, and sustainability. It depends on a competitive economy and a strong social agenda, led by Member States and supported where appropriate by European action. We believe our economy is at the service of all of us, not the other way around. We value the importance and dignity of work, both paid and voluntary. At the heart of EPP policy is our desire to ensure that **all Europeans – however young or old, wherever they live, whatever their work, both women and men** – can play a valuable role within society.

We want **future growth to be 'smart' and innovative, inclusive and fair:** allowing for both **competitiveness and social justice, which complement and do not antagonise each other.** We reject the concept of 'degrowth' and believe in sustainable growth that improves wellbeing and safeguards the EU's competitiveness, while reducing inequalities and poverty. **Our social agenda** highly respects individual choice, private ownership and entrepreneurship, as well as the principle of subsidiarity and the competences of the Member States.

We are aware that the **green**, **digital and demographic transitions demand** a lot from our citizens. We insist that these transitions must **leave no one behind** – and shape policy that does not leave the people, and especially our middle class, behind.

The EPP supports the **European Pillar of Social Rights:** for well-functioning and productive labour markets and fair welfare systems.

But our EU social agenda must be improved in the face of critical new transformations. Indeed, the aftermath of the COVID-19 crisis, the energy crisis, the continuing climate crisis, demographic challenges and the speeding up of digitalisation and platform work are challenging our living standards and living conditions, as well as our mental health. More action, respectful of Member States' competences, is needed to address these new challenges in a fair and proportional way and to continue the progress on the Pillar's principles.

The European SURE instrument to support Member States' short term work schemes has proved highly efficient for the purpose it served during the pandemic to provide a safety net and avoid mass lay-offs. The EPP Group has fully supported these measures, directed at the most impacted and vulnerable. We consider it worthwhile for Member States to continue their discussions on the lessons learned of such an instrument that could be quickly and temporarily activated without undue bureaucracy in the event of future exceptional economic and financial shocks.

Social cohesion

Europe's social cohesion is at stake. Poverty and social exclusion across the EU remain stubbornly high. The middle class is more and more under pressure. New forms of poverty, such as energy and transport poverty, are on the rise, impacting even those with good and stable jobs. These growing **inequalities** are unacceptable. The EPP considers the Council's adoption of a <u>Recommendation on adequate minimum</u> income timely which helps showcase possible ways to cover the basic subsistence needs and security for the most vulnerable.

Only we, the EPP, truly can bridge this gap. We are rooted in both big cities and rural areas. We value practical work as much as advanced degrees. And we know our societies can only thrive when all citizens can thrive – and when no group is excluded or marginalised.

The green and digital transitions cannot just benefit the happy few. The Green Deal will not work if it does not enhance European competitiveness, and create jobs and opportunities in Europe. It must support the most vulnerable (for example people with disabilities, and single parent families...) and the middle-class. It should be not only green, but also a good deal for Europeans. The productive sectors of our economy, chiefly our agriculture and industry, must be provided with the conditions to thrive and grow while embracing the transition. We need targeted measures and funding that reach those most in need in an effective manner, such as support to improve home climate performance through the Social Climate Fund, opportunities for people to improve or acquire digital skills through the Digital Europe Programme, or the European Social Fund+.

Access to affordable housing becomes more and more difficult in Europe: from North to South, East to West. Our policies must acknowledge that a house is not just brick-and-mortar, but first of all a home: a safe and stable place, and a base for building a life, as part of a community. We should take inspiration from best practices that ensure access to housing, especially for the young and families living in poverty or at risk of poverty, and for those who help foster the flourishing local community (such as nurses, police officers and teachers...). We welcome schemes whereby municipalities can allocate rental properties to those with economic, social or local ties, including those in critical sectors. We need to adapt our social planning and housing stock to demographic trends: in particular with a growing 'silver generation' – stimulating, for example, the creation of multi-generational housing.

To foster such appropriate and affordable housing, **we must remove obstacles to investment** in new construction and renovations; and we must speed up planning procedures, including through streamlining European legislation and lowering its administrative burden.

We need policies that ensure **our youth can flourish as a source of prosperity** and can hope for a better European future. The EPP supports the European Child Guarantee and national equivalents. Yet we are concerned to see that in Europe, **child poverty** increased again during the pandemic. We also remain concerned about the number of **young people in neither employment nor education or training** (NEET), who remain at higher risk of future unemployment and poverty.

We are also concerned that declining birth rates coupled with growing life expectancy may lead to imbalances in the labour market. We stand for **family-friendly policies** that help children get a better start in life and help parents find the right **balance** between work and family duties. The EU, Member States and social partners should therefore encourage and adopt **family-friendly measures**, such as opportunities for **teleworking**; temporarily reduced working hours, without significant pay cuts; and quality childcare and education. We must retain the lessons learned during the pandemic: for example for the **regulation of teleworking – without harming either employers or employees**.

An aging population and the desire of workers to stay in the workforce longer should encourage governments and employers to take advantage of the opportunities created by **cooperation between younger and older workers**, thereby securing a valuable **intergenerational transfer of know-how**.

Additionally, lawful and well-managed, regulated migration can be necessary to overcome increasing gaps on the labour market. However, illegal migration into the EU economic area must also be tackled, and the integration of legal migrants needs to be ensured in order to create acceptance for the need for qualified migrants within European society.

Future of work, work of the future

The future of work is at stake. The COVID-19 crisis did foster new ways to work, including from home, which we welcome, as this brings much-needed flexibility to the workplace. But these opportunities did not benefit all, and the needs of many key sectors, from food supply to nursing and numerous other services, would not qualify for remote working models. In addition, faster and more pervasive digitalisation and technological advances, such as generative artificial intelligence (AI), has awakened again the debate over how industrial revolutions impact our jobs. And while platform work offers much needed flexible solutions and can enhance European competitiveness, we need to combat bogus self-employment by ensuring a correct classification of the employment status of platform workers and independent contractors. Start-ups are free to use innovative work models, as long as they don't hamper fair competition or violate labour market rules. We want to make sure flexibility regarding working time and place of work is a matter of voluntary choice – not a violation of workers' rights.

In almost in all countries, **healthcare workers are severely undervalued and underpaid. Women** represent most workers in this sector, and yet they face a larger pay gap than in other economic sectors, being particularly penalised when they become **mothers**. This is an issue which should be eliminated thanks to a **multiple targeted action strategy**.

The EPP believes education is a key investment in our common future, and one of the key instruments for each individual's development and self-realisation. Equal access to education is also a vital component of a fair, balanced social system. Education has a positive impact on social cohesion and benefits well-being as well as growth. To remain competitive, Europe must make sure Europeans, and especially young people, have the **right skills** to find a job and bring their talents to fruition. We must **invest in people** and in **knowledge**: to keep up with the demands of the modern labour market, the needs of new industries and of global competition. Adult education – as a key part of lifelong learning, reskilling and upskilling – apprenticeships and dual vocational training all play a crucial role. It is therefore imperative to strengthen the cooperation between businesses, trade unions, workers representatives and providers of vocational education and training.

Strengthening EU education programmes and campaigns – while at the same time aligning training and education with the needs of the economy and of the society of the future, including the twin green and digital transitions – as well as investments in digital infrastruc¬ture and connectivity will all be needed and should be supported through EU programmes in the most cost-effective manner.

Workers' rights and decent working conditions must be guaranteed and respected by Member States across the EU according to workers' fundamental right to free movement. We call on Member States to ensure appropriate living conditions for **temporary workers** including posted workers and to respect their social rights and entitlements.

In order to support Member States in their efforts, we believe that the European Labour Authority (ELA) should have a strong mandate to ensure fair working conditions across the EU. We want to facilitate labour mobility and improve digital enforcement of social security rights across Member States by means of a European Social Security Pass.

European success with social consciousness

Economic and social policy are complementary parts of **Europe's social market economy**. We want a social market economy that works for all, that provides opportunities for all and that helps those who may be

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the most vulnerable while encouraging them, with the **right kind of support**, to achieve their best potential and to be given the confidence they need to thrive. **The social market economy and a strong social dialogue** are at the heart of our European economy and are key to decent working conditions and economic prosperity. While relevant initiatives of the Commission in this respect are welcome, more can be done by Member States in terms of additional support and by strengthening the role of social partners.

The EPP aspires to achieve **European success with social consciousness**: through pragmatic, real-life policies that support both **competitiveness and social justice**. Only in this way will we build a **Europe that delivers progress and prosperity for Europe's people**.



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If you have any question you would like to ask please contact us.