

European Pillar of Social Rights

20 principles need to better reflect the role of the employment industry

On 26th April 2017, the European Commission published a Recommendation on the European Pillar of Social Rights, including 20 principles. These are focusing on equal opportunities and access to the labour market, fair working conditions, social protection and inclusion. The World Employment Confederation-Europe welcomes these three dimensions and several of the 20 principles. The employment industry can provide an important contribution to these principles by enabling work, adaptation, prosperity and security. At the same time, the World Employment Confederation-Europe would have welcomed a stronger focus on changes that take place in the world of work, linked to new forms of work and digitalisation.

10th July 2017

Equal opportunities and access to the labour market

- Within a first section of the draft European Pillar of Social Rights, the Commission Recommendation focuses on equal opportunities and access to the labour market. The World Employment Confederation-Europe welcomes the focus on training, life-long learning, gender equality, equal opportunities and active support to employment.
- The employment industry in Europe can provide an important contribution to these dimensions by facilitating access to training, promoting equal opportunities and by providing tailored support to employment via cooperation with public employment services.

Fair working conditions

- A second chapter of the European Pillar of Social Rights centres on fair working conditions, covering secure and adaptable employment, fair wages, information on employment conditions, social dialogue, work-life balance and health and safety at work.
- The World Employment Confederation-Europe supports these general principles. The employment industry and its agency work activities indeed offer secure and adaptable employment based on the principle of equal treatment including derogations, fostering occupational, geographical and social mobility. The World Employment Confederation-Europe is concerned by the reference to “precarious working conditions” in the outline for the pillar, as any form of work that based on national labour law should be considered as decent and as a diversity of contracts contributes to well-functioning labour markets. With regard to social dialogue and wages, the World Employment Confederation-Europe aims to highlight the need to reflect the diversity of national traditions and practices in the 28 EU Member States

Social protection and inclusion

- The third section of the Commission Recommendation covers social protection and inclusion and includes childcare, social protection, unemployment benefits, minimum income, old age income, health care, inclusion of people with disabilities, long-term care, housing and assistance to homeless and access to essential services.
- The World Employment Confederation-Europe welcomes these general principles, while strongly advocating to respect the principles of subsidiarity and proportionality to take account of the diversity of situation in the EU Member States.

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1. General Assessment

- 1.1. The World Employment Confederation-Europe has welcomed the EU debate on a European Pillar of Social Rights and contributed to the stakeholder consultation, as well as to several conference and events organised in the preparation of the Commission Recommendation on the Pillar of Social Rights.
- 1.2. The World Employment Confederation-Europe represents the employment industry in Europe, covering agency work, direct recruitment, career management, recruitment process outsourcing and managed service provision. The World Employment Confederation-Europe is also EU Sectoral Social Partner for temporary agency work.
- 1.3. The employment industry is an important actor on the European labour market, enabling work, adaptation, security and prosperity. 68.000 agencies with 276.000 HR specialists provide services and support around 11 million individuals on the labour market. 9 million of these are engaged in agency work (including Managed Services Provision) and the agency work penetration rate in 2015 was 1.9%.
- 1.4. The World Employment Confederation-Europe supports most of the 20 principles presented by the European Commission Recommendation on the European Pillar of Social Rights. At the same time, the World Employment Confederation-Europe strongly calls for respecting the principles of subsidiarity and proportionality. In a European Union of 28 Member States, there cannot be a one-size fits all approach to employment and social policy, while certain principles are shared among all countries.
- 1.5. The World Employment Confederation-Europe regrets that developments linked to the changing world of work are insufficiently reflected and covered in European Pillar of Social Rights. Trends like demographic challenges, digitalisation and technology, new forms of work organisation and governance at work as well as shifting skills needs fundamentally change the world of work. It is in this context that the World Employment Confederation-Europe published recently a White Paper on the Future of Work,¹ offering an assessment of current and future trends and offering some policy recommendations. Linked to the process of digitalisation, the World Employment Confederation-Europe and its sectoral social partner UNI Europa recently launched a joint research project on "Online talent platforms, labour market intermediaries and the changing world of work", aiming to conduct a mapping exercise on new forms of intermediation and work. Results of the project will be made available mid-2018.
- 1.6. With this position paper, the World Employment Confederation-Europe aims to provide some general comments on the 20 principles included in the Commission Recommendation on the European Pillar of Social Rights. Specific position papers have been published on the Social Partners consultations on the Written Statement Directive and the Access to Social Protection.²

¹ The World Employment Confederation-Europe White Paper is available online: www.weceurope.org

² The contributions to the EU Social Partner consultations are available online: www.weceurope.org

2. Equal opportunities and access to the labour market

- 2.1. The World Employment Confederation-Europe fully supports the concept of equal opportunities and access to the labour market. The employment industry is a key player in improving access to the labour market, enabling work, adaptation, prosperity and security.
- 2.2. The World Employment Confederation-Europe endorses the principles in the pillar focusing on education, gender equality and equal opportunity, as the employment industry already provides an important contribution in implanting these principles.
- 2.3. With regard to skills enhancement and training, the employment industry offers training opportunities at the company level, via apprenticeships and dual learning and through bipartite training funds, which are established in 7 European countries. In France, € 340 million are invested in training just via bipartite training funds, offering training opportunities for 225,000 workers. In Italy, the bipartite fund invests € 220 million yearly to offer training to 224,000 workers. In several European countries, the employment industry contributes to dual learning by offering apprenticeships.
- 2.4. The employment industry is also actively engaged in offering support to the employment. This is done one the one hand by the career advisors and recruitment specialists in the agencies of the employment industry, but also in many European countries based on cooperation between public and private employment services, offering access to jobs, skills assessment, mentoring and coaching services.
- 2.5. To reach better functioning labour markets and enhance convergence in Europe, the World Employment Confederation-Europe calls for strengthening cooperation between public and private employment services and for enhancing dual learning and apprenticeships in the Member States.

3. Fair working conditions

- 3.1. The employment industry supports the focus in the European Pillar of social rights on fair working conditions. For the agency work industry, an essential part of the employment industry, these are defined at European level in the Directive 2008/104/EC on temporary agency work, as well as at national level by law and collective labour agreements. Common principles to ensure fair working conditions are the principles of equal treatment (including the option of derogations) and the need for appropriate regulation without any unjustified restrictions.
- 3.2. While the World Employment Confederation-Europe supports the concept of secure and adaptable employment, the employment industry has significant concerns with regard to the statement that "transitions towards open-ended forms of employment should be fostered". In a changing world of work, the labour market is increasingly characterised by a diversity of contractual arrangements and forms of work. Research from the World Employment Confederation-Europe shows that a significant part of workers has a real preference to work based on flexible contracts, either because they are studying, aim to combine professional and family life or based on individual choices. Also in a further section of the chapter on fair working conditions, the pillar refers to flexible forms of employment as being mainly in the interest of employers to adapt to the economic context. Here again, the need for certain groups of workers to opt for flexible contracts should be taken better into account.
- 3.3. The World Employment Confederation-Europe has strong concerns with regard to the reference to precarious working conditions and the abuse of atypical contracts. As the world of work is changing and becoming increasingly dynamic, any contract and form of work, which is established under national law, should be accepted, recognised and valued. National and European employment

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policies and labour market reforms should promote a diversity of labour contracts to combine effectively flexibility and security and meet the companies and workers' needs.

- 3.4. The World Employment Confederation-Europe supports the principles of fair wages, information on employment conditions and social dialogue. For all three dimensions, it is, however, essential to respect the different national models and traditions, thus there is no one-size fits all approach to these elements of the pillar.
- 3.5. The employment industry furthermore welcomes the focus on an appropriate work-life balance and the recognition that flexible working arrangements play an important role in this context. The employment industry does play an important role in offering flexible and secure working arrangements, which meet the needs of young parents. Legislative and regulatory approaches in this area should, however, take account of national differences and respect the important role of social partners in this field.
- 3.6. Finally, the World Employment Confederation-Europe fully supports the principle of health and safety at work and the right to data-protection. With respect to health and safety at work, a best practice has been established within the employment industry in Belgium, where the bipartite body "Prevention & Interim" focuses on promoting health and safety at work within the employment industry.³

4. Social protection and inclusion

- 4.1. The chapter III of the draft Pillar of Social Rights focuses on Social Protection and inclusion. While the World Employment Confederation-Europe supports adequate social protection and inclusion, most principles listed in this section fall within the responsibility of public authorities in the Member States. This is certainly the case for childcare and support of children, minimum income, old age income and pensions, healthcare, inclusion of people with disabilities, long-term care and housing support for the homeless and access to essential services.
- 4.2. In 2014/2015, the World Employment Confederation-Europe and UNI Europa conducted a joint project in the framework of the European, sectoral social dialogue, comparing agency work with other forms of employment. The research focused on the level of regulation, social dialogue, access to skills enhancement and training and the contribution of these forms of employment to the well-functioning of the labour market.⁴ The research concluded that agency work offers a comparable level of protection as permanent contracts. With regard to access to training, agency workers in several European countries have even a more favourable position due to the bipartite training funds.
- 4.3. Within the employment industry, systems have been established to ensure the transferability and portability of rights, focusing on access to training, complementary pension rights and social benefits. The World Employment Confederation-Europe considers these examples to be best practices, which should form a reference point for other sectors and industry.

³ More information is available on: <http://www.p-i.be/fr/>

⁴ The results of the project are available on the World Employment Confederation-Europe website: www.weceurope.org

Bipartite funds in European countries offer extra social protection to agency workers

	Social benefits	Training	Healthcare Schemes (complimentary) Health & Safety at	work	Inclusion & coaching	Pension (third pillar)
AT	SWF	SWF				
BE	Fonds Social	Fonds Social		Pi		
FR	fastt	FAF	REUNICA		fspi	REUNICA
IT	ebitemp	FE				fontemp
LU		fsi				
NL	sft	STOOF		Werkloosheidsbijdrage		StiPP
CH	swisstempfamily	swisstempfamily		swisstempfamily		swisstempcomp swisstempfamily

4.4. More sensitive is the principle on social protection, calling for protection regardless of the type or duration of their employment relationship, which shall, according to the Commission proposal, also cover self-employed under comparable conditions. Given the fact that self-employed work under a different regulatory and organisational framework, it is to be questioned whether self-employed should be covered by general social protection schemes. Focus should instead be laid on fighting bogus-self-employment.

About the World Employment Confederation–Europe: The World Employment Confederation–Europe is the voice of the employment industry at European level, representing labour market enablers.

With 30 countries and 7 of the largest international workforce solutions companies as members, the World Employment Confederation–Europe is fully representative of the industry, both in size and diversity. It brings a unique access to and engagement with European policymakers (EU Commission, European Parliament, and Council) and stakeholders (trade unions, academic world, think tanks).

The World Employment Confederation–Europe strives for a recognition of the economic and social role played by the industry in enabling work, adaptation, security and prosperity in our societies. Its members provide access to the labour market and meaningful work to more than 11 millions of people in Europe and serve around 1,5 million organisations on a yearly basis.

