Employment and social policies of the euro area 2020

2020/2079(INI) - 22/10/2020 - Text adopted by Parliament, single reading

The European Parliament adopted by 466 votes to 182, with 32 abstentions, a resolution on employment and social policies of the euro area in 2020.

The EU has entered the deepest economic recession in its history. According to economic forecasts for the summer of 2020, the EU's GDP is expected to contract by around 8.3% and that of the eurozone by 8.7% in 2020. The COVID-19 crisis has resulted in a symmetrical shock affecting all Member States and in particular touching more than 109 million citizens who were already at risk of poverty before the pandemic. The crisis is expected to increase existing inequalities requiring a coordinated European response to ensure social and territorial cohesion.

New policy strategy

Members called on the Commission to develop a political strategy to replace Europe 2020 which aims to eradicate poverty, bringing together key instruments such as the European Green Deal, the European Pillar of Social Rights and the European Semester with a longer-term vision of an economy of well-being and the sustainability of our environment and social models, in line with the UN Sustainable Development Goals (SDGs).

Member States, regardless of their membership of the euro area, are urged to better implement the country-specific recommendations issued by the Commission to promote social inclusion and strengthen social rights, and to achieve full and quality employment and a socially just transition.

Parliament welcomed the Member States' decision to activate the general escape clause to ensure greater flexibility to take measures to support the health of European citizens, support civil protection systems, safeguard jobs and support a robust recovery. It called on Member States to make full use of this fiscal flexibility to mitigate the social consequences of the crisis, strengthen social protection systems and finance quality jobs, public services, the fight against poverty and green transition.

Member States are invited to: (i) implement job retention measures and promote flexible working arrangements in order to preserve jobs; (ii) invest in active labour market policies, education, training and lifelong learning and make full use of EU funding instruments to prevent long-term unemployment, especially in regions with severe disadvantages.

Recovery plan

Parliament stressed the importance of a sound and responsible budgetary procedure and called for increased investment in response to the health crisis, particularly in the education, social and health care systems. It called for the 'Next Generation EU' recovery plan to be implemented with a balanced approach between the green and digital transitions.

It called for ensuring that companies receiving public financial support protect workers, guarantee decent working conditions, respect trade unions and applicable collective agreements, pay their share of taxes and refrain from buying back shares or paying bonuses to managers or dividends to shareholders.

Pay greater attention to vulnerable groups

Parliament stressed that the crisis will have a considerable impact on social conditions, affecting in particular women, low-income households and families, the elderly, minority groups and other vulnerable groups, increasing inequality, precariousness, poverty, unemployment and social disparities while undermining social and employment standards in Europe.

It stressed the need to protect young people, workers with precarious working conditions, atypical or temporary contracts, the low-skilled, part-time workers and involuntary self-employed, and platform and migrant workers are most at risk of losing their jobs and falling into poverty. Many workers in essential occupations in the frontline response to the COVID-19 pandemic belong to these vulnerable categories.

The Commission has been invited to present a European child guarantee in 2020 with concrete objectives.

Parliament also stressed the importance of:

- strengthening the Youth Guarantee with a special focus on quality employment with decent remuneration;

- ensuring decent minimum wages above the poverty threshold for all workers through collective agreements or national law;

- promoting access to public, solidarity-based and adequate retirement pensions for all employed and self-employed workers above the poverty line;

- establishing guidelines and regulations on teleworking at European level;

- implementing policies that aim to restore job security by guaranteeing social protection for all types of workers, including in the event of dismissal;

- strengthening the implementation of anti-discrimination legislation, policy and practice;

- adopting a comprehensive and long-term European strategy for people with disabilities for the post-2020 period.

Lastly, Parliament called for the creation of a European Health Union and to place public health considerations at the core of the definition and implementation of all EU policies and activities.