



Consultation on the Action Plan on the European Pillar of Social Rights

Executive Summary

Strengthening social rights in the EU is an essential goal for substantially improving working and living conditions. This approach is also vital for achieving the social goals outlined in the EU Treaties and is crucial to maintaining and strengthening the trust of EU residents in European Union institutions.

The most important points in brief

- A **coherent governance framework** is needed to coordinate the **implementation of the Pillar of Social Rights** and the attainment of the **EU's 2030 social targets**. These social targets should be expanded.
- The implementation of the Pillar of Social Rights must be embedded in a broader framework in order to coordinate the necessary **social and ecological transformation** towards a climate-neutral and socially just economy. This includes a new **EU investment fund** as well as reforms in **economic governance** to counteract pressure on social budgets.
- Ambitious and effective **EU minimum social standards**, along with their uniform application, are essential. New minimum social standards should initiate concrete progress, **particularly in the following areas**: education and training, algorithmic management, health and safety at work, gender equality, a 'just transition', combating wage and social dumping, unfair employment contract clauses, unemployment insurance and minimum income schemes, a European Job Guarantee, healthcare professions and live-in carers as well as public procurement.

AK's Position

Need for a coherent framework to implement the Pillar of Social Rights

In the first Action Plan for implementing the European Pillar of Social Rights (EPSR), published in 2021, the European Commission set out 75 measures for creating a more social Europe. Moreover, it defined three headline targets to be achieved by 2030 in the areas of employment, training and poverty reduction, as well as several sub-targets. While it should be noted that several EU social policy acts have been introduced in recent years, bringing progress in EU legislation, it must be pointed out that, with regard to the principles of the European Pillar of Social Rights, **there is still considerable need for action.**

First and foremost, there is **no coherent and coordinated governance framework** within which systematic efforts could be made to achieve the progressive principles of the Pillar of Social Rights. There is a lack of comprehensive analyses of which measures are required, considering that both the EU overall and its Member States are far from living up to the demands of the EPSR in many areas. Furthermore, there is currently no coherent framework within which to coordinate the measures needed to achieve the EU's 2030 social targets. Several Member States – including Austria – are presently very far from achieving these targets. The EPSR's **'Social Policy Scoreboard'** currently contains hardly any indicators on job quality, even though 'Fair working conditions' is one of the three chapters of the European Pillar of Social Rights. It should therefore be expanded. It is clear that the quality of jobs is multi-faceted and cannot be measured by a single indicator. In addition to several appropriate sub-indicators, an index indicator can provide valuable insights into job quality. An example of good practice in measuring job quality is the ['Work Climate Index'](#), which has been compiled on behalf of the Upper Austria Chamber of Labour since 1997 and contains a tried and tested set of questions on the work climate in Austria (AK OÖ n.d.: [Der Österreichische Arbeitsklima Index](#) [*The Austrian Work Climate Index*]). Moreover, the work of the European Trade Union Institute (ETUI) on the European Job Quality Index also provides a valuable basis for the further development of data monitoring at EU level (Piasna 2023: [Job quality in turbulent times](#)).

Furthermore, analyses of the development of the relevant indicators must also form the basis for transparent target tracking and evidence-based measures. We support the European Economic and Social Committee's call to include a target on **job quality in the EU's 2030 social headline targets** (EESC 2025: [New Action Plan on the implementation of the European Pillar of Social Rights](#)). Moreover, the 2030 targets should also include a **target value for reducing the proportion of people with only compulsory education qualifications.** Achieving the EU's 2030 social targets should be supported with adequate EU funding. It is essential that these indicators and targets are taken seriously – corresponding progress and setbacks must be analysed consistently and transparently **in reports at national and EU level.** In addition, in order to strengthen social objectives a **'Social Progress Protocol'** should be enshrined in EU primary law, stipulating that, in case of doubt, fundamental social rights take precedence over market freedoms and competition rules.

Embedding the Pillar of Social Rights within the necessary social and ecological transformation

A key issue in the implementation of the EPSR is its **funding** and the still **unresolved question of the investment gap** in the EU. It is currently a matter of great concern that, in the context of the negotiations on the Multiannual Financial Framework, plans exist to bundle hitherto independent budget lines and reallocate among other social-policy funding such as the **ESF+** for defence purposes. The diversion and reallocation of funds for social purposes such as education and training must be rejected. It should be noted that EU Commission President von der Leyen announced a significant increase in funding for the **Just Transition Fund** last year. An increase in funding is to be warmly welcomed; however, there is a need to extend the scheme to all regions and to make it a permanent instrument. With the expansion of emissions trading to the building and energy sectors, fossil fuels will become more expensive in the coming years, which is to be cushioned by the **Social Climate Fund.** Here, too, sufficient funding must be ensured to prevent the spread of energy and mobility poverty, which would hinder the achievement of the EU's 2030 social targets. However, overall it should be noted that these are

individual measures with a rather limited scope of application, which on their own are not capable of fulfilling the promise of ‘leaving no one behind’.

The Action Plan for implementing the EPSR must also address the issue of **financing the necessary social and ecological transformation** towards a climate-neutral and socially just economy. Public investment, both at European and national levels, should fund **the necessary transition** to a large extent. This will require additional investment of at least 1% of the EU’s economic output per year (Heimberger and Lichtenberger 2023: [A Permanent EU Investment Fund in the Context of the Energy Crisis, Climate Change and EU Fiscal Rules](#)). In this context, an EU investment fund jointly financed through Eurobonds is needed as an appropriate successor to the **Recovery and Resilience Facility**, which expires at the end of 2026.

In addition, a far-reaching **overhaul of economic governance** is needed. With regard to the Stability and Growth Pact, the European Commission is currently sending out one-sided signals that do not do justice to social and environmental challenges. This refers to EU Member States being now allowed to suspend the restrictive fiscal rules for additional defence spending. AK points out (again) that an **exception for public (and thus also social) investment from the EU fiscal rules** is necessary in order to counter social upheaval in the EU. In addition, changes are needed in the technical assumptions used in the European Commission’s debt sustainability analysis in order to reduce the harsh budgetary consolidation pressure on Member States and thus prevent cuts in social security. Furthermore, the social partners must be closely involved throughout the European Semester – including before proposals for country-specific recommendations are made and fiscal structural plans are drafted.

In order for robust steps to implement the European Pillar of Social Rights to take effect, the European Semester, as a process for coordinating key policy areas in the Member States, must be **more closely aligned with the EPSR** and the new **Action Plan**. These must be reflected in particular in the country-specific recommendations.

Strengthening social rights requires a departure from one-sided deregulation policies

Against this backdrop, it should first be noted that **initiatives by the European Commission aimed at deregulation have raised serious concerns**. With the claim of increasing competitiveness (narrowly understood in terms of price competitiveness), the European Commission has unleashed a veritable wave of deregulation that attempts to comb through all legal acts

at high speed and with questionable restrictions on participation processes in search of ‘disproportionate’ administrative burdens and, where necessary, to repeal provisions. However, not much remains of the original promise to maintain high labour and consumer protection standards. By setting questionable quantitative targets (-25% reduction in administrative burden for large companies, and as much as -35% for SMEs), it is impossible to take a qualitative view of legal acts and their benefits for society. In its initial Omnibus Package, the EU Commission has proposed a weakening of the sustainability reporting provisions and the hitherto not fully implemented EU Supply Chain Directive. In doing so, the EU Commission has made a U-turn on the path to sustainable global economic activity, placing corporate interests above compliance with fundamental human and labour rights in our global value chains. There are also concerns about further omnibus packages, ongoing consultations, for example on data protection law, and plans for a 28th company law regime as part of the EU Single Market Strategy, which would, among other things, undermine national labour law standards. In contrast, the European Commission’s work programme for 2025 did not include a single legislative measure with regard to social policy. AK firmly warns that setbacks on the path to a more social Europe are being enforced at the behest of corporate lobbies, which contradict the EU’s social policy objectives.

AK proposals regarding the principles of the European Pillar of Social Rights

For the new Action Plan to implement the EPSR to be successful, it is essential that it contains concrete, ambitious and legally binding measures. **Strong minimum social standards** in the EU can help to curb unfair competition based on poor working conditions and achieve common EU-wide goals in several areas. They should set ambitious levels and include non-regression clauses. Moreover, legally binding minimum standards should be embedded in **supporting accompanying measures**: in-depth analyses of social problems and the appropriateness of policy responses in the Member States, impact assessments of policy measures, sufficient co-funding for social and employment policy programmes in the EU budget as well as targeted recommendations to Member States.

Principle 1: Education, training and life-long learning

Principle 1 of the EPSR states, among other, that ‘[e]veryone has the right to quality and inclusive education, training and life-long learning’. However, many Member States are still a long way from achieving this principle.

The 2021 EPSR Action Plan sets out several targets,

some of them quantitative, including expanding early childhood education and care, reducing the proportion of young adults who are neither in employment nor in education or training and in relation to basic digital skills. However, **legally non-binding recommendations** alone do not contribute enough to achieving these goals. This is also evident from the fact that the EU is a long way from its headline target of 60% of adults participating in education or training each year by 2030. The latest available value for the respective indicator is only 39.5% (European Commission 2024: [Participation in education and training \(excluding guided on the job training\) 2016-2022](#)).

Concrete legal rights to high-quality, self-selected education and training should be enshrined in EU minimum social standards. These should include legal entitlements to a **minimum number of hours per year for education and training** during working hours and to **paid educational leave**. In addition, jobseekers should have a **legal right to high-quality training and qualification programmes** of their own choosing. Public employment services should not prioritise a quick commencement of an employment relationship over providing self-chosen quality training (including for reorientation into a different occupational field). Moreover, securing livelihoods during longer training phases of unemployed persons must be supported by **adequate benefits**.

With regard to the 2030 targets in the field of education, a target to **reduce the proportion of people with only compulsory education** should also be included. In general, it is important that these targets are also linked to effective measures and estimates of the financial resources required to achieve them. For example, there are currently no binding guidelines on how and by whom the education and training measures necessary to achieve the 2030 targets for adult education and training and digital skills are to be financed and how workers are to be enabled to actually have the time resources to participate in these programmes.

Principle 2: Gender equality

Progress in gender equality cannot be taken for granted. Political trends in several EU Member States are currently **threatening existing rights and programmes** promoting equality, equal opportunities and inclusion. The Action Plan must include effective and binding measures that protect and build on these achievements. Numerous indicators show that far-reaching progress is urgently needed in the area of **gender equality**. In 2023, the EU's gender pay gap – measured by average gross hourly wages of women and men – was 12%. In Austria, the gender wage

difference is as high as 18.3% (Eurostat 2025: [Gender pay gap in unadjusted form](#)). In addition, care work is predominantly carried out by women. True gender equality in areas such as labour force participation, employment conditions and career advancement does not yet exist in Austria. Furthermore, it should be noted that Austria continues to have unsatisfactory outcomes in relation to the gender employment gap and the provision of early childhood education and care.

Hence, the new Action Plan on the EPSR and the forthcoming Gender Equality Strategy must include ambitious and effective measures. They must pursue a dual approach to **gender equality**. The principle of gender mainstreaming should be strengthened horizontally across all policy areas, while at the same time targeted measures to combat specific problems in the area of equality should be promoted. The new Gender Equality Strategy should be developed in a participatory manner, involving Member States, social partners and civil society. It is important that gender equality is understood as a cross-cutting issue and that all Directorates-General of the European Commission are actively involved in strategy development and implementation.

It is also important to **consistently implement the EU rules** already adopted in the area of gender equality. Hence, the existing Gender Balance on Corporate Boards Directive and the Pay Transparency Directive must be consistently implemented in all Member States. This requires regular monitoring by the Commission and European-level support, such as peer learning projects among Member States.

Principle 3: Equal opportunities

Equality, equal opportunities and the rights of LGBTIQ+ people are fundamental principles of the Union and should not be taken for granted. In recent years, there have been **worrying setbacks** in many EU Member States with regard to these principles. The political shift to the right poses a real threat, with support programmes, educational initiatives and anti-discrimination measures being called into question, terminated or banned. Examples of regressions in recent years include restrictions on abortion rights in Poland, discrimination against Roma through legislative projects in Slovakia, e.g. racist segregation in schools, and the recent ban on the Pride Parade in Budapest. The Action Plan for implementing the EPSR must effectively counteract setbacks with effective strategies, including measures to promote the rule of law. Furthermore, it should be emphasised that legal frameworks alone are not sufficient. Despite bans on discrimination, **significant barriers for disadvantaged**

groups continue to exist in many areas. Only through consistent and concrete measures – e.g. in the areas of education, employment and social protection – can equal opportunities be achieved.

A consistent agenda for strengthening equal opportunities must include binding commitments and targets for promoting legal equality and combating discrimination, as well as the expansion and targeted funding of support programmes for disadvantaged groups, with clear monitoring of progress.

At legislative level, the horizontal **EU Equal Treatment Directive** based on Article 19 TFEU must be finalised quickly in order to extend protection against discrimination. This is necessary in order to contribute effectively to the implementation of the ‘levelling up’ approach, which provides for comprehensive protection against discrimination in all areas of life, not just in the workplace.

Principle 4: Active support to employment

Major efforts are required to support people in finding high-quality employment and to implement, for example, ‘the right to timely and tailor-made assistance to improve employment or self-employment prospects’ (Principle 4 of the EPSR).

The structural change already underway in our economy must be steered by a **legislative framework for a just transition (Just Transition Directive)**, which shows workers and companies a clear path to a sustainable future. There is already a notable absence of such a framework, which primarily results in workers being affected by job losses and the accompanying uncertainty regarding their professional futures, raising concerns about their economic security. The Directive must make a decisive contribution to strengthening workers’ rights to effective social dialogue, collective bargaining as well as information and consultation in order to shape changes in the context of the transformation in a forward-looking manner in the interests of workers. Furthermore, the Directive should include **specific social rights for workers** whose jobs are threatened by the transition. The Directive should ensure that they retain their jobs or have the right to a suitable internal job transfer or to high-quality education or training of their choice.

Long-term unemployment is a significant problem in the EU. Evaluations of job guarantee projects in various European countries have yielded promising results, such as the Magma job guarantee programme (*Modellprojekt Arbeitsplatzgarantie Marienthal*) in the Austrian municipality of

Gramatneusiedl (Kasy and Lehner 2023: [Employing the Unemployed of Marienthal](#)). There needs to be a **European Job Guarantee for the long-term unemployed** aimed at creating new high-quality jobs. The fundamental principles of this initiative must be that job guarantee programmes in the Member States are developed in consultation with the social partners, those affected at local level (the unemployed and the resident population) and other regional actors, and that participation in a job guarantee programme is voluntary. Moreover, the jobs must offer good working conditions and adequate pay. The **financing** of job guarantee programmes in the Member States should be supported by various instruments at EU level, such as social bonds and the EU budget (Theurl and Vorbach 2023: EU [Job Guarantee – a commitment to full employment and decent work](#)).

Principle 5: Secure and adaptable employment

Principle 5 of the Pillar of Social Rights establishes ‘the right to fair and equal treatment regarding working conditions, access to social protection and training’. It also states that ‘[e]mployment relationships that lead to precarious working conditions shall be prevented, including by prohibiting abuse of atypical contracts’. Far-reaching challenges exist in meeting these demands.

Another gateway to precarious work is pseudo-self-employment, whereby individuals are formally self-employed but in fact perform work in a new form of dependent employment. A presumption rule in EU labour law, following which, in case of doubt, **employee status** should be assumed, would contribute significantly to combating precariousness and reducing legal uncertainty in the world of work. This is also important because the European Commission’s proposal for a Traineeships Directive is not sufficient to prevent precarious employment and unpaid work by trainees in the EU. Moreover, **minimum social standards should be established to protect against unfair and mobility-restricting clauses** in employment contracts – for example, clauses that shorten the period during which employees can assert claims or that prohibit employment with another company in the same industry following termination of employment in an unreasonable manner. Minimum standards should also be set for **continued payment of remuneration** in the event of sickness, care of close relatives and other important reasons for absence from work.

It is also important to set minimum standards for **working conditions in healthcare professions**. For example, provisions should be laid down on maximum working hours and minimum rest periods, standard

periods for averaging working hours (with regard to working time requirements) and on-call duty, which take into account the particular stresses and strains of these occupations. In addition, provisions on the methodology for calculating the required staffing levels should also be included. From AK's point of view, an **EU Framework Directive on the protection of live-in care workers** should also be established. It should define the fundamental rights and obligations of those involved in live-in carework: alongside the care workers, this includes the families or households receiving care services as well as the agencies responsible for coordinating these arrangements. A key component of this legislation should be that agencies that place live-in care workers must be registered in an EU-wide register and meet certain quality standards (Fahimi et al. 2020: [Improving Conditions for Health Professionals and Live-in Care Workers](#)). It is also necessary to extend the EU-wide harmonisation of the **mutual recognition of professional qualifications** under Directive 2005/36/EC to include additional legally regulated health professions. This applies in particular to the advanced medical-therapeutic-diagnostic health professions (allied health professions), which are already subject to quality-assured registration requirements in Austria and whose training takes place predominantly at vocational colleges throughout the EU. This category includes professionals in the fields of speech therapy, occupational therapy, dietetics, physiotherapy, biomedical analysis, orthoptics and radiologic technology.

Improvements in working conditions are also needed in road transport, for example. In 2024, an amendment to Regulation 561/2006 was adopted with regard to occasional passenger transport, which contains changes to **provisions on driving and rest periods for professional drivers**. These changes regarding rest and rest periods as well as maximum driving time worsen the protection of drivers and were decisively rejected by AK. AK calls for reversing these deteriorations. They are contrary to the Commission's objectives of improving job quality and to the need for responding to the acute shortage of professional drivers in the EU.

Moreover, **social conditions in public procurement** are an important tool for contributing to improved working conditions. Necessary measures in this context include limiting the subcontractor chain to a maximum of one link, introducing mandatory joint and several liability and allowing European added value to be taken into account under the best bidder principle in order to secure jobs in the EU. In general, public procurement should promote high-quality jobs. Against the background of numerous cases of

exploitation and wage and social dumping in **complex subcontracting chains**, for instance in the construction sector, limiting subcontracting chains and introducing mandatory joint and several liability are also crucial for the private sector.

Principle 6: Wages

Principle 6 addresses 'the right to fair wages that provide for a decent standard of living'. Central to the implementation of this Principle is ensuring a **productivity-oriented wage policy**. An essential prerequisite for this is strengthening the social partners, in particular the capacities of trade unions, at different levels as well as **strengthening collective bargaining systems**.

In order for wage regulations to be truly effective, it is moreover essential that **compliance is effectively monitored and violations are punished with deterrent sanctions**. It is therefore necessary for the relevant supervisory bodies to be equipped with adequate human and financial resources. In addition, it must be ensured that penalties for violations of labour law entitlements, particularly with regard to wage regulations, actually have a deterrent effect.

Cross-border **wage and social dumping** at the expense of **posted workers** poses a massive problem for social justice – and for fair competition in the Single Market. Against this background, the European Labour Authority must play a significant role. Seasonal employment, bogus postings and internationally intertwined subcontracting arrangements are examples of areas where the **European Labour Authority** should act as a catalyst for cooperation between the national authorities involved. The Authority should also be given powers to **effectively enforce the law**, in particular by contributing effectively to the cross-border enforcement of administrative penalties in connection with wage and social dumping. In addition, improvements should be made to EU social security law: for a more effective approach to **combating bogus postings**, a minimum employment period of at least three months with the posting company should be required prior to cross-border posting. Another necessary measure to combat bogus postings is to establish procedural rules under EU law that can be used to effectively correct incorrect decisions by the authorities in the country of origin. This is because courts and authorities in the country of employment are in principle also bound by fraudulent posting certificates issued by the country of origin. The current provisions for correcting them (Art. 5 of Regulation (EU) No 987/2009) have not proven effective in practice. Moreover, it should be stipulated

that the wage level to which a posted worker is entitled to in the Member State where the work is carried out must be the basis for **determining the level of social security contributions**. Furthermore, in the context of the reform of Regulation 883/2004 it should be stipulated that the obligation to give prior notification of postings also applies to postings of up to three days. In any case, an exemption from prior notification for postings of up to three days has to be rejected in particular for the construction sector.

Principle 7: Information about employment conditions and protection in case of dismissals

Principle 7 of the EPSR establishes that ‘[p]rior to any dismissal, workers have the right to be informed of the reasons’. With regard to the **general protection against dismissal**, EU minimum standards could help to strengthen workers’ rights. When implementing this principle, we recommend adding that workers should also have the right to receive such justification in writing if they request that.

Principle 8: Social dialogue and involvement of workers

The principles in relation to social dialogue referred to in Principle 8, such as to encourage ‘[s]upport for increased capacity of social partners to promote social dialogue’, require comprehensive measures at several levels.

For example, the **macroeconomic dialogue** at EU level, which is central to the coordination of all social and economic policy actors, must be revived. Furthermore, given the greater need for social and economic policy coordination within the euro area, a separate **macroeconomic dialogue for the euro area** should be established in addition. It is also important to expand the **capacity of social partners** at national level to participate in social dialogue and to strengthen collective bargaining systems. Effective EU minimum standards are also needed to ensure and strengthen **employee participation in companies**.

Principle 9: Work-life balance

Under Principle 9 of the EPSR, parents and people with care responsibilities should have the right to appropriate leave arrangements and ‘access to care services’. Our comments on Principle 2 are relevant in this context. In addition, it is necessary to work towards the equal **distribution of responsibilities for care work**, including childcare and other care responsibilities, between genders. Achieving this balance is crucial, as it not only supports social justice but also contributes significantly to increasing

women’s participation in the labour market. In view of the increasing phenomenon of the blurring of boundaries between work and private life due to the use of digital work tools, greater protection is needed to ensure a good work-life balance. We therefore support the European Trade Union Confederation’s call for an **EU Directive on telework** and the **right to disconnect**.

Principle 10: Healthy, safe and well-adapted work environment and data protection

There are gaps in EU rules on health and safety at work. Key risk factors are not covered, for example in the area of **digital technology use**. Moreover, demographic change and the rise of **chronic illnesses** and **psychosocial stress** call for a change in perspective – moving away from expecting workers to be high-performing at all times.

A new **Directive on the prevention of psychosocial risks** at work, including online harassment, should contribute to effective improvements in the protection of workers. In addition, the rules on worker protection should take into account the physical and psychological stresses resulting from the use of **digital technologies**. This includes the ergonomic aspects of workplaces with digital work equipment, with a view to the increasing demands on the eyes and musculoskeletal system. It is also essential that the required **workplace accessibility** covers all types of disabilities. Mental illnesses may also qualify as disabilities in this context and must be considered when it comes to the requirements for accessible workplaces.

Moreover, workplaces and work processes must be designed in such a way that workers of all ages are guaranteed **optimal working conditions in terms of stress and strain**. Furthermore, the Quality Jobs Roadmap should address the increased **workplace heat** across all sectors where workers are exposed to the weather. Moreover, improvements should be made through provisions for more effective **control and sanction mechanisms** with regard to health and safety at work.

When developing new EU measures to improve safety and health at work, it is essential to take relevant **current research findings into account**. These include the analyses by the European Agency for Safety and Health at Work (EU-OSHA) on possible future risks to safety and health protection in relation to changes in the world of work as part of the Foresight project. Moreover, the fourth wave of the European Survey of Enterprises on New and Emerging Risks (ESENER) from 2024 and the Worker Exposure

Survey (WES) on cancer risk factors at work provide valuable foundations for evidence-based measures. In terms of EU legislation, the **Directive on the protection of workers from the risks related to exposure to carcinogens, mutagens and substances toxic to reproduction** should be further revised to set new binding occupational exposure limits for these chemicals, while promoting alternative risk-free substances and protecting against multiple exposures. In addition, a European legal framework to protect workers from **emerging risks related to the climate crisis** is urgently needed. This should include, among other, the introduction of EU legislation setting **temperature limits** for outdoor and indoor work in order to counteract heat stress at work.

With regard to ensuring healthy and safe working conditions, working hours are a particularly important factor. Effective models of working time reduction can bring together several beneficial outcomes. In view of high unemployment and the high level of under-employment on the one hand, and the increasing burden on many workers on the other, EU-wide coordinated sensible **models for reducing working time and distributing work** more fairly and effectively should therefore be promoted.

With regard to the **protection of personal data** addressed in Principle 10, we believe that a legal framework is needed to ensure that the rights of workers are protected when digital technologies are used in the workplace and that there is no violation of workers' privacy or dignity. In view of the risks posed by **algorithmic management systems** including increased surveillance, work intensification, discrimination and data protection violations, a corresponding **EU Directive** should be drafted. The Directive should go beyond merely closing regulatory gaps and also supplement existing regulations such as the General Data Protection Regulation, the AI Act and the Platform Work Directive with protection mechanisms that are particularly necessary in the context of work. The Directive should contain minimum standards for the design and use of algorithmic systems in the workplace, focusing on the principles of human-centred application of algorithmic systems and the protection of workers' rights. In addition, a coordinated **labour market monitoring system** should be introduced at EU level to systematically record **changes in the labour market related to AI** and report on them regularly.

Principle 11: Childcare and support to children

Principle 11 of the EPSR demands that '[c]hildren have the right to affordable early childhood education and care of good quality'. In this context, it is especially

important to continue advancing the **expansion of childcare facilities**. Ambitious measures are needed to achieve the Barcelona targets, which were renewed in 2022.

With regard to **combating child poverty**, EU minimum standards for adequate minimum income benefits are important (see Principle 14). The EU Child Guarantee must be consistently implemented by Member States. In Austria, AK is campaigning for a comprehensive package to combat child poverty, which, in addition to improvements in monetary social benefits, focuses on the expansion of in-kind services and support measures in the education sector (AK 2021: [AK package to combat child poverty](#) [in German]).

Principle 12: Social protection

With regard to Principle 12, we welcome the fact that the issue of **access to social protection** has been placed on the EU agenda with the adoption of the Council Recommendation on access to social protection for workers and the self-employed in 2019. It is important that this Council Recommendation is consistently implemented by all Member States.

Moreover, given the sharp rise in non-standard employment, it must be ensured that all forms of atypical employment are covered by labour and social law. Further details can be found in the comments on Principle 5.

Principle 13: Unemployment benefits

The Pillar of Social Rights stipulates that unemployed persons 'have the right to adequate activation support from public employment services to (re)integrate in the labour market and adequate unemployment benefits of reasonable duration'. This has not yet been sufficiently implemented in Austria.

Unemployment insurance schemes are inadequately designed in several Member States. At EU level, a **Directive setting minimum standards for national unemployment insurance schemes** should therefore be introduced (Bruckner 2019: [Common minimum standards for unemployment insurance schemes in EU Member States](#)). It should include minimum standards for the net replacement rate, the coverage rate and duration of benefits. The Directive should include non-regression clauses. It is also important to ensure that public employment services do not prioritise quick job placement at the expense of high-quality training.

Principle 14: Minimum income

Significant challenges remain for EU Member States to fulfil the principle according to which '[e]veryone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services'.

Since many of the respective schemes in the Member States do not meet their requirements, an **EU framework directive** should be created that sets out common principles, definitions and minimum standards for **social minimum income schemes**. The design of such minimum standards should include an obligation for Member States to 1) introduce or maintain needs-based social minimum income systems designed to combat and prevent poverty and social exclusion, taking into account the level of prosperity and living standards in the respective Member State, and 2) offer adequate support services for (re)integration into the labour market.

Social minimum income schemes play an essential role in preventing poverty and social exclusion. They must be embedded in well-developed and comprehensive welfare states as a 'last safety net'. Welfare states must not be limited to mechanisms for poverty reduction but should provide broad and inclusive systems of social rights, targeted at social prosperity for all and fair distribution.

Principle 15: Old age income and pensions

Well-developed and reliable public pension systems play a key role in implementing workers' and self-employed persons' 'right to a pension [...] ensuring an adequate income' and the general 'right to resources that ensure living in dignity' in old age, referred to in Principle 15. These should provide universal coverage and be strengthened. Private pensions are generally associated with higher administrative costs and, moreover, are exposed to fluctuations in the financial markets. They are therefore not suitable for making a significant contribution to the objectives of the European Pillar of Social Rights.

AK **strongly rejects** the Commission's repeated recommendations to Austria to **link the statutory retirement age to rising life expectancy**. It is incomprehensible why decisions that have a major impact on people's life plans should be removed from the democratic decision-making process and subjected to mathematical automatism. The implicit aim of this recommendation, namely, to reduce relative public pension expenditure below current levels despite the expected massive increase in the

proportion of older people in the population, is, in our view, completely incompatible with the objectives of Principle 15 of the EPSR. People who are unable to remain in employment until the statutory retirement age due to a lack of age-appropriate jobs on the labour market, would be most affected by automatic increases in the statutory retirement age. For them, this 'automatic adjustment mechanism' would lead to massive reductions in pensions and thus a drastic reduction in their social rights.

Principle 16: Health care

[T]he right to timely access to affordable, preventive and curative health care of good quality' referred to in Principle 16 of the EPSR is an essential principle for guaranteeing social rights. We welcome the Commission's focus on **combating cancer**, as expressed in the Commission's communication 'A strong social Europe for just transitions'. However, as noted in our comments on Principle 10, the extension of the Directive protecting workers from carcinogens and mutagens should be expedited.

Good working conditions in the health professions are crucial to the implementation of Principle 16 of the EPSR. EU Directives to improve working conditions in the healthcare sector, including long-term care, can make an important contribution to this. Our proposals on this can be found in the comments on Principle 5 of the EPSR.

Principle 17: Inclusion of people with disabilities

Comprehensive efforts are required with regard to Principle 17. AK emphasises the need for effective measures to continue implementing the **UN Convention on the Rights of Persons with Disabilities**. The European Union is also a signatory to the UN Convention on the Rights of Persons with Disabilities, which became legally binding for the EU in 2011. The European Union has thus committed itself to promoting and protecting the rights of persons with disabilities and to advancing their full participation in all areas of society.

However, the living conditions of people with disabilities in Austria still do **not meet the requirements of the UN Convention on the Rights of Persons with Disabilities**; in far too many cases, they are even extremely precarious. This is demonstrated by the fact that not all children and young people can equally participate in the education system due to barriers in education and the tough job prospects and higher poverty risk of people with disabilities, as well as various other barriers in and outside the world of work. We therefore consider EU measures that contribute to

the following objectives to be particularly important: effective **support in the form of active labour market policies**, including comprehensive assistance, must be guaranteed for jobseekers with disabilities; it is essential that they are included in labour market training initiatives. **Employers must also contribute** to the inclusion of people with disabilities and finally fully fulfil their obligations in relation to employing people with disabilities.

For workers with severe disabilities in 'day facilities/sheltered workshops', **urgent improvements must be made** (in Austria, they are only covered by accident insurance and receive only a small allowance), both in terms of independent social security coverage and the creation of inclusive framework conditions and fair pay. Moreover, the horizontal EU Equal Treatment Directive must be finalised quickly. In particular, claims for removal of and injunctive relief in relation to barriers for those affected must be enshrined in law, and improvements in legal protection must be brought about (for example, by minimising the cost risk of legal proceedings).

Principle 18: Long-term care

A key to realising Principle 18 of the EPSR lies in **good working conditions for professionals in long-term care**. To this end, EU Directives aimed at improving working conditions in the healthcare sector, including long-term care, would make an important contribution. Our related proposals on this can be found in the comments on Principle 5 of the EPSR.

In general, it should be noted that technological innovations can greatly advance inclusion. However, it is essential to **involve all stakeholders** in the development of technology from the outset. This is especially true in the long-term care sector, where both professionals and clients should be involved, and the development of technology should be oriented towards their needs.

Principle 19: Housing and assistance for the homeless

We welcome the principles set out in Principle 19 of the EPSR. However, we believe that it should also be noted that **affordable housing must be accessible to all**. Housing is a basic need, and local authorities must be supported in their efforts to provide accommodation. In a social Europe, access to affordable, high-quality housing must be guaranteed.

Principle 20: Access to essential services

The 2021 EPSR Action Plan listed several initiatives relating to **energy poverty**. Member States must now implement their obligations in relation to combating energy poverty concerning **electricity and gas**. Nevertheless, energy poverty in Europe remains high, mainly due to the energy price crisis from 2022 onwards. Moreover, the respective numbers are at risk of rising again due to phased-out support measures and the tough economic conditions in many EU Member States.

The legal framework at EU level must therefore be constantly reviewed in terms of its effectiveness and implementation.

Unlike electricity and gas, there are no comprehensive legal and regulatory minimum standards in the area of **heating and cooling systems**. This primarily concerns the issues of price transparency and control, provisions for vulnerable customers in the event of payment arrears, supported tariffs and comparison tools. In view of the increase in heat-related deaths, measures to combat energy poverty must also focus on ensuring adequate cooling.



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About us

The Austrian Federal Chamber of Labour (AK) is the legal body which represents the interests of approximately 4 million employees and consumers in Austria. It represents its members on all social, educational, economic and consumer policy-related issues at national level and at EU level in Brussels. Furthermore, the Austrian Federal Chamber of Labour is a part of the Austrian social partnership. The Austrian Federal Chamber of Labour is registered at the EU Transparency Register under the number 23869471911-54.

The main objectives of the 1991 established AK EUROPA Office in Brussels are the representation of AK vis-à-vis the European Institutions and interest groups, the monitoring of EU policies and to transfer relevant information from Brussels to Austria, as well as to lobby the in Austria developed expertise and positions of the Austrian Federal Chamber of Labour in Brussels.