



## POLICY POSITION

# Post-Pandemic Recovery and Development in Europe

## KEY POLICY RECOMMENDATIONS

- Recovery measures need to be transformational and contribute to environmental and social goals to speed up the green transition in a fair and inclusive way.
- To face the economic crisis, the EU needs to be serious with implementing measures that allow for a deep transformation of our current economies towards a wellbeing economy.
- The digital and green transition has led to several unfilled vacancies that call for reskilling and further education programmes. Continuing vocational education as a response to structural changes in the labour market will be key.
- The EU must invest in the most up-to-date technical skills to take up emerging opportunities in a moving landscape, alongside transversal skills necessary to continue learning and adapt to change during labour market transitions.
- The digital shift should be smartly managed: frameworks must be adapted for teleworking and include the right to disconnect. We welcome to this effect the ongoing negotiations of the cross-sectoral EU social partners for a directive on telework and the right to disconnect.
- Following the successful example of the Conference on the Future of Europe, the EU must actively engage with citizens and civil society to learn from their experiences in order to meet EU ambitions for climate neutrality.
- The social dialogue at the EU, national, regional and local level should remain at the heart of the decision-making process on all matters concerning employment and industrial relations, both cross-industry and sectoral.
- Policymakers must develop recovery plans with an intersectional dimension that fully address the long-term impacts of the pandemic on young people, such as the transition from education to quality jobs or mental health issues.

## INTRODUCTION

The ongoing health crisis and Russia's invasion of Ukraine are profoundly affecting European societies and economies, at a time when the digital and green transitions are transforming the labour market. The European Union (EU) must support European citizens in adapting to this changing reality, through social and green policies implemented in coordination with civil society and social partners. The recommendations included in this policy position echo and take into account key outcomes of the Conference on the Future of Europe.

## CRISES HAVE SERIOUS ECONOMIC IMPACTS ON A VERSATILE CHANGING LABOUR MARKET

The continuing Covid-19 pandemic and the war in Ukraine, as well as the inflation surge and looming debt crisis, are leading to uncertain economic outlooks that threaten the EU's path to recovery. As many citizens lost their jobs during the crisis or were not able to work for months due to the pandemic restrictions, youth unemployment and job insecurity are on the rise. This worrying development comes on top of already existing economic issues, considering that despite positive productivity growth, real wages have been stagnating and even falling in recent years.

and China. It is crucial to prevent this from turning into structural unemployment.

The crises have also led to limited growth which might generate an economic slowdown and hamper world trade and foreign investments. To face this economic crisis, the incentives by the EU and European governments are important in the short term to avoid the collapse of our economies and labour markets.

The EU needs to be serious with implementing measures that allow for a deep transformation of our current economies towards a wellbeing economy. These crises offer an opportunity for Europe to move towards a new model of development that respects the priority for environment and the fight against climate change, and that includes addressing wealth redistribution measures, quality employment, building strong and adequate social protection systems and quality services for all. One important step to reach that goal would be to replace GDP as an overall indicator for prosperity and introduce better methods of measuring the wellbeing, human rights, tackling inequalities based on gender and other elements of social and economic discrimination, and protection of the environment and climate.

## EDUCATION AND UPSKILLING AT THE FOREFRONT

The economic downturn the EU is facing has been coupled with an increasing level of unfilled job vacancies that may jeopardise EU strategic priorities, such as the European Green Deal (due to the dearth of ground staff for building, constructions, and renovations) and the digital transition (because of the shortage of AI & IT engineers and technicians). In these critical times, it will be key to leave no one behind and this is especially true for people from the most vulnerable groups who are working in low-skilled and precarious jobs. Migrant workers and persons from ethnic minorities also continuously face structural obstacles and discrimination in accessing the labour market and are at considerable risk of being the first to fall between the cracks. Reskilling and further education programmes will be crucial to adapting to this new reality, as well as acknowledging the role of frontline workers (often with low salaries) such as medical staff, care workers, educators, cashiers or protective service workers and recognising their contribution to society and addressing their working conditions. It is important that temporary or contracted workers are also included in any such programmes as only by reskilling them we can bring them

back into the labour market.

Furthermore, our understanding of 'frontline workers' should be broadened to include those from more non-traditional sectors, such as the armed forces and the police, and this should be reflected in the relevant employment protections. Education is a driver to fight inequalities and to promote social mobility and it is key to unlocking talent, creativity and human potential. The EU needs to ensure in the long term that education matches the needs of the economy and speed-up job matching in the short term through adequate training programmes.

Continuing vocational education as a response to structural changes in the labour market is key and the EU should then step up investments in vocational education and training (VET) and especially in the exchange of apprentices across Europe. Multistakeholder fora, such as the European Alliance for Apprenticeship (EAfA), need to be strengthened and adequately funded at EU level. More broadly, the EU needs to ensure that Member States are allocating sufficient funding to inclusive, high-quality education, training and upskilling interventions. The EU should always use a broad definition of education that goes beyond formal education in schools and

universities and it should take further steps to increase the official recognition of non-formal and informal education so that such experiences can be truly used for their career development.

## **SKILLS OF THE FUTURE FOR A JUST TRANSITION**

It is important to ensure that young people and all workers are equipped with the most up-to-date technical skills to take up emerging opportunities in a moving landscape, alongside transversal skills necessary to continue learning and adapt to change during labour market transitions. Particularly, dedicated funding should be used to improve the levels of support to disadvantaged young people. Investments in skills are crucial and should combine two complementary but essential approaches: they should primarily target people with the lowest skill levels and actively reach out to them while ensuring continued skills relevance and upskilling throughout the lifecycle, which then should be adapted to the individual situation and allow for different learning speeds. A person-centred approach is needed, to help the individual identify skills gaps and find opportunities for upskilling and then to use those skills to (re-)enter the labour market. The EU needs to continue supporting national actions to ensure social protection and upward social convergence in order to achieve the fair transition.

A holistic approach should also be taken when considering the green skills necessary for the just transition.

Considering the digital transformation unfolding, the EU should also improve access to digital education programmes, the teaching of digital skills and launch more awareness programmes about the positive and negative consequences of digitalisation and social media on democracy.

At the same time, we need a more holistic understanding of the just transition that will allow to tackle the root causes of complex inequalities in Europe. The just transition needs to go beyond some regions and particularly harmful sectors. Sectors that are the most affected by the transition such as mobility, transport and construction have a predominantly male work force, whereas other sectors that are key for the transition with a predominantly female workforce do not benefit from Just Transition schemes. A limited understanding of the Just Transition risks perpetuating existing (gender) inequalities. The EU needs to have a more detailed analysis of who else might benefit from a just transition including health, care and education sectors that can already be considered low carbon and contribute to the wellbeing of society and nature.

## **FURTHERING THE DIGITALISATION OF THE JOB MARKET**

Another challenge stemming from the Covid 19 pandemic has been the extremely rapid and wide shift in the usage of digital solutions to keep staff working during the lockdowns. Companies had to organise efficient remote working, which is most certainly here to stay in the coming future. The impact of this increased digitalisation on labour markets must be smartly managed. Frameworks must be adapted for teleworking, with the general principle that working rules and safeguards in non-remote working conditions should be transposed into remote working conditions. This digital shift could also exacerbate existing inequalities such as the deepening of the digital divide, the invasion of privacy, the psychological and physical effects of not being able to distinguish work and life or the unequal burden of care work for women. It is then essential that social partners shape and implement through collective bargaining key digital rights such as the right to disconnect. We welcome to this effect the ongoing negotiations of the cross-sectoral EU social partners for a directive on telework and the right to disconnect. This is also in line with our policy position on Digital Sovereignty and Citizens' Rights. The increased digitalisation of our society

comes with benefits such as greater work-life balance, the optimisation of production and distribution, reduction of emissions and waste. The option of in-person services should not be discarded, not least because for those workers in the social and care field human contact is also often a source of motivation. The EU must also ensure that progress in cyber security encompasses remote working technologies used by companies.

## **REGULATING PLATFORM WORK**

The digitalisation of our economies also accelerated platform work as a new form of work, particularly favoured by younger workers. However, at most times platform work jobs do not offer the same protection and rights as the “traditional economy.” Platform workers are often classified as self-employed, which precludes their access to labour and social protection as well as access to social security in almost every Member State.

The European Commission proposal for a Directive on improving working conditions in platform work is a step in the good direction but there is an urgent need for clear criteria to define whether platform work is self-employed or false self-employed. All platform workers must have access to all relevant social rights and protection, while also setting minimum standards for those workers who might not qualify as employees.

The EU must better support and strengthen the collective organisation and bargaining power of platform workers regardless of their employment status. Any algorithm used by platforms must be fully transparent to the workers and users to ensure fair working conditions. The workers and users of the platform should also have access to a clear and easy redress mechanism. Workers' personal data must always be protected and their digital rights, starting from the right to disconnect, must be respected.

## **ENHANCING THE ROLE OF CITIZENS AND CIVIL SOCIETY**

Civil society and social partners, with their inherent expertise and experience, play a crucial role in ensuring a just and fair transition. Popular support and consensus-building must be at the heart of decision-making and remain an important founding principle. Involving citizens and civil society is fruitful. The outcome of the Conference on the Future of Europe offers a template for successful cooperation between EU institutions, social partners and civil society. The EU must then actively engage with citizens and civil society to learn from their experiences.

On the green transition, in order to meet its ambitions for climate neutrality, the EU should involve them in the

negotiations and implementation of an ambitious Fit for 55 package. On this path, the EU must bundle innovative forces from society and business to achieve decarbonisation of all sectors based on 100% renewable energy.

## **BOOSTING THE GREEN TRANSITION**

Recovery measures need to be transformational and contribute to environmental and social goals to speed up the green transition in a fair and inclusive way. Ensuring the full integration of the European Pillar of Social Rights Action Plan, the Sustainable Development Goals (SDGs) and the European Green Deal would deliver a clear message that the EU has people and the planet at its heart. The EU then needs a coherent and multiannual strategy that outlines how it will implement the SDGs across all policy fields. With the Recovery and Resilience Facility and the EU Taxonomy, the EU has put in place tools and instruments to channel better investment into sustainable activities. Those instruments, set up and implemented with social partners and civil society, will be crucial for the operationalisation of the Fit for 55 package, notably an ambitious effort Sharing Regulation and an EU Emission Trading Scheme. The EU needs to use renewable energy sources to become more energy efficient.

There should also be national and EU-wide discussions as well as action plans about the impact of the climate crisis on the job market and on a sectoral level. The guidelines of the EU Green Deal are also applicable in the military and the social economy sector and can be used to introduce sustainability criteria in that sector. Actors from those sectors need to be supported to be able to take part in the green transition, for instance by providing funding for renovation of buildings. People and their well-being must be put at the centre of the economy to ensure a truly just transition. There will be no sustainable development if progress and wellbeing do not reach every person, particularly the most marginalised groups of our society who will be bearing the brunt of the rising energy prices caused by the green transition. These vulnerable households should receive specific support to address the matter of energy poverty.

## **ENHANCING THE SOCIAL AND CIVIL DIALOGUES**

The social dialogue at the EU, national, regional and local level should remain at the heart of the decision-making process on all matters concerning employment and industrial relations, both cross-industry and sectoral. There should be no discrimination or exclusion of any sector and the right of association needs to be granted to all workers regardless of their sector. It is crucial to respect key

principles such as subsidiarity, proportionality, as well as the autonomy of social dialogue to protect EU social standards and workers' rights. Employers and trade unions know best the needs of labour markets and should have the means and tools to take appropriate action to anticipate change and ensure that the EU remains a central economic player without putting into question the social acquis. It is important for social partners to jointly decide what to put on the agenda of the European Social Dialogue.

Furthermore, it is key to ensure that emergency situations, such as the COVID-19 pandemic and the war in Ukraine, do not allow for derogations of fundamental rights and do not justify lowering standards or protections in the workplace. The latest EU social and labour policy advancements are welcomed but they must go further to also support people in vulnerable situations, namely those who face multiple barriers to reaching employment, such as the long-term unemployed, Roma people, and migrants.

Civil dialogue, including consultation of civil society organisations working with or representing the most vulnerable, is key and must be consistently implemented. Equally, more needs to be done at the policy level to overcome discrimination on the European labour



markets. Labour and social legal instruments must be anti-discriminatory: they need to be underpinned by anti-discriminatory measures and affirmative actions, while labour market policies need to take a holistic, human rights-based and person-centred approach. The EU must be committed to the application of the principle of co-determination in labour relations, which enables employers and employees to shape working conditions together.

## **SUPPORTING YOUNG PEOPLE THROUGH THE CRISES**

The Covid 19 crisis has had a particularly strong impact on young people's work opportunities, income, educational outcomes, and mental health. Two-thirds of young people in Europe may now be affected by depression or anxiety and young people from marginalised backgrounds are most severely affected. It is now imperative that policymakers develop recovery plans which fully address the long-term impacts of the pandemic on young people. These require a strong intersectional dimension to ensure that they address the situation of separate groups of youth, and the full participation of young people and youth organisations. Improving the successful transition from education to employment is imperative, particularly for those leaving education in the coming years.

There also needs to be an increase in access to mental health and wellbeing support for young people that must recognise the link between socio-economic factors and mental health, by providing a nonmedical safety net and first point of access. This should be delivered through a range of settings such as schools, non-formal education providers and youth organisations. The EU should strengthen and invest in job creation schemes that enable quality jobs for young people and contribute to their wellbeing, as youth organisations report that initiatives such as the EU Youth Guarantee do not provide enough quality opportunities. Dedicated quality standards at European level should be developed to make these programmes a success while the EU should also push for a ban on unpaid internships.

## **WANT TO KNOW MORE?**

*Only by working together can we provide common solutions to the challenges Europe faces and ensure that Europeans' ambitions mirror the future work of the European Union. By bringing our member organisations together in our Political Committees, we continuously develop new policy positions and put existing ones to good use. Please visit our website [www.europeanmovement.eu](http://www.europeanmovement.eu) to take a look at our main policy positions that guide our current work and get in touch if you would like to join us or support our work.*



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