European Pillar of Social Rights
26 April 2017

- Reflection paper on the social dimension of Europe
- Principles and rights to support fair and well-functioning labour markets and welfare systems
- Social scoreboard
- Initiatives related to work-life balance, information for workers, access to social protection, working time
Context

Withdrawal by the Commission of the 2008 proposal to amend the Maternity Leave Directive

Commission committed to present a broader initiative, taking into account care responsibilities more generally and provide minimum protection (1 July 2015)

Context – broader EU policies

- Legal acquis on work-life balance
- European Pillar of Social Rights
- Barcelona targets
- European Semester
- Commission Recommendation on Investing in Children
- European Charter of Fundamental Rights
- Strategic Engagement on Gender Equality
Work-life balance for parents and carers

What is the Problem?

Women's underrepresentation in the labour market and the unequal sharing of caring responsibilities

Employment rates improved in the last three years, but the gender gap did not change much (12 pps)

Women and men's employment rates in EU28 (20-64 years old)

Source: Eurostat
Womens employment rate is lower than men - in all MS

Source: Eurostat

Tertiary Educational Attainment (30-34), 2015
Reasons for women's inactivity in percentage of total women inactivity (aged 20-64), EU 28

Looking after children or incapacitated adults
Awaiting recall to work (on lay-off)
Retired
Own illness or disability
Other
In education or training
Other family or personal responsibilities
Think no work is available
Own illness or disability
Looking after children or incapacitated adults
Awaiting recall to work (on lay-off)
Retired
Own illness or disability
Other
In education or training
Other family or personal responsibilities
Think no work is available

Employment Impact of Parenthood for one child under 6 in 2015
Average time spent by workers on paid and unpaid work per week

<table>
<thead>
<tr>
<th>Task</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caring for elderly/disabled relatives</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>Cooking/housework</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Caring for and/or educating your children, grandchildren</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Commuting</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Main and second job</td>
<td>40</td>
<td>33</td>
</tr>
</tbody>
</table>

Source: Eurofound (2015)

The cost of the underrepresentation of women in the labour market in the European Union

370 billion € / year
What are the main drivers?

- **Parenthood** - employment rate of women with children under 6 is over 20% lower than of those without children

- **Unequal share of care responsibilities** men / women

- **Shortage of childcare services**, notably for children under 3 and long-term care services for other dependants

- **Financial disincentives** in tax-benefit systems for second earners

Current EU legal framework on family-related leaves

- Maternity Leave Directive (92/85/EEC)
- Parental Leave Directive (2010/18/EU)
+ Directive on Gender Equality in Employment (2006/54)
No gender-balanced take-up of leave

Panel a - Men

Panel b - Women

Increasing need for informal carers in light of an ageing population

Population aged 50 and over reporting to be informal carers, 2013 (or nearest year)

Source: OECD estimates based on 2013 HILDA survey for Australia, 2012-13 Understanding Society survey for the United Kingdom and 2013 SHARE survey for other European countries.
Objectives of the initiative

1. **Increase female participation in the labour market** and reduce the gender gap, including pay and pension gaps

2. **give workers a real choice** when balancing their professional and caring responsibilities by modernising the current legal and policy framework

3. support Member States’ **modern family policies** to address the demographic challenges

4. address shortcomings in care services facilities and the tax/economic disincentives to work for second earners.
The initiative

1) A proposal for a directive

2) A communication with non-legislative measures

1) The proposal for a Directive

**Strengthening existing and creating new rights**
to improve the current EU legal framework:

- Paternity leave (new)
- Parental leave (strengthened)
- Carers' leave (new)
- Flexible working arrangements (strengthened)
The legal basis for EU action

- Article 153(1)(i) TFEU:
  "(W)ith a view to achieving the objectives of Article 151, the Union shall support and complement the activities of the Member States in following fields: (…) (i) equality between men and women with regard to labour market opportunities and treatment at work;"

- Article 153(2)(i) TFEU:
  "To this end the European Parliament and the Council (…) b) may adopt (…) by means of directives, minimum requirements for gradual implementation"

Consultation Social Partners

Article 154 TFEU foresees social partners consultation:

1st phase: November 2015 - January 2016
-> possible direction of EU level legislative action

2nd phase: July- September 2016
-> possible legislative proposals

No agreement among the social partners to enter into negotiations
Consultation Social Partners

<table>
<thead>
<tr>
<th>Legislative</th>
<th>Non-legislative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maternity Leave</td>
<td>Paternity Leave</td>
</tr>
<tr>
<td>Trade unions</td>
<td>✓</td>
</tr>
<tr>
<td>Employers</td>
<td>✗</td>
</tr>
</tbody>
</table>

Content of the proposed directive

- 10 working days,
- compensated at sick pay level
- 4 months (as before)
- non-transferable between parents (before only 1 month non-transferable)
- compensated at sick pay level
- until child is 12
- flexible uptake

- 5 working days/year/worker
- to take care of child or dependent relative
- compensated at least at sick pay level
- For parents of children up to 12 or carers

- Right to request to employer:
  - Reduction of working hours
  - Flexible working schedules
  - Remote working

- Employers must consider the request and justify any refusal

For those who request or take/use leaves and flexible working arrangements

**Employment protection**

- Protection against dismissal
- Prohibition of discrimination
+ Job and previous rights maintained
### WHAT WILL THE COMMISSION’S PROPOSAL IMPROVE?

<table>
<thead>
<tr>
<th>Paternity Leave</th>
<th>CURRENT EU LAW</th>
<th>IMPACT OF THE PROPOSAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No minimum standards for paternity leave at EU-level.</td>
<td>All working fathers will be able to take at least 10 working days of paternity leave around the time of birth of the child. Paternity leave will be compensated at least at the level of sick pay.</td>
</tr>
<tr>
<td>Parental Leave</td>
<td>At least 4 months per parent, out of which one month is non-transferable between parents.</td>
<td>At least 4 months per parent that cannot be transferred between parents. Parents can take leave in flexible forms (full-time, part-time, in a piecemeal way).</td>
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<tr>
<td></td>
<td>Parents can take leave until their child is 8 years old.</td>
<td>Parents can take leave until their child is 12 years old.</td>
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<tr>
<td></td>
<td>No minimum rules on allowance/payment.</td>
<td>Parental leave will be compensated at least at the level of sick pay.</td>
</tr>
<tr>
<td>Carers’ Leave</td>
<td>No minimum standards for carers at EU-level (except 'force majeure' allowing to take short time off for imperative and unexpected family reasons.)</td>
<td>All workers will have the right to 5 days of carers’ leave per year to take care of seriously ill or dependent relatives.</td>
</tr>
<tr>
<td></td>
<td>No minimum standards at EU level on the length of the leave nor compensation</td>
<td>Carers’ leave will be compensated at least at the level of sick pay.</td>
</tr>
<tr>
<td>Flexible Working Arrangements</td>
<td>Right to request reduced and flexible working hours upon return from parental leave. Right to request part-time work for all workers.</td>
<td>All working parents of children up to 12 and carers with dependent relatives will have the right to request the following flexible working arrangements: 1. Reduced working hours 2. Flexible working hours 3. Flexibility on the place of work.</td>
</tr>
</tbody>
</table>

### Repeal Directive 2010/18

- Commission uses its power of initiative provided for by the Treaty and proposes new legislation

- Commission proposes to repeal Directive 2010/18

- All entitlements in Directive 2010/18 maintained in proposal for new Directive
2) Non-legislative measures

3 POLICY AREAS

1. Gender-balanced leaves and FWA
2. Improving access to, and affordability and quality of care services
3. Addressing economic disincentives for second earners

A COMBINATION OF TOOLS TO SUPPORT MEMBER STATES

- Support enforcement of current legislation (dismissal protection)
- Better EU-level data, monitoring and guidance (European Semester), and benchmarks
- Encourage sharing of good practices
- Promote social investment through funding (EaSI, ESIF, EFSI)

Thank you for your attention!