



Employment and Social Developments in Europe review: why social fairness and solidarity are more important than ever

Brussels, 15 September 2020

Today, the Commission's services have published the 2020 edition of the [Employment and Social Developments in Europe \(ESDE\) review](#) dedicated to the theme of social fairness and solidarity. The review provides evidence-based analysis on how to achieve greater fairness across the EU in the face of crises such as the COVID-19 pandemic as well as structural changes due to demographic ageing, and the green and digital transitions.

Commissioner for Jobs and Social Rights Nicolas **Schmit** said: *"The ESDE report shows that strengthening social fairness is key to overcoming the crisis. This requires putting people front and centre. To ensure resilience, solidarity and cohesion, the EU's response has to prioritise employment, reduce inequalities and ensure equal opportunities. The effective implementation of the European Pillar of Social Rights will serve as our guide."*

The review notes that the COVID-19 pandemic is having profound health, economic, employment and social effects, threatening much of the progress that the EU had achieved previously. All Member States are experiencing a greater economic shock than in 2008-2009. Economic output has contracted sharply and unemployment is on the rise. The most vulnerable persons, including Europe's youth, are hit particularly hard.

Against this background, the ESDE report points to the following findings:

- **Adequate minimum wages and minimum income** can have a beneficial effect on the social mobility of Europeans.
- **Strengthening social fairness**, including through **investments** in people, pays off. **Closing gender-related gaps** brings particularly high returns, while extending working lives, and raising educational attainment also have positive effects.
- Structural change, such as the green transition, has to be accompanied by social measures to be successful. Notably, this transition requires **social investment in the form of re-skilling programmes** and/or unemployment benefits. According to ESDE, this social investment could amount to €20 billion or more until 2030.
- **Short-time work schemes** are protecting jobs effectively. The EU is helping Member States to provide such support through solidarity mechanisms like the instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE).
- **Social dialogue and collective bargaining** influence fairness and its perception at the workplace by promoting more equitable wages, better working conditions and more inclusive labour markets.

More generally, to repair the damage done by COVID-19 and prepare an economy and society for a future of faster structural changes, the EU and Member States need to embrace fully the opportunities offered by the transition to a greener, digitalised economy and build inclusiveness, solidarity and resilience into the design of all policies. Ensuring a broad-based recovery is a key policy objective of our policy action, which will help strengthen social resilience in the longer run.

Background

The annual Employment and Social Developments in Europe review prepared by the Directorate-General of Employment, Social Affairs and Inclusion, provides up-to-date economic analysis of employment and social trends in Europe and discusses related policy options. It is the European Commission's analytical flagship report in the area of employment and social affairs, mandated by Articles 151, 159 and 161 of the Treaty on the Functioning of the European Union (TFEU).

There are many examples in which the Commission focuses on addressing the challenges raised in the yearly ESDE reports. In April 2020, the Commission proposed the SURE instrument, which will provide €100 billion in financial support to help protect jobs and workers affected by the coronavirus

pandemic. In May 2020, the Commission put forward a powerful, modern and revamped [long-term EU budget](#) boosted by NextGenerationEU, an emergency temporary recovery instrument, to help repair the economic and social damage brought by the coronavirus pandemic, kickstart the recovery and prepare for a better future for the next generation. The Recovery and Resilience Facility will be one of EU's main recovery tools, providing an unprecedented €672.5 billion of loans and grants in frontloaded financial support for the crucial first years of the recovery. The [European Social Fund Plus \(ESF+\)](#) will continue to invest in people, while an improved European Globalisation Adjustment Fund (EGF) will be able to intervene even more effectively to support workers who have lost their jobs. The [European Pillar of Social Rights and its upcoming Action Plan](#), as well as initiatives and tools such as the [European Skills Agenda](#), the [Youth Employment Support initiative](#) or the [Digital Europe Programme](#) will all contribute to address challenges identified in the ESDE.

For More Information

[Employment and Social Developments in Europe \(ESDE\) review](#)

[Employment and Social Analysis section on the EMPL website](#)

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