

# **Position Paper**

# The EU's Road to Recovery after the Covid-19 lockdown

## The policy framework needed to support safe return to work in a new normal

The COVID-19 pandemic has led to unpreceded, economic shocks in Europe, which also severely impacted the private employment services industry. The road to recovery has been laid out in a comprehensive, World Employment Confederation-Europe policy paper. This position paper puts forward a framework on how EU policies can support a safe return to work in the new normal and sustain the economic recovery. The economic and social recovery should build on health and safety at work, access to economic relief measures during the pandemic, access to liquidity for companies, reforms that foster diverse forms of work and contribute to the lifting of unjustified restrictions on temporary agency work. In the social field, focus should be laid on a new skills agenda for Europe that equips workers with the skills needed in the recovery phase, enhanced cooperation between employment services and social innovation to create new safety nets and promote new ways of working, learning and social protection. Social dialogue at European and national level can play a key role to support workers and companies in the recovery.

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This position paper puts forward recommendations for EU policies to support a safe return to work in the new normal and sustain the economic recovery. Such a framework would enable the private employment services sector to fully play its part in supporting workers, businesses, and society on the road to recovery. For more information on how the HR services can help and which lessons can be leveraged from the actions taken during the crisis to inspire the framework for recovery, please consult our paper "Covid-19: The Road to Recovery."

#### 1. Put health and safety at work first

The Covid-19 pandemic has highlighted the need to put health and safety first in national and European policies during the recovery. This includes the testing of people, to ensuring social distancing at work and the setting up of health and safety protocols at the workplace. The EU agency work for health and safety at work has developed an appropriate framework for the safe return to work. Furthermore, an Alliance launched by the private employment services industry is providing guidance and support for a safe return to work. Partnering with several national federations of the private employment services industry in Europe and with the World Employment Confederation, the Alliance aims at supporting companies and workers in the return to work during and after the pandemic.

# 2. Provide full access to economic relief measures and access to funding for diverse forms of work

Most national governments have put in place economic relief measures, such as short-time working schemes, tax and fiscal advantages to soften the economic impact of the crisis. In this context, it is essential to ensure that diverse forms of work, including fixed-term contracts and agency work, are covered by and have access to these relief measures. At EU level, the SURE initiative put in place to strengthen national short-time working schemes has been adopted by the EU Council in June and eased access to EU funding via the European Social Fund have helped to ease access to funding. For the private employment services industry, it is essential that the European and national procedures are simplified and that access to funding is done in a fast way.

<sup>&</sup>lt;sup>1</sup> The World Employment Confederation <u>Policy Paper on the COVID-19: The Road to Recovery</u> is available on the World Employment Confederation website.



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#### 3. Promote and foster diverse forms of work and labour contracts

The Covid-19 pandemic and its economic and labour market implications should be used as a key driver to foster and promote diverse forms of work and labour contracts. Tele- and Remote working, part-time work and fixed-term contracts can play crucial role in meeting the changed economic and labour market demand. EU Member States should be, via the European Semester and the country-specific recommendations, be encouraged to reform their labour markets and promote diverse forms of work.

#### 4. Involve social partners in the policies on labour market recovery and reforms

The crisis response in Europe has highlighted the importance of social dialogue at national and European level. Within the agency work industry, national social partners have taken access focusing on health and safety at work, improve access to training for workers, to ensure complementary social benefit schemes. At European level, the sectoral social partners for temporary agency work sector have signed in April a set of joint recommendations. These focus on actions of governments and social partners during the pandemic. The joint recommendations focus on protecting workers during the pandemic, safeguarding work and preparing for an inclusive economic and social recovery.

#### 5. Lift unjustified restrictions on temporary agency work services

Regarding the temporary agency work services of the private employment services industry, there is a need in several European countries (including Italy, France, Germany and Spain) to lift existing, unjustified restrictions on temporary agency work. These cover mostly too strict maximum length of assignments, reasons for use of temporary agency work and conditions and restrictions linked to labour contracts. It is essential to allow for a diversity of labour contracts also within the agency work industry. The most important instruments to promote the lifting of unjustified restrictions on temporary agency work at EU level are the EU Directive on temporary agency work, which limits in its article 4 restrictions to temporary agency work to the protection of workers, health and safety at work and the well-functioning of the labour market and the prevention of abuses. Also, the European Semester for labour market reforms and the European Commission country-specific recommendations can and should be used in this context.

#### 6. Design an EU Skills Agenda that is supporting workers in adapting to change

For the second half of 2020, the European Commission announced the publication of a new Skills Agenda for Europe. Skills and training are of key importance in the current context of the Covid-19 pandemic, both regarding general education and vocational training, as well as with regard to the more specific health and safety training. The private employment services industry can play an important role, as further illustrated in our "Road to Recovery" policy paper. For the EU Skills Agenda of 2020, the World Employment Confederation-Europe calls for a focus on the recognition of prior learning, the validation of non-formal and informal learning and a renewed focus on apprenticeships and dual learning. The European framework of the EU Skills Agenda should provide the framework for reforms of national education and training systems, equipping workers with the skills needed in the aftermath of the Covid-19 pandemic. A special focus should also be laid on allowing workers to move from declining to rising sectors through targeted training schemes fostering occupational mobility. The labour market allocation as recognised the WEC-Europe/UNI-Europa Joint Recommendations on Covid-19 can play a key role in that context. Also, the EU Council recently recognised that "public and private employment services and social partners could support employers looking for ways to increase the skills of their workforce and individuals wishing to increase their employability and career prospects."



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# 7. Enable labour market transitions through cooperation between public and private employment services

As the COVID-19 pandemic has led to a sharp economic recession and rising levels of unemployment in Europe, public and private employment services will have a key role in supporting workers getting back to work and finding new employment opportunities. Countries with well-functioning cooperation between public and private employment services typically show better results in labour market fluidity and a smooth and quick transition from unemployment back to work.

The benefits of cooperation between public and private employment services have been recognised in several EU policies, such as the policies on apprenticeships and dual learning, the youth guarantee, which shall be reinforced in 2020 based on a forthcoming European Commission proposal and in the founding regulation of the European network of public employment services.

The World Employment Confederation-Europe calls on EU Member States to build on the good practices that exist in some countries, to further develop and strengthen cooperation between public and private employment services to improve the functioning of the labour market and facilitate transitions from unemployment to work, as well as from temporary to permanent contracts.

#### 8. Foster social innovation to create new social safety nets for diverse forms of work

Social innovation is the implementation of new solutions for working, learning and social protection to the benefits of workers, employers and society at large. Practices of social innovation can cover forms of work and contracts, such as services voucher based work, new forms of learning and training such as innovative training schemes developed by training funds, approaches for distance learning and the recognition of non-formal and informal learning. Fostering social innovation was a key priority for the private employment services industry in Europe before the Covid-19 pandemic, but the crisis has even more highlighted the need for these reforms. In the area of social protection, practices of social innovation focus mostly on providing complementary social protection and benefits to agency workers. Social innovation can thus be a key driver for the economic recovery after the Covid-19, as new forms of working, learning and social protection need to be developed. The EU Sectoral Social Partners for temporary agency are currently conducting a joint project on social innovation in the temporary agency work industry, for which results will be presented in early December 2020.

#### About the World Employment Confederation–Europe

The World Employment Confederation-Europe is the voice of the employment industry at European level, representing labour market enablers.

With 30 countries and 6 of the largest international workforce solutions companies as members, the World Employment Confederation–Europe is fully representative of the industry, both in size and diversity. It brings a unique access to and engagement with European policymakers (EU Commission, European Parliament, and Council) and stakeholders (trade unions, academic world, think tanks).

The World Employment Confederation-Europe strives for a recognition of the economic and social role played by the industry in enabling work, adaptation, security and prosperity in our societies. Its members provide access to the labour market and meaningful work to more than 11 million people in Europe and serve around 1,5 million organisations on a yearly basis.

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