

Report
Social rights – lost in austerity?
19 May 2017, International Trade Union House



On 19 May, the International Trade Union Confederation, Office of the UN High Commissioner for Human Rights, Friedrich Ebert Stiftung and European Trade Union Institute co-organised a policy debate on the impact of EU economic policies on international human rights obligations. The meeting featured a presentation by **Juan Pablo Bohoslavsky**, UN Expert on Human Rights and Foreign Debt, who summarised the key findings of two recent reports on the policy response by the European Union to the sovereign debt crisis ([A/HRC/34/57/Add.1](#)) and on the impact of structural adjustment and fiscal consolidation policies on labour rights ([A/HRC/34/57](#)). The presentation was followed by reactions from policymakers, trade union representatives and civil society including **Ruth Paserman**, Deputy Head of Cabinet for European Commissioner Marianne Thyssen; **Olivier De Schutter**, Member of the UN Committee on Economic, Social and Cultural Rights; **Montserrat Mir Roca**, Confederal Secretary of the European Trade Union Confederation; **Patricia Scherer**, Management Committee Member of the European Social Platform; Irene Wintermayr, Policy Officer at the ILO-Brussels Office; and **Bela Galgoczi**, Senior Researcher at the European Trade Union Institute. Other participants in the meeting included **Paul d'Auchamp**, Regional Representative of the Office of the UN High Commissioner for Human Rights; **Evelyn Astor**, Policy Officer at the International Trade Union Confederation; and **Sidonie Wetzig**, Policy Officer at the Friedrich Ebert Stiftung's Brussels office.

Mr. Bohoslavsky's intervention highlighted that structural reform policies and austerity measures promoted by the EU under the justification of restoring debt sustainability and macroeconomic stability have often been done without due regard for international human rights standards, including labour rights. Measures promoted include budget cuts to healthcare, education and social services; increased labour market flexibility; measures to

restrict social dialogue and deviate from collective bargaining agreements; cutbacks to social protection benefits or restricted access to them; and the privatisation of public services or state-owned assets and enterprises. Mr. Bohoslavsky showed that such measures have in many cases led to increased income and gender inequalities, greater poverty and financial insecurity for workers, a deterioration in working conditions and increased unemployment. He stressed the need for greater consistency between EU internal and external policy, and argued that any future Memoranda of Understanding (MoUs) need to comply with international human rights standards and contain effective remedy mechanisms in the case of violations. He acknowledged some recent positive initiatives at EU-level to enhance social rights, such as the Youth Employment Initiative, Recommendation on Investing in Children, and European Pillar of Social Rights, but pointed out that such initiatives often lack reference to international human rights treaties and are 'voluntary' in nature, leaving considerable discretion for Member States for their implementation. Mr. Bohoslavsky also called for ex-ante social rights impact assessments of structural reforms as well as ex-post evaluations, and invited participants to contribute to an ongoing [call for contributions](#) for the development of human rights impact assessment guidelines for economic reform policies.

Following Mr. Bohoslavsky's intervention, Ruth Paserman provided a response on behalf of the European Commission. She stressed the importance of understanding the context in which structural reform measures were taken; they were often done in emergency situations with little time to conduct thorough impact assessments. She also indicated the efforts made by the European Commission to increase consideration for social issues in its economic governance process as well as through the recently adopted European Pillar of Social Rights. She also added that the Pillar has been accompanied by concrete measures, including a proposal for binding legislation in the area of work-life balance, as well as social partner consultations on the revision of the Written Statement Directive and on enhancing social protection coverage to all forms of employment.

Several panellists as well as members of the audience highlighted the lack of sufficient attention to social and labour rights in EU financial assistance programmes and an inconsistency between EU macroeconomic policies and social policies. While several panellists welcomed new Commission initiatives such as the European Pillar of Social Rights and the Work-Life Balance initiative, they pointed out that EU macro-economic policies have continued to stress the weakening of labour market regulations, reduced public investment in social programmes and restricted social dialogue. Participants also highlighted that such measures have often not achieved their intended effects of supporting job creation and improving macro-economic performance, but have instead contributed to worsening economic and fiscal outcomes.

Going forward, participants suggested the inclusion of certain social rights-based indicators in the Semester's monitoring process. Participants also underlined the importance of independent human rights impact assessments for EU country-specific recommendations along with the MOUs and macroeconomic reform programmes adopted by countries obtaining financial support. Participants also mentioned possible legal avenues for enhancing

social rights in EU policymaking, such as finding ways to better incorporate and consider relevant country findings from ILO supervisory bodies/UN human rights treaty bodies within EU economic governance mechanisms. Olivier de Schutter specifically mentioned case law from the European Court of Justice confirming that European institutions are bound to the European Social Charter, including when acting under the European Stability Mechanism. He also indicated the potential space to adopt a more rights-based approach in the Fiscal Compact. This could be done through making use of Article 3(1)(c) of the Compact to allow a deviation from budgetary objectives in the case that they would compromise obligations under international treaties or the provisions of the European Social Charter. Audience members also highlighted the under-use of the gender mainstreaming clause (Article 8 TFEU) and the horizontal social clause (Article 9 TFEU). The discussion concluded with the point that the socio-economic architecture of the European Union must be thoroughly revisited in order to respond to growing euro-scepticism and restore the Union's legitimacy in the eyes of its citizens.



