



ETUC response to the Commission's first-phase consultation of Social Partners on activation of persons facing significant barriers to enter the labour market

Adopted at the Executive Committee meeting of 6-7 October 2026

General Observations

Addressing Europe's labour market challenges requires an ambitious policy framework that links sustainable activation directly to high-quality employment. This means delivering on social rights, gender equality, equality and non-discrimination of LGBTQ+ workers, migrant workers, disabled workers and minorities and fair working conditions across all Member States. The ETUC consequently welcomes the Commission's focus on increasing labour market participation and tackling persistent shortages, particularly in light of the implementation of the Commission's Action Plan on Labour and Skills Shortages (March 2024). However, the consultation document's main shortcoming is that it frames activation almost exclusively around individual supply-side deficits such as perceived skills mismatches, motivation, or health barriers, while underestimating the systemic demand-side obstacles that keep workers out of secure employment. To establish an effective, rights-based activation strategy, the EU must ground its policy response in several foundational principles. Job quality must be assessed on an objective basis, emphasizing the need for commonly developed indicators alongside reliable, transparent reporting from companies.

Firstly, in ETUC's opinion, it is low job quality and precarious working conditions that drive shortages. Activation initiatives must directly address job quality, decent pay, secure contracts, and collective bargaining coverage, and must be supported by strong public services, adequate and effective social protection benefits that prevent segregation and exclusion from the labour market and society.

Secondly, the Commission's approach must place people, rather than macroeconomic indicators, at its centre. Labour-market exclusion affects individuals' income, security, autonomy, dignity and ability to participate fully in society. While successful activation can contribute to productivity growth and fill labour shortages, it must be pursued in the interests of the people concerned, not simply as a means of reducing social expenditure. A case-in-point is the prominent emphasis placed on women as the largest group of "untapped potential" and the heavily economic framing of this dimension. Treating women primarily as economic instruments to boost GDP or offset demographic aging



obscures the quality of employment offered and fails to address ongoing structural gendered inequalities.

Activation policy must treat work as a right rather than an obligation, rejecting 'employment at any cost' in favour of sustainable employment. Framing work as a mandatory duty individualises unemployment, conceals structural labour market barriers, and operates as a hidden mechanism for exclusion. Effective engagement by people in activation measures requires public authorities and employers to fulfil their responsibilities through providing access to quality guidance, training, support services and suitable employment opportunities.

Thirdly, ETUC wants to stress that effective policy design and implementation depend on a clear, complementary division of responsibilities between public authorities and social partners. Public authorities must go beyond a merely administrative role. They must effectively shape occupational and labour policy, guarantee universal access to essential social services, secure long-term public funding for employment services, enforce statutory labour standards, and maintain reliable social protection safety nets. Social partners must be structurally involved in co-designing, monitoring, and evaluating activation policies and managing workplace transitions through collective bargaining, fully respecting diverse national industrial relations models, and a genuine right to career transition and retraining across both the public and private sectors should be established.

While the strong emphasis on gender-specific barriers to labour market participation of women is welcomed, policy responses must go beyond “activation” measures in order to eliminate gendered inequalities in the world of work and beyond. Fostering economic independence and well-being of women must be guaranteed otherwise the outcome will lead to even more precarity and gendered in-work poverty.

ETUC highlights that social dialogue must be embedded throughout the entire policy cycle, from initial design to final evaluation. To operationalise this role effectively, the EU framework should guarantee dedicated funding allocations to support social partner capacity building.

The ETUC's response in the consultation on the Quality Jobs Act provides a detailed analysis of the need for binding EU legislation to tackle quality jobs deficits head on. While this response focuses on the topic of activation, it must be seen as complementary to the response to the consultation on the quality jobs act and must not infringe upon it, as the issues of labour market activation and job quality cannot be isolated from each other.

Finally, the initiative remains entirely silent on dedicated financing. ETUC reiterates that ambitious active labour market and anti-poverty measures cannot succeed without funding mechanisms and sustained public investment to guarantee their execution.

Question 1: Do you consider that the issues and possible areas for further EU action are correctly identified in this document?

The ETUC broadly supports the ambitions of the Commission in identifying the need to address the barriers to labour market participation. The consultation document correctly recognises that labour-market exclusion is a multidimensional and structural challenge, arising from an interplay of individual circumstances, demand-side obstacles and shortcomings in public policy and service provision.

ETUC particularly welcomes the recognition of discrimination and employer bias, difficulties in the recognition of qualifications and competences, care responsibilities,



disability, poor access to affordable childcare, transport and housing, and fragmented or insufficient support services as significant barriers to participation. The document also rightly highlights the disproportionate exclusion of women from the labour market, stronger coordination between employment and social services, and more effective identification and outreach. The document omits the fact that labour market exclusion has a strong territorial dimension. In many metropolitan areas, labour shortages coexist with high levels of unemployment and inactivity, highlighting the importance of location-specific factors such as housing, mobility, discrimination and socio-spatial inequalities. Public service deserts, particularly limited access to healthcare, are a related driver of labour-market exclusion that should also be recognised and addressed.

The Commission's analysis of **barriers to female employment** is largely accurate regarding care responsibilities, joint taxation penalties, and gender stereotypes, among others. However, important elements relating to gender equality and labour market participation of women are missing or not adequately developed in the consultation document.

First, it should be noted that research demonstrates that recent gains in female labour market participation are driven overwhelmingly by older women (aged 50–64) forced to remain in paid employment due to rising statutory retirement ages and severe gender pension gaps (24.9% at EU average in 2024), rather than improvements in prime-age (25–49) employment.¹ Contradictory pressures placed on women must not be ignored: older women are pushed to work longer while remaining the primary providers of informal care for grandchildren and elderly parents, while younger women are expected to enter the labour market and increase birth rates without adequate access to affordable, accessible and high-quality public care services (both social and long-term care). Without adequately funded public care services, activation policies merely compound women's double and triple workloads. To correct the unequal distribution of care responsibilities at its source, future EU and national initiatives must ensure that women's increased labour market participation is matched by genuine, shared responsibility between men and women, rather than assuming women will simply outsource their domestic roles. This demands significant investment in comprehensive public care infrastructure, alongside robust policy mechanisms such as equal, individual, paid, and non-transferable parental leave, care leave, working-time flexibility, non-penalized reduced working hours, and the right to disconnect, including by collective agreement. Importantly, public care infrastructure must not only be affordable, but equally accessible and available. Activation policies must address territorial fragmentation, since rural and less populated areas might lack available and locally accessible care infrastructure. These structural measures are especially critical to relieve the "sandwich generation", those squeezed between caring for dependent children and dependant family members, by providing accessible public long-term and home-care services and facilities so that informal care is no longer used as a default solution for underfunded public systems. Finally, framing care-related employment gaps as "skills depreciation" mischaracterizes the issue; non-participation in the labour market due to care duties primarily restricts opportunities for career progression and mobility, particularly for women, making it harder to maintain updated professional skills and ultimately leading to career interruptions that undermine long-term employment stability.

Second, the Commission's analysis fails to adequately address the depth of the gender employment gap when measured in Full-Time Equivalents (FTE). While the head-count employment gap stands at 9.6 percentage points, the FTE gap rises to 18.4 percentage points, 46% higher, due to the disproportionate concentration of women in part-time

¹ Piasna A., Arabadjieva K., Nawrocka S., Parker J. and Zwysen W. (2026) The future of gender equality in the EU, Report 2026.01, ETUI. P.19



work. Involuntary part-time work remains a major structural hurdle that receives insufficient attention in the document and that must be met with specific measures improving working conditions, fostering quality jobs and offering pathways to full-time employment, if desired. Working part-time is not a deliberate choice for many women, but a consequence of employers not offering full-time work, or the only viable solution to continue providing for their families as the primary caretaker when relevant social services are severely underfunded.

Third, research highlights that horizontal labour market segregation is actively deepening, with the share of mixed jobs shrinking. Without explicit countermeasures, push-based activation risks crowding women into low-paid and undervalued sectors (such as health, care, and education) or precarious platform work, thereby entrenching the undervaluation of women's work and widening the gender pay gap, and subsequently the gender pension gap. In-work poverty must be taken into account with women being disproportionately pushed into part-time or precarious employment. Consequently, for a considerable number of women, the process of "activation" does not necessarily guarantee the alleviation of poverty risk, it may merely signify a transition to a different, albeit still precarious, situation.

Regarding the **gender dimension of sectoral labour shortages**, it is important to take into account workplace quality and retention factors. In IT-sector participation of women remains strikingly low, reflecting a persistent lack of gender equality measures and systemic bias. In sectors such as healthcare and transport, high turnover and retention crises are directly linked to third-party violence, gender-based violence and harassment (GBVH), particularly third-party violence by patients or clients and inadequate occupational safety and health (OSH) standards.

Specific sectoral challenges exist. The education sector should be explicitly included among the sectors facing significant workforce shortages. Shortages affecting teachers, and other education professionals can have long-term consequences not only for the functioning and quality of education systems, but also for social cohesion, equal opportunities and the development of the skills needed by the labour market. Policies aimed at tackling labour shortages should therefore also address recruitment and retention in the education sector. Labour shortages also persist in the health and social care sector due to longer working hours, overtime, and psycho-social risks including third-party violence.

In addition, all measures relating to labour market participation of women must incorporate a genuinely **intersectional perspective**, specifically analysing how barriers accumulate for women with disabilities, migrant women, older women, young women, women with care responsibilities, single mothers, women in rural areas, and women in feminised, precarious jobs. Women with disabilities for example face exacerbated discrimination, with accessibility barriers compounded by pay gaps, occupational segregation and greater difficulties in balancing work and care responsibilities.

To ensure proper accountability, the ETUC suggests that all monitoring indicators across this initiative, including employment rates, job quality, wages, the gender pay gap, career progression, occupational segregation, career interruptions, and the gender pension gap, be systematically presented disaggregated by sex.

ETUC furthermore welcomes the acknowledgement that employers must be supported and encouraged to remove barriers in recruitment and workplace organisation, and that social partners, social dialogue and collective bargaining have an important role in the design, implementation and monitoring of activation measures. These employer responsibilities should include transparent recruitment practices with a right to feedback for applicants, recognition of qualifications, workplace adaptations, retention



and training policies, dedicated measures fostering gender equality and equal pay, and the provision of career guidance. However, it must be clear that removing barriers to recruitment should not translate into increased precariousness or weaker workers' protections, as 'flexible' working conditions are not empirically linked to higher productivity.

The consultation document fails to evaluate whether current European investment and economic policies support actual labour supply needs or foster quality job opportunities for job seekers. Effective activation requires structural alignment between economic strategy and active labour market policies such as ensuring that investment supporting the green transition is linked to targeted training and upskilling pathways for job seekers.

However, the consultation document overlooks **the labour market position of young people** as an area for urgent action despite significant issues with labour market transitions, quality of employment and access to social rights and collective bargaining within this group. Young people (15-24) are an age group at high risk of poverty and social exclusion in Europe and the NEET and youth unemployment rates, though stabilising, remain problematically high. While there is a general increase in the employment rate across EU, youth employment has fallen in consecutive years, entry-level jobs are under threat, and levels of involuntary part-time and non-standard work in this group continue to rise. Among young people who are not studying, 37% would like to work but currently do not. Beyond underemployment, the age group 15-24 is also by far the most likely to be engaged in non-standard employment – a reality that remains unchanged for over a decade. Furthermore, the rapid deployment of AI technologies is already shrinking entry-level opportunities, disproportionately impacting young workers as routine roles are automated or reduced. The lack of access to quality job offers in socially useful and ecologically non-harmful and permanent employment as well as sufficient working hours and suitable working conditions for young people who are willing and able to work suggests significant demand-side barriers to quality labour market transitions for this group.

The **Reinforced Youth Guarantee (RYG)** is an important mechanism to promote youth employment in the EU through regulating and enabling labour market transitions on the premise of social inclusion. The shortcomings of the RYG are well documented: The European Parliament's own evaluation of the reinforced Youth Guarantee confirms that non-binding recommendations are not delivering. Despite EU funding being broadly adequate, the study² found that in 2023, 53.6% of young people registered in a Youth Guarantee scheme across the EU had still not received an offer within the four-month target - rising to 86.1% in Italy, 78.8% in Ireland and 73.2% in the Netherlands. Coverage remains below 50% of the NEET population in many Member States and regional disparities between urban and rural areas are stark. The offer quality has seen limited improvement since 2020, and a "creaming effect" leaves the most vulnerable young people - including Roma communities, migrants and young women with caregiving responsibilities - persistently underserved. The challenges facing the RYG that are mentioned in the consultation document concern skills, qualifications and health issues, with demand-side barriers, such as the quality of offers, lack of remuneration or unpaid and bogus traineeships, not taken into consideration.

More robust, binding quality criteria are required along with strengthened social partner involvement to ensure that the RYG achieves its aims within the scope of the European Pillar of Social Rights. The document undervalues the role that employers must also play in improving access to work, job quality and retention for young people. This must be achieved through quality offers of training, fair wages, and fair working conditions, but

² [The implementation of the reinforced Youth Guarantee – Trends in EU Member States, impact, EU funding and governance](#)



also promoting access to housing, parental leave, working time reduction and strong collective bargaining arrangements.

Further, relating to **the labour market position of young people**, involuntary part-time work among young people does not feature in the consultation document as a potential area for increasing working hours across the European economy. 6.5 million people are ‘underemployed’ and among 20–29-year-olds the number of non-working hours that are desired is equivalent to 600,000 full-time jobs.³ The European Council noted with concern in response to the Joint Employment Report 2026 that “53.7% of all temporary employees in the Union reported being in temporary work involuntarily in 2024, and that despite slight improvements, temporary contracts continue to be [...] nearly three times more common among young people”.⁴ ETUC calls for EU action to reverse the widespread misuse of fixed-term, temporary, involuntary part-time and on call arrangements, which undermine job security, wage stability, access to training, and social protection for young people.

The consultation document also lacks a comprehensive engagement with the specific issue of **labour market transitions for young people** and the risk of social exclusion that many young people find themselves in as a result of an **uneven, segmented and precarious labour market**. Binding measures are required to change the reality of young people, as well as other groups including **women, people with disabilities, older people and migrants**.

The document lists multiple supply-side barriers to labour market participation of young people while neglecting to identify demand-side barriers such as unsociable or uncertain hours, insufficient parental leave arrangements, lack of suitable or affordable transport, prohibitively expensive housing and lack of access to collective bargaining at the workplace. High staff turnover in sectors, such as hospitality and education, should be addressed by demand-side measures to make these jobs higher quality, more attractive and to improve retention in sectors where this persists as an issue.

ETUC also wants to stress that tackling activation requires **addressing the informal economy. Undeclared and informal work** accounts for 9.7% of total private-sector labour input, reaching 27% in personal care and domestic work—sectors mainly dominated by **women migrant workers**. Other high-risk sectors include construction, agriculture, transport, HORECA, delivery and platform work, with a high presence of migrant workers, as acknowledged by the European Labour Authority and the Undeclared Work Platform.⁵ This deprives workers of social protection, pension accrual, and safety standards while creating public revenue losses.⁶

For migrant workers, the risk of irregular employment and labour exploitation is often also linked to the precarious nature of their residence status and their dependence on the employer. Regular and decent labour migration pathways are required to ensure protection and prevent them from exploitation and precarity, particularly in agriculture, construction, logistics, tourism and care work.

Concurrently, **unpaid informal care** keeps women out of the formal labour force; about 22% of EU women provide informal long-term care, and the gender employment gap costs the EU over €390 billion annually. Sustained public investment in formal care

³ [Employment and Social Developments in Europe \(ESDE\) 2025 Report](#)

⁴ [Council Conclusions on the 2026 Joint Employment Report](#)

⁵ [European Labour Authority, Undeclared Work Platform](#)

⁶ [Extent of undeclared work in the European Union February 2023](#)



infrastructure—raising ECEC participation for under-3s to 45%—would support female participation and formalise undeclared care work.⁷

Furthermore, ETUC calls for a broad definition of labour market activation that goes beyond helping the unemployed into work to encompass the formalisation of existing undeclared labour. This is critical for domestic work—a sector of 10 million women across Europe who work daily without labour rights, social protection, or collective bargaining. Bringing these workers into formal employment promotes quality jobs and gender equality by guaranteeing contracts, social security, collective bargaining coverage, and better conditions for vulnerable migrant workers, while enabling women with care responsibilities to participate fully in the labour market and reducing involuntary part-time work. With regard to the **skills mismatches, and insufficient alignment of education and training with labour market demands**, ETUC stresses that the right to education must be understood as reaching far beyond the needs of the labour market, and that education systems must not be subordinated to those needs. Education and training must continue to serve this broader purpose: personal development, democratic citizenship and social inclusion, alongside the transversal and civic competences workers need to defend their rights.

While the consultation document emphasises skills needs, ETUC reiterates that it fails to adequately address quality jobs and quality job offers. It appears to treat skills primarily as an instrument for increasing labour market participation and business competitiveness. Successful activation requires a much broader approach that combines outreach, guidance, validation of prior learning, social support, quality training opportunities, and access to quality employment.

ETUC further notes that the consultation document overlooks a number of structural barriers to effective upskilling and reskilling. The Commission should examine why progress under the Upskilling Pathways Recommendation has been so limited. Further, responsibility for training low-skilled and inactive adults remains fragmented across ministries and regional authorities, disconnected from mainstream adult education systems and social partners.

This is compounded by a failure to recognise existing competences. Qualified individuals, particularly **migrant workers**, are often kept out of the labour market not by a lack of skills, but because **employers will not recognise foreign qualifications** or transferable competences. Validating non-formal and informal learning is frequently a faster route into employment than requiring new formal qualifications, yet remains underused. Guidance must likewise be treated as a free, professional public service rather than left to individuals to navigate alone. Finally, training cannot be separated from living conditions. Care responsibilities continue to keep many inactive adults, particularly women, out of learning altogether, showing the need for investment in care infrastructure.

ETUC supports the Commission in highlighting the severe employment gap facing **persons with disabilities** and acknowledges discrimination as a critical entry barrier for vulnerable groups. Discrimination remains a major cause of inactivity. The 17-year non-adoption of the Horizontal Equal Treatment Directive continues to leave jobseekers unprotected outside employment in areas such as education and social protection.

The European Commission document quotes the need to increase labour market participation in order to improve the fiscal sustainability of social protection across MS,

⁷ Eurofound (2025), *Mind the gap! Gender employment gap cost Europe over €390 billion in 2023*; EIGE (2023), *A Better Work-Life Balance: Bridging the Gender Care Gap*



“as demographic ageing intensifies.” This narrative not only neglects the potential of quality jobs in enhancing the sustainability of adequate social protection.⁸ It also relies on a traditional model of financing social protection systems and overlooks the need for broader reforms of taxation and a fairer framework of contributory systems. Furthermore, it fails to consider that ageism affects 52% of EU citizens who view age as a major disadvantage in hiring. While the labour-market position of women and young people are rightly highlighted, employer discrimination in recruitment against jobseekers aged 55 and over is often overlooked. Workers aged 55–64 make up 28.1% of inactive working-age adults, but they participate less in ALMPs and training.⁹ EU action must enforce reasonable accommodation and integrate age-management workplace standards (ergonomic adaptation, flexible hours, phased retirement) into activation strategies. The importance of improving working conditions for recruitment and retention of workers in order to face population aging has also been addressed by European social partners. To enable older workers to remain active in the labour market in good health, strict enforcement and implementation of occupational safety and health legislation, particularly regarding Musculoskeletal Disorders, is essential. The impact of inadequate protection is evident in sectors like healthcare, where vast numbers of nurses are forced to leave the profession prematurely due to preventable work-related back injuries and chronic MSDs. Occupational health and safety must be an essential and cross-cutting condition for sustainable activation, access to quality employment and retention in work.

Furthermore, the analysis highlights the crucial **role of Public Employment Services (PES)** in identification, outreach, and individualized support for those furthest from the labour market. However, the analysis contains a fundamental shortcoming in its treatment of social protection systems. This risks conflating a-priori benefit-cutting or coercive activation to be avoided with poorly designed tax-benefit interactions that can create real disincentives and must be better shaped. ETUC strongly rejects the framing surrounding “tax and benefit disincentives” and “unemployment or inactivity traps”. Presenting unemployment benefits as barriers to work shifts systemic responsibility onto vulnerable individuals, ignoring the fact that these benefits serve as a vital safety net, particularly during the ongoing cost-of-living crisis. Benefit cuts and sanctions must never be equated with successful activation. People who lose entitlements without moving into sustainable employment risk disappearing from Public Employment Services’ radar altogether, becoming harder to reach. Activation should be evaluated against sustainable employment, retention, job quality, career progression and reduced poverty. Public Employment Services must be reinforced to prevent private intermediaries from profiting off job seekers, while public budget constraints must be recognised as the root cause of unfulfilled job gaps across essential public services. ETUC opposes all measures focused on compulsory work activation. Consequently, the proposed area of EU action aimed at addressing financial disincentives is unacceptable to the ETUC, save for one specific exception: ensuring that disability entitlements remain fully compatible with employment income.

Per the Social Protection Committee's 2025 Minimum Income Report, none of the 27 Member States' minimum income schemes are fully in line with the 2023 Council Recommendation, with single recipients receiving on average only 56% of the at-risk-of-poverty threshold (and as low as 10% in Hungary and Romania).¹⁰ Net replacement rates for short-record unemployed workers range from 7.4% in Hungary to 85.8% in Luxembourg, while 17 Member States cap benefit duration at six months or less.

⁸ See ETUC study [EPSR 2030 Scenario – What would it mean for pensions if the Action Plan's 78% employment target was achieved, with quality jobs](#)

⁹ [Joint Employment Report 2026, Eurostat](#)

¹⁰ [The 2025 Minimum Income Report](#)



Furthermore, in-work poverty remains high at 8.2% overall (rising to 12.9% for part-time and 13.3% for temporary workers).¹¹ The Commission must monitor that Member States do not further reduce income support benefits under the false aim of incentivising participation, and instead enhance the alignment between adequate income support and wage-setting mechanisms. The right to income support in any circumstance, regardless of the employment status, must remain effective. This implies that all workers in non-standard work must be firstly protected from the consequences of poor quality jobs and consequent inefficient accrual of social protection entitlements. People's activation in more rewarding jobs requires a systemic approach that must include the enabling social assistance as well as the improvement of working conditions. This also implies a revision of the European Economic Governance rules and the enduring approach to over-indebtedness and ongoing debt enforcement proceedings via CSRs, which strangle Member States' social spending irrespective of people's needs and rights — an approach detrimental to social but also economic development, one that fosters inequality, segregation, and the erosion of human capital.

Job quality must be recognised as a primary driver of labour shortages across all affected sectors, rather than treating offer-driven causes as the default. The analysis remains silent on proactive measures such as direct quality job creation, social conditionalities to guarantee the quality of the employment created attached to public hiring subsidies, and dedicated support frameworks for persons with disabilities. The Commission overlooks how the immediate loss of disability benefits upon entering employment creates a major structural barrier for this group; because disability-related functional costs persist regardless of employment status, this consultation must pave the way for EU action guaranteeing the compatibility of job income and disability entitlements. Disability-related additional costs should be adequately recognized, while respecting Member States' competence in the organization of social security systems.

Regarding **active labour market policies (ALMPs)**, ETUC notes that, while the consultation document rightly maps the barriers facing persons excluded from the labour market, ALMPs are not identified as a distinct objective of the possible EU action. They are referenced only as background evidence, mentioned in passing for their traditional role in mobilising hidden labour potential and cited in the Country Specific Recommendations as needing reinforcement, yet none of the eight "potential areas of EU action" set out in the document proposed the strengthening, quality or adequate resourcing of ALMPs as a goal in itself.

Training, guidance, and job-creation measures are left implicit within "individualised pathways", rather than set out as a dedicated priority. This is a significant omission given the Commission's own findings that implementation of the Long-Term Unemployed and Youth Guarantee Recommendations has slowed, and that service providers, when judged on placement targets, tend to prioritise those easiest to place into a job over people with more complex or structural barriers, leaving those furthest from the labour market underserved. ETUC considers that any future initiative must explicitly elevate ALMPs to a stand-alone objective, with clear commitments on coverage, quality and funding. The expertise of social partners should be explicitly recognised in the design, implementation and evaluation of active labour market policies. Trade unions operating at local and regional level, particularly in large urban areas, possess first-hand knowledge of the barriers faced by workers and jobseekers and can make an important contribution to the development of effective and inclusive active labour market policies.

Regarding labour market shortages, the consultation document frames activation mainly through the lens of labour shortages and business competitiveness, presenting employers' recruitment difficulties as the central problem before poverty, social

¹¹ [Joint Employment Report 2026](#)



inclusion and gender equality, which are introduced as secondary concerns. Persons facing significant barriers are largely cast as untapped labour supply to fill employer gaps, rather than as rights-holders entitled to quality employment and dignity in their own right. ETUC believes future EU action must rebalance this narrative: tackling shortages requires improving job quality and working conditions – whilst also diversifying the productive fabric – on the demand side, not only activating people on the supply side; and activation should be pursued for its own value to the person, not primarily to meet employers' recruitment needs. An appropriate analysis must also take into account a territorial dimension and the causes of labour shortages differ considerably across Member States and regions. In the EU context, activation and quality-job policies need to be complemented by measures addressing demographic decline, regional development, transport and access to services, as well as internal and cross-border labour mobility.

Question 2: Do you consider that EU action is needed to address the identified issues? If so, what should be the direction and scope of that action?

ETUC has raised its legislative **demands for improving work quality** across EU in its response to the consultation on the Quality Jobs Act. The EU must deliver a Quality Jobs act with new reinforceable rights for all workers that will improve job quality across Europe. Labour market shortages must primarily be addressed by providing for quality jobs, safe and decent working conditions, and collective bargaining rather than relying on deregulation, cost-cutting, or austerity measures. This also includes achieving 80% collective bargaining coverage through national action plans under the Minimum Wage Directive and supporting the capacity of trade unions, extending access to social protection to all workers, a right to paid training, and fostering gender-related employment policies.

Investment in and access to public services and social protection is equally important. Enrico Letta's report "Much More than a Market" also emphasised the "right to stay", underscoring the need to invest in quality jobs and services across EU regions. Public investment in social services, health and care must be undertaken to create quality jobs and to free people from care burdens that are currently carried out informally. In the child and long-term care sectors only, recognition of existing qualifications, the training of specialised care staff, and the creation of accessible public care centres, including in the most depopulated regions, would generate a genuine "multiple return" for the EU, in terms of wellbeing for workers, support for families, and fiscal return.¹² More narrowly, relating to this consultation, the ETUC calls for, in relation to the **Youth Guarantee**, quality criteria as a requirement of all offers under the Youth Guarantee:

A written agreement: Details on duration, expected working hours, role description, salary/compensation, skills outcomes referenced to NQF/EQF, and applicable Collective Labour Agreements / trade union information.

Full pay: For full-time employment, wages shall not be lower than the salary established by the collective agreement, median income, national/sectoral minimum wage, or the

¹² This is precisely the direction pointed to by the [High-Level Group Report on the Future of Social Protection and the Welfare State in the EU](#), which flagged the urgency of reforming social protection systems and social services in light of an ageing population and a shrinking workforce. The economic case is clear: the ILO estimates that investing in universal childcare and long-term care services across the EU-27 could create 13 million jobs by 2030, with every euro invested generating €4.7 in GDP growth through higher — particularly maternal — employment. Formal long-term care spending is already projected to rise from 1.7% to 2.5% of GDP by 2050; without public investment, this need will keep being absorbed by unpaid, informal care, currently valued at 2.4–2.7% of EU GDP.



EU poverty line (whichever is most favourable). Part-time salaries must adapt accordingly.

Work environment and return rights: Decent working conditions, designated accessible space, resting times, right to return after parental leave, accident, or long-term illness.

Complaint Channels & Social Protection: Access to complaint channels (host organisation, trade union, or third party). Mandatory inclusion in social security (unemployment, health, sick leave, accident insurance) irrespective of contract duration.

Inclusive **Young Worker Transitions** can be addressed under Art 153(h) and (j) TFEU, establishing minimum transition standards: written contracts, minimum working hours, social protection access, union representation, and strict limitations on temporary/part-time work, with respect for national social partner autonomy.

Specific to gender equality, future EU action must move beyond solely economic metrics and prioritise pathways for women towards entering and staying in quality jobs. This includes tackling the root causes of barriers to employment, such as the unequal distribution of unpaid care work between women and men, the undervaluation of work done by women in a highly gender segregated labour market and access to affordable, accessible and high-quality public services. The full and effective implementation of existing EU legislation aimed at promoting gender equality in the labour market must be ensured, including in particular the EU Pay Transparency Directive. Its provisions should be fully implemented and their level of ambition preserved, avoiding any weakening or dilution of the safeguards already agreed at EU level and implementation should include support for social partners and gender-neutral job evaluation systems as key tools for reducing gender pay gaps. Effective implementation is essential not only to increase transparency in recruitment and pay practices and to tackle gender-based pay discrimination, but also to improve women's access to quality employment, reduce structural inequalities throughout working life and support fairer career progression.

The EU must **ensure that proposed actions on childcare and long-term care are backed by public investment** and clear alignment with the newly announced European Care Deal, rather than relying on non-binding targets. The Care Deal should be an integral part of the EU's activation and employment strategy, recognising accessible, affordable and quality care as an essential condition for participation in the labour market. Adequate and sustainable public investment should strengthen public and not-for-profit provision, alongside effective social dialogue and collective bargaining. It should also ensure that activation policies do not penalise people who have caring responsibilities, often women, where adequate care services are unavailable or unaffordable. Without substantial investment and equal sharing of care responsibilities, women will remain trapped in caregiving roles. Activation cannot be separated from whether quality care is actually available.

The EU should encourage Member States to **move toward individual taxation systems** which can be a key step to removing secondary earner disincentives, which currently affect women in 78% of cases.

Similarly, integrating strong Occupational Safety and Health (OSH) standards and clear protections against **Gender-Based Violence and Harassment (GBVH)** into job retention strategies offers a practical way to improving working conditions and support long-term workplace stability. Occupational health and safety must be an essential and cross-cutting condition for sustainable activation, access to quality employment and retention in work. Personalised pathways must ensure compatibility between the individual's abilities and circumstances, the job and the organisation of work, through adequate



assessment and prevention of occupational risks, the adoption of the necessary adaptations and reasonable accommodations, and the involvement of workers and their health and safety representatives. ETUC calls for **increased capacity-building support in the MFF 2028-2034**, and each Member State should be obliged to allocate an amount of social expenditure, 1% from ESF+ or National and Regional Partnership Plans (NRPP) directly to social partners.¹³

Regarding skills, ETUC calls for activation measures to be connected directly to an enforceable right to training for all workers, regardless of contract type, employment or immigration status, fully enforcing the provisions of Directive (EU) 2019/1152. The EU should promote all **National Activation Strategies** to include upskilling strategies backed by dedicated budgets, cross-ministerial coordination, and social dialogue. Outreach must be recognised as a distinct policy objective funding trusted intermediaries, including trade unions and adult learning centres.

Further, ETUC calls for a **revision of the 2008 Council Resolution on Lifelong Guidance** to be undertaken to establish guidance as a free, professional public service and support trade union guidance roles. Validation of non-formal/informal learning under the 2012 Recommendation should be elevated into a core, publicly funded activation instrument with structural social partner involvement.

In relation to **workers with disabilities**, ETUC calls for dedicated legislation to make the elements of the Employment Package of the EU Strategy for the Rights of the Persons with Disabilities enforceable and obligatory for employers, that would ensure reasonable accommodation for workers with disabilities as a legally binding obligation, which can be better tailored and improved through collective bargaining and social dialogue. Reasonable accommodation should also be applied in cases of supervening disability, as declarations of permanent incapacity frequently led to the termination of the employment contract rather than to workplace adaptations, thereby excluding the worker from the labour market. ETUC also calls for the adoption of EU's Horizontal Non-Discrimination Directive, which would provide comprehensive protection for people with disabilities in the workplace and in society.

To ensure economic security and fair employment models, ETUC demands a legally binding instrument for **sheltered workshops**, ensuring they serve as stepping stones to the open labour market rather than end-traps for substandard working conditions. Workers in these settings must be guaranteed statutory minimum wages or collective agreement standards, with public funding made conditional on compliance. Disability support entitlements must remain fully compatible with employment income to eliminate poverty traps, while the full portability of disability allowances and support under the **European Disability Card** must be guaranteed. Finally, full involvement and structured governance with trade unions in co-designing, monitoring, and evaluating disability inclusion policies across national and EU levels should be ensured.

The **role of Public Employment Services** must be strengthened. Amid rising trends toward privatization and public-private partnerships, the ETUC reaffirms that labour market integration and targeted support for vulnerable groups are fundamental public responsibilities. Looking ahead to the Multiannual Financial Framework 2028–2034, ETUC insists that high-quality public services and administration are essential pillars for protecting workers from economic insecurity. The next MFF must deliver dedicated, protected funding to ensure PES maintain the operational, technical, and staffing capacity needed to deliver fair transitions and prevent long-term unemployment.



ETUC calls for EU action to support **building Active Labour Market Policies (ALMPs)** that respond to people's real barriers and needs, while ensuring that activation interventions remain supportive and non-coercive. To achieve this, ALMPs must include tailor-made support based on timely individual assessments, quality counselling and guidance throughout the activation process, and (re)skilling opportunities matched to real labour market needs. The use of AI-based tools to support activation must account for the risk of AI-driven discrimination and remain subject to human oversight. They must provide paid traineeships and apprenticeships that offer genuine pathways into quality employment, support towards quality, sustainable jobs, and continuity of support after placement to prevent early relapse into inactivity. Trade unions and social partners must have a structural, binding role in the design, implementation, monitoring and evaluation of ALMPs at all levels. ALMPs need to be explicitly calibrated to the specific and often compounding needs of vulnerable groups through dedicated pathways, requiring stronger, community-based outreach via cooperation with social partners, civil society, and social services. ALMPs must be backed by adequate, guaranteed EU funding (ESF+, NRPP, ECF) so that the delivery of this policy does not fall only on already under-resourced national employment services.

Finally, ETUC recalls that cohesion policy is the primary delivery engine for activation at EU level, with ESF+ (2021–2027) reaching 16 million participants and driving long-term GDP and employment gains. However, the proposed MFF architecture threatens this progress by folding ESF+ into National and Regional Partnership Plans with only a 14% social target floor - representing an estimated 26% real-terms cut to dedicated ESF+ funding.¹⁴ ETUC rejects this dilution. It is important that the next MFF reinforce dedicated funding for social objectives, protect administrative and PES capacity, and maintain guaranteed, ring-fenced resources for the Youth Guarantee and targeted ALMP delivery, as well as for the labour market integration of migrants and refugees under the AMIF. While noting the important role of EU funding in supporting labour market participation, it should be seen as complementing national funding that enables Member States to develop targeted measures.

Question 3 (Article 155 TFEU Negotiations) – Views on Social Dialogue Negotiations

ETUC is ready to explore with the European employers whether there is scope for social partner negotiations under Article 155 TFEU on relevant aspects of this initiative. Such negotiations could add value where the issues fall within the competence of the social partners and where an agreement could deliver concrete improvements in access to quality employment, sustainable labour-market integration and retention.

Possible areas for dialogue could for example include the role and responsibilities of employers in recruitment, return-to-work arrangements, reasonable accommodation, access to training, a European Job Guarantee, and the involvement of workers and their representatives in the design and implementation of measures supporting labour-market participation.

However, openness to exploring this possibility does not at this stage constitute a decision by ETUC to enter negotiations or a request to suspend the Commission initiative. Any such decision would require greater clarity regarding the scope and content of possible EU action and evidence of a genuine willingness among the European employers to negotiate an ambitious and balanced agreement, and also take into account commitments made in the context of the Work Programme of the European Social Partners.



The Commission should in the meantime proceed with the second-stage consultation and set out sufficiently ambitious and concrete options for EU action. Social partner negotiations should complement the Commission's responsibility to act and must not become a means of lowering the level of ambition or avoiding necessary binding measures.