

# **PATHS2INCLUDE submission in response to the new Action Plan on the implementation of the European Pillar of Social Rights public consultation**

The [European Pillar of Social Rights](#) consists of twenty principles and rights to support well-functioning and fair labour markets and welfare systems. To implement these principles, the corresponding [Action Plan](#) sets out a number of EU actions and three EU headline targets to be achieved by the end of 2030 in the areas of employment, skills, and social protection.

One of the targets aims to increase the employment rate to at least 78% (of the population aged 20 to 64) by 2030. To promote greater labour market participation, the European Commission is striving to remove existing barriers and reach out to groups with fewer opportunities.<sup>1</sup> Nevertheless, many social groups continue to be vulnerable to discrimination and disadvantages in the labour market.

The new action plan on the implementation of the European Pillar of Social Rights offers an opportunity to set new priorities and intensify efforts towards more inclusion. Expanding the labour force by increasing the participation of underrepresented groups enhances productivity and strengthens the resilience of labour markets to demographic shifts. This reduces pressure on pension systems, healthcare, and public finances, making it a vital step towards boosting the EU's long-term competitiveness and preparedness for future economic and social challenges.

This document draws on [PATHS2INCLUDE](#)<sup>2</sup> research findings and aims to fill in gaps in data and provide policy recommendations for promoting inclusive labour markets with the goal of implementing the European Pillar of Social Rights principles. The recommendations are especially relevant for the following Pillar principles: 1. Education, training and lifelong learning, 2. Gender Equality, 3. Equal opportunities, 4. Active support to employment, 6. Wages, 9. Work-life balance, and 10. Healthy, safe and well-adapted work environment, as well as for the following actors: EU policy-makers, public authorities, statistics institutes, Public Employment Services and Non-Governmental Organisations providing employment support, as well as social partners.

<sup>1</sup> European Commission, [The European Pillar of Social Rights Action Plan](#), 2021.

<sup>2</sup> [PATHS2INCLUDE](#) is a 3-years research project funded by Horizon Europe that investigates the multi-dimensional aspects of discrimination, policies that could reduce inequalities and promote social inclusion in European labour markets and risk factors of vulnerability that may arise in the future of work. The research focuses on three key labour-market processes: recruitment; career paths; and early exit from working life, giving particular attention to labour-market participation at the intersection of gender, ethnicity, age, health, disability, and care responsibilities.

## 1. Education and skills development can mitigate the impact of disadvantages

The EU target of adults participating in training every year is set for at least 60% by 2030, but by 2022 this number only reached 39,5%. PATHS2INCLUDE findings indeed confirm the strong correlation between higher education levels and increased labour market participation and employment. Specifically tertiary education emerged as a key factor that can partially mitigate the impact of structural disadvantages related to gender and health.<sup>3</sup> In addition, project findings indicate that enhancing skills of people with health limitations may improve their employment situation without needing to change positions.<sup>4</sup> Since people with health limitations may have fewer opportunities to change positions, policies supporting the development of digital and social skills could help reduce the negative effects of health limitations on labour market participation.

The new Action Plan should **invest in skills and training programmes tailored to the needs of populations in vulnerable positions**. Instead of merely focusing on providing training to highly skilled individuals, training and education initiatives should be available to all disadvantaged groups, including people with health limitations, to mitigate the negative effects of existing disadvantages on their labour market attachment.

## 2. Gender-inclusive labour markets

By 2030, the European Commission aims to at least halve the gender employment gap compared to 2019.<sup>5</sup> PATHS2INCLUDE findings, however, show that gender-based discrimination remains prevalent across Europe, with women facing systemic biases in the recruitment process.<sup>6</sup> Consistent with previous research and EU data, we found that women, and particularly those with dependents, are less likely to be active in the labour market than men.<sup>7</sup> These differences reflect the continuing influence of gendered caregiving responsibilities.

The research also emphasises the economic vulnerability of women in retirement. Men and women display similar retirement intentions but when other risk factors - such as caregiving responsibilities, health limitations and low socio-economic status - are taken into consideration, women are more likely than men to indicate the intention to retire early.<sup>8</sup> This often goes with

<sup>3</sup> Ona Valls, Arianna Vivoli, Robin Samuel and Elisabeth Ugreninov, [Mapping labour market attachment among vulnerable groups in European countries: health-related and intersectional barriers before and after COVID-19 pandemic](#), 2025, p. 23-25.

<sup>4</sup> Katarzyna Lipowska and Marta Palczyńska, [Impact of health and skills on the risk of weak labour market attachment](#), 2025.

<sup>5</sup> European Commission, [The European Pillar of Social Rights Action Plan](#), 2021

<sup>6</sup> Buttler et al., [How context shapes care-based discrimination in hiring: evidence from a cross-national factorial survey experiment](#), 2025, p. 26.

<sup>7</sup> Ona Valls, Arianna Vivoli, Robin Samuel and Elisabeth Ugreninov, [Mapping labour market attachment among vulnerable groups in European countries: health-related and intersectional barriers before and after COVID-19 pandemic](#), 2025, p. 24.

<sup>8</sup> Vasile et al., [Explaining cross-country variation in timing and work exit routes among older workers](#), 2025, p. 54.

fragmented career paths and lower earnings resulting in lower retirement savings which might lead to financial gender gaps and insecurity in older age. The new action plan must ensure the **implementation and compliance with Directive 2000/78/EC** on equal treatment in employment and occupation.

### 3. Difficulty of identifying at-risk groups in the labour market

Research findings highlight the difficulty of identifying at-risk groups, the discrimination they may face, and their poor labour market integration in existing EU and national surveys, due to several factors such as limited sample sizes or lack of specific questions.<sup>9</sup> Although some surveys incorporate questions designed to capture data on at-risk groups or phases of life, the scope and generalisability of the results are often limited. This lack of comprehensive data poses a crucial challenge in accurately assessing the impact of employment policies on at-risk groups.

The new action plan should **prioritise comprehensive data collection** to capture the employment dynamics and experiences of at-risk groups, allowing policy-makers to better understand the challenges faced and effectively tailor interventions to promote inclusive and equitable employment opportunities across different stages of the working life, as well as to decrease vulnerability in the future of work. This includes expanding existing surveys to collect more detailed information on socio-demographic characteristics, health and disabilities, and migration trajectories, in addition to other factors that may influence employment outcomes, such as caregiving responsibilities. Longitudinal studies with larger sample sizes allow for monitoring the effectiveness of policies over time and understanding the intersections between various factors that influence employment in the present and the future of work.

### 4. Intersecting disadvantages shape labour market exclusion

PATHS2INCLUDE research shows that disadvantages are not experienced in isolation, instead, they operate in intersectional ways, with the effects of gender, education, age, and household composition combining in context-dependent patterns creating specific challenges and barriers to labour market entry, stability, and progression. For example, women with health limitations living in households with dependents faced especially high barriers to labour market attachment.<sup>10</sup> Policies designed to strengthen labour market attachment must look at the intersectional nature of disadvantage, as one-size-fits-all approaches are likely to be inadequate considering such complexity, and **target overlapping vulnerabilities stemming from individual characteristics**, including age, health limitations, gender and caregiving responsibilities. By recognising and addressing this complex interplay of individual vulnerabilities and regional economic conditions, future labour market interventions can more effectively promote inclusion and social cohesion across the EU.

<sup>9</sup> Valls et al., [At-risk groups in the labour market](#), 2024.

<sup>10</sup> Ona Valls, Arianna Vivoli, Robin Samuel and Elisabeth Ugreninov, [Mapping labour market attachment among vulnerable groups in European countries: health-related and intersectional barriers before and after COVID-19 pandemic](#), 2025, p. 24.

## 5. Discrimination in recruitment remains prevalent across Europe

EU law sets minimum requirements on the equal treatment of persons regardless of sex, ethnic or racial origin, disability, religion or belief, age and sexual orientation.<sup>11,12</sup> However, the research findings confirm that gender and ethnic discrimination remain prevalent across Europe limiting equal access to employment opportunities, which aligns with outcomes of the latest report on the application of the Directives.<sup>13</sup> Our results show that mothers<sup>14</sup>, especially single mothers, and ethnic minorities<sup>15</sup> continue to experience systemic biases in the hiring process. The study also examined the organizational-level determinants of this discrimination, finding that such discrimination is less prevalent in companies with diversity policy measures and flexible work arrangements.<sup>16</sup>

Next to ensuring the full **implementation and compliance with Directives 2000/78/EC** on equal treatment in employment and occupation and 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin, the new action plan should encourage organisations to **adopt concrete, actionable diversity policy measures** such as inclusive hiring practices, mentoring programmes, and diversity management training while engaging managers in diversity efforts to mitigate biases in recruitment processes. Policy-makers should also create (financial) incentives and support mechanisms to drive such workplace changes. In addition, **expanding flexible work arrangements** not only facilitates work-life balance but can also prevent care-based discrimination, particularly benefitting single mothers. The uptake of flexible and inclusive work arrangements (e.g., through public incentives or regulatory frameworks) should be particularly supported in sectors where discrimination is most pronounced.

## 6. Activating older workers may increase inequalities

Encouraging older workers to postpone retirement may increase inequalities as not all workers have equal opportunities to adjust their timing of retirement and extend their working life. For groups in vulnerable situations, disadvantages tend to accumulate over the life course, making a disproportionate impact on their quality of life in older age. An analysis of SHARE data reveals gender, household structure, health, education, and wealth as central drivers of exclusion of

<sup>11</sup> Council Directive [2000/78/EC](#) of 27 November 2000 establishing a general framework for equal treatment in employment and occupation.

<sup>12</sup> Council Directive [2000/43/EC](#) of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin.

<sup>13</sup> European Commission, [Report](#) on the application of Council Directive 2000/43/EC implementing the principle of equal treatment between persons irrespective of racial or ethnic origin ('the Racial Equality Directive') and of Council Directive 2000/78/EC establishing a general framework for equal treatment in employment and occupation ('the Employment Equality Directive'), 2021.

<sup>14</sup> Buttler et al., [How context shapes care-based discrimination in hiring: evidence from a cross-national factorial survey experiment](#), 2025, p. 5.

<sup>15</sup> Rogstad et al., [Hiring discrimination across national contexts](#), 2025, p. 31.

<sup>16</sup> Buttler et al., [How context shapes care-based discrimination in hiring: evidence from a cross-national factorial survey experiment](#), 2025, p. 26-27.

older workers, often interacting in complex ways.<sup>17</sup> For example, there is a clear correlation between health limitations and the economic vulnerability of older workers in Europe: workers facing significant health challenges indicate the highest levels of mental and physical exhaustion after work, worry more often about their future economic situation and report more difficulties in making ends meet.<sup>18</sup> Also economic constraints and health limitations influence the timing of exit of older workers: financial stability allows for greater control over one's retirement timing in contrast to low income, leading to extended employment or early retirement with insufficient resources.<sup>19</sup> This issue will become increasingly challenging as pension reforms are eliminating a clear statutory retirement age and making income security more dependent on the duration of one's ability to work.

To address the challenges that aging populations face in the workforce, policies should have a stronger focus on creating health-promoting workplaces: health screenings, active living and ergonomic approaches can help keep aging workforces healthy and engaged. Council Directive 89/391/EEC<sup>20</sup> harmonises occupational health services across EU member states for better health and safety standards, but its implementation varies at a national level.<sup>21</sup> The new action plan should **establish health-promoting workplaces** enabling older workers to remain in employment longer and reduce their economic vulnerability, by **supporting the implementation of Council Directive 89/391/EEC** to mainstream occupational health services across Europe.

## 7. Wealth can mitigate labour market vulnerabilities

Another target of the European Commission is to reduce the number of people at risk of poverty by at least 15 million by 2030.<sup>22</sup> The research found that the economic context in which individuals live can impact their labour market participation and retirement decisions. For example, a higher level of wealth is linked to a reduced likelihood of being excluded from the labour market.<sup>23</sup> The region where one lives matters as well, for example, women living in a wealthier region tend to have a higher probability of employment.<sup>24</sup> Wealth appears to mitigate other vulnerabilities, such as poor health and gender, significantly reducing their negative effects among individuals with greater economic resources.

To protect against (in-work) poverty and inequalities, minimum wages play an important role. The new action plan should **ensure adequate minimum wages**, in a way that satisfies the needs

<sup>17</sup> Alecu et al., [The impact of COVID-19 on work, exit, and exclusion among older workers](#), 2025, p. 32.

<sup>18</sup> Vasile et al., [Explaining cross-country variation in timing and work exit routes among older workers](#), 2025, p. 54.

<sup>19</sup> Ibid, p. 55.

<sup>20</sup> [Council Directive](#) 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work

<sup>21</sup> Hämäläinen Mervi, [A framework for a smart city design: Digital transformation in the Helsinki smart city](#), 2020, p. 63-86.

<sup>22</sup> European Commission, [The European Pillar of Social Rights Action Plan](#), 2021.

<sup>23</sup> Alecu et al., [The impact of COVID-19 on work, exit, and exclusion among older workers](#), 2025, p. 23.

<sup>24</sup> Vivoli et al., [Assessing the determinants of labour market inclusion for vulnerable European citizens: an eco-systemic and multi-level approach](#), 2024, p. 24-25.

of workers and their families in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. All wages should provide for a decent standard of living and be set in a transparent and predictable way according to national practices and respecting the autonomy of the social partners.

## 8. Care responsibilities shape gendered inequality in the labour market

PATHS2INCLUDE research found people with caregiving responsibilities to be among the most vulnerable in terms of labour market participation.<sup>25</sup> Care responsibilities, particularly informal care within families, present a significant challenge to activation, hiring, employment, and extended working lives, especially for women. Caregiving responsibilities can lead to fragmented employment trajectories resulting in lower retirement savings and greater financial insecurity in older age. Results from another part of the research show a gendered parenthood penalty where mothers, especially single mothers, face significant disadvantages in hiring processes, especially when applying for demanding jobs.<sup>26</sup>

The new action plan should **promote adequately paid leave for workers with caregiving responsibilities** enabling them to take time off work without losing income and thereby reducing financial stress and allowing better balance between caregiving duties and employment. Policy-makers must recognise that caregiving might not be a personal choice but is a societal necessity that demands structural support.

### Key recommendations:

- Invest in skills and training programmes tailored to the needs of vulnerable populations.
- Invest in comprehensive data collection to capture the employment dynamics and experiences of at-risk groups.
- Design policies with an intersectional approach.
- Ensure the full implementation of Directives 2000/78/EC on equal treatment in employment and occupation, 2000/43/EC implementing the principle of equal treatment between persons irrespective of racial or ethnic origin, and 89/391/EEC mainstreaming occupational health services across Europe.
- Encourage organisations to adopt concrete, actionable diversity policy measures.
- Expand flexible work arrangements to facilitate work-life balance and prevent care-based discrimination.
- Establish health-promoting workplaces.
- Ensure adequate minimum wages.
- Implement adequately paid leave for workers with caregiving responsibilities.

<sup>25</sup> Vivoli et al., [Assessing the determinants of labour market inclusion for vulnerable European citizens: an eco-systemic and multi-level approach](#), 2024.

<sup>26</sup> Buttler et al., [How context shapes care-based discrimination in hiring: evidence from a cross-national factorial survey experiment](#), 2025, p. 26.



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