

# Paving the way for inclusive labour markets under the European Pillar of Social Rights



PATHS2INCLUDE

Cloë Rossenbäcker, Elizabeth Gosme



## Why it matters

- The European Pillar of Social Rights includes twenty principles and rights to support well functioning and fair labour markets
- European Commission's target: increase the **employment rate to at least 78%** by 2030
  - Need to remove existing barriers and reach out to groups with fewer opportunities
- Around 51 million people are currently still outside the labour market
- Inclusion boosts **productivity, cohesion, and long-term competitiveness**

## European Pillar of Social Rights

Principles relevant to inclusive labour markets:

- Education, training and life-long learning
- Gender Equality
- Equal opportunities
- Active support to employment
- Wages
- Work-life balance
- Healthy, safe and well-adapted work environments

## Main research findings

### Education and skills development can offset effects of disadvantages

- Strong correlation between higher education and increased labour market participation and employment
- Tertiary education can partly mitigate the impact of disadvantages
- Post-pandemic labour market is shaped by FWA and digitalisation

### Women have a more vulnerable labour market position than men

- Gendered parenthood penalty with (single) mothers facing significant disadvantages in the labour market
- Economic vulnerability of women in retirement

### Persistent gaps in data availability

- Difficult to identify at-risk groups and the discrimination they face
  - due to limited sample sizes and lack of specific questions
  - difficult to assess the impact of employment policies on at-risk groups

### Intersecting disadvantages shape labour market exclusion

- Labour market exclusion is a result of the interplay and intersection of individual and contextual characteristics throughout the life course of people
  - policies need to target overlapping vulnerabilities

### Wealth can mitigate vulnerability

- A higher level of wealth is linked to a reduced likelihood of being excluded from the labour market
- Wealth appears to mitigate other vulnerabilities

### Discrimination in recruitment remains prevalent across Europe

- Mothers and ethnic minorities continue to experience systemic biases across Europe
- Comprehensive organisational support and inclusive hiring practises can contribute to a more diverse workforce

### Activating older workers may increase inequalities

- Not all older workers have equal opportunities to adjust their timing of retirement and extend their working life
- Disadvantages tend to accumulate over the life course, making a disproportionate impact on their quality of life in older age
  - Gender, household structure, health, education, and wealth are key factors excluding older workers, often interacting in complex ways
- Economic constraints and health limitations influence the timing of exit of older workers

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

- Caregiving presents a significant challenge to activation, hiring, employment, and extended working lives, especially for women
- Care-based discrimination occurs less in organisations with flexible work arrangements and/or diversity policy measures

### The future of work presents both opportunities and challenges for vulnerable groups

- Digitalisation offers opportunities for flexibility and accessibility
- Digitalisation introduces barriers and exacerbates existing inequalities for at-risk groups

## What works?

- Skills and training** programmes tailored to the needs of vulnerable populations
- Comprehensive data collection** capturing employment dynamics and experiences of at-risk groups
- Policies with an **intersectional** approach targeting overlapping vulnerabilities stemming from individual characteristics
- Full implementation and compliance with European Union **Equality Directives** (2000/78/EC and 2000/43/EC)
- Concrete, actionable **diversity policy measures** such as inclusive hiring practices
- Flexible working arrangements** facilitating work-life balance and preventing discrimination in hiring of mothers
- Health-promoting workplaces** that enable older workers to remain in employment longer and reduce their economic vulnerability
- Adequate **minimum wages**
- Adequately paid leave** for workers with caregiving responsibilities

PATHS2INCLUDE is a 3-year 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.



Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union. Neither the European Union nor the granting authority can be held responsible for them.