

# Concerns about economic governance review

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## **The European employers and trade unions for the social services sector are concerned about the EU Council mandate for the negotiations on the review of the EU's economic governance rules**

The EU institutions are currently working on a [reform of the EU economic governance](#). [Calculations of the Bruegel institute](#) indicate that several member states will have to reduce public spending in 2025 and years coming, often in the billions of euros, under this mandate.

Such measures have in the past reduced spending for a broad range of social services, such as elderly care, care for persons with disability or childcare.

Underfunding of social care has obvious negative consequences for the availability, affordability and quality of care and especially combined with the effects of inflation. This threatens the existence of many care providers and makes it impossible to address staff shortages, which in many cases lead to long waiting times for people, for example for young people seeking psycho-social assistance.

Underfunding contributes to the persistence of the gender pay gap in the EU, given that 80% to 90% of workers in the sector are women on often low pay. In addition, when care services are not available, generally women stop working in order to care for children, persons with disabilities or their parents. This is particularly detrimental knowing that Europe lacks workforce and that, as the European Care Strategy states, **Europe needs on the contrary investment in the care services and in particular in their staff.**

These problems recognised in the EU Care Strategy are also highlighted in the December 2022 Council recommendations on early childhood education and Long-term care.

We ask the Parliament, Council and Commission to evaluate the impact of the proposed new rules on the financing of social services in the EU.

These rules must not constrain the ambitions of the EU's Care Strategy, the mental health strategy nor the realisation of the rights in the European Pillar of Social Rights, such as the right to Long Term Care.

### **We ask for economic governance rules that ensure funding and investment in social services.**

We ask the Commission to evaluate the existence of national strategies to implement the Council recommendations on early childhood education and care and Long Term Care and, where they exist, if the national social partners have been actively involved, to evaluate whether they take into account

the sustainable financing of social services over the next years. This is particularly needed to face the numerous challenges (ageing, shift towards person centred community care, mental health...).

As EU social partners, we are committed to work with the Commission and Member States for the full implementation of the European Pillar of Social Rights and the Recommendations on early childhood education and care and Long term care. **Member States' potential efforts to invest in social services for the benefit of their citizens' wellbeing must not be hindered by EU economic governance rules.**

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**Fabrizio Rossi**

Secretary General of CEMR

**Jan Willem Goudriaan**

General Secretary of EPSU

**Note to editor:**

**[The Federation of European Social Employers \(Social Employers\)](#)** is the voice of employers in the field of social services at European level, representing 31 members from 20 countries. This comprises all care and support services, especially for older persons, persons with disabilities, children and other excluded and disadvantaged persons.

**[The Council of European Municipalities and Regions \(CEMR\)](#)** is the broadest European association of local and regional governments. It is the only organisation that brings together one million democratically elected European politicians, in 60 member associations from 40 countries since 1951. CEMR is also the European section of the world organisation United Cities and Local Governments (UCLG), through which it represents European local and regional government on the international stage.

**[The European Federation of Public Service Unions \(EPSU\)](#)** is the European trade union federation that represents the social services sector, covering millions of social service workers across the EU, the candidate countries, Norway, the UK and beyond, including Ukraine. EPSU represents workers in public and non-profit services, as well as in private care companies such as Clariane, Orpea and Colisee.