



# DA's European Policy Sightlines

EU2030

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# Background

The EU started life as a peace project. A combination of external, geopolitical factors and internal dynamics has led to a series of changes since Denmark joined half a century ago. The single market, one of the cornerstones and foundations of European co-operation, celebrates its thirtieth anniversary in 2023. Since the establishment of the Coal and Steel Union in 1952, co-operation on trade has generated progress, welfare and prosperity. The move towards full implementation of the principles of free movement inside the single market has also given rise to a desire to supplement economic integration with social integration.

In 2017, the EU Commission set out 20 principles for a social Europe in what it called *The European Pillar of Social Rights*. Since then, the Commission has been doing its best to ensure that the member states implement the principles, which has led to a closer focus on employment and social affairs. The EU's move toward more widespread use of Europe-wide solutions in these two fields has had positive effects in some member states but created challenges in others – including in Denmark.

A combination of the challenges the many new employment measures pose for Denmark and the repeated calls by DA for them to be designed in such a way that they do not undermine the Danish labour-market model has left

Denmark in general and DA in particular with an image of being highly critical of the EU system. It is an image that does not align with our fundamental approach to the EU as a good – and more and more an unconditionally necessary – community. Being part of the EU and the single market has been, and without doubt still is, of great benefit to Danish companies and the people of the country.

The visions outlined below are an attempt by DA to make a constructive contribution to shaping the future. We expect the EU to be even more involved in employment policy and social policy. It is important for DA that the Union also continues to enhance its competitiveness and extend the single market in a way that maintains a balance between the two policy areas. Social progress without economic progress would weaken the EU's competitiveness and, with it, prosperity and the opportunities for closer co-operation.

DA's visions for EU2030 represent the course Danish employers would like to see the EU take – for the good of companies and workers in Denmark and in the rest of Europe – and are part of our contribution toward a strong Europe for all. DA advocates focusing on the five themes outlined below.

**A single market  
that works well**

**1**







The single market is not just about trade. It is also about standards for equal competition, quality, consumer protection, health and safety and working conditions. However, more could be done. The EU has not yet fully implemented the market nor exploited all of its potential. The main precondition for a single market that works well is the maximum possible freedom of movement of goods, services, capital and labour.

To achieve full freedom of movement, the EU must remove any unnecessary barriers. For example, differences in how the member states implement, enforce and interpret EU rules hinder companies' ability to compete throughout the whole of the single market. Lack of coordination between member states' official agencies also makes it difficult for EU citizens to take jobs in other member states.

# VISION

*Realise the full potential for the free movement of labour and services in the EU*

### **1. Member states comply with EU rules**

Lack of enforcement and fragmented implementation of existing EU legislation distort competition in the single market. The EU Commission and the member states must focus much more closely on ensuring that new EU rules are observed and enforced without unnecessary fragmentation.

### **2. The EU supports the free movement of its citizens by improving co-operation between the member states' official agencies**

The full potential for labour mobility in the single market has not yet been realised. The EU must provide greater support to make it happen. This will require closer contact between national agencies across EU borders so that companies and workers have ready access to the information they need. Sharing digital solutions is one tool that would help facilitate this interaction between national agencies, as well as between those agencies, citizens and companies, and make information about the rights and duties of mobile workers readily available.

### **3. The EU helps facilitate the mutual recognition of qualifications throughout the EU**

National differences in the recognition of qualifications and the extent of the documentation required still constitute an obstacle to the free movement of people and services. The EU must increase the awareness and user-friendliness of existing EU tools that help make *qualifications* more transparent and *comparable*.

### **4. The EU bolsters the European Semester to ensure labour-market reforms are implemented at national level**

Several member states need to introduce labour-market reforms to increase the supply of labour. The EU needs more powers to follow up on the member states' implementation of the country-specific recommendations in the European Semester. The EU must set quantifiable milestones for implementation and use EU funding as a strategic tool to encourage national reform processes, e.g. by linking demands for reforms to project funding.

### **5. EU and national rules make it easy for third-country nationals to come to the EU to work**

Upskilling the European workforce alone will not guarantee the supply of labour that companies need. Attracting staff from outside the EU is part of the solution to securing the necessary skills to support the green and digital transitions and address demographic trends.

**A workforce  
with the right  
competencies**

**2**





Competencies are a global competitive parameter. The green and digital transitions are megatrends, and of course, the EU also focuses on them. To achieve European ambitions, competencies must match skills needs. If not, the Union will be left behind in global competition. The demand for competencies is dynamic and constantly evolving, so there is a need to update them all the time – otherwise known as “lifelong learning”.

The green transition, in particular, requires retraining and upskilling throughout working life. The nature of it must be driven by the labour market as a whole and the need for skilled tradespeople and other staff with specialised skills. The member states must improve their education and training systems so their citizens get off to a good start in education, training and working life.

# VISION

*The most highly skilled workforce in the world by 2030*

### ***1. The EU sets visionary and relevant targets for the quality of continuing education and training***

The EU must ensure that upskilling opportunities are of high quality and reflect labour-market demand. Competitive companies need competent staff. It is important that EU targets focus on meeting the needs of companies instead of just the number of people in continuing education and training.

### ***2. The EU expands knowledge of and facilitates exchange of information about future competency needs***

At the moment, there is a significant mismatch between the supply and demand for competencies in European labour markets. The green and digital transitions are expected to exacerbate the lack of relevant competencies. We must train people for new needs and retrain and upskill the European workforce. The EU can help in this by learning more about future needs and fostering closer collaboration between the member states on best practices.

### ***3. The EU helps facilitate the mutual recognition and transparency of qualifications across member states***

Not enough people know about the existing EU tools – e.g. Europass and ECVET – for making qualifications more comparable throughout the EU. Use of them is limited, and there are significant differences between how the member states use them. We must increase awareness of them and make them attractive to all the member states, so it is easier for people to move to and work in other EU countries.

### ***4. The EU provides evidence-based knowledge on ways member states can cut dropout rates from education and training***

The number of young people unhappy with their lot in life is rising in the EU. Although they constitute a minority of all young people, their position has negative consequences for both the individuals concerned and for society as a whole because it increases the risk of them dropping out of education and training and reduces the chances of them establishing themselves on the labour market as adults. The EU must facilitate the exchange of best practices between the member states to enhance the well-being of young people.

Equal  
opportunities  
for all

3







Another cornerstone of European co-operation is equal opportunities for all. Unfortunately, there is still room for improvement. By 2030, the EU must make progress toward equal treatment of all and greater diversity in the labour market.

Although inequality is more pronounced in some member states than others, none of them has yet reached the goal of complete gender equality. One of the typical reasons for this is that gender-segregated educational choices lead to gender-segregated labour markets. The gender divide in the European labour markets is a problem that affects both companies and employees. It can stop good workers from applying for certain educational and training programmes and jobs because of their sex. The gender divide also restricts the dynamism of labour markets because the lack of gender diversity limits the recruitment base. Social structures and gender stereotypes are often an obstacle to equality.

# VISION

*Equal opportunities for all in the European labour markets*

### ***1. The EU sets requirements for member states' equality measures***

None of the EU member states has achieved complete gender equality, and in certain areas, progress has been minimal for many years. We need to make more progress. The member states must adopt a more structured approach to equality and the fight against discrimination. The EU can push the member states in the right direction by setting more ambitious targets for national work on gender equality. For example, it could set a goal of increasing the employment rate for women in all member states, or that each country must aim for the same employment rate for men and women (in Denmark, the employment rate for women is 72.6%, for men, 76.6%). This would oblige member states to address national conditions and structures that stand in the way of equality and would require that the Commission follows up on national initiatives and supports the countries in their work.

### ***2. The European Commission ensures that EU initiatives promote gender equality to the greatest possible extent***

Although the Commission's impact assessments include gender equality, there are a number of problems with them. However, the increasing amount of EU regulation has made it even more important to conduct accurate analyses, which are not just "empty technical exercises". Proper equality assessments must ensure that EU initiatives have a neutral or positive effect on gender equality and are neither directly nor indirectly discriminatory. To achieve this, the Commission will need a solid information base and sufficient analytical capacity. It is important that the EU institutions contribute to a nuanced debate on equality through analyses and the rhetoric used. Referring to and categorising women as vulnerable can in itself be a barrier to equality.

### ***3. The EU maps and removes obstacles to employment for women***

Fewer women than men are in work in the EU, a difference that can increase dependence on partners or put women in difficult financial situations. The difference is also a social problem in light of the demographic challenges Europe faces. There is a need for the EU to map obstacles to getting women into work, to support member states and to bind them to targets. In the EU's equality work, women must not be referred to as a 'weak' social group. For example, breaking down gender segregation in the labour market will require more men wanting to, and having the opportunity to, work in professions dominated by women, as well as women choosing professions in which men are overrepresented.

### ***4. European labour markets are stronger due to diversity of the workforce***

Certain social structures and stereotypical perceptions still hinder equal opportunities for all and diversity in the European labour markets. Future initiatives must take into account the challenges faced by all social groups. Education and training systems and workplaces must have room for differences and reflect the composition of the population. A diverse workforce with the right competencies is an important driving force for growth, innovation and competitiveness.

**A socially strong  
Europe**

**4**





Developing a social Europe has been high on the EU agenda in recent years. With the launch in 2017 of the European Pillar of Social Rights and its 20 principles for a social Europe, the EU has laid the political foundation for citizens' social rights for many years to come. The principles have garnered considerable support, but there has been disagreement about the implementation. Effective implementation of the Social Pillar depends on the member states' ability and willingness to make the right reforms rather than just on the EU adopting more legislation.

EU co-operation must always generate value, and the goal of new legislation must be clear and understandable. This means that decisions should only be made at the EU level when it makes sense, and that the principle of subsidiarity must continue to prevail in social affairs and the labour market. Differences in the member states' labour-market models and their starting points must be taken into account. Since its inception, the EU has sought better conditions for companies and people, but when EU proposals imperil national solutions that work well, the added value of co-operation is difficult to see.

Involving the social partners (employers and trade unions) is one way of guaranteeing the value of new initiatives. They help provide a better basis for decision-making and a good balance between economic and social considerations in the labour market. The partners have the legitimacy and understanding of national labour market dynamics to make the rules work. The fact that they represent companies and workers means the people affected by new legislation have better and more representative democratic access to decision-making. In 2030, the social partners must be involved in all relevant parts of the EU's legislative work.

# VISION

*Initiatives to create a social Europe are based on national labour-market models*

### ***1. EU regulations adhere to the principles of subsidiarity and proportionality***

The EU must ensure that its rules harmonise with national labour-market models and respect the principles of subsidiarity and proportionality. That way, decisions will be made as close as possible to those affected by them, tried and tested national solutions will be retained, and new regulations will generate added value for individuals and businesses.

### ***2. European social partners have a stronger voice in EU policy development***

The EU Commission must always involve the European labour-market partners at an early stage of its deliberations on new regulations that affect labour markets. It should also do so in other policy areas. It is important that the social partners are sufficiently involved in the early stages of policy development so that EU initiatives understand the dynamics of the national labour markets that are crucial to making the new rules work in practice.

### ***3. The EU increases awareness of national and European social dialogues within its institutions***

To bring the European social dialogue back on track, the parties must be willing to enter into binding agreements, and officials in the Commission and MEPs must know and understand the value of social dialogue. The European social partners must have time to consider and initiate dialogue. The EU needs to know all about national social dialogues if its initiatives are to take better account of conditions in the 27 member states.

### ***4. The European Social Pillar is implemented as effectively as possible***

The European Pillar of Social Rights and its 20 principles must lead to Europe-wide standards. The proper implementation of this important pillar and its principles calls for tailor-made solutions that take into account the differences in the member countries' labour-market models and starting points rather than detailed regulation at the European level. Something that works well in one member state will not necessarily do so in another.

### ***5. EU directives allow member states flexibility in implementation***

When the EU issues directives, it is important that they are worded in a way that allows for flexible implementation and that it considers the different conditions in the various member states. This will make it possible to involve the countries' social partners in the implementation and take into account existing agreements that already work well. It is important that FH (The Danish Trade Union Confederation) and DA work closely together to fulfil this role in the implementation process in Denmark.

**A labour market  
that embraces new  
digital tools**

**5**







Digitalisation, AI, the spread of new ways of working and a desire for greater flexibility in working life are part and parcel of the labour market of today. New technology offers many new opportunities. AI and robots will automate much of the work currently done by people, leading to greater productivity and a better working environment. However, it can also lead to concerns about how the new technologies are introduced in the workplace and what it means for employees.

New forms of work, such as telework and platform work, can make it easier for employers to meet workers' wishes for greater flexibility, but this also means focusing on physical and mental health and safety in the working environment. Digitalisation must be introduced in a well-ordered manner. It is crucial that the EU is aware of the challenges as well as the opportunities inherent in new technology and ways of working.

Telework can also help encourage vulnerable groups into the labour market, increase the size of the workforce and improve health and well-being throughout working life. Digital tools such as artificial intelligence can help make the labour market more diverse by challenging bias, as long as its use is always based on solid ethics and seeks to eliminate discrimination and promote diversity.

# VISION

*The EU must realise the potential of new technology and ways of working*

### ***1. The EU gives the European social partners leeway to make agreements on new forms of work***

New forms of work can increase flexibility in the labour market and make it more inclusive and diverse. It is important that concerns about the risks of using AI do not overshadow the opportunities that new ways of working also open up. The social partners know all about the diversity and complexity of the questions raised by new forms of work. They are in a good position to find the right balance between employers' and employees' duties and rights. The way to address issues such as telework and AI is through dialogue and co-operation between the social partners at the national and European level.

### ***2. EU legislation must promote innovation and digitalisation***

If European companies are to be in a strong position in global competition, it is essential that all EU legislation promotes digitalisation and innovation. The legal framework is of great importance. As such, there is a need for EU regulation to support the introduction of new business models, ensure user-friendly digital solutions and adhere to the principle of technological neutrality.

### ***3. When addressing new challenges, the EU makes use of existing laws and agreements before introducing new ones***

Even when new technology does bring new challenges, the answer is not always new legislation. When change happens, the EU must seek to make the most of existing frameworks, e.g. collective bargaining agreements or legislation. Existing legislation, including GDPR, already addresses several of the challenges that the use of artificial intelligence in the labour market presents, e.g. in relation to data security.

### ***4. The EU extends the “sandbox approach” to labour-market policy***

A number of the digital solutions used in the labour market are still so new that not enough is known about them to introduce meaningful regulation. Legislative sandboxes – a kind of “experiment” in which new technologies and solutions are tested under a more relaxed but defined legal framework before being rolled out to the whole of the single market – combined with other legislative experiments, can help provide room for innovation and ensure that legislation concerning new technology is adopted on an informed basis.

CONFEDERATION OF DANISH EMPLOYERS

Vester Voldgade 113

DK-1552 København V

Phone +45 33 38 90 00

[da@da.dk](mailto:da@da.dk)

[da.dk/en](http://da.dk/en)