



ETUC Resolution on the Single Market Strategy – missing social progress!

Adopted at the Executive Committee meeting of 18th June 2025

Business as usual will simply not deliver when aspiring to be 'much more than a market'.ⁱ A vision based on simplification for business and deregulation for profit will not make the difference for quality jobs or earn the support of the millions of workers making the EU internal market work every day.ⁱⁱ Framing national rules and protective standards as potential obstacles to competitiveness and economic integration puts the market before working people and a healthy planet.

While the European Commission's new Single Market Strategy touches upon a vast range of policy areas, this ETUC Resolution aims to make a more general yet critical assessment of the internal market priorities of the Von der Leyen II Commission. This Resolution sets out more principled demands for **a single market that respects and promotes workers', social and trade union rights**. Existing ETUC demands on specific topics are cross-referenced as endnotes in the Annex.

ETUC recalls that the **single market is not an end in itself**. As set out by Article 3 TEU, the EU internal market "shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment." In other words, the single market should serve the general interest as a means to an end – for the constant **improvement of living and working conditions in Europe**.ⁱⁱⁱ

For these reasons, the ETUC therefore deplores the approach taken by the Commission in its Single Market Strategy launched on 21 May 2025. The Commission puts forward an **aggressive narrative** around 'obstacles', 'barriers' 'burdens', 'divergencies', 'costs', 'red-tape' and 'gold-plating', zooming in on the **'terrible ten'** areas to be tackled to boost business and competitiveness. Along the same lines, the first five badges of omnibus proposals on issues such as sustainability and small mid-cap companies have demonstrated that the Commission's **simplification agenda is deregulation** in disguise. Lack of transparency, assessment and consultation must also not be used to by-pass democratic processes and institutions through speedy or urgent procedures. The **prerogatives and involvement of the social partners** must be respected at all times. Likewise, clauses on **non-regression and more favourable provisions** cannot be compromised.

This new Commission Strategy completely misses the fact that the need to build a single market that goes hand in hand with the fundamental EU Treaty objective of **social progress**. Instead, the ambition mostly seems to be linked to market liberalisation and commercial interests. Competitiveness tests, SME focus and stress-testing only reinforces this **imbalance**. The Strategy raises concerns about unsafe goods and unfair trading practices from third countries against European



companies, but does not place the same emphasis on **unsafe services and unfair conditions for workers**. Democratically adopted rules are of key relevance to ensure the quality of goods and services as well as the conditions under which they are produced and delivered. This cannot be undermined by e.g. liberalisation of services, standards^{iv} or qualifications^v.

It is evident that still today, **significant impunities remain in the internal market**, with persistent violations of workers' rights, fraud and abuse. Market integration characterised by cross-border enforcement problems and constant 'gold-plating' attacks on national measures put in place to prevent abuse provide a **fertile ground for artificial arrangements**, fraudulent business models, circumvention schemes and excessively long subcontracting chains. Commission initiatives such as reinforced infringement proceedings, Singel Market Sherpas, SME Envoys, SME clauses and self-identification tools will do nothing to close these loopholes. Rather, they risk **imposing maximum rather than minimum standards** or creating new **legislative and enforcement gaps**, thereby also preventing Member States from taking necessary action to effectively ensure compliance on the ground. Digitalisation^{vi} and internal market instruments such as the IMI should be used to **strengthen cross-border cooperation and enforcement**, not serve as an excuse to reduce reporting requirement and resources available for monitoring and controls.

Public services and administrations are a prerequisite to the single market and play a key role in building sustainable growth and a fair inclusive society, with more equality, regional cohesion and upward social convergence. The EU and its internal market cannot function without qualified and adequately staffed public administrations, judiciaries, regulatory and supervisory bodies, including e.g. labour inspection, health and environmental protection, digital technology and taxation. As demonstrated during COVID-19, these are all indispensable to **guarantee resilience with preparedness** for climate, health and other emergencies. Public services based on **universality, accessibility, and affordability** respond to questions that markets willingly ignore, and **must be excluded from the scope of the single market**. Given the overwhelming evidence of limitations and drawbacks to concessions and public-private partnerships, promoting public enterprise must be recognised as a valid and sustainable alternative to marketisation. No new sector is to be opened to liberalisation, no human right is to become a commodity.

Clearly, the single market has not delivered for everyone and a positive correlation between market freedoms and European integration cannot be taken for granted. Europe today is characterised by rising **inequalities between countries, regions and people**.^{vii} Attacking what the Commission considers as regulatory fragmentation risks further **aggravating this societal fragmentation**, especially when it comes with adverse effects on social and environmental standards. This also requires that access to public funding and investments come with strong **social conditionalities**.^{viii} Coupling EU funding with single market reforms, however, raises serious concerns.

The Single Market Strategy lacks a **more long-term, holistic and critical approach**, making sure that **economic freedoms cannot be abused** as means to undermine and circumvent social and labour rights. **Labour is not a commodity** and therefore the internal market cannot expose the rights of workers and their conditions to the same logic as other factors of production. The value of work is sacred and must be protected by high social standards to prevent a race to the bottom. **Fair competition** must be based on quality, skills, productivity and innovation, not poor working conditions and low wages.



While the ETUC welcomes the Commission's commitment to put forward a **Fair Labour Mobility Package** in 2026, comprising measures such as a revision of the mandate of the European Labour Authority^{ix} and a European Social Security Pass, the narrative around 'burdensome procedures for temporary postings' remains unacceptable. Negative experiences such as the Single Market Enforcement Taskforce and the recent proposal for an e-Declaration on Posting^x only reinforce these concerns about attempts to reduce requirements on business at the expense of workers' protection. In this regard, the ETUC also recalls its demand for a **general EU legal framework on subcontracting and intermediaries**.^{xi}

Other **internal market initiatives of concern** can also be found in the Strategy, including e.g. measures to: facilitate the cross-border provision of industry-related services; lower barriers for construction market access and installation services; promote pan-EU authorised services and cross-border service provision; or even plans to consider a Single Market Barriers Prevention Act. The ETUC recalls that under no circumstances can the **country of destination principle, equal pay for equal work in the same place**, and the need for effective monitoring and enforcement be undermined by any such initiative.

Similarly, Commission announcements such as a **28th company regime**^{xii} and a Startup and Scaleup Strategy^{xiii} raise serious and specific concerns about their compatibility with and respect for national labour laws and industrial relations systems. The ETUC will reject anything but a clear commitment from the Commission together with strong **safeguards ensuring that no such initiative impacts labour law**, employment rights and standards, or their enforcement, including the right to strike and collective bargaining.

The ETUC is therefore mobilising to **prevent the Single Market Strategy from leading to a downward spiral negatively affecting workers' rights**, or even creating new rules exempting companies from respecting labour rights. The ETUC will stay vigilant to any initiative stemming the Strategy, and challenge any proposal it considers contrary to the social objectives set out in the Treaties.



Annex

Overview of relevant ETUC positions and resolutions

Given the vast range of policy areas covered by the European Commission's Single Market Strategy, this list provides an overview of existing ETUC positions, resolutions, statements and other policy documents of relevance, as referenced in the endnotes to this Resolution.

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- i [ETUC response to the Letta report 'Much more than a market'; ETUC response to Mario Draghi's Report 'The future of European competitiveness'](#)
 - ii [ETUC Demands for delivering quality jobs in every sector and in every region;](#)
 - iii [ETUC Position on the Better Regulation Agenda – for people and planet, not for profit](#)
 - iv [ETUC Resolution on Trade unions and the world of standardisation](#)
 - v [ETUC Press Release 'Right to training missing from 'Union of Skills'; ETUC views on the 'Skills first approach'](#)
 - vi [ETUC Resolution on Artificial Intelligence for Workers, Not Just for Profit: Ensuring Quality Jobs in the Digital Age; ETUC Resolution calling for an EU Directive on Algorithmic Systems at Work](#)
 - vii [ETUC Resolution on labour market shortages: A Call for Quality Jobs for Cohesion and Inclusion; ETUC Resolution for strong public welfare and social protection in transitioning to EU](#)
 - viii [ETUC Resolution on a European Industrial Policy for Quality Jobs; ETUC Resolution for an EU-financed Investment Facility for quality jobs and just transitions; ETUC Resolution for a More Sustainable and Inclusive Competition Policy](#)
 - ix [ETUC Position on the Review of the Mandate of the European Labour Authority](#)
 - x [ETUC Position on the e-Declaration on Posting](#)
 - xi [ETUC Resolution on Fair Labour Mobility and Migration](#)
 - xii [ETUC Response to the Commission's plan for a 28th company regime for Innovative Companies - Defending workers and labour law](#)
 - xiii [ETUC Press Release 'Startups' success cannot be based on cuts to workers' rights'](#)