

Renewed social agenda

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The European Parliament adopted by 403 votes to 51, with 12 abstentions, a resolution on the renewed social agenda.

The Parliament recalls that the major negative consequence for the EU arising from the current financial and economic crisis will be the **dramatic increase of unemployment** which will more severely affect the most vulnerable social groups. Moreover, recalling that employment still does not guarantee a route out of poverty for many people in the EU, the Parliament stresses that, in 2006, 16% of European citizens were at-risk-of-poverty and children, large families, single parents, unemployed people, people with disabilities, young people, elderly people, ethnic minorities and migrants are especially vulnerable.

In this context, the Parliament analyses the Commission's proposals in its renewed social agenda and considers that two large categories of measures should be implemented: priority actions and instrumental actions.

Priority actions: in this area, the Parliament focuses on the following points:

European social models: given the economic recession, the Parliament calls on the Council and the Commission to reaffirm the importance of a **strong social Europe**, incorporating sustainable, effective and efficient social and employment policies. It therefore calls on the Commission to develop an **ambitious** Social Policy Agenda for the period **2010-2015**. The Commission is also called upon to:

- put forward a coherent policy plan on decent work in line with the Charter of Fundamental Rights of the EU;
- combine the renewed social agenda with other initiatives such as the European pact for gender equality, the European Youth Pact and the European Alliance for families.

The Parliament is concerned that the measures proposed in the Commission communication are **insufficiently coherent to impact on the current levels of poverty and exclusion in the EU** and to address the current challenges to social cohesion. It therefore calls for proposals to achieve a balance between economical freedoms and social rights, particularly: (i) a directive providing for basic labour rights for all workers (regardless of employment status); (ii) a review of the Council Directive in order to reduce gender pay gaps; (iii) a directive on cross-border collective bargaining. The Parliament also considers that social policy should cover key actions such as combating discrimination and modernising the European social models while strengthening their values.

Although Member States are facing a serious economic crisis, the Parliament considers that **this is not the time to reduce social expenditure** but rather to reinforce structural reforms and support social services of general interest, by reaffirming the importance of their universal access, quality and sustainability. Therefore, the Parliament calls on the Commission to reaffirm the crucial role played by public services in the European Union by proposing a **framework directive on services of general interest**, guaranteeing their legal security. Moreover, it stresses the need to find ways to modernise and reform the national security systems to eradicate poverty with a long-term perspective (by reforming pensions systems and health care services through the improvement of their access and the establishment of a progressive taxation system).

Furthermore, the Parliament notes that some Member States have introduced the concept of a **minimum wage**. It suggests that other Member States might benefit from studying their experience and calls on the

Member States to provide for regulations on such matters as minimum wages or other legal and generally binding arrangements or through collective agreements in accordance with national traditions that **enable full-time workers to make a decent living from their earnings**.

The Parliament also calls for measures to take into account the social consequences of the environmental and climate crises.

Social and employment policies: the Parliament welcomes the proposals included in the Commission's work-life balance package, but further measures are needed to encourage employers' openness regarding flexible work arrangements. It therefore calls on the Commission to make a proposal on a better reconciliation between private, family and professional life optimising the **use and knowledge of ICT and new forms of work organisation**, taking into consideration the needs and well-being of children. Member States are also called upon to provide for guaranteed minimum income schemes for social inclusion.

In order to combat **early school leaving**, the Parliament calls for school curricula to be adapted to tomorrow's job market, taking account of society's needs and technological developments. It calls for the promotion of the concept of Second Chance Schools and informal and non-formal learning. In particular, the Parliament calls for the elimination of low-level and segregated education which has irreversible negative effects on marginalised groups, particularly on Roma. It also stresses the need for more effective lifelong learning and training actions. The Parliament stressed, in particular, the need to improve education in Europe by dynamising the process of compatibility and comparability of the Member States' educational systems and promoting University-business cooperation.

In the light of the crisis, measures are also needed to ensure better worker participation in the decision-making process within companies. The Parliament therefore reiterates its call for the further strengthening of the functioning of European works councils. Other channels could also be explored, such as the possibility for unemployed persons to easily start their own entrepreneurial activity, via credit guarantees, reduced interest rates or **a lump sum of unemployment benefits** which, while also mitigating income loss, will help unemployed people find new jobs. The Parliament also stresses the importance of the social economy and microcredit to promote the social and economic reintegration of unemployed persons (particularly the long-term unemployed). With regard to **women**, the Parliament stresses the vital need to support mothers, **by means of family allowances** during infancy and the creation of a suitable framework for their return to the labour market.

The Parliament also calls for the promotion of a stronger link between the implementation of **flexicurity and the enhancement of social dialogue**, respecting national customs and practices. Moreover, while recognising that Member States have competence for wage policy, the Parliament suggests that social partners at national level discuss new methodologies for wage policies which could include higher financial participation of employees in companies' proceeds. According to the Parliament, such schemes could allow for channelling employees' extra earnings to special capital funds created by companies. The debate should also focus on **'decent living wages'**, which guarantee minimum wages significantly above the adequate income level, to enable people to move out of poverty and to benefit positively from work.

Immigration: the Parliament draws attention to the negative impact (possible brain drain) that immigration may have in the development process of the countries of origin. It therefore stresses the importance of ethical recruitment from third countries, particularly with regard to health-care professionals. The Parliament also stresses that the **long-term impact of immigration on the demographic change is uncertain** since it depends on the volatility of migration flows, family reunification and fertility rates. Moreover, it emphasises that immigrants can, when legally employed, contribute to the sustainable development of social security systems. Immigration policy should also promote a coherent and efficient strategy for the integration of migrant people on the basis of equal opportunities. Furthermore, the Parliament considers that strengthening of the implementation and

enforcement of existing labour laws under national and Community law and under ILO conventions must be a priority for the EU institutions and the Member States, as well as strengthening anti-discrimination laws.

The EU at an external level: the Parliament considers that, in its external relations, the EU could have a more proactive role in promoting **core social and environmental standards**. It also calls for the setting of a decent work agenda capable of promoting compliance with ILO conventions. Moreover, the Parliament considers that the EU should aim for a **globalisation process that is more socially inclusive and economically and environmentally sustainable**. The Commission is also called upon to actively promote the concept of Corporate Social Responsibility.

Structural Funds: the Parliament suggests strengthening the potential of structural funds, through simplification, flexibility and improvement of procedures, with the aim to help Member States to optimise the output of social and employment policies. According to the Parliament, the renewed Social Agenda must make a clear commitment that EU structural and cohesion funds will help to achieve the objectives of the Social Agenda. It therefore calls on the Member States to use the European Social Fund (ESF) and all the other Structural Funds not only in order to improve the employability of people but also the social infrastructure. It also calls for particular attention to be given to the regions that are most affected by globalisation as well as to regions in the new Member States that are in the process of social convergence.

Instrumental actions: with regard to instrumental actions, the Parliament makes the following points:

Social and civil dialogue: according to the Parliament, flexibility and acceptance of change by citizens can increase through more mutual trust which can be enhanced by a more effective and transparent social dialogue as well as ensuring more effective participative democracy in policy design and delivery. The social dialogue should encourage policies on health and safety at work and, in general, promote improvements in the quality of life. The Parliament calls on the Commission to launch a debate on how workers who are not in full-time employment (temporary workers, part-time workers, workers on fixed-term contracts) can be brought into the social dialogue. It also calls for the promotion of awareness of the results of social dialogue as well as a **wide debate** between European stakeholders, national public authorities, employers and employees and civil society, about the **social agenda for the post-2010 period**.

The Parliament also favours an effective dialogue between Parliament and **civil society** (which should be involved from the beginning of decision making processes). It stresses the importance and value of the consultation process as an effective tool in empowering citizens by enabling them to directly input into the policy process at EU level. It therefore calls on the Commission to take further steps to raise awareness of future EU consultations via the media and other appropriate forums. According to the Parliament, it is urgently necessary for the European institutions, national social partners and civil society to adopt a "**social pact**" encompassing social actions with realistic, binding targets and indicators.

EU law: the Parliament calls for an **improvement of the law making process at the EU level**, by making it clear why actions at the EU level are needed, ensuring the quality of the content and delivering strong and independent impact assessments covering the social, environmental and economic effects. In this context, the Parliament stresses that effective cooperation between Member States should be a priority and that better EU law-making should actively seek the involvement of civil society, thus bringing it closer to the EU.

Open Method of Coordination (OMC): the Parliament considers that there should be a better linkage at the EU-level between economic and social policies, and their contribution to the eradication of poverty and social exclusion. It also stresses the need for the adoption of a legally binding charter of fundamental social rights and considers that the post-2010 Lisbon Strategy should cover a strengthened OMC.