European social model for the future

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The committee adopted the own-initiative report drawn up by its co-rapporteurs, José SILVA PENEDA (EPP-ED, PT) and Proinsias DE ROSSA (PES, IE), on a European social model for the future. The report outlined the concept of the European social model and underlined the "clear need" to reform this model to respond to the challenges of today's world, while not diluting the common set of values that constitute its essence.

The committee stressed that these values had over the last 60 years "allowed a growing EU successfully to become an area of greater economic prosperity and social justice". It added that social policies, when appropriately designed, cannot be regarded as a cost but, instead, as a positive factor in the EU's economic growth. Although the Member States have different social systems, they "commonly aim to attain a balance based on active interdependence between economic growth and social solidarity", which is reflected in the European social model as "a unity of values with a diversity of systems".

MEPs stressed the need to preserve and enhance this model and the high social standards already achieved. But they emphasised that there is "no alternative" to urgently reforming economic and social systems where they fail to meet the criteria of efficiency and socially sustainable development and where they are "inadequate to tackle the challenges of demographic change, globalisation and the IT revolution". The report also said that the EU needed to renew its commitment to a social Europe as a way of restoring citizens' confidence in the "EU project", which provides jobs, growth and prosperity.

The committee stressed that, even though employment and social policy remained broadly within national competence, the EU should create a stronger economic and social framework to allow Member States to implement reforms as necessary at national level. The Commission was urged to take further steps to achieve the full implementation of the internal market, "having regard to the need to exclude any race to the bottom in social, consumer or environmental conditions". And it was also called on to incorporate the social dimension in its impact analyses, in accordance with the social clause provided for in the draft constitutional treaty.

MEPs recognised the advantages of 'flexicurity' systems as a means of "promoting reconciliation of work-life balance and work and lifecycle concepts". They stressed that, in this approach, creating and maintaining adequate social protection mechanisms was "an indispensable prerequisite of flexibility, as is firm protection against unfair dismissal".

Among the other points raised in the report, the committee expressed disappointment that many Member States were far from achieving the Lisbon Strategy objectives, in particular the specific targets set for employment, especially of women and young people, R&D investment, childcare and lifelong learning. It also wanted to see Member States undertake reforms in order to ensure the financial sustainability of national social systems, without prejudicing acquired rights, mutual support and intergenerational solidarity. It called for improved coordination of Member States' tax policies with a view to avoiding harmful tax competition and making tax more employment-friendly. Member States were also urged to use EU funds, such as the Structural Funds, more efficiently to co-finance national reforms. Lastly, the report pointed out that any successful reform of the social systems should involve all stakeholders, in particular the social partners, and called for the renewal of the social dialogue at all levels.