Basic information

1997/2048(INI) INI - Own-initiative procedure	Procedure completed
Convergence criteria, the third stage of EMU and the various social security systems **Subject** 4.10.10 Social protection, social security 5.10.01 Convergence of economic policies, public deficit, interest rates	

Key players

	Committee responsible	Rapporteur	Appointed
European Parliament	ECON Economic and Monetary Affairs, Industrial Policy	WILLOCKX Frederik A.A. (PSE)	31/10/1995

Key events

Date	Event	Reference	Summary
19/07/1995	Non-legislative basic document published	B4-0589/1995	
14/03/1997	Committee referral announced in Parliament		
08/07/1997	Vote in committee		Summary
08/07/1997	Committee report tabled for plenary	A4-0255/1997	
01/10/1997	Debate in Parliament		
02/10/1997	End of procedure in Parliament		
27/10/1997	Final act published in Official Journal		

Technical information

Procedure reference	1997/2048(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 149-p5
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/08733

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Non-legislative basic document		B4-0589/1995	19/07/1995	
Committee report tabled for plenary, single reading		A4-0255/1997 OJ C 304 06.10.1997, p. 0006	08/07/1997	
Text adopted by Parliament, single reading		T4-0475/1997 OJ C 325 27.10.1997, p. 0010-0023	02/10/1997	Summary

Convergence criteria, the third stage of EMU and the various social security systems

1997/2048(INI) - 02/10/1997 - Text adopted by Parliament, single reading

In adopting the report by Mr Frederik WILLOCKX (PSE, B), Parliament reaffirmed that the provisions on economic and monetary union had to be implemented in full as laid down. However, it recalled that neither the convergence criteria nor the date for the third stage should detract from the efforts to improve social security. Parliament noted the differences in the financing of social security systems between the Member States and subscribed to the Commission's view that, because of the enormous transitional costs involved, a radical change from public pay-as-you-go systems to pre-funding was not realistic. It believed that sound public financing was the best guarantee for a properly functioning social security system, and it suggested that Member States continue with reorganization in a socially responsible way. It considered that such reorganization should be achieved by increasing revenue and/or maintaining the level thereof while at the same time reducing expenditure in terms of benefits and claimants. However, steps should be taken to ensure that the competitive position of companies and the purchasing power of the population were not seriously impaired. As regards fiscal matters, Parliament noted that the lack of adequate fiscal coordination made it possible for pressure to be put on various national social security systems and the differences between Member States to be accentuated. Consequently, it called for a necessary improvement in the coordination of tax systems in respect of the taxable base and tax brackets. In its view, it was essential to consider the possibility of shifting the burden of taxation from labour to consumption of non-renewable natural resources, capital and/or added value. However, it underlined the fact that the discussion on activating the working of the labour market and by using fiscal incentives should not lead to a reduction in the degree of social protection. From an economic point of view, Parliament recalled that growth was a priority for guaranteeing the financing of social security systems. It called on the Member States to pursue a job-creation policy with objectives that included using the capital spent on unemployment payments and training for job-seekers for job-creation purposes.