Basic information

2005/2248(INI) INI - Own-initiative procedure	Procedure completed
European social model for the future **Subject** 4 Economic, social and territorial cohesion 4.10 Social policy, social charter and protocol	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
EMPL Employment and Social Affairs	SILVA PENEDA José Albino (PPE-DE) DE ROSSA Proinsias (PSE)	23/01/2006 23/01/2006

Committee for opinion	Rapporteur for opinion	Appointed
INTA International Trade	CHIESA Giulietto (ALDE)	23/11/2005
ITRE Industry, Research and Energy	RANSDORF Miloslav (GUE/NGL)	26/01/2006
FEMM Women's Rights and Gender Equality	BOZKURT Emine (PSE)	23/11/2005

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	ŠPIDLA Vladimír

Key events

Date	Event	Reference	Summary
15/12/2005	Committee referral announced in Parliament		
21/06/2006	Vote in committee		Summary
13/07/2006	Committee report tabled for plenary	A6-0238/2006	
05/09/2006	Debate in Parliament		
06/09/2006	Decision by Parliament	T6-0340/2006	Summary

06/09/2006	Results of vote in Parliament		
06/09/2006	End of procedure in Parliament		

Technical information	
Procedure reference	2005/2248(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/6/32450

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE367.963	01/03/2006	
Amendments tabled in committee		PE367.964	11/04/2006	
Committee opinion	INTA	PE369.964	20/04/2006	
Committee opinion	FEMM	PE371.763	02/05/2006	
Amendments tabled in committee		PE374.256	24/05/2006	
Committee opinion	ITRE	PE370.207	02/06/2006	
Committee report tabled for plenary, single reading		A6-0238/2006	13/07/2006	
Text adopted by Parliament, single reading		T6-0340/2006	06/09/2006	Summary

European social model for the future

2005/2248(INI) - 06/09/2006 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report drafted by José **SILVA PENEDA** (EPP-ED, PT) and Proinsias **DE ROSSA** (PES, IE), on a European social model for the future. The resolution was adopted by 507 votes in favour to 113 against with 42 abstentions. It stated that in the last 60 years, the set of common values reflected in the European social model had allowed a growing EU successfully to become an area of greater economic prosperity and social justice. Although Member States had different social systems, and had implemented these values in different ways, they commonly aimed to attain a balance based on active interdependence between economic growth and social solidarity, and this was reflected in the European social model as a unity of values with a diversity of systems.

Reform of the European Social Model: Parliament was convinced that there was no alternative to reforming economic and social systems where they failed to meet the criteria of efficiency and socially sustainable development, and where they were inadequate to tackle the challenges of demographic change, globalisation and the IT revolution. It expressed its deep disappointment at the present growth rate in the EU which made structural reform extremely difficult. However, the need to renew the EU's commitment to a social Europe was of paramount importance in restoring citizens' confidence in the EU project, which provided jobs, growth and prosperity. To this end, Parliament:

- asked the Commission to take further initiatives to achieve the full implementation of the internal market, which, if fully realised, would create economic growth and competitiveness, having regard to the need to exclude any "race to the bottom" in social, consumer or environmental standards;

- expressed its disappointment that many Member States were far from achieving the Lisbon Strategy objectives, which was considered to be the only sustainable way to achieve economic growth, increase competitiveness and create more and better jobs. The specific targets set for employment, especially of women and young people, R&D investment, childcare and lifelong learning must be achieved.

- recommended that Member States deepen cooperation and the exchange of best practice through the enhanced open method of coordination;

- called on the Commission to respect the social economy and to present a communication on this cornerstone of the European social model, as well as to introduce a statute for a European mutual society and a European association.

Financing the reform: Parliament called on the Member States to undertake reforms in order to ensure the financial sustainability of national social systems, without prejudicing acquired rights, mutual support and intergenerational solidarity. Some of the most successful Member States had already carried out such reforms, while maintaining the sustainability and effectiveness of their social systems. Therefore, Parliament felt that comparative analyses should be made of the reforms already made, together with SWOT (strengths, weaknesses, opportunities and threats) analyses of those still to be implemented. Parliament also called for improved coordination of Member States' tax policies with a view to avoiding harmful tax competition, ensuring sustainable financing for social protection and making tax policy more employment-friendly. It noted the fact that tax rates on capital and consumption had, in general, remained stable over the last 30 years while real tax rates on labour had risen over the same period. It also stressed the need to utilise EU funds, such as the Structural Funds, more efficiently in order to co-finance national reforms, and deplored the fact that the recent agreement on the Financial Framework was manifestly insufficient to properly resource programmes in favour of cohesion, education and training, lifelong learning, mobility and social dialogue.

Social Dialogue: Parliament called for the renewal of the social dialogue at both national and European level and the development of a greater role for the trialogue at European level.

Human Resources: Parliament stated that, as a central element of the modernisation of social systems the Commission and the Member States must cooperate in the setting up of concrete programmes and initiatives focused on the improvement of working and living conditions and the sustainable development of human resources, such as the setting of targets and standards for improved healthcare. Parliament also discussed pension reforms, recognising the fear that this would increase the number of pensioners already living in poverty. There was an urgent need for positive action to encourage older workers to remain in or re-enter the labour market, grant fair access and more flexibility in the choice of pension and retirement schemes. Parliament went on to recognise the advantages of 'flexicurity' systems which Member States should adopt in order to protect workers' capacity to find jobs through mobility and/or improvement of professional skills by way of occupational training and lifelong learning. Such schemes were a means of promoting the reconciliation of work-life balance and work and lifecycle concepts.

The external dimension: Parliament reaffirmed that only if the EU could preserve its economic and social cohesion would it be able successfully to defend EU interests at international level. It recognised that, despite its positive effects, globalisation was producing economic and social imbalances, thus arousing deep apprehension in the citizens of Europe, especially in Member States with high unemployment rates and the regions most affected by company relocations. It called on Member States, accordingly, to undertake the structural reforms that were needed if the EU is to remain attractive on the world stage, with high-value products and services. Furthermore, the EU should confidently promote its social values of solidarity and social justice in all trade and development negotiations and agreements.