



Speaking Points

Exchange of Views with the Social Protection Committee 17 December 2014

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Check against Delivery

- a) Thank you Mr Chair and thank you for the opportunity to be here today and address the SPC. I understand that the Social Partners attended your previous meeting and although it has not been possible to hear the voice of civil society alongside that of the Social Partners I am glad that we can at least have that exchange today.
- b) Since the formation and taking office of the Juncker Commission we seem to have developed some ambition – all of a sudden everything must reach 'triple A' – our economy, our environmental ambitions and also our social ambitions. But what does 'triple A' mean? What does a social triple A look like? How would we know we have reached it? If we do not know what it looks like then how do we know when we have reached it and how would we know what policies are needed to get there?
- c) It is true that at the start of a new Commission not everything is totally clear. However, it can seem to us at the moment that the new Commission wishes to start from a blank piece of paper. Whereas new initiatives can be good there is also the danger that evidence, data, initiatives and agreements already developed are erroneously forgotten.
- d) The Annual Growth Survey 2015 would have been an opportunity to outline what is meant by a Social Triple A and what this means for both national and European approaches to the European Semester in 2015. Furthermore, it could be assumed that a social Triple A would mean that the Inclusive Growth pillar of the Europe 2020 strategy would indeed be reinforced in the European Semester 2015, signalled by a higher profile to be given to addressing the currently pressing social concerns in Europe.
- e) The Annual Growth Survey for 2015 does acknowledge the social legacy of the Financial and Economic Crisis and does acknowledge a need for an integrated approach to address the cyclical and structural impact of the crisis. However, the reality is that the integrated approach proposed does not make clear what social outcomes are really desired. Furthermore, an integrated approach would ensure that the findings of the Joint Employment Report are reflected in the AGS and to the desire for integration we would add co-ordination, ensuring that the recently launched Jobs, Growth and Investment Plan supports social investment is properly co-ordinated with the AGS.
- f) The three priorities outlined in the AGS do not sufficiently address the social instability in Europe today.
- g) With regards to **INVESTMENT**, although it is stated that our welfare systems need to be modernised so as to cope with demographic change there are no proposals as to what investment in the context of welfare systems actually means. Social outcomes are seen as by product from investment in infrastructure which will inevitably have a delayed effect on a social situation that is critical now. There is no reference to the agreed and supported Social Investment Package of 2013.
- h) Ensuring **STRUCTURAL REFORM** is essential for positive social change and could link very well with the need for changes in welfare systems however in the context of the 2015 AGS structural reform is equated with competition and the regulatory environment. Again an improving social situation is seen as a spin off from economic reform rather than a priority.

- i) That being said, the more specific structural reforms proposed, addressing unemployment, young people, ensuring the adequacy and sustainability of pension systems and the modernising of social protection systems is welcomed. However, as we have said previously we are concerned that modernising social protection systems can be a misnomer for what is really needed, that is, investment in social protection systems to ensure that they are both targeted and universal.
 - j) We welcome the reference to some social and health care services but are disappointed that the job creation potential of social and health care services is not recognised.
 - k) As civil society we are always concerned when we see the words '**FISCAL RESPONSIBILITY**' as our experience has been that this is inevitably mis-interpreted as austerity. We recognise that excessive imbalances and debt is not sustainable but we must ensure that efforts to address national budgets do not compromise national well being. Productive investment includes social investment and we continue to maintain that essential social protection, including social and health care services should be protected from fiscal consolidation measures and that social impact assessments should be made of all proposed reforms, as evidenced in national reform programmes.
 - l) We share the conclusion of the AGS that we must have strong monitoring of social progress and did welcome the commitments made to ensure that employment and social indicators would be introduced into the Macro-economic imbalances procedure. We recognise that this is a tense issue for some Member States but would recall that the overall intention is to find balance between social and economic policies and would therefore welcome a discussion on how that could be achieved.
 - m) For Social Platform, Stakeholder engagement in the European Semester process remains essential to ensure good policy making. We welcome the more explicit reference to social partners and civil society in the AGS and to the greater role to be played by national parliaments but are concerned that the engagement of civil society is seen only in terms of consensus and implementation rather than design, implementation, monitoring, evaluating and in some cases delivering on social policies.
 - n) The recently released **Commission work plan for 2015** does not give much more clarity on what a Social Triple A means nor what policies/work will be developed to both define and reach a social AAA. However the emphasis on supporting and enabling people experiencing long term unemployment could give the opportunity to look at supporting social services, appropriate social benefits etc – but we still miss any attention being paid to those for whom work may not be an option.
 - o) You may have thought that I have managed to go through a whole intervention without mentioning the Europe 2020 strategy. It goes without saying that in our opinion the Europe 2020 Strategy, and particularly the headline target to fight poverty and social exclusion, seems to be pushed down further on the list of EU priorities by the 2015 AGS, with social concerns considered on a secondary level in the context of structural reforms. We do not know as yet what will come from the Mid Term Review but if we were to see the signs from the European Commission in its recently published work plan and from the AGS and Jobs package we could start to assume that protecting inclusive growth may not happen.
 - p) We hope that the SPC shares some if not all of the concerns we have raised and we know that for many of you in member states the challenge of balancing social concerns with other concerns is pressing. However, if I may, I would like to propose some ideas on how we can work together to ensure social policies are addressed for their own worth and not only as an offshoot of employment policies:
- 1) **Insist on investment in ambitious and integrated social policies**, including social protection and social services, in line with the Social Investment Package, and recommend that national expenditure on social policies should be safeguarded from any fiscal consolidation measures. Insist on the implementation of the Social Investment Package and monitor how a SIP approach is used in national policy making and expenditure.

- 2) Support our proposal for a the **inclusion of a specialist in social policies in the expert committee of the new European Fund for Strategic Investment (EFSI)**
- 3) **State in your contribution to the draft council conclusions on the AGS the need to ensure the social policies and addressing the social situation in Europe is not a by product of other policies but rather a prioritized and complimentary policy approach**
- 4) **Request concrete social policy initiatives from the European Commission that go beyond employment and ensure wellbeing.**
- 5) **Request that the social impact of all projects to be funded in the context of the Jobs, Growth and Investment Plan is assessed**, thereby ensuring that they brings social progress - especially to those needing it the most - and real added value to the EU as a whole.
- 6) **Insist that the European Commission stands by its commitment to balance social and economic with proposals on how this could be achieved.**
- 7) **Support the call to have a joint meeting of EPSCO and ECFIN to discuss the balancing of social and economic policies as proposed at the Annual Convention in November 2014**
- 8) **Reinforce Europe 2020 and the Semester process by taking up the European Parliament recommendations** contained in its [Report on the European Semester](#) and [Resolution on EU2020](#).