socialplatform

October 8, 2013

To: Ministers of Employment and Social Affairs

Letter to the EPSCO Council of October 15, 2013

Ensure the Social Scoreboard triggers action as a necessary requirement to achieve the Social Dimension of the Economic and Monetary Union

Dear Ministers,

At the EPSCO Council meeting of October 15, you will discuss the social dimension of the Economic and Monetary Union (EMU), on which the Commission has published a Communication earlier this month, putting forward a Social Scoreboard with key social and employment indicators. You will also make an evaluation of the 2013 European Semester.

Social dimension of the EMU

1) We call on you to request from the Commission to, in addition to the Scoreboard, develop a system that triggers preventative and corrective actions once the social indicators reach a certain value.

Whereas we welcome the creation of the Social Scoreboard, there will be no real social dimension of the EMU achieved if it is not triggering preventive and corrective actions when it registers excessise social imbalances.

- The Scoreboard and the indicators put forward on household income, inequality, poverty, unemployment and young people who are not in education, employment, or training (NEETs), form a good starting point to begin to balance the economic and financial dimension of the EMU with a social dimension. It should make the social consequences of economic and other policies more transparent through the ex-ante, as well as ex-post, impact assessment and monitoring of policy reforms.
- These first indicators should be reviewed on a regular basis and where identified, extended with other relevant social indicators. At present, the Scoreboard will not, for example grasp extreme forms of exclusion, such as homelessness. Such problems still risk staying under the EU social radar. One of the key indicators missing in the initial suggestion is in-work poverty, and it should be added as soon as possible.
- Without a binding mechanism to trigger action, the Social Dimension of the EMU will be an empty shell with economic and financial policies continuing to damage the social tissue of our societies and erode peoples support for the European project. Integrated in the European Semester, it should be used to counteract the negative effects of fiscal consolidation, and to finally move forward on the Europe 2020 poverty and employment targets.

2) It is furthermore necessary to develop as soon as possible European Social Standards in view of organising upward social convergence and social progress.

These social standards should be taken up in binding European legislation and member states that do not live up to these, should be held accountable. They should be conceptualised at least through:

- An adequate minimum income in all member states for children, for persons in active age who are unable to earn sufficient income and for older persons.[1] This should be based on an EU framework directive establishing common principles and methods and should enable life in dignity and cannot be subject to punitive conditionalities;
- A minimum wage for all workers in all member states that protects them against in-work poverty;
- Universal access to social, health and care services and in particular to emergency social assistance such as shelter.

[1] In line with ILO Recommendation No. 202 on "Social Protection Floors" of June 14, 2012, calling for basic income security.

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3) **Good governance of the EMU can only be effective if all relevant stakeholders, including civil society as well as social partners are fully involved.**

This is the only way to ensure a genuine EMU with a social dimension, which gets the support of people throughout the EU.

Europe 2020 and the European Semester

Looking back at the previous European Semesters and the 2013 one in particular, we consider that the current processes are not transparent, not properly implemented, and ineffective in serving the goal of achieving all the Europe 2020 targets. The Country Specific Recommendations of this year showed some improvement compared to last year. However the main focus is still on reducing public deficits and debt, primarily through reducing public expenditure, rather than on coherent and balanced proposals which deliver on the objectives of Europe 2020.[2]

Economic and financial policies which favour budget cuts in the social field over fiscal and budget consolidation, are continuing to damage the social tissue of the European welfare state. Repeatedly alarming evidence is reported by many, including the European Commission, on how poverty and social exclusion, unemployment, and inequalities are rising,[3] revealing the EU is far from achieving the Europe 2020 poverty and employment targets.

In November, the European Commission will publish the Annual Growth Survey 2014 as the starting point for the next European Semester.

This is why today, we ask you to call on the European Commission to:

1) Prioritise the achievement of the Europe 2020 poverty, employment and education targets, and ensure macro-economic objectives do not prevent their realisation but enable them;

2) Adapt the European Semester process to effectively deliver on the Europe 2020 headline targets;

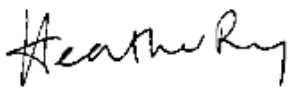
3) Commit to true social investment, which is underpinned by adequate social protection, to achieve sustainable and inclusive recovery and growth;

4) Ensure the democratic principle of civil dialogue through meaningful and structured involvement of Civil Society Organisations in European governance and the European Semester process in particular.

The Europe 2020 Strategy and its annual European Semester should ensure the well-being of all people. They should be tools to foster inclusive as well as sustainable and smart growth, towards recovery.

We trust that we can count on your support when discussing the social dimension of the EMU and the European Semester 2013, and that you will formulate recommendations to the European Council and the Commission in that sense.

Yours sincerely,



Heather Roy
President



Pierre Baussand
Director

Social Platform is the largest civil society alliance fighting for social justice and participatory democracy in Europe. Consisting of 47 pan-European networks of NGOs, we campaign to ensure that EU policies are developed in partnership with the people they affect, respecting fundamental rights, promoting solidarity and improving lives.

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[2] You can read the full ***Social Platform evaluation of the 2013 European Semester and proposals for the future from 2014 on*** as it was sent to the Commission on October 8 here on our website.

[3] "Labour market and social conditions remain extremely challenging...The EU is struggling with high unemployment, low employment, rising poverty and social exclusion, and declining household incomes", European Commission, *Employment and Social Situation Quarterly Review*, October 2, p. 5.

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