


# Procedure file

Basic information	
COS - Procedure on a strategy paper (historic)	1995/2289(COS)
Social protection in Europe. 1995 Report	Procedure completed
Subject	
4.10.10 Social protection, social security	

Key players			
European Parliament	Committee for opinion <b>ECON</b> Economic and Monetary Affairs, Industrial Policy	Rapporteur for opinion GUE/NGL <a href="#">THEONAS Ioannis</a>	Appointed 31/01/1996
	<b>ENVI</b> Environment, Public Health and Consumer Protection	The committee decided not to give an opinion.	
Council of the European Union	Council configuration Social Affairs	Meeting <a href="#">1914</a>	Date 29/03/1996

Key events			
31/10/1995	Non-legislative basic document published	COM(1995)0457	Summary
28/11/1995	Committee referral announced in Parliament		
29/03/1996	Debate in Council	<a href="#">1914</a>	
22/01/1997	Vote in committee		Summary
22/01/1997	Committee report tabled for plenary	<a href="#">A4-0016/1997</a>	
18/02/1997	Debate in Parliament		
19/02/1997	Decision by Parliament	T4-0045/1997	Summary
19/02/1997	End of procedure in Parliament		
17/03/1997	Final act published in Official Journal		

Technical information	
Procedure reference	1995/2289(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142

Stage reached in procedure	Procedure completed
Committee dossier	EMPL/4/07256

Documentation gateway					
Motion for a resolution		<a href="#">B4-0458/1994</a>	19/12/1994	EP	
Non-legislative basic document		COM(1995)0457	31/10/1995	EC	Summary
Document attached to the procedure		COM(1995)0466	31/10/1995	EC	Summary
Economic and Social Committee: opinion, report		<a href="#">CES1400/1996</a> <a href="#">OJ C 066 03.03.1997, p. 0058</a>	28/11/1996	ESC	Summary
Committee report tabled for plenary, single reading		<a href="#">A4-0016/1997</a> <a href="#">OJ C 055 24.02.1997, p. 0003</a>	22/01/1997	EP	
Text adopted by Parliament, single reading		T4-0045/1997 <a href="#">OJ C 085 17.03.1997, p. 0055-0063</a>	19/02/1997	EP	Summary

## Social protection in Europe. 1995 Report

- OBJECTIVE: The purpose of this document is to encourage a joint discussion between the Member States on the measures to be taken so that social protection systems become more favourable to employment and more effective. - CONTENT: According to this document, the Member States must modify and adapt their social protection systems in accordance with the fundamental objective of social cohesion in the Community in order to maintain or achieve a high level of social protection. At the same time, since the Union is responsible for freedom of movement of persons and services and guarantor of free market competition, it must intervene indirectly in matters of social protection linked to these areas of competence. For that reason, in this communication the Commission proposes that the Community institutions and the Member States initiate a discussion on the measures to be taken in the future so that social protection systems are more favourable to employment and in order to guarantee that they share in the benefits of the Internal Market and EMU. This joint discussion should be a collective process in which the Commission and the Member States play a full role and in which the social partners, and all other interested parties, would be requested to make their contribution. The objective is to set up a programme of action and discussion before the end of 1996 and to propose appropriate follow-up measures to that general consultation. The Commission will initiate this process by presenting analyses and guidelines for the development of an action, whilst the Member States and the other parties concerned will provide information on the basis of other materials. The principal partner with which the Commission will conduct dialogue will be the Consultative Group of Directors-General for Social Security, but other consultative groups will also be involved. The bodies involved in the European social dialogue will be invited to take an active part in the discussion. The following issues are specifically addressed by this joint analysis: .the challenges resulting from the narrowing of the gap between the number of employed persons and the number of retired persons, .possible ways to make social protection more favourable to employment, . financing of social protection, . development of health systems and establishment of more systematic exchanges of experience between Member States, .coordination of social security systems for persons moving from one Member State to another and relations between coordination and convergence of social protection systems, .the principles governing the simultaneous functioning of social security bodies and private insurance companies in the Internal Market, .the long-term future of social protection.?

## Social protection in Europe. 1995 Report

OBJECTIVE: the purpose of this document is to facilitate exchanges between Member States on the development of European social protection systems, mainly with a view to helping political decision-makers and social partners make the right choices in this context. CONTENT: this report aims to help Member States gain a better understanding of how their individual social protection systems can develop. It focuses in particular on the following points: . the social protection systems in the Union, . adaptation to change: recent reforms and key developments, . trends in social protection systems and how they are financed, . unemployment benefit systems and the incentive to find a job, . reforms in health care systems, . social protection and the self-employed, . social protection and concomitant responsibilities. The report focuses in particular on the links between social protection and employment, highlighting the "cost" factor. It therefore analyzes the rate of unemployment benefits paid in the various parts of the Union in relation to the income received during the course of a professional activity. It notes, as far as cost is concerned, that expenditure on social protection is tending to increase in relation to GDP in all the Member States of the Union, whereas the national economies are generally entering a recession. At the same time, it notes that, in order to reduce the cost of social protection, the Member States have introduced a package of measures motivated by a dual concern: to reduce dependency on the system and to maintain assistance given to the most destitute persons by the authorities, while showing willing to minimize potential abuse. It studies two aspects of social protection in particular which are currently growing in importance, namely access by the self-employed to insurance and social benefits and the forms of social protection provided for everyone (especially women) who have to give up paid employment or reduce their working hours temporarily for family reasons. Finally, it draws attention to a basic phenomenon which is important to the future of social protection, i.e. the ageing population and the resultant explosion in the cost of health care.?

## Social protection in Europe. 1995 Report

Social protection is a fundamental part of the European social model. It inspires confidence, promotes social cohesion and helps create a sense of community among Europeans. There is widespread agreement that the completion of the Single Market and the conclusion of economic and monetary union (EMU) should not be deleterious to social protection. The Economic and Social Committee's response to the problems raised by the Commission should be, as in 1992, that there are real arguments in favour of the development of a more dynamic European Union strategy for promoting convergence in social protection. This convergence should be based on the basic goals already contained in the Treaty and in the welfare-state traditions of the Member States, and should be confirmed by the international norms these countries have accepted. They should shore up and enhance social cohesion and prevent regressive policies from dragging everything down to the lowest common denominator. What future for social protection in Europe? - Adapting social protection to the employment situation - Backing developments in working practices - Promoting the European labour market - Promoting developments in on-going training - Transforming passive expenditure on unemployment into active expenditure - What financial benefits should accrue from solidarity? - How can financing through personal effort be arranged? - Promoting family policy - The risk of dependence, given an ageing population - Social protection and the free movement of people - Social protection in Europe and freedom to provide services - Social protection in Europe and the free movement of goods - Health services in Europe ?

## Social protection in Europe. 1995 Report

---

The committee (chairman: Stephen HUGHES (PSE, UK)) adopted by 23 votes to 12 with 1 abstention the report by Mrs Barbara WEILER (PSE, D) (consultation procedure) on the Commission communication on the future of social protection. The committee wished to clarify the concept of social protection and took the view that the EU should play a more active role in this area with the Member States and that non-governmental organizations and welfare organizations should also be involved. The European Union's priority should be to ensure that Member States respect the commitment to a high level of social protection. The EU should assist in the gradual convergence of the various social protection systems. Coordination between national systems should help to remove barriers to free movement. The new needs of the labour market required an adjustment of the social security systems, taking account in particular of atypical work. Social protection could assist employment if social payments were seen as a social investment to promote employment and potential training for the individual. The MEPs were against the obligation to accept a given job in order to be able to continue to draw social payments. In addition, the committee advocated transferring the tax burden on labour to other sectors (such as energy consumption). Finally, the committee called for the social security system to continue to be based on the principle of solidarity. Consequently, supplementary pension schemes should not be used to reduce social protection. ?

## Social protection in Europe. 1995 Report

---

In adopting the report by Mr Barbara WEILER (PSE, D) on the Commission communication on the future of social protection Parliament supported the organization of a debate on social protection at European level. It first clarified the term social protection which covered not only social security (i.e. collectively provided security) but also social protection provided by government as well as schemes resulting from collective bargaining and private contributions. It took the view that the European Union should play a more active role in this area with the Member States and that non-governmental organizations and welfare organizations should also be involved. The Union should set as a priority seeking to ensure that Member States respect the commitment to a high level of employment and social protection. The Union should assist in the gradual convergence of the various social protection systems. Coordination between national systems should help to remove barriers to free movement. Convinced that the new needs of the labour market require an adjustment of the social security systems, Parliament considered that social protection should not be less favourable for workers ( and in particular women) with atypical work contracts. Social protection could assist employment if the social payments are seen as a social investment to promote employment and the education potential of the individual. Parliament welcomed the trend to reduce contributions of employers and employees on low salaries and called on the Member States to diversify their sources of financing so as to guarantee the financing of social security (e.g. a carbon dioxide tax, a tax on economic activities, etc.). While encouraging saving by citizens to cover social risks, Parliament did not favour different levels of social protection and thus an undermining of solidarity. These supplementary schemes should not be used to cut pension schemes. Parliament pointed out the need to incorporate the social protocol in the Treaty and to apply the procedure for majority voting for matters relating to this protocol. It also called for a social dimension to be included in EMU and for monitoring of the adverse effects of policies to reduce expenditure on social protection programmes. Parliament considered that these were prerequisites for safeguarding the European social protection model. Lastly, Parliament pointed out the need to include social and environmental clauses in multilateral trade agreements. ?