


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1999/2182(COS)	Procedure completed
Social protection: strategy for modernising		
Subject 4.10.10 Social protection, social security		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	EMPL Employment and Social Affairs		14/10/1999
		PSE ANDERSSON Jan	
	Committee for opinion	Rapporteur for opinion	Appointed
	ITRE Industry, External Trade, Research, Energy	The committee decided not to give an opinion.	
	ENVI Environment, Public Health, Consumer Policy	The committee decided not to give an opinion.	
	FEMM Women's Rights and Equal Opportunities		25/11/1999
		PPE-DE KLASS Christa	
Council of the European Union	Council configuration	Meeting	Date
	Social Affairs	2208	22/10/1999

Key events			
14/07/1999	Non-legislative basic document published	COM(1999)0347	Summary
22/10/1999	Debate in Council	2208	
19/11/1999	Committee referral announced in Parliament		
01/02/2000	Vote in committee		Summary
01/02/2000	Committee report tabled for plenary	A5-0033/2000	
15/02/2000	Debate in Parliament		
16/02/2000	Decision by Parliament	T5-0055/2000	Summary
16/02/2000	End of procedure in Parliament		
29/11/2000	Final act published in Official Journal		

Technical information

Procedure reference	1999/2182(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/4/11126

Documentation gateway

Non-legislative basic document	COM(1999)0347	14/07/1999	EC	Summary
Committee report tabled for plenary, single reading	A5-0033/2000 OJ C 339 29.11.2000, p. 0006	01/02/2000	EP	
Text adopted by Parliament, single reading	T5-0055/2000 OJ C 339 29.11.2000, p. 0063-0154	16/02/2000	EP	Summary
Economic and Social Committee: opinion, report	CES0238/2000 OJ C 117 26.04.2000, p. 0033	01/03/2000	ESC	
Committee of the Regions: opinion	CDR0481/1999 OJ C 226 08.08.2000, p. 0012	12/04/2000	CofR	

Social protection: strategy for modernising

PURPOSE : to present a concerted strategy aiming to modernise social protection in Europe. **CONTENT** : The communication establishes an agenda for collective reflection on four key objectives : to make work pay and provide secure income; to make pensions safe and pension systems sustainable; to promote social inclusion; and to secure high quality and sustainable health protection. The social protection systems in the Member States face a whole series of common challenges such as the need to adapt themselves to the changing world of work, to new family structures as well as to the demographic changes of the coming decades. These challenges have to be met while reconciling the clear aspirations of citizens to maintain high levels of social protection and the need to make public services more efficient and more respectful of budgetary discipline. Facing these challenges, a process of concerted reflexion was started at Union level in the 1990s. In 1992, the Council adopted a recommendation on the convergence of objectives and policies of social protection, confirming the responsibility of Member States for the organisation and financing of social protection systems, following on from which, the Commission, in 1,995 presented a debate on the "future of social protection" (see COS/1997/2289) and then a communication in 1997 called "modernising and improving social protection in the Union" (see COS/1997/2047). In the context of this debate, the Member States and the Union's institutions agreed to recognise that the protection systems should be modernised in order to adapt to changes in society, while at the same time continuing to play their traditional role. This communication seeks to further this debate in this way and propose possible directions for change with a view to reforming the current systems. These developments include macro-economic disciplines which are indispensable to the stability and the growth in the economic and monetary Union, the commitments in favour of protection systems that are more favourable to job creation in the framework of the European Employment Strategy and the need, in the context of enlargement, to reaffirm the place of social protection as one of the common values held by the Union. Through this communication, the Commission proposes to start a new stage in the present reflexion process by : 1) fixing a timetable for strengthened cooperation based on 4 key objectives in the framework of the global challenge of modernisation : - to make work pay and provide secure income: the objective is to offer active help to workers and job seekers by promoting employability and adaptability by introducing strong incentives to work rather than to be unemployed (tax systems and benefit systems that are more favourable to work, social protection that better reflects the new forms of work and taking more account of family and professional life); - to guarantee safe pensions and sustainable pension schemes : People have to be provided with a securely funded and adequate pension. Pension schemes must be made sustainable and guarantee a decent replacement income for pensioners. It is, therefore, necessary that there is the appropriate balance between funded and PAYG (pay-as-you-go) systems. This objective can only be realised if it is prepared for in younger years and supported by the right incentives within benefit and pension schemes which favour continued participation in work and promote lifelong learning and preventative health care systems; - to promote social inclusion : it is necessary to provide minimum income benefits, access to housing and health services and facilitate the broadest possible participation in society; - to ensure high quality and sustainability of health care by avoiding untenable pressure on health expenses: efforts can be made in this direction by preventing health problems before they arise, especially through the promotion of healthier lifestyles. 2) support the proposed strategy by enhanced mechanisms for exchanging information and monitoring policy developments in order to give the process more visibility and political profile. To this end, Member States will be invited to appoint high level civil servants to act as focal points in this process. The Commission will then publish an adapted annual report on social protection, based on contributions from the Member States, which submitted to the Council. The Commission seeks the participation and involvement of all the parties concerned in this strategy which is based on the common objectives already described and the information and monitoring mechanism envisaged (not simply all of the Member States and the European Institutions, but also the social partners, national social security institutions and the NGOs concerned).?

Social protection: strategy for modernising

The committee adopted a report by Jan ANDERSSON (PES, S) on a concerted strategy for modernising social protection. It welcomed the Commission paper, which provides a framework for social convergence, but called for further steps along the lines of the Luxembourg process on employment. The Council, it said, should consider a model of convergence which included benchmark criteria, evaluation systems and guidelines as a basis for national action plans. Joint talks between the Ecofin Council and the Social Affairs and Employment Council would be an essential part of the development of the process as would effective cooperation with the European Parliament, social partners, NGOs, representatives of the applicant countries and other relevant bodies. The committee called on the Commission to submit a social action programme which would set out a practical plan including a timetable for implementation as well as legislative proposals for statutory minimum standards of social protection. The report argued that the process of social convergence needed to be accompanied by effective and ambitious fiscal coordination and that taxation and social security schemes should be shaped in such a way as to avoid "employment traps". Particular attention should be paid to the need for a gender perspective in order to overcome segregation of men and women at work. In the longer run, the committee was in favour of promoting a complete switch to individualised social security schemes. It called on the Commission and Council to draw up a separate report on poverty in Europe and to use Article 13 of the Treaty to draw up legislation to combat discrimination. It also wanted them to devise a coordination procedure for the fight against social exclusion and poverty, including adequate social standards. Finally, with a view to enlargement, the committee argued that social convergence was needed as a way of strengthening the European social model and eliminating the threat of social dumping.

Social protection: strategy for modernising

The European Parliament adopted Mr. Jan Andersson's (PES, S) resolution setting out Parliament's position on the Commission's strategy for modernising social security. The European Parliament stressed the need for taxation and social security schemes to be devised in such a way as to enable more effective action to be taken against employment traps. It should be noted that the European Parliament reminds the Commission and the Council of Parliament's previous call for a switch from tax on labour to tax on other resources, such as the environment, energy and consumption. The Council is called up to take decisions on the proposals put forward in the 'Monti' fiscal package with a view to establishing the framework needed to help relieve the burden placed by social security costs on employment whilst providing stable funding for social welfare schemes in order to combat unfair competition in the field of taxation. Parliament also called on the Commission to submit an assessment to establish whether a tax on energy or emissions would be an appropriate means, in the long term, of securing the funding of social security systems. The Commission is invited to put forward proposals to improve the 1978 Directive on the progressive implementation of the principle of equal treatment for men and women in matters of social security, particularly with regard to pensionable age and the rights of surviving dependants, with a view to bringing it into line with the more advanced Directive on equal treatment for men and women in occupational social security schemes. The Parliament points out that social protection schemes must take into account the emergence of new forms of working and better protection for the self-employed. Furthermore, the EP calls on the Commission to consider drawing up a separate social action programme for social policy in the context of enlargement.?