

# More social Europe for a productive and prosperous continent

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The rapid pace of technological advancement is quickly changing labour market structures as well as our daily working habits, both of which have a strong impact on our lives. Citizens are being asked to adapt to these changes and acquire new skills needed for future success. But it is not only citizens who must adapt to the new reality; our policies must reflect and respond to the new circumstances as well. In particular, we must reform our social policies, making them more agile, if we are to master the challenges of the 21st century.

A more social Europe leads to a wealthier Europe, the aim being to improve the well-being and welfare of citizens at its core. Strong social policies bring security, stability and opportunities to European citizens. But many Europeans feel uncertain about their prospects and whether their skills will be needed in the future. Europe's social dimension is founded on enabling and securing for all Europeans a high level of education, adequate social and health services and economic benefits for those in need.

We believe in individual freedom, responsibility, equal opportunity as well as solidarity. We believe that societies are strong when everyone is given opportunities to become the best he or she can be, and that a strong social policy plays an important role in achieving this goal.

The European People's Party wants a Social Market Economy for every EU citizen, in which no one is left behind. Solidarity means helping others when they require help, and social policy must be seen as a testament to our commitment to our citizens, helping citizens to move forward in difficult times. While not everyone begins from the same starting point, we can work together to ensure that everyone has access to, and can attain, success and well-being.

We believe that social policies must always encourage, incentivise and empower people to seek and accept employment. Solidarity means helping others when they require help.

In order to be able to deliver a better social Europe for our citizens, we must start by reforming and addressing the present gaps.

Investing more in skills and making life-long learning a reality instead of just a mantra should be a top priority for EU countries. All Europeans must have access to high-quality education and training throughout their lives to be able to learn new skills, to improve themselves and raise their standard of living, and ultimately to spur economic growth. This is particularly important in situations where people lose their jobs due, for example, to technological developments. EU citizens deserve to feel secure and confident that a strong social system in Europe will act as a social safety net and help redirect them to better opportunities in case of job loss.

Given the rising life expectancy in Europe — which is increasing on average by 2.5 years every 10 years — and the demographic changes in Europe, we call on the Member States to urgently implement necessary structural reforms in order to ensure sustainable social security for all, including solidarity between generations. The Member States have to make sure that all working-age people of both sexes, as well as older people, low-skilled workers, migrants, people with a disability and those from ethnic minorities, can all participate in the future labour market.

The participation of women in the labour market remains more than 10% lower than the participation level for men. An unequal distribution of parenthood-related costs remains one of the main causes. Member States must ensure that parental leave systems treat both parents equally without discriminating against women. Costs related to parenthood should be divided equally, and access to high-quality and affordable childcare must be guaranteed to allow young families to combine both parenthood and career. Career equality between men and women must be a top priority. The gap in this regard can have the disastrous consequence of leaving women impoverished when they retire.

The EPP also believes that strong employee protections and rights must be ensured and that we should also push for our values at the global level. Social dialogue is key to balancing competitiveness with fairness, taking into account the diversity of national approaches/policies. At the same time, it is important to increase employment and offer new tools to be able to better react to economic shocks.

Labour mobility allows workers to escape unemployment or to find a better job; it also helps employers to fill labour and skills shortages, generally increasing the efficiency of labour markets. Labour mobility benefits citizens and is of great economic importance for our internal market — and even more so for the Eurozone. It is an essential tool providing flexibility, adjustment and competitiveness. The rate of labour mobility is still very low in the EU. Currently, only about 4% of the labour force works in another EU Member State. We must identify the reasons for this and address them one by one, in order to make mobility more appealing. More needs to be done to tackle barriers; examples of positive solutions include the mutual recognition of qualifications and diplomas, including for language competency, and ending the stigma, for young people in particular, which can be associated with moving abroad for work. We must also ensure the better portability of social security rights and benefits. Finally, the private sector also has an important role to play in encouraging labour mobility. The private sector should offer qualified young people the opportunity to acquire experience through internships across Europe.

Mobile labour also requires mobile and just levels of benefits, remuneration, services and rights. It needs a more socially coherent Europe. At the same time, we must find a solution allowing for the pension mobility. It is not acceptable that those who re-locate for work end up in a weaker position than others; rather, such effort must be rewarded.

## Chapter 1 – Equality of opportunity and access to labour markets

### Section 1 – Skills, Education and Life-long Learning

The ever-increasing pace of technological change and global economic integration will mean that citizens must be willing and able to adapt to changing labour market realities and needs. An individual's uncertainty over his or her future can only be tackled by offering, as a minimum, equal access to quality education at every stage of a person's professional career, regardless of education level. Only by guaranteeing quality, life-long learning opportunities can we mitigate the uncertainty caused by technology-induced changes to society/the market. Life-long learning must go from being a mantra to become a mindset and standard practice.

#### The EPP:

- acknowledges the ever-quicker pace of technological advancement, the changing world of work and the uncertainty experienced by many employees;
- recognises that access to quality education is one of the keys to preparing for more flexible labour markets and for guaranteeing career paths;
- recognises that opportunities to learn and upgrade skills are extremely important, especially when certain jobs become obsolete, and insists on the importance of recognising both formal and informal qualifications;
- recognises that by 2020, European Commission and industry studies estimate that EU economies will experience a deficit of over 800.000 skilled ICT professionals;
- calls on Member States to pay special attention to integrating e-Skills into curricula to ensure that Europe does not fall behind in technological skills and development;
- calls on Member States to guarantee every citizen access to affordable and quality education and training, enabling him or her to learn new skills at every stage of professional life;

## Section 2 – Work-life balance and gender equality

Strong families lead to a strong society. Social policies targeted at families are extremely important for families' well-being, for improving our employment rate and for mitigating the consequences of demographic change. Family policies must be such that they treat both parents equally and do not discriminate or offer incentives for one or the other to drop out of the labour market. Family policies must also treat different kind of families equally and recognise the particular challenges faced by single-parent families. The world of work is now both more fragmented and more flexible. Family policies will have to follow suit.

### The EPP:

- calls on Member States to guarantee access to affordable and high-quality childcare for families in order to allow young parents the ability to combine work and family life;
- calls on Member States to reform parental leave systems to ensure equal treatment for both parents and to avoid offering incentives for either parent to drop out of the labour market;
- calls on Member States to explore models giving both parents equal parental leave, such that if both parents take their leave, the family receives a bonus which it can allocate as it sees fit;
- calls on Member States to guarantee that national family policies treat single-parent families equally;
- calls on Member States to create flexible family policies which allow families to decide for themselves what works best for them while also ensuring that women's maternity rights are protected, that fathers' paternity rights are respected and that fathers assume an equal share of family responsibility;

## Section 3 – Equality of opportunity

We believe that we need everyone's contribution to society. We cannot all start from the same line, but together we can make sure that everyone has the opportunity to achieve his or her full potential. We must fight discrimination and unfair treatment in society — no matter where it occurs, or by whom.

### The EPP:

- acknowledges that equality of opportunity is at the heart of the Social Market Economy;
- supports strong legislation against discrimination of all kinds;
- calls on Member States and EPP Member Parties to keep the notion of equality of opportunity at the core of their social policies;

## Chapter 2 – Fair Working Conditions

### Section 1 – Wage Setting and Social Dialogue

Wage setting has a big impact on our social, economic and competitiveness policies. Having the ability to adapt and react quickly to change is a key to defending competitiveness and jobs. Therefore, wage setting should be made flexible, transparent and, when reasonable, conducted at the company level. The ability to react quickly to economically difficult situations would especially benefit Small and Medium-Sized Enterprises which employ over two-thirds of all employees in Europe. Social partners must ensure that processes are fair and that government policies reflect the realities of the world of work.

#### The EPP:

- acknowledges that wage setting processes are national competences;
- Calls on EPP Member Parties and social partners to promote flexibility in the wage-setting processes in order to deal with economic shocks;
- affirms that decentralised wage-bargaining processes must be fair and that both parties must have a sufficient level of information about the company in hand;
- Urges its Member Parties to promote policies aimed at tackling indirect wage costs.

### Section 2 - Employee protections

We must uphold high health and safety standards which protect the well-being of all employees. High standards are a prerequisite for a productive Social Market Economy and a caring society in which no one is left behind. Unfair practices must be staunchly rejected and employees' rights respected and defended. Carers should be recognised for the central role they play in community and family life.

#### The EPP:

- acknowledges progress on making work environments safer and healthier over the last few decades and yet takes the view that further progress must be achieved;
- supports high health and safety standards which protect employees against health and safety risks;
- calls on all Member States to guarantee that their social security systems provide adequate care and income for disabled citizens;

### Section 3 - Support for relocation and equal treatment of mobile labour

Re-locating to accept a job in a different Member State represents a far-reaching decision with multiple implications for all aspects of a person's life. In order to support more people moving to take jobs elsewhere in the EU, more support should be given to mobile labour. According to the European Commission, at present only about 4% of the EU's labour force work in a Member State other than the one they were born in. Employees should/must not be discriminated against based on their nationality or because of their status as either posted or regular workers. Rules, rights, remuneration and obligations must all be applied equally.

#### The EPP:

- supports freedom of movement within the European Union;
- supports further labour mobility within the EU;
- calls on Member States to foster labour mobility and to make it a more appealing option for job seekers;
  - calls on Member States and EPP Member Parties to offer incentives, such as tax-deductible moving costs, to make re-locating for work in another EU country more appealing;
- calls on Member States to support further labour mobility within a climate of fair competition and respect for the rights of workers, in addition to removing mobility barriers for highly skilled employees;
- calls on Member States and EPP Member Parties to support legislation guaranteeing equal treatment for posted and mobile labour;

### Chapter 3 – Adequate and Sustainable Social Protections

Europe's social agenda should be directly linked to the European Semester process. The agenda should consolidate the joint analysis and definition of strategies for both the social and economic dimensions of Member States, stressing the need for these criteria to be reconciled.

## Section 1 - Encouraging social benefits and flexible unemployment support

Social benefits must be such that they always incentivise and encourage people to seek and accept employment. Our continent is undergoing a far-reaching demographic change, leading to a shrinking labour force. We cannot afford to have systems in place which incentivise leaving the labour force. The world of work is changing. Young people, in particular, are facing this new reality already. Technology is making it possible to create jobs where none existed before; but at the same time, it is making the world of work more flexible and uncertain. Asking for flexibility from citizens must be reciprocated by the state's reforming its benefits systems to match the new challenges citizens face. Inactivity is socially costly for the individual, and we must make sure that societal structures always encourage activity, employment and, social inclusion.

### The EPP:

- acknowledges the rapid demographic changes and the worsening dependency ratio in Europe;
- calls on Member States and EPP Member Parties to reform their unemployment support systems in order to ensure that work always pays;
- calls on Member States and EPP Member Parties to reform their social systems and integrate re-skilling and up-skilling programs to ensure that employment remains more attractive than inactivity;
- calls on Member States and EPP Member Parties to invest in active labour market policies in order to pre-empt problems;
- calls on Member States to guarantee high-level social security systems which are flexible and custom-made for the 21st century;

## Section 2 - Sound pension systems

Europe's pension systems are built on various financing models and societal foundations. With demographic change, we know that dependency ratios are worsening and that future generations will have a bigger burden to carry in order to provide for pensions. We must make sure that pension systems are soundly financed and the burden shared equally between different generations.

### The EPP:

- recognises that worsening dependency ratios will lead to an increase in contributions, especially in countries with pay-as-you-go systems lacking substantial pension funds;
- recognises that worsening dependency ratios between employed and inactive people require new and more flexible pension systems, with the aim of providing everyone with an adequate pension;
- calls on Member States and EPP Member Parties to guarantee that pension systems in all EU Member States rest on sound financial footing so that younger generations may also benefit from them;
- calls on Member States and EPP Member Parties to encourage both occupational and private additional pension savings by citizens;
- calls on Member States to reform their funding of social systems in order to guarantee a pension system for every citizen;

## Section 3- Pension systems compatible with labour mobility

Encouraging labour mobility is crucial for the long-term competitiveness of EU Member States and the well-being of EU citizens. A solution must be found at the EU level. We must make sure that mobile labour is not left in limbo or treated unfairly compared to non-mobile labour. It is crucial that mobile workers be offered pension arrangements which do not disadvantage working in different countries.

**The EPP:**

- calls on Member States and the European Commission to better take into account the challenges faced by mobile labour;
- calls on Member States to ensure mobile labour is not discriminated against in the pension system and thus punished for being active and seeking out employment opportunities;

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