

October 17, 2013

To: President Van Rompuy
Heads of State and Government

Letter to the European Council of October 24-25, 2013

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

Dear President, Dear Prime Minister,

At the European Council meeting of October 24-25, you will continue to discuss the deepening of the Economic and Monetary Union (EMU), and its social dimension in particular. Earlier this month the Commission published a Communication on strengthening the social dimension of the EMU, putting forward a Social Scoreboard with key social and employment indicators.

1) We call on you to endorse the Social Scoreboard and to request from the Commission to develop in addition 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 excessive 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 that has the potential 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;

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

- Universal access to social, health and care services and in particular to emergency social assistance such as shelter.
- 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.

We urge you to consider our proposals and remain available to discuss them further with you.

Yours sincerely,

Heather Roy President

Heather Ry

Pierre Baussand Director

Wansan

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.