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## Analysis of the Social Agendas

Based on a study conducted for the European Parliament under contract  
IP/A/EMPL/FWC/2008-002/C1/SC1

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**ANALYSIS OF THE SOCIAL AGENDAS**

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## **Executive Summary**

### *Achievements and pending issues in EU social policy in the 2000s*

With the Social Agendas of the 2000s formulated in the context of the EU's Lisbon Strategy major progress could be achieved in European social policy. The last legislative period was characterised by a number of legislative dossiers which could finally be adopted, e.g. the Temporary Work Agency Directive or the 'recast' European Works Councils Directive. At the same time, however, one has to notice that the legislative activities were less pronounced than in earlier phases. Nevertheless, quite a few pending legislative issues have remained unsolved: the revision of the Working Time Directive; updating the directives on collective redundancies and transfer of undertakings; the transferability of occupational pensions: a clarification of the Posted Workers Directive and some of the legislative acts with far-reaching implications recommended by the European Parliament in 2006, in particular core regulatory policies (e.g. individual dismissals, minimum social protection and restructuring) but also regarding the health and safety of pregnant workers or protection against carcinogens and mutagens as well as against musculoskeletal disorders; and finally many new projects proposed under the most recent 2008 Renewed Social Agenda such as patients' rights in cross-border health care or parental leave.

This has many reasons: the existence of a well-established set of legal acts at the European level; the growing heterogeneity of the Council of Ministers, which makes decisions more difficult (see for example the Working Time Directive or discussions on the posted workers issue); and last but not least, the expansion of EU activities to important areas which are not governed by legislative but by soft law and 'Open Method of Coordination' (OMC) processes. One has to see that legislative processes have become more difficult in recent years, as the existing body of EU social legislation in place has grown over time. This generates a status quo bias, while changes to existing legislation or new proposals risk being blocked in a more heterogeneous Council formed by 27 EU Member State governments and a Commission.

## *Contingent influence of the European Parliament*

Throughout this decade the European Parliament has been a major player regularly calling for the serious consideration of social aspects – but the influence of the Parliament clearly varies across instruments and policy areas. With respect to legislative acts, the co-decision procedure has proven to be a powerful tool for the Parliament. Hence, in the current decade, the Parliament could impact on crucial legislative processes in favour of social aspects. Important examples are the Services Directive or the recast European Works Council Directive.

However, the European Parliament was less effective in urging the Commission to draft legislative proposals on some of the most far-reaching directives asked for in the 2006 resolution on the Social Agenda (i.e. individual dismissals and minimum standards) or settle some long-term pending or blocked issues such as the transferability of occupational pensions. The Parliament is most powerful in areas where the Commission is willing and prepared for initial proposals according to its agenda. Then the Parliament can intervene and stress the social dimension of a specific regulatory project. Hence, the power of the Parliament is conditional upon the Commission's willingness to proceed with certain dossiers. Outside the Commission's agenda, the Parliament can only try to raise awareness and suggest action through reports and resolutions. The Parliament is also quite restricted in the area of social dialogue and tripartite consultation. Nevertheless some progress could be achieved in social legislation, in particular where the social partners could help unblock the political process.

The European Parliament can rely on its formal competences, but more significant impact can only be achieved if it has allies within the Commission, a group of Member State governments or the social partners and civil society. The Parliament can influence legislative outcomes effectively if it acts with strong majority and finds allies within the Member State governments, a significantly large group of national governments and a divided Council. The experience of the last decade also shows that the Parliament can hardly push the European Commission to modify its agenda if the Commission is not willing to take the initiative or is worried about the constellation of preferences in the Council. While it is true that the recent past was dominated by a more modest approach regarding new legislation, with an emphasis on some adjustment, fine-tuning and implementation issues, this does not preclude new legislative processes in the future.

The role of the European Parliament continues to be more restricted in those policy areas which are governed by the OMC. When the Commission deals with Member States, the Parliament is only involved at the margin. This holds for the European Employment Strategy, where the Parliament is informed, the Lisbon Strategy, and the Social Protection and Social Inclusion Process, where community competences are weaker and national diversity is paramount. Regarding these core elements of national welfare states, there is a stronger role of performance targets, mutual

learning, reporting and cycles of benchmarking – one should not, however, underestimate the medium-run policy convergence initiated by OMC, performance monitoring and exchange of information.

*When is the Parliament most powerful?*

Hence it is fair to say that the European Parliament is strongest when it deals with legislative issues put forward by the Commission under the co-decision procedure, if it can act in a unified way, mobilise strong support from the civil society and if the Council is divided, i.e. if there is a significant number of Member State governments supporting the position of the Parliament. Rapporteurs and shadow rapporteurs play a crucial role in mobilising a large consensus and majority within the Parliament as well as striking deals with other European institutions.

But there are also limitations to the European Parliament's influence on EU level social policies. The Parliament is clearly less important when it comes to OMC, social partner agreements and if in legislative processes the Parliament can mobilise fewer allies and the Commission is not willing to present an initial proposal or the Council is not able to agree on legislative action. But non-decision could also trigger some indirect action or avoid deterioration of the regulatory status quo. As a consequence the impact of the Parliament is not only a question of strategic action of the Parliament itself, but it also depends on the strategy of the Commission and on the formation of interests and positions within the Council as well as on the constellation of preferences among social partners at the national and the EU level.

*The growing role of the Open Method of Coordination*

Legislation is only one aspect of EU social policy. Soft law has become a major pillar in areas where EU involvement is of more recent nature and where there is hardly any room for hard law. This can be seen from the overview of EU activities in the current decade as there is now a prominent place assigned to policy management by objectives, targets, studies, reports and forums shows. New areas covered by EU level activities are not governed by regulatory policies but by the OMC. The OMC, however, lacks mandatory participation on the part of the European Parliament. A sufficient legal framework governing the 'rules of the game' has also been missing so far. The Parliament only has a formal role in the consultation procedure related to the European Employment Strategy.

Given the diversity of national welfare states and economic production models, the OMC is certainly an appropriate strategy – where the Parliament however has so far been involved in a less than satisfactory way. Legislative acts can play only a

limited role in these areas. Nonetheless some relative, but binding minimum standards, with respect to welfare states, social benefits and social services would be compatible with existing institutional diversity. This could make soft law a bit 'harder.' In many other respects the European social models exhibit and will continue to exhibit different institutional arrangements and diverging reform paths. Hence, allowing for diversity and different pathways to sustainable policy settings should not only be seen as inevitable but also as an opportunity for policy innovation.

### *The current crisis, social policy and post-2010 Lisbon*

In the current crisis, unemployment protection, labour market policies, employment protection and welfare states in a wider sense have gained new legitimacy as economic stabilisers and societal integration mechanisms. A well-designed social policy arrangement can mitigate the impact of the crisis on jobs, incomes and inequality. However, sustainable social and employment policies cannot restrict themselves to the stabilisation of existing business structures and jobs; rather they have to orchestrate the shift towards new and more sustainable areas of economic activities.

This has major implications for the design of welfare states and labour market policies. It also mirrors the most dominant long-standing challenges, such as 'flexicure' labour markets with strong emphasis on education, activation and life-long learning. These issues were already at the core of the 2000 Lisbon Strategy, but now they have even gained in importance for the discussion of the post-2010 Lisbon Strategy.

As there will certainly be a renewed encompassing European reform strategy, the European Parliament should try to be involved in it at an early stage. The topics on the agenda refer to important and highly plausible policy objectives, such as 'green', socially and economically sustainable growth and innovation, which will also drive job creation and skills requirements. As in the past, this will involve a wide range of instruments; but the post-2010 strategy will benefit from simplified and more transparent procedures. The EU could see the current crisis as an opportunity to become more innovative – and the post-2010 Lisbon Strategy could be the policy tool to support appropriate policy reforms. The participation of not only the European Parliament but also national ones could help ensure the legitimacy of the future reform strategy. In the context of the economic crisis, the drafting of the post-2010 encompassing European strategy, and the insights of the achievements and limitations of the Parliament, some issues will certainly be on the agenda for the next legislative period and have realistic potential for further development.

### *The future of EU legislation in social policies*

Some important dossiers are still pending legislative issues, e.g. the Working Time Directive, pregnant workers, the issue of posting or the minimum income protection schemes called for by the European Parliament. However, its role is limited if the major disagreement between the European Commission and the Council continues, i.e. if no majority of Member State governments is interested in regulating or re-regulating these issues. Hence, insisting on these issues and trying to bring them on the agenda of the Commission as well as searching for allies in the Council or among the social partners can help trigger eventual progress.

In fact, regarding EU legislation, the European Parliament's *Resolution on the Renewed Social Agenda* stresses the need to make progress and finalise the regulation regarding the coordination of social security systems and the directive on the portability of pension rights and the proposal for a directive on implementing the principle of equal treatment irrespective of religion or belief, disability, age or sexual orientation. The Parliament also called for an improvement in the legislative process at the European level: by making it clear why action is needed at that level; by ensuring the quality of the content; and by delivering strong and independent impact assessments covering the social, environmental and economic effects. It also emphasises that effective cooperation between Member States and effective monitoring of the transposition of EU law should be a priority. This could best be achieved by a closer working relationship between the Parliament and the Commission.

### *The Parliament and the post-2010 Lisbon Strategy*

The European Parliament could play a more active role in promoting policies to mitigate the current fiscal and economic crisis by calling for coherent approaches in European crisis-related policies and the further development of the post-2010 Lisbon Strategy. Policy coherence with a strong emphasis on social, economic and also environmental sustainability can be promoted by systematic comments on actions proposed by the Commission and by using the Parliament's budgetary power to facilitate consistent and coherent policies by linking coherence and sustainability criteria to budget decisions. The Parliament should not only be able to call attention to policy coherence but also to credible national commitments.

This is completely in line with the European Parliament's *Resolution on the Renewed Social Agenda*, which suggests strengthening the potential of structural funds through simplification, flexibility and improvement of procedures. The

Parliament also sees the Structural Funds as an expression of the social integration dimension of the EU with the aim to help Member States optimise the output of social and employment policies, not only with respect to employability but also the social infrastructure. In fact, as there will certainly be a restated encompassing European reform agenda from 2010 onwards, the Parliament should take the opportunity to influence the agenda at an early stage in order to ensure that economic and innovation objectives are reconciled with social cohesion and environmental sustainability while reducing the complexity of the overall processes.

### *Market principles and social policy considerations*

The relation between market principles and social policy considerations has been one of the core issues of recent years and will remain so for the foreseeable future; and it is in fact one of the inherent tensions of the European integration process as a whole, i.e. the question is to what extent do policy areas under national control, often dominated by social policy considerations, have to be opened to the general principles of the EU's Internal Market. This tension has manifested in the Service Directive dispute; but it is also at the core of the posted workers issue, where some actors, in particular the European Parliament and trade unions, see some need for clarification of national room to manoeuvre regarding the application of host country labour law.

In a similar vein one can see the call for European legislation defining the realm of services of general interest (such as child care, public employment services, health care or geriatric care) not subject to the principles of the Internal Market, as social objectives of equal access to high quality services play a crucial role in this field. Here the European Parliament has a point to make and should ask for a less ambiguous and vulnerable definition of the realm of the market versus the social policy sphere. So the clarification of market and non-market issues, also regarding the relation between national social policies and EU-level policies following the internal market principles, remains a core issue. Both dimensions are interlinked as safeguard clauses for national social and other services and territorial labour law can only be formulated at the European level. Furthermore, the Parliament could continue to call for a clearer definition of national responsibilities and safeguards for social services, i.e. services of general interest, to be exempted from the rules of the Internal Market.

The same holds for the call of the European Parliament that EU Member States should establish a general minimum income support scheme relative to the respective national average income, so that poverty can be reduced and a minimum income guaranteed for every EU inhabitant. This could be a more binding element

of social policies generally governed by OMC without interfering too much with subsidiarity. Hence there could be a tendency to ‘harden’ areas governed as yet by soft law. Some of the OMC targets could become minimum provisions in a legal sense.

### *Internal processes at the European Parliament*

Apart from substantial issues, the following strategic considerations regarding how to achieve progress from the European Parliament’s point of view can be derived from past experiences and the current developments. As with all action to be undertaken by the Parliament, the Parliament needs a coherent position – an issue of intra-parliamentary compromise of course, in order to be able to act successfully vis-à-vis the Commission and the Council. However, simply commenting on what the Commission puts on the agenda is not enough.

The European Parliament always had its strongest impact on EU policy making when it was capable of mobilising allies in the Commission, among Member State governments, the social partners and other civil society organisations. This also implies an effective coordination of different Parliament committees, in particular regarding social policy and employment, budget and the internal market. This is necessary to ensure that major directives outside social policy, but with a nonetheless potentially strong impact on social issues, are discussed appropriately. And to effectively influence EU budgetary policies with respect to social issues, the budgetary discussion should not be isolated from social policy and employment discourse within the Parliament.

### *Coordination with other actors*

While the European Parliament has no formal agenda setting competence, it could and should establish a working relationship with the Commission when it comes to formulating new Social Policy Agendas and OMC targets and guidelines. In future we will certainly see a parallel development of OMC processes in some areas and some limited legislative activities in others. As long as the Parliament does not have a formal role in OMC except for consultation on employment policies, it should make the most out of OMC and try to establish a working dialogue with the Commission on OMC processes and policy objectives. The Parliament can certainly help strengthen the social dimension of OMC and its legitimacy. To achieve that, it would help if the Parliament called for stronger and more serious involvement in streamlined, simplified OMC processes with a more consistent and balanced set of policy objectives. The Parliament itself has to make itself heard in that field, but it could also make use of the opportunities provided by the Lisbon

Treaty.

Given the fact that funding via the European Structural Funds now mirrors OMC objectives, the European Parliament has an indirect lever to influence EU policies via its budgetary competences – and in turn this also makes it plausible to have more Parliament involvement in the setting of these objectives. This is best done at an early stage – maybe similar to the informal ‘trilogue’ in legislative processes. Furthermore, the Parliament could also ask the Commission to conduct ex ante impact assessments with respect to the social (and environmental as well as economic) implications of planned action. This can help sensitise the Commission to potential unexpected effects of legislative projects. Calling for ex ante impact assessments might facilitate the design of balanced legislative or budgetary proposals.

Nevertheless, the success of the European Parliament depends on its ability to find allies who share its political objectives among the European institutions, the Member States, the social partners and civil society. The new Commission soon to come into power can be expected to be more open towards the position of the Parliament and take a somewhat more active stance on legislative issues. Furthermore, the Parliament will always benefit from closer interaction with Member State governments in the Council of Ministers as well as with the European and national social partners. Hence, dossiers where the Parliament deems action necessary will be promoted in the most effective way by searching for a sufficiently large group of supporters among European institutions and societal actors. In a more heterogeneous Council of Ministers, the Parliament could act as a moderator trying to establish viable compromises among Member State governments – this is not an easy task, but the Parliament can benefit from its longer time horizon when it comes to policy making as well as from its internal coherence.

## **1. Introduction**

Over the last decades, EU social policy has become a major pillar and a crucial dimension of the overall European integration process. What is particularly noteworthy is not only the changing role of legislative action, financial instruments, the ‘Open Method of Coordination’ (OMC) and ‘soft law’ over time, but also the role of the European Parliament relative to other actors such as the European Commission, the Council of Ministers, the European social partners and civil society, which varies not only over time but also across different areas of social and employment policies and different types of instruments.

This report tracks the development of EU social policies over the main phases starting before the launch of the Lisbon Strategy and focuses on the more recent developments. The chronological analysis of the current decade, when EU social policies were formulated within the framework and the political context of the Lisbon Strategy, is structured in line with the subsequent Social Agendas put forward by the European Commission: the Social Policy Agenda 2000 to 2005, the Social Agenda 2005 to 2010 and the Renewed Social Agenda presented in 2008.

The social policies announced by the Commission through the Social Agendas are then compared with the position taken by the Parliament and the final decision. The report focuses on the role played by the European Parliament and assesses whether, and to what extent, the Parliament, acting within the institutional framework of its competences and the policy environment of the Lisbon Strategy, could have a major impact on EU social policies across different topics, varying policy instruments and over time. Against the background of the past developments of the Lisbon process, the report also discusses the potential future of an integrated European economic and social strategy and concludes with some ideas on probable future topics of EU social policies and political and institutional opportunities for the European Parliament.

## **2. EU Social Policy State of Play**

### **2.1. The Early Years of European Social Policy**

The first part of this report gives an overview of the development of EU social policy since its beginning up to the most recent phase. In fact, EU social policy expressed in Social Agendas or Social Action Plans has a tradition of more than 35 years. In the pre-Single Market period, however, legislative power in the realm of social policies at the European level was quite limited. Hence, most activities were devoted to structural funds and coordination of national social insurance systems to support mobile workers as well as to gender and non-discrimination issues.

The 1970s were mainly characterised by fundamental legislative acts providing the basis for effective social security coordination for mobile workers, thus creating the necessary preconditions for a truly European labour market. The coordination of social security systems of Member States so as to ensure the free movement of labour has been a key focus of policy in the European – originally solely ‘economic’ – Community right from the beginning. The European legislator – then only the Council – enacted Regulation (EEC) No. 3 as the third ever ‘European Act’ as the precursor of the now applicable Regulation (EC) No. 1408/71 of the European Parliament and of the Council of June 14, 1971 on the application of social security schemes to those employed and members of their families moving within the Community (to be replaced by Council Regulation (EC) No. 883/04 in 2010). The fight against poverty was chosen as a central theme under the Community’s first Social Programme presented in 1972 and agreed on by the Council in 1974. This initiative started the gradual withdrawal from a too one-sided social policy in favour of the gainfully employed.

The principle of equal treatment has been given a broad interpretation in European Court of Justice (ECJ) case-law, prohibiting not only direct discrimination based on nationality but also indirect forms of discrimination which, by applying other distinguishing criteria, in fact achieve the same result. Important directives were adopted in the 1970s on equal pay for male and female workers (Directive 75/117/EEC of the European Parliament and of the Council of February 10, 1975), on equal treatment with regard to employment, vocational training, promotion and working conditions (Directive 76/207/EEC of February 9, 1976, now replaced by Directive 2002/73/EC of the European Parliament and of the Council of September 23, 2002) and on the progressive implementation of equal treatment with regard to statutory social security schemes (Directive 79/7/EEC of the European Parliament and of the Council of December 19, 1978). In the 1980s two specific directives were adopted on sex equality, namely the implementation of equal treatment in occupational social security schemes (Directive 86/378/EEC of the European

Parliament and of the Council of July 24, 1986) and the equal treatment for men and women carrying out a self-employed activity, including agriculture (Directive 86/613/EEC of the European Parliament and of the Council of December 11, 1986).

The 1980s and 1990s saw a gradual expansion of European level social policy in order to set up important cornerstones of a social dimension of the Single European Market. The Single Market initiative brought about some intense legislative activity directly related to social regulation close to market integration, in particular in the field of health and safety of workers. The major motive behind this was the attempt to rule out unfair competition due to differing working conditions. This was also associated with a more active role of the social partners in social dialogue. A new phase was highlighted by 1989, in which the (legally not binding) Community Charter of the Fundamental Social Rights of Workers was proclaimed as a social policy response to the adoption of the Single European Act 1987. In preparation of the Single European Market and the common currency, almost 70 social policies directives were adopted: for instance on working time and part-time work, the posting of workers, parental leave and European Works Councils. This wave of legislation was driven mainly by a very active European Commission.

In the second half of the 1990s, legislative policy making was also complemented by soft law, in particular the OMC, which first and foremost applied to the joint European Employment Strategy. Social policies at the European level were increasingly integrated into a wider framework of employment policies and mainly economic objectives. The Treaty on the European Union, framed in Maastricht in 1992, introduced the idea of Union citizenship, conferring specific 'European' rights on Member State citizens, such as the right to free movement. The rulings of the ECJ have progressively strengthened the complimentary nature of Union citizenship, also in terms of social law. The freedom of movement as a right of Union citizens thus ensures 'migrant' Union citizens' participation in the society of their host states, including access to social benefits, provided they meet specific requirements.

## **2.2. EU Social Policy after Lisbon**

EU Social Agendas gained new meaning around the turn of the millennium. Two major changes are responsible for this:

1. While EU social policy had a more ambiguous treaty base during the 1980s and most of the 1990s, the Social as well as the Employment Chapter were finally fully incorporated in the Amsterdam Treaty effective as of January 1999. This also brought about a stronger formal role of the European

Parliament due to the expansion of the co-decision procedure (<sup>1</sup>), which now applies to employment promotion (Article 129 of the Treaty of Amsterdam) and social policy (Article 137 (2)) and many other core aspects such as equal pay (Article 141) or the European Social Fund, as well as mobility-oriented policies (e.g. Articles 40, 42, 47 and 55). After many years of a more consultative role only, the Parliament was now able to co-decide together with the Council on core areas of EU social and employment policy;

2. In 2000 the EU Member State governments adopted an ambitious European agenda on growth and competitiveness – the Lisbon Strategy – which aims to make Europe the world's most dynamic knowledge-based economy by 2010. With its emphasis on increasing employment, both in terms of quality and quantity ('more and better jobs') and the stress on growth, innovation and competitiveness, the Lisbon Strategy basically defined the priorities of EU policy making for the current decade. It also affected the role of social objectives and called for a stronger interaction and integration of productivity or efficiency issues on the one hand and social policy or solidarity issues on the other. After 2000, social policies at the European level were integrated in several waves of Social Agendas presented by the European Commission. Since then they have provided the inventory of planned and announced European action in the field of social policy, also taking into account pending issues from earlier phases.

Against this background, EU social policies after 2000 have embarked on a path towards wider policy areas to be addressed by EU level action, but this has mainly been achieved by coordination and target-setting for national social and employment policies through the OMC rather than by regulatory policies; hence the current decade can be characterised by a growing importance of 'soft law' and thematic expansion, whereas the role of 'hard law' has become less prominent. As the body of regulatory EU social policies had grown in earlier periods, new regulatory policies were able to build upon that – and in fact this has also reduced the scope for new legislation in the areas where there is a genuine EU legislative competence.

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<sup>1</sup> The co-decision procedure is the main legislative procedure by which law can be adopted in the European Community, the first of the three pillars of the European Union. The co-decision procedure gives the European Parliament the power to adopt legislation jointly with the Council of the European Union, requiring the two bodies to agree on an identical text before any proposal can become law.

## **2.3. The Social Policy Agenda 2000-2005**

### *2.3.1. Context and situation*

Given the fact that in earlier decades many core regulatory policies had already been put in place at the European level, the period after 2000 was dominated by three major features:

1. Policy proposals to modify, fine-tune or adjust existing regulation, and to a certain extent, also further legislation on minimum standards of working conditions, equal opportunities and anti-discrimination as well as further control on and help with the national implementation of directives;
2. Proposals to expand the realm of trans-border economic activities to reap the benefits of deeper European integration (e.g. the Services Directive);
3. A more prominent role of soft law and the OMC as well as an active role of the social partners.

The Social Policy Agenda 2000 to 2005 provided the framework for European action on five core priorities:

- Priority 1: one general priority related to the preparation of the mid-term review of the Lisbon Strategy;
- Priority 2: full employment and quality of work;
- Priority 3: quality of social policy;
- Priority 4: promoting quality in industrial relations;
- Priority 5: enlargement and international cooperation.

With hindsight it is fair to say the Social Policy Agenda from 2000 benefited from a closer interaction and a working relationship between the European Commission, the European Parliament and the Council of Ministers. At that time there was a strong commitment to social policies in all three institutions.

### 2.3.2. *Social policy activities*

#### *Priority 1: General*

Activities preparing the *mid-term review* of the Lisbon Strategy were a major topic in this phase. However, the European Parliament was not a core actor in this area of OMC.

#### *Priority 2: Full employment and quality of Work*

Regarding full employment and quality of work, the European Parliament was able to effectively amend the set of employment guidelines for Member States' employment policies in 2001 (Decision 2001/63/EC of January 19, 2001) and the following years. Other elements of the EU employment policy area were accompanied by non-legislative resolutions by the Parliament. With respect to lifelong learning, the Parliament increased the budget for an integrated EU action programme (Decision 1720/2006/EC of November 15, 2006). With respect to the topic of anticipating and managing change and adapting to the new working environment, the Parliament increased the budget for incentive measures (see Decision 1145/2002/EC of June 10, 2002) and influenced the operating framework of the European Social Fund. Other policy action in this field was dominated by soft law such as policy guidelines and Commission communications – the Parliament contributed to this via non-legislative resolutions. It was only marginally involved in tripartite consultation. In contrast it contributed to the long-term issue of a directive on temporary agency work which could finally be adopted in 2008, as well as a general directive on the trans-border provision of services in 2006 (see below for details). The same is true for the directive on mediation in civil and commercial matters (Directive 2008/52EC of May 21, 2008), whilst no agreement on the Working Time Directive and on the transferability of supplementary pensions has been reached yet.

Some pending issues such as the European Company Statute (Directive 2001/86/EC of October 8, 2001) or information and consultation (Directive 2002/14/EC of March 11, 2002) could be settled in that period. In addition, a sequence of directives on health and safety was adopted as well as a directive on the coordination of public procurement (Directive 2004/18/EC of March 31, 2004) and amendments to the core directives on social security coordination (Regulation (EC) No. 859/2003 of May 14, 2003). Other elements of the changing world of work were tackled by non-legislative acts (e.g. a network on work organisation; a report on financial participation of workers; resolutions on corporate social

responsibility; women and science; the EURES activities, etc.).

In general the more strategic, long-term issues regarding the quality of work were much less an issue of regulation with strong Parliament influence, but rather fell into the realm of soft law.

### *Priority 3: Quality of social policy*

With respect to social policy, the European Parliament has been engaged in several activities concerning the modernisation of social protection, but did so mainly in the form of strategic documents, reports and communications. However, the Community action programme against social exclusion (Decision 50/2002/EC of December 7, 2001) was approved by the Parliament with a number of amendments. These relate in particular to the funding, which was increased to EUR 100 million for the years 2001-2005 compared to EUR 70 million proposed by the Council. In the field of gender equality, the Parliament was able to influence the Community framework strategy on gender equality 2001-2005 (Decision 2001/51/EC of December 20, 2000) by pushing through a financial framework of EUR 50 million.

The European Parliament has also been involved in legislative acts in various ways: banning discrimination in employment on grounds of ethnic origin, religion, disability, age or sexual orientation. Council Directive 2000/78/EC of November 27, 2000, establishing a general framework for equal treatment in employment and occupation, as well as Council Directive 2000/43/EC of June 29, 2000, implementing the principle of equal treatment of persons irrespective of racial or ethnic origin, were decided on in the consultation procedure. The same applies to Council Decision 2000/750/EC of November 27, 2000 on a Community action programme to combat discrimination and to Council Decision 2001/9103/EC on the "European Year of People with Disabilities 2003". In 2002, the Conciliation Committee reached an agreement on the new directive on equal opportunities for women and men (Directive 2002/73/EC).

Among the main innovations is that 'sexual harassment' as well as 'direct' and 'indirect' discrimination are defined for the first time at the EU level. However, the Council was unwilling to prohibit general exclusion or restriction of access of representatives of one sex to any kind of professional activity by classing such exclusion or restriction as discrimination.

#### *Priority 4: Promoting quality in industrial relations*

Concerning the quality of industrial relations, initiatives addressing the social partners and inviting them to develop their own initiatives in areas of their responsibility were mainly an issue beyond the European Parliament's responsibility. Some key communications were made, like on the launching of a reflection group on the future of industrial relations. The group, made up of industrial relations and labour and employment experts from around Europe and chaired by Maria João Rodrigues of Portugal, held its first meeting on February 9, 2001.

#### *Priority 5: Enlargement and international cooperation*

In the field of enlargement and international cooperation, the Parliament contributed to the employment policy reviews of the candidate countries. The parliament adopted the own-initiative report (INI/2003/2105) in response to the Commission paper on the implementation of the Joint Assessment Papers on employment policies in candidate countries. In another own-initiative report (INI/2005/2004) the Parliament encouraged EU Member States to ratify the ILO convention on child labour.

### **2.4. The Mid-Term Review of the Lisbon Strategy and the Social Agenda 2005-2010**

#### *2.4.1. Context and situation*

The European Commission's 2005 Social Agenda (COM(2005)33) has to be seen in the context of the report presented by the European Employment Taskforce (*Jobs, jobs, jobs: Creating more employment in Europe*) and the mid-term review of the Lisbon Strategy, which led to a re-launch of the Lisbon targets by reformulating the European policy objectives and streamlining procedures in order to make the Lisbon Strategy more effective. The Social Agenda presented in February 2005 emphasises the need for better employment records and for a reconciliation of prosperity and solidarity (*A social Europe in the global economy: Jobs and opportunities for all*). Access to employment is seen as the core element of societal prosperity as well as the best way to overcome poverty and social

exclusion. Hence, there is a role for public and European policies not only with respect to employment creation but also with respect to working conditions and social protection.

The new Social Agenda should have a key role in promoting the social dimension of economic growth and improving the implementation of the measures foreseen by the preceding Social Agenda (2000-2005). To achieve that, the Agenda developed a dual strategy:

- (i) it emphasises its role in strengthening citizens' confidence;
- (ii) it presents key measures under two major headings: promoting full employment and equal opportunities and inclusion.

Furthering citizens' confidence implies measures to enable citizens to gain confidence in their own ability to effectively manage change, in particular increased competition in a global context, technological development and population ageing. In this context, the Agenda suggested three elements:

- (i) an intergenerational approach taking into account the ageing of European societies;
- (ii) a partnership for change involving the social partners and civil society;
- (iii) integration of the external dimension.

The two priority areas concerning the strategic objectives of the new Social Agenda were:

- (i) employment, under the prosperity objective, to be fostered by a revamped cycle of the European Employment Strategy in the framework of the mid-term review of the Lisbon Strategy;
- (ii) equal opportunities and inclusion, under the solidarity objective,.

All in all, the European Commission's agenda was characterised less by an emphasis on further regulation and legislation and more by an increasing concern for easing the administrative burden imposed by EU law, the principle of subsidiarity and, as a consequence, a stronger need to review existing legislation rather than generating new EU legislation. Compared to the earlier phase of the 2000 Social Policy Agenda, the working relationship between the European Parliament, the European Commission and the Council of Ministers was much less rigid. This can in part be explained by the shifts in political orientation which had occurred in a number of EU Member States. However, the fact that after the EU Eastern enlargement the heterogeneity of Member State governments' positions on EU social policies increased substantially due to the institutional and economic diversity between 27 countries is certainly more important. More heterogeneity of national institutions, different types of regulation, preferences and types of

implementation makes compromises in the Council much more difficult compared to the EU-15. In particular, economic diversity raises concerns regarding cost implications of European legislation and, therefore, makes agreement among 27 Member States in the Council more difficult. The Member States which used to support social legislation at the EU level have lost their qualified majority in the Council. Furthermore, Eastern enlargement also means a much shorter phase of policy convergence and common history in terms of a country's embeddedness into EU policy making.

The European Parliament expressed its view in a 2006 resolution of the Commission's Social Agenda 2005-2010 (P6\_TA(2005)0210). It called for a more consistent consideration of social protection in the context of the Lisbon Strategy and asked the Commission to present a 'genuine social agenda' with stronger emphasis on a concise timetable and monitoring of progress and an effective implementation of EU policies. The European Parliament also urged the Commission to submit proposals for additional legislative acts on a wide range of issues. These two documents basically set the tone for the following years.

A closer look at the impact of the Social Agenda and the role of the European Parliament with respect to the items proposed by the European Commission shows that the Parliament could significantly influence core legislative processes – less so with respect to OMC however (see Annex 2).

#### *2.4.2. Social policy activities*

Examining general policies designed to build confidence, the first specific priority of the Social Agenda called for an intergenerational approach. This resulted in a Green Paper on the intergenerational dimension (COM(2005)0094), which was also supported by the European Parliament. Regarding the European Initiative for Youth, the Parliament proposed some budgetary improvement, which was adopted in Joint Decision 1719/2006/EC of November 15, 2006 on the 'Youth in Action' programme. In addition, a partnership for change was announced in order to unite actors in a forum to evaluate the implementation of the Social Agenda. The Parliament devoted additional funds to the Programme for Employment and Social Solidarity (PROGRESS) for the period of 2007 to 2013 (Decision 1672/2006/EC of October 24, 2006). Seizing the opportunities of globalization was the third major topic where the Parliament welcomed the Commission's announcement of further action; in particular the consultation of experts and an intensified external and international dialogue.

#### *Objective 1: Prosperity*

Regarding the Social Agenda's prosperity objective, the European Parliament was effectively able to influence the final version of the regulation governing the European Social Fund (Council Regulation (EC) No. 1081/2006 of July 5, 2006), which was redesigned as a major tool to help facilitate the implementation of the European Employment Strategy through appropriate projects. Restructuring was mainly addressed by non-legislative acts such as a non-legislative resolution on restructuring and employment and a sequence of high-level forum meetings. The European Commission presented a communication on this topic (COM(2005)120). The situation was different with respect to the revision of Council Directive 94/45/EC of September 22, 1994 on the European Works Councils, which the Parliament had repeatedly called for in order to improve information and consultation in the event of reorganisations and with respect to improving the working facilities for European Works Councils. In the subsequent process, also involving the social partners, the Parliament effectively influenced the legislative substance of the recast European Works Councils Directive finally adopted in April 2009.

Additional dynamics for industrial relations were brought about by a report on modernising labour law and a subsequent non-legislative resolution by the European Parliament. The European Commission presented the announced Green Paper on November 22, 2006 and paved the way for a Commission Communication, *Towards common principles of flexicurity* (COM(2007)0359), presented on June 27, 2007. This is not, however, directly related to European level legislative action. With respect to the updating of Council Directive 2001/23/EC of March 12, 2001 on transfers of undertakings, the Commission presented a report on the directive in 2001 and started the consultation of the social partners in 2007 with no legislative action as of yet. No progress has been made with regard to the update of Directive 98/59/EC of the European Parliament and of the Council of July 20, 1998 on collective redundancies. With respect to the protection of personal data, Directive 2002/58/EC of the European Parliament and of the Council of July 12, 2002 is currently still in place. Regarding information and consultation (Directive 2002/14/EC of March 11, 2002), the application of the directive has been reviewed, and the Parliament contributed to this by an own-initiative report (INI/200/2246) and a non-legislative resolution (T6\_0061/2009) calling for a more consistent implementation of the directive. The Commission's announcement of a new strategy regarding health and safety at work (COM(2007)0062) was mirrored by a non-legislative resolution by the Parliament in response to the Commission's communication. Corporate social responsibility was also dealt with by an own-initiative report by the Parliament and a related non-legislative resolution.

To enhance the functioning of a European labour market, the Commission announced that it would help facilitate transnational collective bargaining. This has been supported by the European Parliament. It will eventually lead to the development of an optional EU framework for transnational collective agreements,

but this is still pending. Another long-term pending issue is the project for a directive on supplementary occupational pensions in order to facilitate worker mobility. After the first reading in the Parliament, the Commission modified its proposal in October 2007, which is still awaiting a first reading in the Council (COD/2005/0214), although some progress has been made at the political level on this topic. More legislative action was completed on the coordination of social security systems mainly by amending existing regulations in a number of rather technical adjustments (Regulation (EC) No 1992/2006 of December 18, 2006 and No. 592/2008 of June 17, 2008); two projects are in their final stage (COD 2006/0006 and CNS/2007/0152).

### *Objective 2: Solidarity*

With respect to the *solidarity objective*, the Commission announced to help modernise social protection mainly through soft law, i.e. by way of a communication on health care (COM/2004/0304), commented on by a non-legislative resolution of the European Parliament, and the development of a more operative OMC procedure for pension, inclusion and health (COM/2005/706). In order to combat poverty and promote social inclusion, the Commission announced initiating a debate on national minimum income schemes. Apart from consultations this was dealt with by a regulation on appropriate statistics (Regulation (EC) No 1553/2005 of September 7, 2005), a 2006 own-initiative report by the Parliament on promoting social inclusion and combating poverty as well as by a non-legislative resolution in 2008 (P6\_TA-PROV(2008)0467). The Commission presented a communication on the active inclusion of people excluded from the labour market (COM(2008)639). The European year of combating poverty and social exclusion proposed by the Commission (COM(2007)0797) in 2010 was affirmed.

In order to promote diversity and non-discrimination, the Commission announced a communication on a strategic approach to equality and non-discrimination and organised a European year on equal opportunities in 2007 with support by the European Parliament, which also increased the budget available (Decision 771/2006/EC of May 17, 2006). The Commission also proposed further action on gender equality. This was backed by the Parliament with a sequence of own-initiative reports and related non-legislative resolutions as well as a decision of the Parliament and the Council on a Community programme relating to the framework strategy on gender equality and a Community action programme promoting organisations in the field of gender equality (Decision 1554/2005/EC of September 7, 2005). Regarding the action plan on opportunities for the disabled, the Parliament supported the Commission's Disability Action Plan. Last but not least, a clarification of the role and the characteristics of social services of general interest was attempted by a Commission White Paper (COM(2004)0374) and a

communication (COM(2006)0177) to which the Parliament replied with two resolutions based on own-initiative reports. The Commission defined social services of general interests in its 2007 Communication (COM(2007)725) and started monitoring the situation of these type of services. Financing of services of general economic interest was regulated by Decision 2005/842/EC of November 28, 2005.

In this context one has to mention the Services Directive 2006/123/EC of the European Parliament and of the Council of December 12, 2006. This directive has probably been the most important yet also the most controversial legislative project in recent years. The European Parliament played an important role in shaping the final version of the directive which was adopted in 2006. Actually the version proposed by the Parliament paved the way for the agreement between the European Commission, the Council and the Parliament. More specifically the Parliament had called for a limited scope of the directive by exempting some economic sectors (mainly services of general interest, but also, for example, agency work), as well as some core areas of labour and social legislation, in particular employment conditions set by public labour law and collective agreements, from the 'country of origin' principle, which finally was also removed from the formulation of the directive explicitly and replaced by the notion of 'freedom to provide services.' The Parliament was also able to effectively strengthen the control competences of host countries.

### *2.4.3. General comments*

Progress was less uniform with respect to additional elements of EU regulatory policies asked for by the European Parliament in its 2006 resolution. Some issues could since be settled: first, the directive on temporary agency work asked for by the Parliament be adopted in late 2008 (Directive 2008/104/EC of the European Parliament and of the Council of November 19, 2008), strengthening the principle of equal treatment between permanent staff and temporary work agency staff. Second, regarding the intention of the Parliament to broaden the scope of the directive on health and safety at work (Council Directive 89/391/EEC of June 12, 1989) to cover harassment at work and address a larger target group, a framework agreement on harassment and violence at work was signed by the social partners in April 2007, which is to be implemented by national social partners by April 2010.

1. The revision of the directive on the safety and health of pregnant workers (Council Directive 92/85/EEC of October 19, 1992), in which the Parliament had previously requested a revision several times; based on a new Commission Proposal from October 2008 (COM(2008)600/4), the Parliament suggested some amendments strengthening the protection of pregnant workers and mothers after childbirth; a second stage of

consultations is currently being held; at the same time there are negotiations between the social partners on revising the framework agreement on parental leave transposed in Council Directive 96/34/EC of June 3, 1996;

2. The revision of the directive on the protection of workers from risks related to exposure to carcinogens and mutagens at work (Directive 2004/37/EC of the European Parliament and of the Council of April 29, 2004) where two stages of consultation were held in 2004 and 2007;
3. After consultations with the social partners in 2004 and 2007, an in-depth analysis of various options regarding the revision of existing European regulation of disorders of the musculoskeletal system was commissioned by the European Commission; currently a working party is preparing an opinion on further legislative initiatives. A report is due in early summer 2009, and a proposal for a directive might result in autumn 2009;
4. An improvement and extension of Directive 96/71/EC of the European Parliament and of the Council of December 16, 1996 on the posting of workers was asked for by the Parliament, in particular with respect to monitoring implementation. However, there has been no further progress so far. Further need for action may result from some recent ECJ judgments which questioned the application of host country collective agreements on posted workers. Hence, the issue of revising the posting of workers directive is still pending and being discussed. A recommendation by the European Commission issued on April 3, 2008, however, pointed to the need to enhance administrative cooperation between Member States.

Quite to the contrary, no further activity could be observed on some issues raised by the European Parliament with more far-reaching and general implications regarding social protection:

1. multilateral projects to improve education and training systems/European education and training projects in Member States;
2. setting an EU wide poverty target (see the report by the Parliament adopted on October 9, 2008);
3. a legislative instrument on the introduction of advance, binding tests of cross-border effects of social and fiscal law ('Europe test');
4. a directive concerning individual redundancies;
5. a directive concerning social protection in connection with new forms of employment (apart from temporary agency work);
6. a directive on monitoring compliance with minimum regulations;
7. a directive on a minimum standard of social security.

## 2.5. The Renewed Social Agenda of 2008

Although the 2005 Social Agenda was set to last until 2010 and had not yet been completed, a Renewed Social Agenda was presented by the European Commission in 2008 in the face of new global challenges and the initial effects of the current global economic crisis. The Renewed Social Agenda draws on a broad public consultation launched by the Commission in 2007 to take stock of Europe's changing social reality. The Agenda revolves around the core concepts of *opportunities, access and solidarity*: everyone should have the right of access to quality services such as education and health care at all ages, and there should be solidarity between individuals, generations and regions in order to make the principles of opportunities and access meaningful. Initiatives to make these objectives a reality are presented in the Agenda. Its content is somewhat more heterogeneous and much wider than earlier Social Agendas, but it is not dominated by legislative acts. Some new projects dealing with education, demographic change, health and poverty were announced, many of them not implying EU regulatory action. In general the Renewed Social Agenda builds upon the regulatory reluctance of the 2005 Social Agenda. The approach adopted by the European Commission can also be explained by the feedback the Commission had received on the Green Paper on *Modernising labour law to meet the challenges of the 21st century* presented in November 2006. In the view of the Commission, the outcome of the consultation with the European Parliament, the European and national social partners, national governments and non-governmental organizations did not justify increased emphasis on new legislative work. In the eyes of the Commission, the feedback did not raise much support for legislation but rather for a better collaboration of EU Member States and exchange of information.

An umbrella communication (COM(2008)412) framed the agenda and detailed the Commission's approach. On May 6, 2009 a non-legislative resolution (INI/2008/2330) on the renewed social agenda was adopted by the European Parliament by 403 votes to 51, with 12 abstentions. As part of the package the Commission announced further progress on the directives on anti-discrimination, European Works Council and patients' rights in cross-border health care in the EU as well as on the implementation of the social partners' agreement in the maritime sector. They also announced communications on the European Globalisation Adjustment Fund, the follow-up to the European year of equal opportunities for all in 2007, and the OMC in social protection and social inclusion. Moreover, staff working papers were presented on Roma, telework, social services of general interest, decent work, restructuring, the well-being of citizens in the information society, and improving the efficiency of social spending. The agenda also announced a Green Paper on education and migration, a communication on schools for the 21st century and a recommendation on the mobility of volunteers.

### 2.5.1. General Opinion of the European Parliament

The European Parliament adopted this Renewed Social Agenda on March 31, 2009 and expressed its view on the initial document in its first reading (INI/2008/2330). The Parliament considers that two large categories of measures should be implemented: *priority actions* and *instrumental actions*. This is the same structure the Social Policy Agenda finally applied.

In the area of priority actions, Members of the European Parliament (MEPs) focus on five points: first, regarding *European social models*, the Parliament reaffirmed the importance of a strong social Europe, stating that the communication by the Commission is insufficiently coherent to impact on the current levels of poverty and exclusion and advising that this is not the time to reduce social expenditures. The MEPs call on the Commission to develop an ambitious Social Policy Agenda for the period 2010-2015. They also ask the Commission to propose a framework directive on services of general interest.

Second, with respect to *social and employment policies*, the Parliament calls on the Commission to optimise the use of new forms of work organisation, combat school leaving, modernise unemployment benefits, expand family allowances, promote flexicurity and enhance social dialogue. Third, MEPs stress that the long-term impact of immigration on demographic change is uncertain. Fourth, the Parliament would like the EU to aim for a globalisation process which is more socially inclusive as well as economically and environmentally sustainable. Fifth, the Parliament suggests strengthening the potential of the structural funds through simplification, flexibility and improvement of procedures.

Concerning instrumental actions, MEPs stress three kinds of actions: first, concerning *social and civil dialogue*, the European Parliament calls for a wide debate between EU stakeholders about the social agenda for the post-2010 period. It is also in favour of an effective dialogue between Parliament and civil society and a 'social pact' with social actions and realistic targets and indicators. The second concerns an improvement of the *EU law making process*. The third instrumental action concerns the *Open Method of Coordination*: MEPs call for a better linkage between economic and social policies and believe that the post-2010 Lisbon Strategy should cover a strengthened OMC. Hence, the position of the Parliament shows that it continues to have more interest in binding legislation than the European Commission.

### 2.5.2. *Social Policy Activities during 2008/2009*

An overview of the key-activities is provided following the detailed overview in Annex 3. The original structure of the Renewed Social Agenda is divided into seven priorities. These priorities are pursued through the instruments in the EC treaty: legislation, social dialogue, the OMC, EU funding and involvement of civil society.

#### *Priority 1: Children and Youth – Tomorrow’s Europe*

Compared to the previous Social Agenda (2005-2010), the Renewed Agenda has put more focus on children and youth. Several initiatives are brought forward to protect children’s rights. Whereas the main target group for the ‘Youth Initiative’ in the Social Agenda 2005-2010 are young people aged 15-28, the current initiatives rather focus on younger children.

In December 2008 the European Parliament adopted the legislative resolution to establish a ‘Safer Internet’ multi-annual programme to ensure safer use of the internet for children and youngsters. The Commission communication *Improving competences for the 21st century: An agenda for European cooperation on schools* of July 2008 was supported by a staff working paper which sets out the latest research evidence and statistics as well as a summary of the responses to the Public Consultation *Schools for the 21st century*. It says that change, sometimes radical, will be needed if Europe’s schools are to equip young people fully for life in this century. It proposes an agenda for cooperation in three areas: a focus on giving all pupils the competences they need for life; a commitment to providing high quality learning for every student; and improving the quality of teachers and school staff.

The Green Paper *Migration and mobility: Challenges for the EU’s educational systems* on the challenges posed by increased immigration and intra-EU mobility to European education systems analyses the situation of migrant pupils in schools across Europe and invites debate on how policies to address the issue might be developed and implemented. It also examines what EU programmes, funds and processes might do to improve the situation. Finally it invites reflection on Council Directive 77/486/EEC of July 25, 1977 on the education of children of migrant workers. In its draft report on *Educating the children of migrants*, the European Parliament’s Committee on Culture and Education welcomes this Green Paper. Another non-legislative action is the communication on promoting social inclusion

and combating poverty, including child poverty. The Parliament adopted a non-legislative resolution after the first reading.

*Priority 2: Investing in People, More and Better Jobs, New Skills*

Contrary to the general pattern described above, this priority is characterised by legislative initiatives. A very important issue under this priority was the Working Time Directive. This directive took nearly five years of negotiations but was finally rejected on April 28, 2009. The European Parliament did not accept a text that ignored some of the most important amendments of its first reading. Hence, it was not possible to reach an agreement on the proposed directive. The Parliament and the Council could not find a compromise on three crucial points: the opt-out, on-call time and multiple contracts. The main stumbling block was the opt-out clause, which the Parliament had expected to become exceptional and temporary. However, the Council was unwilling to put an end to the opt-out. A new legislative proposal by the European Commission is to be expected.

Another important issue is the directive on temporary agency workers (Directive 2008/104/EC), which was first proposed in 2002. In the same year, the draft directive passed the first reading in the European Parliament. Nevertheless it reached an impasse in the Council due to the opposition of some Member States, mainly Germany, Ireland and the UK. In 2007, efforts to arrive at a consensus on the directive were intensified and a breakthrough was made possible by a recent agreement on equal treatment of temporary agency workers between social partners in the UK on May 21, 2008; consequently the directive was finally adopted on November 19, 2008. Furthermore, the legislative process on an amended directive on the working conditions of maritime workers based on the ILO Maritime Labour Convention was completed in January 2009.

An increasing number of enterprises are operating across borders in Europe. A revision of the European Works Council Directive (94/45/EC) has been discussed since 2004. As the Social Partners disagreed earlier in 2008 on starting negotiations on the issue, the Commission proposed a directive to improve the functioning of European Works Councils to ensure effective social dialogue on restructuring operations. On November 17, 2008 the European Parliament Committee on Employment and Social Affairs decided on further amendments to the Commission's proposal for the recast directive. In a joint meeting between the Commission, the Parliament and the Council of Ministers on December 4, 2008, the parties reached a compromise paving the way for an adoption of the recast directive. On December 16, 2008 the Parliament adopted the compromise text at first reading and the Member States reached a political agreement on December 17,

2008. Only the British government abstained from approving the new text. It was eventually adopted by all EU Member States on April 22, 2009.

Apart from these legislative actions, there are key communications on the European Globalisation Adjustment Fund, on the 'Updated strategic framework for EU cooperation in education and training beyond 2010' and on multilingualism in the EU. Finally the Commission issued a communication on *New skills for new jobs: Anticipating and matching labour market and skills needs* (COM(2008)868/3) and a related staff working document (SEC(2008)865) in December 2008.

### *Priority 3: Mobility*

In the light of a 'more integrated European labour market,' mobility was high on the previous Social Agenda, focusing on worker mobility, occupational pension schemes and enlargement. In the renewed Social Policy Agenda, however, the concept of mobility was broadened to the target group of young people.

The objective of the draft Council Recommendation on the mobility of young volunteers across Europe is to promote youth mobility by inviting Member States to further develop the inter-operability of national schemes for voluntary activities and to address remaining obstacles to cross-border volunteering. The European Commission will support Member States in their efforts to promote cross-border volunteering, notably by developing the European Youth Portal with a view to ensuring that it provides a facility for matching offers and demands for volunteering opportunities. In addition, through its conference to promote researcher's mobility on April 28 and 29, 2009, the Commission is endeavouring to contribute to the development of the 'fifth freedom.'

As announced in its Social Agenda on October 9, 2008, the Commission organised a forum on workers' rights and economic freedoms. Its objective was to contribute to the necessary clarification of the application of the Community framework regarding the free provision of services and the legislation on posting of workers, and on the exercise of social rights against the background of increasing labour mobility.

#### *Priority 4: Longer and Healthier Lives*

Compared to the Social Policy Agenda of 2000-2005, the concept of health is no longer limited to health at work. The Renewed Social Policy Agenda has given specific attention to health and opened up the approach of the Agenda to all aspects of life.

A draft directive on patients' rights in cross-border health care was presented by the Commission on July 2, 2008 (COM(2008)414) and had its first reading in the European Parliament on April 23, 2009. This proposal for a directive aims at clarifying and promoting the right of patients to gain access to health care in another EU country and at ensuring high quality and safe cross-border health care throughout Europe at the same time. The issue is still pending.

Apart from this proposal, the Commission launched a sequence of communications on the priority on longer and healthier lives. In July 2008 the 2009 Ageing Report was presented. Allegedly a key communication (COM(2009)0180) on 'dealing with the impact of an ageing population' is currently in its preparatory phase in the Parliament and ready to be approved. On December 15, 2008 the Commission launched a communication (COM(2008)836) and a draft Council Recommendation (COM(2008)837) on patient safety and the quality of health services to Member States. Another example of proposed key communications on health is the one on health inequalities during 2009; here a consultation had already been launched on February 25, 2009 to collect views on the topic. The Committee of the Regions on patient safety gave its opinion on April 22, 2009. A Green Paper on the EU health workforce (COM(2008)836) was published on December 10, 2008. This consultation aims to identify common responses to the many challenges facing the health workforce in Europe. The Commission called on all interested organisations to submit responses to the issues raised in this Green Paper. The deadline for response was March 31, 2009.

#### *Priority 5: Combating Poverty and Social Exclusion*

The fifth priority is on poverty and social exclusion. This followed and completed the intention of the Commission to organise a European year of combating poverty and social exclusion in 2010.

The Commission also launched a proposal (COM(2008)0563) to amend Regulation (EC) No. 1290/2005 of the European Parliament and the Council of June 21, 2005 on the financing of the common agricultural policy and Regulation (EC) No. 1234/2007 of the European Parliament and of the Council of October 22, 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) to improve

food distribution to the most deprived people in the Member States. The proposal was adopted by the Parliament, which made some amendments, and is now awaiting political agreement.

In addition a staff working paper was presented on social services of general interest (SEC (2008)2179/2), a recommendation was made on active inclusion and there was a consultation on financial inclusion from February to April 2009. In its Social Agenda the Commission also states its intention of undertaking initiatives in order to tackle the digital divide. However, evidence has yet to be found of such an initiative.

#### *Priority 6: Fighting Discrimination*

Promoting diversity and non-discrimination was highly important in the Social Agenda 2005-2010. With the renewed agenda, the Commission is complementing and strengthening the actions of the previous period.

The Commission announced a directive to combat discrimination based on religion, belief, disability, age or sexual orientation. After years of negotiation, the proposal for a directive was published on July 2, 2008 (COM(2008)0140) and read in Parliament on April 2, 2009, which made some amendments. The new directive would come on top of four other directives: one on discrimination based on racial or ethnic origin, both within and outside the labour market; one on discrimination in the labour market; one on equal treatment of men and women regarding access to employment; and one on equal treatment of men and women regarding access to and supply of goods and services. The directive is close to adoption.

Apart from this legislative act, the Commission also announced a continuation of its non-legislative actions to promote equality. The own-initiative report reiterates the two-fold nature of policy on equal opportunities for women and men at the EU level: on the one hand, ensuring equality of women and men in all policy areas (gender mainstreaming); and, on the other hand, targeted measures to curb discrimination against women. This report was adopted by the Committee on Women's Rights and Gender Equality in September 2008. Moreover, the Parliament adopted a non-legislative resolution on the application of the principle of equal pay for men and women. In November 2008 The own-initiative report had been tabled for consideration in plenary on behalf of the Committee on Women's Rights and Gender Equality.

In October 2008, the Commission published a report on work-life balance (*A better work-life balance: Stronger support for reconciling professional, private and family life*). In addition to this report a legislative proposal was issued on health and safety at work for workers who are pregnant, have recently given birth or are breastfeeding (amendment to Directive 92/85/EEC). The Committee on Women's Rights and Gender Equality adopted the proposal under the first reading of the co-

decision procedure, amending some major issues. A final decision has yet to be passed. The directive is being discussed by the social partners. In September 2008, the Commission issued a report on the Barcelona targets concerning the availability of childcare facilities (COM(2008)638).

The working paper *Community instruments and policies for Roma inclusion* addresses the particular difficulties faced by Europe's Roma community and shows possible ways of active inclusion.

#### *Priority 7: Opportunities, Access and Solidarity in the Global Scene*

Two major communications were announced under this priority: one for the promotion of the agenda for decent work and one on the promotion of corporate social responsibility. The latter is a continuation of the action in the previous Social Agenda 2005-2010.

In addition, the Commission called upon all Member States to ratify and implement the ILO convention. A first proposal regarded authorisation of Member States to ratify the Work in Fishing Convention 2007 of the ILO (Convention 188). This proposal was adopted by the European Parliament's Committee on Employment and Social Affairs and is now awaiting political agreement on the final act.

### **2.6. Current State of Play**

Our analysis of the Social Agendas of the 2000s – formulated in the context of the Lisbon Strategy – shows that major progress could be achieved in EU social policy. Furthermore, the European Parliament has been a major player and regularly calls for the serious consideration of social aspects – but the influence of the Parliament clearly varies across instruments and policy areas.

Regarding legislative acts, the co-decision procedure has proven to be a powerful tool for the European Parliament when it comes to influencing European regulatory projects. Hence, in the current decade the Parliament could leave its footprint on core legislative acts in favour of social aspects vis-à-vis the Commission and the Council. Important examples are the Services Directive or the recast European Works Council Directive. In terms of spending on expenditure programmes, the Parliament tended to be more generous than the Commission.

The European Parliament, however, was not able to effectively urge the Commission to present proposals on some of the more fundamental directives asked for in the 2006 resolution on the Social Agenda (i.e. individual dismissals, minimum standards) or settle some long-term pending or blocked issues. Hence,

the Parliament seems most powerful in areas where the Commission is willing and prepared for initial proposals according to its agenda. This is mostly the case for narrower and thematically focused initiatives. Then the Parliament can intercede and stress the social dimension of a specific regulatory project.

Most decisions in Community law are taken by the Council and the European Parliament on the basis of proposals put forward by the European Commission. Hence, the Parliament and the Council can only act if the Commission takes such an initiative. Thus, a dominant role in the legislative procedure is delegated to the Commission. According to their competencies, the Economic and Social Committee and the Committee of the Regions are consulted. This mode of governance in the legislative process of the EU is quite clearly defined and no doubt this 'Community method' is and will remain key to EU policy making, although there is an increasingly wide range of governance modes within the EU today. Outside the Commission's agenda, the Parliament can only try to raise awareness and suggest action by reports and resolutions. The Parliament is also heavily constrained in the area of social dialogue and tripartite consultation.

Legislative acts are only one part of the story; soft law is also a major pillar, not only with respect to OMC in a formal sense, but beyond that. Soft law has become more important in the current decade as the prominent place of policy management by objectives, targets, studies, reports and forums shows. New areas covered by EU level activities are not governed by regulatory policies but by OMC. In parallel to the increase of the scope of European activities over time, the role played by non-legislative instruments such as soft law and OMC has grown. Hence there has been quite some activity, not directly leading to regulatory efforts, but these activities may raise awareness and pave the way for further policy making. The OMC, however, lacks mandatory participation on the part of the European Parliament. There has also been a lack of a sufficient legal framework governing the 'rules of the game.' The Parliament is only involved in a rather unsystematic way. It has a formal role only in the consultation procedure provided for in the treaty on the European Union and the treaty establishing the European Community Articles 128 and 130 and, thus, in European employment policy.

The legislative body of EU social policy has grown over time. Together with the growing institutional, economic and political heterogeneity after EU enlargement, this helps explain the relative decline in regulatory activities in the most recent years and some non-results such as the Working Time Directive. Member States interested in more ambitious social legislation do not hold a majority anymore. Instead of generating new legislation, the effective implementation and some adjustment of existing legal rules legislation have become more important. Due to the divergence of interests, there is now a strong status quo bias in favour of existing legal provisions which are difficult to modify (see the experience with the Working Time Directive or the portability of occupational pensions. This in turn seems also to discourage the Commission from putting further legislative projects on the agenda of EU level social policies. Nevertheless, there has been some

progress in those areas in which the social partners could play a facilitating role, such as in the case of temporary agency work, the recast European Works Councils Directive or the working conditions of maritime workers.

There is currently still a list of unfinished and pending legislative projects, such as:

1. the revision of the Working Time Directive (where the legislative procedure was recently ended);
2. updating the directives on collective redundancies and transfer of undertakings;
3. the regulation of the transferability of occupational pensions;
4. a possible revision or clarification of the Posted Workers Directive;
5. some of the legislative acts with more far-reaching implications recommended by the European Parliament in 2006, in particular core regulatory policies (e.g. individual dismissals, minimum social protection, restructuring) but also regarding the health and safety of pregnant workers or protection against carcinogens and mutagens as well as against musculoskeletal disorders;
6. many new projects proposed under the most recent 2008 Renewed Social Agenda, such as patients' rights in cross-border health care or parental leave.

### **3. The Influence of the European Parliament**

While the preceding section gave an overview of the development of EU social policy over the last decades with a particular focus on the situation after the adoption of the Lisbon Strategy in 2000, the following chapter will analyse to what extent the European Parliament could effectively influence decision-making on social policies at the EU level. It can be shown that the role of the European Parliament and its success in having substantial impact on the policies adopted not only varies considerably across different types of policy tools – legislation and budgeting vs. ‘soft law’ and social dialogue – but it also depends on the concrete regulatory issues at stake.

#### **3.1. The General Picture**

The European Parliament has significantly gained power in the legislative process in recent decades. Following the adoption of the Treaty of Amsterdam (1999), the Parliament and the Council share the responsibility for the adoption or failure of proposed legislative acts. As a consequence, there is a more balanced distribution of veto power (Maurer, A.). However, the Council remains the most powerful institution in legislative decision-making. Legislative outcomes tend to be closer to the preferences of the Council than to those of the Commission or Parliament (Selck, T.J. and Rhinhard, M.). The Commission remains powerful vis-à-vis the Parliament, too – especially due to its almost exclusive right to initiate proposals (Hoyland, B.). Furthermore, the Commission is involved in policy discussions in the Council and in the negotiations between the Council and the Parliament. So it may affect the policy positions during these negotiations and influence the final decisions (Thomson, R. and Hosli, M.).

A notable advantage of the Parliament in negotiations with the Council is its longer time horizon, whereas the Council tends to be restricted by the six-month terms of its presidencies. Much of the Presidency’s prestige is vested in their ability to successfully bring legislation through the law making process during the six-month period of office. Short time horizons tend to make actors more willing to accept suboptimal compromises as other actors may want to delay legislation for longer periods or to threaten such delay if this serves their particular interests (Farrell, H. and Héritier, A.). While the European Parliament is less exposed to short-term political pressure, it is somewhat weakened by the fact that, in contrast to the Member States’ governments united in the Council, it does not dispose of a strong ministerial bureaucratic support – the office of the Parliament is also much smaller than the Commission’s specialised services (Thomson, R. and Hosli, M.).

Regarding the legislative processes, the impact of the European Parliament also depends on the procedures and treaty bases used. Its influence on regulatory and legislative issues is larger than on distributive ones and on 'soft law' (Thomson, R. and Hosli, M.). Obviously the influence of the Parliament depends on the formal law making procedure. In the context of the consultation procedure, the Parliament has only limited abilities to affect the outcome. Since the Isoglucose ruling (1979) the Council has no longer been able to adopt a decision until Parliament has delivered its opinion. However, this opinion does not have to be considered in the negotiations between Commission and Council. Therefore, under the consultation procedure, the Parliament can only influence the legislative outcome if its position is supported by the Commission (Kardasheva, R.).

Hence, the main reason for the European Parliament's increase of power in recent years is the introduction of the co-decision procedure established by the Maastricht Treaty (Kreppel, A.; Burns, C.). Due to more pronounced checks and balances, single actors are not able to dominate the legislative process. Thus, decision making to a larger extent depends on contingent support, coalition building and compromise between the European institutions – now also involving the Parliament (Maurer, A.). In co-decision, the Commission sends a draft to the Parliament and the Council. If both approve of it, legislation is adopted; if there is no agreement, a second reading takes place. If there is still no solution after the second reading, the conciliation committee composed of European Parliament and Council representatives is asked to achieve a compromise.

The European Parliament has to endorse legislative proposals with a 50 per cent majority, whereas the Council requires a qualified 75 per cent majority or, in some areas, (e.g. citizenship, the mobility of workers, self-employment and culture) unanimity (Noury, A.G. and Roland, G.). Second reading amendments not accepted by the Commission need to be adopted by unanimity in the Council rather than by qualified majority voting. However, if a qualified majority in the Council accepts the amendments, the Parliament and the Council are able to adopt these amendments in the Conciliation Committee. Hence, the Commission is able to delay the adoption of these amendments only to the next stage in the process (Hoyland, B.).

It can be shown that the European Parliament tends to take a more pronounced position under co-decision, which increases the chances of achieving a compromise close to its preferences; but without the Council's support the proposal will be rejected. The Parliament tends to be more successful with its positions in the co-decision procedure if it makes a legislative offer to the Council (Selck, T.J. and Steunenberg, B.). Furthermore, amendments in the second reading are more likely to be adopted than in the first reading. A possible explanation for this is the strategic amending of proposals by the Parliament in order to provoke conciliation. Generally speaking the Council tends to avoid time consuming conciliation. To avoid the Parliament's veto against the whole proposal, the Council tends to accept amendments in the second reading (Kreppel, A.). In

addition, the Parliament has some agenda-setting power in the conciliation committee. This means that the Parliament can submit a proposal to the Council. The Council is not able to modify the proposal: it can either adopt or reject it (Selck, T.J. and Steunenberg, B.).

The co-decision process was simplified in the Amsterdam Treaty and now allows for adopting amendments after the first reading. Hence, the EU legislative process has now become more efficient. After the reform, a proposal fails if no agreement is reached in the conciliation process. The effect is a stronger veto position of the European Parliament. Before the changes, the Council could obstruct the European Parliament with a take-it-or-leave-it offer after conciliation (Maurer, A.). In order to achieve faster decisions, an informal trilogue committee was created. Representatives of each institution meet at an early stage, inform each other about ongoing discussions and possible win-sets and try to reach an agreement. This was a consequence of earlier experiences with co-decision where the Council and the Parliament had worked in isolation. In this case the rapporteurs elected by the European Parliament possess significant power since they represent the whole Parliament (McElroy, G.; Hausemer, P.; Kardasheva, R.).

Furthermore, the group of rapporteurs usually does not mirror the composition of the plenary – a problem which is generated by a lack of clear rules for their assignment (Kaeding, M.). This rather opaque process can be critically viewed as agreements reached in the trilogue tend to remain unchanged by the European Parliament later on. Any further change would increase the risk that the Council might decide not to continue the process or to develop a tougher position in negotiations. Hence, the Parliament very often does not have the possibility to go to the second reading because of the risk of the Council reacting in an undesired way (Acosta, D.). As the second reading amendments had been more often adopted than first reading amendments, the new situation partly weakened the Parliament. Formal models of the Amsterdam version of the co-decision procedure highlight the decline of the power of the Commission and show that the Council of Ministers and the Parliament have become equal partners. Support from both the Council and the Parliament is needed in order for new co-decision legislation to be adopted. Furthermore, neither of the institutions has formal agenda-setting power in the last stage of the procedure, the conciliation phase (Hoyland, B.).

### **3.2. Inside the European Parliament**

The voting behaviour of European Parliament parties has been an important topic of research on the Parliament. In general most studies state that the Parliament is not structured by national cleavages but along supranational party lines. Thus, concrete issues are more important than nationality (Roland, G.; Corbett, R., Jacobs, F. and Shackleton, M.). An overriding dimension is the distinction between

parties with different orientations towards European integration (McElroy, G.). By and large, two main party groups dominate the Parliament: the PES (Party of European Socialists) and the EPP (European People's Party) (Hausemer, P.). Some studies state that the voting behaviour of the party groups on the left clearly deviates from those on the right. So the votes of PES are most often correlated with the European Left, the European Green Party and their allies and the Radical Left and Italian communists and allies). On the opposite side, the EPP often votes in accordance with the ELDR (European Liberal, Democrat and Reform Party) as well as with the Gaullists and their allies (Noury, A. and Roland, G.). When the issues are truly divisive, the MEPs tend to vote along party lines rather than national lines.

In contrast to increased heterogeneity in the Council of Ministers after enlargement, the voting behaviour inside the European Parliament has changed very little. MEPs continue to vote primarily along transnational party lines. There still is high party cohesion and a dominant left-right voting dimension. Yet two changes have been observed since the enlargement. First, Liberals recently voted significantly more often with Conservatives than with Socialists; hence, a centre-right coalition now dominates the Parliament. Second, the new EU Member States vote slightly more along national lines than the MEPs from the EU-15. Nevertheless, ideological preferences remained the dominating factor (Hix, S. and Noury, A.).

One result of the European Parliament's increase of power is an increase of party cohesion stemming from the knowledge that votes have consequences in decision-making (Noury, A. and Roland, G.). MEPs behave more cohesively under co-decision, as party groups try to mobilise MEPs to vote in a disciplined way in order to weigh effectively on decision-making. Hence, the Parliament functions more and more like a 'normal' parliament, in which party cohesion is an important element of legislative decision-making (Roland, G.). An internally united Parliament is more likely to be successful regardless of the procedure involved or the type of amendment made (Selck, T.J. and Steunenberg, B.). Another effect of the increase of power is a growing lobbying effort by affected lobby groups (Burns, C.).

The reform of co-decision allows an early agreement to be reached. In this process the European Parliament's rapporteurs negotiate with the Council's Presidency, leaders of political groups or rapporteurs of other parliamentary committees. Hence, they have a strong influence inside and outside the Parliament. It is fair to say that the rapporteurs – sometimes also the 'shadow rapporteurs' – are key figures (McElroy, G.; Hausemer, P.; Kardasheva, R.).

However, there are no general rules regarding the assignment of the rapporteurs. The committee can nominate a rapporteur, but the nomination is not regulated in the Parliament's Rules of Procedure. Instead party groups have developed a system based primarily on the rule of proportionality with procedures that may differ between the committees. Each group receives a quota of points based on its share

of seats in the committee. Party group co-ordinators and committee chairs decide the value of each report to be drafted by the committee and co-ordinators identify their groups' priority reports and make bids on behalf of their groups in specific co-ordinators' meetings. The other parliamentary party groups are able to nominate shadow rapporteurs to monitor the work of the rapporteur. The rapporteur then formulates a draft text which is debated and voted in the committee and submitted to the plenary. If the committee opinion is not unanimous, the minority can give a summary of its position (Mamadouh, V. and Raunio, T.). Every party could assign a report, but the larger parties hold the most salient rapporteurships. The reason for having most salient rapporteurship is the support of a voting majority in the committee and the plenum (Hausemer, P.; Kaeding, M.; Hoyland, B.). The applicable rules give the majority coalition a veto over the contents of each report and forces minority MEPs to seek the support of (at least parts) of the majority in order to get their reports adopted. Another fact is that MEPs from national parties which are in power in Member State governments and, therefore, represented in the Council write more co-decision reports since it is easier for them to obtain reliable information about possible win-sets in the Council (Hoyland, B.). This is a result of an informal relationship between rapporteurs and actors of the Council.

Hence, the strength of the European Parliament vis-à-vis the Council rather depends on the capacity to establish a large majority involving the Grand Coalition of PES, EPP and also other parliamentary groups. Therefore, the roles of the rapporteurs and of the leaders of the parliamentary groups in the committees and the plenary are crucial. As a consequence large shares of decisions in the Parliament are unanimous or nearly so. This also holds for the parliamentary committees and the Employment and Social Affairs Committee in particular (Settembri, P. and Neuhold, C.).

### **3.3. Core Legislative Acts**

The following passage examines prominent legislative acts in the field of social policy.

#### *3.3.1. The Services Directive*

The Services Directive was certainly one of the most heavily debated regulatory projects of the recent period – and, in fact, this directive is also the prime example of substantial influence exerted by the European Parliament. While the European Commission had originally proposed a far-reaching directive liberalising the

provision of services in the EU by applying country of origin regulation for a wide range of services and legal areas, in particular labour law, the Parliament could effectively limit the scope and impact of the Services Directive. This happened mostly during the first reading of the co-decision procedure.

The final position adopted by European Parliament broadly reflects the Parliament's first reading position achieving a balance between competition and social protection. The crucial 'country of origin principle' has been dropped from the key article and replaced by a clause on the 'freedom to provide services.' The Parliament also effectively limited the scope of the directive. It now covers fewer services than the original text. MEPs expanded the list of reasons allowing Member States to restrict the freedom of a service provider from another Member State to provide services on their territory. The text also now clearly states that the directive does not affect labour law in the Member States.

This strong impact of the European Parliament on the final piece of legislation adopted was mainly due to the mobilisation of civil society in spring 2004, in particular NGOs and trade unions, which were very critical of the Commission's original draft directive. Furthermore, the Parliament benefited from an active role of the rapporteurs, a strong internal coalition building and support by a sufficiently large group of Member State governments, which were also critical of the original directive. A divided Council of Ministers could only agree on a compromise directive. Hence, it is fair to say that the Parliament was crucial in drafting the final version of that directive finally adopted in 2006. In fact, the version suggested by the Parliament turned out to be a feasible compromise for all three actors involved, the European Commission, the Council and the Parliament.

But cohesion within parliamentary groups was also limited. 394 MEPs voted for the amended proposal, 215 against and 33 abstained. Smaller party groups voted against the proposal, but PSE, EPP and ALDE voted for the modified proposal. In this case the voting cohesion was small compared to party cohesion of the European Parliament's average (EPP 79.5 per cent compared to 93.1, PSE 75.2 per cent compared to 89.7).

Even after the adoption of a modified Services Directive, some scepticism within the European Parliament persists regarding the formulation of the Services Directive, in particular the coverage of services of general interest such as public services like education, social services, and welfare and charity organisations. However, a renegotiation of the Services Directive is hardly a realistic issue for the foreseeable future.

### 3.3.2. *The Posting of Workers Directive*

In 1996 the European Parliament and the Council adopted Directive 96/71/EC of

the European Parliament and of the Council of December 16, 1996 concerning the posting of workers in the framework of the provision of services. With the Services Directive this was part of the internal market and not of the social policy realm as such. Given a divisive issue leading to protracted negotiations in the Council, a fragile compromise between the 15 EU Member States between the application of country of origin labour law and that of the host country could finally be achieved. It clearly mirrored the conflicts between different groups of employers, trade unions and governments from different sectors and regions. However, the posted workers issue was perceived as basically a settled issue. Furthermore, due to the pressure exerted by the Parliament, labour law was finally outside the range of the Services Directive. For some time, policy makers mainly focused on the implementation through national administrations and coordination by the Commission.

However, the topic has turned out to be more contentious over recent years. This is mainly due to some ECJ judgments questioning the regulatory status quo of the Services Directive. Whereas the original directive has for many years been seen as a piece of legislation safeguarding national autonomy in extending binding national provisions of host countries on posted workers, the Member States' room to manoeuvre was curtailed by a sequence of ECJ cases (Viking, Ruffert, Laval, Luxembourg). The cases highlighted some crucial deficiencies of the Posted Workers Directive. The major issue once more was the balance between business rights of free provision of services within the EU on the one hand, and the social protection of workers on the other hand, as well as Member States' ability to define their own territorial labour legislation when dealing with increased cross-border mobility of workers and companies.

In the view of the European Parliament, the ECJ judgments also mirror the Commission's scepticism about the Posted Workers Directive – in particular given the fact that posting was outside of the scope of the Services Directive. In particular the Commission was seen as a major actor behind the case against Luxembourg, while at same time it explicitly pushed for better transnational cooperation and coordination. Advocates of the directive see a redefinition of the posted worker provisions by the ECJ and the Commission basically to the detriment of the receiving countries, the posted workers and the host country workers.

To clarify and re-strengthen the directive, the European Parliament, in a 2008 report drafted by Jan Andersson, called for a modification of the directive in order to allow for better protection of posted and local workers through stronger national competences to ensure equal pay for equal work at the same place. This should in particular facilitate national safeguards regarding feasible collective agreements, especially with respect to collective agreements not formally extended, the definition of dependent and independent workers, and the quality of work. The Parliament would like to re-establish a clear national authority to define national provisions of the host country to be applied to posted workers; however, the

European Commission has hitherto been reluctant to embark on this track as it sees insufficient Member State demand for a revision of the directive; whereas major European trade unions support the Parliament's position. However, there has been no support so far from a number of Member State governments, as national constituencies seem to be ambivalent and do not see this as a major topic.

In fact, as the Commission does not see a Council majority for a new directive emerging in the current situation, it will most probably continue asking for intensified cross-country collaboration (see COM(2003) 458, COM(2006)159 and COM(2007) 304). Hence, the chance of a revision of the Posted Workers Directive remains bleak. No revision of the directive as such seems viable within the foreseeable future. The European social partners had just one meeting in March this year and both hold different opinions on this issue. While BusinessEurope does not see the necessity of a revision, the ETUC is now strongly in favour of a revision. Meanwhile the European Commission is studying the issues related to the directive's implementation. According to Commission sources a conclusion could take considerable time because of the 'technical complexity' of the issue. Further research has been done into the effects and the legal aspects of posting. Observers also see the revision attempt as potentially risky since this would imply opening of 'Pandora's Box' as national positions within the Council are divided, so that a new version of the directive could also endanger the established principles and be worse than the status quo. The case of the Posted Workers Directive shows the limited influence of the Parliament on the Commission's agenda. If there are divisive issues where there is no clear political support inside a significant group of Member State governments within the Council, the Parliament is quite constrained – even though the European trade unions join forces with the Parliament. For the future, however, it is also possible that new Social Clause and the Charter of Social Rights in the Lisbon Strategy will have some influence on the ECJ.

### 3.3.3. *The Working Time Directive*

Another heavily disputed issue was and still is the renewal of the Working Time Directive. The Commission proposed amendments concerning the opt-out, the reference period and the treatment of on-call working time; but this draft directive was finally rejected in April 2009 after about five years of protracted negotiations and three rounds of conciliation. Different opinions between the Commission and the European Parliament regarding on-call working time could not be resolved. Furthermore, the Parliament did not vote in favour of a version that ignored some of the most important amendments of its first reading.

Hence, the European Parliament and the Council could not find a compromise on three crucial points: the opt-out clause, on-call time and multiple contracts. However the main obstacle was the opt-out clause: the Parliament wanted opt-out

to become exceptional and temporary. The Council, on the other side, was unwilling to put an end to the opt-out. The divergence within the Council could not be overcome but had increased and become persistent after EU enlargement – the more regulation-oriented Member States and the more flexibility-oriented Member States such as the UK and most of the new Member States, which did not want to give up the opt-out clause, could not reach a compromise that would have allowed a qualified majority voting.

While there has been no solution for this dossier so far, this cannot only be seen as a pure failure. In fact, one can interpret the story as the European Parliament effectively avoiding a deterioration of the status quo by rejecting undesired modifications. This ‘partial’ success of the Parliament, however, risks being only a transitory one, as reliance on opt-out could tend to increase.

Hence, further debate will take place once the European Commission presents a new draft which will probably incorporate some of the Parliament’s points of view. While a new attempt by the Commission is to be expected, this will first involve some impact assessment, consultation with social partners and a Commission draft that will aim at a viable compromise acceptable to the European Parliament and the Council. So far the failure of the Working Time Directive has indirectly discouraged the Commission to present further legislative projects in other fields.

#### *3.3.4. Temporary Agency Work*

In May 2000, the social partner organisations ETUC, UNICE and CEEP launched talks on a temporary work agreement, but after a year of negotiations it became clear that the employers were not going to accept that temporary agency workers’ conditions should be on an equal footing with staff in the user company. In the absence of a deal between the two sides of industry, the European Commission initiated a new stage of negotiations in 2002 and put forward its own proposal for a Temporary Agency Work Directive. The following agreement reached between social partners was first sent to the Economic and Social Committee (which made its amendments) and after that to the European Parliament. In the same year the draft directive passed the first reading in the Parliament. However, the Council failed to reach an agreement on a common position due to a blocking minority of Germany, Denmark, Ireland and the UK (Nedegaard, P.; Zappala, L.). Thus, although the directive was supported by the majority of the Member States, the Commission and the Parliament, some larger countries were effectively able to veto it. Yet with the enlargement and the associated revision of the decision-making rules, these countries lost their veto power. Furthermore, efforts to establish a compromise intensified and a crucial breakthrough was made possible by an agreement on equal treatment for temporary agency workers between social partners in the UK in May 2008, so that the directive was finally adopted on

November 19, 2008 (Directive 2008/104/EC).

### 3.3.5. *The European Works Councils Directive*

Regarding the revision of Directive 94/45/EC on the European Works Councils, the European Parliament had repeatedly called for a modification of core provisions in order to improve information and consultation in the event of reorganisations and with respect to improving the working conditions of European Works Councils. In the subsequent process, also involving the social partners, the Parliament effectively influenced the legislative substance of the recast European Works Councils Directive, which was finally adopted in April 2009. The story, however, was a protracted one. In 1994, as part of a sequence of EU social legislation, the European Works Councils Directive was adopted with a very fragile majority. By 1999 the Commission had already announced its willingness to review it. In that year the Commission started consultations with the European social partners. Subsequent negotiations were characterised by widely differing positions between the institutions.

A second round of consultation only started in 2008. The Commission was somehow confronted with diverging expectations from the European Parliament on the one hand and European business on the other hand, which objected to any new legislative burden being imposed. In this context the ETUC adopted a document with four key political priorities for the revision. The Commission, however, did not start a revision, but a 'recast' with a limited room for amendments put forward. The ETUC, which had always called for a revision, pushed the negotiations forward by agreeing upon the recast. Consequently the social partners were able to draw up a document which had to be adopted by the Council and the Parliament. In a trilogue meeting on December 4, 2008, the EU institutions found an agreement and the European Works Councils Directive was adopted on December 17, 2008 (Jagodzinski, R.).

The case of the European Works Councils shows a strong facilitating role of the social partners opening up an opportunity to renegotiate an otherwise blocked directive. The social partners effectively helped draft a compromise on a 'recast' directive outside formal social dialogue. Furthermore, the Works Councils 'recast' is a good example of successful informal trilogue between the Commission, the Council and the Parliament.

### 3.3.6. *Occupational Pensions*

The transferability of occupational pensions is a major aspect of transnational and intranational mobility of workers. However, this is also a very complex issue with diverging national preferences due to delicate cost implications for employers and the state as well as to institutional diversity. Despite the fact that a majority in the European Parliament, based on a report on this topic, is strongly in favour of creating a joint European regulation on the transferability of occupational pensions, no agreement could be reached within the Council. Even within the Parliament, however, the issue was a difficult one: EPP and ELDR supported the Commission's position, which was in favour of liberalisation. Pension funds should enjoy similar single market freedoms as other financial institutions that had been object to single market regulation before, such as banks, (life) insurance companies and investment funds. Pension funds in one member state should be able to manage company schemes in other member states. The conditions of operation are largely determined by the home country of the pension fund; hence, Member States have to mutually recognise their regulatory regimes. The PES voted against this approach. Furthermore, the PES was deeply divided along national lines. Thus, the Southern EU Member States, France and Belgium were highly sceptical.

The Council was also divided with 'Continental' welfare states objecting the directive and 'Scandinavians' as well as 'Anglo-Saxons' supporting it. Therefore, the proposal of the Council was less integrationist than the draft of the European Parliament and the Commission. The Council did not accept any Parliament amendment and to avoid conciliation an informal trilogue was set up. This should ensure that in the second reading the Parliament only adopts amendments that would be acceptable to the European Commission and the Council. By and large, the Council could impose its will on the Parliament, which lacked willingness to enter a conflict with the Council and was deeply divided in the issue (Haverland, M.).

All in all, as in the working time case, major national divergence of positions and interests effectively hinders legislative progress. This can be explained by diverging positions of Member States and a lack of a major group of Member States strongly supporting uniform legislation. However, in the context of the negotiations going on at the European level, there has already been some indirect adjustment of national policies (e.g. in Germany). As long as the dossier is effectively blocked in the Council, actors may search for a viable approach such as softer coordination.

### 3.4. The European Parliament, OMC and Social Dialogue

Since the late 1990s, soft law and policy areas governed by the OMC have gained importance. These areas are basically outside direct European Parliament influence. Except for the European Employment Strategy, no OMC guidelines stipulate that the Parliament has to be consulted (Büchs, M.). As a consequence annual Parliament resolutions on the Lisbon Strategy have a very limited impact (Büchs, M.). In fact, the Parliament's resolutions on OMC are not incorporated effectively into the overall policy formulation. Even the European Employment Strategy is only consulted in a purely formal way. Instead OMC issues are mainly dealt with by the Council of Ministers, i.e. Member State governments, and the European Commission in an intergovernmental mode dominated by European and national executive powers.

Hence, the European Parliament is less influential and powerful in the Lisbon process and OMC processes than it is in core regulatory or budgetary areas (Zeitlin, J., 2005). But Heidenreich, M. and Bischoff, G. clearly point out that the Parliament has expressed a strong interest in stronger participation on European level OMC (see INI/2007/2028). However, there are no clear criteria regarding the question which actors should participate in OMC processes. Against the background of the increasing importance of soft law in wider areas of EU policy making, OMC can be seen quite critical from the perspective of parliamentary involvement, legitimacy and transparency. Furthermore, a 'mutually reinforcing dynamic' between the Lisbon Strategy, OMC and Social Protection/Social Inclusion has not worked effectively since its 2005 re-launch. The Renewed Social Agenda already called for a reinforcement of OMC and SPSI through closer links to the Lisbon Strategy. The discussion of the post-2010 provides an opportunity to settle this issue (Zeitlin, J., 2008). The issue, of course, is subsidiarity, as Member States retain their primary competence for the organisation of their social protection systems. Wide variations in institutional structure of national welfare states persist, and reforms are politically highly sensitive. Hence, there is an understandable reluctance in Member States to move beyond common social objectives and indicators to genuine European guidelines, targets and country-specific recommendations. But the question is not *whether* but *how* the EU should be involved in coordinating Member States' responses to common challenges of social protection reform, while respecting legitimate national diversity (Zeitlin, J., 2008).

Thus, OMC certainly has its advantages. It is well suited for policy areas where there is significant institutional diversity, however joint policy objectives are adopted. Soft law seems to be conducive to influence organisations, systems and even whole polities, in contrast to 'hard law', which is most effective in regulating the behaviour of individuals (Korver, T. and Oeij, P.R.A.). OMC also allows for different national strategies to achieve joint targets and reduces the intensity of

conflict often found in legislative processes requiring a majority of 27 governments. It involves the Commission and the Member States in a flexible way using tools such as benchmarking, mutual observation and peer review. The soft method is influential regarding agenda setting at the national level, but less binding with respect to specific policy choices at the national level. But it can facilitate certain topics to rise on the agenda and amplify reform priorities if national actors use the EU strategies in a selective way (Hamel, M-P. and Vanhercke, B.; Vanhercke, B.). Accordingly the OMC is not a method designed to weaken the power of the European Parliament. In fact, areas governed by OMC are areas where legislative action by the EU is virtually ruled out – so there is no direct crowding out of regulatory work by OMC processes. But, of course, the Parliament could be better integrated into the OMC process. Given some doubts regarding the legitimacy of the OMC and the social policy implications it could have (as with the Lisbon Strategy), stronger involvement of the Parliament could also strengthen OMC. And in fact some minimum provisions to be achieved in certain areas of social policies at the Member State level could in principle also become ‘harder issues,’ i.e. topics of some legislative action.

Not only has the role of OMC increased over time, but also the role of the social partners has grown in importance. On the one hand, the social partners have been effective actors within the framework of the social dialogue where they are asked to negotiate on regulatory dossiers and establish a bilateral agreement that can either be implemented via national collective bargaining or become European law later on by way of a transposition into a directive. In this respect the social partners can basically formulate European legislation so that the leeway of other actors, including the European Parliament, is effectively reduced as the directives based on Social Dialogue can only be transformed into a directive without further modification. The Parliament is only consulted informally.

On the other hand, the social partners can relaunch European legislation which is blocked in the formal decision making process by establishing a feasible compromise solution during consultation. Here the social partners can facilitate subsequent political agreement. Finally the social partners are potential allies of the European Parliament when it comes to the pursuit of social policy consideration in EU legislation (see the Services Directive).

### 3.5. Summary

Over the last legislative period, legislative policies have become more stagnant than in the first half of this decade. This can be seen as a response to the establishment of a substantial body of EU social legislation in the past. But the Commission was also more reluctant to put new legislative proposals on the agenda as the risk of political blockage has increased after EU enlargement.

Nevertheless, some progress was achieved in social legislation, in particular where the social partners could help unblock the political process. The European Parliament can rely on its formal competences, but more significant impact can only be achieved if it has allies within the Commission, a group of Member State governments or the social partners and civil society. The Parliament can influence legislative outcomes effectively if it acts with strong majority and consensus between different Committees of the Parliament as well as when it finds allies within the Member State governments, a significantly large group of national governments and a divided Council. Mobilisation of civil societies sharing the social policy orientation of the Parliament is also crucial, as is public attention on the contentious issue – but this cannot be achieved on a regular basis.

The experience of the last decade also shows that the European Parliament can hardly push the European Commission to modify its agenda if the Commission is not willing to take an initiative or is worried about the constellation of preferences in the Council. While it is true that the recent past was dominated by a more modest approach regarding new legislation with an emphasis on some adjustment, fine-tuning and implementation issues, this does not preclude new legislative processes in the future. The role of the Parliament continues to be more restricted in those policy areas that are governed by OMC. When the Commission deals with the Member States, the Parliament is only involved at the margin. This holds for the European Employment Strategy, where the Parliament is informed, the Lisbon Strategy, and the Social Protection and Social Inclusion Process.

## **4. The Lisbon Strategy and the Social Agendas**

Having analysed the past developments of EU social policy and the role of the European Parliament so far, the following section will try to assess the probable future development of social policies in the framework of a redefined Lisbon Strategy. In order to be able to do so, we will first shed light on the relationship between social policy objectives and economic performance which is right at the core of European policy-making.

### **4.1. Introduction**

At the Lisbon summit in March 2000, European Union leaders defined a new strategy to promote growth and create more and better jobs in Europe. The Lisbon Strategy set the goal to increase Europe's competitiveness and to combine social cohesion with sustainable development. It is central to the Lisbon Strategy to set up economic, employment and social policies in a way that economic growth leads not only to more and better jobs, but also to higher social protection and well-being. However, according to many observers, the Lisbon Strategy shows a primacy of economic goals over social ones, which is mainly due to the fact that the internal market and the monetary union are the main pillars of the socioeconomic framework of the EU. Social issues on the contrary are to be dealt with primarily by member states on the national level. In 2009, EU social regulation contains approximately 80 binding norms in the fields of health and safety, other working conditions and quality at the workplace and beyond (Falkner, G.).

In order to implement the goals of the Lisbon Strategy in the area of social policy, the European Council adopted the European Social Agenda in December 2000, compassing the years 2000 to 2005. The European Social Agenda's key role is to promote the social dimension of economic growth. Since the legal competence of social policy issues lies mainly on the national level, the EU has been using OMC – a policy instrument developed in the 1990s – to advance social policy in Europe. OMC uses instruments such as mutual learning, periodic monitoring and evaluation, guidelines and indicators, benchmarking, best practice and recommendations. Thus it is soft law without being legally binding. The first Social Agenda from 2000 was followed by the Social Agenda from 2005 (compassing the years 2005 to 2010) and the Renewed Social Agenda (2008 to 2010) (see Chapter 2).

By 2005 it had become generally acknowledged that the Lisbon Strategy had failed to achieve its objectives during the first half of its existence. Thus, the Lisbon

Strategy was relaunched after a mid-term review (COM (2005) 24). To make the Lisbon Strategy more effective, a stronger focus was laid on simplifying and streamlining the strategy as well as on a more transparent reporting process of the progress made by the Member States.

The high growth rates in Europe between 2005 and 2007 have led to a positive evaluation of the relaunched Lisbon Strategy by the European Commission – even though it is admitted that most of the recent upturn is cyclical. The current economic crisis changes that picture completely. Critics argue that the asymmetry between economic and social policy is maintained in the relaunched Lisbon Strategy. This asymmetry is difficult to overcome since fiscal and monetary policy regulated by the Stability and Growth Pact and by the European Central Bank respectively, and leaves little room for manoeuvre for the Member States. Furthermore, the structure and the limited size of the EU budget give only little room to compensate for the loss of policy autonomy of Member States. Critics argue that ‘member governments have lost more control over national welfare politics [...] than the EU has gained de facto in transferred authority’ (Leibfried, S., 2005). As a consequence the European Parliament has constantly expressed its view to strengthening the social dimension in Europe. In its non-legislative resolution on the Renewed Social Agenda (INI/2008/2330) of May 6, 2009, the Parliament ‘calls upon the Council and the Commission, given the economic recession, to reaffirm the importance of a strong social Europe, incorporating sustainable, effective and efficient social and employment policies.’

The economic and political context in which the European Union operates has changed considerably since the Lisbon Strategy was first launched by the European Council in March 2000. With respect to the priorities and tasks faced by the Social Agendas and the role played by the European Parliament, there are three relevant and distinct sources of change. First, the long-term socioeconomic developments lead to a new set of risks faced by individuals and by European societies at the macro level. In spite of differences in terms of national specificities affecting the reality of social risks and public perceptions of those risks, there exist common themes and trends in European societies. These new social risks are the result of changes in external and internal conditions, encompassing technological shifts, international competition, demographic ageing, migration and the break-up of traditional family structures. Second, there has been a shift in terms of labour market policies. In the mid-1990s Europe was affected by ‘jobless growth’ with a high incidence of long-term unemployment and weak employment growth. Since then most EU countries have carried out labour market reforms by lessening employment protection and reducing the generosity of non-employment benefits (Eichhorst, W. and Hemerijck, A.). Although the causal relation has been disputed in the academic community (Bassanini, A. and Duval, R., 2006; Howell, D.R. et al.), several European countries experienced a significant decline in unemployment in combination with employment growth before entering the global recession in 2008. Boeri, T. and Garibaldi, P. come to the conclusion that ‘reforms have been

successful in taking Europe away from Eurosclerosis, but created dual labour markets segregating many workers in jobs offering low incentives for human capital investment and highly exposed to labour market risks.’ This assessment has to be seen in the context of the third, most recent and also most incisive factor of change affecting the economic and political context in which the Lisbon Strategy and the Social Agendas operate: the current recession and the consequences that the crisis will have, especially with respect to labour markets and public budgets.

Social policies and the provision of social services of general interest can address the needs of the population at large, including groups which are not, not yet or not firmly integrated into the labour market. Action in this field, although badly needed due to the challenges for social cohesion represented by past and current developments (new risks and consequences of the crisis), might be restricted in the future (mainly because of lack of political will and of budgetary constraints). Accordingly it will be equally important to improve regulatory frameworks and institutional settings to strengthen social protection and prevent poverty of labour market participants.

In principle the Social Agenda is an integral part of the Lisbon Strategy; and accordingly there is a high degree of consistency between the two (for instance social agenda priorities such as the focus on children/youth and on education/human capital formation are part of the over-arching strategy to increase the medium and long-term growth potential of the EU). At the same time social and economic change processes outlined above – and especially the current economic crisis – create some conflicts and make it more difficult to achieve the goals set out in the Lisbon Strategy and the Social Agenda. For instance the labour market situation across the EU has deteriorated sharply in 2009 and is bound to worsen again in 2010. The challenge to social policy will be to bring young people in employment while tackling the problems of relative job insecurity and wage inequality at the same time (‘making work pay’ and ‘securing decent work’). How to achieve social cohesion in the light of growing social complexity and increased budgetary constraints? How to implement effective active ageing policies and keep people longer in employment in the face of increasing unemployment? These will be the main questions for social policy makers to address.

## **4.2. European Social Models**

The European Parliament has called on Council and Commission to reaffirm the importance of a strong social Europe and to foster social policies that modernise the European social models while strengthening their values. To achieve these objectives, high levels of resources and appropriate policies to combat insider-outsider dynamics in the labour market and segregation in society at large are needed. Any discussion of European social models is destined to be confronted

with difficulties of definition and classification. In spite of these difficulties, there exists a consensus on the legitimacy to speak of a distinctive European social model: the strong role of social policies and comparatively high levels of social expenditure are features that set Europe apart from other economically developed areas of the world. Furthermore, there is a distinct European model in terms of shared social responsibility, regulation and redistribution (Aiginger, K. and Guger, A.).

Nevertheless there are great institutional and socio-cultural differences among European states. In order to grasp this heterogeneity, it is common practice to cluster countries in groups, distinguishing four to five welfare regime types<sup>(2)</sup>. In spite of numerous caveats that apply to this operation, empirical studies highlight the relevance of this clustering for understanding social spending (for a recent example see Tepe, M. and Vanhuysse, P.).

1. The Scandinavian social model is the most comprehensive one, with a high degree of emphasis on redistribution, social inclusion and universality. The countries that can be subsumed under this ideal-type (Denmark, Finland and Sweden) are characterised by a strong social dialogue, with trade unions prominently involved in economic life at large.
2. The Continental European social model (Germany, Belgium, France, Austria and the Netherlands) emphasises employment as the basis of social transfers, benefits are at a more moderate level and they are linked to income.
3. The liberal or Anglo-Saxon model (the UK and Ireland), emphasises the responsibility of individuals for themselves; social transfers are smaller than in other countries, more targeted and ‘means tested.’
4. In the Mediterranean model (embodied by Spain, Portugal, Italy and Greece) the low level of social transfers is partly counterbalanced by the strong supportive role of family networks.
5. From the perspective of a typology of socioeconomic models, Central and Eastern European countries represent their own group or model, often called the ‘catching-up model.’

Within the context of the Lisbon Strategy and the Renewed Social Agenda, the total level of spending, but also its development over time, the relative importance of monetary transfers versus in-kind transfers and the distribution of resources according to functions are of relevance. Average social spending levels in the EU

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<sup>2</sup> In addition to the three ideal-types identified by Esping-Andersen, G., the definition of a fourth distinctly Southern European social model has become standard practice following the work of Leibfried, S. (1993) and Ferrera, M. The Eastern countries can be regarded as a fifth model: ‘Consequently, the European social model can be subdivided into five types or regimes: British, Nordic, Continental, Mediterranean, and Eastern’ (Palier, B.).

are high, and they have slightly increased since the inception of the Lisbon Strategy, rising from 25.4 per cent of GDP in the EU-25 (25.7 per cent in the EU-15) in 2000 to 26 per cent of GDP (26.4 per cent in the EU-15) in 2006. Social spending as a fraction of GDP is highest in countries belonging to the Scandinavian and Continental groups (Sweden, Denmark, France and Germany). Mediterranean countries and the UK spend a lower proportion of GDP on social protection (but still higher than in the US). Ireland, which was characterised by distinctive economic and demographic dynamics over the past decades, and the New Member States exhibit considerably lower levels of social expenditure.

Differences in spending levels between single countries and between country groups commonly subsumed under different social models have narrowed over time, especially when the current levels are compared with those in the mid-1990s. At that time a number of countries, especially the Scandinavian ones, entered a period of reform and welfare state re-orientation. In the Scandinavian countries public social expenditure has been adjusted sharply: after falling for several years it started to grow again in 2000. Most Continental European countries have witnessed a steady increase in public social expenditure since the 1990s and spending has increased faster than GDP in Mediterranean countries, too. Sustained economic growth in virtually all Eastern European countries has reduced relative expenditure in recent years, and this is particularly true of the Baltic Republics.

Social expenditure shares are set to increase in the current and following year as the effects of the recession will be reflected in lower GDP levels and increased spending on social transfers and labour market policies. At the same time the current crisis will result in a challenge to consolidate public finances in the medium run. After remaining fairly stable between 2000 and 2008 (61.8 per cent and 61.5 per cent respectively), gross debt in proportion to GDP is set to increase noticeably in the near future. According to the latest economic forecast of the European Commission (spring 2009) it will increase to 79.4 per cent in 2010. Italy will have the largest debt, at 116.1 per cent of GDP, but also all other large EU Member States (Germany, France and the UK) will have ratios close to or above 80 per cent.

These budgetary constraints might limit the political leeway and willingness for social policy expansion. Simultaneously the emergence of a new set of social risks for individuals and society keeps European institutions and policy makers under constant pressure to adapt. Since the 1970s, changes in the world economy, labour markets and family structures have led all European countries to recast the policy mix upon which their social protection systems had originally been erected (Hemerijck, A.). This process is bound to continue, as social and economic change is still unfolding at a high pace. Old social risks such as poverty due to retirement from working life, age, unemployment or illness are covered by schemes of the traditional welfare state. New social risks emerge due to the transformation of labour markets and family structures. Social spending has to be more closely connected to the considerable rise of single-parent families, part-time working

women, and precarious or low-skilled jobs (Tepe, M. and Vanhuysse, P.).

There is an apparent mismatch between the increasing levels of women's educational attainment and their labour market participation on the one hand, and the persistence of the gender pay gap on the other. The female employment rate has been increasing constantly over the last decades. This trend continued between 2000 and 2008, with the employment rate in the EU rising from 53.7 per cent to 59.1 per cent. The pace of change has slowed down or even stopped in the Scandinavian countries; but there has been a particularly strong catch-up process in the Mediterranean countries. However, a large part of the increase in female employment rates is due to part-time work. In 2008 31.1 per cent of women in the EU-27 worked part-time (men: 7.9 per cent). At the same time the gender pay gap continues to be large and there is still a sizeable gender gap in the social division of labour (as revealed by large gender gaps in part-time employment and the high share of time devoted by women to caring activities within the family).

Since employment continues to be the main protection against poverty, it is not surprising that women face an increased risk of poverty, particularly in conjunction with children. The risk of poverty is distributed very unevenly among different socio-demographic groups. In 2007 the at-risk-of-poverty rate after social transfers of the whole population was 16 per cent in the EU-27, against an average of 19 per cent for youths. Single parents are, however, the socio-demographic group with the highest exposure to poverty risks, with a share of 34 per cent across the EU. In the UK 44 per cent of singles with dependent children are considered at-risk-of-poverty (against an average of 19 per cent for the whole population); even in Sweden the poverty risk for lone parents (24 per cent) is considerably higher than for the remaining population (11 per cent). These data do not only highlight a precarious situation in the present, they can also be interpreted as an indicator for future problems. Precarious income and living conditions at early stages of life can have a very detrimental effect on future cognitive development. The importance of the first years of life is enhanced by the widening inequality in terms of economic and educational opportunities. Not only children of lone parents but also those of families with migratory or low educational background risk being left behind in the quest for skills and knowledge.

Although children, youths and families are particularly affected by the emergence of new risks, only a comparatively low fraction of social expenditure is devoted to these groups. In 2006, slightly over 50 per cent of social spending went to monetary transfers and services for the elderly (as measured through an indicator for the sum of spending on the welfare programmes for pensions, incapacity and survivors). This share has been stable in the long-run (mid-1990s, at least for the EU-15 for which data are available) and decreased slightly between 2000 and 2006. However, there is a significant cross-country variation. Scandinavian and Continental countries are below or very close to the average. With the exception of Spain, Mediterranean countries are characterised by a high share of expenditure on old age. This partly reflects the low labour force participation of older people and

the early retirement age in these countries. The same is true for the majority of New Member States, and especially for Poland, with the highest share of spending on welfare programmes for the elderly. Not surprisingly there exists a strong negative correlation between spending on old age and spending on families and children. Countries with high spending shares on elderly segments of the population typically place less emphasis in terms of welfare spending on families and the youngest segments of the population. The share of resources devoted to children and families is particularly low in Mediterranean countries, where only 5 to 6 per cent of social expenditure goes to these groups.

In summary, the analysis of social expenditure reveals that social spending levels are high; that there exists significant variation across countries and groups of countries; and that these patterns are rather stable. In light of the challenges to social inclusion and to the provision of equal opportunities against the background of far-reaching economic and social changes, streamlining resources and adapting the systems of social protection to new risks is of paramount importance. Imbalances in spending on different social groups and on old and new risks can result in high social and economic costs in the future. The ‘costs of the lack of social policy’ (European Commission, 2005) are particularly high in the case of failure to promote employment, solidarity and social inclusion among the younger segments of the population. Spending on children at pre-school age and policies to strengthen disadvantaged families is a productive factor on par with measures to foster education and human capital accumulation. The provision of social services has an important function in this respect. Social services can have a number of attributes which cause market failure, such as externalities, informational asymmetries and agency problems. The more difficult it is to assess the quality of the service and the greater the agency problems involved, the stronger is the argument in favour of public provision of the service.

The European Parliament has called on Member States to study the experience of those countries which have introduced a minimum wage and to provide for regulations on minimum wages or other generally binding arrangements such as collective agreements that enable full-time workers to make a decent living from their earnings. This request is in line with the Lisbon Strategy mission to improve both the quantity and the quality of available jobs (‘more and better jobs’) and to secure ‘wage developments in line with productivity growth.’ Minimum wage legislation is often interpreted as a direct means of combating poverty and providing decent work. The link between minimum wages and poverty is, however, more complex, as statutory minimum wages are more likely to impact poverty rates indirectly than directly (Sutherland, H.). The direct link between minimum wages and poverty consists of the increase in earned income of those on the lowest wages, which can lift some households above the poverty line. This effect is often of limited magnitude because poverty is concentrated in workless households. Moreover, some evidence indicates that the main beneficiaries of the minimum wage are employees in households with other sources of income

(Gosling, A.; Sutherland, H.; Funk, L. and Lesch, H.). In indirect terms the minimum wage can have an impact on poverty by making paid work more attractive relative to out-of-work benefits, thus providing an incentive to work. In addition, statutory minimum wages can be seen as a complement to in-work benefits. The minimum wage can be an integral part of a broader strategy to attract people into employment in the presence of a strong system of social protection.

Both minimum wages and in-work benefits aim to increase work incentives by raising the rewards from work relative to out-of-work income. Particularly the introduction of extensive and generous in-work benefits would not be possible without a legal floor to wages. Otherwise wages could fall without damaging the income levels of those subsidised through the in-work benefit, resulting in a labour market distortion and misallocation of resources. The effectiveness of a statutory minimum wage in tackling low pay and poverty, therefore, depends on its interaction with the national tax and benefit system (OECD, 1998). Evidence for the UK suggests that the beneficial effects of the Working Families Tax Credit in combating poverty would not have been reaped without the national minimum wage under-pinning the in-work benefit structure and scale of benefit payment (Sutherland, H.; Nickell, S. and Quintini, G.). Another aspect of the minimum wage which is consistent with the goals set by the Lisbon Strategy and the Social Agendas refers to its impact on the gender pay gap. The wage gap between men and women typically widens toward the top of the wage distribution – the ‘glass ceiling’ effect. At the same time women are also over-represented amongst the low-paid, with a high concentration of female employment in low-paid jobs in labour-intensive manufacturing and in the services sector (the ‘sticky floor’). As statutory minimum wages are particularly effective in sectors in which female workers are over-represented, the introduction of a minimum wage should contribute to narrowing the overall gender pay gap. Although evidence in this respect is not conclusive, there are indications that the minimum wage can make a contribution to improve the economic status of women in low-paid work (Connolly, S. and Gregory, M.).

From the viewpoint of economic theory, the assessment of minimum wage regulations has undergone a significant shift since the mid-1990s. Within the neo-classical paradigm, the introduction of a minimum wage has a negative effect on labour demand and generates unemployment. This negative effect increases with the level of the minimum wage as compared to the wage at which the labour market clears and with the price elasticity of labour demand. The expected negative impact of minimum wages on employment is, however, based on the assumption of competitive markets, in which firms are price takers on the labour market. Market imperfections, such as monopsonistic power of firms at the local level, can alter the impact of minimum wages. Since the theoretical case is not clear-cut, the actual impact of minimum wages, which depends to a good extent on their level, is very much an empirical issue. An overview of minimum wage studies for Europe leads Dolado, J. et al. to the conclusion that the evidence on the

employment effects of minimum wages is very mixed, with higher minimum wages reducing employment in some cases (particularly for young workers) and raising it in others (particularly for total employment). For the US, Doucouliagos, H. and Stanley, T.D. arrive at the conclusion that once the publication selection bias is corrected, ‘little or no evidence of a negative association between minimum wages and employment remains.’ In the UK, where a minimum wage was introduced in 1998, the minimum wage experience has undergone thorough scrutiny. The consensus which has emerged from numerous studies is that the national minimum wage has not had the negative effects which orthodox economic theory suggests it should have had (Deakin, S. and Green, F.). Since a minimum that is not calculated carefully is an obstacle in combating youth unemployment, the special minimum wage regulation which applies to young workers in the UK can be seen as a best practice of avoiding negative employment consequences.

### **4.3. Social and Employment Policies**

In its resolution on the Renewed Social Agenda (INI/2008/2330), the European Parliament stresses the importance of politically supporting the reconciliation between private, family and professional life. The low fertility rates in most parts of Europe prove that the work-life package for families is not sufficient. Thus, many women or couples opt for a life without children or postpone having family of their own for too long. There are in principle two major areas for social and employment policies to improve the work-life balance of parents. First, the childcare infrastructure is in many Member States insufficient and well below the Barcelona targets concerning childcare facilities for pre-school-age children. Regarding the lower age-group (0 to 3 years), only five Member States have surpassed the Barcelona objective of a 33 per cent coverage rate, while five others are approaching this target (see European Commission, 2008; data refer to 2006).

Economic studies show that the availability of childcare infrastructure has positive effects on women’s labour market participation (Del Boca, D. and Pasqua, S., 2005a; Del Boca, D. et al.; Stadelmann-Steffen, I.). The provision of public childcare infrastructure (or the subsidisation of it) has a significant effect on the preferences of women to work (Del Boca, D. and Locatelli, M.). If public childcare is an attractive alternative to caring at home in terms of availability, price and quality, the utility of labour market participation increases, as it decreases relative prices (Del Boca, D. et al.). Fagan, C. and Hebson, G. show that the effects of public child care infrastructure on female labour market participation largely depends on the availability, compatibility of the opening times and with working times, costs, and quality of the child care infrastructure.

Work arrangements that facilitate the work-life-balance, such as the right to work part-time, flexible work models, the availability of firm-internal child care

infrastructure, legal rights for time off to care for an ill child, an active parental-leave management (i.e. contact between the firm and the person on parental leave and planning the reintegration), have a pivotal effect on the labour force attachment of parents, especially of mothers (Plantenga, J., Remery, C. and Rubery, J.). Social and employment policies have to contribute to increase the awareness of the economic advantages of family-friendly firm-internal practices. Qualitative studies show that firm-internal practices which facilitate the work-life balance lead to higher work satisfaction and willingness to perform and consequently to higher labour productivity (Astor, M. and Steiner, M.).

The European Parliament emphasises the importance of securing employment by improving education and life-long learning (INI/2008/2330). New social risks are in part the consequence of labour market changes due to technical developments in production and to the growth in scale and intensity of cross-national competition (Taylor-Gooby, P.). This has tightened the link between education and employment and increased the risk of social exclusion among those with poor education. Low education is a key risk factor in knowledge-based economies, one that has not been successfully addressed so far. The unemployment rate of those with a higher qualification (ISCED 5/6) was less than 4 per cent in 2008, against an EU average of 11.6 per cent for those with only low formal skills (ISCED 0/2). These values changed very little between 2000 and 2008. The relative situation of the low-skilled has even slightly deteriorated.

The low-skilled are not the only segment of society which is particularly exposed to risks stemming from social and economic change. There is also a generational and a gender divide: young people find it difficult to gain a foothold in the labour market. In spite of a slight decrease in recent years, youth unemployment in the EU has remained high at 15.4 per cent in 2008 (it was 17.4 per cent in 2000). This share corresponds almost exactly to the proportion of early school leavers, i.e. the percentage of the population aged 18-24 with lower secondary education at most and who is not engaged in further education or training (15.2 per cent in the EU in 2007). Youth unemployment rates are currently on the rise across the EU and the impact of the economic crisis on the labour market perspective of young people is particularly negative. Even when they have a job, young people are more likely to be in precarious employment than other groups of persons. Overall the share of workers with temporary contracts has been slightly increasing over the past years (from 12.2 per cent in 2000 to 14.0 per cent in 2008). The share is significantly higher for young people: 40.0 per cent in 2008 for those aged between 15 and 24.

The resolution of the European Parliament on the Renewed Social Agenda (INI/2008/2330) stresses 'the need for a more balanced approach between flexibility, security and the need to ensure decent wages.' The Lisbon Strategy emphasises the need to improve the adaptability of workers and enterprises. In the Integrated Guidelines (IG21), Member States are asked to promote labour flexibility in combination with employment security in order to reduce the dualism and the insider-outsider-dynamics in the labour market. The European Expert

Group on Flexicurity formulates flexicurity pathways to give Member States inspiration for their national flexicurity packages. These pathways concentrate on the following topics:

1. Reduce asymmetries between non-standard and standard employment by integrating non-standard contracts fully into labour law, collective agreements, social security and life-long learning, and consider making employment in standard contracts more attractive to firms.
2. Enhance companies' and workers' adaptability by developing and strengthening transition security.
3. Address opportunity and skills gaps among the workforce by broadening and deepening investments in skills.
4. Enhance employment opportunities for benefit recipients, prevent long-term welfare dependence, regularise informal work and build up more institutional capacity for change.

Changes in the organisation of work over the last two decades have shown that the personal scope of labour law and parts of social security law in many European countries are too narrow and no longer reflect the organisation of work in a post-Fordist society (Mühlberger, U.; Schmid, G.; Freedland, M.; Supiot, A.). Many Member States have already reacted to the increasing segmentation of the labour market between standard and non-standard forms of employment by integrating non-standard work forms more closely into the legal body for standard forms of work; with Austria being an example of far-reaching reforms in this respect (Bock-Schappelwein, J. and Mühlberger, U.). Schmid, G. and Collins, H. both advocate a reorganisation of legal and welfare state institutions to allow better labour market transitions between various labour market states. They argue that this would help overcome asymmetries of risk and facilitate risk management while simultaneously stabilising and protecting new flexible employment relations. Furthermore, Boeri, T. and Garibaldi, P. present a strong argument in favour of decent work and the extension of basic rights to all forms of employment: 'Moving along the flexicurity trade-off can help reduce political opposition to reforms. An additional reason to move towards flexicurity configurations and tenure tracks is that both automatic stabilisers and protection against job loss do not operate efficiently when there is a dualism in the labour market.'

The economic effects of labour market protection are highly disputed among economists. The theoretical literature sees factors such as unemployment benefit, collective bargaining and employment protection as the main determinant for the problems of European labour markets (Layard, R., Nickell, S. and Jackman, R.; Siebert, H.; OECD, 1994). Many empirical studies have focused on testing this hypothesis. It is interesting to see that earlier studies (before 2001) show a positive and significant effect between labour market protection and unemployment (Scarpetta, S.; Elmeskov, J., Martin, J.P. and Scarpetta, S.; Nickell, S.; Blanchard, O. and Wolfers, J.). More recent empirical studies, however, stress their doubts

about the traditional view (Howell, D.R. et al.; Freeman, R.B.; Baccaro, L. and Rei, D.; Bassanini, A. and Duval, R., 2006). Later studies use the advantage of better measures of institutional factors and methodological innovations. Econometric estimates on the relationship between the change of unemployment and labour protective institutions do not show significant results (Howell, D.R. et al.; Bassanini, A. and Duval, R., 2006). Consequently it is argued that European labour market institutions which protect employees do not cause unemployment per se. One exemption seems to be unemployment benefits, although the causality runs in a different direction than the orthodox view suggests: causality tests show that the statistical relationship runs from the changes of unemployment to the changes of unemployment benefits and not vice versa. Furthermore, the OECD (2004) stresses that employment protection has negative effects on specific subgroups, especially on young and low-qualified persons.

The OECD (2007) calls attention to the lack of empirical support that countries with lower unemployment benefits and weaker employment protection do not exhibit better labour market performance and higher productivity rates than countries with employee-friendly frameworks. Countries which combine labour incentives with generous social protection and focused employment protection show the same productivity development as more liberal economies. The OECD (2007) highlights that decreasing unemployment benefits would lower aggregate productivity, as it would worsen the mismatch in the labour market.

In sum, numerous labour market economists point out that the orthodox view – i.e. protective labour market institutions have a negative effect on the labour market – is in stark contrast with the fragility of the empirical results (Heckman, J.J.; Freeman, R.B.; Blanchflower, D.; Layard, R., Nickell, S. and Jackman, R.).

#### **4.4. Migration and Mobility**

In its 2009 Resolution on the Renewed Social Agenda, the European Parliament, among other issues, called for attention to the negative impact that immigration may have in the development process of the countries of origin, including family structures, health, education and research; and it recalls, on the other hand, the effects of the economic crisis in terms of imbalances in the employment markets of the host countries. The Parliament also emphasises the importance of ethical recruitment from third countries, particularly with regard to the health care profession. While the Parliament emphasised that the long-term impact of immigration on the demographic change is uncertain, since it depends on volatile migration flows, family reunification and fertility rates, it assumes that immigrants can, when legally employed, contribute to the sustainable development of social security systems and also guarantee their own pension and social rights.

Geographic mobility rates are still relatively low in the EU, both within and between countries as a recent study found (Bonin, H. et al.). There is still the European paradox that skill shortages exist in some areas of the EU while others are plagued by persistently high unemployment. Mobilising the potential of labour mobility is one of the key issues in the Lisbon process.

The average cross-border mobility rate within EU-15 countries and the average cross-border mobility rate from the New Member States to the EU-15 countries are about equal. For the EU-12, mobility rates from EU-15 countries are increasing in contrast to the mobility rates within EU-15 countries, which are relatively stable over time. While cross-border mobility rates in the EU have been relatively small, mobility between regions within countries is much more pronounced. While for any type of move, the average for the EU-25 is about 67 per cent, focusing on moves within a country, the corresponding EU-25 average is about 16 per cent, dropping to about 4 per cent for moves inside the EU and to about 3 per cent for moves outside the EU. More frequent job changes are associated with more frequent geographic moves, and vice versa. While analysing mobility intentions in asking whether an individual believes that he or she is likely to move within the next five years, significant differences among countries are to be found. Five countries clearly stand out as high mobility countries: Sweden, the UK, Estonia, Finland, and France; while others such as Austria, the Czech Republic, Germany and Portugal are quite the opposite.

Current imbalances in unemployment rates across the EU-27 are large. Geographic labour mobility might lead to a more balanced allocation of jobs and workers in the EU. Furthermore, enlarging the relevant labour market for individuals through geographic mobility may result in better skill matches. From a supranational perspective, positive externalities from mobility outweigh the potential negative externalities. Positive externalities mainly stem from positive growth effects associated with the free movement of human capital reducing labour market imbalances, improved skill matches in an integrated market, higher investment in education, and a higher level of innovation and entrepreneurship. Negative externalities are primarily pecuniary or fiscal, and at least partially offset by corresponding positive effects. The efficiency gains are unambiguously beneficial for Europe. Regarding demographics in this concrete context, there is limited scope for geographic mobility within the EU alleviating the impact of ageing and population decline since almost all of Europe faces similar problems.

In view of the still substantial imbalances, there seem to be unexploited, mostly economic gains. Thus, as the economic effects are clearly positive, the demographic effects are nil and the social effects are mixed, it seems reasonable to assume that increased intra-European mobility would increase the welfare of the vast majority of Europeans.

Survey evidence from the Eurobarometer suggests that migrants have a variety of motivations for moving. Employment-related factors, such as higher income and better working conditions, play a key role. However, also family and network

related factors as well as housing and local environment conditions often seem to affect migration decisions. Survey results do not support the sentiment that migration is primarily triggered by access to welfare payments or better public services. Besides, country effects, age, gender, household structure, education, employment situation, and past mobility experiences are the key microeconomic determinants: young people are more mobile than older people; men are more mobile than women, etc. Language and cultural barriers are extremely important when explaining the limited level of geographic mobility in Europe. Moreover, the persistence of national forms of labour market and housing market organisation, welfare state and fiscal systems could constrain intra-EU mobility. Although EU citizens do not generally perceive these as the most essential mobility barriers, harmonisation and coordination are certainly relevant in designing effective mobility policies.

Hence, EU and national policies should strengthen the institutional preconditions of mobility in the labour market. This means that Member States should develop mobility-supporting active labour market policies. In accordance with the flexicurity principle, they should assess the role of their labour market institutions in determining geographic mobility. Financial compensation to mobile job seekers should be considered, and the European Commission should assess the role of housing, childcare services and other public or corporate policies influencing the costs of mobility. Furthermore, Member States should develop mobility-friendly educational policies and put strong emphasis on creating foreign language learning capacities at all levels.

Existing European exchange programmes such as Erasmus or Leonardo should be further promoted and participation encouraged. The creation of effective information and social networks is another determinant of a flexible and dynamic labour market. It is necessary to extend and improve the EURES network and Europass in order to raise mobility awareness at all levels. The European Commission should identify roles and delegate responsibilities for all relevant social partners in relation to the promotion of mobility and ensure social integration of migrant workers and their families. Easing mobility barriers stemming from the diversity of national social protection and qualification systems is another important measure. Despite the progress already made, the European Commission should continue to address remaining obstacles in the field of coordination of national social security regimes. Progress must be made regarding the issue of pension portability in the realm of preserving supplementary pension rights. Transparency of qualifications has to be improved, while persisting barriers to mobile professionals need to be removed.

Furthermore, mobility also implies migration – and migration raises important social and economic challenges regarding integration. The failure to integrate migrants represents a heavy burden for sustainable social policy. It fuels negative perceptions and it is likely to cause increasing social costs in the future. It is also a stumbling block for the implementation of migration policies that correspond to the

necessities of ageing European societies. Migration and successful integration of migrants into the labour market are one element of a sustainable social inclusion strategies as well as a cornerstone of a future-oriented employment policy.

#### **4.5. The Current Crisis**

The current economic crisis affects all European countries to a varying degree. This has to do with divergence regarding the economic structures and exposure to financial and global economic integration; however, labour market arrangements also play a role. First, the decline in GDP so far experienced varies according to the extent of a country's financial vulnerability. Countries with speculative housing bubbles or significant foreign debt are more severely hit. Second, so far at least, most of the impact of the crisis has been on export-oriented manufacturing sectors and financial industries; hence, countries which dominate these sectors are most heavily affected. Third, the impact on the labour market depends on intervening institutional factors. Whereas in flexible labour markets decline in economic output directly translates into higher dismissal rates and subsequent unemployment (as is the case in the UK or Denmark), the situation is different in countries where core sectors of the labour market are stabilised by employment protection and internal flexibility of wages and working time. This tends to keep employment more stable for a longer period of time, while fewer overtime work and publicly subsidised short-time work schemes can help ease the labour cost burden. However, even in these settings, less protected parts of the labour force such as temporary agency workers (see for example Germany or the Netherlands) or employees with fixed-term contracts (in particular Spain) are made redundant, while people on permanent contracts still enjoy higher employment stability but work less (OECD, 2009).

This points to the fact that the current crisis tends to generate new problems with respect to job losses to the detriment of the low-skilled employees with atypical jobs or young people, i.e. labour market entrants who find it more difficult these days to find their first job. Furthermore, the current crisis poses some mid-term challenges.

On the one hand, stabilising employment via short-time work may not be a panacea when a full recovery is not viable over the next month – and in fact if there is a structural decline in manufacturing and financial sector triggered or accelerated by the crisis, keeping people in non-sustainable jobs may rather be the problem than the solution.

On the other hand, while the crisis provides new legitimacy to appropriate unemployment protection and active labour market policies, policy makers have to ensure that labour market attachment is maintained and long-term unemployment and the need to take up low-pay jobs avoided.

Hence, supporting structural adjustment and mobility between sectors or between firms will become a core issue. This policy orientation is in line with flexicurity policies. While unemployment protection is an important automatic stabiliser, training, life-long learning and activation policies are crucial to ensure a sustainable development of labour markets and welfare states in the medium and long run. The current increases in public expenditure and public debts will make traditional social policy expansion as such more difficult in the medium-term. This in turn will generate pressure to increase taxes, non-wage labour costs or cut benefits or trigger a new wave of flexibility-oriented reforms. However, a sustainable European social model will also have to be characterised by a strong emphasis on social inclusion and public services helping to integrate or reintegrate working-age people into the labour market. Hence, given scarce resources, priority should be given to an investive social policy approach.

#### **4.6. The Post-2010 Lisbon Strategy**

Regarding the OMC, the European Parliament in the 2009 Resolution on the Renewed Social Agenda considers that there should be an improved coherence between economic, environmental and social policies. The original Lisbon Strategy goals, the Parliament asks, should be restated and clarified to ensure that economic and employment policies actively contribute to the eradication of poverty and social exclusion. In this context the Parliament concludes that the post-2010 Lisbon Strategy should include a strengthened OMC and invites the European Commission further to encourage Member States to define national quantified targets, namely as regards the reduction of poverty and the enhancement of social inclusion, particularly supported by new measurable and quantitative indicators. Finally the Parliament expresses its expectation that the Council and the Commission open up opportunities for the Parliament's real involvement in the post-2010 Lisbon Strategy.

Most observers would probably agree that the Lisbon Strategy has not reached its formal targets, but that it partially yet significantly influenced both EU and national policy making by framing the overall policy discourse and environment. The Lisbon Strategy's original version was characterised by a complex set of sometimes incoherent goals, an unclear division of responsibilities among the various actors involved and an imperfect implementation structure. All these factors affected the Lisbon Agenda's poor results after its initial five years, which led to its re-launch in 2005. But even now the Lisbon Strategy risks appearing to have failed in 2010 as far as its symbolic objectives are concerned. However, a number of processes that are more or less linked to the Lisbon Strategy, including the Renewed Social Agenda, take the EU well beyond 2010. But there is clearly

the need to redefine and revise the Lisbon Strategy, so that it can really live up to the challenges Europe is facing.

The Lisbon Strategy was created in 2000 to overcome sluggish growth and high unemployment. This was recognised as one of the greatest problems in the Member States at that time. But the post-2010 Lisbon Strategy will probably have to go beyond this focus while – at the same time – trying to streamline the overall procedures. In fact, a revision of the Lisbon Strategy will probably be formulated around the objective of stimulating competitiveness and innovation, which is of paramount importance in the current crisis – but given current discussions about the modernisation of the European economic and social model, the specific European approach will try to establish a stronger link between the environmental, social and economic dimensions of a knowledge-driven economy and society. Simultaneously it is clear that an overarching European strategy will not monopolise but rather try to stimulate consistent national policies in these areas. As a European approach to globalisation, the new strategy should, in the realm of social policy, concentrate on education, lifelong learning, mobility, globalisation adjustment, integration, population ageing, flexicurity and social dialogue.

The concrete formulation of the strategy is, however, still in the making. In the autumn of 2009 the European Commission is expected to present its conclusions on the future of the Lisbon Strategy (Koczor, M.). While many debates about its future started a fairly long time ago, the current economic crisis commands much political space and attention in these discussions because it clearly has a great impact to European economy. However, a well-designed post-2010 Lisbon Strategy can be seen as the European way to overcome the crisis and use it as an opportunity to redesign the European model and its capacity to generate growth and jobs in a balanced, environmentally, socially and economically sustainable way.

To make sure that the EU comes away from the crisis stronger and better able to take advantage of the upturn, the Commission sees the need to continue with the structural reforms under the Lisbon Growth and Jobs Strategy, in a spirit of partnership between the European institutions and Member States (COM/2009/0073 final). While short-term solutions for overcoming the economic crisis have to be found, the crisis has not changed the basics of sustainable growth policies like entrepreneurship, innovation, education and life-long learning, activating social and labour market policies as well as mobility and integration.

The Commission sees a need for a strong and dynamic reform agenda focused on growth and jobs in a changed environment. Therefore, the current working methods should be preserved and updated or improved; but the long-standing background dynamics are still there:

- the shift towards the knowledge economy
- technological innovation

- demographic change
- globalisation
- climate change
- migration

In fact, these trends interact with each other. Globalisation is a main driver of technological innovation as well as of the shift towards the knowledge economy, which is in turn facilitated by scientific and technological process. Climate change will also have a major impact on production structures and stimulate new waves of innovation.

Compared to the situation in the late 1990s with regard to policy responses, some new issues relevant for ‘Lisbon II’ have emerged or grown in importance: environmental sustainability; the integration of migrants, but also the attraction of high-skilled labour; and last but not least, flexicurity policies focusing on the development of an individual’s capacity to access the labour market and improving lifelong learning opportunities.

One insight from the last decade and the discourse on the current crisis is that economically sustainable policies also have to be environmentally and socially sustainable – and vice versa. Well-designed labour market and social policies are a major contribution in the economic realm. Social policy is becoming an instrument of a very ambitious economic policy; and it has also gained new legitimacy in the current crisis. Moreover, well-designed policies have to further social and labour market integration: education, training and lifelong learning are important aspects of forward-looking social policies. Regarding education, Gros, D. and Roth, F. for example emphasise that education plays a key role in explaining long-term economic growth. Thus, educational policy has to be strengthened in the future. Education is not only crucial for social inclusion and labour market integration, it is also an essential contribution to competitiveness and innovation. The rapid emergence of new economic powers implies a fundamental shift in the balance of power between industrialised nations and the developing world. Countries such as China are now starting to move from low-technology, cheap manufacturing and assembly to high-technology products. Demographic change when the baby-boomer generation begins to retire will place an ever growing strain on public finances and will grow heavier, as fewer people will be at work to support them. Innovation and productivity can help ease that burden.

The Lisbon Strategy, even if it had been more successful, could have never constituted ‘Europe’s response to globalisation’ on its own. It is just one of the two components to that response. The Lisbon Strategy’s role is to help the economies and societies of the EU adapt to globalisation in order to get the most out of it. This will also hold for a post-2010 strategy. As the recession bites, the European Commission and national governments have begun to reflect on reformulating the Lisbon Strategy. ‘Green growth,’ innovation and education – ‘new skills for new

jobs' – will certainly feature highly among the strategy's new priorities and bring labour market and training policies to the core of economic and technical innovation.

These challenges will be faced in a Europe with different countries with different living conditions and social frameworks. The OMC is a possibility to act in areas which naturally are influenced by Member States. The lack of legislative competence in the social sphere is reduced by soft outcomes. Hence, the post-2010 Lisbon governance ought to seize the chance and deploy instruments like OMC (Armstrong, K., Begg, I. and Zeitlin, J.).

The post-2010 Lisbon Strategy should not only be balanced with regard to economic, environmental and social objectives. It should also tackle the lack of legitimacy which has been typical for the OMC and the Lisbon process so far and may have weakened the potential of these types of policies. One element would be a more prominent role of the European Parliament in the OMC and the post-2010 Lisbon process.

If there is no way to integrate the European Parliament in the OMC and Social Protection/Social Inclusion processes regularly, it should strengthen informal networks with social partners and Member States to influence this process. A more active role of the Parliament and the Commission would be welcomed in order to reach a truly European development strategy.

In procedural terms the European Parliament should call for clear political objectives of the OMC processes and the revised Lisbon Strategy, a consistent set of indicators and EU-wide targets as well as more transparency and participation of actors from the national and regional level, including also national parliaments and the Parliament itself.

In conclusion the effectiveness of the implementation of the post-2010 Lisbon process has to be better than in the past – as has the legitimacy and acceptance of the overarching European strategy. In fact, better participation of the European Parliament could be one element in designing a more effective and legitimate European strategy.

Actors also seem to converge to the extent that there is some general agreement of a future encompassing strategy around jobs, growth and sustainability. The new strategy will probably aim at a better balance of economic, social and environmental sustainability as the awareness of long-term issues and interrelations has grown over time. A renewed encompassing strategy will have to deal with a wide range of policy objectives around the major concern of sustainability in societal, economic and environmental terms. This will only be achievable with a wide variety of instruments across policy areas and a broader institutional and political participation of EU level and national actors. Simultaneously experiences of the past call for a simplification and streamlining of the procedures and last but not least for an integration of different OMC processes and the Lisbon Agenda.



## **5. Conclusion and Suggestions**

### **5.1. The Story so far**

With the EU Social Agendas of the 2000s, major progress has been achieved in European social policy. The last legislative period was characterised by a number of legislative dossiers which could finally be adopted, e.g. the Temporary Work Agency Directive or the ‘recast’ European Works Councils Directive. At the same time, however, one has to notice that the legislative activities were less pronounced than in earlier phases. This has many reasons: the existence of a well-established set of legal acts at the European level; the growing heterogeneity of the Council of Ministers, which makes decisions more difficult (see for example the Working Time Directive or discussions on the posted workers issue); and last but not least, the expansion of EU activities to important areas which are not governed by legislative but by OMC processes. Nevertheless, quite a few pending legislative issues have remained unsolved: the revision of the Working Time Directive; updating the directives on collective redundancies and transfer of undertakings; the transferability of occupational pensions: a clarification of the Posted Workers Directive and some of the legislative acts with far-reaching implications recommended by the European Parliament in 2006, in particular core regulatory policies (e.g. individual dismissals, minimum social protection and restructuring) but also regarding the health and safety of pregnant workers or protection against carcinogens and mutagens as well as against musculoskeletal disorders; and finally many new projects proposed under the most recent 2008 Renewed Social Agenda such as patients’ rights in cross-border health care or parental leave.

Throughout this decade the European Parliament has been a major player regularly calling for the serious consideration of social aspects – but the influence of the Parliament clearly varies across instruments and policy areas. With respect to legislative acts, the co-decision procedure has proven to be a powerful tool for the Parliament. Hence, in the current decade the Parliament has been able to impact on crucial legislative processes in favour of social aspects. Important examples are the Services Directive or the recast European Works Council Directive.

However, the European Parliament was less effective in urging the Commission to draft legislative proposals on some of the most far-reaching directives asked for in the 2006 resolution on the Social Agenda (i.e. individual dismissals and minimum standards) or settle some long-term pending or blocked issues such as the transferability of occupational pensions. The Parliament is most powerful in areas where the Commission is willing and prepared for initial proposals according to its agenda. Then the Parliament can intervene and stress the social dimension of a specific regulatory project. Hence, the power of the Parliament is conditional upon the Commission’s willingness to proceed with certain dossiers. Outside the

Commission's agenda, the Parliament can only try to raise awareness and suggest action by reports and resolutions. The Parliament is also quite restricted in the area through social dialogue and tripartite consultation.

Legislation is only one aspect of EU social policy. Soft law has become a major pillar in areas where EU involvement is of more recent nature and where there is hardly any room for hard law. This can be seen from the overview of EU activities in the current decade as there is now a prominent place assigned to policy management by objectives, targets, studies, reports and forums shows. New areas covered by EU level activities are not governed by regulatory policies but by OMC. The OMC, however, lacks mandatory participation on the part of the European Parliament. A sufficient legal framework governing the 'rules of the game' has also been missing so far. The Parliament only has a formal role in the consultation procedure related to the European Employment Strategy.

Nevertheless, some progress has been achieved in social legislation, in particular where the social partners were able to help unblock the political process. The European Parliament can rely on its formal competences, but more significant impact can only be achieved if it has allies within the Commission, a group of Member State governments or the social partners and civil society. The Parliament can influence legislative outcomes effectively if it acts with a strong majority and finds allies within the Member State governments, a significantly large group of national governments and a divided Council. The experience of the last decade also shows that the Parliament can hardly push the European Commission to modify its agenda if the Commission is not willing to take the initiative or is worried about the constellation of preferences in the Council. While it is true that the recent past was dominated by a more modest approach regarding new legislation, with an emphasis on some adjustment, fine-tuning and implementation issues, this does not preclude new legislative processes in the future. The role of the Parliament continues to be more restricted in those policy areas which are governed by the OMC. When the Commission deals with Member States, the Parliament is only involved at the margin. This holds for the European Employment Strategy, where the Parliament is informed, the Lisbon Strategy, and the Social Protection and Social Inclusion Process, where community competences are weaker and national diversity is paramount. Regarding these core elements of national welfare states, there is a stronger role of performance targets, mutual learning, reporting and cycles of benchmarking – one should not, however, underestimate the medium-run policy convergence initiated by OMC, performance monitoring and exchange of information.

Given the diversity of national welfare states and economic production models, the OMC is certainly an appropriate strategy – where the European Parliament, however, has so far been involved in a less than satisfactory way. Legislative acts can play only a limited role in these areas. Nonetheless, some relative but binding minimum standards with respect to welfare states, social benefits and social services would be compatible with existing institutional diversity. This could make

soft law a bit ‘harder.’ In many other respects the European social models exhibit and will continue to exhibit different institutional arrangements and diverging reform paths. Hence, allowing for diversity and different pathways to sustainable policy settings should not only be seen as inevitable but also as an opportunity for policy innovation.

In the current crisis, unemployment protection, labour market policies, employment protection and welfare states in a wider sense have gained new legitimacy as economic stabilisers and societal integration mechanisms. A well-designed social policy arrangement can mitigate the impact of the crisis on jobs, incomes and inequality. However, sustainable social and employment policies cannot restrict themselves to the stabilisation of existing business structures and jobs; rather they have to orchestrate the shift towards new and more sustainable areas of economic activities. This has major implications for the design of welfare states and labour market policies. It also mirrors the most dominant long-standing challenges such as ‘flexicure’ labour markets with strong emphasis on education, activation and life-long learning. These issues were already at the core of the 2000 Lisbon Strategy, but now they have even gained in importance for the discussion on the post-2010 Lisbon Strategy. As there will certainly be a renewed encompassing European reform strategy, the European Parliament should try to be involved in it at an early stage. The topics on the agenda refer to important and highly plausible policy objectives, such as green, socially and economically sustainable growth and innovation, which will also drive job creation and skills requirements. As in the past, this will involve a wide range of instruments; but the post-2010 strategy will benefit from simplified and more transparent procedures. The EU could see the current crisis as an opportunity to become more innovative – and the post-2010 Lisbon Strategy could be the policy tool to support appropriate policy reforms. The participation of not only the European Parliament but also national ones could help ensure the legitimacy of the future reform strategy.

## **5.2. Topics for Further Action**

In the context of the economic crisis, the drafting of the post-2010 encompassing European strategy, and the insights of the achievements and limitations of the European Parliament, some issue will certainly be on the agenda for the next legislative period and have realistic potential for further development.

Some important dossiers are still pending legislative issues, e.g. the Working Time Directive, pregnant workers, the issue of posting or the minimum income protection schemes called for by the European Parliament. However, the role of the Parliament is limited if the major disagreement between the European Commission and the Council continues, i.e. if no majority of Member State governments is interested in regulating or re-regulating these issues. Hence, insisting on these

issues and trying to bring them on the agenda of the Commission as well as searching for allies in the Council or among the social partners can help trigger eventual progress. In fact, regarding EU legislation, the Parliament's *Resolution on the Renewed Social Agenda* stresses the need to make progress and finalise the regulation regarding the coordination of social security systems and the directive on the portability of pension rights and the proposal for a directive on implementing the principle of equal treatment irrespective of religion or belief, disability, age or sexual orientation. The Parliament also calls for an improvement in the legislative process at the European level: making it clear why action is needed at that level; ensuring the quality of the content; and delivering strong and independent impact assessments covering the social, environmental and economic effects. It also emphasises that effective cooperation between Member States and effective monitoring of the transposition of EU law should be a priority. This could best be achieved by a closer working relationship between the Parliament and the Commission.

Furthermore, the European Parliament could play a more active role in promoting policies to mitigate the current fiscal and economic crisis by calling for coherent approaches in European crisis-related policies and the further development of the post-2010 Lisbon Strategy. Policy coherence with a strong emphasis on social, economic and also environmental sustainability can be promoted by systematic comments on action proposed by the Commission and using the Parliament's budgetary power to facilitate consistent and coherent policies by linking coherence and sustainability criteria to budget decisions. The Parliament should not only be able to call attention to policy coherence but also to credible national commitments. This is completely in line with the Parliament's *Resolution on the Renewed Social Agenda*, which suggests strengthening the potential of structural funds through simplification, flexibility and improvement of procedures. The Parliament also sees the Structural Funds as an expression of the social integration dimension of the EU with the aim to help Member States optimise the output of social and employment policies, not only with respect to employability but also the social infrastructure.

The relation between market principles and social policy considerations has been one of the core issues of recent years and will be for the foreseeable future; and it is in fact one of the inherent tensions of the European integration process as a whole, i.e. the question is to what extent policy areas under national control, often dominated by social policy considerations, have to be opened to the general principles of the EU's Internal Market. This tension has manifested in the Service Directive dispute; but it is also at the core of the posted workers issue where some actors, in particular the European Parliament and the trade unions, see some need for clarification of national room to manoeuvre regarding the application of host country labour law. In a similar vein one can see the call for European legislation defining the realm of services of general interest (such as child care, public

employment services, health care or geriatric care) not subject to the principles of the Internal Market, as social objectives of equal access to high quality services play a crucial role in this field. Here the Parliament has a point to make and ask for a less ambiguous and vulnerable definition of the realm of the market versus the social policy sphere. So the clarification of market and non-market issues, also regarding the relation between national social policies and EU-level policies following the internal market principles, remains a core issue. Both dimensions are interlinked as safeguard clauses for national social and other services and territorial labour law can only be formulated at the European level. Furthermore, the Parliament could continue to call for a clearer definition of national responsibilities and safeguards for social services, i.e. services of general interest, to be exempted from the rules of the Internal Market.

The same holds for the call of the European Parliament that EU Member States should establish a general minimum income support scheme relative to the respective national average income, so that poverty can be reduced and a minimum income guaranteed for every EU inhabitant. This could be a more binding element of social policies generally governed by OMC without inferring too much with subsidiarity. Hence, there could be a tendency to 'harden' areas governed as yet by soft law. Some of the OMC targets could become minimum provisions in a legal sense.

Apart from substantial issues, the following strategic considerations regarding how to achieve progress from the point of view of the European Parliament can be derived from past experiences and the current developments.

As with all action to be undertaken by the European Parliament, it needs a coherent position – an issue of intra-parliamentary compromise of course, in order to be able to act successfully vis-à-vis the Commission and the Council. But simply commenting on what the Commission puts on the agenda is not enough. The Parliament always had its strongest impact on EU policy making when it was capable of mobilising allies in the Commission, among Member State governments, the social partners and other civil society organisations. This also implies an effective coordination of different Parliament committees, in particular regarding social policy and employment, budget and internal market. This is necessary to ensure that major directives outside social policy, but with nonetheless potentially strong impact on social issues, are discussed appropriately. And to effectively influence EU budgetary policies with respect to social issues, the budgetary discussion should not be isolated from social policy and employment discourse within the Parliament.

While the European Parliament has no formal agenda setting competence, it could and should establish a working relationship with the Commission when it comes to formulating new Social Policy Agendas and OMC targets and guidelines. In the future we will certainly see a parallel development of OMC processes in some areas and some limited legislative activities in others. As long as the Parliament does not have a formal role in OMC besides consultation on employment policies,

it should make the most out of OMC and try to establish a working dialogue with the Commission on OMC processes and policy objectives. The Parliament can certainly help strengthen the social dimension of OMC and its legitimacy. To achieve that it would help if the Parliament called for stronger and more serious involvement in streamlined, simplified OMC processes with a more consistent and balanced set of policy objectives. The Parliament itself has to make itself heard in that field, but it could also make use of the opportunities provided by the Lisbon Treaty. Given the fact that funding via the European Structural Funds now mirrors OMC objectives, the Parliament has an indirect lever to influence EU policies via its budgetary competences – and in turn this also makes it plausible to have more Parliament involvement in the setting of these objectives.

This is best done at an early stage – maybe similar to the informal trilogue in legislative processes. Furthermore, the European Parliament could also ask the Commission to do ex ante impact assessments with respect to the social (and environmental as well as economic) implications of planned action. This can help sensitise the Commission to potential unexpected effects of legislative projects. Calling for ex ante impact assessments might facilitate the design of balanced legislative or budgetary proposals.

Nevertheless, the success of the European Parliament depends on its ability to find allies who share its political objectives. The new Commission soon to come into power can be expected to be more open towards the position of the Parliament and take a somewhat more active stance on legislative issues. Furthermore, the Parliament will always benefit from closer interaction with Member State governments in the Council of Ministers as well as with the European and national social partners. Hence, dossiers where the Parliament deems action necessary will be promoted in the most effective way by searching for a sufficiently large group of supporters among European institutions and societal actors.

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## **7. Annexes**

**Annex 1: The Social Policy Agenda 2000-2005**

**Annex 2: The Social Agenda 2005-2010**

**Annex 3: The Renewed Social Agenda 2008-2011**

**Annex 1 – Social Policy Agenda 2000-2005**  
**1. General**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC	
<b>1.1 Follow up and monitoring</b>	<b>1</b>	Annual synthesis reports for the Lisbon Council	Key Communication	COM(2002)0014	First annual synthesis report incorporated in Commission Staff Working Paper to European Spring Council
	<b>2</b>	Mid term review of the Social Policy Agenda 2000-2005 (impact evaluation in 2002, policy forum in 2003)	Key Communication	1. Conference 2. COM (2003)0312	1. Conference on Mid-term review (Brussels, March 2003)  2. Mid term review of the Social Policy Agenda by the Commission
	<b>3</b>	Improving employment and social statistics will be important for a closer monitoring of policy developments. The Commission will cooperate to this end with Member States and other key actors, in order to identify appropriate integrated indicators and benchmarks.	Key Communication	Communication document COM (2001)0313 final	Employment and social policies: a framework for investing in quality'; Employment Committee (EMCO) - Indicators group ; Laeken Council (indicators on quality of work)
	<b>4</b>	Ongoing evaluation will enable regular monitoring and updating of the Agenda.			cfr mid term review process

**Annex 1 – Social Policy Agenda 2000-2005**

**2. Full employment & Quality of Work**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
<b>2.1 Towards more and better jobs</b>	1	Strengthening Luxembourg process with annual proposals for a draft joint employment report, guidelines and recommendations on employment policy	Legislative Act: Consultation procedure CNS/2000/0225	COM (2000)548 on Guidelines for Member States' employment policies for the year 2001. 06.09.2000	The EP has adopted the report by Mr Luigi COCILOVO. The proposal was amended to take account of the EP's opinion on the guidelines for employment policies for 2001 as expressed in its resolution of 24 October 2000 on the Joint Employment Report 2000.	Procedure ended: final legislative act Council Decision on Guidelines for Member States' employment policies for the year 2001 (2001/63/EC) 19.01.2001
			Procedure on a strategic document COS/2000/2239	COM(2000)0551 Joint employment report 2000 - part I: the European Union - Part II: the Member States, 06.09.2000	The committee adopted the report by Luigi COCILOVO amending the proposal. The committee wanted to ensure that the Council took account of EP's opinion on the employment Guidelines for 2001, as expressed in its resolution on the Joint Employment Report 2000.	Procedure ended: EP: non-legislative resolution
			Procedure on a strategic document COS/2001/2168	COM(2001)438 Draft Joint Employment Report 2001	The EP adopted the report by Barbara Weiler.	Procedure ended: EP: non-legislative resolution
			Legislative Act: Consultation procedure CNS/2001/0208	COM (2001)511 on Guidelines for Member States' employment policies for the year 2002. 12.09.2001	The EP adopted report by Barbara Weiler stated that account must be taken of EP's opinion on the Guidelines set out in its resolution of 24 October	Procedure ended: final legislative act Council decision on guidelines for Member States' employment policies (2002/177/EC) 18.02.2002
			Legislative Act: Consultation procedure CNS/2003/0068	COM (2003)6 The future of EES 'A Strategy for full employment and better jobs for all'. 14.1.2003.	The EP adopted a resolution drafted by Herman SCHMID making several amendments to the EC's proposal.	Procedure ended: final legislative act Council Decision on guidelines for the employment policies of the Member States (2003/578/EC)
	2	Strengthening lifelong learning theme under the Employment Guidelines	Legislative Act: Codecision procedure COD/2004/0153	COM(2004)0474 Proposal for a Decision establishing an integrated action programme in the field of lifelong learning 14.07.2004	After first reading the EP adopted a resolution drafted by Doris Pack and made several amendments. EP increased the programme's multiannual budget from EUR 13.62 million to EUR 14 377million. On 24.07.2006 Council's common position remained broadly consistent with the EC's original proposal, although a significant number of EP amendments were incorporated and a number of technical adjustments were made. The revised allocation of EUR 6.2 billion was agreed by the three institutions in the context of the Interinstitutional Agreement (IIA) on the Financial Framework for 2007-2013.	Procedure ended: final legislative act/ Decision 1720/2006/EC of the EP and of the Council establishing an action programme in the field of lifelong learning. With a total budget of EUR 6.97 billion, the programme integrates and amalgamates all previous Community programmes dealing with education and learning under one framework.

**Annex 1 – Social Policy Agenda 2000-2005**

**2. Full employment & Quality of Work**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	3	Propose a decision on Community incentive measures for employment (Art. 129 of Treaty)	Legislative Act: Codecision procedure COD/2000/0195	COM (2000)0195 to present a proposal for a decision of the EP and of the Council on Community incentive measures in the field of employment.	Adopted in third reading. After first reading, the EP's committee adopted the report by JENSE, making some suggestions on the appropriations, on the need for consistency with other Community measures; and it also called to increase the global funding amount to EUR 65m instead of EUR 55m. On 25/06/2001 the Council broadly endorsed the EC's amended proposal and accepted the majority of the EP's amendments. However, it dropped the funding amount to EUR 50 million. The committee of the EP adopted the report in second reading amending the common position: increase in financing to EUR 65 from the EUR 50 million. On 23/10/2001 the EP approved the resolution and voted to increase the EU's fund for job creation measures for 2002 to EUR 65 million.	On 26/02/2002 the Conciliation Committee reached compromise between the two sides: the funding increased from the EUR 50m proposed by the Council to EUR 55m. Although at 2nd reading EP had proposed that funding be increased to EUR 65m, it accepted this much lower increase in the context of the overall package. The EP approved this conciliation agreement on 25/04/2002. Final legislative act on 10/06/2002: Decision 1145/2002/EC of the EP and of the Council on Community incentive measures in the field of employment. Entry into force on 29 June 2002.
	4	Continue developing of labour market policies based on peer review approach and exchange of good practices				
	5	Further develop a set of quantitative and qualitative common indicators	Key Communication	1. COM (2001)313final 'Employment and Social policies: a framework for investing in quality'.  2. Employment Guidelines		1. Communication appeared on 20.06.2001. Following a request from the Employment Committee and on the basis of this communication, the Indicators Group was closely involved in the preparation and development of indicators to measure quality in work.  2. Employment Guidelines (2008) - indicators for monitoring and analysis - endorsed by EMCO 25.06.08

**Annex 1 – Social Policy Agenda 2000-2005**

**2. Full employment & Quality of Work**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	6	Develop a systematic regular assessment of how the objective of a high level of employment is taken into consideration in the formulation and implementation of Community policies and activities (art 127 of the Treaty)				
	7	Reinforce the role of ESF in the implementation of the EES. Assess impact of SF support (ESF) on employment and social policies. Pay attention to innovations and good practices developed by EQUAL, Interreg III, Leader + and Urban	Legislative Act: Codecision procedure COD/2004/0165	COM(2004)0493 to establish the tasks of the European Social Fund (ESF) in the reformed framework of cohesion policy for the period 2007-2013.14.07.2004	Adopted in second reading. Of the 85 amendments proposed by the EP in its first reading, the EC accepted 57 of them. On 13.06.2006 the EC could endorse the Council's common position. The EP adopted the resolution drafted by José Albino SILVA PENEDA on 04.07.2006 and approved the Council's common position.	Procedure ended 05.07.2006 Economic and social cohesion: European Social Fund ESF for employment, social inclusion, training and education, 2007-2013 (repeal. Regulation (EC) No 1784/1999)
	8	Support the local and regional dimensions of the EES	Legislative Act: procedure on a strategic document COS/2000/2275	COM (2000)0196 on Acting Locally for Employment. A Local Dimension for the European Employment Strategy 07.04.2000.	The committee adopted the report by Fiorella GHILDOTTI welcoming the EC communication as a practical tool for those working on the ground.	Procedure ended: EP non-legislative resolution. 30.11.2000
Legislative Act: procedure on a strategic document COS/2002/2034			COM(2001)0629 Strengthening the local dimension of the European Employment Strategy 06.11.2001	The committee adopted the report by Herman SCHMID. It stressed the need for the integration of different levels of labour markets and for a "bottom-up" process in the EES so that local and regional knowledge and commitment can complement and improve the present policy process.	Procedure ended: EP non-legislative resolution. 04.07.2002	
Legislative Act: Consultation Procedure CNS/2003/0068/14			COM(2003)0006 on the future of the European Employment Strategy (EES) "A strategy for full employment and better jobs for all"	The EP adopted, under first reading, a resolution drafted by Herman SCHMID making several amendments to the Commission's proposal.	Procedure ended: final legislative act Council recommendation 2003/579/EC 22.07.2003	

**Annex 1 – Social Policy Agenda 2000-2005**

**2. Full employment & Quality of Work**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	9	Ensure consistency and greater synergy between economic, structural and employment policies, in particular in preparation and implementation of the Employment Guidelines and Broad Economic Policy Guidelines				
	10	Invite social partners to launch at European level the development of common objectives as reference for social partner actions at national level	Legislative act: EP procedure on strategic document COS/1996/2191	COM/96/0448 concerning the development of the Social Dialogue at community level. 18/09/1996. T	The Committee adopted a report drafted by Mr. Helwin PETER on the development of Social Dialogue. Although the detailed results of the Intergovernmental Conference were not available, the Committee decided to proceed with the report in order to influence the Commission while it prepares proposals on the same topic.	Procedure ended: EP non-legislative resolution. 18.07.1997
Legislative Act: Consultation procedure CNS/2002/0136			COM (2002)0341 to present a proposal for a Council Decision establishing a Tripartite Social Summit for Growth and Employment. 26.6.2002	Not involvement.	Procedure ended: Final legislative act. Council Decision establishing a Tripartite Social Summit for Growth and Employment. 2003/174/EC. Entry into force on 06.03.2003	
Key Communication			Communication from the commission COM(2004)0557 final		Communication on partnership for change in an enlarged Europe - enhancing the contribution of European Social Dialogue. 12.08.2004	
<b>2.3 Anticipating and managing change and adapting to the new working environment</b>	11	Strengthen the adaptability dimension of the Employment Strategy				
	12	Launch a consultation of social partners on the basis of Article 138 of the Treaty on modernising and improving employment relations	EP procedure on strategic document COS/1997/2060	COM (1997)0128 Green Paper: Partnership for a new organisation of work. 16.04.1997	The Committee adopted a report, prepared by Mr Jan ANDERSSON and calls on the EC to make concrete proposals in areas relating to the new organization of work. The EC should review some of the current Structural Funds programmes namely, the Objective 4 aid, the ADAPT and LEONARDO DA VINCI programmes and the Fifth Framework Programme for RTD in order to promote development in the organization of work and life-long learning.	Procedure ended: EP: non-legislative resolution.

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
			Social Dialogue	Consultation of the social partners on modernising and improving employment relations		1. First stage consultation of the social partners on modernising and improving employment relations 20.06.2000  2. Second stage consultation on 16.03.2001
	13	Follow-up the negotiations on temporary work	Legislative Act: Codecision procedure COD/2002/0072 "Temporary work: protective framework for workers, relationship with the temporary agency."	COM (2002)149 initial legislative document to provide a minimum EU-wide level of protection to temporary agency workers. 20.3.2002.	Adopted after 2nd reading. In its second reading the Committee on Employment and Social Affairs adopted the report drafted by Harlem DESIR and approved the Councils common position.	Procedure ended. Final legislative act on 19/11/2008. Directive on working conditions for temporary workers
	14	Consult the social partners on the need to establish, at European level, voluntary mechanisms on mediation, arbitration and conciliation for conflict resolution	1. Key Communications  2. Legislative Act: codecision procedure COD/2004/0251	1. Report and/or study  2. COM(2004)718 Proposal for a Directive on certain aspects of mediation in civil and commercial matters 22.10.2004	Adopted after 2nd reading. On 23.04.2008, the EP adopted a legislative resolution approving the Council common position for adopting the Directive. The report was tabled for consideration in plenary on behalf of the Committee on Legal Affairs.	1. Synthesis Report on Conciliation, Mediation and Arbitration in the EU Countries. March 2002. Later, individual reports per country were written.  2. Procedure ended: final legislative act, Directive 2008/52/ on certain aspects of mediation in civil and commercial matters. 21.05.2008
	15	Complete and codify the Community legislation on working time	Legislative Act: proposal for Directive from the EC. Council Decision.	Proposal for a Directive.		Council Directive 2000/79/EC of 27 November 2000 concerning the European Agreement on the Organisation of Working Time of Mobile Workers in Civil Aviation concluded by the Association of European Airlines (AEA), the European Transport Workers' Federation (ETF), the European Cockpit Association (ECA), the European Regions Airline Association (ERA) and the International Air Carrier Association (IACA)
			Legislative Act: Procedure on a strategic document COS/2001/2073	COM (2000)0787 to report on the state of implementation of Council Directive 93/104/EC concerning certain aspects of the organisation of working time.	The EP voted 88 votes to 5 with 3 abstentions in favour of the resolution drafted by Mr Ionise KOUKIADIS (PES, GR). Overall, the House welcomes the fact that new directives cover the areas excluded from the scope of the original directive.	Procedure ended. EP non-legislative resolution 07.02.2002

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
			Legislative Act: Codecision procedure COD/2004/0209	COM(2004)0607 "Organisation of Working Time"	In its first reading on 11 May 2005, the EP made far-reaching amendments to the EC's proposal, in particular demanding a phasing-out of the opt-out provision. Since then, the revision proposal had been deadlocked in the European Council, despite repeated efforts to reach a consensus.	Procedure Rejected on 29.04.2009. The Conciliation Committee decided that it was not possible to reach an agreement on the proposed directive. This decision brought to an end nearly five years of negotiations. EP and Council could not find a compromise on three crucial points: the opt-out, on-call time and multiple contracts. The main stumbling block was the opt-out clause, which EP had wanted to become exceptional and temporary. However, the Council had been unwilling to put an end to the opt-out.
			Legislative Act: codecision procedure COD/2002/0131	COM (2002)336 Proposal for Directive concerning certain aspects of the organisation of working time (reap. Directive 93/104/EC). Codification. 24.6.2002.	Adopted after second reading.	Procedure ended: final legislative act, Directive 2003/88/EC concerning certain aspects of the organisation of working time. 04/11/2003.
			Non-legislative Act: EP procedure on own initiative report INI/2003/2165	COM (2003)0843 report on the application of Directive 93/104/EC on the certain aspects of the organisation of working time and the possible re-exam of the Directive.	The committee adopted the own-initiative report by Alejandro CERCAS on the revision of the 1993 directive laying down a maximum 48-hour working week. The report, adopted by only a narrow majority in the committee, sharply criticised abuses of the individual opt-out clause, especially in the UK, and called for opt-outs to be abolished as quickly as possible, by 1 January 2007 at the latest.	Procedure ended: EP non-legislative resolution. Organisation of working time (Amendment of Directive 93/104/EC). 11.02.2009
	16		Legislative Act: codecision procedure COD/2004/0209	COM(2004)0607 "Organisation of Working Time"	See above.	See above.
	17		Legislative Act: proposal for Directive from the EC. Council Decision.	Proposal for a Directive.		Council Directive 2005/47/EEC on the Agreement between the Community of European Railways (CER) and the European Transport Workers' Federation (EFT) on certain aspects of the working conditions of mobile workers engaged in interoperable cross-border services in the railway sector.

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	18	Adopt pending legislative proposals, notably those on the European Company Statute and information and consultation of employees	Legislative Act: Consultation Procedure CNS/1989/0219	COM/1989/0268 Proposal for a regulation on the Statute for a European Company. 25.08.1989	The committee adopted the report by Winfried MENRAD amending the proposal. Firstly, it felt that Article 137(3) rather than Article 308 would be a more appropriate legal base since the directive concerned the representation and collective defence of the interests of workers.	Final Legislative Act. Council Directive 2001/86/EC supplementing the Statute for a European company with regard to the involvement of employees. 8.10.2001
			Legislative Act: proposal from the EC. Council Decision.	Proposal for a Directive.		Directive 2003/72/EEC. Supplementing the Statute for a European Cooperative Society with regard to the involvement of employees. 22.07.2003
			Legislative Act: EP procedure on strategic document COS/2000/2214	COM (2000)188 Report on the application on the Directive on the establishment of a European works council or a procedure in community-scale undertakings and community-scale group undertakings for the purposes of informing and consulting employees. 04.04.2000		Procedure ended: EP non-legislative resolution.
			Legislative Act: Codecision procedure COD/1998/0315	COM(1998)0612 Proposal for a Council Directive 11.11.1998		Final Legislative Act. Directive 2002/14/EC establishing a general framework for informing and consulting employees in the European Community. 11.03.2002
	19	Codify and simplify health and safety legislation	Legislative Act: proposal for Directive from EC.	Proposal for a Directive.		Directive 2000/39/EEC establishing a first list of indicative occupational exposure limit values in implementation of Council Directive 98/24/EC on the protection of the health and safety of workers from the risks related to chemical agents at work. 08.06.2000
					Joint statement by the EP and the Council.	Directive 2002/44/EEC on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (vibration). 25.06.2002
						Directive 2003/10/EEC on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (noise). 06.02.2003

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
						Directive 2003/122/Euratom on the control of high-activity sealed radioactive sources and orphan sources. 22.12.2003
						Directive 2004/40/EEC on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (electromagnetic field) 29.04.2004
						Directive 2006/25/EEC on the minimum health and safety requirements regarding the exposure of workers to risks arising from physical agents (artificial optical radiation). 05.05.2006
			Non-legislative Act: own initiative report from the EP. INI/2004/2205	COM (2004)0062 to evaluate the practical implementation of the provisions of the Health and Safety at Work Directives 89/391 (Framework), 89/654 (Workplaces), 89/655 (Work Equipment), 89/656 (Personal Protective Equipment), 90/269 (Manual Handling of Loads) and 90/270 (Display Screen Equipment). 05.02.2004	The EP adopted the report by Jiří MAŠTÁLKA on promoting health and safety at the workplace.	Procedure ended: EP non-legislative resolution on health and safety at the workplace. 24.02.2005
	20	Adapt and improve existing legislation taking into account Community case law and the changing world of work (e.g. insolvency, health and safety)				
	21	Promote exchange and dissemination of good practice (via the European Work Organisation Network)	Key Communication	Modernising the organisation of work - a positive approach to change. Communication from the Commission. COM (98) 592 final. This announcement announced the establishment of EWON or the European Work Organisation Network		EWON has produced a series of interesting case studies, surveys and policy papers on the issue of work organisation. From June 2000 to January 2002 six newsletters were published; each featuring two European pages, focusing on findings and case studies, and two pages devoted to national issues.

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	22	Launch a communication and action plan on the financial participation of workers	Key Communication	Report and/or study		<p>1. A Perspective on Financial Participation in the EU. Objectives and obstacles. November 1999.</p> <p>2. Recent Trends in Employee Financial Participation in the EU - a co-publication with the Dublin Foundation, 2001</p> <p>3. Report of the High Level Group of independent experts, on cross-border obstacles to financial participation of employees for companies having a transnational dimension. 18.12.2003.</p>
	23	Support initiatives related to corporate social responsibility and management of change by issuing a communication	Non-legislative Act: own initiative report from the EP. INI/2002/2261	COM (2002)0347 to propose a new EC strategy to promote business contribution to sustainable development.	The EP adopted a resolution drafted by Philip BUSHILL-MATTHEWS based on its own-initiative report on CSR. EP stated that CSR can contribute to achieving the objectives defined in the European Strategy for Sustainable Development, provided that companies go beyond aspirational commitments and do not just use it as a mere public relations exercise.	Procedure ended: EP non-legislative Resolution CSR: a business contribution to Sustainable Development.
Legislative Act: EP procedure on strategic document COS/2002/2069			Papers and/or studies. COM (2001)0366 Green Paper promoting a European Framework for CSR. 18.07.2001.	The committee adopted, in its first reading, the report by Richard HOWITT. The report focused on certain priorities for CSR in the Community context: social and environmental reports, the creation of a European platform for CSR, the role of stakeholders and the mainstreaming of CSR issues in the Union's internal and external policies.	Procedure ended: EP non-legislative Resolution on promotion a European Framework for CSR. 30.05.2002	
Key Communication			Conference		Conference on Corporate Social Responsibility: CSR at the global level: what role for the EU? 07.12.2007 and 12-13.06.2008	
	24	Address the social aspects of public procurement proceedings by issuing a communication	Legislative Act: codecision procedure COD/2000/0115	COM(2000) 275 on the coordination of procedures for the award of public supply contracts, public service contracts and public works contracts 30.8.2000	This report was only adopted after the third reading. Of the 103 amendments proposed by EP in its first reading, the EC was able to accept 63 in full or in part. On 29/01/2004, the EP voted to approve the joint text agreed by the Conciliation Committee.	EP voted to approve the joint text agreed by the Conciliation Committee. Procedure ended: Final Legislative act Directive 2004/18/EC on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts of 31.03.2004

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	25	Invite social partners to further pursue negotiations and collective bargaining with respect to work organisation and new forms of jobs, launch discussions with respect to eg occupational mobility (shared responsibility between business and employees)				
	26	Invite the European Foundation for the Improvement of Living and Working Conditions to put in place an adequate information mechanism on change which could also act as a forum of exchange				Setting-up of a European Monitoring Centre on Change. The EMCC is an information resource established to promote an understanding of how to anticipate and manage change. It was set up in 2001 within the European Foundation for the Improvement of Living and Working Conditions, Dublin, with the full support of the EP, the EC and the social partners.
	27	Further develop the Community strategy on health and safety at work by issuing a communication	Legislative Act: EP procedure on strategic document COS/2002/2124	COM(2002) 118 Adapting to change in work and society: a new Community strategy on health and safety at work 2002–2006 Brussels, 11.03.2002	In its first reading, the committee has adopted the report of Stephen HUGHES on the communication of the EC on 11/09/2002.	Procedure ended, EP non legislative Resolution 23/10/2002. Adapting to change in work and society: a new Community strategy on health and safety at work 2002-2006
<b>2.4 Exploiting the opportunities of the knowledge based economy</b>	28	Further develop the knowledge-based society aspects of the employment strategy				Council Resolution of 15 July 2003 on Social and Human Capital Building social and human capital in the knowledge society: learning, work, social cohesion and gender. (2003)C 175(02)
	29	Promote closer co-operation at European level between research institutions, science centres, universities and schools, to re-enforce the scientific culture of European citizens and attract more people into scientific and technological professions	Key Communication	Communication from the commission COM(2004)0353		Commission's Communication "Science and technology, the key to Europe's future - Guidelines for future European Union policy to support research"

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	30	Further develop the human resources aspect of the e-Europe action plan		1) e-Europe 2002 Action Plan prepared by the Council and the European Commission. 14.06.2000  2) e-Europe 2005 Action Plan prepared by the Council and the European Commission. 2002		1) The eEurope 2002 Action Plan (), agreed by the Member States at the Feira European Council in 2000, targeted three areas: 1) cheaper, faster and secure Internet, 2) investing in people and skills, and 3) stimulating the use of the Internet.  2) In June 2002, the Seville European Council gave a broad political endorsement to the eEurope 2005 Action Plan which was then adopted by the Council in December 2002.
	31	Promote the employability and access of women to ICT and other scientific and technological jobs, particularly by enhancing the participation of women in relevant education and training	Legislative Act: EP procedure on strategic document COS/1999/2106	COM/1999/0076 "Women and science - Mobilising women to enrich European research." 17/02/1999	The EP approved a resolution on women and science drafted by Mrs. E. McNALLY. The Resolution welcomes the Commission's proposal to increase the involvement of women in programmes organised by the EU and supports the strategy of research by, for and on women as being comprehensive and constructive.	Procedure ended, EP non legislative Resolution 23/10/2002. Equal opportunities: women participation to the European scientific research.
			Non-legislative Act: own initiative report from the EP. INI/2007/2206	Draft Report on Women and science. 7.2.2008	The Committee on Women's Rights and Gender Equality adopted the own-initiative report by Britta THOMSEN (PES, DK) on women and science.	Procedure Ended, EP: non-legislative resolution "Women and science" 21.05.2008
	32	Monitor the implementation of the new European Social Fund programming with emphasis on investment and training in the area of information technologies				
	33	Promote the identification and dissemination of good practice, in close co-operation with the High Level Group on the Employment and Social Dimension of the Information Society		Establishment of EWON		The European Commission has established the European Work Organisation Network (EWON) in order to foster competitiveness, employment and quality of working life.

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	34	Invite social partners to focus their discussions on lifelong learning and new forms of work related to information technology	Social Dialogue	1. Framework of actions for the lifelong development of competences and qualifications. February 2002  2. Framework agreement on telework - July 2002		1 First, Second and Third follow-up report on the framework of actions for the lifelong development of competencies and qualifications (LLL) - March 2003, 2004, 2005  2. Implementation of the European Framework Agreement on Telework - Report by European Social Partners September 2006
<b>2.5 Promoting mobility</b>	35	Adopt the existing proposals on simplification and extension of Regulation 1408/71 concerning social security for migrant workers to cover third country nationals and Regulation 1612/68 on freedom of movement for workers	Legislative Act: Consultation procedure CNS/2002/0039	COM(2002) 59 Proposal for a extending the provisions of Regulation (EEC) No 1408/71 to nationals of third countries who are not already covered by these provisions solely on the ground of their nationality 06.02.2002	The EP adopted a resolution drafted by Ria OOMEN-RUIJTEN after the first reading.	Final Legislative Act Council Regulation(EC)No859/2003 extending the provisions of Regulation (EEC) No 1408/71 and Regulation (EEC) No 574/72 to nationals of third countries who are not already covered by those provisions solely on the ground of their nationality 14.05.2003
	36	Create a Pensions Forum to address the issue of pensions and mobility with all relevant actors by issuing a communication	Key Communication	Forum		Setting-up of a committee in the area of supplementary pensions EC Decision 2001/548/EC of 9 July 2001
	37	Propose, after discussion in the Forum, an instrument on transferability of supplementary pensions	Legislative Act: Codecision procedure COD/2005/0214	COM (2005) 507 Proposal for a Directive on improving the portability of supplementary pension rights. 20.10.2005	The EP adopted the resolution drafted by Ria OOMEN-RUIJTEN, and made some amendments to the proposal on improving the portability of supplementary pension rights. EP wanted to make improvements by setting standards for the acquisition and preservation of pension rights, but did not agree with the Commission's proposals on the portability of pensions.	Awaiting 1st reading by Council
	38	Improve co-operation between all parties involved to solve legal and practical problems encountered by workers exercising their right to free movement				

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	39	Tackle the remaining problems on free movement in the public service by issuing a communication	Legislative Act: Codecision procedure COD/2004/2053	Directive of the EP and of the Council COM (2004)0002 to provide a legal framework that will eliminate the obstacles to the freedom of establishment for service providers and the free movement of services between the Member States.	Adopted in second reading. After the EP second reading, the EC accepted all three amendments made by EP and modified its proposal accordingly. The amendments in question introduce changes to certain aspects of the text without affecting the substance or the principles of the common position and the Commission's amended proposal.	Procedure ended: Directive 2006/123/EC of the EP and of the Council on services in the internal market. 12/12/2006
	40	Review the rules governing EURES (European Employment Services)	Legislative Act: EP procedure on strategic document COS/2001/2053	COM(2000)0607 EURES activity report 1998-1999 "Towards an integrated European labour market: the contribution of EURES" 02.10.2000	The committee adopted, in first reading, the report by José RIBEIRO E CASTRO on 03.05.2001. In addition to other recommendations, the EP considers that the budget allocation for EURES should be increased, not least in preparation for enlargement.	Procedure ended: EP non-legislative resolution
			Legislative Act: motion for a Resolution RSP/2007/2597	Resolution on the EURES activity Report 2004-2005: Towards a single European labour market	Following the debate on 05.09.07, the EP adopted a joint resolution on the EURES Activity Report. EP considered that EURES should become an important European labour market communication platform – a one-stop shop for workers' geographical and occupational mobility	Procedure ended EP: vote on B series resolution. EURES Activity Report
	41	Undertake specific actions to suppress obstacles to the mobility of researchers, students, trainees, teachers and trainers	Legislative Act: Codecision procedure COD/2000/0021	COM(1999) 708 Recommendation on mobility within the Community for students, persons undergoing training, young volunteers, teachers and trainers 21.01.2000	Adopted in second reading: EP adopted the report by Mr Robert J.E. EVANS on the Council's common position on the proposal. The House accepts EC's view that researchers cannot be included in the recommendations because of the legal basis. It endorses the EC's proposals to issue a separate document on researchers as part of the follow-up to its communication on the ERA.	Procedure ended: Final legislative act on 10.07.2001 Recommendation (2001/613/EC) of the EP and of the Council on mobility within the Community for students, persons undergoing training, volunteers, teachers and trainers.
			Legislative Act: Consultation procedure CNS/2004/0061 Council Directive	COM/2004/0178 final 16/0302004 on a specific procedure for admitting third-country nationals into the EU for scientific research purposes	The EP adopted a resolution drafted by Vincent PEILLON broadly approving the proposal with some amendments. Those mainly aim to create more favourable conditions for family reunification for foreign researchers working in the Union.	Procedure ended on 12/10/2005. Scientific research: admission to the Community by third-country national researchers, improving mobility

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome	
	Nr	Announced activity/measure by the EC	Urged activity/measures by the EP	Proposal and communication by the EC			
<b>3.1 Modernising and improving social protection</b>	1	Establish the Social Protection Committee	Legislative Act: Consultation procedure CNS/2000/0055	COM (2000)0134 to set up a Social Protection Committee in the context of a Community framework for closer cooperation in the field of social protection on the European level.	No involvement	Council Decision 2004/689/EC of 4 October 2004 establishing a Social Protection Committee and repealing Decision 2000/436/EC	
	2	Contribute to the reflection on the future of social protection with a medium and long term perspective with particular reference to pensions by issuing a communication	Procedure on a strategic document COS/2001/2003	COM (2000)0622. The Future Evolution of Social Protection from a Long-Term Point of view: Safe and Sustainable Pensions. 11.10.2000	The committee adopted the report by Alejandro CERCAS ALONSO. The committee highlighted the importance of increasing the employment rate and maintaining a financial balance in pension schemes if Member States were to secure safe and sustainable pensions.	Procedure ended: EP non-legislative procedure. 17.05.2001	
	3	Support the work of the Social Protection Committee by providing input, with a view to developing objectives and indicators as well as exchange of experiences and good practices, including on the gender dimension of social protection					
	4	Present an annual report on social protection based on the objectives defined at European level, with a view to preparing a Commission/Council joint annual social protection report	Non-legislative Act: EP procedure on own initiative report INI/2003/2040	COM (2002)0737 of 17.12.2002 to present the draft joint report by the EC and the Council on adequate and sustainable pensions.	The committee adopted in first reading the own-initiative report by Jan ANDERSSON on the joint Council-EC report.	Procedure ended: EP non-legislative procedure. 24.09.2003 Social protection: pensions and retirement, joint report for the 2003 spring European Council	
	Non-legislative Act: EP procedure on own initiative report INI/2005/2097		COM (2005)0014 of 27.01.2005 to present a draft joint report on social protection and social inclusion.	The committee adopted in first reading, the own-initiative report drawn up by Edit BAUER in response to the EC communication on social protection and social inclusion.	Procedure ended: EP non-legislative resolution. 15.03.2006. Social protection and social inclusion. Report		

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Announced activity/measure by the EC	Urged activity/measures by the EP	Proposal and communication by the EC		
	5	Develop close co-operation with Community institutions, social partners and social protection institutions to elaborate an agenda of modernisation	Key Communication	COM (2003) 842 final		Communication from the EC to the Council, the EP, the European Economic and Social Committee and the Committee of the Regions - Modernising Social Protection for More and Better Jobs a comprehensive approach contributing to making work pay
	6	Invite the social partners to develop and discuss their contribution to the modernisation and improvement of social protection	1) Key Communication 2) Legislative Act: Consultation procedure CNS/2002/0136	1) COM(2002)0341 final Communication from the Commission - The European social dialogue, a force for innovation and change  2) COM(2002)0341 Proposal for a Council Decision establishing a Tripartite Social Summit for Growth and Employment	2) No involvement. The Council adopted the Decision establishing a Tripartite Social Summit for Growth and Employment.	2) Council Decision 2003/174/EC establishing a Tripartite Social Summit for Growth and Employment. Entry into force 06.03.2003
	7	Combat social exclusion by adopting the proposed specific action programme	Legislative Act: Codecision procedure COD/2000/0157	COM (2000)0368 proposal for a decision on Community action programme which enables the Union and the Member States to enhance the effectiveness of policies to combat social exclusion.	Adoption in third reading. In order to speed up the adoption, EP followed the amendments originally tabled by the committee responsible. By adopting the proposal in second reading, by Mrs Ilda FIGUEIRDO, the EP approved the common position with a number of amendments. These relate in particular to the funding of the programme which is to be EUR 100 million for the years 2001-2005 instead of EUR 70 million proposed by the Council. The Conciliation Committee was able to reach agreement on the action programme against social exclusion, thereby bringing the procedure to a swift conclusion and ensuring that the programme could start without delay at the beginning of 2002.	Procedure ended: final legislative act on 07.12.2001 Decision 50/2002/EC of the EP and of the Council establishing a programme of Community action to encourage cooperation between Member States to combat social exclusion. Under the compromise reached, EP's delegation managed to increase the budget of the programme by 5 million to EUR 75m and ensure that the upper limit for EU funding to support NGOs involved in the programme would be 90% of the cost of a project instead of the 80% originally proposed by the Council.
	8	Agree objectives and targets, develop indicators, strengthen statistics and develop studies in all relevant areas to support the OMC				

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Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Announced activity/measure by the EC	Urged activity/measures by the EP	Proposal and communication by the EC		
	9	Launch, on the basis of art. 137 § 2 of the Treaty, a consultation of all relevant actors on the best ways and means to promote the integration of people excluded from the labour market				
	10	Evaluate the impact of the ESF, including the Community Initiative Equal, in promoting social inclusion	Key Communication	Report		Final Report "Evaluation of ESF Information and Communication Activities". 25.07.2007
	11	Promote more and better job opportunities for vulnerable groups, including those with disabilities, ethnic groups and new immigrants by proposing the strengthening of the employment guidelines				
	12	Issue an annual report on inclusion policy	Procedure on a strategic document COS/2002/2051	COM (2001)0565 to present the communication from the EC concerning the draft Joint Report on Social Inclusion.	The Committee adopted the report by Ilda Figueiredo (GUE/NGL, P) on the Commission's communication.	Procedure ended on 11/0/2002. EP non-legislative resolution. Social cohesion : poverty and social exclusion, joint report on social inclusion
			Non-legislative Act: EP procedure on own initiative report INI/2005/2097	COM (2005)0014 of 27.01.2005 to present a draft joint report on social protection and social inclusion.	The committee adopted in first reading, the own-initiative report drawn up by Edit BAUER in response to the EC communication on social protection and social inclusion.	Procedure ended: EP non-legislative resolution. 15.03.2006. Social protection and social inclusion. Report
<b>3.2 Promoting gender equality</b>	13	Implement the Community framework strategy on gender equality, in particular through the adoption and implementation of the proposed specific programme on gender equality and to further strengthen equality rights by making full use of the Treaty (proposal for an equal treatment directive	Legislative Act: Consultation procedure CNS/2000/0143	COM (2000)0335 Communication and Programme relating to the Community framework strategy on gender equality.	After having been sent back to the committee at the last plenary session, the resolution drafted by Mrs Marianne ERIKSSON was adopted by a large majority with 14 compromise amendments which overcome the problems with the Commission. EP is proposing a financial reference of at least EUR 50 million for the period from 1 January 2001 to 31 December 2005. The modified proposal of the EC was adopted and entered into force on 20.12.2000	Procedure ended: Council Decision 2001/51/EC establishing a Programme relating to the Community framework strategy on gender equality 2001-2005. This Decision establishes, for the period from 01.01.2001 to 31.05.2005, a Community Action Programme, with a financial framework of EUR 50 million.

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**3. Quality of Social Policy**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome	
	Nr	Announced activity/measure by the EC	Urged activity/measures by the EP	Proposal and communication by the EC			
		on areas other than employment and occupation based on Article 13).	Procedure on a strategic document COS/2001/2089	COM (2001)0119 to present the Framework Strategy on Gender Equality Work Programme for 2001.	The committee has adopted the report by Mrs Ilda Figueiredo on the communication from the EC on the Work Programme for 2001. It regrets that the fact that the communication was not forwarded to the EP in sufficient time to be fully debated	Procedure ended: EP non-legislative resolution on 03.07.2001. Gender equality: framework strategy, work programme for 2001	
			Legislative Act: Codecision procedure COD/2004/0194 Council Decision	COM(2004)0551 to extend both the Programme relating to the Community framework strategy on gender equality (2001–2005) and the Action Programme to promote organisations active at European level in the field of equality between men and women until the end of the year 2006.	The committee adopted the report by Rodi KRATSA-TSAGAROPOULOU approving the proposal unamended under the 1st reading of the codecision procedure	Procedure ended: Decision 1554/2005/EC of the EP and of the Council. Extending the framework strategy as well as the action programme on the promotion of gender equality by one year.	
	14	Closely monitor the implementation and strengthen the fourth pillar of the employment strategy					
	15	Develop, monitor and evaluate gender equality in public administrations at all levels					
	16	Develop, monitor and evaluate gender equality in the field of science and technology at all levels					
17	Invite social partners to strengthen their dialogue with particular attention to: equal pay, gender desegregation of the labour market, reconciliation between work and family life						

**Annex 1 – Social Policy Agenda 2000-2005**

**3. Quality of Social Policy**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Announced activity/measure by the EC	Urged activity/measures by the EP	Proposal and communication by the EC		
<b>3.3 Reinforcing fundamental rights and combating discrimination</b>	18	Adopt the proposed directive banning discrimination in employment on grounds of racial or ethnic origin, religion or belief, disability, age or sexual orientation	Legislative Act: Consultation procedure CNS/1999/0225	COM(1999)0565 To establish a framework in order to combat discrimination and ensure equal treatment in employment 25/11/1999	The committee adopted the report by Thomas MANN approving the proposal with a few amendments. Following the adoption in June 2000 of a directive on equal treatment regardless of race or ethnic origin, the committee felt that this latest directive, dealing only with the world of employment, should focus on discrimination based on religion or belief, disability, age or sexual orientation. In order to keep the legislation consistent, the committee approved several amendments (e.g. on harassment and the inclusion of a gender perspective) which were similar to provisions of the race directive.	Procedure ended on 27.11.2000 Council Directive 2000/78/EC establishing a general framework for equal treatment in employment and occupation.
			Legislative Act: Consultation procedure CNS/1999/0253	COM(1999)0566 to give effect to the principle of equal treatment between people of different racial origins in the European Union in accordance with Article 13 of the Treaty establishing the European Community.	The EP adopted the resolution drafted by Kathalijne Maria BUITENWEG amending the proposal. On 25 November 1999, the EC adopted a package of proposals, under Article 13 TEC, to combat discrimination. The Committee of the Regions adopted its opinion on the package on 12 April 2000 and the Economic Social Committee on 25 May	Procedure ended on 26.06.2000: Council Directive 2000/43/EC implementing the principle of equal treatment between persons irrespective of racial or ethnic origin.
			Legislative Act: Codecision procedure COD/2000/0142 Council Decision	COM (2000)0334 Proposal for amending Council Directive 76/207/EEC on implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions 7.6.2000	Adopted in third reading. On 17/04/2002 the Conciliation Committee reached agreement on the new directive. The main points of the agreement are as follows: 'Sexual harassment' is defined for the first time at EU level, and the directive also defines 'direct discrimination', 'indirect discrimination' and 'harassment'. The Council was unwilling to prohibit general exclusion or restriction of access of representatives of one sex to any kind of professional activity or to the training required to gain access to such activity by classing such exclusion as discrimination.	Procedure ended on 23.09.2002: Directive 2002/73/EC of the EP and of the Council amending Council Directive 76/207/EEC on the implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions.

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**3. Quality of Social Policy**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Announced activity/measure by the EC	Urged activity/measures by the EP	Proposal and communication by the EC		
	19	Adopt and implement the proposed action programme to combat discrimination	Legislative Act: Consultation procedure CNS/1999/0251	COM(2000)0284 Towards a Barrier Free Europe for People with Disabilities 12.05.2000	On 25.11.1999, the Committee adopted a proposal for a Council decision establishing a Community Action Programme to combat discrimination (2001-2006), in the framework of a package of measures based on Article 13 of the EC Treaty. In light of the opinion of the Committee of the Regions, the Economic and Social Committee and the EP, the EC modified its original proposal on 10.10.2000.	Procedure ended 27.11.2000: Council Decision 2000/750/EC establishing a Community action programme to combat discrimination.
	20	Promote awareness raising campaigns to combat racism and xenophobia	Key Communication	Forums, events and/or seminars		World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerance. Durban, South Africa, 2.09.2001
	21	Report on the functioning of the Monitoring Centre on Racism and Xenophobia	Key Communication	Report		<a href="http://fra.europa.eu/fraWebsite/attachments/ar05p1en.pdf">http://fra.europa.eu/fraWebsite/attachments/ar05p1en.pdf</a> <a href="http://www.libertysecurity.org/IMG/pdf_report_racism_0807_en.pdf">http://www.libertysecurity.org/IMG/pdf_report_racism_0807_en.pdf</a> <a href="http://fra.europa.eu/fraWebsite/attachments/ar06p2_en.pdf">http://fra.europa.eu/fraWebsite/attachments/ar06p2_en.pdf</a>
	22	Monitor the implementation of the Communication "Towards a barrier-free Europe for People with Disabilities", and prepare an implementation report	Procedure on a strategic document COS/2000/2296  Non-legislative Initial Document INI2004/2004 to present an Action Plan to promote equal opportunities for people with disabilities.	COM (2000)0284 to remove barriers and enhance the opportunities for people with disabilities to participate fully in all aspects of society.  COM(2003)0650	The committee adopted the report by Marie-Thérèse HERMANGE on the EC communication.  The committee adopted the own-initiative report drawn up by Mario MANTOVANI.	Procedure ended on 04.04.2001: EP non-legislative resolution. People with disabilities: promoting equal rights and opportunities  Procedure ended on 20.04.2004: EP non-legislative resolution: People with disabilities: equal opportunities, European action plan DAP
	23	Propose a European Year on Disability for 2003 and an annual European Day on Disability	Legislative Act: Consultation procedure CNS/2001/0116	Council Decision	The EP adopted the report by Mrs Liz LYNNE concerning the 'European Year of People with disabilities'. The amendments accepted by the EC have been incorporated into the revised proposal. This proposal was adopted on 03.12.2001.	Council Decision 2001/9103/EC on the European Year of People with Disabilities 2003. The Decision aims to designate the year 2003 as the 'European Year of People with Disabilities'. With a budget of EUR 12 million for 2002-2003

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**3. Quality of Social Policy**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Announced activity/measure by the EC	Urged activity/measures by the EP	Proposal and communication by the EC		
	24	Launch a consultation of social partners on the basis of Article 138 of the Treaty on data protection	Social Dialogue	Communication from the Commission		Communication from the EC - First stage consultation of social partners on the protection of workers' personal data at the end of August 2001. Second stage at the end of October 2002.
	25	Invite the social partners to contribute further to the eradication of discrimination in the work place				

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**4. Promoting quality in industrial relations**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC	
	1	Consult the social partners at European level with a view to identifying areas of common interest including those offering the best possibilities for collective bargaining	Social Dialogue	Forums, events and/or seminars	Social Dialogue Summit, 20 years of European Social Dialogue, 29.09.2005
	2	Closely monitor and continuously update the study on representativeness of social partners at European level	Key communication	Studies and/or reports	Report 85. Representativeness of public sector trade unions in Europe. ETUI and EPSU, Brussels, 2004
	3	Launch a reflection group on the future of industrial relations	Key communication	1) Forums, events and/or seminars  2) Studies and/or reports	1) The group, made up of industrial relations and labour and employment experts from around Europe and chaired by Maria João Rodrigues of Portugal, held its first meeting on 9 February 2001 (EU0103200N).  2) Final report at the beginning of March 2002.
	4	Promote interaction between social dialogue at European and national level through national round tables on issues of common interest (work organisation, future of work, new forms of work)	Social Dialogue		
	5	Review with the social partners the functioning of the social dialogue structures (at both cross industry and sectoral levels) and if necessary propose adaptations	Social Dialogue		2002 : organisation of a social partners conference to this end
	6	Invite social partners to develop their own initiatives in areas of their responsibility to adapt to change	Key communication		
	7	Implement the strategy for lifelong learning and training	Key communication	Studies and/or reports. Report drawn up by the EC with the assistance of the European Center for the Development of Vocational Training (Cedefop)	Implementing life-long learning strategies in Europe: Progress report on the follow-up to the Council Resolution of 2002. EU and EFTA/EEA Countries

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**5. Enlargement and international cooperation**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
<b>5.1 Preparing for enlargement</b>	1	Continue the monitoring of the implementation of the European Union social and employment acquis by the candidate countries	Key communication	Forums, events and/or seminars		Conference on Accession to the EU. 15.03.2000
	2	Continue with the elaboration of the Employment Policy Reviews (leading to Joint Assessments) with all candidate countries	Non-legislative Act: EP procedure on own initiative report INI/2003/2105	COM (2003)0037 to review progress on the implementation of the Joint Assessment Papers on employment policies in candidate countries.	The committee adopted the own-initiative report drawn up by Harald Ettl in response to the Commission paper on the implementation of the Joint Assessment Papers on employment policies in candidate countries.	Procedure ended: EP non-legislative resolution on 23.09.2003. Employment: candidate countries' policy, joint assessment papers
	3	Support the process of strengthening the social dialogue and the social partner organisations in candidate countries	Key communication	Communication from the Commission. Partnership for change in an enlarged Europe - Enhancing the contribution of European social dialogue COM(2004) 557 final		In its 2004 Communication Partnership for change in an enlarged Europe, the EC encourages the social partners in different sectors and at European, national and company levels, to continue to enhance the synergies between the various sectors. Not published in the official journal.
	4	Contribute to the further development of relevant non governmental organisations in the candidate countries				
	5	Promote co-operation between civil society organisations from the European Union and the candidate countries	Key communication	Communication from the Commission. Partnership for change in an enlarged Europe - Enhancing the contribution of European social dialogue COM(2004) 557 final		Not published in the Official Journal.
	6	Identify common issues and needs and prepare for joint analysis in the field of social protection				

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**5. Enlargement and international cooperation**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	7	Mainstream gender equality in the pre-accession strategy	Key communication			The Community Framework Strategy on Gender Equality (2001-2005). This EU policy instrument addresses a wide range of issues: Gender equality in economic life; promoting equal participation and representation; equal access and full enjoyment of social rights for women and men; gender equality in civil life; change of gender roles and stereotypes. The participation of candidate countries in Community programmes is also a key feature of the pre-accession strategy.
	8	Ensure the successful participation of candidate countries in Community action programmes in the social area as part of the pre-accession strategy.	Key communication	Reports and/or studies		DG enlargement published a list of running and planned EU/Community programmes open for candidate countries at that time. 29.09.2003
<b>5.2 Promoting international cooperation</b>	9	Further develop Community co-operation with international organisations in the field of employment, education and training, social protection and fundamental social rights	Social Dialogue			The EC is working together with the Council of Europe, the OSCE and the UN (active participation in the Fourth World Conference on Women, the work of the World Conference Against Racism and the development of a new UN Convention on the Rights of Persons with Disabilities).
	10	Support the debate on the respect for core labour standards through a dialogue involving international organisations, including ILO and WTO	Key communication	COM (2001)0416 final 'Promoting core labour standards and improving social governance in the context of globalisation'.		18.07.2001: The European Commission adopts strategy to promote core labour standards and social governance globally (Brussels)
	11	Encourage the Member States to ratify the convention of the ILO on child labour	Non-legislative Act: EP procedure on own initiative report INI/2005/2004	No communication	The committee adopted the own-initiative report by Emmanouil MAVROMMATIS on the exploitation of children in developing countries, with a special focus on child labour.	Procedure ended: non-legislative resolution on 05.07.2005 The exploitation of children in developing countries, with a special focus on child labour
	12	Organise a conference on the social dimension of the European Union' external relations	Key communication	Conference		1. 'The European Social Agenda and the EU's International Partners'. 20-21 November 2001  2. 'The Social Dimension of Globalization and EU Development Policy'. In European Union Studie Association (EUSA). 10.05.2007

**Annex 2 – Social Agenda 2005-2010**

**1. General**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			
<b>1.1 Intergenerational approach</b>	1	Green Paper on the intergenerational dimension	Key communication - Report and/or study	Green Paper	Welcomes the Green Paper on demographic change as a useful contribution to the analysis of the multifaceted challenges facing the EU and considers that the EP should contribute to the overall reflection on the consequences of the demographic decline and formulate proposals on the appropriate policy instruments available to the Union and the Member States to address it. P6_TA(2005)0210	-	EC COM (2005)0094. Green Paper "Confronting demographic change: a new solidarity between the generations." (16/03/2005)
	2	European Initiative for Youth	Legislative Act OMC - Codecision Procedure (COD)2004/0152	EC COM (2004)0471 Proposal for a Decision of the EP and the Council creating the "Youth in Action" programme for the period 2007-2013. (14/07/2004)	The EP adopted a resolution drafted by Lissy GRÖNER by 542 votes in favour, 76 against 12 abstentions and made some amendments to the proposal. The EP proposed EUR 1.128 billion as opposed to the EC's proposal of EUR 915 million budget. The EP also called for other issues.	The amended proposal integrates all the modifications adopted by the Council on its political agreement of 15 November 2005. Furthermore, the EC's proposal integrates a new financial allocation in line with the financial perspectives (EUR 885 million) and as a result of this has integrated a new age bracket in the programme. On 25 October 2005, the EP adopted 68 amendments. The EC considers that a large number of the amendments are acceptable.	On 15 November 2006, the EP and the Council adopted Decision No 1719/2006 /EC, which establishes the Youth in Action programme for the period 2007 to 2013. This document is the legal basis of the Programme for its entire duration. <u>Adaptation</u> : Decision No 1349/2008/EC of the EP and the Council amending the Youth in Action legal basis. (simplification of the procedural requirements)
<b>1.2 Partnerships for change</b>	3	Organisation of an annual meeting of all players concerned in a forum to evaluate the implementation of the Agenda	Legislative Act OMC; Financial instrument - Codecision Procedure COD/2004/0158	COM(2004)0488: establishment of the Community Programme for Employment and Social Solidarity, named PROGRESS, to financially support the implementation of the objectives of the EU in the employment and social affairs area. It shall run from 1 January 2007 to 31 December 2013.	The EP adopted a resolution drafted by Karin JÖNS amending the financial framework of the Programme from EUR 628.8 million to EUR 854.2 million, and made other amendments with a view to take into account gender mainstreaming, the rights of disabled people, the role of the EP and NGO's. (Please see the summary of 15/06/2005.)	- first modification: The EP adopted 72 amendments. The EC has not accepted EPs proposals on the financial framework, nor on the amount permitted for co-financing or the lower limits for the financial breakdown between the different sections. '- Reaction: The Council reached a partial political agreement on a draft EP and Council Decision establishing PROGRESS. The "partial" nature of this agreement is due to the fact that the	Legislative act: decision 1672/2006/EC of the EP and of the Council establishing a Community Programme for Employment and Social Solidarity - Progress.  Entry into action: 5 December 2006

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**1. General**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			
						budgetary aspects have been excluded. - Second Modification: On 29 September 2004, the EC published a proposal to establish PROGRESS and has adopted new proposals relating to the new financial instruments. The new amount for PROGRESS shall be EUR 743.25 million.	
	4	Social Agenda Forum 2008: Shaping a modern social agenda for Europe.	Social Dialogue - Forum, events and/or seminars	Social Agenda Forum 2008: Shaping a modern social agenda for Europe.		-	Social Agenda Forum 2008: Shaping a modern social agenda for Europe. With the outcome of the event being 'Developing an EU Agenda for Opportunities, Access and Solidarity'.
<b>1.3 Seizing the opportunities of globalization</b>  - Incorporation of the European Social Model into external dialogue and measures at bilateral, regional and multilateral level  - The promotion of decent work as a global objective at all levels	5	The EC will set up an interdepartmental group to promote consideration of the external dimension of employment, social policy and decent work	-	-	Welcomes the EC's commitment to strengthening the social dimension of globalisation experts to be consulted on practical measures to be proposed by the EC and its inter-departmental group working on this area	-	-

**Annex 2 – Social Agenda 2005-2010**  
**2. Prosperity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)		
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication				Nr	
<b>2.1 Achieving full employment</b>  - A revamped cycle of the EES in 2005 under the Lisbon mid-term review  - An ESF fostering convergence, employment and competitiveness  - Anticipation and positive management of change: a strategic approach	1	The EC planned to put forward a measure to sensitise the ESF Players and to launch a communication campaign on ESF	Legislative act OMC - Codecision Procedure COD/2004/0165	COM (2004)0493 Initial legislative document to establish the tasks of the ESF in the reformed framework of cohesion policy for the period 2007-2013.	The committee adopted the report by José Albino SILVA PENEDA amending the report (on 5 points)	Of the 85 amendments proposed by the EP, the EC is prepared to accept, in part or in full, 57 of them.	Regulation (EC) No 1081/2006 of the EP and of the Council of 5 July 2006 on the ESF and repealing Regulation (EC) No 1784/1999		
			Key communication - Communication note	COM(2005)0120	-			-	Framework for programming: the principle of Partnership in the new ESF programmes (2007-2013) June 2006
			Social Dialogue - Forums, events and/or seminars	Seminar	-			-	Seminar 'Shaping Transnational Cooperation in the new ESF Programmes' January 2007
			Legislative act OMC - Codecision Procedure COD/2008/0232	COM(2008)0813 Initial legislative document	The EP adopted by 604 votes to 16, with 10 abstentions, a legislative resolution approving unamended, under the first reading of the codecision procedure, the proposal for a regulation of the EP and of the Council amending Regulation (EC) No 1081/2006 on the European Social Fund (ESF) to extend the types of costs eligible for a contribution from the ESF.			No. Adopted in first reading under the Codecision procedure	European Social Fund ESF: extend the types of costs eligible for a contribution (amend. Regulation (EC) No 1081/2006)

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2. Prosperity objective

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			Nr
2		The EC plans to set-up a high level forum of all players and stakeholders for greater interplay between European policies designed to encourage and accompany restructuring	Legislative act OMC - Own-initiative Report INI/2005/2188	-	The committee adopted the own-initiative report drawn up by Jean Louis COTTIGNY. It welcomed the EC's decision to opt for a "global, transversal approach" to this issue. MEPs agreed with the EC that restructuring is not necessarily synonymous with social decline and a loss of economic substance. Business restructuring should only take place in order to save jobs or improve the competitiveness and the economic development of firms. Faced with "immoral or predatory tactics", the EC should make use of the possibility of mediation at European level through a group of independent ombudsmen.	No. Adopted in first reading under the Codecision procedure	The EP adopted a resolution based on the own-initiative report drafted by Louis <b>COTTIGNY</b> on restructuring and employment. Procedure ended on 15/03/2006 with a non-legislative resolution on restructuring and employment T6_0088/2006
			Social Dialogue - Forums, events and/or seminars	8 EC forums on Restructuring	-	-	- first Restructuring and Employment Forum (23.06.2005) - 2nd Restructuring Forum (18.07.2006) - 3rd Restructuring Forum (04-05.12.2006) - Specific Restructuring Forum on Anticipation (25-26.06.2007) - Restructuring Forum: Automotive sector (17-18.10.2007) - Restructuring Forum: Adaptation of SMEs to change (26-27.11.2007) - Restructuring Forum: anticipating change and restructuring in transnational agreements (13-14.11.2008) - Restructuring Forum: Anticipating change in the defence industry (8-9.12.2008)
			Social Dialogue - Consultation of stakeholders	C/2008/660	10.05.2007 on Strengthening European legislation in the field of information and consultation of workers, calls on the EC to update this legislation and to present to it a timetable in particular for the 'long-awaited revision of the Directive on European works councils'.	-	Consultation of the European social partners on the revision of the Directive of 22 September 1994 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertaking for the purposes of informing and consulting employees.

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**2. Prosperity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			Nr
			Legislative act OMC - Resolution by the EP for Consideration in Plenary. RSP/2008/2569 07.05.2008	EP: debates in plenary: Revision of the Directive 94/45/EC on the establishment of a European Works Council.	-	-	Procedure Ended: The EP held a debate, following on the Commission statement on the revision of Directive 94/45/EC. The debate was not followed by adoption of a resolution.
			Legislative act OMC - Codecision Procedure COD 2008/0141 Directive of the EP and of the Council.	COM/2008/0419 to establish a EU Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (recast).	The EP adopted by 411 votes to 44, with 181 abstentions, a legislative resolution approving, with amendments, the proposal for a recast of the directive of the EP and of the Council. The report had been tabled for consideration by Philip BUSHILL-MATTHEWS, on behalf of the Committee on Employment and Social Affairs. The main amendments are the result of a compromise between EP and Council.	Political agreement on final act, or awaiting final decision or signature	Political agreement on final act, or awaiting final decision or signature. Adapted on 23 April 2009.
<b>2.2 New dynamic for industrial relations</b>  - An evolving legal framework  - Key role of the social dialogue  - Promotion of corporate social responsibility	<b>3</b>	The EC intends to adopt a Green Paper on the development of labour law	Legislative act OMC - Own-initiative Report INI/2007/2023	EU-wide public debate on how labour law can support the Lisbon Strategy's goal of achieving sustainable growth with more and better jobs. COM(2006)0708	The Committee on Employment and Social Affairs adopted, by a large majority, the report by Jacek PROTASIEWICZ on modernising labour law.	-	The EP adopted the non-legislative resolution on modernising labour law. It was adopted by 479 votes in favour to 61 against with 54 abstentions.
			Non-legislative act 'Common Principles on Flexicurity'.	Communication from the Commission on common "Flexicurity" principles. COM(2007)0359	The Committee on Employment and Social Affairs adopted the initiative report drafted by OleCHRISTENSEN which proposes a set of common principles of flexicurity.		On 29/11/2007, the European Parliament adopted a non-legislative resolution 'Towards Common Principles of Flexicurity: More and better jobs through flexibility and security'. The report was adopted by 496 votes in favour to 92 against with 49 abstentions.
	<b>4</b>	In 2005 the EC will propose an initiative concerning the protection of personal data of workers.	-	-	-	-	

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2. Prosperity objective

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			Nr
	5	Proposal for updating Directives 2001/23/EC (transfers of undertaking)	Key communication - Reports and studies	Study of CMS Employment Practice Area Group on the application of Directive 2001/23/EC to cross-border transfers of undertakings (CMS 2006)	-	-	Study No VT/2005/101
			Key communication - Reports and studies	Report on Directive 2001/23/EC on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertaking, businesses or parts of undertaking or businesses	-	-	Report on Directive 2001/23/EC of 12 March 2001. Brussels, 18.06.2007 COM(2007) 334 final <SEC(2007) 812> <u>Follow-up:</u> On 20th June 2007 the EC launched the first phase of consultation of EU Social partners under Article 138(2) of the EC treaty concerning cross-border transfers of undertakings
	6	Proposal for updating Directive 98/59/EC (collective redundancies)	-	-	-	-	-

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**2. Prosperity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			Nr
	7	Proposal for updating the consolidation of the various provisions on worker information and consultation Directive	Non-legislative Act - Resolution on strengthening European legislation in the field of information and consultation of workers. RSP/2007/2546; 09.05.2007.  Own Initiative Report from the EP. INI/2008/2246	COM(2008)0146 with the purpose to review the application by Member States of Directive 2002/14/EC on information and consultation of employees in the EU	The Committee on Employment and Social Affairs adopted the own-initiative report drafted by Jean Louis COTTIGNY on the implementation of Directive 2002/14/EC. The committee recalls that there are 23 million undertakings with fewer than 250 employees (accounting for 99% of undertakings and employing over 100 million people) in the EU. According to MEPs, the EU institutions have a duty to guarantee and enhance the right of employees to be informed and consulted.	-	Procedure ended. Implementation of Directive 2002/14/EC establishing a general framework for informing and consulting employees in the European Community
	8	The EC will put forward a new strategy on health and safety at work	Legislative act OMC - Own initiative Report INI/2007/2146	COM (2007)0062 to present a Community strategy 2007-2012 on health and safety at work with a view to improving quality and productivity.	The Committee on Employment and Social Affairs adopted the own-initiative report by Glenis WILLMOTT. MEPs welcome the EC's target for an average reduction of 25% in workplace accidents across the EU. However, MEPs believe that this strategy can be strengthened by insisting on certain points. In conclusion, MEPs call for early identification and monitoring of new and emerging risks and ask both the EC and the MSs to apply and enforce the framework directive and the existing health and safety provisions fully and irrespective of their legal status to all workers.	-	Procedure ended 15/01/2008. The EP adopted a non-legislative resolution based on the own-initiative report by Glenis WILLMOTT in response to the EC's communication on the Community strategy 2007-2012 on health and safety at work. The resolution was adopted by 598 votes for, 20 against and 23 abstentions.
	9	EC will continue to promote the EU social dialogue at cross-industry and sectoral level, especially by strengthening its logistic and technical support and conducting consultations (Article 138)	-	-	-	-	-

**Annex 2 – Social Agenda 2005-2010**

**2. Prosperity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			Nr
	10	The EC will continue to promote corporate social responsibility and will put forward initiatives designed to further enhance the development and transparency of corporate social responsibility	Non-legislative Act - Own Initiative Report from the EP. INI/2006/2133.	COM(2006)0136	The committee adopted the own-initiative report drawn up by Richard HOWITT (PES, UK). The committee called on stakeholders to 'depolarise' the European debate on CRS by not supporting either exclusively voluntary or mandatory approaches. CSR policies should be promoted on their own merits, neither as a substitute for appropriate legislation in relevant fields, nor as a covert approach to introducing such legislation.	No	Procedure ended: the EP adopted the non-legislative resolution on corporate social responsibility: a new partnership 12.07.2007.
<b>2.3 A European labour market</b>  - An optional European framework for transnational collective bargaining	11	The EC plans to adopt a proposal designed to make it possible for the social partners to formalise the nature and results of transnational collective bargaining.	Social Dialogue - Initiatives on collective bargaining	Social Dialogue committee and website	-	-	1) In 2005 the EC announced the establishment of an EU-level social dialogue committee in the chemical sector, bringing the number of sectoral social dialogue committees at EU level to 31. 2) On 1 February 2005, the EC announced the launch of a new social dialogue website
- 2006, European year of worker mobility	12	The EC proposes to have a European Year of workers' mobility in 2006	Social Dialogue - Forums, events and seminars	2006, European Year of workers' mobility. MEMO/05/229 Brussels, 30 June 2005	-	-	European Year of workers' mobility
	13	The EC will make proposals to remove obstacles to labour mobility, notably those arising from occupational pension schemes	Legislative act OMC - Codecision Procedure COD 2005/0214 Directive of the EP and of the Council.	COM/2005/0207 to facilitate the exercise of the right of workers to freedom of movement and of the right to occupational mobility within the same Member State, by reducing the obstacles created by certain rules governing supplementary pension schemes in the Member States.	The EP adopted the resolution drafted by Ria OOMEN-RUIJTEN, and made some amendments on improving the portability of supplementary pension rights. EP wanted to set standards for the acquisition and preservation of pension rights, but did not agree with the EC's proposals on the portability of pensions. It stated that, since supplementary retirement provision is becoming increasingly important in all the Member States for securing people's standard of living in old age, the conditions for acquiring, maintaining and transferring acquired rights should be improved.	The EC considers that a majority of the EP's amendments are acceptable in full, in principle, or in part, as they maintain the aims and political viability of the proposal and in many cases enhance the original drafting. The amendments aim to shift the focus of the Directive onto the acquisition and preservation of dormant rights and away from provisions for transfers.	No outcome yet. Still pending.

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**2. Prosperity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			Nr
	14	The EC will set up a high-level group with representatives from all the MSs in order to assess the impact of enlargement on mobility and the way the transitional periods that were approved for the most recent enlargement are working.	Social Dialogue - Forums, events and seminars	Set-up of a high level group by the EC to examine the free movement of workers. The first meeting to be September 2005.	-	-	ID: EU0510202N Author: Andrea Broughton. Publication date: 10-10-2005
	15	The EC will prepare a report for the Council in early 2006 in order to inform the decisions to be taken on the transitional periods	Key communication - Communication note	1) Communication from the EC to the Council, the EP, the European Social Committee and the Committee of the regions  2) EC report on transitional arrangements	-	-	1) Report on the functioning of the transitional arrangements set out in the 2003 Accession Treaty (period 1 May 2004 - 30 April 2006). COM(2006) final, Brussels, 8.2.2006  2) MEMO/08/718, 18 November 2008
	16	The EC will conduct studies to monitor migratory movements following enlargement and in view of future enlargements	-	-	-	-	-
	17	The work of modernising an adapting the existing community rules will be pursued through the amendment of the Regulations on the coordination of social security schemes	Legislative act OMC - Codecision Procedure Regulation of the EP and of the Council COD 2005/0258	COM (2005) 0676 to amend Council Regulation 1408/71/EEC and Council Regulation 574/72/EEC laying down the procedure for implementing Regulation 1408/71/EEC.	The EP adopted a resolution drafted by Maria MATSOUKA making some amendments to the proposal, which were largely technical in nature. They aimed to give the text more precise wording and bring it into line with certain provisions in national law and judgments of the Court of Justice.	No. Adopted in first reading under the Codecision procedure	Legislative Act: Regulation (EC) No 1992/2006 of the EP and of the Council amending Council Regulation (EEC) No 1408/71.

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**2. Prosperity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			Nr
			Legislative act OMC - Codecision Procedure Regulation of the EP and of the Council COD 2007/0054	COM (2007) 0159 to modernise and update provisions relating to national social security legislation.	The EP adopted a legislative resolution based on the report drafted by Csaba ÓRY. The EP made a number of technical amendments that seek to simplify the proposal, correct errors and omissions and update the annexes to Regulation 1408/71. The amendments reflect changes to the titles of a number of social security payments and correct a typographical error in the proposal.	No. Adopted in first reading under the Codecision procedure	Legislative Act: Regulation (EC) No 592/2008 of the EP and of the Council amending Council Regulation (EEC) No 1408/71. Entry into force 07.07.2008
			Legislative act OMC - Codecision Procedure COD 2006/0006. Regulation of the EP and the Council	COM (2006) 0016 to lay down the procedure for implementing Regulation 883/2004 on the co-ordination of social security systems	The EP adopted, by 678 votes to 27 with 8 abstentions, a legislative resolution under the codecision procedure, amending the proposal for a regulation of the EP and of the Council laying down the procedure for implementing Regulation (EC) No 883/2004.	The EC adapts a certain number of points in its original proposal. The EC can accept the vast majority of the amendments (159 out of 162) as they are in line with the objectives of its proposal. These amendments relate to procedures for implementing Regulation (EC) No 883/2004 and generally aim to ensure that social security benefits are granted quickly and efficiently to EU citizens (cutting red tape).	Political agreement on final act, or awaiting final decision or signature. Second Reading 22.04.2009
			Legislative act OMC - Council Regulation CNS/2007/0152	COM (2007) 0439 to extend provisions on the co-ordination of social security systems to third country nationals.	The EP adopted, by 663 votes to 26 with 13 abstentions, a legislative resolution amending the proposal for a Council regulation extending the provisions of Regulation (EC) No 883/2004 and Regulation (EC) No [...] to nationals of third countries who are not already covered by these provisions solely on the ground of their nationality.	Procedure not ended	Political agreement on final act, or awaiting final decision or signature

**Annex 2 – Social Agenda 2005-2010**

**3. Solidarity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			
<b>3.1 Modernising social protection</b>	1	Initiation of a process of OMC from 2006 for the areas of health and long-term care	Legislative act OMC - Own Initiative Report INI/2004/2189	COM (2004) 0304 to modernise social protection for the development of high-quality, accessible and sustainable health care and long-term care: support for the national strategies using the OMC.	The committee adopted the own-initiative report drawn up by Milan CABRNOCH. MEPs endorsed the three main objectives proposed as the basis for the open method of coordination: universal access independent of income or wealth, high-quality care and long-term financial sustainability. They stressed that the "absolute sovereignty" of national (and where appropriate, regional) governments in the field of health care must be fully respected.	No. Adopted in first reading under the Codecision procedure	The EP adopted a non-legislative resolution based on the own-initiative report. EP emphasised that each individual must have the right to a free choice of healthcare and long-term care without restriction anywhere in the EU. It called on the Member States and the EC to ensure access information on the healthcare and health policy of other Member States through the EU health portal which is currently under construction.
	2	Proposal for the implementation of the OMC, in a way to be rationalised and simplified to inclusion, pensions and health	Key Communications -Proposal	COM (2005) 706 final on 22.12.2005 'Working together, working better: a new framework for the open coordination of social protection and inclusion policies in the EU'	-	-	In December 2005, the EC published the proposal for a new framework for the OMC of social protection and inclusion policies. In March 2006, the proposed streamlined OMC was adopted by the Council, based on a joint opinion of the Social Protection Committee and the Economic Policy Committee.
	3	The EC will act on the debate on the national minimum income schemes. From 2005, the EC will begin consultations on the reasons why the existing schemes are not effective enough. These consultations will focus on the social partners.	Legislative Act OMC - Codecision Procedure COD/2005/0004, Regulation of the EP and of the Council	COM (2005) 28 Amendment of Regulation 1177/2003/EC concerning Community statistics on income and living conditions	The EP adopted the report by Ottaviano DEL TURCO (PES, IT) approving the proposal unamended	No. Adopted in first reading under the Codecision procedure	Regulation 1553/2005 of the EP and of the Council. As a result of EU enlargement in May 2004 Annex II of Regulation 1177/2003 concerning statistics on income and living conditions (EU-SILC) needs to be extended. The 2003 Regulation has been amended accordingly.
			Key Communications - Reports and/or studies	EC Draft Report			Report IP/A/EMPL/FWC/2006-05/SC-2 'The Role of the minimum income for social inclusion in the EU'
		Key Communications - Communication note	EC Communication			COM (2006) 44 of 8.2.2006 concerning a consultation on action at EU level to promote the active inclusion of the people furthest from the labour market	

**Annex 2 – Social Agenda 2005-2010**

**3. Solidarity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			
			Non-legislative Acts - EP own initiative report INI/2008/2034	EC COM(2007) to identify ways in modernising social protection for greater social justice and economic cohesion: taking forward the active inclusion of people furthest from the labour market	The Committee on Employment and Social Affairs adopted an own-initiative report by Gabriele ZIMMER (GUE/NGL, DE) on promoting social inclusion and combating poverty, including child poverty, in the EU	No. Adopted in first reading under the Codecision procedure	Procedure ended: non-legislative resolution, P6_TA-PROV(2008)0467
			Non-legislative Acts - EP own initiative report INI/2008/2335	COM/2008/0639 on a EC Recommendation on the active inclusion of people excluded from the labour market	The Committee on Employment and Social Affairs adopted the own-initiative report drawn up by Jean LAMBERT.	Awaiting EP decision. 1st reading only.	Awaiting EP decision, 1st reading or one reading only
	4	The EC will put forward the idea of a European Year of combating poverty and social exclusion in 2010.	Legislative act OMC - Codecision Procedure COD/2007/0278 Decision of the EP and of the Council	COM (2007)0797 to designate 2010 as the European Year for combating poverty and social exclusion.	The EP adopted by 635 votes to 29, with 10 abstentions, a legislative resolution amending, under 1st reading of the codecision procedure, the proposal for a decision of the EP and of the Council on the European Year for Combating Poverty and Social Exclusion (2010).	No. Adopted in first reading under the Codecision procedure	following the agreement reached at 1st reading with the EP, the Council adopted unanimously this Decision declaring 2010 the European Year for Combating Poverty and social exclusion.
<b>3.2 Promoting diversity and non-discrimination</b> - Strategic approach to combating discrimination (2005) - 2007, European year of equal opportunities - A new phase in promoting equality between men and women: European gender institute	5	The EC will put forward a communication in 2005 setting out its planned policy approach and defining the policy framework for new measures	-	-	-	-	-
	6	The EC plans to organise a European year on equal opportunities in 2007	Legislative act OMC - Codecision Procedure COD/2005/0170 Decision of the EP and of the Council	COM (2005) 0225 to designate the Year 2007 as the "European Year on Equal Opportunities for All". PROPOSED ACT: Decision of the EP and the Council.	The EP adopted a resolution drafted by Martine ROURE and made some amendments to the Commission's text; the financial framework is now EUR 15 000 000 instead of EUR 13 600 000	No. Adopted in first reading under the Codecision procedure	Procedure ended: Decision 771/2006/EC of the EP and of the Council establishing the European Year of Equal Opportunities for All (2007) - towards a just society.

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**3. Solidarity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			Nr
	7	The EC will draw up a communication on future policy developments proposing action in order to tackle the weaknesses in the area of gender equality. It will also submit its annual report to the spring summit.	Legislative act OMC - Codecision Procedure COD/2004/0194	COM (2004) 0551 to extend both the Programme relating to the Community framework strategy on gender equality (2001–2005) and the Community Action to promote organisations active in the field of equality between men and women.	The EP adopted a report by Rodi KRATSA-TSAGAROPOULOU approving the Commission's proposal.	No. Adopted in first reading under the Codecision procedure	Procedure ended: Decision 1554/2005/EC of the EP and of the Council.
			Non-legislative act - Own initiative report INI/2006/232	COM (2006) 0092 to present a Roadmap on equality between women and men covering the period 2006-2010	The committee adopted the own-initiative report drafted by Amalia SARTORI (EPP-ED, IT) in response to the ECcommunication entitled 'A Roadmap for equality between women and men'. It gives some recommendations.	-	The EP adopted a resolution based on the own-initiative report drafted by Amalia SARTORI (EPP-ED, IT) in response to the EC communication entitled 'A Roadmap for equality between women and men'.
			Non-legislative act - Own initiative report INI/2007/2065	COM (2007) 0049 to present the fourth EC report on developments towards gender equality and orientations for gender mainstreaming of policy areas.	The Committee on Women's Rights and Gender Equality adopted the own-initiative report drafted by Piia-Noora KAUPPI (EPP-ED, FI) on the EC report on equality between women and men in the European Union – 2007.	-	The EP adopted a non-legislative resolution based on the own-initiative report drafted by Piia-Noora KAUPPI (EPP-ED, FI) on the EC report on equality between women and men in the European Union – 2007
			Non-legislative act - Own initiative report INI/2008/2047	COM (2008) 0010 annual report 2008 on equality between men and women	The Committee on Women's Rights and Gender Equality adopted the own initiative report by Iratxe GARCÍA PÉREZ welcoming the Commission's 2008 report on equality between women and men.	-	The EP adopted by 563 votes to 65, with 61 abstentions, a resolution on equality between women and men
			Key Communications - Reports and/or studies	COM/2008/0760, 26.11.2008 Mid-term progress report on the roadmap for equality between women and men (2006-2011)	-	-	-
	8	The EC will bring forward a proposal on the European Gender Institute	-	-	-	-	-

**Annex 2 – Social Agenda 2005-2010**

**3. Solidarity objective**

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			
	9	The EC will put forward new editions of its Action plan in the area of opportunities for disabled people and, every two years, on the European Day of Disabled People, will publish a report on the situation of people with disabilities	Non-legislative act - Own initiative Report INI/2006/2105	COM (2005) 06042 EC Communication on the European Action Plan 2006-2007 on the situation of disabled people in the enlarged EU.	The committee adopted the own-initiative report drawn up by Liz Lynne in response to the European Action Plan 2006-2007, which is the second phase of the EU Disability Action Plan.	No	The EP adopted a resolution based on the own-initiative report drawn up by Liz LYNNE in response to the EC communication on the situation of disabled people in the enlarged EU
			Legislative act OMC - Resolution RSP/2005/2623	-	-	-	The EP adopted a resolution on people with disabilities in developing countries.
<b>3.3 Social Services of general interest</b> Clarification of the role and characteristics of social services of general interest	10	In 2005, the EC will put forward a communication in order to clarify the framework within which social services of general interest operate and can be modernised	Non-legislative act - Own initiative Report INI/2006/2101	COM (2004) 0374 to present a White Paper setting out the Commission's approach in developing high-quality services of general interest.	The committee adopted the own-initiative report drawn up by Bernhard RAPKAY (PES, DE) in response to the Commission's White Paper on services of general interest published at Parliament's request in May 2004.	-	The EP adopted a resolution based on the own-initiative report drafted by Bernhard RAPKAY on the EC's White Paper on services of general interest. The report was adopted by 491 votes in favour to 128 against with 31 abstentions and represented a consensus reached between the largest political groups. EP asked for clarification on a number of topics and emphasised that the majority of SGIs could be provided under conditions of fair competition
			Non-legislative act - Own initiative Report INI/2006/2134	COM (2006) 0177 to present a communication on social services of general interest (SSGI) in the EU	-	-	The EP adopted a non-legislative resolution based on the own-initiative report drafted by Joel Hasse FERREIRA in response to the EC communication on implementing the Community Lisbon programme as regards social services of general interest (SSGIs) in the EU.
			Key Communications - Communication note	COM(2007) 0725	-	-	Communication of general interest reviewing progress made since the 2004 white paper. SEC (2007) 1514/1515/1516 on 20.11.2007
			Key Communications - Reports and/or studies	SEC/2008/2179	-	-	Preparatory phase in EP
			Social Dialogue - Forums, events and/or seminars	Forum on Social Services of General interest	-	-	Forum on social services of general interest on 29/29.10.2008

Annex 2 – Social Agenda 2005-2010

3. Solidarity objective

SPECIFIC PRIORITY	ANNOUNCEMENTS (Announced activities/measures in the Social Agenda)		PROPOSALS (Proposed activities/measures)		EP POSITION	MODIFIED PROPOSAL (by the EC)	FINAL OUTCOME (adopted announcements and proposals)
	Nr	Description	Classification and instrument	Initial proposal by the EC and communication			
	11	In 2005, the EC will also adopt a decision based on Article 86(3) of the Treaty and a Community framework on the arrangements for financing services of general economic interest	Key Communications	COM(2007) 725 final accompanying the communication "A single market for 21 <sup>st</sup> century Europe"	-	-	Services of General Interest, including social services of general interest: a new European commitment. Brussels, 20.11.2007
	12	The EC intends also to grant an exemption from notification of public service compensations of a limited amount	-	-	-	-	-

**Annex 3 – Renewed Social Agenda 2008-2011**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
<b>Children and Youth</b>	1	Mainstreaming children's rights in EU actions	Non-legislative Act: own-initiative report INI/2007/2093	COM (2006)0367 on the establishment of a comprehensive EU strategy on the rights of the child.	The Committee on Civil Liberties, Justice and Home Affairs adopted the own-initiative report by Roberta ANGELILLI. It calls for children's rights to be mainstreamed in all external policies and actions of the EU and reaffirms its denunciation of all forms of violence against children. MEPs have called for a wide range of measures aimed at strengthening and completing the strategy proposed by the EC. In particular, they call on the EC to create a specific budget line for children's rights, in order to finance work to implement the strategy or projects such as a European early warning system to combat "child abductions".	Procedure Ended: Communication "Towards an EU strategy on the rights of the child (2006)" Further actions: timetable of actions by commissioner Frattini.
	2	Promoting safer use of the Internet and enhanced action on road safety	Legislative act OMC - Codecision procedure COD/2008/0047 Decision of the EP and of the Council.	to establish a "Safer Internet" multiannual programme	The EP adopted the legislative resolution but made some amendments resulting out of a compromise between the Parliament and the Council. They concern the objectives, the priorities, the new threats, the actions and measures and the expenditures.	Procedure ended 16.12.2008
	3	Communication on school education to improve the quality of the education system of the Member States (targets for early school leavers, literacy, participation in secondary participation, life long learning). This follows a public consultation on 'Schools for the 21st Century'	1) Social Dialogue - Public consultation  2) Key communications - from the EC to the EP, the Council and the European economic and social Committee and the Committee for the regions	1) Public consultation 'Schools for the 21st century'  2) SEC (2008) 2177		1) EC Staff Working Paper on 'Schools for the 21st Century' 11/07/07  2) The communication is supported by a Staff Working Paper "Improving competences for the 21st Century: An agenda for European Cooperation on Schools", which sets out the latest research evidence and statistics, as well as a summary of the responses to the Public Consultation 'Schools for the 21st century'
	4	A Green Paper on "Migration and Mobility: challenges for the EU's educational systems".	Key communication	Paper and/or study COM (2008) 423 final	In its Draft Report on 'Educating the children of Migrants' (INI/2008/2328) from the Committee on Culture and Education (28.01.2009), the EP welcomes the Green Paper on 'Migration and mobility: challenges and opportunities for EU education systems'	A Green Paper on "Migration and Mobility: challenges for the EU education systems". Brussels, 3.7.2008

**Annex 3 – Renewed Social Agenda 2008-2011**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
	5	Issue a communication on developing the OMC on youth, with particular focus on young people with fewer opportunities	Key communication	Forums, events and/or seminars		Spring 2009 – Czech presidency youth event. Focus: Stock-taking and evaluation of the Open method of coordination (2004-2009) in the youth field
	6	Develop a more comprehensive approach to child poverty, based on quantitative targets, inspired by the European Strategy on inclusion and social protection	1-2) Key communication 3) Non-legislative Act: Own initiative Report	1-2) Paper and/or study 2) Legislative Act 3) COM (2007)0620 to identify ways in modernising social protection for greater social justice and economic cohesion: taking forward the active inclusion of people furthest from the labour market.	3) The Committee on Employment and Social Affairs adopted an own-initiative report by Gabriele ZIMMER (GUE/NGL, DE) on promoting social inclusion and combating poverty, including child poverty, in the EU.	1) Child Poverty and Well-Being in the EU: Current status and way forward. January 2008. 2) On 9.03.2009 the EPSCO (Employment, Social Policy, Health and Consumer Affairs) Council and the EC jointly adopted the 2009 Joint Report on Social Protection and Social Inclusion (on basis of the EC proposal for Joint Report of 13.2.2009, COM/2009/0058final). This fifth Joint Report draws on the renewed National Reports on Strategies for Social Protection and Social Inclusion, also taking into account the economic crisis. 3) The EP adopted by 540 votes to 57, with 32 abstentions a non-legislative resolution on promoting social inclusion and combating poverty, including child poverty.
<b>Investing in People, More and Better Jobs, New Skills</b>	7	It is important that the EP and the Council come to a rapid and positive conclusion on the proposals for directives on working time and on temporary agency work.	Legislative Act: Directive of the EP and of the Council. Codecision Procedure COD/2004/0209	COM(2004)0607 "Organisation of Working Time"	In its first reading on 11 May 2005, the EP made far-reaching amendments to the EC's proposal, in particular demanding a phasing-out of the opt-out provision. Since then, the revision proposal had been deadlocked in the European Council, despite repeated efforts to reach a consensus.	Procedure Rejected by the EP on 29/04/2009. The EP did not accept a text that ignores some of the most important amendments of its first reading. Hence, the Conciliation Committee decided that it was not possible to reach an agreement on the proposed directive. This decision brought to an end nearly five years of negotiations. EP and Council could not find a compromise on three crucial points: the opt-out, on-call time and multiple contracts. The main stumbling block was the opt-out clause, which EP had wanted to become exceptional and temporary. However, the Council had been unwilling to put an end to the opt-out.

**Annex 3 – Renewed Social Agenda 2008-2011**

Specific Priority	Announced activity/measure by the EC as is written in the SA		PROPOSALS (Proposed activities/measures)		EP Position	Final outcome
	Nr	Description	Classification and instrument	Proposal and communication by the EC		
			Legislative Act: Directive of EP and of the Council. Codecision Procedure.		In 2002 the EC proposed a directive on temporary agency workers based on the non-discrimination principle but allowing some exceptions. In the same year, the draft directive passed the first reading in the EP. Nevertheless, it reached an impasse in the Council due to the opposition of some Member States, mainly Germany, Ireland and the UK. In 2007, efforts to arrive at a consensus on the directive were intensified.	Procedure ended. A breakthrough was made possible by a recent agreement on equal treatment for temporary agency workers between social partners in the UK on 21 May 2008. Directive 2008/104/EC of the EP and of the Council of 19 November 2008 on temporary agency work. This act is adopted under the EC Treaty/Euratom Treaty and publication is obligatory. The agreement seems to be a real compromise that balances the different positions expressed in the debate.
	8	Directive to improve the functioning of European Works Councils to ensure effective social dialogue on restructuring operations. The renewed social agenda is also accompanied by Staff Working documents, one to encourage and support Social Partners to step up their efforts to anticipate and manage structural change. Another to highlight the importance of company-based trans-national agreements	Legislative Act: Directive of the EP and of the Council. Codecision Procedure COD 2008/0141.	COM (2008)0419 to establish a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (repeal. Directive 94/45/EC). Recast.  The revision of Council Directive 94/45/EC on the establishment of an EWC or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees has been discussed since 1999. In this context, the rapid adoption of the recast directive in the second half of 2008 shows that the necessity to improve the text of the 1994 directive could be accepted by all parties, including the social partners as well as Member States – with the exception of the UK.	On 17 November 2008, EP Committee on Employment and Social Affairs (EMPL) decided on further amendments to the EC proposal for the recast directive. In a joint meeting between the EC, the EP and the Council of Ministers on 4 December, the parties reached a compromise paving the way for an adoption of the recast directive by both the EP and the Council. On 16 December, the EP adopted the compromise text at first reading. The Member States reached a political agreement based on the text at the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO) meeting on 17 December. Only the British government abstained from approving the new text. The compromise text includes proposals of the European social partners taken up in the report by Philip Bushill-Matthews –in the European Parliament (EPP-ED, UK).	The main improvements concern clearer definitions of 'information', 'consultation' and 'transnational', the acknowledgement of the role of trade unions, rules for adapting EWC structures to company restructuring and the obligation for Member States to define adequate sanctions.
	9	A Report on the European Globalisation Fund	Key communication	MEMO/08/464		Annual report on the European Globalisation adjustment Fund 2007. 03.07.2008

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	10	A Communication on "New skills for new jobs initiative".	Key communication (as a result to the councils resolution on 15.11.07)	1) Publication April 2009 2) Communication COM (2008)868/3 accompanied by the Staff Working Document SEC(2008) 3058/2		1) Publication 'New skills for New jobs: anticipating and matching labour market and skills needs'. Completed in April 2009
	11	An updated strategic framework to apply the OMC for EU cooperation in education and training	Key communication	COM (2008) 865 "An updated strategic framework for EU cooperation in Education and Training beyond 2010."		Follow up: Education council in February 2009 and a next one in May 2009 to discuss the Strategic Framework with European Social Partners and other stakeholders.
	12	A Communication on multilingualism in the EU	Key communication	COM (2008) 556 final. "Multilingualism: an asset for Europe and a shared commitment".		The policy document proposes a series of concrete actions related to these questions and foresees a review of the progress made in 2012.
	13	Resolution on the proposal for a Council directive implementing the Agreement concluded by the European Community Shipowners' Associations (ECSA) and the European Transport Workers' Federation (ETF) on the Maritime Labour Convention, 2006 and amending Directive 1999/63/EC (RSP/2008/2660)	Council Directive	COM(2008) 422 final		Non-legislative Resolution (RSP/2008/2660). The European Parliament adopted by 646 votes to 20 with 5 abstentions, a resolution tabled by the Committee on Employment and Social Affairs on the proposal for a Council directive implementing the Agreement concluded by the ECSA and the ETF on the Maritime Labour Convention, 2006 and amending Directive 1999/63/EC.
<b>Mobility</b>	14	Invites social partners and MS to organise a Forum to promote debate and exchange of good practices on how to respect social rights against the background of increasing labour mobility	Social Dialogue	Forums, events and/or seminars		On 9.10.2008, the EC organised a Forum on Workers' rights and economic freedoms. It should contribute to the necessary clarification of the application of the Community framework as regards the free provision of services and the legislation on posting of workers, and on the exercise of social rights against the background of increasing labour mobility.

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	15	Continues to develop a 'fifth freedom' by removing barriers to the free movement of knowledge, promoting the mobility of specific groups like researchers, young entrepreneurs, young people and volunteers	Social Dialogue	Forums, events and/or seminars		1) Brussels EU Council 13/14 March 2008  2) Promoting the fifth freedom - conference to promote researchers' mobility 28-29.04.2009
	16	It will seek to ensure implementation of the EC Directive on mutual recognition of professional qualifications	Legislative Act OMC	EC Regulation No 279/2009 of 06.04.2009 amending annex 2 to the directive		Amendments were made for Slovakia and Denmark
<b>Longer and Healthier lives</b>	17	Propose a Directive on the application of patients' rights in cross-border health care.	Legislative Act OMC. Directive of the EP and of the Council. Codecision Procedure COD/2008/0142	COM (2008)0414 on the establishment of a Community framework for cross-border healthcare.	The EP adopted by 297 votes to 120, with 152 abstentions, a legislative resolution amending, under the first reading of the codecision procedure, the proposal for a Directive of the EP and of the Council on the application of patients' rights in cross-border healthcare	Awaiting 1st reading by Council
	18	Come forward with a Recommendation on the cross-border interoperability of electronic health records	Key communication	COM (2008)3282 final.		EC Recommendation on 2nd July 2008 on cross-border interoperability of electronic health record systems.
	19	Present a Communication on actions to meet the needs of an ageing population in autumn 2008. The 'European Action Plan for Ageing well in the Information Society' will raise over 600 million Euro for research into the use of ICT to improve the live of older people	Key communication	Communication + report + press release + Memos		2009 Ageing Report (European Economy 07/2008). Joint Report prepared by the EC and the Economic Policy Committee
	20	Publish an updated report on the impact of ageing on public expenditure in the spring of 2009	Key communication	The Communication builds upon a staff working document, an update of a joint long-term economic and budgetary projection exercise (the "2009 Ageing Report")		1) 29.04.2009: gathering in Brussels on Dealing with the impact of an ageing population in the EU.

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	21	Communication on long-term sustainability of public finances in the autumn of 2009	Key communication	Paper and/or studies. COM(2009)0180 Dealing with the impact of an ageing population in the EU - 2009 Ageing Report	Preparatory phase in Parliament	Preparatory phase in Parliament
	22	Issue a communication on health inequalities during 2009, building on work under the Social Inclusion and Social Protection OMC	Key communication	Consultation Paper		A consultation has been launched on 25.02.2009 to collect views on how the European Union can contribute to reducing health inequalities both within and between Member States.
	23	Propose a Communication and draft Council Recommendation on patient safety and the quality of health services	Key communication	1) COM(2008) 836 final 2) COM(2008) 837 final	Opinion of the Committee of the Regions on patient safety on 22/04/2009	1) Communication to the EP and the Council on patient safety, including the prevention and control of healthcare-associated infections. 15.12.2008  2) Proposal for a Council Recommendation on patient safety, including the prevention and control of healthcare associated infections. 15.12.2008
	24	Issue a Green Paper on the EU health workforce	Key communication	COM(2008) 836 final		The EC adopted a green paper on the EU workforce for health, published on 10.12.2008. This consultation aims to identify common responses to the many challenges facing the health workforce in Europe. The EC called on all interested organisations to submit responses to the issues raised in this Green paper. The deadline for response was 31.03.2009.
<b>Combating poverty and social exclusion</b>	25	Presenting the first biennial report on Social Services of General Interest	Key communication	Papers and/or studies. EC Staff Working Document SEC (2008) 2179/2		Biennial report on social services of general interest. Published on 02.07.2008
	26	Propose a recommendation on active inclusion	Key communication	Recommendation		EC Recommendation of 30.09.2008 on the active inclusion of people excluded from the labour market

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	27	Reshape and extend the food aid programme for Europe's most deprived people	Legislative Act: Council Regulation CNS/2008/0183 Food distribution to the most deprived persons in the Community (amend. Regulation (EC) No 1290/2005 on the financing of the CAP, and Single CMO Regulation (EC) No 1234/2007)	COM/2008/0563 to amend Regulation No 1290/2005 on the financing of the common agricultural policy and Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) to improve food distribution to the most deprived persons in the Community.	The EP adopted by 425 votes to 71, with 621 abstentions, a legislative resolution and made some amendments to it. (26.03.2009)	Political agreement on final act, or awaiting final decision or signature.
	28	Undertake initiatives in order to tackle the digital divide				
	29	Action is planned to promote financial inclusion, so that no one is denied to a basic bank account	Social Dialogue	Consultation on Financial Inclusion: Ensuring access to a basic bank account		Consultation is held From 6.2.2009 to 6.4.2009
<b>Fighting Discrimination</b>	30	Propose a Directive to combat discrimination based on religion or belief, disability, age or sexual orientation and to put into effect the principle of equal treatment, outside the field of employment	Legislative Act OMC - CNS/2008/0140 Council Directive	COM (2008)0426 to implement the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation outside the labour market.	The proposed Directive was backed on Monday 16 March 2009 by the EP Civil Liberties Committee, which particularly highlighted the need to tackle multiple discrimination. The EP adopted by 363 votes to 226, with 12 abstentions, a legislative resolution and made some amendments. (02.04.2009)	On 2 July 2008, after years of negotiations, the EC proposed a single anti-discrimination directive which covers protection against discrimination based on sexual orientation, age, disability, religion and belief with regard to access to social protection (including social security), goods and services (including housing), health care and education. The directive is now close to adoption.

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	31	Continue non legislative action to promote equality	Non-legislative Acts: own-initiative report INI/2008/2047	COM(2008) 0010	The Committee on Women's Rights and Gender Equality adopted the own initiative report by Iratxe GARCÍA PÉREZ. It reiterates the two-fold nature of policy on equal opportunities for women and men at EU level, on the one hand ensuring equality between women and men in all policy areas (gender mainstreaming) and, on the other hand, targeted measures to curb discrimination against women, including awareness-raising campaigns, the exchange of best practice, dialogue with citizens and public-private partnership initiatives	The EP adopted by 563 votes to 65, with 61 abstentions, a non-legislative resolution on equality between women and men. 03.09.2008
	32	Reporting on EU instruments and policies in favour of Europe's Roma community	Key communication	EC Staff Working Document COM(2008)420		Document "Community Instruments and Policies for Roma Inclusion".
	33	Strengthen the integration of a gender perspective 'mainstreaming' in its policies and activities.				
	34	Report in 2008 on the implementation of the Roadmap on Equality between Women and Men (2006-2010) and present an evaluation and a follow-up strategy in 2010	Key communication	Report and/or studies		"Report on equality Women and Men - 2008", completed in January 2008

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	35	Legislative proposals with a view to improving the reconciliation of private and professional life	1) Key communication  2) Legislative Acts. Directive of the EP and of the Council. Codecision Procedure COD/2008/0193	1) COM (2008)635 final  2) COM (2008)0637 Health and safety at work: workers who are pregnant, have recently given birth or are breastfeeding (amend. Directive 92/85/EEC)	2) The Committee on Women's Rights and Gender Equality adopted the report drawn up by Edite ESTRELA (PES, PT) amending, under the first reading of codecision procedure, the proposal.	1) Report "A better work-life balance: stronger support for reconciling professional, private and family life". Brussels, 03.10.2008  2) Awaiting EP decision, 1st reading or one reading only. In July 2008, the European social partners notified the EC of their intention to start the negotiation process under Article 139 of the Treaty in respect of certain family leave arrangements. At the end of the period of negotiations between the social partners (maximum nine months), the EC will give legal effect to the new agreement by means of a Directive or, if the negotiations fail, will consider whether to make its own legislative proposal. The EC also made an Impact Assessment (FII/2008/0193) publicized on 09/02/2009. This was prepared on the basis of the legislative options outlined in the 2007 second-stage consultative document sent to the social partners.
	36	Continue to tackle the gender pay gap, by exploring ways of improving the legislative framework	Non-legislative Acts: own-initiative report INI/2008/2012	Recommendations of the EP on the application of the principle of equal pay for men and women	The Committee on Women's Rights and Gender Equality adopted the own-initiative report drafted by Edit BAUER (EPP-ED, SK).	Procedure ended: The EP adopted, by 590 votes to 23 with 46 abstentions, a non-legislative resolution on the application of the principle of equal pay for men and women. 18.11.2008
	37	Issue a report on the 'Barcelona' targets concerning the availability of child-care facilities in September 2008	Key communication	Report and/or studies COM(2008) 638		Report September 2008: most countries have missed the targets for childcare provision – for 90% of children between three and school age and 33% of children under three – that EU leaders set themselves at Barcelona in 2002. The 'Barcelona targets' are an integral part of the EU's strategy for growth and jobs and aim to help young parents – and in particular women – into work.

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	38	Focus the OMC on reducing the at-risk-of-poverty rate for women, particularly older women	Key communication	COM (2008) 418 final		2.7.2008 communication on "a renewed commitment to social Europe: reinforcing the Open Method of Coordination for Social Protection and Social Inclusion".
	39	Take action on the gender gap in entrepreneurship	Financial instruments	Community Programme PROGRESS		743 million Euro for 2007-2013 of which 89 million Euro for Gender Equality
<b>Opportunities, Access and Solidarity in the Global Scene</b>	40	Promotion of the agenda for decent work, including through cooperation with ILO and other partners, and the mobilization of all relevant EU policies	Key communication	Seminar		6.02.2008, New York - Speech by Vladimír Špidla; Member of the EC with responsibility for employment, social affairs and equal opportunities; "Promoting full employment and decent work for all"; United Nations 46th session of the Commission for Social Development.
	41	Calls upon all MS to ratify and implement the ILO Conventions classified by ILO as up to date	Legislative Act OMC: Council Decision. CNS/2008/0107	COM(2008)0320 to authorize the Member States to ratify the 2007 International Labour Organisation (ILO) "Work in Fishing Convention".	The Committee on Employment and Social Affairs adopted, following the consultation procedure, the report approving the proposal for a Council decision authorizing Member States to ratify the Work in Fishing Convention, 2007, of the International Labour Organisation (Convention 188).	Political agreement on final act, or awaiting final decision or signature. The report had been tabled for consideration in plenary by Ilda FIGUEIREDO on behalf of the Committee on Employment and Social Affairs.
	42	Continue to promote Corporate Social Responsibility	Key Communications	Reports and studies: the EC launches open calls for proposals		Open call for proposals VP/2008/007, projects in the field of Corporate Social Responsibility
<b>Open Method of Coordination</b>	43	Proposes to strengthen and utilize the full potential of the Social OMC by applying some of the procedures and working methods used under the Lisbon strategy	Key communication	Communication: COM/2008/0418 final		Communication on 02.07.2008, Brussels, "A renewed commitment to social Europe: Reinforcing the Open Method of Coordination for Social Protection and Social Inclusion"
	44	Considers proposing a Recommendation on active inclusion	Key communication	EC Recommendation of 30/09/2008		The EC published a Recommendation on the 'Active Inclusion of people excluded from the labour market'. This is based on three common principles of active inclusion: adequate income support; inclusive labour markets and access to quality services.