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COVER NOTE

From:	The Employment and Social Protection Committees
To:	Permanent Representatives Committee (Part 1) / Council EPSCO
Subject:	European Pillar of Social Rights
	 Endorsement of the joint SPC and EMCO opinion

Delegations will find attached a joint opinion of the Employment and the Social Protection Committees, presented with a view to the session of the Council (EPSCO) on 15 June 2017.

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The Social Protection Committee The Employment Committee

31 May 2017

European Pillar of Social Rights Joint SPC-EMCO Opinion

- 1. Having carried out a comprehensive and inclusive consultation in the course of 2016, the European Commission adopted its final proposal for the European Pillar of Social Rights¹ on 26 April 2017. As part of the consultation process, EMCO and SPC submitted a Joint Opinion to the EPSCO Council in October 2016². In their Joint Opinion, the Committees highlighted the need for the EU and its Member States to address the structural reforms still needed following the financial and economic crisis, especially in relation to addressing persistently high levels of unemployment, poverty and social exclusion, as well as longer-term social challenges, such as those related to ageing, gender and other inequalities, child poverty, migration, digitalisation, and new forms of work. The Committees called for an approach based on a common set of principles and initiatives aiming to ensure the long-term resilience of labour markets and social protection systems.
- 2. On this basis, EMCO and SPC welcome the broad and extensive consultation that took place and the ensuing proposal put forward by the Commission. It responds to a large extent to the considerations raised in their Joint Opinion and builds on work done by the Committees on a number of issues.

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In short, the "Social Pillar"

Council document 12605/16

- 3. The Social Pillar initiative is an important milestone in putting employment and social protection at the forefront of EU and national policymaking, in line with the Rome Declaration of March 2017, in particular points 2 and 3. It seeks to strike a balance between ambition and realism, while at the same time addressing the employment and social policy challenges which Europe faces in the 21st century.
- 4. EMCO and SPC support the overall objective of sustainable upward convergence in employment and social outcomes. The Committees welcome the overall framework of the Social Pillar and the choice of an approach centred on common rights and principles. It is important that the Social Pillar fully respects the existing division of competences in the Treaty, remains coherent with the internal market and takes due account of subsidiarity and proportionality, and the autonomy of social partners. In this context, the implementing actions will need to be taken at different levels: European, national, regional and/or local. Ownership by Member States and social partners will therefore play a key role and the strengthened role of social dialogue in the proposal is particularly welcome. Any proposed implementing actions will have to take account of their economic impact and reflect the need for sound economic policies, fostering competitiveness and sustainable and inclusive growth.
- 5. Acknowledging that the Commission proposal for the Social Pillar is primarily conceived for the euro area but is open to all EU Member States wishing to be part of it, the Committees call upon all Member States to come together and participate actively, in line with the conclusions of the European Council adopted in October and December 2013.³

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³ EUCO 169/13, EUCO 217/13

- 6. EMCO and SPC would like to reiterate that a strong Social Europe is based on the effective and mutually reinforcing objectives of sustainable and inclusive growth and quality jobs, competitiveness and social cohesion. Therefore the objectives of the Social Pillar and the broader European agenda of competitiveness, macroeconomic and fiscal coordination and deepening of the single internal market should be coherent.
- 7. The Committees note that implementation of the Social Pillar should aim at reinforced action at EU and Member State level and build on the existing instruments and mechanisms which have proven to be effective, notably the Europe 2020 Strategy and the European Semester, the European Employment Strategy and the Open Method of Coordination for Social Protection and Social Inclusion, including the activities related to mutual learning and exchange of best practices. Further clarity is needed as to how the implementation will be linked to these and other existing processes and procedures such as the Macroeconomic Imbalance Procedure, and how duplication of instruments and processes will be avoided.
- 8. The Committees take note of the proposal of the Commission for a Social Scoreboard. They support the objective of improving the monitoring and assessment of the employment and social situation across the EU in an integrated and more visible way. However, complementarity with the existing monitoring instruments adopted by EPSCO the EPM and the SPPM must be ensured in line with the Council Conclusions on Social governance for Inclusive Europe. The Committees and their respective Indicators Groups will further examine the proposed list of indicators in detail in this context. Together with the Commission, they will discuss the proposed operationalisation of the Social Scoreboard, in particular including the Social Scoreboard or elements thereof into the next Joint Employment Report, its link to EPSCO's existing monitoring instruments, and its technical implementation. These discussions may lead to changes in the proposed headline and secondary indicators.

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⁴ Council Conclusions 14129/15

- 9. The Social Pillar will only have a real impact through strong ownership at Member State level. While recognizing that other Council formations will have a role to play, Ministers for employment and social affairs should play the leading role. At EU level, the EPSCO Council should therefore be in the centre of the finalisation of the Social Pillar, its governance and implementation. EMCO and SPC call for a clear roadmap leading up to the endorsement of the proposed Interinstitutional Proclamation and stand ready to contribute to this work.
- 10. The Committees have taken due note of the accompanying Reflection paper on the Social dimension of Europe, and will examine it in detail, together with the other relevant Reflection papers published by the Commission, in the coming months.

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