



European Economic and Social Committee

SOC/254
Taking stock of the reality
of European society today

Brussels, 18 January 2007

OPINION
of the
European Economic and Social Committee
on
Taking stock of the reality of European society today
(Exploratory opinion)

On 5 October 2006, the Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on

Taking stock of the reality of European society today
(exploratory opinion).

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 19 December 2006. The rapporteur was Mr Olsson.

At its 432nd plenary session, held on 17 and 18 January 2007 (meeting of 18 January 2007), the European Economic and Social Committee adopted the following opinion by 153 votes to 3 with 6 abstentions.

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1. **Introduction**

- 1.1 In June 2006 the European Council stressed the importance of bringing the social dimension closer to citizens and welcomed the European Commissions intention to take stock of the social realities in the EU. The Council invited the Commission to issue an interim report before the spring summit in 2007¹.
- 1.2 Against this background the European Commission asked the EESC for an exploratory opinion on how to "take stock of the reality of European society and launch an agenda for access and solidarity, a social dimension in parallel and close coordination with the single market review."² This opinion covers the first aspect. Another EESC opinion reviews the advancement of the single market.
- 1.3 The Commission believes "it is necessary that European solidarity policies and programmes must promote a higher quality of life, social cohesion and increase opportunities for the Unions citizens working with the national, regional and other authorities on the ground as well as with the social partners, promoting social dialogue and engaging civil society"³. The stock-taking will examine the major factors driving social transformation and also serve as a

¹ European Council June 2006 point 21.

² Letter from the Vice-President of the European Commission, Mrs Wallström of 5 October 2006.

³ See letter *ibid* and COM(2006) 211 final. A Citizens Agenda for Europe Page 4-5.

basis for European policy-making into the next decade in view of building a new consensus on the social challenges facing Europe⁴.

- 1.4 The initiative reflects a renewed interest in social issues at highest level in the aftermath of the no-votes in the referenda in France and the Netherlands. The UK Presidency invited Member States to a special summit (Hampton Court) dedicated to the European social model in October 2005. The German and Austrian Chancellors have proposed to include a "social chapter" in a reformulated constitutional treaty.
- 1.5 The EESC appreciates the intentions of the Commission. It notes that stock-taking the reality of European society is a broader approach than just reviewing social issues in the traditional sense. The stock-taking can be an important tool to bring the EU closer to citizens and to answer their expectations of what European policies should deliver. The initiative can also be seen as a way to strike a balance between the social and economic dimension of the EU.
- 1.6 The EESC underlines that the idea of a stock-taking process must be precise in its aims and how it is to be pursued over time. In order to be worthwhile and not only remain an academic exercise, it must also bring value added to, and be coherent with, other EU policies, actions and debates that tackle social realities. The stock-taking must therefore have a clear relation to the Lisbon strategy and the social agenda, and it must assess the instruments of EU social policy and their implementation. The stock-taking must also be given sufficient time really to involve organised civil society at all levels.
- 1.7 This opinion is a first contribution of the Committee and will be followed up by other activities during the stocktaking process.

2. **General remarks**

- 2.1 The realities of European society are already well chartered by scholars, institutions and organisations⁵. They have also been taken stock of in various EESC opinions to serve as a basis for conclusions and recommendations.

The positive aspects of economic and social development in Europe that are the major factors behind present social realities must be emphasised: a worldwide recognised quality of life, increasing longevity, new economic opportunities, social mobility, better working conditions and high levels of education and social welfare. The "Trente Glorieuses" within a context of full employment and comprehensive social protection cover favoured the construction of a relatively homogeneous welfare state in Europe underpinning economic growth.

⁴ See EU Commission work programme COM(2006) 629 final.

⁵ The Bureau of European Policy Advisers – EU Commission "think tank" - will soon publish a document to serve as a background.

- 2.2 The EESC strongly believes that those positive aspects are closely linked to a mutually reinforcing blend of economic policy, employment and social policy. The EESC underlines that social policy should be regarded as a productive factor.
- 2.3 However, as over the last decades, European society is facing deep social changes: employment and the labour market are undergoing major transformations which will lead to rapidly changing social realities for working people. Europe is facing unprecedented demographic change. The reasons for the falling birth rate must be highlighted and analysed. Experience from some Member States shows that a properly designed family policy that reconciles family and working life, with comprehensive and well-managed childcare and measures to bring more women into employment, could result in a higher birth rate. Also immigration will be an ever more important component of stemming the downward population trend. Integration of immigrants and ethnic minorities is an important challenge.
- 2.4 The socio-economic changes reflected in the transition to a global, post-industrial and ageing society have created new opportunities, but also new social risks. Larger layers of the population than before will be affected. The capacity of the welfare state to guarantee the well-being of all its citizens through adequate and sustainable employment and social protection policies is being undermined. Poverty persists, with the risk of long term social exclusion and lack of job security, primarily affecting women, immigrants, young people and the unskilled. This poverty is on the increase in certain areas where unemployment levels remain high. Rapid transition to the knowledge economy makes skills obsolete and professional careers less stable. Flexibility has to be coupled with new forms of social protection as well as active employment and life long learning policies, in order to counteract any lack of job security that might come with it.
- 2.5 New family structures, life style, cultural patterns demographic change, urban concentration, increasing mobility, easier access to information, patterns of consumption and individual behaviour are also factors transforming society, and environmental and climatic changes will very soon greatly affect citizens and society. Public opinion and attitudes must also be taken into consideration.
- 2.6 The overall economic and social progress in Europe often conceals the diversity and inequality of existing social realities at all levels. However, in the final analysis, it is the social reality on the ground and the quality of life of each individual person that count. Stocktaking of social realities must therefore start at the base level of society.
- 2.7 Diversity has increased significantly by the latest two enlargements. Each earlier enlargement made the European Union tackle social realities in order to pave the way for a smoother accession process. Many EU priority social policies can be seen in that context, for instance social security for migrant workers, social cohesion, social dialogue, employment policy and gender equality.

Enlargement involves major challenges for EU cohesion as well as for the achievement of some of the Lisbon goals, particularly in the area of social and employment policy. The Kok Report on the mid-term review of Lisbon warns that enlargement leads to tensions within the EU, which "will increase further unless there is some prospect of convergence". The emphasis of integration policy in the years ahead must be placed once more on the social strengthening of the Union. For this, the EU needs, among other things, basic macro-economic conditions that are geared to promoting growth and jobs.

The EESC notes the persistence of wide economic and social disparities between Member States. It believes that enlargement must not be perceived as a risk for downgrading the social dimension, but rather that, if accompanied by a more focused EU economic policy, it could be an opportunity to improve living and working conditions not only in the new Member States but all over Europe.

- 2.8 Stocktaking can be seen as an important step in fleshing out the contents of a European social model for the future on the basis suggested in a recently adopted EESC opinion⁶: a dynamic model, responsive to new challenges and providing an idea of a democratic, environment-friendly, competitive, solidarity-based and socially inclusive welfare area for all citizens.

3. **Specific remarks**

- 3.1 As stated above, the Committee has taken stock of realities in European society in almost all societal fields not only responding to ordinary Commission referrals but also through own initiatives and exploratory opinions.
- 3.2 Recent EESC opinions cover for instance; citizenship, employment, working conditions, life long learning, social and territorial cohesion, social protection, social exclusion, persons with a disability, gender issues, youth, children's rights, ageing, immigration and integration, environment and sustainable development, food safety and consumer protection, communications and transport, tourism services of general interest, public health, obesity and the social consequences of climate change as well as the more comprehensive Lisbon strategy.

⁶ See the EESC opinion of 6.7.2006 on the "Social cohesion: fleshing out a European social model", rapporteur: Mr Ehnmark, CESE 973/2006.

Some of the exploratory opinions and own initiatives drawn-up over the last period are very pertinent to the stock-taking⁷. There is also on-going work on opinions which will feed into the process.

- 3.3 In order to assess specific and overall social realities, as well as to measure the efficiency of its policy measures the EU must have at its disposal indicators that provide a sufficiently detailed and accurate picture. In order to develop "welfare performance", benchmarks and more reliable and qualitative indicators have been suggested by the EESC⁸ and should be part of the stocktaking process. The EESC reiterates its call for stakeholders to be invited to take part in formulating and evaluating indicators⁹.
- 3.4 The EESC notes the lack of labour market and migration statistics, as well as the need for a more comprehensive data from a gender and poverty perspective. The EESC therefore proposes that Eurostat should be given the task and resources to develop such statistics that accurately reflect the social trends in society, supplemented by the Dublin Foundation for a more qualitative analysis.

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See the following EESC opinions:

- 29.9.2005 on "Poverty among women in Europe", rapporteur Ms King (OJ C 24, 31.1.2006).
- 16.12.2004 on "Relations between the generations", rapporteur Mr Bloch-Lainé (OJ C 157, 28.6.2005).
- 13.9.2006 on "Immigration in the EU and integration policies: cooperation between regional and local governments and civil society organisations", rapporteur Mr Pariza Castaños, CESE 1169/2006.
- 13.9.2006 on "Civil society participation in the fight against organised crime and terrorism", rapporteurs Mr Rodríguez García-Caro, Mr Pariza Castaños, Mr Cabra de Luna, CESE 1171/2006.
- 14.9.2006 on "Making European citizenship visible and effective", rapporteur Mr Vever, CESE 1173/2006.
- 9.2.2005 on "Employment policy: the role of the EESC following the enlargement of the EU and from the point of view of the Lisbon Process", rapporteur Mr Greif (OJ C 221, 8.9.2005).
- 7.6.2004 on "Industrial change and economic, social and territorial cohesion", rapporteur Mr Leirião and co-rapporteur Mr Cué, CESE 959/2004.
- 14.7.2005 on "The scope and effects of company relocations", rapporteur: Mr Rodríguez García-Caro, and co-rapporteur: Mr Nusser, CESE 851/2005.
- 17.5.2006 on "Flexicurity: the case of Denmark", rapporteur: Ms Vium, CESE 740/2006.
- 31.3.2004 on "The social dimension of culture", rapporteur: Mr Le Scornet (OJ C 112, 30.4.2004).
- 16.3.2006 on "Domestic violence against women", rapporteur: Ms Heinisch (OJ 110, 9.5.2006).
- 14.9.2006 on "Meeting the challenges of climate change – The role of civil society", rapporteur: Mr Ehnmark, CESE 1160/2006.

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See the EESC opinion of 13.7.2005 on the "Communication from the Commission on the Social Agenda", rapporteur: Ms Engelen-Kefer (OJ C 294, 25.11.2005).

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See the EESC opinion on Social Indicators (own-initiative Opinion), Rapporteur: Ms Giacomina Cassina (OJ C221, 19.9.2002).

4. **A new consensus on the social challenges facing Europe – some outlines**

The necessary involvement of organised civil society

- 4.1 The EESC underlines that a stocktaking of the social realities with a view to building a new consensus must be based upon a process that involves organised civil society at all levels in a bottom-up approach. The stocktaking process must be given sufficient time to really reach citizens and their organisations. Otherwise there is a risk it will only be a superficial consultation at high level among experts.
- 4.2 As stocktaking of social realities has to be done at the lowest echelon, there is an important role for the social partners and other concerned actors, along with local authorities, to identify and articulate emerging societal needs and problems. The shared experience can be used to mobilise enterprises and citizens for local actions, and will also serve a more systematic stocktaking that will take place at national and European level.
- 4.3 In order to promote a bottom-up approach and appropriate "methods", the EESC believes that the EU Commission should financially support the organisation of stocktaking at national and regional level and give logistic help in order to have the stocktaking process take off. It is also important to develop new methods and transfer good practice on how to involve all stakeholders.
- 4.4 A bottom up approach of stocktaking the social realities must be defined by the participants themselves. There can be no restrictions in the debate. However, in line with the Commission, the EESC recommends that some transversal themes should be considered such an equal opportunity and non-discrimination, social rights and access to services of general interest, as well as the links between the economic and social dimensions¹⁰.
- 4.5 National governments must take the process seriously and let the stocktaking and its conclusions feed into the national reform programmes of the Lisbon strategy and other policies.
- 4.6 The EESC can play an active role both at national and European level through the members and the organisations it represents. Economic and Social Councils in countries where they exist, or other similar bodies, should also be mobilised.
- 4.7 At European level the EESC can organise a stakeholders' forum in cooperation with the Commission, both at the start of the process to set up a roadmap of actions, as well as a follow

¹⁰ The stocktaking process will take place during 2007, the European Year for Equal Opportunities.

up as the process draws to an end. The Committee proposes to associate the Liaison Group¹¹ to its activities in this field.

5. A new social action programme

- 5.1 The stocktaking cannot take place without simultaneously addressing the different methods and instruments of EU social policy and their efficiency in meeting the new social challenges. The right balance has to be found between the demarcation and complementarity of competence between the EU and Member States and the use of European legislative actions and the Open Method of Coordination (OMC). At the same time, implementation of existing *acquis communautaire* is necessary.
- 5.2 Current EU instruments should be analysed in order to determine their efficiency, also against the background scenario of eroding EU social policies and social *acquis*. The Finnish Presidency organised in November 2006, a conference on the theme "The Europeanisation of social protection", where one of the conclusions was that the European dimension of social policy should be further developed, and include better use of the OMC".
- 5.3 There are question marks about the efficiency of the OMC, as there is no real commitment by many governments. Through the stocktaking process ways of strengthening the OMC must be analysed in order for it to play a decisive role in achieving the goals of the Lisbon strategy.
- 5.4 Diversity and national priorities limit the scope for social legislation at the EU level. However findings of the stocktaking process must be assessed against the need for initiating, amending or simplifying legislation. Pertinent key legislative actions may be necessary when excessive differences hinder economic performance and become a source of strained relations between Member States.
- 5.5 The EESC underlines the specific and important role of the social dialogue at all levels both in stocktaking social realities and in taking initiatives to find common solutions to the challenges encountered. At European level the social dialogue based in the Treaty should be fully exploited. The Committee supports the three year programme of the European social partners and notes with satisfaction that the EU underpins the social dialogue in the new Member States.
- 5.6 Participation of other representative civil society organisations in policy shaping should be reinforced. These organisations are active in all societal fields and at all levels in order to give voice to citizens and to mobilise them for collective action to improve living conditions. Their role both in stocktaking and governance of the social policies should be recognised. Furthermore the role of the social economy to organise production and services in a way that

¹¹ The Liaison Group with European civil society organisations and networks is both a liaison body and a structure for political dialogue between the EESC and these organisations and networks.

respond to the needs of citizens and to improve their living conditions must be better promoted.

- 5.7 When summarising the stocktaking process the EESC suggests that the European Commission should organise a "citizens summit" on social realities with representation from all stakeholders. The Commission has a decisive role in identifying those social realities that are best addressed at the EU level. Organised civil society, national parliaments and regional authorities should be invited to formulate their own proposals. As a follow up the EESC suggests that a second special European Council dedicated to the European social model be organised (Hampton Court 2).
- 5.8 In order to build the basis of a new consensus on social challenges facing Europe, a new "social action programme" may be outlined, taking into account both economic realities and social expectations. The Committee would point out that the introduction of the "1992" single market strategy in the 1980's was accompanied by such a programme and the Commission is now asking for a "social dimension in parallel and close coordination with the single market review".
- 5.9 The programme would necessarily be based on shared values, on a strong affirmation of the link between social and economic progress and on a (re)definition of the common bond of European society binding together both citizens and Member States creating a high level of social capital. It would be accompanied by a precise and concrete agenda putting together the different actors, reflecting about the efficient use of current EU-instruments, being able to address social needs and expectations both at the EU and national level, in the context of globalisation and within the broader frame of European social acquis.

Brussels, 18 January 2007.

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