European Commission - Speech - [Check Against Delivery]



The Future of the Protection of Social Rights in Europe

Brussels, 12 February 2015

Marianne Thyssen, EU Commissioner in charge of Employment, Social Affairs, Skills and Labour Mobility

Speech at the opening conference of the Belgian Chairmanship of the Council of Europe Ladies and gentlemen,

It is a pleasure to address this audience at the start of the two-day conference of the Council of Europe under Belgian chairmanship.

The Council of Europe and the European Union have a shared commitment to the protection of fundamental rights and the rule of law in Europe.

We both have a long and strong record in promoting and defending democracy, human rights and fundamental freedoms.

We are allies, working closely together and holding a continuous dialogue in the area of social rights. Social rights are a cornerstone of society in all advanced democracies in Europe and elsewhere in the world.

All EU Member States have signed the European Social Charter and are parties to the European Convention of Human Rights.

The preamble to the Treaty on European Union states that the Member States confirm their attachment to fundamental social rights as defined in the European Social Charter and in the Community Charter of the Fundamental Social Rights of Workers.

And Article 151 of the Treaty on the Functioning of the European Union refers explicitly to the European Social Charter.

Ladies and gentlemen, the Treaty on the European Union also sets out that the Union shall work for 'a highly competitive social market economy'. Personally, this is a tradition I have grown up in. And it is a model that I have always helped to develop as a politician. I am convinced that it is the best possible model to combine competitiveness and prosperity with a strong social protection and a high level of well-being.

That is what our Social Market Economy is about: the awareness that the economic and social strength of our society are closely intertwined and mutually reinforcing.

For me – and I can assure you for the entire Juncker Commission - strengthening the social market economy means: growth, jobs, skills and social protection.

These go hand-in-hand. Let me explain briefly how I see this:

Our agenda for growth and jobs is built on three axes: **fiscal responsibility, structural reforms and investments.**

- (i) Fiscal responsibility is sometimes said to be contrary to the social values of Europe. I disagree with this point of view. For me, it is about not passing on the costs of the crisis to the next generation. It is about ensuring that our social protection systems are sustainable also for future generations.
- (ii) But fiscal responsibility must be applied wisely it must be accompanied by structural reforms. Structural reforms that do not put into question the basic values and fundamental rights which are so characteristic for our continent, but that translate those same values into a societal framework that is fit for today's and tomorrow's needs. This is what the structural reforms of labour markets, social security systems and tax rules which the Commission puts so much emphasis on is all about.
- (iii) And thirdly, we have taken a number of initiatives to mobilise funds for investments. 315 billion euro of investment is foreseen under the Juncker Plan to stimulate growth and job creation, and an ambitious roadmap to make Europe more attractive for investment, by removing regulatory and non-

regulatory bottlenecks in strategic sectors such as the digital sector and energy.

Job creation is very important. But we must also invest in people. Many Europeans barely have the skills they need for today's job market, let alone tomorrow's.

Up to 20% have only basic literacy skills and 25% have only basic numeracy skills. Those skills will be sufficient for only about 11% of jobs in 2025.

Two groups call for special efforts — the long-term unemployed and young people.

Preventing long-term unemployment from becoming structural is crucial.

And we must do our utmost to prevent a whole generation of young people from being discouraged. Young people in Europe must have the perspective of earning a living in a quality job, for themselves and their families.

The Youth Guarantee is one commitment the EU has made to its young people. Just last week, the Commission proposed on my initiative to increase substantially the pre-financing rates for projects under the Youth Employment Initiative. This means that EU money - almost 1 billion euro - will be available on the ground faster for training, apprenticeships and first jobs experiences to young people. This is not new money but money from the European Union funds that will be mobilised faster, as getting young people into jobs is something that cannot wait.

Growth and jobs, combined with skills development to make people better equipped for the jobs and for societies of tomorrow, are in my view the best instruments to promote social inclusion. Experience shows that unemployment leads to social exclusion.

Quality jobs, to the contrary, enable people to stand on their own feet, participate in society, and assert their civil and political rights. EU labour law, as well as the European Social Charter, guarantee workers since many decades high standards of social protection, like equal treatment and protection against discrimination, the right to work at a safe and healthy workplace, or the right to be employed in another Member State and social security coordination that underpins it. We should remain vigilant and join forces, as European Union and Council of Europe, to ensure that those fundamental social rights are upheld also at times of economic hardship.

Ladies and gentlemen, our European Social Market model aims to bring cohesion to our continent. More economic convergence is our ambition, in the euro-area, in the European Union as a whole, and beyond. Instead, we see unfortunately the opposite happening.

The crisis has disproportionally affected the weakest in our society: the low skilled, people with a migration background, women, ethnic minorities, disabled persons... The crisis has thus deepened the existing divides and created new ones. This is not only a problem for those who are left behind. It also poses a real threat to our societies as a whole.

We see the basis for solidarity eroding. Workers coming from abroad are seen as bringing unfair competition. Their right of access to social benefits is being questioned even when they are paying into the system. Let alone social assistance for economic non-active people.

Protection of civil rights gives rise to intense debate in the fight against terrorism and organised crime. Democratic values are under pressure.

My point is that under those circumstances, the Council of Europe and European Union must more than ever continue to join forces to ensure that the fundamental civil, political and social rights that we have fought to acquire and that characterize our Continent are safeguarded.

But we must also address the root cause of the problem. For me this means: creating sustainable growth and jobs, equipping people with the skills they need, promoting inclusive labour markets and high standards of social protection. These will not only benefit the people most directly concerned but also contribute in my view to cohesive, open and democratic societies.

Ladies and gentlemen, the Juncker Commission is determined to tie the social into the economic side of our social market economy to balance economic freedoms and social rights fairly. Economic growth can only be sustainable if it is truly inclusive.

This conference can contribute to this precious balance.

I want to thank the Council of Europe and the Belgian Presidency for organising this event.

We share a determination to make the world a better place to work and live in.

I embrace every opportunity to make progress towards that goal.

General public inquiries: $\underline{\text{Europe Direct}}$ by phone $\underline{\text{00 800 67 89 10 11}}$ or by $\underline{\text{email}}$