

## **Report from working group "The social and economic model"**

The European social and economic model is a **common vision** of how society should be organized, which is different from other parts of the world.

The EU has brought not only half a century of **peace but also economic and social progress**. The central underlying principle is one of solidarity and cohesion: that economic growth must serve to boost overall social wellbeing, and not take place at the expense of any section of society, especially young people.

We believe this model is based on **common values** such as freedom, equality, social justice, dialogue and respect for human rights based on the principle of equality among member states. We want a Europe of openness and inclusivity for all.

One of the fundamental aims of European integration is also to ensure **sustainable development** on the continent.

Europe's overarching objective must be to create a more equal society that enables every individual to live in dignity.

We have identified **different characteristics which shapes the European social model**:

- fundamental social rights, including equal opportunities and non-discrimination (age, sexe, origin, religion, disability...), equality, fair working conditions.
- social protection, delivered through highly developed universal systems, and wealth redistribution measures such as minimum income or progressive taxation
- a genuine social dialogue involving social partners as well as civil society
- social and employment regulation
- state responsibility for full employment and quality of jobs and for providing services of general interest

This model has to face big **challenges**.

One of the most important is certainly to manage Europe's *demographic change*.

In order to respond positively to this challenge, we need an integrated approach within the framework of a new pact between the generations. A range of instruments, policies and players must be involved. The focus must be among others on better and accessible education for all, life long learning and training, the negotiating adaptability of working conditions, equal pay. Furthermore, we consider migration as one part of the solution of Europe's demographic problems. The key issue is to address is how to develop a more proactive migration policy, geared towards managing and not preventing migration., and how to get the support of Europe's populations for it.

Women are also key in this discussion. They are one of the main actor in the provision of the future work force. It's the reason why we need to develop the necessary measures to enable families to combine work and family responsibilities.

The *situation of young people* in the labour market is another crucial challenge.

Indeed, young people are one of the most vulnerable group on the labour market. More

than others, they are facing very high level of unemployment and precariousness. This situation has many consequences on their daily life and autonomy such as access to housing or to social protection systems.

Together with the need to find ways to improve this fragile position of youth, the decent integration of youth in the labour market should be an essential part of the discussions on the future of the economic and social model of the European Union. We strongly believe that the European youth pact is a critical policy instrument to improve the situation of young people in society and which has to be fully implemented by the member states.

We think also that the issue raised by restructuring operations and their links with employment and other policies in this domain highlights the need to *adapt to a change* that goes hand in hand with the concern to safeguard salaried workers' employability and facilitate their transition to jobs of an equivalent quality.

The key thing is to enable the actors of the company to anticipate change, rather than merely manage the often disastrous consequences it has for the workers and sometimes for the enterprise. Anticipating, managing and monitoring restructuring processes requires active involvement by all the actors concerned. Any such action must be based on clear synergies between political, legislative, contractual and financial instruments.

Lastly, we believe that the balance between *flexibility and security* has also to be addressed. Indeed, the new concept of flexicurity is for us about finding a socially acceptable balance between the needs of adaptable enterprises/workplaces and a long-term objective of human and social and development.

Labour market flexibility or dynamism is important for workers as well as for the economy as a whole. It is an essential part of economic development, but also workers need more options on the labour market. Positive flexibility is important for workers in order to find new jobs and make a career. Lifelong learning is an essential element, but also development of work organisation towards more sustainable, learning workplaces.

The challenges identified above could be faced through the implementation of the following actions:

1. For a European Youth pact with impact:

- It is imperative to reduce the youth unemployment level by half through 2010
- Developing an initiative on housing and young people
- Agree on common answers to safeguard good employment condition and a basic level of social protection to interns in Europe.
- Facilitate young peoples' access to credit taking in due consideration their specific needs.

2. "For a genuine civil dialogue": through setting up mechanism that establish a shared and participated decision-making process including policy makers and organizations of the civil society.

