

COUNCIL OF THE EUROPEAN UNION

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COVER NOTE

from:	The Social Protection Committee
to:	Permanent Representatives Committee (Part I) / Council (EPSCO)
Subject:	Contribution to the European Council (24-25 March 2011):
	 Assessment of the social dimension of the Europe 2020 Strategy: 2011 report of the Social Protection Committee
	= Main messages of the report

<u>Delegations</u> will find attached the main messages of the report under reference, with a view to the session of the Council (EPSCO) on 7 March 2011.

The full report from which these main messages are drawn is to be found in doc 6624/11 ADD 1.

The Social Protection Committee



SPC ASSESSMENT OF THE SOCIAL DIMENSION OF THE EUROPE 2020 STRATEGY (2011)

MAIN MESSAGES EMERGING FROM THE 2011 SPC REPORT ON EUROPE 2020

- One in five people in the EU is at-risk-of-poverty or social exclusion and 40 million people are in a condition of severe deprivation. EU heads of State and Governments have committed to lift at least 20 million people out of poverty and social exclusion in the next decade.
 Fulfilling this objective requires ambitious national targets and the necessary measures to meet them, so to ensure that fighting poverty is part of the overall recovery strategy. It also requires the mobilisation of all stakeholders.
- A rapid return to growth and well designed employment and education policies are crucial to reduce poverty and social exclusion. At the same time, efforts to restore sound public finances and reform *social protection systems* should both aim at ensuring their sustainability and adequacy. This will also help preserving their important role as automatic stabilisers. In doing so, Member States should aim at combining effectiveness, efficiency and fairness. The most vulnerable should be protected from bearing the brunt of the consolidation measures.
- As Member States pursue recovery, active inclusion strategies combining income support, access to the labour market and health and social services are needed to prevent long-term exclusion while increasing the efficiency of social spending. This entails facilitating labour market participation of all, in particular women and the young; linking social assistance to activation measures and access to enabling services; as well as improving the coverage and adequacy of social safety nets where needed. Ensuring the sustainable financing of high quality social services is also crucial.

- 25 Million children are at risk of poverty or exclusion in the EU. In order to *break the intergenerational transmission of poverty* Member States need to *prioritise early childhood intervention* in areas such as health and education, to enhance the availability of quality child care and enabling services, to promote the labour market participation of parents, and to guarantee adequate income support to families with children through a combination of well designed universal and targeted benefits.
- Policies to tackle the most persistent and severe forms of poverty and social exclusion require a combination of universal and targeted approaches. Specific attention should be given to preventing and fighting homelessness and housing exclusion; to addressing fuel poverty and financial exclusion. Promoting social inclusion and tackling discrimination of groups at risk needs to be a core element of social policies.
- Maximising employment years and minimising the effects of career breaks is crucial in ensuring future pension adequacy and long-term financial sustainability of pensions systems. This entails raising employment rates and pension coverage –notably for the youth and women– for example by crediting involuntary career breaks and increasing the effective retirement age, including by tightening early retirement pathways and enhancing conditions and incentives for older workers to work longer and finding ways to adapt pension rights to developments in life expectancy.
- Ensuring universal access to quality care for all will require renewed efforts to maintain an efficient health sector. Increasing *effectiveness*, *sustainability and responsiveness of health care and long-term care* in the context of austerity and ageing will be necessary, including through innovative and coordinated health and social care delivery, such as integrated pathways for the treatment of chronic diseases. Investing in health promotion and disease prevention (including mental health problems) can bring high returns in both in social and economic terms.

- The success of the Europe 2020 Strategy depends on an integrated and coherent approach between all relevant policy areas in particular social, employment and economic policies as well as close cooperation between all levels of government, social partners and civil society. Linking EU funds to Europe 2020 priorities and supporting social innovation will enhance effectiveness.
- The Commission and Member States should consider the need to strengthen their capacity to assess the social impacts of their major policy and spending decisions as part of overall impact assessments, in line with Article 9 TFEU and in the context of the European Platform against Poverty and Social Exclusion. Improving the timeliness of social statistics and enhancing analytical capacity is also crucial.
- The SPC will provide its input on how to ensure coherence between *the objectives and the working-methods of the Social OMC and the new context of the Europe 2020 Strategy* and its governance, on the basis of the experience of the first European Semester of Europe 2020.

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