

**Intervention by Peter Hain, member of the Convention
representing the UK Government and Secretary of State for
Wales, on Social Europe**

Europe needs a future of full employment and better jobs. With fair employment rights, with good welfare provision and high quality public services, and with sustainable pensions.

Giorgos Katiforis was an excellent chairman of what was always going to be a difficult Group. And the high degree of consensus in his Group underlines the breadth of support for a new European social model. A new model based neither on American free marketism, nor on old fashioned protectionism.

The Group was unanimous that we can only ensure a Europe with social justice for all if we promote employability. If we are adaptable and flexible. We do not want to go the route of the United States with its poor social standards, weak communities and high levels of poverty. But nor should we pile on ever more labour regulations in a way that prevents companies creating more jobs, or Europe's 18 million unemployed getting the chance to work.

I share the consensus reached by the Katiforis report on the values of the Union: social justice, solidarity and equality. And on our objectives, including full employment. I am particularly glad that the report recognises that we can achieve these objectives using the diverse traditions of the Member States and the participation of social partners. The Open Method of Co-ordination provides a useful additional tool to do this. But any Treaty reference to the method must allow it to be used flexibly. We cannot accept crude harmonisation of standards, because different countries have such different traditions and social systems, especially so after enlargement.

As the report notes, there was one issue where the group could not reach agreement - the extension of QMV in the social policy field, to which many Governments and parliamentarians are opposed. In Britain tax and social security are closely linked to make it easier to move from welfare to work, so we cannot accept any more QMV here. And the truth is that unanimity has not prevented Europe from adopting key social legislation. Nor has

anybody provided any evidence that an additional extension of QMV will deliver more jobs or higher social standards.

In any case, the Nice Treaty set in place arrangements for more QMV. Nice also gave the power for the Council to decide by unanimity to move to QMV in still more areas of social policy. But, these new Nice arrangements only came into effect last week! They should be given time to show their effectiveness, before we consider whether yet another extension of QMV is justified.

But we should not allow this single difference of opinion on QMV to detract from the vision set out in the report, nor from the almost unanimous consensus that we reached on everything else. Otherwise all the hard work we did to make this Report a success will have been wasted and we will not get agreement in either this Convention or the subsequent IGC. Instead we can move forward to create a Europe which is a strong beacon for social values across the world.

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