

Working Group XI

Working Document 22

Working Group XI “Social Europe”

Subject: **Comments on paragraphs 4 to 7 of the Mandate**
 By Dick Roche

Members of Working Group XI on “Social Europe” will find hereafter a paper by Mr Dick Roche, member of the Convention.

Working Group XI – Social Europe

Comments by Dick Roche, Member of the Convention, on Questions 4-7 of the Mandate of the Working Group

I attach preliminary views on questions 4-7 of the mandate of the Social Working Group. I hope to expand on these views during the next meeting of the Group on Friday, 10 January.

Question 4: What role should be given to the open method of coordination and what would be its place in the Constitutional Treaty?

This issue was discussed in both the Economic Governance and Simplification Working Groups. No consensus could be found in the former, while a majority in the Simplification Group favoured constitutional status for the Open Method of Coordination.

I continue to have some reservations about including the OMC in the new Treaty. It can be justifiably argued that its informal and flexible nature is best served by keeping it outside of the Treaty. I recognise also, however, that there is an argument that without a clear Treaty base, the open method risks losing momentum and credibility, and having little impact on social cohesion. It may be that a carefully worded provision, emphasising its importance and ensuring that the open method does not become a “one size fits all” approach, could be the best way to maintain the flexibility and non-binding nature of the current coordination process.

Question 5: What relationship can be established between the coordination of economic policies and the coordination of social policies?

Some co-ordination between the Economic Policy Committee, Economic and Finance Committee, Social Protection Committee and the Employment Committee already takes place. In recent years this co-ordination process has been strengthened further, for example, with regard to preparations for the Spring European Council, and in terms of developing the Broad Economic Policy Guidelines.

I believe that it is important that the policy co-ordination process remains as 'light', and focussed on key issues, as possible. I do not believe that new processes are required. Rather, the emphasis should be on maximising 'tangible outputs' from existing policy co-ordination processes.

The Broad Economic Policy Guidelines are rightly regarded as the central element of the EU economic policy co-ordination process. The key role of the BEPGs needs to be respected, as does the ECOFIN Council's role in their preparation.

Question 6: Regarding procedures, to what extent should co-decision and qualified majority voting be extended to matters for which unanimity is currently required?

It should be recalled that lengthy debate on the extension of qualified majority voting took place during negotiations on the Treaties of Amsterdam and Nice and that a relatively small number of areas continue to be subject to unanimity. Those that remain reflect, as was noted by the Simplification Working Group, areas of national sensitivity for Member States.

Different Member States have very different systems of social security and this diversity needs to be recognised. The system of social security contributions, like taxation, is an important issue of national sovereignty. The democratic acceptability of decisions in this area requires that such decisions are made by a unanimous procedure which involving consensus that recognises the different social, cultural and economic backgrounds in, and requirements of, the different Member States.

Question 7: Title VI of the preliminary draft Constitutional Treaty deals with the democratic life of the Union. Should the role of the social partners appear in Title VI and, if so, what should this role be?

There is no doubt but that the social partners have an extremely important role to play. Their role is already currently recognised in Articles 138 and 139 TEC; however, there may also be value in an enhanced reference to social partnership in Title VI. One issue that will require examination is the definition of social partnership. In some Member States, including Ireland, the term is defined quite loosely, while in others, the term may simply mean trade unions and employers, or trade unions alone. Any reference in Title VI must take account of this.