



*Ministero del
Lavoro e delle
Politiche Sociali*



Presidency Conclusions

Informal Council of Employment and Social Policies
Varies, 11th July 2003

1. The Ministers of Employment and Social Affairs of the European Union, the European Commission, the European Parliament, together with the Ministers of the ten new Member States, met in Varese for their Informal Council. The meeting was also attended by the Ministers of Bulgaria, Romania, Turkey, Croatia, Norway and Switzerland. The President of the Task Force on Employment, Wim Kok, also attended the meeting.
2. The debate was focused on how to establish a link between the employment strategy and social policies, by setting up a sort of “welfare road-map”, based on the open method of coordination. In this framework, the Commission Communication “Strengthening the social dimension of the Lisbon strategy: Streamlining open coordination in the field of social protection” was important as a basis for debate.
3. The Meeting recognised that the economic situation was difficult, economic growth still weak and that there were widespread feelings of uncertainty and lack of confidence in all European countries. Moreover, Europe is losing competitiveness and this is casting a shadow over employment and social policies.
4. Therefore, we need to implement both economic and employment policies in order to create more jobs. Employment is a key element for social inclusion and cohesion, and we believe that Europe can be more effective in this field, including through an enhanced dialogue with the social partners, as well as with NGO’s, especially with regard to the fight against social exclusion.
5. It was acknowledged that, in order to complete the Lisbon strategy, it is necessary to reorganise and rationalise social policies, making the various dimensions, based on reliable indicators, more coordinated, more consistent and more outcome-oriented, but retaining their autonomy and their visibility, and avoiding the risk of them being watered down.

6. On the contrary, it was stressed that social policies should play a fundamental role in an integrated socio-economic policy, and they should be synchronised with economic and employment policies. Strong support was expressed for the Italian Presidency's idea of reinforcing the economic and social policies in the European Union through raising the profile of social sustainability in future actions, alongside the need for financial sustainability.

7. Everybody agreed that active ageing affects all European countries and that it is necessary to promote policies for a longer working life. On the basis of the Laeken and Barcelona Conclusions, there was a general consensus on strengthening the link between employment policies and pensions policies, increasing the participation of the elderly in the labour market and reducing early retirement incentives and practices. The promotion of a longer working life should be reinforced through adequate measures based on the Commission action plan on skills and mobility aimed at facilitating the portability of complementary pension rights. The social partners will shortly be consulted on this issue.

8. It was recognised that the provision of adequate, sustainable and modern pension systems is essentially a national responsibility. However, this process should be improved and strengthened through the setting of both common aims and national targets, promoting an European strategy based on the open method of coordination. The European Council of March 2003 has invited the Commission "to report in time for the 2004 Spring Council on the improvement in the overall framework for social protection policies through a greater emphasis on the effectiveness of incentives and the identification of best practice". The Presidency believes that the EPSCO Council should play an effective role in this action, by accelerating the synchronisation of the pensions pillar with other economic and social policies. The Commission proposed that the social partners should be fully involved in this process and that the next Tripartite Social Summit should

be dedicated to the inter-relations between labour market policies and pensions in the context of fulfilling the Barcelona target.

9. The debate also focused on the issue of undeclared work. There was a general consensus on the relevance of this problem both for competitiveness and for social cohesion. The revised European Employment Strategy includes a new Guideline on undeclared work. The social partners were called to seriously address this issue. The aim should be to respond to this guideline through a common European strategy, which would be based on prevention and the policy mix provided for in the European Employment Strategy.

10. Transforming undeclared work into regular employment would contribute to achieving full employment, improving quality and productivity at work, strengthening social cohesion and inclusion, eliminating poverty traps and avoiding the distortion of markets. Within this framework, an improvement in national statistics aimed at allowing a better comparison of the situation in each Member State is an essential step.