

**Suggestions for developing a future EU “2020” strategy**

**(Participating in the consultation process)**

Submitted by the

**European Centre for Workers’ Questions (EZA)**

Johannes-Albers-Allee 2  
53639 Königswinter  
Germany

Registration number: **Luxembourg TCR, F 1057**

## **Introduction**

The European Centre for Workers' Questions (EZA) is a network consisting of 68 Christian-social worker organisations from 24 member states (including candidate countries) of the European Union. The suggestions made below are the result of consultations and seminar results from our network.

The suggestions are a contribution from the education area of the **social dialogue**, since our primary task is the training of multipliers from worker organisations. They are designed to enhance the **social dialogue** and highlight the fundamental significance of worker organisations for the development of a social and sustainable EU to 2020.

## **Significant elements of the 2020 strategy**

Against the background of the current financial, economic and employment crisis, one of our greatest priorities is the protection of European workers' interests. Therefore, a coordinated procedure is required at global, regional, national and local level involving social partners and NGOs, in order to be able to minimise the consequences of the crisis over a long period of time and to stimulate demand.

The application of central, ethical guidelines, such as the creation and maintenance of sustainable jobs, a secure and fair salary and income situation for workers and the maintenance of the social security system is particularly significant for the future of the EU and should be an important element in the "EU 2020" strategy.

Against this background, we suggest the following elements as important components of a future strategy:

### **1. The 2020 strategy in relation to workers**

The implementation of legal or contractual minimum wages and flat-rate contracts should be promoted, low and average incomes should continue to help stimulate demand, the amount of time unemployment assistance is available should be expanded in order to unravel the economic and employment crisis and these are tied in with a further education programme, the creation of qualification provisions for workers is to be promoted and state-supported banks should be called on to grant credit

to private households. One of the central focuses should also be tackling the constantly increasing numbers of unemployed young people. If, after the crisis has run its course, insufficient numbers of jobs are created, with the aim of reducing existing unemployment over a long period of time, there has to be a discussion about the future development of the employment sector.

## **2. The 2020 strategy with regard to companies**

Economic growth is essential for businesses. To overcome the economic and employment crisis, as well as for future crisis situations, companies should, instead of laying off workers, create variable work periods and training programmes, state-supported banks should be encouraged to release credit to credit-worthy companies, the opportunities to help businesses to build up their own equity through, amongst other things, worker participation in capital should be promoted and there should be more opportunities for workers to participate in the management of companies.

## **3. The 2020 strategy with regard to the financial system**

The creation of effective monitoring and control mechanisms of the financial system by capable financial regulation authorities and by an efficient, independent and newly-created control system at national, European and international level is a fundamental task facing national governments and the European Union, which should support the restriction of consumer investment, pension and insurance funds to the highly-regulated sector, enforce high securitisation of capital by banks and call for the clear separation of traditional banking operations and the investment sector. Speculation may also be curbed by the taxation of short-term and speculative transactions (as France does) and by introducing a stock exchange turnover tax from a certain profit margin upwards. The role of the rating agents should be limited and their activities monitored more closely and with more commitment. Managers' salaries should be oriented towards long-term success, restricted to a defined ceiling and taxed by means of a progressive income tax. Bonus payments should be abolished, since they are not target-oriented and are non-transparent.

## **4. The 2020 strategy with regard to the European and national policies**

Alongside financial aspects, future EU policy must also focus on social aspects, such as investment in education and health. In addition, the areas of science and research

should be promoted, along with long-term infrastructure projects. A future-oriented model should be promoted in collaboration with social partners, to prevent social dumping in the future, with a corridor model being introduced, which defines the relationship between GDP and social expenditure, thereby making a contribution to securing the future existence of the social security system. The European Union and the member states should also work towards creating new jobs in future-oriented and sustainable areas and promoting alternative energies. The creation of a simple and fair taxation system, which prevents tax exemption or companies and prohibits the complete transaction of profits is also to be promoted.

### **5. The 2020 strategy with regard to tackling poverty**

The governments of the EU member states are required to increase the agreed proportion of development assistance within the gross national income to 0.56 percent by 2010 and 0.7 percent by 2015. In particular, the EU, which has put a phased plan in place for its member states to achieve these goals, must, in view of the financial situation, ensure that this target is met. One suggestion, which should be supported by the European Commission, is to introduce a tax on short-term transactions in the wake of reforming the financial markets. Part of this tax income could be used as additional resources in the areas of developing cooperation and tackling poverty.

### **6. The 2020 strategy with regard to ICT**

Ensuring that all EU residents have access to existing information and communication technology, particularly with regard to the internet, is a significant strand of the strategy. The effects of ICT on the world of work and the resulting changes in terms of participation in the work process and safeguarding jobs should also be thematised.

### **7. The 2020 strategy with regard to equality of opportunity and status**

The equality of opportunity between men and women is one of the founding principles of community law. E must ensure that deeds match words, ensure gender equality and tackle gender-specific discrimination.

Therefore, in order to promote and enhance equality of opportunity, the following education themes should be addressed in the future:

1. Putting in place training opportunities to ensure that all those involved in the economy – both employers and workers – are in line with the new working realities (reconciling work and family life)
2. Conducting campaigns to raise awareness and modify behaviour, to tackle gender-specific violence in the social, professional and family environments, by promoting clubs and societies and participation in society

The members of the EZA platform for equal opportunity believe the creation of a systematic dynamic in society to be of major significance, particularly because the world is currently experiencing a deep, economic, social and ideological crisis, a crisis of values and trust.

### **8. The 2020 strategy for implementing a sustainable social market economy**

In order to overcome the current crisis, economic growth should be encouraged to work towards a sustainable, future-oriented and competitive policy of growth. Secondly, the increasing unemployment rate must be tackled and social cohesion within the EU. Thirdly, a sustainable policy with regard to biodiversity, climate change and the reduction of greenhouse gases should lead, in the long term, to a modernisation of the economy and to an advantage of location. Fourthly, the security of the citizens of Europe is of vital significance and fifthly, citizens' rights and participation should be enhanced.

For this reason, a holistic and future-oriented development strategy is indispensable for the EU, uniting and developing the existing individual strategies. Out of the Lisbon Strategy for growth and jobs, the renewed social agenda, the stability and growth package, the strategy for sustainable development and the strategy for climate change and energy, a strategy has to be created, in the future, for a sustainable social market economy, which allows social aspects more room and guarantees the creation of sustainable employment for European workers.

The following dimensions are of vital significance for the implementation of such a strategy: the ecological sustainability, economic sustainability and social sustainability dimensions. The interplay between these three dimensions as well as the need for a new, equitable relationship are preconditions for creating future-oriented and fair working relations and, in the long term, ensuring social equality between member states of the EU. The inclusion of trades unions and worker organisations is therefore of fundamental significance.

The Social Dialogue is the most appropriate instrument to bring together worker organisations at a regional, national and European level.