



EUROPEAN COMMISSION

*Brussels, 9.6.2017
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Dear President,

The Commission would like to thank the Camera dei Deputati for its Opinion on the Commission Communication "Launching a consultation on a European Pillar of Social Rights" {COM(2016) 127 final}.

The Commission welcomes the Camera dei Deputati's support for making the social dimension of the European Union stronger, fostering upwards convergence, and promoting growth and social cohesion.

The Commission shares the concern expressed by the Camera dei Deputati on the social and employment consequences of the economic crisis across the European Union. The European Pillar of Social Rights should serve towards building a deeper and fairer economic and monetary union. The Commission also shares the view that social policies are a productive factor contributing to reducing inequalities and improving the long-run growth potential.

The Commission concurs with the Camera dei Deputati that the European Pillar of Social Rights should be underpinned by a strong commitment on the part of European Union institutions and Member States in order to produce results on the ground, and be linked to proper indicators and monitoring.

The Commission has taken note of the Camera dei Deputati's concern as regards the financial means necessary to put in place measures to follow-up on the European Pillar of Social Rights, and in particular the view that more flexibility could be envisaged in relation to social investment expenditure when applying the Stability and Growth Pact.

The Commission would like to point out that it has put flexibility at the core of its reflections as regards the application of the Stability and Growth Pact, while ensuring full respect of existing rules. With the guidance issued in 2015 on the use of flexibility within the Pact, the Commission has aimed to facilitate the structural reforms and investment which are necessary to spur growth and create more jobs in Europe. At the same time, the Commission is committed to ensuring that the commonly agreed rules are followed. The Commission also more recently proposed a positive fiscal stance in the euro area to boost potential growth.

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The Commission also takes note of the concern raised by the Camera dei Deputati about the need for strengthening anti-cyclical policies and developing stabilisation tools at European level in the event of asymmetric shocks.

The Commission would like to stress that the possibility of setting up a common fiscal stabilisation function at euro area level, for instance in the form of a European unemployment benefit scheme, requires further reflection. Different options are being analysed, in terms of stabilisation and social impact and in terms of cost.

The Commission finally takes note of the areas highlighted as particularly relevant for Italy, notably investing in skills, combating long-term and youth unemployment, fostering labour market integration of refugees and migrants, the inclusion of people with disabilities, and the long-term sustainability of welfare systems.

The consultation closed on 31 December 2016 and its results helped to shape the final proposal for the European Pillar of Social Rights which was adopted on 26 April 2017.

The Commission hopes that the clarifications provided in this reply address the issues raised by the Camera dei Deputati and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Marianne Thyssen
Member of the Commission*