Contribution of the Government of Catalonia to the reinforcement of Social Europe

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The Catalan Government has exclusive powers in matters of social services, as well as shared powers in matters of work. In this sense, through legislative initiatives and financing instruments, it implements and makes effective the principles of equal opportunities, access to the labour market, fair working conditions and adequate and sustainable social protection recognized in the European Pillar of Social Rights. These mechanisms and instruments are essential for the Pillar to have a real impact and for citizens to be able to exercise their rights, both in the field of employment, or equal opportunities, protection, inclusion and social progress.

The extraordinary impact of the Covid-19 crisis shapes a **scenario of enormous complexity and uncertainty** where economic contingencies will simultaneously affect structurally sensitive and vulnerable realities and groups with new realities and demands that, until the arrival of the pandemic, were outside the range of the social protection system. A challenge for the Catalan Government that, we believe, has to be dealt with in cooperation with all levels of administration including at the European level.

Thus, the Catalan Government wishes to share its view on new policy action and legal initiatives needed to reinforce the Pillar on different levels.

European Semester

The European Pillar establishes a series of principles and rights to be implemented at Member State, regional and local level. Furthermore, the European Semester has placed the social objectives at the centre of the EU of the economic coordination. In this sense, the **Social scoreboard** that accompanies the Pillar and feeds the European Semester will help us monitor actions in the labour and social field.

The Catalan Government is committed to deepening the social dimension of Europe in order to bring up the social standards and rights of European citizens and to be able to better coping with future challenges. We want the European Pillar of Social Rights to be the central tool to move towards a social Europe. However, we consider that the Pillar should be implemented through legislative initiatives and funding instruments that **take into account the local and regional realities**.

The 'social scoreboard' will monitor the implementation of the Pillar by tracking trends and performances across EU countries in 12 areas and will feed into the European Semester of economic policy coordination. The scoreboard will also serve to assess progress towards a social 'triple A' for the EU as a whole.

Although the **involvement of regional and local governments** is critical for successful reforms, along the 2019 European Semester process, EU cities and regions had either no role at all (58%) or a consultative (nonbinding) role (31%) in the preparation of the European Semester. It is only in federal Member States (11%) that they could somewhat negotiate the preparation of the cycle. (Source: <u>Corportal</u>)

Note that in Spain, public social services are managed (exclusive competence) by regional and local authorities (delegate competence), playing a key role in the implementation of the policies. For this reason, it is inefficient to not provide adequate and structured involvement of those authorities responsible for the provision of social services. The measures included in the European Semester should be agreed taking into account all the actors, factors and circumstances involved in its implementation.



Prioritization of policy areas

Social Inclusion. We consider it essential to prioritize social inclusion and the fight against poverty. Especially through: minimum income schemes and the Child Guarantee.

Professional transitions. In order to create quality employment, we also believe it is essential to facilitate professional transitions and new job opportunities into new sectors in transition. This is a strategic element for adaptation to new productive environments, ensuring adequate social protection for new forms of work.

Long-term care. Regarding demographic challenges and the age increase in European countries, priority should be given to long-term care, taking into account the gender perspective and promotion of personal autonomy. This applies to home as well as community environments, and integrated social and health care.

Digital transition. In the current scenario, in which information and communication technologies are playing an increasingly important role in society, they must also be the key element in the social protection.

It is necessary to address the project of the digital transformation of social protection in order to evolve in line with new demands, providing digital information and services to all citizens. It is also necessary to improve management through a better organization of resources and a centralized vision of social protection management.

The commitment to the digital transformation of the Social Services must be useful for all agents and provide an efficient service to both professionals and citizens. Data-oriented, citizen-centred platforms to ensure the fairness of the system and, at the same time, objective and fair decision-making.

Homelessness. Reducing and eradicating homelessness should be a priority in the future Action plan on the European Pillar of Social Rights. Homelessness is, as recognised by the European Parliament's Resolution of November 24th, one of the most severe forms of poverty, caused by a combination of structural, institutional, and personal factors.

In this sense, the Catalan Government supports the call of the European Parliament for a EU Framework for Homelessness Strategies with full respect of subsidiarity and multilevel governance; including the promotion of monitoring at EU level, exchange of good practices, as well as a good use of the EU funds available. The Commission should help develop and spread innovative approaches to eradicate homelessness in Europe, based on the idea of Home as a fundamental Human Right.

Our view on the upcoming initiatives to reinforce the Pillar

We consider of high interest the effective development of the following areas:

- A policy of minimum wages at European level that guarantees the adequacy and sufficient coverage of all existing systems, and include the possibility of upgrades through social dialogue. The procedures and criteria for setting minimum wages should be clear and stable, in line with the recommendations made by the EU institutions, such as the European Parliament and the European Committee of the Regions.
- The implementation of a European system of unemployment benefits, studying its feasibility, as well as the added value of introducing a stabilization function through an unemployment benefit scheme
- The establishment of a **minimum income** that guarantees a dignified life and access to services and goods.
- In relation to the opportunities of young people, we consider important to strengthen the **Youth Guarantee** and provide it with more resources.



- Child guarantee: We value very positively and believe that it is vital that all children have access to
 affordable and quality education and care from early childhood. Children from disadvantaged
 backgrounds have the right to specific measures to promote equal opportunities. We believe that the
 best way to guarantee all children's rights is to invest in children's services.
- The **demographic report** will help to diagnose the situation we are in and better address the challenges in this area, especially those related to aging. In this regard, we also welcome the Green Paper on Aging.
- The development of a new Disability Strategy taking into account the United Nations Convention on the Rights of Persons with Disabilities.
- The Initiative on **Equality and Inclusion of the Roma People** will also guide the adoption of measures at the regional level and the fight against all forms of discrimination.
- In order to boost the **social economy**, we believe it is necessary to adopt the Action Plan in this area announced by the Commission.
- The Action Plan on Integration and Inclusion 2021-2027 shall be an essential tool to promote inclusion, and recognise the important contribution of migrants to the EU and address the barriers that hinder participation and inclusion of people with a migrant background in European society.
- The EU Strategy for lesbian, gay, bisexual, trans, non-binary, intersex and queer (LGBTIQ) equality must be the central tool to fight persisting discrimination in the EU.

The future Action Plan

In order to strengthen Social Europe, it is important for the **Action Plan for the application of the European Pillar** to be adopted and implemented in the planned timetable and with the contribution of stakeholders.

Setting minimum standards to strengthen the European social model is essential, with the commitment of all levels of administration. The challenge of not excluding anyone from these transitions must be shared by the European Union, Member States, regions and local bodies, together with the social partners and civil society. Strengthening Europe's social dimension is essential to face the future and reverse the social inequalities that will be exacerbated by the impact of the pandemic crisis.

More ambitious and efficient social policies are needed to address a dynamic and changing social reality and to form a frame of reference for all EU Member States. Social Policies must be seen **as investment, not as expenditure**, as it was already pointed out in the Social Investment Package.

The COVID-19 pandemic and the future of the Pillar – MFP and Recovery Fund

The health crisis has had an immediate and extraordinary impact on the labour market in Catalonia. In terms of unemployment, Social Security affiliation and people affected by temporary employment schemes (ERTO).

Of all the people affected, a significant part of them is still waiting to receive unemployment benefits from the Spanish Ministry of Labour. This framework, together with the important limitations of the economic activity many uncertainties, draws a scenario of a general fall in resources with **important repercussions on the living conditions of the population**. Living conditions that, for some groups of the population, were already structurally precarious and in a situation of vulnerability before the current health crisis.

Indeed, groups such as **children and adolescents**, **people living alone**, **single-parent families** or **the unemployed** have structurally higher at-risk-of-poverty rates than the average of the population as a whole. The pandemia has also had a great impact on **nursing homes**, including health and welfare of residents and that of residential professionals.

It is necessary to exit this crisis stronger, more robust, in a better position to tackle the challenges of tomorrow, and it will be of utmost importance to coordinate the gradual relaxation of the lockdown as



well as the path to exit and recovery to avoid any backtracking or any devastating return to crisis. Likewise, it is also necessary to move forward to create a **more resilient**, **green and digital economy**.

The decisions taken now with respect to the **Multiannual Financial Framework**, the Recovery Plan and the EU's economic and financial management will determine Europe's future.

The next long-term EU budget must be ambitious and future-oriented, and the recovery fund must be a part of it, by tackling climate change, promoting the digital and green transitions, securing the younger generation's future and supporting the most vulnerable groups in society.

The use of the flexibility allowed by the suspension of the **Stability and Growth Pact (SGP)** by activating the "escape clause" is providing oxygen to the economies of the Member States. Nevertheless, it is necessary that this relaxation is also transferred to the regional and local authorities so that they can allocate all the necessary resources to overcome the situation. This last point is of vital importance since most social policies are the responsibility of regional and local authorities and regional and local authorities need the fiscal capacity to execute them.

In general, terms, we deem it necessary to foresee the depth and duration of the crisis and to extend programmes of economic support to the public and private sector, in order to avoid situations such as those stemming from the 2008 economic and financial crisis. It is thus of vital importance to guarantee the participation of regions in the execution of the recovery funds, according to their legislative and executive powers according to each member state institutional framework. Policy action and legal initiatives needed to reinforce the Pillar have to be supported at the adequate administrative level.