



#### For a social Europe

# Report of the Social Democratic Party and the Swedish Trade Union Confederation working group for a strategy to introduce a social protocol in the EU Treaty

## Summary

This report was drawn up by a working group consisting of representatives of the Swedish Trade Union Confederation (LO) and the Swedish Social Democratic Party. It is mainly concerned with how the European Union's social dimension can be strengthened, in particular through the introduction of a social protocol in the EU treaties. The working group proposes a basic approach that should guide the labour movement's action in connection to future changes of the EU treaties.

#### Three problem areas

The report highlights how the priority given to the social dimension in the EU is far too weak. Three central problem areas have been identified: 1) the imbalance between protection of fundamental trade union freedoms and rights (and the status of collective agreements) and free movement, 2) the inherent bias towards market-making creation at the expense of social considerations and the risk of social dumping, and 3) the destructive effect of the crisis policy on social protection and the functioning of the labour market (including labour law and collective agreements).

As regards the first problem area, the report finds a possible solution through the introduction of a social protocol in the Treaties. The protocol should clarify that fundamental social rights override the economic freedoms. As regards the two other problems, a discussion is under way concerning the need for common minimum standards as protection against social dumping. This is a difficult but important discussion that should continue, as there are reasons in favour of further strengthening the common rules about this at EU level, while there is at the same time an interest in safeguarding sovereignty and national discretion in these areas.

#### Several scenarios

The strategies for realising the political solutions identified in the report must be adapted to ambient political developments. Consequently the report describes a number of conceivable scenarios in the near future for developing the EU's institutional set-up. We cannot know for certain which of these is most probable. There is currently a great deal happening within the EU and most

changes are taking place in the light of the economic crisis.

In relation to the various scenarios, there is a discussion on how the social protocol requirement can be pursued and the occasions when Swedish ratification of a new Treaty should be conditional on such a protocol. The working group wants to highlight the importance of the Social Democratic Party and the trade union movement driving the issue of a social protocol.

The report also discusses alternative strategies, including the possibility of seeking support for a European Citizens' Initiative.

### The working group sproposals

Through this report the working group wishes to emphasise the overall objective of the EU living up to being a social union to a greater extent than is now the case, where both growth and equality are promoted. The working group proposes that the Social Democratic Party Executive and the Trade Union Confederation Executive Council assume the following fundamental approach regarding methods and strategies for achieving a changed balance between the EU's social and economic dimensions:

- In the case of a full treaty change, to make clear demands for the introduction of a social protocol. The Social Democratic Party should thus demand a protocol already in the European Convention negotiations and the subsequent intergovernmental conference, and in the Riksdag make a the ratification of a treaty change conditional on the inclusion of a social protocol.
- In the case of a partial treaty change (simplified revision procedure), with a very limited change to the treaties, only aimed at making it possible for the euro countries to manage an acute or future crisis, not to stipulate the introduction of a social protocol. However, other partial changes should be examined on a case-by-case basis, depending on the extent of the partial revision and the degree of "linkage" to the issues that a social protocol is designed to solve. If a revision is sufficiently extensive, however, the Social Democrats should make the ratification conditional in the same way as for a full treaty change.
- In the case of ratification of a Treaty of Accession for new members of the EU, not to stipulate the introduction of a social protocol. In cases where proposals to implement further amendments to the treaties exist at the same time, the matter of a social protocol should, however, be raised for discussion.
- Taking an initiative in the European Council for a decision on legal

guarantees for fundamental trade union freedoms and rights and that the provisions in the decision are to be included in a (social) protocol that will be attached to the Treaty at the next review.

- In the case of European integration, to clearly promote a clarification of the boundaries of the internal market, while highlighting common social ambitions. Swedish political parties must join with the social partners to find a common strategy to safeguard national discretion within the framework of EU law.
- Not to contribute to crisis policy in Europe having a detrimental effect on social protection, social security systems, labour law standards or trade union rights.
- To start a discussion on establishing minimum levels for social protection in the EU. In light of the differences between member states in terms of living standards and types of welfare model, there should be a margin for flexibility. The member states must be able to introduce stricter national rules that are more advantageous for workers. The aim should be to avoid competition between member states through low social ambitions.
- When questioning the candidate for President of the European Commission and the candidates for Members of the Commission, to require them to promote a social protocol.
- To intensify the work of creating strategically necessary alliances with actors in other member states for the purpose of realising a more social EU and a social protocol.