

TOWARDS A MORE DEMOCRATIC AND BALANCED ECONOMIC GOVERNANCE

*Alternative and additional country-specific
recommendations*

2012



TOWARDS A MORE DEMOCRATIC AND BALANCED ECONOMIC GOVERNANCE

Steps needed to improve European economic governance should be accompanied by similar steps to improve its legitimacy and accountability, balanced more clearly with social and sustainable objectives. While the policy guidance at the EU level gains in importance, the second European Semester, like the first edition lacks, democratic engagement and debate both at European and national level and fails to provide meaningful participation and consultation of civil society and social partners. Both the policy guidance in the Annual Growth Survey and the drafting of stability and national reform programmes need to have true parliamentary scrutiny and involvement of stakeholders. The European Semester needs an audience if it is to be successful.

The European economic governance tools can not merely serve as a tool to enforce budgetary and financial stability. It needs to aim at the broader goal of social and ecological progress which is embedded in the EU2020 strategy. Country-specific recommendations need to be more balanced and coherent to achieve this. Our goal should be not only to survive the crisis, but to come out of it with a smart, sustainable and inclusive economy.

Member of the European Parliament Marije Cornelissen, rapporteur for the Annual Growth Survey 2012 has taken an initiative to promote both stakeholder participation and more balanced emphasis on social and sustainable aspects of the European Semester. She has invited NGOs and trade unions to draw up alternative and additional country-specific recommendations to achieve the EU2020 goals. In this first year, several organisations participated despite the short time frame. Almost 50 national and international NGOs assessed the national reform programmes (NRPs) and provided their input. A great start for growing involvement of civil society and unions in the European Semester process.

This pilot project provides a non-comprehensive set of alternative and additional country-specific recommendations for 2012. It does not cover all EU 2020 fields and is not meant to be an all-encompassing input for this year's European Semester. It is a signal to European policy makers that civil society stands ready to provide alternative analysis and proposals for Member States. It is also a signal to show that with the participation of civil society and social partners, economic governance could gain support among more Europeans if it is seen to be delivering on broader social and sustainable objectives.

A strong overarching recommendation is the need to ensure active engagement of civil society organisations in the development of NRPs, as advised in Recital 16 of the Integrated Guidelines. This should be actively monitored by the Commission, through the country-specific Recommendations, with the potential to establish CSR where no meaningful process is established. This would give a strong message of the importance given by the Commission to ensuring ownership, visibility and accountability for the Europe 2020 process.

ALTERNATIVE AND ADDITIONAL COUNTRY-SPECIFIC RECOMMENDATIONS 2012

Civil society organisations and national Green Parties¹:

Hereby recommend that **Austria** should take action within the period 2012-2013 to:

1. Raise the amount of the means-tested minimum income taking into account costs for housing. Introduce an independent minimum income for children and young people. Step up labour-market policies and employment opportunities for people most excluded from the labour market, especially for people able to work only part-time. (EAPN)

2. Shift the high social security costs and taxes on labour to environmental taxes and property taxes in order to stimulate job creation. In order to fight in-work poverty, introduce a minimum income guaranteeing a living wage; law on minimum wage including an annual automatic inflation adaption; 8€ per hour. Increase of unemployment benefits/'hardship fund' ('Notstandhilfe') to guarantee decent living standards. (AUSTRIAN GREENS)

3. Balance the hours worked between women and men by an overall reduction of working hours, the right to more flexible working hours, and increasing full time jobs among women. Step up funding in labour market integration and life long learning policies in order to anticipate rising unemployment figures with specific attention to low-qualified job seekers. (AUSTRIAN GREENS)

4. Reduce precarious employment by ensuring full social security for all forms of employment. Abolish 'free service contracts' ('freie Dienstverträge') and 'minor employment' ('geringfügige beschäftigung'). Ensure a fair start for young people into the labour market; no internships outside or after education; law on training of interns that secures appropriate payment and lays down quality criteria. (AUSTRIAN GREENS)

5. Reform the educational system, which is highly segregating. Introduce comprehensive school for all children till the age of 15 instead of premature selection in the educational system at 10; increase the ability to switch between the different educational paths: high schools and apprenticeships. (EAPN/ AUSTRIAN GREENS)



¹Every recommendation is addressed under the responsibility of the organisation of which the logo is displayed after the text. The country specific recommendations in this document are a selection of the complete reactions of the different organisations to the European Semester 2012. There is no formal consensus of all participating organisations on the entire set of recommendations.

Hereby recommend that **Belgium** should take action within the period 2012-2013 to:

1. Invest in sustainable, well-paid, accessible quality jobs and support excluded people into these jobs. Invest in minimum income systems, secure social protection systems and services and embed a more equal tax system to finance this. Develop clear concrete poverty targets and sub-targets, with related indicators. (EAPN) In addition, set as a goal the reduction of inequality and exclusion, putting forward as an objective a significant reduction of the Gini-coefficient. Within this framework, ensure that the unemployed receive an unemployment benefit that corresponds to the European norm for those at risk of poverty. Take measures to increase the legal pension amount for the poorest pensioners and reinforce the first pillar (legal pensions) in general. (Belgian Trade Union Confederations)
2. Implement a counter-cyclical fiscal policy, and adopt a binding rule (for example at a constitutional level) requiring it to increase deficit during economic slumps and prohibiting tax cuts during boom periods until the reduction of public debt up to 60 % of GDP. (Belgian Trade Union Confederations)
3. Repeal the unemployment benefits reform, at least until the recovery, and preferably definitively. In case of pro-cyclical contractionary fiscal policy, Belgium should preferably modify the tax structure towards lower taxes on labour, especially for low skilled workers, more tax efficiency and equality, and, in any case, increase taxes rather than cut them. The progressive decline of revenues from corporate taxation, due to the panoply of fiscal expenditures (and especially the so called notional interest reduction) should be stopped by the introduction of a minimal effective tax rate for companies. (Belgian Trade Union Confederations)
4. Repeal retirement reform, fiscally neutral and thus useless, and preferably reverse the course of payroll taxes reduction in order to fund retirement benefits and sustain domestic demand which will, in turn, provide more tax revenue and increase capacity to ensure the financing of pension benefits. (Belgian Trade Union Confederations)



5. Maintain the current wage setting system and generalise, in dialogue with the social partners and respecting the autonomy of the sectoral social partners to define the specific modalities, the automatic system of indexation of wages to all branches. Introduce a coherent innovation strategy in which the various governmental levels (regional - federal) reinforce each other, among others by a better alignment of regional and federal innovation support, a broadening of the innovation tools to innovation in the services sector and social innovation, and a more efficient targeting of fiscal support for R&D. Target tax measures in favour of companies more efficiently to strengthen its structural competitiveness. The social partners should create a framework to refocus the linear wage tax subsidy to the support of sectoral training programs for employees. Extend the control of the labour costs development to the energy prices developments and other prices that are decisive for price evolutions. Ensure the proper execution of the training efforts of employers by a better system of control with binding measures. (Belgian Trade Union Confederations)



Hereby recommend that **Bulgaria** should take action within the period 2012-2013 to:

1. Elaborate and enforce income policies and mechanisms for income distribution, including reconsideration of regressive taxation. Develop with the participation of stakeholders a strategy against poverty and social exclusion redeploing Structural Funds with the aim of improving access to all groups. Develop clear monitoring on poverty reduction and ensure that the poverty line is set at a level that ensures a decent life. (EAPN)



Hereby recommend that **Czech Republic** should take action within the period 2012-2013 to:

1. Increase female labour market participation by introducing universal childcare facilities for children under 3 years (through a legislative framework) and provide sufficient availability of affordable care facilities for children and other dependent family members for instance by facilitating the establishment of company kindergartens and nurseries. Support alternative forms of work (flexible, part-time, home-work, co-work etc.) e.g. by granting tax benefits for employers who provide these. Introduce binding quotas for women on corporate boards (30 % in 2016, 40 % in 2020). Decrease the gender pay gap and gender pension gap by eliminating vertical and horizontal segregation in the labour market (EWL).
2. Put in place inclusive and high quality education for socially vulnerable people and Roma Implement inclusive social housing practice with integrated social services in private and public housing with possibility of accessing indebtedness- reduction plans. Start up a major active inclusion labour market policies, with direct responsibility of the employment office for labour market integration rather than indirect responsibility based on private sub-contractors. (EAPN)



Hereby recommend that **Cyprus** should take action within the period 2012-2013 to:

1. Invest in creating decent, quality jobs to fight unemployment. Ensure adequate minimum income for all, as a means to preventing and fighting poverty. Use the Structural Funds better to finance projects that fight poverty for all vulnerable categories. Ensure that funding is also available to projects at the grass-root level, involving civil society. Step up measures to combat discrimination and inequalities. (EAPN)



Hereby recommend that **Denmark** should take action within the period 2012-2013 to:

1. Give access to holistic services, rehabilitation and proper jobs for long term unemployed with complex difficulties. Set the official poverty line and minimum income at a level that reflects the actual living costs. Address the growing inequality. (EAPN)
2. Ensure gender mainstreaming in the national reform and stability programme and full compliance with the EU's legal framework on equality and non-discrimination. Apply gender budgeting in the design and implementation of fiscal consolidation measures to ensure that vital services such as childcare for female and male workers are safeguarded. Promote equality in take up of maternity leave, paternity leave, parental leave, child's first sick day, etc. (EWL)
3. Provide gender disaggregated data to document changes/developments in short and long term unemployment for both women and men. Apply a gender analysis in monitoring reforms regarding long term unemployment benefits to address potential gender inequalities. Ensure that wage increases are beneficial for reducing the gender pay gap. Combat labour market segregation by strengthening the gender perspective in the early stages of the education system, to actively combat stereotypes of female and male jobs (for instance with role models). Ensure that measures to improve employment opportunities meet the needs of women and men equally. (EWL)



Hereby recommend that **Estonia** should take action within the period 2012-2013 to:

1. Prioritize reducing poverty and social exclusion through better access to services, ensuring a minimum standard of guaranteed services, accessible to all, with particular focus on children, and raising subsistence level and benefits. Shift the focus from merely quantitative employment targets to the quality of jobs (EAPN).



2. Elaborate a long-term well-resourced national strategy to reduce the gender segregation of the labour market and the gender pay gap; implement the strategy, monitor and report on progress made, regularly review the strategy, design programmes and measures to overcome gender stereotyping at schools; gender sensitize teacher training, including revision of curriculum content, educational materials and teaching approaches at all levels of education. (EWL)
 
3. Increase women's employment rate and diversify options for part-time and flexible working. Design programmes and measures to promote flexible working arrangements that help create work-life balance both for women and men. Sensitize employers to the issue of reconciliation of professional and private life, adapt social security schemes and the tax system to the increasing diversity in working patterns and facilitate the return of young mothers to the labour market after the fully paid parental leave (18 months). (EWL)
 
4. Design positive measures to reduce the number of women facing the risk of poverty; provide measures for lone-parent families which predominantly concerns women. Address domestic violence against women as a human rights violation and as a barrier to work and full employment, provide support to women victims of violence to seek and remain in employment. (EWL)
 

Hereby recommend that **Finland** should take action within the period 2012-2013 to:

1. Alleviate the situation and enhance the purchasing power of low-income families with children, which were badly hit by the increase of consumption tax and freezing of the indexation of child allowance in the budget meeting of 22 March 2012. Use Structural Funds in an innovative manner to develop a full range of measures that alleviate poverty. Expand the social guarantee for youth from mere employment measures to include also other social measures, addressing the risk of social exclusion that exists already amongst very young children. (EAPN)
 

Hereby recommend that **France** should take action within the period 2012-2013 to:

1. Put in place a multi-annual (5 years) and multi-dimensional plan to fight poverty (employment, housing, health, reinforcing access to care, adequate income for a life in dignity, education for all, access to culture, citizenship) with the participation of people experiencing poverty containing clear targets, quantifiable objectives. Raise social benefits to the level of needs, in order to allow people to live in dignity. Construct 150.000 social dwellings per year, for a period of five years (EAPN). Set a universal minimum income, a basic amount paid as of right (around 80% of the French guaranteed minimum wage), which would contribute to decrease income disparities and guarantee that people will not live in poverty and will be able to live a dignified life (EELV).
 


2. Strengthen the social and solidarity economy so that it becomes a strong pillar of the French economy, a job-rich sector, able to provide good working conditions: support the creation of new businesses of the social economy such as cooperatives, facilitate the takeover of enterprises by their employees, develop social and environmental criteria in public procurement, increase public granting to social and solidarity-based activities, multiply the opportunities of solidarity-based savings, set-up favourable taxation systems and co-operative business support. (EELV)


3. Ensure equal access to public services to everyone wherever they live on the national territory, by improving geographical proximity and access conditions: review the RGPP -Reform Program on Public Services- which weakened local public services, create a 'public services shield' which would guarantee to every citizen a minimum access to local public services, increase internal, geographical, sectorial and hierarchical mobility within the public service. (EELV)


4. Promote the ecological conversion of the French economy, thereby decreasing our national energy bill, while developing job-rich activity-sectors (thus creating between 300 and 600 000 net jobs): not only at the local level (infrastructure, transport, green agriculture) but also at the industrial one (railway industries, electronics, solar and wind industries); improving working conditions and ensuring that Green jobs are also quality jobs (EELV)


5. Review fiscal exemptions on overtime; launch a round of social dialogue on lifelong reduction of working time with a view to reach a legal working week of 32 hours. Public support should be contingent on jobs creation. Improve working conditions by strengthening the number of labour inspectors, re-establishing trade unions legitimacy, empowering the workers, creating a joint and several liability in subcontracting chains etc. Implement a Youth Guarantee to give the right to every young person to a job, an apprenticeship, a training or a job combined with training, if they have been out of work for four months (EELV)


6. Compensate for incomplete working careers for women by including their maternity leave within the calculation of the contribution period; open pension benefits to students from 20 years old on. Reform the maternity leave scheme for a new pre and post birth leave for the woman, and set up a welcome leave split between each parent. Transform the parental leave into a time credit compensated at a high level, to be used until the child becomes an adult and to be split between both parents. These leaves should be included in the pension contribution period (EELV).



Hereby recommend that **Germany** should take action within the period 2012-2013 to:

1. Ensure that employment policies are accompanied by existence-securing wages and obligations to contribute to social insurance. Develop transparent procedures for measuring poverty taking participation and periods spent in the labour market into account. Beyond that, measuring poverty should include other indicators (the at-risk-of-poverty rate, material deprivation etc.) rather than only the number of long-term unemployed people. Promote the social integration of disadvantaged target groups, by making available appropriate financial means (e.g. the 20 ring-fencing of payments of development funds from the ESF). (EAPN)



2. Take measures that reduce the number of precarious employments and abolish them in the long term. Eliminate the "Ehegattensplitting", (a system where both partners' are taxed based on half of their combined income) which offers an incentive for women to take such low income jobs. Include all people with jobs that are not part of the social security's system in the unemployment rate, including people with precarious and atypical jobs. Strengthen laws that counter the pay gap. Increase wages and improve recognition of care jobs. Convert the general employment rate into a rate of full time employment of women and men in order to get a reliable and realistic picture of female labour participation (in Germany 66,3% of women are employed which equals a full time employment rate of 50,7%). (EWL)



3. Improve the opportunities for reconciliation of family and work life by focussing all funds on quantitative and qualitative improvement of child day care while abolishing other financial support such as the proposed child care subsidy (Betreuungsgeld). These savings should benefit the child day care system, while eliminating incentives to suspend work for a certain time or to take a part time job. Focus funds on quantitative and qualitative improvement of a professional care system and eliminate incentives to suspend or reduce employment such as "family care time" or regulations in the law providing for new orientation of care activities starting from 2013 (Pflegeneuaustrichtungs-gesetz). (EWL)



4. Revise the draft "law for the acknowledgement of the achievements of a lifetime" with a view to achieving the initial goal of a longer working life. In particular pay attention to the obligatory private retirement savings that many persons cannot afford. (EWL)



5. Adopt a legally binding quota for women in boards of directors and supervisory boards and to – if necessary legally – promote quotas in all fields of economy, politics and the administration. (EWL)



Hereby recommend that **Greece** should take action within the period 2012-2013 to:

Greece is not submitting a real NRP, thus the following proposals are directed more to the EC and relate to the whole policy development pact as result of the EC/ECB/IMF country debt reduction imposed policy measures.

1. Create new crisis intervention safety nets for the increased impoverished population, exacerbated by austerity policies and introduce an adequate minimum income scheme, and direct income reinforcement schemes (via social transfers, housing, disability benefits and reinforcing access to services). Reinforce adequate wage and pension levels. Create new activation measures for the unemployed with emphasis on youth (50%), working poor and long-term unemployed, especially women. Introduce poverty and inequality impact assessment of all policy measures, including EC/ECB and IMF programme proposals. Create a new "EU Development Deal" ensuring that EU money reaches the people not only the banks. (EAPN)



Hereby recommend that **Hungary** should take action within the period 2012-2013 to:

1. Introduce a guaranteed minimum income at a level that secures a dignified life for everyone. Develop sustainable employment programmes building on local communities, local needs and capacity. Invest in skills of people and ensure decent wages. Fight child poverty as a priority by putting children's rights and interests first. (EAPN)
2. Combat "quasi" part-time employment in particular for women by paying workers for the factual number of hours worked. Promote regular employment by assessing from a gender perspective the impact that heavy social security contributions have on job creation and working patterns (part-time wages for full time work). Reform the 'family tax allowance' in a way that is beneficial for female labour market participation and low incomes, in particular single-parent households. Improve access to affordable child care facilities. Ensure protection against discrimination of women returning to work after maternity leave and develop programmes to promote employment of women after maternity leave. (EWL)
3. Reintroduce social dialogue and involve in the decision making process the social partners, civil society organisations and hold regular consultations with actors such as the independent Fiscal Council, labour market and pensioners' organizations, representatives of the unemployed, ethnic Roma groups, urban and rural areas, the heads of the educational institutions and representatives of the homeless on key long term development objectives, such as taxation, collective wage bargaining system, targeted inflation, the euro-adoption targets, educational reform, development of public transport and pension reform etc. (LMP)



4. Encourage participation in the labour market by ensuring decent wages and working conditions, by improving access to public transport and by expanding childcare and pre-school services - and not by excluding disadvantaged groups from social transfers. Ensure that the real value of wages remains especially for those under the median wage. (LMP)



5. Improve business environment and employment conditions by creating a stable and reliable form of policy making excluding one-off measures by lowering administrative burdens and providing specific well-targeted incentives to support SMEs and enhance their funding. (LMP)



6. Propose a reliable program targeting the euro-adoption and improve the transparency of public finances. (LMP)



7. Improve the quality of the workforce by investing in training and education and by improving the access to education of the disadvantaged. (LMP)



Hereby recommend that **Ireland** should take action within the period **2012-2013** to:

1. Implement poverty and inequality impact assessment in a transparent and constructive manner across all areas of policy, including those included in its memorandum of understanding with the EC/ECB/IMF, to prevent the negative impact of policy on the most vulnerable and those experiencing poverty. Address the growing levels of inequality. (EAPN)



2. Implement, after active and meaningful consultation with all stakeholders, an integrated active inclusion approach to policy development. Reforms to the welfare system and activation services should ensure that at all times people have access to a decent income and to services, and supports to meet their needs and recognise the first large-scale activation of women, particularly mothers from welfare. The focus on growth and job creation should prioritise quality jobs and ensure that everyone benefits. Address the problem of in-work poverty and the existence of poverty traps. Cease the cuts in services to the most vulnerable, in particular services that are provided by community groups with voluntary input. (EAPN)



Hereby recommend that **Italy** should take action within the period 2012-2013 to:

1. Introduce an adequate minimum income for all people that live in poverty. Develop a multi-dimensional and multiannual strategy of integrated policies against poverty including adequate minimum income, housing, health and employment with the real implication of people living in poverty and of civil society. Improve the quality of employment by promoting skills of workers, in particular young people, engaging enterprises, the social economy and civil society. (EAPN)



Hereby recommend that **Lithuania** should take action within the period 2012-2013 to:

1. Include a clear definition of Social Economy and Social Clustering in national law and in the national reform programme. (EAPN)
2. Actively support women's entrepreneurship. Apply measures for promoting women's leaderships, including women on boards of the biggest companies. Support projects including awareness-raising and trainings in order to promote women in male dominated areas and men in female dominated areas. Strengthen opportunities to reconcile work and family life, by accessible and high quality child care facilities and facilities for dependant family members. Combat the feminisation of poverty by improving working conditions and pay both in part time work and also in sectors where women are overrepresented. (EWL)



Hereby recommend that **Luxembourg** should take action within the period 2012-2013 to:

1. Combine the employment, research, climate/energy and education targets-related measures with the ones for reducing poverty and also evaluate for each measure its contribution to the poverty/social exclusion target and make sure that the sum of the effects of all the measures reaches the target. (EAPN)
2. Take strong action in the field of social housing, regarding both the provision of housing at affordable prices in general, as well as the provision of special social housing. At least as an intermediary measure introduce rent subsidies for those parts of the population that cannot afford the high lodging prices; such a measure should be accompanied by a strong control of rent prices in order to avoid that the amounts spent on the measure will not end up in the pockets of the tenants. (EAPN)



3. Close the gender pay gap and differences in unemployment and poverty rates between women and men by promoting a more equal distribution of working hours between women and men and introducing innovative measures to increase availability of child care and care for dependants with specific attention for single-parent households. (EWL)



Hereby recommend that **Malta** should take action within the period 2012-2013 to:

1. Combat poverty and social exclusion by specific measures to reduce early school leaving and precarious employment. Raise the minimum wage and introduce an adequate minimum income for all in order to strengthen the purchasing power of families for their basic needs. Ensure that pension reforms take into account the needs of the most vulnerable groups of society i.e. the elderly and persons with disabilities. Increase the availability of services for these groups. (EAPN) Special consideration should be given to the fact that women live longer than men with the consequential increase in dependence, ill-health and decreasing family and financial resources. Eligibility for full pension upon the death of a spouse should be extended to couples where both partners have worked (EWL).
2. Take measures to increase labour participation of people with caring responsibilities. Improve the availability of affordable and high-quality childcare services by increasing subsidies to parents, in particular low-income households and single-parents, by extending the operational hours of public child care services to the needs of working parents and by incentives for employers to provide child care facilities. Introduce the right to flexible working hours, reduced working hours and tele-working. Gender mainstream employment initiatives for persons with disabilities to address the low rate of women with disabilities on the labour-market. Increase duration and pay of maternity (from 16 to 20 weeks), paternity (two weeks) and parental leave (six months). (EWL)
3. Take measures to narrow the high gender pay gap of 23%. Introduce temporary measures to address the low percentage of Women on boards (currently 3%). Ensure that publicity campaigns to address gender equality are better focused to achieve declared objectives. To improve female labour participation: reinstate the Employment and Training Corporation Gender Equality Unit to improve female labour market participation; promote reintegration of women in the labour market with fiscal incentives (EWL)



Hereby recommend that the **Netherlands** should take action within the period 2012-2013 to:

1. Develop, with the participation of people with direct experience of poverty, an anti-poverty strategy that goes beyond integration in the labour market and also addresses in-work poverty. Reverse the introduction of sanctions on social benefits for parents with in-living working children. Take measures to combat social dumping in particular of immigrants being paid below the minimum wage, undermining decent wages for all and increasing poverty. (EAPN)



2. Apply gender mainstreaming in the National Reform Programme. Increase female labour market participation and ensure that women are economically independent. To this end increase flexibility in work hours, improve the availability of daycare for children and promote a more equal distribution of unpaid caring responsibilities. (EWL)



3. Reverse the stricter rules on childcare allowances since it hampers the overall goal of promoting labour participation. (Dutch trade union federation)



4. Exploit the job creation potential that sectors such as the green economy (e.g. biobased economy, water management etc.) have to create future growth. Set up a Dutch National Job Plan, with specific policy measures to enhance the job perspectives of older people, women, people from an ethnic minority background and people with disabilities. To achieve this, necessary preconditions should be put in place, like support and supervision in finding a job and investing in education. Pay specific attention to combat youth unemployment, in combination with targeted measures for school leavers and youngsters with an ethnic minority background. Students should have access to qualitative good traineeships, including professional supervision. Adapt measures to better interlink education with labour demand. Young people should be supported in their transition to work through a youth guarantee. Exploit venues in order to stimulate businesses to invest in job creation (Dutch trade union federation)



5. Take measures to improve the quality of jobs and combat precarious jobs; fight abuses in the practice of part time, temporary and fixed term contracts. Draw on the lessons learned from the crisis such as stimulating internal flexibility to reduce job insecurity. Take measures to ensure the principle of equal pay for equal work. Ensure healthy and safe labour conditions to prevent employees from dropping out because of physical or psychological stress. (Dutch trade union federation)



6. Set an ambitious national target for energy efficiency and develop and implement policies to achieve this. Ensure a swift and full implementation of the energy efficiency directive. Take urgent measures to put the Netherlands on track to achieve the renewables target amongst others by abolishing subsidies for energy- or emissions-intensive sectors and activities. Introduce road pricing and phase out the low tax base for company cars. Develop quantifiable measures for (additional) CO₂ reduction. (GroenLinks Dutch Greens)



Hereby recommend that **Poland** should take action within the period 2012-2013 to:

1. Develop, with the consultation and involvement of civil society, a comprehensive strategy to fight poverty and social exclusion that is evidence-based. Ensure that people experiencing poverty are protected from the impacts of austerity measures. (EAPN)
2. Take specific measures to combat poverty among older women by increasing female labour market participation and paying attention to the gender dimension when reforming the pension system. Remove obstacles for female and male entrepreneurs setting up businesses. (EWL)
3. Enhance the efficient use of structural funds by simplifying rules and reducing bureaucracy and increasing transparency in programming and implementing EU funded programmes. (EWL)



Hereby recommend that **Portugal** should take action within the period 2012-2013 to:

1. Submit, next to the adjustment programme, a National Reform Programme in order to monitor progress and impact of austerity measures on the poverty and social exclusion target. Urgently put in place employment measures, particularly for young people, while avoiding precarious work and in-work poverty. Ensure that labour market reforms promote stable contracts and salaries above the poverty line, which can support the sustainability of social protection. Make sure that the social protection system and social automatic stabilisers can play their role by upholding coverage and eligibility. Recognise and actively promote the social economy, with the support of civil society, but not as a replacement for core public services, embedded in the constitution. (EAPN)



Hereby recommend that **Romania** should take action within the period 2012-2013 to:

1. Carry out a social impact assessment of expenditure on human resource investments. Increase human capital development measures including investment for job creation. Ensure that local civil society actors are effectively engaged in concrete development of policy delivery, to ensure better adaption to the regional and local realities. (EAPN)



Hereby recommend that **Slovakia** should take action within the period 2012-2013 to:

1. Introduce an adequate unconditional minimum income and base its level on evaluation and estimation of real living costs. Use multiple indicators for measuring poverty and social exclusion beyond unemployment including material deprivation, access to housing, access to education and other public services, discrimination and marginalization of regions. Re-assess the economic and social effects of social expenditure, especially investments in housing and their contribution to social inclusion and economic development. Make job quality a priority in the development of employment policies. (EAPN)



Hereby recommend that **Slovenia** should take action within the period 2012-2013 to:

1. Raise the minimum wage to the level that work is a guarantee against poverty. Invest into the creation of decent, quality jobs. Change the indicators for poverty and social exclusion measurement so as to reflect the factual living situation of people including those who are ineligible for social security. Boost investment with funds available from financial sector contributions. Develop a long-term strategy for the financial sector to reimburse public funds invested. (EAPN)



Hereby recommend that **Spain** should take action within the period 2012-2013 to:

1. Strengthen the social chapter of the NRP and reintroduce the poverty targets. Reserve adequate funding to implement measures to combat poverty and social exclusion. Ensure that anti-crisis measures are shouldered more equally including by those on higher incomes and the financial sector. Reform social protection systems in order to increase their efficiency and efficacy while ensuring coverage of vulnerable people, families and children. Develop a strategic plan, with the participation of all stakeholders, to address the nearly 2 million jobless households and those living under the poverty threshold. (EAPN) Armour the social rights such as the unemployment benefits, to avoid poverty and social exclusion. No labour reform can be successful on the basis of further social devaluation. Focus on creating the conditions for growth as depicted in the EU 2020 Strategy by the means of the currently overlooked path of social dialogue. (ICV-Catalan Greens)


2. Recalculate the debt and deficit objectives. The Spanish National Reform Program and the Spanish Stability Programme 2012-2015 do not contemplate the effects of the last rescue requested by Spain to the EFSF/ESM of 100 bn euros. Spain is currently committed to achieve a 5.3% deficit in 2012 and 3% in 2013, which is an unrealistic target. Thus, a comprehensive new assessment should be done to incorporate the effects of the loan over debt and deficit and the Medium Term Objectives (MTO) for fiscal consolidation. (ICV-Catalan Greens)


3. Implement a progressive, sustainable and fair tax reform. VAT should increase only for luxury and polluting goods, capital income tax burden must increase radically and speculative activities in the financial market must also be tackled. One of the main reasons of loss of revenue in Spain is tax revenue: it has to be pursued more vigorously, and measures like the recent fiscal amnesty are definitely counterproductive. (ICV-Catalan Greens)


4. Regulate the mortgages market and eliminate the tax deductions on purchasing of housing and the incentive to rentals. Moreover, a reform of the mortgages market must be adopted such that the 'acceptance in lieu' (to give back the property to terminate the mortgage contract) applies, so that the current massive wave of forced evictions with the continuation of the mortgage liabilities can be eliminated. (ICV-Catalan Greens)


5. The current effective retirement age is 65 years old and the Contributive Pension Scheme (1st pillar) has a huge surplus. With 5 million unemployed, the main issue is not to keep more active people but ensure that those in the working age can find a job, thus actually a reduction of working age should be proposed. (ICV-Catalan Greens).


6. Tackle the 51,1% of Youth Unemployment, not through more flexibilisation of the labour market and the creation of light-hire conditions, but by providing a plan of investment in Research-and-Development, Education and Universities, the development of energy-efficiency investment and welfare sector. (ICV-Catalan Greens)



7. Guarantee health universal access and stop the cuts in the health public system. Health system has a regional dimension in Spain and the budgetary punishment of fiscal consolidation on the regions (Comunidades Autónomas) has a direct effect on the health system. (ICV-Catalan Greens) 

Hereby recommend that **Sweden** should take action within the period 2012-2013 to:

1. Boost employment by substantially increasing the number of permanent or temporary subsidised jobs. Subsidies must permit employment at existing wage levels. Undertake reforms to enable increased participation at the labour market. Adapt opening hours at childcare facilities to the changing labour market and atypical hours. Ensure access to care for the elderly so that family members do not have to reduce their working hours in order to take care of elderly family members. (LO-Sweden) 
2. Strengthen the employment service and other activities to improve employment opportunities for those from minority ethnic backgrounds and immigrants, taking account of results from studies showing what measures are effective. Many immigrants and those from minority ethnic backgrounds, even those with higher education, still have difficulties establishing themselves in the labour market. (SACO Sweden) 
3. Address the increased segregation within the schools system. Launch an investigation of the effects of free choice of compulsory school and the extent to which this contributes to increased segregation. Undertake initiative to promote adult education. Introduce study grants for unemployed persons, with no upper secondary education, to enable them to complete their education. Those who have a job, but whose educational background is insufficient and thus run a great risk of future unemployment, should be included in such an initiative. (LO-Sweden) 
4. Reform unemployment insurance to give employees complete and reliable income protection. Promote a fiscal policy backed up by automatic stabilisers with advantages both for the society at large and the individual worker. (LO-Sweden) Address the growing inequality (EAPN).  
5. Develop a more active housing policy – which in itself can create new jobs, and reduce household debts due to non-affordable housing, and reduce social costs for segregation etc. Stop the privatisation of public housing. (EAPN) 

Hereby recommend that the **United Kingdom** should take action within the period 2012-2013 to:

1. Address the destabilising impact of high and volatile house prices and high household debt by implementing a comprehensive housing reform programme to increase housing supply and alleviate problems of affordability and the need for state subsidy of housing. Pursue further reforms to the mortgage and rental markets, financial regulation and property taxation to prevent excessive volatility and distortions in the housing market. (CECODHAS Housing Europe)



2. Develop a more balanced approach to economic management which includes macro targets for employment and growth as well as inflation reduction. Develop a comprehensive and sustainable growth strategy with strong financial regulation and a transformative approach to innovation and business growth (including not-for-profit enterprise), a low-carbon economy, sustainable housing and transport infrastructure and health and care services for older people and children. Strengthen local and regional agencies, partnerships and resources to address regional wealth imbalances (EAPN). Develop socially responsible initiatives across the public sector. Maintain the Code of Practice on Workforce Matters in Public Sector Contracts. (EWL)



3. Reverse the increasing shift of income and wealth to the top by rebalancing the fiscal consolidation strategy to improve tax justice and prevent a race to the bottom on corporation tax. Stimulate domestic demands and address poverty by reversing the rise in VAT-rate, reversing the cuts in support for children and families and benefit cuts and caps to the vulnerable (EAPN).



4. Complement the Social Justice Strategy by an ambitious anti-poverty strategy that commits to reducing inequality of income and eliminating absolute poverty. Address the EU2020 poverty target and indicators and benchmark performance against good achievement in other Member States. Balance economic ceilings with strong social floors. Minimum income standards must be above the at-risk of-poverty thresholds and minimum wage and fair employment regulation should be adjusted to combat in-work poverty. Ensure accessible high quality of services. (EAPN)



5. Apply gender budgetting to the budget for 2013/14 and beyond identifying the differential impact of the budget on women and men, and describing policy changes made to mitigate the negative impacts on women and men. Gender impact-assess the National Reform Programme and all budgetary cuts with specific attention to the third sector. Address the gendered barriers to women's and single parents' full labour market participation. Provide sufficient and good quality childcare, with specific attention to regional differences in availability, using a funding model that does not displace out-of-work poverty by increasing the in-work poverty of childcare workers (EWL)



6. Continue to improve the skills of young people, ensure that intermediate skills programmes, like the Modern Apprenticeship programmes operating in different regions within the UK, are militating against gendered occupational segregation. Provide accessible university fees. Ensure that state-supported non-bank financing for SMEs provides accessible capital to women-owned businesses, and that female entrepreneurs are adequately supported by business support services. (EWL)

