



# Reflection Paper on the Social Dimension of Europe: the Maltese case study

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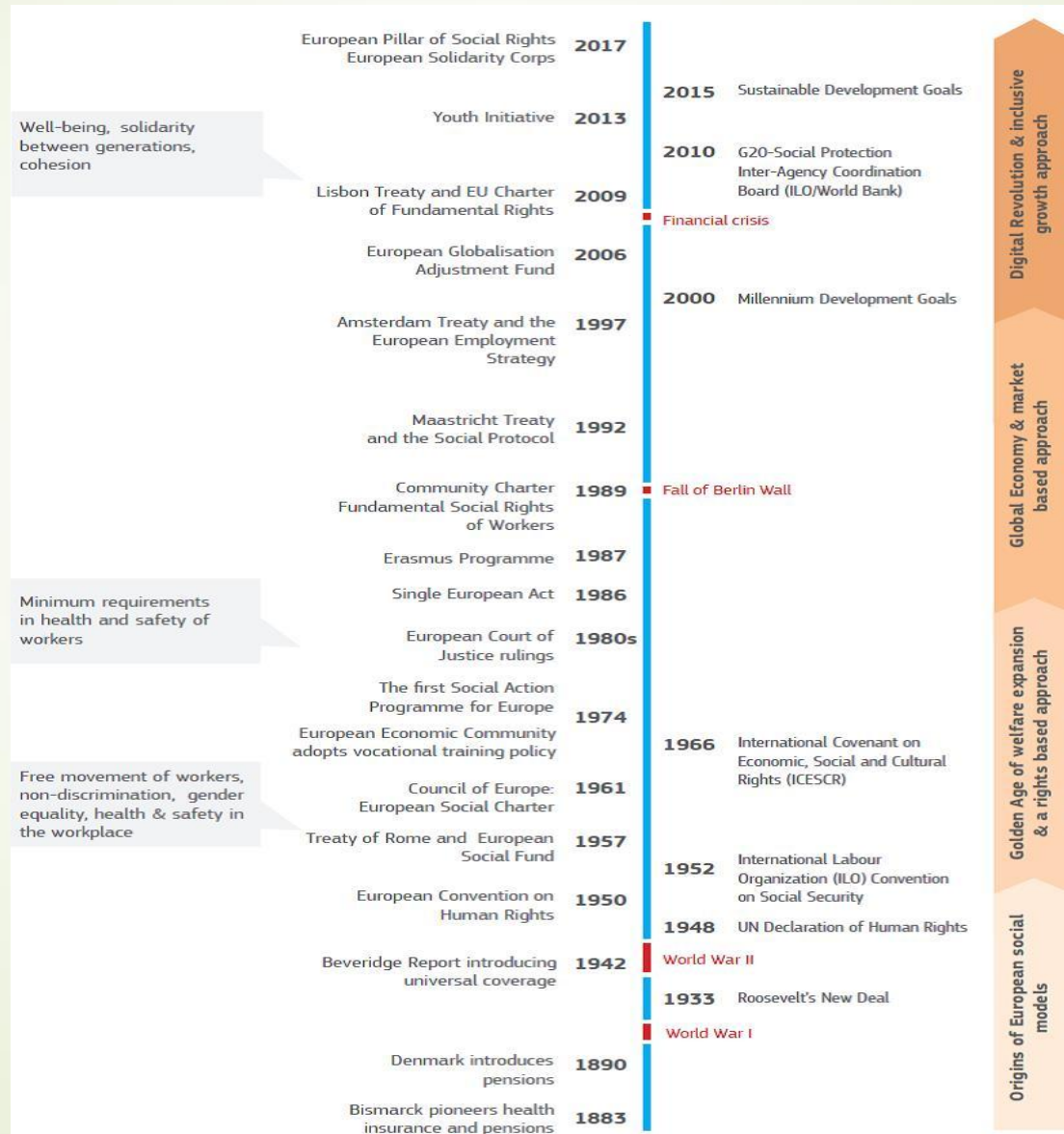
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# Social Dimension: The European context



# The EU and its Social Dimension





# The European Social Model

“Huge challenges await us. It is up to us to shape these challenges. If we want a role to play in the future we have to play it now. It is up to us to ensure that the handwriting of the European Social Model is clearly visible in everything we do. Because Europe is the protective shield for all of us who can call this magnificent content their home.”

Jean-Claude Juncker  
President of the European Commission  
Strasbourg, 22 October 2014

# Social Dimension: The Maltese context





# Malta and the Social Scoreboard

- ▶ Equal opportunities and access to the labour market:

**Female labour market participation:** highest increase, widest gender employment gap

**People at risk of poverty or social exclusion:** poverty and social exclusion risks are declining but substantial for children, the elderly and the low-skilled

**Education:** increase in educational attainment, drop in Early School Leavers but still at a relatively high rate, share of 30 to 34 year olds with tertiary education increased continuously between 2008 – 2015



# Malta and the Social Scoreboard

➤ Dynamic labour markets and fair working conditions:

**Labour force structure:** increase in employment rate, decrease in unemployment rate, labour and skills shortage

➤ Social protection and inclusion:

**Healthcare:** low share of the population cannot meet their medical needs

**Digital access:** half the population have at least basic digital skills



# Malta and the EU 2020 targets

	UNIT	REFERENCE PERIOD						TARGET	TABLE	
		<b>2008</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>			
75% of the population aged 20-64 should be employed										
Employment rate - age group 20-64	% of population aged 20-64	59.2	63.1	64.8	66.4	67.8	69.6	70		





# National Practices

- ▶ **Female labour market participation:** free child care, breakfast clubs, Klabb 3 – 16, one year tax credit
- ▶ **Inclusive labour market:** quota for the employment of persons with disability, National Integration Strategy by end of 2017
- ▶ **Work-life balance:** flexi-time and tele-working
- ▶ **Poverty and Social Exclusion:** tapering of benefits, in-work benefit, first-time buyer scheme
- ▶ **Skills mismatch:** Investing in Skills scheme, Training Pays scheme




# The Maltese Presidency and the Social Dimension

- ▶ Legislative dossiers: Revision of Regulation 883, the European Accessibility Act, the Posting of Workers Directive, Carcinogens Directive
- ▶ Informal EPSCO Council: Making Work Pay
- ▶ Council Conclusions on Making Work Pay
- ▶ Council Conclusions on the Enhancing of Skills of women and men in the labour market
- ▶ The European Social Fund: Past, Present and Future Conference



# Maltese characteristics and context

- Eurozone member
  - Geographical location
  - Strong economy
  - Small public administration
  - Skills shortage and human resources supply
  - Brexit and potential upcoming relocations
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# The three options of the Reflection Paper on the Social Dimension of Europe



# Option 1: Limiting the 'Social Dimension' to free movement

- ▶ Basic level of legislation
- ▶ Example of legislation that would apply: Posting of Workers Directive, Regulation 883/04, Recognition of Academic Qualifications, Patients' Rights Directive.
- ▶ No exchange of best practices
- ▶ Less or no funding or co-funding



## Option 2: Those who want to do more in the social field do more

- ▶ Eurozone Member States VS non-Eurozone Member states
- ▶ Enhanced co-operation
- ▶ Two-speed Europe
- ▶ Different players in the social field





# Option 3: The EU-27 deepen the Social Dimension of Europe together

- ▶ Common social standards intertwined in the single market
- ▶ Revaluation of all four instruments: legislation, cooperation, guidance and funding.
- ▶ European Social Model VS European Social Models
- ▶ Beyond minimum standards, towards harmonisation
- ▶ The establishment of a European Social Standards Union
- ▶ Higher conditionality in terms of eligibility of EU funds



# Moving forward

- Changing EU context
  - Social considerations that go beyond the 'classical' social policy
  - Social Summit for fair jobs and growth on 17<sup>th</sup> November
  - Different national backgrounds, same goal
  - Common upcoming challenges, different potential approaches
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