

Agreement for a social progress protocol

We, the parties of this agreement, will take immediate action to tackle the challenges facing the European Union (EU) to strengthen growth and to combat social dumping. There are, however, limitations to what can be achieved under the current EU treaties. Therefore we, the leaders of SPD, SPÖ, SAP, DGB, ÖGB and LO, have agreed that in conjunction with the next treaty revision, social rights including trade union rights, should be strengthened. A social progress protocol should be attached to the treaties clearly stating that economic freedoms on the internal market do not incorporate the prohibition of restrictions but instead provide for equal treatment.

Three crucial points need to be included in such a social progress protocol. Firstly a definition of social progress and social market economy, secondly a rebalancing of fundamental rights and economic freedoms and finally a safeguard clause protecting the autonomy of the social partners.

Definition of “social progress” and “social market economy”

The Lisbon Treaty states that the *Union shall work for a highly competitive social market economy, aiming at full employment and social progress.*

The protocol needs to make clear that a social market economy combines economic growth with social justice and strong workers’ rights. Social rights and the co-determination of employees in their companies and factories are essential prerequisites for social participation, peace within the society and long-term economic success based on the quality of work.

Fundamental social rights and standards must not be restricted by competition and liberalisation on the internal market. The Union should aim to:

- improve the living and working conditions of its population, ensure the effective exercise of the fundamental social rights and principles and in particular the right to negotiate, conclude and enforce collective agreements and to take collective action.
- in particular protect workers by recognising the right of workers and trade unions to strive for the protection of existing standards as well as for the improvement of the living and working conditions of workers in the Union also beyond existing (minimum) standards. Furthermore, to fight unfair competition on wages and working conditions, and to demand the equal treatment of workers regardless of nationality or on any other grounds.
- ensure that, based on the principle of non-regression, Member States have the freedom to go beyond EU minimum standards in order to maintain or introduce stricter national rules that are more beneficial to workers.

The relationship between fundamental social rights and economic freedoms

The European Court of Justice (ECJ) has, through its rulings in the Viking, Laval, Rüffert and Luxemburg cases, restricted fundamental social rights and opened up for competition on wages and workers conditions. In its decisions, the ECJ gives precedence to the economic freedoms of the internal market such as the freedom to provide services, over fundamental social rights such as freedom of association and the right to take collective action, including the right or freedom to strike.

The social protocol should clarify in primary law that neither basic economic freedoms nor competition rules take precedence over fundamental social rights. In the event of conflict, fundamental social rights must have priority.

The autonomy of the social partners

Finally the protocol needs a clause strengthening the autonomy of the social partners, containing an explicit statement with links to fundamental rights laid down in the EU Charter of Fundamental Rights and the ILO Conventions.

Next step

We, the leaders of SPD, SPÖ, SAP, DGB, ÖGB and LO, will press for the inclusion of a social progress protocol as soon as possible. We will put forward our demands at the next upcoming ordinary treaty revision. Simplified treaty revision will be dealt by on a case to case basis. The inclusion of a social progress protocol will then also be a key criterion for us in the ratification process of upcoming treaty changes.

Since the timing for the next EU treaty revision is uncertain it is necessary to take initiatives as an intermediate step to strengthen our cause.

We have agreed to start building an alliance between political parties and trade unions willing to commit to the strengthening of workers' rights and to signing up to the principles in this agreement.

We, the parties, will also continue our work and develop concrete proposals for strengthening the social dimension of the EU.