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## **PES Roadmap for a Progressive Europe Adopted by the PES Congress on 13 June, Budapest**

Europe is at a crossroads. The path that we choose will determine the direction of the EU and the way it answers its citizens' expectations during the years to come. European citizens have suffered deeply from the crisis, with economic stagnation, high levels of unemployment, growing inequalities and deep social problems. This has created profound divisions that risk undermining both citizens' welfare and the future of the European project: divisions between different parts of Europe and within our societies.

For us, the Party of European Socialists, the crisis has demonstrated the absolute necessity of uniting, of working together to find common European solutions and an EU reform agenda to promote jobs and growth, and of putting an end to austerity-only policies that have fallen short of promoting growth and quality jobs. Conservatives and liberals claim to have understood the root causes of the crisis, but in practice they refuse to take the steps needed to overcome it and to prevent the next crisis. We are also confronted with populists who try to feed divisions, euroscepticism and hate. All this is extremely concerning for the European project and the benefits it can bring to people's lives. Never before has Europe been so criticised. It is our duty to embrace this challenge and lead the battle of ideas with our values, vision and achievements.

The European Union is the result of a common journey of Europeans from across our continent who came together to share a common vision of a better future for all. A common journey to overcome divisions, to strengthen cooperation at every level and put integration at the heart of our project, in full respect of national specificities and differences.

It is that common and progressive vision that we want to revive. The common vision is our answer to all those who want to undermine our Union. We need to restore the sense of a common future, of solidarity, of belonging that has been the real driving force behind the European Union. Europe has had many positive impacts on people's lives and can bring many more. That is why we urgently need to rebuild the trust between Europe and its citizens.

European citizens want a Europe that they understand and an alternative that combines new thinking with concrete and realistic proposals. A Europe that will answer the challenges of today: the long lasting economic and social effects of the financial crisis, global climate change and scarcity of natural resources, a more interconnected, more globalized and



more competitive world, and an unstable geopolitical environment. Our roadmap and our priorities are clear:

- We want to bring hope and ambition back to the heart of the European project.
- We want to foster a Social Union where strong social rights are on an equal footing with economic freedoms.
- We want to lay down the foundations for a prosperous future for Europe's citizens.

This is our framework and commitment in 10 concrete steps:

### **1. More and better jobs**

The harmful austerity-only policies and the rampant level of unemployment are key challenges that maintain our countries in a lasting crisis. Creating more jobs is an urgent priority. This is both a social and an economic imperative. We will continue our efforts, to help the younger generation of Europeans who have been hit hard by this crisis by promoting the quick implementation, the expansion, and increased funding of the Youth Guarantee. We will strive to ensure its success, in full respect of high labour standards and put into place active policies to support the young and long term unemployed to get a decent job.

We will strengthen innovative production based on investment, progressive reforms and natural resource efficiency. Job creation is not only about quantity, it is also about quality. Economic recovery cannot take place at the expense of the protection of workers, of decent salaries, of working standards, and of a good work-life balance. Social protection and social dialogue are not optional. They are essential tools for a sustainable and fair future for all, with social rights, affordable access to healthcare, and quality education. We want binding targets on poverty and social cohesion. Economic freedoms must not overrule social rights in the European internal market.

Pursuing our focus on quality work and decent wages, we will fight against in-work poverty to ensure that employment is an effective way out of poverty. We will work towards the prohibition of zero-hour contracts and regulate low-hours contracts to ensure that workers are entitled to a minimum level of paid employment and can earn a decent living from their work. We will introduce decent minimum wages, either by law or collective bargaining, decent minimum incomes and adequate pensions in Europe to ensure all Europeans, including those in old age, enjoy decent living standards and prospects. Through our efforts we strive to strengthen the Social Dialogue, worker's participation, co-determination and the convergence towards higher social standards for everyone in Europe, without lowering those set in national welfare systems. We will fight for social investment and for voluntary mobility with more portability of social rights. We want to put an end to social dumping, by ending the practice of exploiting workers and precarious contracts that harm many Europeans, and revise the Posting of Workers' Directive. At all levels, we will continue to insist on combating rising inequalities, which are threatening the European social model.

### **2. Investing in growth**

At the same time, we must do everything to re-launch the real economy. The fact that we now have a European Investment Plan is a great achievement of our political family. Our call to increase public and private investment has been heard. In order to ensure the success of the European Investment Plan, we will remain vigilant regarding its implementation, its increase, and its concrete impact on closing the investment gap in the

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EU. Only through financing sustainable, innovative, ambitious projects in growth and long-term quality job-creating sectors can we drastically improve the economic situation in Europe and bridge social and territorial inequalities. We will tackle economic divergences between Member States and regions and focus on promoting investment in the regions and countries with high levels of unemployment and slow job creation where biggest investment gaps are seen. Economic inequalities and excessive wealth concentration have a negative effect on the economy as a whole. We will therefore pursue policies that reduce inequalities in wealth and income in Europe as a key means of economic recovery, as well as an end in itself. We are fighting so that Europe's great investment potential is developed and exploited to the fullest and supported with all available financial means including by a strong EU budget with the necessary budgetary means, involving an own resource system. In order to absorb economic shocks, progressive fiscal policies that react to the fluctuations of the economic cycle should be implemented, and the necessary fiscal 'room for manoeuvre' given to all Member States, including those that are most affected by the financial and economic crisis, to actively pursue quality public investment, that expand rather than shrink our economy, especially in infrastructure, and research and technology.

### **3. Supporting green growth**

A prosperous and healthy future for all has to involve the highest standard of protection of our environment and climate. For us, Socialists and Democrats, fighting climate change and protecting the environment is neither a luxury nor a burden but an opportunity. It is an opportunity and indispensable investment in our future. It is also an objective that can, in the short and medium term, contribute to re-launching the economy with real green job creation. More efficient use of resources is a key element in securing Europe's competitive edge in the global economy. The challenge of global warming questions our economic and development model. We want to transform our economy into a circular economy that makes better use and re-use of resources and that prevents wasting resources in the first place. The PES is committed to reaching a global, legally-binding agreement on the reduction of greenhouse gas emissions during the 2015 COP 21 Global Climate Summit in Paris with the objective to keep global warming below the 2°C limit. A reformed Emissions Trading System with a carbon market stabilisation mechanism and a European system of carbon taxation that drives investments in low-carbon production shall be the backbone of Europe's contributions to saving the world's climate.

### **4. Managing the energy transition**

We support the creation of a balanced Energy Union to secure the provision of clean, sustainable, safe, reliable and affordable energy. These are challenges that can only be met if we work together, united, as Europeans. In doing so, we also want to increase energy independence vis-à-vis third countries. We are committed to promoting the increased use of renewable energy and improving energy efficiency and decarbonising our economies. This energy transition bears enormous investment and job-creation potential and must therefore be accompanied by strong social dialogue. We support the shift to a more decentralised, more transparent and more democratic energy model with forms of local energy production that enable citizens to be involved in, to profit from and to actively shape the European energy transition. We strive for more public and private investment in research and in the development of sustainable energy technologies and smart grids that enable renewables to flow freely between Member States. We will ensure that energy poverty, consumer protection and energy efficiency are addressed effectively in all relevant



EU legislation. The energy transition is not only an ecological imperative. It is also a means contributing to sustainable and inclusive growth.

## **5. Making the economy work for all citizens**

This crisis has exposed many of the shortcomings of the current economic and financial system. Fixing these now has to become one of the key priorities for Europe. We want an efficient and fair Single Market including in the digital economy and energy. We have to further regulate the banking and financial sectors, to make sure that they actively contribute to the promotion of sustainable economic growth and to ensure that citizens never again have to pay the price for bankers' mistakes. Credit has to flow to support the economy, especially Small and Medium Enterprises. Progressive measures such as the implementation of a substantial Financial Transaction Tax (FTT) must be supported to effectively tackle financial speculation and promote long term investments. Moreover, we must promote responsible fiscal policies and create a coordinated and fair fiscal system is needed, where no one avoids their responsibilities to society, and everybody contributes to ending the crisis. Much needed revenue can be accumulated by promoting tax policies that prevent tax dodging, such as the Common Consolidated Corporate Tax Base and aiming at convergence of rates not below a certain minimum, and ensuring transparency and a fair corporate taxation that does not lead to a fiscal race to the bottom. We will tackle tax evasion and avoidance and crack down tax havens. The country where a company makes its profits must be the country of taxation.

Moreover, in order to promote viable economic growth it is important to mutualise responsibility and rights especially within the Eurozone. We will bring down deficits in a sustainable and fair way and manage public debt in Europe with new instruments. The Economic and Monetary Union must be strengthened financially, institutionally, and by strong democratic institutions to foster real cohesion and solidarity. Our aim is to actively promote sustainable, quality public investment in Europe to support upward convergence between Member States. Europe needs a strong social dimension and to consider scenarios for complementary unemployment schemes. We will also promote other forms of fiscal and investment capacity in the Eurozone to support countries undergoing shocks and to sustain the welfare state.

## **6. For an innovative and digital economy**

The digitalisation of industries and services offers opportunities for European businesses to gain and maintain a competitive edge. The digital transition needs to be flanked by active industrial policies, by the skilling, re-skilling and up-skilling of the workforce. We want to ensure the security of private and corporate data. Economic, social and scientific stakeholders need to be coordinated in order to spur research and development, and to foster technological and social innovation in a digitalized economy. We want businesses that do not compete just on prices, but mainly on the quality and innovativeness of its products to create fair jobs and growth. This transition needs to be inclusive, affordable to all, and supported by education and awareness campaigns in order to make sure that each EU citizen is an integral part and can take full advantage of the digital society.

## **7. Promoting progressive reforms**

To fight unemployment, inequalities, to maintain our European social model, we have to work to modernize our economies and our societies. In the eyes of the right, reforms mean liberalisation, flexibilisation, dismantling the social acquis and blanket deregulation of the



labour market. These have had a strong deflationary impact, and have perpetuated the crisis. On the contrary, we are committed to reforms that improve the Europeans' socio-economic situations, strengthen social and territorial cohesion, improve education, support innovation, make public administration perform better, ensure adequate social protection and access to healthcare, restore equal opportunities, and advance the inclusion of vulnerable groups in the labour market. Our objectives are thus reforms that, combined with investment, will develop the growth potential, increase productivity, improve wages, reduce social inequalities, and improve sustainability. We want reforms that ensure government's efficiency in the field of taxation and in delivering justice. This includes a strong push for the adoption of European legislation fighting against discrimination. Our aim is to promote quality and durability instead of quantity and short termism. We want social and economic concerns to be given equal attention. We want to implement a new set of progressive reforms that answer the challenges which our societies face, reinforce our social model and set Europe on the path to sustainable growth. We will be tough guardians of public money at all levels, enhancing the quality of public spending, cutting out waste and directing expenditures to get the best value for Europe's people.

#### **8. For real gender equality**

The fight against all forms of inequality remains at the heart of our political action. Equal pay for equal work is a fundamental principle that we will continue to defend and promote. We will spare no effort to make sure that the gender pay and pensions-gap finally becomes a thing of the past, that women are fully represented in all sectors and level of the economy and society, and that they benefit from the same social rights as men. We will continue our work to eradicate gender-based violence, including domestic violence, and sexual mutilations, and to ensure that sexual and reproductive rights, including unhindered access to safe abortion, are guaranteed to all women across Europe and the world. And we will continue to spearhead the fight for maternity, paternity, parental leave, balance in work and family life and against all forms of gender discrimination, including gender identity and gender expression. We call for a distinct, strong and clear EU gender equality strategy 2015-2020 to be put forward by the European Commission.

#### **9. For a fair mobility in Europe**

Freedom of movement is a fundamental right and founding principle of the EU. Voluntary and fair mobility is at the core of European citizenship and one of the keys of the success of the single market, not only economically, but also socially, culturally, and in promoting our common values. Mobility should be a choice not an obligation. We will continue to defend the fundamental right of the freedom of movement of all EU citizens and their families, established by any form of union legally recognised in one or more EU Member States. We must harness the potential of mobility for communities, public services and welfare systems. We will combat all kinds of fraud, abuse and the undermining of national labour market conditions and wages, to protect this right in a sustainable and fair way. We will counter the populists who are trying to twist the facts and try to transform one of Europe's main achievements into an instrument of fear.

#### **10. Progressive asylum and migration policies**

On migration and asylum our first duty is always to protect human lives. Too many have been lost already. Europe must live up to its moral and legal obligation to offer safe access, protection and asylum to those who are fleeing war, dictatorship, persecution - including



that which is based on gender, sexual orientation and gender identity - and to those whose lives are at risk. Europe must act in the spirit of solidarity, and promote the fair sharing of responsibilities. We want to tackle the root causes of migration and improve the safety and quality of life in migrants' countries of origin or transit, by supporting third countries, promoting peace, democracy and social and economic development. We must also help crack down on criminal networks of smugglers and human traffickers that are feeding on people's despair. Finally, Europe must develop a well-managed and organised policy of legal migration and integration - including labour mobility schemes for both highly skilled and low skilled labour - which can enrich our continent culturally, socially and economically. Europe must act concretely to facilitate asylum seekers' access to protection in Europe, by defining common and easier European procedures. The dramatic situation at the Mediterranean Sea is a strong reminder that Europe has a duty to protect the lives and fundamental rights of migrants, and protect them from all forms of exploitation.

We, the Party of European Socialists, are committed to overcome the challenges ahead. Not with slogans. But by bringing the concrete change in politics and policies that will deliver results, and have a positive impact on people's lives. We will ensure that Europe is a driving force for positive change for all.

