
Summary: Social Investment Package for Growth and Cohesion

The Commission has urged EU countries to put more emphasis on social investment. Social investment means enhancing people's capacities and supporting their participation in society and the labour market. This will benefit individuals' prosperity, boost the economy and help the EU emerge from the crisis stronger, more cohesive and more competitive.

WHAT'S THE ISSUE?

1. **The economic crisis** – Unemployment, poverty and social exclusion levels have reached record highs, placing people outside the labour market and society, while public budgets are under pressure. This threatens the achievement of the EU target to lift at least 20 million people out of poverty and social exclusion by 2020.
2. **Demographic changes** – The size of the working-age population in Europe is shrinking, while the proportion of older people is expanding. EU governments are looking for ways to ensure sustainable and adequate social protection systems.

WHAT DOES THE SOCIAL INVESTMENT PACKAGE INVOLVE?

1. **Spending more effectively and efficiently to ensure adequate and sustainable social protection.** This can be achieved through simplifying the administration of benefits and services, targeting them better and making them progressive .
2. **Investing in people's skills and capacities** to improve people's opportunities to integrate in society and the labour market. Examples of this are education, childcare, healthcare, training, job-search assistance and giving the emotional lift to take the positional shift.
3. **Ensuring that social protection systems respond to people's needs at critical moments during their lives.** This means investing as early as possible to prevent hardship from arising later and 'preparing' people against life's risks rather than simply 'repairing'. Investing in children and young people is therefore important.

WHO WILL BENEFIT AND HOW?

Strengthened social investment will benefit:

1. **children and young people** – early intervention and other measures to break inter-generational cycles of disadvantage
2. **jobseekers and potential jobseekers** – integrated and more accessible support for finding work.
3. **women** – more equal opportunities and fewer barriers to the labour market
4. **older people** – opportunities for longer participation in society and economy
5. **lone parents** – fewer barriers and greater opportunities
6. **disabled people** – enhanced independent living and adapted workplaces
7. **homeless people** – better chances to reintegration into society and work
8. **employers** – a larger, healthier and more skilled workforce
9. **society and the economy as a whole** – higher productivity, higher employment, better health and social inclusion, which will spur growth and ease pressure on social protection budgets

WHY DOES ACTION HAVE TO BE TAKEN BY THE EU?

1. Social and health policies are primarily the responsibility of national governments. But the crisis has shown that the economies of EU countries are highly interdependent.
2. The EU will provide financial support for EU countries to make the reforms needed, in particular through the European Social Fund.

WHAT EXACTLY WILL CHANGE?

1. Greater focus on policies that strengthen people's capacities and skills and remove barriers to finding work.
2. More effective and efficient use of resources, helping to ensure adequate and sustainable social protection.
3. Better results – ensuring greater productivity, employability, health, helping people to get out of poverty and social exclusion and having appropriate living standards.

WHEN IS THE PACKAGE LIKELY TO COME INTO EFFECT?

EU governments are urged to implement the policy guidance in this package as quickly as possible.