Preparation for the European Council (25-26 March 2010)

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The Council held an exchange of views on the European strategy for growth and jobs, with a view to preparing the Spring European Council of 25 and 26 March.

The new Commissioner for Employment and Social Affairs, László Andor, presented the Commission's Communication "Europe 2020: A European strategy for smart, sustainable and inclusive growth". Ministers in general welcomed the Communication as a valuable basis for discussions with a view to the decisions to be taken on the new strategy which will follow the Lisbon strategy.

While most ministers were in agreement with the Commission's suggestion that the new strategy should concentrate on a limited number of priority objectives, some pointed out that more explicit sub-targets could better address the specific national situation. In particular, they welcomed the **proposed EU-level target for employment** according to which 75% of the population aged 20-64 should have a job by 2020. Many ministers stressed the importance of women's participation in the labour market if the EU was to meet this target and maximise economic growth.

A large number of ministers also emphasised the importance of finding the most effective ways of reducing the impact of unemployment on young people and the elderly. The importance of education, lifelong learning and vocational training was highlighted, and a number of ministers also noted the importance of job quality.

The need to strengthen efforts in the **fight against poverty** was also stressed. In this context, some ministers welcomed the proposed EU-level target (20 million fewer people should be at risk of poverty by 2020) as a strong signal of the EU commitment in the framework of the 2010 European year against poverty and social exclusion. Other ministers wondered if the EU target would be appropriate as it referred to relative, and not absolute, poverty. Several ministers warned that such a target could create disincentives to take up work if it were to be reached through redistributive policies.

Some ministers considered that the new EU-level targets should be supported with EU funds, such as the European Social Fund (ESF).

Many ministers agreed that strong governance mechanisms are required to monitor the implementation of the new strategy and that, the EPSCO Council should play a key role.

The presidency gave a summary of the debate which will be conveyed via Coreper 2 to the General Affairs Council on 22 March in preparation of the European Council.

The debate was based on the following documents:

- the Commission's communication on the EU 2020 strategy, adopted on 3 March;
- the presidency background paper setting out its reflections in the light of the outcome of the informal meeting of ministers for Employment and Social Security on 28 and 29 January in Barcelona (doc. 6422/1/10 REV 1).;
- contributions from the Employment and the Social Protection.

The Council adopted the joint employment report 2009/2010 (doc. 6575/10) and the joint report on social protection and social inclusion 2010 (doc. 6323/10) and agreed to transmit them to the Spring European Council.

The **joint employment report 2009/2010** gives an overview of the challenges which the employment policies of Member States face due to the need to adjust crisis measures within the framework of continuing structural reforms. It draws from the reports submitted by Member States on the implementation of the employment part of their national reform programmes. The joint employment report will be submitted to the European Council which, according to the Treaty, will consider the employment situation in the Union and adopts conclusions thereon, on the basis of a joint annual report by the Council and Commission.

The **joint report on social protection and social inclusion 2010** calls for more effective social inclusion and social protection in line with the principles of access for all, adequacy and sustainability. It draws on Member States' national reports on strategies for social inclusion, pensions, health care and long-term care which were submitted for the first time in an integrated form in 2006. The joint report notes that drawing on lessons of the crisis and of ten years of the Lisbon strategy there will be a need to foster sustainable growth along with job creation and social cohesion and systematically to assess progress of social outcomes.

The Council also took note of the Commission's **report on Equality between women and men, 2010**. (doc. 5056/10). This report focuses, in particular, on gender equality and employment as a way to stimulate economic recovery and growth; the reconciliation of work and private life; promoting social inclusion through gender equality; and preventing and combating gender-based violence. The report will be forwarded to the Spring European Council.