Guidelines for the employment policies of the Member States. Part II of the Europe 2020 Integrated Guidelines

2010/0115(NLE) - 21/10/2010 - Final act

PURPOSE: to propose a series of coherent guidelines for Member States' employment policies drawing on the Europe 2020 strategy.

LEGISLATIVE ACT: Council Decision 2010/707/EU on guidelines for the employment policies of the Member States.

CONTENT: the Council adopted a decision establishing new guidelines for the employment policies of the Member States. The United Kingdom delegation abstained. The integrated guidelines represent the main tool of the Europe 2020 Strategy, the new ten-year strategy for jobs and smart, sustainable and inclusive growth. They lay the foundations for structural reforms which the Member States will have to carry out.

The Europe 2020 strategy is underpinned by a smaller set of guidelines, replacing the previous set of 24 and addressing **employment and broad economic policy issues** in a coherent manner. The guidelines are intrinsically linked with the guidelines for the economic policies of the Member States and of the Union, annexed to Council Recommendation of 13 July 2010 on broad guidelines for the economic policies of the Member States and of the Union. Together, they form the '**Europe 2020 integrated guidelines**'.

They give precise guidance to the Member States on defining their National Reform Programmes and implementing reforms.

The revised guidelines are laid down in the annex to the Decision and may be summarised as follows :

Guideline 7: increasing labour market participation of women and men, reducing structural unemployment and promoting job quality. Member States should integrate the **flexicurity** principles endorsed by the European Council into their labour market policies and apply them, making appropriate use of European Social Fund and other EU funds support, with a view to increasing labour market participation and combating segmentation, inactivity and gender inequality, whilst reducing structural unemployment.

Member States should:

- introduce a combination of flexible and reliable contractual arrangements, active labour market policies, effective lifelong learning, policies to promote labour mobility, and adequate social security systems to secure labour market transitions accompanied by clear rights and responsibilities for the unemployed to actively seek work;
- step up social dialogue and tackle labour market segmentation with measures addressing precarious employment, underemployment and undeclared work;
- combat in-work poverty and promote occupational health and safety;
- encourage the right framework conditions for wage bargaining and labour cost development consistent with price stability and productivity trends;
- review tax and benefit systems, and public services capacity to provide the support needed, in order to increase labour force participation and stimulate labour demand;
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promote active ageing, gender equality including equal pay, and the integration in the labour market of young people, people with disabilities, legal migrants and other vulnerable groups;
- remove barriers to labour market entry for newcomers, promote self-employment, entrepreneurship and job creation in all areas including green employment and care and promote social innovation.

The EU headline target, on the basis of which Member States will set their national targets, taking into account their relative starting positions and national circumstances, is to aim to raise **the employment rate for women and men aged 20-64 to 75 % by 2020**, including through the greater participation of young people, older workers and low-skilled workers and the better integration of legal migrants.

Guideline 8: developing a skilled workforce responding to labour market needs and promoting lifelong learning. Member States. Member States should promote **productivity and employability** through an adequate supply of knowledge and skills to match current and future demand in the labour market. Quality initial education and attractive vocational training must be complemented with effective incentives for lifelong learning for those who are in and those who are not in employment, thus ensuring every adult the chance to retrain or to move one step up in their qualification and overcome gender stereotypes, as well as by opportunities for second-chance learning and by targeted migration and integration policies.

Member States should develop systems for recognising acquired competencies, and should remove barriers to occupational and geographical mobility of workers, promote the acquisition of transversal competences to support creativity, innovation and entrepreneurship.

In particular, efforts should focus on :

- supporting those with low and obsolete skills,
- increasing the employability of older workers, enhancing training, skills and experience of highly skilled workers, including researchers and women in scientific, mathematical and technological fields.

Member States should:

- improve access to training, strengthen education and career guidance;
- support young people and in particular those not in employment, education or training;
- in cooperation with the social partners, enact schemes to help those people find initial employment, job experience, or further education and training opportunities, including apprenticeships, and should intervene rapidly when young people become unemployed.

Guideline 9: Improving the quality and performance of education and training systems at all levels and increasing participation in tertiary or equivalent education. Member States should invest efficiently in education and training systems notably to **raise the skill level of the EU's workforce**, allowing it to meet the rapidly changing needs of modern labour markets and society at large.

Reforms should aim to ensure:

- the acquisition of the key competencies that every individual needs for success in a knowledge-based economy;
- international mobility for learners and teachers;
- the openness and relevance of education and training systems, particularly by implementing national qualification frameworks enabling flexible learning pathways;
- that higher education should become more open to non-traditional learners and participation in tertiary or equivalent education should be increased;
- that Member States take all necessary steps to **prevent early school leaving**.

The EU headline target, on the basis of which Member States will set their national targets, taking into account their relative starting positions and national circumstances, will aim to reduce drop out rates to **less than 10 %,** and increase the share of 30-34 year-olds having completed tertiary or equivalent education to at least 40 %.

Guideline 10: promoting social inclusion and combating poverty. Member States should prevent and reduce poverty and promote full participation in society and economy. Appropriate use of the European Social Fund and other EU funds should be made to that end.

Member States should also put in place:

- effective anti-discrimination measures;
- enhanced social protection systems, lifelong learning and comprehensive active inclusion policies to create opportunities at different stages of people's lives and shield them from the risk of exclusion, with special attention to women;
- modernised social protection systems, including pensions and access to healthcare to ensure adequate income support and services;
- a system for quantitative targets in the field of education.

Benefit systems should focus on **ensuring income security** during transitions and reducing poverty, in particular among groups most at risk from social exclusion, such as one-parent families, minorities including the Roma, people with disabilities, children and young people, elderly women and men, legal migrants and the homeless. Member States should also actively promote the social economy and social innovation in support of the most vulnerable.

The EU headline target, on the basis of which Member States will set their national targets, taking into account their relative starting conditions and national circumstances, will aim at promoting social inclusion, in particular through the reduction of poverty by aiming to lift **at least 20 million people** out of the risk of poverty and exclusion.