Agenda for new skills and jobs

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The Committee on Employment and Social Affairs adopted the own-initiative report drafted by Regina BASTOS (EPP, PT) on the Agenda for New Skills and Jobs.

The report recalls that, within the Europe 2020 strategy, Member States agreed on an employment target of 75 % for men and women in the 20-64 years age group by 2020. It underlines that the a drastic reduction of youth unemployment, increased women's participation in the labour market and effective implementation of the inclusion priority of the strategy are among the vital preconditions for reaching the employment target. However, there exist major obstacles to substantially raising employment in the EU.

However, there exist major obstacles to substantially raising employment in the EU, which can only be tackled by ensuring better-functioning labour markets.

Pointing out that the employment rate and economic performance are mutually reinforcing, the committee recommends that Member States follow the Europe 2020 integrated set of guidelines for employment policies and broad economic policy guidelines. It calls for better coordination of economic policies among Member States in order to foster sustainable growth and job creation, taking into account the regional inequalities across Europe regarding employment and unemployment rates.

At the same time, Member States are called upon to respect the rules on budgetary discipline in order to diminish the risk of falling into excessive deficit. Members emphasise, however, the importance of the social impact assessment and urge an assessment of the social costs of spending cuts, in particular of those for education and active labour market policies which could jeopardise progress in addressing the shortage of skilled workers in Europe.

Giving full support to the Commission's flagship initiative within the Europe 2020 strategy Members call on the Commission to deliver on the employment and skills priority actions under the initiative, and consider that the Agenda for New Skills and Jobs should be seen in conjunction with the EU’s Research Framework Programme, and that synergies between the two could create growth and jobs.

The committee also discusses the following issues in its report :

- **education and training:** Members consider that qualifications and skills should be strengthened for all age groups. Reinforcing human capital and employability by means of updating skills will mean placing Europe on the path of recovery;
- **flexicurity:** the report stresses that national flexicurity arrangements must be reviewed in the light of the new socio-economic contexts, maintained, where appropriate, strengthened and adapted to the specific needs of each individual Member State, while strengthening poverty-proof social and unemployment protection ;
- **reorganisation of work:** measures should be taken to reconcile work and family life and make reforms to the organisation and quality of work.

Ensuring the availability of a skilled labour force : Members consider that it essential to substantially boost investment in education, research and innovation, and accordingly takes the view that, in order to encourage Member States to move in this direction, special consideration should be given to public spending on education, research and innovation when Member States' medium-term budget objectives are assessed.

In order to ensure the availability of a skilled work force, the report makes several recommendations, the main ones being as follows:

- reform the European Employment Service's EURES network ;
- boosting the attractiveness of jobs and careers to young workers with a 'knowledge alliance' that brings together businesses, social partners and education institutions to address innovation and skills gaps;
- early identification of skill needs, with at least a 10-year time horizon, and more reliable systems for the anticipation of future skill needs and skill shortages;
- raise the profile and attractiveness of professions and jobs for which there is a workforce deficit on the labour market;
- give more visibility and financial support to the Leonardo da Vinci programme, which enables people to acquire new skills, knowledge and qualifications;
- invest more in research and development;
- promote further the establishment of European Sector Councils for Employment and Skills , which should be upheld as a platform for collection and exchange of information held by Member States and regions;
- the European Social Dialogue Committees to assist in better matching existing training to present and future demand;
- involve employers in the management of education institutions and in the development of courses, teaching methods, apprenticeships, assessment and qualification;
- implement more effective policies, based on high-quality, modern education and vocational training, to prevent early school leaving;
- implement policies that offer alternatives with regard to education, training and employment for people with disabilities;
- promote European centres of excellence within new academic specialisations for tomorrow's jobs and the growth of clusters of innovative enterprises;
- integrate ICT competences, digital literacy, entrepreneurship and transversal key competences such as communication in foreign languages and competences for personal fulfilment and development;
- support language learning and the development of language teaching;
- develop training programmes for teachers ;
- set up a European quality framework for traineeships, setting up decent working conditions and rules to prevent trainees from being used to replace regular employment;
- strengthen, in the forthcoming legislative initiative on professional qualifications the mutual recognition of diplomas and professional qualifications and move towards a mechanism for enhanced mutual recognition of competences;
- develop a Seniors Action Programme for the increasing number of very experienced senior citizens who are willing to volunteer, which might run in parallel with, and complement, the Youth in Action Programme;
- maintain the craft tradition and its associated skills and to establish strategies for craft retail entrepreneurs.

Given that it is estimated that in 2015 there will be a shortfall of IT professionals extending to between 384 000 and 700 000 jobs, while the estimated deficit for the health sector is of some one million professionals and that for researchers another one million, the committee calls for measures to ensure the necessary level of skilled human resources in these fields.

At the same time, Members strongly condemn undeclared work, which endangers both society and workers. They call on Member States to carry out regular and more numerous checks, to impose appropriate penalties, and to initiate information campaigns in order to raise awareness of the rights of workers and the long-term disadvantages for those employed in the black economy.

They call for the development of a care economy to meet real needs and to ensure high quality accessible care services for all, good working and pay conditions. They also stress the potential of social, health, care and education services to create new employment.

Members call on the Commission, Member States, social partners and other stakeholders to ensure efficient, simplified and synergetic use of EU funds, such as ESF, ERDF and the Cohesion Fund, and facilities such as the Microfinance Facility, for job creation, including in the social economy. They also c all on the Commission to review the existing framework of EU direct enterprise support schemes and to study the possibility of allocating the lion's share of the support to job creation in enterprises, developing workers' skills and implementing further training programmes.

Improving the functioning of the labour market: Members share the Commission's assessment that the crisis has put national flexicurity arrangements to a serious test, including where external flexibility measures have been introduced in the labour markets without corresponding strengthening of social security systems. However, they stress the need to pursue labour market reforms without undermining successful policies and consensus and trust between national governments and the social partners. They also emphasise that flexicurity measures must be tailored to social circumstances and the specific structure of national labour markets and be consistent with the interests of employers and workers.

Flexicurity alone cannot remedy the crisis. It is necessary to respond to the needs of workers and companies in modern labour markets, to create decent jobs and to ensure employability of workers, adequate social protection and the respect of the principle of "equal pay for equal work" in conjunction with gender equality. Members support, pursuant to Article 155 of the Treaty on the Functioning of the European Union (TFEU), dialogue between management and labour and encourage them to enter into contractual relations, including agreements; recommends that in implementing agreements concluded at European level, management and labour in each industrial sector use the procedure laid down in Article 155(2) TFEU.

The report urges the Member States to **develop teleworking**.

Promoting inclusive labour markets: the report underlines that, in order to emerge stronger from the economic crisis, to become more competitive and convergent, with higher levels of growth and employment, and to secure our welfare systems in the long term, Europe needs to make better use of its labour force potential in all age groups, to improve both functioning of its labour markets and social inclusion and social protection, as well as to boost the qualifications and skills of the labour force. Members emphasise in this context that **reducing labour market segmentation** has to be achieved by providing adequate security for workers and improving labour market inclusion.

The report stresses that pay rises do not keep pace with productivity gains in many Member States, and is extremely concerned at the growing number of 'working poor', who, although earning a wage, remain below the poverty line, and believes that resolute action should be taken to remedy this situation.

Other measures are presented such as: better and stronger policies promoting gender equality and the reconciliation of work, family and private life; efforts must be made to promote technical and engineering studies such as MINT (mathematics, informatics, natural sciences, technology) among girls and to combat gender stereotypes and professional segregation of women in education and labour market; more needs to be done to tackle discrimination, including multiple discrimination, of different groups in employment.

As regards women, Members note that opportunities to raise the rate of women's employment are offered not only by the 'white-job' sector but also by the home defence sector, the logistics sector (including transport), the business services sector – insurance and consulting, for example – and the ecological sector and sustainable jobs. They urge the Commission and the Member States to support and develop specific

programmes geared to recruiting women to technical professions through subsidies for young female academics.

The Commission and the Member States are called upon to encourage the private and public sector to take all possible and necessary action to **eliminate the gender pay gap** and the major inequalities in terms of access, pay, career development, participation and governance, with the aim of improving women's participation in the labour market.

Improving job quality and working conditions: the report considers that pursuing the objective of full employment has to be complemented by strengthened efforts to improve the job quality, working and living conditions of all employees, including health and safety at work and gender equality. The Commission is called upon to step up efforts to review the EU definition and common indicators of job quality, to make them more operational for the evaluation and benchmarking of Member States' policies. The key stakeholders in the field of industrial relations at EU level to work towards developing a **common European approach** in this area and to take an active part in the review of the definition and indicators of job quality.

The Commission is also called upon to:

take measures to strengthen workplace accessibility, especially for people with disabilities;

review health and safety legislation and to address the problem of lack of recognition of job related hazards and illnesses;

make a greater effort to reduce the high number and increasing proportion of occupational illnesses, in particular the spread of musculo-skeletal disorders.

Lastly, the report considers that **workers rights, dialogue between the social partners - workers and employers - and adequate social protection** preventing in-work poverty should be at the core of employment quality and thus also of the job quality concept.