Resolution on ‘Towards a job-rich recovery'

2012/2647(RSP) - 14/06/2012 - Text adopted by Parliament, single reading

The European Parliament adopted by 394 votes to 94 with 114 abstentions a resolution tabled by the Committee on Employment and Social Affairs on ‘Towards a job-rich recovery’ in response to the Commission Communication of 18 April 2012 on the subject.

It welcomes the Commission's proposals to complement the employment priorities of the Annual Growth Survey with medium-term policy guidance aimed at reaching the targets set out in the EU 2020 Strategy. Members note that unemployment rates have risen from 9.5 % to 10.2 % in 2010 and 2012 respectively, equalling a total of 6 million job losses since 2008. 17.6 million new jobs will have to be filled in order to meet the employment target set out in the EU 2020 Strategy, which calls for 75 % of 20-64 year olds to be in employment by 2020. Members also note that austerity measures aimed at fiscal consolidation being pursued in a number of Member States have contributed to significant increases in unemployment.

Parliament deplores the fact that, despite their political commitment during the 2012 Spring European Council and the Commission's guidance in the Communication, most Member States did not submit a National Job Plan as part of their National Reform Programme 2012. It **urges the Heads of State or Government of the EU to commit to a European investment package before the end of 2012.** Such a package could push Europe out of the crisis if it includes concrete commitments at national and European level for investment to create sustainable growth and jobs in key sectors such as resource efficiency and management, renewables, energy efficiency or recycling/reusing. Members point to the Energy Efficiency Directive as a concrete example of European legislation, which could create up to 2 million new jobs.

They welcome the proposal to **reduce the tax wedge on labour** in a budgetary-neutral way, recalling that the average tax wedge between what it costs for an employer to hire a worker and the worker's real pay is often above 40 % in the EU. Shifting the tax burden may enable companies benefiting from these exemptions/reductions to create new jobs or to increase wages.

Parliament calls on the Commission and Member States to:

- move towards an economic model based on the principle of resource efficiency, pointing to the Commission's finding that every percentage point reduction in resource use could lead to up to 100 000 to 200 000 new jobs;

- increase investment in entrepreneurship, business-start-ups and self-employment in particular through public procurement and access to finance;

- observe the ‘Think Small First’ principle and to carefully monitor the implementation of appropriate reductions in order to ensure that SMEs do not suffer from disproportionate administrative burden or obstacles to free trade within the Single Market;

- remove all restrictions on free labour market access to workers from Bulgaria and Romania, pointing to the negative impact these restrictions have on undeclared, irregular employment and to the abuse which takes place;

- step up the fight against informal or undeclared work and ‘forced self employment’;

- take into account the ILO Convention, supplemented by a recommendation on domestic workers to improve the existing working conditions in these sectors;

- ensure the efficient use of cohesion policy, EAFRD and EMFF funds and of the Microfinance Facility to their full potential for investment in education, training, self-employment, labour mobility and productivity;

- address the real causes of labour market segmentation, such as gender inequality and the lack of policies to support the work-life balance;

- make the European Skills Passport a reality before the end of 2012 in order to ensure equality and non-discrimination in terms of the means and the place where skills have been acquired;

- present a proposal for a Council Recommendation on a Quality Framework for Traineeships and a Council Recommendation on Youth Guarantees Regulation, and to define minimum standards supporting the provision and take-up of high-quality traineeships;

- ensure that every young EU citizen can start work or training after a maximum period of four months of unemployment by implementing the European Youth Guarantee;

- speed up the work on the Pension Portability Directive, as legal uncertainty concerning social security provisions and pension rights is one of the main obstacles to the free movement of workers;

Lastly, Parliament joins the Commission in its call for the Member States to enhance their use of the EURES system. It stresses the key role of EURES in the functioning of the Internal Market through advising workers and jobseekers as regards their rights in other Member States, and calls for full involvement of the European Parliament with regard to the reform of the structure and governance of the EURES network.