European semester for economic policy coordination: employment and social aspects in the annual growth survey 2015

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The Committee on Employment and Social Affairs adopted the own-initiative report by Sergio GUTIÉRREZ PRIETO (S&D, ES) on European Semester for economic policy coordination: Employment and Social Aspects in the Annual Growth Survey 2015.

Stating that Europe must be committed to the model of the social market economy, ensuring sustainable growth in order to provide the next generation with jobs instead of debts, the report welcomed the Commission's integrated approach to growth, founded on three main pillars: (i) **an Investment Plan for Europe, (ii) structural reforms and (iii) fiscal responsibility.** It called for an ambitious, expansionary economic and fiscal policy, within the existing rules of the Stability and Growth Pact (SGP), to boost smart, sustainable and inclusive growth and to create better and sustainable jobs.

Responsible policy refocused on investment, quality job creation and growth: the report called for the development of a European framework to assure that all investments under the European Investment Plan had a significant impact in terms of stimulating sustainable growth, creating quality jobs and fostering social progress. The Commission was asked to monitor and control the investments under the Plan and, furthermore, to audit and measure the economic and social impact of the investments in real terms.

SMEs restored financing to boost private investment and job creation: while SMEs constitute the backbone of job creation in the EU, they continue to face major difficulties in gaining access to financing, and are worryingly over-indebted. The report welcomed, therefore, the Commission's new recommendations on SME's access to finance. It called on Member States to eliminate unnecessary administrative burdens and bureaucracy for the self-employed and for micro-enterprises and SMEs, and to facilitate conditions for start-ups. Members welcomed the measures announced by the Commission to boost job creation in SMEs by unlocking alternatives to bank loans, and to improve the regulatory and fiscal framework in order to enhance long-term investment in SMEs.

A more efficient use of funds: stressing that cohesion policy measures had an essential role to play, the report called on the Commission to consider pre-financing in order to facilitate the full use of funds by Member States in the 2014-2020 period, while ensuring that the principle of budgetary accountability is upheld. The Commission is asked to ensure strict monitoring of the 20 % ring-fencing of ESF for poverty.

Reforms to expand growth potential: Members felt that investment plans, as well as measures taken by the ECB, could only be successful if they were coupled with national reforms that enhance quality labour participation, boost activity and productivity, develop human capital in all age groups, including the most vulnerable groups, and support strong social and social protection systems;

They called on the Commission and the Member States to:

- design tailor-made policies to support quality job creation for the long-term unemployed, senior unemployed people, women and other priority groups hit especially hard by the crisis such as immigrants, the Roma community and people with disabilities;

- measures to promote anti-discrimination policies on the workplace, work-life balance, lifelong learning and training, and to combat the low level of education that affects some of these groups, many of whom were at risk of social exclusion.

Recalling that decent wages were important not only for social cohesion, but also for maintaining a strong recovery and a productive economy, the report called on the Commission to investigate the impact of Member States introducing **minimum wages** in the context of reducing wage inequalities and to reinforce efforts to tackle social and wage dumping in the EU,.

The Commission was called upon to:

- propose a European framework for introducing **minimum standards for the implementation of Youth Guarantees;**

- propose a new Quality Framework with a view to preventing discrimination and exploitation of young workers;

- present a proposal on parental leave that contributes to ensuring equal working conditions for women and men

- propose an initiative to promote the introduction of minimum incomes in the Member States;

- help Member States tackle the urgent and rapidly growing problem of homelessness.

Democratic legitimacy: Members expressed deep concern over the limited role that the European Parliament, the national parliaments as well as social partners and civil society organisations had to play in the formulation, monitoring and implementation of economic and social priorities in the European Semester. They reiterated their call for increased and structured involvement of civil society and social partners at EU as well as national level so as to improve the legitimacy of the European Semester process.