Employment in Europe. 1995 annual Report

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The committee adopted the report and asked that an agreement be concluded between the Community institutions to confirm Parliament's involvement in drawing up the Union's employment policy. In its report (PE 214.801/fin) on the Commission's report "Employment in Europe - 1995", the committee also stressed that the current democratic deficit needed to be eliminated by allowing Parliament to play a more active role in monitoring the employment situation. The rapporteur was Mrs Anne VAN LANCKER (PSE, B), and in her explanatory statement she stated that Parliament should play a central role in defining employment policy. She complained that the Commission communication (COM(95)0074 final) on the follow-up to the Essen European Council of December 1994 did not establish any clear procedure or a procedure for the Commission's consultation of Parliament. This situation was totally contrary to the role accorded to Parliament under Article D of the Treaty on European Union. In the light of this article, Mrs VAN LANCKER believed that the European Parliament was the privileged partner of the European Council and that it should present it with a report after each of its meetings. In her view, this obviously applied to the follow-up to the Essen Council, which had set out five key priorities in relation to employment. Although Mrs VAN LANCKER welcomed the Commission's report, she felt that it was clear that until now the Community had not implemented a coherent and active policy in the field of employment. The single market had perhaps established the foundations for economic development, but it would be an illusion to presume that that would automatically lead to greater employment. Between 1991 and 1994, six million jobs were lost in the European Union, with the result that 18 million people (almost 11% of the working population) were currently unemployed. Following the decrease of 4% in the number of jobs in the Union over the three years, in 1994 the level of employment (the percentage of the working population that was in employment) fell below 60%. The report pointed out that the globalisation of the world economy, caused by the liberalisation of trade, the movement of capital and financial services, and the deregulation of markets, had exerted enormous pressure on all the Member States, and this could not be addressed in isolation. It was thus essential to adopt a common strategy to promote sustainable growth, employment and a high level of social protection. The committee therefore felt that the employment policy should be taken into account when drawing up the Union's economic policy. Mrs VAN LANCKER stressed that projects relating to Economic and Monetary Union should be adapted to encompass an active employment policy at European level. To this end, the committee called on the Council to formulate employment guidelines in the future - similar to those adopted for economic policy - and to apply penalties in the case of non-compliance. The Council should also adopt a coherent employment strategy. In this respect, it should reconcile the Union's various instruments (such as the European Investment Bank, the European Investment Fund and the Structural Funds) with national policies pertaining to employment. Moreover, the Social Affairs Council and Economic and Financial Affairs Council (Ecofin) should take joint responsibility for employment policy and economic policy. The committee also called for the Maastricht Treaty to be reviewed during next year's Intergovernmental Conference (IGC) and for a new chapter on the "Employment Union" to be inserted in the Treaty. This chapter should explicitly refer to the Union's objective of full employment. However, before that meeting, the Union's Heads of State or Government, who were to meet in Madrid next month, should adopt a Community framework which would not only encourage the exchange of ideas between Member States but would also provide European support for local employment initiatives. This summit should also put forward the idea of social framework agreements between employers, unions and governments so as to substantially reduce working time within a specific period. Collective agreements should provide for financial incentives linking the reduction in working time and the consequent recruitment of additional employees. The committee also supported the concept of an annual conference on employment.