Employment: overview and political assessment of the implementation of the 2001 guidelines. Joint report

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PURPOSE: to present the assessment of Member States' implementation of the Employment guidelines 2001. CONTENT: Title VIII of the Treaty establishing the European Community lays down the principles and procedures towards developing a co-ordinated strategy for employment. Article 128 details the steps leading to the formulation of such a strategy including, on an annual basis, guidelines for employment, recommendations to the Member States and a joint report by the Council and the Commission to the European Council on the employment situation in the Community and on the implementation of the guidelines. Each Member State is to provide the Council and the Commission with an annual report on the principal measures taken to implement its employment policy in the light of the guidelines for employment. This year is the fourth round of this process and Member States duly sent their National Action Plans for employment (NAPs) to the Council and Commission in May. The present document is designed to support the preparation of the Joint Employment Report called for under Article 128. It reflects the Commission services' own detailed analysis and assessment of the NAPs and the extent to which they respond to the Employment Guidelines and Recommendations agreed by the Council on 19 January 2001. It also takes into account complementary information or explanations presented by Member States at the bilateral meetings held with the Commission in late June/early July 2001. Part I of the supporting document provides a thematic and European Union wide assessment of the 2001 National Action Plans on employment. The Guidelines for 2001, approved by the Council on the 19 January 2001, were updated to reflect the Lisbon strategy by including five new horizontal objectives and some new or adjusted guidelines. These include bottlenecks in the labour market (GL 6); discrimination (GL 7); undeclared work (GL 9); the common target for workers' ICT literacy by 2003 (GL 15) and national targets on gender gap and care facilities (GL 17/18). Part II assesses the progress made by each Member State in implementing the objectives and Guidelines for 2001. This is based on the NAPs and on the performance indicators. Horizontal objectives: Five new horizontal objectives were introduced in the 2001 Guidelines with the aim of reflecting the conclusions of the Lisbon European Council, especially to prepare the European Union for the transition to a knowledge-based economy. - With regard to the first objective, to increase the overall and female employment rates, the gaps between the Member States are slowly closing but differences are still substantial. The gender and age gaps are much wider in Member States that have relatively low overall employment rates. Member States make reference to Lisbon or Stockholm targets but most of them fail to set overall orspecific national employment targets. - Most Member States have made substantial progress concerning the second horizontal objective: developing and implementing comprehensive and coherent national strategies and initiatives for lifelong learning. Half of the Member States can be considered as having such a policy. However, only a few Member States set targets to increase investment in human resources and participation in education and training. Furthermore, evaluation of the actual impact of policy is still premature as most Member States are still at a development or early implementation phase of their strategies. - Concerning the third objective, to promote the role and contributions of social partners, there is a trend towards the desired strengthening of co-operation between social partners and Governments. In most NAPs, information on the contribution of social partners is limited, which makes it difficult to make an assessment grounded in reality. Little progress has been made on the introduction by the social partners of their own process with regard to the Employment Strategy. - With regard to the fourth objective of ensuring a proper policy mix between the four pillars the greatest emphasis is put on the Employability Pillar, followed by the Entrepreneurship Pillar. Although the Adaptability Pillar is the least developed, some progress is noteworthy in terms of involvement of the social partners. For the Equal Opportunities Pillar, less emphasis has been placed in the 2001 NAPs compared to the previous year. Member States increasingly take into account the regional

and local dimension of their employment policies. More and more NAPs tend to be designed in a more flexible way, allowing for implementation adapted to different circumstances. In parallel, regions are beginning to launch their own programmes which often complement parts of national programmes. The European Structural Funds play an important role in this development. - Progress has been achieved on the development of common European indicators. Initiatives for the development of indicators and benchmarks at national level, including by the social partners, have only been tackled in some Member States · Belgium, France, Ireland and the Netherlands, and partly in the United Kingdom.. Regarding taxation, more than half of the Member States do not provide any indicators at all and those which do (Belgium, Denmark, France, the Netherlands, Finland and Sweden) only present specific national indicators. Concerning tax-benefit systems, the development of common indicators is even less advanced and none of the Member States provide any data at all. - Although it is not a horizontal objective as such, a separate section is devoted to the knowledge society, in view of the importance of the subject as a follow-up to the Lisbon conclusions. Member States have proposed a variety of approaches across the different Pillars. Quality variesmarkedly from one Member State to another with, in general, the strongest coverage of knowledge society issues in the Employability Pillar.