The Commission's recommendations on broad general economic policy guidelines BGEP, 2005-2008

2005/2017(INI) - 26/05/2005 - Text adopted by Parliament, single reading

The European Parliament adopted the own-initiative report drafted by Robert GOEBBELS (PES, LU)

by 388 votes to 69 and 45 abstentions. (Please see the summary of 10/05/2005.) Parliament called on the Member States to implement structural reforms that help stimulate investment and therefore make full use of the low interest rates guaranteed by the ECB. Increased labour productivity, efforts to strengthen competitiveness, investment and growth are prerequisites for higher wages and an equitable distribution of the fruits of growth, employment and social cohesion.

Amended guidelines include reform of the tax systems, inter alia by reducing the burden on low wage earners. In addition, special attention must be given to the flexibility and security of the labour market.

The fulfilment of the Single Market, labour market reforms and a strengthening of the social partners' responsibility for low unemployment by decentralised wage negotiations are crucial to increase wages and reduce differences in income, while remaining consistent with the evolution of productivity and competitiveness. Member States should take measures to tackle the stigmatisation of young entrepreneurs who not been wholly successful and help them to start again.

Finally, Parliament felt that Member States should use environmental policies more pro-actively to enhance growth and employment bydeveloping eco-technology and eco-innovation, especially investments needed to meet the Kyoto Protocol targets, including the efficient use of traditional forms of energy, especially those which do not pose a risk to the objectives of the Kyoto Protocol.