Basic information

1994/2093(INI) INI - Own-initiative procedure	Procedure completed
Action plan for employment. Essen European Council, December 1994 **Subject** 4.15.02 Employment: guidelines, actions, Funds	

Key players

European Parliament

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs, Industrial Policy	ARGYROS Stelios (PPE)	04/10/1994
REGI Regional Policy	EISMA Doeke (ELDR)	26/01/1995

Key events

Date	Event	Reference	Summary
20/07/1994	Committee referral announced in Parliament		
03/11/1994	Vote in committee		Summary
03/11/1994	Committee interim report tabled for plenary	A4-0056/1994	
01/12/1994	Debate in Parliament		
27/06/1995	Vote in committee		Summary
27/06/1995	Committee report tabled for plenary	A4-0166/1995	
12/07/1995	Debate in Parliament		Summary
13/07/1995	End of procedure in Parliament		
25/09/1995	Final act published in Official Journal		

Technical information

Procedure reference	1994/2093(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Special committee/Committee of inquiry
Legal basis	Rules of Procedure EP 213
Stage reached in procedure	Procedure completed
Committee dossier	TEMP/4/05802

	TEMP/4/05801

Documentation gateway				
European Parliament				
Document type	**Committee**	**Reference**	**Date**	**Summary**
Committee interim report tabled for plenary		A4-0056/1994 OJ C 363 19.12.1994, p. 0002	03/11/1994	
Interim resolution adopted by Parliament		T4-0171/1994 OJ C 363 19.12.1994, p. 0058-0062	01/12/1994	Summary
Committee report tabled for plenary, single reading		A4-0166/1995 OJ C 249 25.09.1995, p. 0005	27/06/1995	
Text adopted by Parliament, single reading		T4-0353/1995 OJ C 249 25.09.1995, p. 0120-0143	13/07/1995	Summary

Action plan for employment. Essen European Council, December 1994

1994/2093(INI) - 01/12/1994 - Interim resolution adopted by Parliament

In its resolution on the action plan on employment policy, which has been submitted for adoption by the Essen European Council (9 and 10 December 1994), the European Parliament reiterated the Union's absolute priority of creating at least 15 million new sustainable jobs by the end of the century. In this respect, growth in the Union alone would not suffice to restart employment, which is why Parliament was in favour of the Union's pursuing its structural reforms while maintaining the European social model. Implementation of the White Paper: Although it reaffirmed its support for the strategy described in the White Paper "Growth, Competitiveness, Employment", Parliament felt that the resources currently earmarked for achieving the objective of 15 million new jobs were far too little and that the European funds could give the Member States aid for new employment initiatives. The implementation of the trans-European networks could also help to create new jobs. New action plan for ESSEN: as far as the employment plan to be adopted by the Essen European Council is concerned, Parliament distinguished between the measures to be implemented by the Member States and the measures to be developed by the Community: - measures by Member States: Member States should work on: . reducing labour costs still further (especially non-wage costs for unskilled jobs); . finding new sources of funding for social security, thereby relieving the burden on non-wage costs; . identifying new employment basins in all economic sectors, paying particular attention to SMEs (mainly by introducing measures to boost employment in this sector); . finding new ways of introducing flexible working times and reducing working times (e.g. in all countries where some workers work a 48-hour week); . encouraging the local authorities to develop measures to promote employment at local level; . guaranteeing training which responds to labour market requirements for young people at particular risk of unemployment; . guaranteeing real equal opportunities for men and women in the workplace. - measures by the Union: the Council should: . work on compensatory measures to reduce non-wage labour costs, mainly by adopting measures on eco-taxes, excise and wealth tax; . introduce measures to create new jobs within the framework of a social model based on sustainable development and environmental protection; . introduce measures so that the Union can obtain bigger loans to fund trans-European infrastructure networks. At the same time, the Commission should promote new initiatives along the lines of EURES in order to promote cross-border employment and the mobility of the workforce. It should also quickly identify the main economic policy guidelines of the Member States of the Community, as provided for in the TEU, paying particular attention to the problem of employment. As regards monitoring, Parliament proposed that the Commission, in consultation with the Social Affairs and Ecofin Councils, should introduce a system of global monitoring of this action plan. Monitoring should be submitted twice a year to the various European Councils and to other institutions, including the European Parliament. In addition, Parliament annexed a declaration highlighting several important points to its resolution to the text of the resolution. This declaration will be presented by the President of the European Parliament to the European Council in Essen.

Action plan for employment. Essen European Council, December 1994

1994/2093(INI) - 13/07/1995 - Text adopted by Parliament, single reading

Adopting the report by Mr COATES (PSE, UK), the European Parliament stated that full employment could only be achieved through real social change and a radical rethink of the entire system of values on which economic life in Europe was currently based. Considering that the objective of job creation laid down Mr Delors' White Paper should be one of the top priorities, it called on the European Union and the Member States to implement an integrated approach and to ensure that there was complementarity between the various policies which impacted on employment. It also called for the right to work to be enshrined in the Treaty. I. POLICIES: Macro-economic policy: it welcomed the institution of the European Investment Fund (EIF), insofar as the progress achieved with a view to EMU should be counterbalanced by an active employment strategy and, more importantly, by creating additional financial instruments to relaunch investment and create jobs. It called on the Commission to publish its estimates of both the deflationary effects which meeting the convergence criteria might have and the possibility of counterbalancing these effects by extending loan and borrowing

instruments. Aware of the fact that investment in research is needed in order to support this growth, it called for the Union to devote 3% of GDP to research between now and the year 2000. New organization of work: considering that economic growth alone is not enough to achieve the objective of 15 million new jobs, it considered that the system of leave for family, personal or training reasons, the promotion of part-time work and a reduction in working hours were one way of improving supply to the demand for work and responding to the need to improve the quality of life and develop leisure time. It therefore considered that it would be easier to achieve a massive extension in the movement to reduce working time if a system of direct or indirect aid was in place, to be financed from the savings made in the cost of unemployment benefits. Convinced that the introduction of various systems of leave responded to the need for people to reconcile their professional, social and family life, it called on the social partners to conclude an agreement at European level on this issue. Stating that it favoured the promotion of part-time work and a reduction in working time over the year or over the entire working life, career breaks, paid secondment with a view to encouraging continuing vocational training and other ways of reducing the length of time worked, it wished to ensure that competition between enterprises and social protection for workers were not adversely affected and to maintain the services on which workers relied. Consequently, it considered that it was impossible to improve the internal flexibility of companies and the organization of work without taking account of the specific situation of each sector of production and each enterprise. Reiterating that labour market deregulation was not a means in itself of creating new jobs, it called for flexible working methods introduced to be subject to the agreement of the social partners, in order to avoid a proliferation of poorly-paid jobs with poor working conditions. At the same time, it called on the Commission to draft a report on possible interactions between early retirement and the recruitment of the long-term unemployed. It also called for the promotion of professional mobility. New employment areas: the European Parliament called for innovative policies to be implemented in order to exploit important employment potential in individual and family services, in the social and cultural sectors, in tourism, leisure and, in particular, the environment. Adopting tax legislation to encourage initiatives taken by cooperatives and voluntary organizations would enable the objective of improving the efficiency and quality of social, cultural and environmental services and the objective of promoting employment to be pursued simultaneously. It also reiterated that SMEs had the greatest job creation potential and urged for their economic development to be supported by creating the right fiscal, social, administrative and legal conditions which allowed small businesses to create new jobs. A more active policy was needed in order to strengthen regional credit institutions, which play a primordial role in the promotion of local enterprises. It called for the Commission to submit a report containing proposals and suggestions on the methods and means which could be profitably applied at Union and Member State level in order to develop these new areas of economic and social initiative. Wage costs and social security: it considered that wage cost subsidies with a view to reintegrating the long-term unemployed should be limited in time. Addressing the problem of financing social security systems, the European Parliament considered that it was impossible for labour to continue to bear such a heavy burden. As well as reducing expenditure, the solution was to find new sources of funding. The European Parliament therefore called for account to be taken of the introduction of new sources of funding (CO_2 tax, tax on speculative investments, withholding tax on investment income and certain VAT rates). Training: insofar as apprenticeship offered the possibility of life-long learning, it was suggested that over-specialization in professions which have no outlet should be abandoned. This could be achieved by improving the quality of vocational teaching, upgrading the supply of vocational training, developing new vocational training channels, improving the transparency of the supply of continuing training and providing more accurate information on training prospects and training for young people starting out with no qualifications and adults with no formal qualifications or training. The prospects for women to take an active part in economic and social life should likewise be improved. Similarly, considering that programmes to combat poverty have led to new jobs, it called again on the Council to show its solidarity with the most disadvantaged social categories by adopting the Poverty IV programme definitively. Economic democracy: pointing out that increasing productivity is closely linked to information, consultation and the participation of salaried employees in the decision-making process in their company, the European Parliament suggested that there was a need for social dialogue at all levels. It also called for social standards to be introduced within the WTO and for the suspensive arrangements of the SGP to apply where any form of forced labour was practised and products manufactured in prisons were exported. II. PROCEDURES: Parliament considered that cooperation between Member States and Community institutions needed to be strengthened in order to avoid any individual approach to employment policy. As far as procedures for monitoring employment policy as defined by the Essen European Council were concerned, the European Parliament proposed that: - during the first half of the year: . the Commission publish its economic annual report earlier and use it to analyze the main trends in economic policy, . the initial opinion of the European Parliament be communicated to the national parliaments, . the ministers of social affairs be involved in defining the main economic guidelines, . the Council send the European Parliament the final text of its guidelines as early as possible; - during the second half of the year: . the Commission publish its report on employment in July and its summary report in September, . the Commission set out its analyses before the relevant parliamentary committees in the report, . the summary report contain an evaluation of the employment policies of the Member States, . the Commission report to the European Council and the Council's conclusions take the form of proper employment guidelines. Finally, the European Parliament considered that it should be fully involved in the new monitoring procedures. It therefore instructed its relevant committees to draft a joint report on the annual economic report and the recommended economic guidelines for each May session and a joint report on the Commission's summary report on employment for each November session. The committees were also instructed to define the methods of applying the provisions set out in the reports.