Basic information

2003/0068(CNS) CNS - Consultation procedure Decision	Procedure completed
Employment: guidelines for Member States' policies, review. Employment package **Subject** 4.15.02 Employment: guidelines, actions, Funds	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
EMPL Employment and Social Affairs	SCHMID Herman (GUE /NGL)	24/01/2002

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
ITRE Industry, External Trade, Research, Energy	The committee decided not to give an opinion.	
FEMM Women's Rights and Equal Opportunities	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Employment, Social Policy, Health and Consumer Affairs	2512	2003-06-02
Agriculture and Fisheries	2524	2003-06-13
Environment	2517	2003-06-13

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	

Key events

Date	Event	Reference	Summary

08/04/2003	Legislative proposal published	COM(2003)0176	Summary
12/05/2003	Committee referral announced in Parliament		
21/05/2003	Vote in committee		Summary
21/05/2003	Committee report tabled for plenary, 1st reading/single reading	A5-0187/2003	
03/06/2003	Decision by Parliament	T5-0234/2003	Summary
03/06/2003	Results of vote in Parliament		
03/06/2003	Debate in Parliament		
13/06/2003	Act adopted by Council after consultation of Parliament		
22/07/2003	End of procedure in Parliament		
05/08/2003	Final act published in Official Journal		

Technical information

Procedure reference	2003/0068(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
Legal basis	EC Treaty (after Amsterdam) EC 128-p2
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/5/19483

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A5-0187/2003	21/05/2003	
Text adopted by Parliament, 1st reading/single reading		T5-0234/2003 OJ C 068 18.03.2004, p. 0023-0090 E	03/06/2003	Summary

European Commission

Document type	Reference	Date	Summary
Document attached to the procedure	COM(2003)0006	14/01/2003	Summary
Legislative proposal	COM(2003)0176	08/04/2003	Summary
Document attached to the procedure	COM(2003)0177	08/04/2003	Summary

Follow-up document	COM(2005)0013	27/01/2005	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0590/2003 OJ C 208 03.09.2003, p. 0058-0063	14/05/2003	
CofR	Committee of the Regions: opinion	CDR0137/2003 OJ C 256 24.10.2003, p. 0090-0091	02/07/2003	
EU	Implementing legislative act	32003H0579 OJ L 197 05.08.2003, p. 0022-0030	22/07/2003	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2003/0578
OJ L 197 05.08.2003, p. 0013-0021 Summary

Employment: guidelines for Member States' policies, review. Employment package

2003/0068(CNS) - 27/01/2005 - Follow-up document

This draft Joint Employment Report (JER) is part of the "implementation package" and accompanies the Commission's 2005 Spring Report in view of the mid-term review of the Lisbon Strategy. It is in response to the invitation to the Council and the Commission by the 2004 Spring European Council to present a concise report on the implementation of the European Employment Guidelines and Council Recommendations for its 2005 meeting.

Past labour market reforms have strengthened the resilience of employment to the economic slowdown. Catching up factors has also played a role in raising labour productivity in some relatively poorer Member States. Otherwise, there has been recently little progress towards the three objectives of the European Employment Strategy (EES), namely: full employment; improving quality and productivity at work; strengthening social cohesion and inclusion.

- The overall employment rate has stagnated at 63%, despite continuing increases for women and recently also for older workers. The Lisbon target of 70% by 2010 looks increasingly challenging. The employment rate of older workers, which climbed to just over 40% in 2003 has the largest distance to bridge towards the 50% target for 2010, whereas progress towards the female employment rate target of 60% has slowed.

- Labour productivity growth has fallen dramatically. It is urgent to reverse this trend. Progress in improving quality in work is mixed. The synergies between quality in work and productivity are not fully exploited.

- The economic slowdown has raised the profile of social inclusion problems and enlargement has increased the complexity and diversity of situations across the EU, especially in national and regional employment and unemployment performances.

The ability of the EU to boost employment and productivity growth simultaneously will rely on further structural reforms not just in the labour market but also in the services, product and financial markets. It is currently constrained by low domestic demand and the macroeconomic adjustments relating to global imbalances.

As regards the labour market, accelerating labour productivity and raising, in particular, the employment rate of older workers are crucial. This report confirms the conclusions of the Employment Taskforce report that action must focus on four priorities: increasing adaptability of workers and enterprises; attracting more people to enter and remain in the labour market; investing more and more effectively in human capital and lifelong learning; and ensuring effective implementation of reforms through better governance.

An assessment of policy responses by Member States which were addressed specific recommendations is made. It does not reflect an assessment of the overall policies or systems in the relevant areas. In addressing the Employment Guidelines and Recommendations, the strongest policy responses by the Member States are:

- The financial incentives element of making work pay;

- Reforming public employment services;

- Designing and reviewing lifelong learning strategies;

- Facilitating business creation and development.

There are also significant responses to:

- Ensuring employment-friendly wages and other labour costs;

- Promoting flexibility combined with security in the labour market, although risks of segmentation are still present;

- Promoting childcare and other care services to increase female participation;

- Strengthening active labour market policies, although the efforts seem insufficient with rising unemployment, especially of young people;

- Addressing the situation of disadvantaged people in the labour market.

Much weaker policy responses are:

- Developing active ageing strategies;

- Improving the level, effectiveness and sharing of investment in human capital, including reducing early school-leaving and increasing participation in training of the low-skilled;

- Addressing the gender pay gap;

- Tackling undeclared work;

- Anticipating and managing economic restructuring.

The gap must be bridged between the employment priorities at EU level and implementation in the Member States. It is vital that governments share ownership of EU objectives and foster public conviction in the need to translate EU commitments into action at national and local level. Partnerships for reforms, national targets and appropriate financial backing are essential.

The National Action Plans for Employment (NAPs) must achieve greater political legitimacy and be an integral part of the decision-making process. The response of many new Member States is clearly encouraging. The transparency and visibility of the NAPs need to be enhanced further to serve mutual learning, both within Member States and across the EU.

The EES plays the leading role in the implementation of the employment objectives of the Lisbon Strategy. This needs to be made more visible. The mid-term review provides an opportunity to raise its profile at all levels, to simplify the coordination process and to achieve greater focus on implementation.

Employment: guidelines for Member States' policies, review. Employment package

2003/0068(CNS) - 03/06/2003 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Herman SCHMID (GUE/NGL, Sweden) making several amendments to the Commission's proposal. (Please refer to the document dated 21/05/03.) In a recital, Members stated that the open coordination procedure was developed in the field of European employment policy. It should be further developed and improved so that the national employment policy measures of the 25 Member States may be compared and coordinated more effectively. In addition, it could also be applied to, and adjusted to take account of, the employment policy measures taken in Member States in such a way that the traditional labour-market administration hierarchies are broken up and reformed. Parliament also emphasised the following points: - on the question of the new heading of gender equality, Member States should devise measures aimed at providing care services for children and other dependants, policies to improve working conditions and to eliminate gender gaps (unequal pay, high rate of long-term unemployment, job market segregation and unequal division of family responsibilities); - investment in and use of public services and resources to reconcile work and family life and to manage changes and restructuring in family life, particularly in support of single-parent families. Attempts will be made to achieve, by 2010, 90% coverage of childcare services for all children to mandatory school age in each Member State, and, in

general, to promote policies designed to create incentives which will encourage the sharing of family responsibilities. - employment programmes must also be targeted at older workers so that employers have an incentive to retain older workers in their jobs; one possible approach would be to co-finance these projects in part from the Structural Funds; - since 2003 is the European Year of People with Disabilities, and since many people with disabilities do not have access to employment, special attention should be paid to, and support provided for, innovative schemes for the training of people with disabilities with a view to their being taught the skills which they require to enter full employment; - work must be made more attractive for employers and employees by means of lawful employment incentives so that the tax burden on labour is significantly reduced, the creation of new jobs becomes less costly and net income increases. Specific attention should be paid to the sectors where the amount of undeclared work undertaken by women is very high, such as agriculture or domestic service. Special attention must also be given to the working conditions of immigrant women.

Employment: guidelines for Member States' policies, review. Employment package

2003/0068(CNS) - 08/04/2003 - Document attached to the procedure

PURPOSE : to present the Council Recommendation on the implementation of Member States' employment policies. CONTENT : since 2000, the Employment Guidelines have been accompanied by recommendations on Member States' employment policies, which are adopted by the Council on the basis of a recommendation from the Commission in line with Article 128.4 of the Treaty. The role of the recommendations is to provide Member States with specific guidance for implementation of the Employment Guidelines and focus on their policy action on key challenges. The Employment Recommendations are therefore presented as part of a package together with the Employment Guidelines and the Broad Economic Guidelines. This package is intended to be adopted at the end of the first semester 2003. This proposal for Employment Recommendations is presented in conjunction with a proposal for fundamentally renewed Employment Guidelines, based on Article 128.2 of the Treaty. The proposal for Guidelines re-orientates the Employment Strategy towards delivering the medium-term objectives agreed in Lisbon, builds on the evaluation of the first five years of the Employment Strategy and takes account of the context of an enlarged European Union. In line with the need for a more streamlined approach, the guidelines have been reduced in number and simplified. They pursue the three complementary and mutually supportive objectives of: 1) full employment, 2) quality and productivity at work, and 3) social cohesion and inclusion. In order to achieve these objectives further structural reforms are required concentrating on ten key priorities, and special attention for important aspects of governance such as social partnership and efficient employment services. The proposal for recommendations mirrors the objectives and priorities of the new guidelines. The recommendations have been strictly selected to reflect the key challenges ahead for each Member State. The Commission has decided to table a total of fifty-seven recommendations to Member States. More than half of the Member States, as in previous years, are singled out for recommendations in the fields of active ageing and labour supply, gender equality, lifelong learning, and unemployment prevention and activation, including development and modernisation of employment services.

Employment: guidelines for Member States' policies, review. Employment package

2003/0068(CNS) - 14/01/2003 - Document attached to the procedure

PURPOSE : to outline a new European Employment Strategy. CONTENT : the European Commission has adopted the outline of a new, more operational European Employment Strategy to confront new challenges such as faster economic change, ageing populations and enlargement. The Commission has proposed three basic objectives for the future strategy, in line with the Lisbon reform agenda: full employment, the promotion of quality and productivity at work (better jobs) and fostering cohesion and an inclusive labour market. Specific priorities, to be supported wherever possible by quantified targets, will inter alia include: getting women (back) into work, helping older workers to stay in work and making work pay. The Commission also proposes better governance of the strategy, especially through more involvement of social partners and civil society and streamlining of the strategy with other EU policy coordination processes such as the broad economic policy guidelines. Central to the proposed approach are three overarching objectives: - full employment, in line with the Lisbon strategy targets; - quality and productivity at work, reflecting the need for better jobs in a knowledge-based economy and the need to promote EU competitiveness; - cohesion and an inclusive labour market, so as to reduce existing disparities in access to the labour market. Responding to the Barcelona summit's request for simpler and more effective guidelines, and in line with the need to streamline the various EU policy coordination processes, the Commission now proposes simpler guidelines which would be defined with a time horizon of 2010 and remain stable until a mid-term review to take place in 2006. More emphasis will be put on results: monitoring the implementation of the guidelines by Member States. The communication proposes a more concentrated set of priorities for the future guidelines which follow the Lisbon objectives: helping those without a job into work and making work pay, fostering entrepreneurship to create more and better jobs, combating undeclared work, promoting active ageing, managing immigration, promoting adaptability on the labour market, investment in human capital and life-long learning, gender equality, supporting integration and combating discrimination on the labour market for people at a disadvantage, and helping address regional employment disparities. The Commission also proposes that the governance of the strategy should be improved through more effective delivery services, strong involvement of social partners, mobilisation of all relevant actors and adequate financial support. The presentation of concrete objectives, priorities and targets will offer the basis for an open discussion with all interested parties, especially the Member States, the European Parliament, representative organisations of the social partners and civil society. In line with the new and streamlined approach for the overall follow up of the Lisbon agenda, the Commission will, in April 2003, make a formal proposal for employment guidelines and recommendations in the light of this debate and of the general political guidance issued by the EU's Spring Summit.

Employment: guidelines for Member States' policies, review. Employment package

2003/0068(CNS) - 22/07/2003 - Implementing legislative act

LEGISLATIVE ACT : Council Recommendation 2003/579/EC on the implementation of Member States' employment policies. CONTENT : the Council adopted a Recommendation, on the basis of a Commission's proposal, providing Member States with individualised guidance on how to implement the employment guidelines, focusing on the most urgent and serious issues in each country. The amount and type of recommendations vary from country to country. However, the recommendations follow on closely from the set of ten priorities mentioned in the Council's Decision on Guidelines for the Employment Policies of the Member States. The Commission has been addressing such recommendations to the Member States since the year 2000. The Recommendations to each Member State are set out in an Annex to the document. More than half of the Member States, as in previous years, are singled out for recommendations in the fields of active ageing and labour supply, gender equality, and lifelong learning.

Employment: guidelines for Member States' policies, review. Employment package

2003/0068(CNS) - 22/07/2003 - Final act

PURPOSE : to set out recommendations for the implementation of Member States' employment policies. COMMUNITY MEASURE : Council recommendation 2003/579/EC CONTENT : By Decision 2003/578/EC, the Council adopted the guidelines for the employment policies of the Member States. The joint employment report adopted by the Commission and the Council on 6 March 2003 describes key challenges for employment policy in each Member State and indicates priorities for action which will enhance the contribution of each Member State towards the achievement of the overall objectives of the employment guidelines. Sound macroeconomic policies and comprehensive economic reforms are crucial for job creation. Member States must implement this recommendation in a way that is consistent with the broad economic policy guidelines. The Recommendations to each Member State are set out in an Annex to the document. More than half of the Member States, as in previous years, are singled out for recommendations in the fields of active ageing and labour supply, gender equality, and lifelong learning. Six Member States - Belgium, Denmark, Germany, Greece, the Netherlands, and Sweden - are asked to continue reforms on making work pay. This involves in most cases the reduction of both tax and non-tax burden on labour so as to encourage employees to take up work and employers to create new jobs. Changes are also needed to social security systems in several countries in order to ensure sufficient incentives to take up work. A suitable policy mix is needed in order to reduce the level of undeclared work.

Employment: guidelines for Member States' policies, review. Employment package

2003/0068(CNS) - 02/06/2003

The Council has adopted a general approach pending the European Parliament's Opinion, concerning a proposal for a Decision on guidelines for the employment policies of the Member States; - reached political agreement on a Recommendation on the implementation of Member States' employment policies, on the basis of a Commission's recommendation. Member States welcomed both proposals, underscoring their importance in view of the current difficult economic situation and the need to make progress on the "Lisbon Strategy", particularly with respect to more and better jobs. They also welcomed the fact that the Employment Guidelines were simplified and made more concrete with quantitative indicators and targets.

Employment: guidelines for Member States' policies, review. Employment package

2003/0068(CNS) - 08/04/2003 - Legislative proposal

PURPOSE : to present the Guidelines for Member States' employment policies. CONTENT : the Guidelines focus on the successful implementation of the Lisbon agenda. This calls for the employment policies of Member States to foster, in a balanced manner, three overarching objectives. These are: 1) Full employment : Member States will aim to achieve this by implementing a comprehensive policy approach incorporating demand and supply side measures and thus raise employment rates towards the Lisbon and Stockholm targets. To recall, these are: - An overall employment rate of 67% in 2005 and 70% in 2010 - An employment rate for women of 57% in 2005 and 60% in 2010 - An employment rate of 50% for older workers in 2010. 2) Quality and productivity at work : The concept of quality encompasses intrinsic job quality, skills, lifelong learning and career development, gender equality, health and safety at work, flexibility and security, inclusion and access to the labour market, work organisation and work-life balance, social dialogue and worker involvement, diversity and non-discrimination, and overall work performance. 3) Social cohesion and inclusion : this involves promoting access to stable and quality employment for all women and men who are capable of working; combating discrimination on the labour market; and preventing the exclusion of people from the world of work. Economic and social cohesion should be promoted by reducing regional employment and unemployment disparities, tackling the employment problems of deprived areas in the EU and positively supporting economic and social restructuring. Policies should contribute notably to achieving a substantial reduction by 2010 in the proportion of working poor in all Member States. The achievement of these objectives requires further structural reforms concentrating on 10 key and equally important priorities: - active and preventative measures for the unemployed and inactive; - foster entrepreneurship and promote job creation; - address change and promote adaptability in work; - more and better investment in human capital and strategies for lifelong learning; - increase labour supply and promote active ageing; - gender equality; - promote integration and combat discrimination against people at a disadvantage in the labour market; - make work pay through incentives to enhance work attractiveness; - transform undeclared work into regular employment; - promote occupational and geographical mobility and improve job matching. Finally, the Guidelines emphasise the promotion of better governance, partnership and delivery, which involves the mobilisation of all relevant actors and the strong involvement of social partners.