Basic information

2005/0057(CNS) CNS - Consultation procedure Decision	Procedure completed
Employment policy: guidelines for 2005-2008 **Subject** 4.15.02 Employment: guidelines, actions, Funds	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
EMPL Employment and Social Affairs	MATO ADROVER Ana (PPE-DE)	20/09/2004

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
FEMM Women's Rights and Gender Equality	LULLING Astrid (PPE-DE)	17/03/2005

Council of the European Union

Council configuration	Meetings	Date
Employment, Social Policy, Health and Consumer Affairs	2663	2005-06-02
Competitiveness (Internal Market, Industry, Research and Space)	2658	2005-05-10
Competitiveness (Internal Market, Industry, Research and Space)	2653	2005-04-18
Education, Youth, Culture and Sport	2661	2005-05-23

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	

Key events

Date	Event	Reference	Summary

12/04/2005	Legislative proposal published	COM(2005)0141	Summary
18/04/2005	Debate in Council		
27/04/2005	Committee referral announced in Parliament		
10/05/2005	Debate in Council		Summary
10/05/2005	Vote in committee		Summary
13/05/2005	Committee report tabled for plenary, 1st reading/single reading	A6-0149/2005	
23/05/2005	Debate in Council		
26/05/2005	Decision by Parliament	T6-0203/2005	Summary
26/05/2005	Results of vote in Parliament		
26/05/2005	Debate in Parliament		
02/06/2005	Debate in Council		Summary
12/07/2005	Act adopted by Council after consultation of Parliament		
12/07/2005	End of procedure in Parliament		
06/08/2005	Final act published in Official Journal		

Technical information

Procedure reference	2005/0057(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/6/26100

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	FEMM	PE357.645	27/04/2005	
Committee report tabled for plenary, 1st reading/single reading		A6-0149/2005	13/05/2005	
Text adopted by Parliament, 1st reading/single reading		T6-0203/2005 OJ C 117 18.05.2006, p. 0024-0222 E	26/05/2005	Summary

European Commission

Document type	Reference	Date	Summary

Legislative proposal	COM(2005)0141	12/04/2005	Summary
Document attached to the procedure	SEC(2005)0622	03/05/2005	Summary
Commission response to text adopted in plenary	SP(2005)2482	16/06/2005	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0675/2005 OJ C 286 17.11.2005, p. 0038-0044	31/05/2005	
CofR	Committee of the Regions: opinion	CDR0147/2005	12/10/2005	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2005/0600
OJ L 205 06.08.2005, p. 0021-0027 Summary

Employment policy: guidelines for 2005-2008

2005/0057(CNS) - 02/06/2005

The Council agreed on a general approach to the proposal for a Decision on Guidelines for the Employment Policies of the Member States (2005-2008).

The general approach covered the following guidelines:

• Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion;

• Promote a lifecycle approach to work;

• Ensure inclusive labour market, enhance work attractiveness, and make work pay for job-seekers, including disadvantaged people, and the inactive;

• Improve matching of labour market needs;

• Promote flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of the social partners;

• Ensure employment-friendly labour cost developments and wage-setting mechanisms;

• Expand and improve investment in human capital;

• Adapt education and training systems in response to new competence requirements.

These guidelines should guide Member States' employment policies in addressing the following three priorities:

1) The need to attract and retain more people in employment, increase labour supply and modernise social protection systems;

2) The need to improve the adaptability of workers and enterprises;

3) The need to increase investment in human capital through better education and skills.

Following the guidelines issued by the 2005 Spring European Council, the proposal for a Decision on employment guidelines is one of the elements of the proposal for Integrated Guidelines for Growth and Jobs. The outcome of the Council's proceedings will be submitted to the June European Council for approval. The Integrated Guidelines for Growth and Jobs will serve as the basis for the national reform programmes to be submitted by Member States by Autumn 2005.

Employment policy: guidelines for 2005-2008

2005/0057(CNS) - 03/05/2005 - Document attached to the procedure

This Staff Working Paper follows the announcement made in the integrated guidelines adopted by the Commission last 12 of April and serves the main purpose of providing guidance to Member States in drawing up their respective national reform programmes in particular in terms of structure and content.

In order to make the refocusing of the Lisbon strategy effective, the European Council called for improved governance at European Union (EU) and national level on the basis of: a new partnership with Member States: in order to increase the ownership by Member States, clarify the responsibilities and confirm the role of the Commission as facilitator, supporting policy developments in Member States; far reaching simplification: both in terms of policy priority setting, with the integrated guidelines and in terms of streamlining of procedures and reporting, with a single integrated national reform programme.

The aim is threefold: to facilitate the identification of priorities while maintaining the overall balance of the strategy and the synergies between its various components; to improve the implementation of those priorities on the ground through an increased Member States' involvement; and to streamline the monitoring procedure so as to give a clearer picture of national implementation of the strategy.

This new cycle of governance is based on a three-year cycle starting in 2005 and which will have to be renewed in 2008. The integrated guidelines to be adopted by the Council on the basis of the Commission's proposal will be the starting point of the first cycle. Based on those integrated guidelines, which encompass the economic, social and environmental dimensions, Member States will draw up their national reform programmes, which should be conceived as forward-looking political documents setting out their three year strategy to deliver growth and jobs. These programmes will also allow the Commission to assess the policies and progress identified by Member States. On the basis of the assessment of the national reform programmes, the Commission will adopt in January 2006 its Annual Progress Report and may propose updates to the integrated guidelines and possibly country-specific recommendations as the basis for the continuation of the cycle in 2006.

Employment policy: guidelines for 2005-2008

2005/0057(CNS) - 26/05/2005 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Ana MATO ADROVER (EPP-ED, ES) and made some amendments to the Commission’s text. It endorsed the objectives and content of the employment guidelines, but adopted a number of amendments to introduce improvements to the proposal. (Please see the document of 10/05/2005.) Parliament also amended some recitals to state that one of the objectives of the Lisbon strategy is full employment in the long term. Five years later the objectives remain far from being achieved, and it is clear that substantially greater efforts are needed in order to achieve the employment targets set by 2010.

Parliament made reference to encouraging the equal sharing of family responsibilities, support for single-parent families, and recourse to flexible working models for both women and men, and parental leave. It added that a special effort must be made for those with any kind of disability, developing policies to encourage their employment and the creation of an accessible environment. Action must also be taken to promote the full integration of immigrants in society and the workplace and to eradicate racism, all forms of discrimination and harassment in the workplace and society.

Employment policy: guidelines for 2005-2008

2005/0057(CNS) - 12/07/2005 - Final act

OBJECTIVE: the adoption of guidelines for the employment policies of the Member States (2005-2008).

LEGISLATIVE ACT: Council Decision 2005/600/EC.

CONTENT: The Council, in accordance with a mandate given by the European Council in March, adopted a set of 24 integrated guidelines for growth and jobs, consisting of two elements: broad economic policy guidelines (10667/05) and employment guidelines (10205/05), for the three-year cycle 2005/2008.

The integrated guidelines for growth and jobs will serve as the basis for national reform programmes which are to be submitted by member states by autumn 2005. This integrated approach involves macro-economic, micro-economic as well as employment policies.

Reflecting the new start given to the Lisbon economic reform strategy, the broad economic policy guidelines concentrate on the contribution of economic policies to higher growth and more jobs. They deal with the influence that macro-economic policies can play in this respect, while focusing on

the measures that the member states should carry out in order to boost knowledge and innovation for growth and to make Europe a more attractive place to invest and work.

The employment guidelines aim to achieve objectives of full employment, job quality, labour productivity and social cohesion, reflected in clear priorities: to attract and retain more people in employment, increase labour supply and modernise social protection systems; to improve adaptability of workers and enterprises; and to increase investment in human capital through better education and skills.

Employment policy: guidelines for 2005-2008

2005/0057(CNS) - 10/05/2005

The Council held a detailed discussion on the Commission's recommendations concerning the microeconomic aspect of the Integrated Guidelines (IG) for Growth and Jobs. The Council welcomes the Commission's recommendation on the IGs in relation to micro-economic aspects. It underlines the need for flexibility in order to take into account national specificities. The Council also stresses the need for close coordination (at national and Community level) and consistency between micro-economic and macro-economic policies and the employment guidelines.

Consistency is also required in the implementation of the IGs.

Regarding the content of the micro-economic guidelines, the following priorities were identified:

- Facilitating all forms of innovation.

- Investment in R&D. In this regard, the 3% objective was confirmed.

- Contributing to a strong industrial base, both in traditional and high technology sectors. Action is required at both horizontal and sectoral level.

- The achievement of the Internal Market is another major priority for creating jobs and meeting the challenges of globalisation.

Lastly, creating the conditions for attracting investment is an objective supported by all, in particular as regards infrastructure. Action is required, inter alia, to improve the quality of our legislation, facilitate access to financing and encourage entrepreneurship. The Council highlighted the key role of SMEs in the European economy.

Regarding the process as such, the Council agrees that one of the main weaknesses of the first stage of the Lisbon strategy was the lack of national ownership. It was decided to redouble efforts at implementation at national level of the "refocused" Lisbon agenda. The Council approves the swift implementation of the National Action Programmes (NAPs) with a view to encouraging the Lisbon process. It believes that the NAPs should be presented in autumn 2005 so that national parliaments and the social partners can actively cooperate. It underlines the importance of mutually supportive national and Community programmes. The Council noted with interest the Commission's ideas regarding the development of a common methodology concerning the structure of the NAPs. The Council also decided to ensure regular follow-up of the new strategy, especially as regards the national action plans and, if necessary, to make adjustments and strengthen its cooperation with the ECOFIN Council in the context of the IGs.

Employment policy: guidelines for 2005-2008

2005/0057(CNS) - 12/04/2005 - Legislative proposal

PURPOSE : proposal to adopt the guidelines for Member States' employment policies for 2005-2008.

PROPOSED ACT : Council Decision

CONTENT : This document includes a Communication on the first integrated guidelines for growth and jobs for the period 2005-2008, in accordance with the request from the 2005 Spring European Council. It covers both the Commission Recommendation on the Broad Economy Policy Guidelines (BEPGs) and the proposal for a Council Decision on the Employment Guidelines (EGs).

The document analyses trends and growth in the EU. The economic recovery has gradually taken hold since the second half of 2003 and, although the EU’s economic performance was disappointing in the second half of 2004, the Commission’s latest forecasts predict a rebound in economic activity in the course of 2005. Unemployment rates are projected to decrease, albeit slowly, to 8.7% in 2006. The estimated overall employment rate is 62.9% for EU-25 in 2003, which is significantly below the agreed target level of 70%. Progress towards the female employment rate target of 60% has been slow, with the rate now standing at 56.1% for EU-25, but is expected to pick up again. The employment rate of older workers, which continued to climb to just over 40.2% has the largest gap to bridge towards the 50% target for 2010. At the same time, progress in improving quality in work has been mixed and the economic slowdown has raised the profile of social inclusion problems. Long-term unemployment increased again after several years of decline and seems unlikely to fall in the near future.

The economic recovery has to a large extent been dependent upon the resurgence of global growth and the rapid increase in world trade. As the world growth cycle reaches maturity and absorbs the dampening effect of higher world oil prices, the emphasis will fall increasingly on domestic demand in the EU to provide greater impetus to the upswing. The Communication goes on to give possible explanations for the under-performance of the EU economy, such as low levels of productivity growth and labour input.

The European Council of March 2005 has relaunched the Lisbon strategy by refocusing on growth and employment in Europe. The new start for the Lisbon strategy, as reflected in the integrated guidelines, aims to set out the appropriate responses to these developments. It defines a strategy that addresses a relatively weak growth performance and insufficient job creation. Comprehensive reforms in product and labour markets constitute an integral part of this approach.

In order to make the refocusing on jobs and growth effective, the European Council has decided to strengthen the consistency and complementarity nature of the existing mechanisms by launching a new cycle of governance. The document describes the new cycle. It then describes the structure and content of the integrated guidelines. In recognition of the fact that macro-microeconomic and employment policies are

interrelated and should be mutually reinforcing, the integrated guidelines are presented in one comprehensive document with two parts:

Part 1 – The Broad Economic Policy Guidelines:

This part of the integrated guidelines includes the Commission Recommendation on the Broad Economic Policy Guidelines, applicable to all Member States and to the Community. As one of the main instruments of economic policy coordination, it reflects the new start for the Lisbon strategy and concentrates on the contribution of economic policies to higher growth and more jobs. This part provides guidance on macroeconomic and microeconomic policies in the Member States and the Community in the areas offering the greatest potential for improving growth and employment. Section A deals with the contribution that macroeconomic policies can make in this respect. Section B focuses on the measures and policies that the Union and the Member States must carry out in order to make Europe a more attractive place to invest and work and to boost knowledge and innovation for growth.

Part 2 – The Employment Guidelines:

These guidelines – and the related European Employment Strategy – play a central coordinating role for the employment policies of the Member States. Since 1997, the Strategy has contributed to improving the focus, monitoring and reporting of employment policies across the EU.

This part concentrates on the contribution of employment policies to creating more and better jobs, as defined by the new Lisbon Agenda. Employment policies can make a decisive contribution to raising employment and productivity growth, and to strengthening social cohesion. The modernisation of social protection systems is also necessary to ensure their adequacy, financial sustainability and responsiveness to changing needs in society and to support lasting economic and employment growth.

The Employment Guidelines set out the overall employment objectives and priorities for action for the EU and its Member States. Employment policies should go hand-in-hand with reforms in the services, product and financial markets and interact positively with growth and employment-oriented macroeconomic policies.