Basic information

2016/0043(NLE) NLE - Non-legislative enactments Decision	Procedure completed
Guidelines for the employment policies of the Member States in 2016 See also 2010/0115(NLE) **Subject** 4.15.02 Employment: guidelines, actions, Funds	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
EMPL Employment and Social Affairs	AGEA Laura (EFDD)	18/02/2016
	Shadow rapporteur JAZŁOWIECKA Danuta (PPE) LÓPEZ Javi (S&D) BASHIR Amjad (ECR) SYLIKIOTIS Neoklis (GUE/NGL) MARTIN Dominique (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	

Council of the European Union

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	THYSSEN Marianne

Key events

Date	Event	Reference	Summary
		COM(2016)0071	Summary

15/02/2016	Legislative proposal published		
07/03/2016	Committee referral announced in Parliament		
15/03/2016	End of procedure in Parliament		
13/07/2016	Vote in committee		
20/07/2016	Committee report tabled for plenary, 1st reading/single reading	A8-0247/2016	Summary
15/09/2016	Decision by Parliament	T8-0355/2016	Summary
15/09/2016	Results of vote in Parliament		
10/10/2016	Act adopted by Council after consultation of Parliament		
18/10/2016	Final act published in Official Journal		

Technical information

Procedure reference	2016/0043(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consultation of Parliament
Legislative instrument	Decision
Amendments and repeals	See also 2010/0115(NLE)
Legal basis	Treaty on the Functioning of the European Union TFEU 148-p2
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/8/05749

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE582.270	11/05/2016	
Amendments tabled in committee		PE584.157	07/06/2016	
Committee report tabled for plenary, 1st reading/single reading		A8-0247/2016	20/07/2016	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0355/2016	15/09/2016	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2016)0071	15/02/2016	Summary
Commission response to text adopted in plenary	SP(2016)737	26/11/2016	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES1756/2016	27/04/2016	

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Decision 2016/1838 OJ L 280 18.10.2016, p. 0030	Summary

Guidelines for the employment policies of the Member States in 2016

2016/0043(NLE) - 13/10/2016 - Final act

PURPOSE: to confirm, for 2016, the validity of the guidelines for the employment policies of the Member States.

NON-LEGISLATIVE ACT: Council Decision (EU) 2016/1838 on guidelines for the employment policies of the Member States for 2016.

BACKGROUND: the Treaty on the Functioning of the European Union (TFEU) stipulates that Member States and the Union are to work towards developing a coordinated strategy for employment and particularly for promoting a skilled, trained and adaptable workforce as well as labour markets that are responsive to economic change.

On 14 July 2015, the Council adopted Recommendation (EU) 2015/1184 on broad guidelines for the economic policies of the Member States and of the Union.

On 5 October 2015, the Council adopted Decision (EU) 2015/1848 on guidelines for the employment policies of the Member States for 2015 (‘employment guidelines’).

Those two sets of guidelines form the integrated guidelines for implementing the Europe 2020 strategy (‘Europe 2020 integrated guidelines’). They are in line with the conclusions of the European Council of 17 and 18 March 2016 and with the Stability and Growth Pact. They give precise guidance to the Member States on defining their National Reform Programmes and on implementing reforms, while reflecting interdependence.

The examination of Member States' National Reform Programmes contained in the Joint Employment Report shows that Member States should make every effort to:

- boost demand for labour,
- enhance labour supply,
- skills and competences,
- enhance the functioning of labour market,
- foster social inclusion,
- combat poverty and promote equal opportunities.

These objectives are in line with the 2015 Guidelines.

CONTENT: under this Decision, it is provided that the **guidelines for Member States' employment policies** as set out in the Annex to Council Decision of 5 October 2015 on guidelines for the employment policies of the Member States **are maintained for 2016**.

The employment guidelines should remain stable to ensure a focus on their implementation. In the light of an assessment of the developments of the labour markets and the social situation since the adoption of the employment guidelines in 2015, **no update is necessary**. The reasons for their adoption in 2015 remain valid, therefore those guidelines should be maintained.

ENTRY INTO FORCE: 13.10.2016.

Guidelines for the employment policies of the Member States in 2016

2016/0043(NLE) - 15/09/2016 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 460 votes to 127, with 61 abstentions, a legislative resolution on the proposal for a Council decision on guidelines for the employment policies of the Member States.

Regretting that the Council, chose, yet again, to ignore the European Parliament's legislative resolution of 8 July 2015 on the 2015 guidelines, Parliament approved the Commission proposal subject to the following amendments:

Towards a basic minimum basic wage: Parliament stated that 120 million citizens of the Union - around 25% - are at risk of poverty and social exclusion. This emergency situation, which is also reflected by the continuing high number of citizens of the Union who are without employment, requires that the Commission adopt measures to encourage Member States to develop national minimum basic income schemes so that they can be ensured decent living conditions.

Guideline 5: Boosting demand for labour

- **reduce employment barriers**: Members States should facilitate and invest in sustainable and quality job creation and take measures to improve accessibility for at-risk groups, in particular by reducing administrative barriers;
- **promote, inter alia, green, white and blue sector jobs**: Members States should actively promote green, white and blue sector jobs, the social economy and foster social innovation;
- **alleviate the tax burden**: the tax burden should be shifted away from labour to other sources of taxation that are less detrimental to employment and growth;
- **increase wages**: measures should be taken to ensure that **wages allow an adequate living income**. When setting minimum wages in accordance with national legislation and practices, Member States and social partners should ensure their adequacy as well as consider their impact on in-work poverty, household income, aggregate demand, job creation and competitiveness.

Guideline 6: Enhancing labour supply and skills

- **promote productivity in areas of shortages**: there should be particular focus on health care, social services and transport services which are facing or will face staff shortages. Member States should make effective investments in high-quality and inclusive education and vocational training systems;
- **support adult training**: Member States should promote vocational training for adults and with particular focus on high-risk groups and their needs;
- **simplify access to education**: support should be provided to families to help balance work and family life, and increase young people's chances on the labour market;
- **combat life-long unemployment, including youth unemployment**: Member States may prevent this problem through a mix of demand and supply-side measures. The number of long-term unemployed and the problem of skills mismatch and skill obsolescence should be addressed by means of comprehensive and mutually reinforcing strategies, including the provision of personalised needs-based active support and appropriate social protection schemes to long-term unemployed to return to the labour market in an informed and responsible manner;
- **improve quality of teaching**: Member States are called upon to ensure high-quality learning outcomes and prevent and tackle early school leaving, and promote an all-embracing, high-quality education from the most basic level onwards. They should gear their training systems more closely to the labour market;
- **mobilise the Structural Funds**: Member States should make a full, effective and efficient use of European Social Fund and other Union funds support in order to combat poverty, improve quality employment, social inclusion, education, public administration and public services.

Guideline 7: Enhancing the functioning of labour markets

- **tackle undeclared labour**: Member States should also tackle precarious employment, underemployment, undeclared labour and zero-hour contracts;
- **improve social dialogue**: measures should be taken to combat the deregulation of labour markets and weakness of collective bargaining;
- **protect workers**: Member States should also ensure that their social protection systems effectively activate and enable those who can participate in the labour market, protect those (temporarily) excluded from the labour markets and/or unable to participate in it, and prepare individuals for potential risks and changing economic and social conditions;
- **promote worker mobility**: language barriers should be tackled (through training) and appropriate use should be made of the EURES network.

Guideline 8: Improving the quality and performance of education and training systems at all levels

- measures are needed to improve childcare structures and early childhood education.

Guideline 9: Ensuring social justice

- **improve social protection systems**: Member States should ensure basic standards to provide effective, efficient and sustainable protection while fully respecting social rights and addressing inequalities;
- **eliminate poverty and social exclusion**: measures should be taken to eliminate all forms of poverty, in particular child poverty.
- **restructure the pension systems**: the aim being to ensure safety and adequacy for women and men by strengthening retirement schemes to guarantee a decent retirement income;
- **improve the quality of healthcare**: Member States should improve the quality, affordability, accessibility, efficiency and effectiveness of healthcare and long term care systems and welfare services as well as decent working conditions in the related sectors.

Lastly, measures are called for, in the context of the Europe 2020 headline targets, raise the employment rate for women and men aged 20 to 64 to 75% by 2020; to reduce the drop-out rate to less than 10 %; to increase the share of 30 to 34-year-olds completing tertiary or equivalent education to at least 40 %; and to promote social inclusion, in particular through the reduction of poverty by aiming to lift at least 20 million people out of the risk of poverty and exclusion.

Guidelines for the employment policies of the Member States in 2016

2016/0043(NLE) - 20/07/2016 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Employment and Social Affairs adopted the report by Laura AGEA (EFDD, IT) on the proposal for a Council decision on guidelines for the employment policies of the Member States.

Regretting that the Council, chose, yet again, to ignore the European Parliament's legislative resolution of 8 July 2015 on the 2015 guidelines, the committee approved the Commission proposal subject to the following amendments:

Guideline 5: Boosting demand for labour

- **reduce employment barriers**: Members States should facilitate and invest in sustainable and quality job creation and take measures to improve accessibility for at-risk groups, in particular by reducing administrative barriers;
- **promote, inter alia, green, white and blue sector jobs**: Members States should actively promote green, white and blue sector jobs, the social economy and foster social innovation;
- **alleviate the tax burden**: the tax burden should be shifted away from labour to other sources of taxation that are less detrimental to employment and growth;
- **increase wages**: measures should be taken to ensure that **wages allow an adequate living income**. When setting minimum wages in accordance with national legislation and practices, Member States and social partners should ensure their adequacy as well as consider their impact on in-work poverty, household income, aggregate demand, job creation and competitiveness.

Guideline 6: Enhancing labour supply and skills:

- **promote productivity in areas of shortages**: there should be particular focus on health care, social services and transport services which are facing or will face staff shortages. Member States should make effective investments in high-quality and inclusive education and vocational training systems;
- **support adult training**: Member States should promote vocational training for adults and with particular focus on high-risk groups and their needs;
- **simplify access to education**: support should be provided to families to help balance work and family life, and increase young people's chances on the labour market;
- **combat life-long unemployment, including youth unemployment**: Member States may prevent this problem through a mix of demand and supply-side measures. The number of long-term unemployed and the problem of skills mismatch and skill obsolescence should be addressed by means of comprehensive and mutually reinforcing strategies, including the provision of personalised needs-based active support and appropriate social protection schemes to long-term unemployed to return to the labour market in an informed and responsible manner;
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Lastly, measures are called for, in the context of the Europe 2020 headline targets, raise the employment rate for women and men aged 20 to 64 to 75% by 2020; to reduce the drop-out rate to less than 10 %; to increase the share of 30 to 34-year-olds completing tertiary or equivalent education to at least 40 %; and to promote social inclusion, in particular through the reduction of poverty by aiming to lift at least 20 million people out of the risk of poverty and exclusion.

Guidelines for the employment policies of the Member States in 2016

2016/0043(NLE) - 15/02/2016 - Legislative proposal

PURPOSE: to confirm, for 2016, the validity of the guidelines for the employment policies of the Member States.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

BACKGROUND: the Treaty on the functioning of the EU provides that Member States are to regard their economic policies and promoting employment as matters of common concern and coordinate them within the Council. In two distinct articles, it provides that the Council is to adopt broad economic policy guidelines (Article 121) and employment guidelines (Article 148), specifying that the latter must be consistent with the former.

Given this legal basis, the guidelines for employment and economic policies are presented as two distinct — but intrinsically interconnected — legal instruments:

- a Council Recommendation on broad guidelines for the economic policies of the Member States and of the Union -Part I of the Europe 2020 Integrated Guidelines;
- a Council Decision on guidelines for the employment policies of the Member States -Part II of the Europe 2020 Integrated Guidelines.

These guidelines implemented by the above mentioned legal instruments form together the integrated guidelines for implementing the Europe 2020 strategy.

The employment guidelines were adopted on 5 October 2015. The overall objectives and priorities expressed in the guidelines for the employment policies remain valid and their validity for 2016 needs to be confirmed by a Council decision.

CONTENT: the proposal for a decision provides that **the guidelines for Member States' employment policies** as set out in the Annex to Council Decision of 5 October 2015 on guidelines for the employment policies of the Member States4 are maintained for 2016 and shall be taken into account by the Member States in their employment policies.

The examination of the Member States' National Reform Programmes contained in the Joint Employment Report shows that Member States should continue to make every effort to **address the priority areas of**:

- increasing labour market participation and reducing structural unemployment,
- developing a skilled workforce responding to labour market needs and promoting job quality and lifelong learning,
- improve the performance of education and training systems at all levels and increasing participation in tertiary education,
- promoting social inclusion and combating poverty.