Basic information

2017/0305(NLE) NLE - Non-legislative enactments Decision	Procedure completed
Guidelines for the employment policies of the Member States **Subject** 4.15.02 Employment: guidelines, actions, Funds	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
EMPL Employment and Social Affairs	MITROFANOVS Miroslavs (Verts/ALE)	05/03/2018
	Shadow rapporteur DETJEN Michael (S&D) TOOM Jana (ALDE) LE HYARIC Patrick (GUE/NGL) AGEA Laura (EFDD) MARTIN Dominique (ENF)	

Council of the European Union

Council configuration	Meetings	Date
Employment, Social Policy, Health and Consumer Affairs	3625	2018-06-21
Agriculture and Fisheries	3632	2018-07-16

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	DOMBROVSKIS Valdis

Key events

Date	Event	Reference	Summary
22/11/2017	Legislative proposal published	COM(2017)0677	Summary
11/12/2017	Committee referral announced in Parliament		
27/03/2018	Vote in committee		

09/04/2018	Committee report tabled for plenary, 1st reading/single reading	A8-0140/2018	Summary
19/04/2018	Decision by Parliament	T8-0181/2018	Summary
19/04/2018	Results of vote in Parliament		
16/07/2018	Act adopted by Council after consultation of Parliament		
16/07/2018	End of procedure in Parliament		
05/09/2018	Final act published in Official Journal		

Technical information

Procedure reference	2017/0305(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consultation of Parliament
Legislative instrument	Decision
Legal basis	Treaty on the Functioning of the European Union TFEU 148-p2
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/8/11663

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE616.844	02/02/2018	
Amendments tabled in committee		PE619.050	20/03/2018	
Committee report tabled for plenary, 1st reading/single reading		A8-0140/2018	09/04/2018	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0181/2018	19/04/2018	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2017)0677	22/11/2017	Summary
Commission response to text adopted in plenary	SP(2018)350	06/06/2018	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2018/1215
OJ L 224 05.09.2018, p. 0004 Summary

Guidelines for the employment policies of the Member States

2017/0305(NLE) - 09/04/2018 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Employment and Social Affairs adopted the report by Miroslavs MITROFANOVS (Greens/EFA, LV) on the proposal for a Council decision on guidelines for the employment policies of the Member States.

The committee believes that the **integrated guidelines and the European pillar of social rights** should form the basis for well-targeted country-specific recommendations that the Council addresses to the Member States.

It invited the European Parliament to approve the Commission proposal subject to the following amendments:

Guideline 5: Boosting the demand for labour

- facilitate and invest in the creation of **sustainable, accessible and quality jobs** in all sectors, regions and skill levels, in particular by fully developing the potential of sectors of the future, such as the green economy, the circular economy, healthcare and digital;
- enable everyone to **reconcile private and professional life** and to ensure that workplaces are adapted for people with disabilities and older workers, facilitate the hiring process and promote responsible entrepreneurship and self-employment;
- create quality employment opportunities for all in a responsible manner, taking into account the development of new information and communication technologies;
- reduce unnecessary red tape to alleviate the administrative burden on small and medium-sized enterprises;
- gradually reduce the tax burden on labour and increase it on other sources of taxation.

Guideline 6: Enhancing labour supply and improving access to employment, skills and competences

- promote the **long-term wellbeing** and productivity of their workforce through targeted promotion of training in science, technology, engineering and mathematics;
- investing in lifelong learning by addressing the specific needs of people with disabilities, members of ethnic and national minorities, immigrants and refugees;
- avoid skills mismatches and market needs;
- developing and strengthening **basic skills**, promoting the acquisition of entrepreneurial skills and facilitating study and training leave, vocational training and lifelong learning;
- promoting the long-term well-being and productivity of the workforce by fostering personal development, social cohesion, intercultural understanding and active citizenship;
- combat **long-term unemployment** and long-term inactivity through a coordinated approach to social services and employment;
- implement wage transparency policies and wage audits with a view to closing the **pay gap** between women and men;
- ensure that parents have access to quality and affordable long-term care, early childhood education and care, and systems such as teleworking or mobile work.

Guideline 7: Enhancing the functioning of labour markets and the effectiveness of social dialogue

- encourage and empower people who are able to access the labour market to participate, through individual support and integrated services as part of a broader active inclusion approach;
- through individual support and integrated services within a broader active inclusion approach
- provide unemployed persons with **adequate unemployment benefits** for a sufficient period of time to allow them to find quality employment;
- ensure the **mobility** of learners and workers, as a fundamental freedom, in order to enhance their skills and exploit full potential of the European labour market.

Guideline No 8: Promoting equality and equal opportunities and non-discrimination for all, fostering social inclusion and combatting poverty

- implement, in cooperation with regional and local authorities, effective measures to **fight all forms of discrimination** and to promote equal opportunities for all to participate in society, as well as specific measures to support those in vulnerable situations, such as migrants;
- improve social protection systems, including for the self-employed;
- promote the active participation of NGOs specialised in the fight against poverty and of organisations of people experiencing poverty in the development of policies;
- ensure access to health care, free education and childcare, decent housing and proper nutrition for **children** living in poverty;
- urgently secure the sustainability and adequacy of **pension systems** to enable all to live in dignity and aim to ensure an adequate income for older people that is at least above the poverty line.

Guidelines for the employment policies of the Member States

2017/0305(NLE) - 19/04/2018 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 452 votes to 156, with 39 abstentions, a legislative resolution on the proposal for a Council decision on guidelines for the employment policies of the Member States.

Members called for a coordinated employment strategy to promote inclusive labour markets responsive to economic, social, technological and environmental realities and changes, with a skilled, trained and adaptable workforce and for safeguarding the well-being of all workers in order to achieve the objectives of a social market economy.

The Union should also combat poverty, social exclusion and discrimination in all their forms, in all areas.

The **integrated guidelines and the European social rights pillar** should form the basis for well-targeted country-specific recommendations that the Council addresses to the Member States.

The European Parliament approved the Commission proposal subject to the following amendments:

Guideline 5: Boosting the demand for labour

- facilitate and invest in the creation of **sustainable, accessible and quality jobs** in all sectors, regions and skill levels, in particular by fully developing the potential of sectors of the future, such as the green economy, the circular economy, healthcare and digital;
- enable everyone to **reconcile private and professional life** and to ensure that workplaces are adapted for people with disabilities and older workers, facilitate the hiring process and promote responsible entrepreneurship and self-employment;
- create quality employment opportunities for all in a responsible manner, taking into account the development of new information and communication technologies and ensure that they fully respect Union law, national legislation and employment practices as well as with industrial relation systems;
- reduce unnecessary red tape to alleviate the administrative burden on small and medium-sized enterprises;
- gradually reduce the tax burden on labour and increase it on other sources of taxation while ensuring that tax shifts do not jeopardise the sustainability of the welfare state.

Guideline 6: Enhancing labour supply and improving access to employment, skills and competences

- promote the **long-term wellbeing** and productivity of their workforce through targeted promotion of training in science, technology, engineering and mathematics;
- invest in lifelong learning by addressing the specific needs of people with disabilities, members of ethnic and national minorities, immigrants and refugees;
- avoid skills mismatches and market needs;
- develop and strengthen **basic skills**, promoting the acquisition of entrepreneurial skills and facilitating study and training leave, vocational training and lifelong learning;
- promote the long-term well-being and productivity of the workforce by fostering personal development, social cohesion, intercultural understanding and active citizenship;
- combat **long-term unemployment** and long-term inactivity through a coordinated approach to social services and employment;
- implement wage transparency policies and wage audits with a view to closing the **pay gap** between women and men; setting effective, proportionate and dissuasive penalties on employers paying a different wage for the same job, depending on whether it is performed by a man or by a woman;
- ensure that parents have access to quality and affordable long-term care, early childhood education and care, and systems such as teleworking or mobile work.

Guideline 7: Enhancing the functioning of labour markets and the effectiveness of social dialogue

- encourage and empower people who are able to access the labour market to participate, through individual support and integrated services as part of a broader active inclusion approach;
- through individual support and integrated services within a broader active inclusion approach
- provide unemployed persons with **adequate unemployment benefits** for a sufficient period of time to allow them to find quality employment;
- ensure the **mobility** of learners and workers, as a fundamental freedom, in order to enhance their skills and exploit full potential of the European labour market;
- enable workers with atypical employment contracts and self-employed workers to exercise their right to organise and to bargain collectively.

Guideline No 8: Promoting equality and equal opportunities and non-discrimination for all, fostering social inclusion and combatting poverty

- implement, in cooperation with regional and local authorities, effective measures to **fight all forms of discrimination** and to promote equal opportunities for all to participate in society, as well as specific measures to support those in vulnerable situations, they should be supported by adequate funding;
- improve social protection systems, including for the self-employed;
- promote the active participation of NGOs specialised in the fight against poverty and of organisations of people experiencing poverty in the development of policies;
- ensure access to health care, free education and childcare, decent housing and proper nutrition for **children** living in poverty;
- urgently secure the sustainability and adequacy of **pension systems** to enable all to live in dignity and aim to ensure an adequate income for older people that is at least above the poverty line.

To ensure a more democratic decision-making process in the context of the Integrated Guidelines, which affect people and labour markets across the Union, Members called on the Council to take into account the position of the European Parliament.

Guidelines for the employment policies of the Member States

2017/0305(NLE) - 16/07/2018 - Final act

PURPOSE: to amend the guidelines for the employment policies of Member States in order to adapt the text to the principles of the European Pillar of Social Rights.

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

CONTENT: the Council adopted a Decision on guidelines for the employment policies of Member States.

Since the 2015 revision, the employment guidelines had been maintained as they were. They are now being amended to align them with the principles of the European Pillar of Social Rights, an inter-institutional proclamation signed on 17 November 2017, the European Parliament, the Council and the Commission.

The Pillar sets out twenty principles and rights to support well-functioning and fair labour markets and welfare systems. They are structured around three categories: (i) equal opportunities and access to the labour market, (ii) fair working conditions and (iii) social protection and inclusion. The Pillar constitutes a reference framework to monitor the employment and social performance of Member States, to drive reforms at national level and to serve as a compass for a renewed process of convergence across Europe.

By virtue of this Decision, Member States shall take into account the following guidelines in their employment policies and reform programmes:

Guideline 5: Boosting the demand for labour:

- facilitate the creation of quality jobs, including by reducing the barriers that businesses face in hiring people, by fostering responsible entrepreneurship and genuine self-employment and, in particular, by supporting the creation and growth of micro and small enterprises;
- actively promote the social economy and encourage those innovative forms of work which create quality job opportunities;
- whilst respecting the autonomy of the social partners, encourage transparent and predictable wage-setting mechanisms which allow for the responsiveness of wages to productivity developments and provide fair wages for a decent standard of living.

The tax burden should be shifted away from labour to other sources of taxation that are less detrimental to employment and growth.

Guideline 6: Enhancing labour supply and improving access to employment, skills and competences:

- promote productivity and employability, in cooperation with the social partners, through an appropriate supply of relevant knowledge, skills and competences throughout people's working lives, responding to current and future labour market needs;
- address structural weaknesses in education and training systems, to provide quality and inclusive education, training and life-long learning;
- foster equal opportunities for all in education, including early childhood education;
- raise overall education levels, particularly for the least qualified and learners from disadvantaged backgrounds, ensure quality learning outcomes, reinforce basic skills, reduce the number of young people leaving school early, and increase adult participation in continuing education and training;
- tackle unemployment and inactivity, including through effective, timely, coordinated and tailor-made assistance based on support for job-search, training, and requalification;
- provide incentives for participation in the labour market, in particular for those most removed from the market;
- ensure gender equality and increased labour market participation of women.

Guideline 7: Enhancing the functioning of labour markets and the effectiveness of social dialogue:

- work together with the social partners on flexibility and security principles, balancing rights and obligations;
- fight undeclared work and foster the transition towards open-ended forms of employment;
- prevent employment relationships that lead to precarious working conditions, including by fighting the abuse of atypical contracts;
- provide the unemployed with adequate unemployment benefits of reasonable duration, in line with their contributions and national eligibility rules.

Guideline 8: Promoting equal opportunities for all, fostering social inclusion and combatting poverty:

- promote inclusive labour markets, open to all, by putting in place effective measures to fight all forms of discrimination and promote equal opportunities for under-represented groups in the labour market
- pay particular attention to fighting poverty and social exclusion, including reducing in-work and child poverty, specifically tackle homelessness and take into account the specific needs of people with disabilities;
- secure the adequacy and sustainability of pension systems for workers and self-employed.

Guidelines for the employment policies of the Member States

2017/0305(NLE) - 22/11/2017 - Legislative proposal

PURPOSE: to revise the guidelines for the employment policies of the Member States to align the text with the principles of the European pillar of social rights.

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 employment guidelines **set out common priorities and objectives for national employment policies**.

Whilst the broad economic policy guidelines remain valid for any duration of time, the employment guidelines need to be drawn up each year. The guidelines were first adopted together ('integrated package') in 2010, underpinning the Europe 2020 strategy. The integrated guidelines remained stable until 2014. Revised integrated guidelines were adopted in 2015.

The guidelines, other than framing the scope and direction for Member States' policy coordination, also provide the basis for country specific recommendations in the respective domains. They also support the aims of the European Semester of economic policy coordination.

Since 2015, the **European Semester** has been continuously reinforced and streamlined, notably to strengthen its employment and social focus and to facilitate more dialogue with the Member States, social partners and representatives of civil society.

On 17 November 2017, the European Parliament, the Council and the Commission signed an interinstitutional proclamation on the **European Pillar of Social Rights**. The Pillar defines **20 principles** and rights to support well-functioning and fair labour markets and welfare systems. They are structured around three categories: (i) equal opportunities and access to the labour market, (ii) fair working conditions and (iii) social protection and inclusion.

Given the relevance of these principles for the coordination of structural policies, the Commission proposes to **align the employment guidelines with the European Pillar of Social Rights principles**:

CONTENT: the revised 'Employment Guidelines' as proposed by the Commission are as follows:

Guideline 5: Boosting the demand for labour

- facilitate the creation of quality jobs, including by reducing the barriers that businesses face in hiring people, by promoting entrepreneurship and self-employment and, in particular, by supporting the creation and growth of micro and small enterprises;
- actively promote the **social economy** and foster social innovation;
- ensure that the **tax burden** should be shifted away from labour to other sources of taxation that are less detrimental to employment and growth;
- encourage, in line with national practices and respecting the autonomy of social partners, transparent and predictable wage-setting mechanisms, allowing for the responsiveness of wages to productivity developments while ensuring fair wages that provide for a decent standard of living;
- ensure adequate **minimum wage** levels, taking into account their impact on competitiveness, job creation and in-work poverty.

Guideline 6: Enhancing labour supply: access to employment, skills and competences

- promote productivity and employability through an appropriate supply of relevant knowledge, skills and competences throughout people's working lives, responding to **current and future labour market needs**;
- address structural weaknesses in **education and training systems**, to provide quality and inclusive education, training and life-long learning and foster equal opportunities in education and raise overall education levels, particularly for the least qualified;
- reinforce **basic skills**, reduce the number of young people leaving school early;
- improve skills monitoring and forecasting, and increase **adult** participation in continuing education and training;
- make **skills more visible and comparable** and increase opportunities for recognising and validating skills and competences acquired outside formal education and training;
- put in place comprehensive strategies that include in-depth individual assessment at the latest after 18 months of unemployment should be pursued with a view to **significantly reducing and preventing structural unemployment**;
- continue to address **youth unemployment** and the high rates of young people not in education, employment or training (NEETs);
- support an adapted work environment for people with **disabilities**;
- ensure **gender equality** and increased labour market participation of women, including through equal pay for equal work.

Guideline 7: Enhancing the functioning of labour markets and the effectiveness of social dialogue

- work together with social partners to **implement flexibility and security principles**: (i) fight undeclared work and foster the transition towards open-ended forms of employment; (ii) prevent employment relationships that lead to precarious working conditions, including by prohibiting the abuse of atypical contracts; (iii) ensure access to effective and impartial dispute resolution and a right to redress, including adequate compensation, in case of unfair dismissal;
- **improve and support labour-market matching and transitions**: (i) strengthen the effectiveness of active labour-market policies; (ii) aim for more effective public employment services by ensuring timely and tailor-made assistance to support jobseekers;
- provide the unemployed with **adequate unemployment benefits** of reasonable duration ensuring that such benefits should not constitute a disincentive to a quick return to employment;
- encourage the **mobility** of learners and workers
- ensure the meaningful involvement of social partners in the design and implementation of economic, employment and social reforms and policies to achieve **more effective social dialogue** and better socio-economic outcomes.

Guideline 8: Promoting equal opportunities for all, fostering social inclusion and combatting poverty

- ensure **equal treatment** regarding employment, social protection, education and access to goods and services, regardless of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation ;
- **modernise social protection systems** and implement preventive and integrated strategies through active inclusion;
- ensure **affordable, accessible and quality services** such as childcare, out-of-school care, education, training, housing, health services and long-term care;
- secure the **sustainability and adequacy of pension systems for women and men**, providing equal opportunities for workers and the self-employed and support pension reforms by measures that extend working lives and raise the effective retirement age.