Basic information

2022/0165(NLE) NLE - Non-legislative enactments Decision	Awaiting final decision
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	HOMS GINEL Alicia (S&D)	24/06/2022
		Shadow rapporteur GEUKING Helmut (EPP) ORVILLE Max (Renew) D'AMATO Rosa (Greens /EFA) SZYDŁO Beata (ECR) BILDE Dominique (ID)	
Council of the European Union			
European Commission	**Commission DG**	**Commissioner**	
	Employment, Social Affairs and Inclusion	SCHMIT Nicolas	
European Economic and Social Committee			
European Committee of the Regions			

Key events

Date	Event	Reference	Summary
23/05/2022	Legislative proposal published	COM(2022)0241	Summary
22/06/2022	Committee referral announced in Parliament		
10/10/2022	Vote in committee		
12/10/2022	Committee report tabled for plenary, 1st reading/single reading	A9-0243/2022	

17/10/2022	Debate in Parliament		
18/10/2022	Decision by Parliament	T9-0359/2022	Summary
18/10/2022	Results of vote in Parliament		

Technical information

Procedure reference	2022/0165(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
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Awaiting final decision
Committee dossier	EMPL/9/09128

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE734.279	04/07/2022	
Amendments tabled in committee		PE735.770	29/08/2022	
Committee report tabled for plenary, 1st reading/single reading		A9-0243/2022	12/10/2022	
Text adopted by Parliament, 1st reading/single reading		T9-0359/2022	18/10/2022	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2022)0241	23/05/2022	Summary
Commission response to text adopted in plenary	SP(2022)658	07/12/2022	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES3479/2022	21/09/2022	

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Guidelines for the employment policies of the Member States

2022/0165(NLE) - 18/10/2022 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 363 votes to 233, with 35 abstentions, a legislative resolution on the proposal for a Council decision on guidelines for the employment policies of the Member States.

Parliament approved the Commission's proposal subject to amendments and called on the Commission to amend its proposal accordingly. It reiterated its request to be involved in setting the Integrated Guidelines at Union level on an equal footing with Council in order to strengthen democratic decision-making.

Guideline 5: Boosting the demand for labour

Parliament stressed that Member States should:

- promote **full employment based on a competitive, innovative and sustainable social market economy** and support investment in quality job creation;

- implement smart, ambitious and inclusive employment policies to anticipate labour market shortages, in order to harness the potential of the digital and ecological transitions;

- provide business support for hiring and promote vocational education and training (VET), responsible entrepreneurship and genuine self-employment, especially among women, young people, older people and other disadvantaged groups;

- fully implement the Social Economy Action Plan and the European Green Deal and promote the development of the **social, green and digital economy**;

- adapt their employment policies and coordinate at EU level the implementation of best practice on temporary measures to protect workers and labour markets in times of crisis, involving the social partners;

- support the transformation of crucial economic sectors ensuring self-sufficiency and strategic autonomy.

National taxation should support employment and inclusive growth in line with the Sustainable Development Goals, the Paris Agreement and the climate and environmental objectives of the European Green Deal. Tax reforms should take into account of their distributive effect of the tax system and protect revenue for public investment.

Members stressed the importance of policies to ensure that **wages** provide a decent standard of living, including for disadvantaged groups, to combat in-work poverty. They also added that recipients of Union funds should respect applicable Union and national law on social and labour rights and taxation.

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

In the context of digital and green transitions, demographic change and the Russian invasion of Ukraine, as well as the rising cost of living, Member States should in particular:

- **promote social rights, sustainability, productivity, employability and investment** in the development of workers and individuals by fostering the acquisition of lifelong skills and competences, in particular digital skills;

- addressing the needs of sectors and regions suffering from **structural labour market and skills shortages**;

- encouraging enterprises to **invest in the skills of their staff** and to offer decent working and employment conditions to attract qualified workers;

- use all available resources from the ESF+ and other EU programmes and instruments, such as Next Generation EU, to develop the skills of young people;

- promote decent working conditions and potential adjustments through continuous reskilling and upskilling, strengthening of social protection systems and services, and provision of integrated guidance and counselling services, as well as active labour market policies;

- supporting job creation and investing in **social protection systems**, especially for people with disabilities and workers who have difficulties in upgrading their skills or retraining, as well as helping low-skilled adults to access the labour market and stable, quality employment.

The right to **paid educational leave** for professional purposes should be promoted, as should fair, effective and universal access to distance learning.

Members stressed the need to provide effective, coordinated and personalised support for **jobseekers**, to tackle youth unemployment and precarious youth employment as a priority, and to ensure decent working conditions and access to social protection for interns, trainees and apprentices.

The resolution suggested the implementation of a youth clause assessing the impact on young people for new initiatives in all policy areas.

The **length of maternity and parental leave** should be adequately valued in the context of contributions and pension rights. Progress should also be made towards fully paid maternity and paternity leave of equal duration.

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

The Commission and Member States should take concrete steps to **promote and strengthen collective bargaining and social dialogue**. Members stressed the protection of workers' rights, a high level of social protection and job security, inclusive recruitment, health and safety at work, as well as well adapted working environments for all workers.

Member States should (i) support **labour mobility** across the EU to overcome regional and sectoral labour market shortages, while tackling the negative effects of 'brain drain' in certain regions; (ii) ensure **decent rights and working and employment conditions** for all those engaged in cross-border activity, as well as the portability of social security rights (iii) work towards the coordination of social protection for mobile workers, including the self-employed; (iv) ensure that employers comply with **health and safety regulations**; (v) address and anticipate the impact of current and future labour market crises, including in the context of the climate emergency.

Member States should support labour mobility throughout the Union to overcome regional and sectoral labour market shortages and make use of the full potential of the Union’s labour market, while effectively tackling the negative impact of the ‘brain-drain’ in certain regions.

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

Members called for greater efforts to combat poverty and social exclusion, with a **cross-cutting strategy** to tackle in-work poverty, fuel and transport poverty, food poverty and homelessness. They proposed to increase the budget of the European Child Guarantee to at least EUR 20 billion. All Member States should allocate more than 5% of their ESF+ funds to the fight against child poverty.

In the light of the COVID crisis, Member States should ensure equal and effective **access to sustainable preventive and curative public health care**, in particular mental health care and high quality long-term care.

Lastly, **pension reforms** should be based on active ageing through optimising opportunities for workers of all ages to work in good quality conditions to remain productive and healthy until the statutory retirement age. At the same time, workers who wish to remain active after reaching retirement age should have the opportunity to do so.

Guidelines for the employment policies of the Member States

2022/0165(NLE) - 23/05/2022 - Legislative proposal

PURPOSE: to adopt guidelines for Member States' employment policies for 2022.

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: along with the broad economic policy guidelines, the employment guidelines are presented as a Council Decision on guidelines for the employment policies of the Member States and provide the basis for country specific recommendations in the respective domains.

In 2022, the guidelines for the employment policies of the Member States have been notably amended to align the text by retargeting of the narrative to the post-COVID 19 environment, bringing in more elements related to fairness in the green transition, reflecting recent policy initiatives and adding policy elements of particular relevance in the context of the Russian invasion of Ukraine.

CONTENT: the Commission proposes to adopt the following guidelines for Member States' employment policies:

Guideline 5: Boost the demand for labour

Member States should promote a sustainable social market economy and facilitate and support investment in quality job creation, also taking advantage of the potential of the digital and green transitions. To this end, they should:

- reduce barriers to employment, promote responsible entrepreneurship and genuine self-employment and, in particular, support the creation and growth of small and medium-sized enterprises, including through access to finance;

- promote the development of the social economy and encourage business models that create quality employment opportunities, in particular in the circular economy and in the areas most affected by the transition to a green economy;

- put in place, following the COVID-19 crisis, well-designed short-time work schemes and similar mechanisms to facilitate and support restructuring processes, in addition to preserving employment;

- consider hiring and transition incentives and retraining measures to support job creation and address labour and skills shortages, particularly in the light of digital and green transformation and the impact of the Russian invasion of Ukraine;

- shift taxation away from labour and towards other sources, in line with climate and environmental objectives, while preserving revenues for adequate social protection;

- promote collective bargaining for wage setting and ensure effective involvement of the social partners, to allow adequate adjustment of wages to productivity developments and promote fair wages that ensure a decent standard of living, with particular attention to low and middle income groups in order to strengthen upward socio-economic convergence.

Guideline 6: enhancing labour supply and improving access to employment, lifelong acquisition of skills, and competences

In the context of digital and green transitions, demographic change and the war in Ukraine, Member States should in particular:

- promote sustainability, productivity, employability and human capital, by fostering the lifelong acquisition of skills and competences and by addressing current and future labour market needs;

- invest in and adapt their education and training systems to provide inclusive and quality education, including vocational education and training, access to digital learning and language training (e.g. in the case of refugees, including those from Ukraine);

- exploit the potential of micro-credentials to support lifelong learning and employability and to enable people to anticipate and better adapt to the needs of the labour market;

- promote equal opportunities for all by tackling inequalities in education and training systems;

- reduce the number of early school leavers, supporting access to education for children in remote areas, increasing the attractiveness of vocational education and training (VET), access to higher education, facilitating the transition from education to employment for young people through quality apprenticeships and traineeships, and increasing the participation of adults in lifelong learning;

- strengthen work-based learning in their VET systems and increase the number of graduates in science, technology, engineering and mathematics (STEM), especially for women;

- provide unemployed and inactive people with effective, coordinated and personalised support, with particular attention to vulnerable groups;

- continue to tackle youth unemployment and address the problem of young people not in employment, education or training (NEET);

- promote labour market participation and contribute to fostering labour supply, in view of the acute labour shortage in certain occupations and sectors;

- address the gender gap in employment and pay.

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

Member States should in particular:

- reduce and prevent segmentation in labour markets, combat undeclared work and bogus self-employment, and promote the transition to open-ended forms of employment;

- ensure that, in the context of the use of flexible working arrangements such as telework, workers' rights in terms of working time, working conditions and work-life balance are respected;

- avoid employment relationships that make working conditions precarious, including for platform workers, especially if they are low-skilled, and combat the abuse of atypical contracts;

- provide effective incentives for those in a position to enter the labour market, in particular vulnerable groups;

- provide unemployed people with adequate unemployment benefits for a reasonable period of time, without discouraging a prompt return to work.

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

Member States should:

- promote inclusive labour markets open to all, with effective measures in place to combat all forms of discrimination and promote equal opportunities for all;

- modernise social protection systems to ensure that they provide adequate, effective, efficient and sustainable social protection for all at all stages of life;

- pay particular attention to the fight against poverty and social exclusion, including in-work poverty, and fight in particular against child poverty;

- ensure the universal provision of essential services, including for children, and ensure access to adequate social housing or social housing assistance for those in need;

- ensure a clean and fair energy transition and combat fuel poverty;

- provide an adequate level of protection for Ukrainian refugees, including residence rights, access to and integration into the labour market, access to education, training and housing, as well as access to social security systems, medical care;

- ensure the adequacy and sustainability of pension schemes for employed and self-employed workers.