

Report on employment and social policies in the euro area

At the beginning of the European Semester cycle, in November, the Council adopts euro-area recommendations and conclusions on the annual growth survey and the alert mechanism report. In advance of this the Employment and Social Affairs Committee, as of last year, prepares a report on employment and social policies in the euro area. This year's report puts great emphasis on the urgent need to address persistent inequalities across regions, generations and genders. It calls for social priorities to be placed on a par with economic ones and for the implementation rate of the country specific recommendations to be stepped up in the euro area and beyond. Parliament is due to debate the report during the October I plenary part-session.

Background to the report

The annual cycle of the [European Semester](#) allows Member States to discuss their economic, budgetary and structural reform plans with their EU partners in the first part of the year, so that national action can be taken accordingly in the second, notably with the adoption of the budgets for the subsequent year. Until 2016, the European Parliament published two sets of annual reports: first, in February, on the economic, and on the employment and social aspects, of the annual growth survey following its November publication; and second, in October, on the implementation of the country specific recommendations (CSRs) for the ongoing Semester as a contribution to discussions on the euro-area recommendations and the drafting of CSRs for the following year. The latter was prepared by the Economic Affairs (ECON) Committee, with the Committees on Employment and Social Affairs (EMPL) and Budgets (BUDG) associated. In 2018, the ECON and EMPL committees gained authorisation from the Conference of Presidents to draft two separate reports on the euro area: one on economic policies and the other on [social and employment policies](#). The same pattern was followed this year, however, as last year, the ECON committee voted down the draft report on economic policies, at its meeting on 2 October.

European Parliament position

This year's EMPL committee report, adopted on 2 October 2019, highlights the perennial and even growing inequalities between countries, regions, age groups and genders, and stresses that the [2020 poverty target](#) has not been reached. It reiterates its call for well-designed labour market policies and reforms with relevant social protection systems, and for the transformation of education and training systems to add a lifelong learning approach. This could then also help to address persisting skills mismatches. It stresses the importance of reaching out to all and, more particularly, to the most vulnerable, in terms of opportunities (employment, pay) and protection (education, social welfare, health). It calls for action to strengthen existing, and introduce new, European policies and financial tools, such as a minimum wage or a European unemployment benefit reinsurance scheme. The report puts major emphasis on the need to place social and economic goals on an equal footing, reinforce social rights by implementing the [European Pillar of Social Rights](#), and ensure that the CSRs are better implemented. On the latter note, the report refers to a declining trend in CSR implementation: Member States made [some progress](#) on about 39 % of recommendations under the 2018 European Semester, as compared to 50 % under the 2017 cycle, with less progress in the euro area than outside. The report recommends bolstering the social aspects of the Semester, by means of the budget and a matrix framework for social pillar-related policy analysis.

Own-initiative report: [2019/2011\(INI\)](#); Committee responsible: EMPL; Rapporteur: Yana Toom (Renew Europe, Estonia).

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