



2017/2044(BUD)

31.8.2017

OPINION

of the Committee on Employment and Social Affairs

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2018
(2017/2044(BUD))

Rapporteur: Deirdre Clune

PA_NonLeg

SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Recalls that sustainable growth and investment are key factors for the creation of decent jobs leading to quality employment and for increasing prosperity for all; recalls that it is necessary to direct the structural and investment funds more effectively towards promoting smart, sustainable and inclusive growth, reducing inequalities and boosting upward social and territorial convergence; in that context, stresses that the EU budget should contribute financially towards achieving the Europe 2020 targets in the social and employment area;
2. Notes the overall year-on-year increase proposed by the Commission in the appropriations of heading 1 – Smart and inclusive growth (+2,5 % in commitment appropriations and +18,3 % in payment appropriations); notes further the proportionally higher increases in heading 1b – Economic, social and territorial cohesion (+2,4 % in commitment appropriations and + 25,7 % in payment appropriations);
3. Stresses that those additional resources must not violate the principle of subsidiarity, crowd out private investments or replace national measures;
4. Is concerned about the proposed decrease of 8,85 % in the commitment appropriations of the "Employment, Social Affairs and Inclusion" chapter;
5. Is concerned about all the cuts in the "Employment, Social Affairs and Inclusion" made by the European Council; stresses, in that respect, that changes that reduce the budgetary programming for the employment, social affairs and inclusion lines must be rejected and that a proper balance between commitment and payment appropriations must be found in order to allow these policies to reach their full potential;
6. Emphasises that the 2018 budget has to play a key role in enhancing the Union's contribution to reducing inequalities and creating growth and jobs in the Union, with a strong focus on combatting unemployment among those furthest away from the labour market and on combatting poverty, with a particular focus on child poverty; therefore reiterates its call for full implementation of the budget lines dedicated to employment and social affairs;
7. Recalls that there are 2 million social economy enterprises in Europe, which employ 14,5 million people and aim to have a social, societal or environmental impact for the general interest; points out that they contribute to Union employment, social cohesion, regional and rural development, environmental protection, consumer protection, agriculture, third-country development, and social security policies; calls on the Commission to establish an adequately financed European Action Plan, which will promote the social economy enterprises in the Union and boost social innovation; recalls that social enterprises are struggling to find the right funding opportunities due to the lack of understanding of their functioning and their small size; stresses the importance of adequate funding via the programme for the Competitiveness of

Enterprises and Small and Medium-sized Enterprises, the European Social Fund (ESF) and the European Regional Development Fund;

8. Recalls that youth unemployment rates remain unacceptably high in the Union and that the situation of unemployed young people, especially persons who are not in education, employment, or training (NEETS), is particularly worrying; emphasises that, in order to address this issue, it is of high importance to ensure the proper and timely funding of the Youth Guarantee schemes through the Youth Employment Initiative (YEI) and the ESF; highlights, in that context, the need for those instruments to be adequately funded in a timely manner, and stresses, in particular, the importance of the agreed fresh funding of EUR 500 million for the YEI for 2017; also notes with concern the Court of Auditors'¹statement that it is not possible to address the entire NEET population using the resources available from the EU budget alone;
9. Recalls, in particular, the importance of ensuring funding of at least EUR 700 million for the YEI for the period 2018 to 2020, as agreed within the MFF mid-term revision, to be split between 2018, 2019 and 2020 into three equal instalments of EUR 233,33 million as is reflected in the Draft Budget 2018; calls also for the allocation of sufficient payment appropriations to ensure the proper implementation of the YEI;
10. Recalls that EURES is an important tool by which, simultaneously, to increase labour mobility and to tackle unemployment and shortage of skilled workers in the Union; notes, however, that the level of awareness of EURES remains very low; emphasises that a proper and timely funding through EaSI is important in order to finance awareness campaigns in the Union;
11. Stresses the importance of adequate funding and good budgetary management of the programmes within the 2014 to 2020 Multiannual Financial Framework that aim to address unemployment, poverty and social exclusion, such as the ESF, including the YEI, the European Globalisation Adjustment Fund (EGF), the different axes of the Programme for Employment and Social Innovation (EaSI) and the Fund for European Aid to the Most Deprived (FEAD);
12. Reiterates, in particular, its call for adequate commitment and especially payment appropriations to be ensured in the 2018 Budget for the ESF given that it is entering a period of intense implementation and that payment requests by Member States will increase;
13. Welcomes the increases proposed for EGF (+2 % year-on-year in commitment appropriations of the maximum envelope available for this fund) and FEAD (+1,9 % in commitment appropriations); is concerned, however, with the decrease in the payment appropriations proposed for FEAD (-9,07 %) in addition to a reduction of its support expenditure;
14. States that social dialogue is a key instrument for assuring sustainable growth, improving working conditions, achieving upward convergence and balancing competitiveness and fairness; regrets therefore the cuts made by the European Council on the lines related to industrial relations and social dialogue and information,

¹ <http://www.eca.europa.eu/en/Pages/NewsItem.aspx?nid=8265>

consultation and participation of representatives of undertakings;

15. Notes that of the EUR 72,8 million funding proposed by the Commission for the European Solidarity Corps (appropriations are to be entered into the reserve until such time as the basic act is adopted by the legislator), EUR 2,5 million will be provided in 2018 by the Progress axis of the EaSi and EUR 11,1 million will be redeployed from the ESF and therefore taken away from other employment, social affairs and inclusion priorities; believes that ESC should, instead, be financed by the use of all financial means available under the existing MFF Regulation;
16. Recalls that Parliament, as co-legislator for EU programmes and one of the two arms of the budgetary authority, is opposed to reallocating funds from priority programmes;
17. Welcomes the fact that EUR 18,4 million set aside for the Corps in 2018 is fresh money; insists, however, that the funding of the ESC must not put further pressure and have a negative impact on existing programmes aimed at employment, social inclusion, education and active citizenship (such as the Europe for Citizens and Erasmus+ programmes, the Employment and Social Innovation programme, and the projects financed from the ESF), and will not distort the functioning of existing successful programmes or measures ; expresses its concern, therefore, that resources are being shifted from important programs such as the ESF, Erasmus and Life.
18. Rejects the reduction of funding for the EU-OSHA agency as proposed by the Council and reiterates the importance of rejecting that proposed reduction;
19. Calls for the staff reduction target of EUROFOUND for 2018 to be postponed on an exceptional basis;
20. Reiterates that pilot projects (PPs) and preparatory actions (PAs) are very valuable tools to initiate new activities and policies in the fields of employment and social inclusion and that several ideas of the Committee on Employment and Social Affairs have been implemented successfully in the past as pilot projects or preparatory actions; encourages the full use of the margins available under each heading; calls for Parliament to be given regular, detailed updates on the various stages in the implementation of pilot projects and preparatory actions by the Commission; calls on the Commission, in the implementation of the PPs and PAs, to respect their content as agreed and approved by Parliament and the Council;
21. Notes that five pilot projects received either an 'A' or a 'B' rating and encourages the budgetary authority to include them in the 2018 budget and the Commission to implement these without delay;
22. Recalls the growing prevalence of chronic and autoimmune diseases in the Union pose serious threats to the Union's health care systems and labour market; emphasises the importance of funding research as well as the development of Union action plans on prevention and early diagnosis of chronic and autoimmune diseases as well as life-time healthy ageing starting from childhood onward;
23. Recalls that the number of care-dependent people is rising; 80 % of all care activities are done by informal carers, mostly women, who look after their relatives; highlights

that many of them reduce or even leave their professional job due to their high amount of responsibilities as carers; stresses that in order to support informal carers, continued funding of the European network of carers (EUROCARERS) and the exchange of best-practice examples across the Member States is necessary.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	30.8.2017
Result of final vote	+: 41 -: 8 0: 2
Members present for the final vote	Laura Agea, Tiziana Beghin, Brando Benifei, Vilija Blinkevičiūtė, Enrique Calvet Chambon, David Casa, Ole Christensen, Martina Dlabajová, Lampros Fountoulis, Elena Gentile, Arne Gericke, Czesław Hoc, Agnes Jongerius, Rina Ronja Kari, Jan Keller, Agnieszka Kozłowska-Rajewicz, Jérôme Lavrilleux, Patrick Le Hyaric, Jeroen Lenaers, Verónica Lope Fontagné, Javi López, Thomas Mann, Dominique Martin, Anthea McIntyre, Joëlle Mélin, Elisabeth Morin-Chartier, Emilian Pavel, Georgi Pirinski, Marek Plura, Terry Reintke, Robert Rochefort, Claude Rolin, Sven Schulze, Siôn Simon, Romana Tomc, Yana Toom, Ulrike Trebesius, Marita Ulvskog, Renate Weber, Tatjana Ždanoka, Jana Žitňanská
Substitutes present for the final vote	Georges Bach, Deirdre Clune, Paloma López Bermejo, Edouard Martin, Anne Sander, Joachim Schuster, Neoklis Sylikiotis, Monika Vana, Theodoros Zagorakis, Flavio Zanonato

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

41	+
ALDE	Enrique Calvet Chambon, Martina Dlabajová, Robert Rochefort, Yana Toom, Renate Weber
GUE/NGL	Rina Ronja Kari, Patrick Le Hyaric, Paloma López Bermejo, Neoklis Sylikiotis
PPE	Georges Bach, David Casa, Deirdre Clune, Agnieszka Kozłowska-Rajewicz, Jérôme Lavrilleux, Jeroen Lenaers, Verónica Lope Fontagné, Thomas Mann, Elisabeth Morin-Chartier, Marek Plura, Claude Rolin, Anne Sander, Sven Schulze, Romana Tomc, Theodoros Zagorakis
S&D	Brando Benifei, Vilija Blinkevičiūtė, Ole Christensen, Elena Gentile, Agnes Jongerius, Jan Keller, Javi López, Edouard Martin, Emilian Pavel, Georgi Pirinski, Joachim Schuster, Siôn Simon, Marita Ulvskog, Flavio Zanonato
VERTS/ALE	Terry Reintke, Monika Vana, Tatjana Ždanoka

8	-
ECR	Arne Gericke, Czesław Hoc, Anthea McIntyre, Ulrike Trebesius, Jana Žitňanská
ENF	Dominique Martin, Joëlle Mélin
NI	Lampros Fountoulis

2	0
EFDD	Laura Agea, Tiziana Beghin

Key to symbols:

+ : in favour

- : against

0 : abstention