

P7_TA-PROV(2012)0047

Employment and social aspects in the Annual Growth Survey 2012

European Parliament resolution of 15 February 2012 on employment and social aspects in the Annual Growth Survey 2012 (2011/2320(INI))

The European Parliament,

- having regard to Article 3 of the Treaty on European Union,
- having regard to Article 9 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Articles 145, 148, 152 and 153(5) of the TFEU,
- having regard to Article 28 of the Charter of Fundamental Rights of the European Union,
- having regard to the European Pact for Gender Equality (2011-2020) adopted by the Council on 7 March 2011,
- having regard to the Communication from the Commission of 23 November 2011 on the Annual Growth Survey 2012 (AGS) (COM(2011)0815), and the Draft Joint Employment Report annexed thereto,
- having regard to its resolution of 1 December 2011 on the European Semester for Economic Policy Coordination¹,
- having regard to the Communication from the Commission of 3 March 2010 on Europe 2020: a strategy for smart, sustainable and inclusive growth (COM(2010)2020),
- having regard to its position of 8 September 2010 on the proposal for a Council decision on guidelines for the employment policies of the Member States: Part II of the Europe 2020 Integrated Guidelines²,
- having regard to Council Decision 2010/707/EU of 21 October 2010 on guidelines for the employment policies of the Member States³,
- having regard to the Communication from the Commission of 23 November 2010 on an Agenda for new skills and jobs: a European contribution towards full employment (COM(2010)0682),
- having regard to its resolution of 26 October 2011 on the Agenda for New Skills and Jobs⁴,
- having regard to the Communication from the Commission of 16 December 2010 on the European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion' (COM(2010)0758),

¹ Texts adopted, P7_TA(2011)0542.

² OJ C 308 E, 20.10.2011, p. 116.

³ OJ L 308, 24.11.2010, p. 46.

⁴ Texts adopted, P7_TA(2011)0466.

- having regard to its resolution of 15 November 2011 on the European Platform against Poverty and Social Exclusion¹,
- having regard to Commission Recommendation 2008/867/EC of 3 October 2008 on the active inclusion of people excluded from the labour market (notified under document number C(2008)5737)² and to its resolution of 6 May 2009 thereon³,
- having regard to the Social Protection Committee (SPC) Opinion and Report on the Social Dimension of the Europe 2020 Strategy (SPC/2010/10/7 final),
- having regard to the Communication from the Commission of 5 April 2011 on an EU Framework for National Roma Integration Strategies up to 2020 (COM(2011)0173),
- having regard to its resolution of 9 March 2011 on the EU strategy on Roma inclusion⁴,
- having regard to the Communication from the Commission of 15 September 2010 on Youth on the Move: An initiative to unleash the potential of young people to achieve smart, sustainable and inclusive growth in the European Union (COM(2010)0477),
- having regard to its resolution of 12 May 2011 on Youth on the Move: - a framework for improving Europe's education and training systems⁵,
- having regard to its resolution of 6 July 2010 on promoting youth access to the labour market, strengthening trainee, internship and apprenticeship status⁶,
- having regard to its resolution of 7 September 2010 on developing the job potential of a new sustainable economy⁷,
- having regard to Council Directive 1999/70/EC of 28 June 1999 concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEEP⁸,
- having regard to Council Directive 97/81/EC of 15 December 1997 concerning the Framework Agreement on part-time work concluded by UNICE, CEEP and the ETUC⁹,
- having regard to Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation¹⁰,
- having regard to Rule 48 of its Rules of Procedure,
- having regard to the report of the Committee on Employment and Social Affairs (A7-0021/2012),

¹ Texts adopted, P7_TA(2011)0495.

² OJ L 307, 18.11.2008, p.11.

³ OJ C 212 E, 5.8.2010, p. 23.

⁴ Texts adopted, P7_TA(2011)0092.

⁵ Texts adopted, P7_TA(2011)0230.

⁶ OJ C 351 E, 2.12.2011, p. 29.

⁷ OJ C 308 E, 20.10.2011, p. 6.

⁸ OJ L 175, 10.7.1999, p. 43.

⁹ OJ L 14, 20.1.1998, p. 9.

¹⁰ OJ L 303, 2.12.2000, p. 16.

- A. whereas the social consequences of the crisis are far-reaching, now exacerbated by the impact of austerity measures taken in certain countries in response to the sovereign debt crisis, cutting jobs, both in private and public sectors, social benefits and public services, and thus worsening poverty situations across the EU;
- B. whereas unemployment has increased significantly since 2008 and reached the level of 23 million unemployed people in the EU, corresponding to 10% of the working age population; whereas, in order to meet its employment target, the EU will have to bring an additional 17.6 million people into employment by 2020;
- C. whereas the labour market situation is particularly critical for young people, regardless of their level of education, who often end up with precarious employment contracts and in unpaid traineeships; whereas the difficult situation of young people is partly because of mismatches between acquired skills and labour market demand;
- D. whereas people approaching pension age, long-term unemployed workers, non-EU workers and low-skilled workers are also among those worse hit by the crisis;
- E. whereas the gender dimension is crucial to achieving the EU 2020 headline targets, as women form the greatest reserve of as yet unused labour and form the majority of those living in poverty in the EU; whereas specific attention needs to be paid therefore to both gender mainstreaming and policies targeted at women throughout the European Semester process;
- F. whereas in-work poverty and precariousness are increasing in the EU, in addition to the high numbers of unemployed people and the increased average length of time in unemployment; whereas the crisis has created new categories of people at risk of poverty; whereas the Social Protection Committee (SPC) warns of increasing numbers of people at risk of income poverty, child poverty, severe material deprivation and social exclusion because of the impact of fiscal consolidation measures, where wrongly-targeted and regressive, on social protection systems, and whereas implementation of integrated active inclusion strategies should therefore be a central element of EU and national social policy agendas;
- G. whereas the austerity measures and measures aimed at fiscal consolidation might have a disproportionately negative effect on the position of women in the labour market and on poverty among women, for instance due to cuts in the public sector that affect women or by limiting fiscal benefits for childcare;
- H. whereas, in spite of the urgency of the situation, progress in Member States in delivering on the Europe 2020 objectives is below expectations; whereas commitments set in the National Reform Programmes are insufficient to meet most of the EU-level targets;
- I. whereas the social and employment aspects are grouped into only one of the five priorities of the Annual Growth Survey (AGS) while they represent three out of the five headline targets of the Europe 2020 Strategy;

Key messages with a view to the Spring European Council

1. Urges the European Council to ensure the following messages form part of its policy guidance for the European Semester 2012, and mandates its President to defend this

position during the Spring European Council of 1-2 March 2012;

I. Ensure coherence and increase ambition to achieve the Europe 2020 objectives

2. Calls on the European Council to ensure that the yearly policy guidance set out on the basis of the AGS is fully aimed at fulfilling all the objectives of the Europe 2020 Strategy for smart, sustainable and inclusive growth;
3. Calls on the European Council to ensure coherence between the different priorities in its policy guidance, so that guidance on fiscal consolidation is based on social justice and does not increase poverty or hamper efforts to tackle unemployment and mitigate the social consequences of the crisis; believes strongly that the main focus needs to be on integrated reform measures that promote growth in the short term as well as in the medium and long term; stresses, therefore, that budgetary, growth and employment measures need to be taken together as they are all interdependent and jointly constitute prerequisites for recovery;
4. Calls on the European Council to ensure, in its policy guidelines, that EU funds are earmarked for achievement of the Europe 2020 Strategy's objectives;
5. Is deeply concerned about the fact that the current national targets are not sufficient to achieve the Europe 2020 headline targets for employment, education and poverty reduction; urges the European Council to ensure that Member States step up their national targets, and that these are accompanied by concrete and realistic roadmaps for implementation and assessed using clear and consistent indicators drawing on the agreed Joint Assessment Framework, so that the EU is put on a clear and feasible track to achieve all the Europe 2020 objectives and that progress can be transparently measured;

II. Support sustainable job creation with investment and tax reform

6. Calls on the European Council to provide the necessary budgetary leeway and encouragement for investments in sustainable and decent job creation in a wide range of sectors, as well as investment in training workers and the unemployed and in poverty reduction;
7. Calls on the European Council to endorse the policy guidance to shift the tax burden as part of non-wage costs away from labour while encouraging the companies benefiting from those exemptions/reductions to offer decent living wages in return; believes that this would make hiring and retaining employees more attractive and improve the overall labour market situation, particularly that of vulnerable groups; calls on the European Council, in line with the subsidiarity principle, to endorse the guidance on increasing revenue through fair, progressive, redistributive, effective and efficient taxation, and better tax coordination to combat tax evasion, so as to ensure the fairness of the system and preserve social cohesion;

III. Improve the quality of employment and conditions for increased labour participation

8. Regrets that policy guidance aimed at making work more attractive does not address the quality of jobs and that too little attention is paid to putting in place the necessary preconditions for increasing labour market participation, notably that of women, people with disabilities and the most deprived, such as the long-term unemployed; calls on the European Council to include guidance on decent work and on efforts to support the reconciliation of work, family and private life by means of affordable care and childcare

provision, family-related leave and flexible working arrangements;

9. Warns that austerity measures and reduction of the administrative burden should not compromise social protection and health and safety standards nor result in lighter conditions or exemptions from EU legislation;

IV. Tackle youth unemployment

10. Stresses the importance of not losing the potential of the younger generation, and calls on the European Council to make tackling youth unemployment a priority; calls on Member States to develop comprehensive strategies for young people who are not in employment, education or training, including targeted active labour-market policy measures, measures tackling skills mismatches in the labour market, promotion of entrepreneurship among young people and frameworks securing the transition from education to work, such as ‘dual vocational training’; calls on Member States to introduce, in close cooperation with the social partners, a Youth Guarantee securing the right of every young person in the EU to be offered a job, an apprenticeship, additional training or combined work and training after a maximum period of four months’ unemployment; stresses the importance of reducing precarious forms of employment among young people, such as temporary contracts, part-time jobs and unpaid internships, where these are undesired;

V. Tackle poverty and social exclusion with the emphasis on groups with no or limited links to the labour market

11. Welcomes the fact that, for the first time, the AGS includes guidance in the field of poverty and social exclusion, and calls on the European Council to endorse this guidance as a priority, while ensuring that combating poverty and social exclusion goes beyond measures aimed at integrating people into the labour market, by putting the emphasis on social protection and active inclusion of vulnerable groups with no or limited links to the labour market;
12. Emphasises that Article 9 TFEU needs to be mainstreamed throughout the European Semesters, including in the country-specific recommendations, which should be accompanied by ex-ante and ex-post social impact assessments;

VI. Enhance democratic legitimacy, accountability and ownership

13. Recalls that the increased importance of the European dimension of the economic policies of Member States should go hand in hand with increased democratic legitimacy and appropriate accountability to the European Parliament and national parliaments; considers that, in the absence of a legal basis for ordinary legislative procedure applicable to the AGS, the European Council has a special responsibility to take into account parliamentary comments when endorsing the policy guidance in order to give it democratic legitimacy, and that the sense of urgency in implementing austerity measures and fiscal discipline cannot by any means override the need for a democratic decision-making process;
14. Calls on the European Council and the Member States to ensure that national and regional parliaments, social partners, public authorities and civil society are deeply involved in the implementation and monitoring of policy guidance under the Europe 2020 Strategy and economic governance process, in order to ensure ownership;

15. Calls on the Commission to transform the AGS into Annual Sustainable Growth Guidelines in 2013, to present this in a format that allows Parliament to propose amendments and to ensure that a transparent process of inter-institutional decision-making ends in commonly agreed policy guidance;

Additional efforts to be pursued in the employment and social field

Increase employment levels and improve job quality

16. Calls on Member States to support initiatives that facilitate the development of sectors with the highest employment potential, particularly in the transformation to a sustainable economy (green jobs), health and social services (white jobs) and the digital economy;
17. Calls on Member States to improve the environment for businesses, especially SMEs, and in particular to promote business start-ups and support existing SMEs in their job creation activities;
18. Calls on the European Council to reinforce efforts to improve the Single Market, to enhance the digital economy and to focus on smart regulation to reduce unnecessary red tape;
19. Calls on Member States to increase the coverage and effectiveness of employment services and to adopt effective active labour-market policies – in close cooperation with social partners – mutually supported by activation incentives, such as welfare-to-work programmes, and adequate benefit systems in order to maintain employability, support people back into work and safeguard decent living conditions;
20. Calls on Member States to support and develop conditions for more flexible working arrangements, especially for older and younger workers, and to promote workers' mobility; stresses the importance of increasing labour productivity and efficiency across the EU in order to regain Europe's competitiveness;
21. Calls on Member States to make full use of the Structural Funds in order to enhance employability and combat structural and long-term unemployment effectively; believes that the Commission should provide the Member States with further assistance and guidance in regard to this goal, especially in these times of recession and social challenges;
22. Considers that the Europe 2020 headline target for the employment rate can only be achieved if women's participation in the labour market is increased significantly; calls on the Commission to ensure Member States receive stronger guidance which should aim at putting in place the necessary conditions for higher employment rates among women, such as affordable care and child care, adequate maternity, paternity and parental leave schemes and flexibility in working hours and place of work;
23. Calls on the European Council to assess the effectiveness of its policy recommendations in supporting labour market participation of all adults in the household, in providing a decent living wage and in facilitating upward transitions for those trapped in low-paid or precarious jobs, as these are the three mechanisms that can reduce in-work poverty; calls on Member States to combat in-work poverty by pursuing labour-market policies which aim at ensuring living wages for those in work;
24. Calls on the Commission to use gender disaggregated data in their progress reports;

25. Calls on the Member States to further recognise the real added value that older workers represent within their enterprises and create age-friendly working conditions in order to enable older workers who so choose to participate and remain in the labour market; calls on Member States to do so by combating age discrimination, replacing incentives for older workers to leave the labour market with incentives for an inclusive labour market and by adapting working conditions to the needs of older workers, such as putting in place the right to flexible working time and place of work, the right to training and the right to a flexible exit into retirement, ensuring the adequacy of pension provision for all; believes that promotion of occupational health should ensure active ageing during and after work-life;
26. Calls on the Member States to ensure that people on temporary or part-time contracts enjoy equal treatment, including with regard to dismissal and pay in accordance with primary and secondary EU law, and that these workers and people who are self-employed have adequate social protection and access to training and lifelong learning and that framework conditions are set to enable them to make a career; calls on the Member States to implement the framework agreements on part-time work and fixed-term employment and to enforce effectively the Directive establishing a general framework for equal treatment in employment and occupation;
27. Believes that necessary reforms in the labour market, which aim at increasing productivity and competitiveness, should be implemented in such a way as to ensure social justice and promote job quality, while respecting national traditions of social dialogue;
28. Calls on Member States to take steps to improve mobility within and across labour markets and to remove all the existing legal and administrative barriers that hamper the free movement of workers within the European Union;
29. Calls on the European Council to set up a tax on financial transactions to enhance sustainable job creation;
30. Regrets the insufficient effort made to implement gender mainstreaming in the priorities of the Annual Growth Survey, despite the fact that the European Pact for Gender Equality 2011-2020 asks the Commission to integrate a gender equality perspective into the Annual Growth Survey; calls on the European Council to ensure that the policy guidance will address gender inequalities; calls on Member States to implement gender mainstreaming in the design of National Reform Programmes; calls on the Commission to address country specific recommendations in the case of Member States failing to take the gender dimension into account;

Invest in education and training

31. Calls on the Member States to adapt and expand investment in education, training, the promotion of entrepreneurial skills and lifelong learning for all age groups, not only through formal learning but also through the development of non-formal and informal learning which lead to higher growth potential, and warns of the long-term social and economic costs of cuts in education budgets;
32. Calls on the EU and Member States to bridge skills mismatches and shortages and increase synergies between universities, training institutions, youth organisations and enterprises, by improving anticipation of skills' needs, adapting education and training systems to the needs of the labour market and endowing the workforce with new skills in order to fight

structural unemployment and prepare the workforce for the transition to a smart, sustainable and inclusive economy;

33. Urges the Member States not to allow austerity measures to compromise growth-friendly policies, and to prioritise growth-friendly expenditure such as education, lifelong learning, research and innovation, ensuring at the same time the efficiency of this spending;
34. Recalls that, in its 'Youth on The Move' flagship initiative, the Commission promised to propose a Quality Framework for Traineeships, and calls on it to submit, without delay, such a Framework;
35. Encourages vigorous implementation of the National Qualifications Framework as a tool promoting the development of lifelong learning;
36. Encourages the Commission, the Member States and employers to create more opportunities for female workers in the new technologies sectors in order to strengthen the high-tech sector in accordance with the Europe 2020 Strategy objectives;

Combat poverty, promote social inclusion and the quality of public services

37. Highlights the fact that, according to the November 2011 Eurobarometer, 49 % of European citizens cited tackling poverty and social exclusion as a priority policy that they want to see promoted by the European Parliament, making it their first concern before coordination of economic, budgetary and fiscal policies;
38. Calls on Member States to improve the adequacy and effectiveness of social protection systems, including access to pension systems with due consideration for gender equality, and to make sure that these continue to act as buffers against poverty and social exclusion;
39. Calls on the Member States to implement active inclusion strategies and adequate and affordable high-quality services, adequate minimum income support and pathway approaches to quality employment to prevent marginalisation of low-income and vulnerable groups;
40. Calls on the Commission and the Member States to follow-up the SPC's call for participative National Social Reports to underpin the National Reform Programmes, based on the Social OMC Common Objectives and providing multidimensional poverty solutions promoting access to rights, resources and services;
41. Calls on the Member States and the Commission to put in place, implement and enforce effective anti-discrimination measures; calls on the Commission to address the lack of progress in implementing and enforcing anti-discrimination measures in the country specific recommendations;
42. Calls on Member States to specify in their National Reform Programmes how EU funds will be used to support the national poverty targets and other social, employment and education targets, ensuring the achievement of the Europe 2020 targets;
43. Warns that pension reforms encouraged in the AGS cannot just level up the retirement age to shore up deficits, but, on the contrary, must encompass working years and provide a decent universal coverage, reducing elderly poverty and without placing state-run pension

systems in danger;

44. Calls on the EU and the Member States to ensure that any health system reforms focus on improving quality and ensuring adequacy, affordability and universal access;
45. Is concerned about the social impact of the crisis on poverty among women; calls on the Member States and the Commission to ensure that fiscal consolidation is compatible with the social dimension of the Europe 2020 Strategy and the employment guidelines; calls on the Commission to assess also the effects of austerity measures on gender equality and female employment;
46. Calls on the Commission to develop gender analysis and mainstreaming in regard to the impact of pension reforms on women's lives in the EU, with the objective of individualising pensions rights and social security and tax systems as well;

Further efforts needed to enhance governance, commitment and democratic legitimacy

47. Is concerned about the fact that the European Parliament and national parliaments continue to play a limited role in the European Semester; deplores the fact that policy guidance in the AGS initiated by the Commission, and to be endorsed by the European Council, lacks parliamentary involvement and therefore democratic legitimacy;
48. Notes that five Member States which currently have a Memorandum of Understanding with the Commission, IMF and ECB received no country-specific recommendations in July 2011; calls on the Commission to ensure that the implementation of the Memorandum of Understanding is fully compatible with achieving the Europe 2020 objectives on increasing employment and reducing poverty; reiterates its position that the International Labour Organisation (ILO) should be involved in the Commission-IMF-ECB financial assistance programmes; calls on the European Council to give the Member States concerned the necessary encouragement for investments in sustainable job creation, education and training and poverty reduction so as to facilitate their contribution to achieving the EU headline targets in these areas;
49. Calls on Member States, against the background of the worst economic crisis the European Union has ever known, to implement without delay the necessary national reform programmes;

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50. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.