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NOTICE TO MEMBERS

(5/2009)

Subject: EPSCO Informal Council - Jönköping (Sweden) - 8-9 July 2009

Summary report

Mr Andersson represented the European Parliament's Committee on Employment and Social Affairs at the informal EPSCO Council meeting held in Jönköping (Sweden) on 8 and 9 July 2009, which was also attended by representatives of the social partners and NGOs. The meeting, which focused on promoting access to employment through more inclusive labour markets and active social security policies, was structured around three major subjects of debate:

Within this framework it was also discussed if and how the post-Lisbon strategy could be used to prevent unemployment and stimulate recovery of the labour market and thus prevent exclusion. The aim of the Swedish Presidency is to have some first conclusions on the post-Lisbon strategy for the EPSCO Council on the 30 November and 1 December 2009. The European Commission will present the document on the future of the Lisbon strategy early next year.

Managing the impact of the financial and economic crisis by increasing access to employment

The outlook for the world economy is subject to great uncertainty but there is a certainty that at some point the economic situation will improve and demand for labour will increase. Presently, it is important to come to grips with a high level of unemployment, while preparing for the recovery. This involves both active labour market policies and active social security

policies. Early activation and efficient employment services, the provision of counselling, training and re-training, are key elements of an active policy approach in promoting inclusive labour markets. During the discussion viewpoints were exchanged regarding policies that are being pursued to increase access to employment and increase labour market inclusion, especially aimed at increasing the participation of women in the labour market.

Facilitating access to employment by efficient reforms in the labour market

The pace of adjustment in recent years has put an increased emphasis on the flexibility of labour markets. Europe's more recent policy response to this has been the adoption of the Common Principles for Flexicurity, combining increased flexibility with the necessary security, and the initiative for New Skills for New Jobs. Skills upgrading of those who are already part of the labour force is of utmost importance in a globalised world. Training and education are also crucial to improving the employability and the adaptability of those outside the labour market, thereby increasing their mobility and overall chances of finding a job. In this respect, improvements in terms of early identification of skill needs represent a key factor in providing guidance to education and training policies aimed at raising adaptability. A modern education system that is well-adapted to labour market demand is needed to better prepare young people to meet an increasingly competitive work environment.

The discussions focused on policies that are pursued to facilitate the mobility of workers from declining to expanding sectors.

Increasing access to employment through an active social security policy

A more active social security policy is needed to better promote the full work-force potential of the millions of Europeans who can work and want to work but who are excluded for various reasons from the labour market. Long-term labour market exclusion has severe consequences for both society and individuals in terms of reduced incomes and adverse effects on physical and mental wellbeing. Despite this, sickness and disability policies, in contrast to unemployment policies, remain very passive.

By sharing experience and best practices, Member States can learn from each other and facilitate the move from passive to more active social security policies. To promote increased access to employment for all persons with a reduced work capacity, far-reaching structural reforms are required to strengthen the incentives for all key stakeholders.

The informal Council discussed also actions which are being taken or planned to move away from a passive benefit culture and to promote a more active social security policy.

By the end of the two days meeting certain conclusions had been reached:

- The need to link short term with long term developments is a major challenge. On the long term the challenge remains the same (globalisation, environmental and demographic changes). Given the economic crises the prevention of (long-term) unemployment, training of (un)employed for the post-crisis period and social exclusion have to added as aims for the short term.

- People need to be reassured by politicians that we will overcome the crisis, although unemployment is bound to rise over the next period. Employment and social policies have to be designed and implemented that help (un)employed to strengthen their position on the

labour market and prevent them from leaving the labour force. Therefore, both employment and social policies should be aimed at activation by designing and stepping up the implementation at national level of flexicurity policies based on the agreed common principles.

- Activating employment policies should be aimed at:
 - Keeping jobs within companies (support for firms and/or employees, f.i. by part-time unemployment);
 - Cornerstone of the policy-actions should be education and training, thus major investments by all actors are needed to make people ready for new jobs which require new skills. In the long run this will also help the mobility of people;
 - Making sure that institutions geared at helping unemployed have the financial means to act (this could pose a problem given the budgetary constraints);
 - Young people to prevent them from getting marginalised; the same goes for older workers and women.

- Activating social security policies means that:
 - Social security systems, especially disability and early retirement schemes should be aimed more at activation;
 - They should be aimed specifically at young people as they are becoming the largest group within the disability schemes;
 - Combating discrimination especially of older workers and women;
 - The policy focus should be on excluded people and how they can enter the labour market by way of personalised a-la-carte pathways.

- Active social dialogue is needed with all stakeholders on an EU and national level to implement the policy measures. The Social Platform called for a social Summit to discuss the measures to be taken.

- The Lisbon Strategy has proven its positive contribution to getting the reforms needed within employment and social policies. The process of reforms and implementation has not finished and as there is an economic crisis, the need for speedy implementation of reforms is more than ever crucial. Therefore there should be a post-Lisbon strategy. Although for the long run the policy-aims have not changed, given the economic crisis some changes need to be introduced in the post-Lisbon strategy compared to the present one. For example, more stress needs to be put on the implementation and financial backing of Life Long Learning policies and on activating social security policies.

It was Mr Andersson last meeting as chair of the Employment and Social Affairs Committee and as a member of the European Parliament. The Swedish Presidency (both Ministers) thanked - on behalf of the Council and the European Commission - Mr Andersson for his good work over the years and wished him all the best for the future.