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REPORT

on the proposal for a Council decision on guidelines for the employment
policies of the Member States
(COM(2005)0141 – C6-0111/2005 – 2005/0057(CNS))

Committee on Employment and Social Affairs

Rapporteur: Ana Mato Adrover

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend the common position
- *** Assent procedure
majority of Parliament's component Members except in cases covered by Articles 105, 107, 161 and 300 of the EC Treaty and Article 7 of the EU Treaty
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend the common position
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a Council decision on guidelines for the employment policies of the Member States
(COM(2005)0141 – C6-0111/2005 – 2005/0057(CNS))

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2005)0141)¹,
 - having regard to Article 128 of the EC Treaty, pursuant to which the Council consulted Parliament (C6-0111/2005),
 - having regard to Rule 51 of its Rules of Procedure,
 - having regard to the report of the Committee on Employment and Social Affairs and the opinion of the Committee on Women's Rights and Gender Equality (A6-0149/2005),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
 5. Instructs its President to forward its position to the Council and Commission.

Text proposed by the Commission

Amendments by Parliament

Amendment 1
Recital 1 a (new)

(1a) Whereas the structure of the integrated guidelines should reflect a better effectiveness of the Lisbon strategy, with due respect for economic, social and environmental policy.

¹ Not yet published in OJ.

Amendment 2
Recital 2

(2) The Lisbon European Council in 2000 launched a strategy aimed at sustainable economic growth with more and better jobs and greater social cohesion, with ***long term employment targets***, but five years later ***the results are mixed***;

(2) The Lisbon European Council in 2000 launched a strategy aimed at sustainable economic growth with more and ***qualitatively*** better jobs and greater social cohesion ***and inclusion***, with ***the objective of full employment in the long term***, but five years later ***these objectives remain far from being achieved, it is clear that substantially greater efforts are needed in order to achieve the employment targets set by 2010***;

Amendment 3
Recital 3

(3) The presentation of an integrated package of Employment Guidelines and Broad Economic Policy Guidelines contributes to refocusing the Lisbon Strategy on ***growth*** and employment. ***The European Employment Strategy has the leading role in the implementation of the employment objectives of the Lisbon strategy.***

(3) The presentation of an integrated package of Employment Guidelines and Broad Economic Policy Guidelines contributes to refocusing the Lisbon Strategy on ***sustainable development*** and employment, ***giving a fresh impetus to the environmental dimension, thus making it possible to achieve its objectives. The employment objectives of the Lisbon Strategy, complemented by cohesion and social inclusion objectives, with an overall gender-equality and the principle of non-discrimination, form the basis of the European employment strategy.***

Amendment 4
Recital 4

(4) In line with the conclusions of the Spring European Council of 22 and 23 March 2005, the objectives of full employment, job quality, labour productivity and social cohesion must be reflected in clear priorities: to ***attract and retain*** more people ***in employment and modernise social protection systems***; to improve ***adaptability*** of workers and

(4) In line with the conclusions of the Spring European Council of 22 and 23 March 2005, the objectives of full employment, job quality, labour ***security and inclusion*** must be reflected in clear priorities: to ***include*** more people ***in the labour market, promoting decisions that help the reconciliation of family life and***

enterprises **and the** flexibility of labour markets; **and** to improve investment in human capital through better education and skills.

work; and equal opportunities; to improve **the employability** of workers and **the organisational adaptability of** enterprises, **thus enhancing** the flexibility **and security** of labour markets; **to promote social inclusion through occupational integration of disadvantaged workers, women, young people and older people**, to improve investment in human capital through better education and skills, **paying special attention to innovation and technological development and to open new areas for jobs. All this will form a solid basis for modernising and for ensuring the solidarity and sustainability of social protection systems.**

Amendment 5

Recital 5

(5) The Employment Guidelines should be fully reviewed only every three years, **while in the intermediate years until 2008 their updating should remain strictly limited.**

(5) The Employment Guidelines should be fully reviewed only every three years; **exceptionally, they could be updated during the intermediate years until 2008.**

Amendment 6

Recital 6

(6) The employment recommendations adopted by the Council on 14 October 2004 remain valid as background reference.

(6) The employment recommendations adopted by the Council on 14 October 2004 remain valid as background reference **and are supplemented by this document.**

Amendment 7

Article 2

All aspects of the guidelines shall be taken into account in the employment policies of the Member States **and be reported upon in the Lisbon National Programmes submitted annually.**

All aspects of the guidelines, **which should be interpreted widely to include the vital aspects of social and employment policy**, shall be taken into account in the employment policies of the Member States, **which shall submit a report on the**

implementation of those policies and their effects in terms of the employment rate in general and that of women and older people in particular.

Amendment 8
Paragraph preceding Guideline 16

Achieving full employment, and reducing unemployment and inactivity, by increasing the demand for and supply of labour, is vital. This goes hand-in-hand with improving the attractiveness of jobs, quality at work and labour productivity growth, ***and reducing the share of working poor***. Synergies between quality at work, productivity and employment should be fully exploited. Determined action is needed to strengthen social inclusion, prevent exclusion from the labour market and support integration in employment of people at a disadvantage, and to reduce regional disparities in terms of employment, unemployment and labour productivity, especially in regions lagging behind. Equal opportunities, combating discrimination and gender mainstreaming are essential for progress.

Achieving full employment, and reducing unemployment and inactivity, by increasing the demand for and supply of labour, is vital. This goes hand-in-hand with improving the attractiveness of jobs, quality at work and labour productivity growth, ***thus contributing to the competitiveness of the European economy***. Synergies between quality at work, productivity and employment should be fully exploited. Determined action ***with the appropriate decisions*** is needed to strengthen social inclusion, prevent exclusion from the labour market and support integration in employment of people at a disadvantage, ***women, young people and older people***, and to reduce regional disparities in terms of employment, unemployment and labour productivity, especially in regions lagging behind. Equal opportunities, ***including between legal immigrants and non-immigrants***, combating ***all kinds of*** discrimination and gender mainstreaming are essential for progress ***in these matters***.

Amendment 9
Paragraph preceding Guideline 17

Raising employment levels is the most effective ***means of generating economic growth and promoting socially inclusive economies*** whilst ensuring a safety net for those unable to work. Promoting a new lifecycle approach to work and modernising social protection systems to ensure their adequacy, financial

Economic growth makes it possible to raise employment levels ***and*** is the most effective ***basis of a social economy that promotes social inclusion*** whilst ensuring a safety net for those unable to work. Promoting a new lifecycle approach to work ***via the possibility of lifelong learning*** and modernising social protection

sustainability and responsiveness to changing needs in society are all the more necessary because of the expected decline in the working-age population. Special attention should be paid to **tackling** the persistent **employment** gaps between women and men, and the low employment rates of older workers and young people, as part of new intergenerational approach.

Action is also required to tackle youth unemployment which is on average double the overall unemployment rate.

The right conditions must be put in place to facilitate progress in employment, whether it is first time entry, a move back to employment after a break or the wish to prolong working lives. The quality of jobs, including pay and benefits, working conditions, job security, access to lifelong learning and career prospects, are crucial, as are support and incentives stemming from social protection systems. The implementation of the European Youth Pact should be **a contribution to a lifecycle approach to work**.

systems to ensure their adequacy, financial sustainability and responsiveness to changing needs in society are all the more necessary because of **the new and changing needs in society, the new forms of marginalisation, particularly domestic violence, and** the expected decline in the working-age population. Special attention should be paid **and appropriate measures should be taken** to **tackle** the persistent **labour and wage** gaps between women and men, and the low employment rates of older workers and young people, as part of new intergenerational approach. The right conditions must be put in place to facilitate progress in employment, whether it is first time entry, a move back to employment after a break or the wish to prolong working lives. The quality of jobs, including pay and benefits, working conditions, **health and safety at work**, job security, access to lifelong learning and career prospects, are crucial, as are support and incentives stemming from **taxation and** social protection systems. The implementation of the European Youth Pact **and the coordination of the initiatives it provides for** should be **an effective contribution to the integration into working life and society of young people, to solidarity between the generations and to strengthening the competitiveness of the European economy based on skills, knowledge and respect for the lifecycle**.

Amendment 10 Guideline 17

Guideline. **Promote a lifecycle approach to work** through: a renewed endeavour to build employment pathways for young people and reduce the youth unemployment; resolute action to **eliminate** gender gaps in employment, unemployment **and** pay; better reconciliation of work and private life,

Guideline. **Adapt work to the different stages of people's lives** through: a renewed endeavour to build employment pathways for young people and reduce the youth unemployment **providing them with high quality and individually appropriate education and vocational training**; resolute action to **combat workplace**

including the provision of accessible and affordable childcare facilities and care for other dependants; modern pension and healthcare systems, ensuring their adequacy, financial sustainability and responsiveness to changing needs, so as to support participation in employment and longer working lives, including appropriate incentives to work and discourage early retirement; support for working conditions conducive to active ageing (Integrated guideline No 17). See also integrated guideline "To safeguard economic sustainability" (No 2).

discrimination, eliminating gender gaps in employment, unemployment, pay *and promotion; facilitate employment for women victims of domestic violence;* better reconciliation of work and private life, *encouraging the equal sharing of family responsibilities, single-parent families, and recourse to flexible working models for both women and men, parental leave, and, in particular,* the provision of accessible and affordable childcare facilities and care for other dependants *according to the targets set by the 2002 Barcelona Summit;* modern *and better* pension and healthcare systems, ensuring their adequacy, financial sustainability and responsiveness to changing needs, so as to support participation in employment and, *on a voluntary basis,* longer working lives, including appropriate incentives to work and discourage early retirement; support for working conditions conducive to active ageing, *especially gradual and flexible retirement* (Integrated guideline No 17). See also integrated guideline "To safeguard economic sustainability" (No 2).

Amendment 11
Paragraph preceding Guideline 18

Facilitating access to employment for job seekers, preventing unemployment and ensuring that those who become unemployed remain closely attached to the labour market and increase their employability are essential to increase participation and combat social exclusion. This requires breaking down barriers to the labour market by assisting with effective job searching, facilitating access to training and other active labour market measures and ensuring that work pays, as well as removing unemployment, poverty and inactivity traps. Special attention should be paid to promoting the inclusion of disadvantaged people in the labour market,

Facilitating access to employment for job seekers, preventing unemployment and ensuring that those who become unemployed remain closely attached to the labour market and increase their employability are essential to increase participation *of society in the labour market* and combat social exclusion. This requires breaking down barriers to the labour market by assisting with effective job searching, facilitating access to training and other active labour market measures and ensuring that work pays, as well as removing unemployment, poverty and inactivity traps. Special attention should be paid to promoting the inclusion of

including through the expansion of social services and the social economy. The unemployment gaps for people at a disadvantage, as well as between non-EU and EU nationals, remain too high and should be substantially reduced in line with any national targets. Combating discrimination, promoting access to employment for disabled people and integrating **migrants** and minorities are particularly essential.

disadvantaged people in the labour market, including through the expansion of social services and the social economy. The unemployment gaps for people at a disadvantage, **women, young people and older people**, as well as between non-EU and EU nationals, remain too high and should be substantially reduced in line with any national targets. Combating discrimination **in working life, in particular as regards access to employment, vocational training and promotion, and working conditions**, promoting access to employment for disabled people and integrating **immigrants** and minorities are particularly essential.

Amendment 12 Guideline 18

Guideline. Ensure **inclusive** labour markets for job-seekers and disadvantaged people through: **active and preventive labour market measures** including early identification of needs, job search assistance, guidance and training as part of personalised action plans, provision of social services necessary to support the labour market inclusion of disadvantaged people and contribute to social and territorial cohesion and to the eradication of poverty; and continuous review of tax and benefit systems, including the **management and conditionality of benefits** and reduction of high marginal effective tax rates, with a view to making work pay and to ensuring adequate levels of social protection (Integrated guideline No 18).

Guideline. Ensure **open** labour markets for job-seekers and disadvantaged people, **women, young people and older people**, through: **active employment measures and preventive measures to combat unemployment**, including early identification of needs, **action to create new sources of employment in such areas as social services and healthcare, the environment or the new technologies**, job search assistance, guidance, training **and retraining** as part of personalised action plans, provision of social services necessary to support the labour market inclusion of disadvantaged people and contribute to social and territorial cohesion and to the eradication of poverty; **promoting the development of the cooperative and voluntary sectors** and continuous review of tax and benefit systems, including the **criteria involved and their management** and reduction of high marginal effective tax rates, with a view to making work pay and to ensuring **and sustaining** adequate levels of social

protection. *A special effort must be made for those with any kind of disability, developing policies to encourage their employment and the creation of an accessible environment. Action must also be taken to promote the full integration of immigrants in society and the workplace and to eradicate racism, all forms of discrimination and harassment in the workplace and society.* (Integrated guideline No 18).

Amendment 13
Guideline 19

Guideline. Improve *matching of labour market needs* through: the modernisation and strengthening of labour market institutions, notably employment services; greater transparency of employment and training opportunities at national and European level to facilitate mobility across Europe; better anticipation of skill needs, labour market shortages and bottlenecks; appropriate management of *economic* migration (Integrated guideline No 19).

Guideline. Improve *the management of employment* through: the modernisation and strengthening of labour market institutions, notably employment services; greater transparency *and accessibility* of employment and training *and retraining* opportunities at national and European level *so as to reduce the time spent in the transition between jobs; development of language teaching* to facilitate mobility *and exchange of knowledge* across Europe; better anticipation of skill needs, labour market shortages and bottlenecks; appropriate *and rapid* management of *migration movements in the spirit of the Tampere agenda.* (Integrated guideline No 19).

Amendment 14
Annex, Part 1, Guideline 20 a (new)

Guideline. Prevent diseases so as to reduce the cost of labour and deficits in state health services with a view to reducing the incidence of early retirement due to permanent invalidity and the number of pensions resulting from industrial accidents or occupational disease.

Amendment 15
Annex, Section 2, Title

Improve adaptability of workers and enterprises and the flexibility of labour markets

Improve adaptability of workers and enterprises and the flexibility **and security** of labour markets

Amendment 16
Section 2, paragraph 1

Europe needs to improve its capacity to anticipate, trigger and absorb economic and social change. This requires employment-friendly labour costs, modern forms of work organisation and well-functioning labour markets allowing more flexibility combined with employment security to meet the needs of companies and workers. This should also contribute to preventing the emergence of segmented labour markets and reducing **undeclared** work.

Europe needs to improve its capacity to anticipate, trigger and absorb economic and social change. This requires employment-friendly labour costs, modern forms of work organisation, **more lifelong learning** and well-functioning labour markets allowing more flexibility combined with employment security, **combining work and private life**, to meet the needs of companies and workers. This should also contribute to preventing the emergence of segmented labour markets and reducing **unauthorised** work.

Amendment 17
Section 2, paragraph 2

In today's increasingly global economy with market opening and the continual introduction of new technologies, both enterprises and workers are confronted with the need, and indeed the opportunity, to adapt. While this process of structural changes is overall beneficial to growth and employment, it also brings about transformations which are disruptive to some workers and enterprises. Enterprises must **become** more **flexible to respond** to **sudden** changes in demand for their goods and services, adapt to new technologies and **be in a position to innovate constantly** in order to remain competitive. They **must** also **respond** to the increasing demand for job quality which is related to workers' personal preferences and family changes, and they will have to cope with an ageing

In today's increasingly global economy with market opening and the continual introduction of new technologies, both enterprises and workers are confronted with the need, and indeed the opportunity, to adapt. While this process of structural changes is overall beneficial to growth and employment, it also brings about transformations which are disruptive to some workers and enterprises. Enterprises must **be put in a position in which they can respond** more **flexibly** to changes in demand for their goods and services, adapt to **the** new technologies and **show themselves capable of innovation** in order to remain competitive. They **should** also **be able to satisfy** the increasing demand for **higher** job quality which is related to workers' personal preferences and family

workforce and fewer young recruits. For workers, working life is becoming more complex as working patterns become more diverse and ***irregular and an increasing number of transitions need to be managed successfully throughout the lifecycle.*** With rapidly changing economies and attendant restructuring, they must cope with new ways of working, including enhanced exploitation of Information and Communication Technologies (ICT) and changes in their working status, and be prepared for lifelong learning. Geographical mobility is also needed to access job opportunities more widely and in the EU at large.

changes, and they will have to cope with an ageing workforce and fewer young recruits. For workers, working life is becoming more complex as working patterns become more diverse and ***they are required to carry out multiple types of work.*** With rapidly changing economies and attendant restructuring, they must ***be equipped to*** cope with new ways of working, including enhanced exploitation of Information and Communication Technologies (ICT) and changes in their working status, and be prepared for lifelong learning. Geographical mobility is also needed to access job opportunities more widely and in the EU at large.

Amendment 18 Guideline 20

Guideline. Promote flexibility combined with employment security and reduce labour market segmentation through: the adaptation of employment legislation, reviewing where necessary the level of flexibility provided by permanent and non-permanent contracts; better anticipation and positive management of change, including economic restructuring, notably changes linked to trade opening, so as to minimise their social costs and facilitate adaptation; support for transitions in occupational status, including training, self-employment, business creation and geographic mobility; the promotion and dissemination of innovative and adaptable forms of work organisation; ***including better health and safety and diversity of contractual and working time arrangements,*** with a view to improving quality ***and*** productivity at work; adaptation to new technologies in the workplace, determined action to transform ***undeclared*** work into regular employment (Integrated guideline No 20). *See also integrated guideline "To promote greater*

Guideline. Promote ***and increase*** flexibility combined with employment security and reduce labour market segmentation, ***promoting good industrial relations on the basis of independent and representative trade unions and improved information and consultation of workers*** through: the adaptation ***and streamlining*** of employment legislation, reviewing where necessary the level of flexibility ***and security*** provided by permanent and non-permanent contracts; better anticipation and positive management of change, including economic restructuring, notably changes linked to trade opening, so as to minimise their social costs and facilitate adaptation ***to new realities***; support for transitions in occupational status, including training, self-employment, business creation and geographic mobility; the promotion and dissemination of innovative and adaptable forms of work organisation; ***effective measures to reduce workplace accidents by means of improved prevention of workplace risks, especially via agreements at European level, and***

coherence between macroeconomic and structural policies" (No 4).

diversity of contractual arrangements together with flexible working hours, with a view to improving quality of ***employment***, productivity at work ***and the reconciliation of family life and work***, adaptation to new technologies in the workplace, determined action to transform ***unauthorised*** work into regular employment ***and combat the grey economy*** (Integrated guideline No 20). *See also integrated guideline "To promote greater coherence between macroeconomic and structural policies" (No 4)*

Amendment 19

Annex, Section 2, paragraph before integrated guideline No 21

To maximise job creation, preserve competitiveness and contribute to the general economic framework, overall wage developments should be in line with productivity growth over the economic cycle and should reflect the labour market situation. Efforts to reduce non-wage labour costs and to review the tax wedge ***may*** also ***be needed*** to facilitate job creation, ***especially for low-wage employment***.

To maximise job creation, preserve competitiveness and contribute to the general economic framework, overall wage developments should be in line with productivity growth over the economic cycle and should reflect the labour market situation. Efforts to reduce non-wage labour costs and to review the tax wedge ***are*** also ***advisable*** to facilitate job creation.

Amendment 20

Guideline 21

Guideline. Ensure employment-friendly wage and other labour cost developments by encouraging the right framework for wage-bargaining systems, while fully respecting the role of the social partners, to reflect differences in productivity and labour market trends at sectoral and regional level; and monitoring and, where appropriate, reviewing the structure and level of non-wage labour costs and their impact on employment, ***especially for the low-paid and those entering for the first time the labour market*** (Integrated guideline No 21). *See also integrated guideline "To ensure that wage*

Guideline. Ensure employment-friendly wage and other labour cost developments by ***sustaining and*** encouraging the right framework for wage-bargaining systems, ***particularly collective bargaining***, while fully respecting the role of the social partners, to reflect differences in productivity and labour market trends at ***national***, sectoral and regional level, ***respecting the autonomy of social partners***; and monitoring and, where appropriate, reviewing, ***in collaboration with social agents***, the structure and level of non-wage labour costs, ***especially social security contributions, supervising*** their

developments contribute to macroeconomic stability and growth" (No 5).

*impact on employment, especially for the **low-skilled, young people entering the labour market for the first time, older people wishing to go on working, and people with disabilities; specific actions to tackle the gender pay gap including more effective implementation of gender equality legislation in relation to equal pay, development of clear up-to-date statistics and follow-up of equality plans.*** (Integrated guideline No 21). *See also integrated guideline "To ensure that wage developments contribute to macroeconomic stability and growth" (No 5).*

Amendment 21 Guideline 22

Guideline. Expand and improve investment in human capital through: the establishment of efficient lifelong learning strategies, according to European commitments, including appropriate incentives and cost-sharing mechanisms for enterprises, public **authorities** and individuals, **in particular** to significantly reduce the number of pupils leaving school early; increased access to initial vocational, secondary and higher education, **including apprenticeships and entrepreneurship training**; and enhanced participation in continuous and workplace training throughout the life-cycle, especially for the low-skilled **and** older workers (Integrated guideline No 22). *See also integrated guideline "To increase and improve investment in R&D" (No 12).*

Guideline. Expand and improve investment in human capital through: the establishment of efficient lifelong learning strategies, **in cooperation with the social partners**, according to European commitments, including appropriate incentives and cost-sharing mechanisms for enterprises, **the public sector** and individuals, **identify and programme the measures needed** to significantly reduce the number of pupils leaving school early; increased access to initial vocational, secondary and higher education, **non-university vocational training, the promotion of entrepreneurship in all levels of education and the use of the information society and the new technologies**; and enhanced participation in continuous and workplace training throughout the life-cycle, especially for the low-skilled, older workers, **women, especially when they come back to work, and SME employees, as well as the encouragement of exchange schemes for teachers and students between enterprises at national level and between Member States** (Integrated guideline No 22). *See also integrated guideline "To increase and*

improve investment in R&D" (No 12).

Amendment 22

Annex, Section 3, integrated guideline No 23

Guideline. Adapt education and training systems in response to new competence requirements through: better identification of occupational needs and key competences, and anticipation of future skill requirements; broadening the supply of education and training tools; developing frameworks to support the transparency of qualifications, their effective recognition and the validation of non-formal and informal learning; ensuring the attractiveness, openness and high quality standards of education and training systems (Integrated guideline No 23).

Guideline. Adapt education and training systems in response to new competence requirements through: better identification of occupational needs and key competences, and anticipation of future skill requirements; **support close co-operation between industry and education- and research centres in order provide for the best climate for innovation among European enterprises**; broadening the supply of education and training tools; developing frameworks to support the transparency of **equivalent** qualifications, their effective recognition and the validation of non-formal and informal learning; ensuring the attractiveness, openness and high quality standards of education and training systems, **including systems fitting the specific needs of people at a disadvantage on the labour market, particularly women, young people and older people; special efforts should be given to attract students and scientists from third countries** (Integrated guideline No 23).

Amendment 23

Annex, Section 3, paragraph after integrated guideline No 23

In taking action, Member States should pay special attention to ensuring good governance of employment policies. They should establish a broad partnership for change by involving parliamentary bodies and stakeholders, **including those at regional and local levels. European and national social partners should play a central role.** Member States should define commitments and targets in line with the EU Guidelines and Recommendations. Good governance also requires transparency in the allocation of administrative and financial resources. In agreement with the Commission, Member States should target

In taking action, Member States should pay special attention to ensuring good governance of employment policies. They should establish a broad partnership for change by involving parliamentary bodies and **all** stakeholders, **at European, national, regional and local actors** should define commitments and **verifiable** targets in line with the EU Guidelines and Recommendations **and specific regional and local needs**. Good governance also requires transparency in the allocation of administrative and financial resources. In agreement with the Commission, Member

the resources of the Structural Funds, in particular the European Social Fund, on the implementation of the European Employment Strategy and report on the action taken. Particular attention should be paid to strengthening institutional and administrative capacity in the Member States.

States *and regions* should target the resources of the Structural Funds, in particular the European Social Fund, on the implementation of the European Employment Strategy and report on the action taken. Particular attention should be paid to strengthening institutional and administrative capacity in the Member States *and regions*.

EXPLANATORY STATEMENT

It is now five years since the Lisbon European Council, and over that time economic growth in the EU has been irregular in nature. We are thus still a long way off achieving the growth and employment targets set at Lisbon for 2010 with the aim of turning the Union's economy into the most competitive in the world.

This unfavourable evolution may be explained primarily by the joint influence of two factors: the low employment level in the Union, especially among young people, women and older workers; and sluggish productivity growth in the Union's economy, caused by such factors as the low rate of business investment, insufficient use of new technologies and failure to take up information and communications technologies fast enough.

If we can create a higher potential for growth and more and better jobs, we will make a major contribution to sustainable development and social cohesion and inclusion in the EU, thus improving the Union's living standards. This is all the more the case considering that we are dealing with a complex environment throwing up multiple challenges, among them the ageing of the European population, ever-higher numbers of immigrants, increasing globalisation and competition with the US, Japan and other rising Asian economies such as China and India, climate change and volatile prices of raw materials such as oil.

Optimism is essential, but that means that the EU needs to act with renewed determination and, among other things, operate improved and active policies for employment, education, training, innovation and the new technologies, while also facilitating entrepreneurial activity and initiative.

These are the issues which these guidelines are intended to tackle. For the first time and as called for by the Spring 2005 European Council, we have a set of integrated guidelines covering both growth and employment, which will be valid for a three-year period up to 2008.

As far as employment is concerned, the guidelines are aimed at including more people in the labour market and enabling more workers to remain within it, modernising social protection systems, improving workers' employability, creating more flexible labour markets, and boosting investment in human capital by improving education and skills.

We fully endorse these objectives and their content. Nonetheless, we feel that the fact of this being an integrated proposal is not a reason for it to consist merely of general principles without setting out concrete measures which could meaningfully guide the Member States' plans. We also believe that these guidelines do not pay sufficient attention to a number of key issues, among them the reconciliation of family and working life, the circumstances of people with disabilities, the challenges posed by immigration and the need to reduce workplace accidents.

The amendments tabled are thus intended to introduce improvements or greater detail regarding a number of areas and issues.

27.4.2005

OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY

for the Committee on Employment and Social Affairs

on the proposal for a Council decision on guidelines for the employment policies of the Member States (2005–2008)
(COM(2005)0141 – C6-0111/2005 – 2005/0057(CNS))

Draftswoman: Astrid Lulling

AMENDMENTS

The Committee on Women's Rights and Gender Equality calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission

Amendments by Parliament

Amendment 1 Recital 2

(2) The Lisbon European Council in 2000 launched a strategy aimed at sustainable economic growth with more and better jobs and greater social cohesion, with long term employment targets, but five years later the results are mixed;

(2) The Lisbon European Council in 2000 launched a strategy aimed at sustainable economic growth with more and better jobs and greater social cohesion, with long term employment targets, but five years later the results are mixed, *inter alia because unemployment rates remain high in many Member States and regions and because the objective of a higher employment rate for women and older people is far from being achieved*;

Amendment 2
Recital 3

- (3) The presentation of an integrated package of Employment Guidelines and Broad Economic Policy Guidelines contributes to refocusing the Lisbon Strategy on growth and employment. ***The European Employment Strategy has the leading role in the implementation of the*** employment objectives of the Lisbon strategy.

- (3) The presentation of an integrated package of Employment Guidelines and Broad Economic Policy Guidelines contributes to refocusing the Lisbon Strategy on growth and employment, ***which will allow the objectives it defines to be achieved. (deletion)*** The employment objectives of the Lisbon strategy, ***supplemented by cohesion and social inclusion objectives, with a comprehensive approach to gender equality and non-discrimination, form the basis of the European Employment Strategy and the European Union's policies in this area.***

Justification

The principles of equality between men and women and non-discrimination must be incorporated in all the European Union's policies.

Amendment 3
Recital 4

- (4) In line with the conclusions of the Spring European Council of 22 and 23 March 2005, the objectives of full employment, job quality, labour productivity and social cohesion must be reflected in clear priorities: ***to attract and retain more people in employment and modernise social protection systems; to improve adaptability of workers and enterprises and the flexibility of labour markets; and to improve investment in human capital through better education and skills.***

- (4) In line with the conclusions of the Spring European Council of 22 and 23 March 2005, the objectives of full employment, job quality, labour productivity and social cohesion must be reflected in clear priorities: ***to enable a greater number of citizens, including women, and people over 50, to exercise a professional activity in an employed or self-employed capacity; to invest more in human capital by improving education and vocational training, and by promoting diversification of career choices, particularly for girls, in order to increase men's and women's fitness for employment throughout their working lives; promoting equal treatment and opportunities for women***

and men on the employment market through affirmative measures on behalf of the underrepresented sex and an adequate, diversified supply of care arrangements for children and dependants; to offer businesses the necessary environment, inter alia in terms of tax, social charges and good governance, for them to adapt and restructure in order to be in a position to meet the challenges of innovation and technological development with a supply of products and services that respond to changing demand; these measures will help to safeguard a European social model based on appropriate social security system contributions and services and to guarantee their viability and solvency.

Amendment 4
Recital 5

(5) The Employment Guidelines *should* be ***fully reviewed only*** every three years, *while* in the intermediate years until 2008 their updating should remain strictly limited.

(5) The Employment Guidelines *will* be ***analysed in terms of their implementation*** every three years, *with a view to any revision that might prove necessary to guarantee their application and effectiveness*; in the intermediate years until 2008 ***changes to them should be avoided***.

Amendment 5
Article 2

All aspects of the guidelines shall be taken into account in the employment policies of the Member States ***and be reported upon in the Lisbon National Programmes submitted annually***.

All aspects of the guidelines shall be taken into account in the employment policies of the Member States, ***which shall submit a report on their effects in terms of the employment rate in general and that of women and older people in particular***.

Amendment 6
Annex, Part 1, title and paragraph 1

1 ATTRACT AND RETAIN MORE PEOPLE IN
EMPLOYMENT AND MODERNISE SOCIAL
PROTECTION SYSTEMS

Achieving full employment, and reducing unemployment and inactivity, by increasing the demand for and supply of labour, is vital. This goes hand-in-hand with improving the attractiveness of jobs, quality at work and labour productivity growth, and reducing the share of **working poor**. Synergies between quality at work, productivity and employment should be fully exploited. Determined action is needed to strengthen social inclusion, prevent exclusion from the labour market and support integration in employment of people at a disadvantage, and to reduce regional disparities in terms of employment, unemployment and labour productivity, especially in regions lagging behind. Equal opportunities, combating discrimination and gender mainstreaming are essential for progress.

1 ATTRACT AND RETAIN MORE PEOPLE IN
EMPLOYMENT AND MODERNISE SOCIAL
SECURITY SYSTEMS

Achieving full employment, and reducing unemployment and inactivity, by increasing the demand for and supply of labour, is vital. This goes hand-in-hand with improving the attractiveness of jobs, **whether full-time or voluntary part-time work**, quality at work and labour productivity growth, and reducing the share of **precarious work**. Synergies between quality at work, productivity and employment should be fully exploited. Determined action **in the form of appropriate decisions incorporated in Union policies** is needed to strengthen social inclusion, prevent exclusion from the labour market and support integration in employment of people at a disadvantage, **women, young people and older people** and to reduce regional disparities in terms of employment, unemployment and labour productivity, especially in regions lagging behind. Equal **treatment and opportunities for women and men**, combating discrimination and gender mainstreaming are essential for progress.

Amendment 7
Annex, Part 1, title and paragraph 3

Raising employment levels is the most effective means of generating economic growth and promoting socially inclusive economies whilst ensuring a safety net for those unable to work. Promoting a new lifecycle approach to work and modernising social **protection** systems to ensure their adequacy, financial sustainability and

Raising employment levels is the most effective means of generating economic growth and promoting socially inclusive economies whilst ensuring a safety net for those unable to work. Promoting a new lifecycle approach to work and modernising social **security** systems to ensure their adequacy, financial sustainability and

responsiveness to changing needs in society are all the more necessary because of the expected decline in the working-age population. Special attention should be paid to tackling the persistent employment gaps between women and men, and the low employment rates of older workers and young people, as part of new intergenerational approach. Action is also required to tackle youth unemployment which is on average double the overall unemployment rate. The right conditions must be put in place to facilitate progress in employment, whether it is first time entry, a move back to employment after a break or the wish to prolong working lives. The quality of jobs, including pay and benefits, working conditions, job security, access to lifelong learning and career prospects, are crucial, as are support and incentives stemming from social *protection* systems. The implementation of the European Youth Pact should be a contribution to *a* lifecycle *approach to work*.

responsiveness to changing needs in society are all the more necessary because of the expected decline in the working-age population. Special attention should be paid to tackling the persistent employment gaps between women and men *as regards both access to employment, which should be promoted through affirmative action and diversification of career choices for girls, and pay and promotion*, and the low employment rates of older workers and young people, as part of *a* new intergenerational approach. Action is also required to tackle youth unemployment which is on average double the overall unemployment rate. The right conditions must be put in place to facilitate progress in employment, whether it is first time entry, a move back to employment after a break or the wish to prolong working lives. The quality of jobs, including pay and benefits, working conditions, job security, access to lifelong learning and career prospects, are crucial, as are support and incentives stemming from social *security* systems *and taxation of employment income*. The implementation of the European Youth Pact *and coordination of the initiatives it provides for* should be *an effective* contribution to *the professional and social integration of young people, intergenerational solidarity and a strengthening of the competitiveness of the European economy on the basis of skills, knowledge and respect for the* lifecycle.

Amendment 8

Annex, Part 1, title and paragraph 4, integrated guideline 17

Guideline. Promote a lifecycle approach to work through: a renewed endeavour to build employment pathways for young people and reduce the youth unemployment; resolute action to *eliminate gender gaps in employment, unemployment and pay*; better

Guideline. Promote a lifecycle approach to work through: a renewed endeavour to build employment pathways for young people and reduce the youth unemployment; resolute action *based inter alia on affirmative measures to guarantee equal treatment and*

reconciliation of work and private life, including the provision of accessible and affordable childcare *facilities* and care for other dependants; modern pension and healthcare systems, ensuring their adequacy, financial sustainability and responsiveness to changing needs, so as to support participation in employment and longer working lives, including appropriate incentives to work and discourage early retirement; support for working conditions conducive to active ageing (Integrated guideline No 17). See also integrated guideline “To safeguard economic sustainability” (No 2).

opportunities for women and men in terms of access to employment, pay, promotion and working conditions; better reconciliation of work and private life, including the *promotion of better sharing of family responsibilities between spouses and partners and* provision of accessible and affordable *modes of public childcare and services providing a high level of educational quality, a high-quality public care service for elderly people and* other dependants; modern pension and healthcare systems, ensuring their adequacy, financial sustainability and responsiveness to changing needs, so as to support participation in employment and longer working lives, including appropriate incentives to work and discourage early retirement; support for working conditions conducive to active ageing *through an attractive supply of voluntary part-time work and opportunities for phased retirement* (Integrated guideline No 17). See also integrated guideline “To safeguard economic sustainability” (No 2).

Amendment 9
Annex, Part 1, paragraph 5

Facilitating access to employment for job seekers, preventing unemployment and ensuring that those who become unemployed remain closely attached to the labour market and increase their employability are essential to increase participation and combat social exclusion. This requires breaking down barriers to the labour market by assisting with effective job searching, facilitating access to training and other active labour market measures and ensuring that work pays, as well as removing unemployment, poverty and inactivity traps. Special attention should be paid to promoting the inclusion of disadvantaged people in the labour market, including through the expansion of social services and

Facilitating access to employment for job seekers, preventing unemployment and ensuring that those who become unemployed remain closely attached to the labour market and increase their employability are essential to increase participation and combat social exclusion. This requires breaking down barriers to the labour market by assisting with effective job searching, facilitating access to training and other active labour market measures *and reintegration measures, particularly for returning parents*, and ensuring that work pays, as well as removing unemployment, poverty and inactivity traps. Special attention should be paid to promoting the inclusion of disadvantaged people, *women*,

the social economy. The unemployment gaps for people at a disadvantage, as well as between non-EU and EU nationals, remain too high and should be substantially reduced in line with any national targets. Combating discrimination, promoting access to employment for disabled people and integrating migrants and minorities are particularly essential.

young people and older people in the labour market, including through the expansion of social services and the social economy. The unemployment gaps for people at a disadvantage, as well as between non-EU and EU nationals, remain too high and should be substantially reduced in line with any national targets. Combating discrimination ***in working life, particularly as regards access to employment, vocational training and promotion, as well as working conditions***, promoting access to employment for disabled people and integrating migrants and minorities are particularly essential.

Amendment 10

Annex, Part 1, paragraph 6, integrated guideline 18

Guideline. Ensure inclusive labour markets for job-seekers and disadvantaged people through: active and preventive labour market measures including early identification of needs, job search assistance, guidance and training as part of personalised action plans, provision of social services necessary to support the labour market inclusion of disadvantaged people and contribute to social and territorial cohesion and to the eradication of poverty; and continuous review of tax and benefit systems, including the management and conditionality of benefits and reduction of high marginal effective tax rates, with a view to making work pay and to ensuring adequate levels of social ***protection*** (Integrated guideline No 18).

Guideline. Ensure inclusive labour markets for job-seekers and disadvantaged people, ***women, young people and older people*** through: active and preventive labour market measures including early identification of needs, job search assistance, guidance ***through judicious and diversified career choices, inter alia towards the new employment opportunities in the care and environmental protection sectors***, and training as part of personalised action plans, provision of social services necessary to support the labour market inclusion of disadvantaged people and contribute to social and territorial cohesion and to the eradication of poverty; and continuous review of tax and benefit systems, including the management and conditionality of benefits and reduction of high marginal effective tax rates, with a view to making work pay and to ensuring adequate levels of social ***security*** (Integrated guideline No 18).

Amendment 11

Annex, Part 1, paragraph 8, integrated guideline 19

Guideline. Improve matching of labour market needs through: ***the modernisation and*** strengthening of labour market institutions, notably employment services; greater transparency of employment and training opportunities at national and European level ***to facilitate*** mobility across Europe; better anticipation of skill needs, labour market shortages and bottlenecks; appropriate management of economic migration (Integrated guideline No 19).

Guideline. Improve matching of labour market needs through: strengthening ***the effectiveness*** of labour market institutions, notably employment services; greater transparency of employment and training ***needs and*** opportunities at national and European level; ***facilitating*** mobility across Europe ***by ensuring that at least one language is learned in addition to the mother tongue***; better anticipation of skill needs, labour market shortages and bottlenecks; appropriate management of economic migration (Integrated guideline No 19).

Amendment 12
Annex, Part 2, paragraph 1

Europe needs to improve its capacity to anticipate, trigger and absorb economic and social change. This requires employment-friendly labour costs, ***modern*** forms of work organisation and well-functioning labour markets allowing more flexibility combined with employment security to meet the needs of companies and workers. This should also contribute to preventing the emergence of segmented labour markets and reducing undeclared work.

Europe needs to improve its capacity to anticipate, trigger and absorb economic and social change. This requires employment-friendly labour costs, ***effective*** forms of work organisation and well-functioning labour markets allowing more flexibility combined with employment security to meet the needs of companies and workers. This should also contribute to preventing the emergence of segmented labour markets and reducing undeclared work.

Amendment 13
Annex, Part 2, paragraph 3, integrated guideline 20

Guideline. Promote flexibility combined with employment security and reduce labour market segmentation through: the adaptation of employment legislation, reviewing where necessary the level of flexibility provided by permanent and non-permanent contracts; better anticipation and positive management of change, including economic restructuring, notably changes linked to trade opening, so as to minimise their social costs and facilitate adaptation; support for transitions in occupational status, including training,

Guideline. Promote flexibility combined with employment security and reduce labour market segmentation through: the adaptation of employment legislation, reviewing where necessary the level of flexibility provided by permanent and non-permanent contracts; better anticipation and positive management of change, including economic restructuring, notably changes linked to trade opening, so as to minimise their social costs and facilitate adaptation; support for transitions in occupational status, including training,

self-employment, business creation and geographic mobility; the promotion and dissemination of innovative and adaptable forms of work organisation, including better health and safety and diversity of contractual and working time arrangements, with a view to improving quality and productivity at work; adaptation to new technologies in the workplace, determined action to transform undeclared work into regular employment (Integrated guideline No 20). See also integrated guideline “To promote greater coherence between macroeconomic and structural policies” (No 4).

self-employment, business creation and geographic mobility; ***most importantly, ensuring that spouses assisting in family businesses, including farms, have social security cover and a share of benefits, inter alia by proposing a framework statute to put an end to their precarious situation;*** the promotion and dissemination of innovative and adaptable forms of work organisation, including better health and safety and diversity of contractual and working time arrangements, with a view to improving quality and productivity at work; ***the promotion of ‘chosen working time’ (‘temps choisi’) and a flexibilisation of working time, without this flexibility giving rise either to a more precarious status or to additional burdens for businesses in terms of remuneration or the organisation of work,*** adaptation to new technologies in the workplace, determined action to transform undeclared work into regular employment (Integrated guideline No 20). See also integrated guideline “To promote greater coherence between macroeconomic and structural policies” (No 4).

Amendment 14

Annex, Part 2, paragraph 5, integrated guideline 21

Guideline. Ensure employment-friendly wage and other labour cost developments by encouraging the right framework for ***wage-***bargaining systems, while fully respecting the role of the social partners, to reflect differences in productivity and labour market trends at sectoral and regional level; and monitoring and, where appropriate, reviewing the structure and level of non-wage labour costs and their impact on employment, especially for ***the low-paid and those entering for the first time the labour market*** (Integrated guideline No 21). See also integrated guideline “To ensure that wage developments contribute to macroeconomic stability and growth” (No

Guideline. Ensure employment-friendly wage and other labour cost developments by encouraging the right framework for ***collective*** bargaining systems, while fully respecting the role of the social partners, to reflect differences in productivity and labour market trends at sectoral and regional level; and monitoring and, where appropriate, reviewing the structure and level of non-wage labour costs and their impact on employment, especially for ***those on low pay because they are insufficiently qualified or are entering the labour market for the first time or at a late stage*** (Integrated guideline No 21). See also integrated guideline “To ensure that wage developments contribute to

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macroeconomic stability and growth” (No 5).

Amendment 15

Annex, Part 3, paragraph 3, integrated guideline 22

Guideline. Expand and improve investment in human capital through: the establishment of efficient lifelong learning strategies, according to European commitments, including appropriate incentives and cost-sharing mechanisms for enterprises, public authorities and individuals, in particular to significantly reduce the number of pupils leaving school early; increased access to initial vocational, secondary and higher education, including apprenticeships and entrepreneurship training ; and enhanced participation in continuous and workplace training throughout the life-cycle, especially for the low-skilled and older workers (Integrated guideline No 22). See also integrated guideline “To increase and improve investment in R&D” (No 12).

Guideline. Expand and improve investment in human capital through: the establishment of efficient lifelong learning strategies, according to European commitments, including appropriate incentives and cost-sharing mechanisms for enterprises, public authorities and individuals, in particular to significantly reduce the number of pupils leaving school early; ***improved guidance and diversification of vocational choices, particularly for girls,*** increased access to initial vocational, secondary and higher education, including apprenticeships and entrepreneurship training; and enhanced participation in continuous and workplace training throughout the life-cycle, especially for the low-skilled and older workers ***and for parents returning to work after interrupting their career with a period of parental leave in order to devote themselves to childcare*** (Integrated guideline No 22). See also integrated guideline “To increase and improve investment in R&D” (No 12).

PROCEDURE

Title	Proposal for a Council decision on guidelines for the employment policies of the Member States (2005–2008)
Procedure number	(COM(2005)0141 – C6-0111/2005 – 2005/0057(CNS))
Committee responsible	EMPL
Committee asked for its opinion Date announced in plenary	FEMM 27.4.2005
Enhanced cooperation	No
Drafts(wo)man Date appointed	Astrid Lulling 17.3.2005
Discussed in committee	20.4.2005 26.4.2005
Date suggestions adopted	26.4.2005
Result of final vote	for: 14 against: 0 abstentions: 0
Members present for the final vote	Hiltrud Breyer, Nicole Fontaine, Claire Gibault, Lissy Gröner, Piia-Noora Kauppi, Rodi Kratsa-Tsagaropoulou, Pia Elda Locatelli, Siiri Oviir, Christa Prets, Amalia Sartori, Eva-Britt Svensson, Britta Thomsen, Anna Záborská
Substitutes present for the final vote	Marta Vincenzi
Substitutes under Rule 178(2)	

PROCEDURE

Title	Proposal for a Council decision on guidelines for the employment policies of the Member States		
References	COM(2005)0141 – C6-0111/2005 – 2005/0057(CNS)		
Legal basis	Article 128 EC		
Basis in Rules of Procedure	Rule 51		
Date of consulting Parliament	22.4.2005		
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Not delivering opinion(s) Date of decision	ITRE 9.5.2005	ECON 11.4.2005	
Rapporteur(s) Date appointed	Ana Mato Adrover 29.9.2004		
Discussed in committee	30.3.2005	20.4.2005	10.5.2005
Date adopted	10.5.2005		
Result of final vote	for: 33 against: 1 abstentions: 3		
Members present for the final vote	Jan Andersson, Emine Bozkurt, Milan Cabrnoch, Alejandro Cercas, Ole Christensen, Derek Roland Clark, Luigi Cocilovo, Proinsias De Rossa, Harald Ettl, Richard Falbr, Carlo Fatuzzo, Joel Hasse Ferreira, Stephen Hughes, Jan Jerzy Kułakowski, Sepp Kusstatscher, Jean Lambert, Raymond Langendries, Bernard Lehideux, Thomas Mann, Mario Mantovani, Jan Tadeusz Masiel, Ana Mato Adrover, Maria Matsouka, Ria Oomen-Ruijten, Csaba Öry, Marie Panayotopoulos-Cassiotou, Jacek Protasiewicz, José Albino Silva Peneda, Kathy Sinnott, Jean Spautz, Anne Van Lancker, Gabriele Zimmer		
Substitutes present for the final vote	Richard Howitt, Elisabeth Schroedter, Ursula Stenzel, Patrizia Toia, Anja Weisgerber, Tadeusz Zwiefka		
Date tabled – A6	13.5.2005 A6-0149/2005		