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*Plenary sitting*

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**A8-0162/2019**

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# **REPORT**

on European Semester for economic policy coordination: Employment and Social Aspects in the Annual Growth Survey 2019  
(2018/2120(INI))

Committee on Employment and Social Affairs

Rapporteur: Marian Harkin

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## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### **on European Semester for economic policy coordination: Employment and Social Aspects in the Annual Growth Survey 2019 (2018/2120(INI))**

*The European Parliament,*

- having regard to the Commission communication of 21 November 2018 entitled ‘Annual Growth Survey 2019: For a stronger Europe in the face of global uncertainty’ (COM(2018)0770),
- having regard to the Sustainable Development Goals adopted by world leaders in September 2015 and endorsed by the Council, which voiced its commitment to their implementation,
  - having regard to the European Pillar of Social Rights proclaimed by the European Council, the European Parliament and the European Commission in November 2017,
  - having regard to the draft Joint Employment Report from the Commission and the Council of 21 November 2018 accompanying the Commission communication on the Annual Growth Survey 2019 (COM(2017)0761),
  - having regard to the Commission recommendation of 21 November 2018 for a Council recommendation on the economic policy of the euro area (COM(2018)0759),
  - having regard to the Commission report of 21 November 2018 entitled ‘Alert Mechanism Report 2019’ (COM(2018)0758),
  - having regard to the Commission communication of 21 November 2018 entitled ‘2019 Draft Budgetary Plans: Overall Assessment’ (COM(2018)0807),
  - having regard to its resolution of 29 November 2018 on the situation of women with disabilities<sup>1</sup>;
  - having regard to its resolution of 15 November 2018 on care services in the EU for improved gender equality<sup>2</sup>;
  - having regard to its resolution of 25 October 2018 on the employment and social policies of the euro area<sup>3</sup>,
  - having regard to its resolution of 14 March 2018 on the European Semester for economic policy coordination: employment and social aspects in the Annual Growth Survey 2018<sup>4</sup>,
  - having regard to the opinion of the European Economic and Social Committee on the

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<sup>1</sup> Texts adopted, P8\_TA(2018)0484.

<sup>2</sup> Texts adopted, P8\_TA(2018)0464.

<sup>3</sup> Texts adopted, P8\_TA(2018)0432.

<sup>4</sup> Texts adopted, P8\_TA(2018)0078.

- digital gender gap;
- having regard to the debate with representatives of national parliaments on the priorities of the 2018 European Semester,
  - having regard to Rule 52 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 (A8-0162/2019),
- A. whereas the employment rate for those aged between 20 and 64 stood at 73.2 % in 2017, indicating that the EU is well on track to reach the 75 % employment rate target specified in the Europe 2020 strategy;
- B. whereas decent jobs with employment security are an important factor in the fight against social exclusion and should be promoted to help tackle unemployment across the EU, as well as to boost domestic demand and stimulate growth; whereas the proportion of part-time workers increased from 16.8 % to 18.7 % of the total in employment from 2008 to 2017, with higher levels and a greater increase for younger people;
- C. whereas there are substantial disparities in employment rates across the EU between Member States but also within them, as well as disparities in the quality of employment;
- D. whereas while long-term unemployment and youth unemployment rates are declining at EU level, they remain high in a number of Member States;
- E. whereas the youth unemployment rate at EU level stands at 18.6 % and remains higher than it was in 2008; whereas according to the European Foundation for the Improvement of Working and Living Conditions (Eurofound), young people not in employment education or training (NEETs) are estimated to cost the EU EUR 153 billion per year while the total estimated cost of establishing the Youth Guarantee is EUR 21 billion per year; whereas an amount of EUR 2 billion is currently allocated to the Youth Guarantee for the period 2017-2020;
- F. whereas as new forms of work emerge and expand, including platform and own-account work, social protection traditionally geared to covering workers in full-time open-ended contracts will need to be modernised and adapted;
- G. whereas the increase in the employment rate in Member States has been unfortunately accompanied – owing to the economic crisis, austerity policies and structural reforms - by an increase in atypical, precarious and non-formal forms of employment, zero-hours contracts included, the weakening of social dialogue, and, in some Member States, a decentralisation of collective bargaining impacting negatively on workers’ rights;
- H. whereas the most precarious jobs are those where individuals are unable to enforce their rights, where social insurance protection is absent, where health and safety is put at risk and where work does not provide sufficient income to enable people to live decently; whereas insecurity is another key element of precariousness and encompasses work uncertainty, income insufficiency, lack of protection against dismissal, unknown duration of employment and uncertainty about future employment;

- I. whereas although income inequality in the EU decreased slightly in 2017, in-work poverty remains unacceptably high, standing at 9.6 % of the working population, and mainly affects women;
- J. whereas the total number of people at risk of poverty or social exclusion (AROPE) stands at 22.5 % and, while this is below pre-crisis levels, the Europe 2020 headline target of reducing AROPE numbers by 20 million remains far from being reached; whereas the AROPE rate for children continues to decline but is still unacceptably high; whereas the AROPE rate for children from single-parent households is twice the average for children overall; whereas high levels of inequality reduce the output of the economy and the potential for sustainable growth;
- K. whereas globalisation has helped to drive economic growth but its benefits are unequally shared both between and within Member States; whereas the inclusiveness of Europe's growth model should be re-examined and needs to be reinforced, particularly in terms of social and environmental sustainability;
- L. whereas the report by the Intergovernmental Panel on Climate Change (IPCC) stresses the urgency of actions to fight climate change, which may become irreversible within three years; whereas budgets should be made available at all levels of governance (both public and private investment) to modernise and decarbonise industry, transport and energy;
- M. whereas the EU economy is now entering its sixth year of continuous growth, recovery in investment, rising consumer demand and increased job creation, and while the dispersion of growth rates across the euro area is the smallest in the history of the EMU; whereas it is nonetheless regrettable that the benefits of growth are not equally shared;
- N. whereas household incomes have grown more slowly than GDP and this raises questions about the inclusiveness of recent growth;
- O. whereas demographic change and increasing life expectancy present the pension, healthcare and long-term care systems with very significant challenges relating to sustainability and adequacy;
- P. whereas a well-functioning social dialogue is a key element of the European social market economy which strengthens social cohesion and reduces conflicts in society, to the mutual benefit of workers, employers and governments;
- Q. whereas the inclusion of the European Pillar of Social Rights in the European Semester as from 2018 has helped to foster inclusive growth and employment and reduce macroeconomic imbalances;
- R. whereas the European Semester should contribute to the completion of the European Pillar of Social Rights in order to ensure equal treatment and equal opportunities for women and men, as well as to uphold the right to equal pay for equal work for women and men and the right of access to good-quality, affordable healthcare;
- S. whereas the 80 million Europeans with disabilities, as well as a number of specific groups including marginalised young people and communities, those with chronic diseases and

those from minority communities face specific barriers to accessing employment and are at greater risk of poverty and social exclusion; whereas civil society organisations make an essential contribution in providing services for inclusion as well as ensuring representation in policymaking;

- T. whereas persisting health inequalities and an increasing burden of chronic diseases are leading to high levels of premature mortality across the EU while affecting the workforce, productivity and welfare systems;
- U. whereas the principle of gender equality is a core value of the EU and is enshrined in Articles 8 and 19 of the Treaty on the Functioning of the European Union, which lay down the obligation to eliminate inequalities, promote gender equality and combat discrimination on grounds of sex, as well as to ensure gender mainstreaming in all EU policies and activities;
- V. whereas the employment rate of women in 2017 was 66.5 %, yet the gender employment gap remains substantial at 12 %, as do the gender pay gap and, consequently, the gender pension gap; whereas more women than men suffer poverty and women are at greater risk of social exclusion in old age, standing to earn almost 40 % less in pension income due to the accumulation of gender inequalities over their lifespan, and this poses a challenge to many women and to society ; whereas equal participation in the labour market for both men and women can be facilitated by access to affordable and good-quality care services;
- W. whereas the presence of more women in decision-making positions would enhance gender equality;
- X. whereas informal or family carers are at greater risk of experiencing poverty, both during their period of caring and when accessing pension entitlements; whereas family carers are predominantly women; whereas 80 % of care in the EU is provided by unpaid informal carers, of whom 75 % are women;
- Y. whereas the quality of care services varies widely within and among Member States, private and public facilities, rural and urban areas and different age groups; whereas women are affected by cuts to public services, including healthcare, education and housing, both directly as service users and employees, and indirectly through their support for family members who rely on core public services;
- Z. whereas women are more likely to take career breaks owing to their role within the family, and whereas it is more often women who stop work to care for a child or sick relative; whereas this role that women play can impede their careers; whereas there are ongoing discussions on work-life balance;
- Aa. whereas significant progress has been made towards reaching the 2020 headline target of an early school leaving rate of 10 % and on reaching the target of 40 % for tertiary education attainment, but large disparities still persist between Member States; whereas Member States should be encouraged to increase the accessibility and public acceptance of vocational training while ensuring that the quality of tertiary education remains a priority in achieving the 2020 headline targets;

- Ab. whereas in the digital era, digital skills are essential for all personal or professional tasks and yet more than 40 % of adults in the EU do not have basic digital skills; whereas 60 million adults lack basic literacy and numeracy skills; whereas the gender gap when measuring digital skills above the basic level stands at 12.9 %;
- Ac. whereas low-skilled and older workers are significantly less likely to participate in reskilling and training programmes; whereas micro, small and medium-sized enterprises (MSMEs) often lack resources to organise training and reskilling for their employees;
- Ad. whereas housing exclusion, homelessness and housing affordability represent a significant challenge in many Member States, with no fewer than ten recording overcrowding rates above the European average; whereas housing is the highest expenditure item for Europeans, and housing prices are rising faster than incomes in most Member States; whereas inequality and housing exclusion are mutually reinforcing, with women, children and people with a migrant background being particularly vulnerable to housing exclusion and homelessness;
- Ae. whereas long-term challenges, such as population ageing, digitalisation and its impacts on work, climate change and unsustainable use of natural resources, remain pressing;
1. Acknowledges the progress made regarding the Social Scoreboard, but notes that most Member States face challenges on at least one headline indicator and that 10 % of all assessments are identified as ‘critical situations’;
  2. Emphasises that the EU’s social goals and commitments are just as important as its economic goals; stresses that the need to invest in social development is not just a means of guaranteeing that economic growth and convergence can be achieved, but must also be a specific target in itself; welcomes the recognition of the importance of the social pillar and the need to strengthen the EU’s social dimension as well as responding to inequalities within and between regions; calls on the Commission and the Member States to reinforce social rights by implementing the European Pillar of Social Rights (EPSR) in such a way as to build a real social dimension for the EU, including by taking note of recent studies<sup>1</sup> and by improving the political visibility and impact of the scoreboard of key employment and social indicators while delivering on all country-specific recommendations, including those aimed at transformative actions towards a more socially, economically and environmentally sustainable union; calls on the Commission to use the EPSR’s 20 principles as markers for assessing countries’ success in integrating their commitment to it into their economic policies, as well as to strengthen its social situation monitoring capacity; stresses that employment and social considerations should be put on an equal footing with economic considerations in the framework of the Macroeconomic Imbalance Procedure;
  3. Calls for a full commitment by the European Semester to the EPSR, emphasising equal treatment and opportunities between women and men, the right to equal pay for work of equal value, and the right to high-quality, affordable care services;
  4. Points out that Member States are faced with structural challenges in the labour market

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<sup>1</sup> See the reports by the OECD (‘In it together: why less inequality benefits all’, 2015) and the IMF (‘Causes and consequences of income inequality’, June 2015).

such as low participation, labour market segmentation and skills and qualification mismatches; notes that there is a growing need for effective measures for the integration and reintegration of inactive labour, including migrants, in the labour market;

5. Calls for greater consistency within the European Semester, including ensuring that issues highlighted in the Joint Employment Report are adequately taken up in the Annual Growth Survey and the country-specific recommendations and that priorities are sustained from one year to the next unless they are deemed resolved;
6. Notes that all Member State economies are forecast to continue growing but at a slower pace; highlights the need to bridge the investment gap for research and innovation in infrastructure, including social, health and care services as well as health promotion and disease prevention and decent, energy-efficient housing, as well as in human capital; calls on the Commission and the Member States to maximise their efforts in investing in affordable, accessible and targeted high-quality education and training, reinforcing upskilling and reskilling measures including digital and transferable skills, and to promote lifelong learning and skills development; highlights the importance of addressing particular measures to women and girls, who are still underrepresented in the digital and science, technology, engineering and mathematics (STEM) sectors, and of reinforcing the initial training and continuous professional development of teachers and trainers; calls on the Member States to strengthen their vocational education, apprenticeship and training systems and reality-based learning while improving their alignment with current and anticipated labour market needs; furthermore notes the importance of skills and competences gained in informal learning environments, and calls on Member States to create validation systems for informal skills, especially those acquired through voluntary activities;
7. Shares the Commission's opinion that the current economic growth should translate into frontloading of investment in the decarbonisation of Europe's industry, transport and energy systems; calls on the Commission and the Member States, therefore, to step up efforts to provide adequate and accessible training for the right set of skills, including support to businesses in training, retraining, and upskilling of the workforce as well as the readaptation of education and training systems;
8. Notes that in some Member States unemployment remains high due to a lack of growth and structural weakness that derive to a large extent from ineffective and, in many cases, rigid labour market regulatory frameworks;
9. Notes that despite improvements, there are substantial differences between Member States and regions in terms of economic recovery and progress, arising from pre-existing structural weaknesses in several Member States, notably in the field of employment and productivity; believes in this regard that gradual convergence across the EU also needs to address divergence within Member States, as regional disparities have an impact on European growth potential since many policies and services are delivered at a regional level;
10. Considers that, as well as being used as a guide for policy recommendations, the scoreboard attached to the social pillar should be used as an example for similar analyses of performance of individual countries in relation to environmental and climate change policies, so that they can be assessed at a similar level of rigour;

11. Calls on the Commission and the Member States to carefully examine the issue of in-work poverty and to propose solutions at both EU and national level to counter this most insidious issue; believes that immediate and coordinated action must be taken to reverse this trend, which threatens to fragment social cohesion and intergenerational solidarity; reiterates its concern at the high number of people at risk of poverty and social exclusion despite the decreasing trend; is especially worried about the high rates of child poverty, rural poverty and poverty in old age, which affect considerably more women than men; asks the Commission and the Member States to adopt all necessary measures to significantly reduce poverty, particularly child poverty; calls on the Commission and the Member States to give greater recognition to the work and expertise of NGOs, anti-poverty and social inclusion organisations and people experiencing poverty themselves, encouraging their participation in the exchange of good practices; points out that high levels of inequality diminish economic output and the potential for sustainable and inclusive growth;
12. Recalls that decent wages are important not only for social cohesion, but also for maintaining a strong economy and a productive labour force; calls on the Member States to implement measures to improve job quality and reduce wage dispersion, including by raising wage floors also in the form of, where applicable, minimum wages set at decent levels; in this context, calls for policies that respect, promote and strengthen collective bargaining and workers' position in wage-setting systems, since this plays a critical role in achieving high standards of working conditions; believes all this should be done with a view to supporting aggregate demand and economic recovery, reducing wage inequalities and fighting in-work poverty; stresses in this context that European legislation and policies must respect trade union rights and freedoms, comply with collective agreements and uphold equal treatment of workers;
13. Stresses that while unemployment rates in the EU are at their lowest level, the job vacancy rate in the Union was 2.2 % in 2018, up from 1.9 % in 2017; notes with concern that skills mismatches are considerable; recalls that the role of the Member States is to guarantee access to quality education and training; calls on the Member States to prioritise public investment in order to ensure that everyone can enjoy their right to quality and inclusive education and training; believes that career counselling and training can act as a driver of sustainable and inclusive growth; stresses that convergence between qualifications and skills with job opportunities is a precondition for creating a competitive EU labour market and should be tackled by facilitating closer cooperation between education systems and businesses and trade unions, for example by promoting dual education, apprenticeships, work-based learning and reality-based learning in all forms and at all levels of education, including higher education;
14. Calls on the Commission to further support the job mobility portal EURES and other programmes which facilitate learning and training mobility; notes that mutual recognition of qualifications enhances employment opportunities, especially in countries with high job vacancy rates;
15. Underlines that the integration of long-term unemployed individuals through individually tailored measures is a key factor for fighting inequalities, poverty and social exclusion and will ultimately contribute to the sustainability of national social security systems; calls, in this connection, for more effort to be made to cultivate skills relevant to the labour

market, as well as for a significant increase in the share of practice-oriented training in order to achieve the objective of employability; considers it necessary to take into account the social situation of these citizens and their needs, particularly in terms of sufficient incomes, adequate housing, public transport, health and childcare, as well as to ensure better monitoring at European level of the policies implemented at national level;

16. Calls on the Member States to ensure that NEETs, including young people with disabilities and those with complex needs, can, in line with the recommendations of the European Commission and the European Court of Auditors, avail of and benefit from the Youth Guarantee in a real and meaningful way; highlights the importance of addressing the current shortcomings affecting the quality of offers and the outreach of the scheme; believes that further efforts should be made to establish quality standards, provide continued and increased financial support through both EU funding instruments and national budgets, and ensure the meaningful involvement of young people and youth organisations in the design, implementation and monitoring of measures under the Youth Guarantee; stresses the need to recognise that by reason of age criteria a number of those unemployed or underemployed when young have not been included in measures specifically targeting younger workers, and therefore need the opportunity to update their skills; stresses that education is the key to avoiding poverty; considers that increased training in basic digital skills, such as the use of digital media and a basic knowledge of programming, is essential in educational institutions; stresses in this connection the need for adequate technical equipment in educational establishments with appropriate digital infrastructure; calls on the Commission and the Member States, without further delay, to implement the dual training system which is established as a leading model in the EU, while recognising the need to adapt it to Member States' own systems;
17. Emphasises that it is important to monitor the percentage of the total population aged between 15 and 24 considered to be NEETs, in addition to other auxiliary indicators, and to focus in particular on young women and girls, as there is a major difference between the sexes when it comes to the proportion of young people who are not in employment, education or training;
18. Notes that the EU continues to suffer from structural problems that need to be addressed; recognises that austerity measures are not appropriate for providing sustainable solutions for these problems; underlines the crucial need to boost domestic demand by promoting public and private investment as well as socially and economically balanced structural reforms that reduce inequalities and promote quality and inclusive jobs, sustainable growth and social investment and responsible fiscal consolidation, thus contributing to ensuring a favourable path towards more cohesion and an upward social convergence environment for businesses and public services, with a view to creating more quality jobs while balancing the social and economic dimensions; stresses that those priorities will only be achieved if investment in human capital is prioritised as a common strategy;
19. Highlights that socially responsible reforms must be based on solidarity, integration, social justice and a fair distribution of wealth, thus creating a model that ensures equality and social protection, protects vulnerable groups and improves living standards for all citizens; stresses, in addition, the need to reorientate the Union's economic policies towards a social market economy;

20. Calls on the Commission to carry out a gender impact assessment of the structural reforms;
21. Calls on the Commission and all Member States to initiate and/or strengthen the regulation of new forms of work; expresses concern, in this context, about the coverage of atypical workers and self-employed workers, who often do not have full access to the social protection system; calls on the Commission and the Member States to develop and promote measures having proven effectiveness in reducing undeclared work, enabling the recognition of domestic and care workers' labour rights, and improving working conditions;
22. Calls on the Member States to increase the coverage and effectiveness of active labour market policies, including by making them more results-oriented and by working in close cooperation with the public employment services, the social partners and other relevant stakeholders, including civil society where appropriate;
23. Highlights the importance of the automatic stabilisation dimension of welfare systems in absorbing social shockwaves caused by external factors such as recessions; calls, therefore, on the Member States to introduce policies to re-establish security in employment by providing proactive protection, including in cases of dismissal; calls on the Member States, in addition, in the framework of ILO Recommendation No 202 defining social protection floors, to ensure and increase investment in social protection systems in order to guarantee their performance in tackling and preventing poverty and inequalities while ensuring their sustainability;
24. Calls on the Commission and the Member States to step up efforts for the further inclusion of people with disabilities in the labour market, by removing legislative barriers to creating incentives for their employment and ensuring the accessibility of workplaces by greater use of new assistive technologies to enable, for example, communication and mobility for people with disabilities; calls on the Commission and the Member States, furthermore, to step up efforts to ensure increased inclusion in the labour market of those who are furthest away from it, such as single parents, informal carers, people with long-term illnesses, disability, health problems or complex chronic diseases, migrants and refugees, and people from ethnic and religious minorities; calls on the Member States to increase efforts to upskill workers and to promote decent jobs leading to quality employment;
25. Calls on the Commission and the Member States to ensure that all actions for the inclusion of Roma are in line with the general principles of the agreed National Roma Integration Strategies;
26. Notes that micro-enterprises and small and medium-sized enterprises (MSMEs) are extremely important for sustainable and inclusive development, economic growth and job creation in Europe; calls for further support to enable MSMEs to organise relevant training for their employees; calls on the Commission and the Member States to give greater and better consideration to the interests of MSMEs in the policymaking process by creating the right regulatory framework for businesses, including small enterprises and micro-enterprises, to create jobs, for example by implementing smart regulation;
27. Calls on the Commission and the Member States to step up their efforts to ensure fairer

taxation, including in the digital economy, since this is a prerequisite for promoting more favourable inclusion;

28. Is concerned that such little attention was given to work-life balance in the Annual Growth Survey; calls on the Member States and the Commission to take all necessary measures to improve work-life balance and boost gender equality; calls for the development of accessible and affordable high-quality care services throughout the life cycle, as well as childcare and early education services, while continuing to pursue the attainment of the 2002 Barcelona childcare targets and ensure legislation promoting flexible work arrangements; calls for the recognition of informal carers, as well as improved working conditions, and adequate forms of support and recognition of the important work of family carers, who deliver the greatest part of care in the EU, by, for example, offering pension and social security coverage as well as recognition of training and informal skills; calls for the promoting of flexible working arrangements and take-up of advantageous maternity, paternity, parental and carer's leave; recognises that this issue requires a multifaceted response and calls on the Member States to address it as a matter of urgency; is of the strong opinion that the adoption of the directive on work-life balance for parents and carers is a necessary step towards improved work-life balance;
29. Calls on the Member States to improve gender equality in relevant sectors and in businesses while placing a special emphasis on disabled women, as they are particularly vulnerable in the labour market;
30. Is concerned that the labour market is vertically and horizontally segregated throughout the EU, that there are pay and pension gaps between women and men, and that few women are involved in decision-making; emphasises that the employment rate of women is still below that of men; emphasises, furthermore, that this divergence in the employment rate is particularly marked among mothers and women with care responsibilities;
31. Calls on the Commission and the Member States to ensure greater inclusion of a gender mainstreaming perspective in the development of country-specific recommendations, stability and convergence programmes and national reform programmes, by introducing qualitative targets and measures that address persistent gender gaps, and to systematically apply the principle of gender budgeting;
32. Calls on the Member States to set specific quantitative targets in their national reform programmes (NRPs) regarding women's employment in general;
33. Calls on the Commission and the Council to introduce a gender equality pillar in the 2020 Strategy, as well as an overarching gender equality objective;
34. Calls on the Commission to include the Gender Equality Index as one of the European Semester's tools for monitoring progress in the area of employment and social targets;
35. Calls on the Commission and the Member States to monitor women's labour force participation; calls, furthermore, on the Member States to unblock the Women on Boards Directive;
36. Calls on the Member States and the Commission to remove all constraints on women

participating in the labour market and to eliminate all tax-related gender biases and other incentives that perpetuate unequal gender roles;

37. Calls for policies that support entrepreneurship among women, giving them access to financing and business opportunities by providing them with bespoke training and by introducing measures to ensure a fair work-life balance;
38. Highlights the fact that gender discrimination is still a persisting problem, as evidenced by the gender pay gap (with the average gross hourly earnings of male employees about 16 % higher than those of female employees) and the pension gap of 37 %; stresses that the pension gap, which is the most important indicator of gender inequality, is due to the under-representation of women in well-paid sectors, discrimination in the labour market and the high proportion of women in part-time work, as well as the lack of adequate mechanisms for reconciliation of family and work-related obligations between men and women;
39. Recalls that the change in the age composition and related increase in life expectancy of the population requires the adaptation of pension systems, and in some Member States the implementation of appropriate reforms, in order to ensure sustainable and adequate pensions; reiterates its call for care credits in pension systems to compensate for lost contributions of women and men due to childcare and long-term care responsibilities, as a tool to reduce the gender pay and pension gap and safeguard intergenerational equity; calls on the EU and the Member States, in cooperation with the social partners and gender equality organisations, to set out and implement policies to close the gender pay and pension gap; calls on the Member States to carry out wage-mapping on a regular basis as a complement to these efforts; reminds the European Council to consider using the gender equality annual report in the context of the European Semester in order to enhance gender mainstreaming;
40. Highlights that universal access to public, solidarity-based and adequate retirement and old age pensions must be granted to all; acknowledges the challenges faced by Member States to strengthen the sustainability of pension systems, but stresses the importance of safeguarding solidarity in those systems; believes that the best way to ensure sustainable, safe and adequate pensions for women and men is to increase the overall employment rate and create more quality jobs across all ages, improving working and employment conditions, and to commit the necessary supplementary public spending; believes that reforms of pension systems should focus, among other things, on the effective retirement age, and should reflect labour market trends, birth rates, the health and wealth situation, working conditions and the economic dependency ratio; considers that these reforms must also take account of the situation of millions of workers in Europe, particularly women, young people and the self-employed, who are suffering from insecure, atypical employment, periods of involuntary unemployment or reductions in working time;
41. Notes that social and healthcare services are essential to support the fight against poverty and social exclusion, and calls on the Commission and the Member States to provide investment and fiscal space to develop those services so as to ensure that they are affordable, accessible and of high quality; cautions that in the absence of continued public investment in health and care policies, life expectancy could go into reverse in the years to come;

42. Deplores the failure to include the housing crisis among the top policy priorities for 2019, and calls on the Commission and the Member States to make better use of the Semester to monitor and support progress on housing affordability and homelessness as fundamental issues of concern; calls on the Commission, as a first step, to include the European Union Statistics on Income and Living Conditions (EU-SILC) indicator 'housing cost overburden' as part of the social scoreboard, in line with principle 19 of the EPSR; stresses that the high overcrowding rates among young people (15-29-year olds) have an adverse effect on education, personal and professional development and quality of life; believes that priority should be given to allocating public funding to young people not living in decent conditions;
43. Is of the opinion that cohesion policy, as one of the main investment policies of the European Union, has demonstrated its effectiveness in increasing social cohesion and reducing inequalities; encourages Member States to make full use of the funding available for the implementation of the EPSR;
44. Reiterates its call on the Commission to support the Member States in making greater use of structural funds for investment in public care structures and services for children, the elderly and other dependents in order to facilitate women's return to the labour market and ensure a fair work-life balance;
45. Recalls that the Annual Growth Survey favours a number of areas of social investment, including health, long-term care systems and public housing; stresses that the European Economic and Social Committee has argued for the many positive effects of well-planned, effective and efficient future-oriented social investment, which should be viewed not as a cost but as an investment in Europe's growth and employment potential; stresses that implementing these objectives requires space for public spending;
46. Calls on the Member States, the Commission and the European Parliament to give greater recognition to the expertise of NGOs in the social field by working towards a civil dialogue, in line with Article 11 of the Treaty on European Union, in the framework of the Semester process;
47. Instructs its President to forward this resolution to the Council and the Commission.

24.1.2019

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

for the Committee on Employment and Social Affairs

on the European Semester for economic policy coordination: employment and social aspects  
in the Annual Growth Survey 2019  
2018/2120(INI))

Rapporteur for opinion: Pina Picierno

### **SUGGESTIONS**

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 suggestions into its motion for a resolution:

- A. whereas the principle of gender equality is a core value of the EU and is enshrined in Articles 8 and 19 of the Treaty on the Functioning of the European Union, which lay down the obligation to eliminate inequalities, promote gender equality and combat discrimination on grounds of sex, as well as to ensure gender mainstreaming into all EU policies and activities;
- B. whereas persistent gender gaps in the EU, such as the 11.6 % gender employment gap<sup>1</sup>, the 16.2 % gender pay gap<sup>2</sup> and the 37.2 % gender pension gap<sup>3</sup>, among others, are not only unfair, but also put women in vulnerable or precarious situations, such as poverty or social exclusion; whereas urgent efforts are needed to eliminate these gaps as they remain one of the main barriers to achieving gender equality and are an unacceptable form of gender discrimination;
- C. whereas bridging the gender pension gap – which currently stands at almost 40% on average within the EU, and which is also the result of the accumulation of inequalities experienced throughout women's lives, as well as periods of absence from the labour market – is particularly important; whereas acknowledging women's work as carers is a sound basis upon which effective action can be taken to address the issue of women

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<sup>1</sup> European Institute for Gender Equality, Gender Statistics Database.

<sup>2</sup> Boll, C. and Lagemann, A., 'Gender pay gap in EU countries based on SES (2014)', Luxembourg: European Commission, 2018.

<sup>3</sup> European Commission, Pension Adequacy Report 2018.

accruing fewer pension entitlements;

- D. whereas the quality of care services varies widely within and among Member States, private and public facilities, rural and urban areas and different age groups; whereas women are affected by cuts to public services, including healthcare, education and housing, both directly as service users and employees, and indirectly through their support for family members who rely on core public services;
  - E. whereas the presence of more women in decision-making positions would enhance gender equality;
  - F. whereas women are more likely to take career breaks owing to their role within the family, and whereas it is more often women who stop work to care for a child or sick relative; whereas this role that women play can impede their careers; whereas there are ongoing discussions on establishing a work-life balance;
  - G. whereas the European Semester should contribute to the completion of the European Pillar of Social Rights to ensure equal treatment and equal opportunities for women and men, as well as to uphold the right to equal pay for equal work by women and men and the right of access to good-quality, affordable healthcare;
1. Calls on the Commission and the Member States to ensure greater inclusion of a gender mainstreaming perspective in the development of country-specific recommendations, stability and convergence programmes and national reform programmes by introducing qualitative targets and measures that address persistent gender gaps, and to systematically apply the principle of gender budgeting;
  2. Calls on the Member States to set specific quantitative targets in their national reform programmes (NRPs) regarding women's employment in general, together with specific measures targeting groups of women with very low employment rates, such as young women, older women, migrant women, disabled women, single mothers, and Roma women;
  3. Calls on the Commission and the Council to introduce a gender equality pillar in the 2020 Strategy and an overarching gender equality objective;
  4. Calls on the Commission to include the Gender Equality Index as one of the European Semester's tools for monitoring progress towards employment and social targets;
  5. Emphasises that unemployment, poverty and social exclusion are matters of concern, especially for women; stresses, therefore, that it is important to make sure that the European Semester process remains focused on delivering smart, sustainable and inclusive growth, with greater coordination of national and European policies in order to create more good-quality jobs within the EU, thereby addressing the gaps between women and men in the areas of unemployment, pay and pensions;
  6. Is concerned that the labour market is vertically and horizontally segregated throughout the EU, that there are pay and pension gaps between women and men, and that few women are involved in decision-making; emphasises that the employment rate of women is still below that of men; emphasises, furthermore, that this divergence in the

employment rate is particularly marked among mothers and women with care responsibilities;

7. Reiterates its call on the Commission to support the Member States in making greater use of structural funds for investment in public care structures and services for children, the elderly and other dependents in order to facilitate women's return to the labour market and ensure a work-life balance;
8. Encourages the Member States to identify effective funding models, including targeted funding, which strike a balance between public and private financing and are also tailored to suit national and local circumstances;
9. Calls for the full commitment of the European Semester to the European Pillar of Social Rights, underlining equal treatment and opportunities between women and men, the right to equal pay for work of equal value, and the right to high-quality, affordable care services;
10. Emphasises the importance of lifelong learning for women too, since it gives women an opportunity to retrain in a constantly shifting labour market; calls for increased promotion of digital and ICT-related topics that can help girls address the stereotypes that exist in education and bridge gender gaps in employment rates and pensions;
11. Calls on the Commission and the Member States to monitor women's labour force participation; calls furthermore on the Member States to unblock the Women on Boards Directive;
12. Calls on the Member States and the Commission to remove all constraints on women participating in the labour market and to eliminate all tax-related gender biases and other incentives that perpetuate unequal gender roles;
13. Calls on the Commission to carry out a gender impact assessment of the structural reforms;
14. Emphasises that it is important to monitor the percentage of the total population considered to be NEETs between the ages of 15 and 24, as well as other auxiliary indicators, and to focus in particular on young women and girls as there is a major difference between the sexes when it comes to the proportion of young people who are not in employment, education or training;
15. Calls for policies that support entrepreneurship among women, giving them access to financing and business opportunities by providing them with bespoke training and by introducing measures to bring about a work-life balance;
16. Welcomes the Commission proposal on work-life balance as a good way of encouraging employment among women and making the employment rate among women more balanced; calls on the Member States to improve gender equality in relevant sectors and in businesses while placing a special emphasis on disabled women, as they are particularly vulnerable in the labour market.

## **INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION**

<b>Date adopted</b>	23.1.2019
<b>Result of final vote</b>	+: 19 -: 3 0: 6
<b>Members present for the final vote</b>	Beatriz Becerra Basterrechea, Heinz K. Becker, Malin Björk, Vilija Blinkevičiūtė, Anna Maria Corazza Bildt, Iratxe García Pérez, Arne Gericke, Anna Hedh, Teresa Jiménez-Becerril Barrio, Agnieszka Kozłowska-Rajewicz, Angelika Niebler, Maria Noichl, Marijana Petir, Pina Picierno, João Pimenta Lopes, Terry Reintke, Liliana Rodrigues, Michaela Šojdrová, Ernest Urtegas, Jadwiga Wiśniewska, Anna Záborská
<b>Substitutes present for the final vote</b>	Eleonora Forenza, Julie Girling, Livia Járóka, Dubravka Šuica, Mylène Troszczynski, Julie Ward
<b>Substitutes under Rule 200(2) present for the final vote</b>	Jean Lambert

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

19	+
ALDE	Beatriz Becerra Basterrechea
PPE	Heinz K. Becker, Julie Girling, Lívia Járóka, Teresa Jiménez-Becerril Barrio, Agnieszka Kozłowska-Rajewicz, Angelika Niebler, Michaela Šojdrová, Dubravka Šuica
S&D	Vilija Blinkevičiūtė, Iratxe García Pérez, Anna Hedh, Maria Noichl, Pina Picierno, Liliana Rodrigues, Julie Ward
VERTS/ALE	Jean Lambert, Terry Reintke, Ernest Urtasun

3	-
ECR	Arne Gericke, Jadwiga Wiśniewska
GUE/NGL	João Pimenta Lopes

6	0
ENF	Mylène Troszczynski
GUE/NGL	Malin Björk, Eleonora Forenza
PPE	Anna Maria Corazza Bildt, Marijana Petir, Anna Záborská

Key to symbols:

+ : in favour

- : against

0 : abstention

## INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

<b>Date adopted</b>	26.2.2019
<b>Result of final vote</b>	+: 31 -: 6 0: 0
<b>Members present for the final vote</b>	Brando Benifei, Enrique Calvet Chambon, David Casa, Ole Christensen, Michael Detjen, Lampros Fountoulis, Elena Gentile, Marian Harkin, Agnes Jongerius, Rina Ronja Kari, Jan Keller, Ádám Kósa, Agnieszka Kozłowska-Rajewicz, Jean Lambert, Jeroen Lenaers, Thomas Mann, João Pimenta Lopes, Georgi Pirinski, Terry Reintke, Sofia Ribeiro, Robert Rochefort, Claude Rolin, Siôn Simon, Romana Tomc, Yana Toom, Ulrike Trebesius, Marita Ulvskog, Renate Weber
<b>Substitutes present for the final vote</b>	Georges Bach, Lynn Boylan, Krzysztof Hetman, Alex Mayer, Ivari Padar, Neoklis Sylikiotis, Monika Vana
<b>Substitutes under Rule 200(2) present for the final vote</b>	Jens Gieseke, Paul Tang

