# Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1996/2057(COS)	Procedure completed
Community structural policy and employment		
Subject 4.15.02 Employment: guidelines, actions, Funds		

Key players			
European Parliament	Committee responsible   REGI Regional Policy	Rapporteur	Appointed 21/03/1996
		PSE LAGE Carlos	
	Committee for opinion	Rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy		29/05/1996
		ARE EWING Winifred M.	
	FEMM Women's Rights	PPE BENNASAR TOUS Francisca	02/07/1996
Council of the European Union	Council configuration	Meeting	Date
	Social Affairs	<u>1914</u>	29/03/1996

Key events			
20/03/1996	Non-legislative basic document published	COM(1996)0109	Summary
29/03/1996	Debate in Council	<u>1914</u>	
24/05/1996	Committee referral announced in Parliament		
29/10/1996	Vote in committee		Summary
29/10/1996	Committee report tabled for plenary	<u>A4-0358/1996</u>	
28/11/1996	Debate in Parliament		
28/11/1996	Decision by Parliament	T4-0656/1996	Summary
28/11/1996	End of procedure in Parliament		
16/12/1996	Final act published in Official Journal		

Procedure reference	1996/2057(COS)	
Procedure type	COS - Procedure on a strategy paper (historic)	
Procedure subtype	Commission strategy paper	
Legal basis	Rules of Procedure EP 142	
Stage reached in procedure	Procedure completed	
Committee dossier	REGI/4/07752	

#### Documentation gateway

Non-legislative basic document	COM(1996)0109	20/03/1996	EC	Summary
Committee report tabled for plenary, single reading	A4-0358/1996 OJ C 380 16.12.1996, p. 0003	29/10/1996	EP	
Committee of the Regions: opinion	<u>CDR0306/1996</u> OJ C 042 10.02.1997, p. 0015	13/11/1996	CofR	
Text adopted by Parliament, single reading	T4-0656/1996 OJ C 380 16.12.1996, p. 0016-0090	28/11/1996	EP	Summary

### Community structural policy and employment

OBJECTIVE: the Commission communication seeks to analyse the impact of structural assistance on employment. SUBSTANCE: the Commission stresses that, with a budget of ECU 170 000 million (including the Cohesion Fund) for the period 1994-1999, the Structural Funds have an important role to play in promoting employment, mainly in the Member States and regions where they are concentrated. The impact of structural assistance on employment varies depending on the objective: - for objective 1 regions, priority is given to job creation principally by promoting growth to reduce gaps in per capita GNP. The aim is to establish an economic base for sustainable development which will create jobs over the long term using, amongst other means, increased education, training, research and technological innovation; - for objective 2 regions, the priority is diversification and revitalization of a declining industrial fabric, principally by a declining industrial fabric by seeking the most immediate possible impact on employment. In this connection, the trend of redirecting aid to the productive sector (particularly SMU) rather than infrastructures should prove beneficial for employment; - for objective 5(a) (fisheries), the Commission believes that the FIFG will help create 750 new jobs in Italy and 1100 in Germany by 1999, but that its main contribution will be to safeguarding existing jobs, which are seriously threatened; - for objective 5(b), assistance to employment concentrates mainly on the diversification of activities with a view to safeguarding existing jobs. However, the bulk of jobs created have been in other activities and sectors, such as tourism, small businesses, services and the environment. - for objectives 3 and 4, the main aim of these measures, which by their nature are directly linked to employment, is to bring demand into line with supply and so place people in the jobs available. Although the impact of these measures can only be assessed on a case-by-case basis, it may be estimated that some 11 million people will benefit in 1994-1999. The Commission proposes adjustments to improve the impact of structural impact on employment within existing programming. With this in view, it lays down the following guidelines: 1. Providing the conditions for long-term economic growth; greater importance should be given to intangible investment by promoting research, development and the organization of businesses, particularly small businesses, which are open to innovation, and the improvement of human resources through education and training. Measures to support technical innovation must also be given particular attention. 2. Increasing the job intensity of economic growth by devoting particularly attention to: - the employment question when financing infrastructure and productive investment; - compensating wherever appropriate for changes required by the modernization of the productive sector (eg. by providing support for integrated approaches to rural development designed to develop products or sectors that are not exposed to international competition or only exposed to a small extent); - encouraging dynamic reorganization of work and working time where this is accompanied by an increase in employment; - fostering environmentally sound growth. 3. Promoting a more active approach to economic and social solidarity, including equal opportunities: the aim is to give priority to active policies rather than merely handing out benefits to the unemployed and to link unemployment benefits to a greater extent to training actions and the acquisition of new skills. This means improving the quality of employment services and introducing arrangements to integrate guidance, training, counselling and employment aid to make it easier for job seekers and the underprivileged to find work; 4. Developing and enriching the partnership in the context of structural assistance; in this context, the participation of all the parties concerned should be increased in order to achieve triple value added: economic, financial and political. The Commission has found that the political, economic and social partnership is not fully exploited, including at the level of national authorities. The mobilization of local authorities, social partners, non-profit-making associations and businesses is still inadequate and needs to be stepped up. In conclusion, the Commission believes that the active measures derived from the guidelines set out call for a concerted effort by all those involved in the implementation of structural assistance to achieve these objectives, it proposes establishing, in the context of the structural policies, territorial partnerships for employment, involving the public and private sectors. ?

# Community structural policy and employment

The own initiative report by Mr Carlos LAGE (PSE) adopted by the Committee on Regional Policy on 29 October stated that structural aid from the European Union had helped considerably over recent years to increase economic growth in several Member States. However, the same could not be said for its contribution to the fight against unemployment and economic growth alone could not bring about a satisfactory

reduction in the current high levels of unemployment. The committee felt that the problem had less to do with the lack of resources of the structural funds than the way in which the money was spent. Hence its call for measures geared to employment and the concomitant reform of the structural funds. Selection needed to be based on a systematic study of the correlation between each ECU spent and each job created. The committee also suggested that the balance between investments in infrastructure and investments in human resources should be redressed and called for initiatives which aimed to improve access to education and vocational training to be strengthened, especially for women. Support should also be given to culture and tourism, which were also job-creating sectors.?

## Community structural policy and employment

In adopting the report by Mr Carlos LAGE (PSE, P), Parliament strongly supported all measures of the European Regional Development Fund (ERDF) and the European Social Fund (ESF) to increase or maintain employment, but it noted that despite the increase in economic growth, the impact of Community structural policies on employment is still insufficient. It therefore proposed that, new projects for 1997-99 are defined, particular attention should be given to investments which create permanent and socially sustainable jobs. The European Parliament considered that the impact of the Structural Funds on employment could be increased if the Commission were to: - develop specific measures aimed at ameliorating the situation in large towns; - support greater flexibility in working hours; - improve working conditions and the recognition of certain occupations; - take steps to fund European networks. It recommended that fuller use be made of opportunities for creating jobs, whether traditional (such as local products and cultural activities) or new (personal, social and environmental services) and considered it particularly necessary to: - improve Community policies to support SMUs; - improve the balance between support for fixed capital and investment in human resources; - improve access to education and vocational training both for young people and for adults; - implement special measures to support women (training unemployed women, reorganizing working time, SMUs managed by women); - aid the development of services targeted at business and local knowledge; - give positive consideration to productive investment in the area of R&D and innovation; - give more support to the cultural and tourism sectors and to activities of an ecological nature and those linked to the environment; - greater emphasis to be placed on the use of the Structural Funds for the development of infrastructure and services to assist dependent people. Finally, the European Parliament called on the Commission to elicit greater sympathy for labour-intensive programmes from Monitoring Committee representatives and to finance, under the ESF Regulation, a programme of seminars and exchanges of information.?