


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1999/2041(COS)	Procedure completed
European Employment Pact: community policies in support of employment		
Subject 4.15.02 Employment: guidelines, actions, Funds		

Key players	
European Parliament	
Council of the European Union	

Key events			
29/03/1999	Non-legislative basic document published	07490/1999	
15/04/1999	Committee referral announced in Parliament		
22/04/1999	Vote in committee		Summary
21/04/1999	Committee report tabled for plenary	A4-0239/1999	
03/05/1999	Debate in Parliament		
04/05/1999	Decision by Parliament	T4-0383/1999	Summary
04/05/1999	End of procedure in Parliament		
01/10/1999	Final act published in Official Journal		

Technical information	
Procedure reference	1999/2041(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	EMPL/4/10906

Documentation gateway					
Non-legislative basic document		07490/1999	30/03/1999	CSL	
Supplementary non-legislative basic document		COM(1999)0167	21/04/1999	EC	Summary

Committee report tabled for plenary, single reading	A4-0239/1999 OJ C 279 01.10.1999, p. 0008	22/04/1999	EP	
Text adopted by Parliament, single reading	T4-0383/1999 OJ C 279 01.10.1999, p. 0025-0111	04/05/1999	EP	Summary
Document attached to the procedure	COM(2000)0078	01/03/2000	EC	

European Employment Pact: community policies in support of employment

PURPOSE : this communication represents the European Commission's contribution to the European Employment Pact. It seeks to identify the possible elements of the Pact. **CONTENT :** At the Vienna European Summit (December 1998), the Commission was invited, in the context of the strengthening of the Luxembourg process (strategy of coordination of Member states' employment policies on the basis of employment guidelines) to present a document on the mainstreaming of employment policies at Community level based on Article 127 of the Amsterdam Treaty. The Summit also endorsed the idea of a European Employment Pact, to which all of the concerned institutions must make a contribution (ECOFIN Council, Standing Committee on Employment, etc.). The present communication represents the European Commission's contribution to the European Employment Pact. The Commission has already identified a number of elements of the proposed Pact in the 1999 Broad Economic Policy Guidelines (see COS0819), in particular growth and stability oriented macro-economic policies as part of a comprehensive, coherent strategy. In the context of this strategy, further key elements of the Pact include the following : 1) within the policy framework established by the 1999 Employment Guidelines and the 1999 Broad Economic Policy Guidelines, Member States should continue their labour market reforms by implementing their National Action Plans, as well as wider structural reforms. This requires progress on comparable data and indicators at Community level, as well as a stronger regional and local dimension to the National Action Plans; 2) the Social partners should continue to support the European strategy, notably through appropriate wage development and should contribute to implementation of the Employment Guidelines, including joint initiatives to modernise the organisation of work ; 3) the European Commission for its part pledges its full support to Member States and the Social Partners across a range of EU policies and initiatives to promote growth, competitiveness and employment. In this context, the Commission document gives a list of commitments at EU level. The principal commitments of the European Commission in the employment strategy are to support Member States in the pursuit of higher economic and employment performance compatible with balanced and sustainable development. European level contributions relate to 3 main areas : - encouraging and supporting tangible and intangible investment, notably in human resources, in order to strengthen the EU's productive capacity within the budgetary targets set out in the Stability and Growth Pact, and to underpin the objectives of the European employment strategy; - monitoring and promoting structural reforms, in order to make markets work better and help achieve sustainable growth and employment; - promoting the modernisation of social protection and taxation systems in order to improve work incentives and job creation as well as opportunities for insertion or re-insertion into the labour market.?

European Employment Pact: community policies in support of employment

The Committee called on the European Council at its summit in June to beef up the European Employment Pact which was developed with the aim of boosting employment throughout the EU in the wake of the agreements at the Luxembourg and Cardiff Summits to develop a Europe-wide strategy for job creation. Winfried MENRAD (EPP, D), whose report was adopted by the committee, wants the pact to be based on more specific objectives making it easier to implement and monitor, with a clear political commitment to growth and employment by all the parties concerned in all the relevant policy areas. Specific improvements sought by the committee include closer coordination of both the content and the timing of the broad economic policy guidelines and the employment policy guidelines and a larger role for the social partners. It calls for more support for the employment strategy from the reformed European Social Fund and points to the growing gap between rich and poor in the EU. The MEPs vehemently oppose the Council Presidency's idea of cutting Social Fund money under the Agenda 2000 reforms and advocate a minimum endowment of EUR 36 billion. They support the Member States' efforts to implement the European infrastructure programme (Trans-European Networks) to promote growth, employment and competitiveness.?

European Employment Pact: community policies in support of employment

The European Parliament adopted the own-initiative report by Winfried Menrad (PPE,DE) on the European Parliament's contribution on the European Employment Pact and on the Commission's communication on Community policies in support of employment. The report demands that this pact should be translated into practical improvements in the existing instruments and accompanied by a policy framework agreement by the social partners on several topics concerning the modernisation of the European social model and the implementation of national and territorial employment pacts. The Parliament asks that it be involved in the implementation of the European Employment Pact and the macroeconomic dialogue at political level within special meetings which could be held in connection with informal Council meetings. The report calls on the Council meeting in Cologne to ensure a practical improvement on the Luxembourg decisions. In the context of employment policy, it calls on the Commission and the Member States to give particular priority to the following areas: - SME, service and third sector growth; - re-orienting and development of public and private investment; - re-balancing and coordination of taxation; - strengthening R&D; - encouraging environmental protection; - modernisation of social security systems; - improving education and training; - promotion of social inclusion and equal opportunities. The Parliament calls on the Commission to make concrete proposals on the principle of equal opportunities between men and women in the area of employment policy. It proposes that the target for active measures to improve employment prospects should be increased to 25% in of the average for the three best-performing states (instead of 20% as set at the special employment summit held in Luxembourg in November 1998). The report calls on the member States to join with social partners in implementing the European employment guidelines and to see the forthcoming reform of the European Social Fund as an opportunity to give financial support to the employment strategy. Vehemently opposed to the Council Presidency's idea of reducing the financial volume of the Social Fund in the context of the financing of Agenda 2000, the Parliament advocates instead that Objective 3 of the Social Fund be endowed with a minimum of EURO 36 billion. It believes that special employment programmes for specific groups (young people, women, the long-term unemployed, the disabled)

cannot predominantly be financed and implemented at Eu level and calls on the Member States to increase investment in human capital to create new opportunities for the employment of the unskilled. The report calls for an easing of the burden of social charges placed on businesses. The Parliament also calls on: 1) the social partners to take account of improvement of productivity when undertaking wage negotiations; 2) on employers to take advantage of a moderate wage agreement to allow employees to participate in the profits and capital of their undertaking and to recruit more workers and trainees. The Parliament also calls for intelligent working time models and the reduction of overtime and advocates flexible working hours with full respect for social security protection. Finally, the report calls on the Commission to increase its efforts to achieve complete freedom of movement for EU citizens, workers and their families within the European Union and to take account in its proposals of other factors that represent obstacles and to present appropriate legislative proposals on transfrontier training and mobility.?