

European Semester for economic policy coordination: Employment and Social Aspects in the Annual Sustainable Growth Strategy 2021

2020/2244(INI) - 11/03/2021 - Text adopted by Parliament, single reading

The European Parliament adopted by 508 votes to 121, with 64 abstentions a resolution on the European Semester for Economic Policy Coordination: employment and social aspects in the annual strategy for sustainable growth 2021.

Parliament noted that ten years after the introduction of the European Semester cycle of economic policy coordination, employment and social imbalances in the EU, such as labour market segmentation, wage dispersion, growing inequalities and poverty, especially child poverty, have not been resolved and have actually worsened.

Stressing the central role of the Social Scoreboard in the European Semester, Members called for fairness and social rights to be given the same importance as macroeconomic objectives in a socio-economic model that improves the well-being of the EU population.

Social dimension of the Recovery and Resilience Facility (RRF)

Noting the link between the RRF and the European Semester process, Parliament considered that the coordination between the two processes should be transparent and contribute to the achievement of the Union's overarching objectives such as the implementation of the European Pillar of Social Rights, the Sustainable Development Goals (SDGs), the EU Gender Equality Strategy, the European Green Deal and the Digital Transition.

Members called on the Commission to include the social indicators in the European Semester Social Scoreboard, in particular those relating to decent working conditions, social justice and equal opportunities, strong social protection systems and fair mobility, in the common indicators to be used under the RRF to report on progress and to monitor and evaluate recovery and resilience plans.

In particular, Parliament called on the Commission to propose an ambitious strategy to fight poverty and to increase the budget for the Child Guarantee.

Reforms and investments for sustainable growth and equity, as set out in the National Recovery and Resilience Plans, should address structural weaknesses in social services and social protection systems. Reforms and investments in social and territorial cohesion should also contribute to the fight against poverty and unemployment and lead to the creation of stable and high quality jobs, the inclusion and integration of disadvantaged groups and the strengthening of social dialogue, entrepreneurship and social infrastructure.

Members are convinced that all policies should aim to ensure a sustainable recovery, avoiding premature ending of financial measures and instruments to support businesses and workers, and strengthening them where necessary. They welcomed the activation, at least until the end of 2021, of the general escape clause in the Stability and Growth Pact and hope that it will remain activated as long as the conditions that justified its activation remain.

Parliament recognised the importance of the Next Generation EU instrument but regretted that the limited size of the EU budget means that its redistributive and stabilising functions are also very limited. The Next Generation EU instrument, the multiannual financial framework and the EU budget should provide for specific investments in social objectives, including social progress.

Social dimension

Parliament called on the Commission and the Member States to develop a sustainable package on quality employment, taking into account the diversity of national practices and the role of social partners and collective bargaining, and including legislative initiatives not only to improve wages but also to ensure decent working conditions for all.

The focus should be on teleworking, the right to disconnect, work-life balance, mental wellbeing at work, parental and care related leave, health and safety at work, the rights of platform workers, ensuring quality jobs for key workers and strengthening democracy at work and the role of the social partners and collective bargaining.

Members also called for the digital divide in access to public services, many of which were digitised during the COVID pandemic, to be narrowed and for the necessary steps to be taken to strengthen their digital infrastructure, connectivity and the educational methods used in their schools, universities and learning centres.

The resolution recalled the importance of EU programmes such as the Youth Guarantee and called on Member States to implement this programme rapidly, in close coordination with EU funds such as the European Social Fund Plus. The Commission is asked to propose a European framework for national homelessness strategies and Member States are asked to adopt the "housing first" principle, which would reduce homelessness.

Parliament called on the Commission to propose an effective long-term instrument to mitigate the consequences of asymmetric shocks, such as an adequate European unemployment (re)insurance scheme, capable of supporting national schemes when one part of the EU suffers a temporary economic shock.

Lastly, Members insisted that Parliament should be better involved in the European Semester process, especially with regard to country-specific recommendations. They stressed the importance of a more inclusive social dialogue with the social partners, civil society, youth organisations and local and regional authorities in shaping the European Semester.