

# COUNCIL OF THE EUROPEAN UNION

Brussels, 2 March 2011

6192/2/11 REV 2

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## **REPORT**

from: Permanent Representatives Committee (Part I)

to: COUNCIL EPSCO

No. Cion prop.: 5520/11 SOC 39 ECOFIN 19 EDUC 12

Subject: Proposal for a Council Decision on guidelines for the employment policies of the

Member States

- General approach

## I. <u>INTRODUCTION</u>

On 12 January 2011, the Commission submitted a proposal for a Decision of the Council on Guidelines for the employment policies of the Member States, based on Article 148(2) TFEU, considering that the guidelines for Member States' employment policies as set out in the Annex to Council Decision of 21 October 2010<sup>1</sup> should be maintained for 2011.

<u>The European Parliament</u> adopted its Opinion on the proposal on 17 February 2011, agreeing with the Commission's proposal to maintain the 2010 Employment Guidelines.

6192/2/11 REV 2 MH/vk
DG G 2B EN

Council Decision 2010/707/UE of 21 October 2010 on guidelines for the employment policies of the Member States (OJ L 308, 24.11.2010, p. 46).

The Employment Committee finalised its Opinion in the meeting of 1 February 2011 (doc. 5982/11 + COR 1).

The Social Ouestions Working Party examined the proposal and reached an agreement on the general approach. In the discussions, the Chair of the Working Party stressed that the Council would reconsider the draft Decision after all the required opinions on it would have been received.

Subsequently to the Working Party meeting, the Economic and Social Committee adopted its Opinion on 16 February 2011, also agreeing with the Commission's proposal.

The opinion of the Committee of the Regions is still awaited.

The text of the draft Decision following the Working Party's discussions is annexed to this Report.

#### II. **CONCLUSION**

The Permanent Representatives Committee has agreed to:

- submit the text of the general approach to the Council EPSCO on 7 March 2011, and
- invite the Council to confirm agreement on a general approach.

The general approach will need to be reconsidered once all the opinions required under Article 148(2) of the Treaty have been received and when the conclusions of the March European Council can also be taken into account.

6192/2/11 REV 2 MH/vk DG G 2B

### Draft

## **COUNCIL DECISION**

## on guidelines for the employment policies of the Member States

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 148(2) thereof,

Having regard to the proposal from the European Commission,

Having regard to the opinion of the European Parliament<sup>2</sup>,

Having regard to the opinion of the Employment Committee,

Having regard to the opinion of the European Economic and Social Committee<sup>3</sup>,

Having regard to the opinion of the Committee of the Regions<sup>4</sup>,

Whereas:

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OJ C, , p. . Opinion adopted on 17 February 2011.

OJ C, , p. . Opinion adopted on 16 February 2011.

<sup>&</sup>lt;sup>4</sup> OJ C, , p. .

- (1) The Treaty on the Functioning of the European Union (TFEU) stipulates in Article 145 that Member States and the Union shall work towards developing a coordinated strategy for employment and particularly for promoting a skilled, trained and adaptable workforce as well as labour markets that are responsive to economic change and with a view to achieving the objectives defined in Article 3 of the Treaty on European Union (TEU).
- (2) The "Europe 2020 Strategy" proposed by the Commission enables the Union to turn its economy towards smart, sustainable and inclusive growth, accompanied by high level employment, productivity and social cohesion. Five headline targets, listed under the relevant guidelines, constitute shared objectives which guide the action of the Member States, taking into account their relative starting positions and national circumstances, and which also guide the action of the Union. The European Employment Strategy has the leading role in the implementation of the employment and labour market objectives of the new strategy.
- (3) The integrated guidelines are in line with the conclusions of the European Council. They give precise guidance to the Member States on defining their National Reform Programmes and implementing reforms, reflecting interdependence and in line with the Stability and Growth Pact. The employment guidelines should form the basis for any country-specific recommendations that the Council may address to the Member States under Article 148(4) of the TFEU, in parallel with the country-specific recommendations addressed to the Member States under Article 121(4) of that Treaty. The employment guidelines should also form the basis for the establishment of the Joint Employment Report sent annually by the Council and the European Commission to the European Council.

(4) The examination of the Member States' draft National Reform Programmes contained in the draft Joint Employment Report shows that Member States should continue to make every effort to address the priority areas of: increasing labour market participation and reducing structural unemployment, developing a skilled workforce responding to labour market needs and promoting job quality and lifelong learning, improve the performance of education and training systems at all levels and increasing participation in tertiary education, promoting social inclusion and combating poverty.

(5) The Employment Guidelines adopted in 2010 should remain stable until 2014 to ensure a focus on implementation. In the intermediate years until the end of 2014 their updating should remain strictly limited.

(6) Member States should explore the use of the European Social Fund when implementing the Employment Guidelines,

HAS ADOPTED THIS DECISION:

Article 1

The guidelines for Member States' employment policies as set out in the Annex to Council Decision of 21 October 2010 on guidelines for the employment policies of the Member States<sup>5</sup> are maintained for 2011 and shall be taken into account by the Member States in their employment policies.

Article 2

This Decision is addressed to the Member States.

Done at [...],

For the Council

The President

6192/2/11 REV 2 MH/vk 5 ANNEX DG G 2B **EN** 

Council Decision 2010/707/UE of 21 October 2010 on guidelines for the employment policies of the Member States (OJ L 308, 24.11.2010, p. 46).