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**NOTE**

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from: Commission  
to: Delegations

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Subject: Jobs for Europe - Employment Policy Conference  
(Brussels, 6 -7 September 2012)

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- *Information from the Commission*

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Delegations will find attached an information note from the Commission regarding the Employment Policy Conference which took place in Brussels on 6-7 September 2012, with a view to the meeting of the EPSCO Council on 4 October 2012 (Any Other Business item).

**Commission information note on Jobs for Europe:  
The Employment Policy Conference  
*Brussels, 6-7 September 2012***

**Context**

- On 6th and 7th September, Commissioner Andor hosted "Jobs For Europe – The Employment Policy Conference". The speeches of the three Presidents (Barroso, Schulz and Van Rompuy) underlined the urgency and priority that has to be given to employment policies during this time of financial, economic and indeed social crisis.
- The persistence of the crisis, and its devastating consequences on employment, necessitates resolute action. Furthermore, employment is the biggest concern that the citizens face and Europe's response is therefore vital to continue to uphold peace on our continent. National actions need to be supplemented by action at European level in order to respond to the deterioration in conditions and to meet the key structural challenges ahead of us. In that context, President Barroso referred to priorities for the next Annual Growth Survey.
- The conference, which brought together 430 people from across 36 countries, advocated the rapid implementation in practice of the Employment Package measures by EU institutions, governments, trade unions, employers and civil society. The Package received strong support from many sides at the conference.

**Addressing economic, financial, labour market and social policies holistically**

- The conference highlighted that it is necessary to include labour market and social policies in the forthcoming work towards the stability of the Economic and Monetary Union, it is necessary to include labour market and social policies in this reflection. Indeed, the main messages from the conference were that macroeconomic policy must be attuned to employment objectives and that all EU policies must be coordinated and governance strengthened to reduce unemployment and bring about a job rich recovery.

- Using effectively the potential of our labour resources and reducing unemployment is a matter of economic stability and has to be addressed as Europe strives to build a genuine Economic and Monetary Union. The divergence of performance across the EU reinforces the need for solidarity between Member States.
- This conference also referred to the negotiations on the multi-annual financial framework. President Barroso, supported by a number of other speakers, underlined the need for an EU budget for growth and investment, a real tool to implement the Europe 2020 strategy.

### **Main themes addressed at the conference**

1. Youth unemployment was cited as the most urgent and paramount concern. There was strong, universal, support for a youth guarantee and the need for a quality framework for traineeships was underlined. There was consensus that employment policies should reflect more the different needs of individuals at different stages of their life-cycle. Long-term and sustainable growth is only possible if all available resources and talents are used.
2. Long-term unemployment, and its increase, endangers the functioning of our society and of our labour market. The proper use of hiring subsidies was mentioned for both long-term unemployed and for young people. Here, the need for better and more use of the European Social Fund was underlined. The role of social enterprises in contributing to job creation was also underlined.
3. Building a true European labour market is a key challenge. As underlined by the President of the European Council, one key element for a stable Economic and Monetary Union is a fully functioning and open labour market. People should be able to take up job offers suitable to their skills even if these lie in a different region or Member State. Some pointed though to the connected risks of brain drain that can affect certain more peripheral Member States and regions. Employment services, and their cooperation at European level, will play a vital role in enabling this - a priority action announced in the Employment Package.

4. Minimum wages were advocated by a number of speakers, including Professor Pissarides, though there was some debate about their optimal level. They were presented as something that could increase the supply of young people into the labour market and that does not reduce job creation whilst also increasing budget revenues.
5. Social dialogue, and in particular the tripartite summits, were described as valuable by Herman van Rompuy, who also supported – portraying it as "a very good initiative" - the Commission proposal to go further by referring to the proposed exchange of views on wage developments with national social partners.
6. Three areas had been singled out in the Employment Package as potential sources of job growth which need special approaches from public and private stakeholders. The advent of a green economy will directly create only a few million new jobs but it will transform many more existing jobs. Demographic trends are expected to generate 7 million job openings in the health and care sector by 2020, provided that there is sufficient supply of skills and under certain conditions of public financing. Finally, there are labour shortages in the ICT sector, which is set to grow further. For all three areas we need to achieve a better match between the supply of skills and their demand.
7. The conference endorsed the view that jobs are the best guarantee to avoid exclusion in society. However, in the context of the current economic downturn, the risk of in-work poverty is increasing, while social safety nets are weakening. For the most vulnerable groups (older workers, women, migrants), working (full-time) does not always provide a solid pathway out of poverty. The quality of jobs, innovative approaches and defined adequate conditionality of social protection should be priorities.

### **Further information**

- The webstreams of all sessions are available on the conference website, as are the issues papers and speeches and/or presentations of speakers:  
<http://ec.europa.eu/social/main.jsp?langId=en&catId=88&eventsId=641>