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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Work Programme of the Employment Committee for 2017

Delegations will find attached the 2017 Work Programme of the Employment Committee and its subgroups, with a view to the meeting of the EPSCO Council on 3 March 2017 (Any Other Business item).

INTRODUCTION

The Employment Committee (EMCO) is the advisory Committee established under Article 150 TFEU. It is tasked with monitoring "*the employment situation and employment policies in the Member States and the Union*" and with the formulation "*of opinions at the request of either the Council or the Commission or on its own initiative, and to contribute to the preparation of... Council proceedings*".

It should be clear from this document that much of the Committee's Work Programme for 2017 is taken up with work on the European Semester and the Europe 2020 strategy. The Committee's calendar is therefore, to a large extent, determined by the rhythm of the Semester.

THE EUROPEAN SEMESTER

In early 2017 the Committee, together with the SPC, will prepare Council Conclusions on the Annual Growth Survey 2017, the publication of which in November 2016 signifies the start of the 2017 Semester cycle. It will also finalise the Key Messages of the Joint Employment Report.

The first half of 2017 will also see the Committee carry out its cycle of multilateral surveillance on the implementation of the Country-Specific Recommendations (CSRs) endorsed by Council at the end of the 2016 Semester. In this cycle EMCO (and its Policy Analysis sub-group) will review the implementation of all CSRs related to its areas of competence, in cooperation with other committees as in previous years. It will also review the progress of Member States in tackling a selection of Key Employment Challenges (KECs) as identified by the 2016 Employment Performance Monitor. CSRs and KECs will be clustered thematically for the purposes of reviews.

The conclusions from this cycle of reviews will form EMCO's multilateral position for the discussions on Commission proposals for new CSRs. They will be transmitted to the EPSCO Council in June 2017 alongside the agreed CSR texts.

In May and June the Committee will discuss the Commission's proposals for Country-Specific Recommendations for the 2017 Semester, providing country-specific opinions to the June EPSCO.

EMCO and the Indicators Group will continue to produce the Employment Performance Monitor. EMCO will submit this to the October EPSCO Council alongside the EMCO Annual Performance Report (which was produced for the first time in 2016). This will represent EMCO's contribution to the preparation of the Annual Growth Survey for 2018, which will start the 2018 Semester cycle.

At the end of this period of intensive work relating to the Semester, EMCO will continue its now-annual practice of reviewing the scope and methods of its Semester work to ensure they continue to deliver the desired results.

EMCO and its sub-groups will continue to work on the benchmarking proposals from the Commission to contribute to the analysis underpinning work on the Semester. Work on the existing proposals on unemployment benefits and activation policies, and skills, is ongoing . A further proposal, on labour market flexibility, is expected in the future, after which EMCO will take overall stock of the state of play of the work on benchmarking.. It will seek the expertise and participation of the Education Committee for both the benchmarking work on skills, and, more broadly, for all aspects of the work under the Semester where that Committee's contribution is needed.

At the very end of 2017 EMCO will discuss the employment aspects of the draft Euro-area Recommendation in co-operation with the ECOFIN committees and the Social Protection Committee (SPC).

EMCO will also be the forum where any proposed changes to the Employment Guidelines are discussed and agreed.

EUROPEAN PILLAR OF SOCIAL RIGHTS

Having produced an Opinion jointly with the SPC in October 2016 in response to the Commission consultation, EMCO will watch the development of this policy area with the greatest of interest, and will contribute its expertise wherever it can usefully do so

EMU / LONGER-TERM STRATEGY

EMCO will respond to the Commission's next steps on EMU, which are expected in 2017, and will look to contribute its expertise to the ensuing discussion. Similarly, EMCO will contribute to any future discussions on the longer-term strategy for the EU, beyond the Europe2020 horizon.

EMCO will continue to follow the work in the G20 and to continue to work on the EU's contribution to the G20 Employment Working Group.

MONITORING OF COUNCIL RECOMMENDATIONS

The Committee is tasked with monitoring the implementation of two Council Recommendations: the Council Recommendation of 22 April 2013 establishing a Youth Guarantee; and the Council Recommendation of 15 February 2016 on the integration of the long-term unemployed into the labour market.

EMCO has decided that it will carry out one full 28-Member State review of a Recommendations per annual cycle. Having carried out Youth Guarantee reviews in 2013, 2014, and 2015, in 2016 it did a full review on the Recommendation on long-term unemployment to establish a baseline at this early stage of the implementation of the Recommendation, and will provide a report on this review to the EPSCO Council in March 2017. The implementation of the Youth Guarantee in a selected number of Member States will be looked at during the thematic review on youth-related issues in the main Semester cycle in spring 2017.

It follows from this that EMCO expects to do a full review of the Youth Guarantee in December 2017.

WORK WITH SOCIAL PARTNERS

The Committee will continue to consult Social Partners on all pertinent aspects of its work under the European Semester, and to implement the agreed working methods for cooperation with Social Partners. The Committee will also continue to participate actively in the Macro-economic dialogue at all levels.

EMCO will, in discussion with Social Partners, consider how best to build on the thematic review it carried out in October 2016 on the extent to which Social Partners are involved in the European Semester process at national level.

EMCO will contribute to the preparation of the Tripartite Social Summit, as envisaged in Council Decision (EU) 2016/1859.

ECONOMIC AND FINANCIAL DIALOGUE BETWEEN THE EU AND THE WESTERN BALKANS AND TURKEY

Having contributed to this process for the first time in 2016, EMCO will do so again in 2017. To that end it will carry out a multilateral review of the employment aspects of the Economic Reform Programmes of the participants in the Economic and Financial Dialogue, and contribute to the ensuing Joint Conclusions.

THEMATIC WORK

Given the large amount of work which "business as usual" now requires of the Committee, particularly in the first half of the calendar year, the strong component of thematic analysis in the benchmarking exercise to be addressed as part of the Semester and the need for the Committee to be able to react to new developments and demands from the EU institutions, EMCO continues to prioritise its thematic work rather than spreading itself too thinly.

The Committee – and its Policy Analysis Group - has the intention to focus its additional thematic work in 2017 primarily on these themes:

- Continued reflection on the future of work.
- Revisiting and revising the concept of flexicurity
- The political economy of reforms: stock taking / recap of previous EMCO work

Provisional calendar for EMCO's work in 2017

	Activity	Deliverable
Jan - Feb	Preparatory work for adoption of Joint Employment Report, and analysis of social and employment scoreboard	Finalised JER and scoreboard adopted by March EPSCO
Jan - Feb	Analysis of relevant employment issues on the 2017 Annual Growth Survey	Contribution to Council Conclusions on the AGS in context of EPSCO input into Spring European Council
Jan - May	Multilateral surveillance on implementation of Country-Specific Recommendations and progress towards tackling Key Employment Challenges	EMCO Conclusions to the June EPSCO
May	Coordinate Member State comments on Commission Country Report	Member State comments passed to Commission in due time
May	Review of participants in Economic and Financial Dialogue with Turkey and the Western Balkans	Contribution to Joint Conclusions
Feb – June	Adoption of the Employment Performance Monitor	EPM adopted by EMCO in May, to October EPSCO
May – June	Discussion on Commission proposals for Country-Specific Recommendations for 2016	Country-specific opinions for the proposals to the June EPSCO
June	Evaluation of the 2016 European Semester process	EMCO opinion on the Semester process to June EPSCO
July – October	EMCO preparation of EMCO Annual Employment Performance Report on basis of multilateral surveillance and the Employment Performance Monitor	EMCO Annual Employment Performance Report to October EPSCO alongside EPM
Nov	Initial discussions on 2018 Annual Growth Survey and Joint Employment Report; preparatory work on Euro-area Recommendation	Feed-in to EPSCO debate and EMCO discussions in early 2018
Dec	Review on the implementation of the Youth Guarantee ¹	Reporting to EPSCO in March 2018

¹ This will also incorporate monitoring of implementation of youth-related CSRs and KECs, as in previous years.

EMCO SUB-GROUPS

EMCO will continue to be supported by two sub-groups (whose work programmes are annexed to this document):

- The **Policy Analysis Group** (previously known as the Ad Hoc Group) will continue to provide evidence based advice to underpin EMCO work and debate. To this end, the group will play a prominent role in the thematic reviews of the Country-specific Recommendations so that the Committee builds in-depth knowledge on each country. The Mutual Learning Programme (MLP)/ activities will be coordinated to ensure that the results of the MLP contribute systematically to the Policy Analysis Group's work. PAG will liaise with the PES Network, and also follow the work of EUROFOUND closely. PAG will also play a major role in examining the policy content of benchmarking papers as that work develops.
- The **Indicators Group** will continue to support EMCO in the quantitative description and analysis of the policy issues. The continued work of the group on the Joint Assessment Framework (JAF) and in developing the annual Employment Performance Monitor, as well as the Annual Employment Performance Report, will provide the quantitative background for EMCO's work. This group will also provide advice to EMCO on the technical aspects of the development and refinement of the Scoreboard of Key Employment and Social Indicators. The Group will also continue its work on evaluating the Indicator Framework on Monitoring the Youth Guarantee and analysing the results of the data collection. It will also pursue work on the assessment and monitoring of the Council recommendation on the integration of the long-term unemployed into the labour market. It will play a major role in examining the quantitative aspects of the benchmarking work.

COOPERATION WITH OTHER COMMITTEES:

EMCO will continue to promote close working relationships with all other relevant committees, in particular the **Social Protection Committee**, especially on work related to the European Semester. It will seek to repeat the 2016 exercise of a joint review of relevant CSRs with the **Economic Policy Committee**. In order to ensure a coordinated input to EPSCO, EMCO will regularly cooperate with the **Social Protection Committee** and the **Education Committee** to account for their views on social and education policy. The Committee will also seek the advice of the European Network of PES on relevant aspects of the CSRs.

PROVISIONAL MEETINGS CALENDAR FOR 2017

The calendar below is of necessity provisional and subject to change.

This calendar includes planned joint meetings with the SPC. However it does not cover joint meetings with the EPC.

17 January	PAG
18 – 19 January	IG (with SPC ISG)
26 - 27 January	EMCO
15 – 16 February	EMCO
17 February	PAG
1 March	EMCO IG
3 March	EPSCO Council
8 - 9 March	EMCO
9 -10 March	European Council
14 March	PAG
3 April	Informal EPSCO
5 April	PAG
6 April	IG
10 – 11 April	EMCO (Malta)
2 May	EMCO (Dialogue with Western Balkans and Turkey)
3 May	EMCO (Country Review)
23 - 24 May	EMCO - SPC
1-2 June	EMCO – SPC (probably jumbo with EPC)
6 - 7 June	EMCO - SPC
15 June	EPSCO
22- 23 June	European Council
July (TBC)	Informal EPSCO
11 September	PAG
12 September	IG
21 - 22 September (TBC)	EMCO (Estonia)
October (TBC)	EPSCO
17 October	IG
18 October	PAG
19 October	EMCO
16 November	PAG
22 November	IG
1 December	EMCO - SPC
December (TBC)	EPSCO
13 December	PAG
14 December	EMCO

The Employment Committee's Policy Analysis Group

Work Programme for 2017

The Policy Analysis Group of the Employment Committee (EMCO) will continue to undertake its activities according to the mandate received from EMCO with a view to delivering policy-based analysis to support the work of EMCO. In this regard, it will contribute to EMCO's preparatory work for the EPSCO. One of the key elements in underpinning EMCO's work is conducting thematic reviews and providing multilateral surveillance analysis in the framework of the European Semester examination on implementation of the country-specific recommendations (CSRs).

Throughout the year, the Policy Analysis Group will also play a major role in examining the policy content of benchmarking instruments on the basis of proposals from the Commission underpinning the work on the Semester.

Moreover, the Policy Analysis Group will continue its cooperation with other committees (e.g. the Social Protection Committee, the Education Committee, the Economic Policy Committee and the Network of Heads of Public Employment Services). These tasks will require a close coordination between the group and EMCO. Therefore, this work programme reflects the priorities of EMCO in the coming months.

Work Priorities

In 2017, the Policy Analysis Group will continue to play an important role in the reinforcement of the multilateral surveillance so that EMCO builds in-depth and fact-based knowledge on the employment policies and the European labour markets situation.

Notably, the Policy Analysis Group will:

- Carry out multilateral surveillance and thematic reviews on the policy measures and reforms implemented by the Member States in response to the country-specific recommendations issued by the Council;
- Contribute to the qualitative analysis of key employment indicators that are not part of the Joint Assessment Framework, as well as to the development of the policy aspects of benchmarking instruments in close collaboration with the EMCO Indicators Group;

- Support EMCO in revisiting and updating its work on flexicurity;
- Support EMCO in its reflection on the future of work;
- Support EMCO in its stock-taking of the political economy of reforms;
- Ensure a close cooperation with the Mutual Learning Programme;
- Broaden evidence by exchange of views with e.g. Eurofound and other organisations and expert networks.

Activities

1. (January – April 2017) Multilateral surveillance on the implementation of employment policies at national level and preparing the Council's country-specific recommendations under Art.148

The Policy Analysis Group will continue to provide input to EMCO in the preparation of its opinion to the Council on the implementation of employment policies of the Member States, as required by the Treaty. For this purpose, the Policy Analysis Group will conduct a series of multilateral reviews of the implementation of the country-specific recommendations. The conclusions of these reviews will feed into the EMCO opinion on the Commission proposals for Council Recommendations.

2. (October – December 2017) Thematic peer reviews of employment and labour market policies

The Policy Analysis Group will prepare evidence-based input to the work of EMCO through a more effective cooperation with the Mutual Learning Programme; by inviting external expertise where relevant; and through the use of the Employment Performance Monitor and any benchmarking instruments, as appropriate.

Furthermore, the Policy Analysis Group will continue to provide analytical support to EMCO in the preparation of policy opinions or reports following up on the Presidency priorities and the Commission Work Programme.

Timetable for the EMCO Policy Analysis Group meetings in 2017 (provisional)

Date	Review / agenda topics	Countries proposed for thematic peer review
17 January 2017	MLS review on active labour market policies and PES reforms	BE, CY, EE, EL, ES, FI, HU, IT, LT, LV, NL, PL, RO, SI
16 February 2017	Benchmarking proposal on unemployment benefits and activation policies Changing nature of work - debate	
14 March 2017	MLS review on labour market participation	AT, CZ, DE, EE, IT, MT, SK, UK (LMP women) BE, DK, FR, HR, LU, NL, PL, SI (LMP of other groups) IE (both)
5 April 2017	MLS review on wages and competitiveness / labour taxation	BE, BG, FI, FR, HR, PT, RO (wages and competitiveness) AT, DE, HU, IT, LV, LT (labour taxation) LT (both) SI (social dialogue)
11 September 2017	Benchmarking (skills) (tbc) Mutual Learning Programme	
18 October 2017	Benchmarking (skills) (tbc) Thematic review	
16 November 2017	Benchmarking (labour market flexibility) (tbc) Thematic review	
13 December 2017	Benchmarking (labour market flexibility) (tbc)	

EMCO IG Core Business

The Indicators Group in 2017 will continue to support EMCO in quantitative description and analysis of relevant policy issues. The broad EMCO priorities imply that the Indicators Group will continue to support the surveillance and monitoring capacities of EMCO in the following ways:

The European Semester

- It will update the Employment Performance Monitor, the key tool to monitor progress towards Europe 2020 employment target and identify the key employment challenges and good labour market outcomes of the Member States and the EU as a whole.
- It will provide a contribution to the EMCO Annual Employment Performance Report (which was produced for the first time in 2016) which will represent EMCO's contribution to the preparation of the Annual Growth Survey for 2018.
- It will contribute the refinement of the indicators and methodology used under the Joint Assessment Framework, also in view of the Employment Guidelines adopted by the Council on the 5th of October 2015 and maintained unchanged in 2016. This will include additional work to explore in more depth the monitoring of selected policy areas, a list of which is outlined in the following section.
- It will continue its work, and also provide advice to EMCO, on the technical aspects of the development and refinement, in the area of employment, of the Scoreboard of Key Employment and Social Indicators.
- It will pursue work, in co-operation with the SPC ISG, to develop a methodology for selecting appropriate thresholds for the identification of horizontal trends on the basis of the EPM dashboard.
- It will continue to work on the benchmarking proposals from the Commission to contribute to the analysis underpinning work on the European Semester; for the benchmarking work on skills, education and training it will continue its cooperation with the Education Committee.

Monitoring of Council Recommendations

- It will pursue work on the assessment and monitoring of the Council Recommendation on the integration of the long-term unemployed into the labour market, including the pertinent Indicator Framework.
- It will continue its work analysing the results of the data collection on the Youth Guarantee and, where necessary, evaluating the pertinent Indicator Framework.

European Pillar of Social Rights

- It will support any work which EMCO may carry out relating to the European pillar of social rights.

Employment indicators for monitoring of the UN Sustainable Development Goals (SDGs)

The UN 2030 Agenda for Sustainable Development (2030 Agenda) has set 17 ambitious Sustainable Development Goals (SDGs), together with 169 corresponding targets which apply not only to developing countries but to all UN members, including the EU Member States. Each goal has specific targets to be achieved over the next 15 years, and is accompanied by relevant indicators. A number of goals and targets address the area of employment and social policy. The IG will support any work carried out by the Commission on employment indicators for monitoring of the UN Sustainable Developments Goals.

Outstanding specific methodological issues

In order to enhance surveillance and monitoring capacities and to facilitate the link with the qualitative aspects of the monitoring, a number of additional specific methodological issues would merit further attention. Work in these areas will be prioritised to follow the work of EMCO.

Remaining issues will be dealt with where the EMCO IG has the resources and capacity to do so.

- The refinement and further development of the Joint Assessment Framework constitutes a main area of work of the IG. The following policy areas have been identified as requiring additional work with the aim of enhancing monitoring:
 - **Skills mismatches:** The area of skills mismatches is not adequately covered through JAF indicators. The IG should undertake work, in cooperation with other relevant bodies (e.g. CEDEFOP, OECD, ILO and/or other competent bodies) exploring and developing indicators on skills mismatch to facilitate monitoring and contribute better to the multilateral surveillance carried out in the framework of the European Semester.
 - **Labour mobility:** The issue of labour mobility has been more and more discussed in recent years, including as a tool for matching the supply and demand in the labour market. The IG should undertake work in exploring and developing indicators in this area, especially in relation to skills gaps.
 - **Undeclared work:** Further discussion will be pursued on undeclared work, especially relating to the viability of developing indicators in this area.
 - **Wages:** Further development of Policy area 10: "Wage setting mechanisms and labour cost developments", especially with the aim of analysing wage adequacy and the wage link to productivity.
 - **Reconciliation of work and private life:** : In view of the Commission 'New Start' initiative on work-life balance for parents and carers, the IG, in cooperation with the SPC-ISG, will discuss proposals for enhancing comparative EU-level data on this topic and cooperate with EU agencies that have relevant indicators in this area. The IG will continue to follow the work being carried out in EUROSTAT in view of improving the quality of the LFS variable NEEDCARE (Need for care facilities: as a reason a person is not searching for a job or is working part-time).
 - **Disability:** The possibility of including integrating into the JAF the policy area of integration of people with disabilities into the labour market will be discussed.
 - **Migrants and refugees:** Further improving the policy area on migrants will be discussed as well as the integration of newly arrived migrants into the labour market.
 - **Social Dialogue:** In cooperation with social partners the IG will explore the possibility of developing an indicator on social dialogue.

- It will pursue analysis of the LFS Ad Hoc Modules leading to the presentation of the main findings.
- The IG will continue its work on monitoring multidimensional policy concepts through the JAF. Taking as an example the adopted module on job quality and flexicurity, the IG will return to the work on the modules of ICT and green jobs, when and if necessary.
- The IG will look at the results of impact assessment studies, especially on the impact of ESF financed measures in the context of employment policies and the effectiveness of labour market policies

Working Methods

The main discussions of the IG take place during its scheduled meetings. In order to facilitate the discussion and to allow Members to prepare adequately for the meeting, documents should be sent at latest ten days in advance of the meeting, where possible.

Written procedures can be helpful in the follow-up to meetings and/or when agreements have to be reached before the next scheduled meeting.

Building on past successful experience the IG will organise ad hoc working groups consisting of a few Member States to develop proposals to be discussed in the EMCO Indicators Group concerning specific areas of the IG work such as revising/developing a policy area or developing indicators for monitoring a specific subject.

Co-operation with other Committees and institutions

The EMCO IG will continue to promote close working relationships with all other relevant committees, particularly on work related to the implementation of the Europe 2020 strategy and the JAF. In particular, these include the EPC Group which deals with the Europe 2020 monitoring (LIME) to enhance consistency between our work and macro-economic monitoring, the Social Protection Committee sub-group on indicators (ISG) in the context of the Joint Assessment Framework, DG EAC's Standing Group on indicators and benchmarks (SGIB) with respect to the benchmarking work on skills and the measuring of the education headline targets, as well as the Eurostat Working Group on labour market statistics (LAMAS), the HoPES network with particular focus on their PES benchmarking Group and the new European Platform on preventing and deterring undeclared work.

Also, the Indicators Group will continue to promote the cooperation with other institutions and bodies carrying work in the area of analysis of the labour market, including CEDEFOP, EUROFOUND, and international organisations such as ILO and OECD.
