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NOTE

From: General Secretariat of the Council
To: Delegations
Subject: Work Programme of the Employment Committee for 2018

Delegations will find attached the 2018 Work Programme of the Employment Committee and its subgroups, as adopted in accordance with the Committee's rules of procedure, with a view to the meeting of the EPSCO Council on 15 March 2018 (Any Other Business item).

EMCO Work Programme 2018

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*".

THE EUROPEAN SEMESTER

EMCO has a number of commitments under the European Semester and the Europe 2020 strategy. These commitments determine much of the Committee's calendar for the year.

In early 2018 EMCO, together with the SPC, will prepare Council Conclusions on the Annual Growth Survey 2018, the publication of which in November 2017 signifies the start of the 2018 Semester cycle. It will also finalise the Key Messages of the Joint Employment Report, and the final version of the Social Scoreboard to be included in that Report.

A proposal from the Commission to review the Employment Guidelines is expected in late 2017. EMCO therefore expects to spend some time in early 2018 reviewing and agreeing these amended Guidelines.

EMCO will review the implementation of all of the Country-Specific Recommendations (CSRs) in its areas of competence which were endorsed by Council at the end of the 2017 Semester. In addition, this multilateral surveillance work will also review the progress which Member States have made in tackling a selection of Key Employment Challenges (KECs) as identified by the 2017 Employment Performance Monitor. The reviews will be organised thematically to permit horizontal conclusions to be drawn. EMCO will do this work in conjunction with its Policy Analysis Group in the period December 2017 to May 2018.

The Member States' individual conclusions from this cycle of reviews will form EMCO's multilateral position for the discussions on Commission proposals for new CSRs. These discussions will take place in late May and early June. They will begin with a general discussion of the CSR proposals at a joint session with the Social Protection Committee and social partners.

EMCO will transmit the agreed CSR texts to the June EPSCO Council. These will be accompanied by an Opinion containing some general observations on the working of the Semester process, and the individual and horizontal conclusions from the multilateral surveillance work .

EMCO and its 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, along with some key messages about the employment situation in the EU. This will represent EMCO's contribution to the preparation of the Annual Growth Survey for 2019, which will start the 2019 Semester cycle.

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. The results of last year's work will be featured in the 2018 edition of the Joint Employment Report for the first time. EMCO will take forward work on skills education and training benchmarking in conjunction with the Education Committee, and will work on any further proposals the Commission puts forward in the course of 2018.

Towards the end of 2018 EMCO will meet jointly with the Social Protection Committee and social partners to discuss the 2019 Annual Growth Survey and Joint Employment Report.

EMCO will also work with the Social Protection Committee and the ECOFIN Committees to finalise the employment and social aspects of the draft Euroarea Recommendation.

EUROPEAN PILLAR OF SOCIAL RIGHTS

EMCO will monitor the development of the Pillar, and stands ready to support the Commission and the Council in developing any subsequent steps which are deemed necessary and desirable, and which fall within EMCO's remit..

BEYOND EUROPE 2020

In the course of 2018 EMCO will begin to plan for the end of the Europe 2020 Strategy and discuss the actions that could be taken to conclude this piece of work. These discussions will also take in the ongoing discussion about the future of the Economic and Monetary Union and possible successor frameworks to the Strategy.

G20

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

EMCO is tasked with monitoring the implementation of two Council Recommendations: the Council Recommendation of 22 April 2013 on 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 Recommendation per annual cycle. This large review has traditionally taken place in December, at the beginning of the multilateral surveillance cycle. Having carried out a review on the Recommendation on long-term unemployment in 2016 the Committee reviewed the implementation of the Youth Guarantee in December 2017. It will therefore review the long-term unemployment Recommendation in 2018. The Commission has requested that the results of this review are available in time for them to be taken into account for a report on the Recommendation which will be submitted to EPSCO in March 2019. EMCO will therefore move its review forward to early October 2018 in order to be able to provide the Commission (and thereby the Council) with the necessary contribution.

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.

In 2016 EMCO carried out a review on the extent to which Social Partners are involved in the European Semester process at national level in all Member States. In 2017 a more targeted review of a selection of Member States was carried out, and the conclusions will be included in EMCO's Opinion to EPSCO in June 2018. The intention is that such a review should form a regular part of EMCO's multilateral surveillance cycle.

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 did so again in 2017, and will do again in 2018. This contribution will consist of a multilateral review of the employment aspects of the Economic Reform Programmes of the participants in the Economic and Financial Dialogue, and a contribution 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, 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 2018 primarily on these themes:

- Continued reflection on the future of work.
- Labour market segmentation
- Intergenerational fairness
- Convergence
- Political economy of reforms

Provisional calendar for EMCO's work in 2018

	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 2018 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
Feb - June	Discussion and agreement of revised Employment Guidelines	Guidelines finalised in time for June EPSCO
Feb – June	Adoption of the Employment Performance Monitor	EPM adopted by EMCO in May, to October EPSCO
May	Review of participants in Economic and Financial Dialogue with Turkey and the Western Balkans	Contribution to Joint Conclusions
May – June	Discussion on Commission proposals for Country-Specific Recommendations for 2018	Finalised CSRs to the June EPSCO
June	Evaluation of the 2018 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, accompanied by Key Messages for EPSCO endorsement
October	Review on the implementation of the Recommendation on long-term unemployment ¹	Results incorporated into Commission report to EPSCO in February/March 2019
Oct/Nov	Review with participation of social partners	Conclusions sent to June EPSCO alongside other multilateral surveillance conclusions
Nov	Initial discussions on 2019 Annual Growth Survey and Joint Employment Report; preparatory work on Euro-area Recommendation	Feed-in to EPSCO debate and EMCO discussions in early 2019

¹ This will also incorporate monitoring of implementation of relevant 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** will continue to provide evidence-based advice to underpin EMCO work and debate. It will carry out a major part of the multilateral surveillance work under the Semester. It will also carry out a number of thematic reviews to support EMCO's work. 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 European 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. The group will also provide advice to EMCO on the technical aspects of the further development of the Social Pillar Scoreboard. The Group will also continue its work on evaluating the Indicator Frameworks for monitoring the Recommendations on the Youth Guarantee and Long-term Unemployed, and on analysing the results of the respective data collections. It will also continue its work on examining the quantitative aspects of the work on benchmarking policy areas.

COOPERATION WITH OTHER COMMITTEES

MCO 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. 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.

PROVISIONAL MEETINGS CALENDAR FOR FIRST HALF OF 2018

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

17 January	EMCO
25 January	PAG
31 January	Joint EMCO - EPC
1 – 2 February	EMCO
6 February	IG
22 February	PAG
6 – 7 March	EMCO – EDUC / EMCO
12 – 13 March	IG (w/ISG)
15 March	EPSCO Council
22 – 23 March	EMCO (Bulgaria)
10 April	IG
12 April	PAG
17 -18 April	Informal EPSCO
2 May	EMCO (Dialogue with Western Balkans and Turkey)
3 May	EMCO (Country Review)
23 May	IG

The Employment Committee's Policy Analysis Group

Work Programme for 2018

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 evidence-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 represented by thematic reviews and 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 an important role in examining the policy content of benchmarking instruments on the basis of proposals from the Commission and the EMCO Indicators Group underpinning the work on the Semester.

Moreover, the Policy Analysis Group will continue to liaise with the Network of Heads of Public Employment Services and will also follow the work of Eurofound. These tasks will require a close coordination between the group and EMCO.

Therefore, this work programme reflects the priorities of EMCO, as set out in the EMCO Work Programme for 2018 adopted at its latest meeting on 1 December 2017.

Work Priorities

In 2018, the Policy Analysis Group will continue to pursue multilateral surveillance to support EMCO's work on the European Semester.

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 its activities related to the European Pillar of Social Rights;
- Support EMCO in revisiting and updating its work on labour market segmentation, convergence, and intergenerational fairness;
- 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 2018) 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 2018) Thematic peer reviews of employment and active 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, Social Scoreboard 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 2018 (provisional)

Date	Review / agenda topics	Countries proposed for thematic peer review
25 January 2018	MLS review on wages and competitiveness	BG, DE, FR, IT, PT FI, HR, NL, RO
22 February 2018	MLS review on active labour market policies / PES reforms / Long-term Unemployment	BG, CY, CZ, FI, HR, LT, SI ES, HU, IT, LV, PT, RO, SK
12 April 2018	MLS review on labour market participation	BE, CZ, FR, IE, LU, PL, SE AT, DE, DK, EE, EL, IT, SK
17 October 2018	Benchmarking Mutual Learning Programme	
13 November 2018	Benchmarking Thematic review	
12 December 2018	Benchmarking Thematic review	

EMCO Indicators Group Work Programme 2018

a) EMCO IG Core Business

The Indicators Group in 2018 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 contribute to the refinement of the indicators and methodology used under the Joint Assessment Framework. 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. In addition, since a proposal from the Commission to review the Employment Guidelines is expected in late 2017, the EMCO IG will investigate whether there will be a need to revise the Joint Assessment Framework to reflect the amended Guidelines.
- It will provide the EMCO Annual Employment Performance Report which will represent EMCO's contribution to the preparation of the Annual Growth Survey for 2019.
- It will continue work, in co-operation with the SPC ISG, to further develop the methodology for selecting appropriate thresholds for the identification of horizontal trends on the basis of the EPM dashboard, notably for indicators not accompanied by statistical significance estimates.
- 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.

European Pillar of Social Rights

- The EMCO IG stands ready to support any work which EMCO may carry out concerning the monitoring of the developments of the European Pillar of Social Rights including the further development of the Social Scoreboard.

Monitoring of Council Recommendations

- The EMCO IG will continue its work on analysing the results of the data collections on monitoring the Council Recommendations on Youth Guarantee and Long-term unemployed. Where necessary, the EMCO IG will evaluate the pertinent Indicator Frameworks.

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

The EMCO IG is ready to follow up and support any work carried out by the Commission on employment indicators for monitoring of the UN Sustainable Developments Goals.

b) 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.

- 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 priorities 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 will continue its work, in cooperation with other relevant bodies (e.g. CEDEFOP, OECD, ILO and/or other competent bodies) on 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.
 - **Reconciliation of work and private life:** The IG, in cooperation with the SPC-ISG, will continue work on enhancing comparative EU-level data on this topic.

Other issues will be dealt with according to their relevance to the EMCO work or according to the EMCO IG mandate, provided that there are the resources and capacity to do so. Such issues include:

- **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.
 - **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.
 - **Social economy and entrepreneurship:** In the context of the discussions on the future of work, the EMCO IG will discuss the issue of social economy and social entrepreneurship in view of identifying possible definitions and relevant indicators.
- 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 (when and if necessary) 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

c) 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 but should not replace discussions in the working group on a regular basis.

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.

d) 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, and the scoreboard for monitoring of the European Pillar of Social Rights. 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 and the Social scoreboard, 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 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.