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## **PROPOSAL**

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	27 February 2019
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2019) 151 final
Subject:	Proposal for a COUNCIL DECISION on guidelines for the employment policies of the Member States

Delegations will find attached document COM(2019) 151 final.

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Brussels, 27.2.2019 COM(2019) 151 final

2019/0056 (NLE)

Proposal for a

## **COUNCIL DECISION**

on guidelines for the employment policies of the Member States

### EXPLANATORY MEMORANDUM

#### 1. CONTEXT OF THE PROPOSAL

The Treaty on the Functioning of the European Union provides that Member States are to regard their economic policies and promoting employment as a matter of common concern and shall coordinate their action within the Council. It provides that the Council is to adopt employment guidelines (Article 148), specifying that they must be consistent with the broad economic policy guidelines (Article 121).

While the validity of the broad economic policy guidelines is not limited to any specific period, the employment guidelines need to be drawn up each year. The guidelines were first adopted together ('integrated package') in 2010, underpinning the Europe 2020 strategy. In 2018 they were alligned with the principles of the European Pillar of Social Rights proclaimed in November 2017 by the European Parliament, the Council and the Commission, with a view to drive reforms at national level and to serve as a compass for a renewed process of convergence across Europe.

Along with the broad economic policy guidelines, the employment guidelines are presented as a Council Decision on guidelines for the employment policies of the Member States (Part II of the Integrated Guidelines) and provide the legal basis for country-specific recommendations.

The overall objectives and priorities expressed in the guidelines for the employment policies remain valid. By virtue of Article 148(2) TFEU, the validity of the Employment Guidelines for 2019 needs to be confirmed by a Council decision, following consultation of the European Parliament, the European Economic and Social Committee, the Committee of Regions and the Employment Committee. The employment guidelines were adopted on 16 July 2018, with the aim of ensuring a focus on policy implementation.

# 2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS

n.a.

## 3. LEGAL ELEMENTS OF THE PROPOSAL

OJ L 224, 5.9.2018, p. 4.

## Proposal for a

#### 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>1</sup>,

Having regard to the opinion of the European Economic and Social Committee<sup>2</sup>,

Having regard to the opinion of the Committee of the Regions<sup>3</sup>,

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

#### Whereas:

Member States and the Union are to 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, with a view to achieving the objectives of full employment and social progress set out in Article 3 of the Treaty on European Union.

- (2) In accordance with the Treaty on the Functioning of the European Union (TFEU), the Union has developed and implemented policy coordination instruments for fiscal, macroeconomic and structural policies. As part of those instruments, the present Guidelines for the Employment Policies of the Member States, together with the Broad Guidelines for the Economic Policies of the Member States and of the Union set out in Council Recommendation (EU) 2015/1184<sup>5</sup>, form the Integrated Guidelines for Implementing the Europe 2020 strategy. They are to guide policy implementation in the Member States and in the Union, reflecting the interdependence between the Member States. The resulting set of coordinated European and national policies and reforms are to constitute an appropriate overall economic and social policy mix that should achieve positive spill-over effects.
- (3) The European Semester combines different instruments in an overarching framework for integrated multilateral surveillance of economic, budgetary, employment and social policies and aims to achieve the Europe 2020 targets, including those concerning employment, education and poverty reduction, as set out in Council

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OJ C , , p. .

OJ C, , p. .

<sup>&</sup>lt;sup>3</sup> OJ C , , p. .

<sup>4</sup> OJ C . . p.

Council Recommendation (EU) 2015/1184 of 14 July 2015 on broad guidelines for the economic policies of the Member States and of the European Union (OJ L 192, 18.7.2015, p. 27).

Decision 2010/707/EU<sup>6</sup>. While promoting the policy objectives of boosting investments, pursuing structural reforms, and ensuring responsible fiscal policies, the European Semester has been continuously reinforced and streamlined since 2015. Its employment and social focus has notably been strengthened, and dialogue with the Member States, the social partners and representatives of civil society has been deepened.

- (4) In November 2017, the European Parliament, the Council and the Commission signed an inter-institutional proclamation for a European Pillar of Social Rights, setting out twenty principles and rights to support well-functioning and fair labour markets and welfare systems. The Pillar constitutes a reference framework to monitor the employment and social performance of Member States, to drive reforms at national level and to serve as a compass for a renewed process of convergence across Europe.
- (5) The Integrated Guidelines should form the basis for country-specific recommendations that the Council may address to the Member States. Member States should make full use of the European Social Fund and other Union funds when implementing the employment guidelines. Although the addressees of the Integrated Guidelines are the Member States and the Union, the guidelines should be implemented in partnership with all national, regional and local authorities, closely involving parliaments, as well as the social partners and representatives of civil society.
- (6) The Employment Committee and the Social Protection Committee should monitor how the relevant policies are implemented in light of the employment guidelines, in line with their respective Treaty-based mandates. Those committees and other Council preparatory bodies involved in the coordination of economic and social policies should work together closely. Policy dialogue between the European Parliament, the Council and the Commission should be maintained, in particular as regards the guidelines for the employment policies of the Member States.
- (7) The Social Protection Committee was consulted.
- (8) The Employment Guidelines adopted in 2018 should remain stable to ensure a focus on their implementation. In the light of an assessment of the developments of the labour markets and the social situation since the adoption of the employment guidelines in 2018, no update is necessary. The reasons for their adoption in 2018 remain valid; therefore those guidelines should be maintained,

## HAS ADOPTED THIS DECISION:

#### Article 1

The guidelines for the employment policies of the Member States, as set out in the Annex to Decision (EU) 2018/1215<sup>7</sup>, are maintained for 2019 and shall be taken into account by the Member States in their employment policies and reform programmes.

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

Council Decision (EU) 2018/1215 of 16 July 2018 on guidelines for the employment policies of the Member States (OJ L 224, 5.9.2018, p. 4).

This Decision is addressed to the Member States.

Done at Brussels,

For the Council The President