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NOTE

From:	General Secretariat of the Council
To:	Council
Subject:	Draft Council Conclusions on the role of labour market, skills and social policies for resilient economies - Approval - <i>Statement by Estonia</i>

Delegations will find in the annex a statement by Estonia in relation to the above-mentioned draft Council Conclusions.

STATEMENT BY ESTONIA**Council Conclusions on the role of labour market, skills and social policies for resilient economies**

Estonia supports the goal of the Council Conclusions to facilitate better and more comparable measurement of economic effects of labour market, skills and social policies at the national level. Whereas stressing, that such quantifying assessments must remain voluntary.

While certain social policies will undoubtedly foster macroeconomic stability, it is crucial to maintain a balance between social welfare spending and long-term fiscal sustainability in the EU (and in the euro area).

Therefore, the intention of any future work stemming from the Conclusions should not be to weaken the implementation of the EU's economic and fiscal governance rules. In particular, it should not encourage Member States to create new and undefined concepts – such as social investments – that could potentially be used to extend the fiscal adjustment periods of any Member State. Introducing at EU level such approaches, that are not supported by evidence-based methodologies, would particularly serve the interests of Member States with high social protection expenditure and high unsustainable public debt levels, which would undermine the effective implementation of EU's fiscal and budgetary rules and safeguarding the ultimate aim of the Stability and Growth Pact.

Moreover, all discussions regarding the implementation of the economic governance rules should stay in the remits of ECOFIN.