



European Commission **« Employment Package »**

Communication from the Commission

Towards a job-rich recovery
COM(2012)173



Why the need for this Communication?

- Economic crisis and high unemployment levels
- Employment rate target of 75% in 2020
- Fiscal consolidation **and** economic/employment recovery plans
- Create favourable conditions for job creation
- Mobilisation of all actors and resources





What are the aims of the Communication?

- **Medium-term agenda** for a job-intensive recovery
- Trigger job creation by **stimulating demand**
- Make EU labour markets more inclusive, dynamic, competitive and resilient
- Address need to **invest in skills** and **enhance workforce mobility**
- **Strengthen** employment & social dimension in **EU governance**,
- Involve **Social Partners** more closely in decision making



'Priorities in support of job creation' (I)

1. *Encouraging labour demand, through:*

- Targeting hiring subsidies towards **new recruitments**
- Reducing **the tax wedge** on labour in a **budgetary neutral way** by shifting towards environmental, consumption or property taxes
- Promoting and supporting **self-employment**, social enterprises and business start-ups
- **Transform** informal or **undeclared work** into regular employment
- Boost '**take home**' pay to fight **in-work poverty** or to **encourage the take-up of work**
- Modernise **wage-setting systems** to align them with productivity developments and support aggregate demand



'Priorities in support of job creation' (II)

2. Exploit the job creation potential of key sectors

- Embrace **green growth** and move towards **resource efficiency** economies
- Perceive **demographic** changes as an **opportunity** for boosting jobs in healthcare
- Reap the **pervasiveness and growth** of ICT for users, practitioners and firms

3. Mobilise EU funds for Job Creation (2014-2020)

- **Align and coordinate** Cohesion Policy funds; ESF & ERDF
- **Extend and widen** scope of European Microfinance Facility & European Globalisation Fund
- **Better exploit** job creation potential of Agricultural & Fisheries Funds





'Priorities to restore the dynamics of labour markets' (I)

1. Reform labour markets to secure inclusive transitions, by:

- Using **internal flexibility** to reduce insecurity and fiscal costs
- Guaranteeing **decent and sustainable wages** and avoiding low-wage traps
- Make **transitions pay**
- Combatting labour market **segmentation** through adequate contractual arrangements
- **Anticipate** economic restructuring
- **Developing lifelong learning** policies as a key to employment security
- Delivering employment **opportunities for youth**



'Priorities to restore the dynamics of labour markets' (II)

2. Mobilise all actors, by:

- Reinforcing **social dialogue**
- Redefining the **primary and core competences** of Public Employment Services
- **Pooling resources** and focusing on effective partnerships

3. Invest in skills, through:

- A better **monitoring** of skills needs
- Improved **recognition** of skills and qualifications
- Strengthening **synergies** between the worlds of education and work

4. Towards a European labour market, via:

- **Removing** legal, and practical **obstacles** to free movement of workers
- Enhancing **matching** of jobs and job-seekers across borders
- Considering impacts of EU inward and outward **migration**





'Priorities to enhance EU employment policy governance'

- *Complement national reporting with enhanced multilateral surveillance*
 - **National Job Plans** to report on actions to remedy structural weaknesses and boost jobs
 - Strengthened **Peer Pressure** mechanisms at EU level via CSRs and EMCO reviews
 - **Labour Market Monitoring** system objectively flagging non CSR-compliant countries
- *Reinforce the involvement of Social Partners*
 - Through **consultation and coordination** ahead of the European Semester cycles
 - Through the **macro-economic dialogue** and the **Tripartite Social Summit**
- *Better link policy objectives and use of funds*
 - **Multiannual Financial Framework** (2014-2020) to invest in human capital
 - **Enhanced coordination** of ESF and all other European Funds
 - Reassess **national budgetary priorities** accordingly



Accompanying Staff Working Documents

1. *Implementing the Youth Opportunities Initiative*
2. *Exploiting the employment potential of ICTs*
3. *Exploiting the employment potential of green growth*
4. *An action plan for the EU healthcare workforce*
5. *Open, dynamic and inclusive labour markets*
6. *Labour market trends and challenges*
7. *Reforming EURES to meet the goals of Europe 2020*
8. *SWD Quality Framework for Traineeships (Public Consultation)*
9. *Exploiting the employment potential of personal and household services (Public Consultation)*

