



#### BACKGROUND 1

# EMPLOYMENT, SOCIAL POLICY, HEALTH AND CONSUMER AFFAIRS COUNCIL

#### **Brussels, 29 February 2008**

(employment and social policy items only)

The Council's meeting will start at 10:00, under the Presidency of **Ms Marjeta COTMAN**, Minister for Labour, the Family and Social Affairs of Slovenia.

The Council will begin by holding a policy debate (public debate) with a view to adopting **key messages** addressed to the **Spring European Council** on the issues concerning employment, social policy and equal opportunities. This exchange of views will also serve as the Council's preparation of the **Tripartite Social Summit**.

In the same context, the Council will be informed by the Commission on the launching of the new Lisbon strategy cycle for 2008-2010 and is expected to reach political agreement on a recommendation on the 2008 up-date of the broad guidelines for the economic policies of the Member States and the Community and on the implementation of Member States' employment policies and to agree on a general approach on guidelines for the employment policies of the Member States as part of the Integrated Guidelines for Growth and Jobs.

The Council will also adopt the **joint reports** 2007/2008 on **employment**, as well as on **social protection** and social **inclusion** and will be informed by the Commission on its **report on equality between women and men** for 2008.

Finally, the Council will be asked to endorse the joint Employment Committee/Social Protection Committee opinion on the Commission communication on the **Single Market Review** and to reach political agreement on a resolution on the situation of **persons with disabilities** in the European Union.

The Presidency will hold a press conference at the end of the meeting [+/-13h30].

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# Preparation of the Spring European Council

# Key Messages (public debate)

The Council will hold a policy debate with a view to finalising key messages to the Spring European Council in the fields of employment, social policy and equal opportunities. The debate will be based on the following documents:

- the Commission's Strategic report on the renewed Lisbon strategy for growth and jobs: launching the new cycle (2008-2010) "*Keeping up the pace of change*" (16714/07);
- a draft Joint Employment Report 2007/2008;
- a proposal for a Council Decision on Guidelines for the Employment Policies of the Member States;
- the Commission Recommendation for a Council Recommendation on the 2008 up-date of the broad guidelines for the economic policies of the Member States and the Community and on the implementation of Member States' employment policies;
- a draft Joint Report on Social Protection and Social Inclusion 2008;
- the Commission's 2008 report on equality between women and men (5710/08).

The discussion will be framed by the following questions suggested by the presidency (6575/08):

- ➤ How can we facilitate successful shifts of labour (re)allocation in a changing and competitive economy? How can we enable qualified people to turn creativity and innovation into employment and economic growth? How can we thus ensure that everyone's skills match the needs of the labour market?
- > To what extent are improved economic conditions and higher job creation helping reducing poverty, including child poverty, and benefiting those furthest from the labour market? What are the most appropriate tools to this end?
- As emphasised in the Key Messages, ownership is the key to success. What kind of efforts could be undertaken to further strengthen the active involvement of social partners and other stakeholders to take the reform agenda forward?

The Council will adopt key messages on the of a document jointly prepared by the employment and social protection committees (5986/08), addressing essentially the following topics:

- the new Lisbon cycle;
- prioritising action for more and better jobs;
- *strengthening social cohesion and modernising social protection.*

The key messages were prepared on the basis, in particular, of:

- the draft Joint Employment Report 2007/2008;
- the draft Joint Report on Social Protection and Social Inclusion, 2008;

Those key messages are intended to be reflected in the Spring European Council conclusions.

 Communication from the Commission "Keeping up the pace of change": Strategic report on the renewed Lisbon Strategy for growth and jobs: launching the new cycle (2008-2010)

The Commission will present its annual progress report which represents the essential background to the whole of the Council's preparation of the Spring European Council (16714/07 + ADD1).

 Joint Reports on Employment 2007/2008 and on Social Protection and Social Inclusion 2008

The Council will adopt the 2007/2008 draft joint Commission and Council reports on Employment, and on Social Protection and Social Inclusion.

The two reports, which will be submitted to the Spring European Council, take stock of progress made and of that still to be made on the achievement of the objectives of the Lisbon strategy for growth and jobs.

The joint **employment** report (5984/08 + COR1) is intended to contribute to the European Council's conclusions, on which the employment part of the 2008 guidelines will be based<sup>2</sup>. It assesses the employment policy part of national reform programmes, addressing the following issues:

- Progress in achieving the objectives of the European Employment Strategy:
  - Full employment;

inclusive labour markets.

- Quality and productivity at work;
- Social and territorial cohesion.
- *Implementing the priorities for action:* 
  - Attract and retaining more people in employment, increase labour supply and modernise social protection systems;
  - Improve the adaptability of workers and enterprises;
  - Increase investment in human capital through better education and skills.
- Prioritising action for more and better jobs.

The joint report on **social protection** and **social inclusion** (6214/08 + COR1) covers the policies in the fields of social inclusion, pensions, health and long-term care. It looks into the interaction between the open method of coordination<sup>3</sup> and the Lisbon strategy for growth and jobs in these fields and outlines the future developments of the open method of coordination.

Under the heading "Employment", Article 125 of the Treaty provides that the Member States and the Community are to work towards developing a coordinated strategy for employment, the objectives of which it defines. The joint employment report, the recommendations to the Member States and the annual employment guidelines are all components of the European Employment Strategy (EES) launched by the European Council meeting in Luxembourg in November 1997. The annual EES procedure is defined in Article 128 of the Treaty: on the basis of a joint annual report by the Council and the Commission, the European Council shall each year consider the employment situation in the Community and adopt conclusions thereon. On the basis of those conclusions, the Council shall each year draw up guidelines which the Member States shall take into account in their employment policies. The Member States shall provide the Council and the Commission with annual national reform programmes on the principal measures taken in the light of those guidelines. On the basis of those programmes, the Council shall each year carry out an examination of the implementation of the employment policies of the Member States, and it may make recommendations to Member States. In addition, on the basis of the results of that examination, the Council and the Commission shall make a joint annual report to the European Council on the employment situation in the Community. Since 1997 the EES has been reinforced by initiatives taken at spring European Council meetings. At present, within the framework of a three-year cycle, the EES has three general objectives: full employment, quality and productivity at work, cohesion and an

The open method of coordination, set up in 2000 by the Lisbon European Council, provides a flexible framework for policy coordination between Member States without legal constraints. It concerns areas falling within the competence of Member States and involves common objectives and indicators, national strategic reports and joint evaluation of the strategies in co-operation with the European Commission.

While last year's joint report examined the first set of national strategic reports submitted under this coordination method, the joint report 2008 provides a deepened analysis of selected themes. summarising the lessons learnt. It addresses the following topics:

- Mutual interaction between the Open Method of Coordination (OMC) and the Lisbon strategy for growth and jobs:
  - *Efforts to reduce child poverty;*
  - Promoting longer working lives;
  - Securing privately funded pension provision;
  - Reducing inequalities in health outcomes;
  - increasing access to quality long-term care.
- Future developments of the Open Method of Coordination

The joint report confirms the continuing validity of the common social objectives agreed in 2006<sup>4</sup> and stresses the importance of mutual supportive interaction between social and economic policies. It notes that agreement has been reached on improving working methods, in particular by a more context- and process-orientated approach, better use of all available instruments, continuous involvement of stakeholders and better dissemination of results.

Integrated guidelines for Growth and Jobs (2008-2010): proposal for a Council Decision on Guidelines for the Employment Policies of the Member States.

The Council should agree on a general approach<sup>5</sup> on a decision on Guidelines for the Employment Policies of the Member States, in the framework of Integrated Guidelines for Growth and Jobs (6752/08).

The Employment Guidelines of the European Employment Strategy and the Broad Economic Policy Guidelines have been adopted as an integrated package<sup>6</sup>, whereby the European Employment Strategy has the leading role in the implementation of the employment and labour market objectives of the Lisbon Strategy.

The draft Employment Guidelines - part of the Integrated Guidelines for the period 2008 -2010 -are the following:

It is expected that the European Parliament will deliver its opinion in May.

Common objectives: http://ec.europa.eu/employment social/spsi/common objectives en.htm

OJ L 205, 6.8.2005 p. 21 (Employment Guidelines) and p. 28 (Broad Economic Policy Guidelines).

# **Employment guidelines:**

- 17. Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion.
- 18. Promote a life-cycle approach to work.
- 19. Ensure inclusive labour markets, enhance work attractiveness, and make work pay for job-seekers, including disadvantaged people, and the inactive.
- 20. Improve matching of labour market needs.
- 21. Promote flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of the social partners.
- 22. Ensure employment-friendly labour cost developments and wage-setting mechanisms.
- 23. Expand and improve investment in human capital.
- 24. Adapt education and training systems in response to new competence requirements.
- Council Recommendation on the 2008 up-date of the broad guidelines for the economic policies of the Member States and the Community and the implementation of Member States' employment policies

In addition the Council should reach political agreement on a recommendation on the 2008 up-date of the broad guidelines for the economic policies of the Member States and the Community and the implementation of Member States' employment policies (6775/08).

According to the recommendation, each Member State should take action at national level along the lines set out in the Annex and report on their follow up in their next programmes in the framework of the renewed Lisbon strategy for growth and jobs.

Some specific actions are foreseen for those Member States belonging to the Euro Area.

The Commission presented on 11 December 2007 the above-mentioned recommendation for a Council recommendation based, as far as the Broad Economic Policy Guidelines (BEPGs) are concerned, on Article 99(2) of the Treaty and, as far as the Member States' employment policies are concerned, on Article 128(4). As in 2007, the Recommendation combines in a single text, in the spirit of the Integrated Guidelines, elements which had in earlier years been the subject of separate instruments based on the two different Treaty articles.

# - Commission's 2008 Report on equality between women and men

The Commission will submit its annual report on equality between women and men (5710/08), as requested by the European Council in Spring  $2003^7$ .

The report acknowledges the progress achieved in terms of quantity, but underlines the need to boost the qualitative aspect of equality. It recommends focusing attention in 2008 on:

- creating more and better jobs for women in order to foster equal economic independence;
- including a gender perspective in all aspects of job quality;
- improving the supply and quality of services that help reconcile professional and private life for both men and women;
- tackling stereotypes in education, employment and the media;
- developing tools to assess the impact of policies from the gender perspective.

#### **Preparation of the Tripartite Social Summit**

As part of the preparation of the Spring European Council, the Council's exchange of views will cover the preparation of the tripartite social summit for growth and employment to be held in Brussels on 13 March, prior to the Spring European Council.

The participants will have the opportunity to comment on two main topics to be considered by the European Council, namely the new cycle of the Lisbon Strategy and the climate and energy package.

Submitted by the Commission as requested by the European Council in March 2003 (see 8410/03, section 47).

In addition the social partners will be invited to present their plans with regard to the follow-up of the joint analysis of European labour markets which they presented a few months ago.

The task of the tripartite social summit for growth and employment, which was established by Decision 2003/174/EC<sup>8</sup>, is to ensure that there is a continuous social dialogue between the Council, the Commission and the social partners at the highest level.

The troika (the current and two subsequent presidencies) of the Heads of State or Government and of Ministers for Employment, President Barroso, Commissioner Špidla, responsible for social affairs, and delegations of the social partners meet before each Spring European Council to examine the components of the re-launched Lisbon strategy for growth and jobs.

# **Single Market Review**

The Council should endorse the opinion of the joint Employment/Social Protection Committee on the Commission Communication on the Single Market Review (6768/08).

It was considered essential that both Committees look closely at the Commissions' review package containing, respectively, communication on:

- A single market for 21st century Europe;
- Services of general interest, including social services of general interest: a new European commitment;
- Opportunities, access and solidarity: towards a new social vision for 21st century Europe.

<sup>&</sup>lt;sup>8</sup> OJ L 70, 14.3.2003, p. 31.

# Resolution on the situation of persons with disabilities in the European Union

The Council is expected to reach political agreement on a resolution on the situation of persons with disabilities (6769/08).

The resolution, a legally non-binding instrument, responds to the Commission's Communication on this subject, which sets out the priorities for 2008-2009 in the context of the European Disability Action Plan (2003-2010). It invites the Member States and the Commission to ensure that:

- persons with disabilities enjoy their human rights in full, and
- employment, education and training, mainstream goods, services and infrastructure as
  well as information and communication technologies are better accessible for persons
  with disabilities, as this is a precondition for their autonomy and their inclusion and
  participation.

In order to achieve these objectives, it calls for various actions, including:

- concluding, ratifying and implementing the United Nations Convention on the Rights of Persons with Disabilities<sup>9</sup>, signed by the European Community and its member states in 2007;
- further developing a comprehensive policy-mix of all appropriate instruments with a view to eliminating discrimination and integrating persons with disabilities into society;
- encouraging the gradual replacement of care institutions by community-based alternatives, wherever appropriate;
- starting work on a future European disability strategy to succeed the current action plan;
- maintaining a dialogue among all stakeholders.

In addition, the institutions of the European Union should continue to apply an equal opportunities policy to job applicants and to further improve the accessibility of their buildings for people with disabilities.

9

http://www.un.org/disabilities/convention/conventionfull.shtml

#### **OTHER BUSINESS**

- a) Work Programme of the Employment Committee 2008 Oral information from the Chair
- (b) Work Programme of the Social Protection Committee 2008 Oral information from the Chair

The Council will be informed by the chairs of the employment committee, and of the social protection committee on their respective work programme for 2008.

(c) Mission for Flexicurity – Information from the Commission

The Commission will present to the Council the Mission for Flexicurity (6793/08).

(d) Language regime of the European Institute for Gender Equality – Request from the Spanish delegation

The Council will be informed by the Spanish delegation of its concerns regarding the language regime of the Management Board of the European Institute for Gender Equality (6770/08).