



Priorities for the 2020 European Semester

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Employment and Social Aspects of the European Semester

European Economic and Social Committee Public Hearing
„Civil society contribution to the next European Semester cycle“

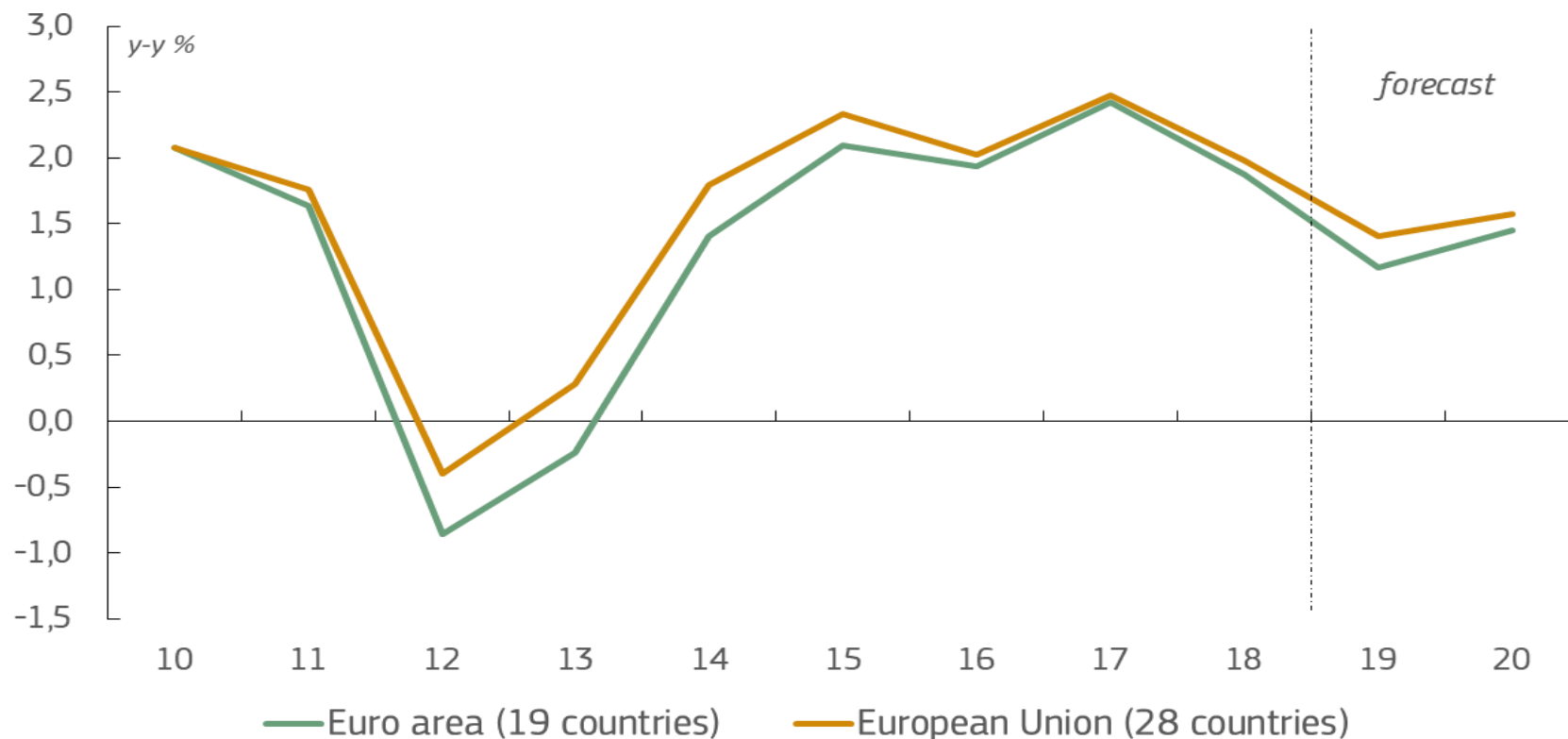
Brussels, 12 September 2019

Presentation outline

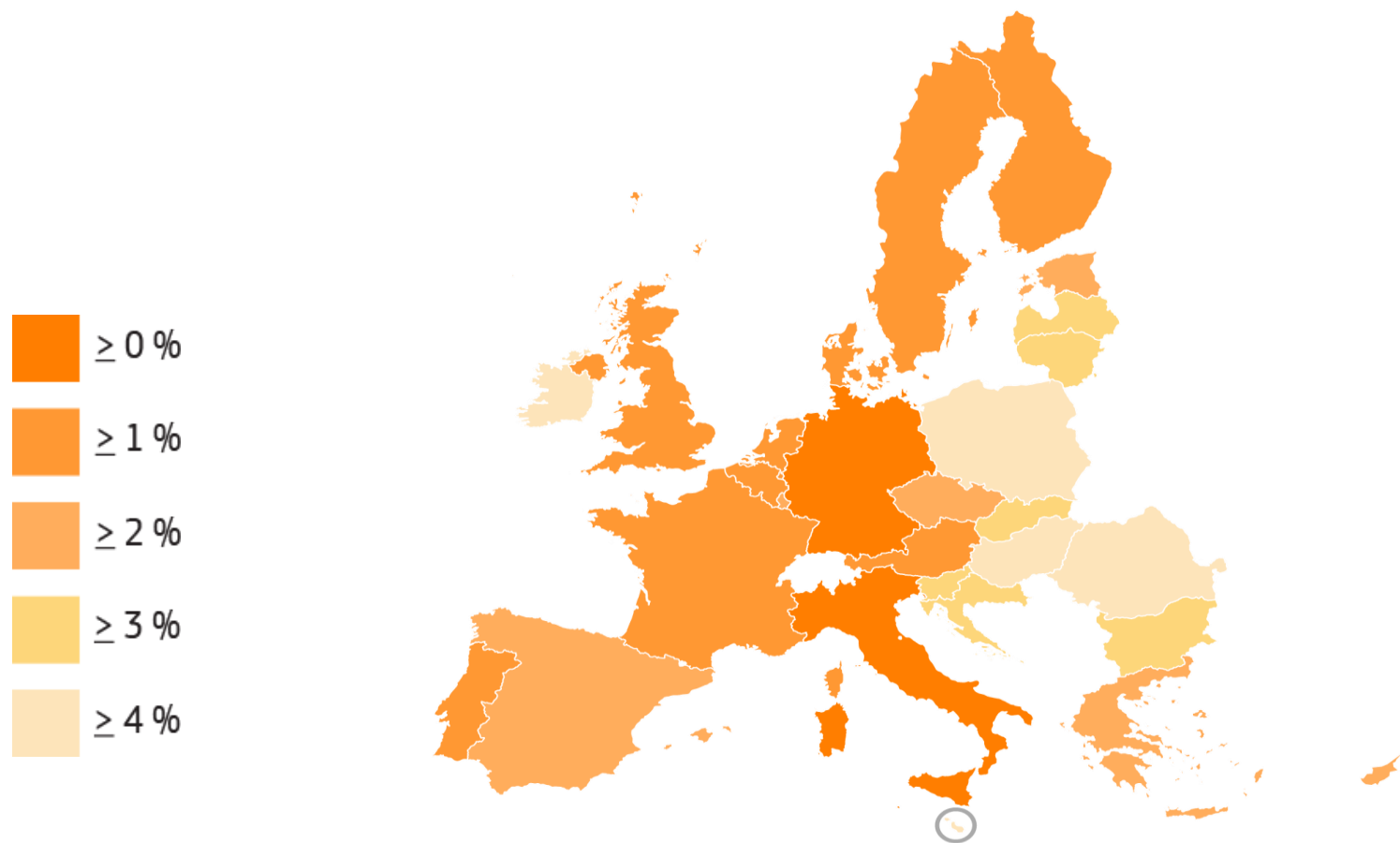
- Macroeconomic and social developments
- Main novelties and messages of the European Semester 2019
- Priorities for the upcoming European Semester cycle

Growth to continue but clouded by external factors

Real GDP growth rate

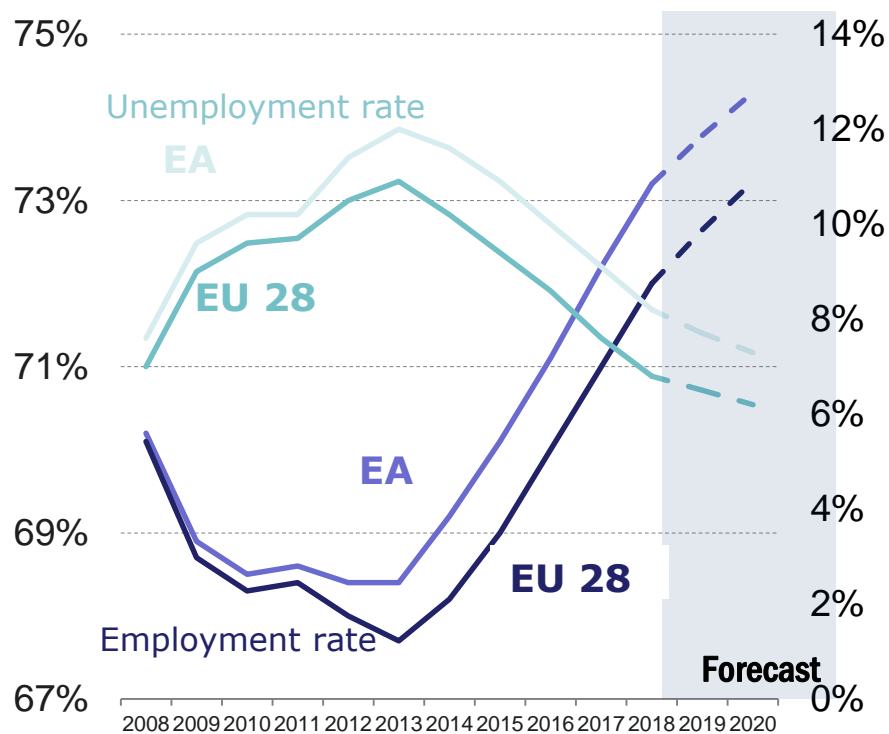


EU growth map 2019

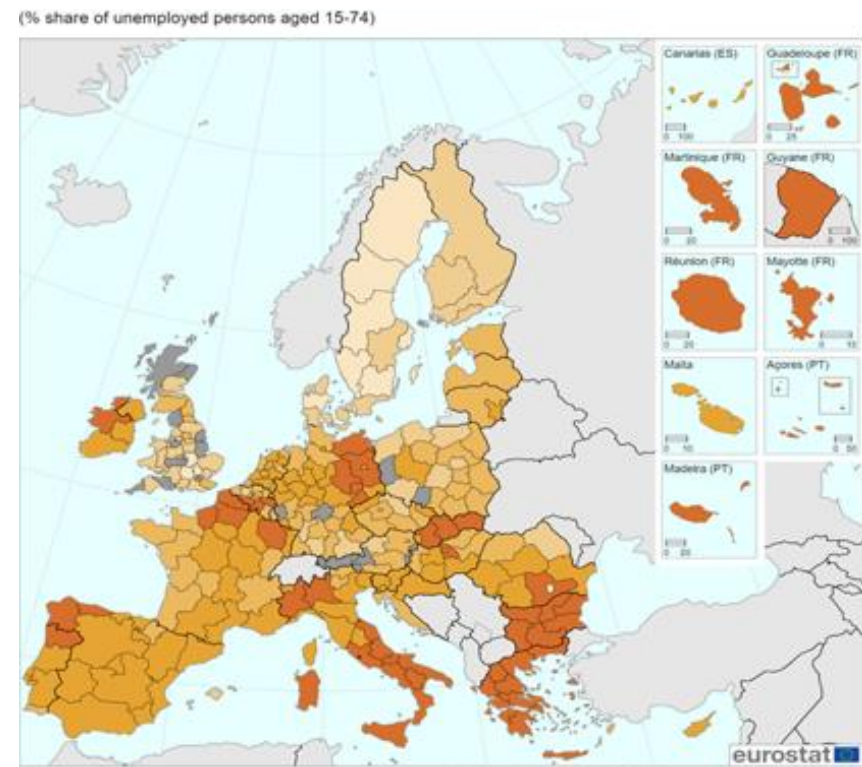


Record EU employment and unemployment rates but still pronounced divergences incl. at regional level

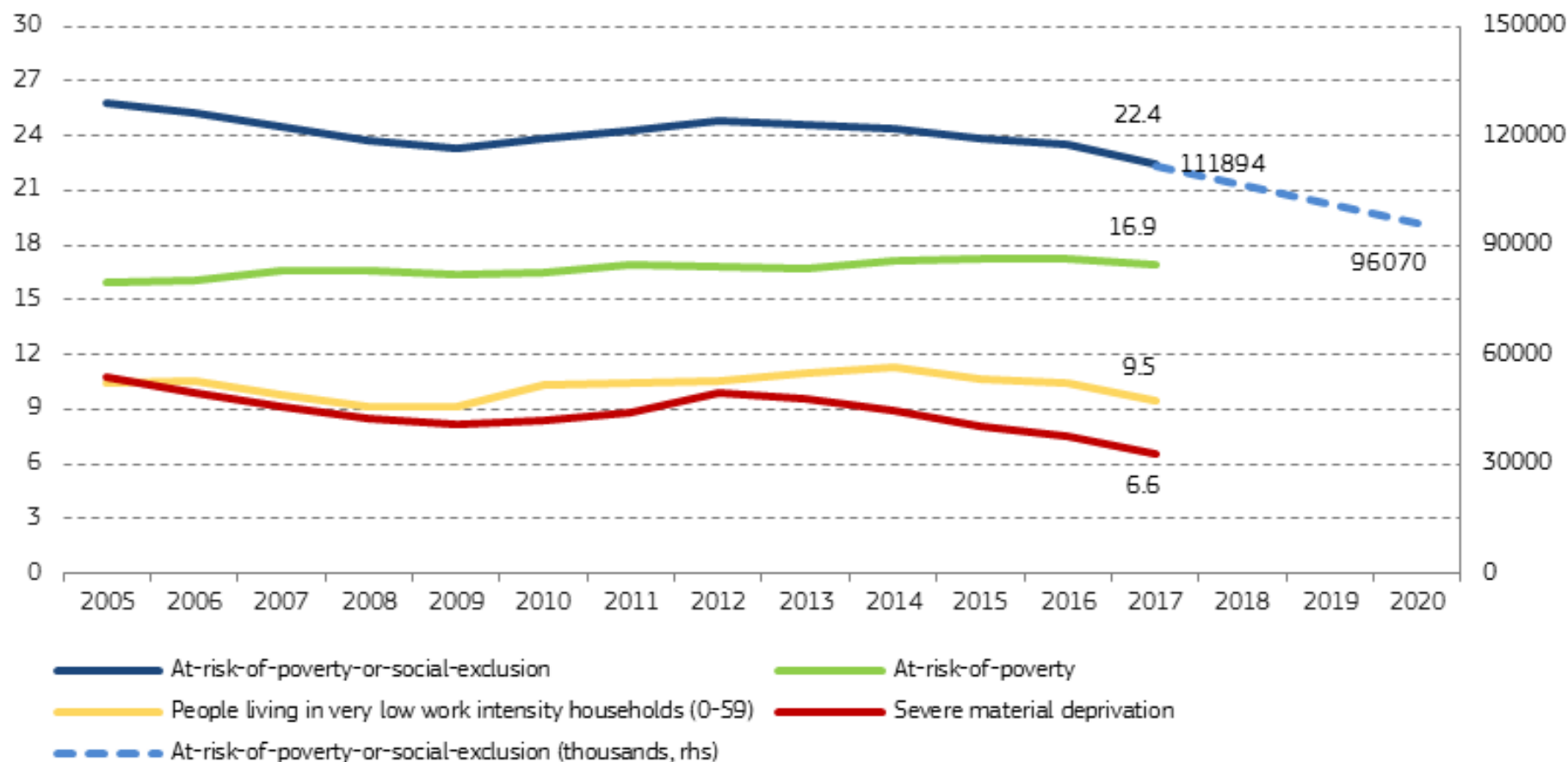
Unemployment rate (15-74): right scale
Employment rate (20-64): left scale



Long-term unemployment shares
(by NUTS 2 regions, 2017)



The social situation continues to improve (AROE)



Challenges from mega-trends: ageing and digitisation

- **Ageing:** EU projected to move from 4 working-age people for every person aged over 65 years in 2010 to around 2 by 2070
- Some 70 million (i.e. almost 1 in 7) Europeans lack adequate **reading and writing skills**; poor **numeracy and digital skills** are also an issue
- More than half of the 12 million long-term unemployed are considered as low-skilled

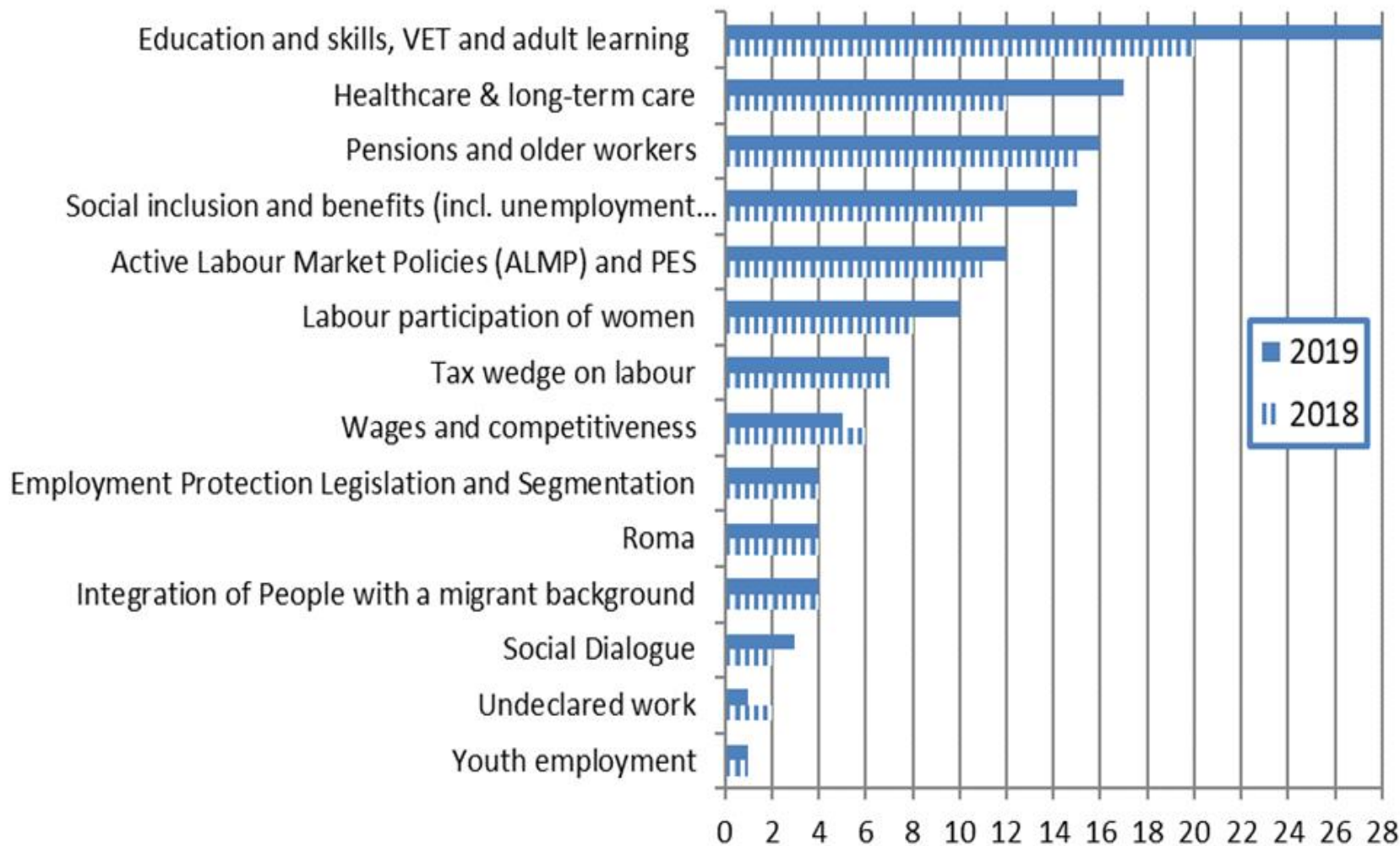
CSRs 2019

- The 2019 CSRs reflect priorities of the **Annual Growth Survey**:
 - Boost investment
 - Pursue structural reforms
 - Ensure responsible fiscal policies
- They take into account the **recommendation for the euro area** (Autumn package)
- They reflect principles under the **European Pillar of Social Rights**

Sem 2019: better link Semester – EU funding

- Investment guidance for cohesion policy funding over next programming period (2021-27) in annex to the **2019 Country Reports**
- **2019 CSRs**: stronger focus on investment
- EU funds can help addressing investment gaps identified in CSRs

2019 CSRs per policy area



2019 CSRs on labour market

	Education and labour market relevance of Education, Skills, VET and adult learning	28 CSRs
	Active Labour Market Policies (ALMP) and Public Employment Services (PES)	12 CSRs: BE, BG, CY, CZ, EL, ES, FI, HR, HU, IE, IT, SI
	Wages and competitiveness	5 CSRs: DE, EE, HR, NL, RO
	Labour participation of women	9 CSRs: AT, CY, CZ, DE, EE, IE, IT, PL, SK
	Employment Protection Legislation and Segmentation	4 CSRs: ES, NL, PL, PT
	Tax wedge on labour	7 CSRs: AT, BE, DE, FI, IT, LT, LV

2019 CSRs on social protection and social inclusion

	Healthcare and long-term care	18 CSRs: AT, BE, BG, CY, CZ, EE, EL, FI, HU, IE, LT, LV, MT, PL, PT, RO, SI, SK
	Pensions and older workers	16 CSRs: AT, BE, CZ, DE, ES, FR, IE, IT, LU, LV, MT, NL, PL, RO, SI, SK
	Social dialogue	3 CSRs: HU, PL, RO

Political Guidelines for the next European Commission 2019-2024

- "I want Europe to strive for more when it comes to **social fairness and prosperity**"
- "We must do more **to fight poverty**"
- "I will refocus the European Semester into an instrument that integrates the **United Nations Sustainable Development Goals**"
- "I will put forward an action plan to fully implement the **European Pillar of Social Rights**"

Political Guidelines for the next European Commission 2019-2024

- Initiatives announced:
 - legal instrument on fair minimum wage
 - improving labour conditions of platform workers
 - Proposal of a European Unemployment Benefit Reinsurance Scheme
 - European Child Guarantee
 - Full implementation Work-Life Balance Directive
 - Youth Guarantee into permanent instrument
 - Sufficient ESF+ investment on ECEC
 - new European Gender Strategy

Mission letter to the Commissioner-designate for jobs

- ensure those in work are supported to earn a living and those out of work are supported to find a job and gain the skills they need
- our best instrument to deliver on this is the **European Pillar of Social Rights**
- develop an action plan to implement the Pillar, working closely with the Member States and fully respecting the subsidiarity principle

Mission letter to the Commissioner-designate for jobs (ctd)

- work closely with Member States to **strengthen social protection systems** in Europe, notably by using the European Semester to monitor progress and identify areas for improvement
- work on implementing and **updating our skills agenda**, focusing on identifying and filling skills shortages and supporting reskilling as part of the just transition

European Pillar of Social Rights: the 20 principles and rights

Equal opportunities and access to the labour market

- Education, training and life-long learning
- Gender equality
- Equal opportunities
- Active support to employment
- Secure and adaptable employment

Fair working conditions

- Wages
- Information about employment conditions and protection in case of dismissals
- Social dialogue and involvement of workers
- Work-life balance
- Healthy, safe and well-adapted work environment

Adequate and sustainable social protection

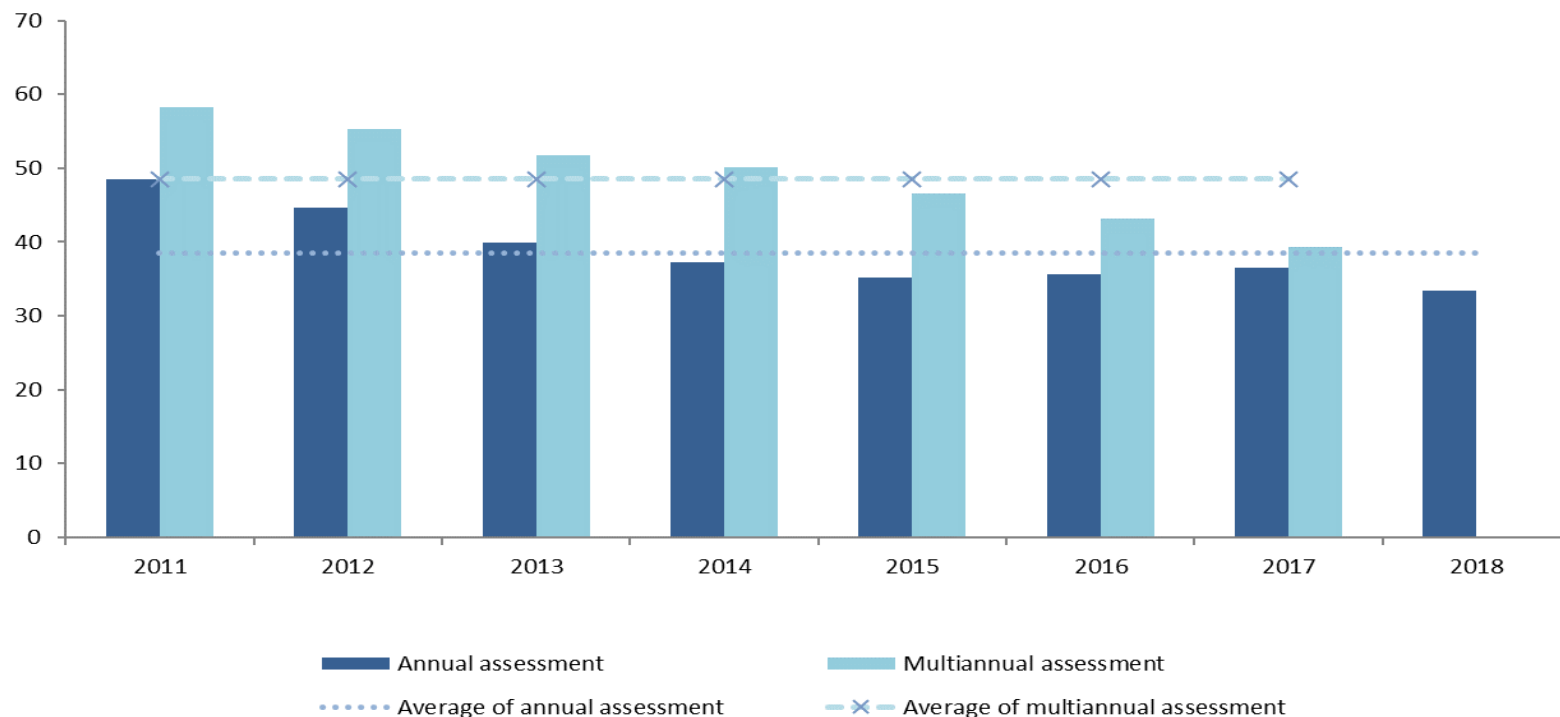
- Childcare and support to children
- Social Protection
- Unemployment benefits
- Minimum income
- Old age income and pensions
- Health care
- Inclusion of people with disabilities
- Long-term care
- Housing and assistance for the homeless
- Access to essential services

The UN SDGs



Multiannual assessment of CSRs by European Semester cycle

- Broadly stable progress compared to last European Semester cycle
- Highest level of progress in implementation of CSRs adopted in 2011 & 2012



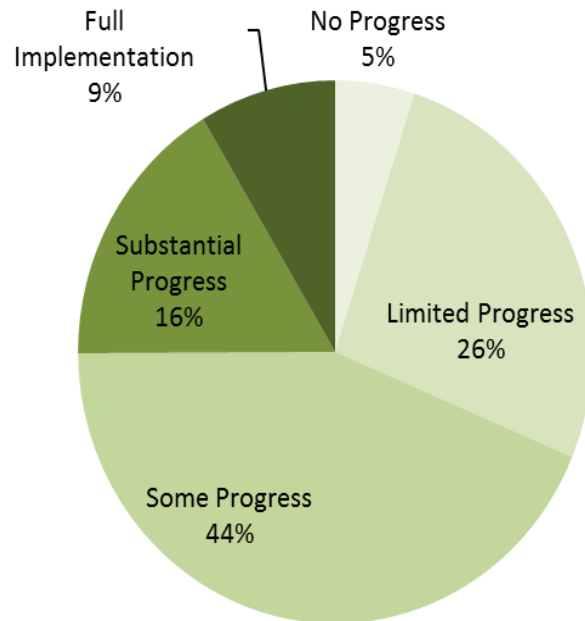
* The overall assessment of the country-specific recommendations related to fiscal policy excludes compliance with the Stability and Growth Pact

** 2011 annual assessment: Different CSR assessment categories

*** The multiannual CSR assessment looks at the implementation until 2019 Country Report since the CSRs were first adopted.

Overall multiannual assessment of CSR implementation

Level of implementation today of 2011-2018 CSRs (assessed by subparts)



When looking at CSR implementation since the start of the European semester in 2011, 69% of the CSRs adopted in 2011-2018 have been implemented with at least 'some progress'.