



Employment, Social Policy, Health and Consumer Affairs Council
Employment and Social Policy issues
Monday 7 March in Brussels (LEX building)

The Council meeting, starting at 9.30, will be chaired by Mr Lodewijk Asscher, Netherlands' vice Prime Minister and minister for Social Affairs and Employment. Most of the meeting will be public and can be followed by video streaming at <http://video.consilium.europa.eu/>.

The Council will hold a policy debate on the employment and social policy aspects of the **2016 European Semester** exercise, focusing on the implementation of country specific recommendations.

The Council will hold a policy debate on a new **skills agenda** to be presented by the Commission at the end of this semester.

The Commission and the Presidency will inform the Council on recent developments concerning the new start for **social dialogue** and on the March tripartite Social summit.

The Commission is expected to update the Council on **labour mobility** with a specific focus on the upcoming proposal for a targeted revision of the posting of workers directive.

The Council is due to endorse the Employment Committee's key messages on the way forward for the **youth guarantee** post-2016.

It will be called on to adopt conclusions on **gender equality** and on **LGBTI** equality.

Over an informal lunch ministers will have a discussion on **older workers and job seekers**.

The Presidency will hold a press conference in the LEX building before lunch (+/- 12.30).

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Press conferences and public events by video streaming: <http://video.consilium.europa.eu>

Video coverage in broadcast quality (MPEG4) and photo gallery on: www.eucouncil.tv.

¹ This note has been drawn up under the responsibility of the press office.

European Semester 2016

The Council will hold a [policy debate](#) on the employment and social policy aspects of the 2016 European Semester exercise.

Ministers discussion will be guided by following questions put by the presidency:

- Structural reforms often lead to a redistribution of collective wealth: some stand to gain, whilst others stand to lose. How can 'inclusive' structural reforms best be safeguarded? How can the politically unfavourable mismatch between the short-term negative consequences of reforms and electoral cycles be reconciled?
- Were the country specific recommendations (CSR) themselves conducive to implementation? Should ownership be increased by giving member states more discretion to pursue their own preferred policy response, or should the CSR rather be sufficiently specific to avoid 'reinterpretation' for the member states' own benefit (and thus creating pressure for necessary, yet unpopular reforms)?
- What advice would you give as regards CSR implementation? Which factors contributed to successful CSR implementation in your country and what barriers did you have to overcome? Having successfully implemented a CSR in full, did it lead to the expected positive outcomes? If not, is this due to the time lag in producing results?

The format of the debate is new since it will focus on the implementation of country specific recommendations (CSR), and more precisely on **labour market segmentation and contractual arrangements** ([6151/16](#) + [ADD1](#)), on the basis of a note of the Employment Committee (EMCO). The aim is to have a dynamic and interactive discussion in which member states will exchange and share their experiences.

According to this note, labour market policies need to balance flexibility and security. In the 1990s and early 2000s, several countries implemented reforms of the labour market increasing flexibility at the margin. Extending the scope of fixed-term contracts and introducing a rich menu of contractual arrangements was a common response to firms' demand for flexibility, amidst a general resistance to reforms of employment protection legislation for open-ended contracts.

As a consequence, labour market risks have become increasingly concentrated on specific groups of the population, while higher contractual instability provided both workers and firms with weak incentives to invest in human capital, and lead to weak job prospects, low unemployment benefit coverage and, overall, weak growth prospects.

In response to this challenge, several far reaching and comprehensive reforms have been enacted in the last years.

The Council will take note of Commission's presentation of the [country reports](#) for 2016.

Annual growth survey (AGS)/ Joint employment report

The Council is to adopt the [joint employment report](#) and also [Council conclusions](#) dealing with the latter and the annual growth survey.

The **annual growth survey** outlines priority actions to be taken by member states in order to ensure better coordinated and more efficient policies for putting the EU's economy on a path to sustainable growth.

The **joint employment report** contains an analysis and messages based on the employment and social situation in member states. This annual report constitutes the basis for the European Council to consider the employment situation in the EU.

Employment guidelines

The Council will reach an agreement on [guidelines](#) for the employment policies of the member states.

The 2015 employment guidelines were adopted by the EPSCO Council at its session of 5 October 2015. For 2016, the Commission proposes to maintain the employment guidelines unchanged.

Skills agenda

The Council will hold a policy debate on a new skills agenda on the basis of a Presidency [policy note](#). The Commission is expected to present the new skills agenda at the end of this semester.

The discussion will provide useful policy orientations from the labour market perspective. It will also complement the policy debate held at the Education Council in February by the education ministers.

The initiative was announced in 2016 Commission work programme. The skills agenda should be a cross-cutting set of proposals which concerns several policy areas, such as employment, education, competitiveness.

The discussion will focus on the following questions:

- **Shaping the skills agenda**

What should the EU focus on and how could the European Commission best be of help in this? Would it be helpful to develop benchmarks in order to assess member states' performances and should they be used in the framework of the European Semester?

- **Transition from education to employment**

How could employment policies and employers contribute to an improved skills set for people entering the labour market? What role could be played by workers' organisations, employers, educational institutions and governments in smoothing the transition from education to employment?

- **Keeping workers in the labour market**

Taking into account the trends of robotisation and digitalisation, and their effects on jobs in the middle-segment of the labour market (job polarization), how could (partnerships between) business, education and government be responsive to a changing economy and continuously invest together in keeping skills for the workforce up to date? How should employers be further incentivised to take up their responsibility to continuously invest in all workers, including temporary and self-employed?

- **Fully tapping the potential of the work force**

How could skills acquired through non-formal and informal learning be better recognized and used? How to develop effective strategies leading to a higher participation by older, low educated workers and employees with temporary contracts?

Relaunching social dialogue

The Commission and the Presidency will inform the Council on the recent developments concerning the new start for social dialogue, and on the preparations of the tripartite Social summit (16 March 2016).

The re-launch of the social dialogue at European-level in March 2015 has been followed up by a series of tripartite discussions organised by the Commission.

The social partners presented a joint draft declaration. Delegations supported in general the aim of strengthening the social dialogue; however they were not in a position to comment on the draft declaration at this stage. Therefore, ministers will be updated on the social partners' positions and of the Presidency's intentions in this regard.

Tripartite Social Summit (TSS)

The EPSCO Council will also be informed of the preparations of the TSS taking place in the afternoon of 16 March, one day before the March European Council. The main theme of the summit is "A strong partnership for job creation and inclusive growth", taking stock of the new start for social dialogue. The TSS will also cover the country-specific recommendations, the impact of the refugees crisis on the labour market and the challenges linked to digitalisation.

Labour mobility package

The Commission is expected to update the Council on labour mobility. At this stage, attention will focus on the proposal for a targeted revision of the posting of workers directive scheduled for adoption by the College on 08/03.

Implementation of the youth guarantee

The Council is due to endorse the EMCO's [key messages](#) on the way forward for the youth guarantee post-2016. This contribution is a valuable input in designing the implementation of the youth guarantee after 2016.

EU measures and actions

The Council adopted the recommendation on establishing a youth guarantee on April 2013. In order to support the youth guarantee schemes, and to tackle youth unemployment more generally, the European Council of February 2013 agreed on the financial envelope of the youth employment initiative (YEI) of EUR 6 billion for the period 2014-2020. The European Council on June 2013 called on member states benefitting from the YEI to adopt plans for the implementation of the youth guarantee (YGIPs) by the end of 2013, so that the funds of 6 billion EUR could be used as of January 2014. It supported frontloading the concerned funds in 2014 and 2015.

Implementation and monitoring

EPSCO ministers have discussed implementation measures at several previous Council sessions. As regards the monitoring, the YG recommendation tasked EMCO to monitor the implementation of the recommendation through the European Semester's multilateral surveillance.

Through the 'key messages on the way forward for the youth guarantee post-2016' EMCO aims to give its input to the Commission's upcoming report on the implementation of the YG and on the operation of the YEI, expected for end-2016.

Equality

The Council will be called on to adopt following conclusions on equality:

- **Response to the Commission's strategic engagement for gender equality**

The Commission's strategy for equality between women and men 2010 - 2015 expired at the end of 2015. The Council and the European Parliament have invited the Commission to adopt a new strategy, and stressed that it should have the same status as the previous one, meaning it should be officially adopted as a Communication.

At the EPSCO Council on 7 December 2015, ministers held an exchange of views on the Commission's strategic engagement. Many ministers lamented the fact that no formal strategy had been adopted, as this implicitly downgraded the status of gender equality policy within the EU.

Nevertheless, as regards the substance of the Commission's strategic engagement, member states generally supported the five priorities identified in the document: equal economic independence for women and men; equal pay for work of equal value; equality in decision-making; dignity, integrity and ending gender-based violence; and promoting gender equality beyond the EU.

- **Response to the Commission's list of actions to advance LGBTI equality**

In December 2015, the Commission published a list of specific targeted actions aiming at combating LGBTI discrimination in the EU in 2016-19. The actions have been defined in consultation with the EP, civil society and member states, and in the light of research carried out by the EU fundamental rights agency, information from relevant international bodies, and the Commission's own data.

Despite the existing evidence of widespread discrimination and harassment experienced by LGBTI persons, so far, only limited action has hitherto been taken at the EU level to address the problem.

Discrimination on the grounds of sexual orientation in the field of employment is already prohibited by Council directive 2000/78/EC establishing a general framework for equal treatment in employment and occupation.

Since 2008, the Council has also been examining the Commission's proposal for a new equal treatment directive which would also prohibit discrimination in access to goods and services on the grounds of religion or belief, disability, age or sexual orientation in the following areas: social protection, including social security and healthcare; social advantages; education; and access to goods and services, including housing.

Directive 2000/78/EC and the proposed anti-discrimination directive are of relevance to lesbian, gay and bisexual persons (LGB), but does not cover transgender and intersex persons (TI).

Any other business

- a) Legislative issues: The presidency will inform the Council about legislative issues.
 - b) The Commission will inform the Council about the following issues: European pillar of social rights; State of play on ESF/YEI implementation; Energy Union - employment and social dimension.
 - c) The Commission will inform the Council about violence against women (Istanbul Convention)
 - d) The Chair of the Social Protection Committee will inform the Council on the monitoring of social developments: Update of the social performance monitor.
 - e) The respective Chairs will inform the Council about the EMCO and SPC work programmes for 2016.
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