



The EU Employment Policy

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Manuela Geleng
Head of Unit
ESF and FEAD Policy and Legislation
Directorate-General Employment, Social Affairs and Inclusion

Outline

EU employment policy

The Youth Employment Initiative

The European Social Fund



EU Employment Policy

Why an EU Employment Policy?

Ensuring the 4 fundamental freedoms

compensating the effects of the internal market

Implementing common standards of labour protection

Europe as an economic area with a common labour supply
(labour market participation of women, older workers and
by level of education)

Implementing common values (anti-discrimination, gender
equity)

Counterbalancing short term national policies (e.g.
reducing budget cuts)

Improving the effectiveness of administrations, especially
in smaller countries

**→ necessity of a coordinated policy for the common
challenges in a common economic area**



Instruments of the EU Employment Policy

Four forms of EU governance:

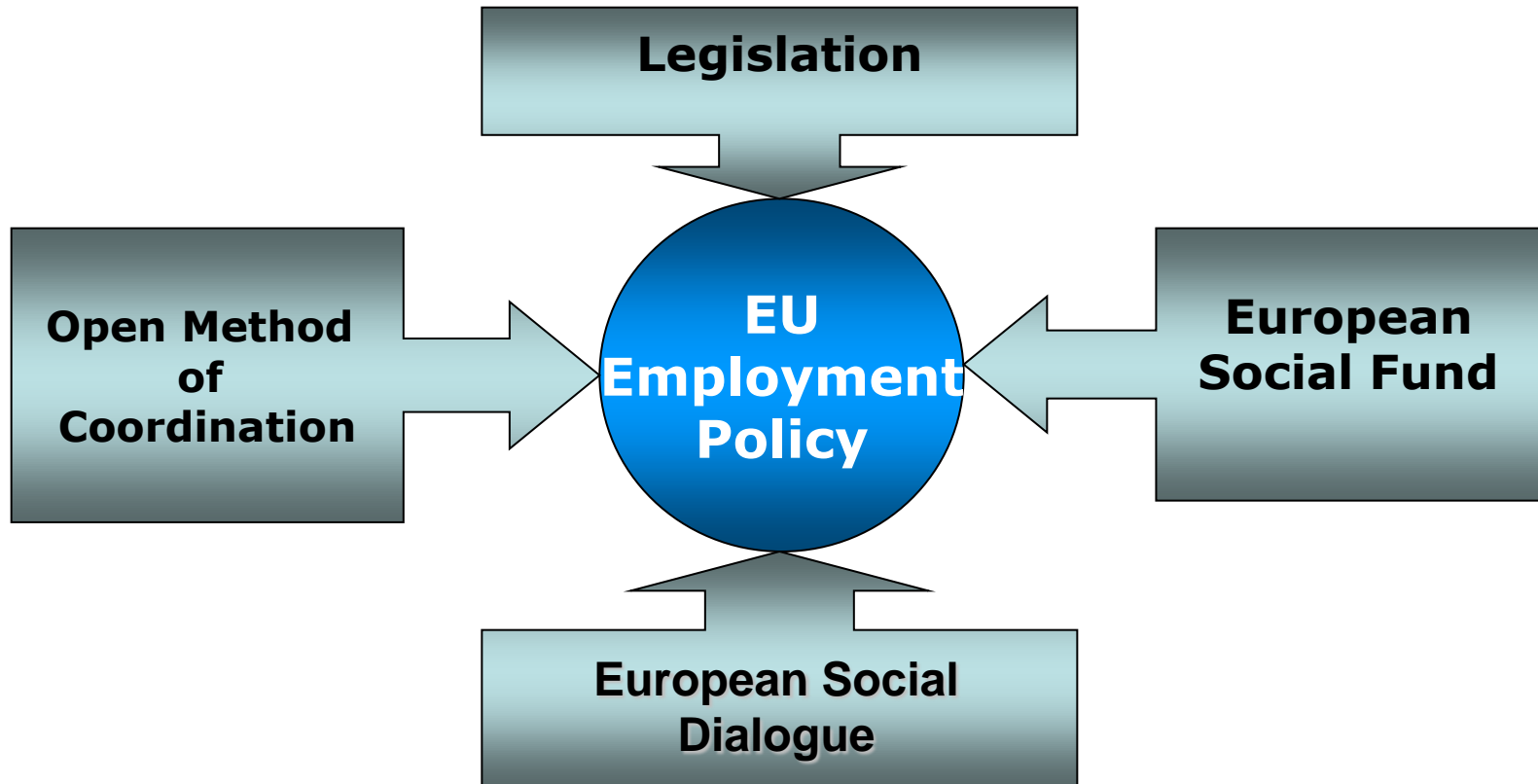
Through legislation (e.g. directives on free movement of workers, coordination of social systems, health and safety)

Through negotiations between social partners on EU-level in the **Social Dialogue** (introduced in Maastricht 1993)

Through the Open Method of open coordination (OMC) introduced in Nice (2002), (first applied for the European Employment Strategy, introduced in Amsterdam 1999) and extended to new areas: social inclusion (2000), education/training (2000), pension, health/long-term care (2005)

Through the European Social Fund introduced 1957

The four instruments of the EU Employment Policy



EU governance through legislation:

Subsidiarity principle:

Employment and social policy are national affairs

but **derogations**:

- Occupational health and safety
- Information and consultation of workers
- Labour law and working conditions

EU governance through social dialogue:

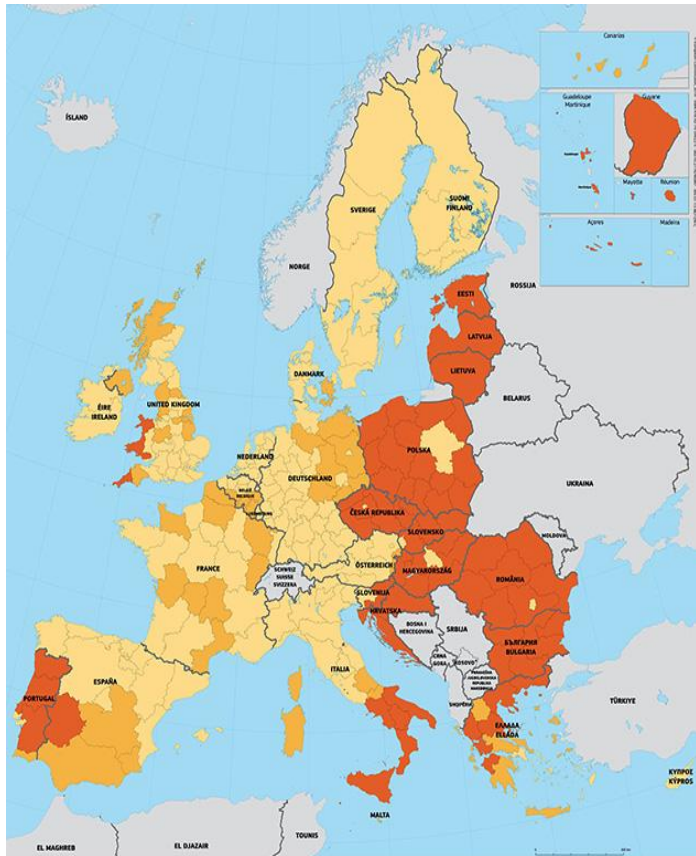
- Social partners can fix Europe-wide agreements through the social dialogue
- Legal base: articles 154 and 155 of the Treaty on the Functioning of the European Union - TFEU
- Social partners can propose and introduce legislation through consultations, negotiations and finally common positions (more than 300 legislative texts so far)
- Policy advice for legislation

EU governance through the open method of coordination (OMC):

Steps of OMC for employment and social protection

- **Common goals** for the EU and its Member States
- **Common indicators** in order to measure progress
- Translating EU goals in **national/regional policies**: national strategies for social protection and social inclusion
- **Yearly reports** on the progress in the Member States and based on this: National Reform Programmes
- **Exchange of experience** between Member States (identifying **best practices**)
- Close cooperation between European Commission and Member States through **Employment Committee and Social Protection Committee**

EU governance through the European Social Fund (ESF):



Total EU budget (2014-20): roughly
1.08 €

ESF: 86 bn €, roughly 11-12 bn €/year

Common challenges in almost all Member States:

- Demographic change and its impact on pension and health systems
- Unemployment today – shortage of workforce tomorrow?
- Youth unemployment
- Migration
- Poverty and social exclusion
- New world of work with social interaction through new technologies
- Impact of the economic crisis



Fighting youth unemployment

State of play

- *Youth unemployment slightly decreased: 22.8% -> 20.9% (in March 2015, y-o-y)*
- *Still, the EU's jobless young people are 4.8 million!*
- *EU youth unemployment rate = 2x the overall unemployment rate*
- *7.1 million people (age15-24) are neither in employment nor in education or training (NEETs). (12.4% of youth). 6% of this group are inactive NEETs.*
- *Long-term youth unemployment is still at record highs .*

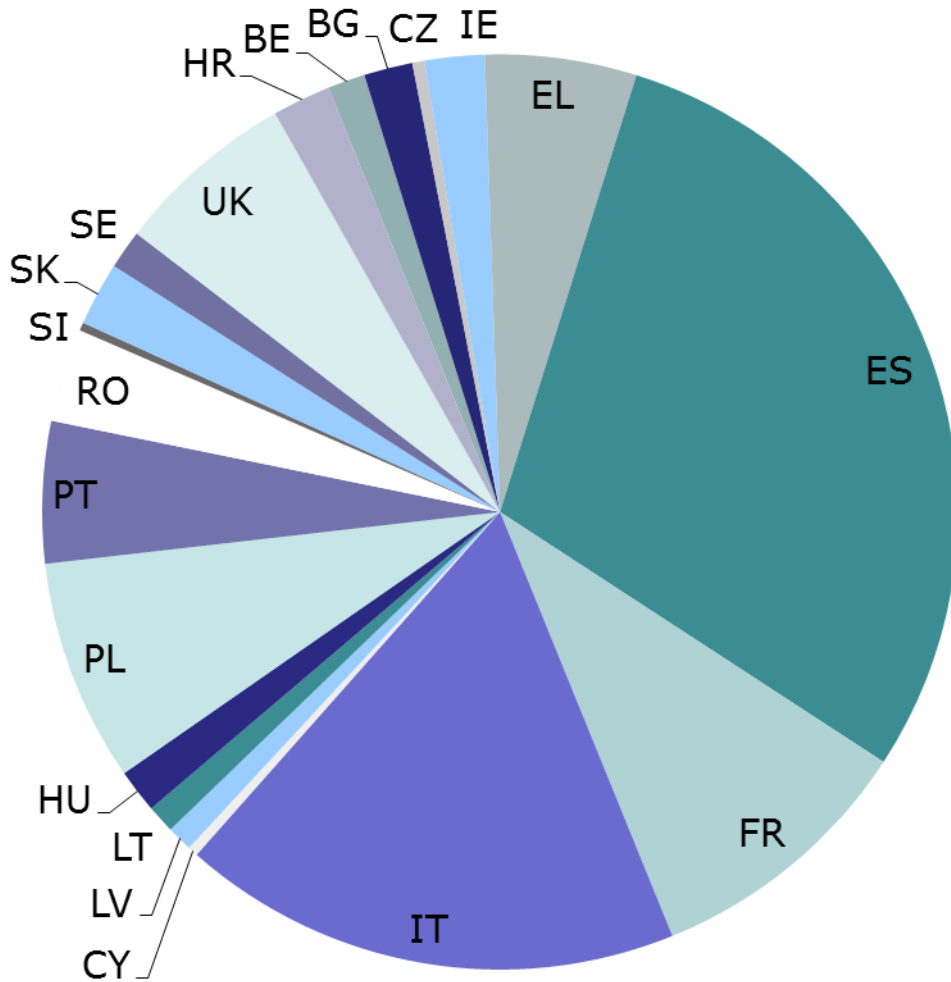
A Youth Guarantee

- Council Recommendation of 22 April 2013.
Member States commit:
 - ✓ ensure that all young people **up to 25**
 - ✓ receive a **good-quality offer** of
 - ✓ **employment, continued education, an apprenticeship or a traineeship**
 - ✓ within **four months** of becoming unemployed or leaving formal education.

Youth Employment Initiative

- Launched by the European Council in February 2013
- To support in particular Youth Guarantee schemes (targeted actions for individuals)
- **EUR 6.4 billion** for the period 2014-2020 - open to EU regions with youth unemployment rate > 25% in 2012

YEI in the Member States



MS	YEI allocation
BE	42,435,070
BG	55,188,745
CZ	13,599,984
IE	68,145,419
EL	171,517,029
ES	943,496,315
FR	310,161,402
IT	567,511,248
CY	11,572,101
LV	29,010,639
LT	31,782,633
HU	49,765,356
PL	252,437,822
PT	160,772,169
RO	105,994,315
SI	9,211,536
SK	72,175,259
SE	44,163,096
UK	206,098,124
HR	66,177,144
Total	3,211,215,406

YEI – possible measures:

- provision of traineeships and apprenticeships;
 - first job experience;
 - hiring incentives for employers to recruit youngsters;
 - job and training mobility measures;
 - start-up support for young entrepreneurs;
 - vocational education and training leading to a qualification;
 - where relevant for early school leavers - second chance programmes.
- **Aim:** deliver these actions as part of integrated pathways and based on the individuals' needs/ individual actions plans.



The European Social Fund

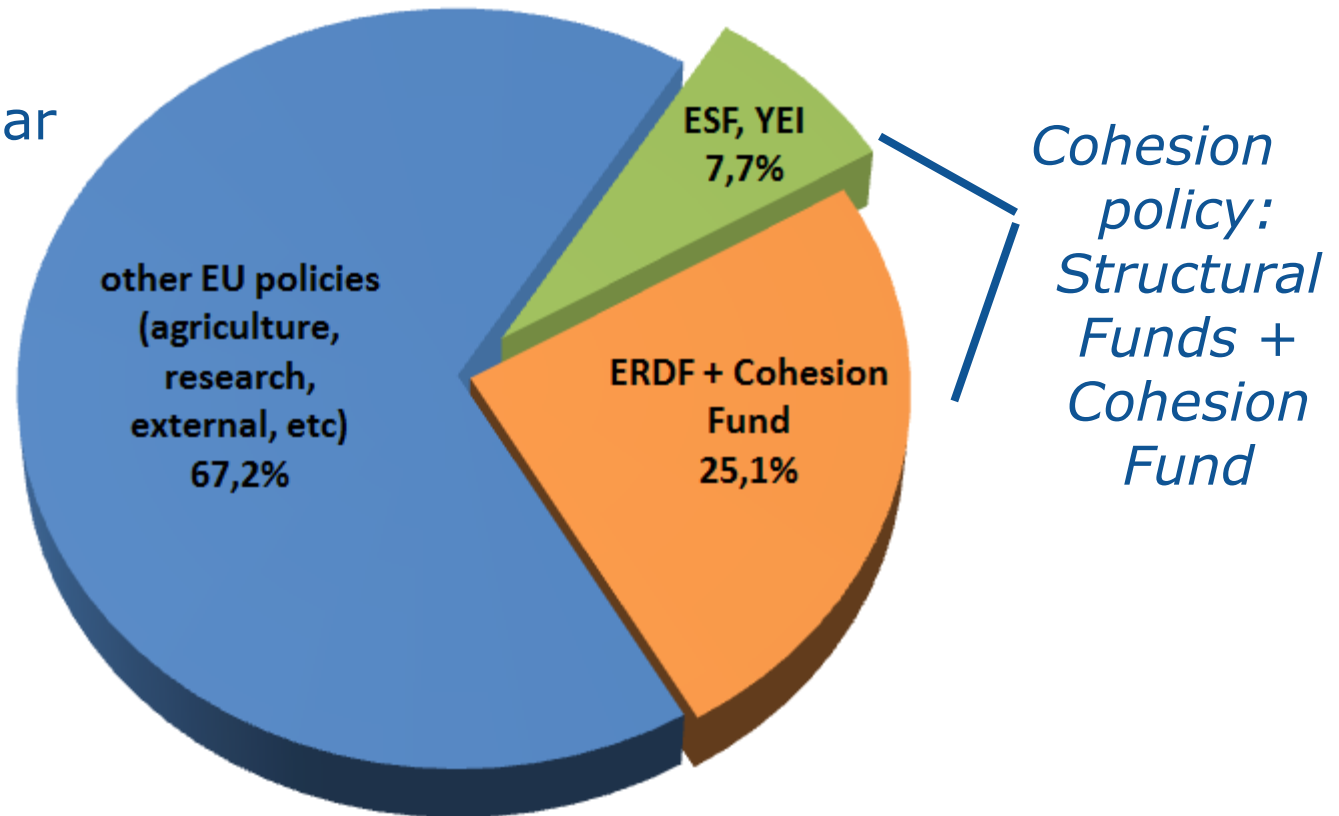
What is the ESF?

The EU's key instrument for investing in people and systems:

- *To improve employment opportunities*
 - *To promote education and life-long learning*
 - *To enhance social inclusion and combat poverty*
 - *To improve efficiency of public administration*
- ➔ **An expression of European solidarity**

The ESF and the EU budget 2014-2020

Minimum 23,1% of
Cohesion policy
~ €11billion / year



Scope of the ESF – Main priorities

- a. Sustainable and quality employment and labour mobility: Access to employment for job-seekers and inactive people; integration into the labour market of young people; self-employment, entrepreneurship; equality between men and women; adaptation of workers and enterprises; active and healthy ageing; modernisation of labour market institutions.
- b. Social inclusion, combating poverty and any discrimination: Active inclusion; integration of marginalised communities such as the Roma; equal opportunities; enhancing access to services; social entrepreneurship; CLLD
- c. Education and training : Preventing early school leaving and equal access to early-childhood, primary and secondary education; access to tertiary education; life-long learning, vocational education and training
- d. Institutional capacity : support to reforms and better regulation, capacity building for public sector and stakeholders.



Thank you for your attention!

<http://ec.europa.eu/esf/>