



COUNCIL OF
THE EUROPEAN UNION



Council Conclusions on “Promoting labour market inclusion – Recovering from the crisis and preparing for the post-2010 Lisbon Agenda”

*2980th EMPLOYMENT, SOCIAL POLICY, HEALTH AND
CONSUMER AFFAIRS Council meeting*

Brussels, 30 November 2009

The Council adopted the following conclusions:

THE COUNCIL OF THE EUROPEAN UNION

"RECALLING:

1. that the challenge to respond efficiently to the effects of the economic crisis constitutes one of the most important challenges the EU has ever faced. By acting together and in cooperation or in consultation with the social partners, the Member States can better protect their citizens from the negative impacts of the crisis. Measures taken to support recovery should also be shaped to help the EU to build a stronger economy for the future,
2. that the long-term challenges have not changed and that the demographic challenge will require the inclusion of as many people as possible in employment; in other words, an overall shrinking workforce will require the activation of groups currently not employed or under-employed,
3. that the Lisbon Strategy and the cooperation between the Member States within the framework of the European Employment Strategy and its Employment Guidelines, as well as the Open Method of Coordination, have been a driving force towards well-functioning labour markets and social inclusion and, in particular, that the Lisbon Strategy set specific targets, inter alia, to increase the labour market participation of all, paying particular attention to the groups with lower labour market participation, in order to stimulate the growth and competitiveness of the European Union in the global economy, as well as its social cohesion,

P R E S S

4. the Common Principles of Flexicurity adopted by the Council and endorsed by the European Council, as well as the common principles of Active Inclusion adopted by the Council, which provide effective tools to promote labour market inclusion and participation in society,
5. that in the Commission's recent responses to the crisis, these principles have been reiterated and it has been stated that the best way out of exclusion is employment: social Europe starts with a job,
6. the parallel set of Council Conclusions "Gender equality: strengthening growth and employment - input to the post-2010 Lisbon agenda" which further underlines the importance of gender equality policies for the post-2010 Lisbon Agenda.

RECOGNISING:

7. that the main impact of the current recession falls on people, especially on the young; the key challenge for the Union is to reduce current high levels of unemployment and in particular to avoid these becoming persistent, resulting in long-term unemployment and people leaving the labour force and thus adding to inactivity and social exclusion,
8. that measures in line with the European Economic Recovery Plan, which have been supportive in activating and improving the employability of those hit by the crisis, should be pursued,
9. that, even before the onset of the recession, approximately one-third of the Union's working age population were outside the labour force,
10. that due to demographic changes the proportion of working age population is expected to decrease over the next decades and that Europe will go from four people of working age supporting one elderly person to only two. In this context, policies to strengthen gender equality and to improve the reconciliation of work, family and private life are key for reaching commonly-set targets of higher employment rates as well as for fulfilling the objectives of economic growth and social cohesion in the European Union,

ACKNOWLEDGING:

11. that, whilst timely, well-targeted, effective and adequately funded measures may be called for in the light of the current crisis, the main focus should be on securing the employability of the work-force, on employment security rather than on job security, and on increasing employment,
12. that undesirable withdrawals through, for example, premature retirement, or unnecessary absences from the labour market through, for example, unjustified access to disability benefit schemes, will be to the detriment of the European economies' growth potential and will exacerbate the challenge of fiscal sustainability,
13. that programmes for occupational safety and health, quality services, training and job support can lower the thresholds to employment and thus promote better jobs and high employment rates,
14. that an improvement in matching labour market needs can be achieved by better anticipating new skills required for future labour market demands, such as job opportunities stemming from new technologies, as well as by an improved mobility of job seekers.

EMPHASISING:

15. that stimuli and support measures to the economy, the financial sector and employment should be maintained until sustainable recovery is secured while ensuring that exit strategies are in place,
16. that the effects of the recession on employment will continue to impact on individuals and that particular attention must therefore be given to people at risk of becoming excluded from the labour market, while maintaining a commitment to meet the long-term challenges,
17. that high labour market participation is a prerequisite for economic growth and for the social and economic wellbeing of individuals, as well as for safeguarding social cohesion,
18. that active inclusion policies and, in particular, active social security policies should not only provide adequate safety nets but also act as springboards whenever possible to enhance labour market inclusion,
19. that the basis for a sustainable recovery and for sound public finances is structural reforms aimed at ensuring increased labour force participation, through reforming and modernising both labour market and social security policies,
20. that, in order to meet the demographic challenges, increased global competition and technological and climate change, vigorous action will be needed to ensure that the potential of Europe's labour force is used to the fullest. In this context, policies to promote gender equality and the reconciliation of work, family and private life, and the integration of young people and of other disadvantaged groups into the labour market are pre-conditions for ensuring long-term growth potential. Furthermore, migration policies may also supplement active labour market policies and active social security policies to increase the labour supply,
21. that there is a need for the post-2010 Lisbon Agenda to focus on increasing the labour supply and job creation in order to ensure sustainable public finances and to tackle the effects of an ageing population and reinforce social cohesion.

THEREFORE CALLS ON

THE MEMBER STATES AND THE COMMISSION:

22. to maintain a strong political commitment to managing the immediate consequences of the crisis while simultaneously remaining committed to the creation of structurally stronger European labour markets,
23. to preserve future growth potential and social cohesion by taking action and adopting measures aimed at reducing current high levels of unemployment and preventing them from becoming persistent, thereby avoiding exclusion from the labour markets and the resulting losses of human capital,
24. to promote, in line with the Common Flexicurity Principles, the ability of individuals and companies to adapt to changing market demands and to facilitate transitions into and within the labour market,

25. to continue identifying and sharing best practices on the interaction between active labour market policies and social security policies in order to make these policies, while being financially sustainable, more effective and better tailored to the needs of the citizens, especially of those most distant from the labour market, in particular in the context of activities under the European Employment Strategy, as well as within the Open Method of Coordination for social protection and inclusion,
26. to push forward discussions on the post-2010 Lisbon Agenda where active labour market policies and active social security policies should be better interlinked, as they are necessary factors for strengthened labour market inclusion,
27. to assess the effects of recently implemented policies in response to the crisis, bearing in mind that further measures taken to mitigate the negative effects on employment should be consistent with long-term structural needs to counter the challenges of an increasing share of EU citizens retiring and fewer people of working age.

THE MEMBER STATES:

28. to strive, in cooperation or in consultation with the social partners, for exit strategies which are conducive to higher labour force participation and, in particular, to supporting labour market participation by encouraging specifically-designed, temporary and targeted measures and by providing better conditions for longer working lives,
29. to provide, through active measures, people without work with the right incentives, opportunities and support to take up a job and remain employed,
30. to continue efforts aimed at reducing segmentation and improving labour market inclusion, in order to improve chances for disadvantaged groups to enter and progress in the labour markets as well improving sustainable integration by pursuing reforms to make work pay,
31. to continue supporting reforms that facilitate transitions into and within the labour market, and implementing reforms which increase work-incentives,
32. to pursue reforms aimed at the creation of adaptable labour markets by improving the performance of education and training systems, and by removing structural barriers to the full use of Europe's human resources,
33. to facilitate effective responses by employment services in the context of crisis and recovery. This could be achieved by activating guidance and training services where there is a demand for workers,

THE COMMISSION:

34. to continue to examine how barriers to increased labour force participation can be reduced, and to review persistently high levels of unemployment and the inactivity situation,
35. to develop policy measures to enhance labour market inclusion and to table them in the Employment Committee and the Social Protection Committee for consideration and evaluation,
36. within the framework of Eurostat, to develop and analyse comparable annual statistics on people who are outside the labour force or under-employed and to submit them to the

Employment Committee and the Social Protection Committee for consideration and evaluation,

37. to pay attention to the significance of active labour market policies and active social security policies for strengthened labour market inclusion, and the monitoring thereof, when preparing the post-2010 Lisbon Agenda,
38. to analyse and consider how to link measures in favour of inclusive labour markets with a sustainable and competitive eco-efficient, social market economy in the post-2010 Lisbon Agenda.

AND THE EUROPEAN COUNCIL:

39. to emphasise that, while the impact of the crisis is still severe on people, and stimuli and support measures should be maintained until sustainable recovery is secured, signs of a gradual global upturn should not be ignored and exit strategies should be conducive to increasing labour force participation and to more and better jobs,
40. to acknowledge that, in a time of rising public debt and soaring unemployment, active and inclusive labour market policies, combined with active social security policies, can improve the employment outlook and lay the foundations for a more socially-cohesive Europe,
41. to underline that the European Union needs to make full use of its labour potential to face the challenges of an ageing population and rising global competition, and especially to take into account the fact that policies to promote gender equality and the reconciliation of work, family and private life can contribute to increased participation on the labour market, thus adding to growth, employment and social cohesion,
42. to establish that, in the long term, Europe needs higher levels of employment, productivity and quality of work if it is to maintain and develop effective and high-quality welfare systems for all within the framework of a fiscally-sound social market economy, and that there is a need for the post-2010 Lisbon Agenda to focus on increasing the labour supply and employment."
