

EUROPEAN COMMISSION

*Brussels, 17.7.2013
C(2013) 4557 final*

Dear Presidents,

The Commission would like to thank the Houses of the Oireachtas for bringing to our attention their report on "Creating Policies that Work", including a package of policy recommendations to address unacceptable levels of youth and long-term unemployment in Ireland, and apologises for the delay in replying.

The Commission would like to start by expressing its appreciation for the work done by the Houses of the Oireachtas in identifying the main challenges to job creation and to containing the risk of rising structural unemployment in Ireland and also possible responses to these challenges.

During the economic crisis, the Irish people have endured hardship. Tough choices have been made, but the results are encouraging. Under the Memorandum of Understanding, Ireland has shown strong programme implementation and has even exceeded expectations. During these very difficult times progress has been made on several fronts. The fiscal target for 2012 of reducing the deficit was met by a significant margin, with the deficit being about 7.7% of GDP, well below the target of 8.6%. Structural reforms are moving forward, including wage setting, fostering competition and strengthening labour market activation policies.

Yet, maintaining a very strong focus on job creation and reducing unemployment remain key challenges for the Irish Government. It is an essential policy priority that renewed efforts are made to improve employment services and to re-skill and up-skill the unemployed, in line with labour market needs, in particular to help the young and long-term unemployed to find jobs.

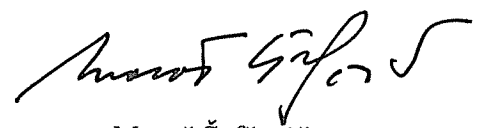
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The recommendations of the Houses of the Oireachtas are vital to help the Irish Government to address these challenges. The European Commission will assist Ireland in its efforts to achieve a sustainable economic and social recovery through all the available EU funding instruments, in particular the European Globalisation Fund, the European Social Fund and the Youth Employment Initiative.

The Commission welcomes in particular the support of the Houses of the Oireachtas for establishing the Youth Guarantee and looks forward to continuing our constructive political dialogue in the future.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Maroš Šefčovič', with a stylized flourish at the end.

*Maroš Šefčovič
Vice-President*