

COUNCIL OF THE EUROPEAN UNION

Brussels, 19 February 2009

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COVER NOTE

to: Permanent Representatives Committee (Part I) / Council (EPSCO)

No. Cion prop.: 5881/09 SOC 49 ECOFIN 66 EDUC 14

Subject: Proposal for a Council Decision on Guidelines for the Employment Policies of the Member States

- Opinion of the Employment Committee

<u>Delegations</u> will find attached the above-mentioned Opinion of the Employment Committee.

EMCO Opinion

on the Commission proposal for a Council Decision on Guidelines for the Employment Policies of the Member States contained in COM (2008) 869 final

In line with the provisions of Article 128 of the Treaty, the Employment Committee has examined the Commission's proposal for a Council decision on guidelines for the Employment Policies of the Member States. The Committee also met with representatives of the social partners at European level and held a constructive exchange of views in the context of the discussion on the Employment Guidelines

During its country examination of the employment sections of the National Reform Programmes, the Employment Committee highlighted that the implementation of national reform policies in the context of the Employment Guidelines has showed its positive impact in 2008. Estimates show that the employment rate continued to increase in Europe sustained by continued economic growth.

However, the economic outlook changed significantly over the second half of 2008, owing to the financial crisis. The economic slowdown and rising unemployment thereafter may widen the existing gap between the current EU labour market performance and the objective of full employment. This, however, should not imply a discontinuity of reforms. On the contrary, it is crucial to step-up the pace of implementation of the reform agenda set out in the Employment Guidelines. Measures intended to solve immediate problems arising from the current circumstances should be coherent with structural reforms.

In light of the above, the Employment Committee supports the Commission proposal to maintain the Employment Guidelines as laid down in Council Decision 2008/618/EC of 15 July 2008 for 2009.