CHAMBER OF DEPUTIES

Doc XVIII No. 7

PUBLIC AND PRIVATE SECTOR EMPLOYMENT COMMITTEE

FINAL DOCUMENT, PUBLISHED PURSUANT TO RULE 127 OF THE RULES OF PROCEDURE AND RELATING TO:

Communication from the European Commission: "Working together

for Europe's young people - A call to action on youth unemployment" (COM(2013) 447 final)

Approved 20 November, 2013

FINAL DOCUMENT APPROVED BY THE COMMITTEE

The Public and Private Sector Employment Committee,

having examined, pursuant to Rule 127 of the Rules of Procedure, the Communication "Working together for Europe's young people – A call to action on youth unemployment", submitted by the European Commission on 19 June 2013;

having regard to the to proposal presented, quite appropriately, by the Commission in December 2012 to combat youth unemployment, which is a priority issue on the political agenda of the European Union, consisting in a package of measures to address the unacceptable levels of unemployment that have now been reached in a context of severe economic crisis;

having regard to the implementing measures for the initiative to foster youth employment proposed by the European Council at its meeting on 7 and 8 February, 2013, which was followed by the Communication from the Commission to the European Parliament - Youth Employment Initiative of 12 March 2013 (COM (2013)144);

having regard to the numerous initiatives taken in this area by European institutions following the European Council of 26-27 June, which, quite appropriately, devoted particular attention to the implementation of the actions and measures set forth in the Proposal for a Council Recommendation on establishing a Youth Guarantee (COM(2012)729), formally adopted by the Council on 22 April 2013;

having regard to the conclusions of the Lithuanian Presidency at the Interparliamentary Conference of Chairpersons of EU Parliamentary Committees responsible for employment matters, held in Vilnius on 10-11 November as part of the meetings organized by the Lithuanian presidency of the EU, which focussed on the theme of youth employment;

having regard to the outcome of the meeting of Heads of Government and Presidents of the EU institutions held in Paris on 12 November, which identified three primary areas in which Member States are free to take action: training, job placement and youth entrepreneurship;

whereas:

we fully support the European institutions' commitment to addressing the question of employment in general and appreciate their efforts to find concrete solutions to the problem of youth unemployment;

even though individual Member States are left with ultimate responsibility for designing the institutional framework within which they will implement the Youth Guarantee in accordance with their national laws, it is also necessary to have effective and decisive action at the level of the EU, along with constant monitoring of the effective implementation of the measures adopted;

the Communication from the Commission summarises the recommendations that the European Commission made for the Member States, which, for Italy, are as follows: strengthen vocational education and training, ensure more efficient public services for employment, and improve counselling services for tertiary students; step up efforts to prevent early school leaving and improve school quality and outcomes, also by reforming teachers' professional and career development;

the specific configuration of youth unemployment in Italy, which in recent months has reached a record level of 40.4 per cent, is such that meeting in full the targets set in the Communication from the Commission will require ongoing functional coordination among various sectors and levels of government, also in the light of the planned reform of local authorities;

taking account of:

the information and data obtained during a hearing on 5 November of the Minister of Labour and Social Policy Mr Enrico Giovannini on the actions being taken by the Italian Government and the contributions made in the course of the debate held following the consideration of the Communication;

the results of the fact-finding inquiry conducted by the Public and Private Sector Employment Committee, which adopted a final document on 16 October, 2013;

motion 1/00034, approved by the Floor of the House on 20 June 2013, regarding the implementation of the Youth Guarantee and committing the Government to acknowledging the utmost importance of the tools that have been put in place at a European level to revitalise youth employment;

Motion 9/01458/034, approved on 7 August 2013 by the Floor of the House which commits the Government to ensuring that the ad hoc Task Force established at the Ministry of Labour and Social Policy is aligned to EU standards and legislation, promotes the development of best strategies for the use of the relevant EU financial instruments as well as for the proper implementation of the Youth Guarantee and the creation of partnerships for raising awareness of European youth policies, while respecting the principle of subsidiarity and loyal co-operation;

Bill no. 867 containing provisions for the implementation of Youth Guarantee schemes, which was referred to the Public and Private Sector Employment Committee, setting out the general rules and overall organisation of the instrument on the basis of general principles and guidelines for the establishment of a Youth Guarantee in Italy in line with the EU framework;

the opinion on the Communication adopted by the European Union Policies Committee on 13 November last, which, along with this final document, shall be sent to the EU institutions as part of the so-called political dialogue,

does hereby express a favourable opinion, with the following observations:

at the EU level.

successful long-term sustainable measures to tackle youth unemployment must necessarily be based on a general strategy of proactive labour market policies, which will include measures favouring SMEs, quality apprenticeships, start-ups and vocational training, and will also require the coordination of all existing EU funding earmarked for employment (at the aforementioned Paris meeting, reference was made to the mobilisation of resources amounting to 45 billion Euros to be disbursed in the period 2014-2015);

with due regard being paid to situations of particular hardship, such as lack of housing or job, it is also necessary to have effective coordination of policies that directly or indirectly seek to fulfil the targets of the Europe 2020 Strategy, namely raising the employment rate for people aged 20 to 64 years from 69 to 75 per cent by 2020, also in view of the fact that young people and women are two of the social groups that have the most ground to make up in this respect;

within the European Council and European Parliament, efforts must be made to promote and support the establishment of a platform that measures the performance of Public Employment Services in the various Member States, using appropriate benchmarks to identify best practices, and promotes mutual learning, as envisaged in the Proposal for a Council Decision on enhanced co-operation between Public Employment Services (COM(2013)430). An EU-wide network of Public Employment Services could provide support for the implementation of the 2014-2020 employment package and, in particular the Youth Guarantee, which cannot survive unless backed by an adequate system of active labour market policies;

monitoring the implementation of these measures will entail the evaluation of national reform programmes within the framework of the European Semester;

it is necessary to promote and support all initiatives that seek to encourage the sharing of experience and forms of co-operation among the young people of different EU Member States, an ambition embraced by the European Commission with Horizon 2020 which advances important policies in the area of research and innovation, as well as culture;

maximum transparency and consistency must be applied in the recognition of academic and professional qualifications through the use of common standards;

at the national level:

Parliament must be kept constantly abreast of and involved both in the planning of EU measures to counter youth unemployment and in discussions about individual proposals made by EU institutions. Account needs to be taken of the fact that the Government is committed to drawing up a national programme for the implementation of the "Youth Guarantee" and has already taken steps in this direction. The programme entails the roll-out of an ambitious project for getting young people into the labour market that will necessitate the activation of several public policies and their integration;

in connection with the foregoing national plan, it is necessary to ensure that concertation takes place with the social partners, employers' associations, trade unions, civil society, universities and schools, in order both to generate effective input into the national implementation plan, which will be developed with the co-operation of the above mentioned ad hoc Task Force, and to define the role of each player and the nature of the benefits and services that will be provided as part of an integrated system of support for young people;

with reference to the work of the ad hoc Task Force and the national implementation plan, it is important to encourage full respect for the principle of subsidiarity as well as loyal co-operation, and to safeguard the socio-economic diversities of different territories by engaging with the relevant regional authorities when putting into effect youth employment programmes that make use of EU Structural Funds, in particular those that draw on the resources of the Multiannual Financial Framework 2014 -2020, so that the funds may be

allocated among the Regions with reference both to the size of the resident population and to the resources made available by each Region;

it is therefore imperative to maintain constant dialogue between regions, municipalities, unions of municipalities and mountain communities during the preliminary design and later application of individual regional plans for the implementation of the Youth Guarantee;

a better and clearer definition of all active policies is needed along with more effective coordination among various ministries in respect of the division of responsibilities in active labour market policies, especially in light of the imminent changes in the setup of local authorities;

a reform needs to be made of the network of Public Employment Services that takes account also of the Proposal for a Decision of the European Commission that aims at enhancing the effectiveness of such services also at a transnational level through increasing co-operation among Member States; the Government can and must do more, by fully taking on board the important points that, pending the outcome of the fact-finding inquiry into unemployment, the Public and Private Sector Employment Committee made in regard to the danger that unless a real nation-wide reform is made of employment services, any EU instrument is likely to be ineffective;

it is necessary to ensure regular consultation with representatives of the regions and local governments and, as mentioned above, with trade unions and employers' associations;

a national fund for the implementation of the Youth Guarantee is a possibility that needs to be contemplated: it should be set up as soon as possible and be compatible with budgetary forecasts;

vocational training systems need to be improved to favour both job placement and retraining;

projects for job placement and self-employment should be supported by activating mechanisms that foster youth entrepreneurship and work experience abroad, including specially targeted mechanisms to give young people access to microcredit and professional careers, which could be done with the collaboration of regional and local governments;

Italy needs to be brought up to European standards in respect of school drop-out rates so that by 2020 the proportion is less than 10 per cent;

measures are needed to combat early school leaving, the generation gap and gender segregation in the labour market;

it is time to give in-depth consideration to the idea of de-taxing productivity-related pay and lessening the social security burden on companies that hire under-35s;

in the dialogue at a European level concerning greater budgetary flexibility with respect to the constraints imposed by the Treaties, Italy should speak up for principles of solidarity that would strike a balance between the European countries currently enjoying a surplus and the countries of Mediterranean Europe, with the aim of mobilising huge EU investments to boost employment by 2020;

in the context of the Italian Presidency of the EU, appropriate initiatives should continue to focus attention on the issue of youth unemployment and, especially, on what results have been achieved in this area;

finally, concrete measures are needed to enhance Italian universities, research and education, which may include encouraging the spread of high-level apprenticeship training in secondary technical schools.

ANNEX

OPINION OF THE EU POLICIES COMMITTEE

The EU Policies Committee,

having examined, pursuant to Rule 127 of the Rules of Procedure, the Communication "Working together for Europe's young people – A call to action on youth unemployment" presented on 19 June 2013;

taking into account the outcome of the European Council of 26-27 June on the implementation of actions and measures set out in the Proposal for a Council Recommendation on establishing a Youth Guarantee(COM(2012)729), formally adopted by the Council on 22 April 2013, and taking account also of subsequent initiatives adopted by European institutions;

recalling that Member States, acting in accordance with their own legal systems, are individually responsible for setting up the institutional framework in which the Youth Guarantee will operate;

believing that European-level initiatives are an appropriate means of setting up a comprehensive and coherent strategy that Member States acting alone cannot achieve, and noting that this is particularly the case in Italy whose leeway for financial intervention is tightly constrained by its obligation to pursue policies of fiscal consolidation;

taking note of the arguments made by Minister Giovannini during his hearing before Public and Private Sector Employment Committee on 5 November last and of the elements that emerged in the course of parliamentary debate;

whereas:

- consideration of the Communication of the European Commission affords us a useful opportunity for a farreaching and in-depth exploration of the causes of high youth unemployment;
- in the country-specific recommendations for dealing with the unemployment emergency, the European Commission suggested that Italy needed to enhance vocational education and training, ensure more efficient Public Employment Services, improve counselling services for tertiary students, step up efforts to prevent early school leaving and improve school quality and outcomes, also by reforming teachers' professional and career development;
- Italy has already taken steps to put the Youth Guarantee into effect, notably the measures in article 5 of Decree-Law no. 76/2013, which provided for the setting up within the Ministry of Labour and Social Policy of an ad hoc Task Force that has been entrusted with making proposals and preparing measures, which will cease its work on 31 December 2015;

being also aware that the present opinion along with the final document approved by the main Committee shall be transmitted to the European Parliament and the European Commission as part of political dialogue;

does hereby express:

A FAVOURABLE OPINION, with the following observations:

the main Committee should consider calling upon the Government to take steps to:

a) make sure that the tools designed to facilitate the transition from school to work that the European Commission itself has recommended, such as apprenticeships and high-quality traineeships, are as

harmonised as much as possible with European Union standards, also with a view to encouraging mobility among young people and the exchange of learning and work experience;

- b) restructure career paths, including at school level, to make them better suited for access to national and international labour markets;
- c) identify mechanisms and instruments that will enable a better use of the youth employment resources available from the European Social Fund by introducing all the measures needed to implement the European Youth Guarantee at a national level; in particular, a reform of employment centres is a priority given that, for the period 1 January 2014 31 December 2020, the European Commission has proposed setting up am EU-wide network of such centres to modernise and make them more effective; this reform will require the retraining of staff in the centres and new ways of monitoring their activities;
- d) establish a European database to facilitate the exchange of information and thereby increase the mobility of young people in the European labour market;
- e) identify options and best practices at the European level with respect to the guaranteed minimum income;
- f) ensure that the subject matter of the Communication under consideration forms part of the agenda of discussion during the six-month Italian Presidency of the European Union.