



## **The Employment Reform Tracking Device**

### **Commission Non-paper**

In its communication "Towards a Job-Rich Recovery"<sup>1</sup> adopted in April 2012, the Commission proposed to reinforce coordination and multilateral surveillance of employment policies through a series of steps including the establishment of a "Scoreboard" aimed at keeping track on the implementation of the commitments set out in the National Job Plans (as part of the NRPs) and particularly to address the Country-Specific Recommendations.

### **Why we need a Reform Tracking Device?**

#### **1. To meet the requests of Heads of State:**

- Heads of State at the June 2012 European Council agreed to a "Compact for Growth and Jobs". This Compact states that "The European Union's new tools for economic governance must be applied fully and effectively" and that "peer pressure should be enhanced".
- The Compact also calls for the "The Council to swiftly examine and decide on proposals contained in the Commission's Employment Package" which as we know contains the proposal for such a reform tracking device.

#### **2. To complement the governance structure**

- The Commission and Member States have put in place a set of instruments to:
  - identify the labour market challenges (through the Joint Assessment Framework and the Employment Policy Monitor);
  - set the policy direction to meet them (through the Country-Specific Recommendations, the Annual Growth Survey and the Joint Employment Report);
  - and present the Member States commitments to improve their labour market situation (through the NJPs).
  - Thematic and Country reviews in EMCO have begun the process of monitoring the implementation of policies to address the CSRs, but this is necessarily piecemeal and static, looking at implementation at one point in time.
- The tool would be a close complement for the Employment Performance Monitor and benchmarking – which looks at labour market performance and

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<sup>1</sup> Communication from the Commission – Towards a Job-rich Recovery, COM (2012) 173 final of 18 April 2012;

the "Principles of a well-functioning labour market" can help contribute towards the qualitative element of the tool by helping track reforms.

### **What should the Reform Tracking Device look like?**

- The Reform Tracking Device would be comprised of several elements enabling an up-to-date picture to be created on both the state of play in terms of implementation of reforms, and some qualitative assessment on the sufficiency of these measures to address a key labour market challenge. It would thus provide a rounded picture in implementation and **not be a simplistic summary** or marking of reforms. It would be comprised of:
  - An example **overview table containing some clear information** on the very latest state of implementation of commitments made, the underlying challenge, and a qualitative judgement on progress.
- The Reform Tracking Device would hence map the key employment challenge as identified in the EPM against the key milestones in the design and implementation phases of the Member State's policy response, as set out in NJPs.