



[www.eurofedop.org](http://www.eurofedop.org)



Committees  
European Parliament

ECON

## European Parliament Joint EMPL-ECON meeting

Brussels (Belgium), 07.12.2020

### *Proposal for a Joint Employment Report 2021*



This meeting, at which the European Parliament Committee on Employment and Social Affairs (EMPL) and the European Parliament Committee on Economic and Monetary Affairs (ECON) discussed together the Economic Agenda and the package of items in relation to the 2021 European Semester, took place partly from the European Parliament in Brussels and, for the greatest part, with interventions from speakers and participants remotely through the Internet.

One of the items in relation to the 2021 European Semester is the establishment of a Joint Employment Report by the European Commission and the Council, which is mandated by Article 148 of the Treaty on the Functioning of the European Union.

A proposal for this joint report had been submitted by the European Commission to the Council on 18 November 2020.

Although, after a six year steady growth, employment in the Union reached its highest level at the end of 2019 (over 73%), some slowdown could already be noticed in the second half of 2019. The risk of unemployment increased considerably in 2020, due to the pandemic. The national countries and the European Union reacted swiftly to the crisis by taking measures to avoid as much as possible the loss of jobs, so that only a moderate increase in the unemployment rate, of 1 percentage point, could be recorded by September 2020 (7.5%).

Real wages that had increased in almost all Member States in 2019 (above 5% in countries of Central and Eastern Europe and the Baltics), dropped in the first half of 2020.

A job does not always provide for a decent living. In-work poverty in the Union represented 9% in 2019 and is a greater risk for lower-skilled than for higher-skilled workers. The European Commission wants to promote the setting of minimum wages that allow for a decent living in all Member States and submitted a proposal for

an EU directive in this respect on 28 October 2020. The Commission wants to promote the effective involvement of social partners in minimum wage setting and updating.

In some Member States, there is a shift of taxation towards more environmental goals, but in order that this will not put a higher burden on lower-income households, compensatory fiscal instruments have to be envisaged.



People employed in more precarious jobs (e.g. temporary and part-time employment) have been more heavily impacted by the COVID-19 crisis. More temporary workers have lost their job during the pandemic than permanent workers. Temporary employment should be a springboard to more protected contractual forms of work.

Telework based on ICT has become a key element of changing work patterns. It can have clear benefits for people's work-life balance, but also entails risks of work intensification and posing health problems for workers.

The share in total employment of workers working on their own account (self-employed with no employees) remains important. Social protection should be ensured for all workers, including the self-employed.



Social dialogue is an important element in fostering the recovery. It comprises all negotiations and consultations between employers' and workers' associations and representatives of the government,

supporting safe working environments, fair working conditions and resilient labour markets. Timely and effective social dialogue ensures the lasting success of reforms.

Collective bargaining coverage has decreased over the last decades, but in some Member States, it remains a key market institution for wage setting at all levels. The Commission aims at promoting collective bargaining on wages in all Member States.

During the corona pandemic from April to October 2020, social partners have been mostly involved in actions related to employment and income protection. The active involvement of social partners in the policy setting was put under stress, which has been mainly due to the need for governments to take fast and emergency measures.

Nevertheless, there is still room for greater involvement of social partners in developing and implementing policies and reforms. In order to ensure a recovery with the creation of high-quality jobs and secure and adaptable working conditions, it is crucial for Member States to engage in a broad policy dialogue with the social partners.

---

The meeting was online recorded:

- Direct link to video: [https://multimedia.europarl.europa.eu/en/empl-econ-joint-meeting\\_20201207-1100-COMMITTEE-EMPL-ECON\\_vd](https://multimedia.europarl.europa.eu/en/empl-econ-joint-meeting_20201207-1100-COMMITTEE-EMPL-ECON_vd)
- Video list; <https://multimedia.europarl.europa.eu/en/webstreaming?d=20201207&lv=ALL>