



An Chomhairle Náisiúnta Eacnamaíoch agus Shóisialta
National Economic & Social Council

Proposed Theme for Discussion
at Meeting of Presidents and Secretaries General,
Dublin, Thursday 8th November, 2012

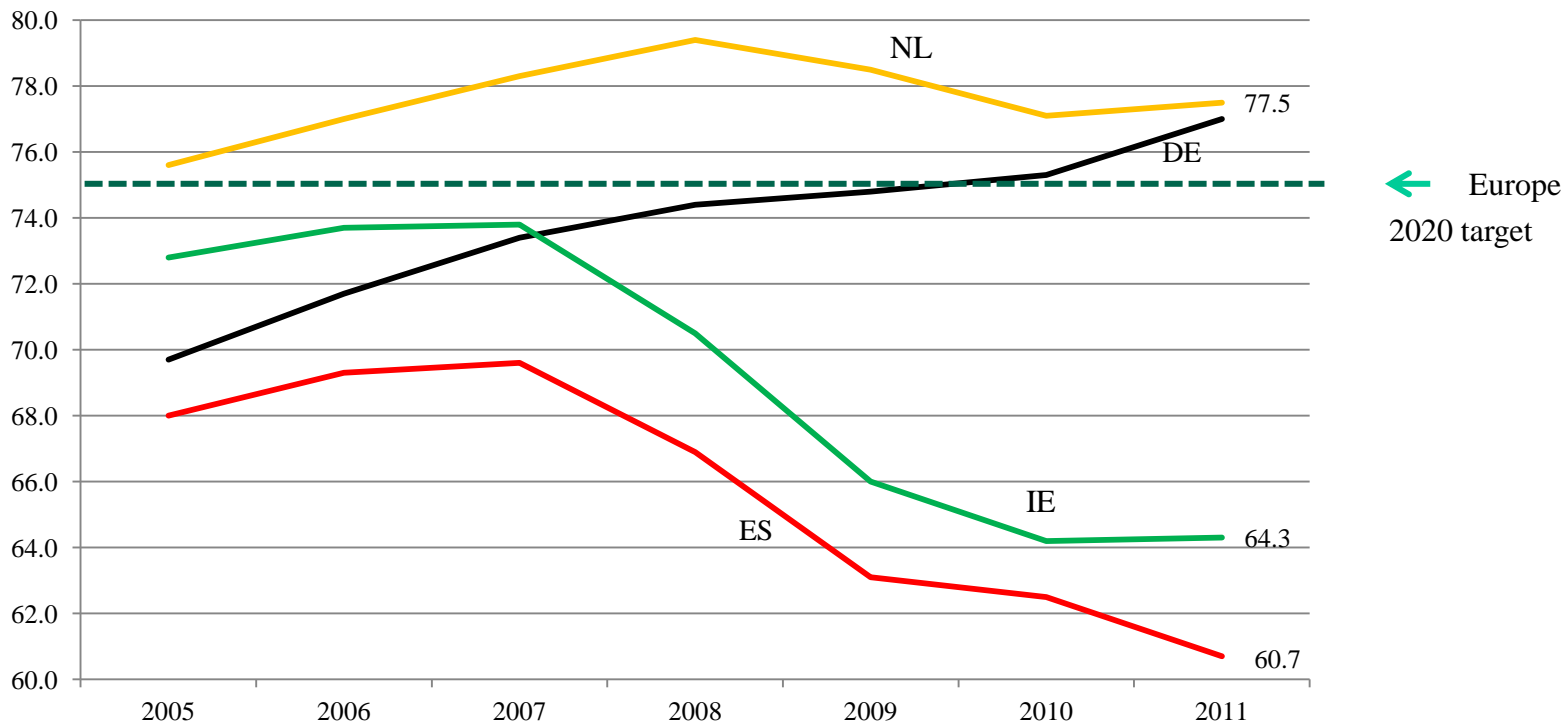
'Labour Market and Welfare/Benefit Reforms'

Context:

- Even without the current crisis, reforms are urgent - demography, technology, competition, environment. (Germany, too, is challenged!)
- *All MS face low growth, financial market uncertainty, fiscal tightening. Some MS ('programme countries', other periphery) face exceptional debt and refinancing costs. Much wider diversity*

Widening diversity

Employment rates of 20-64 year olds



Europe 2020: a social model based on a high level of employment

For MS 'on target': how maintain a high level equilibrium between high revenues and large budgets for social investments (including to address long-term dangers - e.g., ageing workforce, low services productivity, poor integration of migrants, etc.)?

For 'programme' and other periphery MS: how avoid a downward spiral to low level equilibrium between shrinking revenues and smaller, more targeted social spending

National reforms:

- pause ('not the time');
- accelerate ('avoid a lost generation', 'not waste a crisis', '..or else!');
- prioritise/select?
- rethink?

Is 'Europe' perceived to be helping or hindering ? Confidence/trust...

- that pro-growth measures will balance Fiscal Stability Pact,
- that Europe 2020 is credible
- that processes will work

- *Draft* note and questions. Feedback welcome. Final questions by end of May.
- Theme is similar to 'Restore the Dynamics of Labour Markets' [Section 2 in *Towards a Job-Rich Recovery*, COM (2012) 173 final]

Reform labour markets

- internal flexibility (STWAs, social dialogue)
- appropriate and adjustable wage floors
- ensuring transitions pay (esp. for youth, women, older workers)
- mutual responsibilities in benefit systems
- employment contracts that combat segmentation
- anticipate economic restructuring
- lifelong learning to maintain employability
- specific initiatives for youth
- mobilise all actors for better implementation

Invest in skills

Advance more towards a European labour market