



Employment, Social Policy, Health and Consumer Affairs **Brussels, 8 July 2019**

The Council meeting on 8 July 2019 will be chaired by **Aino-Kaisa Pekonen**, Minister of Social Affairs and Health of Finland, and **Timo Harakka**, Minister of Employment of Finland. The half-day session will be dedicated to employment and social policy issues.

The meeting will begin at **9.00** with the approval of "A" items followed by a public policy debate on the **Economy of wellbeing**, with the participation of Angel Gurría, Secretary-General of the OECD. Mr Gurría will present the OECD's findings on the topic.

Ministers will then turn to the **European semester** with the aim of completing the EPSCO Council's work on the 2019 exercise:

- approval of the recommendations on the 2019 **national reform programmes**
- endorsement of the opinion of the Employment committee (EMCO) and the Social protection committee (SPC) on the 2019 **country-specific recommendations** (CSR's) and the implementation of the 2018 CSR's
- adoption of **employment guidelines**

Ministers will also hold a public discussion on the **employment aspects** of the Commission's Communication 'Clean planet for all: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy '.

Over lunch ministers will exchange views on the topic: '**The European semester and the Economy of wellbeing**', with the participation of Mario Centeno, President of the Eurogroup and Finance Minister of Portugal ([10418/19](#)).

A press conference with ministers **Aino-Kaisa Pekonen** and **Timo Harakka** and Commissioner **Marianne Thyssen** will be held at **15.00** (tbc).

* * *

Press conferences and public events by video streaming: <http://video.consilium.europa.eu>

Video coverage in broadcast quality (MPEG4) and photo gallery: <https://europa.eu/hM79kk>

¹ This note has been drawn up under the responsibility of the press office.

Economy of wellbeing - public debate

Ministers will hold a public policy debate on the Economy of wellbeing. The discussion will be based on a presidency steering note ([10416/19](#)).

The Economy of wellbeing is a Finnish priority theme in the EPSCO remit. The Finnish presidency invited the OECD to draft a background note ([10414/19 ADD1](#)) to explore and clarify the relationship between economic growth and human wellbeing, building on international research and evidence. This background note provides important empirical support for the policy debate ([Executive summary of OECD's report](#)). Angel Gurría, Secretary-General of the OECD, will set the scene for the discussion by presenting the OECD's findings on the topic.

The concept of the Economy of wellbeing provides for a comprehensive approach to policy-making. It goes beyond GDP as a tool for measuring market production and economic growth. The concept's primary claim is that, while people's wellbeing is a value in itself, it is also vital for ensuring sustainable long-term economic growth. It seeks to increase understanding in the EU of how wellbeing policies and structures enhance productivity, generate economic growth, increase employment, and support fiscal sustainability as well as societal stability.

The Economy of wellbeing favours a cross-sectoral approach to policy-making, taking into account that a sustainable long-term economic growth depends on:

more inclusive social protection which may lead to higher GDP growth. This can be achieved by promoting more inclusive social protection systems and reducing inequality in opportunities and outcomes

improved gender equality that could lead to increasing GDP by up to 9.6% by 2050. This can be achieved by reducing the gender gap in access to quality jobs, ensuring better work-life balance, and providing more care support and flexible working arrangements

better health care, that can reduce the number of people dying each year in the EU due to non-communicable diseases (550 000 death cases resulting in EUR 115 billion in economic potential lost annually). This can be achieved by ensuring access to high quality health care for all and investing in preventive measures and high levels of health protection

more accessible education and training. Estimates show that in OECD countries, highly educated people live on average 6 years longer than low-educated people. This problem can be addressed by expanding access to high quality education for all and promoting adult and lifelong learning

Against this background, ministers will be invited to address the following questions:

- 1) What are your views on reinforcing the Economy of wellbeing as a guideline for policy and decision-making?
- 2) In what way should the EU's policy and decision-making be developed in order to strengthen the link between economic policy and wellbeing policies?
- 3) Strengthening the Economy of wellbeing principles throughout the EU is a long-term goal. What should be the first steps?

The debate will set the frame for the preparation of Council conclusions on the Economy of wellbeing, which the Finnish presidency plans to table for adoption at the EPSCO meeting in October this year.

European Semester 2019

1. Ministers are expected to approve the CSR's falling within the EPSCO competency ([10687/19](#)) ([10182/19](#)). The CSR's will be adopted by the ECOFIN Council on 9 July.

The approval of the CSR's is the main reason for convening this EPSCO session. Due to the delayed publication of the proposals on the CSR's, there was not sufficient time for member states to coordinate their positions, or for EMCO and SPC to examine the proposals before the Council meetings on 13-14 June and European Council on 21-22 June. Therefore, as an exception to the established practice, an additional EPSCO meeting was convened.

A policy debate on the European semester already took place at the EPSCO meeting on 13 June. During the discussion it was recognised that the semester remained an important tool for assessing reforms in the areas of employment and social policy.

2. Ministers will endorse ([10688/19](#)) the opinions of EMCO and SPC ([10688 ADD1](#) and [10688/19 ADD2](#)), which provide an assessment of the employment and social protection challenges in the 2019 national reform programmes. The opinions are also focused on the implementation of the 2018 CSR's. They reflect the outcome of the thematic reviews and of the country reviews performed by both committees.

3. The Council will also adopt a decision on guidelines for the employment policies (EGLs) of the member states ([9134/19](#)). The Commission proposes reconfirming the 2018 EGLs which were aligned with the principles of the European Pillar of Social Rights. In their opinions, the European Parliament, the EMCO, and the Economic and Social Committee confirmed the Commission proposal.

Clean Planet for All: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy - policy debate

In November 2018, the Commission adopted the Communication "A Clean Planet for all: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy" ([Commission communication](#)).

At the EPSCO Council meeting ministers will hold a public debate on the employment and social policy aspects of the Clean Planet communication, based on a presidency steering note ([10467/19](#)). Several other Council formations have already held policy debates on the topic, focusing on the aspects within their respective remits. The EPSCO debate will also contribute to the overall strategic long-term vision of the Union by discussing the relevant employment aspects.

While recognising that it is important to foster the competitiveness of climate-neutral solutions, the presidency highlights the need to monitor their economic and social impact in terms of added value, jobs, trade balances and exports. Special attention should also be paid to those sectors which need to adapt to new climate-neutral ways of carrying out their activities, and to those people, including low-skilled workers, who are affected by the transition.

Another significant challenge is related to the future of some economic sectors. While the number of jobs is expected to increase in the construction, farming, forestry and renewable energy sectors, activities are expected to decline significantly in some other sectors, such as coal mining and oil and gas exploration. Energy-intensive sectors such as steel, cement and chemicals, as well as car manufacturers, will see a shift to new production processes. Other existing jobs will have to be adapted to the new economy and workers will need to acquire new skills and competences. The presidency underlines the fact that education and training systems have a crucial role to play in providing all citizens with the opportunity for continuous lifelong learning. People will need not only specific professional skills, but also 'key competences' in fields such as science, technology, engineering and mathematics. Investing in the reskilling and upskilling of the population is essential so that nobody is left behind.

A just transition to a climate neutral economy is needed. It is necessary to promote a social model empowering all citizens. Active labour market policy measures are needed to facilitate just and inclusive transitions in particular concerning low-skilled workers. As the changes happen in enterprises, a proper information and consultation and where relevant participation of employees is also necessary to enable inter alia early identification of skills needs.

The flagship concept of the Finnish presidency in the remit of EPSCO -- 'economy of wellbeing' -- promotes the perspective of empowering all citizens; EPSCO will also debate this concept (please see above).

Against this background, ministers will be invited to exchange views on the following questions:

1. How should employment and social policies (including skills policies) at both EU and Member State level be designed to best support a just transition to a competitive, environmentally friendly and climate-neutral economy?
2. Which actions are most urgent in order to mitigate the adverse effects of the transition to a climate-neutral economy, taking into account in particular the low-skilled workers affected by this transition?

Any other business

1. The Commission will inform ministers about international developments in employment and social policies ([10781/19](#)).
-