



DIRECTORATE-GENERAL FOR INTERNAL POLICIES

POLICY DEPARTMENT **A**  
ECONOMIC AND SCIENTIFIC POLICY

Financial, Economic and Social Crisis

# How can Europe create jobs?

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**DIRECTORATE GENERAL FOR INTERNAL POLICIES**  
**POLICY DEPARTMENT A: ECONOMIC AND SCIENTIFIC POLICIES**

**EUROPEAN PARLIAMENT'S SPECIAL COMMITTEE ON THE  
FINANCIAL, ECONOMIC AND SOCIAL CRISIS**

# **HOW CAN EUROPE CREATE JOBS?**

## **NOTE**

### **Abstract**

The scale of the employment challenge requires the following changes in the political priorities for the next period, which should be particularly considered in the framework of the European Recovery Plan and the EU2020 Strategy:

a/ It is not enough to activate the labour supply, it is necessary to activate the labour demand. This means avoiding a premature withdrawal of the fiscal stimulus and re-directing it to support investment and job creation. A new pro-active approach is necessary in this public support, by a better combination between innovation and employment policies focusing on new activities, jobs and skills. Finally, new financial means should be developed and the financial system should be reformed in order to work for sustainable growth, productive investment and job creation;

b/ A major process of re-skilling the European labour force should be organized creating a permanent and inclusive system for lifelong learning at European scale;

c/ Only under these conditions, it is possible to develop flexicurity principles in order to support the vast professional transitions which will take place in the European labour market over the next years.

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## **INTRODUCTION - THE EMPLOYMENT CHALLENGE IN EUROPE**

The economic crisis has had a dramatic impact on the European labour market. After several years of relatively high growth and job creation (9.7 million new jobs alone between 2005 and 2008), the expected jobs losses over 2009-10 are estimated in 8.5 million. The unemployment rate has worsened from 6.7% in spring 2008 to 9.5% in January 2010 (5). According to the available outlook for the next years (bibliographical references 3 and 5) it is possible to identify the following potential problems if the appropriate actions are not taken:

a/ the employment level will still decrease over an uncertain period but, even when it will start increasing, it will do so at a slower pace when compared to the activity rate;

b/ in such a situation, the unemployment rate will still rise over the next years;

c/ the regional inequalities across Europe regarding employment and unemployment rates will intensify because the recovery process depends on the industrial specialization pattern and on the strength of the fiscal stimulus in each Member State;

d/ in spite of the recession, job opportunities are estimated in 73 million jobs due to the need to replace workers who retire or change jobs. This professional transition needs to be organized in more effective terms in order to make the best of these opportunities (8);

e/ there will be a shift in the new jobs to be created towards more knowledge-intensive occupations (7,8). The labour demand will increase relatively more strongly for high level managerial and technical jobs and for skilled non-manual workers. It will also increase for service activities such as sales, security, catering and caring, but it will decrease sharply for skilled manual workers. This means that, if the skills mismatches in the labour market are not properly addressed, the structural dimension of unemployment will be coupled with its major downward fluctuation stemming from the recession, making the problem even more difficult to overcome.

The scale of this employment challenge requires the following changes in the political priorities for the next period, which should be particularly considered in the framework of the European Recovery Plan and the EU2020 Strategy (2):

a/ It is not enough to activate the labour supply, it is necessary to activate the labour demand. This means avoiding a premature withdrawal of the fiscal stimulus and re-directing it to support investment and job creation. A new pro-active approach is necessary in this public support, by a better combination between innovation and employment policies focusing on new activities, jobs and skills. Finally, new financial means should be developed and the financial system should be reformed in order to work for sustainable growth, productive investment and job creation;

b/ A major process of re-skilling the European labour force should be organized creating a permanent and inclusive system for lifelong learning at European scale;

c/ Only under these conditions, it is possible to develop flexicurity principles in order to support the vast professional transitions which will take place in the European labour market over the next years.

This paper will first highlight what are the opportunities for job creation in Europe. Secondly, it will present the kind of political priorities and measures which are needed to meet these opportunities.

# 1. THE OPPORTUNITIES FOR JOB CREATION IN EUROPE

## 1.1 Identifying new opportunities for job creation

Globalization is deeply reshaping the specialization patterns of investment and job creation in each country, bringing about a new map of the international division of labour, which is being re-organized according not only to sectors but also to products and tasks. The recent financial and economic crisis is working as a catalyst of trends which were already underway. The European Union should reposition itself in this global map of activities in order to create more and better jobs. Therefore, it is very important to target these new activities by an enhanced coordination of the policies concerning trade, competition, industry, innovation, education and training, and employment. This should be the central focus of the EU2020 Strategy.

Some opportunities created by globalization can re-emerge after the crisis. The bilateral trade agreements and current WTO round are supposed to create more opportunities for trade and foreign investment, not only among developed countries but also with the developing countries. The reform of the international financial system should play a key role in order to underpin this process, which will also be shaped by the European capacity to have a more co-ordinated voice in these arenas. With a good combination of the policies for international trade, cooperation and development aid it is possible to foster new opportunities for investment and job creation in Europe by exporting products and services to developed and developing countries. This is already the case, for instance, of European companies specialized in providing these countries with tailor-made technologies, services and consultancy for greener growth, health or telecommunications modernization.

There are also opportunities created by the process of the European integration, provided that the necessary supporting policies are really available:

- Enlargement, requiring a catching up process to manage real and nominal convergence, inter-sectoral and intra-sectoral specialisation, foreign direct investment, capacity building, the European policies and standards as a leverage;
- Regional development, depending on the priorities for economic and social cohesion policies;
- Internal market, depending on opening the markets for goods and services, integrating the financial markets, managing restructuring process;
- Economic and Monetary Union, depending on the coordination of macroeconomic policies to promote sustainable growth and to enhance strategic priorities for public investment; and
- European research area, requiring networks for excellence, integrated projects and coordination of national initiatives, creating high skilled jobs.

Opportunities can also stem from societal changes, where a wide range of combinations between private and public initiatives can be used: adapting and mitigating climate change; developing business services as well as regional and urban management services; expanding pre-schooling educations and lifelong learning activities; diversifying health, social integration, and family care services. All these sectors are labour intensive and tend to be knowledge intensive.

Finally, new opportunities can also be created by a new economic dynamism based on innovation in new products and services, new process and technologies, new business concepts, management and organization. These opportunities can be enhanced by improving the framework conditions for restructuring and for entrepreneurship. This focus on innovation, defined in broader terms, can lead to productivity gains which are more based on value adding as against labour saving. This can propel a growth path where higher levels of competitiveness are easier to combine with more and better jobs (1).

Hence, in a recovery process and beyond, Europe can potentially create jobs in many sectors: retrofitting of houses, developing and installing renewable energy production units, spreading low carbon technologies, efficient and electric cars, strengthening public transport, smart urban planning, health and care services, personal services, business services, biotechnologies and nanotechnologies, creative and cultural industries and modernizing manufacturing sectors according to new standards of energy, design, safety and quality. This will be particularly important not only to offer job opportunities to a higher-skilled young generation entering the labour market, but also for workers who are losing their jobs in sectors undergoing restructuring.

## **1.2 European Partnerships for Innovation and Job Creation**

Against this general background of possibilities, three areas of high potential for job creation should deserve special EU coordinated actions, mobilizing all the relevant actors in the framework of European Partnerships for Innovation and Job creation:

- Jobs for a Greener Economy;
- Jobs for a Smarter Economy;
- Jobs for an Inclusive Society.

We need to create these jobs and to train these professional to ensure that our growth path will be more sustainable in the future.

a/ "Jobs for a Greener Economy " should promote jobs in connection with the transformation of our patterns of consumption, production and mobility. It will have particular implications for the clusters of activities related with habitat, mobility, manufacturing and food (see Figure 1).

These actions to create jobs should build on the following priorities involving energy efficiency and renewable energies: producing and distributing sustainable energy; promoting sustainable habitat; promoting sustainable transports; and promoting sustainable manufacturing.

Meeting the EU's target of 20% renewables in the EU energy mix will depend on creating more favorable economic conditions for renewable energies and on investment in interconnection into energy grids, with emphasis on facilitating decentralized production and links to and from regions rich in renewable sources like wind or solar and connecting these with regions where energy can be stored in hydropower. All these infrastructure projects will create high-value jobs.

New jobs should be created swiftly in the low-carbon knowledge economy. Investing in the technologies of the past will not bring competitive advantages to Europe. Many new smart and green jobs can be created by 2020 with the right incentives and financial support for increasing energy efficiency, supporting renewable energies and modernising European production and service provision (3). "Greening" production by using less energy and raw materials would decrease the prices of European products and make them more competitive.



Retrofitting housing would have an immediate positive impact in the building sector, which has been particularly hit by the crisis. Environmentally aware consumers also represent an increasing market, with implications particularly for car industry.

b/ "Jobs for a Smarter Economy" should promote the activities which are strategic in a knowledge intensive economy:

- Extending the broadband network to all regions and citizens, allowing access to the latest generation of Internet;
- Developing content industries, providing new products for all kind of users and mobilizing the large variety of European expertise, cultures and languages;
- Promoting creative industries which can provide new competitive factors in a large variety of activities, such as media, leisure and product design in many manufacturing sectors; and
- Developing business services, which are crucial to support SMEs modernization and which can create many highly-skilled jobs. A new frontier should also be opened by supporting cooperation services with developing countries.

c/ "Jobs for an Inclusive Society" should build on the great potential for new jobs in collective and personal services. This includes health, elderly care and child care, particularly in view of Europe's ageing population and the imperative of raising employment rates amongst both women and men.

This also includes services in education and training. The transition to a knowledge-intensive economy should be underpinned by the generalization of the access to lifelong-learning. That it is why is important to develop a European-wide programme for "New skills for new jobs" to ensure a massive re-skilling for new jobs.

This programme should be opened to all European citizens, but the priority groups should be unemployed people, workers looking for better jobs, young people with lower education levels, elderly workers wanting to update their skills, women wanting to return to the labour market and immigrant workers in integration. This programme requires not only building a European co-ordinated system to anticipate skills needs, but also to develop the European frameworks (EQF-European Qualifications Framework and ECVET) to support the transfer and accumulation of learning outcomes. Finally, it also requires widening access to competence assessment centers as well as to new funding instruments for learning activities (learning accounts, social contributions, loans and scholarships). The implementation of this programme will also create many new jobs in teaching and training activities.

## 2. POLITICAL PRIORITIES TO FOSTER JOB CREATION

The European experience regarding job creation, particularly in the framework of the Lisbon Strategy, has showed that a special policy mix should be developed combining the following priorities (9):

- macroeconomic policies (including monetary, fiscal and wage policies) achieving a better combination between macroeconomic stability and growth;
- active trade, industrial and innovation policies to support the redeployment of investment and job creation towards new activities which are more knowledge-intensive and low-carbon and, therefore, with more added value;
- strong regional policy to support the catching-up of the lagging regions;
- ambitious research, education and training policies to renew the knowledge base of growth and jobs;
- active employment policies aiming at strengthening the human capital, attracting more people into the labour market and improving adaptability; and
- promoting social inclusion and modernising social protection in order to make it more adequate, adaptable and sustainable.

In the current situation of major imbalance between labour supply and demand, job creation should be actively promoted in the framework of the EU2020 Strategy, in order to ensure an effective recovery in all Member States, which should be consistent with a new and lasting growth model. This will require not only a better coordination of the national policies, but also the development of the current European policies and notably:

a/ A stronger coordination of the national macroeconomic policies

In order to take advantage of the European spill-over effects on growth, Member States should coordinate their macro-economic policies, including public investments, tax incentives for private investments, according to a common set of priorities for investment and job creation. New financial instruments should also be developed with this purpose.

b/ A European energy policy

The sustainability, independence and security of Europe's energy supplies will depend on large-scale investments in our energy sources, distribution and infrastructure. These new investment areas have important potential for promoting, jobs, growth and long-term prosperity.

c/ A European industrial and innovation policy

A new European framework to promote innovative and sustainable industrial development should be developed, generating synergies between new national efforts and ensuring their consistency with the Internal Market. For the recovery to bring transformational economic change to the European economy, there must be better coordination of innovation, industrial, research, education policies. State aids to struggling sectors, suffering massive job lay-offs, should not result in unfair competition and should ensure equal treatment to cross-border branches.

d/ European actions to support employment, re-skilling, mobility and social inclusion

Social and employment policies should be adapted to secure the recovery. It is important to safeguard jobs as far as possible, support the unemployed back into employment as fast as possible and stimulate the creation of new jobs. This crisis should also be seen as an opportunity for a European-wide radical re-skilling of the labour force.

e/ More coherent European external action to support the recovery in cooperation of the other partner countries.

Strategic and regulatory convergence towards similar priorities of sustainable development should be actively promoted by the European Union using all its external policies and all the available channels: bilateral, multilateral and G-groupings. This will be particularly important to protect European jobs from unfair competition pressures.

### **3. INNOVATION, THE CENTRAL ENGINE FOR JOB CREATION**

#### **3.1 New momentum for innovation policy**

Innovation turns knowledge into added value, leads to new products and services and should become the main engine for a smarter growth with more and better jobs. Over the recent period, innovation policy has gone through important developments, but new momentum is needed to strengthen this engine. This new momentum should be given by a stronger focus on user's needs, demand and market opportunities and a more effective connection between innovation, research, education and job creation.

It is up to business to identify and grasp the market opportunities, but these initiatives can be supported by a more pro-active state, with better coordination between trade, cooperation, public procurement and standardisation policies, which can create market opportunities, and research, innovation and education policies, which can enable their full exploitation.

Apart from improving the general conditions, the European and the national innovation policies should also focus on special catalysts to speed up the innovation process. The approach based on clusters is particular useful to develop partnerships for innovation, job creation and competence building, involving all the relevant actors: companies, research institutions, education and training institutions and financial bodies.

These partnerships for innovation and job creation should be launched in order to foster the creative process which is critical to renew both the competitive factors and the employment structure. Moreover, networks and measures to disseminate the new technological and management solutions among SMEs can play a key-role in the same direction.

At European level, a single strategic platform should be created in each sector to bring together all key actors and to coordinate existing instruments: technology platforms, skills expert panels, joint technology initiatives, lead markets, clusters and high level industrial groups. The critical process of building innovation capacity begins at national level but should be more actively supported and coordinated at European level.

Recent experiences suggest there is a critical path to develop an innovation policy as a catalyst to the transition to a knowledge intensive economy and the creation of jobs:

- 1/ to use the European agenda as a leverage to introduce this strategic goal in the national agendas;
- 2/ to spread a richer concept of innovation, taking into account its different dimensions: technological and organisational, in processes or in products and services, based on science or in learning-by-doing, using or interacting;
- 3/ to highlight the implications of the innovation system approach for the coordination of policies;
- 4/ to define the priority areas of an innovation policy and prepare a tool box of operational measures;
- 5/ to open the access to this tool box in order to support innovating projects and companies whatever their sector;

- 6/ to focus on some clusters in order to illustrate the advantages of developing partnerships for innovation and job creation, as a good practice which can be followed by other clusters;
- 7/ to dynamise the national innovation system, by focusing on the missions and the interactions among its bodies, including the flexibility of labour markets;
- 8/ to reform public management with implications for innovation;
- 9/ to spread skills for innovation and to train innovation managers;
- 10/ to improve governance for innovation, by improving the internal coordination of the government and the relevant public departments, by creating public awareness and by developing specific consultation and participation mechanisms with the civil society.

### **3.2 Managing restructuring process and job creation**

Innovation is also connected with restructuring and potential job losses. The restructuring processes underway in Europe should be placed in this broader context of redeploying the European economy to new activities with more added-value and providing new and better jobs. In order to be successful, this redeployment should be underpinned by a more strategic management of human resources, encouraging a more dynamic and future-oriented interaction between labour supply and demand. Otherwise there is the risk that bigger shortages, gaps and mismatches of skills will coexist with structural unemployment.

Improving the management of the restructuring process requires evolving (see Table 1 in Annex):

- from the traditional passive approach which puts the focus on reducing the social impacts of the restructuring process with social plans in the restructuring companies. This is necessary, but not sufficient;
- to the active approach, which involves various instruments of the active labour market policies and of the regional development policies to move workers to new jobs. This is also necessary, but not sufficient;
- and to a pro-active approach which mobilizes the several instruments of the innovation policy, in a good mix with the trade, competition, employment and training policies, in order to create stronger framework conditions for more and better investments and jobs. Taking into account the current trends for rapid change in the global economy, this approach should be urgently developed because it can prevent the tensions of a restructuring process which tends to be permanent.

This pro-active approach to manage restructuring is particularly relevant for a regional development policy able to promote employment.

## 4. INVESTMENT IN HUMAN CAPITAL, THE MOST STRATEGIC INVESTMENT FOR EUROPE

Job creation in a knowledge intensive-economy can only take place if underpinned by a regular investment in human capital to address new skills needs. Its purpose should be not only to raise the educational levels, but also to generalize new key competences and to provide new occupational profiles.

### 4.1. Defining more ambitious education and training targets

The EU2020 Strategy should commit to raise educational levels with four main concerns:

- The importance of cognitive education as a basis to increase the performance in basic education and in lifelong learning. A first chance for cognitive education should be provided very early, during pre-schooling education. A second chance should always be available irrespective to the age.
- The upper secondary level of education is considered the basis for a better performance in lifelong learning. High quality teaching as well the involvement of the community and the family are critical to prevent the drop-outs until this critical stage.
- More ambitious targets should be defined for the higher levels of education and training. A permanent identification of skills should be provided by stronger interface between higher education and research institutions and companies. A very sophisticated knowledge management is required to train higher specialised workers. These should be some of the purposes of the partnerships for innovation and the European networks for innovation already mentioned.
- The access to regular training activities should become a normal ingredient of the labour contract and the collective agreements, connected with working time and costs sharing between the company and the worker. Furthermore, the individual initiative should be fostered by learning accounts.

### 4.2. Renewing skills for a knowledge economy

Beyond raising educational levels, two different kinds of skill gaps should be addressed: the new basic competences to be spread in all qualifications and the new occupational profiles to be targeted by education and training.

Most of the emerging jobs are requiring new personal competences (learning to learn, team working, networking, creativity, entrepreneurship, leadership, defining a project), new technical competences (PC user, Internet user, telecommunications user, environment-friendly behaviour) and theoretical competences (foreign languages, European and global citizenship, scientific developments, understanding cultural diversity).

Besides spreading these new basic competences in all qualifications, it is also necessary to address permanently the skills gaps regarding the new occupational profiles. For instance, in the information and communication technologies there are emergent occupational profiles such as: software & applications development; software architecture and design; multimedia design; IT business consultancy; product design; integration engineering; systems specialist; digital design; radio frequency engineering; data communications engineering; and communications network design.

### **4.3. A European support to lifelong learning strategies**

The EU Member States are now committed to develop national strategies for lifelong learning, which should be supported politically and financially at European level. The experience of the most successful cases shows that the following priorities should be taken into account:

- A. to define the goals for lifelong learning in terms of not only educational levels but also new jobs profiles and competences;
- B. to develop a new infrastructure for lifelong learning;
- C. to create a diversified supply of learning opportunities able to provide more customised solutions:
  - to develop the new instruments of e-learning and to explore the potential of the digital TV;
  - to turn schools and training centres into open learning centres;
  - to encourage companies to adopt learning organisations;
  - to shape the appropriate learning mode for each target group; and
  - to spread new learning solutions for the low skilled workers.
- D. to foster the various demands for learning and to create a demand-led system:
  - to improve the framework conditions for lifelong learning;
  - to develop a dynamic guidance system over the life course;
  - to renew the validation and recognition system; and
  - to create compensations for the investment in learning.
- E. to spread new financial arrangements in order to share the costs of lifelong learning;
- F. to improve governance for lifelong learning, involving all the stakeholders along the following lines (see Table 2 in Annex).

A permanent and inclusive system of lifelong learning at European scale should be created. Generalising access to Erasmus opportunities for learning mobility should be part of this endeavour.

## 5. THE FINANCIAL INSTRUMENTS TO SUPPORT JOB CREATION

The financial and economic crisis is not over yet. It was controlled, but not really overcome. The most likely scenario is still a very sluggish growth with rising unemployment and increasing social and regional inequalities across Europe.

This means that economic policies to sustain demand and foster job creation should be a key priority of the upcoming EU2020 strategy. Structural reforms and supply-side policies are certainly needed to move to a smart, green and inclusive growth, but demand side policies should not be forgotten, particularly in the current situation. To restore net job creation should be the top priority for social, economic and even financial reasons, because this is certainly the best way to rebalance our public finances.

### 5.1 A stronger coordination of macro-economic policies is needed according to the following lines:

- The withdrawal of the fiscal stimulus should only take place once net job creation is secured. This fiscal stimulus should be focused on investment and job creation.
- The coordination of budgetary policies at European level will be important not only to consolidate public finances, but also to foster European growth.
- The coordination of budgetary policies regarding the common priorities of public spending towards a greener, smarter and more inclusive growth is a precondition to benefiting from the spill-over effects across Member States.
- In the framework of the revised Stability and Growth Pact, the Member States able to redirect their public expenditure and tax structures towards these objectives should be allowed to have more time to reduce their public deficit and debt, provided they can demonstrate that this will contribute to higher growth and a consolidation of their public finances.
- To support job creation and ensure social fairness, the tax burden cannot be put on labour but rather moved to carbon and financial sources.
- The surveillance procedures should follow-up not only the indicators of the public deficit and debt, but also growth, employment and social cohesion.

The available financial instruments should be swiftly adapted for this purpose and complemented by some new ones.

### 5.2 Speeding up and refocusing the Structural Funds

Regarding European Structural Funds and Cohesion Funds, it is not enough to simplify the systems for advances and reimbursement, which is still to be ensured in practical terms. It is necessary to anticipate the multi-annual programming, to reduce co-financing and to strengthen management structures.

### **5.3 Increasing the scale of the EIB action**

The European Investment Bank can add a guarantee instrument to the first anti-crisis package, which should be focused on major initiatives for climate protection, public transport and large infrastructure projects in the new Member States, where neither the volume nor the long maturities of financing are provided by the market system due to significant market failures. An EIB guarantee could mobilize investments doubling the current effort.

As these programmes are driven by loans and paid back out of resulting revenues, there will be no burden for the next generations. As the European Investment Bank has the power to borrow on international capital markets, this power should be used so that savings are mobilized to make the European economy sustainable and stronger.

### **5.4 Realigning the Community budget**

The Community budget should be adapted to contribute directly to the economic recovery and to the EU2020 Strategy, starting with the proposal for the 2011 budget and going further in the next financial perspectives.

### **5.5 Eurobonds for long term investments and job creation**

In the present context, characterized by international competition for financial resources, it could be useful to examine the possibility of converting national bonds into Eurobonds as an important mechanism to reduce the cost of the long term investments for a greener and a smarter economy. The aim would be to reduce the spreads which are being paid by public debt to launch new investment projects, supporting business in general by decreasing the cost of capital, attracting domestic and foreign savings. A European agency could be created to organize the common issuance of EU denominated bonds, with the guarantees to be provided by all participating Member States.

### **5.6 Reforming the financial system to support job creation**

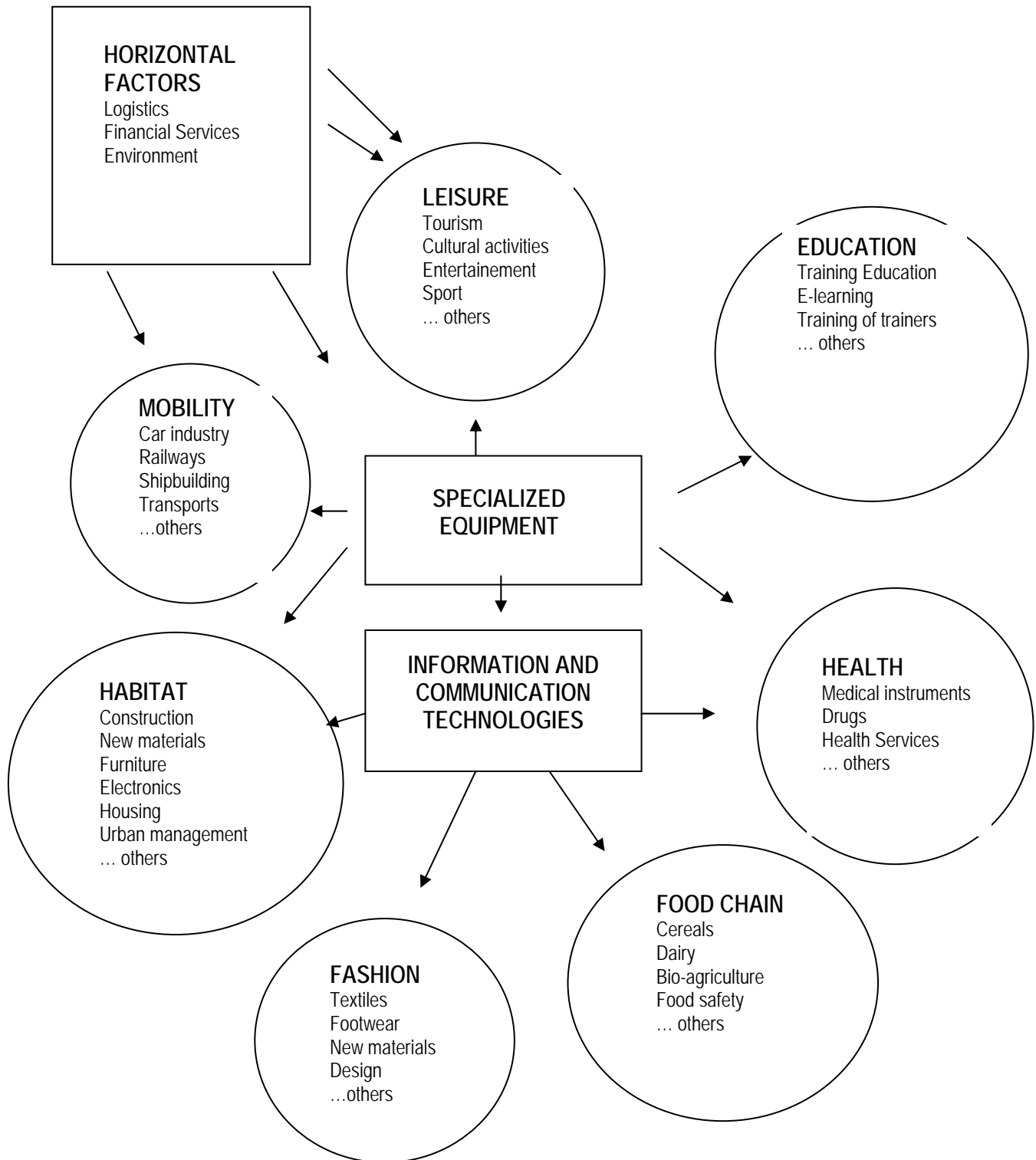
Last but not least, financial supervision must be quickly enforced at European level, to ensure that the agenda for the financial regulation and restructuring is more swiftly implemented. Our financial systems must be not only stabilized but also re-focused on real investment, growth and job creation.



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**Figure 1: Frame to explore new areas of innovation and job creation**



**Table 1: Managing industrial change – levels and stages**

Stages	Passive	Active	Pro-active
<b>Levels</b>			
<b>Company</b>	<ul style="list-style-type: none"> <li>• Lay-off process</li> <li>• Unemployment insurance</li> <li>• Early retirements</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate social plans for restructuring (CSR)</li> <li>• Competence report (“bilan des competences”) and personal plan</li> <li>• Outplacement services</li> <li>• Training for new jobs in the region</li> <li>• Incentives to geographic and occupational mobility</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic management of innovation</li> <li>• Strategic management of human resources</li> <li>• Competence building</li> <li>• New models of work organisation</li> <li>• Innovation agreements</li> </ul>
<b>Sector/Regional</b>	<ul style="list-style-type: none"> <li>• Sectoral programmes of restructuring and downsizing</li> <li>• Social programmes with minimum income</li> </ul>	<ul style="list-style-type: none"> <li>• Rapid Response System and change managers</li> <li>• Sectoral/Regional programmes for labour force transfers between companies and sectors with specific training</li> <li>• Financial incentives for recruitment by new companies</li> <li>• Local employment initiatives</li> <li>• Incentives to new investments, both national and foreign</li> <li>• Local partnerships for growth and employment</li> </ul>	<ul style="list-style-type: none"> <li>• Clusters development</li> <li>• Networks and partnerships for innovation</li> <li>• Innovation poles</li> <li>• Plans for regional development</li> <li>• Learning regions</li> </ul>
<b>National</b>	<ul style="list-style-type: none"> <li>• Labour law on lay-off</li> <li>• Social protection regimes for unemployment and retirement</li> </ul>	<ul style="list-style-type: none"> <li>• Active labour market policies</li> <li>• Vocational guidance services</li> <li>• Training programmes to tackle labour market mismatches</li> <li>• Coordination of employment and industrial policies</li> <li>• Labour market regulations: flexibility with security</li> <li>• Social partners consultation</li> <li>• National Employment Observatories</li> <li>• Housing market and geographic mobility</li> </ul>	<ul style="list-style-type: none"> <li>• Coordination of employment, industrial, innovation, education and trade policies</li> <li>• Partnership for change involving social partners</li> <li>• Foresight system for new sources of job creation</li> <li>• Pro-active programmes for education and training</li> <li>• Lifelong learning strategies</li> <li>• Labour market regulations: Transitions and competence building</li> </ul>
<b>European</b>	<ul style="list-style-type: none"> <li>• Directives (lay-off, information and consultation)</li> <li>• Social protection guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• Coordination of employment, competition and industrial policies</li> <li>• European Employment Strategy</li> <li>• European Social Fund (ESF)</li> <li>• Directive on works Councils</li> <li>• Directive on portability of pensions</li> </ul>	<ul style="list-style-type: none"> <li>• Lisbon Strategy</li> <li>• Partnership for growth and jobs</li> <li>• European Social Dialogue (sectoral and cross-sectoral)</li> <li>• Community Programmes for R&amp;D, innovation, employment and lifelong learning</li> <li>• ESF+ERDF</li> <li>• European Monitoring Centre for Change</li> <li>• European foresight system for new sources of job creation</li> </ul>

**TABLE 2: Sharing responsibilities for lifelong learning**

MAIN ACTORS	PUBLIC AUTHORITIES	COMPANIES	INDIVIDUALS	SOCIAL PARTNERS	PUBLIC AND PRIVATE TRAINING SUPPLIERS
<b>PRIORITIES FOR LIFELONG LEARNING DEVELOPMENT</b>					
To define the goals for lifelong learning: new jobs profiles and competences	- Forecasting institutions - Partnerships for job creation	- Human resources management - Partnerships for job creation		- Innovation agreements - Partnerships for job creation	- Training development - Partnerships for job creation
To develop a new infrastructure for lifelong learning	- Telecommunications and TV regulation - Knowledge resource centres	- Digital equipment	- Digital equipment		- Broadband providers - Content providers
To develop e-learning activities					- e-learning products and services
To turn schools and training centres into open learning centres	- Education and training systems regulations	- New kinds of demand	- New kinds of demand		- Organisational development
To adopt learning organisations		- Organisational development		- Innovation agreements	
To shape the appropriate learning mode for each target group		- New kinds of demand	- New kinds of demand	- Negotiation of training in collective agreements	- Product development - Marketing
To spread new learning solutions for the low skilled workers	- To support new solutions - To ensure basic education for all	- Organisational development	- Stronger personal commitment	- Special conditions for training	- Specialised courses - Focus on new basic skills
To improve the framework conditions for lifelong learning: time management, care services...	- Family care services	- Family care services		- Negotiation of working time management - Time accounts and training leaves	
To develop a guidance system over the life course	- To provide guidance services		- To develop a personal development plan		- To provide guidance services
To renew the validation and recognition system	- To create centres of competence validation	- Intellectual capital reports	- To get a personal portfolio - Europass	- To create centres of competence validation	
To create compensations for investment in learning		- Productivity gains - Corporate assets	- Wage increases - Career improvements - Personal development	- Reciprocal compensations in the labour contracts and collective agreements	
To spread new financial arrangements to share the costs	- Basic education for all - Improving education of young people - Supporting target adult people by tax reliefs or direct incentives	- Funding job-related training	- Learning accounts or special entitlements for training	- Sharing costs in labour contracts or collective agreements	- Investment plans

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