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Committee on Employment and Social Affairs

2021/0227(BUD)

23.9.2021

COMPROMISE AMENDMENTS 1 - 8

Draft opinion Lucia uriš Nicholsonová (PE695.324v03-00)

Draft general budget of the European Union for the financial year 2022 - General Introduction - Total expenditure - General statement of revenue - Statement of revenue and expenditure by section (2021/0227(BUD))

Compromise amendment 1

Lucia uriš Nicholsonová

Compromise amendment replacing Amendments 8, 9, 10, 11, 12, 13 Based on AMs 8, 9, 10, 11, 12

Draft opinion Paragraph 1

Draft opinion

1. Stresses that the social and employment related *consequences of* the COVID-19 pandemic *demand a strong response for people, families, workers and businesses*; highlights in this regard the crucial role the European Social Fund Plus (ESF+), which *will be* the *main* driver for strengthening the social dimension of the Union and ensuring a socially sustainable recovery, as well as of the European Globalisation Adjustment Fund for Displaced Workers (EGF) and the Just Transition Fund (JTF);

- 1. Reiterates that the year 2022 will continue to be a critical year and stresses that the social and employment related challenges of the economic downturn caused by the COVID-19 pandemic, has had a disproportional impact on different Member States, different regions and different groups in our society with the most severe impact on the most vulnerable groups and especially affecting the labour market
- 1a. demands a strong response for all people, particularly young people, all families, including LGBTIQ families, workers including the self-employed and businesses, particularly SMEs and a social and economically and environmentally sustainable budget that leaves no one behind;
- 1b. highlights in this regard the crucial role of the European funds and financial instruments including the Next Generation EU with the Recovery and Resilience Facility in addition to the European Social Fund Plus (ESF+), which is the key driver for strengthening the social dimension of the Union and ensuring a socially, economically and environmentally sustainable, just, inclusive and non-discriminatory recovery in line with the principles of the European Pillar of Social Rights and the Green **Deal**, as well as of the European Globalisation Adjustment Fund for

Displaced Workers (EGF) and the Just Transition Fund (JTF);

1c. stresses that these funds and instruments should support activities of all relevant stakeholders, including non-governmental and charitable organisations;

Compromise amendment 2 Lucia uriš Nicholsonová

Compromise amendment replacing Amendments 14, 15, 16, 17, 18, 19, 20 Based on AMs 14, 16, 17, 18, 19, 20

Draft opinion Paragraph 2

Draft opinion

2. Highlights that the budget should help create quality employment, reduce poverty and increase upward social convergence in a time of unprecedented crisis following the COVID-19 pandemic; stresses that the crisis has exacerbated existing social and economic inequalities and has worsened the living and working conditions of many workers and their families; insists on the need to tackle territorial and regional disparities;

- Highlights that the budget with a strong social dimension should help adapting to the imminent labour market changes, preserve and create quality and sustainable employment with full respect of labour rights and decent employment and working conditions, contribute to the eradication of poverty, and reduce social exclusion, inequalities and discrimination, in particular affecting children and youth, boost sustainable growth, and increase upward social convergence even more in a time of unprecedented crisis following the economic downturn caused by the COVID-19 pandemic and the following negative social consequences;
- 2a. stresses that the crisis has shed light on many existing inequalities, has revealed new forms of discrimination and has worsened the living and working conditions of many people, including workers and their families, particularly vulnerable groups of workers and those working under precarious employment conditions and arrangements and small

2b. insists on the need to tackle economic, social, territorial, generational and regional disparities and inequalities, as the Cohesion Policy must remain one of the priorities in the post-COVID recovery;

Compromise amendment 3 Lucia uriš Nicholsonová

Compromise amendment replacing Amendments 24, 25, 26, 27, 28, 29, 30 Based on AMs 24, 25, 26, 27, 28, 29, 30

Draft opinion Paragraph 3

Draft opinion

3. Stresses the importance of policies and measures to support labour market transition, especially in the context of the COVID-19 crisis; insists on the need *for* up- and reskilling policies to address the challenges posed by demographic change as well as the green and digital transition; recalls that the integration into the labour market of the most vulnerable groups, such as people in poverty, people with disabilities, young and elderly people, and the unemployed, is paramount;

- 3. Stresses the importance of policies and measures to support labour market transition, progress in technologies and innovation, and to strengthen the competitiveness of our economies particularly when it comes to the digital and green transitions, especially in the context of the COVID-19 crisis and long-standing trends;
- 3ba. stresses the need to adopt ambitious policies for improving the life prospects of the young generation, fighting poverty and social exclusion, including child poverty, and ensuring decent working conditions and their effective enforcement, employment security, adequate social protection, gender-balanced opportunities, and a working environment adjusted to people

with disabilities and fostering a safe environment and well-being for all in the EU;

- 3b. insists on the need to adopt ambitious lifelong learning and up- and reskilling policies and to recognize skills gained through informal and non-formal learning in order to address the challenges posed by demographic change as well as green and digital transition, including the increased use of AI;
- 3c. highlights in this context the importance of strengthening EU education and training programs in line with the needs of the economy and the society of the future, supporting employers and teachers to train the right skills as well as investing in digital infrastructure;
- 3d. recalls that the post-COVID recovery of the economy and the labour market must remain a priority;
- *3e.* recalls that *non discriminatory and* equal integration into the labour market or the improvement of the position in the labour market of women and of the most vulnerable groups, (such as people experiencing or at risk of poverty and social exclusion, in particular the most deprived, people with disabilities, the Roma and other disadvantaged ethnic minorities, young and elderly people, single parents and the unemployed, in particular the long-term unemployed, as well as self-employed workers and workers in precarious employment), is paramount to create a fair and socially just and inclusive society;

Compromise amendment 4 Lucia uriš Nicholsonová

Compromise amendment replacing Amendments 33, 34, 35, 36, 37 Based on AMs 33, 34, 35, 36

Draft opinion Paragraph 4

Draft opinion

4. Welcomes the Commission proposal to allocate EUR 13,173 5 billion in 2022 to the ESF+; highlights that the ESF+ must play a key role in supporting the Member States to achieve high *employment* levels, adequate social protection and a skilled and resilient workforce ready for the transition to a green and digital economy; welcomes the transfer from REACT-EU of an additional EUR 10,8 billion to cohesion in 2022, of which 30 % will be allocated to the ESF +;

- Takes note of the Commission proposal to allocate EUR 13,173 5 billion in 2022 to the ESF+; highlights that the ESF+ must play a key role in supporting the Member States to foster social inclusion, fight against poverty, achieve high levels of quality employment for all, especially for those farthest from the labour market and particularly creating better opportunities for young people, non-discriminatory and inclusive labour markets, working conditions that allow work-life balance for parents and carers, gender equality, adequate social protection and a skilled and resilient workforce ready for the transition to a green and digital economy;
- welcomes the transfer from *4a*. REACT-EU of an additional EUR 10.8 billion to cohesion in 2022, of which 30 % will be allocated to the ESF +; urges the Member States to quickly deploy these resources to mitigate the social impacts of the crisis; recalls that the REACT-EU resources shall support job creation and quality employment, in particular for people in vulnerable situations, as well as support social systems contributing to social inclusion, anti-discrimination and poverty eradication measures, with a particular focus on child poverty and enhance equal access to social services of general interest, including for children,

the elderly, persons with disabilities, ethnic minorities and the homeless (as per REACT-EU Regulation Article 8);

Compromise amendment 5 Lucia uriš Nicholsonová

Compromise amendment replacing Amendments 42, 43, 44, 45 Based on AMs 42, 43, 44, 45

Draft opinion Paragraph 5

Draft opinion

5. Recalls the obligation by Member States with a higher share than the average Union rate of young people not in employment, education or training to allocate at least 12,5 % of their ESF+ resources to implement the Youth Guarantee; calls on the Members States to make the best use of the directly managed strand of the ESF+, the Employment and Social Innovation strand for investment in social innovation and for *stimulating* labour mobility;

- 5. Welcomes the Youth Employment Support Package, particularly the reinforced Youth Guarantee and stresses the need for Member States to implement this by investing relevant EU funds available for their education, training, upskilling and employment;
- 5a. Calls on Member States and the Commission to make combating youth unemployment a priority, in particular as part of the European recovery effort and to make full use of financial instruments such as the Youth Guarantee (YG);
- 5b. recalls the obligation for all
 Member States to allocate an appropriate
 amount of their ESF + resources under
 shared management to targeted actions
 and structural reforms to support youth
 employment, in particular in the context
 of implementing schemes under the
 Youth Guarantee and for Member States
 with a higher share than the average Union
 rate of young people not in employment,
 education or training to allocate at least
 12,5 % of their ESF+ resources to
 implement the Youth Guarantee;
- 5c. calls on the Members States to make the best use of the directly managed strand of the ESF+, the Employment and Social Innovation strand for investment in social innovation and for supporting labour mobility but also preventing brain drain

from certain Member States, remote or rural areas;

Compromise amendment 5A

Alternative compromise amendment proposed by S&D and Greens replacing Amendments 42, 43, 44, 45
Based on AMs 42, 43, 44, 45

Draft opinion Paragraph 5

Draft opinion

5. Recalls the obligation by Member States with a higher share than the average Union rate of young people not in employment, education or training to allocate at least 12,5 % of their ESF+ resources to implement the Youth Guarantee; calls on the Members States to make the best use of the directly managed strand of the ESF+, the Employment and Social Innovation strand for investment in social innovation and for *stimulating* labour mobility;

- 5. Welcomes the Youth Employment Support Package, particularly the reinforced Youth Guarantee and stresses the need for Member States to implement this by investing relevant EU funds available for their education, training, upskilling and employment;
- 5a. Calls on Member States and the Commission to make combating youth unemployment a priority, in particular as part of the European recovery effort and to make full use of financial instruments such as the Youth Guarantee (YG);
- 5b. recalls the obligation for all
 Member States, not only those that are
 most affected by youth unemployment, to
 allocate an appropriate amount of their
 ESF + resources in measures to support
 youth employment and encourages them
 all to allocate at least 12,5 % of their
 ESF+ resources under shared
 management to targeted actions and
 structural reforms to support quality
 youth employment and implementation of
 the Youth Guarantee¹;
- 5c. calls on the Members States to make the best use of the directly managed strand of the ESF+, the Employment and Social Innovation strand for investment in

¹ Position in the form of amendments of the Committee of Employment and Social Affairs for the Committee on Budgets on Guidelines for the 2022 Budget - Section III (2020/2265(BUI))

social innovation and for *supporting* labour mobility *but also preventing brain drain* from certain Member States, remote or rural areas;

Compromise amendment 6 Lucia uriš Nicholsonová

Compromise amendment replacing Amendments 46, 47, 48, 49 Based on AMs 46, 47, 48, 49

Draft opinion Paragraph 6

Draft opinion

6. Recalls that Member States with a level of child poverty above the Union average should use at least 5 % of their ESF+ resources to address this issue, whereas all other Member States must allocate an appropriate amount of their ESF+ resources to targeted actions to combat child poverty in view of supporting the implementation of the Child Guarantee;

- Deplores the fact that in 2019, 6. 22% of all children in the EU were atrisk-of-poverty or severely materially deprived or living in (quasi-)jobless households; stresses that, in the context of recovery from the economic downturn caused by the COVID-19 outbreak, tackling child poverty will become even more important in the coming years; Welcomes the adopted European Child Guarantee aimed at ensuring that every child in Europe at risk of poverty or social exclusion has access to free healthcare, education, early childhood education and care as well as decent housing and adequate nutrition;
- 6a. Recalls that Member States should use the ESF+ resources to efficiently tackle child poverty and underpin targeted actions to combat child poverty in view of supporting the implementation of the Child Guarantee; highlights, in this regard, the importance of Member States' investment of EU funds in combatting child poverty and social exclusion;
- 6b. encourages Member States to go beyond the minimum requirements of the ESF+, in view of the persistently high levels of child poverty and social exclusion throughout the Union; reiterates its call on the Commission to

invest at least EUR 20 billion in the European Child Guarantee in the period 2021-2027 out of which at least 3 billion must be made available in the year 2022;

Compromise amendment 6A

Alternative compromise amendment proposed by S&D and Greens replacing Amendments 46, 47, 48, 49
Based on AMs 46, 47, 48, 49

Draft opinion Paragraph 6

Draft opinion

6. Recalls that Member States with a level of child poverty above the Union average should use at least 5 % of their ESF+ resources to address this issue, whereas all other Member States must allocate an appropriate amount of their ESF+ resources to targeted actions to combat child poverty in view of supporting the implementation of the Child Guarantee;

- Deplores the fact that in 2019, 22% of all children in the EU were atrisk-of-poverty or severely materially deprived or living in (quasi-)jobless households; stresses that, in the context of recovery from the economic downturn caused by the COVID-19 outbreak, tackling child poverty will become even more important in the coming years; Welcomes the adopted European Child Guarantee aimed at ensuring that every child in Europe at risk of poverty or social exclusion has access to free healthcare, education, early childhood education and care as well as decent housing and adequate nutrition;
- 6a. Recalls that Member States should use the ESF+ resources to efficiently tackle child poverty and underpin targeted actions to combat child poverty in view of supporting the implementation of the Child Guarantee; highlights, in this regard, the importance of Member States' investment of EU funds in combatting child poverty and social exclusion;
- 6b. Encourages Member States to go beyond the minimum requirements of the ESF+, in view of the persistently high levels of child poverty and social exclusion throughout the Union and calls

in this regard on all Member States, not only those that are most affected by child poverty, to allocate at least 5 % of the ESF+ resources under shared management to support activities under the European Child Guarantee²; reiterates its call on the Commission to invest at least EUR 20 billion in the European Child Guarantee in the period 2021-2027 out of which at least 3 billion must be made available in the year 2022;

Compromise amendment 7 Lucia uriš Nicholsonová

Compromise amendment replacing Amendments 50, 51, 52, 53, 54, 55 Based on AMs 50, 51, 52, 53, 54, 56

Draft opinion Paragraph 7

Draft opinion

7. Recalls that the EGF will offer one-off assistance to dismissed workers to find another job as rapidly as possible in major restructuring events, in particular those caused by important changes in trade relations of the Union or the composition of the internal market, the transition to a low-carbon economy or as a consequence of digitisation or automation; Underlines the importance of the revised application requirements and eligibility criteria in the EGF Regulation, lowering the minimum threshold of workers made redundant or of self-employed persons from 500 to 200;

- Highlights the important role the 7. revised European Globalisation Adjustment Fund for displaced workers (EGF) can play in supporting and reskilling workers made redundant as a result of the economic impacts of the COVID-19 crisis; Recalls that the EGF offers ex-post ,temporary, one-off support to displaced workers and self-employed persons to adapt to structural change and return to employment as rapidly as possible in major restructuring events, in particular those caused by significant changes in the trade relations of the Union or the composition of the internal market and financial or economic crisis, the transition to a low-carbon economy or as a consequence of digitisation or automation;
- 7a. Underlines the importance of the

² p. 6 of the European Parliament resolution of 29 April 2021 on the European Child Guarantee (2021/2605(RSP))

simplified application requirements and revised eligibility criteria in the EGF Regulation, lowering the minimum threshold of job displacement from 500 to 200;

7b. ; Highlights that the EGF supports training packages to include skills required in the digital industrial age as well as in a resource-efficient and sustainable economy; calls on the Member States to make use of the opportunities provided by the EGF in case of major restructuring events;

Compromise amendment 8 Lucia uriš Nicholsonová

Compromise amendment replacing Amendments 59, 60, 61, 62, 63 Based on AMs 59, 60, 61, 62, 63

Draft opinion Paragraph 9

Draft opinion

9. Recalls that the JTF provides support for territories and people facing socio-economic and employment challenges deriving from the transition process towards a climate neutral economy of the Union by 2050; takes note of the Commission appropriations in 2022 of EUR 1 159,749 million; Highlights the broadening of its scope to address the social aspects of the transition, in particular support to jobseekers, including job search assistance, upskilling and reskilling and their active inclusion into the labour market as well as investments in smart and sustainable mobility, other activities in the areas of education and social inclusion. including investments in infrastructure for the purposes of training centres, child- and elderly-care facilities and the possibility to support investments in large enterprises in 'assisted areas' pursuant to regional State aid guidelines, if such support is necessary

- 9. Recalls that the JTF provides support to the people, economies and environment of territories facing serious socio-economic and employment challenges deriving from the transition process towards the Union's 2030 targets for energy and climate and a climate neutral economy of the Union by 2050;
- 9a. highlights that JTF is a key tool for supporting territories most affected by this transition and plays a key role in preventing an increase in regional disparities; highlights that the JTF must focus on the needs of individuals and social well-being and lead to social sustainability by supporting the creation of quality and sustainable jobs, reskilling of workers, and supporting social infrastructure for the purpose of child and elderly care facilities so no one is left

for job creation in the identified territory;

behind; takes note of the Commission appropriations in 2022 of EUR 1 159,749 million;

9b. Highlights the broadening of its scope to address the social aspects of the transition, in particular support to jobseekers, including job search assistance, upskilling and reskilling and their active inclusion into *jobs* as well as investments in smart and sustainable mobility, other activities in the areas of *inclusive* education training and labour market adaptation with a specific accent on green and digital employment and social inclusion, including support for social infrastructure for the purposes of training centres, child, elderly- and disability- care facilities and the possibility to support sustainable investments pursuant to regional State aid guidelines, if such support is necessary for quality and sustainable job creation in the identified territory;