Employment is, and must remain, at the top of the European agenda, both for the Union and for the Commission. This report reinforces that message and it is a message we hope will go forth to the European Council at Madrid where, the progress made so far in implementing the Essen conclusions will be examined.

This report relates to the work we have been doing in the Commission during the year on the follow-up to Essen, beginning with the Employment in Europe report which was adopted by the Commission in July and the overview report which we adopted in October. The key message which emerges is that a European approach to the job crisis does not mean that we have to make a choice between persistently high unemployment and growing inequality and poverty. We have the power to do much better. That is essentially what Mrs Van Lancker has said.

It is possible to combat unemployment and to improve the overall employment situation without creating a new class, either of working poor or unemployed poor and without giving up our high ambitions for social protection. However, to do this, the report stresses that we will have to adopt an all-inclusive policy with a determined and coordinated approach along two lines, in order to implement a macro-economic policy which will restore public finances and give a boost to business to grow and to create new jobs, especially with regard to SMEs. Mr Crowley makes the point well in that regard.

We must also implement a rigorous structural policy, particularly by shifting the emphasis of labour market policies away from income support and towards a more active labour market policy. The many exchanges of views between the Member States and the Commission on the follow-up to the recommendations made at Essen have shown the added value accruing from a concerted policy at European level with a view to identifying best practice and enabling it to spread as far as possible. The quality of our concerted reflections on the implementation of shared aims is extremely important and must be pursued with determination and in greater depth. We must learn from each other and must do so in a systematic way.

In particular, I should like to mention three priorities. The first concerns young people. While much progress has been achieved to improve their general level of initial education, an urgent problem remains with regard to those who leave the education system without sufficient qualifications or work experience to ensure their employability. Our objective is that all young people should be given the necessary education, training or work experience to ensure their employability. The second priority concerns the long-term unemployed. In this area as well, it is clear that Member States are taking serious steps to allow for the reintegration of the long-term unemployed to the labour market. What we propose is to strengthen preventive measures through active policies, to reduce the numbers reaching the threshold of long-term unemployment. Thirdly, a lot more needs to be done to combat the segregation of the labour market between men and women and, more generally, to promote equal opportunities for women in the labour market.

Mrs McCarthy is right when she says that we keep coming back to this issue. I say yes, we do, and a good thing too. It keeps the focus on employment creation and on dealing with unemployment. It keeps it at the top of the European Union agenda. It also tests our progress. It keeps pressure on all of us to keep up to our commitments and to seek refinements of our strategies until we reach success.

I do not think the citizens of Europe are in any way bored by this debate. They want the debate to continue but they want to see some action coming from that debate. I should like to think that Mrs Van Lancker in her report sums it up very well when she says that the objectives we have set in the White Paper can be achieved but this requires political will. We would like to see evidence of that political will in Madrid especially.

Referring to what Mrs Boogerd-Quak said about pensions, the Commission agrees that the issue of pensions is vital. It needs to be looked at in the overall context of the future of social protection. For that very reason we have just recently brought forward our proposals for a Union-wide debate on these very questions. This was announced in the recent past. I hope that Parliament will give full support to the idea. We are seeking and launching a full process of discussion at European level on this very matter. I sincerely hope we will have the support of the House in that matter and in pursuing the objectives so eloquently stated by Mrs Van Lancker.