

10/2012

ISSN 1682-7783



n°31

SOCIAL AGENDA

The inclusive
way out
of the crisis



I focus on

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**EUROPEAN
SEMESTER**

*More emphasis
on people*



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**SECTORAL SOCIAL
DIALOGUE**

*A spate of EU-level
agreements*



EDITORIAL



In 2010, the European Union adopted the “Europe 2020 strategy for achieving smart, sustainable and inclusive growth” by 2020. As its name suggests, it would be a mistake to play growth against inclusion. And as European Commission President Jose Manuel Barroso underlined in his September 2012 State of the Union speech, “it is precisely those European countries with the most effective social protection systems and with the most developed social partnerships, that are among the most successful and competitive economies in the world”.

Social policy can no longer be considered as an adjustment variable, a mere consequence of other policies, and exclusively in terms of cost. On the contrary, it needs to be considered up-front and as an investment. Growth-friendly consolidation can and should build on the productive role of social policies. This requires smart social investment that tackles increasing poverty rates and inequalities, and mitigates the effects of increasing dependency rates. In particular, it means investing in active labour market policy, social inclusion and active ageing, education and lifelong learning.

The European Social Fund (ESF) is already financing such investments in people. Therefore, it is of utmost importance that at least 25% of the cohesion policy funds are dedicated to the ESF and that at least 20% of ESF goes to promoting social inclusion and combating poverty, as already proposed by the Commission for the years 2014-2020. The ESF should be more geared to implementing the policy recommendations made each year by the EU to the national governments, some of which entail reforms which request long term strategies and investments.

“Social policy should be perceived as an investment”

From one year to the next, these recommendations take social policy more and more into account, but as the economic crisis drags on and the demographic one is becoming reality, what is needed is a step change - a practical change, by fully integrating social policy into the European Semester governance process, alongside economic, fiscal and employment policy; and a conceptual change towards a more active vision of social policy and social inclusion - social investment.

Koos Richelle

Director General of the European Commission's Employment, Social Affairs and Inclusion department

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NEWS IN BRIEF

6-7 September 2012: “Jobs for Europe”: The Employment Policy Conference

Bringing jobs to the forefront of the EU's political agenda was the focus of the Employment Policy Conference “Jobs for Europe” on 6-7 September in Brussels. Hosted by Commissioner László Andor, the conference was the European Commission's key event of 2012 in building up a strong employment policy agenda and developing a jobs-centred approach towards exiting from the economic crisis. It highlighted the importance of employment policies and of investment in people for implementing the Compact for Growth and Jobs and delivering on Europe 2020 targets. Building on the Commission's Employment Package of April 2012 and responding to the renewed increase in EU unemployment, the conference showed ways forward to create and maintain jobs, tackle growing labour market inequalities and increase productivity. By organising this event right at the beginning of the autumn, the Commission emphasized that jobs need to be at the centre of recovery strategies at both national and European levels, and that more cooperation is needed than ever before, to put people in jobs and thereby lift the economy out of stagnation: Europe cannot afford to wait for unemployment to fall as a



Jobs for Europe: Europe, and people, cannot afford to wait for financial markets to stabilise.

consequence of financial markets' stabilisation. The event was attended by Commission President José Manuel Barroso, European Parliament President Martin Schulz, President of the European Council Herman Van Rompuy, OECD Secretary General Angel Gurría, ILO Director General-Elect Guy Ryder and over 400 employment experts and stakeholders.

5 September 2012: Recognising skills gained outside school and university



Informal learning: national systems for the validation of non-formal and informal learning should be in place by 2015.

As part of its strategy for creating jobs and growth, the European Commission has launched an initiative to boost the recognition of skills and competences gained outside school or university. The Commission's proposal aims to increase job opportunities in particular for the young unemployed and those with few formal qualifications such as older and low-skilled workers. It also seeks to increase access to higher education, especially among mature students. Through this recommendation, the Commission is urging Member States to establish national systems for the validation of non-formal and informal learning by 2015. This would allow citizens to obtain a full or partial qualification on the basis of skills and competences acquired outside formal education. Only Finland, France, Luxembourg and the Netherlands currently have comprehensive systems in place for validation of non-formal and informal learning.

NEWS IN BRIEF

4 September 2012: Globalisation Adjustment Fund supported over 21 000 workers in 2011

More than 21 000 workers, dismissed due to the economic crisis and the effects of globalisation, were helped to find new job opportunities by the European Globalisation Adjustment Fund (EGF) in 2011, according to a report adopted on 4 September by the European Commission. The EU's Globalisation Fund paid out a total of €128 million in 2011 to assist these workers in twelve Member States (Austria, Belgium, Czech Republic, Denmark, France, Germany, Greece, Ireland, Italy, The Netherlands, Poland and Portugal). The fifth annual report on the activities and results of the EGF shows a 50% increase in 2011 of EGF contributions paid out to Member States compared to 2010.

The European Parliament and the Council of the European Union took 22 decisions in 2011 to deploy EGF funding. The Czech Republic and Greece received support from the EGF for the first time in 2011. The report also describes the outcome of four EGF contributions granted in previous years to three Member States (Belgium, Sweden and Ireland) in terms of how EGF support helped the redundant workers find new jobs. The results are encouraging as 2 352 workers (45% of the total 5 228 receiving support from the EGF) who had been laid off by employers in the car, textile and computer industries had found new jobs or had become self-employed by the end of the EGF support period (mid-2011).

4 September 2012: Using microfinance to help integrating Roma people

Commissioner László Andor, European Commissioner for Employment, Social Affairs and Inclusion, spoke on 4 September, in Brussels, at the closing conference of the Kiútprogram "A Way Out - and a Possible Way Forward: Social Microcredit, Financial Inclusion and Self-Employment", an event organised jointly with the World Bank and the Polgár Foundation. The aim of the conference was to present the pilot Kiútprogram and its social microcredit model which seeks to help Roma people to become self-employed. The Commissioner acknowledged the Kiútprogram's achievements as inspiration for the next European Social Fund programming period. He underlined the social profit goal of the programme, and presented the concept of inclusive microcredit. Commissioner László Andor also stressed the importance of an integrated approach for Roma inclusion, which requires coordination



Inclusive microcredit: a pilot social microcredit programme helps Roma people become self-employed.

between employment policy and other policies such as education, healthcare and housing.

31 August 2012: 11.3% unemployment rate in the euro area

The euro area seasonally-adjusted unemployment rate was 11.3% in July 2012, stable compared with June. It was 10.1% in July 2011. The EU27 unemployment rate was 10.4% in July 2012, also stable compared with June. It was 9.6% in July 2011. Eurostat estimates that 25.254 million men and women in the EU27, of whom 18.002 million

were in the euro area, were unemployed in July 2012. Compared with June 2012, the number of persons unemployed increased by 43 000 in the EU27 and by 88 000 in the euro area. Compared with July 2011, unemployment rose by 2.104 million in the EU27 and by 2.051 million in the euro area.

EUROPEAN SEMESTER

More emphasis on people

EU steps up its recommendations to the Member States in the employment, education and social inclusion areas



Human capital: the European labour force is a key source of growth.

As the EU Member States prepare their 2013 budgets, they must bear in mind the country-specific recommendations adopted by the EU leaders (the European Council) on 10 July 2012 – an act which marked the end of the 2012 European Semester. The European Semesters (January to July) allow for a joint analysis of Member States' economic policies, before governments draw up their draft budgets and submit them to national parliamentary debate in the second half of the year (the 'national semester').

The resulting recommendations give operational guidance for each Member State, within the Europe 2020 growth and jobs strategy (see editorial, page 2). They cover issues such as taxation, pension, education, employment protection legislation, the state of public finances... In addition, they also address measures to dampen the social consequences of the economic and financial crisis, for example by tackling youth unemployment.

Compared to 2011, there are more recommendations this year in the area of employment, education and social inclusion. This reflects the stronger emphasis placed on growth and

jobs by the European Commission in its 2012 Annual Growth Survey (AGS, the publication of which launches the European Semester process at the beginning of each year).

More on poverty

Indeed, the European labour force is a key source for growth, and social, employment, and inclusion policy can play an important role in preventing and correcting macroeconomic imbalances.

In 2012, the European Council addressed more policy recommendations on poverty than in 2011 - to Spain, Latvia, Lithuania, Poland and the United Kingdom. Poverty is also mentioned in recommendations concerning vulnerable groups in other countries (e.g. people with a migrant background in Denmark and with disabilities in the Netherlands, old age people in Cyprus...).

Last year, 19 Member States received specific recommendations concerning pension reform. This time, the Member States are encouraged to supplement on-going pension reforms



Overcoming barriers: Obstacles preventing women from participating in the labour market should be removed.

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with further efforts to help older workers stay in the labour market: the link between pensionable age and life expectancy should be reinforced and early retirement should be reduced. Employing older workers should be made easier by investing in lifelong learning and adapting workplaces and the way work is organised.

More also needs to be done to fight against youth unemployment. Employment protection legislation needs to be adjusted to make hiring easier. Member States should better target their active labour market policies measures - make the matching process between vacancies and job offers more efficient, upgrade and adapt the skills of job applicants and render public employment services more effective in helping the unemployed and improve access to training and life-long learning opportunities. At the beginning of 2012, the EU launched a Youth Opportunities Initiative (see *Social Agenda n°30*) to boost national and European initiatives in this area.

Obstacles preventing women from participating in the labour market should be removed: full-time care facilities should be provided for dependants, tax disincentives for second earners should be removed and flexible working arrangements ensured.

Wage indexation and wage-setting systems should be reviewed to prevent competitiveness distortion between Member States. Job creation can be facilitated by shifting the tax burden away from labour on to other tax sources (e.g. environmental taxes), with a focus on low income earners.

Finally, the adequacy and coverage of social protection systems, ensuring access to quality social services and better targeting social assistance, is becoming a concern for a number of countries.

Better monitoring

The recommendations for 2013 are based on the European Commission's assessment of the implementation of last

year's recommendations and of the Member States' National Reform Programmes for the up-and-coming year.

The European Commission drafts the country-specific recommendations, holding regular discussions with the Member States in the process. These discussions are enriched by a constant policy dialogue in the various sector-specific formations of the EU Council of Minister (Economy and Finance, Employment and Social Affairs etc.).

A crucial issue for the future is how to better monitor labour market evolutions across the EU. In December 2011, the Member States committed to delivering National Job Plans as part of their 2013 National Reform Programmes.

To better monitor Member States' achievements in the employment and labour market area, the European Commission proposes to establish a scoreboard. Its aim would be to improve the way labour market policies are monitored across the EU through multilateral surveillance.

Comparing Member States' performances

The European Commission has developed thematic summaries to make it easier to compare Member States' performance and to underpin the country specific recommendations. They complement the more detailed country-specific analysis which constitute the analytical basis for the Commission's proposals for country specific recommendations.

The thematic summaries address the areas of fiscal policy and taxation, finance, promoting growth and competitiveness, labour market, education and social policies and public administration. They can be found (in English only) at the following Internet address:

http://ec.europa.eu/europe2020/making-it-happen/key-areas/index_en.htm

ECONOMIC GOVERNANCE

What about employment and social affairs?

EU economic governance offers new challenges

In the daunting road towards financial stabilisation of the Eurozone and the set up of policies aimed at restoring growth, new forms of economic governance are emerging in Europe. They are providing and will define a new impetus in the way EU economic policies are being laid out and implemented, offering new challenges and opportunities for employment, social and inclusion policies as well.

On 2nd March 2012, the Treaty on stability, coordination and governance in the economic and monetary union, better known as the Fiscal Compact, was signed by all the Member States of the EU except the UK and the Czech Republic. Following ratification by 12 Member States of the Eurozone, the Fiscal Compact will require ratifying Member States, as from 1 January 2013, to enact laws compelling national budgets to be in balance or in surplus within the treaty's definition. These laws must provide for automatic mechanisms to prevent their breach.

The treaty defines a balanced budget as one which has a general budget deficit less than 3% of GDP and a structural deficit (net of interest rate payments) of less than either 0.5% or 1%, depending on a country's debt-to-GDP ratio. We will come back to this, as a number of correcting measures and penalties related to the violation of the Treaty will have an impact on the governance of the European Commission's financial instruments, such as the European Social Fund and structural funds in general.

Six Pack Regulations

The Treaty incorporates some of the key measures that have already impacted on the economic governance of the EU and which entered into force on 13th December 2011. These measures, better known as the Six Pack Regulations, have four main components enhancing the surveillance of economic and fiscal policies:



More jobs: Member States should establish annual national job plans which would be assessed at EU level.



- Stronger preventive actions and deeper fiscal coordination is laid out for Member States to make significant progress towards medium-term budgetary objectives (MTO). Expenditure benchmarks are now being used alongside the structural budget balance to assess adjustments towards the MTO. This is accompanied by corrective actions and “fines” with the imposition of an interest-bearing deposit of 0.2% of GDP on non-compliant euro-area countries.
- The launch of an Excessive Deficit Procedure (EDP) can now result from government debt developments as well as from government deficit. Member States with debt in excess of 60% of GDP should reduce their debt in line with a numerical benchmark. Progressive financial sanctions kick in at an earlier stage of the EDP. A non-interest bearing deposit of 0.2% of GDP may be requested from a euro-area country which is placed in EDP on the basis of its deficit or its debt. The failure of a euro-area country to comply with recommendations for corrective action will result in a fine.
- Member States should ensure that their fiscal frameworks are in line with minimum quality standards and cover all administrative levels. National fiscal planning should adopt a multi-annual perspective, so as to attain the MTO. Numerical fiscal rules should also promote compliance with the Treaty reference values for deficit and debt.
- Over the past decade, Member States have made economic choices which have led to competitiveness divergences and macroeconomic imbalances within the EU. A new surveillance mechanism will aim to prevent and correct such divergences. It will rely on an alert system that uses a scoreboard of indicators and in-depth country studies, strict rules in the form of a new Excessive Imbalance Procedure (EIP) and better enforcement in

the form of financial sanctions for Member States which do not follow up on recommendations.

- A key modification related to governance, which has provided the European Commission with an important steering role, is the expanded use of ‘reverse qualified majority’ voting. Under this voting system, a Commission recommendation or proposal to the EU Council is considered adopted, unless a qualified majority of Member States vote against it.

The rules above, and especially the “reverse qualified majority voting”, have played an important role in 2012 during the second exercise of the “European Semester” of policy coordination which is a key governance tool for ensuring that the objectives of the Europe 2020 Strategy are met (see page 6). Since 2010, the approach ensures that all policies are analysed and assessed together and that policy areas which previously were not systematically covered by economic surveillance – such as macroeconomic imbalance and financial sector issues – are included.

The European Semesters

The European Semesters (January to July) approach allows for a joint analysis of Member States’ economic policies, before governments draw up their draft budgets and submit them to national parliamentary debate in the second half of the year (the ‘national semester’). The European Semester exercise this year has been further reinforced by deepening and articulating Country Specific Recommendations (CSRs) addressed to Member States. CSRs have also for the first time made a distinction between those Member States under Macro-Economic Imbalance Procedure (MIP) where corrective measures and sanctions could be imposed upon Council Decision, those subject to a Memorandum of Understanding (MoU) with the European Central Bank, International Monetary Fund and the European Commission where CSRs restated



Flexible funds: The EU could ask Member States to re-align their use of EU structural funds, for example to address a youth unemployment surge.

the commitments of the MoUs and Member States under standard procedure.

In the joint assessment of national situations and CSRs, the Council used for the first time the “reverse qualified majority voting”. This has led the European Commission to assume a more pronounced role of arbiter in the discussion and reinforced its functions in the combined exercise of economic governance.

A few novelties have also been introduced by the Employment Package adopted on 18th April 2012, on which the Council is endorsing Conclusions by October 2012. The Employment Package in particular invites Member States to establish National Job Plans, within their National Reform Programmes to be assessed during the European Semester, with the idea to commit to precise milestones and planning in the areas of job creation and labour market policies.

The Package also asks for a closer involvement of social partners in the governance of the European Semester, notably on those issues which most affect social partners’ traditions in terms of economic reform. The European Commission is also likely to suggest in the near future a reinforced governance of social protection policies, with the aim to enhance their efficiency and effectiveness.

EU structural funds

Article 21 of the Cohesion Funds Regulation proposed by the European Commission for the years 2014-20 entails macro-economic conditionality compliance with the CSRs as

anticipated above. Under this article, if the European Social Fund (ESF) or European Regional Development Fund (ERDF) implementation programmes of a Member State do not comply any longer with CSRs, the Commission can suggest that the Member State adapt them.

This conditionality is more pronounced for countries under MoU. For example, if a country generally plans up-skilling measures and active labour market policies, the Commission could invite the country to re-programme its ESF and structural spending to address more specifically youth unemployment, if this issue has become particularly relevant in the meantime.

The explicit possibility of re-programming ESF spending in line with CSRs, within National Job Plans and in compliance with the Six-Pack regulations, makes the possibility to re-align/re-orient funds more realistic. Besides, within the framework of “excessive deficit procedures”, the proposed article 21 states that Member States would face the risk of financial commitments being suspended. This will obviously follow a Council Decision.

A more explicit link between the structural funds and the governance process is emerging. Strengthened governance also calls for a stronger involvement of social partners in the European Semester, in line with the Employment Package. Their involvement in employment issues at national and European level is also supported via the ESF. For example, the idea is to provide the possibility for some EU countries to use social funds for fostering social dialogue and support joint actions of social partners in the area of vocational training.

The EU means business

“We mean business” campaign raises awareness of EU support for cross-border traineeships



In companies too: Boosting the number of company placements for cross-border traineeships.

“Within a few months of leaving school, young people should receive a good quality offer of employment, continued education, apprenticeship or traineeship”, the Presidents and Prime Ministers of the EU Member States (the European Council) declared in January 2012. They then proceeded to endorse the Youth Opportunities Initiative, which the European Commission had put forward the previous month (see *Social Agenda* n°30).

The Commission is now preparing two policy initiatives: a Quality Framework for Traineeships, clarifying the responsibilities of all parties and defining a set of quality criteria; and Youth Guarantee Schemes, to ensure that every young person is offered a job, an apprenticeship, additional training or combined work and training, after a maximum period of four months of unemployment after leaving school.

In March 2012, the European Commission launched a year-long campaign called “We mean business”. Its purpose is, first of all, to raise companies’ awareness of existing EU programmes in favour of (cross-border) European company placements: Erasmus, for higher education students, including short-term higher vocational education; and Leonardo da Vinci, for students in vocational training at upper secondary level, including apprentices and people who are up-skilling or reskilling.

The second aim is to pave the way for the next programme proposed by the European Commission, for 2014 onwards: Erasmus for All, which would bring together seven existing EU and international schemes for education, training, youth and sport.

If approved by the European Parliament and the EU Council of Ministers, Erasmus for All will start in 2014. Up to 5 million people, almost twice as many as now, could get the chance to study or train in another EU country with a grant from Erasmus for All. Among them would be nearly 3 million higher education and vocational students.

Reaching out to SMEs

“We mean business” is targeting small and medium size enterprises (SMEs) in particular, as they are less likely to have a culture of international traineeships than big multinationals. It seeks to encourage them to signal their interest through multiplier bodies which have links with other countries, such as trade associations or chambers of commerce, and which can help them make contacts with experts on issues such as legal responsibility and work contract.

Ultimately, the aim of the campaign is to encourage long term relationships between companies and education and training institutions. The issue is not just one of volume but also of quality. Studies show that traineeships integrated into education and vocational training courses tend to be of a much higher quality, in comparison to post-graduate or free-market traineeships.

For more information:

<http://we-mean-business.europa.eu/>

Erasmus also for companies

Many companies do not associate Erasmus with traineeships and yet, in 2009-2010, 35561 out of a total of 213266 Erasmus students went on company placements abroad. And more than 700000 young people took advantage of a training placement in another EU country through the Leonardo da Vinci programme. The average duration of company placements is 4.2 months for Erasmus university students and 2-5 weeks for Leonardo school-based vocational students or 3-5 months for apprentices and recent graduates.

ACTIVE AGEING AND SOLIDARITY BETWEEN GENERATIONS

Generations@school

Schools throughout Europe have organised intergenerational events to mark the European Year



Inter-generational: Koos Richelle, from the European Commission, visiting a school in Belgium.

Since 2009, Europe has been celebrating a European Day of Solidarity between Generations on 29 April. 2012 being the European Year for Active Ageing and Solidarity between Generations, the European Commission called upon all schools throughout Europe to open the doors of their classrooms to older generations and experiment how intergenerational dialogue can contribute to better mutual understanding.

Combating stereotypes is one of the main aims of the European Year. Ideas such as “older people cannot be active because they are not in good health” or “they are less productive, they are a burden on society” can be divisive in an ageing society where younger people may feel that they are bearing too heavy a burden – the pensions and long-term care of increasing numbers of older people.

Stereotypes can be overcome by highlighting the contribution of older people and creating better opportunities for them. Older people will thus be able to do more to help the young.

In turn, once older people reach the point where they need support, younger people will be more willing to make sacrifices so that they may live in dignity.

Active ageing starts at school

Raising awareness of active ageing can start at school, where teachers can organise inter-generational events. Beyond these events, they can encourage the participants – both pupils and older people – to get into a routine of spending more time with someone from a different generation in their neighbourhood.

The European Commission organised a competition to select the best school event in each EU country. The classes or schools taking part in this competition could upload pictures, drawings, testimonies and stories of their experience onto a dedicated European Commission’s website from 1 March till 30 June. A European winner will be selected and awarded in November.

As many as 361 schools took part in the competition, often inviting famous political, diplomatic, artistic, sports or media personalities to their events. 51 sent photos of the events they organised. 175 schools are interested in setting up projects in the future.

The generational frontier

On 14 May, Koos Richelle, Director General of the European Commission’s Directorate for Employment, Social Affairs and Inclusion, visited a school in Tervuren, Belgium, which has a tradition of sustained exchanges between generations.

He compared such intergenerational events to the European Union project: “People of different generations meet occasionally but they don’t quite speak the same language, they don’t understand each other very well – and yet, they depend on each other. People not understanding each other and not trusting each other can have terrible consequences”, he pointed out.



Nurturing solidarity: 361 schools throughout Europe organised inter-generational events in the spring of 2012.

By the time the school children of today will be in charge, there will be fewer active people on the labour market to support retired people, “but this doesn’t need to be a problem. Together, we can make it become an opportunity for all generations (...) There is a strong sense of solidarity between generations in our societies. But with more older people needing the support of a smaller number of young people, this solidarity could weaken, especially if young people are having a difficult life themselves (...) Solidarity between generations

is a two-way street (...) We are here in this classroom today to talk together about our ideas and questions for the future, about what older people and young people can do together to make sure that we can all have a good life”.

More information:

<http://www.active-ageing-2012.eu>

Ageing Europe - a governance challenge

Approximately one third of the EU population will be senior citizens in the coming decades. This means that significant challenges for our economies and welfare systems have to be tackled.

Representatives from national governments, regional and local authorities, social partners and other relevant stakeholders met in Brussels on 4 June for a conference on “Good Governance for Active and Healthy Ageing”.

The purpose of this major event was to look at how different levels of government can cooperate in designing effective and comprehensive strategies for active and healthy ageing.

The participants called unanimously for measures to ensure a better working environment for older employees, that make working longer more attractive.

Active ageing is also about active participation in society and independent living. Ireland and Austria, for example, have built up countrywide programmes to improve

the daily life of older people. In other Member States, regional governments have taken action.

The German Bundesland Hessen established “dialogue fora” between stakeholders, where topics like older migrants, volunteers and social participation, as well as in-patient and out-patient care, are discussed. “The State and welfare organisations can’t tackle the upcoming challenges alone. We need to create awareness among all sorts of stakeholders”, stated Dr.Christian Peter, active ageing expert in the ministry of Social Affairs in Hessen.

Nial Crowley, an independent equality and diversity expert from Ireland, knows from his own experience that action plans are only promising if policy-makers and stakeholders are involved at all levels. “But first of all, listen to the people at local level”, he warned.

According to European Commissioner Andor, in charge of Employment, Social Affairs and Inclusion, the European Commission can “play the role of a facilitator for mutual learning on how we can develop effective strategies for active ageing.”

**SPECIAL
FEATURE**

Inclusive growth

How to make it actually happen by 2020

115 million (23%) of the approximately 503.5 million people living in the European Union (EU) do so in poverty or are at risk of poverty. This figure adds up people who earn less than 60% of the medium income in each EU Member State; who meet 4 out of 9 "severe material deprivation" criteria and live in jobless households.

2010 was the European year against poverty and social exclusion, with a total budget of €26 million (17 million from the EU budget, 9 million from the Member States). Nine hundred projects were carried out in 29 countries (the EU Member States, plus Norway and Iceland).

At the end of 2010, a European Platform against Poverty and Social Exclusion was created in the context of the EU's new growth and jobs strategy, Europe 2020 – achieving smart, sustainable and inclusive growth by 2020. Through this strategy, the EU is committed to creating 17.6 million additional jobs and lifting 20 million people out of poverty or risk of poverty.

Where are we two years later, a little more than seven years before 2020?

This special feature puts the spotlight on the European Platform against Poverty and Social Exclusion on the eve of its second annual convention which will meet in December, in Brussels.

It also gives concrete examples of how EU funding promotes social inclusion on the ground, and explains how the EU framework for Roma inclusion is key to achieving the Europe 2020 objectives.

Finally, European Commission Social Policies Director Lieve Fransen explains how Commission thinking is evolving towards a more pro-active, up-front, integrated and strategic vision of social inclusion, indeed of social policy altogether, tightly connected to economic, fiscal and employment policy.



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What poverty means: destruction of human capital and of the wealth of each country, and of Europe as whole.



Both a European and a national challenge: EU-level anti-poverty initiatives must be relayed by action at national level if the EU is to meet its target of reducing by 20 million the number of people living in poverty in the European Union by 2020.

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Anti-poverty actors meet at a crucial time

More needs to be done at national level to reach the 2020 objective

Between five and six hundred actors in the fight against poverty in Europe will gather from 5 to 7 December 2012, in Brussels, for the second annual convention of the European Platform Against Poverty and Social Exclusion (see box on p.16).

Together with the EU institutions and the Employment and Social Affairs ministers of the EU Member States, they will assess the chances of meeting the commitment made by the EU Heads of State and Governments (European Council) of reducing by 20 million the number of people living in poverty or at risk of poverty in the EU by 2020.

The convention will also take stock of the 64 initiatives which are due to be taken at EU level to reach this aim, and make proposals for future action. In addition, it will have a speed-dating exchange around transferable anti-poverty projects, social enterprises and funding agencies, foundations and banking loans which have a good potential for being implemented in other parts of the EU.

In the aftermath of the 2008 financial crisis, the figures and trends concerning social exclusion in the EU are alarming (see p.14). In 2012, the Member States submitted reform programmes to the European Commission. They show that momentum is lacking at national level to reach the EU's 20 million reduction target by the end of this decade.

Since 2010

In 2010, the issue of fighting against poverty was boosted by the European year for combating poverty and social exclusion. 900 projects were funded by 17 million euros from the EU budget and 9 million directly by the Member States.

2010 was also the year when European Commission President José Manuel Barroso started his second mandate. He proposed that the EU should aim for smart, sustainable and inclusive growth by 2020: the Europe 2020 strategy, in keeping with the United Nations' goal of worldwide sustainable development. Not only 20 million less people should be at risk of poverty by 2020 but 75% of the population aged 20-64 years old should have a job. The objective is to lower the percentage of early school leavers to less than 10% and reach the percentage of 40% of people holding a tertiary degree. Other targets have to do with research and development, and the environment.

The Europe 2020 strategy was adopted by the European Council in June 2010. In December 2010, the European year ended in a flourish with the creation of a "Europe 2020 flagship initiative": the European Platform Against Poverty and Social Exclusion.

SPECIAL FEATURE

In 2011, an annual EU economic governance process called “the European Semester” (see article page 6) was launched. At the middle of each year, the European Council makes recommendations to the Member States as they prepare their national budgets of the following year. In July 2012, more countries received recommendations concerning poverty (Spain, Latvia, Lithuania, Poland and the United Kingdom) than in 2011. Some countries received recommendations to tackle the precarious situation of disadvantaged people (e.g. people with a migrant background in Denmark and with disabilities in the Netherlands, old age people in Cyprus...).

20 million people less at risk of poverty by 2020: the target is well identified. What is equally clear, at this stage, is that an extra boost is needed to reach this target in what is fundamentally an area of national competence.

For more information:

<http://ec.europa.eu/social/main.jsp?langId=en&catId=961>

Well beyond social affairs

The European Platform against Poverty and Social Exclusion is a framework for actions to make change happen. Among these actions, there is the establishment of structured dialogue between the EU and the European stakeholders such as non-governmental organisations, trade unions, employers' organisations, academics, national and regional authorities, international organisations, European think-tanks and foundations.

The platform is also a way of integrating the work of 17 European Commission directorates general - a unique case of internal cooperation on such a big scale within this institution. Its mission is to carry out 64 EU-level actions which cut across the multiple facets of poverty and social exclusion, to reduce the number of early school leavers, ensure access to basic banking services, promote social business and fight against child poverty...

Every year the Commission, in cooperation with the acting Presidency of the EU Council, also organises a Convention bringing together all the actors in the fight against poverty and social exclusion from over 40 countries (the EU Member States, the candidate countries for EU membership, potential candidate countries and the member States of the European Free Trade Association). Its aim is to review the work that has been done at European and country level and to present and discuss new initiatives that will help the fight against poverty.

Other actions are of a financial nature. The European Commission has put forward a reform of the European structural funds (the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund and the European Maritime and Fisheries Fund) for the years 2014-2020 (see article page 17).

The Platform's programme also seeks to promote evidence-based social innovation: designing ways of measuring the actual impact of innovative projects in a given context and their potential to be transferred to other parts of the EU, and to deepen policy coordination with the Member States, as well as partnership with civil society.



First meeting: the anti-poverty convention met for the first time in Warsaw in 2011.

Investing in social inclusion

The European Social Fund is the EU's main tool for fighting against poverty and social exclusion



© European Union / Michel Loriaux

In Spain: a "Fight Against Discrimination" programme.

At least 20% of European Social Fund (ESF) funding will go to supporting social inclusion measures during the years 2014 to 2020, against approximately 18% at the moment... That is, if the European Commission's proposal for the next programming period is accepted by the EU Council of Ministers and the European Parliament.

This would mean that greater emphasis can be placed on supporting the most disadvantaged groups, such as migrants or marginalised communities.

More support will be granted to specific measures to promote equality between women and men and combat discrimination. More will also be done to facilitate transnational cooperation and promote social innovation.

The trade unions and employers' organisations (the "social partners") as well as non-governmental organisations (NGOs) will be more involved in implementing the ESF. Special attention will be given to simplification for small beneficiaries and it will be possible to implement parts of programmes using a result-oriented instrument called "joint action plan", linking payment to output.

Against discrimination in Spain

The European Commission's approach to the future programming period is reflected in two on-going ESF-funded initiatives: a national programme for fighting against discrimination and promoting the integration of vulnerable groups into the labour market in Spain, and a local project tackling the "digital divide" in the United Kingdom (UK).

Out of the 22 operational programmes which are presently being carried out in Spain, the "Fight Against Discrimination" programme is the only nation-wide ESF-funded one devoted exclusively to fighting against discrimination and social exclusion and promoting the labour market integration of particular groups. It was set up to help the parts of the population which are furthest away from the labour market and most at risk of discrimination, e.g. women, single parents, young people, Roma and other ethnic minorities, immigrants and returning emigrants, prisoners and ex-offenders, men and women with disabilities...

Remarkably, the programme not only addresses the needs of the identified "target groups". It is also bent on raising employers' and the general public's awareness of the plight and potential of such people.

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The “multi-objectives” character of the programme enables Spain’s autonomous communities to pick and choose parts of it that meet their particular needs. The programme thus complements the ESF regional operational programme in each Spanish autonomous community. This in turn enables the creation of synergies and experience-sharing between the different parts of the country.

Reaching out beyond Spain, the programme has developed partnership activities and synergies with similar initiatives in other European countries, particularly in the field of political impact, awareness raising, tools development, analysis and publications.

Five major national NGOs are involved in the actual design of the programme’s implementation strategies - a unique case so far in the EU, and a promising one too: experience shows that NGOs are best placed to effectively help the most disadvantaged groups.

Against digital exclusion in England

Digitally excluded people can be best reached and trained by their fellow citizens who live in the same locality and have a similar social background: such is the premise behind the Digital Activists Inclusion Network, set up in the East Midlands part of England by the Workers’ Educational Association with ESF support.

Despite numerous campaigns, projects and initiatives, there are still 8.2 million people in the United Kingdom who have never been online. People without basic digital skills and access to the Internet are barred from a multitude of information and services. As a result, they often face difficulties in finding solutions to their social, cultural, education, health or labour market related problems.



In England: a Digital Activists Inclusion Network.

There again, not only does the project address these needs - the local people are trained on how to use internet for social as well as employment activities (e.g. how to send a CV) - but the project’s very methodology is socially innovative: The 20 Digital Activists are volunteers who were recruited from among disadvantaged people. They apply a learner-centred approach (face-to-face or local “drop in” sessions) which enables them to respond to personal needs with tailor-made solutions.

The digital activists record their activities and reflections and this data is analysed at a local and regional level by project staff, in a bid to identify any patterns or findings which work for different “target” communities in the field of digital inclusion.

The project is also subject to an evaluation using the “social return on investment” method: the methodology of the project is made available to every interested party; volunteers can receive support to set up their own community groups and their services are offered to local authorities.

For more information:

<http://ec.europa.eu/esf/main.jsp?catId=50&langId=en>

One million people from vulnerable groups benefit from ESF each year

For the years 2007-2013, some €76 billion will have been invested in European Social Fund (ESF) co-funded programmes that contribute directly or indirectly to reducing poverty.

Some 18% of the ESF’s budget of more than €10 billion a year is earmarked for projects that combat social exclusion: helping migrants and disadvantaged people integrating the workforce, and improving equal access to employment.

If the European Commission gets its way, the ESF will account for at least 25% of the total amount of EU co-funding in each Member State for the years 2014-2020 (compared to the present average of 22%). This would result in a minimum of € 84 billion being available through the ESF.

The Roma test

Fighting successfully against poverty requires successfully integrating the EU's largest ethnic minority



Inclusion: Each EU country has set up a national Roma inclusion strategy within a European framework.

More than 80% of Roma people living in the EU are at risk of poverty. All the challenges facing them – poor education, unemployment, bad housing, social exclusion, discrimination – happen to be those that the EU needs to address up-front. If not, it will not meet its objective of reducing the number of people at risk of poverty by 20 million, by the end of the current decade.

Indeed, the integration of Roma people is key for the success of the EU's entire "Europe 2020" strategy for smart, sustainable and inclusive growth.

On 21 May 2012, the European Commission took stock of the national strategies the Member States had been asked to draw up in 2011. Altogether, those strategies make up an EU framework for Roma inclusion embedded into the Europe 2020 strategy.

The EU Framework for Roma inclusion integrates all the relevant policies and involves all stakeholders (national, regional and local authorities, non-governmental - including Roma - organisations, EU institutions...).

Four policy areas

In assessing the national Roma inclusion strategies, the European Commission focused on the Member States'

approaches to four issues in particular – employment, education, health and housing; and on the way they address cooperation with civil society and regional and local authorities, monitoring, antidiscrimination and funding.

The European Commission also checked whether the strategies are reflected in the countries' mainstream policies and in the programmes they present to the EU in the framework of the "European Semester" – a coordination process of national economic and budgetary policies which takes place during the first half of each year (see article page 6).

For the first time, in 2012, the European Commission was in a position to assess the European Semester programmes from the point of view of Roma integration.

As a result, in July 2012, the European Council (EU Heads of State and governments) sent policy recommendations (Country Specific Recommendations – CSRs) on Roma inclusion to three Member States which harbour large Roma communities – Bulgaria, Hungary and Slovakia. The Commission also expressed Roma-specific concerns in its analysis (contained in a "staff working document") on the Czech Republic, where there is a much smaller Roma community but one which is encountering acute problems. All is not black and white, though, as those same countries are committed to adopting specific measures towards the

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integration of Roma. Slovakia, for example, is committed to promoting Roma inclusion in education, while Hungary is focused on access to healthcare and housing improvement.

By and large, funding is still a problem: Only 12 of the 27 EU Member States have allocated adequate funding, whether from national or EU sources, for Roma inclusion policy measures in their Strategies: Bulgaria, the Czech Republic, Greece, Latvia, Lithuania, Hungary, Poland, Portugal, Romania, Slovenia, Slovakia and Sweden.

Most of EU funding for Roma inclusion is channelled through the European Social Fund (ESF) and the European Regional Development Fund (ERDF). Some of the countries with the largest Roma communities face difficulties in absorbing EU funds in general, let alone the funds they could use in favour of Roma integration.

For the years 2014-2020, the European Commission proposes to make access to EU funds by the Member States conditional to the adoption and implementation of an adequate national Roma integration strategy. Part of the EU funds should be allocated to integrating marginalised communities and each country should devote at least 20% of its ESF allocation to promoting social inclusion.

National Roma contact points

As part of the European Framework for Roma inclusion, each Member State has appointed a contact person or institution, responsible for coordinating the implementation of the national Roma inclusion strategy. The European Commission is now helping the contact points to share their experience and work together. For example, the EU's Fundamental Rights agency based in Vienna is facilitating a thematic sub-group on how to develop methodologies to measure Roma inclusion.

The network of Roma inclusion contact points will play a decisive role in translating the Roma inclusion strategy into operational programmes and measures. Once a year, the European Commission will assess progress on measures taken at national level within the EU framework.

The important thing now is that the Member States implement their strategies so that the Roma's living conditions begin to improve.

Roma inclusion has been high on the EU political agenda for several years now ... but efforts need to be continued.

More information:

<http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newSId=1011&furtherNews=yes>

A huge potential

Between 10 and 12 million Roma, Sinti, Kale, Gypsies, Romanichels, Boyash, Ashkali, Egyptian, Yenish, Dom, Lom and Travellers live in Europe, including 6 million in the EU. Together, they make up the biggest ethnic minority in Europe.

Many Roma women and children are victims of violence, exploitation and trafficking, including within their own communities. Many Roma children beg on the streets instead of going to school. Lagging education levels and discrimination in labour markets lead to high unemployment or low quality, low skill and low paid jobs.

And yet, Roma integration holds out considerable economic benefits. The Roma represent a growing share of the working age population, with an average age of 25 compared to the EU average of 40. According to a recent research by the World Bank, full Roma integration in the labour market could bring economic benefits estimated to amount to around €0.5 billion annually for some countries.



High potential: The Roma represent a growing share of the EU working age population.

Social investment for growth and cohesion

Lieve Fransen is Social Policies Director in the European Commission



Lieve Fransen: investing in human capital and social protection as a productive and activating factor.

The EU aims to achieve smart, sustainable and inclusive growth by 2020 – the Europe 2020 strategy. What does “inclusive growth” mean?

Sometimes people associate growth with higher economic output without regard to social cohesion. Inclusive growth means recognising that economic performance and social cohesion are equally important. In fact, they are inter-dependent: social cohesion is a necessary ingredient of better economic performance, while higher economic performance assures sustainable social cohesion. Both objectives actually require investing in human capital, empowering people, strengthening their ability to cope with risks, and enhancing their opportunities to participate in society and economy.

So a more pro-active and strategic view of social policy?

Yes, investing in human capital and in social protection as a productive and activating factor is good for both

the economy and people. New social and economic risks require more pro-active policies, which focus on ‘preparing’ rather than repairing. Economic, fiscal, social and employment policies are all inter-connected. Europe 2020 was launched in the aftermath of a major crisis. As a result, it produced an unbalanced EU governance system which tilts too much in favour of economic and fiscal policy. The balance has been slightly improved in favour of employment policy but it needs to be fully redressed by including social policy.

We are falling behind the Europe 2020 anti-poverty target. What can the European Commission do in this area of largely national competence?

115 million people live in poverty or at risk of poverty in the EU. Reducing their numbers by 20 million, by 2020, has been one of the most difficult targets to agree upon with the Member States. We have left them define which part of the target and which indicators they would like to focus on. Poverty in the EU is a complex issue and this complexity has never been translated into a proper strategy. If we have too many poor people, we will not be competitive in the world. Poverty means destruction of human capital and of the wealth of each country, and of Europe as a whole. Besides, social cohesion and social rights should neither be put into question nor diminished for the Europeans who need them most.

Even if we don’t have strong competences to act directly, we – the European Union and its Member States – have a collective responsibility in the social area. Getting 20 million people out of poverty is not the most ambitious of targets but, collectively, we should make it happen... and prevent the number of poor people from increasing. Social policy is also about preventing people from falling into poverty when they are sick, when they become unemployed, when they have to care for elderly or disabled people.

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Lifelong learning: "The investment case needs to be made continuously, responding to the continuously evolving needs of people throughout their lifetime".

What are your hopes for the second annual convention of the European platform against poverty which is taking place in December?

I have big hopes. I would like the European Platform against Poverty to become a more powerful instrument. It needs to be more focused on strategies: what needs to be done to take a step forward towards poverty reduction, and how can social policy, social protection and social investment contribute to that? That will be the focus of this convention. Process-wise, I am trying to get more participation at the national level, where the real action should be taking place. It is important that countries, ministries, NGOs and the private sector share their best practices as well as their difficulties and commit themselves: that's what I call mutual responsibility and accountability. The European Commission has some competences and some finances and we have the duty to use them in a focused way and as well as possible, but the main actors should be the Member States.

For the years 2014-2020, the European Commission is asking for 25% of cohesion policy funding to go to the European Social fund (ESF) and 20% of ESF spending to go to social inclusion...

The ESF is a powerful instrument if it is used efficiently. We need to simplify procedures and focus on helping the Member States implement the EU's country-specific recommendations, which are linked to Europe 2020. Flexibility

is also crucial. For example, in countries like Greece or Portugal, funds that have been programmed five or six years ago should be adjusted to the crisis situation, and protect people against poverty. European social funds are also investment funds.

Early childhood education and care are often quoted as good examples of social investment, value for money. What other examples can you give?

Education is a traditional example of course but there is also lifelong learning. People have to continually up-date their skills and knowledge and competences, and that's also the case when they are unemployed, especially when they are young but also at an older age. Child poverty is also a good example of an investment case. The earlier one invests in a child, the more the outcome will be beneficial. If one does not use that window of opportunity, it will be much harder and much more costly to get the children and young adults to the same level of development and competitiveness in society. Even pensions are social investments: if people work and they know that they will have a pension that is secured, they might take more risks and start an entrepreneurial job or they will move jobs more easily, especially when the cross-border portability of their pension is guaranteed. Similarly, investments in the active inclusion of the less advantaged help preventing further increases in unemployment, social exclusion and poverty. Our social protection systems cushion out hardships, but

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they are also a good investment. They ensure that we do not lose the human capital that we have. The Swedes now call their welfare state “the social investment state”.

Isn't the demographic challenge hidden by the economic crisis? How does it impact on social policy?

Very drastically. People in Europe seem to have a blind spot in this respect because of the immediacy of the crisis and of unemployment. Yet 2013 will be the first year with no population growth in Europe. Because of the demographic situation, we will have an ageing population and a higher dependency ratio, with fewer people at work who will have to take care of children and older people and finance the lot, because basically our social protection systems are still financed by labour. People will have to work longer and adapt flexibly to different careers. Pensions will come later on in life. It's a cultural change. That's where lifelong learning comes in: the investment case needs to be made continuously, responding to the continuously evolving needs of people, throughout their lifetime. Society will also have to evolve in terms of care. This is a job creation opportunity, both for people living in cities and in remote areas. Our social welfare systems will have to be reformed. We might have to think about different ways of financing them, including involving the private sector and handing over more responsibility to individuals. Innovation, including in the financing of social actions, is key in this respect.

The European Commission will present a Social Investment Package in February 2013. What can we say about it at this stage?

The Package will make a case for more efficient and effective social policies, mobilising a larger share of our human capital potential, while ensuring social inclusion of the less advantaged and an adequate level of social protection. It will have different components. In 2008, the Commission adopted a recommendation on active inclusion: a strategy for the social and work integration of the people furthest away from the labour market, which encompasses three strands of action: adequate income support, active labour market policies and access to enabling services. We have done a lot of research on what happened since 2008 and the outcomes very much underpin the case for social investment. We will propose measures to tackle the main challenges we identified, such as insufficient coverage and take-up of social protection programmes, inadequacy of income support, lack of personalised approach or insufficiently integrated and comprehensive approaches for social services. For example, one of the proposals in

the Package is to set-up one-stop shops that would make service provision more integrated and client-friendly, and at the same time would also create efficiency gains. The Package will also mark the beginning of an analysis of how efficiently or non-efficiently social protection is financed at present and what are the possibilities to look at in the future. It will include also topics such as reduction of child poverty, long-term care, and innovation of social policies and will propose reinforcing the monitoring of social policy reforms in the context of the European semester.

The Roma are part of this?

Of course and this is true for most of the excluded or those who are discriminated against. The Romas are very visible because they are a big minority that has been discriminated against for centuries. In times of crisis, it's always the poorest and the most discriminated against that suffer first, unless they have access to a social protection system: very often they don't, because of discrimination.

Will the Social Investment Package renew the European social models?

It will surely lay the foundations for a debate which, hopefully, will unfold during the next European Parliament elections, in 2014. The reform of the European social models is going to be a long term process. I hope that this Package will give the debate a positive turn: Europe has been in the lead in developing social welfare systems based on labour. We should be proud of what was created at the time to eliminate child labour, poverty, indecent work... Today, the models need to be refined. They have to be sustainable and adequate for a new context, adapted to new risks and to lasting crisis situations. We should be proud of taking the lead in this area. Many countries and people will be interested to see how Europe goes about it. It's a fascinating challenge.



The demographic challenge: "People seem to have a blind spot in this respect".

SECTORAL SOCIAL DIALOGUE

A spate of EU-level agreements

From football players' contracts to hairdressers' health and safety

Four European agreements were signed by the sectoral social partners (trade unions and employers' organisations) during the first half of 2012: on working time of mobile workers in inland waterway transport (15 February); minimum requirements for standard football players' contracts (19 April); health and safety in the hairdressing sector (26 April) and working conditions in fisheries (21 May).

The agreement on football players' contracts is different from the others as it will be implemented according to

the procedures and practices specific to management and labour in the Member States. By contrast, the European social partners asked the European Commission to present the other three agreements to the Council of the European Union in view of turning them into EU law (see box).

Proper contracts for all professional footballers

Only a small minority of professional footballers have celebrity status, and minimum requirements for contracts exist in only 13 Member States. The new football agreement will offer minimum social standards not only for the 14 other Member States but also for many other countries which come under the responsibility of UEFA. The contracts must be written down, registered and signed by the parent or guardian in the case of a minor player. They must define the respective obligations of clubs (e.g. mandatory insurance coverage) and players (e.g. healthy lifestyle). They will contain provisions on dispute resolution and applicable law. The agreement also contains provisions related to the protection of young sportsmen. It should be implemented no later than three years after its date of signature in all the countries concerned.

Adapting working time rules to inland waterways

Inland waterway transport employs around 42 500 people in the EU. 19 out of 27 EU countries have inland waterway transport and 12 of them have an internationally connected waterway network.

The agreement on working time for mobile inland waterway workers lays down specific rules for passenger or cargo transport, within the general EU legislation on working time. It covers both crew members and shipboard personnel (e.g. hotel and catering workers on board of passenger ships). It enshrines the right to at least four week's paid annual leave, paid annual health checks, at least 10 hours' rest every day (of which at least six hours must be uninterrupted) and at least 84 hours' rest in total every week.



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A proper contract: a European agreement ensures minimum social standards for professional footballers throughout Europe.



Skin damage and musculoskeletal problems: 400 000 hair salons and more than one million hairdressing workers are covered by a new European agreement.

© iStockphoto

In an emergency, the boatmaster or his representative can require the crew or the personnel to do any necessary work to ensure the safety of the vessel, passengers or cargo, until the normal situation is restored.

Total working time may not exceed 48 hours per week on average for a year. The normal working day is 8 hours but for sector-specific reasons, daily working time may be longer and some weekly rest days may be temporarily postponed, provided that the minimum standards set out in the agreement are respected.

Protecting hairdressers' health and safety

Up to 70% of hairdressers still suffer from work-related skin damage, such as dermatitis, at some point during their career. In certain countries, almost 40% of hairdressers report musculoskeletal complaints. These rates are much higher than the overall figures for all workers.

To improve the situation, an agreement on the protection of occupational health and safety was signed by organisations representing the 400 000 hair salons and more than one million hairdressing workers across the EU. It addresses specific risks such as those linked to the use of chemical products. It stresses the importance of wearing gloves for wet work and the need for providing sufficient space and ventilation in salons where chemicals are transferred or mixed.

Making sea fisheries safer

The risk of an accident causing an injury or death is 2.4 times greater in the sea fisheries sector than the average of all EU industries. The fishing industry accounts for 7% of all fatalities at work in the world, even though it accounts for less than 0.2% of the 355 000 strong EU fisheries workforce.

The agreement negotiated by the social partners will adapt EU regulation to a Convention adopted by the International Labour organisation in 2007, which sets worldwide minimum requirements for work on board fishing vessels - including accommodation, food, medical care, contractual conditions and social security. It applies to all fishing vessels and all fishermen, including multi-national crews.

More information:

<http://ec.europa.eu/social/main.jsp?catId=329&langId=en>

The Treaty provisions

Since 1997, the EU Treaties give the trade unions and employers' organisations the possibility to negotiate agreements at EU level. In certain matters (e.g. working conditions, health and safety at work) and at the joint request of the signatory parties, such agreements may be implemented as European legislation by a decision taken by the EU Council on a proposal from the European Commission.

Before submitting any legislative proposal to the Council, the Commission assesses the appropriateness of an EU action, the representative status of the contracting parties, their mandate and the legality of each clause of the agreement in relation to existing EU law, as well as of the provisions regarding small and medium-sized enterprises. This specific legislative procedure exists since 1993 and has been used 9 times in the past, for example for the agreement of the social partners on parental leave, fixed-term contracts and part-time work.

OTHER
VOICES

Putting the fight against poverty back at the **top** on the European agenda



Pierre Baussand, Social Platform Director: "The objectives of the Europe 2020 strategy have been totally overrun by austerity measures and cuts in budget expenditures".

In 2010 our leaders, the heads of state and government, committed themselves to lifting 20 million people out of poverty by 2020. And yet the level of poverty continues to grow, fueled by the ongoing economic crisis and adopted austerity measures and increased unemployment. Unemployment has been steadily increasing, reaching a historic peak of 10.3% and young people are particularly affected with an unprecedented unemployment rate of 22.4% (5.5 million). While rising prices and increased indebtedness around housing costs is driving increased homelessness, evictions and poverty in several member states.

Since that commitment was made just two years ago, 2 million more people in the EU are in poverty, or at the risk of poverty, bringing the total to 116 million in the EU. Which is 1 in 4.

It has now become obvious to citizens and social NGOs that governments will not achieve their commitments by 2020. The social situation in countries such as Greece, Italy, Portugal and Spain is alarming. The increase in poverty is triggering an increase in demand for social services but many of these services are closing down as a consequence of austerity measures. For example the region of Catalonia has cut

400 million euros meant for hospitals, social services for people with disabilities, residencies for older people and childcare services.

The focus of the last two years at the EU level on limiting budget deficits has not only detrimental consequences on social cohesion but it also highlights that the fight against poverty is not a top priority for our heads of states and government. The objectives of the Europe 2020 strategy – for a smart, sustainable and inclusive economy – have been totally overrun by austerity measures and cuts in budget expenditures.

Social Platform advocates for an alternative development model at the EU level

We have been calling on the EU institutions to ensure that the poverty target is truly implemented and social policies given the same prominent priority as current economic policies. We must move away from the current focus on emergency measures with damaging social consequences. That's why we have been calling for investment in a Social Pact in the European Economic governance. This should comprise of actions to ensure the implementation of the commitment to lift 20 million people out of poverty and social exclusion and invest in quality employment, quality education, and quality social and health services.

We also support the campaign *EU Money for Poverty Reduction NOW!* (by our member European Antipoverty Network, EAPN) to invest a clear share of the EU budget for the coming years as a tool to fighting against poverty. If Member States want to keep to their word we need at least 25% of the Cohesion Policy budget for the European Social Fund and 20% of the European Social Fund budget to go social inclusion and combating poverty.

Finally, civil society organisations are ready to play their role in the European economic governance and in the Europe 2020 strategy. Their involvement will give a voice to those who are directly impacted by social budget reductions. They can also bring forward the concerns of people that are often unheard in the EU political debate and raise attention to issues that are not very visible, thereby contributing to a more democratic and participatory governance.

Pierre Baussand

Director of the Social Platform

Ognian Zlatev: "Any kind of common communication approach should still be processed through the local historical, cultural and linguistic traditions".

INTERVIEW



Ognian Zlatev is head of the Communication service of the European Commission's Employment and Social Affairs directorate general since 1 December 2011.

Going **local** to get the message through

In Bulgaria, you created an NGO called Media Development Centre and you are a founding member of the South East European Network for Professionalization of the Media. Where does your interest for communication come from?

I studied classical philology at university and I graduated in the summer of 1989, a few months before the fall of the Communist regime. Still under the old regime, to make a living independently from my parents, I first found a job in the public radio's language monitoring service, translating English or Russian-speaking media's news broadcasts. I was therefore the first person in the country to know what was going on in the world! This is what gave me the taste for journalism and communication. In due course, I became a university professor but I was too impatient for this kind of job! So in the end I got involved in two main areas: media development (press freedom, professional standards, media self-regulation...) in very interesting parts of the world like Central Asia, the Caucasus, the Western Balkans and the Middle East; and communication, primarily for the World Bank. Media development I enjoyed very much, while communication allowed me to see the world from a different perspective and understand the rationale behind policies.

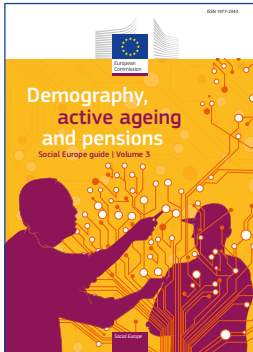
You witnessed the birth of press freedom and Western-style political communication in many countries. What lessons do you draw from that?

Any kind of common communication approach should still be processed through the local historical, cultural

and linguistic traditions; otherwise people will simply not buy it. In the build-up to the 1991 elections in Bulgaria, French advertiser Jacques Séguéla came to help the main opposition party communicate. Following his advice, a poster was designed locating the former Communist labour camps on a map of Bulgaria. They were represented by skulls and bones, and barbed wire. All it did was increase the rift between the young and the older generations who had put up with the former regime, and the Communists won the elections again!

What is it like to communicate on such sensitive issues as employment, social affairs and social inclusion on a European scale?

I went to Sofia in March 2012 for the launch of the European year of Active Ageing and Solidarity between Generations. Bulgaria is the EU country that happens to be the worst hit by a negative birth rate but in Bulgarian, the expression "active ageing" doesn't make sense. "Ageing" only applies to things like wine or cheese! So you have to be more descriptive and say something like "active life for elderly people". Then people said to me: "It's all very nice wanting to keep older people active but 32% of our youth are unemployed". I tried to explain that the countries which are good at employing young people are also good at keeping older people at work. In the end, I took them by surprise: to show them that "active ageing" is part of our culture, I brought a collection of Bulgarian fairy tales, in which the advice of the elderly is systematically sought after! The challenge then is how to put those fairy tales in such a shape that they become relevant to present-day conditions...



Demography, active ageing and pensions - Social Europe guide - Volume 3

The Social Europe guide is a bi-annual publication aimed at providing to an interested but not necessarily specialized audience a concise overview of specific areas of EU policy in the field of employment, social affairs and inclusion. It illustrates the key issues and challenges, explains policy actions and instruments at EU level and provides examples of best practices from EU Member States. It also presents views on the subject from the Council Presidency and the European Parliament. The third volume in this series gives an overview of the main demographic trends faced by Europe, such as ageing, a decrease in the working age population and declining fertility. It describes the EU's actions to promote active ageing, and explains EU policy efforts to ensure adequate, safe and sustainable pensions for the decades to come. This publication is available in printed format in English, French and German.

Catalogue No.: [KE-BC-12-001-EN-C](#)



Progress Microfinance - Portraits of entrepreneurs

The European Progress Microfinance Facility (Progress Microfinance), launched in 2010, aims to increase access to microfinance throughout Europe. Microfinance is a vital tool in encouraging growth, giving people who might not otherwise have the opportunity the chance to realise their entrepreneurial ambitions. The Progress Microfinance leaflet gives an overview of the ways in which the initiative promotes employment and social inclusion in Europe and details how people can apply for microcredit. It shows portraits of entrepreneurs across Europe who have already benefited from the Progress Microfinance. The leaflet is available in printed format in 22 EU official languages and in electronic format in Irish.

Catalogue No.: [KE-32-12-231-EN-C](#)

What do you think of *Social Agenda*?

A readers' survey is inserted in this issue of *Social Agenda*. It is a unique opportunity for you to give us your opinion on how to further improve this magazine and to confirm your interest in receiving it. You can answer it in print form and send it back by postal mail. Alternatively, you can fill it in on-line and just click on "send" when you have finished answering the survey.

Social Agenda provides an overview of the European Commission's action in the field of employment, social affairs and inclusion. It is complementary to the press releases and to the more specialized publications published by the Commission.

In addition to answering to precise questions by simply selecting an answer, the survey gives you the opportunity to make suggestions for improvement and express your expectations for *Social Agenda* or for a new and totally different means of information.

Your feedback will allow us to improve *Social Agenda*. So, thank you for taking the time to complete the inserted form... online, if possible.

www.opinion-eu.com/socialagenda

Useful websites

The website of Commissioner Andor: http://ec.europa.eu/commission_2010-2014/andor/index_en.htm
 The home page of the Commission's Directorate-General for Employment, Social Affairs and Inclusion: <http://ec.europa.eu/social>
 The website of the European Social Fund: <http://ec.europa.eu/esf>

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