**EUROPEAN ANTI POVERTY NETWORK**

***INCLUSIVE LABOUR MARKETS –***

***BUILDING PATHWAY APPROACHES TO QUALITY EMPLOYMENT***

*Position Paper*

**Introduction**

***Setting the context***

Over the past decades, the European Union has strived to ensure *full employment*, meaning a situation where all those able and willing to work are able to find a position in a relatively short time. However, this numerical ambition has often not been complemented with adequate standards regarding quality – both of the job placements proposed, as well as of the support provided to job seekers and the unemployed. In what is perceived as a trade-off between quantity and quality, the former is too often prioritised, to the detriment of the latter.

Full employment has often been presented as a silver bullet solution to poverty and social exclusion, and this has resulted in a situation where increased pressure has been placed on the individual to find a job. This rhetoric has been extremely damaging, insofar as it created unfair demands on people who already found themselves in a precarious situation of unemployment, and who, additionally, appeared to be blamed, by services and public discourse, for their situation. While a jobseeker is expected to be highly skilled and mobile, ready and willing to accept any job in any conditions, too little emphasis has been placed on the demand side, and what efforts are (or should be) in place to ensure that labour markets are inclusive and accommodating to different workers, with different personal situations.

The full employment rhetoric is also at odds with an increased tendency to flexibilise labour agreements, which means shorter and more insecure contracts, reduced employment protection, easier dismissals, less compensation, and less recourse for workers who have been made redundant. While the mantra seems to be getting everybody into work as soon as possible, many labour market policies make it easier for employers to get rid of workers when it no longer suits their needs. This is a paradox that has received very little attention.

Another feature of today’s labour relations in the European Union is a widespread trend of negative activation, featuring tighter eligibility for social protection, as well as conditionality (such as community work in exchange for benefits) and sanctions (reducing or withdrawing financial support). Not only people are not receiving personalised assistance and holistic support towards finding a job, but, often, the proposed employment is of poor quality, with low pay and precarious contracts and employment protection.

EAPN has repeatedly denounced excesses of such punitive approaches, especially in the context of scarce employment. When jobs in general are lacking, and quality jobs are especially hard to come by, it is more important than ever to take a critical look at the functioning of European labour markets, and find ways to make them a more inclusive place. Austerity measures over the last 5 years, especially in countries with bail-out arrangements in place, have had a strong negative impact on decent employment relations. In this paper, EAPN sets out its view on inclusive labour markets, highlighting what are the comprising elements that ensure that they are non-discriminatory and that they pro-actively welcome excluded groups, providing quality and sustainable employment and adequate social protection for all.

***What do we mean by inclusive labour markets?***

The *labour market* is a conventional expression, which refers to the place where those offering employment (demand) and those seeking it (supply) interact.

In October 2008, the European Union put forward a *Recommendation for the Active Inclusion of Those Furthest from the Labour Market*. This Recommendation urges Member States draw up and implement an integrated, comprehensive strategy, based on three mutually reinforcing strands: adequate income support, access to quality services, and inclusive labour markets. The actions should holistically support those who can work into quality employment, while equally promoting social participation and dignified lives for those who cannot work.

The third of the three mutually reinforcing pillars of the Active Inclusion Strategy, called “Inclusive labour markets”, is aimed at encouraging the provision of pathway, personalised approaches for people able and willing to work, so that anyone can be adequately supported in accessing decent, sustainable employment. EAPN views this strategy as a way to temper aggressive activation programmes that emphasise “work first” approaches, and operate mainly through increased sanctions and conditionality for benefits, offering low-quality, precarious jobs, with little regard to people’s complex personal situations and individual barriers to employment and to social participation.

**The Active Inclusion Recommendation urges Member States to implement inclusive labour markets through the following:**

*Adopt arrangements covering persons whose condition renders them fit for work to ensure they receive effective help to enter or re-enter and stay in employment that corresponds to their work capacity.*

 *(i) Promote the following common principles in the context of active inclusion strategies:
— address the needs of people excluded from the labour market in order to facilitate their progressive reintegration into society and into the labour market and to enhance their employability,
— take the necessary measures to promote inclusive labour markets in order to ensure access to employment is an opportunity open for all,*

*— promote quality jobs, including pay and benefits, working conditions, health and safety, access to lifelong learning and career prospects, in particular with a view to preventing in-work poverty,*

*— tackle labour market segmentation by promoting job retention and advancement.*

*(ii) Implement these principles through the following practical guidelines:*

*— expand and improve investment in human capital through inclusive education and training policies, including effective lifelong strategies; adapt education and training systems in response to new competence requirements, and the need for digital skills,*

*— active and preventive labour market measures, including tailored, personalised, responsive services and support involving early identification of needs, job-search assistance, guidance and training, and motivation to seek a job actively,*

*— continually review the incentives and disincentives resulting from tax and benefit systems, including the management and conditionality of benefits and a significant reduction in high marginal effective tax rates, in particular for those with low incomes, while ensuring adequate levels of social protection,*

*— provide support for the social economy and sheltered employment as a vital source of entry jobs for disadvantaged people, promote financial inclusion and microloans, financial incentives for employers to recruit, the development of new sources of jobs in services, particularly at local level, and raise awareness of labour market inclusiveness,*

*— promote adaptability and provide in-work support and a supportive environment, including attention to health and well-being, non-discrimination and the application of labour law in conjunction with social dialogue.*

***Why a position paper on inclusive labour markets?***

The paper is meant to be a contribution to the ongoing debate on how to better foster quality employment for those able to work, and how to better support them into accessing decent, stable employment. This is a particularly relevant discussion, at a time when the employment and poverty-reduction targets of Europe 2020 seems to be at odds. The employment target of the Strategy is too often approached as a play on statistics, with many Governments trying to meet the numbers without particular concern to the impact on quality of work and employment, on the economy overall, on societies, and on people’s lives.

Although several important steps have been taken to raise visibility and mutual learning to promote the Active Inclusion Recommendation, there is still an insufficiently coherent roadmap to ensure effective implementation at EU and national levels, as an analysis of employment policies at both levels indicates. Inclusive labour markets seem to remain a distant reality on the ground, as indicated in the opening section of this paper.

Our findings also underline the lack of rigorous assessment of the real impact of increased conditionality and sanctions on people experiencing poverty and social inclusion. Support into work is often a piecemeal venture, not a comprehensive one, often not reaching those furthest from the labour market and not showing enough concern for the quality of the jobs proposed. Boosting the employment rate of specific groups takes priority over providing inclusive labour markets and personalised support for all, and serious concerns are being raised by EAPN members about the creaming effect, which targets those closest to the labour market, as well as again, about the quality of jobs proposed. The emphasis continues to be on placing responsibility on the individual and on taking people off benefits, rather than supporting them into quality jobs, which would effectively remove them from poverty. There is a notable downgrading of working conditions, as well as an increased tendency to cut wages.

Initiatives targeting young people, such as the Youth Guarantee and the Youth Employment Initiative, are important contributions to ensuring inclusive labour markets for specific groups. While implementation reports are encouraging, unfortunately these proposals fall short of implementing integrated Active Inclusion approaches. As it focused almost exclusively on employment and education, the approach does not include supporting services, nor access to adequate social protection. Moreover, the quality of the offers of employment or training is not suitably monitored in the evaluation of the implementation, making it likely for it to become just another statistical exercise for Member States. There are no safeguards against negative activation practices, such as sanctions and increased conditionality, and ownership and engagement of young people themselves could be reinforced. EAPN hopes these elements could be included in further revisions of these strategies.

The recent Recommendation on the Integration of the Long-Term Unemployed into the Labour Market puts forward some very positive proposals, emphasising a an individualised, pathway approach for job seekers, including a holistic package of services and comprehensive support. It is a very welcome step in the right direction. However, a number of important elements are missing from the proposal, such as, once again, adequate income support, an end to punitive activation practices, job creation, the quality, sustainability and accessibility of the jobs proposed, the financial solvability of the proposal, as well as references to the key role that civil society organisations, as well as social economy, can play in its implementation. Nonetheless, it is a framing document that will hopefully bring a positive shift in practices on the ground, and contribute to better support towards the meaningful social and professional inclusion of those who have been out of employment for a long time.

More encouraging perspectives are included proposal of a European Pillar of Social Rights, a very comprehensive initiative put forward by the European Commission in March 2016. Th rights-based approach is very welcome, and a number of significant aspects relating to inclusive labour markets are covered by the initiative. It is, however, to be seen how these will be operationalised and implemented, in a way that would make a real difference to people on the ground, and that would deliver a labour market that is welcoming to all and that [provides the right integrated support and opportunities for those furthest from it to join it. This would also entail an ideological shift from a competitiveness and productivity logic to one where the human, social, and societal value of employment is also taken into account.

***How was this paper developed?***

EAPN has been actively engaged in the European Employment Strategy ever since its adoption in 1997. The present position paper builds on extensive work done by EAPN members on the quality of work and employment, and on previous EAPN publications, such as 10 Principles of Quality Work, EAPN Explainer on the Quality of Work and Employment in the EU, the EAPN position paper on In-Work Poverty, the comprehensive work carried out in support of living wages, and EAPN’s positioning and responses to recent European initiatives such as the Long Term Unemployment Recommendation, and the European Pillar of Social Rights (see non-exhaustive list of activities and publications at the end of the paper).

Furthermore, the paper builds on in-depth related discussions held in EAPN’s EU Inclusion Strategies Group, including a dedicated session in October 2016, as well as conclusions from the European Meetings of People Experiencing Poverty. It incorporates views, stories, and recommendations building on our national members’ work on the ground, supporting directly those furthest from the labour market, and actively engaging with policies shaping the interaction between people experiencing poverty and the world of work. It strives to bring to the forefront the perspective of real people facing hardship and exclusion on the ground, in their journey towards decent, inclusive employment in Europe.

This paper sets out our understanding of inclusive labour markets, detailing the elements needed to make them a reality for both the supply and the demand side, and tries to put forward the perspective of our constituents, people experiencing poverty and social exclusion in Europe, and of the civil society organisations that represent them, in membership of EAPN. Finally, it aims to put forward specific recommendations to guarantee targeted efforts to support specific groups into quality, sustainable employment, thus promoting pathways to inclusion. An inclusive labour market at EU level is a goal that requires an all-level active engagement of the relevant stakeholders – governments, workers, employers, job seekers, people experiencing poverty and their civil society organisations, and others.

**Key Principles of Inclusive Labour Markets**

By definition, as mentioned above, the labour market is the place where supply and demand meet, so an integrated approach to render labour markets more inclusive should encompass elements pertaining to both dimensions. Labour markets are complex concepts and involve a wide range of actors, at different levels, which is why a comprehensive policy mix of initiatives is needed to effectively ensure their inclusiveness. In this section, EAPN outlines what are the most important elements that constitute inclusive labour markets, from the perspective of people experiencing poverty and social exclusion, as well as what are the most significant obstacles encountered by different key groups of people when trying to access employment, and how to overcome them.

On the **supply side**, as mentioned above, support to the long-term unemployed is often (if not exclusively) conceived as active labour market measures, whereas the obstacles faced by people can be multiple, complex, and referring to other dimensions of one’s life. As such activation efforts focused on the workforce should follow an Active Inclusion integrated approach, combining the three mutually reinforcing strands:

* Adequate income support, allowing for a life in dignity, during the job search and during periods of unemployment or inactivity
* Personalized, pathway, integrated support to access quality and sustainable jobs
* Access to any quality and affordable services, such as education and training, healthcare (including for psychological issues such as depression and demotivation, access to rehabilitation for drug and alcohol abuse etc), affordable housing, counselling for indebtedness (or other financial issues, including access to a bank account), childcare, transport etc.

On the **demand side**, employers should be much more involved in providing quality and sustainable jobs, which makes it attractive for people to take up employment, while it also improves staff retention, motivation, and productivity. Employers can also provide additional support for the integration of different groups, by comprehensively tackling discrimination on all grounds, in recruitment as well as on the job, and ensuring:

* Job creation – with jobs that excluded people can access, including investment in social economy, particularly work integration social enterprises (WISEs)
* Quality and sustainable jobs, including wages, stability of contracts, working conditions, employment rights, social protection, and other
* Pro-active support, including comprehensive tackling of discrimination, and any other support, based on an in-depth analysis, together with the beneficiary, of the individual circumstances and specific obstacles faced.

***Supply Side***

***1. Adequate income support***

Adequate social protection is an essential component of people’s engagement with the labour market. We distinguish between two types of income support: that available while in work (including during sick leave and other types of leave, and social security contributions, including for pensions) and that available while looking for a job (unemployment benefits, minimum income, and other forms of financial assistance).

Add a paragraph about the level of income support while in work (sick pay etc) – from members + reference to the EPSR.

Regarding social protection benefits available to people when looking for a job, such income support needs to feature appropriate coverage (not marred by excessive eligibility criteria), duration, and level of benefits, to allow for a life in dignity. Access to adequate minimum income or other financial support (such as unemployment benefits or other types of social welfare) is a key pre-requisite for job-seeking. Most active labour market policies, conversely, feature the lowering of unemployment benefits and reduction in coverage - the overarching priority remains to get people into any kind of employment, at all costs, and off welfare. Additionally, minimum income seems to be primarily perceived as a “get-back-to-work” tool, with a damaging emphasis on employment-linked conditionality and negative sanctions for people who fail to comply. Also, a dangerous link is made between generous social protection and disincentives to work, while the Commission’s own Employment and Social Developments in Europe 2012 report has found evidence to the contrary.

EAPN strongly supports the 1992 Council Recommendation, that explicitly says that ‘Persons residing in the European Union (EU) should have access to sufficient resources and assistance to live in a manner compatible with human dignity.” This has been further reinforced by the Active Inclusion Recommendation of 2008, which features adequate income support as one of the three mutually reinforcing pillars of a comprehensive approach to reach those furthest from the labour market. The review of the implementation of the Recommendation, part of the Social Investment Package, highlights minimum income as a key tool to fight poverty and social exclusion, particularly in times of crisis, while underlining the low coverage of the benefit, and the fact that the most disadvantaged are not reached by the measures. Another significant concern is that, when speaking of take-up, the issue of stigma and discrimination of welfare recipients is only mentioned once.

The Youth Guarantee does not contain provisions of income support, though young people engaged in further education and training do not have any other access to financial resources, and those looking for a first job are not eligible for unemployment benefits. This is, in our view, a very significant oversight of the initiative. The Long-Term Unemployment Recommendation, while it clearly speaks of providing comprehensive access to a package of services aside job counselling, equally neglects to mention income support.

Finally, the proposed European Pillar of Social Rights highlights the low coverage and duration of unemployment benefits as cause of concern, while it also points to the inadequacy, low coverage, and non take-up of minimum income, while also underlining that income security insufficiently covers those who exhaust their unemployment benefits, and provisions are insufficient to lift those without any resources out of poverty. However, the same proposals (on unemployment benefits, minimum income, and integrated services and benefits) strongly highlight the need to reduce disincentives to work and to link eligibility and coverage to specific job-seeking requirements – which, potentially, opens the door to very negative, punitive activation practices.

***2. Personalized, integrated support***

The baseline for ethical policy-making, in employment as in any other field, has to be the respect for human dignity. This right is enshrined in the EU Treaty, in the Universal Declaration of Human Rights, and is now made legally binding under the Lisbon Treaty through the EU Charter of Fundamental Rights. This assumption should lead to policy approaches that treat people as valuable human beings and never just from an instrumentalist perspective, only for their usefulness for the economy. An effective social activation strategy should focus on people’s individual needs, desires and capabilities. This approach would recognize a person’s changing needs throughout their lives and tackle the specific obstacles faced by key groups – migrants and ethnic minorities including Roma, women, lone parents, people with disabilities or health difficulties, but also those who suffer long-term unemployment and poverty, and people with multiple problems such as the homeless.

Positive activation needs to be built on a hopeful vision of people and the society in which we want to live. The focus of active labour market policies should be to develop a pathway to social inclusion and to full participation in society. The ultimate aim of activation is social inclusion and professional mobility, by empowering people to improve their competencies and skills, physical and mental health, to establish social contacts, improve their participation and active citizenship. Such an approach to activation is an investment in human, social, psychological and cultural resources, and sees labour market integration as one element to promoting social integration in a wider sense.

People often face complex obstacles, which are not all employment related, in integrating society and the labour market. A first step is a thorough needs assessment, rooted in each individual’s personal circumstance, and the development of an integrated, personalised pathway to employment, with full ownership and involvement of the beneficiary. Most people want to work, to contribute and to feel useful. However, once engaging with job-seeking services, people often feel disempowered, discouraged, disrespected, and presumed guilty of slacking and of wanting to cheat the system. This, in the context of a crisis that has destroyed millions of jobs, yet to be replaced, where few and low-quality jobs available, and where social protection rights have been undercut.

The absence of references to ensuring personalised support for job seekers, as well as inclusive labour markets, open to all, is very worrying in the current narrative, particularly in the context of the crisis and the recession, where job opportunities are shrinking and more and more people see themselves excluded from the labour market. At the same time, recent years have seen a sharp increase in conditionality associated to benefits, as well as increasing pressure put on the individual to adapt to labour market needs. The right to work needs to be reinforced, rather than the obligation.

The approach needs to be broad, taking the complexity of problems into consideration and offering tailored, but multidimensional intervention for individual needs and expectations. Such a social activation approach can therefore be the most effective for engaging with the most excluded groups with the most serious problems, who are furthest away from the job market, such as people fighting an alcohol or drug-misuse problem, people with disabilities, health or psychological problems, single mothers with little support, immigrants with poor language skills and others. The holistic approach calls for comprehensive tackling of issues such as difficulties over income, housing, debt, loneliness, health conditions, low social skills, communication, language, training qualifications, access to services etc.

Always at the fore must be the determination to respect the person and their sensibilities, and the aim to design a strategy which reflects their own preferences, wishes and priorities. For this reason, Public Employment Services need to be strengthened, as well as their mission enriched, to serve not only as job-placing agencies, but working in cooperation with service providers, NGOs, the social partners and public authorities to provide integrated services and support towards social and professional inclusion.This approach is urgently needed to counter the current strategies aimed at creaming applicants who are seen as being the easiest to place. Otherwise, these strategies will generate deep-seated segregation and a two-tier society, distinguishing between employable and unemployable, discarding people deemed to be no use to society.

*In 2014, 75% of EAPN members felt that their Governments were pursuing negative activation, and that these measures will not improve access to quality employment, but would result in increased poverty and exclusion. Members underlined that activation at any price has become the mantra, without any regard to the fact that the jobs are simply not there, and the jobs that do exist do not take people out of poverty (8.9% working poor and 1/3 of people in poverty are in work - EUSILC 2013).*

***3. Universal access to quality, affordable services***

Integrated services are much needed and must be part of an overall integrated, holistic approach, which goes beyond the labour market and which includes more than mere activation services. As supported by the proposal on the Outline of a European Pillar of Social Rights, access to services is a right, and should be guaranteed as such. EAPN distinguishes between two types of services: basic or essential services, which people need regardless of employment status, in order to have a dignified life, and which also provide a foundation to look for work (such as access to housing, energy, general education, health); and flanking services, which are specifically supportive of someone’s (re) integration in the labour market, with a specific focus on advice/counselling, training and education, childcare, transport etc.

Individualized services must be designed with the aim of providing a life in dignity for both those able to access work and those who can’t. The primary goal of individualized services must be to support people’s integration and inclusion in society and to prevent poverty – with positive activation into quality jobs being one element. A holistic approach calls for universal access to affordable, quality services (including childcare, housing, health, education and training, debt counseling etc).

A labour market is inclusive if employment quality is ensured throughout an individual’s engagement, and transitions are supported by adequate social protection, as well as comprehensive services that go beyond employment. There still seems to be a lack of a clear analysis of the strategic function of ‘flanking services’, which play a key role in removing obstacles to sustainable work. The approach needs to be oriented towards providing solutions, particularly in the shape of vital services. Tailored, but multidimensional intervention for individual needs and expectations needs to be provided, and the capacity of Public Employment Services needs to be stepped-up in this sense, as well as more investment made in public services.

As mentioned above, people are very different and face extremely different circumstances, varying from country to country, region to region, and individual to individual. A very complex range of factors result in people being unemployed for a long time, and a number of these are not even related to the labour market, but to other personal circumstances. Household composition, health status, housing situation, indebtedness, discrimination, poverty, overall state of mind, skills level, past employment experience, geographical location etc are just a few of the factors which can influence someone’s employment situation. It is thus impossible to devise a one-size-fits-all approach, as any social and professional integration strategy needs to be rooted in each person’s individual situation, developed in full cooperation and ownership with the person, and respond to very different needs.

Training and skills upgrading, while an essential component in ensuring better access to employment opportunities, need to focus on more than just labour market needs, aiming to also improve personal, social and vocational skills and competences, enabling further social integration and participation in communities, alongside support towards the labour market. Recognition of existing competences is also vital, including non-formal skills, rather than a rigid focus on formal qualifications, which many excluded people have not been able to acquire.

Many people returning to work after a long time, especially older workers or workers with health/disability issues, require specific adaptations to the working environment and conditions. Financial support and expert guidance can be provided to employers, together with follow-up support for the development of adapted contracts and conditions, including training and personalized coaching. For (single) parents, and for women who are most often the main carer, a supportive environment is needed for proper balance between private and their professional life, through guaranteeing affordable access to high-quality care facilities, encouraging flexible hours and tele-working, and bridging the gender pay gap. This support should be equally granted to unemployed parents and carers.

EAPN cautiously welcomes one-stop-shops, in an attempt to simplify red tape, complications and confusion for those in need, while also reducing associated transport and other costs. However, mere formal integration is not enough to ensure holistic approaches. Such integration needs to incorporate a strong element of the perspective of the beneficiary, placing the emphasis on the quality of service provided, and how much does it respond to individual needs. The focus should be on providing the best accompaniment and support to each person seeking it, rather than only on simplifying delivery.

***Demand Side***

1. ***Job Creation***

Section to be expanded with support from members

Strategies aimed at integrating people into the labour market will not work if not complemented with appropriate job creation efforts. In this sense, the relationship between industrial and enterprise policies, on the one hand, and employment policies on the other, needs to be further explored. Too often, the responsibility is placed solely on the individual, who is labelled as ‘lazy’ if he or she fails to find a job, while the labour market does not offer enough decent work opportunities.

Not any job creation effort will necessarily have the expected outcome. First of all, it is a matter that can’t be left to the market alone, as solid investment is also needed in sustainable jobs. Subsidised employment may end up being precarious and be terminated once subsidies are withdrawn, so it is important to invest in those sectors that show durable potential. Also, it is important to highlight that high-skilled jobs won’t be accessible to most people experiencing poverty and unemployment, so community solutions that capitalise on existing skills and potential should also be looked at.

There are new opportunities for job creation in the services sector, which would answer a double need for service provision and creating work places, provided that working conditions and wages are improved for this sector.

Moreover, social economy and third-sector initiatives, particularly Work Integration Social Enterprises (WISEs), has a great potential, if adequately supported, to facilitate the entry of excluded groups into the labour market. This can work as an intermediate step, to prepare those who have been away from employment for a long time to re-enter the open labour market, as well as can provide permanent employment for workers with specific needs, such as a health issue or disability. WISEs have proven to be very successful instruments for supporting excluded groups into work, particularly in areas of new social and sustainable services. Their potential needs to be thoroughly explored and adequately resourced. Care must be taken to ensure that new forms of employment aimed at the integration of disadvantaged people in the labour market are fully covered by labour laws and social protection systems.

Once in work, strategies also need to be in place to ensure progression and transition to better employment, and maintaining people’s position in decent jobs. This means focusing on groups that are most vulnerable to losing their jobs, through redundancy or restructuring, or who are in precarious, insecure or temporary employment. A more progressive and less punitive approach must also be employed to support people currently working in the informal labour market, which is often a survival strategy and the only possibility of a decent income for specific excluded groups. Employers who take advantage of the undeclared labour force, and not workers who are trying to make ends meet, should be penalised.

1. ***Job Quality***

A labour market is inclusive if excluded people are effectively supported to access quality, sustainable jobs: a job should pay in the positive sense, if it appeals to workers, by providing adequate pay, sustainability of the contract, employment rights etc. Public Employment Services in many Member States do have an operational definition of what constitutes a so-called “suitable” job, which includes dispositions regarding the beneficiary profile and qualification levels (compared to what the job offers ask for), wages (comparison between the last wage and the wage proposed by the job offer), health (the job offer must not endanger health), distance between workplace and home, adequacy to physical abilities, and moral adequacy to the beneficiary profile, to list some.

However, the definition of a “suitable job” is also prone to subjective interpretation by the services and beneficiaries. The conflict arising from a different interpretation can result in negative consequences for the job seeker – either they are pushed to accept any job, or sanctions for refusing a job offer can be imposed. If the application of sanctions can be expected, the underlying conditions must guarantee that a real opportunity is proposed to the job seeker, underpinned by solid quality frameworks, rooted in respect for the individual and in the ambition to provide a dignified living.

The matching process is therefore crucial and, although its importance is recognized, most of the Public Employment Services are understaffed, which means bigger case loads and less attention to each jobseeker. Different persons, in different cycles of life, demand flexible services focused on individual needs and on good integration opportunities. In order to develop special measures and innovative ways to provide tailored job offers to people experiencing poverty (particularly those groups that the services have more difficulty to work with), it is necessary to assure two basic conditions: reviewing the definition of a “suitable job”, by harmonizing its parameters with a clear definition of quality work principles (reducing the scope for subjective interpretation), and providing more and better trained staff, so the public employment services can improve the matching process and get more and better job placements.

We must emphasize that the adoption of a definition of quality of work and employment, even in the form of minimum standards, is not sufficient to change the current situation. Implementation is key, and it often leaves much to be desired. For instance, while in most Member States the law already includes anti-discrimination dispositions, there is empirical evidence of discriminatory practices among employers. For a person experiencing poverty the risk is substantially increased, as stereotyping and “labelling” according to their present condition or previous life path is unfortunately current.

Work must ensure a route out of poverty and represent a progressive step on the road to greater personal and professional development, as well as a pathway to integration in society. This means implementing much stricter criteria of what constitutes a reasonable offer of quality work, guaranteeing social standards at EU and national levels, and encompassing decent wages, job security, working time flexibility to allow for a proper work-life balance, as well as high levels of social protection and access to relevant services. The approach needs to be flexible and recognize changing needs as a person builds confidence, or experiences significant changes or difficulties in his/ her personal or family situation, in his/her health situation or in the state of his/her disabilities, or in relation to difficulties over legal restrictions on migration, income difficulties, work difficulties etc.

Defending employment cannot mean making compromises when it comes to job security and quality of work, especially as 8% of people in work already suffered from in-work poverty before the crisis. Although some welcome new measures are being advanced to tackle in-work poverty, these are often understood as tax credits or top-up schemes, rather than improving minimum wage levels and working conditions. Often, employment proposed to job seekers comes with a hidden poverty trap, where the wages paid are inferior to the benefits received, coupled with a loss of free services such as transport, childcare, rent support etc. Recently, quality in jobs has been increasingly defined as improving working conditions and health and safety at work, without taking into account crucial elements, such as the vital provision of living wages and improved employment security. This also means addressing the persisting gender pay gap.

1. ***Pro-Active support***

Discrimination in accessing a job is still widespread. A quality, inclusive labour market should strive to ensure that every individual who is able to work receives personalized guidance, free from discrimination, and taking into account specific circumstances (such as disability, parenthood, belonging to a minority group etc.), which often act as obstacles to finding decent employment. Employers and PES staff need to receive adequate anti-discrimination training, to ensure that no worker or jobseeker is discriminated on any grounds covered by national and European legislation, including socio-economic background. The long-term unemployed from specific discriminated target groups are at particular risk.

An inclusive society is mirrored by an inclusive labour market. Two European Community Directives, the Racial Equality Directive and the Employment Framework Directive, define a set of principles that offer everyone in the EU a common minimum level of legal protection against discrimination on grounds of race and ethnic origin, religion or belief, disability, age or sexual orientation, primarily in the workplace. This comes in addition to the numerous laws adopted in the past 30 years to fight gender discrimination and to allow for equal treatment between women and men in the workplace. However, more investment must be made to counter discrimination and promote diversity in the labour market.

Migrants, specifically undocumented migrants, and ethnic minorities, particularly the Roma, face ever-increasing difficulties both in accessing jobs and in the workplace, due to racism and xenophobia. The growing problem of the gender and ethnic pay gap needs to be tackled. Governments should be ensuring implementation of current and new EU legal instruments in this field, and strategies must be drawn up, together with stakeholders, focusing on the specific difficulties that each of these groups face in both accessing the workplace and progressing within the labour market. Many groups see their access to the labour market and to social participation blocked because of their particular, vulnerable situation, such as suffering from long-term sickness or disability, people experiencing poverty, or having had substance or alcohol misuse problems in the past.

In our members’ analysis, effectively tackling discrimination does not seem to be a priority for governments, as reflected in their National Reform Programmes. While presumably striving to ensure inclusive labour markets, governments do not seem to feel that fighting discrimination and ensuring better participation and inclusion plays a key role.

Add more content from members about the importance of apprenticeships, adapted workplaces, as well as working conditions, corporate social responsibility et.

***Underpinning dimension: participation, empowerment, and ownership***

The most effective strategies to promote sustainable inclusive labour markets and promote social participation will involve a wide range of networking with all relevant actors and at all levels. This must clearly include the traditional actors on the labour market – employers, job placement agencies, Public Employment Services, trade unions, service providers (housing, education, healthcare), but most importantly, job seekers, people experiencing poverty and social exclusion and their civil society organisations. An integrated plan and approach involving joined up planning and delivery is essential. Renewed commitments to good governance in the Europe 2020 Strategy continually confirm the importance of the active participation of all stakeholders in the governance process.

However, more emphasis must be given to the recognition that an integrated Active Inclusion approach will only be successful if the people most affected are directly engaged in the process of developing the measures, and particularly in the implementation, monitoring and evaluation. As key actors on the ground, NGOs are in a unique position to develop outreach programmes, reaching even the groups furthest from the labour market. Social NGOs also provide a wealth of expertise collected from direct experience working with stakeholders, as well as an opportunity for involving people themselves in the design, and implementation of policies that affect them. Putting individual rights and needs at the centre means also putting participation and empowerment of people experiencing poverty and social exclusion and the NGOs in which they participate, at the centre of the strategy.

Add content about personal involvement in the devising of one’s inclusion plan.

**Conclusions and Recommendations - Towards integrated Active Inclusion approaches**

The most important question is what is the underlying principle in designing active labour market policies - reducing the perceived burden on public finances, by significantly decreasing so-called welfare-dependency? Artificially reaching the Europe 2020 employment target, by placing people into any job according to the Eurostat definition of “one hour worked in the week of reference”? Or making a difference in people’s lives, by empowering and supporting them into quality, sustainable employment, contributing to their social inclusion and effectively sheltering them from poverty?

Inclusive labour markets do not just mean a numbers’ game, artificially diminishing unemployment statistics, but implementing supportive pathway approaches to inclusion in the labour market and society, especially for those who have the hardest time reaching it and protecting the living standards in an outside work. The 75% employment target of the Europe 2020 Strategy cannot be achieved without an inclusive vision on employment, underpinned by a commitment to invest in quality and sustainable jobs, in personalised, integrated services, and in fighting discrimination inside and outside the labour market, ensuring access for those exclude to adequate social protection (including minimum income) and services, through integrated Active Inclusion. The poverty-reduction target will only be undermined by pursuing negative activation practices and condoning low-quality employment.

Add a paragraph about challenges to new ways of working.

EAPN believes in approaches that start from people and are aimed at supporting them into better lives, free of poverty and social exclusion. However, EAPN urges the EU to adopt a unified, comprehensive framework to support the long-term unemployed, provided that such a framework:

* Is aimed primarily at the social inclusion and social participation of individuals, and at contributing to their overall wellbeing and dignity
* Is rooted in a positive vision that people want to work, to contribute and to feel useful
* Features personalised, pathway approaches, that start from individual circumstances
* Provides integrated, holistic approaches, based on Active Inclusion, and responding to complex needs which are not all employment-related
* Is designed in full cooperation and partnership with the beneficiaries, ensuring ownership of the insertion plan, and with all relevant stakeholders, particularly non-governmental organisations working with such beneficiaries.

Such a framework, based on the above principles, should be backed by political will and adequate financial resources (for example, through prioritisation in Structural Funds) and should be clearly supported within the European Semester, by documents such as the Country Reports and the Country-Specific Recommendations.

**Recommendations for the EU level**

• Mainstream the Active Inclusion principles into the European Employment Strategy, as part of the Europe 2020 Strategy.

• Monitor the impact of the implementation of inclusive labour market principles in National Reform Programmes, Country Recommendations, and the Joint Employment Report.

• Use the upcoming revision of the term ‘worker’ concept to ensure living wages, employment security, on-the-job training, employment rights, adequate social protection, reconciliation of private and professional lives, career progression and job satisfaction, along with improved health and safety, and working conditions.

• Place real job quality, not just working conditions, at the heart of the European Employment Strategy, provide guidelines for implementation and monitoring results; make quality jobs a key topic for European Council debates.

• Conduct thematic peer reviews in the framework of mutual learning and support the exchange, follow-up and mainstreaming of best practices regarding the implementation of the inclusive labour markets pillar of the Strategy.

• Adopt and implement a strengthened Anti Discrimination Directive, to cover all discrimination grounds and to ensure unhindered access to the labour market for migrants, ethnic minorities including the Roma, and other discriminated groups.

• Combat labour-market segmentation by promoting more security in employment, and devise a European Strategy to fight in-work poverty through the provision of decent, living wages and sustainable jobs.

• Promote better reconciliation between private and professional lives and improve equal access to the labour market, by providing crucial flanking services (especially childcare and other types of care), flexible working schemes, and by combating the gender pay gap.

• Ensure that relevant stakeholders, including people experiencing poverty, unemployed people, and the NGOs that support them, are included in structured dialogue to deliver the NRP and the priorities and targets.

**Recommendations for the national level**

• Propose ambitious national employment and poverty targets, which mutually reinforce each other and ensure decent, quality, sustainable employment which constitutes a real route out of poverty and social exclusion.

• Use active inclusion principles to promote inclusive labour markets, as well as positive activation practices, in line with human dignity and promoting personalised pathways towards inclusion.

• Establish positive hierarchies between minimum income (set at least at the level of the poverty line) and minimum wage, to ensure that everybody has access to a life in dignity; don’t decouple wages from inflation in an effort to link them to productivity.

• Build the capacity of Public Employment Services as well as welfare offices to deal with complex and delicate personal situations, promoting personalised, pathway approaches based on individual needs assessment.

• Set in place comprehensive criteria for job quality, in accordance with European and international standards.

• Combat discrimination of employers and of society at large by implementing anti-discrimination legislation and promoting pro-active measures to foster diversity, and guarantee job places to people excluded from the labour market.

• Set an explicit road-map to eliminate the gender and ethnic pay gap within the public and private sectors, and monitor progress against performance indicators; combat discrimination of workers over 45 years old.

• Increase the investment in the provision of essential flanking services, such as children and other dependents care provisions, ensuring affordability, quality, and equal coverage.

• Invest and increase financial and other resources for the development of social economy, particularly Work Integration Social Enterprises.

• Set up mechanisms for regular consultation and structured dialogue with job seekers, the unemployed, people experiencing poverty, and the organisations representing them, linked to the national input to the European Employment Strategy and National Reform Programmes.

**Further Reading: List of EAPN publications**

To complement as needed.

* EAPN [Response to the Annual Growth Survey Package 2015](http://www.eapn.eu/en/news-and-publications/publications/eapn-position-papers-and-reports/eapn-s-response-to-the-annual-growth-survey-package-2015) - <http://tinyurl.com/EAPNAGS2015>
* EAPN Input to the Mid-Term Review of Europe 2020 Strategy - <http://tinyurl.com/EAPNMTR>
* EAPN assessment of the NRPs 2014 (Chapter 3,  p.31) - <http://tinyurl.com/EAPNNRP2014>
* EAPN position on Youth Poverty and Social Exclusion (Chapter 4, p.17) - <http://tinyurl.com/EAPNYouth>
* EAPN Explainer on Quality Work and Employment - <http://tinyurl.com/EAPNWorkExplainer>
* EAPN Report on the Troika and emergency assistance programmes (Chapter 3, p. 26; Chapter 5, p.33) - <http://tinyurl.com/EAPNTroikaReport>
* EAPN position on In-Work Poverty - <http://tinyurl.com/EAPNInWorkPoverty>
* EAPN assessment of the NRPs 2013 (Chapter 3, p.27) - <http://tinyurl.com/EAPNNRP2013>
* EAPN assessment of the NRPs 2012 (Chapter 3, p.44) - <http://tinyurl.com/EAPNNRP2012>
* EAPN 10 Principles on Quality Work - <http://tinyurl.com/EAPN10QualityWork>
* EAPN Video: Pathways to Work - <http://tinyurl.com/EAPNVideo>
* EAPN assessment of the NRPs 2011 (Chapter 3, p.31) - <http://tinyurl.com/EAPNNRP2011>
* EAPN Book: [Active Inclusion: Making It Happen!](http://www.eapn.eu/en/news-and-publications/publications/eapn-books/active-inclusion-making-it-happen) (Chapter 4, p.41) - <http://tinyurl.com/EAPNActiveInclusion>