

Quality of Work for Quality of Life

In-work poverty rising in Europe

Trade unions and social movements: the benefits of collaboration

Employment issues: national focus on UK, Denmark, France, the Netherlands and Austria





Quality of Work for Quality of Life

The contribution of employment to the fight against poverty

BY AMANA FERRO, EAPN POLICY OFFICER AND COORDINATOR
OF THE EMPLOYMENT WORKING GROUP

The struggle to ensure that those who can access work have quality employment has always been an essential component for EAPN's work. EAPN's Employment Working Group brings together experts from each EAPN National Network and from European organizations members of EAPN. The Group has been extremely active in putting forward, through a close engagement with the National Reform Programmes and two European Employment Programmes, alternative approaches on how to render employment an effective tool for combating poverty and ensuring social inclusion.

The outcomes of this year's European Semester reinforce the priority of fiscal consolidation and boosting competitiveness at all costs, while employment is seen only as a means for securing growth, rather than for providing people with dignified lives. Achieving the poverty-reduction target of the Europe 2020 Strategy will not be possible if the Employment target is reduced to removing people from unemployment lists by pushing them by any means into any kind of jobs.

Any job is not a sure route out of poverty. Currently 22% of people living in poverty are in employment. Recent developments, such as the adoption of the Euro Plus Pact, decoupling wages from inflation and

linking them to productivity, as well as the increased flexibility on an already segmented labour market, have taken their toll on those experiencing in-work poverty.

EAPN members report on realities in their countries, which showcase positive examples of job creation, providing decent employment at local level in France, and through social economy in Austria. In Ireland, social NGOs have successfully built alliances with trade unions to further calls for decent employment. In other countries, however, policies continue to penalize those already experiencing hardship, such as the recent "activation of the sick" campaign in the UK, and budget cuts endangering the security pillar of flexicurity in Denmark. Women also face an increasing pressure to take up paid employment, but which is not underpinned by a rights-based approach, nor supported with adequate reconciliation measures.

Finally, the real key messages come from the delegates to the 10th European Meeting of People Experiencing Poverty, dedicated this year to Employment. The bottom line is clear: create more jobs with good working conditions including decent wages, and support people to access them by being respectful of their circumstances.

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The role of employment in fighting poverty and social exclusion

Eapn's contribution to the debate

EAPN'S EMPLOYMENT WORKING GROUP

According to Eurostat figures, the unemployment rate in the European Union reached 9.6% (2010), which amounts to 23.248 million unemployed people. The answer of Governments is getting more people into work, but not necessarily in good jobs, and with little regard for human dignity. Employment has often not provided a sustainable route out of poverty. Nearly a quarter (22%) of people currently in poverty are actually in jobs. The undermining of workers' rights, coupled with lower wages and precarious contracts, brought about disastrous social consequences, increasing problems of indebtedness, putting pressure on pensions, having a negative psychological impact, increasing poverty, inequality and social exclusion.

Where We Are

Accessing quality, sustainable employment is a challenge which needs integrated approaches, supporting people into decent jobs, for those who can work, and providing a decent life for those who can't access work, in line with the Active Inclusion strategy of the European Commission. This means equipping people with the necessary security to lead a dignified life, through adequate minimum income and social protection schemes, while providing everyone with affordable access to quality services and personalised support to find their individual route to decent employment, where feasible.

Such efforts need to be complemented with creating new jobs through increased public and private investment, ensuring more and better training opportunities for all, raising the quality of jobs and employment, combating discrimination, and fostering reconciliation between private and professional life. Participation and adequate funding are key pre-requisites.

The European Union's role in coordinating and supporting these efforts is crucial, and the Europe 2020 Strategy, including its Flagship Initiatives and European Semester process, is the key tool. However, first signs are not encouraging.

Although one of the 5 overarching targets of the recent Europe 2020 Strategy is to raise at

least 20 million people out of poverty by 2020, the Annual Growth Survey, the European Commission's assessment of the priorities for implementation of the Strategy, insists on placing the analysis exclusively in a growth-oriented perspective, without reference to how inclusive and sustainable growth can be achieved. Increasing competitiveness and boosting growth takes priority over everything else, while investing in people is reduced to grooming human capital for better productivity. This reflects the same tendency at the national level, as indicated by the National Reform Programmes.

Alternative models: EAPN's Employment Working Group proposals

Support positive activation as part of Active Inclusion

Respect for human dignity should be at the core of policy-making. Support for employment should be anchored in people's individual needs, recognizing the very different obstacles faced by specific groups.

The focus of activation policies should be to develop a pathway to social inclusion and to full participation in society, providing multidimensional support and flanking services, as part of an integrated active inclusion approach: guaranteeing access to minimum income, tackling difficulties over transitions in income, housing, debt, loneliness, health conditions, low social skills, communication, language, training qualifications etc.

Commitment is needed to step up anti-discrimination measures, aimed equally at access to employment, to services, and to education, with particular attention to encouraging positive approaches from employers. EAPN strongly denounces the current trend of reducing public debts by getting people into precarious employment through the imposition of harsh sanctions and conditionality, including reduction or loss of benefits.

Invest in job creation

The creation of real, sustainable, additional jobs is a priority in the context of severe job cuts. There is increased acknowledgement, mostly at the EU level, of the potential of the services sector to create jobs, but little is being done by Governments to invest in them - instead, austerity cuts have hit this sector particularly. Especially in the area of health and care, investment would not only create employment, but also respond to increasing needs on the ground.

The social economy provides over 10 million jobs in the EU, and has been recently picked up by the European Flagship against Poverty as an important source of social innovation.

The Joint Employment Report and Flagship Initiative on Skills and Jobs speak openly about strengthened links between employment and industrial policy to stimulate job creation in the mainstream economy. This is a welcome change of focus towards the demand side, much needed in a context of shrinking job opportunities, and European funds, particularly Structural Funds, can be better targeted to support these developments.





Promote decent jobs and living wages

Low wages, especially for the so-called “low skilled jobs”, but also precariousness, temporary or short-term contracts, and enforced part-time work undermine decent employment. Unless a job provides a decent living wage and security, it will not produce a sustainable route out of poverty. There is still a persistent gender and ethnic “pay gap”.

The flexicurity approach promotes a culture where hiring and firing were made easy, while the necessary protection and security, especially minimum income and other benefits, are lacking, insufficient, or submitted to rigid

eligibility requirements. The recent political discourse at both EU and national level does not give enough priority to the issue of job quality (including pay and conditions), particularly to the need to ensure that jobs created ensure a route out of poverty. This is especially worrying in the context of growing in-work poverty.

Foster participation and good governance

Policies can't be effective unless they start from the correct, personalised needs assessment. This can only be achieved by involving people experiencing poverty and their organisations in the design, implementation and evaluation of strategies. This is a concern specifically mandat-

ed for by Recital 16 of the Integrated Guidelines and flagged up by the Annual Growth Survey.

Lessons need to be learnt from the Social Open Method of Coordination (OMC on social protection and social inclusion - SPSI), need to be translated into structured involvement of people experiencing poverty and their representatives in the design of National Reform Programs as well as in National Action Plans on Inclusion or national strategies on social protection and social inclusion.

Structural Funds and the PROGRESS Programme have a key role to play in this respect.

EAPN' Key Messages to the 2010 Commission's Draft Joint Employment Report as part of the Annual Growth Survey

1. **Poverty cannot be seen just as a bottleneck to growth!** Employment and social policies should be viewed not only as tools for growth, but rather as instruments to promote inclusion and combat poverty.
2. To reach inclusive growth it is necessary to support **an integrated approach of delivering the range of new guidelines**; particularly it is necessary to implement integrated policies to promote social inclusion and combat poverty.
3. It is important to give **more priority to quality of employment**, particularly the strive to ensure, as much as possible in the current context, that jobs created ensure a route out of poverty, while tackling in-work poverty.

4. It is needed to **guarantee coverage and adequacy of minimum income and social protection systems for all**, particularly in the context of austerity cuts and more targeted efforts to support specific groups. Integrated active inclusion approaches must also be more strongly mainstreamed in the general employment approaches with increased references to measures to promote coordinated, personalised, pathway approaches to labour market integration and the key role of social economy, particularly WISEs.
5. It is necessary to **develop integrated strategies to combat poverty and social exclusion for all groups**, particularly those who are not of working age, is insufficiently developed, for example in ensuring access to rights, resources and services for older people and for children.

6. It is necessary to **give sufficient focus on “putting in place effective anti-discrimination measures” and to ensure better professional and social integration opportunities**, particularly for migrants and ethnic minorities, especially the Roma.
7. The **role of Structural Funds and Cohesion Policy** to support integrated pathways to active social and economic inclusion of vulnerable groups should be kept in mind.
8. **Stakeholder involvement** in the development of the European Employment Strategy and the National Reform Programmes should be strengthened, with particular reference to the participation of people experiencing poverty and their civil society organizations.

EAPN is currently developing its response to the 2011 Joint Employment Report.

In-work Poverty in Europe: A Growing Problem

BY PETER KELLY, THE POVERTY ALLIANCE, EAPN UK, MEMBER OF EAPN'S EMPLOYMENT WORKING GROUP

In-work poverty has become, in many Member States, a critical barrier, impeding progress in addressing poverty. It could be argued that the focus of anti-poverty policies over several decades across Europe has been on income maintenance for those not in employment, and support to move welfare recipients into the labour market. Whilst this approach remains critical, it is increasingly being seen as insufficient to deal with the problem of in-work poverty.

There has been an increasing, although belated, recognition given to the problem of in-work poverty, primarily through the Social OMC, both within Member States and at the European level.¹

Recognition is one thing, action is another

However, recognition of the problem in policy documents in one thing, action is another altogether. The problem of in-work poverty continues to increase, and the impact of the economic crisis and the recovery packages is likely to lead to a further deterioration of the situation. The current crisis and subsequent recovery packages, featuring harsh austerity measures and budget cuts, have worsened the situation. Quality work is under attack, as we see an increase in short-term contracts and flexibility. Also, in several countries wages are stagnating or being cut, while services are faced with big reductions of budget and cuts.

The scale of the problem

It is no longer possible to view the existence of in-work poverty as a peripheral problem in the fight against poverty. In a time when employment is viewed as the best and safest route out of poverty, it is striking that a quarter of people experiencing poverty are, nonetheless, employed.

The causes of in-work poverty

There is broad agreement on the causes of in-work poverty across all EU Member States, although the importance given to each of the causes will vary depending on the differing national conditions. Frazer & Marlier (2010) highlight the structure of the labour market,

¹ The Integrated Guidelines make explicit reference to tackling labour market segmentation and fighting low wages, together with ensuring adequate social security (Guideline 7). Recent EU documents, such as the Flagships Youth on the Move and an Agenda for New Skills and Jobs mention labour market segmentation and insecurity, as well as low wages, as challenges to be tackled. The new European Platform against Poverty and the Joint Employment Report make a clear call for fighting in-work poverty and the Europe 2020 Strategy provides the potential to use indicators for in-work poverty as a key reference in measuring progress.

Overall, 8.6% of people at work were in poverty in Europe in 2008, although this ranged between 4% in the Czech Republic to 17% in Romania.

Frazer and Marlier (2010) note that *"in general, countries with a high at-risk-of-poverty rate have high in-work poverty rates."*

Other clear dimensions to the patterns of in-work poverty include higher levels of in-work poverty for young people (10% for 18-24 year olds), higher rates amongst temporary (13%) and part-time workers (12%) compared to permanent and full-time workers. Whilst the report by Frazer and Marlier notes that men are more likely to experience in-work poverty than women, it is very often the case that women are more likely to work in part-time and atypical work that is lower paid. Migrants and ethnic minorities, particularly the Roma, find themselves more often in a situation of in-work poverty than other groups, while they are also less protected by trade-union membership. In many countries, there is a higher prevalence of low paid work, and therefore of in-work poverty, in rural settings. The self-employed are another category which is dramatically more exposed to suffering poverty while in work.

household composition and low work intensity, individual characteristics (lack of qualifications, etc) and institutional factors such as minimum wages and social protection. All of these factors have contributed to the increase in in-work poverty that has taken place in Europe over the last 10 years.

Whilst most studies of in-work poverty are at pains to point out that not all low paid workers are poor, it cannot be denied that low wages are a key cause of in-work poverty. Whilst many low-paid workers are not poor, most poor workers will be low paid. In terms of policy responses to in-work poverty, this then should be the starting point. This should also be the starting point for our understanding of the causes of in-work poverty. The absence of a national minimum wage in 20 Member States out of 27 is a crucial aspect, especially as, in some of the 7 countries which don't have it (i.e. Germany),

collective agreements only cover a little more than 50% of the workers.

Poor-quality employment also contributes to in-work poverty. The increase in forced part-time, atypical and temporary employment along with the 'segmented' nature of many local labour markets all lead to in-work poverty. The ethnic and gender pay gap are also important factors in this equation.

A frequent complaint of many people seeking to make the transition into the labour market is that they are 'no better off'. This is as a result of the additional costs associated with taking employment, for example, travel and transport costs, childcare and other care costs, clothing, meals, etc. This can mean that for some people, particularly people with children, taking 'marginal jobs' (those that are very part-time, or temporary, or poorly paid) may mean that



they simply exchange poverty out of work for poverty in-work.

It is important, when considering the causes of in-work poverty, to highlight the evidence of the revolving door between in-work poverty and unemployment (Shildrick et al, 2010). Moreover, the transition between benefits and paid work and back is often problematic, and people find themselves with no income while they move from one status to the other. The evidence of this 'low-pay, no-pay cycle' means that we must treat the two phenomena as related, rather than separate and distinct experiences. This has important implications for the policy responses both to unemployment and to in-work poverty. The experience of recurrent poverty, whether in work or out of work, suggests that the ability of low paid, insecure work to act as a sustainable 'ladder' out of poverty is questionable. The fact that many people are cycling back and forwards between in-work and out of work poverty would also suggest that the notion of a lack of incentive, or lack of willingness on the part of the worker, is not the real problem. What is remarkable is that so many people are willing, with or without incentives, to move into employment, even when the experience is negative and leaves them little better off.

Policy responses

It is important to be clear from the outset that a policy designed to improve work incentives alone will not necessarily address in-work poverty. Some of the policies that are referred to by politicians as addressing in-work poverty,



or as 'making work pay', are in fact more accurately seen as about improving incentives for individuals to move into the labour market, and are rather aimed at getting people off benefits than at ensuring them decent lives. Given the complexity of the causes of in-work poverty mentioned above, it should not be surprising that reliance on one form of support will not be sufficient to effectively address the complex phenomenon of in-work poverty.

There are a wide variety of actions required at both the local, national and European levels to address in-work poverty. A priority must be to address the continuing problem of low pay. This can be done in a number of ways: the introduction or increase in national minimum wage systems, efforts to target action to increase the pay of workers in particularly sectors, improved trade union coverage and membership in low paying sectors.

The adequacy of benefits system must also be addressed. In-work poverty is not addressed

by holding down benefit levels. If anything such an approach will make the problem worse and ensure that more people are trapped in a cycle of in and out of work poverty. Alongside the adequacy of the benefits system, we also need action to address the quality of jobs available in the labour market. This requires both legislation to improve working conditions, but also the positive engagement of employers to ensure that they institute best practice.

For those of us engaged in the fight against poverty across Europe we must begin to make the links between those who experience poverty both at work and out of work. In the increasingly flexible labour market in Europe there is less of a clear distinction between the experience of poverty in and out of work. This requires anti-poverty organisations to take seriously the challenge of in-work poverty and to develop the strategies, campaigns and alliances required to fight this growing problem.



Gender and gender mainstreaming and the present situation

BY QUINTA ANSEM, EAPN NETHERLANDS,
MEMBER OF EAPN'S EMPLOYMENT WORKING GROUP

One issue that has been of particular concern for EAPN Netherlands is the "gender mainstreaming policy", what impact it has had on women in the Netherlands and within the EU policy, particularly concerning employment.

There used to be a time when gender and gender mainstreaming also meant looking at the position of the man. In the Roadmap for equality between

women and men (2006–2010) — coming out of the Lisbon Strategy, regarding the reconciliation of private and professional life — one of the targets reads as follows: *"Measures which encourage men to take parental leave or to work part-time should be encouraged"*. Looking back, it seems that this last target, fostering real gender equality both in the professional and the private sphere, has been utterly forgotten. Nowadays, we see a growing focus on increasing childcare facilitations to make work-life balance easier (for women), where the balance has tipped over in favour of the amount of (paid) working hours. This development, which clearly favours labour-market needs over people's rights to private life, has been supported by the claim that it is actually good for children to spend more time in childcare facilities,

and the earlier the better. This would develop their social skills, by learning to play with other children. While this might hold true, we can't condone the generally supported view is that children are a burden, a negative influence on your professional position and economic independence.

This means that parents who wish to combine raising their children with decent employment are facing less and less understanding, both from their employers, as well as from their fellow employees. People are afraid to ask for some flexibility when they are faced with sick children at home because of this lack of understanding. The labour market and the notion that only a paid job will take you out of social exclusion has taken over all other considerations.

There is no debate anymore about one's right to care

Flexicurity in crisis – does it work?

The Danish Flexicurity Model

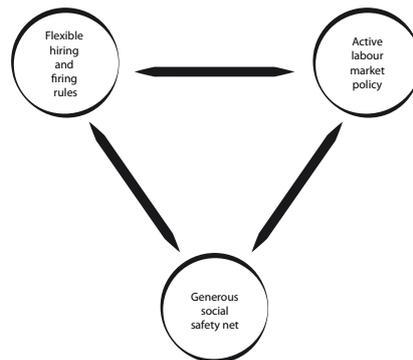
OLE MELDGAARD, CHAIRMAN OF THE DANISH EAPN,
NETWORK MEMBER OF EAPN'S EMPLOYMENT WORKING GROUP

A flexible labour market is an advantage for economic development. Jobs must be created and jobs must be destroyed when they are no longer needed and well-paid. Job adjustment and flexibility with frequent job changes is a plus in an open and global economy, to match changing supply and demands on the labour market. A flexible labour market, however, is socially acceptable only if the State – or another third party outside the labour market – guarantees a social safety net, with a high level of income compensation and security in periods of unemployment, and right to continuing education and training to qualify the labour force to take up new jobs. Economic security is thus the foundation for flexibility and willingness to frequent job changes.

It is, therefore, essential that crisis measures and austerity cuts do not harm the delicate balance on the labour market between flexibility, security and active labour market policies. If one leg is shortened, the whole model will suffer damage.

In the period 2000–2009, the Danish labour market model did well and became known in European countries as applying flexicurity. Flexicurity means a market-based employment policy and low job protection, coupled with public guaranteed income security on a high level. The unemployment rate was among the lowest in EU, employment was at top, and mobility and job turnover was high. In 2006-07, about 27% of the employees left their jobs for another job or a period of unemployment. Even in good years, many employees are affected by unemployment for a certain period. Because of flexibility, about one tenth of the members of the Unemployment Funds were affected by unemployment in years with very low unemployment. When the crisis broke out, it was quite easy for the Danish employers to adjust the workforce to the new circumstances with low costs, i.e. cutting workplaces. It has probably contributed to minimise the number of company shut-downs.

However, austerity cuts on the national budget to meet the criteria of the EU Stability Pact have recently threatened the model. Flexibility and mobility are still high in Denmark, but income security is being seriously eroded: compensation has been declining in case of unemployment, and the period of unemployment benefit



has been reduced from 4 to 2 years. Also, qualification measures of the labour-market policies, as well as adult education and supplementary training are generally expected to decline due to economic cuts, thus harming the third leg.

This happens in a period when more people are unemployed than before the crisis. This means the Danish employees become more uncertain of their economy and their future on the labour market. The answers from trade unions to these challenges are expected to be demands on longer term of notices and severance pay, as well as more job security. Introduction of severance pay was, for the first time in many years, an issue in the latest round of collective bargaining and agreed upon in the industrial and transport sectors. The employer must now pay the difference between the unemployment benefit and 85% of the monthly salary for three months. Labour market researchers have already asked, "Is this a farewell to flexicurity and easy dismissal?". When the State reduces secu-

urity, the employers must deliver more security on income through agreements, which will oppose the principle of easy and cheap firing. This can lead to hesitation on hiring employees – or hiring of substitutes and temporary employees.

A strong and competent trade union movement, with a high membership rate of the employees, is essential for flexicurity and the bargaining system. Recently, the ceiling of tax deduction of union dues has been lowered. It can negatively affect membership of trade unions, and the extent of the collective agreements might be reduced. Because of the high membership rate it is reasonable to leave important labour market decisions to the social partners. The lower the membership rate, the more difficult it will be to maintain the Danish flexicurity model, and politicians will be more likely to widen their influence on the labour-market model. That means a risk that the system will be more rigid.

The Danish flexicurity model is thus under political pressure due to budget cuts, not because it does not work. The austerity cuts might have long-term structural implications on the labour-market system. Social security and active labour-market policies are preconditions for flexibility. Flexibility is not a low cost system, and austerity cuts might undermine the foundation for flexicurity – and flexibility as well.

Flexicurity is strongly promoted by the European Commission as one of the key, overarching policy priorities and a leading principle of the 2020 Strategy. At the same time, the European Union and most Member States have chosen to meet the state deficits with cuts in public expenditures, thus harming, in some cases, the very foundation for a dynamic labour market. This means not only hardship for the unemployed, those furthest from the labour market and people experiencing poverty. The incentives to flexibility on the labour market will also be put on stand by. This is a poor policy response for European recovery.

and spend time with loved ones. There seems to be only one choice: get a job and spend time working, as much as possible; as soon as you can, bring your children to a facility for as many hours as possible. EAPN Netherlands is worried about this development. For over 10 years, we have tried, through our grass-root member organisations, to tip the balance towards social cohesion as the first priority for a healthy society. Being able to take care of your loved ones, children, parents, relatives, partners, should be at the core of our lives. We advised the Government to make it possible for single parents to have a part-time job of maximum 26 hours (including travelling time) per week, and, if necessary, give financial support to reach the legal minimum wage level. And childcare facilities would support those hours for

which there is no alternative solution.

A new piece of legislation came out of this, called VAZALO, which oddly still waits to be implemented. Ideally, we would like to see everybody in a part-time job, with enough time for one's private life. Two parents, holding part-time jobs, should be able to support their family by dividing the caring responsibilities and the time working in a paid job. For single parents, flexible working hours and tele-working should be available, coupled with extra financial benefits.

But part-time wages are not enough for decent lives. For single parents, often a full-time wage is not enough. The proposed solution - people, especially single parents, have to rely on long-hour, expensive, faraway childcare facilities, to be able to work more hours, to support the family they never spend time with.

It's time to challenge the work-only paradigm. It is time to think twice about what kind of society we want to live in. And instead of adjusting our private and family life to the demands of the labour market, we believe that the labour market should adjust and be more flexible to take into account caring responsibilities. UNICEF advises: "Rather than trying to improve unstable, low-quality childcare arrangements, a more effective policy may be to support parents to care for infants during the first critical year of life". (The childcare transition, Report Card 8, Unicef 2008).

Because gender doesn't mean "improving the position of women on the (paid) labour market", gender means "looking at the social difference between men and women" and trying to lower those differences.

'Work - or Full Maintenance' is still our demand

BY COLIN HAMPTON, EUROPEAN NETWORK OF THE UNEMPLOYED,
MEMBER OF EAPN'S EMPLOYMENT WORKING GROUP

'Work is the way out of poverty' - chorus the mainstream politicians of the UK political parties. With incredible disregard for their own economic forecasts, they continue to present this single solution to poverty, despite the evidence of rising unemployment levels.

With a media that enthusiastically echoes the politicians' mantra, conveniently forgetting that a huge percentage of those experiencing poverty have a family member who is in work, it is not surprising that Ministers choose not to tackle the issues in an informed, strategic fashion.

Using the media to gear public opinion

In the UK, this has meant that policies, which, in theory, were designed to move people closer to the labour market and back into work, have, in fact, helped to further impoverish many people with health limiting conditions and disabilities. They are highly unlikely to find work in areas where jobs are being chased by many without this disadvantage.

The UK Government intends to migrate over 1½ million people who are currently claiming Incapacity Benefit (IB) on to the new Employment and Support Allowance (ESA), with its dreaded Work Capability Assessment (WCA).¹

"This policy is about saving lives, not saving money", says the Minister Chris Grayling MP. Sadly, politicians have used the statistics on the effects of a prolonged stay on poverty level benefits to justify their assault on those claiming them. It has taken 25 years of a concerted government led media campaign to soften up public opinion in order to attack the high number of people claiming Incapacity Benefits. A constant drip feed of stories of claimants running marathons, giving dance classes, working while claiming, have painted a picture where if a word association test were to be carried out with the wider population – the word 'benefits' would be answered with a tumultuous chorus of 'scrounger!'. As a result hundreds of thousands of people will be docked £25 plus per week, and told to look for

work. It's sold as 'tough love' and in the best interests of claimant and tax payer.

Many more will fail

Already anti-poverty organisations have hit the headlines (in the few papers that dare to question the government's agenda) with stories of the deaths caused by this policy. A claimant with a heart condition died the day before his second WCA. He failed his first, overturned the decision at a tribunal only to be called in for another. His family are convinced the constant pressure was a significant contributory cause of his death.

The WCA is carried out with little regard for medical evidence. A review of the system, following the bad publicity has led to some improvements (in an attempt to cut down on the number of Appeals and to avoid the more embarrassing 0 point scorers), but the test itself has been tightened and many more will fail.

those whose health prevented them from performing at the heart of the operation. People with learning difficulties were integrated into the workforce, if only at the periphery or in menial tasks – but many were still employed.

Over the last decades, with the shrinking of many traditional industries and the privatisation of huge swathes of the economy, even into the public service sector, the opportunities for those with health problems and disabilities have all but disappeared in areas where supply exceeds the demand for labour.

Those claiming IB see employer discrimination against those with limiting conditions as the other major barrier to paid work and that is the point that the Politicians never ever deal with in this debate. A simple look at the statistics as to where the greatest number of Incapacity Benefit claimants reside will show that there is a direct correlation with the employment levels in an area. Where the employment rate is

high there are few claiming IB and vice versa. Where employers can't discriminate, people with health problems find jobs!

If Chris Grayling MP really wanted to save lives...

If Chris Grayling MP really wanted to save lives he should consider these facts. Prioritising the creation of jobs over the pursuit of profit would be a start. Continuing to blame the sick for their own unemployment is good for playing to the 'right wing' media, but should have no place in a strategic approach

to reducing the numbers claiming benefits. Poverty is the greatest single cause of ill health. Cutting benefits to reduce the Government deficit is the worst of false economies as we build up health problems for the future.

Work can be a route out of poverty, but it has to be sustainable and of a quality to take people and families out of their predicament.

The Unemployed Workers Movement between the wars had the slogan 'Work or Full Maintenance'. We should renew that demand today, and seize the agenda from those who use the call for all to work as a means to impoverish the many.



Be 100% fit or...

The Derbyshire Unemployed Workers' Centres carried out research in the last decade, seeking out the barriers to employment, as perceived by those claiming incapacity benefit. As the Government consistently points out, many of these people would like to work. The reasons they give why they do not enter the labour market are two fold. There are hardly any jobs available for those with health limiting conditions. Jobs in an increasingly competitive economy require a person to be 100% fit, and have demands which are off-putting to someone with health conditions limiting their ability to perform a range of tasks on a regular basis. After the Second World War, in times of relative full employment (for men at least!), light work was often found in factories and workplaces for

¹ The WCA is a superficial test of what a person is able to do. It is usually performed by a 'disability analyst', who records answers to a computerised form. ESA is a benefit that can be claimed if 15 or more points are scored on the WCA. Claimants are either placed in the 'work related activity' group, or 'support group'. If placed in the 'support group' (including the terminally ill), then it is accepted that the claimant is unable to work. The benefit pays over £25 more than the Job Seekers Allowance.

Regional economies and local initiatives: driving job creation in France

BY PATRICK BOULTE, EAPN FRANCE, VICE-CHAIRMAN OF EAPN'S EMPLOYMENT WORKING GROUP

"France continues to combine slow growth and mass unemployment, with 3.4 million jobseekers in late 2010." (La Croix 14.03.11). "Between the 1st quarter 2008 and 4th quarter 2009, business shed 600,000 jobs in France, including 240,000 jobs in industry (excluding agency workers) and 180 000 agency work jobs." (Inter-Régions No. 292 - September-October 2010.)

The industrial regions have been hardest hit by job losses, while regions with more service-oriented economies have been more spared. Employment has held up well in the Ile-de-France region, largely because of the major employers located there who, albeit creating fewer jobs during boom times, are better able to withstand a crisis.

Public policies have helped to cushion job losses from the crisis by granting temporary help to very small businesses - more than 900,000 new hires since the aid scheme started (December 2008) up to April 2010 - and continuing to fund subsidized jobs - 100,000 in the commercial sector and 350,000 in the non-profit sector in 2009 - at a heavy cost to the state coffers.

There has also been public policy support for business restructuring, in a bid to offset the impacts on communities.

The "sheltered" and "vulnerable"

Under-performing new job creation in France is a problem that long predates the crisis. Since the Seventies, the country has failed to engage with a forward-looking industrial policy and looked on rising mass unemployment as a transient problem to be addressed by short-term measures. Because of France's highly segmented labour market with its clear divide between "sheltered" and "vulnerable" jobs, employment policies have surely added to the insecurity that beleaguers part of the workforce.

It is this section of the population, struggling to find paid work in the mainstream labour market, which is being asked to bear the risk of business creation, encouraged by creating a special small entrepreneur status ("auto-entrepreneur") free of much red tape. The scheme has been highly successful (660,000 registered small business start-ups at 31/01/11), although it is far from certain that all the fledgling entrepreneurs are finding it a paying proposition.

This is one response to the jobs shortage. Others are found in the renewed focus on small businesses in regional authorities' efforts to preserve and revitalize their business sector. This is reflected in the highly detailed development and jobs programmes formulated by some regional authorities, efforts to identify what might prevent businesses getting funding, developing regional responses to training needs voiced by employers and job-seekers. All these efforts are in line with the Europe 2020 Strategy recommendations.

Inclusion through work, a sector in need of recognition

What is known as the inclusion through work sector is also delivering responses, particularly the community-based training businesses that take economic initiatives while restoring employability to those excluded from the labour market. This sector is suffering from a lack of continuity in public policies towards it and disregard by the government agency it comes under. It is further undermined by the uncertainty of the public funding it depends on to provide the extra supervision needed to help the vulnerable into employment. That is why one of the federations of training businesses - COORACE, a member of EAPN France - is suggesting that its members stop seeing themselves as a "practice run" for employment for people facing exclusion and take a more assertive role as creators of economic activity and employment making a direct contribution to their region's development.

The regional issue

While the effects of the jobs shortage are most directly felt in the regions, this is also where the job-creating initiatives are happening.

National and European policy-making takes too little account of the reality of and conditions for sustaining regional economies. At EU level, these include increasing and targeting Structural Fund assistance to give SMEs access to financing on the same favourable terms as large companies and to promote access to relevant training by non-employed workers.

Youth Olympic Games in Austria

Supporting social enterprises with social procurement clauses

BY JUDITH PÜHRINGER, VICE-CHAIRMAN OF EAPN'S EMPLOYMENT WORKING GROUP

The Austrian Social Enterprise Schindel & Holz, located in Lienz, in East-Tyrol, has won a tendering for the furniture of the houses in the Olympic Village in Innsbruck. Innsbruck will host the Youth Winter Olympic Games in 2012 and announced a European-wide call for tenders.

The special and, in Austria, new thing about this is that the tendering included social criteria, such as integration of long-term unemployed persons in the company that should produce the furniture. Schindel & Holz is a social integration enterprise in Austria, with about 10 fixed employees, and around 45 transit persons employed. For the Youth Olympic

Committee, that meant entering new land, and a very brave step forward in proving that social criteria can be applied in procurement procedures, and can play a valuable role in supporting social economy in Austria. Also, the director of labour market service in Tyrol, Anton Kern, hopes that "this will lead to a new thinking of big private companies."

For Work Integration Social Enterprises (WISEs) in Austria, this is a very positive and very important example of how (especially public) procurement can strengthen WISEs, and social economy in general. WISEs are private non-profit organisations, which provide labour, training and social inclusion for long term unemployed and disadvantaged persons. They are enterprises that make a difference, because of their social responsibility.

Heribert Pichler, director of Schindel & Holz, stated: "To have won this tendering is in many ways important for our company: it is an important signal for future procurement procedures in Austria and being part of a huge project like the Olympic Games gives enormous amounts of pride to the employees in our company."



Trade Unions and Social Movements: The benefits of collaboration

BY PHILIP O'CONNOR, EAPN IRELAND,
CHAIRMAN OF EAPN'S EMPLOYMENT WORKING GROUP

Should social movements seek the collaboration of trade unions? Despite their sometimes differing aims and interests, there is no doubt that they both have much in common, especially in defending and developing public social services and in joint lobbying for alternative social models. Both movements, broadly speaking, are committed to social change and to improving the position of people worst off in society. There is thus an obvious basis for cooperation. In addition, the trade unions represent a strong social force with the power to insist on being heard. Social dialogue provisions allow them a privileged position in negotiating and being part of decision-making. Linking up with the trade union movement and winning them to the goals of the social or community sector should therefore be a priority. Let us look at the Irish approach in this area for an example of a trade union-community sector alliance.

In Ireland, the Community and Voluntary (C&V) Sector delivers a wide range of public services, especially at the local level. These range from services for lone parents, employment schemes for long term unemployed, childcare services, many types of services in the health area and so forth. These are usually delivered through service level agreements with statutory authorities.

Funding to C&V organisations for this often vital work is determined by statutory agencies, and this has increasingly included specific allocations for wages of staff. With the extensive cut-backs by the State in response to the economic crisis, the C&V Sector has been particularly hard hit. A study by Brian Harvey, commissioned by the main public sector union, IMPACT, estimated that the actual cuts implemented in 2009-10 and further planned cuts would amount to 30% of the funding of the sector, with potential job losses of over 8,000 people. The sector got together in 2008 and established several campaigns, which have made a major public impact, especially the "Poor Can't Pay"

campaign, which achieved a high media profile at the time of the last budget, and the "Claiming Our Future" campaign, which brought over 1,000 activists together for a workshop session late last year.

The C&V Sector has seen the importance of close links with the trade union movement. Indeed, both campaigns mentioned above were strongly supported by the Irish Congress of Trade Unions (ICTU). In addition, in 2008 a joint campaigning group of C&V sector trade unionists was established to defend spend-

groups and communities in society. They have also endorsed the EAPN Ireland document on Positive Activation (Inclusion) and supported the position of the community and voluntary sector in the National Economic and Social Council on minimum income and services.

Our experience with this collaboration has been to strengthen the voice of the community sector in Ireland and, through common endeavour with the trade unions, to bring government into direct dialogue with it and take note of the organised voice of the community sector.



ing on community sector projects. The three major unions organised in the sector have now established special branches for their C&V membership and, in the latest development, the ICTU National Executive has agreed to the establishment of a national-level Trade Union Community Sector Committee (along the lines of its powerful Public Services Committee). This will be composed of officials and elected representatives from the unions concerned, and deal directly with government at national level in advancing the interests of the sector.

This is a major development and is the outcome of over five years' close cooperation between community sector organisations and the trade union movement, a development in which EAPN Ireland has also been centrally involved. The unions have accepted much of the agenda of the community sector, in protecting jobs and in protecting services to the most vulnerable

The work of EAPN in building alliances at European level is also instructive. This was reflected in several joint meetings of EAPN with the European trade unions (ETUC) and other social movements, which resulted in the Joint Social Conference last March and the publication of a joint manifesto. Through this cooperation, the views shared by the unions, movements and EAPN were enabled to impact on social dialogue at European level, for example in the European Economic and Social Committee.



2012 European Year on Active Ageing and Intergenerational Solidarity: The perspective for older workers

BY RACHEL BUCHANAN, AGE PLATFORM,
MEMBER OF EAPN'S EMPLOYMENT WORKING GROUP

Why a European Year on Active Ageing and Intergenerational Solidarity?

All EU Member States are facing unprecedented demographic challenges accentuated by difficult, even harsh, economic conditions as they attempt to build their recovery from the financial crisis. Policy-makers have to find the most efficient ways to reconcile their objectives of public budget consolidation with the need to invest in policies that will support the active participation and contribution of the growing number of older people in the labour market, economy and society.

This implies optimising opportunities for physical, social and mental health to enable older people to take an active part in all aspects of life. The upcoming European Year is therefore designed to serve as a framework for raising awareness on the contribution that older people make, identifying and disseminating good practice, mobilising policymakers and relevant stakeholders at all levels to promote active ageing and calling for greater cooperation and solidarity between the generations. In this perspective, political commitments will be taken at EU and national level to promote active ageing, including in the area of employment.

Why a focus on employment for older workers?

Unfortunately strategies to facilitate the employment of older workers are not at the heart of most Member States' employment policies and the use of age as a proxy for health or competence is still widespread. AGE considers that such practices are questionable and need to be removed from the ageist workplace cultures which underpin recruitment and human resource management practices. AGE believes it is the duty of all employers, including public authorities and the private sector, to promote a more positive image of older workers and to challenge ageist assumptions.

Combating age discrimination is also in the employers' interest since, as the European labour force is ageing rapidly, employers are faced with increasing difficulties to find and retain the skilled workforces they need to remain competitive.

Why must age discrimination in the work place be tackled?

There are growing concerns about the working environment and the quality of work available to older workers and the obstacles they face to remaining in or re-entering employment including pressures to balance their professional



lives with caring duties for family members. Older workers also often lose out as a result of employers' ageist approaches and they suffer disproportionately from periods of unemployment. In the workplace itself, age discrimination and age related harassment demean older people's dignity and damage their self esteem, leading in turn to low work morale and reduced productivity.

The creation of a more positive approach among employers to older workers is a necessary component to facilitating this and the many positive aspects of employing older workers - such as lower staff turnover, more flexible workplace attitudes, greater dependability and their accumulated experience - need to be emphasised and more widely acknowledged. Evidence shows that worker productivity does not decrease with age as declining physical capacity is compensated for by qualities and skills acquired through experience.

Individual choice for the older worker is key

Individual choice is a further issue that has to be taken into account. AGE considers that older workers should be allowed and enabled to exercise an individual choice to continue to work beyond the legal retirement age in the Member State in which they live and that more Member States should take steps to ban mandatory retirement ages.

Phased retirement should also be considered as a positive strategy, encouraging and enabling many older workers to extend their working lives while reducing their hours and responsibilities. However, certain workers - in particular those employed under difficult working conditions or those with caring responsibilities for dependant relatives - may need to retire early. There should therefore be no attempt to oblige all older people to continue to work. AGE members think that it is not for the EU to decide on the official retirement age but more flexible retirement provisions should be promoted and mandatory retirement ages should be banned to enable each individual to choose when to retire based on their health, family circumstances, economic situation etc.

What does AGE hope from the EY2012

AGE hopes that the 2012 European year on Active Ageing and Intergenerational Solidarity will be used to mobilise all relevant stakeholders to commit to promoting active ageing in a positive and inclusive way, including in the labour market. AGE is also calling for equal attention to be paid to younger workers who face huge problems to enter the labour market.

For more information including on how you can get involved in EY2012, please visit AGE Platform Europe's website or read AGE's EY2012 joint leaflet.

EMPLOYMENT, WORK, JOBS

The reality for people experiencing poverty and social exclusion

10th European Meeting of People Experiencing Poverty

The 10th European Meeting of People experiencing poverty, held on 14-15 May 2011 in Brussels, dealt with Employment, Work, Jobs - The reality for people experiencing poverty and social exclusion. Set in the context of deepening crisis which is making jobs scarcer, social benefits harder to come by and a deteriorating quality of life for many people experiencing poverty and social exclusion, the question, for many present, was whether the new instruments put in place through the Europe 2020 Strategy would really make a difference to their lives and the lives of their children.

A report of the meeting was sent by the Hungarian Presidency organising the meeting to the EPSCO Council Employment, Social Policy, Health and Consumer Affairs, highlighting the following key messages of people experiencing poverty:

- **The need for quality jobs:** If employment is to be a way out of poverty then public authorities and social partners must ensure that the trend towards 'working poor' is reversed and that quality jobs with living wages, decent social protection systems and that respect work and private responsibilities are created. Poor quality jobs for poor people is not an answer.
- **The absence of jobs:** The delegates confirmed that people who live in poverty want to work but the reality is that there are more people wanting work than there are jobs available. The crisis has made this situation even worse. Faced with this reality it is not an option for a lot of people to take up jobs

as a result of increased conditionality to receive social welfare. In the absence of jobs people need access to income sufficient to live in dignity.

- **Support to access employment:** Even in case of difficulties to find employment, tailored support should be provided for people living in poverty or the long term unemployed to help them access to decent employment. Investing in early childhood development, schooling, including not abandoning people who drop out of school early and opportunities for people in poverty to access life long learning are essential investments to increase chances to access employment.
- **Tackle discrimination:** Specific attention was given to the problem of discrimination and exclusion for groups including: disabled people, migrants, ex prisoners, long term unemployed and Roma. The implementation of anti-discrimination legislation as well as positive actions should be taken to overcome the barriers caused by discrimination. The particular difficulties faced by women, who often have the major caring responsibilities, and often work in sectors with precarious and poor quality jobs needs special attention.
- **Implement the commitments:** Delegates said that they have heard many fine proposals to fight poverty at these and other meetings, such as: the target to reduce poverty, the active inclusion recommendation on adequate minimum income, access to essential services and support to access employment, the commitment for strategies to address homelessness or child poverty. The delegates gave a clear message that real action

is needed to follow up and implement the commitments. They reiterated that people experiencing poverty are ready to engage at all levels in the implementation of the necessary actions.

- **Tackle the causes of poverty and not only the symptoms:** The delegates reaffirmed that the current economic and social systems have an effect on the occurrence and levels of poverty and there was a clear call on the political institutions to respond by combating the causes of poverty and not only the symptoms.

As regards the future, there was a call that the annual meeting should have a structural place in the "European Platform against Poverty" and that this should be underpinned by meetings held at national and regional levels as part of the strategy to fight poverty.

The 10th Meeting was co-organised by the Hungarian Presidency, the European Commission and the European Anti Poverty Network. Delegations of people experiencing poverty and social exclusion came from 26 countries and observers were present from a further 4 countries. Some 60 guests: representatives of European, national and international public authorities, representatives of social partners, academics and NGOs engaged in exchange with the delegations at the meeting.