



UNION EUROPEENNE DE L'ARTISANAT ET DES PETITES ET MOYENNES ENTREPRISES
EUROPÄISCHE UNION DES HANDWERKS UND DER KLEIN- UND MITTELBETRIEBE
EUROPEAN ASSOCIATION OF CRAFT, SMALL AND MEDIUM-SIZED ENTERPRISES
UNIONE EUROPEA DELL' ARTIGIANATO E DELLE PICCOLE E MEDIE IMPRESE

UEAPME position on the Commission's consultation on action at EU level to promote the active inclusion of the people furthest from the labour market

Introduction

The European Commission has published on 8th February 2006 its communication for a consultation "*on action at EU level to promote the active inclusion of the people furthest from the labour market*". This consultation is a public consultation as well as constituting the first stage of social partners' consultation in accordance with Article 138 (2) of the Treaty.

However, UEAPME regrets that the Commission has not fulfilled its obligation of a formal consultation under Article 138, by sending a late official letter to the European Social Partners.

The two aims of the Commission in this communication are to:

- Review the progress achieved in fostering labour market access for those who are excluded,
- Launch a public consultation, with the view to promoting the active inclusion of people furthest from the labour market

General comments

The topic raised by the Commission in this communication is a complex issue, very much influenced by the national context, which needs to be carefully considered in particular when it comes to the European level.

The design of policies in favour of inclusion of people furthest from the labour market requires a good policy mix between inclusion policy, social protection, employment policy, education and training and economic policies.

In regard to that, UEAPME's assessed the Commission's paper as a balanced document, outlining the interdependency of economic, social and labour market aspects. Furthermore, the statement that employment is the main safeguard against social exclusion is an important step forward.

Specific comments

However, many of the topics raised by the European Commission are not under the strict competence of social partners, neither employers nor trade unions.

Issues like severe disadvantaged groups, such as homelessness, people suffering from alcoholism, integration of immigrants into their host communities and the labour market, basic healthcare concern the society as a whole, including political decision-makers, public authorities, local communities, NGO's, etc...

Furthermore, the various groups need different responses and therefore specific policy mix. The same policy measures may not be appropriate for the diverse groups, as

there are often different combinations of causes for being excluded from the labour market.

UEAPME shares the analysis of the Commission when they recognise that *“there is still a sizeable 'hard core' of people with little prospect of finding a job who, for that reason, remain at high risk of falling into poverty and social exclusion. For those who find themselves furthest from the labour market, Minimum Income (MI) schemes can be the only way to escape extreme poverty; yet, while performing this indispensable function, MI schemes must also promote labour market integration of those capable of working”*.

The topic of MI schemes, whatever the form and value, should be strictly decided at national level, because it is full part of the national social model and national social protection systems.

The main element for social partners is how to use the capacity of these people in order to integrate the labour market, in particular in sectors experiencing a severe lack of workforce.

Education and Vocational Training usefully contributes to social inclusion and therefore can also help this specific group of people to integrate into the labour market. Nevertheless, vocational training and qualifications are not always sufficient in integrating people far from the labour market. If a low level of education occurs together with a low productivity level, additional financial incentives (such as support for integration or reduction of non wage labour costs) for potential employers are needed.

UEAPME would like to recall that a successful integration or reintegration process on the labour market of these categories of people can only be done under well defined conditions: **following a gradual process of integration in a company, with a strong support of social actors, at local level, and in a spirit of close partnership.**

In any case, it should not be and cannot be the sole responsibility of employers to deal with that question.

This is part of the results of a UEAPME project undertaken in 2000, on the topic of integration of disadvantaged people in the construction sector in collaboration with the third sector, in particular social enterprises.

The main outcomes was summarised in the “UEAPME’s Integration Charter in the Building Sector” which defines the respective roles and ways in which each party will achieve effective partnerships for the reintegration of these categories of people on the labour market.

Many concrete examples from different countries have shown that there is a need for integrated actions of several stakeholders, in particular social actors, most of the time at the local level, to make this people “employable” and useful for a company.

On the specific questions to social partners:

- *Given the challenge for Member States to address social inclusion and in particular the integration of people furthest from the labour market, is there a*

need for further action at EU level, and if there is, what are the most useful ways by which the EU could complement and support the action at national level?

The European Commission has just proposed a new Open Method of Coordination (OMC) in social protection and inclusion policies, streamlining the individual OMC processes in inclusion, pensions and health and long-term care¹.

On the basis of our previous comments, UEAPME sees this tool at EU level as being the most appropriate to complement and support the action at national level.

However, while seeing an added value of coordination at European level, it should not be forgotten that the area of social protection and inclusion lies within the competences of the Member States, who have to organise and finance social protection, and the European level has only a supplementary coordination role.

- *(2) How should the Union build on the common ground agreed in the 1992 Recommendation to promote the rights and access to services needed for the integration of excluded people, taking into account the relevant policy innovations?*

The new PROGRESS programme could help to promote the rights and access to services needed for the integration of excluded people. Furthermore the OMC presents a good tool for an exchange of good practises in the area of policy innovation.

In addition to the exchange of good practices between Member States and the various stakeholders, the European Commission could help with in depth studies and analysis concerning the various aspects and causes of this reality and to tackle them.

(3) Is there any justification for action at EU level, based upon Article 137(1) (h)? In such a context, could the aspects concerning activation and access to the labour market be the subject of negotiation between the social partners?

UEAPME together with the other inter-professional European Social Partners have just agreed on their new work programme 2006-2008, which already includes dealing with the issue of “disadvantaged groups on the labour market”.

This topic should be part of their joint analysis of the key challenges facing Europe’s labour markets situation and in addition it could be a matter for further negotiations.

They declared that they will “negotiate an autonomous framework agreement on either the integration of disadvantaged groups on the labour market or life long learning. In order to define their respective mandates, they will explore different possibilities.”

Whatever the social partners will decide, UEAPME believes that an exchange of good practises at European level between the social partners would be very useful.

Brussels, 04/04/2006

¹ COM(2005) 706 final