



## Meeting report

# Breakfast Debate on Long Term Unemployment

20 April 2016

On Wednesday 20 April, Eurodiaconia hosted in its Brussels office a breakfast debate on Long Term Unemployment (LTU).

As many Eurodiaconia members have a long experience in the provision of work integration and social inclusion services for unemployed people, Eurodiaconia has been following closely the last EU initiatives regarding the integration of the Long-term Unemployed, and produced a [response](#) to the European Commission's proposal for a council recommendation on the integration of the long-term unemployed into the labour market.

The meeting gathered key EU policy-makers and social stakeholders, aiming to analyse the strategies needed to deliver in the social inclusion of long-term unemployed persons and the role that social services should have in relation to this goal.

## The policy dimension of Long-Term Unemployment



The members of the first panel discussing with Eurodiaconia Secretary General

Introducing the first panel, Heather Roy explained the commitment of Eurodiaconia and its member organisation in addressing LTU. Eurodiaconia members provide over 30 thousand local services working with people challenged with disadvantages in access to labour markets, such as immigrants, persons with disabilities, refugees, people from ethnic and religious minorities, but also homeless people and people whose destitution impedes any kind of work engagement.

The condition of LTU as a social issue means not only not having a job, but has impacts life of their families, their children, their local communities and eventually the economy as a whole.

Heather Roy called for a holistic approach towards work integration, stressing that





integration is not about promoting any job, but promoting social integration as a whole.

**MEP Agnieszka Kozłowska Rajewicz (EPP)** started off her presentation with key figures on LTU. In the EU, LTU people have reached 12.1 million, which represents 5.1% of the active EU population. It is particularly alarming that over 61% of the long-term unemployed have been out of work for at least two consecutive years, and are likely to remain outside the job market still for long time, especially since this number has increased between 2007 and 2014. It is a problem because these people need more and more special help to re-enter the labour market.

As first response to LTU, MEP Kozłowska Rajewicz illustrates the positive outcomes of job mobility, especially for the Polish scenario. Unemployment in Poland has grown a lot in the last years, but LTU seems to have dropped: from the 10.3 per cent of 2005, it has reached the level of 3.8 per cent. Besides the partial effects of the economic recovery, this is also due to migration (mainly within the EU): “about 70 per cent of people who migrated to western countries in the last years came back to Poland with the skills that they developed in the western countries”. A good example of this kind of skills is **the rise of new small entrepreneurs** starting activities on the basis of what they have learned working abroad.

Ms Kozłowska Rajewicz focused on the need to **enable easy registration of LTU people in employment services**, a procedure that differs country by country. A second key point is the **individual in-depth assessment**: in this domain, employment agencies can benefit from the cooperation and expertise of private companies and, most of all, NGOs. In Poland, the cooperation between the public employment system and NGOs is revealing hard to build up, and does not work as good as in other countries yet. Another point is the need for social integration of minorities, with higher risk of unemployment, and first of all the Roma minority.

**MEP Brando Benifei (S&D)** has been devoted to EU policy against unemployment through his work on the Youth Guarantee and his role of vice-chair of the intergroup on disability.

MEP Benifei first recalled the importance of cooperation among different institutional levels, as there is not a single way to tackle LTU. As a member of the EMPL committee in the EP, Benifei welcomes the European Commission’s proposal as a good starting point, whilst considering it a late response to EP claims.

Mr Benifei recalled the high importance of having **quality public employment services**, addressing everyone and finding solutions also for the less employable ones, who lie too far from the labour market and whose integration calls for greater efforts. In line with the previous speaker,



From left to right: Agnieszka Kozłowska Rajewicz (EPP), Brando Benifei (S&D) and Anita Vella (European Commission)



he stressed the need for a **personalised approach to LTU**: each LTU person holds personal features that need to be taken into account, in order to promote his skills and elaborate a tailored intervention. Another important point is the **involvement of NGOs and civil society organisations**, to be taken on board in the process of designing this kind of action.

Benifei also presented his present involvement in the EP report on the **integration of refugees in the labour market**: even when formally allowed to work in the hosting country, refugees often meet several difficulties in finding a regular job and can then be assimilated to many disadvantaged categories of LTU people. Both LTU people and refugees share as a same crucial factor for successful integration in the job market: timing, -any delay in the provision of a job integration agreement undermines its effectiveness-. Early intervention is crucial to avoid exclusion and social disintegration: **this should happen before the 6 months from the concession of the “refugee” status**. An analogue timing should be considered for actions addressed to LTU people.

To avoid a potential substitution between resources devoted to refugees and to unemployment in general, Benifei has recently proposed the need to **increase by 25% the European Social Fund**, in the view of a general reorganisation of EU funds.

Next, **Anita Vella, Deputy Head of Unit of the Employment strategy unit (DG EMPL)**, presented the state of play of European Commission initiatives against unemployment and, in particular, the follow-up after the adoption of the Council recommendation. According to the last Annual Growth Survey, the labour market performance has been improving in the last couple of years but LTU remains a huge issue (and therefore remains a priority for the Employment strategy of the EC).

Despite the general drop of unemployment rate, there has been a slight rise in the number of LTU people, and figures show that LTU now affects 4.6 % of the whole population of the EU. The EC identifies 4 main weaknesses at the core of the strategies on LTU:

- 1) **Insufficient coverage of public services** (only about 20% of member states programmes on unemployment address specifically LTU people, while a lot of LTU people are not even registered in the unemployment services. They are a part of the population which has no access at all to the instruments for inclusion in the labour market.
- 2) **Lack of personalisation of services**: it is necessary to provide an individual assessment: profiling is essential to develop different people's skills. There are currently still 10 member states who do not address LTU through individual profiling services.
- 3) **Lack of the continuity in services** – responsibilities are often not clear among providers and many interventions are project-based, failing to establish a praxis in the services that can keep going after the end of the project.
- 4) Programmes often **lack a long term impact on users**, who can easily fall again into unemployment after a while.

After the proposal, in December 2015 the Council reached an agreement on the action to be taken. Building on its content, Country Specific Recommendations will look at regional support in the job integration agreements. Moreover, in order to increase the effectiveness of the intervention for LTU, it will be important to keep **the continuity of support through a singular point of contact**.



The issue has been discussed recently at the Employment Committee ([EMCO](#)); which reunites members from the ministries in charge of labour policies in the EU. The aim is to plan the Recommendation's implementation and work with regions and member states towards that goal. The recommendation mandated the Commission to monitor its implementation. The EMCO committee and DG Employment will work on a specific set of indicators to measure the impact of the actions taken. These indicators will concern different evaluation measures: the provision of job integration agreements, the timing of it (ideally between 12 and 18 months), the provision of individual assessment and reassessments, etc. Such indicators will allow member states to record their own efforts in implementing the recommendation. National ministries are also supposed to endorse directly these indicators and to give some recommendations.

Another EC initiative which has just been started is the organisation of national seminars in countries where the LTU rate is particularly high. The purpose of these seminars is to get a better understanding of current local initiatives. A first seminar took place in Bulgaria, targeting local communities and social services. Slovakia and Italy will be next. The EC will also launch a specific conference on the 2<sup>nd</sup> of June with the **European Network of employment services** and a number of stakeholders, to explore potential partnerships between employment services and social services.

Concerning the use of the **European Social Fund** for the implementation of the Recommendation, Ms Vella shared information on requests for its better use during Council negotiations.

**Ole Meldgaard**, from Eurodiaconia member **Kofoeds Skole** (Denmark) gave an insight from the perspective of an organisation working on the ground on services to LTU people. "The labour market - he states, has a political and social function in the distribution of wealth and income, therefore we cannot think about it as a common market regulated by supply and demand".

Kofoeds Skole aims to **address the LTU challenge from a holistic approach**: "if we try to encourage LTU people in a job research while avoiding their social needs we risk to lose them". "The way we work in integrating them to the labour market is crucial for its success: we can push people to look for a job in a good way or in a bad way: with this peculiar group of people, working too much on conditionality, with rewards and punishments does not work. LTU people are often not able to respond to 'incentives to work': the only way to include them is to **offer**





Ole Meldgaard

**a helpful hand:** many of Kofoeds Skole's 'students' are not employable at all, and when they are, they remain the last people to be hired and the first people to be fired".

**Kofoeds Skole** is among the oldest institutions working with this target group in Denmark. With about 50 percent of people coming from outside Denmark, it hosts "students" of almost 150 nationalities. The focus of any inclusive action is always people's motivation and interests.

"Vocational trainings, are complemented with a number of creative activities: cooking, literature, theatre, painting are some of the activities proposed in order to develop users' social skills, which are crucial for job integration. A particular attention is given to skills that might sound basic

to many; but that are of a paramount importance for many of our "students": punctuality, hygiene and labour communications".

Job consultants do individual counselling to the "students" and prepare individual action plans. In addition to them, psychologists, lawyers, and a medical doctor, a dentist and a nutritionist cooperate with **Kofoeds Skole** in addressing the diverse issues faced by 'students'.

**Kofoeds Skole** claims for a "supported labour market" for his students, with lower expectations in terms of productivity than the mainstream labour market, where it is very difficult to find employers willing to hire disadvantaged workers.

## **The dual role of social services as job creators and social integrators**

The second panel saw social partners and local authorities sharing their views on the presence of social services in the labour market. This discussion showed substantial consensus on the need for an integrated approach to LTU and a deeper commitment in the funding.

**Ben Egan**, from the **European Trade Unions Confederation (ETUC)** expressed his satisfaction with the involvement of social partners and civil society in the Commission's actions towards this issue. He further stressed the importance of the inclusion of social partners in the CSRs, which will be issued by the Commission in May in the framework of the European Semester. For trade unions, the quality of jobs is another crucial issue: unemployed people live in a present social and economic context where, for instance, labour mobility is an issue for people who have been outside labour markets for a long time. In terms of good practices, Mr Egan



singled out the involvement of trade unions in the provision of trainings to ease access to job markets in the UK.

**Robert Plummer**, from **BUSINESSEUROPE**, shared most of the concerns raised during the debate. He stressed in particular the need to tackle systemic factors in Europe through the implementation of structural reforms at national level.

Another point made by Mr Plummer was the importance to promote partnerships with private employment services and NGOs. There is no one solution for all: local government authorities are responsible for sustaining employability and need to ensure that people get the right skills to be employed. Re-training is crucial to ensure that skills match the demands of labour markets and the needs of employers. A partnership between NGOs, public and private employment services is needed to raise the employability of job seekers. Besides the systemic variables, the labour market policy should be adjusted in some member states, to make employability easier and more sustainable.

From the point of view of local authorities, **Giorgio Zecca** from **EUROCITIES** further underlined the importance of integrated services between local authorities, NGOs and social partners in tackling LTU. EUROCITIES welcomes the content of the Commission's proposal, in particular with regard to the need for tailored services regarding LTU people.

Mr Zecca mentioned that the space for such partnerships to take place is the local level: the implementation of work inclusion initiatives takes place at the local level, as in the case of the Youth Guarantee. Therefore, their success or failure depend critically on local administration levels. For this reason, EUROCITIES called for **increased funding at local level and more investment on good practices**. For instance, EUROCITIES will organise a study visit next October, together with OECD and the European Commission, in Rotterdam to debate how skill development can be mainstreamed for social inclusion. Finally, Mr Zecca also underlined the key role of Member States in implementing the content of the Council recommendation.