

Together for



Social Europe

Briefing #65



EUROPE 2020: HOW TO SPUR SOCIAL PROGRESS FOR A MORE INCLUSIVE EUROPE?



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FOREWORD

Four years after the launch of the Europe 2020 Strategy for smart, sustainable and inclusive growth, its failures are becoming more and more apparent. We are nowhere near to reaching the poverty and employment goals. The EU is a long way from meeting the obligations set by the Lisbon Treaty at a time when social and territorial cohesion were weakening.

The social balance sheet is alarming: the EU is far from achieving its poverty, employment and education targets. The EU is today faced with ever higher unemployment and the lowest employment figures since the onset of the crisis, poverty and social exclusion are steadily increasing, mainly as a result of the deteriorating labour market situation and the limited effectiveness of social protection systems to respond to growing needs. There are wide divergences both within the Member States and between them, not only with those under the yoke of austerity.

The lesson we learnt in the last four years is that the one-sided austerity policies put in place to respond to the crisis not only had a tremendous impact on our social fabric but also did relatively little to help the EU overcome the crisis. A paradigm shift in European policy is clearly needed.

The main question now is whether the revised strategy will have a narrow focus like the Lisbon strategy or whether there will be a focus on the implementation of the strategy in the Member States, on rehabilitating the real economy, on investing in people and policies, to create the conditions to meet the objectives.

Midway to 2020, we need to start afresh, with policies that put more emphasis on Social Europe.

We need to stand together to drive forward social progress. Together for social justice!



Conny Reuter
SOLIDAR Secretary General

EXECUTIVE SUMMARY

In 2010 – when the **Europe 2020 Strategy** was agreed – European economies were experiencing low growth and productivity. In many countries the situation steadily deteriorated, leading to a severe financial crisis. The immediate response of the EU was to focus on fiscal and financial consolidation through austerity plans which resulted in even more inequality for poor and vulnerable people.

Four years after the launch of the Strategy, we can say beyond a shadow of doubt that the EU is far from achieving the poverty, employment and education targets. The EU is faced today with ever higher unemployment and the lowest employment figures since the onset of the crisis. As a consequence poverty and social exclusion are steadily increasing, mainly as a result of the deteriorating labour market situation and the limited effectiveness of its social protection systems to respond to growing needs.

These alarming social and employment trends have to be taken into account as a premise to any review of the Europe 2020 Strategy, as acknowledged by the European Commission in the communication¹ “Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth” launched on 5 March 2014.

Against this background, SOLIDAR calls for policy change in order to put in place a new growth pattern based on social, sustainable and inclusive investment and a better use of social expenditure, as tools to achieve economic stability and prevent poverty. European and local institutions need to work together with social partners and civil society to strengthen the social dimension of European policies and to make concrete steps towards inclusive, sustainable and smart growth, as stated in the Europe 2020 Strategy.

This SOLIDAR briefing provides evidence-based recommendations on the direction to be taken by the European institutions in order to put more emphasis on social consolidation and to achieve the objectives of Europe 2020.

Social, employment and education developments in 12 Member States are assessed and evaluated in this briefing further to a consultation that was carried out within the framework of **Social Progress Watch**, a tool developed together with members and partners to evaluate progress made towards a more social and cohesive Europe.

¹ COM(2014) 130 final/2

EUROPE 2020 – WHERE ARE WE?

The Europe 2020 Strategy² for smart, inclusive and sustainable growth was agreed by the Member States at the June 2010 European Council. It sets five **headline targets** in employment, research and development/innovation, climate change, education and poverty to be reached in ten years. The social objectives include raising the employment rate (75% of 20-64-year-olds to be employed), reducing the share of early school leavers and increasing the share of the population having completed tertiary education (reducing school drop-out rates to below 10%; at least 40% of 30-34-year-olds completing third level education). Furthermore, a reduction in the number of Europeans living below national poverty lines by 25% is foreseen, lifting 20 million people out of poverty.

The Strategy also includes seven **flagship initiatives** providing a framework through which the EU and national authorities mutually reinforce their efforts in areas supporting the Europe 2020 priorities. It also uses other policy tools such as the **European Semester**, an economic policy coordination instrument designed to improve European economic governance and better coordinate Member States' efforts to achieve the Strategy objectives.

Assessing progress made within the flagship initiatives - The European platform against poverty and social exclusion

Among the seven flagship initiatives included in the Strategy, the 'European platform against poverty and social exclusion' and the 'An Agenda for new skills and jobs' have been designed to reach the goal of inclusive growth.

The '*European platform against poverty and social exclusion*' was created in 2010 with the aim of supporting Member States' efforts to reach the headline target of lifting 20 million people out of poverty and social exclusion. It strives to raise awareness of the fundamental rights of people experiencing poverty and social exclusion and to deliver integrated policy actions in the areas of employment, social protection, education and housing in

order to promote economic, social and territorial cohesion.

The Platform works in close partnership with civil society, social partners and Member States and encourages the direct involvement of people experiencing poverty and social exclusion in the design and implementation of policy reforms. Another initiative carried out in the context of "The European platform against poverty and social exclusion" is the Annual Poverty Convention.

In line with the objectives of the Platform, the Commission has proposed that 20% of the European Social Fund be earmarked to better fight poverty and social exclusion. Enhanced policy coordination among EU countries has been established through the use of the open method of coordination for social protection and social inclusion (Social OMC) and the Social Protection Committee.

As a result of the work of this Platform, in February 2013 the Commission launched the Social Investment Package³, which represents to a large extent a paradigm shift away from austerity measures and towards social investment.

Our recommendations

SOLIDAR warmly welcomes the policy focus of the Social Investment Package, but is concerned about the fact that some of the programmes undertaken under this flagship initiative seem to promote conditionality and a targeting approach in relation to access to benefits and services. In order to foster social progress through this initiative, **we call for a more coherent and better integrated framework for social policies, taking a comprehensive approach to prevention and adjustment in the fight against poverty and social exclusion**. We also call upon the institutions involved in the '*European platform against poverty and social exclusion*' to **press for an end to social retrenchment and to support investment in the skills and potential of people so that they can fully participate in society and access decent work**.

2 European Commission: Communication of the Commission, Europe 2020 – A strategy for smart, sustainable and inclusive growth, COM(2010) 2020 final.

3 Communication from the Commission: Towards Social Investment for Growth and Cohesion – including implementing the European Social Fund 2014-2020, COM(2013) 83 final.

Assessing progress made within the flagship initiatives - The European platform against poverty and social exclusion

The flagship initiative '*An Agenda for new skills and jobs*' was designed in 2010 with the aim of raising the employment rate by promoting better anticipation of future skills needs and developing better matching between skills and labour market needs to bridge the gap between the worlds of education and work. The agenda represents a joint effort between the European Commission, Member States, social partners, as well as education and training institutions on the issues of flexicurity, skills, working conditions and job creation. In 2012, the flagship initiative was completed with the Employment Package and the Youth Employment Package that were designed to represent the EU's comprehensive response to the economic crisis and alarmingly high unemployment rates. This had the effect of shifting the focus away from the agenda and created a lack of coherence. This was a missed opportunity, because the flagship initiative should have been at the centre of a coherent framework to coordinate employment and social policies in the EU and to exploit synergies between the different actions. While some concrete steps have been made in the area of education and training, little progress has been made in the area of the quality of work and working conditions.

Our recommendations

Since the launch of the Agenda for New Skills and New Jobs in 2010, SOLIDAR has called upon the institutions to use it as a way out of the crisis. It ensures that skills, competences and knowledge acquired through non-formal and informal learning are better recognised and validated as part of the strategy to bridge education 'gaps', decent work and equal opportunities are ensured for vulnerable groups (i.e. migrants) and flexicurity is more evenly weighted with more emphasis on social security.

Following Europe 2020, SOLIDAR recommends the **development of a strategy to actively support the creation of learning societies and learning workplaces, promoting the validation of skills, competences and knowledge acquired through non-formal and informal learning within society and at the workplace.**

Assessing progress made in the framework of the European Semester

In 2011, the European Commission set up a yearly cycle of economic policy coordination called the **European Semester** with the objective of reinforcing EU economic governance and to give added impetus to the commitment of Member States to achieve the Europe 2020 targets, as well as to provide an immediate and strong policy response to the harsh financial crisis that hit the European Union as from 2008. Since then, each year the European Commission has undertaken a detailed analysis of EU Member States' programmes of economic and structural reforms and provided them with recommendations for the next 12-18 months to correct and prevent macroeconomic imbalances. The semester starts when the Commission adopts its Annual Growth Survey (AGS), usually in November, which sets out EU priorities for the coming year to boost growth and job creation.

The Annual Growth Survey 2014⁴ was adopted by the European Commission on 13 November 2013. It re-poses the five priorities set last year, mainly on economic and financial policies favouring budget cuts in the social field that continue to damage the European welfare state: pursuing differentiated, growth-friendly fiscal consolidation; restoring bank lending to the economy; promoting growth and competitiveness for today and tomorrow; tackling unemployment and the social consequences of the crisis; and modernising public administration.

However, this year for the first time, the draft Joint Employment Report⁵ – annexed to the AGS - includes a **social scoreboard** composed of five key employment and social headline indicators. These will help reinforce the monitoring of employment and social developments as part of macro-economic surveillance within the European Semester. The aim is to identify earlier and more effectively the major employment and social problems that need to be tackled to address the current crisis and prevent serious divergence between the social situations in Eurozone countries. The launch of the scoreboard was previously announced by

⁴ COM(2013) 800 final

⁵ COM(2013) 801 final

Commissioner Andor in a Communication⁶ calling for the strengthening of the social dimension of Economic and Monetary Union.

Comparable to the Europe 2020 targets, the **scoreboard headline indicators** include:
The unemployment rate
Youth unemployment and the rate of those not in employment, education or training (NEET rate)
Household disposable income
The at-risk-of-poverty rate
Inequalities (the S80/S20 ratio).

Our recommendations

This survey – and its annexed Draft Joint Employment Report – clearly shows that there is a need for policy change in order to respond to rising inequalities, growing unemployment, in particular long-term and youth employment and increasing divergence among Member States on social and employment conditions. In a briefing launched in December 2013 SOLIDAR provided recommendations on how to foster social consolidation within European economic governance in order to give more emphasis to the social policy priorities of the Europe 2020 Strategy.

This could be done by using the scoreboard not only as an analytical tool but also as a basis for developing concrete indicators for Member States on how to fight or prevent unemployment, reduce social inequalities and promote active inclusion, which would then feed into the design and implementation of the Country Specific Recommendations 2014 within the European Semester process.

SOLIDAR calls for a **paradigm shift in European policy making in order to strengthen social consolidation and promote a new growth pattern based on social, sustainable and inclusive investment, better use of social expenditures as economic stabilisers and poverty prevention policies.**

6 COM(2013) 690 provisoire

FOUR YEARS LATER – WHERE ARE WE GOING?

Beyond a shadow of doubt, the EU is far from achieving the Europe 2020 poverty, employment and education targets.

In 2010, when the Strategy was initiated, European economies were experiencing low growth and productivity. The situation continued to deteriorate in many countries, leading to a severe financial crisis which strongly damaged the European social environment. In response to this crisis, the EU introduced a series of policy reforms aimed at enhancing financial supervision and regulation. They were focused on budget cuts and austerity measures, with a devastating impact on the EU's social fabric. The EU is today faced with ever higher unemployment and the lowest employment figures since the onset of the crisis. As a consequence poverty and social exclusion are steadily increasing in the EU, mainly as a result of the deteriorating labour market situation and the limited effectiveness of the social protection systems to respond to growing needs.

The European Commission Employment and Social Development (ESDE) Report 2013⁷, published on 18 February 2014, shows the real state of the Union regarding social and employment developments. It highlights ongoing structural challenges in the EU such as rising unemployment, increasing numbers of young people not in employment, education or training (NEETs), a prominent gender gap and undeclared work in the labour market, increasing poverty and social exclusion, especially for the working age population and children as well as growing divergences between countries in the EMU. These trends are also confirmed by the first findings of the analysis we conducted together.

The latest figures show that 24 million people in Europe are unemployed and about the same number can no longer live on their income and have become the working poor. 120 million people are living at risk of poverty, a quarter of the EU's total population. Nearly a quarter of economically active young people in Europe are unemployed: 5.6 million young people without a job. Youth unemployment is now as high as 60% in countries like Greece and Spain. Wage inequality is increasing across all sectors. Long term unemployment

⁷ Available at:
<http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=7684>

and prolonged inactivity threaten an entire generation⁸.

These alarming social and employment trends in the EU have to be taken into account as a premise to any review of the Europe 2020 Strategy, as acknowledged by the European Commission in the communication⁹ "Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth" that was launched on 5 March 2014 with the aim of providing a first assessment of the strategy.

In light of the evidence of ESDE 2013 and the European Commission Communication, **a policy change is desperately needed in order to put in place a new growth pattern based on social, sustainable and inclusive investment, better use of social expenditure as an economic stabiliser and poverty prevention policies.** European and local institutions need to work together with social partners and civil society to **improve the democratic legitimacy of the European economic coordination policies and strengthen the social dimension of the European Semester.** There is an urgent need to take concrete steps towards inclusive, sustainable and smart growth in order to achieve the social goals foreseen in the Strategy in the remaining six years to 2020.

In this briefing paper SOLIDAR provides evidence-based recommendations on the direction to be taken by the European institutions in order to achieve the social objectives of Europe 2020.

Social, employment and education developments in 12 Member States are assessed and evaluated in this briefing further to a consultation that was carried out within the framework of the **Social Progress Watch Initiative**, a tool developed together with members and partners to evaluate progress made towards a more social and cohesive Europe.

⁸ SOLIDAR Briefing paper #64, Promoting the social economy as a driver for inclusive growth and social progress, March 2014. Available at:
http://www.solidar.org/IMG/pdf/64_briefing_social_economy.pdf

9 COM(2014) 130 final/2

ASSESSING SOCIAL PROGRESS: SOLIDAR SOCIAL PROGRESS WATCH INITIATIVE

In December 2013, SOLIDAR developed the **Social Progress Watch** initiative, which is a monitoring tool to evaluate the implementation by Member States of the Country Specific Recommendations of the European Semester, as well as the effectiveness of national policy strategies developed in the social, employment and education sectors in contributing to the promotion of active inclusion, reducing poverty and inequality, combating unemployment and tackling demographic challenges.

Taking as references the EU Active Inclusion Strategy, the Social Investment Package, the Annual Growth Survey 2014 and the annexed Joint Employment Report as well as the staff working documents of the Country Specific Recommendations 2013, our monitoring tool is based on **six benchmarks** corresponding to the recommendations mentioned above:

- **Fighting unemployment** (and in particular youth unemployment) through the promotion of inclusive and quality employment as well as fair mobility.
- Improving access to **healthcare and quality social services** for all as well as quality employment in the healthcare and social sector.
- Promoting access to and participation in **lifelong learning**, with a particular focus on non-formal and informal learning.
- Strengthening **active citizenship** and volunteering for social cohesion
- **Fighting discrimination** and social exclusion
- Promoting, reinforcing and supporting the **social economy**.

The SOLIDAR Social Progress Watch Initiative was carried out in a first phase in 12 EU Member States, namely: **Austria, Bulgaria, Croatia, Denmark, France, Germany, Greece, Italy, Spain, Sweden, the Netherlands and the United Kingdom**.

The initiative, developed together with our national members and partners, started from the evaluation of the implementation of the Country Specific Recommendations 2013 and continued with the development of evidence-based recommendations - on employment, education and social policies - to the European Institutions and Member States involved in the design of the policy coordination process of the European Semester 2014. Specific recommendations on how to strengthen the social dimension of the European Semester have been presented in **SOLIDAR Briefing #62, European Semester 2014: Ensure social progress**.

The information collected through this tool relating to the benchmark on promoting and supporting the social economy has been used to develop **SOLIDAR Briefing #64, Promoting the social economy as a driver for inclusive growth and social progress**, which highlights SOLIDAR's members' joint view of the social economy as a means to promote the quality of living together, ensure the peaceful environment of our social system and improve the lives of many people and calls upon the institutions to fully recognise the social economy's actors potential for accelerating the achievement of the social objectives of the Europe 2020 Strategy.

The remaining five benchmarks included in the Social Progress Watch are the object of analysis in this briefing paper.

EUROPE 2020 – STATE OF PLAY IN 12 MEMBER STATES

As mentioned earlier in this briefing paper, the EU is far from achieving the Europe 2020 Strategy objectives on employment, education and social inclusion and divergences within and between Member States are increasing. In order to present a picture of the state of the social Union, this briefing paper provides information on social

realities in 12 Member States, namely **Austria, Bulgaria, Croatia, Denmark, France, Germany, Greece, Italy, Spain, Sweden, the Netherlands and United Kingdom**. The table below provides an overview of some important indicators regarding the social situation in the above-mentioned 12 Member States.

Country	Employment ¹⁰			Education		Social exclusion	
	Unemployment rate (2013 Q3 or Q4 if available)	Youth unemployment (under 25)	Women's Unemployment	Early leavers from education and training (2013, provisional) ¹¹	Lifelong learning ¹² (2011)	People At-risk-of poverty or social exclusion rate, 2012 ¹³	Severe Material deprivation rate, 2012 ¹¹
Austria	4,9	10,5	5,1	7,4	13,4	16,9 (2011)	4,0
Bulgaria	13,1	30,0	12,7	12,4	1,2	49,3	44,1
Croatia	18,8	49,8 (Dec 2013)	16,6	3,8	2,3	32,3	15,4
Denmark	7,0	13,7	7,3	8,3	32,3	19,0	2,8
France	10,9	25,4	10,8	11,6 (2012)	5,5	19,01	5,3
Germany	5,0	7,6	4,8	9,9	7,8	19,06	4,9
Greece	28,0 (Nov 2013)	59,0 (Nov 2013)	32,2 (Nov 2013)	10,2	2,4	34,6	19,5
Italy	12,9	42,4	13,8	17,1	5,7	29,9	14,5
Spain	25,8	54,6	26,8	24,1	10,8	28,2	5,8
Sweden	8,2	22,9	7,9	6,9	25,0	18,2	1,3
Netherlands	7,1	11,1	6,8	9,1	16,7	15,0	2,3
UK	7,2 (Nov 2013)	20,0 (Nov 2013)	6,8 (Nov 2013)	12,5	15,8	24,1	7,8

¹⁰ EUROSTAT January 2014. Available at: http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/3-28022014-AP/EN/3-28022014-AP-EN.PDF

¹¹ EUROSTAT. Available at:

http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&plugin=1&language=en&pcode=t2020_40

¹² EUROSTAT. Available at:

http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/dataset?p_product_code=TSDSC440

¹³ EUROSTAT. Available at:

http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/People_at_risk_of_poverty_or_social_exclusion

Using the information collected through Social Progress Watch Initiative, country profiles have been created for 12 Member States, which provide information about the state of play of social, employment and education development, present the main structural obstacles to the achievement of the Strategy objectives and propose specific recommendations on how to overcome those obstacles and implement the necessary policy reforms to stimulate social progress, inclusive and sustainable growth as well as wellbeing.

Each country profile provides the following information:

- State of play on **employment developments** and information on the measures applied to fight unemployment and achieve the employment objective of the Europe 2020 Strategy
- State of play on social development - in particular on the situation of **social services** - and information on the measures applied to improve the availability and quality of social services in order to foster active inclusion.

- State of play on **education developments** and information on the measures applied to promote lifelong learning and achieve the education objectives of the Europe 2020 Strategy.
- Information about the state of play (and policy implemented) of the fight against **discrimination and poverty** as well as the exclusion of the most vulnerable groups within society and the workplace.
- Information about the policy measures applied to support and promote participation and social cohesion through **active citizenship and volunteering**.
- **National recommendations** on policies and reforms needed to improve social conditions and make progress towards the achievement of the Europe 2020 strategy objectives.

The table below provides an overview of some important indicators regarding the social situation in the above-mentioned 12 Member States.

Country	Fighting unemployment	Improving access to healthcare and quality of social services	Promoting access and participation in lifelong learning	Fighting discrimination and social exclusion	Promoting active citizenship and volunteering for social cohesion
Austria	Collective agreements should be evaluated in order to detect the gender bias in the historic setting of pay scales. More socially just migrant labour and youth unemployment policies are necessary.	National level measures to decrease inequality in access to social and healthcare services need to be taken. Measures to improve the balance between the provision of informal care and professional life are needed.	Equal opportunities, based on social equality, need to be secured for all Austrian pupils.	The strategy to fight against poverty should focus on women, migrants, and children.	The involvement of youth in volunteering needs to be continued.

Bulgaria	Strong measures to combat unemployment, particularly among youth, are necessary.	Access to quality social services, as well as transparency of health financing need to be improved.	Adult education opportunities and measure to prevent early school drop-outs, particularly among disadvantaged groups, are needed.	Strong measures to combat poverty and social exclusion are needed. A comprehensive and organised policy mechanism regulating the status of third-country nationals is needed.	Legalization on the volunteerism is needed to regulate the legal relations of volunteering.
Croatia	Measures to combat youth and long-term unemployment and to fight unregistered unemployment are urgently needed. It is important to abolish discrimination against migrants and refugees.	Measures should be taken to support social entrepreneurship, improve integration policies and diminish social exclusion.	There is a need to provide: more lifelong learning opportunities; improve participation in early childhood education; improve the quality of education.	It is important to promote and support measures to reach groups at risk of poverty, such as youth, women, the elderly, and migrants; combating poverty should be a priority in the national policy agenda.	Volunteering should be promoted by strengthening the volunteering infrastructure and recognising the learning outcomes of volunteering.
Denmark	Actions to control long-term unemployment are necessary, especially preventive measures focusing on youth unemployment	It is important to continue to support the development of social economic actors providing social services.	Measures to improve education and training of the marginalised groups are needed, as well as preventive measures to control early school drop-outs .	Actions to control rising income inequalities are needed	-
France	More comprehensive measures to prevent youth unemployment and social exclusion are necessary, focusing both on social and professional integration.	The impact of the complementary private funding of social services on the quality, access, and affordability of social services needs to be assessed.	A more comprehensive education system reform is needed. The quality of education should be distributed more evenly.	A cross-sectoral and comprehensive approach should be applied when developing tools to fight social exclusion and when dealing with people affected by multiple social problems.	In order to support citizens' participation and social cohesion, the evaluation of volunteer activities is needed.
Germany	A more comprehensive employment policy is necessary, focusing on the long-term unemployed and low-wage and atypical contract employees. Youth unemployment policies need to be more sensitive to the needs and expectations of youth.	Long-term dependence on social assistance needs to be addressed, putting an emphasis on preventive and inclusive activities. The provisions on social care and health services need to be based on social justice.	Education needs to focus on equal opportunities for all. Adult learning needs to be promoted among the employed as well.	Besides statutory poverty, relative poverty needs to be measured in contrast to the existing standard of living.	Better conditions for volunteers need to be secured.

Greece	Strong measures to combat unemployment, particularly among women and youth, are necessary.	The healthcare system must be protected as it is essential for the well-being of Greek citizens and the future demographic and thus economic prosperity.	Measures should be implemented to improve adult education opportunities, particularly for migrants, the unemployed, women, and older people.	To avoid possible social destabilisation, strong measures to combat poverty and social exclusion are needed.	To advance volunteering in Greece, the State should consider institutionalising non-formal education.
Italy	Measures to tackle high youth and women's unemployment are urgently needed.	Measures to improve the quality and availability of public services are needed. More appropriate job contracts and training opportunities for employees could be a solution to improving the quality of public services.	As the high school drop-out rate is linked to rising poverty and the government's austerity measures in the public sector, national policy should prioritise free access to education.	It is important to overcome the effects of the austerity measures implemented in recent years resulting in high level of poverty and social exclusion	Measures are needed to further support the sense of solidarity and social cohesion amongst Italian citizens.
The Netherlands	Measures should be taken to tackle the high level of migrant unemployment and rising youth unemployment.	Access to healthcare and social services needs to be improved.	To prevent training and education drop-outs, reforms to improve the education system are needed.	Measures to ease access to social services need to be taken, as well as comprehensive poverty reduction policies. Child poverty is on the rise and requires immediate action.	If more effort is being asked to volunteers, more means are necessary to facilitate this..
Spain	High youth unemployment resulting from expenditure cuts in education needs to be tackled.	Austerity measures in health care have been discriminatory and are damaging for public health. The right of citizens to have access to public high quality health care should be preserved.	Public expenditure on education should be increased and distributed equally.	High unemployment rates and severe social assistance cuts have led to high levels of poverty and demand immediate attention.	A new law on volunteering is needed.
Sweden	A comprehensive youth employment policy is needed, focusing more on preventive measures. Further measures to increase the labour market integration of disadvantaged groups are needed.	Measures to deal with the consequences of the privatisation of social services, such as the loss in the quality and coverage of social services, need to be taken.	Public spending on education should not be decreased. Education and training should be a key to fighting unemployment.	Measures to prevent the increase of poverty among disadvantaged groups are necessary. A relative estimation of poverty is needed.	Public responsibility should not be reduced and replaced by volunteering due to budgets cuts

United Kingdom	Measures to prevent youth unemployment are necessary, as well as new training programmes and integration policies for unskilled labour.	Measures to encourage and support voluntarism in social care are necessary. Improved access to the quality child care services is needed.	Measures to fight high school dropout rates and the increasing number of NEETs are necessary.	Measures to fight child poverty and support single parent families are needed.	As volunteering is an important component of social action and inclusion, it should be promoted and supported more with an emphasis on engaging more socially disadvantaged groups.
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COUNTRY PROFILES

AUSTRIA

This country profile has been written with contributions by: Marina Einböck and Verena Fabris (Volkshilfe Österreich) and Elia Meier and Julie Klein (ASBÖ - Arbeiter-Samariter-Bund Österreichs)

Unemployment in Austria is comparatively low. However, there are several imbalances in employment, social and educational developments which have resulted in inequalities, and thus require further attention. The Austrian approach to preventing poverty focuses on labour market integration, which has been enhanced for people at the margins of the labour market following the introduction of the Minimum Income Scheme. But it does not convincingly address the issues of quality of work, access to social services and equality of access to education.

Measures to fight unemployment

Austria has the lowest unemployment rate in the EU (4.9% in 2013, third quartile). However, some structural challenges in the Austrian labour market can be identified. While the employment rate of women (70.3%) is above the EU average, there are relatively few women in full-time work (55.6% in 2011), and Austria has the third-highest gender pay gap in the EU. The Austrian labour market is characterised by a high concentration of women in the low-wage segment and in part-time employment. Some measures were taken recently to overcome this problem. Firstly, the number of child care places has been increased. The target is for the child care coverage rate for children under 3 years to increase from 22% to 28% (including qualified child-minders) in 2014, which is still below the EU's Barcelona target of 33%. Secondly, to deal with the existing wage-gap, the amendment to the Federal Equal Treatment Act 2011¹⁴ demands the gradual introduction of a compulsory pay gap report for businesses. From 2013 onwards, this obligation will apply to companies with more than 250 employees, and from 2014 all companies with more than 150 employees will have to submit the report. The aim of the income reports is to make women's and men's pay transparent and, in this way, identify and close the gender pay gap in a company. Furthermore, salaries must be indicated in job advertisements. And finally, since January

2011, employment law for all male public servants has provided for the possibility of taking four weeks of unpaid paternity leave during the maternity protection period.

Female-dominated sectors tend to be lower paid than male-dominated sectors. Women's skills and competences are often undervalued, especially in occupations where they are in the majority. This results in lower rates of pay for women. For example, physical tasks, which tend to be carried out by men, are often valued more favourably than those carried out by women. Traditions and gender roles may influence, for example, the choice of educational path taken by a young man or woman. Therefore, it is also important to change perceptions about traditional choices in order to decrease existing gender disparities.

Collective agreements should be evaluated in order to detect gender bias in the historic setting of pay scales and to reconsider the value attached to jobs and skills associated with female and male labour respectively. The State should offer incentives for men to take paternity leave in general and extend the one month of paternity leave to the private sector.

The unemployment rate for people with a migrant background is more than twice as high as for EU nationals (9.7% vs. 3.6%). To overcome this structural problem, contact points for the recognition of qualifications obtained abroad have been implemented since January 2013.

There are only a few measures designed explicitly for migrants, however. Existing measures focus on counselling. There are some projects such as "migrants care", a qualification programme for migrants who want to work in the care sector. The labour market performance of people with a migrant background falls below nationals in terms of employment and unemployment rates, education outcomes and poverty risk. The proportion of over-qualified migrants is among the highest in the OECD, linked to difficulties regarding the recognition of qualifications and experience.

The Austrian government has implemented the **Youth Guarantee**. No person under 25 years of age may be unemployed for more than six (or four) months. Those who do not find a job receive an offer of an education/training programme or subsidised employment from the Austrian Public Employment Service (AMS). For the training year 2012/2013, the AMS made more than 11,700 apprenticeship positions available. For young people under 18 years the obligation to be trained will be installed in 2016. Those who will not be trained by companies acquire occupational skills in "supra-company apprenticeships". Initiatives for the unemployed however are critical of the fact that this new obligation is accompanied by sanctions for both young people and their parents. Parents may receive an administrative penalty of up to 400 EUR. The minimum income allowance is also linked to this obligation and young people may get cuts in their welfare money.

Measures to improve access to and quality of social services

It is important to be aware of the relation between people's level of education and their health. Access to and the quality of health services should not be linked to income, social background or status, which is why measures to decrease inequalities in different aspects of health need to be taken. These measures could include new provisions on counselling in health and social issues, multi-lingual work on prevention and information, easier access to free psychotherapy and emergency services, better access to health prevention measures and rehabilitation, financial support for expensive medical and therapeutic treatments, as well as public health insurance for everybody. However, as responsibility for social services to a great extent lies with the regions, it is difficult to implement a broad range of national measures on social services across the country.

The means tested **minimum income scheme** (MIS) introduced in 2010 had a positive effect on access to health care services, as the recipients are no longer excluded from the Austrian health system. However further improvements in the realisation of MIS are still necessary.

Austria faces difficulties in managing the status of informal care givers. Currently, informal carers are at risk of poverty because of the reduction in their paid work and small salaries

which will eventually lead to lower levels of pension. More than 70 % of informal care is provided by women. Measures for the better reconciliation of informal care and professional life are needed, as well as easier re-integration in the labour market after a period of informal care.

Measures to prevent dropping out from school and improve the education level

In the view of the European Commission, the Austrian education system needs to improve performance in order to mitigate demographic trends and the trend towards a more skills-intensive economy. Education outcomes as measured by PIRLS, TIMSS and PISA tests are below average both among 10 and 15 year olds, even though Austria's investment in education and training for primary and secondary schools is slightly above the EU average. More than one out of four young people aged 15 has poor reading skills, and results are only slightly better in mathematics. These young people face difficulties in accessing initial vocational education and training, which is crucial for their access to the labour market.

Currently, the Austrian school system is highly segregated. There is a strong link between the parents' education and income level and that of the child. Children from households with high income are more likely to obtain a high school diploma. Social selection in the Austrian education system happens as early as the age of 10, when children are separated in different schools, according to their educational level. There is an ongoing discussion about a common school-leaving certificate and general qualification for university entrance (Zentralmatura) for all youngsters in Austria. However, the new government stopped the planned reorganisation of the school system into a "Gesamtschule", an all-in-one school for all children aged from 7 to 14 years.

There is a high demand for private lessons for school pupils but this is an expensive service which a lot of parents cannot afford. Private lessons and coaching for children for free, provided by social organisations for example, are in high demand. Private lessons are even more important for children with a migrant background because their parents are often not able to help them in their studies because they don't have the language skills.

Since January 2013, a youth coaching programme has been implemented throughout

all of Austria's federal provinces. This programme provides advice and support for young people from the 9th year of school onwards and is designed to help them to find an educational or vocational path. Young people in danger of ping out or failing to complete school receive special support.

For the **NEETS** target group a new measure (*AusbildungsFit*) was tested in two federal provinces of Austria and will be extended to the rest of Austria. The low-threshold programme *AusbildungsFit* focuses on young people with poor reading skills and poor results in mathematics. It provides training in basic qualifications and soft skills, an intensive vocational orientation, the opportunity to complete compulsory schooling, and consistent socio-pedagogical support.

Measures to combat poverty and social exclusion

In the view of the European Commission, the Austrian approach to preventing poverty is too much focused on integrating people into the labour market while lacking a pro-active, nation-wide and evidence based plan for improving access to social services. Access to social services is hardly discussed in the context of poverty alleviation.

In Austria, gender segmentation is very high as testified by the concentration of women in marginal and low-wage employment, the third highest gender pay gap in the EU, and a high old-age poverty risk for women.

16.9% of people in Austria are at-risk-of-poverty. The groups that have the highest risk of poverty in Austria are single parent households, long term unemployed, and migrants. One quarter of people at-risk-of-poverty are children and young people under 19. So far child poverty is not a priority in the government strategy to fight against poverty. In the view of our members, the problems caused by unemployment, low-wages, forced part-time work and temporary jobs should not be solely resolved through the provision of social and welfare benefits, there should also be a focus on measures to monitor labour standards, just tax schemes and a general approach towards a more sustainable and equitable economy.

Measures to support active citizenship and volunteering for social cohesion

Civil society is strong in Austria, and citizens have access to the '*Bürgerkarte*'. The "*Bürgerkarte*" is a tool to facilitate official administration by enabling electronic transactions, but it is not designed to keep track of government policies. The "*Bürgerkarte*" is not without controversy, given the pre-existing concerns about security and data information abuse.

Austria is among the EU countries with the highest commitment to and tradition of volunteering; 46 % of the population in Austria is work as **volunteers**, in a formal or informal context¹⁵.

In 2012, a **new law on volunteering** was established, setting out structures and rules, particularly for voluntary social service and civil service, as well as social service abroad. The rules and legal structures foster and support volunteer commitment, especially among youth. Social organisations can employ young people as volunteers for one year. Thus social commitment and awareness among youth is supported.

Recommendations for making progress in achieving the EU 2020 strategy targets

- In the employment sector, collective agreements should be evaluated in order to detect the gender bias in the historic setting of pay scales. More inclusive and equal migrant labour policies are necessary. Youth unemployment policies need to be more comprehensive, the penalties in these policies should be abolished.
- National level measures to decrease inequality in access to social and healthcare services need to be taken. Measures to improve the balance between providing informal care and working life are needed, as well as easier re-integration into the labour market after a period of providing informal care.
- To solve the problem of educational segregation, the education level reached in Austrian schools needs to be even across all schools, with equal opportunities, based on social equality, for all Austrian pupils.

15 Data published in the report "Freiwilliges Engagement in Österreich", spring 2013

- Increased access to free private lessons, particularly for migrant pupils, could improve the overall education level.
- The strategy to combat poverty should focus on the poverty of women, migrants, and children. More comprehensive labour, tax, and social services policies need to be developed in the context of poverty alleviation.
- The involvement of youth in volunteering needs to be continued, as it increases the social commitment and awareness of youth.

BULGARIA

This country profile has been written with contributions by: Gabriela Velichkova, Katya Koleva and Stefan Georgiev (Institute for Social Integration)

Bulgaria currently has a very high level of poverty and inequality. According to EUROSTAT, almost half of the population is at-risk-of poverty or social exclusion and around 44% suffer from severe material deprivation. According to the European Commission's 2013 country-specific recommendations¹⁶, Bulgaria is making positive efforts to meet the Europe 2020 targets for employment and education; however, poverty and social inclusion policies are still inefficient and leave the majority of the Bulgarian population in material or social deprivation. The amount of unemployed in contrast to poverty indicators is relatively low, only 13.1% of the population is without a job. This indicates a serious problem of in-work poverty and household dependency. Bulgaria needs to introduce various policy improvements and new policy approaches in order to meet the Europe 2020 targets on employment, social inclusion and education. Bulgaria continues to experience macroeconomic imbalances, which require monitoring and policy action.

Measures to fight unemployment

Bulgaria suffers from a below-average and declining employment rate and high unemployment disparities across regions and population subgroups. The country experienced one of the sharpest drops in employment in the EU between 2008 and 2012, with the employment rate declining by more than 8 percentage points. The need to tackle the weak labour market participation of young people was identified in a Country Specific Recommendation for Bulgaria and highlighted as a general priority in the Annual Growth Survey 2012.

Under the national 'Employment for Youth' initiative, Bulgaria has committed itself to reduce the youth (15-24 years) unemployment rate to 23% and the rate of young people not in employment, education and training (NEETs) to 19% by the end of 2013.

Nevertheless, an integrated approach for youth policies is still lacking, hampering the successful delivery of the Youth Guarantee. Given that almost one young person in four is neither involved in the labour market nor in the education system, the pool of NEETs is proposed as the main target group of labour market activation policies in the country.

The youth unemployment rate in the 15-29 age groups continues to rise, and in 2013 it was 28.5% or 0.2 pp. higher than in the previous year. The share of unemployed young people without qualifications and facing a specific barrier is the highest in Europe at 62%.

Bulgaria has just launched the implementation of the European Youth Guarantee Initiative, in 2014. In response to the EU Council recommendation on establishing a youth guarantee as well as reducing youth unemployment, the National Assembly approved amendments in the Employment Promotion Law, which introduced new incentives to support youth employment. One of these new incentives is to provide qualified young people with their first job. It provides monetary incentives to employers who create additional vacancies in order to hire young people under the age of 29, who have completed their secondary or higher education and have no work experience, in positions according to their education and qualification level. The subsidy period is 6 to 18 months and the amounts start at 30% for the first six months, increasing to 50% for the 7-12 month period, and 75 % for the remaining period

In our view, in order to deliver on the objectives of the Europe 2020 strategy, strong efforts have to be made. Employment needs to grow by 13 percentage points to 76% or by an annual average of 1.6 percentage points in order to achieve the 2020 target. A National Action Plan for employment has been established in cooperation with various trade-union organisations, but it was not supported by the Confederation of Employers and Industrialists in Bulgaria. After the implementation of the measures in the plan, the unemployment rate for 2014 is expected not to exceed 13%. According to the stipulated measures in the plan, the salary subsidy will amount to about 172 EUR in full time

¹⁶ Available at:
<http://register.consilium.europa.eu/doc/srv?l=EN&t=PDF&gc=true&sc=false&f=ST%2010625%202013%20REV%201>

employment. 256 regional employment programmes for 2014 have been approved. In addition, new programmes will also be set up - a national programme for refugees, a programme for Bulgarian forest conservation, a programme for unemployed people who provide community service, etc.

Measures to improve access to and quality of social services

The Bulgarian healthcare system is not providing the right combination of services, as a result of inefficiencies in the allocation and use of resources. Although projections of public health spending due to population ageing do not point to a significant burden on public finances in the medium-to-long term, inequalities between social groups and regions as regards access to, and quality of, healthcare are long-standing challenges.

Regarding improving access to quality social services for children and the elderly, progress is not convincing. The government has proactively continued the transition from residential to community-based care for children deprived of parental care and intends to develop similar services for the elderly.

With one of the highest numbers of hospital beds per capita among the new Member States, Bulgaria also faces enormous challenges in the rationalisation and management of the hospital sector.

A lack of administrative capacity in the healthcare sector hampers efforts to establish appropriate strategies and to deliver high-quality projects, thus limiting the absorption of EU funds. Therefore, the health system continues to face serious challenges related to hospitals' financial condition, health care quality, technical and personal security.

At the end of 2013, the government adopted the National Strategy for long-term care. It aims to create conditions for an independent and dignified life for both the elderly and people with disabilities by improving access to qualitative social services, expanding their network in the country, deinstitutionalisation and encouraging the interaction between health and social services. In our view, in order to enhance the effectiveness of health care costs, the following key areas should be prioritised: continuing the work on the priority development of general hospitals in districts and regions, facilitation of the restructuring and

transformation of the medical institutions in accordance with the regional needs of the population, avoiding duplicating structures, and planning demand with the aim of including new hospitals, willing to work with public funds according to the region's needs. As noted above however, there is a problem with the lack of administrative capacity to manage the use of funds, including EU funds. The current practice shows that for various reasons (political, financial, management, etc.) NHIF activity is hampered by serious management issues, which makes it difficult for the Ministry of Health to operate and creates great dissatisfaction among medical professionals, patients and their organisations.

The system of public financing does not create incentives for efficiency when providing services. There is also no real competition between hospitals. As suggested by the Bulgarian third sector, an improvement in pricing transparency in health services would advance the sector's growth and competitiveness.

In the view of our Bulgarian members and partners it is also important to invest in the promotion of the deinstitutionalisation of the elderly and people with disabilities, who live in specialised institutions. The prevention of institutionalisation, by providing alternative social services in the community and ensuring the active participation of the person in the process, also needs to be encouraged.

Measures to prevent dropping out from school and to improve the level of education

Bulgaria is still experiencing impediments, such as limited opportunities and training badly adapted to the needs of the various target groups, lack of support systems and insufficient flexibility between the different learning solutions (e.g. between vocational education and training and higher education). The problems are further aggravated by the fact that the majority of the potential trainees have a lower socioeconomic and educational status. The Bulgarian education and training systems are not adapted to labour market needs.

Bulgaria has the EU's highest share of low achievers in reading, mathematics and science, and overall investment in education and training – particularly in primary, secondary and early childhood education – is

well below the EU average, while the use of childcare is particularly low for those under three years old (covering only 7% of children in 2011), and is further decreasing. Lifelong learning remains a challenge in Bulgaria, especially for adults; whose participation in lifelong learning (1.5% in 2012) is the second-lowest in the EU. There is a need to enhance access to inclusive mainstream education for disadvantaged and vulnerable people, including Roma.

As noted by our Bulgarian members and partners, the situation among working youth shows that education is often unrelated to the job. For 54% of young workers their educational background is not related to their job. For this reason, the employment strategy in Bulgaria aims at developing the National system to research and forecast the demand for labour, in order to ensure consistency between the demand and supply of skills and knowledge and pursue effective policies in education, training, social engagement and employment.

The State plans to manage admission to secondary and higher education together with the participation of employers, in order to bring the number and structure of qualifications into line with the needs of the labour market and future developments in fundamental sectors in the economy.

Vocational training will also be adjusted to the needs of municipalities and regions by including a wide range of institutions and business representatives when determining the orientation and organisation of vocational education.

Bulgaria shows very low adult education indicators. Only 1.2 % of adults engage in educational activities. To meet the Europe 2020 targets for lifelong learning, the Bulgarian government has increased State financing and it is expected that in 2014 the number of employed and unemployed enrolled in adult education courses financed by the State budget for 2014 will increase by around 75%.

Equal access to education for disadvantaged groups is ensured through the provision of financial support to students, in accordance with the 2013 Law on the State budget of the Republic of Bulgaria (LSRB) and the tri-annual budget framework. It includes the annual provision of textbooks free-of-charge to students with special educational needs, inclusion of children from ethnic minorities in "host" schools, and free commuting for

children up to the age of 16 to State and municipal schools.

To improve the effectiveness of policies in support of children at risk, the Inclusive Education Project was launched using ESF funding. The project will conduct a screening test for 3-year olds in all kindergartens across the country (about 50 000 children) to identify children who may develop, or have developed, learning difficulties. 470 speech therapists and psychologists will be trained to perform the test, and following the screening, 25 kindergartens across the country will set up groups for children with special educational needs (SEN).

Measures to combat poverty and social exclusion

In Bulgaria comprehensive measures to improve youth employment and fight poverty and social exclusion are lacking. The strategy for reducing poverty is in the early stages of implementation; an assessment is not feasible at this stage. The National Roma Integration Strategy lacks an appropriate budget and an action plan. Although the authorities have, for several years, pursued a welfare adjustment policy focused on increasing the lowest pensions, the elderly still face high income-poverty and social-exclusion risks.

In recent years Bulgaria achieved significant results in the field of social inclusion by applying a complex and integrated approach, covering different policy sectors. Despite the progress there remain a number of challenges in the field of poverty and social exclusion, especially in the context of economic and financial crises.

A National Plan for Integration in the country was created in 2007. However, there are no comprehensive, systematic and organised policy mechanisms to regulate effectively the status of third-country nationals. The number of immigrants in Bulgaria is substantially smaller than in other European countries, however, there is a lack of statistics regarding the number of immigrants in the country.

A new Roma Integration Strategy has been established (2012-2020). The Strategy is guided by the principles of the policy framework of the European Union for human rights protection, a guarantee of equal opportunities for all citizens and non-discrimination on various grounds, including

ethnic origin. The operational objective of the strategy is to involve and retain Roma children within the educational system and provide quality education in a multicultural educational environment. The Roma's educational status is slowly improving. Nine out of ten Roma children aged 7 to 15 are reported to be in school. However, participation in education decreases considerably after the statutory school leaving age, with only 15 % of young Roma adults completing upper-secondary or vocational education.

Measures to support active citizenship and volunteering for social cohesion

Bulgaria is the only European country which does not have a law regulating volunteering. This is the main obstacle for NGOs and civil society organisations which work with volunteers. Currently in Bulgaria it is NGOs who are mainly involved voluntary work. Not only are they engaging volunteers, they are also managing training and campaigns on volunteering. The expectations concerning improvements in voluntary work in Bulgaria are therefore focused them, and on the informative, cooperative and professional development of volunteering. For the first time a committee which works together with NGOs was created in the Bulgarian National Assembly. This committee monitors the dialogue with members of NGOs, holds public discussions on topics which are important for civil society, and considers proposals for referendums and citizen initiatives. At the moment a draft law on volunteering is in preparation and will be presented to the committee in National Assembly, which for the first time regulates social relations associated

with organised volunteering in Bulgaria. The purpose of this law is to regulate the legal relations of volunteering in order to encourage active citizenship, to develop civil society and to strengthen solidarity.

Recommendations for making progress in achieving the EU 2020 strategy targets

- Strong measures are needed to combat unemployment, particularly among youth;
- A national plan for the development of social policy is needed, improving access to quality social services, as well as transparency of health financing; a comprehensive and organised policy mechanism regulating the status of the third-country nationals is needed;
- Strong measures and policy reforms are needed to improve adult education opportunities and prevent early dropping out from school, particularly among disadvantaged groups, such as Roma;
- Strong measures to combat poverty and social exclusion are needed, poverty eradication should be the priority task for national policy makers.
- Legalisation on the volunteerism is needed to regulate the legal relations of volunteering, as well as encourage participation of volunteers and voluntary work providers.

CROATIA

This country profile has been developed with contributions by: Sandra Benčić (Centre for Peace studies); Marina Škrabalo (GONG); Nikola Buković, Sven Janovski, Monika Rajković, Karlo Kralj and Anamarja Sočo (Croatian Youth Network)

As highlighted in the European Commission in-depth review 2014¹⁷, Croatia is experiencing excessive macroeconomic imbalances, which require specific monitoring and strong policy action, in the absence of which Croatia risks missing its targets by a large margin in 2014. According to EUROSTAT, around 19% of the Croatian population are unemployed. Women, young people and the elderly are particularly underrepresented in the labour market. The country faces long-term unemployment, unregistered employment and the discrimination of migrants.

Measure to fight unemployment

In Croatia the unemployment rate (for 15-74-year-olds) increased from 8.6% in 2008 to 18.8% in 2013. Around 65% of the unemployed have been out of work for more than one year. The youth unemployment rate reached 49.8 % in 2013, which places Croatia among the countries with the highest unemployment rate for young people. At the same time, the size of the informal economy is relatively high and employment in the informal economy is thus likely to be relatively high as well.

In the last couple of years, **youth unemployment** became a major political priority in Croatia, mainly coming into the focus of the Ministry of Labour and Pension Systems (MLPS). In the view of our Croatian partners, although there have been more structured initiatives since 2012, they lack a serious strategic approach and they have often been hampered by a lack of inter-ministerial and inter-sectorial coordination. Many reforms fall short due to their over-reliance on the labour market, which is showing no significant signs of recovery on the demand side, as noted in most of the reports published by the European Commission.

¹⁷ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROGROUP Results of in-depth reviews under Regulation (EU) No 1176/2011 on the prevention and correction of macroeconomic imbalances, COM(2014) 150 final

In 2012 and most of 2013, the Croatian government mostly focused its efforts on expanding traineeship schemes. In the second half of 2013, Croatia finally began investing considerably in developing its own **Youth Guarantee scheme**. Most of this work was carried out by the intersectorial working group, encompassing representatives of the public sector, trade unions, employers and civil society organisations. The Youth Guarantee Implementation Plan was submitted in late December 2013, paving the way for about 62 million EUR of the Youth Employment Initiative Fund. Nevertheless, there are serious issues regarding the scheme's comprehensiveness. For example, there was a lack of time to coordinate stakeholders around the most demanding interventions, such as professional/career guidance which was of interest to many actors. Finally, problems especially relevant in the Croatian context exist in relation to long-term youth unemployment. In line with the latest elaborations from the European Commission, the Youth Guarantee Implementation Plan is very much focused on building a system of early intervention (within a 4 month period), whereas measures tailored to the needs of those youngsters who are at greatest risk of social exclusion are pretty much left out. This fact poses the question of societal responsibility and systematic efforts aimed at those young people, who very much represent the face of a long-term lack of interest in building a coherent regime of labour market integration, taking its full toll when the financial crisis hit.

However, regardless of the effects of the Youth Guarantee Implementation Plan, more is needed in order to build an effective system of **labour market integration**. When it comes to developing stronger ties between education and the labour market, there is a relative over-emphasis on reforms relating to the introduction of a National Qualifications Framework (the Act regulating its implementation was adopted in 2013, but needs to develop a number of additional elements, such as legal regulations on validating non-formal and informal education) and the development of occupational standards. There is a discussion on enrolment

quotas, but this has failed to exercise any noticeable effects in the policy sphere. Some crucial questions are constantly being overlooked. In the view of our members, the real causes of high youth unemployment do not lie primarily in inflexible labour legislation, but rather in the lack of quality social dialogue in education and of institutional incentives for upskilling, combined with a similar absence of a coherent economic strategy.

Measures to improve the access to and quality of social services

The social situation in Croatia has been severely impacted by the protracted recession. The Social Welfare Reform Strategy 2011-2016 and the 2011 Social Welfare Act introduced some relevant changes. The strategy outlined steps to be taken in 2011-2016 in order to increase the system's effectiveness and to improve the **availability of social services**. The Social Welfare Act standardised conditions for granting social benefits, clarified means testing and introduced a link between a guaranteed **minimum income** and an official poverty threshold. This link effectively ensures an automatic indexation of eligibility for social benefits.

The overall **social protection** expenditure ratio, i.e. unemployment and social benefits, but also pensions and healthcare, rose to 20.8 % of GDP in 2009, which is still below the EU-28 average of 29.5 % of GDP. Provision of health care services is severely hampered by the lack of structural health care reforms, a prolonged strike by the Medical union and the lack of investment in the health care system. In addition, obligatory health benefits for employers have been decreased by 2% since mid 2012. However, these 2% are to be reinstated soon (returning the contribution to the previous 15%), as the government concluded that this reduction only created an additional gap in the healthcare budget, without the desired economic effects (reducing the price of labour).

Measures to prevent dropping out from school and improve the educational level

Even though Croatian education has experienced substantial reforms over the last decade, its performance shows several weaknesses at different levels. Some progress

has been achieved in terms of the tertiary education attainment rate. However, a serious effort is required in order to reach the national and Europe 2020 target. Educational outcomes at primary and secondary level are low and raise the question of the quality of compulsory education. In particular, the educational achievements of 15-year-old students have deteriorated, remaining below the EU average. Participation in early childhood education is low compared to the EU average, despite some improvement over the last years.

The low participation of adults in **lifelong learning** provides fewer opportunities for engaging in learning, but often results from a lack of demand from learners. Different occupational and age sub-groups perceive the need for training differently and this emphasises the importance of a planned and tailored policy approach to up-skilling. The main issues in this area revolve around adult learning as well as the lack of attention to and poor funding of teacher training. Finally, the **VET system** in Croatia requires reorganisation in order to become more attuned to the labour market.

Low participation in lifelong learning is due to two types of obstacles: the lack of a coherent institutional framework combined with a poorly developed infrastructure for most of the relevant providers. The outcomes of non-formal and informal learning still cannot be validated formally and there are numerous cases where other pieces of legislation either fail to take logical steps to promote lifelong learning, or they seem to work directly against its objectives. A system of incentives for up-skilling contributing to competitiveness should be promoted, rather than de-skilling where it is achieved by downward wage pressure. The development of the Croatian VET system lacks a coherent approach. The two key tracks of the VET system function more or less completely separately but fail to set clear operating jurisdictions between competent public bodies. Moreover, they are not anchored in a broader strategic economic and educational outlook. Other relevant LLL providers such as civil society organisations usually focused on "soft skills" development, as well as civic competencies, often lack basic infrastructure for delivering their programmes. Thus, investment in facilities such as youth clubs, youth centres and community centres are vital

if synergies with the Act on the Croatian Qualifications Framework are to be achieved.

Croatian rates of **early school leaving** are traditionally low, but recent research indicates that this may partly be a result of some rather unfavourable processes within the three-year VET. In a nutshell, schools providing three-year VET programmes are facing increasing problems with finding sufficient numbers of first-year pupils to maintain those programmes and to assure employment for school staff. Consequently, they often take various measures in order to prevent dropping out, one of these mechanisms is the assigning of pupils to less-popular programmes (such as tailoring, which faces great difficulties in labour market integration) or less demanding assistance programmes, usually reserved for students with disabilities or learning difficulties. Further analysis is needed in order to examine whether these practices are widespread across the three-year VET system and to understand its ramifications for social inclusion.

Measures to combat poverty and social exclusion

High unemployment and low labour-market participation increased the share of the population at risk of poverty and social exclusion to 32.7% in 2011, significantly more than the 24.2% average for the EU. Older women are particularly vulnerable as 38.4% of women aged 65 or above were at risk of poverty or social exclusion in 2011 (compared with 27.6% of men of the same age); the figure rises to 43.2% for women aged 75 or above (28.4% for men). Croatia aims to reduce the number of persons in poverty or social exclusion by 100 000 to 1 282 000 persons by 2020. Taking into account the scale of the social challenge Croatia is facing, the target is not sufficiently ambitious.

No progress has been made in the implementation of Constitutional Law on the protection of **national minorities**, particularly article 22 which envisages affirmative action for employment of national minorities in State administration in relation to their share in total population. There are still severe unresolved cases of discrimination against the Serbian national minority, especially in the area of housing, reconstruction and refugee return. Serbian returnees are a socially excluded group and particularly vulnerable on the labour

market, which hampers their future return to Croatia.

An Action Plan was launched in 2013 with the aim of guaranteeing certain rights to migrants, primarily the right to work, to appropriate accommodation and housing, to education, security and all other related rights, but Croatia still lacks a strategic and integral Integration Policy. This is one of the reasons for frequent refugees' rights violations (right to marry, process of qualification recognition and diploma notification; access to education and Croatian language courses, etc.) and social exclusion. Out of 102 people who were granted asylum, only two are employed, while only 22 are registered as unemployed persons at the CES (Croatian Employment Service), which indicates the lack of employment assistance for refugees.

Recent social developments have shown that there is still a very low level of acceptance and tolerance towards **same sex unions and homosexuals** in general. In 2013, at the request of Catholic associations, Croatia held a referendum on the exclusivity of marriage for heterosexual couples; it was supported by 65% of voters and has enabled a provision recognising marriage for heterosexual couples only to be included in the Constitution of the Republic of Croatia.

The fundamental obstacle to building a more effective and comprehensive social inclusion system stems from the unfavourable practices of Croatian policy makers who often link social inclusion (and consequently, exclusion) exclusively with certain pre-defined vulnerable groups, such as Roma, youth leaving alternative care and people with disabilities. Although a framework for the comprehensive inclusion of these groups is very much needed, there is a tangible risk of ignoring other dimensions of social exclusion apart from material needs (such as relational or subjective needs) and neglecting risks that representatives of the "general population" face in accessing their citizenship rights. There are indications that new challenges to social inclusion are emerging and that a more comprehensive framework is needed. That may be a particular challenge in the light of the pressure to reduce spending, given that in 2014 Croatia entered the Excessive Deficit Procedure. This is compatible with the (over)reliance on labour market integration. Consequently, some groups continuously fall outside the social-protection grid, such as

youth without previous work experience, who are not entitled to unemployment benefits and are forced to rely on families, who in many cases are also facing deteriorating social conditions.

Measures to support active citizenship and volunteering for social cohesion

Active citizenship, especially when it comes to young people, is more and more recognised by policy makers in the public debate in Croatia. Research efforts undertaken by several Croatian non-governmental organisations on knowledge and the attitudes of young people towards participation in communities indicate a poor familiarity with democratic processes but also a lack of motivation to participate in the everyday life of the community. Thus, when it comes to active youth participation, we face problems in both the main categories which influence its outreach and effectiveness: skill sets and motivation. One of the potential solutions to this problem of creating "passive citizens" may be to introduce knowledge about the human rights system and political knowledge and skills in schools. Education is recognised as a good instrument for "reaching out" to every person. Civil society in Croatia, as well as parts of the academic community, recognise the importance of civic education. After years of advocacy, **civic education** has become a relevant policy issue in the Croatian context, after the Ministry of Science, Education and Sports adopted, in 2012, a *Decree on Experimental Implementation and Monitoring of Civic Education Curricula in 12 elementary and secondary schools for the school years year 2012/2013 and 2013/2014*. As a part of this Decree, the Croatian Youth Network and Agency for Teachers Education coordinated the implementation of national civic education curricula in 12 (8 primary and 4 secondary) schools all over Croatia.

The **youth sector** in the Republic of Croatia has been developing rapidly since the beginning of 2000s. In the last decade a few different youth organisational forms and structures have developed under the influence of youth organisations, especially those engaged in youth work. Notwithstanding these development trends, there is no systematic approach by the government towards this sector. For several years there has been a wide discussion on possible solutions. . The Ministry of Social Policy and Youth is currently

creating the National Programme for Youth, including a wide scope of objectives and measures in different policy areas such as education, youth work, support for the development of youth organisations, employment, culture and leisure time. The current process of creating the third programme has shown some progress in terms of inter-sectorial cooperation.

Although **volunteering** has a long tradition in Croatia which can be linked to the concept of solidarity, it is only in the last 10-15 years that we have seen concrete developments in this area. This is due to a strong development of the institutional framework and volunteering infrastructure. Although the public image of volunteering has had a huge positive "make over", the number of volunteers still remains fairly low in comparison to EU numbers. However, Croatia does far better than the countries in the region or other post-communist countries. The Act on Volunteering is a key institutional mechanism which defines and promotes volunteering. It dates back to 2007 and it was amended in 2013. The law is fairly non-restrictive and has undergone minimal changes, mainly with the aim of facilitating obstacles to volunteering, protecting vulnerable groups and encouraging recognition of volunteering experiences in the labour market. The government is currently preparing the first national strategy for the development of volunteering which focuses on promoting volunteering among young people, increasing volunteering opportunities, developing systems for volunteering in crisis situations, strengthening the volunteering infrastructure and recognising and validating learning outcomes of volunteering.

The following challenges remain: the need to strengthen volunteer centres as key pillars of a volunteering infrastructure; promotion of volunteering in schools; increasing the frequency of volunteering; recognition of volunteering in the labour market and formal education; increasing volunteering opportunities beyond the civil sector (particularly in the health-care, social care and education systems); systematic collection of data on volunteering and regular research in the field; setting up a system for determining the economic value of volunteering; promotion of employees' (or corporate) volunteering.

Recommendations for making progress in achieving the EU 2020 strategy targets

- Measures to combat youth and long-term unemployment and to fight unregistered unemployment are urgently needed. It is important to abolish discrimination against migrants and refugees.
- Measures to improve legalisation of the third sector's activities, support social entrepreneurship, improve integration policies and diminish social exclusion are needed, with special emphasis on an evidence-based approach and the comprehensiveness of the social protection grid. Improved access to the national language courses for migrants and refugees could be a way to foster social inclusion.
- Lifelong learning opportunities should be better promoted. Measures are needed to improve participation in early childhood education; improve the quality of education in primary and secondary level, accompany and complement VET systems reform. The need for stronger social dialogue in the field of education must be stressed.
- It is important to promote and support measures to reach groups at risk of poverty, such as youth, women, the elderly, and migrants; combating poverty should be a priority in the national policy agenda.
- Participation should be improved by promoting knowledge of human rights and civic education in schools; volunteering should be promoted by strengthening the volunteering infrastructure and recognising and validating the learning outcomes of volunteering.

DENMARK

This country profile has been developed with contributions by: Claus Larsen-Jensen and Dijana Dix Omerbasic (Forum for International Cooperation - FIC)

Like many other EU Member States Denmark was also affected by the economic crisis. The unemployment rate more than doubled from its record low of 3.4 % in 2008 to 7.5 % in 2012. However since 2010 it started to stabilise and has fallen slightly, to 7.0% in 2013. The Danish social model based on universal social protection, high quality social services and so called 'flexicurity' helped attenuate the effects of the economic crisis on its social fabric. According to the European Commission in-depth review 2014¹⁸, the macroeconomic challenges in Denmark no longer constitute substantial macroeconomic risk. Nevertheless, rising social inequalities and increasing discrimination against certain vulnerable groups demand further measures.

Measure to fight unemployment

Currently Denmark has a 7% unemployment rate, which is below the EU-28 average (10.9%) The unemployment rates for disadvantaged groups, however, such as people with a migrant background, low skilled workers, long-term unemployed, people with reduced work capacity, and older workers are higher than the EU average. Long-term unemployment, as a proportion of total unemployment, more than doubled from 13.5 % in 2008 to 28% in 2012. The marked increase in long-term unemployment since the beginning of the crisis suggests that an increasing number of people have been losing their foothold on the labour market. This is confirmed by a significant rise in the number of people receiving cash benefits, many of them classified by the Public Employment Service as not being fit to work.

Youth unemployment has also increased, although it remains well below the EU average. However, youth unemployment is a high priority in the government's policy plans. This is partly due to the preventive measures

to tackle the problem of losing or never getting a foothold on the labour market. Almost 50% of unemployed young people have other difficulties in addition to unemployment and they are characterised as "not labour market ready", living on social benefits rather than unemployment benefits. The preventive measures are also intended to get young people out of unemployment or inactivity before their working life becomes marked by it. Another problem highlighted by our Danish members and partners is that youth unemployment does not differentiate between skilled, unskilled, highly educated and not educated young people – unemployment has increased among all these groups.

Denmark is still processing the Youth Guarantee Implementation Plans. Therefore we think that the above mentioned structural problems highlighted by our Danish members and partners should be taken into account when implementing and complementing the Youth Guarantee scheme.

Measures to improve access to and quality of social services

The Danish social model is based on the principle that all citizens shall be guaranteed certain fundamental rights and they should be entitled to receive social security benefits and social services - regardless of factors such as their affiliation to the labour market. The municipalities have primary responsibility for delivering social services. Social security benefits and social services are chiefly financed from general taxation.

However, in order to enhance long term labour supply in Denmark, all municipalities are now required to establish rehabilitation teams to ensure that people take part in the labour market. The teams make it possible for people with complex problems to receive support across the areas of employment, health, social services and education, with a focus on individual needs.

¹⁸ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROGROUP Results of in-depth reviews under Regulation (EU) No. 1176/2011 on the prevention and correction of macroeconomic imbalances. 2014

Measures to prevent dropping out from school and improve the education level

Lifelong learning is deeply rooted in Danish traditions and culture. Denmark is one of the EU leaders in adult participation in lifelong learning with a rate of 31.6% in 2012 against an EU average of 9%. More women participate in lifelong learning (37.8%) than men (25.4%), but there is no significant difference between native born (31.6%) and foreign-born (31.5%) citizens. While the great majority of learning activities in adult education in the EU are of a non-formal nature, this is less the case in Denmark, where almost 6% of adults report having participated in formal learning during the last twelve months (EU 2.4%). Access to enterprise-provided vocational training is high, with 85% of enterprises reporting to have offered such courses (EU 66%). Nevertheless, the majority of learning happens outside employment: more than three times as many adults report having participated in "other job-related learning activities" than in activities sponsored by their employers. Denmark has also begun to place more emphasis on policies that reach more marginalised groups in society and seek to close the socio-economic gaps in society. The local integration council in Aarhus has launched a campaign to publicise and reverse declining participation rates among disadvantaged groups in collaboration with the Danish Youth Council.

Measures to combat poverty and social exclusion

The indicators tracking the risk of poverty and social inclusion in Denmark have increased, especially for people in disadvantaged groups, such as those with a migrant background. In addition, the share of people living at risk of poverty and in low work-intensity households increased markedly; About 45,000 Danish people are poor and about 190,000 are temporarily poor (less than a year at a time), out of a population of 5.5 million, according to the recently defined economic poverty level. Approximately one quarter of the 45,000 is children. The overall poverty level shows that poverty more than doubled in the years 2001-2011. Income levels reveal that 10% of the poorest have become poorer, while 10% of the wealthiest have become wealthier. In fact, all other income groups have experienced increased income over the years except for

the poorest group whose income level is at a 2002 level.

Measures to support active citizenship and volunteering for social cohesion

In Denmark civil society policy is formulated by the Parliament. NGOs and CSOs play a role in dialogue and consultation in national and European issues. Denmark is one of the most active European countries in volunteering and active citizenship. Active citizenship is related to the fact that Denmark is a country where the politicians have not become distanced from the population, and where most citizens are members of many different types of NGOs and CSOs.

The socio-economic sector of Denmark continues to develop. A Centre for Social Economy has been established. At the end of 2013 a strategy to make it easier to establish social economic companies was launched.

Recommendations for making progress in achieving the EU 2020 strategy targets

Although Denmark has balanced macroeconomics, growing social inequalities need to be addressed. Further measures to prevent poverty, unemployment, particularly among disadvantaged groups and of a long-term nature, and early dropping out from school are needed. In particular the following actions are recommended:

- Actions to control long-term unemployment are necessary, especially preventive measures focusing on youth unemployment;
- The Danish social model characterised by universal social protection and high quality social services should be maintained and promoted.
- Measures to improve the education, skill upgrading, and training of marginalised groups, preventive measures to control early dropping out from school.
- Actions to control growing income inequalities are needed, focusing on the poorest population.

FRANCE

This country profile has been written with contributions from: Nahima Laieb and Isabelle Palanchon (CEMEA), David Lopez and Eve-Laure Gay (La Ligue de l'Enseignement)

Disadvantaged groups have been the worst affected by the economic crisis in France. Social indicators range from average to very weak – around 19% of the French population are at risk of poverty and social exclusion, 5.3% suffer severe material deprivation, 10.9% are unemployed, school dropout rates are high and adult learning participation is weak. High youth unemployment, child poverty and an unstable education system are among the main social problems in France. If not addressed on time and adequately, these social problems will have a negative impact on future societal developments and economic prosperity in France.

Our French members stress the primary importance of education to fight social exclusion. A comprehensive and cross-sectoral approach to the topic should be put in place, taking into account the importance of connections with common law and overcoming institutional barriers.

Measure to fight unemployment

The unemployment rate in France is 10.9%. Although a number of measures for young jobseekers were taken in 2012, youth unemployment increased rapidly throughout the year, in particular amongst people with the lowest level of education. The youth unemployment rate was 25.4% in 2013, although it fell slightly in April 2013. A gap exists between the comparatively large proportion of young people pursuing their studies and those with the lowest level of education, whom unemployment has hit primarily. However senior unemployment is rising steadily, as well as long term unemployment.

The likelihood of moving from a temporary to a permanent job remains much lower than the EU average. The government has launched an initiative to offer 150.000 subsidised jobs to young people (the '*emplois d'avenir*'), mostly in the public sector and with a focus on the most deprived areas and the least qualified. The government also intends to establish a Youth Guarantee scheme which was tested in 10 pilot areas in France in 2013.

In the view of our French members, the rising level of unemployment and social dropouts among young people calls for additional measures to strengthen the conventional policies of social and professional integration. In certain cases young people in disadvantaged situations lack the capacity to engage in actions which are too prescriptive or too binding for their psycho-emotional situation. A longer, step by step approach is therefore needed, including positive construction and the enhancement of self-esteem, and the learning of essential social skills.

Measures to improve access to and quality of social services

The level of health expenditure in France (in % of the GDP) has decreased since 2009¹⁹. However, the discrepancy with Germany (0.2% less) or Denmark (0.3%) is low. France is therefore in the European average. The evolution of expenditure in the healthcare system is comparable to countries providing a qualitatively equivalent health system. Three factors can explain this progression: demographic changes (and notably an ageing population), an increase in national income, and inflation of the costs of medical treatment. Our French members and partners consider that the main concerns are financing the expenditure and the impact of the economic crisis on the level of revenue. Three variables can be applied to adjust the accounts: the underlying reduction of expenditure, the increase in contributions, and the decrease in reimbursements. The public authorities intend to use those three variables. The reduction in expenditure is already being implemented, for example in the hospital sector. The decrease in reimbursements or even the delisting of certain medications is already taking place. Higher contributions are still necessary. Nevertheless, there are some obstacles to implementing these measures, such as the structural realities of the health system. Our French members and partners also note that it is imperative to keep an eye on the use of complementary private funding (mutual

¹⁹ World Bank data

funds) in order to make sure that this new way of financing social services does not have a negative impact on the quality, availability, and affordability of the services provided and thus create social inequalities. Reforms to long-term care systems and measures to prevent exclusion need to be implemented.

Measures to prevent dropping out from school and improve the education level

The French education system has not been able to reduce the early school leaving rate which has remained at around 12% over the last six years. Participation in lifelong learning remains very low and no progress has been recorded in the last ten years. At 5.7%, the 2012 participation figure for France was clearly below the 9% EU average. Furthermore, the ability of the multiple schemes and instruments to adequately target those who most need training has been called into question. The initial education system also has a critical role to play in providing all young people with sufficient skills. Worryingly, the gap in the level of education at age 15 between the best students and the worst performers widened more rapidly between 2000 and 2009 and appears wider in France than in most other OECD countries. In the recent reforms being introduced in the education system in France CSOs and people's education organisations have been working strongly with public authorities and schools, so that their voice is heard.

The recent 'Youth priority' action plan, which is still to be implemented, includes concrete medium-term measures related to education, early school leaving and employment. Two positive aspects of the "youth priority" action plan are the appointment of an inter-ministerial delegate for youth, as well as the participation and inclusion of CSOs and peoples' education organisations in the ongoing work of the action plan.

Measures to combat poverty and social exclusion

The economic crisis has affected the situation of most vulnerable people and provoked an increase in the poverty rate and in-work poverty. The concept of working poor is quite new in France and the data shows that in-work poverty is increasing at an alarming rate. Albeit below the EU average, child poverty in France

has been on the rise since 2006 and is particularly high in deprived urban areas. The State and local authorities continue to develop and finance social welfare policies such as emergency shelters, rehabilitation services, and first aid for homelessness, focusing on the most disadvantaged groups.

The reform of "integration through employment" (in French "insertion par l'activité économique" - IAE), launched by the government in 2013 is expected to facilitate access to employment for the most vulnerable people and therefore actively tackle the problem of poverty since this measure will sustain previous schemes of social protection. The idea of the reform is to provide comprehensive financial support which will replace the financial support currently provided by the State in the four different categories of integration through employment. The IAE is a professional sector which has been developed under the dual influence of dedicated public policies and mixed strategies of work integration social enterprises (WISEs). In the last few years, the rationalisation of public finances, the managerial approach to services ("new public management"), and the focus of public action on employment have built up effective public-private partnerships, say the IEA. An analysis of the progress made, within the framework of territorial multi stakeholders' governance, is needed; involving implies different actors from the public sphere and civil society.

Measures to support active citizenship and volunteering for social cohesion

Different programmes promote youth volunteering in France, such as the civil service programme ("service civique") and volunteering in companies or public administration. The Civil Service programme gives all young people, aged from 16 to 25 years, an opportunity to engage in a public utility mission in non-profit or public organisations for a period of 6 to 12 months. The objective of the government is to reach 10% of the age group in 2017, including 25% of disadvantaged youngsters.

There are also possibilities to engage in volunteering without an age limit, such as international solidarity, the army, or the fire service. Our French members and partners point out however that there has been no evaluation of volunteer activity outside the

legal framework, yet it involved 40,3 % of the population in 2013²⁰.

Recommendations to make progress in achieving the EU 2020 strategy targets

- More comprehensive measures to prevent youth unemployment and social exclusion are necessary, focusing both on social and professional integration.
- The impact of the complementary private funding of social services on the quality, access, and affordability of social services needs to be assessed. Reforms of the long-term care systems and measures to prevent exclusion need to be implemented.
- A more comprehensive education system reform is needed to reduce school dropout rates as well as improve vocational training. The quality of education should be distributed more evenly, avoiding large differences in the level of education among all pupils.
- A cross-sectoral and comprehensive approach should be applied when developing tools to fight social exclusion and when dealing with people affected by multiple social problems.
- In order to support citizens' participation and social cohesion, the evaluation of volunteer activities is needed.

²⁰ La situation du bénévolat en France, France Bénévolat
<http://www.francebenevolat.org/uploads/documents/3e656ec9e424ae9e724ba0187045eb04c5da478b.pdf>

GERMANY

This country profile has been written with contributions by: Stephanie Havekost (ASB) and Joss Steinke (AWO)

According to the European Commission in-depth review 2014²¹, Germany is experiencing macroeconomic imbalances, which require monitoring and policy action. Higher investment in physical and human capital, and promoting efficiency gains in all sectors of the economy are central policy challenges. In this respect, the country faces irregularities in welfare across the different regions. More inclusive policies in health care, social services, and the labour market are expected.

Measures to fight unemployment

In Germany the level of **unemployment** is currently at 5% (2013), but is spread unevenly among the federal governments, in some cases reaching over 10%. Therefore measures to reduce unemployment are still necessary. It is important to take into consideration the divergences between the different risk groups, such as the low-qualified long-term unemployed, young adults, and migrants. The employment rate for women also still needs to be increased. In-work poverty in Germany has increased in recent years, which also indicates a risk of old-age poverty in the future. There is an on-going debate on the possibility of introducing wage floors or a minimum wage in Germany. In the view of our German members, although such actions could increase the income of low-wage earners, they need to be considered carefully as they may also lead to significant job losses.

In Germany the percentage of permanent **social assistance** beneficiaries remains high and a considerable share of the population remains at risk of poverty for many years. Research findings show that if someone belongs to one or more of the vulnerable groups such as those who have not finished higher-educational or vocational training, suffering a health impairment, long term dependence on social benefits, aged above

50, from a migrant background, with insufficient German skills, or with lone parenting status, they have fewer chances of being employed. Today two thirds of those receiving social assistance benefits belong to two or more of the above vulnerable groups. About one million people in Germany are in four or more of these categories. Young parents and people with low qualifications face a particularly high risk of becoming dependent on social assistance.

Germany introduced its **Youth Guarantee** implementation scheme in January 2014, securing a job or training placement for all young people under 25. An evaluation of how much effort the Federal Government is going to make to implement the Youth Guarantee is needed. Youth labour market policies should be more comprehensive and look at how to motivate young people to become engaged in employment. Currently, youth labour market policy in Germany is based on force and punishment. The enforced first work placements are low paid and are not long lasting. They can lead to further problems and exclusion.

In Germany it is becoming more difficult to obtain a permanent employment contract. Short-term, temporary, and part-time contracts are becoming more common on the German labour market. Low-paid labour has become a problem in Germany. More than 20 % of the employed earn low wages. The expansion of the low-wage labour market does not contribute to positive employment development. In most cases, those who changed from unemployment towards low-wage employment soon fall back into unemployment.

A significant problem is the shortage of skilled workers, notably in the care/nursing sector. Currently there is an attempt to compensate for the shortage of skilled workers by recruiting those with the necessary skills from the EU. But this should not lead to the replacement of national efforts to promote economic attractiveness, quality and educational opportunities for more sustainability in each occupational area.

²¹ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROGROUP Results of in-depth reviews under Regulation (EU) No 1176/2011 on the prevention and correction of macroeconomic imbalances. 2014

In order to increase the employability of the long-term unemployed it is necessary to create a social labour market with simple jobs for difficult-to-place persons. Employers should get a wage subsidy for their long-term financial wage compensation arising from the limited employability of these persons.

Furthermore, in the view of our German members a change in the employment policy framework is needed. The recently signed political coalition treaty between the Social Democrats and the Christian Democrats, introduces some positive measures, like implementation of the minimum wage across the country and regional collective agreements. However, the area of atypical employment needs to be reformed immediately. In order to provide sustainable perspectives for all families, the area of mini-jobs and short-term employment has to be reformed.²²

Measures to improve access to and quality of social services

Germany has made only limited efforts to improve the efficiency of **public spending** on healthcare and long-term care. At 8.6% of GDP in 2010, the rate of public spending on healthcare in Germany is one of the highest in the EU and is likely to increase further due to demographic change and innovations in medical technology. However, our German partners believe that the focus should not be on the rate of public expenditure allocated but on the distribution of resources across the country as there is a notable difference in the quality of services and providers between urban and rural areas. Social and demographic change demands new measures in the provision of social care services.

Currently, there are no equal opportunities in healthcare provision in Germany. Men in the higher income brackets live 11 years longer than men with lower incomes. For women the difference is eight years. Increasing health issues and limited access to healthcare services are the main causes of shrinking life expectancy and increasing morbidity. Therefore more effort is needed to create more equal opportunities in the healthcare

²² All the data from: Institut für Arbeitsmarkt- und Berufsforschung der BA, DIW (German Institute for Economic Research), Bundesregierung (Armuts- und Reichtumsbericht), Bundesarbeitsgemeinschaft der Freien Wohlfahrtspflege

system and make it more social by removing service provision barriers.

Although there is a tradition of co-operation between governmental bodies and welfare organisations in Germany, there is a current trend towards **financial cuts** and **privatisation**. Reforms of some social laws or a lack of these have increasingly brought market-oriented mechanisms into the provision of social services. Current developments are undermining quality and sustainability in the provision of services of general interest because of obligations to favour the lowest bidder. The increasing privatisation of public services and the shift of social political responsibility to social service providers are creating a high level of competition both between private enterprises and non-profit-organisations as well as among charitable service providers. At the same time welfare organisations are facing financial cuts and a loss of sovereignty through a rising number of rules concerning diligence and documentation. Problems facing the nursing/care sector include its lack of economic and employment attractiveness, wage-dumping and low quality contracts. Therefore, a framework for better skilled worker mobility should be created and should include employment conditions, wages, and quality of work and the recognition of foreign qualifications. The mobility of employees must be social and fair and respect the principle of equal pay for work of equal value.

Measures to prevent dropping out from school and improve the education level

In Germany adult participation in **lifelong learning** increased by 0.1% to reach 7.9% in 2012, while the EU average is 9.3%. In terms of investment in education and training, general government expenditure has declined slightly. General government expenditure in education and training fell from 4.4% in 2009 to 4.3% in 2012.

According to our partners, Germany should improve the general educational and training level of all adults and not only focus on labour market activation policies. In addition to lifelong learning indicators, it is also important to take into consideration general education and training opportunities in Germany. The overall educational level needs to be improved, with an emphasis on regional differences and early school and vocational education dropout rates, as well as on the

situation of disadvantaged groups. There is still a negative correlation between social background and educational success. The more disadvantaged the social background of a child or youth is, the higher is the risk of failing through the education system. The education system in Germany thus should be primarily focused on social justice and equal opportunities.

Measure to combat poverty and social exclusion

In Germany poverty is a combination of inadequate social provision and social neglect. Poverty and social exclusion cannot be only measured in terms of objective data but also need to be perceived through subjective experiences. Poverty needs to be assessed in relation to the living standards of the whole population. Relative poverty should be measured by access to action, participation opportunities, and development perspectives, which, if lacking, have a serious impact on human dignity.

In the last few years, **in-work poverty** has risen in Germany which also increases the risk of old-age poverty rising in the future. The rate of people in-risk-of-poverty has not been declining despite positive labour market trends and the decline in recipients of guaranteed minimum incomes. The current objective should be to promote social integration through poverty eradication. In this respect, Germany is currently evaluating the number of long-term unemployed in regard to the poverty rate. The decline of long-term unemployment, however, does not decrease poverty levels. Although the number of employed is increasing, many people are still in danger of poverty.

Measures to support active citizenship and volunteering for social cohesion

Volunteering in Germany is an indispensable part of civil protection and rescue services. However, Germany faces difficulties in its management of volunteering. Due to demographic changes and the abolition of compulsory military service, aid agencies face huge challenges in recruiting new volunteers. Although there has not been any empirical research on this matter, it is assumed that voluntary work is declining. It is difficult to find long-term volunteers. It is very complicated to get employers' permission to do voluntary

work, and it is becoming more difficult to combine work and volunteering.

According to our German members, this situation could be improved by increased innovation and promotion of volunteerism among older people. More training and qualification possibilities for the elderly could not only serve to improve voluntary work, but also become a part of lifelong learning.

Recommendations to make progress in achieving the Europe 2020 strategy targets

- A more comprehensive employment policy is necessary, focusing on the long-term unemployed, low-wage and atypical contract employees. Youth unemployment policies need to be more sensitive to the needs and expectations of youth, putting more emphasis on motivation and not on an obligation to participate in the labour market.
- The long-term dependence on social assistance needs to be addressed and solved, putting an emphasis on preventive and inclusive activities. There needs to be social justice in the provision of social care and health services.
- Education needs to provide on equal opportunities for all, focusing on disadvantaged groups. Adult learning needs to be promoted among the employed as well.
- Non-participation in the labour market is not the only indicator of poverty. As well as statutory poverty, relative poverty should be measured in contrast to current standards of living.
- Better conditions for volunteers need to be assured; the participation of the elderly in voluntary work can be both socially inclusive and educational.

GREECE

This country profile has been written with contributions by: Yakinthos G. Delernias (Volkshilfe Hellas)

Since May 2010, the euro area Member States and the International Monetary Fund (IMF) have been providing financial support to Greece with the aim of supporting efforts to restore fiscal sustainability and to implement structural reforms in order to improve the competitiveness of the Greek economy. The release of each disbursement of financial support to Greece must be approved by both the Eurogroup and the IMF's Executive Board. Prior to this decision, the European Commission, the ECB and the IMF conduct joint review missions in Greece in order to monitor compliance with the terms and conditions of the Programme.²³ In this respect, the European Commission stresses the importance of accelerating structural reforms for the Greek economy to recover, particularly in the areas of tax administration which is crucial both in terms of enabling the Greek authorities to increase public revenues and also in terms of delivering a fairer and more equitable distribution of the tax burden, the creation of an efficient and modern public administration at the service of citizens and companies, and the creation of a supportive and stable business environment.²⁴ However, the European Commission needs to address the rising poverty levels in the country which in the long run can lead to damaging results for future generations and thus future economic growth. Unattended poverty rates will affect the country's longer term demographic situation and foster social exclusion.

Measures to fight unemployment

In Greece the unemployment rate is at 28%. There is a high level of women's unemployment and the gender pay gap is higher than the EU average. Building on existing schemes, a number of initiatives are being taken in the sphere of active labour market policies, notably as the authorities are preparing an Action Plan with a multi-pronged strategy to support the

23 http://ec.europa.eu/economy_finance/assistance_eu_ms/greek_loan_facility/

24 EUROPEAN COMMISSION: TASK FORCE FOR GREECE. SIXTH ACTIVITY REPORT, March 2014

unemployed. The main pillars in the plan are the facilitation of the transition of workers between sectors and occupational groups, improvement of the quality of training policies, promotion of the employment of vulnerable groups and the population most in need of income support.

Youth unemployment currently stands at 59 % and it is expected to rise further in 2014 and 2015. Our members and partners are convinced that the reason behind the high youth unemployment rate is the deep economic crisis in combination with one-sided austerity measures. A Youth Action Plan 2013-2015 was launched by the Greek government to tackle youth unemployment. It aims at reinforcing the national work force with people aged 15-24 and 25-35 by taking several measures, such as creating new workplaces, developing young people's qualification, and strengthening youth entrepreneurship. The National Youth Action Plan will be combined with the European Youth Guarantee. Greece promotes **youth entrepreneurship** which is addressed to all sub-groups of young people. Greece must develop young people's skills and qualifications and must provide for incentives, such as technical and financial support, in order for them to proceed with their own business. Youth entrepreneurship must be further strengthened by the public and private sector as well. It is the path to development, economic growth and the creation of real workplaces. Measures to strengthen youth entrepreneurship can include the establishment of specific Consulting Structures in the Technical Education Schools and in the Technical Education Institutes, the promotion of non- formal education and the further empowerment of already existing structures such as "Youth Entrepreneurship Support Structures".

Another sector that should be strengthened and is considered as new to Greek society is the **social economy** and social entrepreneurship that was institutionalised in 2011. One of the six actions in the Youth Action Plan provides for the promotion and strengthening of the social economy sector. Social economy and social entrepreneurship under the right circumstances can create new workplaces and promote the common good. People and especially the young must become

familiar with the terms and need to be motivated to participate in the social economy and social entrepreneurship.

Measures to improve access to and quality of social services

In Greece a huge deterioration in access to healthcare is reported. According to the National Budget 2014 expenditure on the National Healthcare System has been reduced further. More specifically, expenditure on the National Healthcare Organisation will be reduced by 30%, on the national hospitals by 32%, and on medical supplies by 15%. This will result in a further deterioration of access to health services, as well as a decrease in the quality of services provided.

The Greek government has launched a new measure that includes a fee of 25 Euros for each citizen in order to access a public hospital. After protests this measure has been withdrawn and replaced by higher taxes on tobacco products. The measure was considered as anti-social by Greek society because of the deep economic crisis, the high rates of unemployment, and the great number of uninsured citizens. The healthcare system must be protected because it is inextricably connected to the health of all population groups, especially the poorest. Fertility rates are continuously dropping, reaching only 1.34% in 2003-2008 which might lead to further reductions in the Greek population in the next ten years if the healthcare situation does not improve.

Measures to prevent dropping out of school and improve the education level

Adult participation in lifelong learning in Greece has been and still is far below the EU average and one of the lowest in the EU (2.9% in 2012), particularly among migrants, the low-skilled, the unemployed, women and older people.

Our members report that vocational training in Greece must be strengthened. For many years vocational training was not part of the Greek mentality and it was considered as a lower level of training. In the past four years, due to the economic crisis, the number of jobless people over 35 years old has increased dramatically. Vocational training can help to fight unemployment, especially among low-skilled people. The Ministry of Education in Greece launched a new law in September 2013 regarding vocational training. Through

this law the Ministry attempted to upgrade vocational training, by adding targets which are more necessary for the Greek economy as well as attempts to connect vocational training with enterprises. However, vocational training still needs to be strengthened and promoted further.

Measures to combat poverty and social exclusion

The dramatic reduction in total incomes, high rates of unemployment, low levels of healthcare and welfare services, increasing numbers of people living in poverty or at the risk of it, the increasing burden of taxation and reforms with no direct positive social impact are threatening Greeks' well-being.

The Greek social welfare system is poorly targeted, leaving 19.5% of citizens in severe material deprivation. The limited social benefit system in Greece is unable to reduce the high poverty rates. Families, especially single parents, need more support. For this reason, the single allowance child support was introduced in January 2013. This benefit is granted to the first child of the family and amounts to 40 Euros per month for each dependent child of the family. Administrative data collected via the Social Protection Committee suggest that the rapid rise in unemployment has not been matched by similar trends in benefit recipients, which may lead to a potential lack of social benefits coverage. The deterioration in the social situation demands the full implementation of measures to tackle unemployment as well as the strengthening of the social safety net. Greece faces a strong possibility of social destabilisation together with growing support for extreme political parties. To avoid that, comprehensive social policies need to be implemented to improve the well-being of Greeks. The democratic institutions in the country need to be reformed and strengthened as well.

Measures to support active citizenship and volunteering for social cohesion

In Greece, participatory citizenship is considered important. However, Greece has shown a decline in the involvement of adults across all the different forms of participatory citizenship. The economic crisis in Greece resulted in a dramatic change on the political scene. For 35 years the political situation in Greece remained the same, dominated by two

major parties. Since 2009, when the economic crisis first appeared and the two major parties had to implement austerity measures, Greek voters have sought to “punish” the parties responsible for the current situation. The economic situation in Greece in combination with the indignation of the citizens resulted in extreme political behaviour and the appearance of an extreme right party - Golden Dawn. It must be noted that Golden Dawn scores third in polls and its popularity is rising. The parties participating in the Greek government should try to win back the trust of Greek citizens and convince them by informing them about the reality of the extreme parties in Greek society. Young people appear disappointed and ignore the real political situation. The Greek government should pay special attention to the mobilisation of young people by informing and motivating them to participate in democratic institutions. Volunteering has been developing in Greece, especially in the past three to five years because of the economic crisis. Organisations, local authorities, communities, unions, and other bodies organise voluntary actions in order to support citizens in need by providing food, medicine, clothing, and services. Volunteering can be a form of non-formal education and vocational training. If non-formal education were better recognised and institutionalised in Greece, it could be a great tool for the establishment of volunteering in Greece.

Recommendations for making progress in achieving the EU 2020 strategy targets

- Strong measures to combat unemployment, particularly among women and youth, are necessary. Promotion of the social economy would help create workplaces and foster social cohesion.
- The healthcare system must be protected as it is essential for the well-being of Greek citizens and the future demographic and thus economic prosperity. The decline in the social situation demands full implementation of the measures to tackle unemployment as well as the improvement of the social safety net.
- Measures should be implemented to improve adult education opportunities, particularly for migrants, the unemployed, women, and older people. Vocational training policy needs to be improved.
- To avoid possible social destabilisation, strong measures to combat poverty and social exclusion are needed.
- To avoid the expansion of extremist parties in Greece, measures should be taken to bridge the gap between citizens (in particular young people) and institutions and to restore people's trust in democratic institutions, as well as the participation of youth in democratic institutions. To this end, civil society organisations promoting active citizenship and participation should be supported. To advance volunteering in Greece, the state should consider institutionalising non-formal education.

ITALY

This country profile has been written with contributions by: Marica Guiducci (AUSER)

Italy is facing high poverty and social exclusion rates which are accompanied by high youth unemployment and high levels of early school leavers. According to the European Commission's in-depth review 2014²⁵, Italy is experiencing excessive macroeconomic imbalances, which require specific monitoring and strong policy action.

The austerity measures, taken to tackle the recent economic crisis, have seriously impacted the wellbeing of citizens and continue to undermine economic prosperity. To improve the current situation, the state needs to reconsider the social policy measures taken in the past years and to focus more on the needs of its citizens.

Measures to fight unemployment

Currently the level of unemployment in Italy is 12.9%. According to the EU-Country Specific Recommendation 2013²⁶, Italy has to enforce nation-wide recognition of skills and qualifications to promote labour mobility. Undocumented employment remains another issue of concern in Italy. Other key challenges are: making the labour market more inclusive, with particular attention to young people and women. At 57% in 2012, women's participation in the labour force in Italy remains significantly below the EU average of 69.5% and the employment gender gap was the second highest in the EU in 2011. Obstacles to women's access to the labour market persist.

The youth unemployment rate is rising and currently stands at 42.4%. The number of NEETs is increasing. Various initiatives have been launched to support youth employability and the increase in labour market participation. However, the government did not put in place

policy strategies to create new jobs for young people.

Italian labour law is one of the most flexible in Europe. In Italy there are many different forms of contracts. However, companies do not hire young people. The trade union CGIL has been asking for a long time for long-term strategies for job creation for young people.

Italy submitted its Youth Guarantee Implementation Plan²⁷ (YGIP) in November 2013. The policies presented therein build on earlier reforms and seem broadly adequate. However, implementation will be crucial. The involvement of the regions will be crucial, as will be lessons learnt from previous policies. The YGIP should include clear commitments and measures. If properly deployed, the Youth Guarantee could prove helpful to combat youth unemployment.

The recent pension reform (Legge Fornero) that increased the retirement age to 64 or 67 years, has had some harmful consequences, including an increase in the unemployment rate of people older than 50, while the labour market has become "blocked" by a generation that had to push back their retirement age.

Measures to improve access to and quality of social services

In Italy the process of liberalisation of local public services has come to a halt with local public services remaining to a large extent excluded from competition. This contributes to fragmentation and inefficiencies in supply.

The national reform programme argues that the current legal uncertainty over the rules governing local public services is the main obstacle to development and investment and calls for an urgent reform of the sector. For many years there has been no change in public health, public education, and the judiciary. Many employees in public sector

²⁵ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROGROUP Results of in-depth reviews under Regulation (EU) No 1176/2011 on the prevention and correction of macroeconomic imbalances. 2014

²⁶ <http://register.consilium.europa.eu/doc/srv?l=EN&t=P&DF&gc=true&sc=false&f=ST%2010640%202013%20REV%201>

27 European Commission Memo. January, 2014. Employment: 17 Member States have submitted Youth Guarantee Implementation Plans

have precarious contracts and are not involved in vocational training programmes. This has a direct impact on the quality and availability of social services. In the public service sector there is a shortage of staff.

In October 2013, the government cut resources for patients affected by Amyotrophic lateral sclerosis (ALS). This provoked a lot of public demonstrations organised by ALS patients and in the end the government decided to invest 75 million Euros in 2014 for families of people with serious disabilities.

In the last few years public services, such as services for persons with disabilities, child care services, and nursing homes, have been subjected to serious budget cuts because of the austerity measures taken to solve the financial crisis and reduce the public debt. The consequence has been a diminishing number of women in employment because they have to provide care for their relatives.

Measures to prevent dropping out from school and improve the education level

Weak investment in human capital in Italy hinders innovation and young graduates face difficulties when entering the labour market. Public expenditure on education as a share of GDP is among the lowest in the EU, especially at tertiary level. With a rate of 17.1% in 2013, Italy performs significantly worse than the EU average in terms of early school leaving, especially in the southern regions, which translates into a lack of basic skills. In addition, Italy registers the lowest tertiary education attainment rate in the EU for the 30-34- year-old age group and the level of adult participation in lifelong learning is only 5.7%, which is below the EU average. There is also evidence of a difficult transition from education to the labour market, including for high-skilled young people, which is compounded by the effects of the economic crisis. In 2012, almost one in five young tertiary education graduates were unemployed.

The increasing school drop-out rate goes hand in hand with the rising poverty in the country and increasing cuts in the public sector budgets for the support of families, children, and young people. As an effect of the austerity policies put in place by the government, local authorities have reduced some important services such as transport, support services for students with disabilities, and school

meals. In 2012, 29.9% of the Italian population was at risk of poverty and social exclusion. In 2013, the government invested 40 million Euros to support poor families. A "social card" (direct benefit) of 40 Euros per month was created; however, this measure is falls far short of real needs. According to our Italian member's estimation, the government should allocate at least 7 billion Euros for this purpose.

Measures to combat poverty and social exclusion

In Italy social cohesion is being undermined as a consequence of the economic crisis and the risk of poverty and social exclusion is markedly on the rise. Italy took action to support vulnerable groups, in a context where protracted recession is putting increasing pressure on social cohesion. Between 2008 and 2011, the risk of poverty or social exclusion rose by around three percentage points, to almost 30%, and the increase was particularly pronounced between 2010 and 2011. The proportion of the population suffering material deprivation is now 14.5%.

In recent years, the Italian government has not done enough to tackle poverty and fight social exclusion. Children and unemployed youth are the most at risk of poverty, more than older people who can still benefit from the previous retirement system. Families with children are also at risk of poverty.

In Italy public services have a serious problem of structural inadequacy. People in disadvantaged situations barely manage to pay for bills, medicines and education for their children which in turn leads to high social exclusion.

Measures to support active citizenship and volunteering for social cohesion

Article 118 of the Italian Constitution establishes that: "The State, regions, metropolitan cities, provinces and municipalities shall promote the autonomous initiatives of citizens, both as individuals and as members of associations, in carrying out activities of general interest, on the basis of the principle of subsidiarity". This establishes the general environment for voluntary action and therefore also for volunteers' training. However, more than in other European

countries there are several obstacles to a real and effective active citizenship. Measures are needed to further support the sense of solidarity and social cohesion amongst Italian citizens.

Recommendations for making progress in achieving the EU 2020 strategy targets

- Comprehensive and long-term policies are needed to support the participation of youth in the labour market. Good implementation of the Youth Guarantee could improve the employability of youth. Due to the recent pension reform, measures to avoid a rise in the unemployment rate among people older than 50 years are needed. Strong measures are needed to tackle the gender pay gap and support women's participation in the labour market.
- Measures to improve the quality and availability of public services are needed. More appropriate job contracts and training opportunities for employees could be a solution to improving the quality of public services.
- As the high school drop-out rate is linked to rising poverty and the government's austerity measures in the public sector, national policy should prioritise free access to education, particularly for poor families. Measures to improve lifelong learning opportunities for adults are needed.
- The inequalities created when the government implemented austerity measures in the public sector need to be addressed. Strong measures to combat poverty and social exclusion are urgently needed.

THE NETHERLANDS

This country profile has been written thanks to contributions by: Sofie Vriend and André Hudepohl (Humanitas)

The new King of The Netherlands, Willem-Alexander, said in the annual statement on the government's budget in September 2013 that the welfare state of the 20th century is gone and in its place a "participation society" is emerging, in which people must take responsibility for their own future and create their own social and financial safety nets, with less help from the national government. The shift to a 'participation society' is especially visible in social security and long-term care. These changes in social provisions have lead to a worsening of the position of many vulnerable groups, with an increase in homelessness, in the number of people that depend on food banks and in child poverty.

Measure to fight unemployment

From 2011 to 2013 the unemployment rate in the Netherlands increased steadily, from 4.4 % in 2011 to 7% in 2013²⁸. In view of the ambitious Europe 2020 employment target of 80% and with a view to addressing future labour supply shortages, the Dutch authorities announced in their National Reforms Programme comprehensive labour market reforms in line with the 2012 country specific recommendations. In 2013 a broad agreement was reached between employers, trade-unions, and the national government concerning the reconstruction of the labour market, a change of rules on labour protection, changes in the duration of unemployment benefits, and the education of unemployed people.

The Netherlands performs notably worse than the EU average as regards the employment gap between people with a migrant background and nationals. Unemployment among migrants is twice as high as among their Dutch counterparts, especially in the case of young migrants.

Youth unemployment has been increasing at an accelerated pace in recent months, reaching 11.1% in 2013²⁹. In order to prevent a possible loss of human capital, as well as labour supply shortages, particularly in the sectors of health care, education, and public

administration, measures to stop a sharp rise in youth unemployment are needed.

Measures to improve access to and quality of social services

There is a risk in the Netherlands that the high quality of public service provision will not be maintained and it could lead to an increase in expenditure on temporary workers. As part of a net expenditure savings effort, the government is also planning to decentralise a large number of responsibilities to municipalities, ranging from youth services to home care and support societies. Whether these efficiency gains can be fully realised is very questionable, especially within the timeframes envisaged. Our members acknowledge that the system-changes have not yet been finalised³⁰ and that implementation which is foreseen in 2015 is doubtful.

There has not been an improvement to the access of healthcare and social services over the past few years in the Netherlands. The criteria to get access to government support have become much stricter. It has become much harder for example to receive debt counselling or unemployment benefits. Also an increasing number of healthcare services are no longer covered by basic insurance.

Measures to prevent dropping out from school and improve the education level

In the Netherlands adult participation in lifelong learning (LLL) reached 16.7% in 2012, surpassing the 15% benchmark set out in Europe 2020. While a number of initiatives have been undertaken to encourage training, a formal comprehensive framework for LLL allowing for the possibility to use funds for LLL for both intra- and inter-sectoral schooling could further increase the efficiency of the system.

The level of early leavers from education and training in Netherlands is 9.1%. Measures to prevent an increase in the drop-out or early leaving rates are needed to avoid an ever

²⁸ Eurostat

²⁹ Eurostat

³⁰ April 2014

larger number of unskilled youth and a further increase in youth in unemployment.

Measures to combat poverty and social exclusion

In the Netherlands there are 15.0% people who live in poverty or social exclusion and 2.3% who suffer from severe material deprivation³¹. Although the Netherlands has traditionally performed well on social inclusion, some worrying trends are emerging. The number of people in low-work intensity households has increased by 75,000 since 2008, while the Europe 2020 target for reducing the number of people living in a low-work intensity household was set at 93,000. Rising unemployment rates could heighten the risk of poverty as more people become dependent on benefits. This increase in poverty particularly affects single parents, single people, those with a migrant background, the self-employed, and households living on benefits other than pensions.

Due to government austerity measures and rapid policy changes some disadvantaged groups, such as asylum seekers, immigrants, people in debt, psychiatric patients, and ex-detainees, find it harder to maintain access to the quality care and social services that used to be available to them. They suffer the most from the economic crisis and the social inclusion of these groups is under pressure. The Netherlands is experiencing growing child poverty. In 2013 9.9% of households live in poverty and 11.4% of all Dutch children grow up in the poverty.³² These rates are increasing each year, hence immediate measures to prevent child poverty are necessary.

Measures to support active citizenship and volunteering for social cohesion

There has been a decline in voting in national elections in the Netherlands. Research shows that many political parties have problems to find enough suitable candidates for the local council elections.

The Netherlands are most active in volunteering, with about 40%³³ of adults engaged.

However, volunteering and informal care is still a growing sector in the Netherlands. The current government is actively reaching out to the voluntary sector to assist and improve the overall wellbeing of citizens. However, the government's austerity measures cannot be justified by plans to expand the voluntary sector. And on the other hand: if much more effort is being asked from volunteers, more means are necessary to facilitate this.

Recommendations for making progress in achieving the EU 2020 strategy targets

- Comprehensive youth employment policies are needed in order to stop the increase in youth unemployment and prevent future labour supply shortages. Measures to reduce the unemployment rate of people with a migrant background are needed.
- Access to healthcare and social services needs to be improved.
- A formal comprehensive framework for lifelong learning should be introduced in order to improve the efficiency of the current system. In order to prevent dropping out from training and education and thus further increase the numbers of unskilled youth, improvements in the education system are needed.
- The austerity measures taken in the wake of the economic crisis have affected disadvantage groups most severely, particularly their access to social services. Measures to ease access to social services therefore need to be taken, as well as comprehensive poverty reduction policies. Child poverty is on the rise and requires immediate action.
- If more effort is being asked to volunteers, more means are necessary to facilitate this.

³¹ Eurostat

³²http://www.scp.nl/Publicaties/Alle_publicaties/Publicaties_2013/Armoedesignalement_2013

³³ SCP 2014

http://www.scp.nl/Publicaties/Alle_publicaties/Publicaties_2014/Burgermacht_op_eigen_kracht

SPAIN

This country report has been written with contributions by: Irene Bernal and Luis Cortés (Movimiento por la Paz – MPDL)

In Spain the ongoing economic crisis has destroyed production and manufacturing activities with incalculable consequences, present and future, for a whole generation. There are more than 6 million people unemployed and there is a social climate of helplessness and weakness. According to the European Commission in-depth review 2014, although unemployment in Spain has fallen recently, it remains at alarming levels and significant revenue shortfalls, higher social expenditure and the cost of bank recapitalisation have led to a substantial pressure on government deficits and a steep rise in government debt. However, this must not lead to future cuts in social expenditure, particularly in the areas of education and health where enormous cuts have already impacted the social wellbeing and labour market participation of Spanish citizens. Our Spanish members believe that austerity policies are responsible for the rise in unemployment and poverty and the shortages in the education, health and social budgets. More comprehensive measures to deal with unemployment while fighting rising poverty and social exclusion are necessary in order to secure social stability and future economic prosperity.

Measure to fight unemployment

The unemployment level in Spain is amongst the highest in the EU, reaching 25.8% in 2013. Long-term unemployment and youth unemployment are on the rise. The public education spending cuts have had a huge impact on young Spaniards who have been rejected by the labour market and now have limited access to public vocational training and education because of the lack of available places. The same problem occurs at the higher educational level such as universities, where those who cannot afford a university education opt for vocational training instead. Thus a high proportion of unemployed people are without formal qualifications. The insufficient relevance of education and training to the labour market also contributes to the high youth unemployment rate, which reached 57.7% in 2013.

Strong measures are needed to reduce the number of young people not in employment, education or training (NEETs) which amounts

to 23.1%. The development of early career counselling in cooperation with schools, as well as job-search assistance for the young unemployed and early school leavers and improved systems for the validation of skills and knowledge acquired at work to facilitate re-entry in education, can help to achieve this aim.

The in-work poverty rate reached 12.3 % in 2011, which is above the EU average, reflecting the deterioration of the situation of significant groups in the working population, particularly young people, the low skilled and temporary workers.

The employability and working conditions of older workers, partially addressed by measures on early and part-retirement introduced in March 2013, also requires attention in view of the planned increase in the statutory and the effective retirement age. A significant proportion of Spanish families' income relies on undocumented part-time low-skilled jobs.

Measures to improve access to and quality of social services

Public healthcare expenditure in Spain decreased from 7.1% of GDP in 2010 to 6.7% in 2011.

Our Spanish members note the measures adopted in 2012 by the Spanish government through Law 16/2012 on urgent measures to ensure the sustainability of the National Health System and improve the quality and safety of its performance, and Royal Decree 1192/2012 regulating the status of insured persons and beneficiaries for the purposes of health care in Spain, financed by public funds, through the National Health System. These reforms violate the right to health contained in the Universal Declaration on Human Rights and eliminate the concept of universal access to public health in the Spanish Constitution. These measures increase the vulnerability of different population groups, especially undocumented migrants. In this case, only the right to free emergency health care, except in the case of pregnant women and minors, is recognised by law. This situation is not only questionable in terms of cost savings, as emergency care is more expensive than outpatient care and the course of disease can be prolonged and become chronic, it is also discriminatory and

eliminates basic rights of the most vulnerable groups and damages the public health. According to Amnesty International 873.000 people were excluded from the National Health System.

Measures to prevent dropping out from school and improve the education level

According to Country Specific

Recommendations 2013³⁴, in Spain there is a need to reinforce the contribution of the education and training system at all levels to human capital. Major challenges in the education system are the transition from education and training to the labour market, a persistently high rate of early leavers from education and training (24.9% in 2012) and insufficient tailoring of skills and capabilities to market needs.

In the view of our partners, the difficulties in making the transition from school or university to the labour market can be seen in the difficulties young people experience during their education, such as expensive fees for public universities, lack of university recognition, over-qualification, and forced migration abroad because of the lack of opportunities in Spain. However, to solve the problem of youth unemployment, the focus should not only be on the labour market. There is a need for better promotion of education, as well as soft skills training in order to secure the better integration of young people into society. The key measures must be based on both the labour market and the lack of public resources for education. Education should be promoted as a social value, not as a means to get employment, as it appears that vocational training is stigmatised for the working class.

Measure to combat poverty and social exclusion

In Spain the number of people at risk of poverty and social exclusion has been increasing in recent years due to the economic crisis and the reduction of social benefits aimed at combating poverty. This same risk rises to 46% for people who do not have EU nationality. The unemployment rates and social assistance cuts explain the high levels of poverty in Spain and require immediate attention.

Poverty and social exclusion keep increasing, mainly as a result of the labour market situation, high household debt levels and the

limited effectiveness of the social protection system to respond to growing needs. Children under 16 are at particular risk of poverty (26.7%), showing the highest rate among all age groups, especially in low work intensity households.

Measures to support active citizenship and volunteering for social cohesion

Taking into account European political, economic and social diversity, our Spanish partners think that a European Directive on volunteering would be a valuable initiative, providing a basic framework in which volunteer engagements are regulated. Currently the legislation on volunteering dates from 1996, and thus requires updating. In recent years new profiles of volunteering have emerged which go beyond the current law, such as social and environmental, cultural, and international volunteering. Recently the Spanish government has expressed interest in changing the law through a participatory process involving volunteering organisations. Due to the crisis, there has been an increase in the number of people volunteering³⁵; however the levels are still lower than the EU average. This sudden rise in the volunteering rate can also present a risk as many of these new volunteers carry out assistance tasks and thereby replace regular employment, instead of original volunteering tasks such as action for social change.

Recommendations to make progress towards achieving the EU 2020 strategy targets

- A comprehensive youth policy is needed to increase the low levels of youth employment. To solve the problem of youth unemployment, the impact should not focus only on the labour market. There is a need for better promotion of education, as well as soft skills training in order to secure the better integration of young people into society.
- Austerity measures in health care have been discriminatory and are damaging for public health. The right of citizens to have access to public

³⁴<http://register.consilium.europa.eu/doc/srv?I=EN&=PDF&gc=true&sc=false&f=ST%2010656%202013%20REV%201>

³⁵ Policy Agenda on Volunteering in Europe PAVE (ey2011). Available at: <http://www.eyv2011.eu/resources-library/item/501-policy-agenda-on-volunteering-in-europe-pave-eyv-2011-alliance-2011>

high quality health care should be preserved.

- Public expenditure on education should be increased and distributed more equally. Education, training and scholarships should be promoted as a social value, not only as a means to get into employment.
- High unemployment rates and severe cuts to social assistance and the social protection system have led to high levels of poverty and demand immediate attention.
- A new law on volunteering is needed, which would provide for new regulations on voluntary engagements, as well as support to promote the common good.

SWEDEN

This country report has been written with contributions by: Peter Wärner (ABF)

At the beginning of the 1990, Sweden went through a severe recession followed by austerity measures and budget cuts. Therefore, when the economic crisis hit Europe and the rest of the world in 2008, Sweden was not affected to such a degree as other European countries. However, high youth unemployment levels as well as an increasing number of people at-risk-of poverty and social exclusion demand policy actions that would help to fight current and avoid future social inequalities and exclusion.

Measures to fight unemployment

In 2012 and early 2013, growth and employment in Sweden were strongly affected by the euro area's sovereign-debt crisis and the global economic slowdown. Youth unemployment rose to 22.9% in 2013. The Swedish government has taken a number of measures to further integrate young people and people with a migrant background into the labour market, but unemployment in these groups remains high. In the view of our partners, the measures taken by the government to tackle the unemployment of disadvantaged groups are of a fiscal approach with less attention to the importance of skills training and education. In short they have individualised their measures but not changed the basic prerequisites that would enable Swedish youth to get employment. In addition to this, the number of public sector job opportunities has been reduced due to a tax cuts.

There is a need for further measures to increase the labour market integration of disadvantaged groups, such as low-skilled youth and people with a migrant background. A large part of the population with a migrant background, and especially women, are excluded from the labour market. It is clear that the labour market in Sweden underperforms for low-skilled young people, who have seen the highest increases in unemployment since 2001 as well as declining activity rates. As for immigrants from non-EU countries, their unemployment rate stood at 30.6 % in 2012, which is far above the EU average of 21.3 %. Sweden shows a larger difference in employment/unemployment rates between natives and immigrants than other

EU Member States, including those with a similarly large migrant population, such as Austria, the United Kingdom, and the Netherlands.

Measures to improve access to and quality of social services

The Swedish government's social policy is sharply focused on reducing social exclusion through labour market integration. For the approximately two million retired people for whom this is not always an effective or realistic method to reduce the risk of poverty, as they do not benefit from tax cuts but have seen their pensions being reduced through inflation, a system of housing allowances has been introduced. Unfortunately, it is not fully exploited because of a lack of awareness among the target groups.

It should also be noted that Swedish pensioners have access to subsidised social services, which may to some extent compensate for this group's lower income. However, the privatisation of social services in Sweden has deteriorated the quality and availability of social services.

Measures to prevent dropping out from school and improve the education level

In Sweden, adult participation in lifelong learning is high, corresponding to 25%. However, general government expenditure on education and training has declined in recent years from 7.2% to 6.8% of GDP. Our Swedish members assert that the present government in Sweden is focusing on increasing the individual's own choices by tax reduction. This ambition has had a negative impact on public spending with consequences for the education system. The privatisation of public services has also contributed to the decrease in school budgets, while a concentration on economic solutions for unemployment rather than skills training is having negative impacts on the individual's situation.

Measures to combat poverty and social exclusion

The at risk- of-poverty rate among older women aged 65+, measured as the share of the group with an income below 60% of the national median income, is above the EU average and has increased by more than ten percentage points between 2005 and 2011, from 13.1% to 24.7%. This contrasts with the corresponding rate for older men (9.8%) and the EU average (13.7%).

Although indicators of absolute poverty do not show any deterioration or a gender gap, the at-risk-of-poverty indicator suggests that older women are becoming poorer. In 2012, the combined at-risk-of-poverty and social exclusion rate reached 18.2%. The differences across groups are quite large. There is a continued deterioration in the relative social situation of older women, who record at-risk-of-poverty rates above the EU average and almost three times higher than those of men in the same age group. In the view of our Swedish partners, the reason for this change are the State pension cuts, as older women earn less in a life span compared to men and have a lower negotiated supplementary pension, therefore their pensions consists mostly of the State pension.

Other groups at risk of poverty are those who live on social benefits and migrants. The statutory poverty lines in Sweden cannot fully reflect relative poverty. Therefore, a comparison of general well-being is needed in order to evaluate the real risks of social exclusion.

Measures to support active citizenship and volunteering for social cohesion

In Sweden, there is evidence of an increase in the work of volunteers for the common good of society. This has led to concerns that, in times of austerity when governments are cutting back on public services, volunteers are used to fill in the gaps in service provision formerly provided by paid employees. Often volunteering policies and schemes are organised on the ground by NGOs and civil society organisations.

Our Swedish members highlighted that although it is important to develop the volunteering opportunities in different sectors of a community, public responsibility should

not be reduced and replaced by volunteering due to tax cuts, privatisation and other structural changes in the welfare system. Traditionally NGOs in Sweden have been involved in the social sector and members have been doing voluntary work, but it has not been referred to as volunteering but as work on the behalf of the organisation.

Recommendations to make progress towards achieving the EU 2020 strategy targets

- A comprehensive youth employment policy is needed, focusing more on preventive measures, such as improving the quality of education and training. Further measures to increase the labour market integration of disadvantaged groups, particularly low-skilled youth and migrants, are needed.
- Measures to deal with the consequences of the privatisation of social services, such as the loss in quality and coverage of social services, need to be taken. Improved accessibility and availability of social services for those who cannot participate in the labour market can be a way to reduce social exclusion.
- Public spending on education should not be decreased. Education and training should be a key to fighting unemployment.
- Measures to prevent the increase in the poverty rates of women pensioners are needed. Relative poverty needs to be assessed in order to estimate the real risks of social exclusion.
- Public responsibility should not be reduced and replaced by volunteering due to budgets cuts. Voluntary work should be supported for its added value in paving the way for social cohesion and should not replace previously publicly financed social services.

UNITED KINGDOM

This country profile has been written with contributions by: Nicole Schmiedefeld (CSV)

According to the European Commission in-depth review 2014³⁶, the United Kingdom continues to experience macroeconomic imbalances, which require monitoring and policy action. According to Eurostat, 24.1% of the population are at risk of poverty or social exclusion. Measures to fight youth unemployment, high school dropout rates, and a high level of child poverty are crucial for the future economic development of the country.

Measures to fight unemployment

The UK has significantly high unemployment and underemployment, especially among young people. Unemployment stood at 7.8% at the start of 2013. Growth in private sector employment was surprisingly strong in the last year, given the weakness of GDP growth. Productivity and real wages have remained weak. Many people, especially young workers, are in unsecure part-time or temporary jobs. Long term unemployment was 2.8% of the working age population in 2012.

There are too many low-skilled workers, for whom demand is falling, and a shortage of workers with high-quality vocational and technical skills. This is a particular problem amongst the young, where the numbers of early school leavers and those not in employment, education or training (NEET) are high.

The unemployment rate of low-skilled 15-24 year-olds is significantly above the EU average, 37.2% in the UK compared to an EU average of 30.3 % in 2012.

Measures to improve access to and quality of social services

In the UK long-term expenditure projections for healthcare indicate an expected increase in healthcare expenditure. In order to improve the quality of and access to healthcare, the government of the United Kingdom took

³⁶ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROGROUP Results of in-depth reviews under Regulation (EU) No 1176/2011 on the prevention and correction of macroeconomic imbalances. 2014

action. Its current plans for health service reform (in NHS England) entail ambitious targets for efficiency gains that the government plans to attain via reductions in management and administration staff, encouraging greater involvement of the private sector and devolving budgets and decisions down to local areas.

A lack of access to suitable and affordable childcare still discourages many parents from working. There were 68,110 children in childcare in England at 31 March 2013, an increase of 2 % compared to 31 March 2012 and an increase of 12 % compared to 31 March 2009. The number of children in child care has increased steadily each year and is now higher than at any point since 1985³⁷.

Volunteers add significant value to the work of paid health care professionals, and are a critical but often under-appreciated part of the health and social care workforce³⁸. There are 500 volunteers in the average acute trust, equating to more than 78,000 volunteers in hospitals across England who contribute more than 13 million hours per year. Based on current NHS pay rates, this translates to a return of £11 for every £1 invested in the training and management of volunteers.³⁹ As a result of the wide-ranging efforts of this unpaid workforce, the UK enjoys healthier communities and a higher-performing health and social care system. It is doubtful whether the system could continue to operate without them.

Measures to prevent dropping out from school and improve the education level

General government expenditure on education and training in the UK is 6.5% of GDP, while the percentage of adults participating in

³⁷ ONS, DfE: Statistical First Release Children looked after in England Year ending March 2013

³⁸ Volunteering in Health and Care, King's Fund 2013

³⁹ Volunteering in Acute Trusts in England, King's Fund 2013

lifelong learning shows a negative trend. In 2012 adult participation in lifelong learning in the UK fell to 15.8%. Around one million 16-24 year olds in the UK are not in education, employment, or training (NEET). They constitute 62% of unemployed 16-24 year olds, the rest are in education or training. However, only 55% of people who are NEET are unemployed, the rest are economically inactive, as they are not seeking work or not available to start work. There are several government schemes with elements aimed at reducing the number of young people who are NEET, such as the raising of the participation age, the Youth Contract, and the Work Programme.⁴⁰ Taking into account the high level of early leavers from education and training, a more focused action plan which would include preventive measures to fight the high dropout rate is necessary.

Measures to combat poverty and social exclusion

At 17.3%, the proportion of UK children living in workless households is the second-highest in the EU, which has a significant impact on child poverty. The number of children living in those families is projected to rise from 270,000 to 310,000⁴¹.

The UK's Social Justice Strategy emphasises a more multidimensional approach to measuring and tackling child poverty, with more focus on enabling services and prevention. However, an emphasis should also be placed on single parent families. Just over a quarter (26%) of households with dependent children is single parent families and there are 2 million single parents in Britain today. Children in single parent families are twice as likely as children in couple families to live in relative poverty. Over four in every ten (43%) children in single parent families are poor, compared to just over two in ten (22%) of children in couple families. Where single parents are not working, this is often because there are health issues that make work difficult: 33% of unemployed single parents have a disability or longstanding illness and 34% have a child with a disability⁴².

Measures to support active citizenship and volunteering for social cohesion

In 2012-13 an estimated 19.1 million people volunteered formally, through a group, club or organisation, totalling approximately 1.9 billion hours. 72% of the population volunteered at least once in the last year – either formally, giving unpaid help through groups, clubs or organisations, or informally, giving unpaid help as an individual to people who are not relatives. Volunteering rates have increased since 2011 and there is evidence of a specific growth in volunteering among young people. Volunteering provides large economic and social benefits. It is estimated that the economic value of formal volunteering in the UK is in the region of 1.3%-1.6% of GDP – around £23 billion. Levels of participation in regular formal volunteering are related to the level of area deprivation, where participation generally decreases as the level of local deprivation increases. A fifth (19%) of people living in the ten per cent most deprived areas take part in regular formal volunteering compared with 36% of people living in the ten per cent least deprived areas. There is also a positive relationship between participation in regular formal volunteering and level of education. People with higher qualifications are more likely to take part in volunteering than those with lower level or no qualifications. People from managerial and professional occupations, and full-time students, are more likely to participate in regular formal volunteering than those who have never worked or who are long-term unemployed.⁴³

Volunteers play an important role in improving people's experience of care, building stronger relationships between services and communities, supporting integrated care, improving public health and reducing health inequalities. The support that volunteers provide can be of particular value to those who rely most heavily on services, such as people with multiple long-term conditions or mental health problems⁴⁴.

Volunteering is an important component of social action. It takes many forms and presents tremendous opportunities for people to make a positive difference to their own lives and to the lives of others by contributing their

⁴⁰ ONS, November 2013

⁴¹ In the Eye of the Storm, Action for Children, The Children's Society and NSPCC 2012

⁴² Gingerbread.org.uk

⁴³ Community Life Survey: August 2012 – April 2013 - Statistical Bulletin, Cabinet Office

⁴⁴ Volunteering in Health and Care: securing a sustainable future, King's Fund

time and energy to an individual, service, community or cause⁴⁵.

Recommendations for making progress towards achieving the EU 2020 strategy targets

- Measures to prevent youth unemployment are necessary, as well as new training programmes and integration policies for unskilled labour.
- Volunteers play a crucial and often under-appreciated role in health and social care. It is doubtful whether the social care system could continue to operate without voluntarism. Therefore more measures to encourage and support voluntarism in social care are needed. In order to fight child poverty, the access and quality of child care services need to be improved.
- A more focused action plan with preventive measures to fight high school dropout rates and the increasing number of NEETs is necessary. Measures to improve the quality of education and vocational training are needed.
- Measures to fight child poverty are needed, with a focus on workless households. Actions to support single parent families are needed to avoid poverty and social exclusion of lone parents and their children.
- As volunteering is an important component of social action and inclusion, it should be promoted and supported more with an emphasis on engaging more socially disadvantaged groups.

⁴⁵ Social Action for Health and Wellbeing – DH Strategic Vision for Volunteering, 2011

CONCLUSION AND MAIN RECOMMENDATIONS

The findings emerging from the 12 country profiles presented above provide a strong evidence of the interconnection between the high austerity measures applied in recent years in the social sector and increasing unemployment and poverty rates. The politics which in long run fosters high poverty rates and social exclusion are not farsighted.

Therefore, in order to reach the Europe 2020 goals and to counteract the effects of a policy approach based only on growth and competitiveness, SOLIDAR and members works together to advocate for a paradigm shift in policy making which gives the due emphasis to social cohesion and to the concept of social investment.

The following actions are recommended:

- In order to spur social progress through the flagship initiative “**European Platform against poverty and social exclusion**”, we call for a more coherent and better integrated framework for social policies covering in a comprehensive approach the preventing and adjusting arms to fight poverty and social exclusion. Furthermore, we also call upon the institution involved in the initiative to strongly advocate for the need to stop social retrenchment and to support investment in the skills and potential of people so that they can fully participate in society and access decent work.
- In order to make steps toward inclusion through the flagship initiative “**Agenda for New Skills and New Jobs**”, SOLIDAR recommends developing a strategy to actively support the creation of learning societies and learning workplaces, promoting the validation of skills, competences and knowledge acquired through non-formal and informal learning within society and at the workplace.
- To spur social consolidation within the European economic governance – and in particular within the **European Semester** process - SOLIDAR recommends to strengthen the focus on the social policy priorities of the Europe 2020 Strategy and to promote a new growth pattern based on social, sustainable and inclusive investment, better use of social expenditures as economic stabilizers and poverty preventing policies.
- In order to strengthen the democratic legitimacy of the European governance, especially in times of rising extreme and anti-European movements in some member states, we call for a more integrated common approach of **involvement of civil society** in the design and implementation of the flagship initiatives of the Europe 2020 Strategy as well as the European Semester process.
- In order to reach the **employment goal** of the Strategy, SOLIDAR together with members and partners stress on the importance of implementing comprehensive and cross-sectorial strategies promoting decent work and equal opportunities are ensured for vulnerable groups and to support models of flexicurity more balanced on the side of social security.
- In order to achieve the Strategy objective of lifting 20 million people out of **poverty and social exclusion**, we call upon the institutions to support comprehensive strategies of inclusion which go beyond the labour market activation perspective and offer to every individual concrete opportunities to participate in society.
- In order to deliver on the **education objective** of the Europe 2020 Strategy, SOLIDAR calls for investing in education, training and lifelong learning opportunities, which support personal development and participation in society and the realisation of potentials and life chances and for acknowledging the importance of non-formal education and voluntary activities in acquiring qualifications and competencies?



SOLIDAR is a European network of 60 NGOs working to advance social justice in Europe and worldwide. SOLIDAR voices the concerns of its member organisations to the EU and international institutions across the policy sectors social affairs, international cooperation and lifelong learning.

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