Social protection and social inclusion. Report

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PURPOSE : to present a draft joint report on social protection and social inclusion.

CONTEXT : the fight against poverty and social exclusion remains a major challenge for the European

Union and its Member States. The numbers affected by poverty and social exclusion across the Union are very significant, with more than 68 million or 15% of the EU population living at risk of poverty in 2002. They range from 10% or less in the Czech Republic, Sweden, Denmark, Hungary and Slovenia and 20% or more in Ireland, the Slovak Republic, Greece and Portugal. Poverty and material deprivation are often compounded by an inability to participate fully in social life, as a result of an inadequate access to employment, education and training, housing, transport or healthcare.

CONTENT : social inclusion and the national strategies to fight poverty and social exclusion feature

prominently in the present report, drawing on two rounds of the open method of coordination (OMC) on social inclusion at the level of EU15, plus its successful extension to the 10 new Member States in 2004. Pensions are also addressed, although to a lesser extent. The basic input is the 2003 Joint report on adequate and sustainable pensions. More recent work by the Social Protection Committee (SPC) provides additional material, together with the results of bilateral exchanges between the European Commission and the new Member States held prior to their accession. This Joint Report is intended to complement the Joint Employment Report and the Implementation report of the BEPG so as to present a balanced and integrated view of the main challenges Member States have to tackle if they want to reach the ambitious Lisbon goals. It echoes the recommendations of the Report of the High-Level Group of Independent Experts (Kok Group) on the need for a stronger focus on implementation of the Lisbon goals and stronger political commitment at all levels.

A positive result of the social inclusion process has been the emergence of greater clarity as to the key policy priorities for tackling poverty and social exclusion, as reflected in the policy approaches being adopted by Member States. Seven key policy priorities stand out across the Union:

1) increasing labour market participation: seen as the most important priority by most Member States, this translates into expanding active labour market policies and ensuring a better linkage between social protection, lifelong learning and labour market reforms so that they are mutually reinforcing;

2) modernising social protection systems: this means ensuring that sustainable social protection schemes are adequate and accessible to all and that benefits aimed at those who are able to work provide effective work incentives as well as enough security to allow people to adapt to change;

3) tackling disadvantages in education and training: emphasis is being laid on preventing early departure from formal education and training; facilitating the transition from school to work, in particular of school leavers with low qualifications; increasing access to education and training for disadvantaged groups and integrating them into mainstream provision; promoting lifelong learning, including e-learning, for all. Many recognise the need to invest more, and more efficiently, in human capital at all ages;

4) eliminating child poverty: particular focus is given to early intervention and early education in support of disadvantaged children; and enhancing income support and assistance to families and single parents. Several countries also put increasing emphasis on promoting the rights of the child as a basis for policy development;

5) ensuring decent accommodation: improving housing standards and addressing the lack of social housing for vulnerable groups;

6) improving access to quality services: improving access to health and long term care services, social services and transport, improving local environments, as well as investing in adequate infrastructure and harnessing the potential of new, accessible ICT for all;

7) overcoming discrimination and increasing the integration of ethnic minorities and immigrants: Member States need to develop integrated and co-ordinated strategies at local and regional levels and especially in those urban and rural communities facing multiple disadvantages. Such strategies should adapt policies to the local situation and involve all relevant actors. It will also be essential to ensure that gender is mainstreamed throughout these priorities with a view to promoting gender equality.

In conclusion, the Commission presents 7 key policy messages:

• Improving social protection adequacy by extending working lives and raising employment levels should remain key drivers of the modernisation of social protection;

• planned extension to health care and the streamlining of all social protection and social inclusion processes in 2006 should be used to put stronger focus on implementation and synergies across the area as a whole;

• in the area of social inclusion, perseverance will be needed, because tackling the roots of poverty and exclusion will require concerted effort beyond 2010;

• while policies for social inclusion must adapt to the diversity of challenges in the Member States, the key requirement for multi-faceted approaches remains a priority;

• the forthcoming evaluation process, to take place in 2005, should focus on delivery in order to prepare for a new cycle of the OMC after 2006. The Member States and the Commission should particularly assess how national strategies can be made more effective by the use of targets, benchmarks and indicators, better links with economic and employment policies, effective monitoring and evaluation provisions and the use of the structural funds and the European Social Fund;

• bringing back people to work, maintaining workers in employment, increasing employability and labour market participation;

• in the area of pensions, maintaining older workers in employment stands as a key challenge across the European Union.