Basic information

2008/2335(INI) INI - Own-initiative procedure	Procedure completed
Active inclusion of people excluded from the labour market **Subject** 4.10.05 Social inclusion, poverty, minimum income 4.10.08 Equal treatment of persons, non-discrimination 4.15 Employment policy, action to combat unemployment 4.15.08 Work, employment, wages and salaries: equal opportunities women and men, and for all	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
EMPL Employment and Social Affairs	LAMBERT Jean (Verts/ALE)	04/11/2008

Committee for opinion	Rapporteur for opinion	Appointed
FEMM Women's Rights and Gender Equality	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Employment, Social Policy, Health and Consumer Affairs	2916	2008-12-16

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	ŠPIDLA Vladimír

Key events

Date	Event	Reference	Summary
03/10/2008	Non-legislative basic document published	COM(2008)0639	Summary
16/12/2008	Resolution/conclusions adopted by Council		
15/01/2009	Committee referral announced in Parliament		
31/03/2009	Vote in committee		Summary
08/04/2009	Committee report tabled for plenary	A6-0263/2009	

05/05/2009	Debate in Parliament		
06/05/2009	Decision by Parliament	T6-0371/2009	Summary
06/05/2009	Results of vote in Parliament		
06/05/2009	End of procedure in Parliament		

Technical information	
Procedure reference	2008/2335(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/6/71643

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE418.276	27/01/2009	
Amendments tabled in committee		PE420.184	17/02/2009	
Committee report tabled for plenary, single reading		A6-0263/2009	08/04/2009	
Text adopted by Parliament, single reading		T6-0371/2009	06/05/2009	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2008)0639	03/10/2008	Summary
Document attached to the procedure	SEC(2008)2589	03/10/2008	
Document attached to the procedure	SEC(2008)2590	03/10/2008	
Commission response to text adopted in plenary	SP(2009)3564	11/11/2009	

Active inclusion of people excluded from the labour market

2008/2335(INI) - 06/05/2009 - Text adopted by Parliament, single reading

The European Parliament adopted by 256 votes to 19, with 129 abstentions, a resolution on the active inclusion of people excluded from the labour market.

The resolution welcomes the fact that the Commission based its Recommendation 2008/867/EC on Recommendation 92/441/EEC which **recognises the individual's fundamental right to sufficient resources and assistance to live in human dignity** and defines common principles for implementing that right. Overall, the Parliament endorses the common principles and practical guidelines presented in Recommendation 2008/867/EC based on three pillars, namely: (i) adequate income support; (ii) inclusive labour markets; (iii) access to quality services.

The Parliament points out, however, that any active inclusion strategy has to be built on the following principles:

- individual rights, respect for human dignity and the principles of non-discrimination, equality of opportunities and gender equality;
- the promotion of labour market integration combined with full participation in society;
- the realisation of the principles of quality, adequacy and accessibility across all three pillars.

The Parliament agrees with the Council that the implementation of Recommendation 92/441/EEC needs to be improved. Therefore, it considers that **social assistance should provide an adequate minimum income for a dignified life**, at least at a level which is above the "at risk of poverty" level.

In relation to the other main points of the resolution, the Parliament makes the following remarks:

Ensuring adequate income support: the Parliament calls on the Member States to implement adequate income support so as to fight poverty and social exclusion based on Recommendations 92/441/EEC and 2008/867/EC which must be adequate, transparent, accessible to all, and sustainable over time. It requests the Council to agree an **EU target for minimum income schemes and contributory replacement income schemes** of providing income support of at least 60% of national median equalised income and, furthermore, to agree a timetable for achieving this target in all Member States.

Recognising that the interaction of social assistance and labour market activity is complex, the Parliament urges the development of systems, which effectively support individuals in a period of transition rather than penalising or discouraging them or removing assistance too rapidly when an individual takes up work. The Parliament points to the importance of laying down welfare benefits for vulnerable persons in a position to work.

Minimum wage policy: the Parliament suggests that the Member States actively consider a minimum wage policy in order to tackle the growing number of "working poor" and make work a viable prospect for those distant from the labour market. It also calls on the Member States to take action to fight clandestine or "submerged" employment.

Active inclusion policies (tailor-made measures): according to the Parliament, active inclusion policies should: (i) be consistent with a lifecycle approach to education, life-long learning, social and employment policies; (ii) be tailor made, targeted and needs-oriented; (iii) be based on an integrated and participative approach; (iv) respect pre-conditions which are essential to allow participation without creating conditions that endanger a minimum living income.

In this context, the Parliament invites Commission to consider whole-cost accounting in the field of active and social inclusion. It considers that the Member States should provide **targeted additional benefits for disadvantaged groups** (such as people with disabilities or chronic diseases, single parents, or households with many children) which cover extra costs in connection, inter alia, with personal support, the use of specific facilities and medical and social care, establishing inter alia affordable price levels for medicines for less advantaged social groups.

Decent retirement pensions: the Parliament stresses the need to ensure decent invalidity and retirement pension levels. It believes strongly that the retention of a mandatory retirement age acts as a barrier to active inclusion and forces many people, who may want to choose to continue to work, out of the labour market unnecessarily.

Lack of schooling - promoting prevention: the Parliament considers that, because problems associated with exclusion are in many cases present from the earliest years of life, preventive action is essential to identify from an early age those children and young people most at risk, well before they drop out of education and training. It considers that a broad stakeholder dialogue and support for preventive action and social services to improve the opportunities for vulnerable children and young adults are critical to the success of inclusion policies.

Accessible social services: the Parliament calls on the Member States to do more to address issues faced by carers, including the right to choose freely whether they want to be a carer and the extent of the care that they provide, the possibility of combining caring with paid work and employment as well as access to social security schemes and pensions, in order to avoid impoverishment as a consequence of caring. It welcomes the recognition of the need for **universal access to affordable and high-quality social services** as a fundamental right and as an essential element of the European Social Model. It considers that such social services include stable, affordable housing, accessible public transport, basic vocational training, and healthcare provision as well as access to affordable energy and other network services. It notes that progress must be made on guaranteeing universal service obligations in services of general interest. It also notes that progress remains inadequate in reaching the Barcelona targets set for affordable, high-quality childcare provision and the care needs for other dependants. The Parliament encourages Member States to consider social default tariffs for vulnerable groups, for example in the fields of energy and public transport and also facilities for obtaining microcredits, so as to promote active inclusion, as well as free healthcare and education for people with difficulties of a material nature. Furthermore, the Parliament calls on the Member States to provide people with disabilities with the additional support necessary both in order to access the labour market and while working. Overall, the Parliament calls on the Commission to examine without delay all possible means of clarifying the legal context in which social services general interest operate and providing them with a **legal framework** to serve as a point of reference.

Services adapted to the needs of persons with disabilities: the Parliament calls on the Member States to provide people with disabilities with the additional support necessary both in order to access the labour market and while working. It calls on those Member States that have not yet done so to sign and ratify both the UN Convention on the Rights of Persons with Disabilities and its Optional Protocol.

Promoting education and training: the Parliament calls on the Commission and the Member States to provide adequate resources to facilitate access to life-long learning programmes. According to the Parliament, high-quality education is a vital prerequisite for successful future employment and integration. Member States are asked to extend legislation on public education with a view to eliminating any and all barriers to education, ensuring integrated education and access for all. The Parliament believes that those who have been excluded from the labour market for a long time must have greater entitlements to funding for lifelong learning, especially where 'key competences' are concerned.

Other actions of active inclusion include tackling domestic violence and the abuse of children and older people, gender mainstreaming and combating discrimination.

The Parliament notes that there is a risk that more imaginative approaches to prepare those furthest from the labour market for eventual access to it may be deprived of funding in favour of a more narrow approach based on easily quantifiable outcomes. The Commission is called upon to improve the **funding** for bottom-up approaches under Structural Funds.

Creating a more favourable labour market: the Parliament points to the necessity of creating an inclusive labour market as the core of any active inclusion strategy, a labour market with decent working conditions and job diversity for all workers. It notes that as a result of changing demographics, it is estimated that by 2030 the ratio of active to inactive people will be 2:1 and calls on the Commission and the Member States to develop active inclusion policies to ensure that carers (many of whom will be obliged to withdraw from the labour market due to caring responsibilities) are **not adversely affected** in later years. It also calls on the Member States to promote a competitive labour market favouring the development of public and private social protection systems at reasonable cost. Moreover, it calls on the Member States to use tools and instruments so as to improve the participation of those farthest from the labour market (financial incentives, tax benefits, etc.).

The Parliament also points out that the role of local and regional authorities in promoting active inclusion is threefold: as employers, promoters of economic development and employment, and as providers of public services. They should therefore advise and refer people on where they can receive help in accessing the labour market.

Promoting the insertion of asylum-seekers: the Parliament strongly believes that more should be done to tackle the barriers to inclusion faced by asylum seekers. Therefore, it calls on the Member States to work to end asylum seekers' dependence on benefits by allowing them to work and consider the development of more legal immigration routes. All Member States are urged to safeguard human rights-based asylum policies in accordance with the Convention relating to the Status of Refugees and other relevant human rights legislation. The Parliament urges the Commission and the Member States to reject the **misleading blurring of economic migration with asylum-seeking**, and of economic migration and asylum-seeking with illegal immigration.

Poverty reduction: the Parliament reiterates its request for setting an EU target to **reduce child poverty by 50% by 2012** and to end street homelessness of children, youth and adults alike by 2015. It also calls for a minimum level of income provided through pensions and for access to health care and for its quality (reducing infant mortality, improving health and increasing life expectancy, etc.).

Road map: lastly, the Parliament calls for a concrete roadmap for the implementation of active inclusion strategies based on the participation of civil society and other stakeholders. The roadmap should specify time lines and realistic qualitative and quantitative targets based on specific indicators and on detailed dialogue between the interested parties. The roadmap should set out how active inclusion is to be implemented and monitored through the Open Method of Coordination for social protection and social inclusion.

Note that a proposal for an alternative resolution tabled by the EPP-ED group was rejected in plenary.

Active inclusion of people excluded from the labour market

2008/2335(INI) - 03/10/2008 - Non-legislative basic document

PURPOSE: to actively include people excluded from the labour market: a proposal for a Commission Recommendation.

BACKGROUND: 16% of the population is at risk of poverty, the percentage of children at risk of poverty stands at around 19% and the percentage of early school-leavers is still high at about 15%. Moreover, the percentage of people living in jobless households remained stable at around 10% between 2000 and 2005 before falling by one percentage point thereafter. In addition, it appears as thought the reality of poverty and social exclusion has become even more complex as it is characterised by multiple disadvantages: the destitution is compounded by family problems, a lack of learning capacity and of digital skills, precarious health, inadequate and remote housing and a lack of social support, aggravated in certain cases by ethnic discrimination.

Combating social exclusion and poverty is among the priorities of the European Union, whose action in this area is based on Article 137 of the EC Treaty. The Guidelines for the employment policies of the Member States (e.g. Integrated Guideline No 19) emphasise the necessary interaction between employment policies, social services, social protection and tax systems with a view also to mobilising those furthest from the labour market and capable of working. Although greater attention has been paid at Community level to social exclusion and systems of integration in Member States, there is still no broad consensus on the need to step up the fight against exclusion and poverty in the EU. The aim of this Communication (and the Recommendation that it envisages) is to respond to this need and to follow up the Commission Communication on a renewed Social Agenda by proposing a new concept of "active inclusion", described below.

CONTENT: the Communication shows that Minimum Income (MI) schemes have undoubtedly had a positive effect on the reduction of poverty (albeit marginally in the case of several Member States). The figures suggest that social protection in countries without an established MI scheme (Greece and Italy) has a more limited capacity in terms of reducing poverty. However, the figures also show that **social assistance** alone **is not sufficient to lift beneficiaries out of poverty**. This assistance still needs to be provided in reality as the figures show that only 18% of the non-working population at risk of poverty is in receipt of social assistance in the EU.

Recent findings show that the design of tax and benefit systems still generates significant disincentives against entering the labour market for some segments of the labour market (such as the low skilled with low earning prospects and for whom social assistance seems more attractive). These are the so-called "**obstacles to employment**" that certain Member States are working on removing through reforms.

Moreover, studies show that people most excluded from work need more **personalised pathways** to employment, as well as **favourable conditions for employment** (particularly for women and the least qualified individuals), by providing access to childcare, decent housing and adequate health protection.

In this context, the Commission envisages providing for a comprehensive strategy for persons excluded from the labour market, based on a number of common principles.

An integrated approach for active inclusion: the Commission's strategy combines several elements in an integrated way: (i) income support; (ii) inclusive labour markets; (iii) access to quality services. Policy design should define the right mix of the three strands of the active inclusion strategy, taking account of their joint impact on the social and economic integration of disadvantaged people and their possible interrelationships.

Active inclusion policies should ensure consistency with the following objectives: 1) support the implementation of fundamental rights; 2) promote gender equality and equal opportunities; 3) address the complexities of multiple disadvantages and the specific situations and needs of the various vulnerable groups; 4) improve territorial cohesion taking into account local and regional circumstances; and 5) be consistent with a lifecycle approach to social and employment policies so that they can support intergenerational solidarity and break the intergenerational transmission of poverty.

For this integrated approach to be effective, coordination between public agencies and services needs to be enhanced. In addition, local, regional, national and EU authorities - with their particular roles, competences and priorities – also need to strengthen their cooperation, including with social partners, NGOs and service providers.

Common principles: while active inclusion policies must reflect the different national situations, it seems appropriate to reach a consensus at EU level on a series of common principles for active inclusion. These principles, which are specific for each of the three strands, could help Member States in the establishment and implementation of their integrated active inclusion strategies in order to make them more efficient and more effective. In this context, the Commission considers that a **recommendation on active inclusion** could help to guide Member States in the establishment and implementation of their integrated active inclusion strategies.

Implementation and monitoring of the common principles at EU level: the implementation of active inclusion strategies needs to be properly coordinated and monitored at national and EU levels if it is to be successful. To that end, the Commission proposes that, by the end of 2008, Member States adopt Council Conclusions defining a set of common principles. These can form the basis for joint coordination and monitoring work by the Commission and the Member States within the social OMC in close cooperation between the Social Protection Committee and the Employment Committee. Progress made in the implementation of active inclusion strategies should then be presented in the Joint Reports on Social Protection and Social Inclusion as well as in the frame of the Lisbon Strategy. In addition, the Commission is ready to take the measures necessary to improve or establish the indicators for quantitative monitoring.