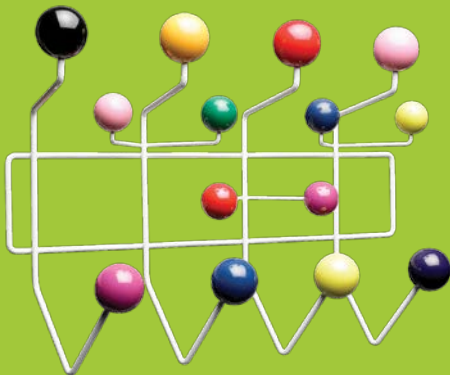


# Integration and inclusion of older workers on the labour market and the Europe 2020 strategy perspective

EZA-HIVA-research project 2015-2016

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# An interesting EZA research project!

## “Integration and inclusion of vulnerable groups on the labour market in Europe”

- EZA training programme 2015/2016
- Europe 2020 strategy on the integration and inclusion on the labour market
- Research project with HIVA  
(Research institute for Work and Society of the University of Leuven/Belgium)
- Focus: set of specific vulnerable groups on the labour market
- Accent: (re-)integration in enterprises

## Overview

- EZA-HIVA research project
- Definition of vulnerable groups
- An inclusive labour market
- Young on the labour markets
- Migrants and ethnic minorities on the labour market
- Conclusions

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# DEFINITION OF VULNERABLE GROUPS

# Definition of vulnerable groups

## Vulnerable groups on the labour market =

- Groups with a lower employment rate than the country average
    - country differences
  - And/or, when in employment,
    - Risks for more precarious work
    - Segregation at both the sectoral and occupational levels ('glass ceilings' and 'glass walls')
- EZA-HIVA report: focus on
- People with disabilities/chronic diseases
  - Young and older people
  - Migrants and ethnic minorities
  - The gender issue (women)
- Risks & prevention of in-work poverty and group of working poor
  - Position on the labour market: facts, causes & consequences
  - Specific actions with involvement of workers organisations

## Overview

- EZA-HIVA research project
- Definition of vulnerable groups
- **An inclusive labour market**
  - EU 2020 strategy
  - EU-policies on inclusive labour markets
  - EU social partners framework agreement on the labour market
- Young on the labour markets
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# AN INCLUSIVE LABOUR MARKET

# Starting point: the EU-policy on inclusive labour markets

## Fact:

- Different vulnerable groups on the European labour markets:
  - Higher unemployment rate / lower activity rate
  - Higher risks of precarious work
  - Segregation

*An inclusive labour market allows and encourages  
all people of working age to participate in paid work,  
especially vulnerable and disadvantaged people*

# EU 2020 strategy

2 targets = directly linked to inclusive labour markets:

- “By the year 2020, 75% of the 20-64 year-olds to be employed”  
→ generalised participation on the EU-labour market
- “At least 20 million fewer people in or at risk of poverty and social exclusion”  
→ work is the most effective way for combating poverty and social isolation



# EU 2020 strategy

Promote inclusive labour markets **to**

- maximize full potential
- demographic evolutions
- growing diversity
- sustain social protection systems

**This means**

- Make it easier (re-)join
- Remove disincentives
- Quality jobs and prevent in-work poverty
- Stay in work & advance career

# EU-policy on inclusive labour markets

**Achieving** an inclusive labour market is:

- a multi-faceted challenge
- a key concern for
  - public authorities
  - employers
  - and employees (and their representatives)
  - intermediate organisations,....

# EU-policy on inclusive labour markets

## Challenges

- Demographical changes, globalization and migration, pressure on natural resources,...
- And also: financial and economical crisis

→ EU 'Social investment Package' 2013: **speed up**

< Commission recommendation of 3 October 2008

*on the active inclusion of people excluded from the labour market*

# EU-policy on inclusive labour markets

*“All member states should organise and implement integrated active inclusion policies”*

- Adopt support arrangements for persons fit for work
  - to enter or re-enter in employment
  - to stay in employment
- in accordance with **common principles & practical guidelines**

# Commission Recommendation of 2008

## Active labour market policies (ALMPs)

- Support access and return to employment
- Avoid unemployment becomes long term

## 3 main categories

- Personalised support and guidance (PES)
- Learning and Training schemes, lifelong learning
- Employment subsidies

# 2013: follow up on the 2008-recommendation

- Lowest long term unemployment → highest level of participation in ALMP
- stronger trade unions → more developed ALMPs

## Conclusion:

- Labour markets are not yet inclusive
- Most successful EU MS: policy similar to active inclusion principles

⇒ More efforts on ALMPs are necessary

# EU Social partners framework agreement

= Autonomous framework agreement on inclusive labour markets (ETUC, BUSINESSEUROPE, UEAPME and CEEP, 25 March 2010):

- access, return, retention and development on the labour market
  - to achieving full integration of individuals on the labour market:
    - difficulties in entering, returning to or integrating into the labour market
    - at risk of losing their job
- ⇒ Member States: implement comprehensive policies with specific measures

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- **Young on the labour market**
  - Facts and figures
  - Causes
  - Consequences
  - Towards actions for young people
  - Policy measures at EU level
  - Policy measures at national level
  - Policy measures at company/sector level
  - Social partners actions
- Migrants and ethnic minorities on the labour market
- Conclusions

# YOUNG PEOPLE ON THE LABOUR MARKET



# Facts and figures: Young workers in Europe

- Age 15 – 24
- When active on the labour market, **higher unemployment risk**
  - The **youth (15-24) unemployment rate**:
    - » 23.4% in 2013
    - » more than *twice as high* as the 25+ unemployment rate (9.5%)
  - Big differences between MS

# Youth unemployment rate

In 2013

- 15-24 years: 23.4%
- +25 years: 9.5%

Big differences between member states

<b>2013</b>	<b>&lt;25 years</b>	<b>25 – 74 years</b>
EU-28	23,4	9,5
Greece	58,3	25,3
Spain	55,5	23,8
Croatia	49,7	14,1
Italy	40,0	10,3
Cyprus	38,9	13,3
Malta	13,5	5,2
Denmark	13,0	5,9
Netherlands	11,0	5,9
Austria	9,2	4,3
Germany	7,9	5,0

# Strong impact of the economical crisis

- strong increase unemployment
- Longer in education
  - ↔ 13% NEETs (7.5 mio)
  - ↔ much early school leaving & non-completion
- ‘False start’: start below qualifications
- Less training opportunities
- More involuntary in non-standard jobs (2013)

Situation 2013	Youth	Overall workers
Temporary contracts	42.7%	13.8%
Part time work	31.9%	19.6%

# Causes

- Lack of experience (vs experience unemployed)  
*“When they have a choice, employers prefer employees who are immediately employable”*
- Early school leaving
  - Distancing from educational system
  - Multi-problem situations
- Education-labour market
  - Skill mismatch
  - Over/under educated but often under-skilled

# Consequences

- Start below qualifications  $\Leftrightarrow$  false start
  - Hard to catch up
  - Locking in effect
- Risk of a lost generation?
- Scarring effects of unemployment
  - Lower (life) satisfaction & psychological well-being
  - Higher risk long term unemployment
    - » “signal of less suitable”
    - » Skills obsolence (use it or lose it)
  - Lower wages & lower job quality
  - Effects are stronger at career start

# Actions are necessary and possible

## At different levels & by different actors:

- EU Level: The Youth Guarantee (April 2013)
- National levels
- Sectoral level
- Organisational level

## Target groups:

- Young people in unemployment
  - Skilled & low-or unskilled
  - Possible multiple problems
- Employers

# Actions at EU level: The Youth Guarantee (April 2013)

- All MS:
  - Offer for job, continued education, an apprenticeship/traineeship
  - **within four months** of leaving formal education or becoming unemployed.
- EU-level tools to help MS
- in close partnership with the social partners and the relevant stakeholders

# Actions at national level:

## Government and other public institutions and programs

- Avoiding early school leaving
- Adapting education
- Investment & partnerships
- Dual learning/dual educational systems (apprenticeships)
- ALMP with focus on young people
- campaigns to raise public awareness/sharing information
- campaigns towards sectors and organisations to tackle discrimination, to promote diversity, to promote lifelong learning
- ...



# Actions at national level:

Government and other public institutions and programs

## ALMP with focus on young people

- Experience/apprenticeships
- Financial support/compensations,... and other support
- Early intervention and activation
- But take into account:
  - Avoiding scarring: not taking on lower quality jobs in the beginning of the job search (lock in effect)
  - Avoiding scarring of being long term unemployed: looking for alternatives

→ develop measures tailored to specific vulnerable young groups

# Actions at sectoral and organisational level

- Investing in life long learning strategies
- Investing in dual learning and apprenticeships
- (Re-)training programs, eventually focussing on vacancies which are hard to fill in
- Training programs not only focussing on technical skills but also on attitude, social skills,...
- Guidance on the work floor
- Lowering possible thresholds for recruitment, diversity management, generation management
- Awareness about and tackling possible prejudices against ('scarred') young people
- ...

# Social partner actions

## Short term

- Monitoring and evaluation of vocational education and training (VET): to ensure smooth transitions
- Apprenticeship systems:
  - Governance
  - Barriers to the development
  - EU alliance
  - Apprenticeship agreements: terms, learning objectives, ...
- Improving European social partners: Framework on actions on youth employment, 2013
- joint actions towards the Council and the European Parliament
- STEM: promote attractiveness, image (more women)

# Social partner actions

## Long term

- Match education-labour market
  - education which better meets labour market needs & young people's needs
  - Fostering personal development and employability
- Strengthen dual learning elements in existing work-based learning models

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- Young on the labour market
- **Migrants and ethnic minorities on the labour market**
  - Facts and figures
  - Causes
  - Consequences
  - Towards actions
  - Policy measures at EU level
  - Policy measures at national level
  - Policy measures at company/sector level
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# MIGRANTS AND ETHNIC MINORITIES ON THE LABOUR MARKET

# Definition

## 3 groups

- Non-nationals
- Nationals with a foreign background (NFB):
  - people with a foreign background having acquired nationality (by naturalisation or by birth), born or not born in the country of the acquired nationality, and their descendants
- Nationals with a different ethnic affiliation (NEA)

→ groups which might suffer discrimination and could be treated differently in the labour market on the basis of a different origin (either national or ethnic).

→ No comparable information based on origin available

→ Not easy to collect data

# Employment rate (by nationality)

- Employment rate nationals > employment rate non-nationals
- Third country nationals are most disadvantaged group
- Differences between MS

CITIZEN	Reporting country	Extra EU-27	Extra-EU-15	Total
GEO/TIME	2014	2014	2014	2014
European Union (28 c	65,2	53,6	57,3	64,8
Belgium	62,9	38,0	45,6	61,9
Bulgaria	61,1	55,4	56,1	61,0
Czech Republic	68,9	75,2	74,2	69,0
Denmark	73,8	54,7	58,9	72,8
Germany (until 1990	75,1	55,8	59,2	73,8
Estonia	70,3	64,8	65,1	69,6
Ireland	61,8	52,3	61,7	61,7
Greece	49,3	50,0	50,8	49,4
Spain	56,6	48,2	49,7	56,0
France	64,6	45,0	45,6	63,8
Croatia	54,6	35,2	38,9	54,6
Italy	55,4	56,7	58,3	55,7
Cyprus	60,8	75,3	75,7	62,1
Latvia	67,0	61,6	61,7	66,3
Lithuania	65,6	72,9	72,4	65,7
Luxembourg	63,7	53,6	61,5	66,6
Hungary	61,7	70,0	71,3	61,8
Malta	62,4	62,8	62,8	62,3
Netherlands	73,9	49,2	53,7	73,1
Austria	72,3	56,2	60,5	71,1
Poland	61,7	62,8	65,7	61,7
Portugal	62,7	59,0	59,2	62,6
Romania	61,0	:	:	61,0
Slovenia	64,2	54,4	54,3	63,9
Slovakia	60,9	:	78,3	61,0
Finland	69,2	47,8	54,1	68,7
Sweden	76,2	48,0	51,7	74,9
United Kingdom	72,2	59,9	67,8	71,9

# Activity rate (by nationality)

- Activity rate nationals > activity rate non-nationals
- Gender related
- Again, large differences between MS and large in-group differences

CITIZEN	Reporting country	Extra EU-27	Extra-EU-15	Total
GEO/TIME	2014	2014	2014	2014
European Union (28 c	72,3	67,1	70,4	72,3
Belgium	68,1	55,0	60,7	67,7
Bulgaria	69,0	59,1	59,5	69,0
Czech Republic	73,4	78,7	79,2	73,5
Denmark	78,6	64,9	69,6	78,1
Germany (until 1990	78,8	63,2	66,4	77,7
Estonia	75,3	74,7	74,8	75,2
Ireland	69,5	61,2	71,5	69,8
Greece	66,8	75,5	75,5	67,4
Spain	73,7	76,9	78,7	74,2
France	71,5	60,7	61,6	71,1
Croatia	66,1	50,5	53,3	66,1
Italy	63,2	68,8	70,4	63,9
Cyprus	73,2	82,3	84,3	74,3
Latvia	74,9	72,5	72,5	74,6
Lithuania	73,7	82,8	81,1	73,7
Luxembourg	66,2	66,3	72,1	70,8
Hungary	66,9	73,0	76,1	67,0
Malta	66,2	69,6	69,6	66,3
Netherlands	79,6	59,7	63,7	79,0
Austria	76,0	65,1	69,4	75,4
Poland	67,8	73,1	74,7	67,9
Portugal	73,2	75,1	76,2	73,2
Romania	65,7	:	:	65,7
Slovenia	71,0	67,3	67,6	70,9
Slovakia	70,2	:	79,2	70,3
Finland	75,6	60,5	66,3	75,4
Sweden	82,2	67,6	70,2	81,5
United Kingdom	76,9	66,2	73,3	76,7



# Unemployment rate (by nationality)

## When active

- higher chances of unemployment

## When at work

- higher risks of precarious jobs
- etno- stratification
- undeclared work

CITIZEN	Reporting country	Extra EU-27	Extra-EU-15	Total
GEO/TIME	2014	2014	2014	2014
European Union (28 countries)	9,9	20,1	18,7	10,4
Belgium	7,5	30,9	24,8	8,6
Bulgaria	11,5	:	:	11,5
Czech Republic	6,2	4,5	6,3	6,2
Denmark	6,1	15,7	15,3	6,8
Germany (until 1990)	4,6	11,7	10,8	5,1
Estonia	6,6	13,2	13,0	7,5
Ireland	11,1	14,6	13,8	11,5
Greece	26,1	33,7	32,7	26,7
Spain	23,2	37,4	36,8	24,6
France	9,7	25,8	26,0	10,3
Croatia	17,4	:	:	17,5
Italy	12,4	17,5	17,2	12,9
Cyprus	16,9	8,4	10,2	16,3
Latvia	10,5	15,0	14,9	11,1
Lithuania	10,9	:	:	10,9
Luxembourg	3,8	19,2	14,7	5,9
Hungary	7,8	:	:	7,8
Malta	5,7	9,7	9,7	5,9
Netherlands	7,2	17,5	15,7	7,5
Austria	4,8	13,8	12,8	5,7
Poland	9,1	:	:	9,1
Portugal	14,3	21,4	22,4	14,5
Romania	7,1	:	:	7,1
Slovenia	9,6	19,1	19,6	9,9
Slovakia	13,2	:	:	13,2
Finland	8,5	21,0	18,5	8,8
Sweden	7,2	29,1	26,4	8,1
United Kingdom	6,2	9,5	7,6	6,3

# Facts NFB/NEA

- General lack of statistics
- from EU-27: fairly good or average employment rates
- from third countries: lower employment rates
- In some countries: large differences with nationals with no foreign background, in others not that much differences

# Causes

- Prevalence of stereotypes, prejudices and negative attitudes
- Discrimination
- Lack of access to (certain) professions
- Labour market competition
- Lack of recognition of skills and qualifications
- Lack of education and training, lower educational attainment
- Lack of language skills
- Lack of information/network
- Lack of integration policies
- Disincentives through welfare systems

## **No homogeneous group !**

Differences between :

- generations
- regions of origin
- People without papers - applicants for asylum - legal immigrants
- Nature of migration

In EU: wider range of countries and ethnical groups, they are younger and more often female  
(compared to other OECD-countries)

# Consequences

- Unemployment and inactivity can result in **social exclusion**
  - Higher poverty rates
  - Lost generations
  - Multiple problems
- Risk of poverty or exclusion for people 18+ (2011)
  - Born outside EU-27: 37.8%
  - Born in another EU country: 22,2%
  - Born in the country: 20.8%

*“The great failure of all Western European immigration policies has been their inability to ensure that migrants acquire and retain work.”*

*“Immigration to Europe will not work until immigrants in Europe work.”*

# Towards actions for people with a foreign background

Demand and supply side of the labour market

- Actions focusing on the **target group**
  - Highly heterogeneous group!
  - Possible multiple problems
- Actions focusing on the **employers**
- Actions on different levels and by different actors are necessary

# Actions at EU level

- EU anti-discrimination legislation
- Migration policy

# Actions at national level: government and other public institutions and programs

- **Institutional framework**
  - for legal immigrants: socio-economic rights
  - for immigrants without papers : also fundamental rights
  - Translation of EU anti-discrimination legislation in national legislation
  - Incl. the installation of bodies, responsible for handling discrimination complaints
- Specific public policies to tackle the **employment inequalities**
  - Promoting diversity at the workplace
  - Enhancing job accessibility & labour market access (ALMPs)
  - Investments in competences of the vulnerable groups
- **In general:** Investing in education, in social cohesion, in tolerancy, against racism,...

# Actions on sector / company level

- Awareness raising/promoting **diversity management**
  - Opening “doors“, “practices and procedures“, “eyes”
- Awareness about and tackling possible **prejudices** against people with a foreign background
  - Principles & training on respectful and non-discriminatory behaviour
  - Procedures for reporting
- Lowering possible **thresholds for recruitment**
  - Quota, targeted advertising, objective selection procedures, ...
- **Training** programs
  - Technical skills
  - ALSO: social skills, language, ...
- **Career management**
  - Lowering possible thresholds
- **Guidance** on the work floor
  - Mentoring



# Social partners actions

- Actions and/or policies
  - against discrimination and/or
  - to promote diversity and equality
- Social partners can play an important role
- Anti-discrimination/diversity management/disability management
- Other initiatives by trade unions
  - Organising awareness raising events and conferences
  - Mobilising members
  - Developing instruments
  - Offering support and training
  - Offering expertise
  - Collaboration with representatives from the groups of interest
  - ...

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# CONCLUSIONS

# Social partner actions

## For all vulnerable groups on the labour market

- Existing inequalities and vulnerabilities of certain groups may be reproduced **when social partners do not have explicit interests** in catering for these groups and inequalities
- finding best mix of private and public support and protection for various groups, possibility in differentiating
- well-designed and tailored combinations of sticks, carrots as well as sermons



**THANK YOU FOR YOUR  
ATTENTION**