



Directorate-General for Education and Culture

# European employment and social policy: a policy for people



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# European employment and social policy: a policy for people



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# The European Union, jobs and social policy

The aim of European employment and social policy is to promote a decent quality of life and standard of living for all in an active, inclusive and healthy society. To date, it has helped improve the lives of millions of EU citizens, including the unemployed, the elderly, people with disabilities, the socially excluded, people facing discrimination on the labour market and many others besides.

Thanks to what has become known as the 'European social model', people in the EU are not left to the mercy of market forces. On the contrary, they have access to one of the strongest social safety nets in the world. This is because the European Union firmly believes that while strong competition between companies is necessary to improve productivity and growth, strong solidarity between citizens is equally vital to create a stable society and widely shared prosperity.



## How does the European Union put its employment and social policy into practice?

The EU does not deal with European employment and social policy on its own, nor does it bear sole responsibility for it. Social policy is a core responsibility of the Member States. In accordance with the principle of subsidiarity, Europe deals only with matters where an EU solution makes

*Not only financial matters, but also unemployment and social issues are of common interest to the Member States of the European Union*

The purpose of European integration according to the Treaties: 'The Community [the EU] shall have as its task [...] to promote throughout the Community a harmonious, balanced and sustainable development of economic activities, a high level of employment and of social protection, equality between men and women, sustainable and non-inflationary growth, a high degree of competitiveness and convergence of economic performance, a high level of protection and improvement of the quality of the environment, the raising of the standard of living and quality of life, and economic and social cohesion and solidarity among Member States.'

*Article 2 of the Treaty establishing the European Community (EC) as amended by the 1997 Amsterdam treaty. The EC is, as the 'first pillar', a part of the European Union.*

more sense. So far, the EU has laid down only minimum standards and minimum rights. Member States can therefore adopt rules and regulations which go further than European social provisions.

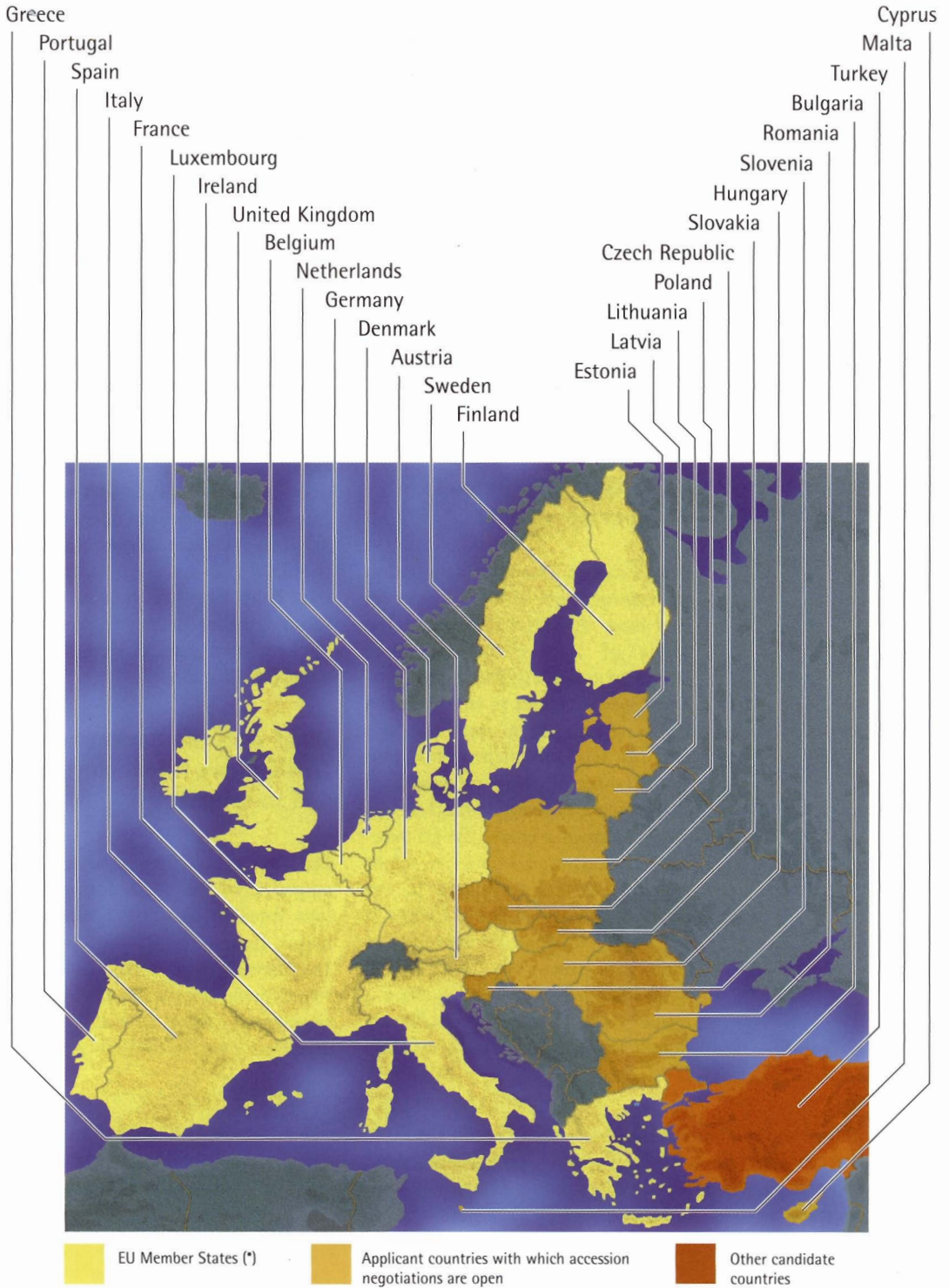
Solving Europe's social problems requires the combined input of as many players as possible, which is why European employment and social policy is operated both in conjunction with the Member States and in cooperation with associations and non-governmental organisations (NGOs). In the mid-1990s, these organisations together formed the 'Platform of European Social NGOs', which contributes opinions and ideas to European social policy. NGOs are also competent and important partners of the EU in implementing social policy measures, and they constitute a vital link between the EU and its citizens through these contacts, which are often referred to as 'civil dialogue'. The tasks of employment and social policy include further development of civil dialogue, and also of 'social dialogue', i.e. negotiations between the social partners at European level.

## **What is the role of the social partners?**

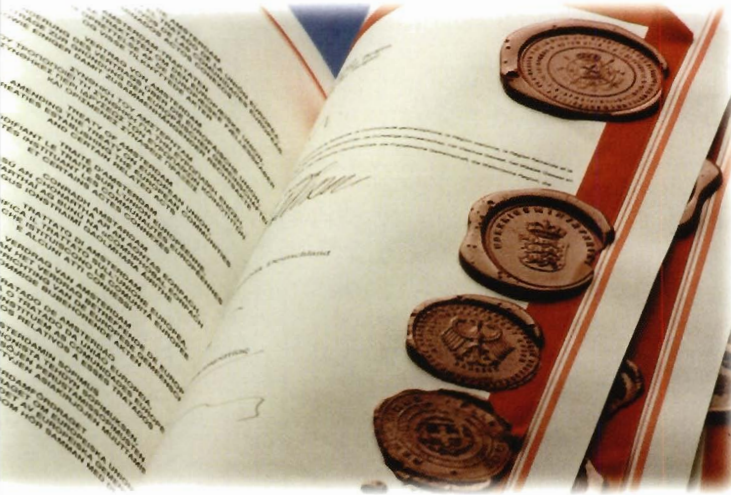
The social partners are the trade unions and the employers' organisations. Their European umbrella organisations play an important role by contributing, in line with established procedures, to the shaping and substance of European employment and social policy. In 1985 the European Employers' Confederation (UNICE), the European Trade Union Confederation (ETUC) and the European Centre of Enterprises with Public Participation (CEEP) agreed to work together on a regular basis.

The Agreement on Social Policy from 1992 turned trade unions and employers' organisations into specialist advisers to the European institutions. However, it was the 1997 Amsterdam Treaty which made them joint decision-makers. When the social partners have entered into agreements, they can now present them to the European institutions for transformation into European law. Employees' and employers' organisations have thus assumed greater importance in employment and social policy. They have become partners – an essential precondition if policy is to meet the challenges of economic and social change in Europe.

The main tasks of European social policy are described in Article 136 of the EC Treaty: 'The Community [the EU] and the Member States [...] shall have as their objectives the promotion of employment, improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained, proper social protection, dialogue between management and labour, the development of human resources with a view to lasting high employment and the combating of exclusion'.



(\*) Non continental and overseas territories not shown.



*The Amsterdam Treaty of 1997 strengthened the European effort to create new jobs.*

### **What about the impact of EU enlargement?**

The European Union is negotiating on enlargement with 12 countries that have requested EU membership (most of the central and east European countries). The accession of new Member States to the European Union constitutes a challenge, not only in economic terms, but also from the social policy viewpoint, as the standard of living in most candidate countries is below the EU average. Concerned EU citizens might well ask what will happen to the social coherence of the EU when it consists of far more Member States than the present 15. Especially in those Member States which share a border with a candidate country, people fear a major influx of workers

which, they feel, would put pressure on social systems. In fact, however, there are few grounds for exaggerated fears, since the EU is pursuing a pre-accession strategy fostering approximation of social rights even before accession.

The candidate countries must progressively implement EU rules, including social policy legislation, in order to be allowed to join. The EU is helping the candidate countries to modernise their social systems through 'accession partnerships', which include substantial financial support from the EU and exchange of experience and know-how. EU programmes, on education and training for example, have been opened up to participants from these countries. The EU's pre-accession strategy is thus benefiting the citizens of the future Member States and, seen from the long-term point of view, the EU's social stability as well.

### **What does the Amsterdam Treaty mean for employment and social policy?**

The Amsterdam Treaty, which was agreed upon in 1997 and entered into force in May 1999, marked a major turning point for European employment and social policy. In Amsterdam, the Heads of State or Government added an entire chapter on employment to the Treaty, and for

Article 125 of the EC Treaty sets out the objectives of the European Employment Strategy: 'Member States and the Community [the EU] shall [...] work towards developing a coordinated strategy for employment and particularly for promoting a skilled, trained and adaptable workforce and labour markets responsive to economic change [...]':



the very first time, declared employment policy to be a common European task.

The Treaty also introduced a number of new tasks for European social policy. For example, the EU can now take action to combat discrimination or to help excluded people find their way into society, thus reflecting its commitment to an integrated society.

The Amsterdam Treaty is also significant in that it has made employment and social policy truly EU-wide. During the 1990s most EU social policy measures were based on the Agreement on Social Policy appended as a protocol to the 1992 EU Treaty and on the Community Charter of Fundamental Social Rights of Workers adopted by the Heads of State or Government in 1989. The fundamental rights for workers proclaimed by the governments included safety and health protection at work, training, and equal treatment for men and women. Whereas the Charter was not a legally binding document, the Agreement on Social Policy ensured that the EU was able to take action in the social fields covered by the Charter. However, the United Kingdom signed neither the Charter nor the Agreement on Social Policy. As a result, some EU legislation in the social policy field was applicable in only 14 of the 15 Member States. The Amsterdam Treaty ended this split development of EU social policy.

The agreement is now an integral part of the Treaty, and its provisions apply without distinction to all Member States. All EU citizens can now rely on the social policy legislation adopted by the EU during the

1990s and applied retrospectively to the United Kingdom.

### **What is the Social Action Programme?**

In 1993 the Commission launched a wide-ranging consultation on the future of European social policy. The purpose of the exercise – which was driven forward by the Green and White Papers on social policy in 1993 and 1994 – was to develop a broadly-based, innovative and forward-looking approach to European social policy. The result was the medium-term Social Action Programme, 1995-97.

Building on the achievements of the first programme and the fresh impetus provided by the employment process and the Treaty of Amsterdam, the Social Action Programme 1998-2000 set out a new framework for the development of European social policy. Its key aims were to promote an inclusive society and to equip individuals for the changing world of work in an era of globalisation and rapid technological change. It drew together key lines of action under three main headings: jobs, skills and mobility, the changing world of work and an inclusive society. This framework for action on the social policy front was implemented in tandem with the European Employment Strategy, adopted in Amsterdam in 1997.

# More and better jobs for everyone: the European Employment Strategy

At the dawn of the 21st century, high unemployment is the most serious economic and social problem for nearly all Member States. One in every 10 EU citizens is looking for work in vain. The employment rate in Europe is 61 %, i.e. nearly 10 percentage points below the US and Japan. Although millions of new jobs have been created in the EU, millions of people are still unable to find work. And more than half of all jobseekers have been unemployed for over a year. On top of the net shortage of jobs, some population groups have special difficulties on the labour market: the long-term unemployed,

young people, older jobseekers, people with disabilities, women, and ethnic minorities. The employment rate for women in Europe is around 20 % below the rate for men. For disabled people it is even lower – some 30 % below the overall European average. The EU's objective is therefore not just to ensure that more jobs are created in the EU, but also to provide better opportunities on the labour market for the population groups which up to now have been at a disadvantage.

It became clear in the early 1990s that economic growth alone was not



**Employment by sector:** Share of total working age population, 1997. The category 'non-employed' comprises unemployed jobseekers and citizens outside the labour market.

sufficient to solve the structural problems affecting EU labour markets. The European Commission's White Paper *Growth, competitiveness, employment* provoked intense discussion from 1993 onwards on how the EU could ensure sustainable jobs and better opportunities for disadvantaged jobseekers. Out of this discussion emerged the 'European Employment Strategy' as enshrined in the Amsterdam Treaty. At the 1997 Luxembourg summit, the European Heads of State or Government adopted the first ever set of 'employment guidelines', with the aim of developing a more active labour market policy than in the past. Instead of concentrating purely on income support for the unemployed, preventive measures were to be the order of the day, with the emphasis on the employability of jobseekers, entrepreneurship, the adaptability of businesses and employees to economic and technological change, and equal opportunities for women and men and for people with disabilities.



## Employability

This refers to the skills of jobseekers. Training, further training, retraining and good careers advice are the means by which governments can ensure that jobseekers have the skills and expertise needed by the labour market. The targets are that:

- all young people should be offered training, retraining, employment or a practical traineeship before they have been unemployed for six months;
- unemployed adults should be offered a new start, more specifically through further training and career guidance, before they have been unemployed for 12 months;
- at least one in five unemployed people should have an opportunity to undertake retraining or further training;
- the school drop-out rate should be reduced, and an apprenticeship system should be created or the existing system improved.

Member State governments can achieve these goals only if employers' and employees' organisations enter into agreements to increase the number of traineeships, apprenticeships, retraining opportunities and other possibilities for acquiring skills.

## Entrepreneurship

If new jobs are to be created, it is important to make life simpler for businesses. The intention of the EU countries is therefore to make it easier to set up a new business and become self-employed, by:

- identifying existing obstacles to the creation of small and medium-sized businesses, and making any necessary changes;
- reducing the tax and contributions burden on labour, especially with regard to low-paid jobs;
- looking at how more jobs can be created in the social sphere, e.g. in the voluntary and cooperative sector.

## Adaptability

Businesses and employees are under pressure to adapt. They are faced with new technologies and changing market conditions. This adaptation should be facilitated by:

- developing strategies for modern and flexible work organisation together with the social partners;
- looking at whether today's extremely diverse forms of employment necessitate new types of employment contract;
- introducing, where possible, incentives for individual and in-company further training.

## Equal opportunities

The EU Member States attach particular importance to ensuring that women and men have equal career opportunities and to improving the integration of people with disabilities into the labour market. They have therefore decided to:

- adopt measures to ensure that more women can take up employment and gain access to branches and occupations previously dominated by men;
- improve the availability of child-care facilities and nursing services for the elderly to make it easier for women to take up or remain in employment;
- progressively remove obstacles which make it difficult for women and men to return to work after a break (e.g. for bringing up children);
- devote special attention to the difficulties experienced by disabled people in finding a job.

*Small companies are essential for creating new jobs.*



### **How does the European Employment Strategy work in practice?**

Employment policy objectives are not just slogans. The governments of the Member States have adopted very detailed policies under four key pillars – see the illustration.

The pillars of the European Employment Strategy do not just provide guidance to the Member States; they also form an integral part of all EU policies. In this way they are pursued simultaneously at regional, national and European levels. As part of the European Employment Strategy, Member States coordinate their labour market policies in an annual cycle which works as follows.

1. At the beginning of the year, on a proposal from the Commission, the Council approves a series of priority areas for action – the Employment Guidelines. These guidelines include concrete objectives.

2. Each country draws up a national action plan which describes how the guidelines are to be put into practice in the way best suited to that country; this process should involve a wide range of partners: unions, employers, local and regional authorities.

3. The Commission and the Council jointly examine each national action plan and present a report to the December European Council (EU summit). The Commission also presents a recommendation on revision of the Employment Guidelines for the following year.

On a proposal from the Commission, the European Council can, where appropriate, issue specific recommendations to the governments of individual Member States. In other words, it can recommend specific measures to help them achieve their employment policy objectives. In this way, the EU is doubly involved in employment policy: through its own policy and by supporting Member States' policies.

Immediately after the first employment summit in 1997 concrete action was decided at EU level: the 'growth and employment initiative', a financial support programme for small and medium-sized enterprises (SMEs). The aim of this programme is to facilitate access to risk capital and financial guarantees for SMEs, which are often highly innovative and create more jobs than other businesses.

# Europe investing in people: the European Social Fund

The European Social Fund (ESF) is the EU's financial instrument for investing in people. Since 1957, the ESF has used a joint-funding principle to add to what Member States do to improve people's job prospects and help develop their skills.

The European Social Fund channels European money into helping Member States meet the goals they have agreed together to create more and better jobs. Its mission is to help prevent and fight unemployment, to make Europe's workforce and companies better equipped to face new challenges, and to prevent people losing touch with the labour market.

- It helps develop the skills of people, especially those who face particular difficulties in finding a job, staying in work, or returning to work after an absence.
- It supports Member States in their efforts to put new active policies and systems in place to fight the underlying causes of unemployment and to improve skills.
- It tailors this support to the specific requirements of regions facing particular problems.

The European Union has new mandates to face the new millennium. One of the top priorities is the fight against unemployment, and the need to improve the skills of the workforce so as to improve people's prospects and the competitiveness of the EU.



Although Europe has created jobs, it has had little effect on the number of people out of work. It is recognised that the skills gap is a major factor here: the need for people to develop the right skills to get jobs, and for companies to develop the right expertise to create growth and jobs, particularly in new sectors.

The year 2000 will mark the beginning of a new seven-year period for the European Social Fund, in which its own potential is to be fully integrated – in both policy and management terms – into what is done by the Member States to put the European Employment Strategy into practice.

The ESF is one of the EU's four Structural Funds, the others being the European Agricultural Guidance and Guarantee Fund (EAGGF), the

*The European Social Fund finances training initiatives to help people keep or acquire a job.*



*One of the main tasks of social policy today is to reduce the unemployment rate in Europe.*

Financial Instrument for Fisheries Guidance (FIFG) and the European Regional Development Fund (ERDF). Their common mission is to reduce the differences in living standards between the peoples and the regions of the EU.

Together, the four Funds will use nearly EUR 195 billion over the seven-year period 2000-06 to meet three objectives:

- Objective 1: promoting the development of regions whose development is lagging behind. Over two thirds of the Structural Funds money is to go to those regions whose GDP per head is below 75 % of the EU average. There are such regions in nine EU countries, and they include the most remote regions of the EU (the French overseas departments, the Azores, Madeira and the Canary Islands). Objective 1 also assists in the sparsely populated regions of Northern Sweden and Finland.
- Objective 2: supporting the economic and social conversion of four types of areas with specific difficulties: those facing problems adjusting to change in the industrial and service areas, declining rural areas, urban areas in difficulty, and depressed areas heavily dependent on fisheries.
- Objective 3: provides funding for all areas of the EU except Objective 1 regions, to help adapt and modernise education, training and employment policies and systems.

## What can the ESF do?

The ESF focuses mainly on the support individual people need to become more employable, but can also be used to help improve systems and structures to make the labour market itself work better.

The ESF can provide support for achieving a wide range of policy objectives to help Member States develop their job markets and the skills of people who are in work, or who are looking for work. Member States and regions throughout the EU have different approaches and different structures. They decide which policy fields to focus on, and how to make best use of ESF money for the things they need to develop most, although they are required to give particular attention to skills development and equal opportunities, and to the need to ensure that operations are rooted in local development plans.

The ESF programmes which put these plans into action will run for seven years. The policy fields are designed to dovetail with the action plans for employment which Member States adhere to in implementing the European Employment Strategy.

## What type of measures are financed by the ESF?

During the 2000-06 programming period, the ESF will part-finance Member States' measures in five different priority areas:

- development of an active labour market policy;
- assistance for people at risk of



- social exclusion, especially with regard to their chances on the job market;
- improvement of general education and vocational training, with the aim of lifelong learning and acquisition of the skills needed by the labour market;
- promotion of employee adaptability, entrepreneurship and workforce skills in the fields of research, science and technology;
- fostering of self-employment and employability of women, and measures to combat gender inequalities on the labour market.

Member State programmes is a matter for the national authorities within the country. When citizens benefit from ESF support, it is typically through participation in specific training or other activities organised in their local area. They are managed by a whole range of provider organisations from both the public and private sectors, such as education and training institutions, voluntary organisations, trade unions and works councils, professional associations and individual companies. Project promoters who wish to apply for ESF assistance should contact their national employment ministry for information.

### What does the EQUAL Community Initiative cover?

EQUAL is the part of the European Social Fund reserved for international operations – the Community Initiative. For 2000–06 it has replaced the previous ADAPT and Employment initiatives, of which the latter encompassed four strands: Now, Horizon, Youthstart and Integra. EQUAL supports measures to combat any form of unequal treatment and

*EQUAL helps vulnerable groups which are frequently the target of discrimination – e.g. the disabled – and seeks to provide them with equal opportunities.*

The focus of ESF assistance will be on projects which assist skills acquisition and enhancement. However, ESF financing may also be granted to institutions working on improvements to training and further training, on model projects, or in fields such as awareness development. To be eligible for funding, projects must ensure equal opportunities for men and women, incorporate local employment initiatives, and take account of modern information and communication technologies.

### How does ESF money reach those who need it?

ESF money is shared among the Member States. The Commission agrees on the amount per objective and per country, and approves each Member State's programming priorities.

The way this is then broken down, and the specific projects which receive ESF co-funding under the



BA

discrimination on the labour market including discrimination on the grounds of sex, ethnic origin, age, disability, sexual orientation or limited qualifications.

EQUAL also emphasises the transnational approach; to qualify for funding, projects must involve partners from at least two Member States and take a new, innovative approach. The substance should be in line with one of the four pillars of the Employment Strategy and be based on so-called 'development partnerships' involving associations and organisations in the public and private sectors. The ultimate goal is to ensure labour market access for all.

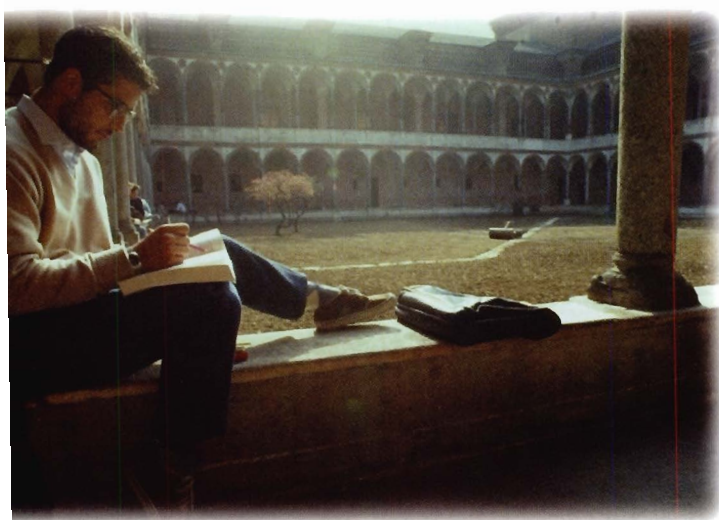
### **How can citizens acquire international skills?**

Improving people's skills has long been one of the EU's social concerns. This is not limited to the work of the European Social Fund, but is also pursued as an integral part of several other European Union measures. In education, two programmes, Socrates and Leonardo da Vinci, have success-

fully promoted an international dimension in universities and schools and in vocational training. Qualifications like language skills and experience in other countries are vital for the future. EU measures are designed to open up access to learning opportunities for everyone, at home and abroad, through partnerships, exchange schemes and the removal of red tape that prevents recognition of qualifications in other countries. Over a million people have taken advantage of EU programmes to pursue their personal development in a European context.

Also, the EU support to research and technological development gives priority to actions that ensure that new technologies are actually used in everyday life, so that as many European citizens as possible have the skills to play a full role in the knowledge-based society.

*The Leonardo da Vinci and Socrates programmes are examples of European Union efforts to offer young people experience abroad.*



# Opportunities, security, protection and rights: EU policy for employees and the self-employed

The normal working day of many employees and self-employed people in the European Union has changed rapidly during the 1990s. Businesses now have computers, ISDN lines and mobile telephones. Internet trading, online banking and e-mail communications are increasingly becoming the norm, especially among younger employees and entrepreneurs. However, Europe is still lagging behind the USA here. Some 500 000 jobs in the EU information and communication technology sector cannot be filled because there are not enough qualified people. The skills gap jeopardises the EU's economic development, not to mention the success of individual businesses. Even firms which have introduced the latest technology do not automatically see an improvement in their flexibility, whereas the markets increasingly demand rapid reactions to changing consumer requirements. In order to remain competitive, many firms need to change the way they organise their work. Production, administration, work processes and management structures are being put to the test.

How can employees help ensure that their firms are armed with the technologies and working procedures they need in order to compete? And what are the consequences of such changes for these workers? The social aspects of the information society and successful modernisation of work



*To remain competitive, the EU countries must focus on new technologies and management structures.*

are currently being examined by the European Commission together with the social partners. The Commission has called on the social partners to enter into framework agreements on the reorganisation of work, agreements which include reconciling employees' needs for security with employers' needs for maximum flexibility. The EU is thus advocating partnership-based solutions wherever possible, for instance the introduction of alternative working time models or new types of contract.

## What rights do European employees have?

The EU has been concerned with subjects related to labour law since the mid-1970s. Although the Member States are primarily responsible for labour law, the economic developments leading to the completion of a common market soon encouraged governments to aim at a standardised

minimum level of employee protection throughout Europe. Today there are European minimum requirements in the fields of working time, protection of young people at work, impending collective redundancies, transfers of undertaking ownership and employer insolvency. These employees' rights serve an important social purpose, namely to ensure that economic competition in the EU does not adversely affect the level of employee protection.

fixed-term employment. The most important outcome of these agreements is that an employer may not discriminate against any employee working part-time or on a fixed-term contract. The European directive on parental leave constituted a major success for the social partners, in that it was preceded by an agreement between the umbrella organisations. The directive states that both women and men are entitled to parental leave when a child is born or adopted. It also gives them the right to return to the same or an equivalent job.

European employees' rights include the following.

- Young people are not allowed to work until they are 15 years old. They are not allowed to work overtime until they are 18.
- Adult employees must have 11 hours rest between working days (there are exceptions for certain occupation groups).
- Employees have the right to a contract which stipulates their pay, holiday entitlement and period of notice.
- Special health and safety measures must be taken for pregnant women and mothers who are breastfeeding or have recently given birth. Women may not be dismissed for the sole reason that they have a child, are pregnant or take maternity leave.

Despite the existence of European employee rights, labour law in the EU varies from one Member State to another. Governments and parties to collective agreements can at any time introduce provisions which go further than the European minimum requirements. But which law applies when workers employed by a company in one Member State are sent to work in another country for a specific period of time? The EU has adopted a directive on the posting of workers, which stipulates that it is the labour law of the country where the work is carried out that is applicable.

### **What about information, consultation and participation rights for employees?**

Significant European rights in connection with working time, new forms of contract and parental leave have been achieved through the 'social dialogue'. During the 1990s, the social partners' umbrella organisations entered into agreements on parental leave, part-time work and

Joint ventures and cross-border mergers have become commonplace in the internal market. During the 1990s the question arose as to how European firms with establishments and employees in different countries should organise employee involvement. After all, each Member State has its own established system of employee information, consultation

and participation. In 1994, after collecting the social partners' opinions, it was decided at EU level to regulate information and consultation throughout Europe.

Firms and groups employing at least 150 people in each of two EU countries and a total of more than 1 000 employees are now required to establish a European works council if their workforce so requests. The directive concerned does not contain any detailed rules on the powers or obligations of the European works council, but leaves it to employees' representatives and management to negotiate the details. The concept of voluntary agreements has proved successful, and by 1999, some 600 multinational companies in the EU already had a European works council.

### What does the EU do for health and safety at work?

The objective of the EU's policy in this field over the years has been to reduce to a minimum both work accidents and occupational diseases. Since 1978 and the first EU programme of action on health and safety at work, widespread acceptance of the role of the European Union, has replaced total dependence on national legislation. Modern EU workplace legislation is based nowadays on a framework contained in Council Directive 89/391/EEC on the introduction of measures to encourage improvements in the safety and health of workers at work. This directive has provided a solid foundation for many further initiatives.

It establishes minimum standards which Member States may tighten

and contains general principles concerning the prevention of occupational risks, the protection of safety and health, the elimination of risk and accident factors, information, consultation and training of workers and their representatives. It is applicable to all sectors of activity.

A series of directives, based on this framework directive, have been successively introduced and they now constitute a solid body of legislation

*EU regulations require minimum safety standards at work.*



covering the maximum number of risk situations with the minimum number of regulations.

They cover matters as varied and technical as the use of individual protective equipment, work with visual display units, exposure of workers to chemical, physical and biological agents, the extractive industries, safety on temporary and mobile construction sites, and workers who are pregnant or who have just given birth.

The EU considers that well-designed health and safety is central to crea-

ting and sustaining a flexible and productive workforce. Better standards of health and safety at work supported by laws and by a work culture which seeks to avoid accidents rather than accept them as inevitable bring enormous economic as well as human benefits.

To provide a more structured approach to information supply the EU set up the European Agency for Health and Safety at Work in Bilbao in 1995. It will now play a central role in collecting and disseminating information, and in providing technical and scientific assistance to the Commission and the Member States.

### **What about employees working in another country?**

Freedom of movement for workers has been a fundamental right since the establishment of the European Community in 1957 – the predecessor of the present EU. Five million Europeans now take advantage of it as a matter of course, by working in another Member State. The Treaty explains what freedom of movement actually means.

Freedom of movement took on additional weight in conjunction with the internal market, as one of the purposes of a common market is to allow both goods and capital to circulate freely. The internal market also means that citizens are free to work anywhere in the European Union. The EU has enshrined the right to free movement in specific rules and regulations, so employees or self-employed persons moving to another Member State for work-related reasons may be accompanied by their families, and unemployed persons can, subject to certain conditions, go to another Member State to look for a job. The Treaty states that anyone moving within the EU for work-related reasons may not be placed at a disadvantage, thus requiring the EU to concern itself with social legislation to protect migrant workers and frontier workers. For example, which Member State must pay a person's pension if he or she has worked in different countries? Which country's social insurance scheme is responsible? European legislation provides clear answers to all of these questions.

Nevertheless, EU citizens repeatedly encounter difficulties with their right to freedom of movement. A problem which rears its head from time to time is the recognition of vocational and university qualifications. Although Member States have different rules concerning the right to exercise certain professions, the governments have agreed in principle to the mutual recognition of professional qualifications. The EU is working towards improving coordination between the competent authorities and ensuring that citizens are fully informed of their rights to

Extract from Article 39 of the EC Treaty:

'...freedom of movement shall entail the abolition of any discrimination based on nationality between workers of the Member States as regards employment, remuneration and other conditions of work and employment.'

freedom of movement. To this end it has set up the 'Europe direct' information centre, which can be contacted by freephone in any EU country (see the end of this brochure) or on the Internet: [citizens.eu.int](http://citizens.eu.int).

## How can I find a job in another EU country?

Citizens who want to investigate the European job market can obtain help from EURES, the European job placement agency. EURES was founded in the mid-1990s by the European Commission and the employment authorities of all the Member States plus Norway and Iceland. The initial aim was to exchange information on jobs, train 'euroadvisers' and set up databases. The euroadvisers, of whom there are now more than 500, constitute the specific network contact points in the employment authorities. They exchange information with each other on job vacancies, job-seekers, the labour market situation, and living and working conditions in the various countries. They have particularly close links in Europe's border regions. The Commission has set up two databases to support euroadvisers, into which all this information is fed. In the meantime not only the euroadvisers, but also an increasing number of employment offices, have access to these systems.

In 1998 the European Commission went a step further; anyone interested no longer needs to go to an employment office to find out whether there are any suitable jobs available in the EU. EURES is now available on-line on the Internet: [europa.eu.int/comm/dg05/elm/eures](http://europa.eu.int/comm/dg05/elm/eures). It thus helps citizens to take advan-



tage of their right to free movement and in so doing contributes to the development of a European labour market.

*Freedom of movement between different countries has always been a priority for the EU.*

# The future of social protection in the European Union



*The number of elderly persons will increase sharply over the next few decades.*

Social protection systems play a major role in Europe. They provide individual citizens with security and contribute to political and social stability and economic success. Benefits include treatment in the event of illness and after work accidents, and income after retirement or in the event of unemployment. Without social protection in the form of tax and insurance benefits, four out of 10 EU households would be living in relative poverty (i.e. with less than 50 % of average income at their disposal). As it is, the figure is around 17%.

However, social protection systems in all Member States are being put to the test, not least as a result of demographic trends. Europeans are steadily growing older. Between 1960 and 1995 average life expectancy increased by eight years for men and seven years for women. But

despite this increase the trend in the EU is towards early retirement for older workers, often as early as the age of 55. The shift towards an elderly society cannot be stopped by the next generation. Forecasts show that in the 21st century there will be more elderly people than young people in the EU. However, the financial basis of social protection systems is jeopardised not just by demographic change, but by the persistently high level of unemployment as well. The EU countries are therefore faced with the task of reforming their social protection systems so that they are financially viable while remaining efficient.

## **What role does the EU play with regard to social protection systems?**

The organisation of social protection systems is the sole responsibility of the Member States. However, in the 1990s, the EU Council agreed on a so-called 'convergence strategy' designed to achieve long-term approximation of social protection policies and systems. It adopted two recommendations setting out specific goals. For example, every EU citizen with no income from employment or capital should receive a minimum income from the State. To date, 13 Member States have introduced such arrangements.

The reform of social protection systems also plays a role in connection



with the Employment Strategy. Member States want to reach a situation in which they make an active contribution to consolidating the employability of their citizens. The European Commission is holding joint meetings with employers' and employees' organisations, governments, experts and NGOs in order to discuss and analyse how this can be achieved and which strategies could be adopted for the redesign of social systems. The Commission is proposing a comprehensive strategy to modernise social protection, also taking full account of the interests of older people. Regardless of how much importance is attached to reforming social protection systems, it is also essential to protect pensions and maintain a high standard of health care. To support the Member States, the Commission has set up MISSOC, the mutual information system on social protection in the European Union, which collects, analyses and publishes data on social protection policies in all Member States. Its reports are also freely accessible on the Internet, at:  
[europa.eu.int/comm/dg05/soc-prot/missoc99/english/f\\_main.htm](http://europa.eu.int/comm/dg05/soc-prot/missoc99/english/f_main.htm).

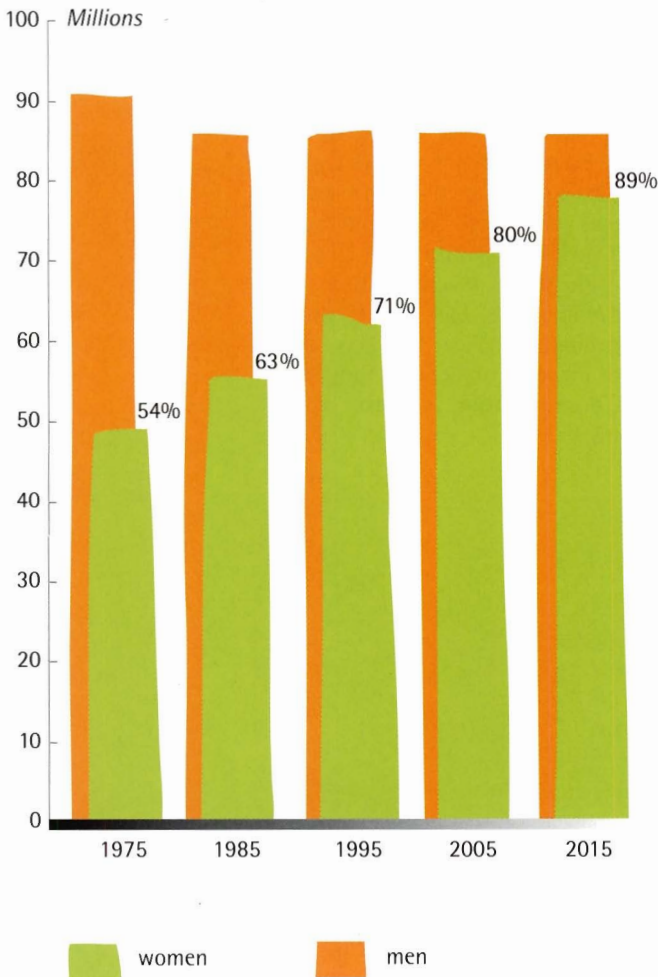
hope that they will be replaced by young employees is, seemingly, not being fulfilled. The trend towards early retirement has certainly not led to any measurable growth in the EU's average employment rate.

The European Commission is keen to develop models, in conjunction with the social partners and non-governmental organisations, for a step-by-step transition from work to retirement, combined with realistic prospects for an old age that is worth living. EU research policy plays a part here, by funding medical and social projects concerned with old age. Older people are entitled not to suffer unjustified discrimination or disadvantage: as part of its non-discrimination policy, the EU's aim is to prevent objectively unjustified discrimination against older employees.

## **What is the EU doing for older people?**

In the context of overall European employment and social policy, the concerns and needs of older people are becoming increasingly important. The image of age and growing older is constantly changing. Today's old people in Europe are more active, healthier and more enterprising than previous generations. At the same time, they are being excluded from the world of work at an increasingly early age, although the associated

# Equal opportunities and equal rights: EU policy for equality between women and men



**Closing the gender gap.** *The percentages represent the share of women's employment compared with men's employment in the 15 EU countries. Projections are based on the development in employment of women and men over the period 1985-95.*

Women's rights are human rights, and gender equality is clearly one of the fundamental principles of every modern democracy. Equality of opportunity is enshrined in the EU Treaty as a major EU concern. As early as the 1970s, the EU committed itself to equal opportunities, thus taking on a pioneering role. The basis for the EU's equal opportunities policy was the provision in the Treaty requiring women and men to be granted equal pay for equal work. However, this first step towards equality led to only gradual changes in practice. As a result, despite all the efforts of the past decades, complete equality of opportunity has not yet been achieved. Europe's women on average still earn a quarter less than men, and women are still more likely to have insecure employment relationships than be on the uppermost rungs of the career ladder. And in their partnerships they still bear the main burden of child raising and housework. In other words, there is still work to be done in the EU to implement equal opportunities in practice.

Although equal opportunities policy mainly benefits women, European men can also profit. For example, European Court of Justice case law has been influential in ensuring that most Member States now pay men a pension at the same age as women. The European provisions on parental

leave also grant rights to working fathers, in that throughout the EU both parents are entitled to at least three months' parental leave when a child is born or adopted. Fathers have the same right as mothers to time off work if they have to take care of a family member who is ill or has had an accident.

### **What are European equal opportunities rights?**

In order to combat discrimination based on sex, the EU first of all adopted European legislation to ensure equality in the context of employment, training, working conditions and social security.



*The EU seeks to create equal opportunities for women and men.*

#### European equal opportunities rights in brief:

- \* Men and women are entitled to equal pay for equal work and for work of equal value. The European Commission has published guidelines as to what, in practice, should be regarded as equal work.
- \* Women must be given the same opportunities as men with regard to access to employment, training, ongoing training, career development and employment. The wording of job advertisements must therefore be gender-neutral.
- \* Social security schemes (occupational and statutory) must provide equal benefits for both women and men.
- \* Authorities must treat women wishing to become self-employed in the same way as men setting up their own businesses.
- \* Female workers are entitled to maternity benefit and leave during pregnancy.



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*Supporting female entrepreneurs is a priority for the EU.*

In the mid-1990s a number of problems arose with the enforcement of these rights. For example, victims of discrimination normally had to prove in court both the existence and nature of discrimination. Furthermore, the European Court of Justice handed down two clear judgments to the effect that various arrangements with gender quotas (positive discrimination) were contrary to European equal opportunities legislation. Consequently, during the 1990s, the EU amended its legislation and adopted a directive reversing the burden of proof. Now the onus is normally on the defendant to prove that the plaintiff has not been unlawfully discriminated against on the grounds of sex. Positive discrimination is now allowed under the Amsterdam Treaty;

so promotion rules giving priority to women in the event of equal qualifications with men are thus consistent with European law.

### **What is the meaning and purpose of mainstreaming?**

Discrimination against women is not always manifest; it is often indirect, hidden behind seemingly neutral rules. For example, local public transport throughout the European Union is used predominantly by women. Decisions concerning timetable changes or fares do not, at first sight, involve gender-specific aspects. However, in practice, they mainly affect the everyday life of women. If equality of opportunity is to be taken seriously, it must be regarded as an across-the-board mission, and political decision-makers must be made aware of this. The EU is therefore pursuing a new approach designed to consolidate equality of opportunity: mainstreaming. This simply means taking account of equal opportunities in all policies and programmes. The Amsterdam Treaty specifically refers to mainstreaming as an EU obligation.

At EU level, mainstreaming has already brought equal opportunities into the objectives of a large number of EU programmes. Education, training and youth programmes must ensure that women and girls do not

Article 3 of the EC Treaty stipulates that:

'In all the activities [...] the Community [the EU] shall aim to eliminate inequalities, and to promote equality, between men and women.'

get a raw deal under the measures they finance. In individual cases, such as the multiannual programme for small and medium-sized enterprises, the EU has even introduced quotas. At least one project out of every three financed under this programme must benefit female entrepreneurs. The EU is also striving to ensure that female experts make up at least 40 % of the members of advisory committees and other specialist bodies. Equal opportunities have been made an integral part not only of the European Employment Strategy, but also of the EU foreign and development policy, for example.

Political awareness and corresponding legislation are, it is true, extremely important in ensuring

equal opportunities for men and women; but to achieve a substantial effect on the many forms of discrimination against women, the EU also sees a need for specific programmes and measures. Women are the main victims of violence in the family and sexual harassment at work. And it is women who are traded like chattels for prostitution. The EU is involved in the war against these forms of maltreatment and humiliation of women through its Daphne and STOP programmes. Daphne supports measures to combat violence against children, young people and women, while the STOP programme helps Member States to coordinate their measures to prevent trade in human beings and sexual exploitation.

# Fighting discrimination and exclusion

Article 13 of the EC Treaty states that the EU may take action to 'combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation'.

In democracies, in other words in all EU Member States, equality before the law is not disputed. But in everyday life many people suffer discrimination for no objective reason. A coloured person may be unable to find a flat, or a disabled person may be unable to find a job despite an excellent education. Discrimination has many faces, and they are all still to be found throughout the EU. In an EU survey in 1997, 33 % of the EU citizens questioned felt that they often or occasionally regarded themselves as racist. Xenophobia, anti-Semitism and other forms of discrimination infringe the basic rights of the individuals concerned.

For many years the EU institutions have used declarations, information campaigns and other tools, particularly measures designed to enhance public awareness, to fight discrimination. But the EU has been unable to go any further due to lack of a legal base. This led to discussion as to whether the European Union needs a bill of rights, and how respect for human rights can be enshrined in the Treaty. Although the Amsterdam Treaty has not provided the EU with a code of fundamental rights, it has made a clear statement in support of human rights.

## What can the EU do to fight discrimination?

All the EU countries have provisions to combat discrimination, mostly in their constitution or in the form of

specific legislation. In future too, national governments will remain responsible for protecting their citizens against discrimination. However, in order to underpin the fundamental rights and freedoms on which the European Union is based, and taking account of the importance of free movement, the internal market and the EU enlargement, the EU is moving towards a pan-European strategy to combat discrimination. The basis for this is provided by the Amsterdam Treaty.

In 1999 the European Commission tabled a number of major proposals for specific measures under Article 13 with a view to changing the attitudes underlying discrimination. The first aspect of these measures is effective protection. The package of proposals contains an action programme against discrimination and two framework directives designed to ensure a common minimum legal standard throughout the EU for the fight against racism and against discrimination at work. The main issue is the importance and enforcement of the principle of non-discrimination. For example, the Commission has proposed that harassment at work should be regarded as indirect discrimination and therefore as unacceptable. In addition to these initiatives, the EU is also opening up the European Social Fund to action against discrimination, giving more scope to all social players.

## How does the EU promote social inclusion?

Anti-discrimination policy is closely linked to the fight against social exclusion. The main victims of poverty and unemployment in the EU are those population groups which are often targets of derision, rejection or discrimination. They include women of different ethnic origin, older people and the disabled. Since the 1980s the EU has been committed to helping people on the fringe of society and will, in future, do its utmost to integrate the excluded. Regardless of the EU's economic success and despite the exemplary nature of some of the Member States' social protection systems, the number of people falling through the net has been increasing throughout the EU since the 1980s. Such people are dependent on State minimum income or on charity. Unemployment, alcohol and drug abuse, discrimination as a result of physical or mental disability, and the decline in the role of the family can all lead to exclusion from society.

In the past the EU has implemented a wide range of specific measures. Poverty programmes have helped promote the integration of disadvantaged people, and the Helios programme helped Member States and non-governmental organisations to tread new ground in their efforts to assist people with disabilities. Today the EU is committed to a broad strategy involving cooperation with Member States, non-governmental organisations and social partners. The aim is to tackle the problem at source and help people to help themselves.



Like equal opportunities for women and men, the needs of the disabled must form an integral part of all EU policies. So the EU is taking account of the fact that every 10th EU citizen of working age has a physical or mental disability. The European Social Fund and the European Employment Strategy are playing an increasingly important role in shaping a comprehensive integration policy. In addition, the EU intends to promote the integration of disadvantaged people through specific programmes and projects. For example, it has proposed an action programme for the integration of refugees and, on the basis of a new Article in the Amsterdam Treaty, will adopt concrete measures to combat social exclusion.

*The EU fights discrimination based on, for example, sexual orientation, racial origin and religious outlook.*

# The way forward: European employment and social policy beyond 2000



*The EU promotes employment and social protection for all citizens in the future knowledge-based society.*

The outcome of the EU summit of March 2000 in Lisbon on economic reform, employment and social cohesion confirmed the commitment to a new economic and social agenda for the year 2000 and beyond. Europe must move forward in the knowledge-based economy and create an 'e-europe'. The Heads of State or Government agreed on a new strategic goal for the EU for the next decade: to become the most competitive and dynamic knowledge-based economy in the world, capable of sustaining economic growth with more and better jobs and greater social cohesion. They agreed that there shall be an EU summit each spring to examine economic and social questions and to ensure overall coherence and effective monitoring of progress.

In Lisbon the EU Member States promised each other to increase substantially their investment in education and to strengthen their cooperation to ensure that the possibilities offered by modern communication services would be accessible to all. They also put strong emphasis on the modernisation of the European social model and on the development of an active welfare state. For the first time ever, the conclusions give a high profile to social inclusion and the need for EU activity in this area. Steps will be taken to make a more decisive impact on the eradication of poverty by setting adequate targets to be agreed by the Council by the end of 2000.

The Lisbon summit also supported the idea that the EU in 2000 should adopt a new Social Policy Agenda. This framework decision will be the successor of the Social Action Programme 1998-2000. Its major mission will be to initiate a 'virtuous circle' by better linking action on employment, social protection, social inclusion, social dialogue, equal opportunities and anti-discrimination. It will also articulate how the European Social Fund will underpin policy, in particular the employment strategy.

It is hoped that this new agenda, which emphasises 'quality' as the driving force for a performing economy, more and better jobs and an inclusive society, will further consolidate the EU's efforts to promote employment, prosperity and social justice for all its citizens.



# Further reading

Documents, news and publications on the subjects dealt with in this brochure can be found on the website of the European Commission's Directorate-General for Employment and Social Affairs:

**[europa.eu.int/comm/dg05/index\\_en.htm](http://europa.eu.int/comm/dg05/index_en.htm)**

ESmail is a free, regular e-mail news service from the European Commission on employment and social affairs. It is currently available in English, French and German. If you would like to be on the mailing-list, simply send an e-mail to:

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European Commission

**European employment and social policy: a policy for people**

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The past decade has seen a growing understanding in the European Union of the central role of employment and social policy. The European Employment Strategy, launched in 1997, is firmly under way, with the ambitious aim of providing European citizens with more and better jobs.

The European social model spans many areas: from education and training to employment; from welfare and social protection to dialogue between trade unions and employers; from health and safety at work to the fight against racism and discrimination.

Across the EU, employment and social policy reflect the conviction that we need strong competition between companies to improve productivity and growth, but that we also need strong solidarity between citizens to improve the conditions which generate a cohesive and inclusive society.

This brochure provides an insight into what the European Union is doing to help promote employment, prosperity and social justice for all its citizens.

## Other information on the European Union

Information in all the official languages of the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>).

By telephone: 0800 58 15 91 (United Kingdom).  
1800 55 31 88 (Ireland)

Information and publications in English on the European Union can be obtained from:

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