

# **Equal**

## **LISBON: CONNECTING POLICY WITH PRACTICE**

### **Lessons from Four Transnational Partnerships**

#### **Final Report**

# CONTENTS

<b>Summary Report .....</b>	<b>2</b>
<b>1. Introduction .....</b>	<b>6</b>
<b>2. Political and Economic Background .....</b>	<b>7</b>
<b>3. The Equal Initiative .....</b>	<b>9</b>
<b>4. Policy Lessons from the Thematic Activity .....</b>	<b>10</b>
<b>4.1 Outreach: Connecting with the Most Excluded .....</b>	<b>10</b>
<b>4.2 Maximising Capabilities and Capacities .....</b>	<b>13</b>
<b>4.3 Utilising Information and Communication Technologies to Address Labour Market Disadvantage .....</b>	<b>14</b>
<b>4.4 Encouraging Women into Business .....</b>	<b>17</b>
<b>4.5 Challenging the Barriers to Women .....</b>	<b>18</b>
<b>4.6 Working with Employers and Developing Corporate Social Responsibility .....</b>	<b>20</b>
<b>4.7 ..Managing Labour Flows within the European Single Market ....</b>	<b>22</b>
<b>4.8 ..Role of Support Frameworks and Networks .....</b>	<b>23</b>
<b>4.9 Additional Policy Observations .....</b>	<b>25</b>
<b>5. Conclusions .....</b>	<b>26</b>
<b>Appendix A</b>	
<b>Employment Guidelines for the Economic Policies of the Member States and The Community (2005-08) .....</b>	<b>29</b>

## SUMMARY REPORT

The official unemployment rate for the 27 members of the European Union (EU) fell to 6.8% in July 2007, continuing the steady fall of the last few years. However, there are still estimated to be 16 million men and women in the EU 27 who remain unemployed, while many others remain in low-skilled, poorly paid employment.

The EU through its Lisbon strategy has made its highest priority the achievement of a powerful knowledge-based economy and sustainable economic development. EQUAL, with its focus on those disadvantaged in the labour market, is one of a number of EU initiatives designed to improve Europe's sluggish economy and help Member States achieve its Lisbon targets for growth and new jobs.

Birmingham and its surrounding area has been involved in four EQUAL programmes. These four Development Partnerships (DPs) embrace a total of nine countries, including four new Member States and fourteen major cities and regions.

The four Transnational Partnerships (TPs) – Bridges over Borders, Concentus, Equilibrium and WINGS – have tackled the issues of lifelong learning; refugees and asylum seekers; the reconciliation of work, family and social life; and gender Equality. The University of Birmingham has assessed the national and transnational activities of each of these partnerships and related them to the objectives and aspirations outlined in the Lisbon Guidelines agreed by the EU in March 2005. We have highlighted a set of eight cross cutting themes related to the Lisbon Guidelines which these EQUAL programmes have addressed. Drawing on the activities and initiatives, which the 17 DPs have undertaken, this final report explores potential lessons for policy-makers and practitioners in the EU, within national government and among regional and local actors. Below we indicate the 33 key policy recommendations arising from the work of these DPs and TPs.

### **Outreach: Connecting with the Most Excluded**

- **Target outreach activity to particular user groups.** The reality of differentiation in the labour market makes it extremely important that outreach activity is both clearly targeted to particular user groups and is tailored to their needs.
- **Focus on black and ethnic minority communities.** Cities in 21<sup>st</sup> century Europe are multi-racial and will continue to be so.
- **Take the issue of user involvement seriously.** Effective engagement of users should result in better products and better services.
- **Do not leave outreach projects isolated.** Outreach projects and initiatives need to have clear routes back into the mainstream.

### **Maximise Capabilities and Capacities**

- **Target** particular user groups and **tailor** programmes to their needs. Both tasks are vital in order to maximise capabilities and capacities in a differentiated labour market. There is often a role for the performing arts and culture in these activities.

- **Ease the restrictions on work for asylum seekers and refugees.** At a time when the overall European trend on asylum claims has been falling sharply for five years, the European Commission and Member States should ease the restrictions on the working rights of asylum seekers.
- **Allow refugees access to the proposed European Blue Card.** Many Member States are now issuing calls for managed migration policies, which will allow skilled labour to enter Europe. In many instances skilled resources are already to be found within those applying for asylum.

### **Utilise Information and Communication Technologies to Address Labour Market Disadvantage**

- **Make practical training in ICT** available to all who need it.
- **Recognise the innovative potential of ICT.** Policy makers must be aware of the evolving ways in which ICT can be used to help those at a disadvantage in the labour market.
- **Feature training courses on website design and development** much more prominently in EU and Member State good practice guidelines.
- **Ensure there are sufficient high quality business advisers to provide on-going IT technical support to companies.** Many small companies do not use interactive tools and website products or fail to maximise their commercial potential.
- **Boost transnational co-operation.** It has enabled joint development of web solutions and new software. There is real potential which it is important to sustain into the future.

### **Encourage Women into Business**

- **Recognise the potential for female self-employment.** This means taking careful account of the need to tailor initiatives to fit in with potential domestic and caring responsibilities.
- **Consider types of start-up support for female entrepreneurs**

### **Challenge the Barriers to Women**

- **Promote tailored initiatives** both in training and employment that recognise the realities of childcare and caring responsibilities.
- **Set targets** for women **to reach outwards** into new areas of employment, which have been traditionally male-dominated.
- **Set targets** for women **to reach upwards** into senior positions.

- **Encourage ‘soft’ indicators** e.g. new categories of Best Business Awards that signal a determination to drive through cultural change and overturn traditionalist stereotypes. Addressing male attitudes to female work colleagues is part of this process.
- **Revise the Lisbon guidelines on female employment.** Currently these are too focused on quantitative measures. There should be clear reference to the desirability for women to work across a broader range of jobs and at higher levels.

### **Work with Employers and develop Corporate Social Responsibility**

- **Offer direct support to SMEs** within ‘state-aid’ rules e.g. with voucher schemes. Make these simple with clear targets.
- **Support high quality business advisers.** Sustained back-up and on-hand advice to companies is vital to maintain the type of initiatives that have been developed. Without an on-going engagement, diagnostic tools and websites will quickly lie unused. Policy-makers must embed these resources within their programmes.
- **Promote a step change in thinking among employers.** For the ideas of Corporate Social Responsibility to become commonplace, policy-makers need to recognise that a wider range of awareness raising approaches, e.g. Top Tips and cultural initiatives, are required.

### **Manage Labour Flows within the European Single Market**

- **Ease the rules on business start-ups.** Both Member States and the Commission should see if these can be simplified and a common base line established. Setting up a Polish delicatessen should be as easy in Bologna as it is in Birmingham.
- **Publish and update an agreed glossary of key labour market terms in all EU languages.** To maximise the economic potential of the Single Market there should be an agreed understanding about practices emerging within the labour market. DG Employment should facilitate and update an agreed glossary of all labour market and social policy terms in relevant EU languages.
- **This movement of labour should be a free choice not a forced choice.** Currently, many East Europeans are moving because of high unemployment at home. That is why EU regional and Structural Funds are so important. Ireland and Spain has led the way. The goal is for Central and Eastern Europe to follow.

### **Role of Support Frameworks and Networks**

- **Support networks across administrative boundaries.** Policy-makers should bring together organisations tackling particular areas of disadvantage irrespective of local authority boundaries. Agencies should embed this outlook in their policy and funding strategies.
- **Promote self-organisation.** Policy-makers should encourage the self-organisation of disadvantaged groups and the involvement of users in policy and practice development.

- **Recognise the importance of transnational programmes.** Transnational programmes allow an opportunity for fruitful exchanges and new policy initiatives so that “it is not so hard to work with strangers.” Embed this dimension into future programmes.

### **Additional Policy Observations**

- **Funding: Make full use of ESF programmes.** During 2007-2013 there will be national ESF programmes in each Member State. The experience of this study suggests that the themes of interactive learning, refugees and asylum seekers, work-life balance and gender Equality should be included as targets within all national programmes.
- **Use other EU programmes to take forward these activities**
- **The Lisbon Guidelines**

There are **three major weaknesses** which this study has revealed.

1. The Guidelines are colour-blind. They offer no recognition of the multi-racial reality of today's Europe and the discrimination and difficulties still faced by many ethnic minorities within the labour market.
2. The Guidelines have no 'networking' dimension. The EU needs to send a clear signal that effective employment policy-making requires the establishment of a range of support networks for disadvantaged sectors of the labour market.
3. The Guidelines are overly focused on quantitative indicators and the lower end of the labour market. Lisbon is meant to be about making EU a high value-added economy. For example, there is no indication within the Guidelines that the EU economy currently fails to maximise the potential of women.

These deficiencies should be rectified.

# 1. INTRODUCTION

The official unemployment rate for the 27 members of the European Union (EU) fell to 6.8% in July 2007, continuing the steady fall of the last few years. However, there are still estimated to be 16 million men and women in the EU 27 who remain unemployed, while many others remain in low-skilled, poorly paid employment. The EU through its Lisbon strategy has made its highest priority the achievement of a powerful knowledge-based economy and sustainable economic development. EQUAL with its focus on those disadvantaged in the labour market is one of a number of EU initiatives designed to help Member States achieve its Lisbon targets for growth and new jobs.

The four Transnational Partnerships (TPs), which are the subject of this study, cover cities and regions in nine EU member states. Birmingham and its surrounding area is the common thread to all four partnerships, which in total embrace nine countries and fourteen major cities and regions. This study is the final one of a series, which has been written by the Institute of Local Government Studies at the University of Birmingham. Birmingham and Solihull Learning and Skills Council (LSC) have commissioned these reports on behalf of the four English Development Partnerships (DPs). The LSC is the accountable body responsible for managing the four English DPs during the 2005-2007 Round 2 EQUAL programme. Within cities and regions project activity has been undertaken in large co-operative alliances called Development Partnerships (DPs). The first set of reports which the Institute prepared for each of the four TPs – Bridges over Borders, Concentus, Equilibrium and Wings– focused on statistical information relevant to the subject area of each TP and EU policy and legislative material pertinent to the specific issues of lifelong learning; refugees and asylum seekers; the reconciliation of work, family and social life; and gender Equality. The reports related these matters to the labour market focus of the EQUAL programme and the targets agreed in the Lisbon Guidelines by the EU Council of Ministers in spring 2005 at their Economic Council. Each report stood alone. Together, they formed a set, which highlighted a number of the topics facing those Europeans who are in some way disadvantaged within the labour market.

Our second was a combined report, which examined the range of issues that the four TPs are confronting. This report showed that there are a clutch of eight cross cutting themes that relate to the EU's Lisbon Guidelines which these EQUAL programmes are addressing. They are:

1. Outreach: Connecting with the most Excluded
2. Maximising Capabilities and Capacities
3. Utilising Information and Communication Technologies to Address Labour Market Disadvantage
4. Encouraging Women into Business
5. Challenging the Barriers to Women.
6. Working with Employers and developing Corporate Social Responsibility
7. Managing Labour Flows within the European Single Market
8. The Role of Support Frameworks and Networks

These eight themes form the basis for our final set of reports. Our third series of reports on each individual TP and this final overarching report follow this common framework. The final report draws on the experience of these four TPs. It explores the potential lessons for policy-makers in the EU, within national government and among regional and local actors across all eight themes.

## 2. POLITICAL AND ECONOMIC BACKGROUND

The European Union (EU) has been trying for a decade to improve its economic record. The meeting of the European Council in Luxembourg in November 1997 endorsed an ambitious European employment strategy aimed at reducing unemployment and gender gaps, while promoting sustained increases in employment rates. At the EU Council of Ministers meeting in Lisbon in March 2000, the European Union set itself the aspiration of developing as the world's most successful and dynamic economic region within the decade. Ambitious targets were set, namely 70% for the total employment rate and 60% for the female employment rate. The Stockholm Council in spring 2001 subsequently added an employment rate target, for persons aged between 55 and 64 years, to reach 50% by 2010.

### Lisbon Guidelines

The period until 2005 proved extremely disappointing in meeting these aspirations. The Council of Ministers meeting in 2005 acknowledged the limited progress that had been made and tried to provide a tighter focus on growth and jobs by outlining a set of Guidelines with 24 key tasks, the first sixteen relating to broad economic policy and the last eight relating to employment policies. The Employment element of the guidelines are attached to this report as Appendix A.

The document as a whole has a strong supply-side emphasis seeking to draw more European citizens into the world of work. Thus the employment guidelines begin by setting as its Lisbon target an overall employment rate of 70% by 2010, with a specific target of a 60% rate for female employment to be achieved by that date. (Guideline 17) The following seven guidelines then outline a range of activities that Member States are expected to pursue in order to achieve these targets.

### The Changing World of Work

While the Member States and the European Commission have not been explicit, the reality is that contemporary European working patterns are vastly different from those of three decades ago. The age of large-scale, smoke-stack industry has gone from Western Europe and is swiftly disappearing from Eastern Europe. The impact of the ICT revolution means that the nature of work and the average size of the workplace has changed enormously and continues to change apace. In terms of factories and offices there has been a reversal of the trend towards larger workplaces. Instead of a concentration of labour, there is now dispersal. Accompanying and reinforcing this shift, the last three decades has seen a vast expansion of female employment and a significant rise in part-time working. In sociological terms, what we have seen since the 1970s is the demise of the traditional, male, manual working class and the appearance of a much more heterogeneous, diverse labour force. Today, the world of work, the very nature and character of that work is enormously transformed. This means that **coping with differentiation is crucial to the success of the European labour market.** The Lisbon Guidelines are designed to help Member States

to respond effectively to this new paradigm and to promote labour market participation from all sectors of the population.

## Employment Trends

The following tables show the difficulties which most of these countries have been facing in meeting the Lisbon targets. The nine countries selected cover the fourteen separate cities and regions within the four TPs, which are the subject of this report.

Table 1 illustrates the varied rate of progress across the EU.<sup>1</sup> By the end of the first quarter of 2007 just two countries, the United Kingdom and Austria had reached the overall employment rate target. Of the five countries within the former EU 15, Spain is making the fastest progress, albeit from a low base. However, its growth in employment over the decade from 1995 has been remarkable, even more so when the swift rise in the Spanish population due to immigration is considered.

**Table 1 - Employment Rate by Member State**

<b>'Old' EU</b>	<b>1995</b>	<b>1998</b>	<b>2005</b>	<b>2007</b>
<b>Germany</b>	64.6	63.9	65.4	68.4
<b>Spain</b>	46.9	51.3	63.3	65.1
<b>Italy</b>	51.0	51.9	57.6	58.5
<b>Austria</b>	68.8	67.9	68.6	70.6
<b>United Kingdom</b>	68.5	70.5	71.7	71.5
<b>'New' EU</b>				
<b>Czech Republic</b>		67.3	64.8	65.5
<b>Hungary</b>		53.7	56.9	57.6
<b>Poland</b>		59.0	52.8	54.5
<b>Slovakia</b>		60.6	57.7	60.2

The figures from the four 'new' EU member states in our sample are disappointing and reflect the difficult adjustments they have all been facing as they prepared for entry to the Single Market. Only Hungary recorded a growth in its employment rate in this period.

Table 2 presents the data on female employment. Here, three countries in our sample had reached the EU target of 60% by the end of 2006. Again, Spain is moving fast from a very low base, Italy much more slowly, while of the four new member states, Hungary has been making the most progress, again from the lowest base.

<sup>1</sup> Data drawn from Eurostat. Population and social conditions; Structural Indicators; Employment. Figures for 2007 are for the first quarter.

**Table 2 - Employment Rate for Women<sup>2</sup>**

'Old EU	1995	2000	2006
Germany	55.3	58.1	61.5
Spain	31.7	41.3	53.2
Italy	35.4	39.6	46.3
Austria	59.0	59.6	63.5
United Kingdom	61.7	64.7	65.8
<b>'New' EU</b>			
Czech Republic	58.7	56.9	56.8
Hungary	45.2	49.7	51.1
Poland	51.3	48.9	48.2
Slovakia	53.5	51.5	51.9

The data in Table 3. shows the considerable disparity that exists between member states in their employment rates for older workers, with fewer than two-fifths of the 55-64 age group employed in five countries. Austria stands out here, given its high overall employment rate, while three of the new member states employ a third or less of their older workers. Only one country, the UK has currently reached the employment rate target for older workers.

**Table 3 - Employment Rate for Older Workers<sup>3</sup>**

'Old' EU	2000	2005	2007
Germany	37.6	45.4	49.7
Spain	37.0	43.1	44.1
Italy	27.7	31.4	32.8
Austria	28.8	31.8	37.1
United Kingdom	50.7	56.9	57.6
<b>'New' EU</b>			
Czech Republic	36.3	44.5	45.3
Hungary	22.2	33.0	33.7
Poland	28.4	27.2	28.8
Slovakia	21.3	30.3	33.8

### 3. THE EQUAL INITIATIVE

EU Member States have been finding it difficult to meet these Lisbon aspirations. One of the purposes of experimental programmes such as EQUAL has been to find out new ways and methods by which the EU's economic potential can be fulfilled. The EQUAL Initiative seeks to explore and test effective ways to fight all forms of discrimination present in the labour market. Its transnational component is designed to help promote the conditions that will create a more inclusive labour market across Europe. **Transnational Partnerships are seen as a tool for the kind of lateral thinking required to achieve innovation.**

The Development Partnerships (DPs) have the potential to conduct experiments and pilots focused on countering discrimination in the labour market. In terms of best practice the DP

<sup>2</sup> Ibid. Data series for new Member States starts from different dates. For Hungary data starts in 1996; Poland 1997; Czech Republic and Slovakia 1998.

<sup>3</sup> Ibid. Data for 2007 is for the first quarter.

involves all the project organisers, participants and partners to achieve a common objective, with an integrated approach to find solutions to labour market problems.

The test of the DPs is how well have they worked in developing ways of responding to this diverse labour market; what pilot experiments have they undertaken; and what methods have they tried that have lessons which can be applied more generally across the European labour market?

Final reports have been written on each of the four TPs – Bridges over Borders, Concentus, Equilibrium and Wings. Each report examines the European policy and legislative context and then looks at the experiences of each DP in their topic area; highlights examples of good practice within the individual cities and regions and through their transnational work; assesses the strengths and weaknesses of their joint working; and draws appropriate policy lessons. **The eight identified cross-cutting themes form the common framework for each report.** They all relate to activities proposed within the Lisbon Guidelines. The themes overlap on occasion and their relative significance differs between the four TPs. However, **the identification of these themes from within the activities of these seventeen programmes has enabled the authors to draw key, common lessons from these programmes and propose actions which local, regional, national and European policy-makers should pursue.**

## 4. POLICY LESSONS FROM THE THEMATIC ACTIVITY

This section covers each of the eight themes and follows a common format. Firstly, it links the theme to relevant aspects of the Lisbon employment guidelines. Secondly, it gives summary examples of good and interesting practice drawn from the 17 EQUAL DPs across the four TPs. Inevitably, some of the projects cover more than one theme. Full details of the projects referred to can be found in the relevant final reports that have been written on each of the four TPs. Thirdly, a set of potential policy lessons for the theme are outlined.

### 4.1 Outreach: Connecting with the Most Excluded

#### Links to Lisbon Guidelines

Increasing the employment rate can only be achieved if the EU successfully tackles the long tail of under-achievement at the lower end of the labour market. Thus, Guideline 19 calls on member states to “ensure inclusive labour markets through... the provision of services to support the inclusion of those furthest away from the labour market.” This is an absolutely critical question for politicians, policy-makers and practitioners if the Lisbon goals of growth and jobs are to be achieved. This might be called the Heineken effect after the advert: how can we best reach those people at the bottom end of the labour market? This outreach work overlaps with Guideline 23 on improving investment in human capital with its stress on “enhancing participation in continuous and workplace training throughout the life cycle, especially the low-skilled and older workers”

Three strands of activity are discernible from EQUAL:

- ‘Heineken’ activity, reaching into the parts that others fail to reach;
- consolidating this activity by engaging the users themselves;
- linking this activity closely into the mainstream.

### *Examples*

Several of the DPs have undertaken important activity seeking to **reach the ‘hard to reach’**. **Innovative and effective ‘engagement’ of users and clients was a key theme across all the DPs.**

Within **DP Bridges to Work, Eastern Bavaria (TP Bridges over Borders)**, ‘flexibility’ is the dictum. Learning points and Regional Skills Centres have been set up to encourage hard-to-reach-groups and SMEs in rural areas to access learning. Great efforts are made to comprehend each individual’s circumstances and needs: a counsellor helps individuals and companies to plan and guide them through the learning process. Depending on the requirements of the participant and/or the companies, training and consultation is organised and carried out on various subject areas, at a convenient time and place. **DPChanZE, Ruhr (TP WINGS)** has targeted primary barriers to learning for people who have major difficulties with issues such as childcare, confidence and self-esteem. They offer counselling at employment centres, followed by training.

There are no more effective champions of learning than those who have felt all those anxieties about putting themselves into a learning situation, done it and come through enthusiastic and inspired. **DP Engage, Birmingham (TP Bridges over Borders)** has drawn on this insight with its Learning Champions project. Learning Champions are people who talk with others in their communities or workplaces to let them know about the value of learning and what is available and support them to make those first steps back into learning. Also in **Birmingham, the Agender DP (TP WINGS)** targeted the network of Childrens’ Centres to engage with a wide range of ‘difficult to reach’ women including single mothers and women from ethnic minority groups.

**DP Learn Forever, Austria (TP Bridges over Borders)** has shown how projects can reach out to older women. A good example of an initiative focused on bringing older citizens into the labour market is **DP Silver Heads Club, Bratislava (TP Equilibrium)**, which has used its EQUAL programme to train middle-aged citizens who want to engage in the labour market. Here, it is tackling the issue of increasing the number of older workers in employment. Within EQUAL, the Silver Heads have run courses for more than five hundred people on IT for beginners, basic accountancy and taxation. Elena Rajchlová, Manager of the Silver Heads Club indicates that almost half of all these trainees have then got work.

*“Enterprises take on these re-trainees because people over fifty bring a certain stability and equilibrium to the workplace. Companies appreciate their attitude.”*

Initiatives have also been taken to **reach out to ethnic minority communities.**

‘My Time,’ **Engage DP, Birmingham (TP Bridges over Borders)** concentrates **its** outreach work on Black and Asian communities in inner-city Birmingham. It is a therapeutic and educational project that has the central aim of increasing an individual’s self-esteem and reducing the impact of high levels of depression and anxiety. It uses a variety of Eastern and Western philosophies and therapeutic approaches which give users the self-confidence to move onto training courses and into employment.

**DP Silver Heads Bratislava (TP Equilibrium)** organised a major conference in April 2007 in Bratislava, which profiled examples within Slovakia of both voluntary organisations and major companies reaching out to diverse sections of the population, including the Roma community, to train them for new employment.<sup>4</sup>

**The issues of immigration and migration** affect many parts of Europe including the newer Member States. After seeing some of the Birmingham initiatives, Lucie Martinkova manager of education at the **Bohemian Switzerland Community Centre (TP Bridges over Borders)** believes that *“I can apply this to the Roma community where we are.”*

**The Bohemian Switzerland Centre DP** has itself undertaken successful work engaging with **adults with learning difficulties** as part of a wider programme of retraining and employment assistance.

There have also been initiatives that recognise the importance of the **direct engagement of users themselves** to maximise the effectiveness of this outreach activity.

In the Vilmany Roma Mentor Project, **Fuzesabony Rehabilitation Centre DP, Hungary (TP Bridges over Borders)** Roma mentors support, advise, encourage and help Roma people to develop skills and find employment. The mentors contribute to the implementation of upgrading projects for Roma people with the regional civil organisations and local municipalities by finding the target group and engaging with them as community animators.

Learner’s forums within **DP Engage, Birmingham (TP Bridges over Borders)** are groups of learners who come together to discuss their experiences of learning and local learning needs, gaps and barriers. They work anywhere: in the community and the workplace. They are the direct **voice of learners and residents** and are therefore learner owned.

Involving users themselves was crucial to the development of the **Welcome Pack (Concentus)**. For those stating a claim for asylum, often in a state of distress and disarray, the initial reception point able to offer basic support, advice and accommodation is absolutely vital. The Welcome Pack prepared through workshops with asylum seekers and their organisations focuses on their key needs e.g. legal assistance and advice on accommodation. It is brief and to the point with a section on ‘Frequently Asked Questions’ to help crystallise issues in everyday language. It avoids the temptation to be a compendium or catalogue of all available services. As such, in both its language and style, it is distinctive from traditional documents, as well as being drawn up in consultation with organisations from across the four countries of the TP. The partners are clear that this is a pack of a new type. As Abdirahman Ali, Chair of the Birmingham Aspire network expresses it;

*“Whereas previous packs have been top-down material, like the one in the UK produced by the Home Office, ours is user-led and is informed by the direct experiences and needs of asylum seekers themselves.”*

The real danger of much outreach activity is that good pilot projects remain just that, pilots which are never integrated into the mainstream. The Trellis project **DP Aspire, Birmingham (TP Concentus)** was designed to encourage mainstream employment

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<sup>4</sup> See the proceedings of the International Conference on ‘Corporate Social Responsibility as an instrument for increasing labour market adaptability’ held in Bratislava on 19<sup>th</sup> April 2007. Presentations available on <http://www.Equal-equilibrium.com/> In particular, see US Steel.

agencies to be more effective and responsive to the needs of refugees, while also helping specialist refugee advice organisations to work more closely with the mainstream agencies. Trellis acted as the bridge between the two, handling individual referrals, making direct links with employers and embedding more flexibility within the Job Centres in their responses to refugees. Projects of this kind can act as the catalyst to transform the mainstream agency. Trellis has raised awareness amongst Job Centre staff; encouraged new flexibilities with the refugee champions in local offices; and thereby made the agency more effective overall. This complementary role – neither subordinate to the mainstream, nor standing apart from it – has wider lessons for labour market agencies across Europe.

## Policy Recommendations

- **More focused engagement is crucial.** Target outreach activity to particular user groups. The reality of differentiation in the labour market makes it extremely important that outreach activity is both clearly **targeted** to particular user groups and is **tailored** to their needs.
- Take the issue of **user involvement seriously and listen to the voice of the end user.** It cannot always be done but where it can it should be. It is not a sop. Effective engagement of users should result in better products and better services.
- **Focus on black and ethnic minority communities.** Cities in 21<sup>st</sup> century Europe are **multi-racial**. This is an additional dimension that policy-makers must take into account.
- **Do not leave outreach projects isolated.** Outreach projects and initiatives need to have clear **routes back into the mainstream.**

## 4.2 Maximising Capabilities and Capacities

### Links to Lisbon Guidelines

The aspirations of the Lisbon agenda are not only for high employment rates within the EU economy but also that it becomes a more high-value economy. There is relatively little within the Guidelines on the issue of progression, although Guideline 21 calls on member states and the EU “to promote flexibility and reduce labour market segmentation.” Included in the actions here is “support for transitions in occupational status, including training”

### *Examples*

Given the circumstances of their arrival in Europe, the issue of maximizing capabilities and capacities for those working with asylum seekers and refugees is particularly important. Aside from a range of language projects, actions have included psychological counselling and support; mentoring e.g. **DP Bridge, Berlin (TP Concentus)**; cultural initiatives and pre-vocational training. Each is designed to help asylum seekers and refugees to recover from their ordeal, renew their confidence and rediscover their capabilities. **DP Intercultural Centre for Vocational Adaptation, Warsaw (TP Concentus)** pursued an integrated approach seeking to combine a number of these elements within one centre. One of the most effective ways of renewing the self-confidence of asylum seekers and drawing on their skills is through performing arts, especially music. Within **DP Aspire, Birmingham (TP Concentus)** the community music association Sound It Out ran the Infusion project, which brought together an exiled musicians ensemble while **the TP** has shown the potential of music and culture in the production of a **‘Home from Home’ DVD.**

One of the distinctive features of refugees and asylum seekers is that a significantly large proportion of them are highly qualified professionals. Governments often feel most threatened by dissidents amongst their own intelligentsia, while the intelligentsia themselves are more likely to have contacts abroad and the means to facilitate their escape. This situation means that amongst almost all refugee communities one finds scientists, doctors, nurses, engineers, accountants and other professionals. Certainly, this is evident in discussion with partners in the Concentus TP and elsewhere. Thus, for instance **Bridge, Berlin (TP Concentus)** has used its EQUAL funds to run vocational training schemes for asylum seekers and refugees with much needed nursing skills, so that in the event of a successful decision to stay, these people can quickly find a job commensurate to their skills.

### **Policy Recommendations**

- **Target** particular user groups and **tailor** programmes to their needs. Both tasks are vital in order to maximise capabilities and capacities in a differentiated labour market. There is often a role for the performing arts and culture in these activities.
- Two specific recommendations relate to **asylum seekers** and refugees. **Ease the restrictions on work for asylum seekers and refugees.** At a time when the overall European trend on asylum claims has been falling sharply for five years, the European Commission and Member States should ease the restrictions on the working rights of asylum seekers. The Italian experience (see Section 4.6) shows the way and corresponds to the central thrust of the Lisbon agenda, namely that the way to boost the economy is to increase the numbers of people in work.
- **Allow refugees access to the proposed European Blue Card.** Many Member States are now issuing calls for managed migration policies which will allow skilled labour to enter Europe. In many instances, skilled resources are already to be found within those applying for asylum. Their skills may require up-grading or adjusting to European conditions, but it is clear that there is a skilled, professional sector within asylum seeking communities which is frequently overlooked. Any European Blue Card system should be open to them.

### **4.3 Utilising Information and Communication Technologies to address Labour Market Disadvantage**

#### **Lisbon Guidelines**

The Lisbon Guidelines recognise the crucial importance of ICT to the future European economy by giving it a Guideline all to itself. **Guideline 9** is headed "To facilitate the spread and effective use of ICT and build a fully inclusive information society." Amongst its identified tasks it calls for member states to "encourage the widespread use of ICT in public services, SMEs and households" and further to "encourage the deployment of broadband networks, including for the poorly serviced regions, in order to develop the knowledge economy." The challenge of learning ICT skills can be harder for disadvantaged groups such as unemployed people, people with disabilities, migrants and early-age school leavers. Generally, training efforts are primarily focused on management and white-collar workers. This leaves large numbers of manual workers and unemployed excluded from ICT up-skilling.

Within the employment section of the Guidelines, Guideline 19 calls for active measures to ensure inclusive labour markets including “job search assistance, guidance and training as part of personalised action plans.” There are signs from this study that ICT is being utilised in this area too.

Indeed, one of the clearest pictures to emerge from these studies is how EQUAL DPs are all developing initiatives, which explore the potential value of ICT for those disadvantaged in the labour market. **These activities viewed as a whole represent the most important and valuable policy trend to emerge from these programmes.** Three main types of approach have been followed by Equal DPs:

- making the information society accessible to all;
- helping individuals update their ICT skills and utilise ICT in new ways;
- and developing businesses with ICT both for their internal work organisation and for commercial development.

We examine each of these below.

### *Examples*

Different EQUAL programmes have tackled the question of making the information society accessible to all by introducing ICT to people with no previous experience. Thus, **DP Learn Forever, Austria (TP Bridges over Borders)** has reached out to those with no previous experience. Project co-ordinator Elke Beneke expresses the importance of the ICT dimension succinctly.

*“The computer is like a knife and fork. Women need to know how to use a computer for almost all work except cleaning and caring.”*

Their projects focus on non-traditional female learners aged over 45 and living in the more isolated parts of Austria. This has led them to focus on mobile ICT workshops for training their users. This is just one of several examples across the 4 TPs that relate to ICT.

The **Bridges over Borders** TP has helped those with little ICT experience to develop a **Digital European CV**. This showcases an individual’s skills, abilities, experience and qualifications through video clips and digital photographs, combined with references by tutors and employers. There is a general recognition that for specific sectors of the disadvantaged population, e.g. those with mental health or physical disability problems, this could be an alternative way of users presenting themselves. The German variant is of interest since this uses a software programme for CV development which those with limited IT skills can use for the formulation and preparation of a well-organised, clear CV. There is the capacity within it for uploading specific filmed clips e.g. reference from a former employer. Therefore, this is a cheaper, less complicated variant. In this format, it could have significant potential for those at lower end of labour market.

There are other cases where ICT has been used to update people’s skills or use it in new ways. A particularly good example of the latter comes from **DP ChanZE, Ruhr (TP WINGS)**. The project has created the Emscher Lippe online chemical academy especially

for women on maternity leave who want to develop their career in the chemical industry. The women undertake distance learning at home in Chemistry, specialisms and related sciences, complemented by attending college once a week.

Using new technology to share and spread experience is vital too. The transnational partnership **Bridges over Borders** has produced a '**Learning Voices**' website designed to showcase good practice and use real life case studies which capture people's experiences in learning.

Another good example of applying ICT to spread good practice is the **transnational DVD (TP WINGS)**, which illustrates the experiences of women pursuing non-traditional forms of employment.

Businesses are also using ICT to improve their own internal work organisation. (see also Section 4.6) Projects have been working with companies so that they can use diagnostic tools quickly and easily to boost company performance and tackle workforce issues. For example, the **interactive tool (TP Equilibrium)** is designed to help small and medium sized companies to develop better and more flexible work organisation. Within **Bridges to Work DP, Eastern Bavaria (TP Bridges over Borders)**, SMEs have been trained with considerable success to use and adopt ICT as the core medium through which to manage and communicate their business. One very satisfied female, middle-aged owner of a farm in Bavaria stated:

*"Investing in my learning has helped my business adapt to the technological age".*

ICT is also a potential component of commercial development. ICT initiatives such as website design and creation are being used by a number of DPs, with examples of micro-businesses creating their own websites and using them to build up not only their local trade but also their exports. Transnational cooperation has enabled the **joint development of websites and software (TP Equilibrium)** for women design companies in the West Midlands and Southern Italy.

### **Policy Recommendations**

- **Make practical training in ICT** available to all who need it.
- **Recognise the innovative potential of ICT** and the evolving ways in which it can be used to help those at a disadvantage in the labour market.
- **Feature training courses on website design and development** much more prominently in **EU and member state good practice guidelines**.
- **Ensure there are sufficiently high quality business advisers to provide relevant on-going IT technical support to companies.** Many small companies do not use interactive tools and website products or fail to maximise its commercial potential.
- **Boost transnational co-operation.** It has enabled joint development of web solutions and new software. There is real potential for on-going development here which it is important to sustain into the future.

## 4.4 Encouraging Women into Business

### Lisbon Guidelines

Guideline 17 sets the overall average employment rate for women across Europe for 2010 at 60%. Currently, it stands at 56.3%. Guideline 18 wants “to promote a life-cycle approach to work ...with resolute action to increase female participation” while ensuring “a better reconciliation of work and private life.”

Encouraging women into economic activity is a prominent aspect of several DPs and is illustrated in other sections of this report. However, most of the new jobs in the European economy are being created in small companies in the service sector so it is important to note that two DPs have taken initiatives focused on women into self-employment. Here Guideline 21 complements the points in Guidelines 17 and 18 when it speaks of “support for transitions in occupational status including self-employment...”

### *Examples*

The Balancing Act, **DP Adjust the Balance West Midlands, (TP Equilibrium)** works with women in the suburban areas south of Birmingham, who have time constraints, especially those with caring responsibilities. Therefore, they generally have time to develop their business activities only in school hours. The project has unearthed a huge demand. Within a year of its launch it had 140 women registered and already twenty-three of these women had set up new businesses employing themselves and on occasion other women.

The ISI Initiative, **DP Bridge Partnership, Berlin (TP Concentus)** tackles a radically different segment of the labour market, women migrants and refugees who would like to set up their own business. This is a much more intensive and inevitably more expensive project. As a European Social Fund project it focused just on women migrants but under the EQUAL Programme it took on a female refugee dimension. The programme provides for a year-long training course improving the German language skills of participants and equipping them in the necessary generic skills vital to the successful development of a business.

The social character of these two categories of women is completely different. They are at different poles of the European labour market. The catchment area of The Balancing Act is affluent suburbia in contrast to the foreign newcomers in the poorest districts of Berlin. What unites them is that both categories of women need distinct and specific support to enable them to enter or re-enter the labour market as self-employed or business owners. What clearly distinguishes the two categories is the scale, time and intensity of support required.

Another type of example came with **DP Agender, Birmingham (TP WINGS)**. This has successfully managed to encourage women to access training in typically non-traditional sectors such as horticulture, sports coaching, media, construction, ICT and transport. Most of these training courses come with hands-on placements. Many of these women are returning to work after a lengthy maternity break or long term-unemployment. A move into self-employment is one potential outcome of this training.

**Ifold** - part of the **Tramas DP (TP WINGS)** is a training centre for women specialising in assisting female entrepreneurs. Women are supported in accessing public grants to start up/finance their new or existing businesses. They also offer vocational training and undertake research on local female issues. Examples of businesses assisted by Ifold in the start-up phase include an organic farm run by two sisters, who have been given a public grant and are now in a position to export to the UK. **The Regional Agency for work**, incorporating the Female Entrepreneurship Observatory within **DP Tramas project (TP WINGS)**, offers employment services to various disadvantaged groups, including women, black and minority ethnic communities and disabled people.

### **Policy Recommendations**

- **Recognise the potential for female self-employment.** With women, this means taking careful account of the need to tailor initiatives to fit in with potential domestic and caring responsibilities.
- **Consider various types of start-up support for female entrepreneurs**

## **4.5 Challenging the Barriers to Women**

### **Links to Lisbon Guidelines**

Boosting female economic activity is a crucial component of meeting the overarching Lisbon goals. Herein lies one of the largest reserves of potential labour available to the EU. The success of the Nordic countries in meeting these goals is reflected in their high female participation rates. Guideline 18 states the task clearly. It calls for “resolute action to increase female participation and reduce gender gaps in employment...”

#### *Examples*

Tackling this issue has been a feature of much EQUAL DP activity. For instance, **DP Adjust the Balance, West Midlands (TP Equilibrium)** undertook several projects aimed at reducing the obstacles to women’s participation in work and making companies more gender-friendly. Within the same programme, the **STORE DP, Italy (TP Equilibrium)** has made drawing women into work a major component of its activity. Since 2003, using European Social Fund monies it has established 11 **Centri di Occupabilita Femminile (COF)** in the Campania region. These female employment centres are designed to address the under-utilised potential of women in the workplace. Each COF is designed to help women who want to enter the labour market; to teach them new techniques and technologies; or to set up their own business. The Centres help to boost women’s self-confidence which is the first step in preparing them for work. Fulvio de Toma, President of Solaris, the main Italian partner in DP Store is a convinced supporter.

*“They provide information; offer practical support; organise and animate activity among women.”*

The issue of the diversification of female employment, so that women are able to access jobs across the whole employment spectrum, is crucial to hitting the 2010 target. It is a question of both breadth and depth, women being able to **reach outwards** into non-traditional areas of employment and to **reach upwards** into senior positions and thereby break the glass ceiling. These are two vital issues if the Lisbon employment goals of a 60%

female participation rate are to be achieved and sustained. If women remain corralled within a limited range of jobs and if their promotion opportunities are restricted, then the EU will not maximise female employment potential.

The **WINGS TP** has addressed this issue. **Igualem, Catalonia (WINGS)** is working with job centres and educational institutions to encourage females who are unemployed to access work-based training in areas that they would never have thought they could do. These tend to fall into two key sectors: electrical and metallurgical industry. Women involved in the project talk about how their fears of working in a male-dominated field have been allayed due to confidence boosting, adequate training, empathetic employers and colleagues. **The transnational DVD project (WINGS)** gives good examples of women stretching outwards and also upwards into non-traditional forms of employment and on occasion into setting up their own business as with the female run chauffeur company in the West Midlands, UK. Within **ChanZE, Ruhr (WINGS)** there are many examples of women reaching upwards, qualifying and working as assistants and also as engineers within the fields of 'New Energy', 'New Chemistry' and 'ICT'.

Across the WINGS TP however, the continued barriers to women's full participation in the labour market were evident. The absence of guaranteed childcare facilities is often a barrier to women continuing their training. More needs to be done to help women break the glass ceiling when breaking both outwards and upwards into non-traditional areas of employment. Also, more could be done in addressing the attitudes of male employees towards having a female working alongside them. There needs to be a better understanding of Equal opportunities and the need to boost the economic activity of females.

At the same time its efforts to create **a new awards category (TP WINGS)** rewarding small and medium-sized enterprises for supporting non-gender traditional roles within their company is a sign of a wider cultural shift. The introduction in February 2007 of a new category in the annual Birmingham Best Business Awards, **DP Agender, Birmingham (TP WINGS)** for the company, which has made most progress in gender mainstreaming, is an example of this shift. In this example, Teamworks Karting in Birmingham won this award as an enterprise employing only woman as its mechanics and employees maintaining the karts. This is evident too in **DP Adjust the Balance, Birmingham (TP Equilibrium)** where its Top Tip booklets on topics like Work Life Balance have been disseminated widely and been well received in many companies. This is more of a 'soft' indicator, signalling a break from traditionalist thinking in the business community.

## **Policy Recommendations**

- **Promote tailored initiatives** in both training and in employment that recognise the realities of childcare and caring responsibilities.
- **Set targets** for women **to reach outwards** into new areas of employment, which have been traditionally male-dominated.
- **Set targets** for women to **reach upwards** into senior positions.
- **Encourage 'soft' indicators** e.g. new categories of Best Business Awards that signal a determination to drive through cultural change and overturn traditionalist stereotypes.

- Where the ratio of females to males is very low, work has to be done within the workplace to address male attitudes to women as Equal colleagues. Otherwise it is difficult to sustain a growing female workforce.
- **Revise the Lisbon guidelines on female employment.** Currently these are too focused on quantitative measures. There should be clear reference to the desirability for women to work across a broader range of jobs and at higher levels.

#### 4.6 Working with Employers and Developing Corporate Social Responsibility

##### Lisbon Guidelines

An increasing emphasis in EU employment thinking has been placed on voluntary codes and the sharing of good practice rather than efforts to achieve legislative agreement and new EU Directives. One prominent example of this relates to Corporate Social Responsibility (CSR) where the Commission published its most recent Communication on 22nd March 2006.<sup>5</sup> The Communication defines CSR as a concept where “companies integrate social and environmental concerns in their business operations on a voluntary basis.” Hence, the very firm emphasis that “CSR is fundamentally about voluntary business behaviour.”<sup>6</sup> In the Integrated Guidelines for Growth and Jobs 2005-2008, the European Council recommended that Member States should “encourage enterprises in developing their CSR.” Guideline 21 makes the case for “innovative and adaptable forms of work organisation with a view to improving quality and productivity at work.” This is the hard-edged business case for CSR.

##### *Examples*

There is a common recognition across the 4 Equal DPs of the importance of working with employers. It has featured strongly in all their work.

Thus in **TP Bridges over Borders**, a fundamental medium is the use of digital CVs – specifically working with disadvantaged groups. The digital CV is a transnational product and works as a video-based replacement for a traditional CV. The product has been tested with both SMEs and larger employers across the five partner countries. In some it worked better than others, but overall it has been successfully received by the employers the CV was piloted with.

Within **DP Bridges to Work, Eastern Bavaria (TP Bridges over Borders)**, regional learning centres offer flexible training adapted to the need of the target group and the SMEs with which the project is working. To ensure the effectiveness and sustainability of their work the centres work in close co-operation with companies and people in the region in order to provide customised training. As a result SMEs have also recognised the value of training their employees. At the **ERAK training centre in North Hungary, (Fuzesabony Rehabilitation Centre DP)** training is provided to learners based on the needs of the SMEs – thereby enhancing chances of employment for the trainees.

In working with asylum seekers, **DP Refugee Inclusion Network, Italy (TP Conventus)** has promoted a work experience scheme within the EQUAL programme. This has had two elements. Firstly, project staff have discussed the job interests and inclinations of the

<sup>5</sup> Implementing the Partnership for Growth and Jobs: Making Europe a Pole of Excellence on Corporate Social Responsibility. Communication from the European Commission COM(2006) 136. 22<sup>nd</sup> March 2006

<sup>6</sup> *ibid.* All quotations drawn from Introduction, page 2.

asylum seeker. Then, the staff have sought to match these with a local employer. The inducement for the employer is that the project pays the wages of the placement for the first two months. In other words, the employer gains a two-month free labour trial. Project co-ordinator, Antonio Boschin recounts with pleasure the impact and success of the scheme.

*“We have placed sixty people in work experience within Venice and we have a 75% success rate. 32 people have been given a job in the company where they did the work experience and another 16 found a job within two months of completing their work experience.”*

This innovative ‘voucher’ scheme shows the importance of building good relations with employers and that once initial doubts are dispelled, employers come to appreciate the value of employing asylum seekers in their enterprise.

Working with employers has been a particularly strong element of the Equilibrium partnership. **DP RESSORT , Catalonia (TP Equilibrium)** has focused on the promotion of social responsibility within SMEs in their territory. The project has been designed to encourage the voluntary engagement of companies beyond the statutory requirements of current legislation in the promotion of good working practices in their businesses. As Ferran Peiro Puig, Deputy Co-ordinator of DP RESSORT emphasises;

*“The point of the diagnosis is to lay the basis for company improvement plans in a range of areas such as the organisation of working time, the environment and health and safety. These improvement plans flow from the self-diagnosis and our adviser will help to guide companies through each area.”*

While RESSORT looked at a broad range of aspects of business practice the transnational focus concentrated on flexible working forms and associated human resource issues. Case studies were done in each region and an **interactive tool (TP Equilibrium)** developed. This is designed for use by companies, e.g. the managing director, or head of human resources. It is a quick and easy tool which has case study examples drawn from the experience of partners. Companies can insert key information relevant to their business and the tool will suggest a range of flexible working solutions. The objective is to increase the recognition and help to spread progressive business practice. One of the policy questions that requires further study is whether this experience can be generalised or whether it is most effective within certain types and certain sized companies engaged in particular kinds of manufacturing production. Here the activity of the **STORE DP, Italy** is important as it has brought together all kinds of social enterprises and encouraged them to adopt a Charter of Values which outline the core principles of a socially responsible company.

For CSR to become the norm, several programme participants emphasised that a wider cultural change is required. Some had found sections of the business community dismissive. DP RESSORT’s strap-line ‘Social responsibility is sustainable profitability,’ has to become accepted across the Single Market.

**TP WINGS**, has worked with employers across all partner countries and regions to develop a national awards scheme by adding a new category on initiatives to expand the involvement of women (both outwards and upwards) within their workforce. A good example is from **DP Igualdem, Catalonia** where an SME Blautec – a swimming pool tiling company - was motivated to devise an Equality plan. The firm identified areas in their company where women were not employed, e.g. in installation and so as a result started to train up women and offer them employment.

## Policy Recommendations

- **Offer direct support to SMEs** within ‘state-aid’ rules e.g. with voucher schemes. These need to be simple with clear results.
- **Support high quality business advisers.** As intermediaries they provide the support to companies, which is vital to sustain the type of initiatives developed. Without an on-going engagement of this kind, diagnostic tools and websites will quickly lie unused. Policy-makers must embed these resources within their programmes.
- **Promote a step change in thinking among employers.** For CSR to have real substance, a step change in thinking among employers is necessary. For this to occur, policy-makers need to recognise that a wider range of cultural initiatives and social measures are required.

### 4.7 Managing Labour Flows within the European Single Market

#### Links to the Lisbon Guidelines

Guideline 20 has the stated goal to “improve matching of labour market needs through ...removing obstacles to mobility for workers across Europe.”

We are living in an era of unprecedented global movement. This presents new dilemmas to policy-makers seeking to address weaknesses in their local educational and training infrastructure. Significant differentials in wage, salary and social costs between different parts of the EU mean that initiatives designed to meet a local skill shortage can succeed in addressing that skill shortage but merely contribute to those newly trained workers moving long distances to meet those skill shortages in another Member State. Furthermore, the huge increases in migration within the Single Market - as well as from beyond it – augment the relatively large supplies of labour easily available to employers. This significantly reduces the economic pressure on employers to ensure a stable labour force. In consequence, for those employers focusing on the short-term, the economic case for promoting CSR is correspondingly weakened.

#### *Examples*

The EQUAL programme is revealing a number of unforeseen or unexpected consequences arising from the rapid development of such an economically and social diverse Single Market.

For example, **refugees in Birmingham (TP Concentus)** report that it is far easier for them to set up a business here than in other EU countries.

An entrepreneurial centre established as part of **DP Bridges to Work, Eastern Bavaria (TP Bridges over Borders)** has encountered a significant problem with reverse migration. Situated in Eastern Bavaria, close to the Czech border, the project has found that it trains young Germans who then leave the district and go over border into Czech Republic to start up a business as it is cheaper there.

A more widespread example of migration transfer from East to West comes from the **ERAK training centre in Fuzesbony, Northern Hungary (DP Fuzesbony Rehabilitation Centre)** where skilled training is offered in carpentry, plumbing and metalwork. All the trainees on these courses are male. It is reported that the majority of the trainees leave the area shortly after completion of training in search of better economic prospects abroad. This is leading to a skills shortage within the area itself and raises the difficult question as to why public money in the poorer parts of Europe is being used to train workers in skills which are then used in the wealthier parts of the Single Market.

A fast-moving, fluid internal labour market with twenty official languages makes for difficulties in cultural understanding. Partners in **TP Equilibrium** drafted as one of their joint products a **Technical Glossary**. As Equilibrium developed, it took time for each of the partners to grasp the concepts being used by their colleagues. In response, the four partners developed a **technical glossary** of terms frequently used in discussions on flexible working forms. The glossary gives a simple definition of key concepts e.g. annualised hours, career breaks, flexi-time, on-site childcare, staggered hours, shift-swapping through to working from home in four languages. This has widespread mainstreaming potential and could be widely adopted across the EU and made available for business and organisations in all EU languages.

### **Policy Recommendations**

- Both member states and the Commission should look at their **rules for business start-ups**. Can these be simplified and a common base-line established so that setting up a Polish delicatessen is as easy in Bologna as it is in Birmingham?
- **Publish and update an agreed glossary of key labour market terms in all EU languages**. To maximise the economic potential of the Single Market there should be an agreed understanding about practices emerging within the labour market. DG Employment should facilitate an agreed glossary of all labour market and social policy terms in relevant EU languages. This would need to be updated on a regular basis. This should be understood as not just a literal translation of words but rather an attempt to achieve a common understanding across cultures of evolving working practices.
- **This movement of labour should be a free choice not a forced choice**. Currently, many East Europeans are moving because of high unemployment at home. That is why EU regional and Structural Funds are so important to help the swift development of those parts of the EU with a low GDP and weak economy. Both Ireland and Spain have shown how these funds help to transform lagging economies and in consequence population flows into these countries now far outweigh the numbers leaving them. The objective should be to achieve the same impact across Central and Eastern Europe.

## **4.8 Role of Support Frameworks and Networks**

### **Lisbon Guidelines**

There is no organisational component to the Lisbon Guidelines. Yet 21<sup>st</sup> Century Europe is an increasingly networked society. The well-off and the well-educated generate these connections spontaneously; the disadvantaged do not. This study shows that the successful achievement of Lisbon goals depends on the benefits of a network society and

supporting frameworks being spread widely. Three dimensions to this issue are evident from the work of the 17 Developments Partnerships:

- the importance of local, grass-roots networks;
- the potential of self-organisation and user engagement;
- and the value of transnational learning.

### *Examples*

The existence of these EQUAL programmes has brought together groupings with common interests that did not previously exist. It has frequently linked up partners beyond their immediate local administrative boundaries. For example, **DP Igualem, Catalonia (TP Wings)** brought together fifteen partners across four local authorities. **DP ChanZE, Ruhr (TP WINGS)** linked up twelve separate cities and municipalities in the Emscher-Lippe area of the Ruhr Region along with seven other partners. **DP Adjust the Balance, West Midlands (TP Equilibrium)** welded three urban authorities and two shire counties in a partnership with nineteen other educational, business and voluntary organisations. **DP Bridges to Work DP, Eastern Bavaria (TP Bridges over Borders)** brought together four district councils and four Volkshochschule into a company in order to tackle common problems that cross local boundaries. For Perdita Wingerter, its managing director, the key issue has been to get all the relevant policy makers and providers to work together in order to overcome institutional and district boundaries.

*" We have begun to do this and to get various training providers and the key organisations in our region to work together. It's a question of economies of scale. We don't need expensive research. But we need to get the key players together, to talk to one another and share their expertise."*

EQUAL has provided that impetus, which has enabled partnerships to co-operate together and overcome parochialism.

These programmes have also shown the importance of self-organisation and engagement with users. In modern society, one size does not fit all. Young people, migrant communities, women, people with disabilities, refugees and others: all need the opportunity to be able to organise themselves, develop self-confidence and make progress. Thus **DP Aspire, Birmingham (Concentus TP)** has given support to refugee community organisations. Aspire's Chair, Abdirahman Ali says,

*"There are 180 RCOs in Birmingham: from those with an office to those with a briefcase. They are variable in their effectiveness and their existence. We are trying to bring RCOs together on the important issues and they have an important local role, for instance with mother-tongue teaching and interpreting; therefore, the RCO movement needs to grow from below."*

The **Empowerment Toolkit (TP Concentus)** is a further example of how the transnational partnership worked collectively on developing a toolkit aimed at improving the capacity and sustainability of voluntary and intermediary organisations. This policy approach is controversial in some parts of Europe but it is not a policy of separate development. Rather

self-organisation helps these disadvantaged groups to engage more effectively within society as a whole.<sup>7</sup>

Alongside this, a number of projects have developed an active engagement with their users and drawn them into their policy and planning process.

The third dimension of this networking is the transnational dimension. All the studies indicate how valuable each network has found its transnational activity. This is because participants have learned by seeing, meeting and discussing. As Lisa Meyer, **ChanZE, Ruhr (WINGS)** puts it;

*“We’ve learned how others do it... in the UK and in Spain, how they work more closely with employers and SMEs than we do in our region.”*

And by working together, partners have developed new products and innovative ideas. For a Single Market to function well it is important that citizens and employees feel comfortable. In the memorable words of one participant, *“we have learnt it is not so hard to work with strangers.”* That message needs to be generalised across the European Union.

## Policy Recommendations

- **Support networks across administrative boundaries.** Policy-makers should bring together organisations tackling particular areas of disadvantage irrespective of local authority boundaries. In this way, these networks can overcome fragmentation and make their voice heard. National and regional agencies should embed this outlook in their policy and funding strategies and recognise that organisational costs need to be set aside to sustain these networks.
- **Promote self-organisation.** Policy-makers should encourage the self-organisation of disadvantaged groups and the involvement of users in policy and practice development.
- **Recognise the importance of transnational programmes.** All citizens should benefit from the Single Market. Those engaged with the lower end of the labour market have as much to learn as the ‘high-flyers’. Transnational programmes allow an opportunity for this to happen and for fruitful exchanges and new policy initiatives so that “it is not so hard to work with strangers.” The European Commission should embed this dimension into its future programmes.

## 4.9 Additional Policy Observations

- **Funding**

**Make full use of ESF programmes.** The key policy message on funding relates to the use of the new European Social Fund (ESF) programmes. For the 2007-2013 period, the EU has decided that the pilot programmes that it ran during the 2000-2006 period designed to tackle specific issues of disadvantage such as EQUAL should be mainstreamed. This primarily means ESF. All parts of the Union are eligible for ESF and during 2007-2013 there will be national ESF programmes in each Member State. The experience of this study suggests that the themes of interactive learning, refugees and

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<sup>7</sup> For an example of the shift in German thinking see *Zuwanderer in der Stadt. Immigrants in the City: Recommendations for Urban Integration Policy* Schader Stiftung, Darmstadt 2005. especially Summary pp.62-66.

asylum seekers, work-life balance and gender Equality **should be included as target groups and target topics within all national programmes.**

Furthermore, policy makers should draw on other substantial EU funds available in the 2007-2013, period e.g. Lifelong Learning Programme to pursue the policy recommendations given in this report.

- **Guidelines**

There are **three major weaknesses**, which this study has revealed **with the Guidelines themselves.**

1. The Guidelines are **colour-blind**. They offer no recognition of the multi-racial reality of today's Europe and the discrimination and difficulties still faced by many ethnic minorities within the labour market. This means that they are inadequate in addressing the tasks faced by local, regional and member state policy-makers.
2. The Guidelines have **no 'networking' dimension**. Consequently, their focus is all on the individual citizen and fails to recognise how important support frameworks are to those at the lower end of the labour market. The EU needs to send a clear signal that effective employment policy-making requires the establishment and nurturing of a range of support frameworks and networks for disadvantaged sectors of the labour market.
3. The Guidelines are **overly focused on quantitative indicators** and the lower end of the labour market. Lisbon is meant to be about making the EU a high value-added economy. The Guidelines fail to emphasise this dimension. For example, there is no indication within the Guidelines that the EU economy currently fails to maximise the potential of women. The Guidelines should stress that there should be no glass ceiling for women within the EU labour market and indicate policies to ensure that this shortcoming is overcome.

## **5. CONCLUSIONS**

The fulfilment of a successful Lisbon strategy is a long-term task for the European Union. The creation of a Single Market of this size, composed of 27 member states with very diverse social and cultural traditions, educational standards, technological proficiency and welfare systems inevitably means that the establishment of fully functioning, optimal labour markets will take decades. The purpose of transnational programmes such as EQUAL is to gain greater understanding of the realities of the contemporary European labour market; to allow experimentation to occur; and test out potential new developments that if applied more widely will help the EU to meet the goals set in its Lisbon guidelines.

This final report provides evidence that transnational programmes like EQUAL can add real value to domestic ESF activity and lists **a total of 33 policy recommendations**. They arise from our assessment of the wide range of activity which these EQUAL partnerships have undertaken within their own regions and cities and together in their transnational work. **The policy recommendations arise from six overall trends.**

- Firstly, the trend towards stronger citizen participation means that the ability to have more innovative and effective **engagement** with user groups is crucial. The **voice of**

**the end user** has to be embedded into the design, management and delivery of services and activities.

- Secondly, the reality of differentiated labour markets means that policy makers need to prepare distinct policies and **tailor these to the needs of specific user groups**. Thus for instance, policies geared to enhancing women's participation in economic activity have to take account of caring responsibilities and time.
- Thirdly, the **new computer and technological revolution** has huge potential implications. Policy-makers need to explore all aspects of this.
- Fourthly, a more variegated labour market places a greater onus on companies. The need for **close engagement with employers** and the importance of business intermediaries to help companies adjust to the potential and challenges of the changing business world is a powerful theme of these projects.
- Fifthly, the Lisbon agenda is meant to be a **high-value added** agenda. This is not reflected adequately in the Lisbon Guidelines. Policy-makers at all levels need to recognise that the intention is to lift the quality and productivity of work, not just the numbers engaged in it.
- Finally, EQUAL has shown that **partnerships and networks** are crucial vehicles which reinforce a person's own initiative and activity. They offer a framework within which individuals can grow and develop. Policy makers need to recognise this in their decision-making.

Overall, our policy recommendations reflect the diverse reality of contemporary European society. This means that policy-makers need to be flexible in their approaches. We hope that policy-makers and leading practitioners at local, regional, national government and European levels will take note of these recommendations and apply them in their spheres of activity.

## Appendix A

### Employment Guidelines for the Economic Policies of the Member States and The Community (2005-08)

#### Guideline No 17

**Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion.** Policies should contribute to achieving an average employment rate for the European Union of 70% overall, of at least 60% for women and 50% for older workers (55 to 64) by 2010, and to reduce unemployment and inactivity. Member States should consider setting national employment rate targets.

#### Guideline No 18

**Promote a life-cycle approach to work, through:**

- a renewed endeavour to build employment pathways for young people and reduce youth unemployment, as called for in the European Youth Pact;
- resolute action to increase female participation and reduce gender gaps in employment, unemployment and pay;
- better reconciliation of work and private life and the provision of accessible and affordable childcare facilities and care for other dependants;
- support for active ageing, including appropriate working conditions, improved (occupational) health status and adequate incentives to work and discouragement of early retirement;
- modern social protection systems, including pensions and healthcare, ensuring their social adequacy, financial sustainability and responsiveness to changing needs, so as to support participation and better retention in employment and longer working lives.

*See also integrated guideline 'To safeguard economic and fiscal sustainability (No 2).*

#### Guideline No 19

**Ensure inclusive markets, enhance work attractiveness, and make work pay for job-seekers, including disadvantaged people, and the inactive, through:**

- active and preventive labour market measures including early identification of needs, job search assistance, guidance and training as part of personalised action plans, provision of necessary social services to support the inclusion of those furthest away from the labour market and contribute to the eradication of poverty.
- continual review of the incentives and disincentives resulting from the tax and benefit systems, including the management and conditionality of benefits and a significant reduction of high marginal effective tax rates, notably for those with low incomes, whilst ensuring adequate levels of social protection;

- development of new sources of jobs in services for individuals and businesses, notably at local level.

### **Guideline No 20**

#### **Improve matching of labour market needs, through**

- the modernisation and strengthening of labour market institutions, notably employment services, also with a view to ensuring greater transparency of employment and training opportunities at national and European level;
- removing obstacles to mobility for workers across Europe within the framework of the Treaties;
- better anticipation of skill needs, labour market shortages and bottlenecks;
- appropriate management of economic migration.

### **Guideline No 21**

#### **Promote flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of the social partners, through:**

- the adaptation of employment legislation, reviewing where necessary the different contractual and working time arrangements.
- addressing the issue of undeclared work;
- better anticipation and positive management of change, including economic restructuring, notably changes linked to trade opening, so as to minimise their social costs and facilitate adaptation;
- the promotion and dissemination of innovative and adaptable forms of work organisation, with a view to improving quality and productivity at work, including health and safety;
- support for transitions in occupational status, including training, self-employment, business creation and geographic mobility.

*See also integrated guideline 'To promote greater coherence between macroeconomic, structural and employment policies' (No5).*

### **Guideline No 22**

#### **Ensure employment-friendly labour cost developments and wage setting mechanisms, by:**

- encouraging social partners within their own areas of responsibility to set the right framework for wage bargaining in order to reflect productivity and labour market challenges at all relevant levels and to avoid gender pay gaps;

- reviewing the impact on employment of non-wage labour costs and where appropriate adjust their structure and level, especially to reduce the tax burden on the low-paid.

*See also integrated guideline 'To ensure that wage developments contribute to macroeconomic stability and growth' (No 4).*

### **Guideline No 23**

#### **Expand and improve investment in human capital, through:**

- inclusive education and training policies and action to facilitate significantly access to initial vocational, secondary and higher education, including apprenticeships and entrepreneurship training;
- significantly reducing the number of early school leavers;
- efficient lifelong learning strategies open to all in schools, businesses, public authorities and households according to European agreements, including appropriate incentives and cost-sharing mechanisms, with a view to enhancing participation in continuous and workplace training throughout the life cycle, especially for the low-skilled and older workers.

*See also integrated guideline 'To increase and improve investment in R & D, in particular by private business' (No 7).*

### **Guideline No 24**

#### **Adapt education and training systems in response to new competence requirements, by:**

- raising and ensuring the attractiveness, openness and quality standards of education and training, broadening the supply of education and training opportunities and ensuring flexible learning pathways, and enlarging possibilities for mobility for students and trainees;
- easing and diversifying access for all to education and training and to knowledge by means of working time organisation, family support services, vocational guidance and, if appropriate, new forms of cost-sharing;
- responding to new occupational needs, key competencies and future skill requirements by improving the definition and transparency of qualifications, their effective recognition and the validation of non-formal and informal learning.

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