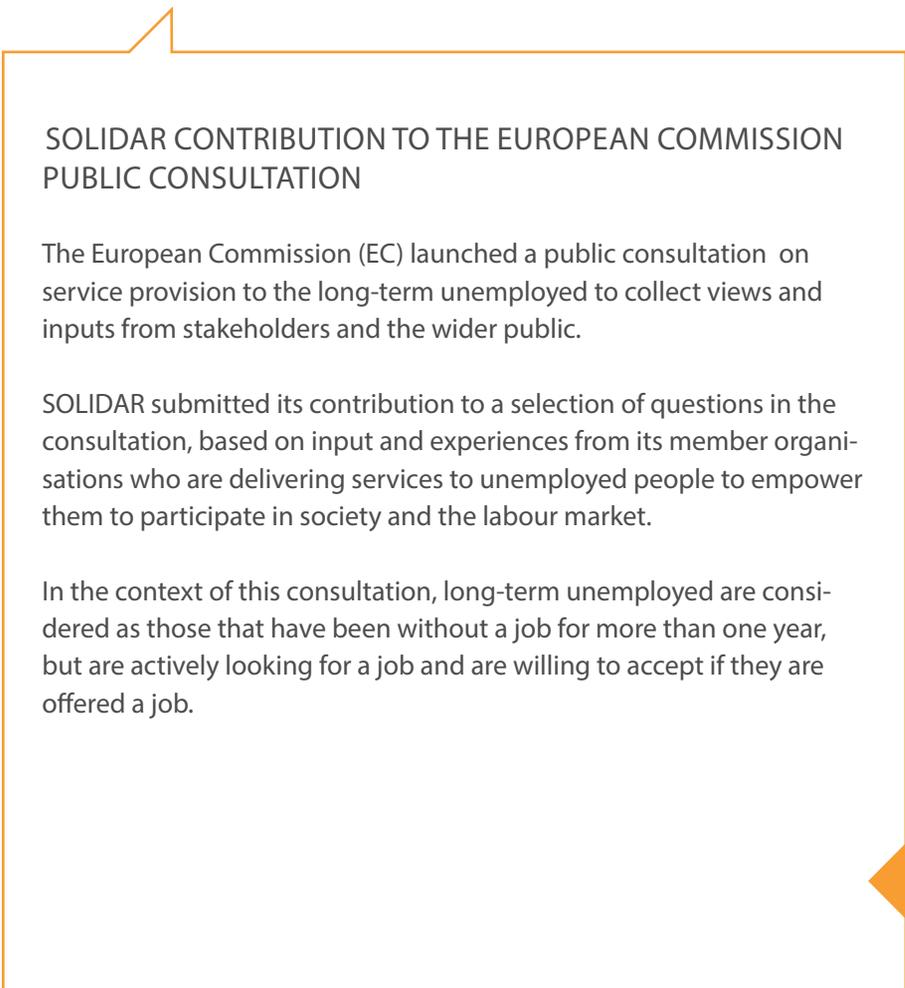


FACT SHEET

Service provision to long-term unemployed



SOLIDAR CONTRIBUTION TO THE EUROPEAN COMMISSION PUBLIC CONSULTATION

The European Commission (EC) launched a public consultation on service provision to the long-term unemployed to collect views and inputs from stakeholders and the wider public.

SOLIDAR submitted its contribution to a selection of questions in the consultation, based on input and experiences from its member organisations who are delivering services to unemployed people to empower them to participate in society and the labour market.

In the context of this consultation, long-term unemployed are considered as those that have been without a job for more than one year, but are actively looking for a job and are willing to accept if they are offered a job.





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Question by the European Commission:
Member States have different approaches to preventing and reducing long-term unemployment in scope, timing and intervention schemes. There are also significant differences across Member States in the share of long term unemployed participating in active measures and in the length and coverage of benefits.

The background document² outlines several challenges to address long-term unemployment.

Do you see other challenges?

The economic and financial crisis that started in 2008 has worsened the situation on the labour market and dismissing workers/employees was often considered by companies as the first step to deal with the economically difficult situation. Spending cuts in education, employment creation and support services have been affecting vulnerable groups over proportionally, without involving them in these decisions. Furthermore, the continuous call for

1 <http://ec.europa.eu/social/main.jsp?catId=333&langId=en&consultId=15&visib=0&furtherConsult=yes>

2 <http://ec.europa.eu/social/BlobServlet?docId=13538&langId=en>

structural reforms, especially in the area of employment, has led to an increased flexibilisation of the labour market in the form of flexible contracts, facilitated lay-offs, etc., putting the burden of adjustment and flexibility on the employees/workers and not on the companies and thereby worsening the situation on the labour market in many EU Member States as well as the personal situation of many EU citizens and their families.

Long-term unemployment (LTU) is not a new phenomenon. Even before the onset of the crisis, various vulnerable groups were affected by long-term unemployment, especially people with disabilities, single parents, migrants, low skilled people, older people closer to retirement age – to name only a few. Furthermore, the definition of long-term unemployment has changed over the years. While 6 months of unemployment were considered as long-term in many Member States in the 1980's, the adaption of the definition to 12 months led to a less drastic picture. We need to reconsider the concept of defining long-term unemployment in order to better measure the situation and individual challenges for people on the labour market. In a more and more complex working world low-skilled workers have severe difficulties to find the right jobs on the labour market. This goes along with a rising importance of formal qualification. Nevertheless, there is a need for recognition of skills and competences acquired in different settings – learning on the job, prior learning, life experiences and social engagements such as volunteering. An individual develops different skills and competences that are vital for his or her participation in society and the labour market.

Therefore, any measures proposed by the European Commission or national governments must tackle the issue of LTU with a long-term perspective and not as a «quick fix» of the crisis.





What services are missing in the integrated service provision across the EU?

SOLIDAR regrets the lack of recognition of the importance of preventive measures such as the provision of support services that are tailor-made for the individual and that take a long-term approach, especially for people in precarious employment who are at the risk of LTU or for young people in the transition from education to the labour market. For example, the importance of career orientation through assessment, guidance and career advice focussing on individual skills and needs provided by highly qualified employment counsellors and peer counsellors to address the challenge of skills mismatches on the labour market is often undervalued and therefore needs to be reiterated. The access to vocational education and training plays a major role in reintegrating not only young people such as NEETs but also long-term unemployed into the labour market and society, as well as the access to other lifelong learning opportunities.

Validation of learning outcomes of non-formal and informal learning is of crucial importance as a tool to empower people, raise their awareness on their competences, and provide a pathway for further learning, qualifications and employment prospects.

SOLIDAR would like to see a stronger emphasis on the accessibility of public employment services, of vocational and educational training, of lifelong learning measures, and of social services. Workers and unemployed need good accessibility to integrated services in order for them to make full use of these services.

For groups who are furthest from the labour market a publicly funded work place with a living wage that secures a decent life would be a good approach.

The social economy and here especially the care and health sector have proved to be resilient during the

crisis and is one of the few sectors that have been creating jobs in significant numbers. Furthermore, in this sector the need for workers and employees is more predictable than in other sectors due to socioeconomic developments such as the ageing of society and increased longevity

SOLIDAR calls to step up investment in the social economy and care and health sector in order to fully exploit its employment potential and provide stable jobs and decent working conditions.

What recommendations would you make to improve the integration of service provision?

Integrated service provision is of great importance to the success of reintegration into the labour market. SOLIDAR wants to stress the fact that integrated services must be provided as close as possible to the individual to allow for easy accessibility. An adequate financial allocation is necessary for these services to be effective.

Furthermore, the cooperation between the individual, public employment services, employers, social service providers, education and training providers, trade unions, etc. is of utmost importance to make the labour market as inclusive as possible.

Continuous involvement of all relevant stakeholders at local, regional, national and European level throughout the process of developing new approaches to integrated service provision is essential.

Another point SOLIDAR would like to stress is the importance of capacity building for public employment services, for instance through the EURES network or with the help of the European Social Funds. The consistent implementation of the Partnership Principle needs to be assured, especially but not only in Member States where the absorption of European Funds is impaired by insufficient structures and inadequate exercise of





the Partnership Principle.

The use of European Structural and Investment Funds plays a crucial role for investment in people, especially those who are furthest from the labour market. The European Social Funds is essential to promoting employment, labour mobility, social inclusion and combating poverty but also to investing in education, skills and lifelong learning.

It is needless to say that the best integrated services are only of limited effectiveness if quality jobs that enable the worker to live a decent life are missing. Bringing long-term unemployed people in precarious jobs such as zero-hours contracts, minijobs etc. is not a first step for their integration into the labour market as often claimed by policy makers at EU and national level.

Precarious employment is worsening the financial and personal situation of a worker and significantly reduces his/her chances to find sustainable quality employment.

How relevant is it that services for the long-term unemployed are individualised?

The individualisation of services is of utmost importance. Services need to be adjusted to individual circumstances of the beneficiary to increase their effectiveness. They should address in a timely and flexible manner the changing needs of each individual with the aim of improving their quality of life as well as of ensuring equal opportunities. Services should take into account the physical, intellectual and social environment of the users and should be respectful of their cultural specificities.

As the Employment and Social Developments Report stresses regularly, around one out of three European employees are either over- or underqua-

lified for their jobs and especially young employees are typically more likely to be formally overqualified and to work in jobs less matched to their skills. This shows the importance of investment in people, at any stage of their life, to enable them to take part in stimulating learning experiences and encourage life-long learning to enhance social inclusion, active citizenship, and self-sustainability. Training and re-qualification programs for the unemployed, as well as skills assessment and validation programs should be offered to people to enhance their chances on the labour market by providing them with lifelong learning opportunities that encompass the transversal and key competences as well as occupational skills needed in the chosen area of employment, provided in close cooperation with employers' associations.

SOLIDAR stresses the fact that the employability of the individual must not be the decisive criterion in designing policy measures. The focus should rather be put on the inclusiveness of the labour market to avoid a ranking of the unemployed as suggested in the background paper by «the most employable».

SOLIDAR cannot agree with the EC's approach in this consultation to prioritise certain groups of unemployed people and thereby neglecting other groups. Each individual deserves attention and support by public authorities and policy makers, during their working life as well as during times of unemployment.

The persistent trend that (especially privately run) employment services concentrate their efforts on easy-to-place unemployed to showcase success while at the same time leaving hard-to-place unemployed aside ("creaming" and "parking") needs to be reversed. Long-term unemployed people need adequate long-term support to find their way back into stable employment. The procurement of services for long-term unemployed needs to take a long-term approach and thereby avoid failure due to an





insufficient length of contracts. Staff of employment services dealing with unemployed people needs to be adequately qualified and remunerated.

What recommendations would you make to improve individualised services to long-term unemployed?

The EC needs to put its focus again on the social investment approach. Individualised services are an essential component of investment in the human being. Nevertheless, social investment is not only about increasing employability. SOLIDAR stresses the fact that a focus must be put on the empowerment of the individual, taking his/her needs and personal circumstances into account. People need to be empowered to make use of new learning opportunities outside the formal education systems; as the results of the Adult Education Survey show, most of the people undertake non-formal education opportunities to develop their employment prospects. The process of recognition and validation of learning outcomes of non-formal and informal learning could positively impact a wide range of beneficiaries, in particular the most vulnerable such as the long-term unemployed, and contribute towards bridging inequalities in education.

Since the adoption of the Council Recommendation on validation of learning outcomes of non-formal and informal learning in 2012, the question of achieving validation by 2018 is becoming more important both at the national and European level, and validation instruments should become accessible for people to give more visibility to their skills and competences, enhance their recognition and serve as a tool to offer further education and employment pathways.

Personalised tailor-made guidance and counselling to jobseekers in how to look for a job or which

further education and training to undertake is crucial, as well as to ensure that their skills and competences are recognised and validated through 'competences passports' reflecting the skills acquired through both in formal and informal learning settings.

Whereas education and training are important tools that need to be recognised as part of active labour market policies, Member States and the European Commission must not forget that they first and foremost constitute a fundamental right of each individual that must not be threatened.

What recommendations would you make on the application of a mutual responsibilities approach?

SOLIDAR would like to stress the importance of distinguishing between responsibilities and conditionalities.

Unemployed people already suffer from stigmatisation due to their situation without a job. While only a very small percentage of unemployed people are consciously not on the constant search for a job and the majority of unemployed people don't find a job because of the difficult situation on the labour market, making the availability of support services and unemployment benefits conditional to certain activities, such as (forced) volunteering, is an additional layer of stigmatisation and can be counterproductive. If long-term unemployed are offered education or training opportunities, this needs to lead to a formal recognition of learning outcomes in the form of qualification or certification.

Unemployed people need to be actively involved in the process of designing their reintegration process to allow for acceptance, motivation and the freedom of choice.

The net-replacement rate of the unemployment benefits should be high enough to avoid precarious





situations for people in unemployment. A common European approach on the net-replacement rates would be a good step as rates currently vary between 50% to almost 90% between Member States.

What recommendations would you make to improve the efficiency of the services delivered to employers?

Employers need to be aware of services for them; therefore, adequate communication is crucial. Services such as subsidies, training and retraining etc. are essential to provide incentives to employers to hire long-term unemployed people. Nevertheless, the jobs created for long-term unemployed need to be of high quality, rights based with a living income and have a long-term perspective.

Member States need to step up their efforts for more ambitious employment and social policies in order to work towards a fairer, more sustainable and inclusive society and create quality rights-based jobs to provide workers with a living income as well as to improve social inclusion.

Member States' actions need to take into account the need for better reconciliation of private and professional life, for lifelong learning and skills development and the necessary adaptation of the workplace and working conditions. The effectiveness and sustainability of our social welfare systems providing support when needed as well as protection of the most vulnerable must not be endangered by one-sided budget cuts and structural reforms that concentrate purely on fiscal responsibility.

SOLIDAR is currently developing a new narrative for structural reforms that target social inequalities and constitute an alternative to the currently pursued one-sided structural reforms which consider social expenditure purely as a cost and not as (social) investment.



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SOLIDAR is a European network of membership based Civil Society Organisations who gather several millions of citizens throughout Europe and worldwide. SOLIDAR voices the values of its member organisations to the EU and international institutions across the three main policy sectors; social affairs, lifelong learning and international cooperation.



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