

BRIEFING #86

SOLIDAR Social Progress Watch Report 2017

For four years now, SOLIDAR members in 16 European countries have been monitoring the social and employment situation in their respective countries and developed recommendations as to how to improve implementation of policy reforms that ensure social cohesion and improve upward social convergence. Unfortunately, for the fourth year now, the majority of our members' observations is still negative in the sense that the situation for many people has not been improving (enough) to ensure a decent life, decent working conditions and social cohesion among and within our societies.

The Social Progress Watch (SPW) Report 2017 draws direct comparison to the 2016 report in the areas of **"Integration of third country nationals"** and **"Developments in social protection systems"** and thereby illustrates very well the continuous struggle of NGOs and civil society organisations to fill gaps where the state is neglecting or insufficiently fulfilling its duties, for example when it comes to ensuring peaceful intercultural coexistence or the fight of discrimination.

It is therefore with great urgency that the EU but also governments at national level take action to prevent a further polarisation and divergence of our societies which will only further drive the populist and anti-establishment movements. SOLIDAR is advocating towards European decision-makers to take their responsibility seriously and find agreements to strengthen our social Europe through ambitious policy reforms that go beyond Recommendations and Guidelines. The same action is being taken by our members and partners at national level in order to improve the situation of people they work with on a daily basis and whose needs are still too often neglected.





The 16 countries participating in 2017 are: Austria, Bulgaria, Croatia, Czechia, Estonia, France, Germany, Greece, Hungary, Italy, the Netherlands, Romania, Serbia, Slovakia, Spain and the United Kingdom. (Estonia as a new member of the SOLIDAR Social Progress Watch provided a full country study.)

SOLIDAR members and partners have been carrying out the Social Progress Watch for four consecutive years now (2014-2017). Each year, they consult a wide range of stakeholders of civil society (e.g. NGO representatives, trade unionists, academics) to discuss developments at national level in the fields of integration of third country nationals and developments in social protection systems. This exercise aims at depicting the situation at national level as it is perceived in the daily work of our members and their partners in order to give a more tangible picture than statistics and empirical data can provide.

The country studies firstly provide information about the national state of play of social and employment developments and the main structural obstacles to the improvement of upward social convergence. Secondly, they propose specific recommendations on how to overcome those obstacles and how to implement the necessary policy reforms to stimulate social progress and to promote equal opportunities and concrete means for participation in society and the labour market for everyone living in Europe.

1. INTEGRATION OF THIRD COUNTRY NATIONALS

1.1 Tools and programmes implemented for the labour market integration of third country nationals

SOLIDAR members have reported that **over**

the last few years the National Action Plans on Migration have not been effectively implemented, mainly due to slow and low quality administrative and legislative processes.

For example in the case of the **United Kingdom**, where a number of different third country national statuses exist, a maximum five-year period of a status has been identified as impeding labour market access. So even if a person has his or her status renewed, it creates too much uncertainty as to the long-term presence of a (migrant) employee for employers to be willing to hire this person.

In the **Netherlands**, the route chosen by many government authorities is a bureaucratic one, including many regulatory processes. In the case of **Greece**, the government is trying to implement policies and programmes to promote labour market integration of third country nationals. However, it is not always clear to migrants that they can legally apply for these programmes and **bureaucracy is a significant obstacle to success**. Against this line, NGOs are supporting and facilitating access to integration programmes.

Civil Society Organisations and NGOs tend to be the common actors that develop and implement initiatives to ensure integration and equal social opportunities for migrants and refugees. However, those organisations are not always included in the definition of national policy priorities/target groups and in the planning, allocation and implementation of the funds. **This leaves organisations in an under-resourced situation with increasing work load.**

France reports recent government budget cutbacks in the fields of social work and education. **Croatian authorities** are limited to provide a simple informational service but





nothing aimed at actively facilitating integration of third country nationals. A similar case can be found in **Bulgaria**, where there is a lack of national coordinating mechanisms or special administrative bodies to take care of the integration process.

Among the 16 reports included in the SPW, the national strategic groups identified two different approaches within the National Action Plans on Migration: towards legally residing migrants or refugees and asylum seekers. Sometimes it may lead to confusion due to the lack of clear distinction between different categories of third country nationals. There is a common tendency to primarily focus policies on status recognition, border controls and residency and work permits, in particular for refugees and asylum seekers. Policies on integration seem to be on a second level, by covering multi-sectoral political fields such as language and education, employment and labour market access, health and social issues, intercultural dialogue, and the living dimension of integration.

In terms of development and provision of host language courses, we can refer to the German case as a best practice. In **Germany**, the job-related promotion of the host language was introduced in the framework of a new federal regulation. It aims at language support during integration courses to improve chances of people with a migrant background to access the labour market through a closer integration of language learning with vocational training, employment or active labour market policies.

In the **Netherlands**, the Dutch umbrella of volunteering organisations (NOV), has invested in a number of volunteer programmes and projects to support the integration of third country nationals. In the **UK**, there are no government

programmes to facilitate volunteering or internship placements targeted at refugees and asylum seekers in particular. However, a number of British civil society organisations are offering such services.

For another consecutive year, the 2017 national strategic groups identify gaps and possible improvements in the outline of **the EU Action Plan on third country nationals' integration**, the European Commission's latest major initiative in the field of migration and social affairs. **SOLIDAR** advocates for an EU Action Plan on integration that includes provisions to ensure protection of fundamental rights of everyone in the EU, including undocumented migrants.

1.2 Fighting discrimination and ensuring intercultural coexistence

Since the end of 2014, populist and racist statements have been encouraged and promoted by the rise of xenophobic movements across Europe. Welcoming third country nationals remains complex and creates ideological and political rifts in multiple European countries. A clear sign of such political confrontation and rise of populist movements could be seen during the electoral periods in **France, the UK, the Netherlands, Germany and Austria**. Interlinkages between migration and terrorism were also used as an electoral argument by far right parties. The same pattern can be observed in other countries like **Hungary, Slovakia, Romania, Bulgaria and Estonia**, among others, where some movements and parties used the issue to stoke fears of citizens and legal residents against the most vulnerable people (for example, fears of losing employment, of declining social status, etc.). As reported by the Hungarian strategic group, democratic opposition is simply unable to effectively put across its views when the





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majority of society is already of the same opinion as the oppressive government, normally because of the strong and overwhelmingly powerful governmental communication and public media.

Against a situation in which authorities get involved ever less, **NGOs and Civil Society Organisations are key actors when implementing legislation and policies due to the essential support they provide by developing campaigns to fight discrimination and support migrant integration measures.**

There is a certain level of involvement of NGOs on specific initiatives in partnership with institutions to fight discrimination (**Spain, the Netherlands, Greece, Germany**), but mostly on the initiative of civil society, which has taken on a stewardship role in filling the gaps in integration and fighting discrimination where institutions have not taken an adequate role in addressing these topics.

Most of the initiatives launched by NGOs or CSOs to combat discrimination and fearmongering and to promote intercultural coexistence provide different opportunities for third country nationals, including victim assistance and counseling, organising and conducting training on access to rights and promoting public awareness.

The 2017 SOLIDAR national strategic groups claim the need of further collaboration between governmental authorities and NGOs to strengthen and promote social awareness on the rise of discriminatory issues and the decrease in tolerance levels.

2. DEVELOPMENTS IN SOCIAL PROTECTION SYSTEMS

2.1 Adequate income support as a basis for social protection over the life-span to fight poverty and ensure active inclusion

The 2017 SOLIDAR country studies show that the majority of the national minimum income schemes is not adequate to cover living costs or to help people escape from poverty.

In some countries the level of minimum income has been stable or even increased somewhat and the taxation of income in general has decreased (**Romania and Greece**).

An added problem highlighted by the national strategic groups in **Austria, Bulgaria, Croatia, France and the Netherlands** is the difficulty in accessing some minimum income schemes. The conditions attached can be so stringent that sometimes in practice they exclude a large proportion of the people living in poverty; in particular, **eligibility conditions can be restrictive** for some vulnerable groups such as youth, the self-employed, the Roma population, the long-term unemployed, women and beneficiaries of subsidiary protection.

The 2017 country studies highlight numerous gaps in the **unemployment benefit systems** of the different Member States. In general, the **limited length and amount of unemployment coverage** as well as the **lack of resources and of a uniform coordinated approach** is seen as problematic. This situation challenges the sustainability of the benefit system and, in the long-term, increases the costs of measures to bring those furthest from the labour market back to work (**Austria, Croatia, France, Italy, Greece and Spain**).





Another common challenge found in the country studies is the **rise in the use of atypical work contracts** (self-employed, temporary contracts, flex-workers, etc.) which do not provide sufficient social insurance. This poses significant risks on these workers concerning their right and access to social and employment support, such as unemployment benefits (**Estonia, France, Germany, Greece, the Netherlands and Spain**).

It is possible to identify a trend towards a **progressive increase in the retirement age** among several SOLIDAR national strategic groups (**Bulgaria, Croatia, France, Hungary, Serbia, Spain and Slovakia**). This is mainly due - or at least politically justified - to the economic situation (lack of funding), an ageing population/ increasing dependency ratio as well as high levels of unemployment (reduction of incomes derived from contributions). In general, the demographic developments and the economic situation pose challenges to the pension systems in most of the countries, which will make it difficult to maintain the existing level of pensions in the coming years.

2.2 Provisions for decent work to guarantee that people can earn a living and to ensure the prevention of in-work poverty

The 2017 SOLIDAR national strategic groups reported an increase in the level of minimum wages in **Bulgaria, Croatia, Czech Republic, Romania and Slovakia**, which is nevertheless not sufficient to cover proper subsistence expenses and life standards. According to Eurostat data for July 2017, **Croatia, Bulgaria and Romania** are at the bottom of the EU minimum wage levels. Raising the minimum wage does not generate revenue growth for very poor households, as most of them consist of inactive

people who are retired or unemployed. These countries also report a shortage of skilled workers due to the high emigration to Western countries during the economic crisis. Workers and trade unions recognised the need of raising wages and improving working conditions.

Nevertheless, cases have been reported where employers choose to increase employees' wages in order to be able to pass social contributions onto them, which leads to increased tax bases and thereby increased income tax. Therefore, tax reductions are meant to counterbalance the increase of contributions, so that the net salary value should not be significantly affected.

The **Romanian** strategy group alerts about liberal parties and a part of the mass media engaging in an aggressive campaign against people benefiting from social benefits and, more recently, against the unemployed, „who do not want to work and prefer to live off social benefits”.

In the case of **Estonia**, the minimum wage rose nearly two times faster than average wages in recent years which has reduced income inequalities and in 2018 it will be completely tax-free for the first time. An increase in the minimum wage also implies an increase in the amount of compensation linked to the minimum wage, such as parental benefits and parental leave remuneration. In Germany, the statutory minimum wage also increased by around €55 per month at the beginning of 2017. No developments on provisions for decent work since the last SWP report were reported by the French strategy groups. The minimum wage has not changed, yet numerous workers work less than the average working week of 35 to 39 hours.

On a positive note, the **Dutch and Spanish strategy groups** confirm an increase in the





duration of paternity leave, which will very likely improve the participation of women in the labour market as well as the work-life balance in general (not to speak of benefits for the relationship between fathers and their children).

Some country studies show that in recent years, quality and accessibility of **healthcare services have been deteriorating** due to underfunding and constant cutbacks in the national healthcare budgets (**Greece, Spain, UK**). This leads to an under-staffed situation, long waiting times for specific treatments and surgeries while the demand for healthcare services keeps increasing due to an ageing society. **Slovakia** alerts about the growth of illness rates, various addictions and psychological disorders among the younger generation and an increase in the death rate of middle-aged people.

Please have a look at the respective country studies for more detailed information and recommendations.

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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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