



Inclusive labour markets: Helping people to take up and stay in work

Employment offers people the best way out of poverty and social exclusion. Sadly some of the most vulnerable groups in society – for example people with disabilities and certain ethnic minorities – are among those most likely to find themselves excluded from the labour market.

It can be hard to obtain good quality work due to a variety of reasons. A lack of a proper education and appropriate skills leave many disadvantaged people at the starting block with little chance of securing employment. Many young people are finding it hard to get work for the same reasons – a situation which puts them at risk of falling into poverty.

Ireland has less equality of opportunity than other European countries and this has changed little over the last decade despite a huge expansion in education and economic growth. We now have a wealthier but a more unequal society with the richest 20 % of our working-age population earning 12 times as much as the poorest 20%,

Discrimination in the jobs market can also hamper certain groups such as immigrants and the Roma communities.

The European Union considers this an unacceptable situation and is committed to building a labour market that is open to all regardless of disability or ethnic origin.

To help break down barriers, the European Commission has asked EU Member States to deliver active inclusion policies, which, in part, call for the development of inclusive labour markets. The goal is to help people who can work to get jobs and stay in employment.

As well as promoting equal opportunities, active inclusion is about encouraging Member States to take action to meet the needs of disadvantaged groups while helping to stop the transmission of poverty through the generations.

Boosting employability

The Commission's recommendations on building inclusive labour markets include boosting the employability of those at risk of poverty and social exclusion by developing and investing in education and training policies – including effective lifelong learning strategies.

Those not used to working or job seeking are also likely to need extra help. This could mean providing individuals or groups with tailored services such as job search assistance, guidance and training.



Active inclusion also calls for more support for the social economy and sheltered employment as these provide a valuable point of entry into the jobs market for disadvantaged people.

In Ireland two programmes are in place to encourage inclusive labour markets. The Community Services Programme aims to support local community activity to address disadvantage and provide local employment opportunities for people often excluded from the labour market. It provides funding to community services and community businesses including community services for older people and those with disabilities, rural transport initiatives and environmental projects.

The Community Employment programme is operated by FÁS, Ireland's training and employment authority. It is designed to help people who are long-term unemployed and other disadvantaged people to get back to work by offering part-time and temporary placements in jobs based within local communities.

Member States should also provide in-work support to vulnerable groups such as people with disabilities. Labour laws, designed to combat problems like discrimination, should be applied to protect those at risk of exclusion from the jobs market. The Europe 2020 Strategy for smart, sustainable and inclusive growth also emphasises inclusiveness as a way of building a cohesive society. It defines inclusive growth as empowering people through high levels of employment, investing in skills, fighting poverty and modernising labour markets. The strategy also calls for the development of training and social protection systems so as to help people anticipate and manage change and build a cohesive society.

In this context, the flagship Europe 2020 initiatives of 'An agenda for new skills and jobs' and the 'European Platform against Poverty' are of key importance.

Real progress

There is already a lot going on across Europe to help make labour markets more inclusive.

The EU's new Employment Guidelines for Member States include a dedicated guideline on promoting social inclusion and combating poverty.

The Commission recently launched its "Youth on the Move" initiative which aims to help young people gain the skills and experience they need to find work.

For many years, the European Social Fund has been used to bolster access to employment by disadvantaged groups through the financing of training schemes.



The EU also supports the European Fund for Southeast Europe (EFSE), which aims to boost employment and help people out of poverty. This fund provides micro and small enterprises with credit and access to finance.

Since its inception in 2005, EFSE has contributed to the creation of more than 250 000 jobs in a region ravaged by poverty and war.

Those benefiting include a small family baking firm in Moldova – which used its loan to expand operations – and an unemployed Serbian women who used her finance to open and improve a children's clothes store.

Over recent years, many Member States have introduced measures which contribute to the EU's disability action plans by helping people with disabilities into work.

For example, Estonia has passed legislation which calls for the adaptation of workplaces and equipment, along with the provision of technical aids. Germany offers financial support to employers for the training of young people who have high dependency needs, and the Netherlands provides occupational disability benefit schemes to support people with disabilities who are returning to work.

In Ireland there are over 20,000 Community Employment workers including 5,045 lone parents and 5,057 people with disabilities. Community Employment supports a wide range of community services and programmes including childcare, eldercare, youth work, drug rehabilitation, environmental work, and meals on wheels.

The 2010 European Year will continue to raise awareness about the value of opening up labour markets in terms of combating poverty and social exclusion.