

SOCIAL AGENDA

EUROPEAN SOCIAL FUND
50 years investing in people



This year we celebrate the 50th anniversary of both the European Community and the European Social Fund (ESF). The ESF was part of the original Treaty establishing the European Economic Community in 1957. The aim then was to promote employment and increase opportunities for workers. Fifty years later, employment is still a top priority. European efforts have evolved to confront new challenges and to offer better opportunities to all.

The ESF is the European Union's main financial instrument for investing in people. It supports employment and social inclusion and thus contributes to all policy areas. It also helps people enhance their education and skills which, in turn, improves their job prospects. The ESF spends over €10 billion a year across all Member States. This represents more than 10% of the European Union's total budget.

Today, more than 200 million workers in Europe are faced with many challenges – demands for new skills, computer technologies, globalisation, difficulties for the young to find a first job, the ageing of European societies, and so on. Job opportunities are needed for those who have still to find employment. Young people require an education that will help them to get their first job. The ESF helps people - young and old - both in work and looking for a job. It also provides support for people wishing to return to work, such as parents who have taken time out to raise their children, or people who have taken a career break for studying. Special attention is also paid to those at risk of being excluded from the labour market,

especially disabled people, migrants, minorities and other disadvantaged groups.

The ESF supports more than 10 million people a year – making a difference in many people's lives. ESF actions have developed skills and job prospects. They have also helped people to find a better balance between work and family commitments. ESF actions have helped women to enter new professions, return to work and advance in their careers. They have assisted older workers - for example, in finishing their studies or validating previous non-formal learning. ESF actions have also offered a helping hand to young people just entering the job market. The Fund has helped start many small businesses and supports them in keeping up with technological change.

Through the ESF, the EU will continue to invest in people, so that people can contribute to Europe's prosperity.

This issue of Social Agenda celebrates the European Social Fund. Our feature article reviews its development over the last half century, and analyses how it has grown into a crucial tool for creating the Europe of the future. It examines the way the Fund has been modernised to address today's issues of enlargement, demographic change and globalisation. It looks at the way the ESF fits into the wider strategic framework, at its nine areas of activity, as well as how the budget is distributed, and the special role of innovative and transnational work. Most importantly, we can see how people have used the ESF to improve their lives. The ESF demonstrates how Europe is working for better jobs in an inclusive society based on equal opportunities for all.

Nikolaus G. van der Pas



Special feature

50 years of the ESF

A look at the first 50 years of the European Social Fund, and how it has adapted to a changing EU. **p. 15**



Equal opportunities

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Flexicurity

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EMPLOYMENT AND EUROPEAN SOCIAL FUND

- 27 April:

The Netherlands announced the lifting of restrictions on workers from eight Member States that have applied since 1 May 2004. Countries that have not applied such restrictions (UK, Ireland and Sweden) have experienced high economic growth, a drop in unemployment and a rise in employment. Finland, Spain, Portugal and Greece lifted restrictions on 1 May 2006, with Italy following in July of the same year. The Netherlands' decision means that nine of the EU-15 – so the majority of countries – have lifted restrictions. Workers can now work without restriction in 21 of the EU's 27 Member States.

- 30 May:

The European Commission published a report on economic and social cohesion. The fourth such report, it provides the economic, social and territorial situation of the enlarged Union of 27 Member States and 268 regions for the first time. According to the report, cohesion policy has had a proven effect in helping the European Union's regions to develop, but will face some new challenges in years ahead. The report contains detailed analysis of the position of regions in terms of GDP, productivity and employment, and identifies a series of challenges Member States and regions will be confronted with in the years ahead. It provides a first assessment of the impact of European cohesion policy in the 2000-2006 programming period, as well as preparation for the new period 2007-2013.

- 25 June:

The first two applications for European Globalisation Adjustment Fund (EGF) assistance were approved by the Commission and put before the European Parliament and the Council of the European Union for decision. The applications – from the French government – concern suppliers of Peugeot-Citroën and Renault, respectively. The requested con-

'Lighten the load': campaign targets work-related back pain

The European Agency for Safety and Health at Work is organising a campaign to tackle musculoskeletal disorders (MSDs) in the workplace. The 'Lighten the load' campaign, which runs until March 2008, includes a number of events and features national Focal Points in each of the 27 EU Member States to promote, stimulate and organise activities at national level. This initiative complements a major information and inspection campaign by the national labour inspectorates of the European Union organised by the Commission's Committee of senior labour Inspectors (SLIC).

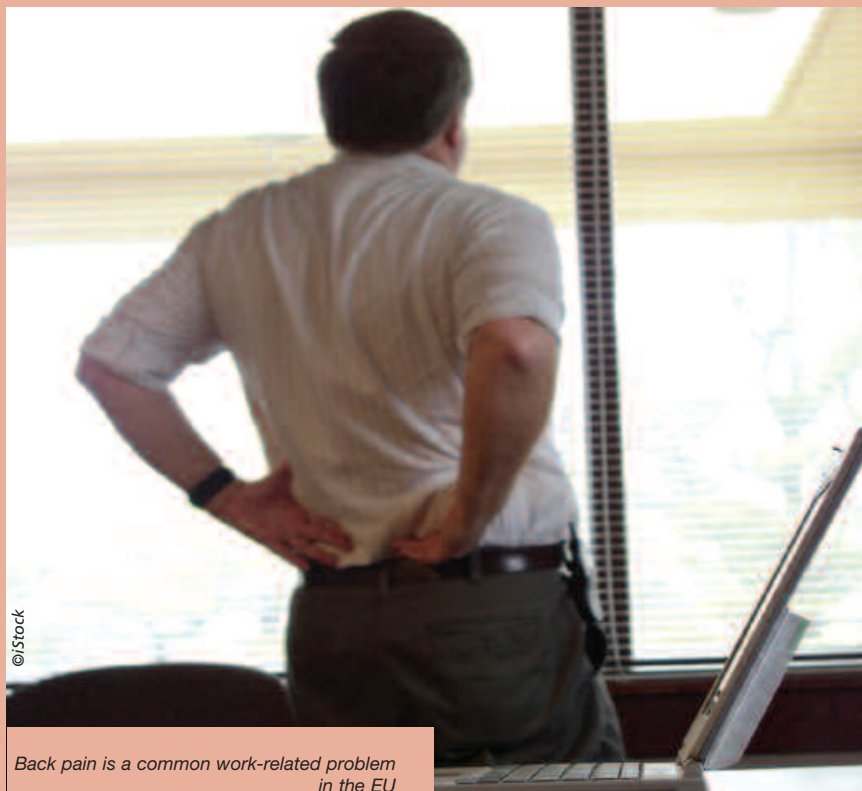
MSDs are the most common work-related health problem in Europe, affecting millions of people. Across the EU-27 25% of workers complain of backache and 23% report muscular pains. And, with demographic ageing, meaning that people will probably have to work longer in the future, the situation is likely to get worse.

The campaign supports an integrated management approach with three key elements. First, employers, employees and government need to work together to tackle MSDs. Secondly, any actions should address the 'whole load on the body', which covers all the stresses and strains being placed on the body, environmental factors such as cold working conditions and the load being carried. Thirdly, employers need to manage the retention, rehabilitation and return to work of employees with MSDs.

The 'Lighten the load' campaign features the Good Practice Awards, which recognise organisations that have made outstanding and innovative contributions to tackle MSDs. The winners will be announced at the campaign's closing event in March 2008.

Further information:

<http://ew2007.osha.europa.eu/>



Back pain is a common work-related problem in the EU

tributions from the EGF are €2,558,250 in the first case and €1,258,000 in the second. A further two applications have been received and concern the mobile phone manufacturing sector (BenQ in Germany) and mobile phone accessory manufacturing sector (Perlos in Finland). The requested EGF contributions for these second two cases are €12,766,150 and €2,028,538, respectively. Both are currently being analysed by the European Commission. All the applications aim to assist workers made redundant due to company failures in a climate of changing global trade patterns in their sectors.

- 27 June:

The Commission proposed the establishment of common principles of flexicurity to promote more and better jobs by combining flexibility and security for workers and companies. The Commission also set out a number of typical pathways to help Member States draw up their own national strategies for flexicurity and learn from each other's experiences and best practices (see article page 12).

- 28 June:

A high-level event in Potsdam, Germany, marked the official 50th birthday of the European Social Fund (ESF). Organised by the German presidency, the event brought together EU Ministers and key players in the Fund and reflected on how the ESF is helping millions of Europeans join and progress in the job market (see Special Feature, page 15).

WORK ORGANISATION, WORKING CONDITIONS AND SOCIAL DIALOGUE

- 26 April:

The European social partners (ETUC, BUSINESSEUROPE, CEEP and UEA-PME) signed a framework agreement on harassment and violence at work. The agreement aims to prevent and, where necessary, manage problems of bullying, sexu-

al harassment and physical violence at the workplace. Companies in Europe will have to adopt a policy of zero-tolerance towards such behaviour and draw up procedures to deal with cases of harassment and violence where they occur. Data suggests that one in 20 workers reports being exposed to bullying and/or harassment each year.

- 21 May:

At the four-yearly European Trade Union Confederation (ETUC) congress in Seville, the Commission called on trade unions to play an active role in shaping a prosperous, social Europe. Commission President José Manuel Barroso said, "social dialogue is essential for Europe to progress and to prosper." The ETUC-affiliated Congress is convened every four years. It determines the confederation's general policy and is made up of delegates from the ETUC-affiliated organisations, bringing together the entire European trade union movement. The theme of this year's Congress was to go on the offensive for a more social Europe, more solidarity and more sustainable development to strengthen the European Social Model.

- 30 May:

The Commission adopted the second stage consultation with workers' and employers' representatives on how to achieve a better balance between work, private and family life. Invited to express their opinions on the need for Community action on this issue last October, 13 of the European social partners sent contributions. Although views differed on what needs to be done and at what level, all acknowledged the importance of issues such as accessible care facilities for children and dependants, the need for men to genuinely take up reconciliation measures, equal pay, flexible working hours and the possible updating of existing legislation related to reconciliation.

- 13 June:

The Commission presented its assessment of national measures applied by Member States in the context of supervising the posting of workers, as well as the situation

in terms of administrative cooperation. The aim is to remove unnecessary obstacles to the free provision of services within the internal market while continuing to ensure adequate protection for posted workers. This balanced approach is to be supported amongst others by a high-level Committee of government experts, involving social partners, to facilitate the exchange of good practices. The Commission also proposes to reinforce administrative co-operation through the use of the Internal Market Information system (IMI). Furthermore, the Commission will launch, if necessary, infringement procedures to ensure conformity with Community law.



Some 16% of Europeans live under the poverty threshold

PROMOTING AN INCLUSIVE SOCIETY

- 4 May:

Representatives of the estimated 72 million Europeans living in poverty discussed how to tackle social exclusion in the EU at a major event in Brussels organised by the German Presidency and the European Commission. The sixth annual 'European meeting of people experiencing poverty' was attended by over 200 people, including delegations of people experiencing poverty from 25 countries together with representatives of national governments, EU institutions and European NGOs.

- 10 May:

The Commission adopted a communication on 'Promoting solidarity between the generations' to help Member States meet the demographic challenge. The Communication examines how Europeans can achieve a better work-life balance and looks at how best to support families so they can have the number of children they desire (see article page 9).

- 11 June:

A high-level group of government experts met for the first time in Brussels to discuss demography issues. The group, set up by the Commission following requests from Member States responding to the 2005 Green Paper on demography (IP/05/322), will support the Commission in developing policies adapted to the new reality of Europe's ageing population and shrinking workforce. The group will also act as a platform for Member States to exchange experiences and good practice in areas like active ageing, family policy, care for the elderly dependent and migration.

- 27 June:

The Commission sent formal requests to 14 Member States to fully implement EU rules banning discrimination on the grounds of race or ethnic origin. The countries concerned – Spain, Sweden, Czech Republic, Estonia, France, Ireland, United Kingdom, Greece, Italy, Latvia, Poland, Portugal, Slovenia and Slovakia – were given two months to respond, failing which the Commission can take them to the European Court of Justice. The Race Equality Directive was agreed in 2000 with a deadline for implementation into national law by 2003.

- 4 July:

The Commission launched an online consultation on combating discrimination in the Member States and at EU level. The public consultation is intended to help the Commission plan new measures to tackle discrimination on the basis of gender, religion, belief, disability, age or sexual

orientation in areas beyond the job market. The consultation is made up of a general online consultation, as well as a consultation targeted at business. It will run until 15 October and is accessible at the following address:

http://ec.europa.eu/yourvoice/consultations/index_en.htm

- 17 July:

The Commission's 'For Diversity, Against Discrimination' campaign made its debut on EUtube (<http://www.youtube.com/-EUtube>), the EU's dedicated channel on the popular video-sharing website YouTube, with an upbeat video clip on diversity. The 30-second video is part of the five-year pan-European information campaign on combating discrimination on the grounds of racial or ethnic origin, religion or belief, age, disability and sexual orientation.



Europe needs more women in management positions

GENDER EQUALITY

- 15 May:

Ministers for gender equality and family affairs met for a two-day informal meeting in Bad Pyrmont, Germany. The main areas for discussion included the changes in perceptions of women and men as role models and the challenges this brings about. The meeting also focused on ways to promote better reconciliation between work, private and family life, as well as

equal opportunities for women and men in the workplace. Other topics included the progress of women (as well as of men who are active fathers) in reaching management positions and also how to provide more support for migrant women and children.

- 18 July:

The Commission released a new report, setting out ways the EU can bridge the gender pay gap, which has barely changed over the past decade. The pay gap reflects ongoing discrimination and inequality in the labour market which, in practice, mainly affects women (see article page 23).

INTERNATIONAL EMPLOYMENT AND SOCIAL ISSUES

- 30 March:

The EU signed a new UN treaty on disability rights on its opening day for signature in New York. It was the first time the Community signed a core UN human rights convention. The Convention aims to ensure that people with disabilities enjoy human rights and fundamental freedoms on an equal basis with everyone else. It will provide protection for 50 million EU citizens and 650 million people with disabilities worldwide. The new treaty is the first comprehensive human rights convention to be adopted this century. It follows long-standing efforts by disability organisations and an increasing international recognition that existing UN human rights treaties failed to fully protect people with disabilities, who continue to suffer discrimination. The Convention will enter into force when ratified by 20 countries.



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The EYEO hopes to promote equal opportunities

A European Year to promote equality

EU-wide activities aim to raise awareness and highlight the benefits of diversity

The European Year for Equal Opportunities for All (EYEO), which runs through 2007, is about driving forward a positive, integrated approach to equality and giving a new impetus to efforts to tackle discrimination effectively.

Studies show that public awareness in this area is low. Europeans are protected by anti-discrimination directives that lay down minimum standards for equal treatment across the EU. The Racial Equality Directive bans discrimination on the grounds of racial or ethnic origin, while the Employment Equality Directive focuses on the world of work and deals with discrimination on the grounds of religion or belief, disability, age and sexual orientation. But despite this, only one-third of EU citizens questioned in a

recent Eurobarometer survey said that they would know their rights should they become victims of discrimination or harassment.

Decentralised campaign

The main goal of the year is to raise awareness and inform people of their right to non-discrimination and equal treatment. It also aims to promote equal opportunities and highlight the benefits of diversity. In order to reach as many people as possible, the campaign is highly decentralised, with more than 430 activities taking place locally, regionally and nationally. These include projects like diversity and working life awards for private and public companies making

real efforts to fight discrimination; writing competitions in schools on the themes of respect and tolerance; and training on anti-discrimination issues for the media.

Events of the year involve the people and organisations who have the biggest stake in its success: trade unions, employers, NGOs, youth groups, organisations representing people facing unequal treatment and local and regional authorities.

About €15 million has been set aside for the European Year. Around half of this is going to European level activities, such as conferences, Eurobarometer surveys, evaluation and a Europe-wide information campaign. The other half is being

spent on national activities, which are supplemented by 50% co-funding from national sources.

The European Social Fund will make an additional, and ongoing contribution to the goals of the EYEO. The ESF works to prevent people being discriminated against in gaining access to the labour market and to prevent people from being discriminated against when they are in the labour market itself. The Fund supports vocational counselling and training for a wide variety of disadvantaged groups. NGOs representing these groups are fully involved in the partnerships that manage ESF projects.

Lasting benefits

Previous European Years have proven effective in raising people's awareness of political issues and improving their visibility in the eyes of decision makers. The European Year Against Racism in 1997 helped bring about some major political advances at European level, notably the insertion of a general non-discrimination clause in the EC Treaty. This in turn led to the adoption of the directive implementing the principle of equal treatment between people irrespective of their racial and ethnic origin. The 1997 Year also contributed to the creation of the European Network Against Racism, an EU-wide umbrella network of anti-racism NGOs that is now playing a key role in the current European Year.

It is hoped that the EYEO's decentralised approach will allow activities to continue beyond the end of 2007 and really make a lasting impression. To further ensure the Year's long-term impact, PROGRESS – the EU's new programme for employment and solidarity – will take up some of the best ideas generated during the EYEO. This way, new ideas and a new impetus from the year will help advance the EU's efforts in the area of equality and non-discrimination.

Further information:

<http://equality2007.europa.eu>

CHANGING MINDSETS

Ferdi Guran is one of the 30% of young people in Hamburg whose parents are immigrants. While many in Ferdi's position face long-term unemployment, he has been taken on by Hamburg-based company HCI as an apprentice IT programmer, thanks to an ESF-funded project at consultancy centre BQM.

"I went to grammar school up to August 2005," explains Ferdi, 22, whose parents are Turkish. "Between school and apprenticeship I worked in a food-logistics company as a warehouseman. I think the apprenticeship will help me apply for other jobs. What I hear and read is that there is always a need for personnel, especially in the IT programming sector."

Non-academic school leavers in Germany often progress to a three-year course split between further education and work experience. BQM helps young immigrants to access these courses, which otherwise they might not know about. Hulya Eralp, who deals with businesses for BQM, now has a network of 50 enterprises and finds that once a business has been persuaded to take on her clients, a positive connection is forged. "Their mindset changes. Once they see that these young people

from immigrant backgrounds have talents that they can use for developing their enterprises, then it gets so much easier to send young people to them," she says.

"I saved a lot of time by applying to just one place with Ms Eralp's recommendation," continues Ferdi. "Many of my friends spent months writing applications and receiving refusals. I have recommended BQM to my friends. Not all were lucky, but it has created many other opportunities for them."



MAKING A DIFFERENCE

Lisa Palmer has just finished a City & Guilds Level 2 Certificate in Supporting the Development Needs of Homeless and Vulnerable People, set up at City Lit in London with help from the ESF. It is a subject she knows a lot about - now in temporary accommodation, she has experience of homelessness herself.

Lisa was one of the lucky ones. Without drug or alcohol problems, she was helped to get back on her feet and on to the course. Students are recruited by word of mouth, or by referrals from key workers at partner organisations, like hostels or rehabilitation centres. They must be ready for a challenging commitment, as the course is demanding, involving classroom sessions and an extended work placement.

Since City Lit started delivering this qualification, many of the students have gone on to employment and voluntary work in the sector. Some have been taken on by the organisations where they have had placements, and many are now supporting other homeless people.

"The course has been fantastic on how not to be judgemental, to think with empathy

about other people's positions and to understand the housing laws. I've been volunteering at a local centre and have managed to rehouse one person so far, which was wonderful. But it's not about me and how I feel - it's learning the ins and outs of the job and helping to make a difference."





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Working together: a recent Commission communication promotes solidarity between generations

Demographic change: a challenge but also an achievement

Better work-life balance should help families have the number of children they desire

More support for families is crucial in the EU's continuing push to meet demographic challenges and reach the goals set out at Lisbon in 2000.

This is a key message in a communication adopted by the European Commission in May. Entitled 'Promoting solidarity between the generations', it stresses the importance of making it possible for people to have the number of children they desire and enabling them to

achieve a better work-life balance. It is part of a follow-up to the communication 'The demographic future of Europe - from challenge to opportunity', which was adopted last October.

Europe's demographic prospects arouse fear in many. Yet, demographic ageing is above all one of the biggest achievements of society in that it is a result of increasing life expectancy. Europeans have some of the best living

conditions in the world, and people who fall ill or have an accident can rely on good and affordable health care systems.

In addition, women now have much greater control over their fertility, so the EU doesn't have to worry about overpopulation, which is still an issue in many parts of the world.

Nevertheless, the demographic change taking place in the European Union will be huge and its policy implications must not be ignored. Demographic ageing will accelerate when the bulk of 'baby-boomers' starts retiring in about a decade. Low birth rates are a continuing concern, and studies show that Europeans are not having as many children as they would like.

Although most action has to be taken by the individual Member States, the EU has an important role to play in supporting the process of adaptation to demographic change.

In 2005, the Commission published a Green Paper on demographic change and the EU's role in it, which launched a public debate about the issue. About 250 responses were received, and the results highlighted the importance of improving people's work-life balance.

The EU Communication 'The demographic future of Europe' took stock of the debate and research on the impact of demographic ageing and set out a strategy for Europe to tackle demographic change. It went on to say that there is a window of opportunity of about a decade to prepare for it. During this period, employment is expected to increase thanks to higher labour force participation even though the working-age population (15-64) will have started to decline. The communication focused on five key areas in which the EU can respond to the demographic challenge:

- **Promoting demographic renewal in Europe.** In other words, creating the right conditions for people to realise their desire for children and raise a

family. Studies show that there is a gap between the number of children Europeans have and the number they would like to have. This appears to be linked in particular to the difficulty of reconciling professional and private life. Women, especially, frequently have to choose between career and family. The Commission is not trying to push people to have more children: this must remain a personal choice. But no one should have to choose between career and family.

- **Promoting employment in Europe.** Europe's low employment rate (compared to the US or Japan) represents an opportunity: the shrinking of the working-age population can be compensated by raising the employment rate, particularly of women and people in their 50s and 60s. The reversal of the trend to earlier labour market exit has already begun. But if it is to succeed,

the seeds of 'active ageing' need to be sowed early on, through life-long learning and healthy life styles and working conditions.

- **A more productive and competitive Europe.** Eventually, the declining population of working age will translate into less employment, and Europe's growth will depend on productivity improvements alone. Consequently, the EU will have to invest more in education and training as well as in research and development. European business will need to respond swiftly to new market opportunities, including those linked to the needs of an older population.
- **Receiving and integrating immigrants in Europe.** The EU attracts many migrants, which represents an opportunity to avoid future labour shortages. However, Europe has to

become better at integrating migrants and their families.

- **Sustainable public finances in Europe.** Demographic ageing will result in the need for more spending on pensions, health and long-term care. All this has to be funded in a sustainable way if Europe is to avoid a breakdown of social protection systems at some point in the future. Private savings and insurance have their role to play, but in many countries the required financial instruments have yet to be developed.

These are key issues for the European Social Fund. Spending over €10 billion per year, it is the most important tool the EU has to improve the way its labour market works and to equip citizens to get the most from their working lives. It is the tool through which governments can target significant resources at raising skills levels, making

GOOD DAY AT THE OFFICE



Astrid Nolte was on maternity leave from her job, and on the verge of deciding not to pursue a second degree in comparative literature, when her husband saw an advert for the University of Vienna's ESF-funded crèche, the Children's Office, in a local paper.

"I don't know whether I would have been able to take on my course without the Children's Office's encouraging atmosphere, which helps me focus while my daughter, Katharina, is being looked after. She was nine months old when I started, and I used the Children's Office's

parents' room to work in, which is equipped with computers. Katharina was very happy right from the start, but it made it easier for me knowing she was only just down the hall," explains Astrid, originally from America but now settled in Vienna.

The University of Vienna estimated that 11% of students had childcare obligations, as well as 50% of university staff. Many students with children were dropping out of courses because good childcare was so hard to find. The Children's Office was started in 2002 and the programme finished in 2005, but was so successful it has now become a permanent fixture. It offers different rates to students, staff and those outside the university. Flexibility is a key to its success - babies and children up to 12 can be left from a couple of hours to a day, and bookings can be taken online for a term in advance, or on the day itself. A 'flying nanny service' also goes into businesses and provides temporary childcare for scientific congresses, meetings, festivals or fairs.

"For me, the Children's Office has been ideal," enthuses Astrid.

<http://www.univie.ac.at/kinderbuero/>

childcare more available so that women can go back to work after having a baby, encouraging older workers to wait a little longer before retiring, and helping immigrants to learn the language and find a job.

A more recent Communication, "Promoting solidarity between the generations", focuses specifically on the need to achieve a better work-life balance. The Communication highlights the differences between Member States when it comes to addressing family needs. For example, research shows that childcare provision for the under-threes varies from 2% in the Czech Republic and 8% in Germany to 22% in Sweden and 36% in the Netherlands. Social spending on families and children also varies from 0.7% to 3.9% of GDP, with the more southern countries relying more than others on family members to provide care and support.

Member States will increasingly be able to learn from each other, in particular through the European Alliance for Families, which was called for by the Spring European Council last March. It will act as a platform for the exchange of knowledge and experience.

The Commission will support this European Alliance in various ways. In particular, it will promote research on family-related issues and invite the European Foundation for the Improvement of Living and Working Conditions to set up an observatory of best family policy practices which could inspire local and regional initiatives for creating better conditions for families. The Commission invites stakeholders in the Member States to make use of the possibilities of the European Structural Funds to foster a better balance of professional, family and private life and thus improve the quality of life for families.

A newly created high-level group of government experts on demographic issues will serve as focal point for the activities of the European Alliance for Families. The group is chaired by the former Austrian Minister for employment, health and social affairs, Eleonora Hostasch, and held its first official meeting on 11 June.

Experience shows that family-friendly policies pay off in a number of ways. Countries that favour policies such as equal access to employment, parental leave for both men and women and equal pay, generally have higher birth rates and more women in work. They are also some of the best performing countries in terms of growth and jobs.

Further information:

http://ec.europa.eu/employment_social/social_situation/index_en.htm

OFF TO A GREAT START IN LIFE

Mother of four, Margaret Kent was one of the residents of Ferns, Enniscorthy in County Wexford, Ireland who benefited when the ESF funded the small community playgroup, Teach na bPáistí, in her area. Soon, Margaret was not only taking her own children along but was drawn into helping with the organisation herself. Now, six years later, she is one of the directors of the playgroup, which has just moved into its own building and set up full day-care facilities to help local parents get back to work.

"It has been a phenomenal amount of work but very worthwhile. There was a definite need in the community for a playschool, as it's quite a big area but there are not many facilities - we have no scouts or cubs groups, for example, and there were lots of parents that private playschools didn't cater for. We are able to run a four-tier payment system, depending on whether parents are on benefits or at work. Parents can also go to the social welfare officer if they can't afford the fees," Margaret says.

As part of the Community Playgroup Initiative (cpi) this playgroup benefited from grants from the Katharine Howard



Foundation, Health Services Executive and the ESF. Much of the success of the playgroup has been due to the efforts of parents like Margaret, as well as support from the various bodies involved. "My background is in helping with my husband's machinery business and I've been able to put that to use. Before,

the building we were in was too cold in winter. Now the playgroup is homey, welcoming, bright and airy, and the walls are adorned with children's artwork."

www.katharinehowardfoundation.ie, or www.khf.ie



Commission promotes 'flexicurity' approach

Communication sets out common principles to help Member States draw up national strategies

The European Commission has called on Member States to get more people into good jobs through a combination of flexibility and security for both workers and companies. In a communication published at the end of June, the Commission underlined the importance of 'flexicurity' strategies in helping to modernise European labour markets and make them better able to address the challenges and opportunities of globalisation.

Flexicurity is increasingly seen as the most effective response to some of the challenges facing workers and enterprises alike. Globalisation, accelerated technological progress and demographic ageing are changing the way Europeans live and work. Fewer people keep the same job for life, so employment security – rather than job security – is becoming more important. Companies, especially SMEs, need to be able to adapt their workforce to changes in economic conditions. Flexicurity strategies – combining flexible and reliable contractual arrangements, active labour-market policies, life-long learning strategies and modern social protection systems that provide adequate income support during periods of unemployment – help make labour markets more dynamic and make it easier for workers to move between jobs successfully.

Since the start, the European Social Fund has been supporting various components of what is now flexicurity. It has consistently helped Europe's citizens to stay and progress in the workforce, and to raise their employability to find new and productive paths. One of its initial tasks was to help to retrain and resettle workers in the coal and steel industries to adjust to post-war restructuring, and this has continued until today, when globalisation is causing a comparable long-term shift in the terms of world trade. In the 2007-2013 programming period, the ESF will be making a big contribution to putting the building blocks of flexicurity in place, for instance by supporting in-company training, lifelong learning programmes, and promoting entrepreneurship.

The Commission's Communication is intended to help Member States draw up their own national strategies for flexicurity and learn from each other's experience. Based on extensive consultations with key stakeholders, the Communication identifies the main flexicurity policy areas and sets out proposals for eight common flexicurity principles. These principles, due to be adopted by Council by the end of the year, include:

- Reinforcing the implementation of the EU's strategy for Jobs and Growth and

strengthening the European social models;

- Striking a balance between rights and responsibilities;
- Adapting flexicurity to different circumstances, needs and challenges of the Member States;
- Reducing the gap between those in non-standard, sometimes precarious contractual arrangements on the one hand (so-called 'outsiders'), and those in permanent, full-time jobs on the other (the 'insiders');
- Developing internal and external flexicurity by helping employees move up the career ladder into better jobs (internal) as well as across the job market (external);
- Supporting gender equality and promoting equal opportunities for all;
- Producing balanced policy packages to promote a climate of trust between social partners, public authorities and other stakeholders;
- Ensuring a fair distribution of the costs and benefits of flexicurity policies, and contributing to sound and financially sustainable budgetary policies.

Clearly, labour market situations vary greatly across the EU and there is no 'one size fits all' solution. So the Communication also presents four typical 'pathways' for Member States to develop their own flexicurity strategies suited to their individual challenges. In some countries, for instance, efforts might focus on solutions within companies, while in others the focus could be more on transitions between jobs.

Europeans understand and accept the need for adaptation and change. A recent Eurobarometer survey showed that 72% of people questioned felt that employment contracts should be more flexible so as to create more jobs; 76% said they believe a job for life is a thing of the past; and 88% were of the opinion that lifelong learning improves chances of finding a job quickly.

Further information:

http://ec.europa.eu/employment_social/employment_strategy/flex_meaning_en.htm



Thanks to recent improvements in employment figures, the Joint Employment Report was by and large positive

Report highlights progress in EU growth and jobs strategy

Employment figures have improved but more rigorous reforms still needed

Employment is on the rise in Europe and unemployment is down, according to an annual report by the European Commission.

The Joint Employment Report, published in February, was generally upbeat, although it underlined the need for more rigorous reforms, in particular to better balance flexibility with security (the 'flexicurity' approach, see article page 12). "Workers must be able to move easily and with confidence from one job to the next," said Vladimir Spidla, EU Commissioner for Employment, Social Affairs and Equal Opportunities. "Today's improved economic outlook gives us the opportunity to redouble our reform efforts," he added.

The Joint Employment Report assesses the Member States' national reform programmes, with regard to the priorities set out in 2000 under the EU's Lisbon strategy for growth and jobs. According to the report, unemployment in the EU fell from 9.1% in 2004 to 8.8% in 2005 and the employment rate rose by 0.8% in 2005 – the biggest increase since 2001.

Strengths and weaknesses

However, the report also stresses that a further 22 million new jobs must still be created to realise the EU's goal of increasing employment to 70% by 2010. It states that while investment in education and skills is on the up, policy imple-

mentation to improve the adaptability of workers is lagging behind. Rapid technological progress and increased global competition call for flexible labour markets. Greater investment in training and reforms of legislation relating to contracts are therefore important because they would make job transitions easier and provide more opportunities for workers to progress. Undeclared work also remains a major problem in many Member States.

Overall, the report shows that Member States have taken steps towards adopting a more integrated 'lifecycle' approach to work. But despite this, policies for young people, women and older workers are still often treated separately.

The number of older people in work has risen from 41% in 2004 to 42.5% in 2005, although much more needs to be done to reach the target of 50% by 2010. In contrast, many Member States have seen the labour market situation for the young stagnate: at over 18%, youth unemployment is still about twice the overall rate.

Lifelong learning

Many Member States are developing policies to increase investment in education and skills, but implementation is progressing slowly. The adult participation rate in lifelong learning is still too low at just over 10%, and in 20 out of 25 Member States this rate has failed to rise or has even dropped.

Alongside the Joint Employment Report, the Commission has also proposed country-specific recommendations on economic and employment policies for most Member States, stressing that they need to push forward with reforms in the job market.



A WINNING COMBINATION

The new and the old need to combine in the food business, Paulo Rodrigues says. "The name S@bores e Tradições was selected for our range of projects as it literally means Flavours and Traditions but also carries the '@' characters to reflect the merging of tradition with innovation."

Rodrigues is the executive director of VALDELIMA, a co-operative in Portugal's Lima Valley. At a time of agricultural decline in the area, it set out to reverse the trend by capitalising on the growing consumer demand for traditional recipes and production methods. "Consumers are increasingly looking for assurance on the origin and quality of the ingredients," he explains.

VALDELIMA saw an opportunity to use high-quality produce from the region and to add value through the production of traditional marmalades and jams, as well as liqueurs and spirits. ESF support was secured to give 12 women training on traditional recipes, health and safety, conservation and transformation techniques, basic accounting, and promotion and selling strategies. The co-operative went on to open two shops and run an online sales outlet with other local producers. In 2003, about 35% of VALDELIMA's income was spent on buying ingredients from local farmers.

Of the 11 women who completed the original training, two stayed on to work in VALDELIMA and others were encouraged to start up their own new businesses. "Before this training course, there were no products, brands or workers," Rodrigues points out. "This has all been stimulated through the training."



FINDING THE RIGHT BALANCE

A slave to your job? You shouldn't be. A good work-life balance is vital. In Estonia, the Employers' Confederation has been taking the lead in helping both women and men to achieve just that. Choices & Balances is the name of the development partnership that it runs as part of the ESF-funded EQUAL initiative. EQUAL is backing projects across Europe which promote a more inclusive work life.

Kadri Seeder is one of the three women managing the Estonian project. "Choices & Balances was born from real-life situations," she says. "Without flexi-time arrangements and the possibility of working from home, we would not have been able to continue our own careers."

Choices & Balances has been researching into flexible forms of training and work EU-wide. "We looked for different rather than similar approaches to tackling the dilemma of reconciliation," says the project's Kristi-Jette Remi. "We now have partners in Germany, Italy, the Netherlands and Poland whose contexts, target groups and strategies differ from ours, but we all share the aim of making labour markets more accessible for disadvantaged groups."

A publicity campaign is putting the message across in Estonia. And a basic counselling and training programme is being developed for people who, after the birth of a child, are economically inactive. Meanwhile, Choices & Balance is telling the country's employers what flexi-work can do for them. Many Estonian companies are facing skills gaps. So they need to attract qualified women and young parents.



50 years of the European Social Fund

The European Social Fund was born alongside the European Economic Community in 1957, at the signing of the Treaty of Rome. It is the European Union's main financial instrument for investing in people. It supports employment and helps people enhance their education, skills and job prospects. It enables people to develop professionally by learning new skills, and it helps both employees and companies adjust to change.

This year, the European Social Fund celebrates its jubilee. Social Agenda marks this 50th birthday by looking at the task the Fund was set up to do, and how it has been carried it out. We examine the way the challenges have evolved over the past half-century, and how the Fund has developed to tackle them. We look at the way the ESF fits into the EU's wider strategic framework, in particular the European Employment Strategy, and the renewed Lisbon Strategy for Growth and Jobs, and the objectives and activities it will support over the next seven years.

The European Social Fund improves job opportunities for people in Europe by

helping them to keep up to speed with the changing world of work. It does not provide 'passive' social assistance, but equips workers with the skills needed to stay in employment and develop. It also aims at bringing back to work those who are unemployed or socially excluded.

In partnership with the EU's Member States, its activities are tailored to improving people's (working) lives and the way job markets operate. It covers a wide range of activities including training, career advice, moving to a new job, learning new technologies, starting a business, research, forecasting skills needs, and campaigns to promote active ageing and diversity in the workforce.

Over the decades, the ESF has grown in importance as the EU itself has grown. It is now worth over €10 billion a year – more than 10% of the EU's total budget. It also forms part of the EU's continual effort to reduce the disparities in living standards among different countries and regions. This means that it is strongly regionally targeted – four-fifths of the funds are concentrated in the poorer areas of the EU. The Fund is primarily administered at grassroots

level: Member States prepare plans called National Strategic Reference Frameworks, which set out how the ESF is to be used. These ensure that the problems addressed, the means employed and the partners involved are clear and adapted to the specific context of each region and Member State, and that results can be monitored. What the ESF is doing in concrete terms is then spelt out in Operational Programmes (OPs). Depending on the set-up of Member States these OPs can be prepared and implemented at national and/or regional level.

In the 2007-2013 period, ESF support is focussed under four priorities that cover the whole EU: adaptability, access to employment, inclusion and human capital. The less developed 'convergence' regions benefit from two additional priorities: investment in human capital and building institutional capacity. In order to ensure good governance, ESF supports partnership with key stakeholders, cooperation with other member states and innovative actions.

Further information:

http://ec.europa.eu/employment_social/esf/



In its early years, the ESF did not support any women under the age of 35

The ESF – changing as Europe grows

Over the last 50 years, the ESF has been totally transformed in size and strategic importance

The 1950s and 1960s: rebuilding Europe

After the Second World War, governments from both sides of the conflict decided that coal and steel – key military raw materials – should be managed jointly, to make future wars impossible. In 1951 they set up the European Coal and Steel Community (ECSC), and with it the Fund for the Retraining and Resettlement of Workers. Then, when the European Economic Community (EEC) was founded in 1957, the ESF came into being along with it. In this period of reconstruction, Europe's economies were booming. Governments used the ESF not to fight unemployment, but mainly to retrain and resettle the millions of migrants who came, primarily from Southern Italy, to work in the coal industry and to retrain victims of accidents at work.

The 1970s: a growing sense of purpose

In the 1970s, unemployment started to rise in the wake of the economic slowdown following the oil crisis of 1973. The ESF's help was targeted at those areas and people who needed it most – the farming and textile sectors were early beneficiaries. Groups that found it especially hard to find work – women, young people, migrants and disabled people – also received help. While the ESF focused on helping people to gain new skills, in 1975 the European Regional Development Fund (ERDF) was set up alongside it, mainly to improve infrastructure of regions lagging behind.

The 1980s: away from manufacturing

In the 1980s, Europe's economy began the switch away from manufacturing and towards information and services. The ESF helped to train the skilled workers that were so much in demand and new technology training became a priority. It also addressed the increasingly pressing issue of long-term unemployment. Meanwhile the European Community continued to admit new members, leading to a continued focus on less developed areas.

The 1990s: coping with globalisation and ageing

The 1990s saw the end of the Cold War and a swift change of emphasis to coping with two trends: globalisation and ageing. Demand for lower-skilled workers fell, while the high-tech sector boomed. Also, lower birth rates meant that more people needed to be brought into the workforce. The ESF played a key role in enabling people to take newly-emerging jobs. It helped young people to find the right jobs, older people to stay at work for longer, and women to successfully combine their working and family lives.

The 2000s: the knowledge-based economy

In the 21st century, the EU has grown and the ESF serves nearly 500 million people in 27 countries: the ESF is helping to modernise the labour markets in the new Member States, and to manage increased flows of migrants. Globalisation remains an ongoing challenge, and people have to continually learn new skills throughout their working lives: the ESF is encouraging people to take a more flexible and entrepreneurial attitude to their work. And it continues to help those who face the greatest difficulties in their working lives, by fighting long-term unemployment and discrimination.

Creating more and better jobs

The ESF focuses on individuals and their working lives, as a way to achieve the EU's long-term strategic aims

The European Social Fund invests in people, working on the principle that enabling individuals to realise their social and professional potential will also build a strong 'Social Europe' that can match any economy in the world for competitiveness, while at the same time guaranteeing high living standards for its population.

Commissioner Vladimír Špidla

The ESF fits into a carefully thought-out strategic framework designed to bring Europe's citizens security and prosperity in an ever-changing world. It is the financial instrument of the Employment Strategy (EES) which was launched in Luxembourg in 1997. The strategy was initially based on four pillars – employability, entrepreneurship, adaptability and equal opportunities.

Following a review in 2002 the EES was simplified to match the Lisbon goal of sustained economic growth, more and better jobs and greater social cohesion by 2010. In 2005 the objectives were restated as full employment, quality and productivity at work, and cohesion and an inclusive labour market.

The ESF is a key component of the renewed Lisbon Strategy for growth and jobs. The Lisbon Strategy was adopted in Lisbon in March 2000 to make Europe “the most dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion”. The strategy set a key target regarding jobs – to raise the share of the working age population that is economically active to 70% by 2010. Following an independent review led by Wim Kok, ex-prime minister of the Netherlands, the strategy has been refocused on two goals: delivering stronger, lasting growth and more and better jobs.

In the area of economic and social cohesion, the ESF works with the European Regional Development Fund

(ERDF), the Cohesion Fund and the European Investment Bank to achieve the three objectives of the cohesion strategy for the 2007-2013 period: convergence, regional competitiveness and employment, and European territorial cooperation. The EU's other financial instru-

ments, such as the Seventh Framework Programme for Research and Technological Development and Education and Training 2010, also contribute as appropriate.



The ESF is a vital component of the renewed Lisbon Strategy for growth and jobs

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The ESF is now being organised in a simpler and more strategic way

© European Commission

A new look for the ESF

The ESF now spends some €10 billion a year, targeted strongly towards the EU's poorer regions

The ESF is a crucial tool that the European Union uses to manage change more effectively. In the coming seven years, the Fund will face a number of new challenges. It has to make sure that people develop the skills needed in areas that can bring prosperity in a world of global competition. It has to proactively support workers and enterprises to adapt to change, in order to avoid redundancies, or to facilitate the transition from one job to another. It has to help reduce the disparities between standards of living across the newly expanded EU. It has to assist people to stay active for longer, to balance the effects of the ageing of the population. It has to stimulate a higher level of research and innovation.

To measure up to the period 2001-2013, and following a three-year consultation period, the ESF and the Structural Funds as a whole have undergone a comprehensive reform.

The reforms

The way the ESF will be managed in the period from 2007-2013 has been updated. Of course some proven principles remain the same. It will continue to be organised into programmes lasting over several years, so that changes have the time they need to take effect. The costs will continue to be shared between the EU and the national governments. Quality will continue to be a key criterion. A wide range of partners will be brought in to decide how money should be spent, to help deliver the goods, and to evaluate the results. In fact, the range of partners has been broadened to include non-governmental organisations active in civil society, the environment and gender.

At the same time, a series of major innovations aims to make the Fund operate more effectively. First off, the ESF is being organised in a more strategic way. Member States prepare a single national strategic framework, based on the

Commission's guidelines, which acts as a coherent basis for all their operational programmes (OPs). Progress is monitored through an annual implementation report, which the Member States send to the Commission for evaluation.

Secondly, decisions are decentralised. Eligibility rules are decided by the Member States, to make sure that the ESF will intervene where it can make the biggest difference. A principle of 'proportionality' has been introduced which means that more of the financial checking and auditing will be done by the Member States, meaning less intervention by the Commission.

Lastly, procedures have been made simpler, and the Commission's and Member States' respective responsibilities have been clarified. In general, each programme is financed by only one fund, but there is flexibility for each fund to support actions within the remit of the other (up to 10% of spending).

We have listened to Member States' and project promoters' concerns that the system was too complicated in the past, and we have clarified the division of responsibilities between the EU and national authorities. This means that the Member States have greater flexibility in choosing and targeting ESF resources towards their own specific problems and conditions

Commissioner Vladimir Špidla

The objectives

In the period from 2007-2013, the European Social Fund will work with the European Regional Development Fund (ERDF) to achieve the following objectives:

- **Convergence** - to support growth and job creation in the less developed regions, where the income per head is less than three-quarters of the EU average. This applies above all to the new

Member States, Greece, Portugal and southern Italy and Spain. The EU contributes between 75% and 85% of costs.

- **Regional competitiveness and employment** - to help the richer parts of

the EU to deal with economic and social change, globalisation and the transition to the knowledge society. It will cover attracting investors, anticipating economic and social change, supporting innovation, the knowledge society,

entrepreneurship, protecting the environment, preventing risks and encouraging inclusive job markets. Unlike the former Objective 2, this applies to the rest of the EU's territory, and the EU contributes 50% of costs.

WHERE CAN THE ESF MAKE A DIFFERENCE?

• Workers and new skills

The ESF helps individual workers and the businesses that employ them to improve their ability to adapt to the changes globalisation is bringing. It supports training, career and individual guidance that encourages people to actively manage their careers, outplacement and worker-mobility schemes. It also improves access to training, in particular for low-skilled and older workers, and helps identify future occupational and skills requirements.

• Businesses undergoing change

As they learn how to adapt to change, Europeans need to find the right balance between giving flexibility to businesses and preserving security for workers, so as not to destroy human capital and employability. This requires broad partnerships to plan human resource needs and develop systems such as employment observatories, sectoral networks and early-warning systems.

• Access to employment and social inclusion

The ESF supports the sustainable integration of disadvantaged people and those with disabilities into the workforce. This includes counselling and training that is adapted to their specific needs, providing pathways towards employment, creating jobs in the social economy and supporting entrepreneurship.

• Education and training

European competitiveness relies on a well-educated and flexible workforce that can adapt to the changing demands of a knowledge-based economy. The ESF supports reforms of education and training systems to make people more employable, to match training to employers' needs, and to update teachers' skills in line with the knowledge-based economy. It also promotes networking between higher education institutions, research centres and businesses.

In the less-developed EU regions, the ESF also supports reforms in education and training systems to raise awareness of the the knowledge-based society, to reduce early school leaving and to support postgraduate studies.

• Women and jobs

The ESF helps women towards equality at work by supporting both gender mainstreaming – taking gender into account right across the ESF – and specific actions to get women into work. This includes helping close pay gaps, supporting women to set up in business and to work in science and technology, combating gender stereotypes and reconciling work and family life.

• Fighting discrimination

The ESF supports activities to fight discrimination in access to employment, for instance by creating pathways into work for groups suffering discrimination, building acceptance of diversity, encouraging support for active ageing and increasing the participation of migrants.

• Working in partnership

The ESF promotes partnership and networking among stakeholders, including employers, trade unions and NGOs, at EU, national, regional and local levels. It also encourages the inclusion of social partners and NGOs in ESF projects, notably where these concern social inclusion, gender equality and equal opportunities.

• Better public services

The ESF helps to modernise and strengthen labour market institutions such as job centres as well as education and training systems. It encourages good governance, for instance involving trade unions, employers and NGOs in designing and implementing programmes.

• Learning for change

The ESF is applying the learning approach of EQUAL across the board, by supporting innovation and experimentation, and cooperation between Member States. Innovative actions can demonstrate what works – and what doesn't, and why – and thus prepare and facilitate modernisation of the economy and reforms of public policy and delivery. Transnational exchange of experience and people, and cooperation between organisations and public bodies at local, regional and national levels can speed and back up change to improve the quality and effectiveness of employment, social inclusion and training policies.



Three-quarters of the 8 million jobs created in the EU since 2000 have gone to women.



The ESF supports life-long learning initiatives

A wider scope of assistance

Over the next seven years, the ESF will be supporting a broader range of activities on the ground

During the period from 2007-2013, the ESF will be supporting a wide range of activities throughout the whole territory of the EU, whether the convergence or the regional competitiveness and employment objectives apply. These fall into four groups.

The first of these concerns stimulating workers, enterprises and entrepreneurs to be more adaptable to the continually changing economic conditions. This will see the Fund supporting lifelong learning, apprenticeships, the take-up of information and communication technologies, environmental management and entrepreneurship. It will also seek to improve the quality of work by organising work more productively, improving health and

safety, forecasting skills needs and helping people who are made redundant to find new jobs.

The second type of activity aims to improve everybody's access to jobs. This means boosting labour market institutions such as job centres, and active labour market policies such as identifying skills needs, drawing up individualised plans, helping business start-ups and encouraging older people to stay in work. Groups such as women and migrants will also benefit from specific help.

Thirdly comes the inclusion of disadvantaged people, through improving their employability (for instance by

means of the social economy, vocational education and training or community and care services) and through the promotion of diversity management and local employment initiatives.

Finally, enhancing human capital: this includes making vocational education and training more relevant to labour market needs, creating networks among universities, research institutes and businesses, and launching employment pacts involving the social partners in addressing employment issues.

In the poorer 'convergence' (and transitional) regions – mainly the new Member States – the ESF will undertake two additional tasks. It will help to reform the

education and training system so that it can prepare the workforce for the knowledge-based society and promote lifelong learning. Along with this it will seek to reduce early school leaving and to support postgraduate research. Finally, and this is a new job for the ESF, it will help to build the capacity and efficiency of the bodies that run the employment and training system. It will help to improve policy and programme design, delivery,

monitoring and evaluation, as well as the enforcement of legislation. Typically this might involve training staff and supporting inspectorates and other actors such as social partners, professional organisations, environmental organisations and NGOs.

The ESF applies the principles of good governance, in order to ensure the quality and effectiveness of its actions and to

mobilise for reforms in the field of employment and labour market inclusiveness. It therefore promotes partnerships, pacts and initiatives through networking of relevant stakeholders, such as the social partners and non-governmental organisations. In addition it promotes learning for reforms through transfer of good practice between Member States and regions, and through developing, testing and mainstreaming innovative approaches.

SIX KEY ISSUES FOR ESF MANAGEMENT 2007-2013

- 1. Analysis** - action should implement policy, and policy should be based on evidence
- 2. Partnership** - aim for consensus among all the actors in building policy, and partnership among them in delivering it
- 3. Strike the right balance** between the two objectives of competitiveness and cohesion
- 4. Face the challenges of:**
 - demography:** use the potential of the whole population - getting people into work increases competitiveness and reduces health and social costs
 - globalisation:** build innovation capacity - the ESF now supports networking between industry and research institutions
- 5. Review education & training systems** - they need to be flexible, responsive to labour market needs and future-oriented
- 6. Evaluate** and adjust policies - use the lessons of the past as a basis for continual improvement

HOW THE BUDGET IS DIVIDED

A key principle of the ESF is that resources are targeted where they are needed most. The overall Structural Funds budget for the 2007-2013 period is €347,410 million (at current prices). Spending is strongly targeted towards the southern, eastern and peripheral areas that are lagging behind in development. Of the budget, 82% goes to promote convergence, 16% towards regional competitiveness and employment and 2% towards territorial cooperation. The table shows the amount allocated to each Member State.

Cohesion policy - Member State budgets 2007-2013

Member State	Indicative budget, in millions of Euros	Member State	Indicative budget, in millions of Euros
België/Belgique	2,238	Magyarország	25,307
Bulgaria	6,853	Malta	855
Ceska Republika	26,692	Nederland	1,907
Danmark	613	Österreich	1,461
Deutschland	26,340	Polska	67,284
Eesti	3,456	Portugal	21,511
Ellas	20,420	Romania	19,668
España	35,217	Slovenija	4,205
France	14,319	Slovensko	11,588
Ireland	901	Suomi-Finland	1,716
Italia	28,812	Sverige	1,891
Kypros	640	United Kingdom	10,613
Latvija	4,620	Interregional/network cooperation	445
Lietuva	6,885	Technical assistance	868
Luxembourg	65	TOTAL	347,410

ESF: Innovation, reform and economic modernisation

Since 1988, a small part of the ESF (around 5% of the total) has been set aside for organised learning through innovative and transnational work, organised in partnerships. This part of the Fund acts as a laboratory and testing ground where new approaches can be tried out on a small scale. It is also clear advantages over current practices and delivery mechanisms can be demonstrated then transferred to mainstream policy and practice, and in particular into the Fund as a whole. This enables successful approaches to be transferred from one country to another.

The ESF has given birth to a series of Community Initiatives. These are national programmes specially designed to promote innovative and transnational work, under a common thematic framework and implemented under common rules and procedures. Though Member States continue to be responsible for the selection, financial administration and monitoring of innovative and transnational projects, they also benefit from co-ordination by the Commission. This helps participants to find partners in other countries, supports thematic work, and disseminates and mainstreams the lessons.

The Community Initiatives

- **Euroform** (1991-1994) promoted the development of new professions and qualifications.
- **Horizon** (1991-1999) helped the most vulnerable social groups to enter the labour market, including people with physical, mental, sensorial and psychological disabilities.
- **NOW: New Opportunities for Women** (1991-1999) promoted equal employment opportunities for women, through vocational training and support for access to jobs with a career future.

- **Integra** (1994-1999) aided the work integration of disadvantaged groups with specific problems, such as migrants, refugees, drug addicts, ex-offenders, ethnic minorities and homeless people.
- **Youthstart** (1994-1999) was aimed at unskilled and unemployed young people under the age of 20.
- **ADAPT** (1994-1999) helped workers to adapt to industrial change, resulting from technological and social transformations. It supported innovative projects to retrain workers at risk of losing their jobs or whose training was ill-adapted to the labour market. It also aided owners of SMEs, self-employed workers and cooperatives affected by industrial change.
- **EQUAL** (2000-2006) The Initiative in the most recent Community Initiative in the ESF has been EQUAL. With an ESF contribution of more than €3 billion, almost doubled by matching money from national sources, EQUAL supports 'development partnerships' which bring together organisations of different institutional types – for instance local authorities, trade unions, universities and voluntary organisations – in a durable partnership, the benefits of which will outlast the EQUAL period. EQUAL has brought more than 3,300 development partnerships into being, all of which develop and test new approaches under a number of common themes.

TRANSNATIONAL EXCHANGE AND COOPERATION IN THE 2007-2013 PERIOD

The revised Lisbon strategy emphasises the need to strengthen ownership of the reform agenda at national, regional and local level. In this context, Member States and regions, through suitable provisions in their ESF programmes, assume the main responsibility for learning from one another through supporting exchange of information, sharing of good practice, and working together towards common solutions. They are organising this either by grouping transnational work in a dedicated priority axis of an Operational Programme, or by allowing for some transnational work to take place across all thematic priorities of a programme. It is estimated that Member States and regions will spend more than €3 billion in support of transnational exchange and cooperation between projects, thematic networks, between social partners and NGOs, in particular involving public authorities at local, regional and national level.

Transnational actions have to tackle complex issues and therefore involve a number of actors. In order to be successful, such actions take more time and require more resources for planning, management, evaluation and mainstreaming than routine activities. Member States and regions, supported by the Commission, are providing support to ensure that transnational actions:

- are based on a sound analysis of the issue in question;
- involve the right partners;
- manage linguistic, institutional and cultural diversity in an efficient way;
- apply a robust methodology for validating results, and implement an effective strategy for using it and for communicating the lessons learnt to other stakeholders and potential users;
- are integrated into EU-wide learning platforms for sharing their results with others disseminating the lessons learnt and the tools developed.



Through its efforts to promote gender equality, the ESF is contributing to the reduction in the pay gap

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Bridging the gender pay gap

Report looks at pay inequalities on the labour market and sets out ways to tackle the problem

Women's place in the world of work has changed drastically in recent years. Their employment rates have increased, and at school and in higher education, girls now outperform boys. Yet they continue to be paid less than men.

The European Commission brought out a report in July to study the discrepancy between what men and women get paid and set out ways to bridge the pay gap - which has barely changed over the past decade.

Equal pay for equal work is one of the European Union's founding principles. Enshrined in the Treaty of Rome in 1957, it was the subject of the Community's very first legal provision in the field of equal treatment for women and men. A 1975 directive broadened the legal framework, prohibiting all discrimination on the grounds of gender for the

same work or for work of equal value in respect of all aspects of pay.

Despite this, the figures reveal a continuing pay gap of 15% on average between male and female workers. Irrespective of any legal framework, this disparity in pay is primarily a reflection of the major differences in the types of work performed by women and men. These include differences between the fields of activities and the occupations, but also between the type of education received and between work patterns, such as the recourse to part-time work.

The pay gap generally reflects the inequalities that tradition and social norms bring to bear on women in choosing their education and occupation and in participating in the labour market, as well as the value of women's work. The sectors and occupations that are still clearly acknowledged as being dominated by

women are generally less well rewarded than those where men are in the majority. Similarly, competences gained by women tend to be less remunerated. Women still lag behind when it comes to holding managerial positions and they encounter more obstacles and resistance as they proceed along their career paths. Furthermore, balancing work and private life is still more of a problem for women, with the result that they tend to opt for the less prestigious and less financially rewarding professions.

By supporting women's position in the labour market, the European Social Fund is making a significant contribution to the reduction in the gender pay gap, as part of the Fund's efforts to promote gender equality. In the period 2007-2013, the gender dimension forms part of all ESF priorities. In addition to this, it supports specific actions aimed at getting women into work and sustaining them in their jobs. Particular attention is being paid to the situation of immigrant women. The ESF will also support women entrepreneurs and women's participation in science and technology, in particular in decision-making positions. It will also combat gender stereotypes in career selection, and promote lifelong learning. Last but not least it will help reconcile work and family life and offer support for childcare facilities and carers of dependents.

Closing the gender gap is one of the key concerns highlighted in the Roadmap for equality between women and men 2006-2010, which comes in the wake of the Framework Strategy on gender equality 2001-2005. The July Communication aims to analyse the causes of the pay gap and identify ways to tackle the problem. In any event, an equal pay victory can be won only by acting at all levels, involving all stakeholders and focusing on all the factors that combine to create the gender pay gap.

Further information:

http://ec.europa.eu/employment_social/gender_equality/gender_mainstreaming/equalpay/equal_pay_en.html

JUST THE JOB FOR WOMEN

"I was getting depressed and discouraged by the negative replies. People told me it was no kind of a job for a girl. So I started turning in on myself and having all sorts of doubts." Then Najia Laaraj met up with Féminin Technique. Based in the French region of Burgundy, this ESF-supported organisation helps women into technical jobs, thereby improving their employment prospects.

One of its projects assists women from immigrant backgrounds. Najia Laaraj was its first big success. Originally from Morocco, she trained hard in the most traditionally French and male of occupations, haute cuisine. Then came all the refusals. But Féminin Technique backed her and rebuilt her confidence. Now she is working in a top Dijon restaurant as a garde-manger, one of the toughest jobs in classic French catering.

Féminin Technique also promotes 'Equal and Mixed' job charters. Patrice Tourny and Valérie Scavardo recently signed one for their central heating business. Five of their 12 employees are now women – including an electrician and two heating engineers. Patrice says they have "swept away" his initial doubts about employing women in physically and technically demanding jobs. And in any case, "the products have changed. The new boilers only weigh about 20kg and there are very few cast-iron radiators still around. And the weight of a bag of cement has been brought down to 25kg. Working methods have changed and the tools of the trade have evolved." Just as well because as Najia Laaraj says, "work means freedom – especially for a woman".



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GOING ELECTRIC

"I was looking for more interesting work – and better pay," Seija Tenkanen recalls. "The school gave me the qualifications to work as an electrician. And it helped me find the company where I worked as a trainee. I'm still working there!"

Finland's Tampere Adult Education Centre has helped a number of women like Seija to become electricians. Its ESF-backed 'Electrical engineering for women' project was developed in close co-operation with electrical installation companies. "I appreciated the good mix of theory and practical training," she says. "And most importantly, the training period at the workplace was well organised and they let me do real electrician's work. Sometimes trainees are just given the clean-up jobs."

So, is it more difficult for a woman to be an electrician? "No," she replies. "Some of the more physically demanding tasks might be better suited to men. But others might be more suited to women – tasks that need greater concentration, for instance! Personally, I feel it is only a plus to be a woman in a male-dominated field – you always get help when you need it..." In any case, "the toolkits and equipment are more ergonomic now, which is a good thing for men as well as women".

And would she recommend the job to other women? "Very warmly – to the right women. The pay is good, the tasks are varied and challenging, you get to work with your hands and see the results instantly. But the job is physical and the sites are demanding, so you can forget about high heels and make-up!"



MAKING A FRESH START

Getting more women into jobs is a pressing need, both for the women themselves and for the European economy. But women returning to the labour market face special problems. They may have been on maternity leave or unemployed for a long time. Or they may simply have reached the age (50 or over) when finding a job becomes more difficult.

'Education – New Chance for Women' is a Czech project which gives them just what it says – a fresh start. For instance, the ESF-funded courses "enable mothers on maternity leave to improve their qualifications before returning to work", says project manager Jan Šeda. This is done "without in any way disrupting their family budget".

Child-care facilities are included in the project, which aims to make women more competitive on the labour market. First, it invites them to an information session. IT literacy is the main focus of the training course that follows. If they wish, they can take the tests for the European Computer Driving Licence (ECDL), an internationally recognised qualification in computer skills.

They are also given job-search skills and are taught about starting up a business. The project covers the basics of communication and self-understanding, preparation for employee selection procedures, stress reduction and labour law.

Then comes assistance from a job-search consultant, including advice on career planning and other training opportunities. "During the entire time, every woman has her personal guardian angel," Jan Šeda adds.

The project has been important in developing regional partnerships: 17 bodies with different focuses are working together including education agencies, non-governmental organisations providing services for women, local government (in the Pardubice region) and state government.



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Improvements in health and safety standards is particularly important in the construction industry

New strategy should help cut occupational illness and accidents by 25%

Improving health and safety at work has clear advantages for workers – and also the economy

The EU hopes to cut work-related illness and accidents by a quarter, under a new five-year strategy for health and safety at work.

The 2007-2012 strategy was adopted by the Commission in February. It builds on the considerable improvements the area of health and safety at work has seen in the past few years. Thanks to the adoption and application of a large body of

EU laws, it has been possible to make working conditions better and significantly reduce the incidence of accidents and illnesses.

The European Social Fund will be backing up this strategy. Bad health and lax safety not only reduce the productivity of existing workers, but prevent many inactive people from taking a job, and encourage others to retire earlier than

they would otherwise need to. The ESF also recognises that in today's service-dominated labour market, conditions such as stress and harassment, as distinct from physical illness and injury, are of growing importance. It will therefore be supporting activities such as information campaigns, new safety procedures and training for health personnel, as well as the introduction of more flexible and humane working conditions.

Between 2002 and 2004, which falls in the period of the previous strategy for health and safety at work, the EU saw a 17% reduction in fatal accidents and a 20% fall in accidents leading to absence from work of three days or more. That strategy attempted to boost EU health and safety policy at work and breathe new life into a culture of prevention, while effectively encompassing health and safety in a more global idea of 'well-being' at work.

Persistent risks

But despite this, progress remains uneven across different countries, sectors, companies and categories of workers. Every year there are four million accidents at work, and in 2004 there were some 4,400 fatalities. Too many workers across the EU continue to be exposed to different risks at their place of work: chemical, biological and physical agents, adverse ergonomic conditions, accident hazards and safety risks. Changes in working life are leading to new occupational hazards, while certain illnesses – including musculoskeletal diseases and illnesses caused by psychological strain – are on the rise.

Reducing work-related accidents and ill health is important for the well-being of Europe's workers. But there is a clear economic argument too. Employers face costs linked to sick pay, replacement of absent workers and loss of productivity – many of which are not covered by insurance. And loss of income due to absence costs European workers about €1 billion a year.



Part of the burden of work-related accidents and illness – such as the cost of health care, rehabilitation and social security payments – is borne by society as a whole. The total cost of accidents at work to the EU economy in the most recent year for which detailed information is available (2000) is estimated at around €55 billion. And this estimate covers only accidents at work; other work-related health problems are not included.

Different risks

The risk of occupational illness and accidents is greater for some sectors or categories of workers than for others. Small and medium-sized businesses are particularly exposed, accounting for 82% of all injuries and 90% of all fatal accidents. Sectors such as construction, agriculture, transport and health all present higher than average risks of accidents at work. Young workers, migrants, older workers and people with insecure working conditions are also more at risk.

The new strategy for 2007-2012 sets out a series of actions at European and national levels in the following main areas:

- Improving and simplifying existing legislation and enhancing its implementation in practice through non-binding instruments such as exchange

of good practices, awareness-raising campaigns and better information and training.

- Defining and implementing national strategies adjusted to the specific context of each Member State. These strategies should target the sectors and companies most affected and fix national targets for reducing occupational accidents and illness.
- Mainstreaming of health and safety at work in other national and European policy areas (education, public health, research) and finding new synergies.

- Better identifying and assessing potential new risks through more research, exchange of knowledge and practical application of results.

The Commission is organising a European Week around these issues from 22 to 26 October. The European Week for Safety and Health at Work, which will feature a range of activities and events across Europe, is designed to raise awareness and help make Europe a safer and healthier place to work.

Further information:

http://ec.europa.eu/employment_social/health_safety/index_en.htm

BACKS TO SCHOOL

"The School for Backs really helped me," Anne Lenoir says. "They sorted my back out after I did it in. I was working in a furniture shop. With a colleague, I was putting a heavy flat-pack into a customer's car. But the two of us didn't lift at exactly the same moment. I felt something crack, and from then on I was in constant pain. The School for Backs fixed that through physical re-education, although I still get bouts of pain from time to time."

In Luxembourg and across Europe, back problems are among the biggest risks at work. One in four European workers reported experiencing back pain in 2005. As well as all the suffering involved, back complaints and the resulting sick leave result in very high costs for employers, workers and society as a whole.

That is why Luxembourg launched its School for Backs. Supported by the ESF at the pilot stage, it teaches workers about the mechanisms that can lead to back trouble. It also assesses workplaces for potential risks to the spinal column, and suggests measures for risk prevention or reduction.

"The School for Backs didn't just treat the symptoms," Anne Lenoir recalls. "It taught me how to lift things. And, even more importantly, how not to lift them. I used to have a bad attitude to my back. Now, I work in the clothes trade and when I see shop assistants lifting things the wrong way I say 'Hey girls, that's not the way to do it!', but I'm not sure they really listen. Maybe they need to suffer first. Or be taught about their spines." Backs to school?



Despite its name, the European Social Fund is not about social assistance. Can you tell us more about what it actually does?

Indeed, the European Social Fund is a fund for employment. An alternative name could have been the European Employment Fund but the name 'European Social Fund' underlines the fact that it is all about people. The ESF was set up in 1957 with the specific aim of keeping people in jobs and preventing unemployment. In that period, the focus was on workers in the coal and steel sectors. After the war, those industries had to be downsized, and the ESF was used to help workers gain new skills and find other jobs. This has been the guiding principle behind the European Social Fund up to this day. Over the years the Fund has ventured into new sectors and reached out to many different segments of society. But improving people's job opportunities has been its primary goal for half a century now.

You mention the Fund over the years going into other industries and providing assistance for not just coal and steelworkers. How has the Fund evolved since its creation?

It is important to underline that the Fund is very flexible. It has been able to adapt over the years to an ever changing economy and labour market. As the needs of the labour market change, the Fund is there to provide the necessary training and impetus to help people adapt their skills and keep in work. When unemployment rose in the 1970s the Fund was already targeting the groups in particular difficulty (such as young people, women, older workers and the disabled). In the 1980s, when traditional industries were in decline, the ESF was quick to respond to increasing demand for skills in the emerging information technologies, and began funding training in that area. The 1990s saw the full emergence of the single market and with that came closer coordination and planning between the Commission and the Member States. The ESF became a more integrated part of the Member States' labour-market policies and began responding more directly to the needs of regions. The enlargement of the EU to 15 countries also brought changes



David Coyne

Director responsible for the European Social Fund at the Commission's DG Employment, Social Affairs and Equal Opportunities, speaks to Social Agenda.

to the ESF – more money, greater focus on poorer regions, increased attention on specific groups such as immigrants and older workers. Today, the European Social Fund works in the context of the Lisbon Strategy and aims towards its specific employment rate targets by 2010: overall EU employment rate of 70%; female employment rate of 60% and employment rate for older workers of 50%.

What do you see as the greatest achievement of the European Social Fund over the past five decades?

I would say achievements and not achievement, because the Fund has been very successful in many areas. We can be proud of the fact that the European Social Fund has been able to help millions of people in different sectors, from agriculture and industry to the services sector. Another achievement is the way in

which the Fund has stood the test of time, being able to adapt to changing social and employment conditions and often anticipating them, as it did with the new technologies. It is particularly rewarding to see that the ESF benefits people from all walks of life: women and men, young and old, people of different origins and ethnic groups, disabled people and other disadvantaged groups. Also, the European Commission is particularly pleased with the excellent working partnership it has with the Member States. The combined synergies are a successful recipe for growth and jobs for the whole of the EU.

What effect has enlargement had on the European Social Fund?

The accession of 10 new Member States in 2004 and two more in 2007 has been a positive opportunity for the European Social Fund to demonstrate its ability to improve people's lives by creating more job opportunities. The increase in the number of Member States means more synergy and more innovation in the area of employment. This makes us better equipped to rise to the challenges of globalisation, new technologies and an ageing population. The different experiences of these 12 Member States are enrichment for the ESF, providing valuable lessons for all to learn from.

What is the biggest challenge for the European Social Fund in the new period?

Today we need not just more jobs, but better jobs. A highly skilled workforce is essential if the European Union is to become what the Lisbon Strategy calls the most knowledge-based economy in the world. Also, the decline in the birth rate in the Member States means that the population is getting older, and people will be working longer. For the ESF, this means increasing our concentration on older workers. These people have work experience of great value, and we need to ensure that this is shared and that people's talents are used to the fullest.

European Social Fund - 50 years investing in people



This publication presents the history of 50 years of European Social Fund. For more than half a century now, the European Commission has been working in partnership with the Member States to give people the opportunity to improve their job prospects. It is published in 22 official languages of the European Union.

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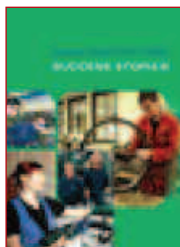
European Social Fund - Investing in people



This leaflet, published in 2007, gives basic information on the objectives, the rationale and the workings of the European Social Fund. It is available in the 23 official languages of the EU.

Catalogue No. KE-74-06-370-EN-C, ISBN 92-79-01393-9

European Social Fund in action: Success stories



This publication describes ESF-funded projects in the fields of active labour market, social inclusion, lifelong learning, adaptability and women's participation which have been realized between 2000 and 2006. It is available in English.

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http://ec.europa.eu/dgs/employment_social/index_en.htm

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