

SOCIAL AGENDA

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Affording old age: the EU pensions debate

Generation M(obility)

Buying social: building the social
into public procurement



Europe's population will age dramatically over the next 50 years. The latest demographic projections reveal that a further rise of about seven years in life expectancy could materialise by 2060. We should celebrate the fact that people are living longer. It is a great human achievement – especially as we are fitter for longer. The problem is that behind the baby boom there is a baby bust. Europe is facing the dual challenge of an ageing population with an increasing number of pensioners, and a shrinking workforce. Recent forecasts have predicted that the European workforce will shrink significantly from as early as 2012. And as the baby-boomers (people born between 1946 and 1964) retire over the next two decades, the burden on the state will rise sharply. The looming pension crisis has proven an effective catalyst for reform across the European Union. Over the last 15 years consecutive waves of member State reforms in response to the challenge of ageing have markedly altered pension systems and pension scheme designs across the Union. Now, as the Lisbon process is being replaced by the Europe 2020 strategy, it is time to take stock of the progress made. With the financial crisis and the economic downturn, member States need to revisit achievements and re-assess core responses in the light of the short- and longer-term impacts on the various elements in their pension systems. To support them in their endeavours, the European Commission has launched a European debate based on extensive consultation of all stakeholders. The green paper *Towards adequate, sustainable and safe*

European pension systems seeks to obtain their views on the key challenges facing pension systems and on how the EU can support member States efforts to deliver adequate and sustainable pensions. In this edition's "Special feature", which begins on page 15, we take a closer look at the unfolding of the EU pension debate and we examine current trends in pension reform.

From those nearing retirement to those who are about to enter the labour market: the lead article on page 7 is devoted to the most recent EU initiative to enable young people to find employment. Youth on the Move sets out a series of actions to help young people gain the qualifications they need to succeed in the jobs market. With youth unemployment currently standing at nearly 21 percent as a result of the crisis, co-ordinated action at EU level is necessary to help ensure Europe's future prosperity.

"Europe is facing the dual challenge of an ageing population with an increasing number of pensioners and a shrinking workforce."

The challenge of reducing youth unemployment in the EU and the action necessary to respond to it are also addressed in our regular interview, this

time with Xavier Prats Monné, Director responsible for employment at DG Employment, social affairs and equal opportunities. And in our "Other voices" section on page 26, OECD pension expert Edward Whitehouse discusses some of the key issues national governments will need to tackle in order to ensure that their national security systems stay strong and affordable.

Robert Verrue

Focus On:



Affording old age: the EU pensions debate

As Europe braces itself for the "silver tsunami", the search is on for the best ways to ensure adequate and sustainable pensions for its citizens. p.15



Generation M(obility)

By helping young Europeans to work and study abroad, the European Commission hopes to provide them with the knowledge, skills and experience they need to make their first job a reality. p. 7



Buying social: building the social into public procurement

Seventeen per cent of the European Union's GDP is represented by public procurement contracts. It is time to make sure that certain social standards are included in them. p. 21

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NEWS IN BRIEF

GENERAL



Three Europeans in four think that **stronger coordination of economic and financial policies** among European countries would be effective in fighting the economic crisis, according to the Spring 2010 Eurobarometer, the bi-annual opinion poll organised by the EU. The survey was conducted in May – at the height of the European debt crisis – and published last August. Seventy-two percent of Europeans support a stronger supervision by the EU of the activities of the most important international financial groups, an increase of four percentage points from the last Eurobarometer in autumn 2009. Europeans' main areas of concern in the crisis were the current economic situation, unemployment and rising prices. ■■

EMPLOYMENT AND EUROPEAN SOCIAL FUND

The **EU labour market is continuing to stabilise** following several months of only relatively moderate deterioration and is now showing the first signs of recovery – according to the latest Monthly Labour Market Monitor by the European Commission.

For the first time in nearly two years, employment remained unchanged in the second quarter, while unemployment has been falling since May. Overall, the EU labour market may perform somewhat better this year than previously expected, driven by a faster than envisaged economic recovery, although conditions are still set to remain weak for some time.

The flagship event for the **European Job Days** took place at the European Commission headquarters in Brussels on 2 October. It attracted around 10,000 jobseekers and 40 employers. During September and October similar events took place all over Europe, giving jobseekers and employers the possibility of visiting events ranging from recruitment fairs to seminars and lectures on job mobility.

On 15 September the European Commission launched **Youth on the Move**, an initiative aimed at helping young people to gain the knowledge, skills and experience they need to secure their first job. Youth on the Move proposes 28 key actions aimed at making education and training more relevant to young people's needs and

encouraging more of them to take advantage of EU grants to study or train in another country. It is hoped that this will increase young people's employability and access to the labour market (see related article on p. 7).

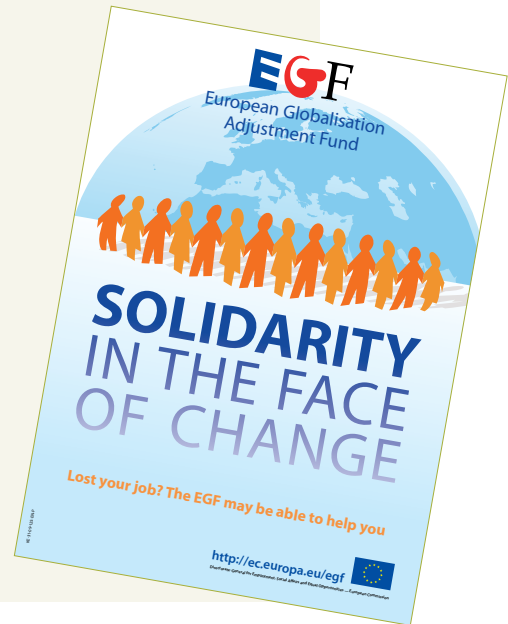
The EU adopted new measures aimed at **simplifying management rules for the structural and cohesion funds**, which include the European Social Fund. The changes should help to facilitate access to the funds and accelerate flows of investment at a time when public budgets are under pressure. As part of the measures to counter the economic crisis, additional advance payments totalling €775 million will be paid out to some member countries to tackle immediate cash flow problems. ■■



WORK ORGANISATION, WORKING CONDITIONS AND SOCIAL DIALOGUE

The third annual report on the **activities of the European Globalisation Fund (EGF)** showed a six-fold increase in applications from member States for funding to support workers dismissed as a result of globalisation and the economic crisis. In 2009, 13 member States submitted 30 applications requesting a total of over 165 million euro from the EGF in order to help almost 30 000 workers made redundant in 17 industrial sectors – a 700% increase on 2008.

On 30 September EU-level employers' and trade unions' organisations in the healthcare, education, local and regional government, commerce and private security sectors signed **guidelines to help tackle violence and harassment at work**. The guidelines aim to cut prevent, reduce and mitigate violence by increasing awareness and understanding of the issue, properly assessing the risks posed by third party violence in different workplaces and job functions; training managers and workers in how to prevent or, if necessary, manage the problem, and setting up policies and systems for monitoring, reporting and investigating incidents and providing support to victims. ■■



GENDER EQUALITY



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On 21 September the European Commission adopted a **five-year strategy for promoting equality between women and men** in Europe (see related article on p. 11). The

strategy aims to make better use of women's potential, thereby contributing to the EU's overall economic and social goals. It translates the principles set out in the European Commission's Women's Charter into specific measures, ranging from getting more women into company boardrooms to tackling gender-based violence. Meanwhile, a new Eurobarometer survey shows 87% of Europeans support EU action to tackle domestic violence. One out of four knows someone who has been a victim of such violence. ■■

MOBILITY

In July the European Commission adopted a report setting out in a consolidated way **the rights of Europeans to live and work in another EU country**. The report also provides an update on legal developments in the past decade. Currently, only 2.3% of people in the EU reside in a member States other than their own. However, a new Eurobarometer survey found that 17% of Europeans envisage working abroad in the future and 48% would consider looking for work in another country or region if they were to lose their job. ■■



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PROMOTING AN INCLUSIVE SOCIETY

During October the European Commission organized a series of high level events in Romania, focusing on the **contribution of EU funds to the integration of Roma**. A national event took place on 12 and 13 October in Bucharest followed by two regional events in Cluj on 14 October and Iași on 20 October. These events aimed at raising awareness about the opportunities offered by EU funds, promoting their use and improving the impact of projects supported by them. They are also part of a process towards a better involvement of the Roma in the implementation of the EU funds operational programmes.



The European Commission has established a **Roma task force to assess member States' use of European Union funds**. The proposal was part of an analysis on the situation of Roma in France and in Europe by EU Justice Commissioner Viviane Reding, EU Commissioner for Employment, Social Affairs and Inclusion László Andor and EU Home Affairs Commissioner Cecilia Malmström.

The Roma task force, which will include senior officials from all relevant Commission departments, will assess member States' use of EU funds for Roma integration and identify ways to improve the funds' effectiveness. The task force's first findings will be submitted to the Commission by the end of the year.

The European Commission has launched a **Europe-wide public debate on how to ensure adequate, sustainable and safe pensions** and how the EU can best support the national efforts. Ageing populations in all member States have put existing retirement systems under massive strain and the financial and economic crisis has only increased this pressure. The consultation document, a Green paper, poses a series of questions inviting all interested parties to contribute views, opinions and ideas on confronting the pension challenge - one of the biggest facing Europe and most parts of the world today - and how the EU can contribute to the solutions (see related article on p. 16)

One European in six reports a constant struggle to pay household bills and three quarters believe that poverty has increased in their country over the past year, according to a **Eurobarometer survey on the social impact of the crisis** published in June. The report marks the halfway mark of the 2010 European Year against poverty and comes after EU leaders agreed to reduce the number of Europeans at risk of poverty and social exclusion by at least 20 million over the next ten years as part of the Europe 2020 economic growth strategy for the next decade. ■■

INTERNATIONAL EMPLOYMENT ISSUES

The European Commission has published a study assessing **the challenges that Ukraine faces in the areas of poverty, social exclusion, pensions and health/long-term care**. On the basis of this research and two previously published studies on social protection and social inclusion in Belarus and Moldova, a synthesis report for the three countries will complete this first cycle of the studies on social protection and social inclusion in the European Neighbourhood Policy (ENP). Continuing this series the Southern Caucasus region studies for Armenia, Azerbaijan and Georgia, together with a Synthesis Report, are expected to be published in early 2011. ■■



YOUTH ON THE MOVE



Generation M(obility)

New European initiative to fight youth unemployment encourages working and studying abroad

For millions of young Europeans finding a job looks like an increasingly remote possibility. The economic and financial crisis has made it harder for young people to enter the labour market. The number of young people looking for a job has increased from 4 to 5 million since the onset of the financial turmoil, with youth unemployment now at nearly 21% in the European Union (EU). In a bid to help improving the situation the European Commission has launched Youth on the Move, an initiative aimed at helping young people to gain the knowledge, skills and experience they need to make their first job a reality. Part of the

EU's new Europe 2020 strategy for growth, Youth on the Move proposes a series of actions aimed at making education and training more relevant to young people's needs and encouraging more of them to take advantage of EU grants to study or train in another country. This will increase young people's employability and access to the labour market. Youth on the Move brings together new and existing measures at EU level and in the member States to create a more effective package of support for young people. According to the EU this is the first single EU-level strategy embracing both education and employment targeting

young people. The initiative sets out a series of actions to help youngsters gain the qualifications and skills to succeed in the jobs market. The measures proposed by the European Commission focus on three areas: modernising education and training so that it is more relevant to the needs of young people and employers; supporting learning and job mobility; providing a new EU framework for youth employment.

Europe's future prosperity depends on its young people. They represent a fifth of the EU population and their skills and abilities will be decisive in achieving the Europe 2020 goal of smart, sustainable and inclusive growth. European education and training systems differ from country to country, but they are all facing similar problems. At present, too many young people fail to reach their full potential in education and training – which then makes it harder



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for them to find a job. The crisis has led to a dramatic increase in youth unemployment. Access to the job market is tough, even for those with good qualifications. These challenges call for co-ordinated action at EU level, to improve the quality of education and training so that young people are better equipped for the labour market. Youth on the Move will encourage countries to learn from each other about which policies work and which do not. Some Youth on the Move actions will start very soon. Others involve a longer-term perspective. For example, preparation is now starting for the new generation of post-2013 EU programmes in support of education, training and employment.

Working and studying abroad - an investment for the future

Youth on the Move brings together new and existing measures at EU level and in the member States to create a more effective package of support for young people. Although existing EU programmes in education and training overwhelmingly target

young people (95% of funding under the Lifelong Learning Programme goes to young people, teachers and trainers), this is the first single EU-level strategy embracing both education and employment. A lot of emphasis is placed on mobility, as in moving to another country to study, train or work. Youth on the Move makes a distinction between “learning

mobility” – studying or training abroad to gain new skills and experience, and “employment mobility” – moving abroad for work, on a short or longer-term basis.

The European Commission has a long history of providing financial support for learning mobility through programmes such as Erasmus, Erasmus Mundus and Marie Curie in higher education, Leonardo da Vinci in vocational education and Comenius in school education. Youth on the Move aims to raise wider awareness of the grants available through these programmes.

The freedom to work in another member States is a right guaranteed for all EU citizens. Youth on the Move will introduce new measures to support job mobility in the EU. The Commission will, through “Your first EURES Job”, provide assistance on the ground, including financial support, to help young people to find job opportunities abroad. Today there are still shortages in some countries or sectors and in other

EURES: the European employment service

Helping to match people with jobs is an essential part of the role played by EURES – the European employment service, which brings together job services across the EU. It provides information, advice and help in finding a job in 27 EU countries, plus Norway, Iceland, Liechtenstein and Switzerland. EURES also has a network of more than 850 specialised advisers who can offer personalised help and advice on the practical, legal and administrative aspects of moving between countries.

The EURES portal (www.eures.europa.eu) offers a database with direct access to around half a million job vacancies and allows you to register your CV online.

The proof of the success of EURES lies in the statistics: more and more employers and employees are using the service. In the past three years, the number of vacancies on the EURES portal has grown by 18%, the number of employee CVs by 12%, and - most importantly - the number of employers by 129%. Every month 700,000 people visit the EURES portal, making it one of the busiest EU internet sites.

regions unemployment is very high. The Commission will encourage small and medium enterprises (SMEs), the largest group of employers in the EU, to offer young people work. In a European single market, the availability of highly qualified individuals with experience of living in different member States is vital for smart and sustainable growth. Experience gained in another country allows people to improve their language skills and develop other capacities, such as dealing with other cultures. These abilities are valuable for their own personal development and future employability. Moreover, a job in another European country can help young workers gain a foothold in the labour market by finding a job more easily, while improving their skills, employability and future employment horizons. At a more general level, job mobility also helps make labour markets in Europe more adaptable, creating more job opportunities and better matching people with jobs.



Work or study experience abroad is increasingly valued by employers.

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Independent studies have shown that having studied or worked abroad does enhance people's employment prospects. More than 40% of employers attach importance to the experience gained from study and work abroad and consider that internationally experienced graduates are likely to take up jobs with high professional responsibilities. This is the key finding of a 2006 study on the professional value of the Erasmus scheme by the International Centre for Higher Education Research and the University of Kassel, Germany. A 2007 study on the impact of Leonardo da Vinci programme for vocational education by Wirtschafts- und Sozialforschung (Kerpen, Germany) found that 58% of unemployed people obtained a job after their training abroad and 34% got jobs with greater responsibility.

Getting that elusive first job

Putting policies and measures in place to tackle youth unemployment is first and foremost a national responsibility, but all member States face common challenges. To improve the situation of young people, the European commission feels that we need policies that cover the steps young people have to make in the transition from education to work, and that provide support to those who have difficulties in making these steps. Youth on the Move aims to focus policies in a strategic manner to help young people to get the first job and then to progress in their career. The Commission will work closely together with member States to identify policy actions and measures that work to inspire the shaping of policies. There will also be new money available for two

actions directly accessible to young people: "Your first EURES job" will be launched next year as a pilot action to help young people seize the opportunities in the wider EU labour market, and to help companies finding qualified workers, while the new "European Progress Microfinance facility" will make it easier for young entrepreneurs to access credit. This is important since obtaining a loan has become more difficult after the financial crisis, especially for the younger generation. "Finding a job is what millions of young Europeans are most concerned about, said László Andor, the European Commissioner for Employment, Social Affairs and Inclusion. Youth on the Move will create new momentum at EU and national level to improve support for young people so that they can find a job, make a living and pursue their own plans."



ESF in Portugal – Eastern promise

Porto in Portugal has been a centre of international commerce for centuries and Bruno Teixeira is continuing his hometown's tradition. The young entrepreneur set up a consultancy business called Trading EuroPacific in early 2008 to help Portuguese and Asian companies work together.

He helps firms to find in Asia the distributors, suppliers and agents that they need to access these new markets and reduce their costs. "The cultural differences between the EU and Asia make it difficult for companies to get access to each others' markets," says the 29-year-old. "I decided to set up a business to bridge both continents."

His company, Trading Europe Pacific (TEP consulting) works with Portuguese companies that want to sell to Asian markets and vice-versa, or else find manufacturers and control quality of production. He works with a network across seven Asian countries – Indonesia, China, Vietnam, Malaysia, Thailand, Singapore and the Philippines: "We cover 50% of the world population."

He spotted the niche for his business in 2006 whilst doing a work placement in the Portuguese Embassy in Jakarta in Indonesia

as part of the 'Network Contacto' training programme co-funded by the European Union through the European Social Fund.

Gaining experience

The programme, provided by the Portuguese Institute for Foreign Trade (ICEP), consisted of three months of initial training in the Department of Commerce in Portugal, followed by six months in Indonesia. During his time there, Bruno prepared a report on the Indonesian market and helped Portuguese companies penetrate the market there.

The experience has proved vital to Bruno in the work he now does. "The placement was very good for contacts," he says. "I met decision-makers and influential people. I found out more about the region and the opportunities in the Indonesian market for European companies."

After returning from his stint in Indonesia, he worked in the marketing department of a telecommunications company. However, he had always wanted to run his own company and, together with a partner he had met in Indonesia, he began to plan how to use their knowledge of Asian markets and local contacts to start a business.

Trading EuroPacific was established in January 2008.

The only major problem he has had so far is his age. "When people think of a consultant for big companies they are not expecting a young person to come and give them advice," he says. "It takes a while to convince them. After I show my knowledge and connections they are impressed, but in the beginning it's difficult."

He now counts several large companies as clients and has a network of partners in Asian countries.

Planning ahead

For the future, he aims to expand his operations to other European countries. "I'd like to open an office in Barcelona. Spain would be the first step."

He is also trying to enter India and has had enquiries from Brazilian and Mexican companies wanting to do business in Asia. However, he wants to get the business firmly established before expansion. "We want to wait until we're stronger in Portugal before we move to other countries. It's a step-by-step process."



European award for accessible cities

The Access City Award celebrates European cities that promote accessibility for all their citizens

For a society based on equal rights, a barrier-free environment is a key to provide its citizens with autonomy, freedom of choice and the means to pursue an active social and economic life. For people with disabilities, elderly people, and those with reduced mobility or other types of temporary impairments, environmental barriers result in a high risk of marginalization, exclusion and discrimination.

Accessibility is therefore essential to exercise their fundamental rights and to fully participate in society. The right to education or to engage in work, citizens rights related to voting, access to documents, and freedom of movement, the access to leisure and cultural facilities like libraries, theatres, hotels and restaurants can only be enjoyed by persons with disabilities if their environment - with its buildings and public spaces, transport vehicles and infrastructures, services and sources of information - is accessible to them.

Accessibility is a cornerstone of inclusion

In a society where many aspects of daily life depend increasingly on technology-based products - ranging from emails and the Internet to digital television and e-Government - new technologies can open real opportunities for integration and empowerment, but also, if accessibility is not ensured, cause even more marginalization.

Accessibility is one of the pillars of the EU's disability policy, which aims at the active inclusion of people with disabilities. Since 2003, as part of the Disability Action plan 2003-2010, actions have been undertaken in the areas of the built environment, transport, services, information and communication including new technologies (ICT) and the Internet. The European Disability Strategy 2010-2020 will pursue these efforts to prevent and eliminate obstacles and barriers for persons with disabilities and to ensure access on equal basis with others.

EU policy on accessibility

The general policy is outlined in the EU Disability Strategy 2010-2020. Specific provisions on accessibility are contained in EU sectoral legislation such as for transport and electronic communication services. The EU makes also use of a variety of instruments beyond legislation and policy, such as research and standardization, to optimize the accessibility of the built environment, ICT, transport, and other areas, and to foster an EU-wide market for accessible products and services. Furthermore the EU aims to improve the functioning of the assistive technology market for the benefit of persons with disabilities. The Commission promotes also the use of a "Design for all" approach that benefits a wider part of the population like elderly people and those with reduced mobility.

A new initiative of the European Commission shows its commitment in the field of accessibility. The Access City Award will reward a city's commitment to ensure accessibility in fundamental aspects of city living and to guarantee equal access to rights for everybody, regardless of age or ability. The aim is to recognize cities' commitment for accessibility demonstrated through results that are not only tangible, but also sustainable, and through concrete plans for future action.

The Access City Award aims to encourage cities to inspire one another to innovate and share best practices. Many solutions for improving accessibility can be seen in those forward thinking cities that are demonstrating commitment and innovation in making the urban environment accessible for all. By means of a friendly competition, cities across the European Union can become role models for one another and stimulate a positive expansion of accessibility initiatives.

Persons with disabilities represent approximately 16% of Europe's working



age population, and about 70% of them are 60 years or older. In the context of a diverse and aging population, and given the strong correlation between disability and ageing, accessibility is becoming increasingly important for the social and economic sustainability of our society.

Making the most of our cities

With four out of five Europeans living in towns and cities, Europe is now an essentially urban society and many of the accessibility challenges have to be dealt with in urban areas. Our cities need to provide inclusive environments that enable all citizens to enjoy full participation and to live independently. What is

more, improved accessibility makes the urban environment more livable and enhances the quality of life for everybody at all levels of ability and mobility, leading to durable benefits for the cities themselves.

Four European cities will be selected as finalists for the Access City Award, and the overall winner will be announced this year for the first time at the award ceremony on 2 December, on the eve of the European Day of People with Disabilities.

In 2010 the competition was opened in July and it closed on 23 September. Applications could be submitted by a government authority of a city of over 50,000 inhabitants in a EU country. In each of these countries, national juries made up of representatives of national Disability Councils, national authorities and accessibility experts selected from their national applicants up to three cities as their National Nominees. Thereafter a European jury selected the final four nominees, one of which would go on to among win the award.

Criteria for the assessment of Access City Award applications:

- Scope: applications should demonstrate a global approach and an ambitious vision for the future in tackling accessibility in the city in all four award areas.
- Ownership and level of commitment: rather than just ad-hoc projects, actions and initiatives are expected to be part of a global strategy or policy framework, with appropriate resources being allocated for their implementation.
- Impact: the city's policies and initiatives should have a demonstrable impact on the everyday life of the city and people with disabilities, and claims of success should be supported by qualitative and quantitative data.
- The quality and sustainability of the results achieved are to be shown through sound monitoring mechanisms.
- Active involvement of persons with disabilities, their representative organizations, and accessibility experts should be ensured in both the planning, implementation and maintenance of the city's accessibility measures.

As accessibility is only obtained if implemented in a coherent manner in goods, services and infrastructures, applicants were expected to present initiatives and activities that cover four key areas of accessibility in cities, in a holistic and systematic approach: the built environment and public spaces; transportation and related infrastructures; information and communication, including Information and Communication Technologies (ICT); public facilities and services.

In parallel, a second Award - the European Champion for Accessible Cities Award - will be given to a network of cities or an organization that has shown outstanding spirit in championing city accessibility during 2010.

European Commission unveils new strategy for gender equality

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Closing the gender pay gap and tackling gender-based violence among EU priorities for the next five years

The European Commission has adopted a new five-year strategy to make further advances in equality between women and men. The strategy sets out a series of actions based around five priorities: the economy and labour market, equal pay, equality in senior positions, tackling gender violence, and promoting equality beyond the EU. The strategy translates the principles set out in the European Commission's Women's Charter into specific measures, ranging from getting more women into company boardrooms to tackling gender-based violence. The strategy for the period 2010-2015 builds on past experience. It provides a coordinated framework for the main instruments needed to support gender equality in Community policies, including legislation, policy coordination, financial programmes, partnership and social and civil dialogue. It promotes gender equality in all EU policies as an overarching political goal. It provides a framework of reference for European governments and other stakeholders by defining policy priorities.

Previous work by the EU in the area of equality has helped to level the professional playing field between men and women. There are 8% more women in the labour market today

than there were in 1998, and young women aged 20 to 24 represent 59% of university graduates in the EU. However, despite these achievements, gender gaps remain. In the economy, women are still not reaching the top positions. Female entrepreneurs make up only 33.2% of the self-employed and women are still over-represented in lower paid sectors. What's more, the pay gap between women and men shows no sign of closing: on average and across the whole economy, women in the EU earn 17.6% less per hour than men. Much remains to be done outside the workplace too. Parenthood affects women's employment chances and women continue to work more unpaid hours than men at home. The frequency and intensity of violence against women remains alarming. A new Eurobarometer survey has shown that in Europe an estimated one fifth to one quarter of all women have experienced physical violence at least once during their adult lives and that one in four Europeans knows someone who has been a victim of such violence.

Finally, rigid gender roles continue to influence crucial individual decisions: on education, on career paths, on working arrangements, on family and on fertility. These decisions in turn have an impact on the economy and society. It is therefore in everybody's

The Strategy for equality between women and men 2010-2015:

- Highlights the contribution of gender equality to economic growth and sustainable development, supports the implementation of the gender equality dimension in the Europe 2020 Strategy and continues to promote reconciliation of work and private life and the sharing of responsibilities between women and men.
- Mobilises all legislative and non-legislative instruments available to reduce the gender pay gap, and launches new actions to encourage women to enter non-traditional professions.
- Foresees progress with the participation of women in decision-making positions.
- Announces a comprehensive European strategy to tackle violence against women and proposes an integrated package of actions, including in the field of female genital mutilation.
- Strengthens the gender dimension of external relations and development policies.

interest that gender equality in the 21st century should offer genuine choices for both women and men throughout the different stages of their lives.



ESF in the Netherlands – Knowledge is empowerment

As a young girl, Khadija Majdoubi dreamed of nothing more than owning her own hairdresser's salon. She realised that dream for a while in her native Morocco, but when she moved to the Netherlands, tragedy struck and her world was turned upside-down. Khadija lost her husband when she was pregnant with twins. The shock was tremendous and her babies were born prematurely. She spent the next few years as a full-time mother, and looking after her friends' children.

With a family to care for and still adjusting to life in a new country, Khadija had to rely on state aid. With only a basic knowledge of the Dutch language, she had a hard time finding even a simple job, much less starting a new business.

The road to recovery

"It isn't easy raising children on your own," says Khadija. "It seemed like everyday was so full, I had no time for anything else. To start with, finding a job was a big problem."

At her local social services office, Khadija found out about a free training course for unemployed women, co-funded by the European Union through the European Social Fund. "The course helped me realise my dream, starting with improving

my language skills," she explains. "That was so important, and it helped me to feel better about myself."

VONK is a work and education centre for women living in the Zeeburg district of Amsterdam. The programme helps women irrespective of their level of education, experience or origin. It provides information and recommendations and helps them with finding a job, training and obtaining social benefits. More generally, it provides support for integration and well-being. VONK also cooperates with other Dutch and local agencies, with women's organisations and social service institutions.

Feeling good about yourself

One of the most difficult obstacles faced by women after long periods of unemployment is a lack of confidence. The training course therefore included sessions specifically aimed at building self-esteem and assertiveness.

"I learned to communicate better," says Khadija, "and I understood better how things work when you are opening a business. The first thing I had to do was find a job. I had become dependant on other people. I needed to get back on my feet."

VONK staff actually accompanied Khadija on her job searches, and with support and encouragement from friends and family, she finally got a job at a local hairdresser's. "The people I saw about a job were reluctant at first," she explains. "I am not from here and I don't look like everyone else, and I was not able to express myself the way I would have wanted. The people at VONK helped me to get my foot in the door."

"I never thought I would be able to do this"

Once back at work, Khadija managed to put some money aside. Indeed, she managed to put enough money aside to realise her childhood dream. In April 2009 she opened her own hairdresser's boutique not far from her home in Amsterdam. "I was a hairdresser before," she explains, "when I lived in Morocco. It's what I love doing and I'm good at it. But I never thought I would be able to do this here, to open my own place."

Khadija says the ESF-funded VONK training course and individual assistance helped her to find herself, and it's changed her and her children's lives for the better. "I'm really glad I did the course," she says. "It's the reason I'm here today."



Affording old age

Europeans live longer and have fewer children – who will pay their pensions?

The world is getting older. In most countries, the population is ageing. This inevitably has dramatic consequences for pensions and other arrangements for supporting older people. There are two factors behind the trend. The first is clearly, in itself, good news. People are living longer. At the same time, people are having fewer children. That, too, is arguably good news. It should lead to the global population stabilising, although at a substantially higher level than it is now. Desirable though both trends are in themselves, they create a new problem. There are fewer people of working age for every older person. In other words, who is going to pay

for our pensions, not to mention our children's? The answer lies in pension reform, in itself a particularly prickly subject, as recently witnessed by the wave of protests in France over government plans to raise the pension age as part of a wider pension reform. Still, if we want to ensure decent standards of living to our future pensioners, something has got to give. The European Commission is well aware of the need for a considered reflection on the future of pensions. The Treaty on European Union clearly states that pensions fall within the competence of the member States. Nonetheless, in this policy domain, European countries share common concerns and challenges:

ageing population, sustainability of public finances, adequacy and modernization of pension systems. This is why, in September 2009, José Manuel Barroso identified pensions as one of the strategic issues for his second mandate as President of the European Commission. The articles that follow examine the actions taken by the Commission to open a debate on this issue in view of developing common solutions, starting with the publication of a Green paper on the future of pensions. We also look at reforms underway in the member States and at how the exchange of experience and best practice can help European countries to shape future policy in this area.



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Common challenges require shared solutions

European Commission Green paper launches debate on the future of pensions

The worst economic crisis in decades has aggravated the long-term challenges facing European pension systems, stemming from a rapid ageing of the population potentially putting long term growth prospects at risk. These twin challenges have serious implications for the adequacy and sustainability of our pensions. It has long been clear that a considered reflection is needed on pensions in the European Union (EU): on how pension policy can support Europe's twin goals of economic growth and social cohesion. This is what the European Commission's Green paper "Towards adequate,

sustainable and safe European pension systems" published in July 2010 sets out to do. Representing both a means for a decent life in old age and the reward for a lifetime of work, pension systems must deliver both of these elements to all EU citizens.

The Green paper has opened a debate on both the short-term budgetary and longer term structural challenges, asking for views from everyone with a stake in these issues. What will people's pensions look like in the future, given the new economic context and the impacts of the many changes made to pension systems over the past

decades? How will our systems stand up to any future crisis, financial or other? The organisation of national pension systems is a national responsibility and the Green paper fully respects this. But EU countries do face common challenges. Different countries can learn from one another's experience and share solutions, something the EU seeks to facilitate.

The Green Paper underlines that adequacy and sustainability are two sides of the same coin. If pensions are at risk of being inadequate, there may be pressure for ad hoc increases in pensions or higher demand for

other benefits, jeopardising sustainability. Equally, if a pension system is unsustainable it will prove to be inadequate in the long run when sudden corrections are needed.

Getting real about living longer

The Green Paper also underlines that we must be realistic about the future retirement age. Old age is no longer synonymous with poverty and this is certainly one of the great successes of Europe's social model. But if we want to continue to deliver on this promise, we must recognise that as we live longer and longer, we face trade-offs: pensioners who are poorer relative to earnings, higher contributions or more people working more and longer. The Green Paper discusses statutory pensionable ages and effective labour market exit ages. But achieving the sustainable balance between time spent in work and in retirement is not only about increasing the time spent at work at the end of the career. It is also important that workers spend more time in jobs with wages and working hours entitling them to future pension rights. There is a clear link here to the EU's Europe 2020 strategy which emphasises higher and better quality employment and positive transitions: both are decisive for all workers to accrue pension rights. Of course, higher employment rates must be facilitated. Health and safety at work must continue to be improved. Flexibility, training opportunities for older workers and addressing age discrimination are also key – and are already being supported by the EU through the European Social Fund. Successful pension reforms will contribute towards reaching the Europe 2020 goals for employment, higher growth and long-term sustainability of public finances, as well as addressing adequacy gaps, thereby helping to achieve the Europe 2020

poverty reduction target - because adequate and sustainable pensions and our employment and poverty targets are mutually reinforcing.

The wide impact of changing labour markets

Considering both the opportunities and constraints of labour markets is vital when reflecting on how to extend "contributory" working lives. But it is also crucial to acknowledge that changing labour markets can affect pension adequacy. More individuals are faced with broken careers, moving in and out of full-time work and often starting with short-term contracts. The impact on pension entitlements for such individuals must be considered.

A further change in the labour market is the move towards more flexibility and in particular higher mobility across sectors and between countries. Increased free movement is a solid achievement of the European project, but the reality is that there are still barriers. One such barrier lies in pensions.

Social security pensions are co-ordinated by EU regulations to help make sure that people moving between EU countries are not disadvantaged. But supplementary pensions are only covered by separate and rather minimal rules, meaning that people can still lose out. The Commission hopes the consultation will provide new impetus to find a more comprehensive solution.

The Green Paper recognises the increasing reliance on both supplementary and funded pensions, and in particular the move towards more coverage by defined contribution (DC) schemes. Defined benefit and defined contribution schemes both have their advantages and disadvantages. A move towards more DC provision also entails shifting much of

the investment, inflation and longevity risk onto the individual. The implications of this shift are important and need to be well understood: what information does the individual need in order to make the right decision? Could regulation or default positions help? How should the pay-out phase be designed?

We must of course remember that investment risk cannot be reduced without a potential cost: there is always a trade-off. But one other risk is that of under-saving for retirement – when saving becomes a voluntary matter, it is important that individuals understand that they need to take responsibility and do so early.

The case for good regulation

Good regulation makes a difference as it supports economic activity along a stable growth path. Poorly-designed regulation would place an unjustified burden on pension funds and employers, thereby undermining economic efficiency. We need to ensure that funded pensions stand up to major financial crises and that regulation does not push employers into insolvency or into abandoning pension schemes.

There are still considerable barriers to cross-border activity in the field of pensions and the Green paper highlights that the Directive on Institutions for Occupational Retirement Provision (IORP) might therefore need to be reviewed. Furthermore, some funded pension schemes are covered by EU regulation, while others are not. Similar schemes can be covered by different EU rules and the boundaries can be unclear. Just as individuals would like to have clarity about what their future retirement will look like, pension providers also need to plan for the long term with as much certainty as possible, therefore these regulatory gaps will need to be looked into.



What future for pensions?

Ministers and experts discuss developments across the EU

The future of pensions systems and social protection systems in Europe was discussed in-depth by policy experts and European ministers in September in the Belgian city of Liège. The occasion was the conference “Assuring adequate pensions and social benefits for all European citizens”, organized by the Belgian EU presidency together with the European Commission’s Directorate-General for Employment, social affairs and inclusion. This timely event zoomed in on core issues for the development of the European and member States’ agenda on pensions and social benefits within the context of an ageing population and in the light of crisis setbacks.

Assuring adequate and sustainable pensions

The conference was opened by Michel Daerden, the incumbent Belgian minister for pensions. The first full conference day focused on presentations by ministers and State secretaries of how pension reforms in several countries have sought to assure the sustainability and adequacy of pensions. As part of this the current work on pensions at an EU level

was also presented: the Economic Policy Committee/Social Protection Committee Joint Review on Pensions and the European Commission’s green paper on pensions. The conference thus also served for a post-holiday relaunch of the green paper consultation before an audience of pension policy makers from across the Union.

Throughout the debates insistence on subsidiarity advised the Commission to concentrate on common principles while leaving the details and all implementation of pension reform to member States. Nevertheless it was also acknowledged that several issues do require a European approach, such as cross-border workers, occupational pensions and information provision for future pensioners. Furthermore, to guarantee sustainable pension systems, an integrated socio-economic approach with economic, social and financial measures seems required.

Pension presentations also brought an interesting insight into the debates following the Belgian government’s publication of its own green paper on pensions last February. The follow-up to this initiative is awaiting the formation of a new government.

Assuring adequate systems of social protection

The event’s second day was presided by Ms. Laurette Onkelinx, the Belgian deputy Prime minister and minister for Public health and social affairs. It focused on the role of adequate social protection systems and their central role in relation to poverty prevention and poverty alleviation, thus connecting to both the European Year 2010 against poverty and social exclusion and to the challenges of developing the social dimension in the Europe 2020 strategy for the relaunch of the European economy. Presentations from researchers showed the need to preserve, innovate and widen the role of social protection in the European model as part of strategies to exit the crisis and lay the ground for renewed growth through well-targeted investments in human capital. A demonstration of the importance of social protection as an automatic stabiliser that mitigating the depth and impact of the crisis also served as a warning against destroying these through hasty attempts at budgetary consolidation. The European Commissioner for employment, social affairs and inclusion, László Andor gave the closing speech, where he highlighted the common denominators of the two themes of the conference, pensions and social benefits.



Main trends in European pension reforms

Securing adequate and sustainable pensions requires major adaptations in virtually all European Union countries

In the coming decades, Europe's population will undergo dramatic demographic changes due to decreased fertility rates, continuous increases in life expectancy and the retirement of the baby-boom generation. Ageing populations will pose major economic, budgetary and societal challenges. It is expected to have a significant impact on economic growth and lead to strong pressures to increase public spending.

Pension systems in member States differ markedly. Over the last 15 years a majority of them have been adapted in response to the challenge of ageing. Member States have attempted to put them on a more sustainable footing, but also to protect adequacy and to respond better to changes in labour markets and gender roles.

We could observe a few key trends of reforms. Encouraging more people to work more and longer was the first trend. In particular member States tried to increase pensionable ages and to reward later and penalise earlier retirement. Another solution was to base pension benefits on working career average earnings instead of entitlement based on earnings in best years. Closing or restricting early exit pathways and measures to encourage and enable older workers to stay in the labour market have been also popular. In general, entitlements in both public pay-as-you-go (PAYG) and private funded schemes have been ever closer linked to the length and the value of contributory records.

The move from largely single to multi-tiered systems was the second

visible trend. In most, but not all, member States the share of public PAYG pensions in total provision of pensions will be lower in the future. It will be accompanied by growing role of supplementary, prefunded private schemes, where the value of future pension entitlements will be less predictable for members of these schemes (so-called defined-contribution (DC) pensions).

Even though the share will reduce, the bulk of pension income in most member States will continue to be provided by public PAYG schemes. In addition, reforms brought a whole range of innovations that in many constructive ways blurred the old dividing lines between PAYG/funded, public/private and voluntary/obligatory schemes by combining elements from both. As private prefunded pensions have been given a larger role in overall provision they have become subject to far more public scrutiny and regulation.

Establishment of automatic adjustments in the pension systems was the third trend. These self-balancing mechanisms create links between

liabilities and revenues, such as linking the contribution-benefit formula or the pensionable age to longevity, GDP or developments in the labour market. This has added important measures of adaptability to schemes and increased their stability to the ultimate benefit of both social adequacy and financial sustainability concerns.

Finally, we have seen measures to address adequacy gaps, e.g. through efforts to broaden coverage of pension systems, to support building up rights, to ease access to pensions for vulnerable groups and increase in financial support for poorer pensioners.

Reforms already bring positive results but also carry risks

Reforms have provided incentive for people to work more and longer and to generate additional means of income. One important outcome would seem to be greater stability of schemes in view of known challenges.

Along the way earnings-related pension schemes have frequently also become fairer in their intra-generational consequences. Usually the generosity of pension benefit does not any longer depend only on the value of the final salary.

Moreover, as many reforms have entailed improved coverage and better adaptation to changes in gender roles and labour markets they have had a positive bearing on overall adequacy. In this sense reforms have not just improved sustainability in terms of aggregate public budget impact. They have also contributed to improve adequacy as more people will benefit from pensions.

Reforms have underpinned recent increases in effective retirement

ages and opened new avenues to delivering adequate pensions in a sustainable manner. At the same time, reforms have given rise to greater individual responsibility for outcomes. While people now have more choice, they are also exposed to more risk. For reforms to be successful all pension schemes must deliver their part and risks must be well understood and managed.

Future pension adequacy will rest on a combination of returns in financial markets and labour markets delivering opportunities for longer and less broken contributory careers. To strengthen social cohesion, a number of member States may want to address outstanding issues such as minimum pensions, coverage of atypical workers and crediting of some involuntary employment breaks, for example when caring for frail dependents.

The reformed pension systems increase adequacy risks for a considerable number of workers. Net replacement rates, which compare net pension income in the first year after retirement to the net income from work in the last year of employment, will decline in many member States.

However, it is important to note that the starting position and the degree of reduction vary significantly, and in some countries, especially those with very low initial levels, replacement rates should increase with the time. One should also note that individual decisions on delaying labour market exit, i.e. working longer, can help people build higher pension entitlements.

The pension agenda after the crisis

In a number of member States major reforms will still be needed before they fit into this tentatively generalised

picture. Moreover, the crisis has deteriorated the overall economic and social situation in Europe.

The crisis has led to deterioration in the fiscal positions thus significantly aggravating the fiscal challenge posed by population ageing and in particular by financing public pensions and subsidies for supplementary private pensions. Lower growth prospects and increasing deficit and debt affect sustainability.

Regarding adequacy, today's pensioners have generally been well-protected against the crisis, but pensions may be affected by unemployment periods and lower contributions and poorer returns in financial markets. The crisis has an impact on the currently active population, and thus on the accumulation of pension rights, notably for younger generations.

The crisis has also highlighted the need to review the degree of financial market exposure and the design of risk sharing in funded pensions.

Joint analysis of the pension systems is carried out by the Social Protection Committee and the Economic Policy Committee. In June they have adopted the interim "EPC-SPC Joint Report on Pensions" focussed on the results of the last decade of reforms, impacts of the crisis and the long-term perspectives beyond the crisis. The final report should be adopted in Autumn 2010. The report will set out an updated agenda for securing adequate and sustainable pensions and it will include country fiches pointing to challenges for each member States.

The interim report can be found on the following webpage:

<http://ec.europa.eu/social/main.jsp?catId=752&langId=en>

Buying social: building the social into public procurement

A new guide will help public authorities to ensure they procure goods and services in a socially responsible way

Have you ever wondered why the procuring of products and services by public authorities is so driven by internal market expectations of transparency, non-discrimination, and proportionality? The Commission's Directorate General (DG) Employment, Social Affairs and Equal Opportunities together with the DG responsible for the Internal Market have been reflecting on this, and have decided that while these basic tenets of public procurement legislation need to be respected, they are not the only points to be taken account of by public procurers.

The importance of social considerations in public procurement has indeed been coming to the fore recently. A full 17% of the European Union's (EU) gross domestic product (GDP) is represented in public procurement, so the policy leverage in relation to something like social policy, or corporate social responsibility, is considerable. The Commission wishes to capitalise on this.

The existing framework

The two public procurement directives in place since 2004 do open up the opportunity for procurers to include social considerations in the tenders they write. The aim of the directives in this field was to ensure that public purchasers who wish to, can integrate social considerations in public procurement as long as the principles of value for money for taxpayers and equal access for all EU suppliers are respected. However, because the references in the legislation are rather open and general, there has been hesitation as to how they should be implemented. Not that there is a lack of enthusiasm for the social in public procurement. But how to do it, and how to do it in a way that keeps the right side of the law are paramount considerations.

So the Commission decided to write a guide on "Buying Social", which has just been finalised. A Commission

The aspects covered by the "Buying social" guide

- Key social issues (ie provision for employment opportunities, decent work, social and labour rights, accessibility and design for all, ethical trade, CSR, human rights, and SMEs involvement)
- Organisational strategies to buy social (defining objectives, political leadership, measuring and prioritising, raising awareness, implementation, and monitoring and control)
- Identifying the needs and planning the procurement (assessing actual needs, defining the subject matter, and increasing access)
- The contract (defining requirements, selecting, awarding, and performance).

guide has already existed for a few years on "Buying Green". (Dealing with the environment in public procurement is easier than the social, but in 2008 the Commission decided it needed to look at social public procurement too and this took quite some time to finalise).

A joint effort

A study was launched to set the ball rolling. The contractors – the International Training Centre of the International Labour Organization – did some valuable work in looking at the policy framework in various member States and digging out some insightful case studies. The most important of their tasks was to produce what became the first draft of the guide. This was followed by an in-depth consultation of interested stakeholders.

A range of trade unions, employers organisations and NGOs cited two

main concerns: that the Commission should not minimise what might go into the guide, and that guides that had already been written by partners within different industry sectors (textiles, cleaning, catering, and security) should be acknowledged. The final result is a guide that is a key social policy tool, and the extent of its usefulness will be an interesting research project. Indeed, it will clearly act as an incentive for corporate social responsibility (CSR) by contracting organisations, and as such is a key element of the Commission's CSR policy.

You might ask, what next? Well, discussions are emerging on the nature and usefulness of “sustainable” public procurement, a combination of environmental and social. This is a logical development, which the Commission will follow-up. And 6 years after the establishment of the current public procurement directives, DG Internal Market are opening up the subject of public procurement for general consultation once more. And the issue of the usefulness of and rationale for social procurement will be specifically highlighted for discussion. Watch this space...

Buying social in practice - some concrete examples

Importance of linking social considerations with the subject-matter of the contract

Accessibility standards for persons with disabilities can be part of the subject-matter of a works contract for building a school, as they can be part of the description of the works the contracting authority wants to buy and linked to them.

On the other hand, the labour conditions of the workers building the school cannot be part of the subject-matter of the contract, as they are not linked to the object of the contract, but only to the way in which the procurement contract will be performed. However, requirements relating to labour conditions could be included, under certain circumstances, in the contract performance clauses.

In contracts for services, the contracting authority can specify in the subject-matter that the services provided must meet the needs of all categories of users, including the socially disadvantaged or excluded.

Dealing with ethical trade

Point 7.3 of the Public Procurement Order for the German city of Düsseldorf in North Rhine-Westphalia (*Vergabeordnung für die Stadtverwaltung Düsseldorf*) on execution of contracts stipulates that: ‘no products of exploitation of child labour are to be procured. Independent certification (for example, a Transfair seal or Rugmark seal) may prove this. If no such certification exists for the product in question, a declaration in the form of acceptance of the additional contract provisions for execution of the works and acceptance of the additional contract provisions of the Procurement Order for Supplies and Services Contracts is acceptable.’

Using contract performance clauses to incorporate social considerations

Construction contracts awarded by the Swedish National Road Administration contain a standard clause placing an obligation on the contractors to comply with certain (core ILO) conventions when performing contracts in Sweden. The same clause requires the contractor to comply with certain reporting requirements designed to verify that goods and products used in performance of the contract have been produced in a safe environment in accordance with the rules of the conventions mentioned. Goods found to be in conflict with this provision must be replaced at the contractor's expense. The contractor must ensure that subcontractors abide by the same obligations. A penalty is payable for any breach of these social obligations of the contractor.



Less dangerous, more stressful

Work-related health problems such as stress are on the increase in the EU

In the European Union almost seven million people suffered one or more accidents at work in 2007, according to a recently published statistical report. This figure corresponds to 3,2 per cent of workers aged between 15 and 64. If the number seems high – and it is in terms of human suffering and cost to the economy – it still represents a modest improvement on the 3,5 per cent recorded in 1999. However during the same period, the decline in accidents at work was more than offset by a sharp increase in work-related health problems (from 4,7 to 7 per cent), chief amongst them musculoskeletal diseases (such as back and neck problems), stress and anxiety.

These trends reflect the evolution in the European world of work. “Traditional” work accidents involving a physical

impact of some sort are still all too common in agriculture, manufacturing and construction and tend to involve mainly male workers (men are twice as likely as women to have an accident at work). Also, younger workers tend to have more accidents than their older colleagues, as do workers in low-skilled manual occupations. So the shift in the economy from traditional sectors such as agriculture and manufacturing towards services and highly-skilled, non-manual jobs, coupled with the fact that more women are in employment and that the workforce is generally getting older, may signal a decline in the overall rate of accidents at work. But while the occurrence of accidents at work decreased for men, it showed no variation where women are concerned, with healthcare, social work and hotel and restaurant work as the most dangerous workplaces.

Work-related health problems

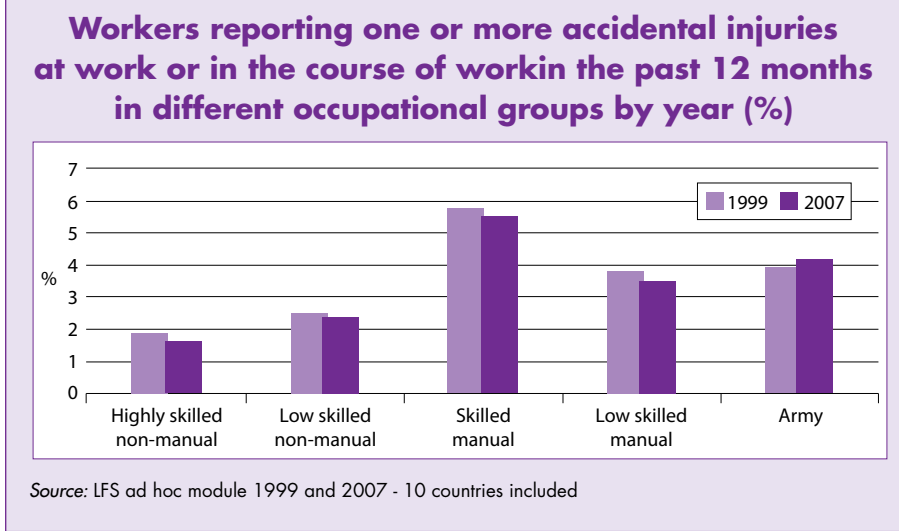
White-collar jobs may certainly be considered less dangerous than manual jobs in terms of accidents, but they are not without risks for workers’ health, albeit of a different sort. Work-related health problems increased from 4.7% in 1999 to 7.1% in 2007. The most frequently cited work-related health problems were musculoskeletal troubles, affecting about 60% of the respondents. Another 14% identified stress, depression or anxiety as the most serious health problem.

Gender, age and education can make a difference

Employed men and women differed with respect to the type of work-related health problem that was considered to be the most serious health problem. Men more often had back problems than women, and women more often had problems with the neck, shoulders, arms or hands than men. Besides, women cited stress,

depression or anxiety as the most serious work-related health problem more frequently than men. The occurrence of work-related health problems was found to increase sharply with age. The occurrence of work-related health problems also differed among educational groups, with highly educated persons reporting fewer work-related health problems (7.3%) than intermediate (8.9%) and low (8.9%) educated persons. Among the latter the most serious work-related health problem were bone, muscle or joint problems, while highly educated workers complained more often of stress, depression or anxiety, headache or eyestrain.

More than 80% of the occupational diseases occurred in workers in the following professions: workers in craft and related trades (41%), plant, machine operators, assemblers (21%), and workers with elementary occupations (19%). This ranking of professions appeared to be stable between 2001 and 2007. The highest proportion of occupational diseases was found in the sectors 'manufacturing', (38%), 'construction' (13%), 'wholesale retail trade, repairs' (7%), and 'health and social work' (5%). For men occupational diseases were most often found



in the sectors 'manufacturing' and 'construction', whereas for women occupational diseases most often occurred in the sectors 'wholesale retail trade, repair', and 'health and social work'. The ranking in the occurrence of occupational diseases across sectors was stable over the years. However, the number of occupational diseases in the sector 'manufacturing' appeared to decrease with time, whereas the number of diseases in the other three sectors appeared to increase. About 25% of recognized occupational diseases lead to permanent incapacity to work.

Stress and anxiety

In total 14% of the persons with a work-related health problem experienced stress, depression or anxiety as the main health problem, making it the second most frequently reported main work-related health problem after musculoskeletal problems.

Stress, depression or anxiety as the main work-related health problem was reported more often by women (17%) than by men (13%), with the highest incidence in the 25 to 44 years old group, with older workers appearing considerably more relaxed. Education, financial intermediation, public administration and defence, and real estate, renting and business activities were the sectors with the highest incidence of stress and anxiety. As for other type of problems, educational level was found to make a difference, except that in the case of stress and anxiety it is the highly educated workers who are more likely to be the sufferers rather than the less educated ones. Size matters, too. Stress and anxiety were more often found in workers employed in larger firms. This might be related to the fact that the size of firms in sectors in which stress, depression or anxiety frequently occurs are in general large, like for instance the education sector, public administration and defence.

EU action to improve occupational health and safety

The main principles governing the protection of workers' health and safety are laid down in the 1989 Framework Directive (89/391/EEC), the basic objective of which is to encourage improvements in occupational health and safety. All sectors of activity, both public and private, are covered by the Framework Directive, which establishes the principle that the employer has a duty to ensure workers' safety and health in all aspects relating to work, while the worker has an obligation to follow the employer's health and safety instructions and report potential dangers.

Current activities in this area follow the guidelines set in the Community Strategy 2007-2012 on Health and Safety at Work, which outlines action to make workplaces across the EU safer and healthier and sets a quantitative target of a 25% reduction in accidents at work, to be achieved through various EU and national measures.



ESF in Belgium – Investment in a good night's sleep

Since 1987, Daniel Dellisse has been employed by a company that makes and exports PVC products for the building industry, based in Roeselare in northern Belgium. Manufacturing goes on round the clock, and for 21 years he worked night shifts, first as a packer and then as a technician in the extrusion process: the moulding of plastics for window frames and doors. But about two years ago, the unnatural pattern of day-for-night began to take its toll, and Daniel started to find it more and more difficult to sleep.

"It was a big problem for me, and my doctor told me the best thing would be to start working during the day," Daniel recalls. "He offered me sleeping pills, but I didn't want to start taking medicines." He was not the only victim – the disturbance affected his family life as well. On Saturdays he had to recover the sleep lost on Friday night, so he was unable to enjoy the weekend with his wife Dina or indulge in the couple's passion for walking and hiking.

Difficult times

Daniel has worked hard all his life. His father died when he was nine

years old, leaving his mother with four boys to bring up. He left school at 14 to train as a carpenter. "We had to put food on the table," he explains with resignation. He moved on to a series of jobs, including the production line of a leading car manufacturer, which he admits he didn't enjoy at all. After his marriage in 1979, the building firm he was working for went broke, and Daniel found himself unemployed.

"It was very difficult to find work," he remembers. So when the vacancy on the night shift at Deceuninck came up he was pleased to take it. "It was the only interesting offer and I could start straightaway ... and the money was very welcome." By then the couple had a newborn daughter, Sarah, so with Dina working afternoons and Daniel sleeping in the mornings they were able to arrange their time conveniently to look after her.

But he noticed the change as he grew older. Following his doctor's advice, he approached his employers about switching shifts. But to do that, he had to show he could handle a new job requiring fresh training. The company said 'we have a place for you, but first you must update your

skills'." Deceuninck put him on an their 'Excellent Learning' retraining programme run by the Flemish jobs service the Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding (VDAB).

A new lease of life

The course enabled him to get a position in the company's research and training centre, testing PVC frames, teaching independent contractors how to mould and fit doors and windows, and researching new techniques and materials. As part of a team of three engineers, clerks and two operators, he has helped to share his knowledge with visitors from the other European branches.

He started his new regime of day work in January 2008. "It took me five months to start sleeping well," he remembers. "At first I would wake up after three or four hours. My wife told me to stay in bed, but I couldn't do that. I would get up and watch the TV, and then by the afternoon I'd be really tired." But by June he was getting six hours undisturbed sleep a night. "It's changed my life completely," he declares. "After all, the night is made for sleeping."



Comparable and easily accessible data

The OECD can help inform the pension debate by providing policymakers with a wide range of information on pension systems across different countries

The Organization for Economic Co-operation and Development (OECD) will publish its biennial “health-check” on retirement-income systems – Pensions at a Glance – in March 2011. National pension systems are diverse and, often, extremely complex. Nevertheless, there are valuable lessons to be learned from different countries’ pension systems and their experiences of pension reform. Pensions at a Glance does not advocate any particular model of retirement-income provision; it aims to enable policymakers to learn from other countries by providing comparable and easily accessible data.

The 2009 edition of Pensions at a Glance was heavily concerned with the impact of the financial and economic crisis on pension systems. Pensions, retirement and life expectancy – and the links between them – are the focus of the forthcoming, 2011 edition.

The European Commission published a Green Paper on adequate, sustainable and safe pension systems in July 2010. The Green Paper sets out the challenges facing retirement-income provision. It highlights the impact of demographic ageing and the aftermath of the crisis. It goes on to set out a range of priorities for modernising pension provision. One of the main ones is “achieving a sustainable balance between time spent in work and in retirement”: precisely

the issues addressed in the forthcoming issue of Pensions at a Glance.

The OECD report will look, first, at changes in pension ages and life expectancy both backwards to 1950 and forwards to 2050. Average pensionable age in OECD countries dropped by nearly two years during the second half of the 20th century: to 62.5 for men and 61.1 for women. Legislation already in place will increase it to almost 65 for both sexes by 2050. But despite higher pension ages, life expectancy at normal pension age is projected to continue growing, from 17.3 to 20.3 years for men and from 22.1 to 24.6 years for women.

Encouraging people to work longer – even as life expectancy is increasing – is not easy. Pensions at a Glance 2011 will examine barriers to working longer on both the supply side – such as incentives to retire early embedded in pension systems and working conditions – and on the demand side: for example, age discrimination, skills and labour costs. We have found that pension reforms have improved incentives for older workers to remain in jobs, but there remains room for improvement in a number of countries. On the demand side, there are examples of good practice in combating ageism, improving skills of older workers and helping them find and retain jobs that can be implemented more broadly.

The OECD report will also include 35 indicators of pension policies, starting with an overview of the design of national retirement-income systems. An analysis of future pension entitlements of today’s workers and of incomes and poverty of current retirees, based on 16 different indicators – directly address the concerns over retirement-income adequacy raised in the Commission’s Green Paper.

Information on pension contribution rates, revenue from contributions and benefit expenditures is also provided. These indicators, along with long-term projections of public pension expenditure, provide a sound base for assessing financial sustainability.

The European Commission sought to stimulate a debate on retirement-income provision with its Green Paper on pensions. It has already succeeded, with hundreds of comments from different stakeholder groups before the deadline of 15 November. We hope that Pensions at a Glance, by providing a wide range of comparable information on pension systems – can help inform this debate.

The report is available at:
www.oecd.org/els/social/PaG

Contribution by Edward Whitehouse,
Head of Pensions,
Social Policy Division, OECD



INTERVIEW

Xavier Prats Monné, Director for Employment at DG Employment, social affairs and equal opportunities, speaks to Social Agenda

How was Youth on the Move born? What was the thinking behind the initiative?

People often say that youth is the future. What they don't say so often is that the future of youth is old age... So when the Commission addressed the challenges of ageing and unemployment in the Europe 2020 strategy, there had to be a specific focus on youth as one of the "Flagship initiatives". This is all the more urgent now, given the dramatic impact of the crisis on young people. Even good qualifications are not a guarantee to find a job nowadays, and too many young people lack the skills and competences that the labour market needs. More importantly even: we know from the experience of all past recessions that when people are excluded from the labour market for a relatively long time, the scars become permanent: they lose their skills and competences and become unemployable: so the real thinking behind Youth on the Move is that Europe needs to do something now to avoid squandering the potential of a generation of young people.

Young people are not the only group affected by unemployment. Why focus specifically on them?

Because young people have been hit hardest than anyone else by the crisis. In most member States the youth unemployment rate is twice as high as the overall unemployment rate. Today 5 million young people in EU-27 are

unemployed – one million more than before the onset of the crisis! And now the combined effect of a reduced number of jobs and of the annual inflow of new young entrants to the labour market will exclude many young people from jobs over a longer period.

What can the EU do to help young people find a job?

Generally speaking, the key challenge for young people is to find a first job since they can of course offer no prior experience and often their qualifications are not immediately relevant for an employer. So we need policies to smooth the transition from education to work, and more specifically ways to support those who find it difficult to make this transition. In Youth on the Move we put forward a set of clear-cut policy priorities for education and training, for finding a first job and progressing in the career. The EU can play an important role in helping young people to study, train or work in another country, and therefore we propose new instruments for increasing young workers' mobility in the wider EU labour market. We can also provide money, of course – and the ESF is of course the main instrument for this, alongside the other mobility and life long learning programmes run by DG Education, Audiovisual and Culture.

Why so much emphasis on learning or working abroad?

Promoting mobility across countries is a priority for the Commission

because if we don't do it, nobody else will. And any learning or working experience abroad is particularly attractive for young people. Intra-European labour mobility gives young people more chances to find a job or a vocational training opportunity, and enhances their employability. Besides, even in the current crisis an astonishing number of job vacancies remain unfilled: intra-EU job mobility can help better match labour market needs and improve human capital deployment.

How can we ensure that potentially interested young people find the relevant information and secure a work placement abroad?

Getting young people's attention is not easy: they often regard public institutions and their language with a healthy scepticism... so in my view, the Commission will have to adapt to the new ways in which young people socialise, communicate and acquire information. In the Youth on the Move Communication we foresee an information campaign specifically targeted for young people. And we should get this right, because the Commission, together with national Public Employment Services and other labour market institutions, does quite a lot to facilitate intra-EU labour mobility. Our key instrument is EURES, which comprises a website on labour market vacancies – with a few million hits a month – and a network of more than 800 EURES advisers in the member States.

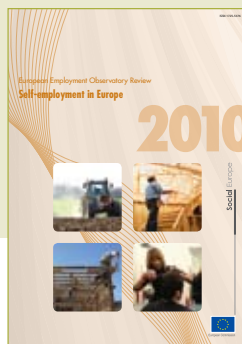
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The EU provisions on social security - Your rights when moving within the European Union - Update 2010

This guide is an update of the publication The Community provisions on social security. It provides updated information for mobile Europeans so they know about their social security rights when moving between EU member States. The guide details coordinated EU social security provisions and explains one's rights as a worker, a tourist, a student, an unemployed or other non-active person, a pensioner or a third-country national. This publication is available in printed format in all EU official languages.

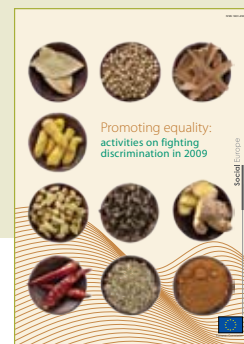
Catalogue No.: KE-30-09-237-EN-C



European Employment Observatory Review: Self-employment in Europe 2010

Self-employment makes a considerable contribution to the EU economy in terms of entrepreneurship and job creation and accounted for almost 15% of total employment in the Union in 2009. However, it also carries a degree of risk and EU-level policies have been developed over a number of years to support self-employment and small and medium-sized enterprises. Such measures have been stepped up in the light of the economic crisis and its impact, both at EU- and member States-level. The European Employment Observatory Review for 2010 on self-employment in Europe provides an introduction to the self-employment situation in Europe including the impact of the economic crisis, its role in the labour market, attitudes towards the subject and problems faced by the self-employed. The Review then assesses national labour market policies and crisis recovery measures and examines the quality of self-employed work and actions to improve this, before providing some final conclusions. This publication is available in printed format in English, French and German.

Catalogue No.: KE-AN-10-001-EN-C



Promoting equality: activities on fighting discrimination in 2009

The report "Promoting equality: activities on fighting discrimination in 2009" presents activities carried out in 2009 by the European Commission to fight discrimination on the grounds of racial or ethnic origin, religion or belief, disability, age or sexual orientation as regards to employment and occupation. It begins with a brief overview of European attitudes towards equality, then examines the latest policy development and partnerships. The brochure also looks at activities conducted to raise awareness of and better understand discrimination and equality issues, including the promotion of the business benefits of diversity. Examples are given of the implementation of equality legislation along with details of a new proposal for an anti-discrimination directive. This publication is available in printed format in English, French and German and in electronic format in all other EU official languages.

Catalogue No.: KE-AX-10-001-EN-C

Useful websites

The website of Commissioner Andor: http://ec.europa.eu/commission_2010-2014/andor/index_en.htm

The website of Commissioner Reding: http://ec.europa.eu/commission_2010-2014/reding/index_en.htm

The home page of the Commission's Directorate-General for Employment, Social Affairs and Equal Opportunities: <http://ec.europa.eu/social/>

The website of the European Social Fund: <http://ec.europa.eu/esf>



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