

Opinion of the European Economic and Social Committee on 'the agricultural employment situation in the EU and the accession countries: options for action for 2010'

(2004/C 108/21)

On 23 January 2003, the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an opinion on the agricultural employment situation in the EU and the accession countries: options for action for 2010.

The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 18 December 2003. The rapporteur was Mr Wilms.

At its 405th plenary session, held on 28 and 29 January 2004, (meeting of 29 January), the European Economic and Social Committee adopted the following opinion by 65 votes to 2, with no abstentions.

1. Introduction

1.1 Agriculture and rural development are two of the most pressing problems which need to be tackled in connection with the EU's eastward enlargement. Steps to adapt central European agriculture to EU conditions will affect nearly all spheres of rural life. In the accession countries, rural areas will undergo fundamental changes.

1.2 Eastward enlargement will, however, give the EU the opportunity to solve the economic and structural problems affecting central European agriculture by targeting agricultural policy accordingly.

1.3 Enlargement will lead to an increase in the number of people active in farming – whether as farmers or farm-workers – and to structural change, and this in turn will heighten competition between farmers and for jobs in agriculture. This can have serious repercussions on the economic and social structure of European agriculture and on social security systems.

1.4 For the purposes of preparing this opinion, the European Economic and Social Committee (EESC) held a public hearing at which experts from a number of accession countries reported on the situation in their countries. The following issues in particular were addressed at the hearing:

- high unemployment levels in agriculture;
- high poverty rates in rural areas and emigration from these areas;
- the number of migrants moving from the East to the West;
- the poor social security cover in agriculture and the high average age of farm-workers;
- inadequate qualifications of farm-workers;
- insufficient capital resources on farms; and
- the lack of structures for civil society.

1.5 The contributions made by the experts contrasted with the official reports emanating from the Commission. It was clear that the situation in rural areas, in particular, was felt by local inhabitants to be substantially worse than it was described in the documents. The optimism of the people was, however, also expressed by the experts. The people expect that accession to the EU will boost development.

1.6 The enormous income disparities between the current and future Member States, together with the high proportion of the accession countries' workforces engaged in farming, are key issues in the EU's eastward enlargement. Mergers and major restructuring can be expected in rural areas; failure to take the necessary action will lead to an upsurge in rural unemployment in the accession countries and put pressure on the labour market situation in current Member States.

1.7 Differences in prosperity between metropolitan and outlying rural areas are expected to increase. Unemployment in agriculture is nowadays higher than in other sectors. There are scarcely any new jobs outside farming in rural areas.

1.8 One result of this development is that rural areas have become even poorer in more than just economic terms. Human capital is also undergoing a change: young and qualified people are leaving these regions for more prosperous ones.

1.9 Over the next few years, efforts to combat unemployment should be redoubled. Better use should be made of the available potential, and political action should be taken to create synergies from existing options and programmes. The social partners can work jointly with other players in the regions with a view to formulating and implementing new ideas deriving from their business knowledge and experience with regard to potential. The contacts which they have with higher-level programmes and administrations will help them to achieve this objective.

2. Starting point

2.1 *Competitive and sustainable farming*

2.1.1 Agenda 2000 heralded a change to the Common Agricultural Policy. The new approach is viewed with scepticism in many quarters. It is however clear that in the course of enlargement, and given the international pressure in this domain (WTO negotiations), new avenues will have to be explored in agricultural policy, offering both the existing Member States and the accession countries opportunities to build up a competitive farming sector. In a multifunctional agricultural sector, agricultural policy should be modelled on sustainable economic practices ⁽¹⁾.

2.1.2 However, much still has to be done in the accession countries to bring agricultural systems in line with EU standards. The areas giving rise to serious concern are in particular farming, the use of proper procedures for the payment of financial aid, quality standards and the environment ⁽²⁾.

2.2 *Sustainable farming can only work as part of an integrated policy for rural areas*

2.2.1 There are many stakeholders in rural areas and there is a plethora of aid measures available, some of which, such as the Structural Funds, could be better used. The lack of integrated approaches for making effective use of existing potential is to be criticised.

2.2.2 The economic importance of agriculture in rural areas is not just confined to the agricultural sector. Every euro spent on agriculture also creates added value - and with that, jobs too - in upstream and downstream sectors. Between four and five jobs in these latter sectors are dependent upon each job in the agricultural sector.

2.3 *Safeguarding of farmers' incomes*

2.3.1 'At the level of EU-15 per capita agricultural incomes have developed quite favourably since the beginning of the reform process. However, this favourable development hides the increased importance of direct payments in farm income as well as considerable variations between countries, regions and sectors.

2.3.2 Since market revenues alone are not enough to ensure an acceptable standard of living for many farm households, direct payments continue to play a central role in ensuring a fair standard of living and stability of income for the agricultural community' ⁽³⁾.

⁽¹⁾ Opinion of the Economic and Social Committee on policy to consolidate the European agricultural model, OJ C 368, 20.12.99, pages 76-86

⁽²⁾ The European Commission's Comprehensive monitoring report on the state of preparedness for EU membership, 2003

⁽³⁾ Communication from the Commission to the Council and the European Parliament: Mid-term review of the Common Agricultural Policy, COM(2002) 394 final, page 8.

2.3.3 The positive trend in incomes in the agricultural sector must, however, not hide the fact that income trends in other sectors have been more favourable and the fact that agriculture has fallen behind the general trend.

2.4 *Employment in agriculture*

2.4.1 When the accession countries join the EU, the average employment rate will fall and the unemployment rate will climb. Agriculture poses a particular problem. In the EU-15, 4.1 % of the workforce is employed in agriculture; however the figure is 13.2 % in the ten accession countries (20.8 % if Romania and Bulgaria are included). After enlargement, 5.5 % of the EU 25's workforce will be employed in agriculture (7.6 % in an EU of 27) ⁽⁴⁾.

2.4.2 If no measures are taken, the already high levels of unemployment in rural areas will rise even further.

2.4.3 'The agricultural sector of most candidate countries is expected to undergo a significant restructuring process in the coming years (with or without enlargement) leading to structural pressures on rural areas in these countries' ⁽⁵⁾.

2.4.4 There are still around 5.5 million self-employed businessmen farmers in the EU-15 at present (plus around 4 million in the 10 accession countries). The number of small farmers continues to decline further. This is a process which will speed up after enlargement, particularly in the accession countries. There are about one million employers in EU agriculture (plus around 80,000 in the 10 accession countries).

2.4.5 There are around one million permanent employees paying compulsory social security contributions in the EU-15 (plus around 550,000 in the 10 accession countries). Enlargement will alter the ratio between small farmers and farm employees (more employees, fewer small farmers).

2.4.6 The EESC has repeatedly studied the situation of seasonal farm-workers. Despite several requests to the Commission, no precise details have been forthcoming about the number, origins, income and social circumstances of these workers in Europe. Altogether, the number of seasonal farm-workers in Europe is estimated at around 4.5 million, corresponding to at least 1,000,000 full time employees. Of these, 420,000 come from non-EU European countries and 50,000 from outside Europe. It is assumed that there are around 250,000 seasonal workers in the accession countries. Moreover, in these countries there are large numbers of illegally employed seasonal workers from, inter alia, Russia, Ukraine and Belarus.

2.4.7 The increasing number of illegal immigrants from non-Member States, principally from Russia, Ukraine and Belarus, gives cause for concern. In the Czech Republic alone, the figure is estimated at 250,000.

⁽⁴⁾ Communication from the Commission: Second progress report on economic and social cohesion, COM(2003) 34 final, pages 13 and 14.

⁽⁵⁾ Ibidem.

2.4.8 During the hearing it was explained that, especially in the agricultural sector in the accession countries, large numbers of workers are not included in the statistics because they are not paid for their work.

2.4.9 Over the last few years, a new sector has developed between the private and state sectors in which private individuals come together to work for the common good. Numerous businesses with growing numbers of employees have already been built up on the basis of such a commitment. Such organisations and businesses from the 'social economy', or 'third sector' ⁽⁶⁾ traditionally have a role to play in rural areas too. Associations for the protection of local culture and customs, for marketing tourist and cultural facilities and for youth work, as well as cooperatives for the joint marketing of agricultural products, are becoming increasingly important for the economic, social, cultural and environmental fabric of rural areas. The Commission has already underscored the economic importance of this sector on many occasions ⁽⁷⁾.

2.4.10 In its employment strategy, the Commission refers to the local dimension of employment ⁽⁸⁾. Rural regions still have the highest unemployment rates and the lowest levels of prosperity. Yet there are still no strategies for implementing local employment initiatives in rural areas. Even national and local action programmes for employment take little or no account of rural areas and the agricultural sector.

2.5 Farm incomes

2.5.1 In the current EU, there are already major regional disparities in farming incomes, but in an enlarged EU, the disparities in farm and farm-workers' incomes will be even larger.

2.5.2 'Ensuring a fair standard of living for the agricultural community and contributing to the stability of farm incomes remain key objectives for the CAP' ⁽⁹⁾. However the suspicion is that it is the smaller farms in particular which will suffer income losses.

⁽⁶⁾ 'Social economy', or 'third sector', businesses and organisations encompass socio-economic bodies which basically have the following principles in common: they are not-for-profit organisations which operate independently of the public and private sectors, target a more participatory form of organisation and are geared to serving the community; they cater for needs and public services which the market does not cover and, to this end, engage in economic activity and employ staff; and they are mostly small and medium-sized businesses in local communities whose work is geared to long-term regional development (See footnote 5).

⁽⁷⁾ Communication from the Commission: Acting locally for employment - A local dimension for the European Employment Strategy COM(2000) 196 final, pages 11 and 12.

⁽⁸⁾ *Ibidem*.

⁽⁹⁾ See footnote 2.

2.5.3 The EESC has repeatedly criticised the fact that Commission reports make no reference to farm-workers, yet they too are directly affected by all economic and structural changes. Thus there are no reports on changes to the incomes or social situation of farm-workers and employees of agricultural contractors.

2.5.4 The differences in prosperity levels between the various regions of Europe could in the long term jeopardise comprehensive wage agreements and thus collective agreements as a whole. The fewer issues the social partners are able to resolve in free negotiations, the more necessary State intervention - via regulations, decrees and rules on the minimum wage - will become in order to prevent general impoverishment.

2.5.5 While wage levels in north-western European countries such as the Netherlands and Denmark are relatively high, wages in central European countries such as Slovenia and Poland do not even match a quarter of these. In countries in the middle on the 'border of prosperity', such as Germany, Austria and (northern) Italy, these disparities will throw the wage structure into disarray.

2.5.6 Collective agreements are concluded at different levels in each country. While, for example, wage levels are negotiated centrally in the Netherlands, in Germany framework agreements are reached at federal level and then implemented at regional level. In some countries collective agreements are concluded only at regional level or even within companies.

2.5.7 The influence of the State in collective bargaining likewise varies. In Austria and Germany, for example, the partners to collective agreements negotiate by themselves, while in the United Kingdom, the State may have a say in negotiations.

2.5.8 In many countries, a fixed minimum wage establishes the level below which incomes may not fall. The less influence trade unions and employers' organisations have on shaping collective agreements, the more necessary legislation is to cover this.

2.5.9 It is most difficult to reach and implement collective agreements in the accession countries. Such agreements are only embryonic at regional and pan-regional level.

2.5.10 In a non-binding agreement, the social partners in the agricultural sector have reaffirmed, *inter alia*, the importance of flexible working time rules for employment in rural businesses and have issued a recommendation on the statutory annual working time.

2.5.11 The structure and levels of agricultural wages are based on national systems, which should be reassessed and developed in the current and acceding Member States at the time of enlargement.

2.6 *Social criteria in sustainable agriculture*

2.6.1 One aim of sustainable development is to strike a balance between social, economic and environmental dimensions. The debate on the social dimension and its criteria and indicators has only just begun. To date there is still considerable uncertainty as to what social sustainability actually is or could be. Until now the debate has primarily been held in scientific circles and at the top levels of some businesses, without fulfilling the basic principle of participation. The key parties are not involved in the debate, and this fact casts doubt over whether the debate's conclusions can find the acceptance required for their implementation.

2.7 *Social security*

2.7.1 Social security in Europe has a complex structure which European integration will not exactly make any clearer. The development of each country's system is marked by its own culture and traditions. Social security is a national responsibility.

2.7.1.1 In many EU Member States, the question of the long-term financial viability of the social security system has arisen.

2.7.1.2 In the enlargement countries, the social security systems have been, or are being, restructured. With incomes low and unemployment high, the changeover from purely State systems to independent, contribution-based schemes is creating a situation where social insurance systems are short of capital. As a consequence, farm workers and self-employed farmers have inadequate cover in old age.

2.7.2 Pension levels in the accession countries' agricultural sectors are very low, and as a consequence, many pensioners feel compelled to continue working in order to earn a living. There is no sign of agricultural pensions coming into line with general pension levels. At the hearing the particularly problematic situation of farmers who had lost their jobs during the years of the political and economic transformation were highlighted. These farmers will have to contend with particular social hardships.

2.7.3 Old age pensions are regulated differently in each country. They often comprise a mix:

- State pensions,
- statutory insurance,
- supplementary pensions arranged through collective agreements, and
- private provision.

2.7.4 Given the low income levels in farming, there are few possibilities for private provision, so that in order to improve

the statutory minimum provision, it is first and foremost the supplementary pensions negotiated by collective agreement which play an important role. There are instances of this in Germany, the Netherlands and France.

2.7.5 Social security systems also have to take account of the increasing mobility of labour between countries. Migrant and seasonal workers, for example, are usually not covered at all by pension insurance schemes. There is considerable need for action here.

2.7.6 Work on the land is changing, and with it the qualitative nature of the work to be performed. This matter must also be examined from the point of view of sustainability, and sustainability criteria must be applied. The working conditions must attract new workers.

2.7.7 Occupational safety and health protection schemes in the accession countries still have to be overhauled. Despite major efforts, accidents involving children and young people employed on farms are for example, still very frequent in the accession countries.

2.7.8 The fragility of the social security systems in central European countries is a major reason why the subsistence economy plays such a preponderant role in those countries. Thus in Poland, around 900,000 of the 4 million people working in agriculture are of pensionable age.

2.7.9 At the hearing, various parties underlined the high average age of farm-workers and the consequences of this. This age structure will in the long term lead to a shortage of qualified workers.

2.8 *Basic and further training*

2.8.1 European strategies attach considerable importance to developing workers' skills. There is a causal relationship between the number of jobs, their quality and employee training. For this reason, it is especially important to encourage people to improve their skills.

2.8.2 Solid basic vocational training to prepare young people for work is necessary to maintain the agricultural workforce in the long term. Training must be geared to providing people with a broad training in addition to a high level of specialist skills, enabling them to move to other sectors or countries.

2.8.3 As part of the social dialogue, the social partners have signed an agreement on vocational training stipulating the steps to be taken to develop vocational training further and how readily understandable evidence of vocational qualifications can be provided, in order to take account of the increasing free movement of workers⁽¹⁰⁾.

⁽¹⁰⁾ EFFAT-GEOPA agreement on vocational training

2.8.4 The proportion of the agricultural workforce taking part in skills training is below the average for the workforce as a whole in the EU. In the accession countries, there is a considerable need to match these skills to new techniques and technologies, new markets and also new economic and social content and capabilities.

2.8.5 Nowadays, more than traditional farming expertise is required to manage farms. Constant technical, environmental, economic and social changes are placing increasingly heavy demands on managers. Regions with large agricultural holdings depend in particular on new young managers. In the new federal German States (Länder), for example, there will soon be a shortage of suitable managers to keep farms successfully in business. Similar developments can soon be expected in the accession countries.

2.8.6 Nearly all the rural areas in the European Community, and, above all, however, peripheral, sparsely populated areas, are facing the problem of mobile young people moving away. It is in particular older people who stay behind, often to face the threat of loneliness and intellectual impoverishment. To prepare people properly for old age, access to training and the information society is also needed. Training for older people should:

- make use of their many years of experience working on the land;
- enable their needs to be mainstreamed in everyday life;
- encourage them to be involved in society; and
- prevent loneliness and intellectual impoverishment.

Much voluntary work is already being undertaken in this sphere in rural areas. What is needed is to focus these activities and to specifically integrate training for older people into European programmes such as the ESF and LEADER.

2.9 Co-determination and participation

2.9.1 A social model has been developed in the European Union over the last few years which gives as many players as possible a say in matters. The social partners have a special role to play here. Through agreements as part of the social dialogue or at company level, they contribute to the further development of the European social model. This concept also embraces non-trade concerns, which are due to gain in importance as part of EU external protection, too. Such agreements include, for example, also agreements between enterprises, trade unions and other NGOs to meet higher social and environmental standards in respect of certification. A number of highly promising initial measures have been taken in the agricultural and forestry sectors with the Flower Label Programme and the Forest Stewardship Council.

2.9.2 The development of European programmes has created new opportunities for participation, for example as part of the Structural Funds Monitoring Committees, the European Social Fund (ESF) or the LEADER Local Action Groups. It should however be noted that the social partners, particularly employees, are under-represented on these bodies and that the authorities have too great an influence.

2.9.3 Worker participation on farms is very rare due to their small size. Very few farms are large enough to have co-determination bodies. In the accession countries, where larger farms have been built up, much still needs to be done to set up co-determination bodies.

2.9.4 Because worker participation is limited to a few farms, co-determination at a sectoral level takes on greater importance. In some Member States, such as France, there are jointly-run boards or associations which give workers a say in determining employment conditions and skill requirements.

2.9.5 Alongside their work in institutionalised co-determination, the social partners are increasingly involved in moves to further develop society at grassroots level. Members of their organisations actively engage their liaising and communication skills, for example, and help to change fossilised structures. In turn, new ideas, products, markets and jobs may be developed for businesses.

3. A vision for 2010

3.1 The history of the EU shows that visions can be translated into reality if goals are set and if all parties are ready to take part in joint action. In this opinion, too, visions, backed up by concrete options for action, are used as a tool.

3.2 *The EESC is looking forward to a competitive, sustainable agricultural sector offering employment and social balance.*

3.2.1 There is to be a competitive agricultural sector that satisfies sustainability criteria. In this context, sustainable agriculture is to be seen as an ongoing process, in which there is to be permanent dialogue between the players concerned, aimed at establishing a balance between economic, environmental and social concerns.

3.2.2 Employment in agriculture is continuing to change. Farms with permanent employees, for whom social insurance has to be paid, are backed up by agricultural contractors and seasonal employment, thereby allowing production requirements to be managed flexibly.

3.2.3 There is to be a level playing-field in world trade. Social and environmental standards in the developing countries are to be a part of this.

3.3 *The EESC is calling for an integrated policy for rural areas. Such a policy should take the impact of upstream and downstream sectors into account.*

3.3.1 The Second European Conference on Rural Development, held in Salzburg in 2003, provided a decisive impetus for reforming rural development policy. Throughout the EU, it has been accepted, without diminishing the value of agriculture, that the funding required for rural development would be provided by the EU, backed up by funding from national budgets. The earlier system, which was complicated and inflexible, has been simplified and extended and assured beyond the previous confines of providing assistance to the agricultural sector.

3.4 *The EESC demands the establishment of a uniform system of aid in Europe, which safeguards farm incomes.*

3.4.1 The adjustment process in agriculture in the new Member States will be completed in 2010. A uniform system of aid will apply. Farm incomes will be safeguarded. Farmers will acquire new sources of income as the agricultural sector becomes multifunctional. Subsidies linked to production levels will be increasingly reduced and will be replaced by performance-related income-support payments for farmers.

3.4.2 Farms are to adapt to the constant structural change in good time. This will also involve an increasing number of activities outside the traditional sphere of agriculture.

3.4.3 Performance-related income-support payments are to cover environmental measures and the provision of land and facilities for tourism.

3.4.4 Farmers who wish to give up their holdings and farm-workers leaving farming are to have the opportunity to take part in employment and training schemes.

3.5 *The EESC is expecting employment in agriculture to pick up.*

3.5.1 The legal transformation of both agricultural enterprises and the ownership of agricultural land is to be completed and, in the agricultural sector, all legal forms are to be placed on an equal footing. There will be an overall increase in employment amongst farm-workers and farmers (including seasonal work and work for agricultural service-supply agencies). Regional funds will be set up, in collaboration with the social partners, to promote employment and skills acquisition.

3.5.2 The various aid measures are to be effectively used; the creation and long-term maintenance of jobs are to be applied as a criterion when the various public funds are allocated.

3.5.3 Seasonal work is to be calculated and observed in studies of full time employment equivalents. Illegal work is to be made legal.

3.6 *The EESC wants the social partners to conclude collective agreements to safeguard adequate levels of income.*

3.6.1 Collective wage agreements will be concluded for farm-workers; these agreements will apply across-the-board, with the result that national minimum wages will be the exception. Wage rates will be set at a level which provides employees with a reasonable income. ⁽¹⁾

3.7 *The EESC is calling for equal treatment for seasonal workers.*

3.7.1 Collective wage agreements are to apply to seasonal workers and migrant workers. Decent accommodation will be provided for all workers, who will also be protected against poverty in old age by pension schemes.

3.7.2 Information on occupational safety provisions in seasonal workers' mother tongues is to be essential. The EESC realises that this is not always an easy task; it calls upon the European association representing employers' liability insurance associations and accident-insurance bodies to address this matter and to put forward proposed solutions.

3.7.3 There is to be no further illegal hiring of workers.

3.7.4 If farms need extra labour, provisions can be enacted to cover employees from non-EU Member States.

3.8 *The EESC is hoping for social criteria and indicators for certifying businesses where farming is the main activity, as a contribution to sustainable farming.*

3.8.1 The introduction of certification for such businesses will be a key factor in promoting sustainable development in agriculture. Social criteria and indicators will be set in connection with the introduction of such an EU-wide assessment scheme.

3.9 *The EESC believes that effective social security systems will make jobs in agriculture attractive.*

3.9.1 Provident schemes in agriculture are to protect the workforce against loss of social status and social exclusion.

⁽¹⁾ The term 'reasonable income' implies that employees will receive an agreed performance-related income to satisfy their economic, social and cultural needs. Income trends in agriculture must be geared to general income trends.

3.9.2 Pension schemes for farmers and farm-workers are to provide them with a reasonable income in old age⁽¹²⁾. Early retirement arrangements will offer decent conditions for taking up retirement.

3.9.3 If farm-workers are to reach retirement age in good health, the environment in which they work must be geared towards the sustainable development of the workforce. Effective measures and instruments have been introduced as part of a European strategy. This strategy will be backed up by national occupational safety strategies for agriculture.

3.9.4 National social insurance systems covering the agricultural sector in Europe are to be transparent and compatible, thereby making it possible to move from one system to another without difficulty.

3.10 *The EESC is looking forward to a sector-based strategy for lifelong learning to underpin employment.*

3.10.1 A sector-based strategy for lifelong learning is to be implemented. This strategy will be based on the following pillars:

- basic vocational training;
- further training for employees in the agricultural sector;
- promotion of entrepreneurship in agriculture;
- learning schemes in old age.

3.10.2 Implementation of this strategy and the establishment of a network of training bodies operated by the social partners in rural areas will have boosted demand for training measures in the agricultural sector.

3.10.3 The social partners' agreement on vocational training is to be put into practice; the authorities concerned are to play an appropriate part in this.

3.10.4 The measures required for this are to be funded from EU sources such as the ESF, CAP, and LEADER programmes with national co-financing.

3.10.5 The profile of careers in agriculture and forestry can be raised by holding cross-border European-wide competitions. Support measures for individuals and grants are also to be provided as part of this initiative.

3.11 *The EESC is calling for civil society players to be involved in the sustainable development of rural areas.*

3.11.1 As part of a move towards 'new participation' in the EU, national and regional civil society players are to work together to promote sustainable development in rural areas. An

⁽¹²⁾ cf. footnote 1.

agricultural sector geared to meeting sustainability criteria will be a key component of this sustainable development.

3.11.2 Guidelines are to be drawn up for sustainable agriculture. Problems about conflicting objectives are to be settled responsibly by the agricultural sector in conjunction with civil society players in such a way that resource use also takes economic requirements into account.

3.11.3 One of the goals of sustainable development is to prevent rural depopulation.

3.11.4 All countries are to have instruments for facilitating social dialogue in the agricultural sector at the level of the Member States and the regions.

3.11.5 There are to be legal provisions to enable the interests of farm-workers to be effectively represented.

4. Possible courses of action

4.1 *Achieving a competitive, sustainable agricultural sector*

4.1.1 Agriculture is one of the largest users of land in the EU. It has a special role to play in sustainable development in the EU. This justifies the introduction of a European sectoral strategy for a sustainable agricultural sector to complement Europe's overall strategy.

— The Commission will formulate this strategy together with the civil society players in rural areas. The strategy will inter alia provide a basis for the debate on the new aid period post 2007.

— The strategy for a sustainable agricultural sector can only be successful if it enjoys broad support. For this reason, the Commission is asked to present a programme for publicising the strategy and to fund appropriate activities for achieving this goal, such as seminars and documentation. Civil society players in rural areas are called upon to help implement this strategy.

4.1.2 The sustainable farming model must be taken into consideration in the WTO negotiations. Here the concept of wholesome food production at a fair price must be non-negotiable and minimum social and environmental standards must be agreed upon and complied with.

4.2 *Integrated rural development*

4.2.1 The Commission must press harder than in the past at all levels of action for the targeting of aid to be coordinated. This requires the participation of stakeholders, a clear statement of objectives and funding which has a sustainable impact.

4.3 *Safeguarding incomes in the agricultural sector*

4.3.1 The gradual alignment of agricultural policy between the EU-15 and the accession countries is designed to safeguard employment and the income of agricultural workers and self-employed farmers. Modulation is a key tool here. Measures to step up aid to rural areas with the aim of providing new sources of income for agricultural businesses, should be further extended.

- The provision of aid under the CAP should be geared towards achieving two objectives: on the one hand, transitional funding should be provided for businesses with new entrepreneurial ideas and, on the other hand, direct financial aid should be provided for services which, although they are not marketable, are socially necessary and desirable (such as measures to restore parts of the landscape).
- The LEADER programme should be geared more to the involvement of the social partners at local level and to employment and sustainable development.
- Under the LEADER programme, assistance should be provided for employment and training measures for farmers who are obliged, or who choose, to give up farming, thereby stopping them from becoming unemployed. Corresponding, programme-related adjustments should also be made in the accession countries.

4.4 *Measures to boost employment in agriculture*

4.4.1 The local dimension of employment is becoming particularly marked in rural regions. In areas where large, non-farm businesses are rare, local businesses and workers must take their future employment into their own hands and pool their ideas. The approaches adopted up to now by the Commission under the LEADER programme and the European Employment Initiative should be further developed and better coordinated. Local players are, however, not yet sufficiently involved in the development of the process at local level. Local authorities and regions (NUTS 1 and NUTS 2) still have a considerable amount of ground to make up in terms of participation. If our vision is to become reality, the following measures will have to be taken:

- In EU programmes such as the CAP, LEADER and Local Employment, greater attention needs to be paid to the impact of rural employment.
- A programme aimed at the social partners in rural areas and designed to promote employment at local level as part of the European Employment Strategy should be developed and implemented.
- The Commission should press for the employment situation in rural regions and in the agricultural sector to be taken into account and reflected in the National Action Programmes for Employment and the Local Action Programmes for Employment.
- European aid programmes should attach special importance to the development of the 'third sector' as a means of stabilising the economic, social and cultural situation in rural

areas. In this context there are still many areas of activity (support for civil society) where new jobs could be created. There is a particular need to take action in the accession countries, where the 'third sector' or 'social economy' has not yet been extensively developed.

- Local training and employment funds should be provided with assistance under EU programmes; the social partners will be able to launch training and employment initiatives with the aid of such funds.

4.5 *Collective agreements to be concluded by the social partners*

4.5.1 Farm incomes are being safeguarded with the help of the CAP. Farm-workers must not be excluded from the general income trend. Collective agreements negotiated by the social partners must form the basis. State-imposed rules, such as the minimum wage, should only come into play on an exceptional basis. The State should only step in when negotiations are unsuccessful.

- The trend in wages scales and employment in agriculture and the situation as regards migrant work and seasonal work are matters of particular interest in the context of economic and social uniformity in the EU-25. For this reason, an observatory for agricultural wages, employment and seasonal work is to be set up. The observatory's task will be to investigate the impact which accession to the EU has on income trends, the socio-economic situation of workers and broader social developments in agriculture. The aims of the observatory will be to: monitor the situation; provide advice for, amongst others, the social partners, the Commission and governments; and identify approaches and options for taking action. The EESC requests the Joint Committee on Agriculture to take on the role of the proposed observatory.
- The income of farm-workers should be included in the Commission's reports.
- As part of the social dialogue, assistance should be provided for the organisation of events for disseminating information about collective agreements between the social partners in the Member States and in the accession countries.
- The social partnership is not yet sufficiently developed in the accession countries for all matters to be covered by collective agreements. The Commission must continue to provide support (especially financial support) in this field.

4.6 *Seasonal work*

4.6.1 In order to prevent upheavals on the agricultural labour markets in Europe, seasonal work in agriculture needs to continue to be regulated even after the countries of Central and Eastern Europe (CEEC) join the EU:

- With the support of the Commission, the social partners in the agricultural sector are to reach agreement on minimum standards with regard to the treatment and accommodating of seasonal workers.

- The introduction of an EU-wide identity card for migrant workers and seasonal workers is still necessary ⁽¹³⁾. The ID card should not be regarded as a passport but rather should provide employers and employees with useful information, e.g. with regard to skills and social security.
- If, after EU enlargement, there is still a need for additional agricultural seasonal workers from non-EU Member States, EU rules should be introduced with a view to reconciling the interests of the social partners and the Member States.

4.7 Introduction of social criteria and indicators for certifying businesses where farming is the main activity

4.7.1 Agricultural production is a key element in the sustainable development of rural areas. Consumers are increasingly demanding transparency with regard to the internal workings of businesses. Farmers are increasingly ready to accept these calls for transparent production. There are several approaches possible for putting 'transparent production' into practice. The development and introduction of certification systems, with the participation of the social partners, is essential for a sustainable agricultural sector in the EU.

- Certification systems, stamps of quality and labels are key components of a sustainable agricultural sector. The certification system must therefore also include social criteria and indicators.
- As part of the cross compliance provisions, businesses are to be assessed for keeping land in 'good agricultural condition'. The latter is not possible unless all parties in the production process are suitably prepared and qualified for the tasks in hand. Corresponding criteria are to be included in the definition of 'good agricultural condition' ⁽¹⁴⁾.
- A Farm Advisory System (FAS), as proposed by the Commission, is designed to secure a steady improvement in the economic, environmental and social situation of farms. Apart from advising farms, the FAS is to provide independent advice to workers to prepare them for the future ⁽¹⁵⁾.
- There is effective social dialogue at EU level in the agricultural sector. In this context, social criteria and indicators should be drawn up without delay, for use as guidelines when working out common approaches to the problem of sustainable agriculture. These criteria and indicators should be discussed with NGOs, consumer organisations, etc. in order to obtain a broad consensus, and are to serve as guidelines at regional level.

4.8 Social security systems in sustainable agriculture

4.8.1 In many European countries agricultural businesses complain about the shortage of skilled workers. One reason for

⁽¹³⁾ EESC Opinion on the Elaboration of an initiative aimed at establishing a regulatory framework for the employment of migrant agricultural workers from non-EU states (Own-initiative Opinion, OJ C 204 of 18.7.2002, page 92).

⁽¹⁴⁾ See EESC Opinion on the CAP review, CESE 591/2003, pages 10 and 11.

⁽¹⁵⁾ See EESC Opinion on the CAP review, CESE 591/2003, p 11.

this is that such work is less attractive than work in other sectors for a number of reasons, such as the lower wage levels and the hard physical work frequently involved. One way of making jobs in agriculture more attractive to the new generation of workers is to improve social security systems.

- Under the CAP, early retirement provisions are to be extended in order to provide workers and farmers with decent retirement conditions. Appropriate programmes are to be provided in the accession countries for this purpose, too. It is particularly necessary also to introduce such provisions in central and eastern European countries (CEEC), in view of the increasing ageing of their farmers.

- ILO Convention (No. 184) on Safety and Health in Agriculture should be implemented. The Commission is pressing Member States to draw up and implement national industrial health and safety strategies for the agricultural sector.

- As part of a wide-ranging initiative, migrant workers are to be provided with information on how to improve their social protection arrangements. The EESC calls upon the Commission to coordinate the information campaign with social insurance bodies and the social partners and to provide financial assistance.

- Member States must fulfil their social security responsibilities in the future, too.

- Farm-support services are to provide assistance for small farmers when farm managers are absent.

4.9 A sector-based strategy for lifelong learning in the agricultural sector

4.9.1 With a view to improving employment in the agricultural sector and in rural areas, efforts must be stepped up to boost the level of training. In addition to qualitative improvements in training provision, there is also a particular need to stimulate the demand for training. A sector-based strategy for lifelong learning is to be introduced to provide the requisite framework. This will contribute to the development of a knowledge-based economy, in accordance with the Lisbon strategy.

- Along with the social partners, the Commission is devising a four-pillar strategy - basic vocational training, further vocational training, strengthening of entrepreneurship, learning schemes in old age - for providing lifelong learning in the agricultural sector. This strategy is to be co-funded with EU resources, including ESF and CAP funding.

- A lifelong learning strategy should also include training counselling for farmers and farm-workers. This measure could be funded under the CAP. Funding should be channelled via technical assistance. The social partners should be involved in the provision of advisory services.
- The transfer of expertise is to be organised by a European training network, bringing together training and employment bodies on which the social partners sit; this network is to be provided with assistance from the Commission.
- The own funding will be supplied by regional funds.

4.10 *Civil society players are to help shape sustainable development in rural areas*

4.10.1 The development of labour relations between the social partners in the agricultural sector in the Member States assumes many different forms. The EU should introduce appropriate measures for developing the social dialogue.

- The Commission is urged to examine and make an appraisal of examples of best practice in labour relations and to disseminate the findings.
- The Commission should provide funding to the social partners in the accession countries in order to ensure that positive and innovative approaches adopted by the social partners can continue to receive assistance.

4.10.2 The key players in the process should be taken into account and involved in developing civil society as part of the move to boost sustainable development in rural areas. Scope for involvement should be created in order to expand participation, with a view to developing society at grassroots level.

- Synergistic effects may be exploited by holding sectoral dialogue in the agricultural sector in Member States and regions. The Commission is urged to set up forums for dialogue as part of key programmes. Sectoral dialogue should cover the coordination of programme development and project assistance in connection with operational programmes, such as LEADER, the ESF and the ERDF.
- The process of having a local agenda for implementing sustainable development has barely taken root in rural regions. A key aspect of this process is motivating as many people as possible to participate; bottom-up approaches can only be successful if the grassroots themselves are in a position to become involved. Such approaches are also necessary to ensure the success of local employment policies.
- 'Rural development workshops' should be set up at regional level in all rural areas. The key players (MPs, heads of administrative bodies and representatives of farmers' associations, trade union, churches etc.) should come together in these workshops to address the problems of rural development.

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Committee
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