

Opinion of the European Economic and Social Committee on 'Social inclusion'

(exploratory opinion)

(2010/C 128/03)

Rapporteur: **Ms KING**

In a letter dated 18 December 2008, Ms Cecilia Malmström, Swedish Minister for EU Affairs, asked the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, to draw up an exploratory opinion on

Social inclusion.

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 15 October 2009.

At its 457th plenary session, held on 4-5 November 2009 (meeting of 4 November 2009), the European Economic and Social Committee adopted the following opinion by 130 votes in favour, with no votes against and with 4 abstentions.

1. Conclusions and Recommendations

1.1. The EU's strategy for growth and jobs must pay more attention to social cohesion goals in the future, says a new report presented by the European Commission on 29 September 2009. The Social Protection Committee's report concludes that social protection alone is not enough to prevent poverty and exclusion, calling for more emphasis on goals such as fighting child poverty and promoting active inclusion.

The first victims of exclusion are often the poor, the low-skilled, migrants, members of ethnic and cultural minorities, the handicapped, and those who are isolated, in poor housing or homeless.

Although employment does not offer an automatic way out of exclusion and avoiding the risk of falling into poverty, it remains nonetheless the best way of fostering social inclusion.

1.2. The Swedish Presidency has the ambition to combat the negative impact of the economic crisis on growth and employment both at the EU and Member State level. It wants to prioritise actions regarding measures on the labour market that will minimise unemployment, reduce the number of people excluded and return those recently made unemployed to work. The Presidency also at the same time, wants to lay the foundation for the creation of jobs that are long-term and sustainable.

1.3. The recently concluded G20 summit states that Member States, including the EU, have managed to create and save jobs this year, which has meant minimising the impact of the crisis for a number of its citizens. Member States' efforts have centred in particular on supporting job retention and safeguarding household income.

1.4. However, the challenge the EU faces is that many working-age citizens do not have access to a job, even during the recent period of economic growth. In addition, some citizens earn insufficient income to lift them out of poverty. It can be concluded that, even in spite of determined action to support recovery, this group has increased over the last 18 months and the social impact of the recession is not yet fully visible.

1.5. The EESC believes that increased focus should be put on those furthest from the labour market, notably by stepping up efforts to implement the common principles on active inclusion endorsed by the Council in December 2008. These are the low skilled who have less access to life long learning and training opportunities, those with caring responsibilities (largely women), those taking early retirement, people with disabilities, minorities, migrants and young people.

1.6. The EESC recommends using the open method of coordination to identify best practice in transitions from education/training to employment and transitions from household/civil activities to employment, and in tackling structural obstacles to labour market and social participation overall.

1.7. The EESC realises that social services and protection are highly dependent on public financing which a number Member States are aiming to reduce due to the current crisis. For this reason, it rejects steps that would jeopardise solidarity, which underpins social protection and serves Europe so well. Measures should be chosen that afford protection and at the same time support the transition to work and job retention.

1.8. The EESC recognises the importance of life-long learning and training (LLL) in increasing the employability of its citizens and notes the paradox that the less educated have the least access to LLL. The EESC therefore strongly recommends effective entitlement and access for all citizens.

1.9. The EESC agrees with the Commission on the importance of coordination and cooperation at national and local level, including the public authorities, social partners and civil society, and not only in the area of employment but also in the area of housing, health and territorial inclusion.

2. Background and context

2.1. European economies and societies are facing a number of challenges such as climate change, technological advances, globalisation and the ageing of its population. The increased participation in the labour market over the past decades, although positive, co-existed with persistent levels of overall and in-work poverty, considerable labour market segmentation and only marginal inroads in the share of jobless households. Given that a quality job, however, is the best safeguard against poverty and exclusion, this opinion focuses especially on the link between employment and inclusion.

2.2. The global financial crisis is the latest challenge that has spread into the real economy, with the labour market situation deteriorating significantly as a result of reduced demand and tighter financing conditions ⁽¹⁾. The seasonally adjusted unemployment rate in the EU27 in March 2009 was 8,3 % compared to 6,7 % in March 2008. This represents a reversal of the unemployment trend as the rate in the EU25 had previously declined in prior years from 8,9 % in March 2005 to 8,4 % in March 2006 to 7,3 % in March 2007. Although the picture at the individual country level differs, all Member States and most sectors are affected by the deep international economic downturn. The countries most affected are Spain, Ireland and the Baltic countries, with unemployment rates that have doubled or, in case of the Baltic countries, nearly tripled. This upward trend is predicted to continue.

2.3. The present monetary easing and fiscal stimulus packages introduced in almost all Member States to combat this latest crisis are set to first stabilise the financial systems, to cushion adverse social impacts and then contribute to a recovery of growth. Member States' scope for action differs widely but there tends to be considerable attention to policies to maintain workers in employment, promote re-integration in the labour market, support people's income, protect mortgage holders against repossession, promote access to credit as well as invest in social and health infrastructures both with a view to boost employment and to

improve access to services ⁽²⁾. However, the Swedish Presidency believes that the measures needed to combat this crisis must go hand-in-hand with the necessary structural reforms to address the EU's other challenges (e.g. demographic shift, globalisation), as, prior to this crisis, too many EU citizens who could join the labour market did not have access to a job, despite a relatively favourable economic performance.

2.4. *The Swedish Presidency wants a focus on:*

2.4.1. how EU Member States are to jointly handle the effects of a rapid rise in unemployment as a result of the economic crisis;

2.4.2. what effective reforms can increase mobility in the labour market, including measures that can be taken to facilitate people's return to work.

The aim is to counteract the short-term effects of the crisis and to act to ensure that the Member States achieve the long-term goal of high levels of employment within the framework of a new EU strategy for growth and jobs.

3. Employment and Social Inclusion

3.1. *Promoting secure transitions*

3.1.1. Transition and social mobility have always been a part of life in Europe. The changes set in train by globalisation underline the need for economic and social governance systems that are actively oriented to both transitions and social mobility. Connecting activation, rehabilitation and labour reintegration strategies with social protection should be treated as a goal of policy. The literature speaks of at least five transitions ⁽³⁾: from education/training to employment; transition among different forms of employment, including self-employment; transitions between employment and household/civil activities; between employment and disability; between employment and retirement. The purpose has to be to convince people that transitions pay and encourage them to actively search for employment, while at the same time providing them with the necessary support and protecting them from material need.

⁽²⁾ <http://ec.europa.eu/social/keyDocuments.jsp?type=3&policyArea=750&subCategory=758&country=0&year=0&advSearchKey=&mode=advancedSubmit&langId=en>: The next full update is due in November 2009.

⁽³⁾ Schmid, G. (2002) 'Wege in eine neue Vollbeschäftigung, Übergangsarbeitsmärkte und aktivierende Arbeitsmarktpolitik', Frankfurt: Campus Verlag.

⁽¹⁾ See point 2.1 of EESC opinion of 11.6.2009 on the 'Results of the Employment Summit', rapporteur: Mr Greif (OJ C 306, 16.12.2009).

3.1.2. The transition from education/training to employment is of particular concern, as many young people have been disproportionately excluded from the labour market during the period of growth and now are disproportionately affected by the financial/economic crisis ⁽⁴⁾. Although their qualification levels are higher today when compared to previous generations, they enter the labour market later, experience less stability of employment, and are more exposed to labour market segmentation and unemployment. The EESC notes and welcomes the Commission's focus on *Helping Young people now* ⁽⁵⁾, but questions how quality training and apprenticeship will be assessed and reviewed for continued relevance. EESC recommendations on combating youth unemployment were made in its opinion on Employment of priority categories ⁽⁶⁾. The EESC recalls that migrants, people of ethnic minorities, single parents and the low-skilled are at particular risk of labour market and social exclusion.

3.1.3. Transitions between employment and household/civil activities largely impact on women and on their available options regarding type of work contracts or length of time outside the labour market. Therefore the EESC recommends that measures to ensure gender equality need to be reinforced.

3.2. *Integrated policy design and delivery, tailored actions and improved governance*

3.2.1. As experience with transition policies builds up, certain characteristics of 'good transition policy' are becoming clear. Incentives and support are emerging as critical. Labour market transition policies need to be considered jointly with inclusion strategies, particularly when referring to those furthest from the labour market, for whom systematic further efforts are needed. The Committee supports the view ⁽⁷⁾ that the crisis makes all the more urgent and compelling the implementation of comprehensive active inclusion strategies that combine and balance measures aimed at inclusive labour markets, access to quality services and adequate minimum income.

3.2.2. For the sizeable proportion of the working-age population that needs to make the transition to employment, the EESC

⁽⁴⁾ http://ec.europa.eu/youth/news/news1389_en.htm.

⁽⁵⁾ In: 'A Shared Commitment for Employment' (COM(2009) 257 final), p. 8.

⁽⁶⁾ See point 5 of EESC opinion of 12.7.2007 on Employment of priority categories (Lisbon Strategy), rapporteur: Mr Greif (OJ C 256, 27.10.2007).

⁽⁷⁾ See: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:307:0011:0014:EN:PDF>.

therefore welcomes the Commission's recommendation ⁽⁸⁾ of stronger involvement and better coordination at the national level. However, the EESC further recommends the personalisation of interventions. This is important as having advisory services that are 'close' or local to people and that provide tailored pathways if not to individuals then to groups is vital to reform. Social economy projects and organisations are often at the forefront of approaches promoting supportive pathways into work and creating new jobs for people furthest from the labour market.

3.2.3. The EESC also recommends that, in this context, social dialogue should be complimented by civic dialogue. Some Member States have some form of such dialogue already in place. This will create the opportunity for civil society organisations with the experience and knowledge as well as their often strong connections to vulnerable groups - including those living in poverty, children, young people, families in precarious life situations, migrants and ethnic minorities, people with disabilities, elderly people - to be included as important resources in shaping policies to increase social inclusion in Europe. Research shows that this quality and proficiency, including knowledge and capacity to deal with disadvantaged groups on the part of the professionals providing the services and their institutions, is an important element of good practice.

3.2.4. The EESC agrees with the Commission's Communication recommendation ⁽⁹⁾ that to improve the chances of the disadvantaged to succeed in the labour market, better cooperation between public authorities, public and private employment services, social services, adult education services, social partners and civil society is needed. The EESC further recommends the need for coordination between different types of service interventions such as health, education, and housing, as this has been shown to be a key element of good practice.

3.3. *Lisbon Strategy*

3.3.1. The EU's Lisbon Strategy puts increased emphasis on social inclusion within the EU. It sets as a general objective the need to move towards a more comprehensive economy, capable of combining efficiency and the creation of more and better jobs with high levels of social protection and a greater social and economic cohesion. This is the founding basis for the European economic and social models. The EU post-2010 strategy will need to have a clear vision of the key challenges facing society with revised

⁽⁸⁾ See 'A Shared Commitment for Employment' (COM(2009) 257 final), p. 13.

⁽⁹⁾ See 'A Shared Commitment for Employment' (COM(2009) 257 final), p. 9.

instruments for the fields of employment and social inclusion. The EESC is in the process of producing its opinion on a successor to the Lisbon Strategy.

3.3.2. The Lisbon Strategy has underlined how job creation relies heavily on active employment policies, a sound macro-economic framework, investment in skills, research and infrastructure, better regulation and the promotion of entrepreneurship and innovation. As labour markets continue to deteriorate in reaction to the economic downturn, additional action is needed as the main impact of the recession is on people. European labour markets will be changed profoundly by the crisis. Workers and companies must be given the necessary means to successfully adjust to those changing realities: to retain jobs, enhance skills at all levels, especially the low-skilled, get people back to work and set the conditions for new job creation.

3.4. *Concept of dealing with flexicurity in times of crisis* ⁽¹⁰⁾

As an integrated strategy to enhance both the flexibility and the security of the labour market and to support those who are temporarily outside it, the EESC believes that:

3.4.1. Flexicurity is even more important and appropriate in the current difficult economic context, characterised by rising unemployment, poverty, segmentation and the urgent challenge, of stimulating growth, creating new and better jobs and strengthening social cohesion;

3.4.2. The implementation of flexicurity requires not only supportive social protection components but also clear work incentives with an open and skills-oriented labour market underpinning the other components; combined with policies to address structural obstacles to participation and to promote job preservation and creation, including quality jobs. This will contribute to reducing social exclusion and the risk of poverty by opening the labour market to all citizens and to vulnerable groups in particular;

3.4.3. The common principles of flexicurity, as a means of implementing the European Employment Strategy, coupled with comprehensive active inclusion strategies for those furthest from the labour market, provide a comprehensive policy strategy to coordinate efforts to manage the employment effects and social impacts of the crisis, and to prepare for the economic upturn.

⁽¹⁰⁾ See Draft Council Conclusions 'Flexicurity in times of crisis', SOC 374 ECOFIN 407, 10388/09.

3.4.4. The EESC welcomes the EU social partners' agreement to monitor the implementation of the EU common principles of flexicurity and to capture lessons learnt. The EESC is in the process of producing an opinion on flexicurity to contribute to this exercise ⁽¹¹⁾. The EESC also invites Member States to step up efforts to implement the common principles on active inclusion, and the Commission to regularly monitor progress.

4. Social Protection and Social Inclusion Policy

4.1. Social protection systems are potentially a major asset for social inclusion because they acknowledge a status outside the market, involve positive actions on the part of the State, and within a framework of collective social responsibility, combat conditions that limit individuals' and disadvantaged groups' capacity to live in dignity. The success of the European welfare state, especially in combating inequalities, is well documented and reflects the core European value of solidarity recognised in the Charter of Fundamental Rights. In the view of the Committee, the over-riding set of challenges for social protection now is to ensure that people's basic needs, even if they vary in their application across countries, are secured and within reach of all, and also to facilitate good transitions, as discussed earlier. Action is needed to make transitions pay and improve access to employment for specific groups with problems on the labour market, while safeguarding the level of Member States' budget revenue, by reducing employers' non-wage cost of hiring by reducing administrative burdens; exploring the potential of job creation especially for the low-skilled; reducing disincentives to work; improving the structure of tax and benefits to make work pay, including the tax burden on second earners; providing incentives for the unemployed to set up their own businesses (e.g. through entrepreneurship training and micro-credits), by ensuring access to services necessary to enable participation. For those who cannot work, adequate income support must be provided.

4.2. The Committee wishes to emphasise that the strong competition arising from globalisation and the impact of the economic crisis make it all the more essential to have sufficient social protection against social risks, including unemployment, and to strengthen social protection's function as a social investment for the benefit of both economic competitiveness and social inclusion. Reform should not be allowed to jeopardise the principles of solidarity which underlie social protection and which have

⁽¹¹⁾ See EESC opinion of 1.10.2009 on 'How flexicurity could be used for restructuring against the backdrop of global development', rapporteur: Mr Salvatore, co-rapporteur: Mr Calvet Chambon (OJ C 318 of 23.12.2009, p. 1).

served Europe well. On the other hand, while change is essential, social protection systems should not be change averse, but must be guided by a coherent, long-term and coordinated policy of social reform, capable of providing protection and supporting transitions in the short and long term.

4.3. It is therefore important to consider ways of making the various components of social protection contribute more effectively to social and economic inclusion. The EESC draws attention to the following in this context:

4.3.1. Taking account of demographic imbalance and family change

4.3.1.1. The prospect of population ageing in most European countries raises various issues in terms of social inclusion. Action has already started in many countries. The issue that is most clearly perceived, although not always effectively dealt with, is the increase in the proportion of the population with pension entitlement as well as a need for health and social care services. The EESC welcomes the Commission's recommendation⁽¹²⁾ of promoting the employment of older workers as well as stimulate demand and jobs in the care sector by introducing tax breaks or other incentives. The EESC believes that the Commission's proposal to discourage early retirement schemes requires in-depth discussion on conditions, scope, political flanking measures, etc., so as not to create social problems for elderly people in particular. The EESC has already made a key contribution here.

4.3.1.2. A further aspect contributing to the demographic situation is that many policies, in particular family policies, do not do enough to enable people to satisfy their desire for children⁽¹³⁾. The EESC wishes especially to draw policy makers' attention to its opinion on family and demographic change⁽¹⁴⁾. Each country needs a family policy, one that respects the will of each citizen (including children), valorises family life, addresses the major impact, especially on children, of family breakdown, violence and poverty and social exclusion, and is close to citizens' lives and desires. A comprehensive family policy should therefore be a core

priority for each European country, linking income, childcare facilities, parents' access to full-time quality jobs, gender equality, education, social and cultural services, employment and infrastructural provision and planning.

4.3.2. Optimising unemployment insurance and promoting integration

4.3.2.1. Unemployment insurance is an important social benefit, which provides security for workers made redundant or jobless, especially against a backdrop in which the economic crisis as well as competition entails continuous restructuring. If it is substantial, unemployment insurance can be even a factor for economic fluidity and facilitate labour mobility. In some countries, however, unemployment insurance simply means passively distributing benefits, without an adequate system for reintegration into the labour market (i.e. transition from unemployment to employment) or for training geared to gaining a sustainable job.. As a general principle, unemployment insurance expenditure needs to be made more active. For this purpose it could be based, as is already the case in several countries, on individual back-to-work agreements, which are a prerequisite for entitlement to benefits. The responsibility of the authorities in this kind of scenario is to provide appropriate support, integration and training systems, and access to other enabling services. The preventive element is also important. For this, early intervention is necessary highlighting, the need to tackle child poverty, together with an effective policy of lifelong further training, which must be pursued and may involve some re-shifting of education over the life course.

4.3.2.2. Transition and integration are important for other groups also, for example accident victims, persons disabled by illness, (transition from employment to unemployment due to a disability). This raises, firstly, the question of a replacement income and, secondly, a return or access to employment. Having an income is a necessary condition of independent living, but it is not necessarily a sufficient one. In many cases, too little priority is still assigned to integrating the people involved into working life, despite legal provisions to that effect. Practical arrangements for guidance and support in finding or resuming work are often cumbersome and inadequate. Neither the requirements for entitlement nor the amount of compensation must dissuade the persons concerned from undergoing functional or occupational rehabilitation or from resuming work. Indeed they must encourage them to do so. However reforms which shift the emphasis from passive to active measures should not lose sight of, the objectives set out in the *European Code of Social Security* and its Protocols. The concept of suitable employment should be one that aims to ensure that unemployed persons are directed towards employment that uses their skills and qualifications in the most productive and effective ways for the benefit of society as a whole. However, people for whom work is not an option must be assured an income support sufficient to live a life in dignity.

⁽¹²⁾ See 'A Shared Commitment for Employment' (COM(2009) 257 final), p. 9.

⁽¹³⁾ See EESC opinion of 30.9.2009 on 'Work and poverty: Towards the necessary holistic approach', rapporteur: Ms Prud'homme (OJ C 318 of 23.12.2009, p. 52).

⁽¹⁴⁾ See EESC opinion of 14.3.2007 on 'The family and demographic change', rapporteur: Mr Buffetaut (OJ C 161, 13.7.2007, p. 66).

5. Promoting life-long learning and training

5.1. Member States operate very different systems and levels of vocational training and education for people in the labour force. The fact that further education and training among EU citizens is very unequally distributed – the better educated receive much more training and further education during their labour market career than the less educated – poses a major policy challenge in an era of globalisation and in the current economic downturn. Given that it is the less educated who have the greatest risk of job relocation and unemployment, one of the most important policy imperatives is to ensure better access to – and more extensive participation in – training and education by the less educated groups. Consequently the EESC calls for an effective entitlement for training for all citizens, especially the most excluded groups, who want to enhance their options on the labour market.

5.2. The fact that changes in the social, economic, political and technological context will result in successive adjustments in skills also implies that detailed thought must be given to the content of general training, especially if education and training are to be more aligned to labour market needs. It is therefore essential 1) to provide all young people with a sound education and 2) to identify current and future skill needs which should be analysed at a local and/or national level to reflect the diversity between and within Member States. The EESC notes the Commission's New Skills for New Jobs initiative ⁽¹⁵⁾, and will be responding in detail.

5.3. The EESC agrees with the Commission's recommendation that working careers must not be allowed to start with the experience of unemployment. It is therefore essential that every school leaver, who is willing and able, is offered further education or a place on an occupational training scheme, and be firmly encouraged to take it. For further details on the EESC's response, see the EESC opinion on Employment of priority categories ⁽¹⁶⁾.

6. Housing as a factor for social inclusion

6.1. Homelessness is one of the most severe forms of exclusion. Many countries of the European Union have ratified international treaties and conventions that recognise and protect the right to housing: the Universal Declaration of Human Rights (Article 25), the International Covenant on Economic, Social and

Cultural Rights (Article 11), the Convention on the Rights of the Child (Article 27), the Convention on the Elimination of All Forms of Discrimination against Women (Articles 14 and 15), the Convention for the Protection of Human Rights and Fundamental Freedoms (Article 8), the European Social Charter (Articles 15, 16, 19, 23, 30, 31) and the Charter of Fundamental Rights of the European Union (Article 34, paragraph 3).

6.2. In Europe the housing crisis affects 70 million people living in inadequate housing conditions, of which approximately 18 million are under threat of eviction and 3 million are homeless. This figure is increasing further as a result of the global financial crisis, which is causing approximately 2 million families in Europe to lose their homes as they are forced to default on their mortgage payments ⁽¹⁷⁾. Member States need to make this issue a priority to minimise the impact on their citizens, especially the most vulnerable.

6.3. This loss of homes leads to the opposite of social inclusion, with a predicted increase in demand for affordable decent housing, less security of tenure in housing contracts, greater risk of foreclosure in mortgage agreements and increased threat of evictions. Those affected will be the young, the elderly, the unemployed, the poor and migrants, as well as families on an average income. The EESC strongly recommends equal treatment with respect to housing must be guaranteed and mechanisms designed to prevent evictions established, in particular, for different groups of vulnerable persons.

6.4. The EESC welcomes the use of the Open Method of Coordination as a framework for the exchange of good practices and the choice of homelessness and housing exclusion as the thematic focus of the Social OMC in 2009. It recommends that this is further enhanced by reinforcing existing EU financial instruments with regards to:

6.4.1. programmes for providing affordable and decent housing;

6.4.2. programmes supporting the development of alternative housing solutions and experimental projects for new types of social housing, which are sensitive to intergenerational solidarity, multiculturalism and the issue of social exclusion, in partnership with local authorities, civil society and social investors.

⁽¹⁵⁾ 'New Skills for New Jobs – Anticipating and matching labour market and skills needs' (COM(2008) 868 final).

⁽¹⁶⁾ See footnote 6.

⁽¹⁷⁾ Ref: http://www.habitants.org/noticias/inhabitants_of_europe/european_platform_on_the_right_to_housing_2009.

6.5. The EESC agrees with the Council and Commission statement⁽¹⁸⁾ that financial inclusion is a pre-condition for sustainable access to the housing market, and that appropriate support and advice must be made available to those facing eviction and repossession.

7. Territorial Policy as a Factor for Social Inclusion

7.1. Policies focusing on housing provision must be informed and complemented by those giving attention to territorial or geographical areas. All the work pertaining to social inclusion draws attention to the existence of regions and localities that are disadvantaged. In many cases the factors causing such disadvantage are infrastructural - involving poor provision of services, utilities and other facilities as well as a lack of jobs – and may lead to environmental and social degradation. Emerging knowledge places great focus on the local level, demonstrating how problems and inadequacies can layer one upon another to form localities that are not just composed of vulnerable people but for this and other reasons are themselves vulnerable. The absence of capital investment, whether local, national or foreign, in these areas compounds the disadvantage.

7.2. An objective of policy, therefore, should be to avoid imbalances across areas or regions and to ensure that particularly disadvantaged areas are adequately catered for. In this regard, local initiatives have a major role to play, as do those aimed at the social regeneration of run-down and impoverished localities or housing areas. It is not only an issue of investing in physical infrastructure but also of emphasising the rebuilding of the social and community infrastructure and social capital of these areas.

7.3. Employment is especially important in overcoming area-based disadvantage. Locally available employment serves to reduce poverty, promote social inclusion and increase the self-esteem, self-confidence and resources of those who suffer exclusion from society. It also serves to augment the financial and other resources available locally. Conversely, access to services is a prerequisite for job creation at local level. The participation of local communities in these and other types of initiatives - such as the development of locally run microenterprises - is very important.

7.4. The EESC is convinced that, in addition to the classic domains of social inclusion policy, a new policy domain or concern needs to be put in place. The focus of this is creating an active and integrated society. To some extent there is significant overlap with policy structures (e.g. addressing housing, low skills) but it is also a concern that needs to be specifically addressed by policy in its own right.

7.5. The EESC welcomes the Commission's proposal⁽¹⁹⁾ to mobilise and accelerate funding using a new EU microfinance facility for employment to develop micro-enterprises and the social economy. The EESC believes territorial policy should be a priority with participation of the Member States, social partners, relevant local authorities and local communities, including the social economy.

8. Managing diversity and the integration of migrants

8.1. Cultural diversity is widely recognised as a descriptive characteristic of Europe but governance in European societies is not always multicultural. In the view of the EESC, social inclusion needs to address how European societies treat minorities (e.g. Roma people⁽²⁰⁾) and migrants. There are different ways in which this can be both explored and rectified.

8.2. The Committee believes that combining 'pluralism' and 'equality' as conditions of social inclusion needs to be explored. It can be challenging for the host society, minorities and migrants to appreciate each other's culture and values. The EESC recommends a number of fundamental actions: On the part of the host country, these include measures to identify the contributions of migrants as well as factors that contribute to discrimination, disadvantage and exclusion. For minorities and migrants it is necessary to show a willingness to accommodate to the norms and traditions of the host country, without giving up their identity and cultural roots. For further details please see the EESC opinion on Employment of priority categories⁽²¹⁾.

⁽¹⁸⁾ See Joint Commission/Council Report on Social Protection and Social Inclusion 2009, 7309/09, Section 2 paragraph 8.

⁽¹⁹⁾ See 'A Shared Commitment for Employment' (COM(2009) 257 final), p. 11.

⁽²⁰⁾ EESC Opinion 'Integration of minorities – Roma' rapporteur: Ms Sigmund, co-rapporteur: Ms M. Sharma (OJ C 27, 3.2.2009, p. 88).

⁽²¹⁾ See footnote 6.

8.3. The role of intercultural dialogue is to be emphasised also, either as part of civic dialogue or in its own right. Among the possible policy goals of this kind of activity are the following:

— instituting procedures to build confidence in a common future and in civic values such as fairness, tolerance, respect for freedom and democracy, gender equality, solidarity and

social responsibility, and engendering a sense of belonging and mutual recognition;

- strengthening social inclusion through the economic, social and cultural integration of migrants;
- reconsidering all policies for their 'fairness from a cultural dimension', including stigmatisation and discrimination.

Brussels, 4 November 2009.

*The President
of the European Economic and Social Committee*
Mario SEPI
