

PANEL DISCUSSION AFTER THE KEYNOTE SPEECHES

Ulrich Bauermeister, Managing Director of the Port of Rostock

Thank you Mr Lonnroth for outlining the EU Social Policy. Now we should immediately start to discuss what Mr Lonnroth was talking about and ask the questions. We can start our discussion of the subject of Mr Lonnroth. Please ask the questions.

Juhan Janusson, UBC EU-Coordinator

It was very encouraging, specially to hear that you relay very much on a local level for implementing different polices on the social and employment field. If you ask cities in the accession countries what they think about of the future role of the cities in this field when they are members of the EU, they have very weigh ideas and if you compare it to other fields like environment it is quite clear what to expect. I think that in the social and employment field the knowledge about what will happen is more weigh. So I would like if you could elaborate a little bit more concrete for information for the eastern cities. The second question is concerning the co-operation, dialogue between the European Union and the representatives of the local and regional level, like for example this dialogue I think using networks like UBC and other networks could be very beneficial for facilitating the EU enlargement. And how that can be done?

Karl-Johan Lonnroth, Deputy Director General, DG Employment and Social Affairs, European Commission

First of all what the candidates countries think about labour market policy and employment policy I will elaborate perhaps even a bit more in the afternoon on the workshop. But our experience is that at least at the level on consensus the all candidate countries are developing policies and programmes very much in line with current European employment strategy. As you know we have four pillars in the employment strategy which are based on improving the ability of those who are unemployed or under the risk of exclusion. We have adapted ability in terms of changing work organisation and improving of skills of those who are at work. We have inter-promoting which means creating more and better jobs both locally and in the new service sectors and also some in the new technology area. We have equal opportunities which is the pillar to develop the equal opportunities and responsibilities both for women and men in the working life.

All of these candidate countries are currently developing what we call joint assessment papers and national action plans in these areas. But the changes, of course in the employment and the labour market field, maybe in some sectors dramatic but I think both the fears and hope which relate to the opportunities and challenges are somewhat exaggerated. We have calculated for instance, if you look at free movement of labour where there are some transitional periods, we have calculated in our research that it will not be so dramatic as some people will think. We have currently 85.000 people from the candidate countries living in current member states. Our estimates show that within thirty years of accession this amount increase to the amount of about four million, in thirty years but it is still only 1% of total the population of the current fifteen EU member states. So, one should be a bit realistic about attitude of these changes at least as far as the impact of the current member sates is concerned.

There will be some problems in terms of some sectors and in some regions, cross-border regions. For that purpose we are working together with the candidate countries in order to enhance and to strengthen the labour market capacities, the employment services and the job creation capacity in these regions in order to delete this problem. It is very important to start now not wait until the accession takes place. In terms of social dialogue there it is not only the European Commission which is active. We have also within the context of the current social dialogue where the labour market organisations, employers and workers organisations co-operate. They have already opened the membership and some programmes for the social partners of candidates countries. We are supporting them through European funds in order to develop their own social dialogue their own capacity to deal with social dialogue. We have also within the Phare thirty percent of the current Phare money devoted to the institutional

capacity building. And if so far as the candidate countries themselves put in the development plans programmes and projects to develop social dialogue we can fund that, we can help developing that both through the existing social dialogue institutions and through new institutions. So it is a question of enabling and encouraging candidate countries to put this aspect in the development plan, so that we can fund them that the progress can be made.

Tonu Karu, Project Manager, City of Tallinn

As a representative of the one of the accession countries, I would like to ask you about the area of influences. I think that in new independence it took a bit of time for us to understand that modern independence means more of inter-dependence. As far as Baltic Sea is inland Sea of EU already it is small interior area in the world. And I think that all here today will prove that our influence is a bit wider. You see there our colleagues from Africa, from the heart of Africa, from the Lake Victoria area. I've been visiting this area myself, as a delegate and a leader of world representation organisation. I would say that we - the first world, I mean you, EU, the second world that means the accession countries of Europe - might have a very good chance to take experience to Africa and other third world countries, which are not even as well-off as us financially and many varies. But these guys have done wonderful work in the third world countries for which European Union is the biggest financial donor. They are using very costly practical solutions and working more with the hearts and brains. Is there a chance that the European Union financial facilities for the third world and for the second world, that means Phare countries, why not in the Tacis countries, might be combined. You have the win situation for everybody in the world especially when talking about producing some technology, medical technology, computer programmes, whatever. But first of all, use the third world cost practical experience to save the money of Europe, because now and than the first world is wasting money and time. Thank you.

Karl-Johan Lonnroth, Deputy Director General, DG Employment and Social Affairs, European Commission

This is very interesting question. I think there are several aspects to this. One is to say, that in terms of our problems and challenges in the European Union, it must be remembered that more than 90% of its wealth, GDP, is generated within the European Union. I am now talking about the European Union and its fifteen member states which means exports, imports, foreign investments creates less than 10% of the wealth that you have in the European Union. So all the problems in the European Union, social and economic problems, are created by ourselves. So we have to find the solutions ourselves to do it and 90% of our wealth is created here. That does not mean that we can not learn from the others but we can not rely on the global economy to solve our problems. That is one aspect to the problem, to this issue.

The other issue is how to learn. I was talking about the local development. I have myself work, in my earlier life in the United Nation system and I know very well that in terms of the local development system, for instance, there are a lot of innovative solutions that we can find in those countries and we are using them. We have a lot of development partnerships within for instance the LOME convention which our friends from Lake Victoria may know and we through those conventions we have similar type of exercises with those countries outside the world and we are using them in our development in our local actions. Whether it is possible or useful to combine funding that is perhaps another issue. I think, we have worked under the impression or under the principle that we have our own structure of funds which are devoted to economic, social cohesion of the current EU member states. We have the Phare, Tacis money which are devoted to the candidate countries and Eastern Europe. And we have the LOME convention countries which are recipients of our development assistance. I think that from the point of view of good management, it is not very wise to combine those funds. But what we can do is to do the twinning. For instance we have within the European social fund which is one of the structural funds we have community initiatives equal which is about fostering equal access to and equal opportunity on the labour market. And there we have a number of inter-community programmes and those can be linked with the programmes in the Phare countries. So that the representatives from the Phare countries can develop the similar programmes, they can meet together, they can interact and use each other experiences in order to develop good practise and so on. This is what we welcome and

we welcome this also for the countries outside the world, so to say. It is possible but I would not recommend for good management reasons to put together the various ones.

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Karl-Johan Lonnroth - question to Georg Cremer

If nobody else wants to start maybe I am allowed from the panel to put the question. You (Prof. Cremer) said on the beginning of your speech that you are only for the next few years and you left the next millennium, so let me try to address that question and I will ask you a question related to that. You are indeed a living example of the diversity, big diversity in Europe, as far as social policy is concerned. Because you have in the European Union the countries that have so-called universal model that actually covers social protection in very complete sense. Then you have countries where for many historical reasons, as you mention, public social system or policy does not cover everything. And therefore there have been a very strong road development for the NGOs to do this. Now, we in the European Union are pushing the member states and the local and regional authorities to do more in this field. So, my question is which way, on your view, should we go in the future? To what extent should the role of local authorities and governments be increased. And what will be then the role of NGOs like Caritas in the future. Or do they have as you seem to imply at the end of your speech the complementary role and which areas that complementary role will be in the future. But, as I said, this is the question for the next time for the next fifty years. Maybe you can give some hints, which way should we go.

Georg Cremer, Secretary General of Caritas Germany:

Of course, it is very difficult to give the answer for the whole Europe on that. I think, what is very clear is that the state has a responsibility that social services are offered. Either the state institutions offer these services by their own but in my opinion it is not the best way to offer social services. Or it takes responsibility that they are offered by ours: either by welfare organisations or certain social services, of course can also be offered by private enterprises. We see this now in the field of home care after some changes in the law in 1992-1993. We now have also private small firms offering home care service. But what is the state responsibility is that there are transform mechanisms that those who need this can pay for it even if they have personal means to pay for it. And the certain quality standards are institutionalised, qualification of the personal work in these fields and some standards of the quality are offered. When that is assured it is not needed that social services are offered by state. But, I think also in Germany we have a system which is multiplied which is not just one institutions that offered all social services. But we have welfare organisations, we have municipalities in the field of hospitals and we have some sort of private organisations. What is needed is that those, who are in need of social service, have right to choose the social service that fits the best for them. And some changes even could be done when changing power is transferred to those who are in need of social services and then they will look for the services that fits the best to the personal preferences.

I would like to ask Mr Lonnroth what is his view on the role of the governments, welfare organisations and private enterprises and private initiatives in the field of social services. You asked this question to me, but of course for me and for somebody from welfare organisations it would be very interesting also to hear if there is any unified position of the Commission on that. Are there different positions according to the variety of the positions in different countries?

Karl-Johan Lonnroth

Well, Mr Cremer, you are a skilful man. You took the ball back to the Commission on this. I should say that we have not position to develop particular model of administration of the social services in the European Union member states.

I think I said in my introduction, in the beginning that we have some values, we have some common objectives in Europe but we have a diversity of models. That's partly our wealth too in the European Union that we have different experiments, different experiences. What is important however for the community as a whole, for the community institutions, which the Commission is one, is that we reach

certain common defined objectives. One objective that we have is to align with poverty in Europe. We have another objective to achieve full employment which is define further as a higher rate of employment in accordance with European Council conclusions. And we have value or we have an objective to say that work actually is the best social policy.

It is important to develop employment in order to be able to have the wealth which is necessary to give an opportunity and assistance to all the weakest groups in the society. That is the way the European Union and its member states are built. We have a need to have as many as possible in work in order to have the wealth necessary to have solidarity which is another value to be realised. Now, why is it so important? It is important because if you look at the world, we have in the Europe about 65 million people who are defined as poor. Of course, poverty in Europe is not the same as poverty in Bangladesh, that is quite clear. But we still think that there are 18% of our population, in EU 15% which lives with the income which is less than 60% of the medium income. Those are defined as poor. And there are 18% - 65 million. Now, the question is if we can not in the Europe, which is one of the richest areas in the world, if we can not align with poverty. Who can? How can we expect that the world can reach at the same group? So we have to show an example and this is the result that we want to achieve. Now how to achieve that? That is up to the member states and we welcome the various models to do it. Some countries have the universal model they consider that is the best. Some others have different models. That produces the results. But what we want in the Europe is to compare, is to exchange the best practice, see what are the experiments that produce the best results. And it is truth that these kind of exercises that we finally get to the best solutions.

Georg Cremer

Are there one solution or different kind of the solutions?

Karl-Johan Lonnroth

They can be different best solutions as long as they produce less poverty or better inclusion. Poverty is not the only objectives there are others but as long as they produce these objectives that we have agreed as common. So, I think that it is important for you to understand that we are in Europe not for harmonisation in everything and in each field. We are not for regulating everything in details but we are there to define commonly solutions, quantify objectives and we want to leave these to the member states to design according to their own conditions how to the best achieve these objectives. This is perhaps a bit longer answer to your question but I think that it is important for you to understand.

Ulrich Bauermeister

Yes, probably it is important for most of you as well, because as far as I understood UBC, UBC would like to be something like basic group which tries to bring its ideas to the European Government or European Commission. So probably, you answered questions either to Mr Lonnroth or Mr Cremer.

Question from the audience

We are talk much of the social justice this morning but we have not mentioned women trafficking. I see it's very a very huge problem of sexual exploitation of women and children in Europe. And I think that it's very big problem. And not even a word about this – why not ?

Giedre Purvanieckiene, Member of the Parliament of the Republic of Lithuania

That is question for me, I suppose. Yes, we realise in our countries also that this is a very big problem. And I think that there are almost in every country at least in Lithuania national programs of prevention women from trafficking. But I can say especially about prostitution. This is very difficult issue because there is almost no mean to help women and men deported from western countries. Because first of all there is a very high rate of unemployment so it is difficult to employ them even after some rehabilitation, there are no means to force employers to take them. And even if they are employed on minimum salary, that means in Lithuania 100 USD, getting this salary they are not able to rent a flat or some living place and to have for living. So it really very difficult problem in practise this is why this prevents and NGOs and also state officials really take some measures. Of course there are some measures, but let us say they are really not so effective. And not always there is understanding of

prostitution by law enforcement or officials. I can not say exactly that prostitution is prohibited. It is not free but it is not prohibited. Trafficking of women is prohibited. Combating this trafficking is not very effective and very often law's enforcement officers they try to punish prostitutes themselves. Because there is in administrative code that there are provisions that prostitutes can not be punish but could be penalised. So mainly they do more with that than really with combating trafficking which is also in our country all illegal, companies of escort, saloons of massage, and so on. So there is semi-legal prostitution now in Lithuania and in all candidate countries it is very similar.

Mr Karl-Johan Lonnroth

If I can add something to this, the policy of the Commission basically approaches quite similar to what we just heard. I don't think that the solution to that problem is deportation of the prostitutes themselves. Because actually, it is punishing the victims - the victims of exploitation, the victims of poverty, the victims of various social problems. So, what we have to get of these attitudes is awareness raising, punishing prostitute's traffickers and attacking or tackling the conditions in societies. Generally, we have in the commission organised first of all several conferences on trafficking women in particular with a purpose of awareness raising and with a purpose of designing appropriate strategy. Our Commission is taking an initiative to launch a programme which is combination of measures of the awareness raising and also action to enforce different kind of sanction and of course and also incentives of poverty alleviation. So, that is on the way. We have also encourage the candidate countries through the Phare programme and current member states through our programmes of equal and other activities to launch programmes in trafficking women. And it depends also on developments and the authorities of the candidate countries themselves whether they put that or not in the development plans which they have for the accession. So we are doing quite a lot of things, we are taking initiatives and we are launching programmes but it is also for varies authorities and for those who are responsible to respond to this initiatives.

Hjordis Hoglund, Coordinator of the UBC Women's Network

Some comments to this discussion about trafficking women. Typical it was the leader who answers the question but for me it should have been, ought to be all persons in the panel. But also this is not only for the women in our society is more the problem for the men. And in your task the men depended, in your tasks when you are working this is a problem. You have to take seriously really. Because one of the first arguments for combating this problem are women's lack of incomes, unemployment and poverty. This is the ground for this problem and these have to start the discussion and the work we started there. And again it is not only a problem for the women there but it's a problem for all of us and perhaps more for the men.

Karl-Johan Lonnroth

Well, I think I do agree and I think my answer just was going this direction, wasn't it. Because what I said is not the question of victimising more the victims but addressing more the structure to society which includes poverty, unemployment, and so on. And this is the strategy that we are doing. So another words this issue of trafficking is part of the wider society development that we have to launch. I do not think we should address this question as man or women, it is a general question of society, values in society. We should not make it a question of women or men, we should make it question of addressing the basic values that we have. That, I think, should be a basis. I don't want to become as a man defensive of this issue but I think it is general problem.

Question from the audience

I want to link this question to these attitudes to Mrs Purvaneckiene, because it was a little bit ironing about these attitudes within the EU. Perhaps from the beginning it should have been more important with this question of attitude to gender equality. And I come from Finland so perhaps there and in the Baltic Region we could give some examples and work for this thing. I think that within the EU there is a big difference within the countries and it could be possible that it's going worse now when we had joined the EU, from the Nordic point of view for the women.

Giedre Purvaneckiene

I am sorry that I was a little bit ironical but I just wanted to show the difference between evaluation and what is really in practice. Evaluation is quite high and deep changes are quite small. So, I do not think to compare with candidate countries that gender equality issues will be on lower level if we join the EU. Because, let us say these equality was not really implemented in practice. What I have noticed in EU countries, of course especially in Nordic countries, that reality is much closer to the legislation than in my countries. So I think that we will gain in this respect joining EU.

Karl-Johan Lonnroth

I want just end the last comment that you would not only gain but you would get more stress, you would get more pressure because we have several mechanism which actually required everyone of us not only candidate countries but the member states also to do more. We know that even if you account for the structure differences and differences in occupations and material positions and so on the payment, the gender payment in Europe in the current fifteen member states is about 15%. So 15% of women has lower salary levels. Now we have in European employment strategy we have one pillar that I have just mentioned the equal opportunity pillar which requires the member states to address this issue and also generally the issue of equal access of women and men to the labour market. Now, this is very powerful instrument which we did not have before. And this is not a legislative instrument only it is a political instrument because every year you are going to be obliged to report to the European Union what you have done at varies levels not only the government but a social partners to alleviate this problem. And than The European Union is going to evaluate and create some pressure on each of you annually which is a political pressure, which is a democratic way of addressing this issue because you have to respond to the parliament. Let me take an example. Lithuania in this position maybe lower, I do not know, than the others, why are you not doing more. Should the employment guidelines, which are going to evaluate every year will give you yearly pressure to improve your position. This is a powerful instrument which goes beyond every legislative directive that we have which also requires to do it. But now, you have to report you are going to be criticised, assets and then recommendations are going to be issued to you to do more and better. So you will not only gain but you will have more stress.

Ulrich Bauermeister

No more questions? So, let us go to the end. I would like to thank our speakers for the statements and for the contributions in our discussion. I believe they delivered good basis for the afternoons work in the workshops. Thank you Mrs Purvaneckiene, thank you Mr Lonnroth, thank you Mr Cremer and all of you for your participation and attention.