

Ethnic Minorities in the Labour Market



An Urgent Call for Better Social Inclusion



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Report of the High Level Advisory Group of Experts on the Social Integration of Ethnic Minorities and their Full Participation in the Labour Market

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Foreword



I feel honoured to write a few introductory words to this Report of the High Level Advisory Group of Experts which has worked for two years on issues concerning the social integration of minorities, focusing above all on their full access to the labour market. The members of the High Level Group have brought together a great wealth of expertise - practical as well as academic, from the perspective of civil society as well as from that of local or national public authorities. Moreover, I am

convinced that the experts have been able to produce a coherent report from the diversity of their experiences - one which reads well without resorting to undue simplifications.

The issue of integration of ethnic minorities is one which requires increasing attention of policy makers on all levels. As our societies are becoming more diverse due to both internal and external migration flows, the period of ethnically homogeneous nation-states is receding into European history, where it might in fact occupy the place of a relatively short episode. However, we do need to maintain solidarity and social cohesion which were first achieved in these relatively homogeneous societies, which makes the successful integration of minority groups vital in order for the European Social Model to prosper. And I use the word "prosper" not merely in material terms: European societies must prosper above all in terms of human dignity and effective equality.

The report makes, of course, no claim of providing a definitive answer to questions which are and will remain difficult in conceptual as well as methodological terms. Obviously, there is an urgent need for more data on the ways in which discrimination, cultural factors and social disadvantage interact with each other. There will surely continue to be many different, and sometimes conflicting, interpretations of the dynamics affecting the integration of ethnic minorities into our societies. Policy makers on local, regional, national and European level will have to continue examining these issues while drawing on the knowledge and experience of experts from various areas of society. In my view, this report demonstrates how useful the input of such independent experts can be for modern, well-informed policy making.

Vladimír Špidla

*European Commissioner for Employment, Social Affairs and
Equal Opportunities*



Ethnic minorities in the European Union – since many years the EU has placed this issue on the political agenda, both in Parliament and Commission and recognised it as a particularly important commitment.

The protection of minorities and their full and equal participation in all spheres of life is part of basic human rights and at the same time societal necessity as a consequence of globalisation and the growing interdependence of continents with their peoples. This process will continue as worldwide migration and the coexistence of people of different linguistic, cultural and ethnic origin continue. We have to take into account that the world population grows rapidly in certain regions of the world and that in others the number of births recedes dramatically while the life expectancy rises.

The task for the HLG was to examine the integration of ethnic minorities in the labour market. The main interest was focused on good practice in public policy and in societal initiatives, mainly of enterprises, with a view to improve participation in the labour market, and, in society as a whole.

Such an assessment requires a holistic, multi-dimensional approach. Exclusion and participation are complex phenomena. Related problems have their origin in individual and collective framework conditions of a political, cultural, social and economic nature. These conditions are in the EU Member States all but identical. They require, however, more common approaches with regard to the objectives and actions for more participation and integration.

It was not our primary task to analyse the reasons for existing inequalities in the labour market, but we aimed at highlighting the efforts and the successes of enterprises in this field and submit on this basis recommendations for an improvement of equal opportunities within the European Union.

Our lead questions were:

- Which actions have been undertaken with a view to reduce social, cultural, economic and political exclusion; what was successful; what has not been achieved?
- How can the non-discrimination policy be evaluated?
- Is it the most effective approach to reduce unequal access and to improve integration into the labour market?

The results of the IZA Expert Opinion Survey from 27 Member States show clearly the necessity for a continuous integration policy. As different as the situation in the Member States and among different ethnic groups is, there is a tendency which can be resumed in the following way: "The labour market situation of ethnic minorities in Europe is described as severe and worsening. The Roma and Sub-Saharan Africans are most frequently cited as those facing the largest risk of exclusion." (K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities, 2007, p. 6).

Available studies highlight that disadvantages and exclusion from the labour market are not only due to a lack of education and qualifications. Education is important, but good qualifications are no guarantee for a better access to the labour market. The perception and the attitudes towards specific ethnic minorities in a country and, thus, the related positive, negative or discriminatory assessment are decisive. Significant barriers for labour market access are an empirical fact which is also expressed in the subjective perception.

It needs to be added, however, that the barriers for ethnic minorities differ from country to country further to their length of presence and traditional forms of appreciation or rejection. There are in virtually every country more or less accepted ethnic minorities.

In most states we are confronted with promotion policies which are based on human rights or democratic principles of equal treatment; the implementation does, however, hardly achieve the defined goal of equal opportunities.

It is striking that even countries with explicit measures for promotion are not free from discrimination. Non-discrimination policy is important, in particular with regard to the change of mentality, legal claims and recognition of illegal treatment. Non-discrimination policy is crucial, but as the only or dominating instrument it does not lead to more equal opportunities. There is a need for measures at the different levels of individual rights, of status of residence, of education, training and further training, of housing as well as of social and political participation.

- We need policies which are developed with ethnic minorities, with concerned groups and not for them.
- Ethnic minorities are important actors; they are subjects and not objects of policies.
- We need policies on integration which are built on the appreciation and recognition of their human capital, their available and imported qualifications.
- We need the exchange of different vivid traditions and cultures; we need the appreciation of diversity, but also the common experience and shared values, norms, rights and equal treatment. Access to and participation in the labour market is crucial in order to make the experience of belonging to society in all diversity.
- The objective is to have less special measures, but, instead, more equal treatment. In conclusion this also means: equal access to the labour market, equal rights and obligations, equal salary and equal career opportunities.
- The EU Member States have their specific history of immigration with different ethnic minorities. This history needs to be taken into account. This applies not only to Roma, but also to other groups, such as people from Eastern Europe, oriental people, people from Asia, Latin America and Africa.
- Countries with a high demand for labour such as the United Kingdom, Ireland or Spain have less unemployment than Germany or Portugal. This has consequences for the access to the labour market. The more significant the barriers for labour market access are, the more difficult is integration. The recruitment of ethnic minorities as unskilled temporary workers (such as from the 1950s to the 1970s) have negative long-term effects, because many jobs for unskilled workers have become redundant. The parents' unemployment has partly strong negative repercussions on the 2nd and 3rd generation of ethnic minorities.
- Public policy has to take care for framework conditions which have positive effects with regard to integration. Studies with their analyses show, however: Decisive contributions for integration are currently made and have been made during the last years by NGOs, by enterprises and trade unions, by churches as well as civil commitment and foundations.

Municipalities play a central role in this respect. Integration needs leaders from politics and from the society, experts, committed women and men who push forward the integration of ethnic minorities at the different levels.

- A public integration policy without the active support by all stakeholders and concerned people remains without tangible effects. Integration is a horizontal task. This leads to the conclusion that cooperation and coordination between all actors is necessary.
The integration into the labour market begins in education with the cooperation of school and business community and joint efforts for internships, apprenticeships and the bridge to the labour market.
This requires advice, *i.e.* contact persons and pilots who offer information, orientation, practical assistance and accompanying measures.
- We find good practice in extended forms of cooperation between different actors: schools, public youth welfare (social working), representatives of municipalities with representatives of businesses and trade unions, sports and cultural associations. In this way, progress towards integration can be achieved.
- In particular in the business community numerous examples of enterprises prove, that integration into work is necessary and possible, that it is productive and enriching for economic growth and better chances in life for all, including ethnic minorities.
Companies have a concrete, direct economic interest in workers from ethnic minority groups. They are not focused on their deficits, but interested in their competences and strengths.
They need them in spite of or because of their diversity. Diversity management is based on interest and necessities. This requires processes of learning and refocusing of all concerned parties as well as the cooperation with ethnic minorities, education providers, municipalities etc.
In all Member States ethnic minorities contribute to the integration and to the cooperation with the majority with the start-up of enterprises, self-employment and the creation of jobs. The economy shows: Integration is possible.
National business charters can be regarded as powerful promoters of diversity. There is no doubt: In a labour market which is characterised by SMEs a lot needs to be done and it is, thus, particularly important to offer practical advice to committed owners of smaller companies. Good news needs to be communicated! The knowledge among customers, business partners and future workers about the results and benefits are important for creating a supportive environment.
The European Union needs the cooperation with Member States, the national, regional and local level in order to be effective.
It needs to remain a pioneer. For that, there is a need for concepts, financial resources and commitment. The efforts will bear fruit. A number of success stories prove that. The EU could become a model for the successful integration of ethnic minorities. The integration policy for ethnic minorities needs to be continued intensively on the level of both the European Union and Member States. It can only succeed together with the social partners, all relevant actors, initiatives and organisations of civil society.

The HLG has made eight recommendations which are linked to a number of concrete calls for actions addressed to the European institutions, the Member States, social partners and civil society. What is first and foremost needed is the commitment of political and business leaders to place the inclusion of members of ethnic minorities into the society, in particular into the labour market a priority of the political agenda. If this commitment is made the practical steps can follow. Clearly, there is a need for a long-term policy which mobilises all relevant actors and is sufficiently resourced.

If there is a firm will we can achieve an inclusive society for all.

My last remark I would like to dedicate to the Roma. We have discussed their situation intensively in the HLG. The persistent discrimination and far-reaching exclusion of Roma is

against Europe's values and against her interests. The Roma are a European people since centuries, they are a part of European culture and history. There are many initiatives at the international and at the national level, and not all of them have led to sustainable improvements. We need to overcome stereotypes and always realise that every single person – every major, every journalist, and every businessman – can contribute to end the vicious cycle of poverty and exclusion.

The European Union can and should be a model for successful integration of ethnic minorities in the labour market.

My special thanks are going to all members of the HLG, to all organisations and groups which gave us advice and support. And above all the HLG appreciated a lot the work done by Jan Jařab and Joachim Ott of the European Commission (and their small team).

Rita Süßmuth

President of the High Level Advisory Group of Experts

Executive Summary

Recommendations

The High Level Advisory Group of Experts (HLG) recommends on the basis of identified barriers and the assessment of good practice in both public policy and enterprises the European Commission, the other European institutions, the Member States' authorities at all appropriate levels, social partners and organisations of civil society to

- (1) *Make the inclusion of members of ethnic minorities into the society, in particular into the labour market, a priority of the political agenda*
- (2) *Pursue equality mainstreaming and gender mainstreaming*
- (3) *Identify and address specific barriers to inclusion of members of ethnic minorities*
- (4) *Establish a sustainable long-term policy for inclusive labour markets, using a targeted, but not ethnically segregated approach*
- (5) *Mobilise all relevant actors, making use of the opportunities and value the contributions from members of ethnic minorities to the society*
- (6) *Allocate the necessary resources*
- (7) *Support mutual learning by highlighting good practice, developing knowledge and strengthening the analytical tools*
- (8) *Focus specifically on the implementation of policies to improve the situation of Roma in terms of education, employment, health and housing*

The implementation of these recommendations is regarded by the HLG as a way to overcome the exclusion of members of ethnic minorities from the labour market, but also from many other areas of society. Overcoming exclusion is a matter of fairness, of social solidarity and, consequently, of democracy.

Minorities in Europe

The HLG concentrates in its report on the overlap between membership in an ethnic minority and a social disadvantage. The HLG is aware that ethnic minorities are heterogeneous groups composed of individuals who might have different problems and different outcomes; moreover, these problems and outcomes differ from country to country.

Barriers and possible solutions might very often be identical for immigrants and for ethnic minorities of non-immigrant background. Moreover, minorities share some problems with socially disadvantaged members of the majority. Members of ethnic minorities who are visible through *e.g.* the colour of skin, certain traditions or their life-style are running a higher risk to be discriminated and, thus, excluded from the labour market and society. Specific minority rights as those stipulated in the Council of Europe's Framework Convention on the Protection of National Minorities are used as a benchmark in the enlargement process of the EU and represent preconditions for EU membership.

The HLG report is embedded in a broader context. The inclusion of ethnic minorities relates to a number of Community policies which do not address exclusively this group. The EU policies on social inclusion, employment, gender equality and non-discrimination highlight that members of ethnic minorities are running the risk to be among vulnerable groups who need particular efforts.

Barriers

Although there is a lack of comparable data on the labour market outcomes of members of ethnic minorities a lot of evidence has been acquired by social research to support the hypotheses that

- there is an ethnic wage gap which differs from Member State to Member State and from ethnic group to ethnic group;
- the membership in an ethnic minority is in most cases a social disadvantage *per se*.

The IZA country studies together with the survey among stakeholder experts and the work of the Roma experts allow defining 14 barriers which prevent members of ethnic minorities from fully participating in the labour market:

- (1) *Lack of education and training*
- (2) *Lack of language skills*
- (3) *Lack of recognition of skills and qualifications*
- (4) *Lack of access to professions*
- (5) *Lack of access to citizenship*
- (6) *Lack of integration policies*
- (7) *Stereotypes, prejudices and negative attitudes*
- (8) *Lack of mobility and concentration in certain areas*
- (9) *Industrial Change*
- (10) *Disincentives through welfare systems*
- (11) *Discrimination*
- (12) *Lack of information*
- (13) *Labour market competition*
- (14) *Undeclared work*

These barriers are relevant for all ethnic minorities. In the case of their accumulation they are mutually reinforcing and lead to the virtually total exclusion from the labour market. Some of these barriers – lack of education, stereotypes, and disincentives through welfare systems – have a tendency to become higher from generation to generation.

Towards an Inclusive Society

An inclusive society allows all members to realize their potentials. It allows the full participation in the economy, in social relations, or in culture. Equal rights are a first step towards an inclusive society. Equal rights alone, however, do not automatically entail equality. An inclusive society, thus, aims at bridging the gap between formal and real equality, provides equal opportunities for all of its members and actively promotes diversity.

Discrimination on grounds of ethnic origin is considered by researchers and many stakeholders as an important barrier to the social and labour market inclusion of ethnic minorities. EU non-discrimination legislation provides for an individual right to live a life free of discrimination. Although this was a major step forward in many Member States, discrimination is still an every-day reality for members of ethnic minorities.

Equality bodies are key actors to support victims of discrimination. They need to be independent and sufficiently resourced to be efficient. By developing knowledge about discrimination and raising awareness they can influence the general public. Some, but by far not all equality bodies do not only advise and assist victims of discrimination, but can take cases in their own name to court. Social partners are in some Member States involved in the drawing up of non-discrimination policy and legislation (in particular in countries with tripartite consultation systems). At European level the social partners have adopted already in 1995 a joint declaration. Internally they have adopted action plans and/or set up structures to address the problem of discrimination at the work place. Civil society is a third important actor in this context: NGOs, foundations, churches and the Third Sector are credible partners for individual members of ethnic minorities, but also for public authorities and businesses. The most important role of civil society is that it supports individual persons and that it provides for input to policy development. Very often organisations of civil society are more advanced than institutional actors.

The application of non-discrimination law leads to formal equality but not to real equal opportunities. To close this gap the EU and her Member States have developed policies for social inclusion. They need to be complemented by the promotion of sensitivity for people of different ethnic origin and culture. Where the gap remains or grows from generation to generation positive action and targeted programmes can be efficient remedies.

Diversity management by businesses is still relatively new in Europe. First experience has, however, highlighted that there is a business case for ethnic diversity. The most frequently quoted benefits of hiring an ethnically diverse staff are the access to a new pool of talents, a better reputation for the company, higher innovation and more creativity or more customers and employees satisfaction. Above all, however, diversity management can have a tangible impact for the benefit of the members of minority communities themselves.

In the US, where diversity management has a longer tradition, a number of key factors for the successful application have been identified. They comprise

- the long-term commitment of top management,
- the ability to define the return on investment,
- the linking of in-house diversity policy with contract compliance procedures for external suppliers,
- permanent monitoring,

- the accountability and positive incentives for the middle management to achieve agreed goals.

Only the mutually reinforcing application of all three elements – non-discrimination policies, policies on equal opportunities and diversity management – will lead to tangible results.

Good Practice in Enterprises

Businesses adopt their strategies for more ethnic diversity for a number of reasons: They need to comply with non-discrimination legislation, but they have also an economic interest in attracting talented people for their work force, becoming more profitable in a global market or acquiring a better reputation. The diversity policy can be a part of a more comprehensive approach towards Corporate Social Responsibility (CSR).

The setting-up of a business strategy for ethnic diversity is a process with several steps. It starts usually with the "scene setting" and building of commitment which can be reflected in the elaboration of a business charter. The French HALDE acts as a powerful promoter through the development of diversity strategies with big enterprises in France since 2005. The working method of HALDE could be transferred to different sectors, to SMEs, employment agencies and territorial bodies. Diversity strategies have to be implemented through structures, such as a diversity department, leadership teams, and diversity programmes. They are often accompanied by stakeholder fora or staff networks. The implementation uses also tools, such as training, benchmarking, information and the definition of indicators. Most visible aspects of a diversity strategy are the recruitment policy and human resources development as well as the supplier policy. The communication of the strategy and the appreciation of its results and benefits are important for creating a supportive environment.

In France, and some years later in Germany, leading enterprises have set-up in cooperation with public authorities and civil society business charters for diversity. They have been very successful and have attracted a still growing number of subscribers.

Self-employment is for many members of ethnic minorities a way to become economically active. The positive contribution of ethnic minority businesses to the European economy cannot be overestimated. They are customers, business partners, tax payers and first of all providers of jobs, for members of ethnic minorities but also for people from the majority. Ethnic minority businesses share a number of common problems: very often their size, their establishment in stereotypical "ethnic niches", a lack of access to finance and business counselling. A micro-credit scheme can be a possibility to launch an own small businesses for some members of ethnic minorities. Projects carried out under the Community initiative EQUAL and supplier diversity policies of big demanders, such as *e.g.* the Greater London Authority highlight possible ways to support ethnic minority businesses.

Good Practice in Public Policy

All political levels in the EU are confronted with the challenge to contribute to the integration of members of ethnic minorities in the labour market, in the respective communities, in the social fabric, in cultural life – shortly: in society as a whole.

It is not possible to define a "typical" European strategy for the integration of ethnic minorities, but there are several parameters – the requirements for the access to citizenship or to the labour market, the possibilities to participate in policy development plus the way, how non-discrimination is ensured and which opportunities long-term residents without citizenship have in the economy and society – which determine the impact of integration strategies. It can be noted that neither the ethnic or cultural homo- or heterogeneity nor the length of presence of an ethnic minority are decisive whether the public policy entails more or less inclusion.

An analysis of Member States integration policies highlighted examples which can be qualified as good practice. They can be found in all relevant areas:

- *Protection of rights*
 - *Access to citizenship*: the 2006 nationality law in Portugal stipulates that every child born to a parent also born in Portugal is automatically Portuguese. Best practice with regard to the permission of dual citizenship can be identified in Belgium, France, Ireland and the UK.
 - *Non-discrimination legislation and policies*: Finland, Portugal, Sweden and the UK represent best practice in terms of concepts and the application of non-discrimination law. The Portuguese, Irish and Dutch authorities have developed particularly effective mechanisms to enforce non-discrimination law.
 - *Fight against racism and xenophobia*: The French NGO movements "SOS Racisme" or "Ni Putes Ni Soumises" have triggered successfully a reaction by public authorities against racism. The European Coalition of Cities against Racism merits to be mentioned as an example of good practice in terms of mobilising all relevant actors.
- *Political and social participation*

The possibilities and opportunities for members of ethnic minorities to directly influence decision making can be based on the openness of the political class to co-opt members of ethnic minorities (such as *e.g.* in France), on specific constitutional and legal provisions regarding the representation of ethnic minorities in parliaments (such as *e.g.* in Hungary, Romania, Slovakia, Slovenia or Croatia), and on political liberties – *e.g.* the right to vote and stand for office in local elections (such as *e.g.* in the Nordic countries).
- *Education, training, development and recognition of skills and qualifications*

Integration courses which comprise language training or vocational training are recognised as a precondition for successful integration. Integration through education needs to start with children and should ideally comprise also a pre-school component, particularly for Roma children. The Hungarian law to abolish school segregation needs to be highlighted as an important step forward to provide Roma children with chances for the future. An important aspect in the context of education and training is the recognition of skills and qualifications which have been acquired in a third country. The UK, but first of all Sweden and the Netherlands have implemented policies which represent best practice in this field. In addition, there is a growing recognition that the integration process does not necessarily involve a change of identity, but rather the acquisition of practical inter-cultural skills on part of the members of the minority, and indeed also (at least to some extent) on part of the majority.
- *Access to employment and self-employment*
 - *Labour market integration and the removal of barriers*: labour market rules in Sweden and Spain are among the most advanced in Europe in particular with providing for chances for non-EU citizens to change jobs or become self-employed. Among the projects funded under the European Social Fund the ACCEDER programme in Spain represents one of the best examples of a targeted, non-

segregated approach to raise the employability of Roma by offering them tailor-made vocational training.

- *Access to public service:* Public services are in many Member States big employers and can act as role models. The open access to the public service also for non-national citizens in the UK is an example of good practice.
- *Access to self-employment:* for many members of ethnic minorities self-employment can be an attractive way to become economically active. The Swedish, Portuguese and Slovenian practice represents a pragmatic and non-bureaucratic way to launch a start-up. Ethnic minority enterprises are supported by supplier initiatives such as "Diversity works for London" or the "Supplier Diversity Development Initiative" of the Greater London Authority.
- *Social inclusion and fight against poverty*
Ethnic minorities and immigrants are identified in the European strategy on social inclusion and social protection as vulnerable groups in terms of poverty risk. In the context of the last cycle of national strategies a number of countries (Greece, Bulgaria and Romania have singled out ethnic minorities as target groups for the reduction of health inequalities. Germany, Netherlands and Denmark focus on the specific needs of women from ethnic minorities. Bulgaria, Romania, the Czech Republic and Hungary concentrate on Roma with a special focus on education and living conditions.

The IZA study has analysed a number of public private partnerships on integration. They have identified that the close cooperation of all actors is key for success. It can be noted that integration initiatives are particularly important for the most vulnerable members of ethnic minorities, such as the Roma. Some, but not all include enterprises from the private sector as partners; this is particularly effective, if the initiatives aims at building bridges from training to work.

A number of countries with Roma populations – among them five Member States and two candidate countries – have signed-up to the Decade of Roma Inclusion 2005-2015 and made precise commitments to improve the situation of this group in terms of education, employment, health and housing. To this end they have drawn up action plans with targets and the allocation of resources for their implementation. An independent monitoring process; the DecadeWatch, has analysed the progress since the launch of the Decade. Hungary was identified as the country which has made the best achievements up to date. She scored particularly well with regard to institutional arrangements, education, employment, housing and non-discrimination. With regard to health Romania needs to be highlighted, while the Czech Republic had drawn up the best action plan.

At the international level this is complemented by instruments such as the OSCE Action Plan to which 56 countries have signed up since 2003. Moreover, the European Union approach follows mainly five strands: rights, financial instruments, policy coordination in terms of employment and social inclusion policies, awareness raising and capacity building.

In spite of many programmes and initiatives targeted at Roma, change has been slow and results have been worse than anticipated, mainly due to structural problems. It needs to be underlined that, although equality mainstreaming should be a strategic goal in the EU and the Member States, specific and targeted action for Roma inclusion is needed.

There are, however, examples of good practice such as the Slovenian Act on Roma of 2007, the Roma Strategy of Montenegro and the Polish Roma programme which both comprise financial commitments for their implementation.

Introduction: The Integration of Ethnic Minorities – A Challenge for Europe

Overall Purpose of the Report Ethnic Diversity – a European and Global Phenomenon Integration Gender Mainstreaming

1. Overall Purpose of the Report

The report is drawn up to identify which barriers prevent members of ethnic minorities¹ from fully participating in society and in the labour market. Moreover, it aims at analysing which policies have been developed and are applied by public policy and by businesses (as well as by public-private partnerships) to overcome these problems. Furthermore, it looks at successful strategies for diversity management applicable at all relevant levels.

The report is, thus, a contribution to the implementation of the Lisbon Strategy which aims *i.a.* to raise the employment rate of groups which are usually underrepresented in and at times even excluded from the labour market. Targets of the Strategy include a significant reduction in the unemployment gaps for people at a disadvantage, including ethnic minorities, by 2010.

The report includes recommendations, based on its findings, which are addressed to the European institutions, public authorities in the Member States at all relevant levels (national, regional and local), business leaders, social partners and non-governmental organisations, including in particular those which represent and defend the rights of ethnic minorities.

The Group wishes to underline that effective solutions need the commitment of the entire society. This includes the active involvement of ethnic minorities, but also the willingness of both majority and minorities to assume ownership of sustainable integration processes.

¹ For the definition of the target group see Chapter 5, Minorities in the European Union.

2. Ethnic Diversity – a European and Global Phenomenon

2.1 The Historical Dimension

Throughout history, the nations of Europe have rarely been ethnically homogeneous. From the Middle Ages to early modernity, most states were fairly heterogeneous in ethnic, cultural and even administrative terms. With the emergence of consolidated nation-states in the 19th century, Europe's diversity remained most visible in its cosmopolitan cities and in border zones such as Galicia, Alsace, Friuli, Flanders or Silesia. The outcome of both World Wars as well as the end of the Cold War contributed to further ethnic homogenisation, particularly in Central and Eastern Europe. On the other hand, post-war European integration and successive enlargements of the European Union have also opened new pathways for intra-European migration. Migration from outside Europe – mainly from colonies to the territory of colonial powers – had been occurring on a sporadic rather than systematic basis since the 16th century². The end of European colonialism between 1945 and 1970s resulted in a truly major influx of immigrants from the former colonies. At first this non-European immigration was directed almost exclusively to the states which had formerly ruled the colonies in question (United Kingdom, France, Belgium, the Netherlands, Portugal, and Spain). Increasingly, however, the non-European immigrants have also been heading for European countries without a pre-existing colonial link.

As of the 1950s, the ethnic composition of many European countries has been further diversified through policies promoting labour immigration. Many European countries, such as Ireland, Italy or Germany, which used to be countries of emigration in the 19th century, turned in the post-war period into countries of immigration. Contrary to expectations that labour migrants (such as for instance the Turks in Germany) would eventually return to their countries, most became permanent residents and established families in the countries of destination.

In addition, the expansion of democracy and stability within Europe has contributed to make it a leading destination for refugees. Indeed, successive democratisation and enlargement has not only brought within the EU a number of countries which had themselves been previously sources of political refugees (Greece, Spain, Portugal and the eight countries of the former Soviet bloc), but these new democracies have themselves turned into destinations for new refugees from outside Europe.

Finally, since the 1990s, the Roma people – who have lived throughout Europe for centuries as a marginalised and often persecuted minority – have become increasingly prominent both in demographic terms and in terms of political visibility.

2.2 A European and a Global Phenomenon

The situation in Europe is part of a global phenomenon. Approximately 200 million persons worldwide can be considered as migrants. Some 57% of them have migrated to Europe and North America; 40% are to be found in developing countries. Permanent forms of emigration

² See e.g. the research of BEST – Black European Studies at the Mainz University which works on the broad variety of people of African heritage in European research, industry, art etc.: <http://www.best.uni-mainz.de> .

and immigration are complemented by temporary and circular forms of migration. As a consequence, many countries in the world are today at the same time countries of origin, countries of transit and countries of destination. This trend is reinforced by better information and communication technologies as well as easier and cheaper travel opportunities.³ The growing differences of the distribution of wealth in the world are a strong driver for migration.

As global issues, migration and integration of immigrants as well as of recently arrived people requires solutions which go beyond the scope and possibilities of a single country. This applies not only to the management of migration and integration, but also to the fight against negative phenomena such as discrimination, ghettoisation, political radicalisation of minority and majority communities, human trafficking and exploitation of the minority and migrant workforce under indecent conditions. Consequently, both the United Nations and the European Union have strengthened their efforts in this field.⁴

2.3 Demography, Labour Market and Ethnic Diversity

Europe is confronted with demographic change. The average fertility rate in the EU approximates 1.5 (children per woman in fertile age), but this average conceals profound differences between the Member States, some of which are only slightly under replacement rates (at 1.8-1.9), while some others have extremely low fertility rates (around 1.3), thus facing the perspective of very dramatic population decline. Although the total number of European citizens is projected to decrease only slightly, the population is quickly ageing.⁵ This development does not have only serious consequences for lifestyles of Europeans or the financial sustainability social security schemes, but it will also have a significant impact on the labour force and on the ethnic compositions of communities in Europe.

Over the next decade, the working-age population will begin to decline when a large number of the “baby-boomers” retire. With the activation of women in work and older workers the negative effect on employment rates could temporarily be offset until the full burden of the demographic changes would subsequently be felt. Even if the objective of 70% in the overall rate of employment as set out in the Lisbon strategy is reached, the total number of persons in work is set to decrease by 30 million between the end of the decade and 2050. Consequently, economic growth rates are set to decline with the ageing of the population. The projections show that, if current trends and policies remain unaltered, the average annual growth rate in GDP for EU-25 will fall systematically from 2.4% over the period 2004-2010 to only 1.2% between 2030 and 2050.⁶ Continued immigration, while not being a panacea, may therefore contribute to mitigating the problems which European economies are likely to experience.

However, for humane reasons as well as for reasons of efficiency, immigration must be accompanied by successful integration of immigrants into European societies. The difficulties

³ R. Süßmuth, *Migration und Integration: Testfall für unsere Gesellschaft* (2006), p. 13.

⁴ The demographic future of Europe – from challenge to opportunity (COM(2006)571), p. 11f. (EN). Major elements of EU policy are the common agenda for integration - framework for the integration of third-country nationals in the European Union (COM(2005) 389) and the policy Plan on legal migration (COM(2005) 669) as well as the work of this High Level Advisory Group; see *i.a.* R. Süßmuth, *ibid.*, p. 65ff.; 166ff.; G. Hoffmann, *rec.* R. Süßmuth, *ibid.*, in: *Die Zeit* 31 (2007), p. 52; R. Süßmuth/W. Weidenfeld (ed.), *Managing Integration. The European Union's Responsibilities towards Immigrants* (2005), p. XIff.; 73ff.

⁵ COM(2006)571, p. 3f. (EN).

⁶ COM(2006)571, p. 5 (EN).

in the labour market with which ethnic minorities as well as established and recent immigrants are confronted are not sustainable within a European Union characterised by the free movement of workers and an increasingly unified internal labour market. Indeed, the persistence of stereotypes, discrimination and the *de facto* exclusion of some ethnic minorities, such as the Roma, from higher education and decision-making positions is a waste of talents and a denial of equal opportunities. Moreover, the persistence of practices which favour the participation of minority people in precarious, dangerous, socially unprotected and less paid jobs (which are very often in the informal economy⁷) does neither solve the problems of concerned minority people nor those of the EU societies as a whole.⁸

3. Integration

A sustainable solution to overcome the social disadvantage of being member of an ethnic minority, whether of immigrant or non-immigrant origin, must be based on a holistic and coherent approach in favour of the full integration into society.

A strategy for social and labour market integration of ethnic minorities has to be based on universal values which are core values of the European Union – democracy, rule of law, human rights including the right not to be discriminated against, protection of minorities and gender equality. It cannot be only a top-down process, but needs the active participation of members of ethnic minorities and civil society.

Such a strategy must start with an honest and thorough analysis of the situation: Ethnic diversity is a fact of life in most Member States of the EU and will increase over the next decades. In the past, some European societies have developed successful approaches for achieving real equality of all ethnic groups. There is a need to pursue these successful approaches and to abandon others which exacerbated problems. The development and application of a successful strategy is in the interest of both the majority and ethnic minorities. It needs to be underlined that the non-integration of ethnic minorities entails huge human, social and economic costs.

Social integration does not mean assimilation or suppression of cultural diversity. Ethnic and cultural diversity are to be perceived as assets for the benefit of the whole society. Every person in the European Union who signs up to the core values mentioned above must have a fair chance to fully participate in social, economic and cultural life.

Classical countries of immigration, such as the US, Canada or Australia and New Zealand, but also countries with strong national minorities have acquired a lot of experience – both positive and negative – with ethnically diverse societies and labour markets. Learning from those countries can help to avoid traps.

Success in the educational system is in particular for the descendants of established immigrants an important way for successful integration. This requires not only the promotion

⁷ See e.g. F. Gatti, I was a Slave in Puglia, in: EU Journalist Award 2006: "For Diversity. Against Discrimination." – Winning Articles (2007), p. 93ff.

⁸ Cf. R. Süßmuth, *ibid.*, p. 118ff.; 125ff., on labour market shortages in Germany.

of pre-school (linguistic) education for children of ethnic minorities, but also the set-up of strategies for intercultural competence in curricula and teachers training.

Successful inclusion in the labour market remains the most powerful catalyst for social integration of ethnic minorities.⁹ To this end, it is necessary to remove both external barriers (e.g. discrimination, lack of recognition of vocational qualification etc.) and internal barriers (e.g. mismatches between skills and labour market requirements, lack of access to information and communication technology, gender inequality) which prevent members of ethnic minorities from accessing the labour market and pursuing successfully a professional career. This requires political and legal changes on the side of public authorities, organisational and management changes on the side of businesses and mental changes for everybody.

Moreover, the inclusion of ethnic minorities can be facilitated by effective social protection systems which help to protect members of ethnic minorities against risks – e.g. sickness, unemployment, occupational accidents, old age etc. – and to combat poverty.

4. Gender Mainstreaming

Special sensitivity needs to be given to gender and equal rights of men and women when dealing with ethnic minorities. The aim is to promote the well being of men and women in the society. Quite often, migrant men are in a very vulnerable situation: they are losing the authority they had in the country of origin and they might find out that their previous skills and training is not relevant in the labour market in the new country. The children are often for example more familiar with the language of the new country and the parents have to rely on them in many situations. Families of ethnic minorities are often vulnerable; in order to support them, it is important to take the special needs of both spouses as well as of the children into consideration. Special effort might be needed in the labour market to meet the needs of women and men in order to provide them with knowledge and understanding of the European societies and of the functioning of labour markets.

Gender Mainstreaming

"Gender mainstreaming means that the gender equality objective is integrated into all policies and administrative actions. The objective is to overcome gender-neutral, sometimes even gender-blind, practices and procedures. Gender mainstreaming is an important tool when dealing with integration issues. Statistics, data and analyses disaggregated by gender are needed in order to carry out gender mainstreaming.

Gender mainstreaming aims at developing administrative methods and operational approaches which help authorities and NGOs to promote equality as part of their activities. Fully implemented mainstreaming will have a wide impact on the well being of society at large including ethnic minorities. Moreover, it ensures that civil servants and society in general take gender considerations into account whenever issues are raised.

⁹ See Interview with R. Süssmuth: Zugang zum Arbeitsmarkt ist der Schlüssel, Frankfurter Allgemeine Zeitung 183 (9 August 2007), p. 6.

Before any action is planned or pursued, it is important to analyse what kind of impact a law, project or programme will have upon men and women. Education, training, employment services etc. are still often organised and carried out in a gender-blind way, while women and men might have different needs. Thus, the mainstreaming of gender perspectives is key to dealing with many problems which both men and women are facing."

Tarja Summa

Former Finnish Ombudsperson for Refugees

The main attention of equality policy is usually focused on the situation of women. Men's pro-equality behaviour and attitudes are crucial for a sustainable improvement of the situation of women. Paying attention to men also helps to identify the links between the situation of both genders and the ways in which both women and men benefit from equality policy. Doing this can facilitate solutions for issues such as *e.g.* the reconciliation of work and family life.

Some 50% of all migrants worldwide are women; they are equally represented and they equally share the experience of being members of an ethnic minorities or an immigrant community.¹⁰ What is different is that they often have specific experiences of being discriminated on grounds of their gender as well as on grounds of their ethnic origin.

It is important to recall that many women from ethnic minorities are economically active in both the formal and the informal labour market as employed workers or self-employed entrepreneurs.¹¹ They are, however, often an invisible part of the society and its workforce. Many of them are channelled towards an "ethnic niche" of unskilled, low paid, monotonous and stressful jobs. While that might be relatively favourable in strictly microeconomic terms (low wage costs, low level of job security), it hampers the advancement and social perspective of women from ethnic minorities and is in the end disadvantageous also from a macroeconomic point of view. Even highly qualified migrant women – and men – tend to end up in unemployment or in short-time or substandard jobs that do not correspond to their credentials or previous work experience. Discrimination in employment and occupation often exacerbates or perpetuates poverty, while poverty furthers discrimination at work in a vicious cycle. A lack of employment opportunities as well as work that is unproductive, insecure and unprotected are the main causes of the material deprivation and vulnerability that ethnic minority and migrants women experience.¹² It is, thus, crucial that in particular migrant women have access to employment and vocational training, not least by means of positive measures as it has been highlighted in a recent opinion of the Committee of the Regions.¹³

¹⁰ See R. Süssmuth, *Integration und Migration. Testfall für unsere Gesellschaft* (2006), p. 59.

¹¹ Self-employment – in particular the self-employment of women – can be a powerful tool for the active social integration of minority groups. It will, however, only be successful if the specific socialisation of minority and immigrant women under unstable biographical and work conditions is recognised and compensation is provided for discontinuous working careers. The informal economy and the "bazaar economy" (as a mix of formal and informal economy) play *de facto* an important role in overcoming social exclusion and poverty; see Self-employment activities concerning women and minorities: Their success or failure in relation to social citizenship policies, in: European Commission, DG Research, EU-supported research on migration 1995-2006 (2006), p. 26; J. Rath et al., Working on the Fringes: Immigrant Businesses, Economic Integration and Informal Practices, in: *ibid.*, p. 22; E. Reyneri et al., Migrant Insertion in the Informal Economy, Deviant Behaviour and the Impact on Receiving Societies, in: *ibid.* p. 23; M. Peraldi et al., L'Economie de Bazar dans les Métropoles Euro-méditerranéennes, in: *ibid.*, p. 22.

¹² EU Advisory Committee on Equal Opportunities for Women and Men, *Opinion on the Gender Dimension of the Inclusion of Ethnic Minorities* (2007), p. 5f.

¹³ S. Masini (Rapporteur), *The Situation of Migrant Women in the European Union*, ECOS-IV-013 (2007), point 35.

All grounds of discrimination interact with each other and produce specific experiences of discrimination. Intersectional discrimination analysis argues that the traditional understanding of discrimination based on specific grounds (*e.g.* discrimination on grounds of ethnic origin) does not necessarily include experiences that are particular to that of women and men in specific groups. Hence, women from an ethnic minority group have a substantially different experience to that of both men from the same minority group and from women of the ethnic majority group. This approach is particularly useful in exposing new forms of multiple discrimination that have remained hidden from the public policies, directing attention to those who are most disadvantaged. It needs to lead to more effective gender mainstreaming of policies to combat the discrimination experienced by ethnic minorities and particularly by girls and women.¹⁴

Multiple discrimination of ethnic minority women has a lifecycle dimension. A recent exploratory opinion of the European Economic and Social Committee has highlighted that Roma girls and women, are in a disadvantaged situation throughout their life; mutually reinforcing problems with regard to poverty, health, education and employment can be identified at any stage of life from childhood to adulthood and age.¹⁵ What applies to Roma women applies also – although in varying degrees – to women of other ethnic minorities. If no remedial action is taken, disadvantages tend to accumulate and intensify over time, with negative repercussions for their economical and social inclusion. As the Committee of the Regions has rightly underlined, the access to social services and healthcare are in this context of utmost importance for migrant women.¹⁶

¹⁴ EU Advisory Committee on Equal Opportunities for Women and Men, Opinion on the Gender Dimension of the Inclusion of Ethnic Minorities (2007), p. 5.

¹⁵ A. Sigmund (Rapporteur)/M. Sharma (Co-rapporteur), Exploratory Opinion "Integration of Minorities – Roma", EESC (SOC/263), Section 3: Roma: A Life Cycle of Discrimination.

¹⁶ S. Masini, *ibid.*, points 19 and 24.

The Task and the Tools

Mandate of the High Level Advisory Group Composition of the High Level Advisory Group Scope of the Report Methodology

1. Mandate of the Group

The High Level Advisory Group of Experts on the Social Integration of Ethnic Minorities and Their Full Access to the Labour Market (further "HLG") has been set up in January 2006 by a decision of the Commission. Its President and members have been chosen because of their individual expertise in the field.

Mandate

The group's task will be:

- *to analyse how to achieve better social integration of ethnic minorities and their full participation in the labour market within the European Union,*
- *to submit, before the end of the '2007 European Year of Equal Opportunities for All', a report containing recommendations on the policies to be implemented in this connection.*

The group will build on good practice in this field, and will focus more particularly on the following questions:

- *the socioeconomic situation of ethnic minorities in today's European Union,*
- *the different situations and needs of minority groups, including recent migrants, established ethnic minorities, national minorities, the Roma and stateless persons,*
- *the impact of multiple discrimination and the influence of factors such as age, sex, disability and religion, as well as the impact of geographical isolation and level of education,*
- *the contribution of European Union policies and programmes to social integration of ethnic minorities and their full participation in the labour market,*
- *the impact of future developments, including possible new waves of accessions to the European Union.¹*

This mandate requires a pragmatic approach towards the definition of the problem, of the target group, and of the HLG's scope of deliberations.

¹ Decision 2006/33/EC of 20 January 2006, Art. 2.

2. Composition of the High Level Advisory Group

The High Level Group was composed of ten members who have been selected for their specific experience in this field. Members represented politics, international institutions, public authorities, civil society, businesses and media. It was particularly important that the HLG reflected all geographic areas of the EU before and after the 2004 enlargement and that it was gender balanced.

- **Professor Rita Süßmuth**, President of the HLG: former President of the German Bundestag, former Chairperson of the German commission on immigration, member of the Global Commission on International Migration
- **Jarmila Balážová**: Roma journalist
- **Ilze Brands Kehris**: Director of the Latvian Center for Human Rights, Vice chairperson of the Management Board of the Fundamental Rights Agency of the European Union
- **José Manuel Fresno Garcia**: Director Fundación Luis Vives
- **Lee Jasper**: Director for equalities and policing at the office of the Mayor of London
- **Andrzej Mirga**: Director Project on ethnic relations, Senior Adviser OSCE/Office for Democratic Institutions and Human Rights
- **Bashy Quraishy**: Chairman of the European Network against Racism
- **Louis Schweitzer**: President of the French High Authority for the fight against discrimination and for equality HALDE, former CEO of Renault S.A.
- **István Sertő-Radics** : Mayor of Úszka, Member of the Committee of the Regions
- **Tarja Summa**: former Ombudsperson for Refugees in Finland



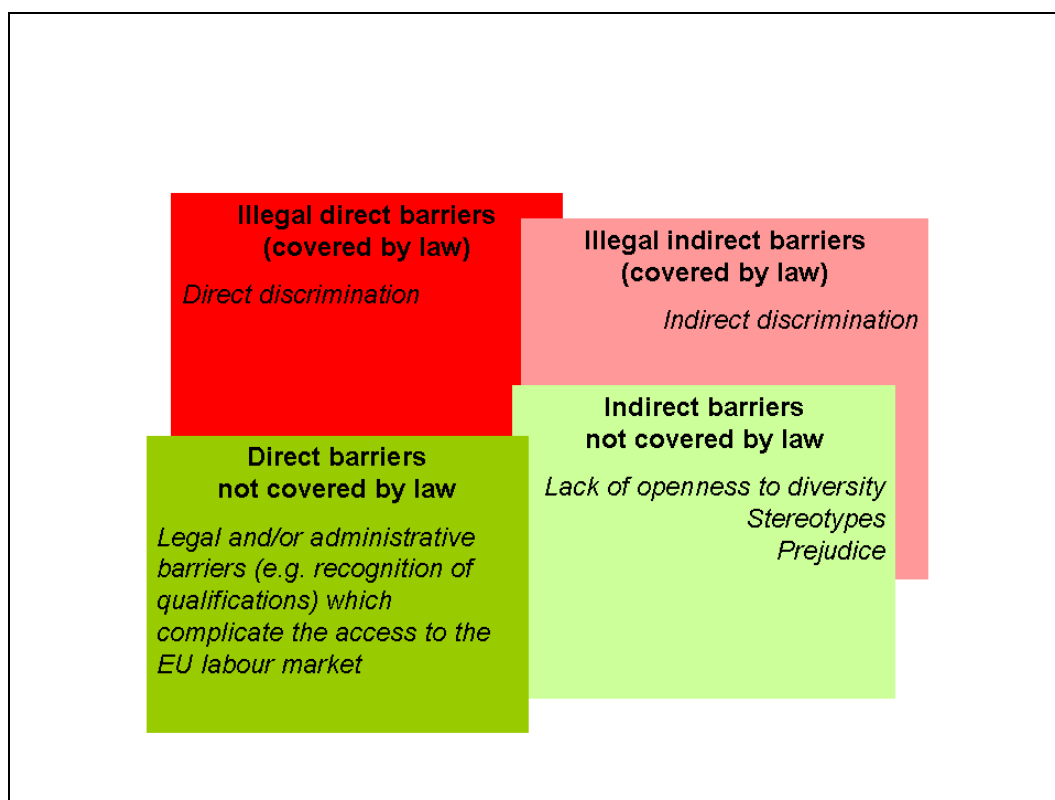
Group meeting on 4 September 2007 - 1st row left to right: Jarmila Balážová, Tarja Summa, Prof. Rita Süßmuth, Bashy Quraishy, István Sertő-Radics; 2nd row left to right: José Manuel Fresno Garcia, Ilze Brands-Kehris, Joachim Ott (Secretariat HLG), Jan Jařab (Cabinet Commissioner řpidla)

3. Scope of the Report

In accordance with the mandate of the HLG, the material scope of this report can be described as: *"Identification of barriers which prevent members of ethnic minorities to achieve full social and labour market inclusion and identification of good practice in public policy and enterprises to overcome these barriers."*

Thus, the problem is defined as the overlap between membership in an ethnic minority and social disadvantage and/or vulnerability due to barriers which can be addressed through public policy and company strategies. It must be acknowledged that significant barriers exist also on part of the individual members of ethnic minorities and of the groups themselves.

The barriers which disadvantaged or vulnerable members of ethnic minorities encounter can be schematically divided into the four categories which can be distinguished by their direct and indirect character and by their legal quality (*i.e.* whether or not they are covered by EU and national legislation). It needs to be noted that – in the every day reality – these four categories are overlapping and mutually reinforce each other. For simplification they are displayed as a simple matrix.



The last category in this graph – the "Indirect barriers not covered by law" is by far the largest and most heterogeneous. It ranges from a culturally conditioned lack of openness to diversity (on part of potential employers as well as public authorities) to a structurally conditioned lack of access to credit for potential self-employment. Those barriers are usually based on stereotypes and prejudices.

Recommendations concerning all four areas can be made, but it is perhaps in the fourth area where the scope for improvements through the spread of good practices is greatest. Emphasis is to be put on access to the labour market.

4. Methodology

The general methodology is based on four pillars, namely

- meetings in which the members of the HLG identify relevant policy areas (based *i.a.* on executive summaries of existing documents in the field);²
- working papers from HLG members;
- hearings of key external actors;
- independent research by the Forschungsinstitut zur Zukunft der Arbeit (IZA).³

4.1 HLG Meetings

The HLG has so far met since its constitution in January 2006 seven times in plenary session.⁴ In its first meeting Commissioner Špidla highlighted the interdependence of integrating ethnic minorities, combating discrimination and promoting equal opportunities. He also underlined the importance to come up with practical approaches, strategies and methods addressed to the European as well as the national, regional and local level.

The first meetings of the HLG were mainly dedicated to find a balance between political priorities. It was agreed not to redefine the term "ethnic minority", but rather to apply an inclusive approach that started at the overlap of social disadvantage and ethnicity.

As of November 2006, the HLG has had regular exchanges with members of the research team of Institut zur Zukunft der Arbeit (IZA). These discussions focused not only on the scope of the study conducted by IZA (see below), but also on its methodology and the data taken into consideration. Important results of these discussions were *i.a.* the achievement of a sound mix of labour market analysis and the identification of good practice and the cross-check of official data with the expertise of civil society.⁵

In its meeting on 27 February, 2007 the HLG had a discussion on the inclusion of Roma people. Starting from the completely different outcomes of inclusion policies in new Member States and in Spain, the HLG members identified success factors for the social integration of the Roma, which is most severely exposed to discrimination and far reaching social exclusion

² These include, for instance, information on EQUAL initiatives, analysis of relevant Community policies in the light of the issues at stake, and documents produced by independent think tanks.

³ The Forschungsinstitut zur Zukunft der Arbeit – IZA (Institute for the Study of Labor) is an independent research institute in Bonn which drew up in 2007 a study for the European Commission on the social and labour market inclusion of ethnic minorities on the basis of an open call for tender (VT/2006/011). Project leader was Prof. Klaus Zimmermann. The study which has been elaborated by IZA members and correspondents does not reflect necessarily the views and opinions of the European Commission or the High Level Advisory Group of Experts, but it was an important basis for the HLG deliberations. The study will be published separately from this report..

⁴ Plenary meetings took place on 13 February 2006; 5 April, 2006; 13 November 2006; 27 February 2007; 22 May 2007; 4 September 2007; and 30/31 October 2007.

⁵ See also the section 4.4 below "The Study by IZA".

in many Member States.⁶ In the same meeting, the HLG discussed the role of civil society and the importance of minorities themselves as actors.

4.2 Working Papers from Group Members

Members of the HLG animated the discussions through working papers from their specific area of expertise.

These included reports on the situation of their home country as well as on sectoral policies. The working papers covered Denmark,⁷ Finland⁸ and Spain⁹, the specific situation of Roma,¹⁰ as well as the role of civil society.¹¹ Members of the Group provided a broad variety of studies and articles on good practice and/or specific issues concerning the ethnic minorities in their countries.¹² Moreover, the Group received and analyzed contributions from the Fundamental Rights Agency of the European Union, the Council of Europe, the European Economic and Social Committee, the Assembly of European Regions¹³ and from several NGOs.¹⁴ A significant part of these contributions focused on the improvement of living conditions for the Roma.

4.3 Hearings

Hearings with external experts provided for important contributions to the work of the HLG.

On 27 February 2007, David Meier from the Open Society Institute in Budapest reported about the experience of providing *microcredits* to Roma families. He underlined that micro-financing programs employ a different philosophy from welfare services: While the latter reward poverty and failure, the former reward success: generating more income, or keeping more savings, open up the possibility for a higher credit.

A delegation of four members of the HLG met on 7 March 2007 with the *European Parliament's* committees on Employment and Social Affairs as well as on Civil Liberties, Justice and Home Affairs. The exchange of views covered the management of labor market inclusion, questions of enabling members of ethnic minorities to fully benefit from the educational systems in the country of residence and particularly on Roma inclusion. Members of the two parliamentary committees underscored the terminological problems of dealing with ethnic minorities and national/linguistic minorities.

⁶ See the section "The Inclusion of Roma" in chapter 9 "Good Practice in Public Policy"; Cf. also the Exploratory Opinion of the European Economic and Social Committee (SOC 263) on "Integration of Minorities – Roma" (Sigmund opinion).

⁷ B. Quraishy, Danish Labour Market and Ethnic Minorities (2006).

⁸ T. Summa, The Finnish Migration Policy (2006).

⁹ Fundación Secretariado Gitano, A Good Practice: The ACCEDER Programme (2006).

¹⁰ J. Balážová, The Roma: Analysis and Recommendations (2007).

¹¹ B. Quraishy, Antidiscrimination NGOs and Ethnic Minorities (2007).

¹² *I.a.* on young immigrants in France, the labour market outcomes of ethnic minorities in London and the race equality policy of the Greater London Authority as well as the situation of Roma communities in the Czech Republic. R. Marinov provided for a resource paper for the HLG on the situation of Roma in Bulgaria.

¹³ *I.a.* from the Assembly of European Regions the declaration Equal Opportunities for Ethnic Minorities: the Regions' Role (2007).

¹⁴ In particular from the European Network Against Racism ENAR, the European Roma Rights Center, the Open Society Institute.

On 3 May 2007 the President of the HLG undertook an exploratory mission to the *Fundamental Rights Agency* of the European Union in Vienna. Purpose of this meeting was to explore the evidence collected by the agency and the expertise of its researchers. The discussions concentrated on the organizational anti-discrimination practice.

As discrimination is the single most important factor that prevents members of ethnic minorities from participating in society and in the labour market, the HLG met with Mr Niall Crowley (Irish Equality Authority) on 22 May 2007 in order to hear the view of a representative of one of the *equality bodies* what can be done to effectively combat discrimination and prepare the ground for equal opportunities and diversity at work.

Regarding the focus on the labour market, the HLG had a hearing with the *social partners* - ETUC, BUSINESSEUROPE and UEAPME - on 4 September 2007.

The *European Economic and Social Committee* drew up during the mandate of the HLG an Exploratory Opinion of the "Integration of Minorities – Roma". In order to benefit from synergies with the EcoSoc study group the Group had a hearing with the rapporteur of the opinion, Ms Anne-Marie Sigmund on 22 May 2007.

4.4 The Study by IZA

The study prepared by the Forschungsinstitut zur Zukunft der Arbeit (IZA) was a further input to the report.¹⁵ The study's overall objectives are:

1. to provide for an analysis of the labor market situation of relevant ethnic minorities,
2. to identify and describe the barriers faced by relevant ethnic minorities in the labor market as well as the policies aiming at overcoming them,
3. to evaluate policies, including the identification of best policies and business conduct practices.

To this end the description of the labour market situation of ethnic minorities in Europe is made on the basis of available data (in particular: the EU Labour Force Survey). It has to be noted that the available micro datasets generally cannot provide for data disaggregated by ethnicity.

¹⁵ K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities (2007).

Minorities in the European Union

Definition of the Target Group Related Concepts Broader Context of the Report Relationship to Other Major Community Policies

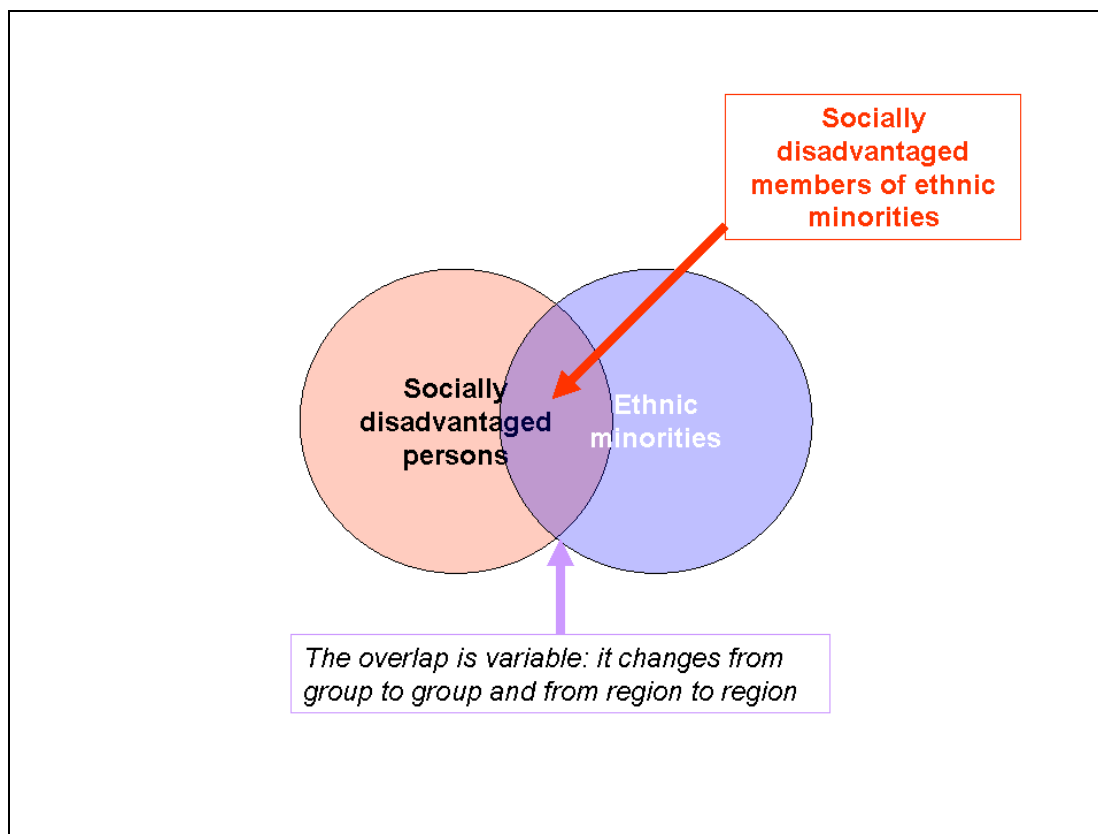
1. Definition of the Target Group

It is generally recognized that everyone, including members of the majority society, has an ethnicity or ethnic identity. Ethnicity is now understood less as a concept tied to the supposed existence of fixed categories such as "race", and rather as one defined mainly in cultural and political terms and open to changing social attitudes and values. Further to the "New Ethnicity" approach, the social assignment of individuals to ethnic identities is applied flexibly and allows differentiations.¹

The work of the HLG and its report concentrate on those people whose ethnicity is different from that of the majority in the given society. It only deals with them, however, insofar as they are socially disadvantaged or vulnerable, particularly in terms of labour market access or full participation in economic and social life. Obviously, not all members of ethnic minorities are socially disadvantaged and fall within the scope of the target group. These populations are composed of individual persons and are thus heterogeneous in themselves, which means that only a part of their members fall within the scope of the report, while another part is only relevant as its members serve as role models for successful inclusion.

Moreover, external factors in different regions (in the generic sense including countries, regions or even municipalities) might lead to completely different outcomes for members of the same ethnic group.

¹ G. Bolaffi et al., Dictionary of Race, Ethnicity and Culture (2003), 99ff.



2. Related Concepts

For further clarification, several issues need to be briefly addressed in order to differentiate the pragmatic approach of this report from existing and overlapping legal and political concepts.

2.1 Relationship to Immigration ("Minorities" vs. "Immigrants")

Community policies distinguish between citizens (at Member States level: national and other EU citizens) and 3rd country nationals (including long-term residents who have lived in the EU for more than five years). They do not distinguish between citizens of immigrant and non-immigrant origin; and neither do the legal systems of Member States.

In practice, however, the distinction between ethnic minorities and immigrants is often rather fuzzy and the practice in many Member States includes different schemes of classification². Moreover, many first-generation or even second- and third-generation citizens of Member States are recipients of the same or similar integration policies as legally residing immigrant

² For instance, the Netherlands distinguish between autochthonous (Dutch born or with Dutch ancestors) and allochthonous people (ethnic minorities, born to non-Dutch parents). This leads in practice, however, to confusion and to tensions. People from visible ethnic minorities are considered by many white Dutch people as allochthonous, even if they or their parents have Dutch citizenship. Moreover, non-Dutch residents born to white Western parents are often regarded as autochthonous. See ECOTEC, A Study on Policies for Involving the Social Partners in the Integration of People at a Disadvantage in the Labour Market (2006), p. 103

3rd country nationals. In fact, many of them continue to be considered by the authorities, the media and the general public as being "of immigrant origin", even though they themselves - as well as NGOs which support them - often reject that terminology.

Conversely, in many Member States the term "minorities" is regularly used also for resident immigrants who have not yet acquired citizenship. For instance, there are ethnic minority communities composed predominantly of 3rd country nationals who settle over a long period of time in a Member State without acquiring the citizenship of the host country (either due to their own preference or to the restrictions contained in national citizenship laws). Due to their number, their geographical concentration in certain (urban) areas and their long-term presence they face the same problems as ethnic minorities composed predominantly of EU citizens; and these problems then lead to similar conclusions for policy responses.

For the HLG's purposes (social and labour market integration), the citizenship status or the immigrant origin of the persons concerned is not a defining feature of the target group. The umbrella term "ethnic minority" is therefore used throughout not as a legal category, but as a broad and purely descriptive term (persons not belonging to the ethnic majority) - as indicated by the mandate adopted by the Commission, which refers to *"recent migrants, established ethnic minorities, national minorities, Roma and stateless persons"*. In the every-day reality in the Member States this can also include people who belong to specific legal categories such as refugees and/or asylum seekers. It is not the purpose of the report to produce anything like a "classification of groups" and it needs to be emphasised that individuals can belong to more than one group. Therefore, the report draws a line neither between citizens and non-citizens, nor between ethnic minority citizens of immigrant and non-immigrant origin.

2.2 Relationship to the Term "Visible Minority"

The term "visible minority" includes, broadly speaking, all people who are visibly different from the majority populations - regardless if they are citizens or not, and regardless if they can or cannot be considered as "immigrants". It overlaps with the notion of "racial minorities" in the British tradition, which recognizes overarching categories such as "Black" or "Asian", each of which is in fact composed of many different ethnic groups.

It is obvious that members of visible minorities, who are more easily identifiable as different from the majority, may be exposed to greater risks of discrimination. As this report deals with discrimination as an important barrier to inclusion, it must take this fact into account. However, as the HLG's mandate indicates, for the purpose of this report the term "ethnic minorities" includes also other groups than those which would be identifiable as "visible" or "racial" minorities. This is relevant to both direct and indirect obstacles which go beyond discrimination and may be shared by other groups than "visible" minorities. Also, the report does not aim to analyse "visible minorities" as a clear-cut category opposed to "other minorities" because - as indicated before - its aim is not to draw such schematic lines.

2.3 Relationship to Specific Minority Rights

The principle of protection of specific rights of minorities is enshrined in the Council of Europe's Framework Convention on the Protection of National Minorities³. Many of these rights are related to the protection of specific minority cultures.

However, these specific minority rights lack a clear foundation in Community law. Consequently, there are no EU benchmarks. The practice in Member States is highly diverse, ranging from those which have comprehensive rules on minority policy to those which do not recognise such collective entities at all. Some EU Member States have explicitly recognized only long-established "historic" minorities (many of which fall entirely outside the scope of this report as they do not face any substantive obstacles in access to the labour market and social integration). Other Member States have extended this specific protection to more recently established minorities. By contrast, a number of Member States have only ratified the aforementioned Convention with major reservations, or not at all. Moreover, some Member States identify the minorities entitled to this type of protection by law or even on the level of their Constitution; others recognize them only implicitly, or even consider the whole principle unconstitutional (France). In addition, in some Member States the issue of specific minority rights is highly politicised and therefore very sensitive. In the context of the accession process to the EU, the Framework Convention was used as a benchmark. The "Copenhagen Criteria" of 1993 used the criterion "protection of minorities" as one of the preconditions for accession.

None of the above implies, of course, that the HLG should be blind to the important cultural dimension of the issue. Obviously, there is an important case to be made for greater sensitivity to minority cultures, acceptance of cultural diversity, for competent diversity management and for practical acquisition of inter-cultural skills (on part of both the minority and the majority). The HLG wishes, however, to emphasize that for legal, political and practical reasons the issue of specific minority rights lies clearly outside the scope of its work.

3. Broader Context of the Report

Evidently, the HLG's work has to be seen in the context of the different Community policies (*e.g.* regional policy, educational policy, and justice and home affairs), but also of relevant international legal instruments (*e.g.* the relevant conventions of the United Nations or of the Council of Europe) or political initiatives (the Decade of Roma Inclusion 2005-2015, etc.).

In addition, powerful new drivers for bigger efforts towards the social integration and labour market inclusion of ethnic minorities have emerged over the last decade. Global competition and the demographic decline in many EU Member States have made clear that European societies have to ensure that the talents and potential of all citizens can be fully mobilized. A change of attitude starts to take place among Europeans which will receive an additional boost by the European Year of Equal Opportunities for All.⁴

To exploit examples of good practice the following five conditions for success would be needed:

³ Framework Convention on the Protection of National Minorities (1.11.1995), Pr. 7.

⁴ See *i.a.* the Special Eurobarometer 263, Discrimination in the European Union (2007).

- (1) the mobilization of all relevant actors (public and private) and stakeholders in particular at the local and enterprise level and the awareness raising of the general public for the needs and opportunities;
- (2) the networking of those who have acquired experience and the organization of mutual learning;
- (3) the assumption of leadership by politicians, business leaders and community leaders for the overall goal of inclusion and the formulation of a vision of common good;
- (4) the creation of the necessary administrative and financial structures in order to implement successful strategies;
- (5) the communication of success stories and the creation of role models.

4. Relationship to Other Major Community Policies

In addition, there is significant overlap of policies and strategies to integrate ethnic minorities with other policies which are not focused strictly on minority groups, but related to the Community's primary policy goals as defined by the Treaty.

4.1 Social Inclusion (Context of the Situation of Other Disadvantaged Groups)

Different country studies on the outcomes of members of ethnic minorities in the labour market and the performance the educational system highlight that existing problems faced by young people from ethnic minority groups are the results of factors that they share with other native persons from a disadvantaged background. These factors can include single parenthood, parents without or with only a few qualifications, large families, and living in a relatively poor neighbourhood.⁵ The results suggest that if broader policies towards disadvantaged groups in society are effective, young people from ethnic minority groups should also benefit from them.⁶

Broader policies towards improving the social inclusion of other disadvantaged groups are not a primary topic for the HLG's work, but they are certainly of interest as potential sources of good practices which could be "exported" to the policy area dealing with disadvantaged ethnic minorities. Conversely, some good practices identified in the area of working with disadvantaged ethnic minorities may prove to be of use in a non-minority context of dealing with poverty and social exclusion.

A key challenge for the fight against poverty and exclusion is the promotion of active inclusion. In this respect several Member States are adopting a more holistic approach to the integration of migrants and the social inclusion of ethnic minorities, also singled out as priority categories. This involves addressing educational disadvantages and developing

⁵ BEPA Paper Investing in Youth - From Childhood to Adulthood (2006), p. 5; 9; 12.

⁶ Migration and its Impact on the Labour Market and Education. New Perspectives for Learning – Briefing Paper 38, Key conclusions, Art. 6. The authors claimed that the problems of 2nd generation immigrants correspond with those of 3rd generation descendants of immigrants. Their conclusion, however, that "*with the exception of policies stressing the accumulation of language skills, special policies towards these groups seem not to be necessary*" can be contested with good reasons.

language skills, but also fighting discrimination and promoting participation in civic life more broadly.⁷

4.2 Employment Policy

The EU regards the inclusion of people in the labour market as a major way to combat social exclusion. The Employment Guidelines of the European Employment Strategy aim at facilitating access to employment. They follow a preventive philosophy and intend to keep unemployed people closely attached to the labour market and to increase their employability. The Guidelines pay special attention to disadvantaged people, including immigrants and ethnic minorities. The European Employment Strategy regards the expansion of social services and the social economy, as well as the development of new sources of jobs in response to collective needs as possible ways to achieve its goals. The fight against discrimination is identified as a complementary approach to "classical" employment policy which concentrates on ensuring that work pays, as well as on removing unemployment, poverty and inactivity traps.⁸

As the last Joint Employment Report highlighted that the ethnic unemployment gap of 10% follows a growing trend and that education and training systems need to be improved in order to become more efficient and more equitable in particular with regard to the labour market inclusion of immigrants and ethnic minorities.⁹

4.3 Gender Equality Policy

Female members of disadvantaged ethnic groups are often worse off than their male counterparts.¹⁰ Both the Employment Equality Directive and the Race Equality Directive explicitly recognise the fact that women often face situations of multiple discrimination.¹¹ As outlined in the previous chapter, gender equality policy needs to take the situation of men into account and must aim at develop sustainable solutions for both genders.

Certain traditions and (family) responsibilities seem to exacerbate the labour market segregation of girls from ethnic and migrant communities.¹² Available results show that for women of immigrant/ethnic minority origin, the employment rate gap and a wage gap tends to be higher than for men.¹³

⁷ Draft Joint Report on Social Inclusion and Social Protection (2007), p. 7 (EN).

⁸ Council decision of 12 July 2005 on Guidelines for the employment policies of the Member States (2005/600/EC), Official Journal of the European Union, L 205/25 (6.8.2005), in particular Guideline 19.

⁹ Joint Employment Report 2006/2007 (2007), p. 11; 14 (EN).

¹⁰ See C. Fagan et al., Gender inequalities in the risks of poverty and social exclusion for disadvantaged groups in thirty European countries (2006), referring in particular to the situation of Roma women (p. 97ff.) and immigrant and migrant women (p. 115ff.).

¹¹ Directives 2000/43/EC and 2000/78/EC. Both Directives stipulate (in Recital 3 of the Employment Equality Directive and Recital 14 of the Racial Equality Directive) that "*in implementing the principle of equal treatment, the Community should, in accordance with Article 3(2) of the Treaty, aim to eliminate inequalities, and to promote equality between men and women, especially since women are often the victims of multiple discrimination.*"

¹² BEPA Paper Investing in Youth - From Childhood to Adulthood (2006), p. 11.

¹³ See J. Plantenga/Ch. Remery, The Gender Pay Gap – Origin and Policy Responses (2006), p. 8; 39.

Therefore, the Roadmap for equality between women and men (2006-2010) underlines the need to combat the multiple discrimination faced by ethnic minority women.¹⁴ The gender aspect is of major importance and needs to be fully mainstreamed in the public policy approaches.

4.3 Policies on Multiple Discrimination

The concept of multiple discrimination has grown in importance at EU level since the inclusion of Article 13 in the Treaty. It is in this respect crucial to note that Community policies follow the principle that the different forms of discrimination cannot be ranked and are all equally intolerable.¹⁵ However, research suggests that disadvantaged ethnic minority women seem particularly exposed to multiple discrimination. A recent study on multiple discrimination conducted for the Commission analyses how the individual experiences of persons discriminated on two or more grounds or a combination of these are reflected in the strategies of public policy, laws and civil society. The lack of data and the prevailing focus on single grounds of discrimination require holistic and comprehensive approaches to non-discrimination. The study provides for recommendations to ministries, equality bodies, civil society and the European Commission.¹⁶

Disabled people from ethnic minorities often find that services are either not available in their language or do not respect their culture or religion. Without the possibility to participate in the daily life of their community and maintain social contacts these persons are facing the risk of more social exclusion and segregation. People who share similar disabilities will nonetheless have different needs and abilities.¹⁷

Member States have started to address the discrimination of members of ethnic minorities of older age and/or with disabilities. These forms of discrimination lead to even stronger forms of exclusion and need targeted policy responses which ideally unite the diverse initiatives in one hand.¹⁸

Conclusions

The report concentrates on the overlap between membership in an ethnic minority and being socially disadvantaged. The HLG is aware that ethnic minorities are heterogeneous groups composed of individuals who might have different problems and different outcomes; moreover, these problems and outcomes differ from country to country.

¹⁴ COM(2006)92 final, p. 4; 15 (EN).

¹⁵ See Council decision 2000/750/EC establishing the Community Action Programme to combat discrimination (2001-2006) (Recital 5)

¹⁶ The Danish Institute for Human Rights, Study on Multiple discrimination in the European Union (2007).

¹⁷ G. Freyhoff et al. (Ed.), *Included in Society* (2003), p. 14.

¹⁸ See R. Woods et al., *Report of a Thematic Study Using Transnational Comparisons to Analyse and Identify Cultural Policies and Programmes that Contribute to Preventing and Reducing Poverty and Social Exclusion* (2004), p. 68.

Barriers and possible solutions might very often be identical for immigrants and for ethnic minorities of non-immigrant background. Moreover, minorities share some problems with socially disadvantaged members of the majority.

Members of ethnic minorities who are visible through *e.g.* the colour of skin are running a higher risk to be discriminated and, thus, excluded from the labour market and society.

Specific minority rights as those stipulated in the Council of Europe's Framework Convention on the Protection of National Minorities are used as a benchmark in the enlargement process of the EU and represent preconditions for EU membership.

The HLG report is embedded in a broader context. The inclusion of ethnic minorities relates to a number of Community policies which do not address exclusively this group. The EU policies on social inclusion, employment, gender equality and non-discrimination highlight that members of ethnic minorities are running the risk to be among vulnerable groups who need particular efforts.

Barriers: An Essay to Analyse the Labour Markets in the European Union and the Outcomes of Ethnic Minorities

**Evidence and Data
Country Studies
Experts Opinion Survey
The Situation of Roma**

1. Evidence and Data

1.1 Statistical Evidence

Although there is a widely shared perception among social researchers, but also among stakeholders that there is a general labour market disadvantage for members of ethnic minorities in Europe, even drawing conclusions about the outcomes of ethnic minorities in the individual Member States is difficult, and making comparisons across the EU is next to impossible.¹ This is due to the widely disparate definitions of categories related to ethnicity in the available statistics.² Europe-wide it is possible to measure and compare the outcomes of citizens versus third country nationals; some Member States provide for statistical evidence which allow comparing data for citizens born in the country and those of foreign birth; but only a few Member States provide statistics which are broken down by ethnicity as far as national citizens are concerned. The term "ethnic minorities", as used in this study, can include national citizens born in the country, national citizens born abroad as well as third country nationals. The report of the HLG has also considered to a certain extent a study which was carried out by the Institut zur Zukunft der Arbeit (IZA) for the European Commission.³ This study was based on the analysis of available statistical material from different sources and on a review of the relevant literature.

¹ Cf. K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities (2007), p. 9f; see the relevant literature on p. 10, footnote 3.

² See chapter 5.

³ K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities (2007).

1.2 Evidence in Social Research

Social researchers have indicated there is an ethnic wage gap and an ethnic employment gap. These gaps differ from Member State to Member State, but also within one country from ethnic groups to ethnic group. A good example is the Dutch labour market where at the end of the last decade an ethnic wage gap was observed which was -2% for Turks, -13% for Surinamese, -19% for Antilleans and -22% for Moroccans compared to the majority population.⁴

The analysis of participation rates of ethnic minorities in the labour market, but also their unemployment rates in a number of countries where we have disaggregated data, provide for evidence that membership of an ethnic minority can be a significantly bigger or smaller disadvantage. Even if activity rates of members of some ethnic minorities are as high as those of the majority or even overtake them – e.g. of Indians in the UK or Surinamese in the Netherlands – unemployment of members of even these minorities is in most cases much higher.⁵

There is no distinct pattern which would allow the conclusion that there is a systematic gender gap in terms of labour market participation, unemployment or educational attainment, but there is clear evidence that women of specific ethnic groups in a given Member States face greater barriers to work than women of other ethnic minority groups or majority women. Examples for this are Bangladeshi or Pakistani women in the UK who are more often not participating in the labour market, unemployed or without formal qualifications than women of the white majority, but also than women of other ethnic groups.⁶

Another observation can be made with regard to the unemployment of Roma in the different Member States. There is evidence for South-East Europe which highlights that there are huge gaps between the unemployment rates of the majority populations and of Roma.⁷ The Spanish case is quite specific - the working life of the Spanish Roma population is longer (and thus the activity rate is higher) than that of the majority, but at the same time also unemployment is more frequent with a peak among Roma people aged 16-29 (in contrast to the majority).⁸

⁴ K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities (2007), p. 10, who refer to J. van Ours/J. Veeman, The Netherlands: old immigrants, young immigration country (1999).

⁵ J. Dagevos, Hoge (jeugd)werkloosheid onder etnische minderheden (2006); Labour Force Survey 2006 Q1-3, cf. K. Zimmermann et al., *ibid.*, tables B3.4; B3.9.

⁶ Labour market participation: white majority women: 77.55% - ethnic minority women average: 61.77% compared to Pakistani women: 29.40% and Bangladeshi women: 19.79
Unemployment: white majority women: 3.73% - ethnic minority women average: 8.98% compared to Pakistani women: 7.92% and Bangladeshi women: 16.54
No qualifications: white majority women: 14.01% - ethnic minority women average: 20.72% compared to Pakistani women: 39.76% and Bangladeshi women: 49.65
Source: Labour Force Survey 2005 Q1 to 2006 Q4 and 2006 Q1-3.

⁷ UNDP, At Risk: Roma and the Displaced in South East Europe (2006), p. 41ff. Unemployment rates based on official figures showed a gap between the majority and Roma in Romania (-16%), Albania (-20%), Serbia (-30%), Bosnia and Herzegovina (-22%), Montenegro (-21%), Bulgaria (-35%), Croatia (-37%) and Macedonia (26%).
Romanian and Hungarian statistics referred to by K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities (2007), p. 15 and table 3, show the "standard" pattern of significantly lower activity rates of Roma (ca. half of those of the majority) and unemployment which is up to five times higher for Roma compared to the majority.

⁸ Fundación Secretariado Gitano, Roma Population and Employment. A Comparative Study (2005), p. 48ff.: Figures show an activity rate for Roma of 69.27% (compared to 56.10% for the majority), but also an unemployment rate of 13.80% which is higher than the 10.38% for the majority.

1.3 The European Employment Strategy 2006/2007

The European Commission and the Council of the European Union have analysed in the last Joint Employment Report the effectiveness of the National Reform Programmes (NRP) which have been set up last year in order to implement the commitments made under the umbrella of the European Employment Strategy. With a view to attract and retain more people in the labour market, a number of Member States are implementing measures targeted at immigrants or ethnic minorities. The unemployment rate gap between EU and non-EU-nationals, however, is still more than 10% in many countries (*e.g.* Belgium, Germany, France, the Netherlands, Finland and Sweden). The most worrying concern is that this gap actually increased in all these Member States except France.⁹

With regard to the increase of investment in human capital through better education and skills there is a good level of overall implementation of measures announced in the 2005-2008 NRP, with a wide variety of measures. However, many measures are still in their initial phase, and approaches continue to be often rather piecemeal. The Joint Employment Report emphasises that Member States need to focus on improving the efficiency and equity of education and training systems, in order to ensure a good return on investment by reducing the indirect costs, and to ensure that every citizen, especially the disadvantaged, migrants, and ethnic minorities, can play their full part in society and the economy. The report criticises that it is too often the case that systems reproduce or even compound existing inequities.¹⁰

2. Country studies

The IZA study aimed at coming to general conclusions regarding barriers for the labour market inclusion of members of ethnic minorities on the basis of ten country studies analysing the situation in Denmark, France, Germany, the Netherlands, Spain, the UK, Hungary, Latvia, Romania, and Slovakia. Canada served as an external benchmark for a comprehensive integration policy.

2.1 Facts and Figures

The available data seems to indicate that at least in Western European countries, such as Denmark, France, Germany, the Netherlands and the UK, different ethnic origin can *per se* be a disadvantage in the labour market.¹¹ This applies in particular to the descendants of immigrants who have often greater difficulties to participate actively in the labour market and in society, although they have *de iure* equal access to education and social services.

In the Central and Eastern European Member States, the Roma appear to run the highest risk of social and labour market exclusion, notwithstanding more or less effective responses by

⁹ Joint Employment Report 2006/2007 (2007), p. 11 (EN).

¹⁰ *Ibid.*, p. 14.

¹¹ K. Zimmermann et al., *ibid.*, p. 12 and table 1.

national (as well as local) politics.¹² Other ethnic minority groups such as the historic national minorities or the Russian-speaking groups in Latvia, cross-border workers or recent immigrants tend to have similar activity and unemployment rates as the majority population. The last observation might be explained through the rapid economic growth in these countries during the last decade.

Light at the End of the Tunnel

"The [IZA study] shows that initiatives to foster the labour market and social integration of ethnic majorities can work. Successful actions take the specific situation of the respective ethnic minority into account. Effective measures use the right mixture of general and targeted integration measures. They should be balanced, complementary and reinforcing. General initiatives are necessary to create an institutional and social environment inhibiting discrimination and facilitating targeted action. But all measures need to be persistent, flexible enough to account for changes and allow for time to become effective. One should be aware of the fact that not all can be changed within a short time horizon. This is particularly true when tackling cultural issues such as perceptions and attitudes."

Klaus F. Zimmermann
Director IZA

¹² See the section (4) Decade of Roma Inclusion 2005-2015 in chapter 6 Public Policy.

Table 1. Labour market situation of selected ethnic minorities and natives/total population in Denmark, Hungary, the Netherlands, Romania, and the UK.

Country	Minority/majority group	Participation rate ^{b)}	Unemployment rate	Hourly wage ^{a)}
Denmark	Total Population	76.3	4.5	278.3
	Turks	62.2	17.8	170.7
	Iraqis	37.7	26.9	138.4
	Bosnia-Herzegovinians	57.2	12.9	177.4
	Other non-Western	55.8	28	164.8
Hungary	Hungarian Majority	40.47	9.84	
	Africans	48.13	10	
	Arabs	48.14	5.21	
	Croatians	41.37	7.25	
	Chinese	65.01	0.68	
	Polish	53.07	6.81	
	Armenians	51.13	5.68	
	Rutheneans	48.27	8.11	
	Serbs	40.44	8.17	
	Ukrainians	47.95	8.39	
The Netherlands	Dutch Majority		9	10.4
	Turks		21	7.1
	Moroccans		27	6.9
	Surinamese		16	8.5
	Antilleans		22	8
Romania	Romanian Majority	41.6	11.5	
	Hungarians	38	11.3	
	Ukrainians	42.8	11.1	
UK	White Majority Population	81.8	3.8	11.8
	Indians	80.1	6.4	12.2
	Pakistanis	55.2	12.8	10.2
	Bangladeshis	48.7	19.4	10.1
	Other Asians	75.1	8.3	10.2
	Black Caribbeans	81.0	11.0	11.4
	Black Africans	77.7	11.8	9.9

Source: K. Zimmermann et al., *Study on the Social and Labour Market Integration of Ethnic Minorities (2007)*, p. 13f.

Some Examples¹³

- *UK: People of Bangladeshi background are five times more likely to be unemployed, and earn 1.7 £/hour less than the white majority in England.*

¹³ K. Zimmermann et al., *ibid.*, p. 11ff. and table 2; p. 70 and table B3.23; p. 68 and table B3.19; p. 32ff.

- **Denmark / Netherlands:** Iraqis are more than twice less active in the Danish labour market, more than six times more likely to be unemployed, and earn two times less per hour than is the national average in Denmark. People of Turkish background have equally bad outcomes in the Danish and Dutch labour markets, being four resp. two times more likely to be unemployed than respective majority groups, respectively, and earning significantly less. Moreover, children of Turkish, Moroccan and Surinamese immigrants who are already born in the Netherlands have a significantly higher risk of unemployment than the majority, but also than their parents.
- **France:** Male and female immigrants in France are almost two times more likely to be unemployed as native French. The male children of immigrants, who were born outside of France, are not only worse off in the French labour market than their native counterparts, but they are also worse off than any co-ethnics of other generations. The daughters of immigrants to France, on the other hand, tend to be more economically active and have a lower unemployment rate than their mothers. The members of ethnic minorities who fare better than any other co-ethnics are those who have only one parent born outside of France.
- **Hungary:** While the Hungarian Roma population scores by far worst with regard to the participation rate (half of the rate of the majority) and unemployment rate (more than five times higher than rate of the majority), members of national minorities, such as Slovaks, Serbians or Romanians, are in line with the Hungarian patterns. The immigrant communities of Chinese and Arab people achieve much higher participation and much lower unemployment rates.
- **Latvia:** The employment gap between Latvians and (mostly Russian-speaking) non-Latvians seems to be closing in this decade.
- **Canada:** Canada encourages immigration based on an explicit point system and is heavily geared towards skills and youth. The unemployment rates for ethnic minorities in Canada mirrors that of the Canadian population at around 7.6%.

2.2 Possible Barriers for the Access to the Labour Market

The analysis of the ten country studies allows outlining a number of internal and external barriers which are common to most countries as well as some more specific barriers which are typical for only few countries or specific ethnic minorities.¹⁴ The following examples given can and will not reflect the whole reality, but they can serve as paradigmata for problems.

Most important barriers from the experts view fall under the categories of **education and (formal) skills**. These include the lack of language skills, but also of professional skills and vocational qualifications.

Barrier 1: Lack of Education and Training

- *The low level of formal education for most of the minority groups in the Netherlands and in France (in particular immigrants who have often only or even less than primary education) is a key barrier for successful labour market outcomes.*
- *The low participation of children of immigrants in Germany and of Roma in Romania in vocational training sustains a further exclusion from the labour market. A similar problem is the difficult access to vocational training in Denmark, in particular in SMEs.*

¹⁴ Cf. the country studies in section 2 of K. Zimmermann et al., *ibid.* p. 16ff.; 32ff.

- *The poor educational attainment of Roma is considered as a major barrier in Hungary, Romania, Slovakia and Spain (although it is improving in the latter country).*

Barrier 2: Lack of Language Skills

- *For first generation immigrants the lack of skills of the national language is a great barrier in the Netherlands and Germany. In the UK the lack of fluency in English reduces the probability to find a job by 25%.*
- *The lack of Slovak language skills reduces the chances of Roma children to follow mainstream school education in Slovakia.*
- *In Latvia the absence of Latvian language skills is not only a serious barrier for labour market participation, but together with citizenship status also an ethnic marker.*
- *The better outcomes of Latino minorities compared to people of African origin in Spain can be at least partly attributed to linguistic advantages.*

Barrier 3: Lack of Recognition of Skills and Qualifications

- *The Dutch approach leads to a lack of recognition of credentials.*
- *Members of Latino minorities in Spain may also have more positive labour market outcomes, because members of the majority are more open to take their skill transferability for granted.*

These three barriers are complemented by a number of **administrative and legal barriers**. Barrier no. 3 is a good example of interdependence, because it is public authorities or professional self-governing bodies which are responsible for the recognition of skills and qualifications, such as vocational or academic training which has been acquired in a third country. Maintaining administrative and legal barriers might be justified by *e.g.* the protection of consumers, patients or clients, but it leads *de facto* to the exclusion of certain ethnic groups, in particular those who do not hold the national citizenship or who acquired their qualifications abroad. The failure of developing a proper integration policy by national authorities is subsumed under the same category.

Barrier 4: Lack of Access to Professions

- *France excludes non-citizens from a broad number of professions, such as civil servants, lawyers, doctors, dentists, midwives, surgeons, druggists, brokers, chartered accountants, bailiffs, notaries and others.*

Barrier 5: Lack of Access to Citizenship

- *The lack of citizenship is in Latvia an important indicator of minority status. The acquisition of citizenship is among young people who in their overwhelming majority are born in the country not self-evident (less than 2/3 are actually holding it).*

Barrier 6: Lack of Integration Policy

- *Immigration of many third country nationals and the arrival of refugees in Denmark took place at a time of both high unemployment and the lack of an explicit integration policy. Thus, problems of labour market integration were exacerbated and perpetuated.*
- *German policy-makers tended to believe for decades that labour immigration was only a temporary phenomenon and "guest workers" would return to their home countries after a certain period of time. This has led to an absence or the inefficiency of public integration policies. Thus, neither the acquisition of language skills nor of other key factors for the successful integration into the labour market and into society were stimulated.*

A further aspect is of a **cultural or psychological nature**: The way members of ethnic minorities are perceived by the majority is decisive for the openness of a society. Negative perceptions will inevitably lead to **discriminatory behaviour**.

Barrier 7: Prejudices, Stereotypes and Negative Attitudes

- *In the Netherlands members of ethnic minorities are often perceived as uneducated, unskilled or not trustworthy.*
- *Regular opinion polls of the British general public exhibit that a strong group of majority people has prejudices against people of different ethnic background. While this group decreased from the early 1980s to 25% in 2001, the terrorist attacks in the US and the UK of this decade led to a new increase.*
- *Roma are confronted with negative perceptions from the majority population in most Member States. These negative perceptions include characteristics regarding labour market performance, social and practical skills, education etc.*
- *The cultural distance between the majority and ethnic minorities has been identified as an integration barrier in France with regard to persons of an immigrant background and in Slovakia with regard to Roma.*
- *Comparable figures on the attitudes of Europeans with regard to immigrants show that permanently sick or disabled workers, discouraged workers, unemployed persons and retired persons are generally less welcoming to immigration. Moreover, older, less educated and more conservative people have more negative attitudes. There are hints that there is a link between economic success and attitudes. It needs also to be highlighted that there is some competition between established minorities and newcomers.*

The way in which members of ethnic minorities are settled on the **territory** of a Member State can become a barrier.

Barrier 8: Lack of Mobility and Concentration in Certain Areas

- *Hungarian Roma are concentrated in isolated rural areas offering mainly jobs in the agricultural sector. At the same time the mobility of Roma is weak.*

A possible last barrier could be identified with **industrial change** and the disappearance of jobs to which members of ethnic minorities have had access. It needs to be highlighted that

industrial change in the post-communist states in Central and Eastern Europe took place virtually over night and left hardly any time for adaptation of workers and enterprises.

Barrier 9: Industrial Change

- *In Romania the collapse of industrial activities and the liquidation of large state-owned farms have led to mass lay-offs. Roma, but also other ethnic groups, have been affected by this. Similar trends have occurred in other post-Communist countries.*
- *The development from industrial to post-industrial economies requires different educational and skills profiles which – as barriers 1-3 show – members of ethnic minorities often do not have.*

While the basic philosophy of most European **welfare systems** aims at creating a socially more inclusive society, these can also have detrimental effects on members of ethnic minorities. Social benefits can provide for disincentives for labour market integration as long as there are enough jobs for which the skills and qualifications of members of ethnic minorities are accepted by employers and as long as recruitment is carried out without discrimination on grounds of ethnic origin. If decently paid jobs are unavailable for members of ethnic minorities, the cutting of benefits is not a policy option. It needs also to be stressed that the most excluded people, e.g. the Roma in Central and Eastern Europe, have neither access to decent jobs nor enviable welfare entitlements.

Barrier 10: Disincentives through Welfare Systems

- *It is alleged that the relatively generous Danish welfare system, which was targeted to the expectations and needs of the majority population, became a barrier to the labour market integration of immigrants. Together with the absence of an efficient integration policy over a long period of time it provided for a disincentive to work.*
- *The combination of an exceptional leave to remain with limited social benefits and a denial to assume regular work is a barrier in Germany. It concerns asylum seekers during their process and third country nationals who do not have the status of refugees, but are not sent back to their countries of origin for humanitarian or other reasons.*

3. Experts Opinion Survey

The IZA study comprises a survey which has been undertaken in the summer of 2007 and to which 215 organisations of stakeholders contributed.¹⁵ This parallel survey which was carried out on the specific request of the HLG was extremely useful in order to cross check the findings of academic experts based on official data and social research.

¹⁵ K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities (2007), p. 37ff. 33.8% of the organisations which contributed are focusing on ethnic minorities, 29.1% are run by members of ethnic minorities.

3.1 Groups at Risk and Trends

The majority of the surveyed experts perceive ethnic minorities to be exposed to a high or very high risk of ethnic labour market exclusion. Moreover, they assess that the exclusion risk is constant or even increasing over time. The Roma and Africans are most frequently cited as the ethnic minorities which face the greatest risk. It is likely that for some ethnic groups the elements of belonging to a (visible) minority and religion are mutually reinforcing drivers for exclusion.

3.2 Priorities for Change and Actors

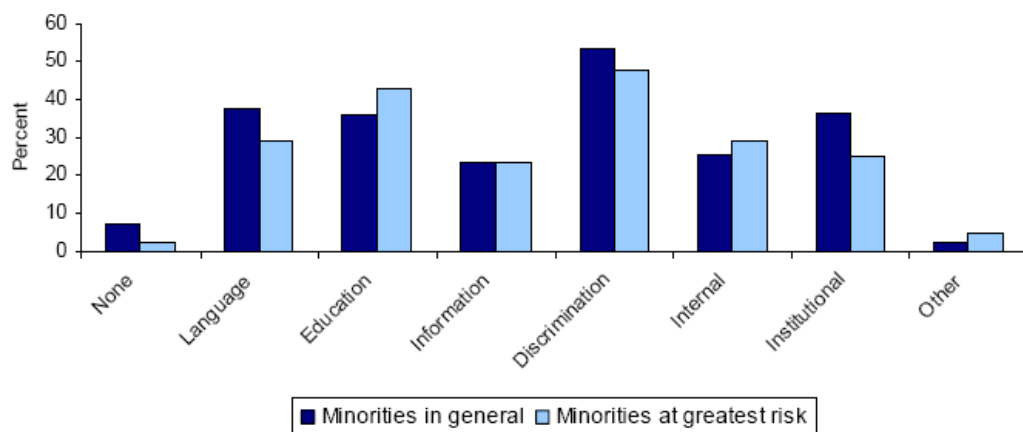
For the overwhelming majority of experts a better social integration and labour market inclusion of ethnic minorities is a priority. Most prominent areas for such improvements are employment (hiring, promotion, laying-off, and pay), education, housing, and acceptance by society. These priority areas are of equal importance for experts who identified Roma as the group running the highest exclusion risk. They feel, however, that among these areas education needs to rank highest.

In terms of responsibility, the experts identify the national and local governments and authorities as key actors. The institutions of the European Union, NGOs and representatives of ethnic minority are quoted less frequently.

3.3 Barriers

The special value of the survey becomes evident when experts have been asked to list the barriers to integration.

Figure C5.13 Integration barriers



Source: K. Zimmermann et al., *Study on the Social and Labour Market Integration of Ethnic Minorities* (2007), p. 86

The exhibited barriers are mostly in line with the barriers extracted from the country studies: Insufficient knowledge of the official language, inadequate education, along with institutional barriers such as citizenship and legal restrictions are regarded as very significant barriers. Interestingly, even simple problems which could be easily overcome, such as a lack of information about employment opportunities, and) are seen as significant barriers. Moreover,

discrimination is perceived as the most serious barrier to the social and labour market integration of ethnic minorities. This is not surprising, because perceptions of victims of discrimination, of the general public and the persistence of stereotypes, prejudices and negative attitudes against ethnic minorities concur with this assessment.

Barrier 11: Discrimination

- *Discrimination is perceived by stakeholder experts as the single most important integration barrier. This applies not only for minorities at greatest risk, but for all ethnic minorities.*

Barrier 12: Lack of Information

- *Member of ethnic minorities, in particular newcomers, need access to information not only about employment opportunities, but also about social, cultural, and religious norms. More than a fifth of stakeholder experts feels that members have difficulties in obtaining them.*

3.4 Solutions

Experts opined that equal treatment regardless of ethnic origin is clearly the most preferred policy response.

In order to overcome the identified barriers the most frequently suggested solutions have been general (e.g. anti-discrimination laws) or specific (e.g. targeted pre-school education and information campaigns) public policies and initiatives.

4. The Situation of Roma

Although some characteristics of the Roma on the labor market are comparable with the position of other ethnic minorities which have been discussed in the sections above, they run a much higher risk of being excluded.

Roma Communities in the New Member States

"As a matter of fact, conditions for many Roma families in new Member States have gotten clearly worse since the beginning of the 1990s. Before, all people had at least some job. Now, many Roma who today are 13 or 15 years old have never seen their parents work due to their long-term unemployment. These young people have the impression is that this is normal, and they then assume an incorrect model of behavior. For instance in the Czech Republic the situation is worsening through the growth of socially excluded communities, with which this country previously had no experience. Today there are, according to recent research, about 300 such communities. In these communities there is no motivational model; everyone is poor

and dependent on social welfare support, unable to pay their rent, unable to defend themselves against discrimination, and without real chances to improve their situation."

Jarmila Balážová
Roma journalist

The Roma experts of the HLG have tried to identify a number of barriers which are complementary to the ones describes in Sections 2 and 3 of this chapter. It is evident that the underlying problems are similar, and that the position of disadvantage is a common denominator.

Apparently, to an even greater extent than other minorities, the Roma are **unskilled or poorly qualified**, which is related to their insufficient education – there is a high number of Roma in “special needs” education as well as a high proportion of early school leavers etc.

The **stereotypes** are even more entrenched and more negative than with other minorities. In the Czech Republic and many other European countries, the Roma have an extremely poor image. This stereotype has been evolving – at least in post-totalitarian countries – from the almost "classical" one of "thieves and frauds" to a much more frequent labeling as "scroungers", *i.e.*, people who do not want to work, who avoid work at any cost, or who are simply unreliable workers.

Direct but also indirect discrimination is facilitated by the fact that the Roma are **visibly different** from the majority population in many European countries where there are otherwise few people from "visible minorities". In addition, many of them have surnames which are typically Roma. For instance, when a Romani job seeker enquires about a position by telephone it is described as available, but when he or she turns up in person for the interview, the opportunity has usually “just been taken” by someone else.

Most countries where large Romani populations live – those of new Member States, but also Southern Europe – **non-discrimination policies** are **weak** and do **not have a long tradition**. Monitoring bodies, such as the Trade Inspection Authority in the Czech Republic, are orientated towards the provision of services. Monitoring of job availability is problematic; there is no authority which systematically monitors hiring and whether employers are including women, mothers with children, foreigners or the Roma among their employees. Employers then discriminate without suffering any consequences. New non-discrimination laws required by the EU were adopted only recently or, as in the Czech Republic, they are still waiting for adoption. This means that Equality Bodies either do not yet exist, or are only making their first experiences.

Multiple discrimination is common. It affects Roma women, but also middle-aged Roma workers. Many Roma who were employed for years (even as skilled factory workers) have lost their jobs due to discrimination or simply due to restructuring of the industry. Now, being more than 40 or even 50 years old, they have double problems finding work.

In conclusion this means:

- Roma share with members of some other ethnic minorities disadvantages due to lacking skills and qualifications, albeit to a higher degree.
- The prevalence of stereotypes and prejudices against Roma has been already highlighted. As a visible minority they can, be targeted even easier by discriminatory behaviour.

- Discrimination and ineffective non-discrimination policies are a consequence of stereotypes, prejudices and negative attitudes. Roma run a particularly high risk of multiple discrimination.

The Roma as a long-standing minority are facing **competition** even for low-skilled jobs **from new immigrants**.¹⁶ Many of the immigrants work in irregular conditions – their work is undeclared, their employers do not pay social security. **Undeclared work** is also common among unemployed Roma. There are no exact statistics on this phenomenon, but it is clear that at least a third of the unemployed, if not more, engage in undeclared work while at the same time drawing social welfare support. This practice suits both employers and employees, since it means the employers do not pay social security to the state for their unofficial employees, but it reinforces stereotypes, prejudices and negative attitudes of the majority.

Barrier 13: Labour Market Competition

- *There are clear hints that Roma have to compete with immigrants for jobs. It is very likely that the aspect of visibility works against Roma and in favour of white people from Eastern Europe.*¹⁷

Barrier 14: Undeclared Work

- *The exclusive effects of the barriers mentioned above leave undeclared work as an alternative for Roma to prevent them from poverty. This triggers, however, a vicious cycle of undeclared work, lack of social protection, dependency on welfare benefits, and negative attitudes of the majority.*¹⁸

Conclusions

Although there is a lack of comparable data on the labour market outcomes of members of ethnic minorities a lot of evidence has been acquired by social research to support the hypotheses that

- there is an ethnic wage gap which differs from Member State to Member State and from ethnic group to ethnic group;
- the membership in an ethnic minority is in most cases a social disadvantage *per se*.

The IZA country studies together with the survey among stakeholder experts and the work of the Roma experts allow defining 14 barriers which prevent members of ethnic minorities from fully participating in the labour market:

¹⁶ The Roma magazine in the Czech TV edited by HLG member Jarmila Balážová succeeded in revealing that some firms even conclude agreements with recruitment agencies that, e.g., only Ukrainian laborers will be hired.

¹⁷ It is very likely that similar effects can also be observed in a number of further Member States, e.g. in Denmark where immigrants from Eastern Europe compete with the resident minority population.

¹⁸ It is very likely that the same applies also to a number of further ethnic minorities.

Labour Market Barriers for Ethnic Minorities

- (1) Lack of education and training*
- (2) Lack of language skills*
- (3) Lack of recognition of skills and qualifications*
- (4) Lack of access to professions*
- (5) Lack of access to citizenship*
- (6) Lack of integration policies*
- (7) Stereotypes, prejudices and negative attitudes*
- (8) Lack of mobility and concentration in certain areas*
- (9) Industrial Change*
- (10) Disincentives through welfare systems*
- (11) Discrimination*
- (12) Lack of information*
- (13) Labour market competition*
- (14) Undeclared work*

These barriers are relevant for all ethnic minorities. In the case of their accumulation they are mutually reinforcing and lead to the virtually total exclusion from the labour market.

Some of these barriers – lack of education, stereotypes, and disincentives through welfare systems – have a tendency to become higher from generation to generation.

Towards an Inclusive Society

Non-Discrimination Equal Opportunities Diversity Management

1. Non-Discrimination

1.1 The Problem

Many stakeholders maintain that discrimination, while not being the only reason for the exclusion of ethnic minorities from the labour market, is in fact the most important one. Such a conclusion has been made for instance by the International Labour Office,¹ the Fundamental Rights Agency of the European Union,² and by national Equality Bodies.³ This corresponds also with the perceptions of citizens⁴ and the opinions of NGOs dealing with the situation of specific groups which are confronted with discrimination in the European Union.⁵

While it is beyond the remit of this document to establish a "hierarchy" of barriers to labour market participation, there can be no doubt that discrimination on grounds of ethnic origin represents a hugely important external barrier to labour market participation. Its negative effect is due not solely to discrimination in the labour market itself, but also to discriminatory practices in other areas of life, e.g., in housing, access to public and private goods and services, to health care and to education at all levels.

¹ The ILO has carried out up comprehensive studies based on discrimination testing. See *e.g.* E. Allasino et al., Labour Market Discrimination against Migrant Workers in Italy, *International Migration Papers* 67 (2004); P. Arriijn et al., Discrimination in Access to Employment on Grounds of Foreign Origin: The Case of Belgium, *International Migration Papers* 23 (1998); J. Bendick, Discrimination Against Racial/Ethnic Minorities in Access to Employment in the United States: Empirical Findings from Situation Testing, *International Migration Papers* 12 (1996); M. Angel de Prada et al., La discriminación laboral a los trabajadores inmigrantes en España, *International Migration Papers* 9 (1995); A. Goldberg et al., Labour Market Discrimination against Foreign Workers in Germany, *International Migration Papers* 7 (1996); F. Bovenkerk et al., Discrimination against Migrant Workers and Ethnic Minorities in Access to Employment in the Netherlands, *International Migration Papers* 4 (1995).

² See *i.a.* ICMPD on behalf of the European Monitoring Centre on Racism and Xenophobia, *Migrants, Minorities and Employment* (2003), p. 6; 51ff.

³ N. Crowley, Presentation in the HLG on 22 May 2007.

⁴ Special Eurobarometer 263, *Discrimination in the European Union* (2007), *passim*.

⁵ See *e.g.* ENAR Strategic plan 2007-2010 "Driving the future of the European Anti-racist Movement" (2007), p. 4f.; 9; 12; L. Hollo, *Equality for Roma in Europe* (2006), p. 16ff.

For instance, residential segregation of disadvantaged ethnic groups in low-income neighbourhoods with bleak economic perspectives, which is at least partly due to discrimination in the sphere of housing, contributes to the vicious circle of social exclusion, poor education and unsatisfactory labour market outcomes. Moreover, some members of ethnic minorities may be confronted with multiple discriminations: *i.e.*, being discriminated against not only on the grounds of their ethnicity, but on other grounds as well. This applies first and foremost to women from minorities, but also to elderly members or those who have a different religion, sexual orientation or a disability.

As demonstrated by the example of segregation in housing, other barriers to successful labour market participation (e.g., poor education, poor housing conditions) are often intertwined with discrimination to such an extent that it may be difficult to separate them from each other. This is particularly true where indirect discrimination or deleterious effects of past discriminatory practices are involved.

1.2. Non-Discrimination Legislation and Policy

European Community legislation, based on Article 13 of the Treaty, goes beyond direct discrimination in recognizing and prohibiting also three other forms of less favourable treatment: indirect discrimination, harassment and instruction to discriminate. All persons, regardless of their legal status, are protected against discrimination on grounds of race or ethnic origin under Directive 2000/43/EC".⁶ This includes members of long-standing ethnic minorities, established immigrants as well as recent migrants ones, refugees, asylum seekers, stateless persons etc. It must be emphasized, however, that the Directive does not protect against discrimination on the basis of nationality, which means that it does not deal with differential treatment between citizens and non-citizens of the European Union. (Thus, for instance, while a recent immigrant or an asylum seeker cannot be discriminated against for being an African, he or she can still be disadvantaged by having fewer legal rights than a citizen or permanent resident.)

The Directive provides for protection against discrimination not only in the area of employment, but also in the fields of social security and health care, social advantages, education and, crucially, access to goods and services which are available to the public, including housing. Since its adoption, it has not been fully implemented in all Member States. The Commission has identified a number of shortcomings in the national laws implementing the Directive.⁷ These difficulties appear to be at least in part attributable to the conceptual novelty of a legal approach which seeks to protect individuals against discrimination through strengthening his or her position for potential mediation or litigation without imposing penal sanctions on offenders. While some Member States had long-standing legislation based on these principles (e.g., the United Kingdom with its Race Relations Act of 1976), for others it was very different from their traditional policies and legal approaches which often consisted only in general constitutional guarantees of equality and criminal law sanctions for actions

⁶ Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin.

⁷ See COM (2006) 643; European Network of Legal Experts in the Non-Discrimination Field, Developing Anti-Discrimination Law in Europe (2006), 6ff; 19f.; 40ff.; <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/928&format=HTML&aged=0&language=EN&guiLanguage=en>

motivated by racial hatred, or else aimed at recognising and protecting the specific rights of a limited number of recognized national minorities and their members.⁸

The development of effective non-discrimination policies and their implementation requires comparable data which are significant and relevant. Their collection has to guarantee that they cannot be tracked down to an individual person, respect the privacy of citizens and are protected against misuse. Although all Member States have taken some measures in order to produce equality data, there are still vast blind spots due to unsystematic collection activities and limitations in terms of type of information.⁹ This is particularly relevant in terms of information on ethnicity where some Member States, such as France, may face constitutional difficulties, while in others the reluctance to collect such data appears to be caused by a lack of political will rather than by any insurmountable legal obstacles. The Special Eurobarometer 263 survey shows, however, that citizens would be willing to provide personal information on an anonymous basis as part of a census in order to combat discrimination.

Special Eurobarometer 263 "Discrimination in the European Union" (January 2007)

Europeans feel that:

- *Discrimination based on ethnic origin is felt to be the most widespread form of discrimination (64%);*
- *Being Roma (77%) or having a different ethnic origin (62%) is a disadvantage in their society;*
- *Colour of skin (59%) and ethnic origin (58%) reduce the chances to get a job or to be promoted.*
- *Citizens are willing to provide personal information relating to ethnic origin (75%), religion or belief (74%) on an anonymous basis as part of a census in order to combat discrimination.*
- *Only one third of citizens (32%) in general know their rights should they become a victim of discrimination or harassment;*
- *Only slightly more than one third of citizens know that discrimination on grounds of ethnic origin (36%) or religion and belief (35%) are forbidden.*

TNS Opinion and Social

Basis: representative sample of 27,000 interviews in 27 Member States

As for the effects of the aforementioned Directive, its transposition into national legislation is so recent that their full effect will probably be felt only in the years to come. So far, it appears from the statistics provided by the Member States and their Equality Bodies (see below) that most complaints of discrimination involve employment, followed by the provision of goods and services and housing. In the majority of the new Member States, statistics showed the Roma as the group most represented in complaints. Complaints from the Travellers community were also numerous in Ireland. The fact that cases have been taken up by the Roma indicates that non-discrimination legislation is being used also to challenge the widespread and deeply entrenched discrimination against that group.¹⁰

While the correct transposition of Community non-discrimination legislation still poses problems for some Member States, it also has to be noted that some Member States go further

⁸ COM (2006) 643, p. 3 (EN).

⁹ T. Makkonen, European Handbook on Equality Data (2007), p. 12.

¹⁰ COM (2006) 643, p. 4 (EN).

in these respect than the relevant Directives require them. In addition, a growing number of committed enterprises have adopted high standards in their internal codes of conduct, ensuring non-discriminatory recruitment procedures or carrying out anti-harassment policies.¹¹

1.3 Actors Supporting Victims of Discrimination

1.3.1 Equality bodies

The relevant Community legislation entrusts the information and advice to victims as well as the development of knowledge about discrimination to Equality Bodies.¹²

In some Member States, Equality Bodies have already a long tradition (such as the British Commission for Racial Equality). Other such bodies have been established when relevant European legislation, such as the successive Directives dealing with gender equality or the two Directives dealing with other grounds (2000/43/EC and 2000/78/EC), came into force which explicitly requested the setting-up of these institutions. Some Equality Bodies cover all discrimination grounds, others specialize on ethnicity, gender or disability.

In focus: The Irish Equality Authority

"The Equality Authority was established in 1999. It has a broad mandate to promote equality of opportunity and to combat discrimination in the areas covered by the Employment Equality Acts and the Equal Status Acts. The Employment Equality Acts prohibit discrimination in the workplace and in vocational training. The Equal Status Acts prohibit discrimination in the provision of goods and services, accommodation and education. Both Acts cover the nine grounds of gender, marital status, family status, age, disability, sexual orientation, race, religion and membership of Traveller community. The Equality Authority is a specialised body in terms of the 'Race' Directive¹³ and the Gender Equal Treatment Directive."

Niall Crowley
CEO of the Irish Equality Authority

Equality Bodies have an enormous potential to make a significant contribution to the social and labour market integration of minority ethnic people. To this end, they need to be well resourced and effectively independent.

The creation of EQUINET¹⁴ – the network of Equality Bodies – can provide an impetus for mutual learning and better dissemination of information.

The development of knowledge can comprise different types of activities. Examples for this are:

¹¹ See chapters 8 "Good Practice in Enterprises" and 9 "Good Practice in Public Policy".

¹² Directive 2000/43/EC, Art. 13, para. 2 requires "independent assistance to victims of discrimination in pursuing their complaints about discrimination, conducting independent surveys concerning discrimination, [and] publishing independent reports and making recommendations on any issue relating to such discrimination."

¹³ Directive 2000/43/EC.

¹⁴ http://ec.europa.eu/employment_social/fundamental_rights/policy/capac/prodet2/equinet_en.htm

- the analysis and study of the human rights situation and the setting-up of an Information and Documentation Centre (Latvian National Human Rights Office, Latvia);¹⁵
- the identification and dissemination of good practice (HALDE, France);¹⁶
- the development of a quantitative business case to stimulate employer investment in workplace diversity (Equality Authority, Ireland);¹⁷
- the advocacy of preventive anti-discrimination approaches and the provision of advice and the set up of consultation on integration policies (Centre pour l'égalité des chances et la lutte contre le racisme, Belgium).¹⁸

Some, but by far not all, Equality Bodies have far-reaching rights to enforce national non-discrimination laws. These can include *e.g.* the right

- to advise or assist people with complaints about racial discrimination, harassment or abuse;
- to assist individuals to take judicial review action in order to challenge decisions made by public bodies, including their compliance to the general duty to promote race equality;
- to conduct formal investigations of companies and organisations where there is evidence of possible discrimination; the right to oblige the organisation, if the investigation does find discrimination, to change the way it operates;
- to take legal action against racially discriminatory advertisements, and against organisations that attempt to pressurise or instruct others to discriminate — such as employers instructing employment agencies not to send them applicants from ethnic minorities, or companies instructing their workers to discriminate in the way they provide goods or services;
- to take cases in its own name to court.¹⁹

The second major task of Equality Bodies consists in raising the awareness among the general public and among potential victims of discrimination about rights and obligation. The Special Eurobarometer 263 survey shows clearly that Europeans feel that discrimination on grounds of ethnic origin is widespread. As stated above, only a minority of citizens knows about their rights and the legislation in force.

The perception of minorities by the majority is in many cases shaped by negative stereotypes, often amplified by biased media coverage and political campaigning (terrorist threats, illegal work, dependency on welfare, self-segregation of minorities, etc.). Equality Bodies can play a decisive role in breaking such stereotypes and, thus, changing the perceptions of the majority community.

¹⁵ <http://www.vcb.lv/eng/index.php?open=parvcbeng&this=071003.80> .

¹⁶ <http://www.halde.fr/haute-autorite-1/missions-pouvoirs-24/missions-pouvoirs-5.html> .

¹⁷ N. Crowley, Presentation in the HLG on 22 May 2007; Promoting Equality in Intercultural Workplaces (2004).

¹⁸ http://www.diversiteit.be/CNTR/EN/about_the_center/activities .

¹⁹ The chosen examples are the Commission for Racial Equality in the UK (<http://www.cre.gov.uk/about/legalpowers.html>) and the Irish Equality Authority (see the Strategic Plan 2006-2008 – Embedding Equality (2006), p. 11). The latter is complemented by the Equality Tribunal which is an impartial forum to hear or mediate complaints of alleged discrimination under equality legislation. It is independent and quasi-judicial and its decisions and mediated settlements are legally binding (see <http://www.equalitytribunal.ie/index.asp?locID=2&docID=-1>).

Finally, Equality Bodies can contribute to institutional change by influencing, for instance:

- national immigration legislation and procedure which follows the principle of equality;
- the stimulation and support of equality mainstreaming;
- the promotion of planned and systematic approaches to equality in all sectors of the economy and of society.²⁰

1.3.2 Social Partners

Directive 2000/43/EC "*foresees that Member States encourage social partners and NGOs to address the issue of discrimination in their activities.*" It also contains a clause that these organisations can support and represent victims of discrimination.²¹

Examples of Social Partners' Actions against Discrimination

- *In Belgium, the inclusion of non-discrimination clauses in collective agreements is a well established tool for fighting discrimination.*
- *In Italy, UNAR, the national equality body, is providing training for representatives of employers' associations and trade unions geared to combating discrimination and encouraging diversity.*
- *In Portugal, the right to represent a worker in a non-discrimination case is limited to the trade unions, and in Sweden the trade unions are the main entity entitled to take legal action.*
- *Some Member States – such as the Netherlands – have subsidised projects run by trade unions in cooperation with members of ethnic minorities, or with the aim of promoting diversity.*

In a more general sense, the role of the social partners in the negotiation of anti-discrimination policy and legislation is well established in some Member States, with long-standing consultation structures in place, such as the Danish and Latvian tripartite systems. In other countries, although there may be an obligation to consult the social partners on social legislation, they are not actively involved in the promotion of non-discrimination policy. The ETUC favours a regular involvement of social partners in the implementation process of relevant European Directives.²²

At European level the social partners ETUC, UNICE (the predecessor of BUSINESSSEUROPE) and CEEP have concluded already in 1995 in the run-up for the 1997 European Year against Racism a joint declaration which needs to be updated. Currently, there is an ongoing discussion, if and how this could be done.²³

The **ETUC** notes a "trend" among governments to favour dialogue on discrimination issues with NGOs rather than the social partners.²⁴ This may simply reflect the growing importance

²⁰ N. Crowley, Presentation in the HLG on 22 May 2007.

²¹ Directive 2000/43/EC, Art. 11 (social partners) and 12 (NGOs) in relation with Art. 7, para. 2 (defence of rights); see also COM (2006) 643, p. 6f. (EN).

²² C. Passchier, Hearing of social partners in the HLG on 4 September 2007.

²³ The update was already part of the joint work program of the European social partners 2003-2005, http://ec.europa.eu/employment_social/news/2002/dec/prog_de_travail_comm_en.pdf

²⁴ This statement is contested by ENAR, see B. Quraishy, Anti-discrimination NGOs and Ethnic Minorities (2007), p. 6f.

of civil society organisations as important partners with increasing expertise and societal recognition, rather than any reduction of status of the social partners. Moreover, European trade unions advocate also a focus on the quality of employment in the context of labour market integration of ethnic minorities and 3rd country nationals.²⁵ The ETUC has set-up an Action Plan in 2003.²⁶ Interesting is particularly its section II which aims at stimulating the membership of more migrant workers and workers of ethnic minorities in trade unions and at facilitating their access to responsibilities. Moreover, it focuses on internal awareness raising and cooperation with NGOs. There is a firm position to "*conclude collective agreements that incorporate issues referring to the situation of migrant workers irrespective of racial and ethnic origin and religion.*"²⁷

Taking into consideration that more than 95% of all businesses in the EU have less than 10 employees the integration of these groups in small and medium enterprises (SMEs) is particularly important. **UEAPME**, the Association of craft and SMEs, highlights that their members need mainly practical guidance how to apply the law. The association has, thus, elaborated a collection of good practices for this purpose.²⁸ A compendium of good practice was published in 2007.²⁹

BUSINESSEUROPE has set up a forum on equality and diversity. It calls for regarding employment of minority people in the wider context by taking also issues, such as education and geographical circumstances (concentration of minorities in certain urban areas), into consideration. Here, the cooperation with NGOs and the 3rd sector can be particularly fruitful. Diversity management is regarded as important and requires commitment from top management.³⁰

Social partners are aware that there are data gaps in most European countries with regard to the labour market outcomes of ethnic minority people. Only with relatively specific data broken down by ethnicity it is *e.g.* explainable why in the UK Black Minority Ethnic people (BME) are well represented at university, but not so much in employment (choice of majors and choice of university). Data help also to overcome misconceptions and stereotypes *e.g.* on educational attainment and employment rates of Muslim women.³¹

There is also a good deal of sensitivity among social partners that the different subgroups of minorities and migrants – old minorities, Roma, established immigrants, recently arrived migrants – have varying difficulties in integrating into the labour market and society (they are, however, aware that individuals might achieve much more or less than the average). Employment and the work place are seen as the most efficient place for building an inclusive an open society and social partners can – possibly in cooperation with NGOs – play an important role.³² The traditional focus of politics and society has been too long on citizenship and legal status while the application of EU law provides equal rights on an individual basis.

²⁵ C. Passchier, Hearing of social partners in the HLG on 4 September 2007.

²⁶ ETUC, Action Plan for an ETUC policy on migration, integration, and combating discrimination, racism and xenophobia (2003), http://www.etuc.org/a/1944?var_recherche=action%20plan%20

²⁷ Ibid., II.A.12; see also *ibid.*, II.B.13.

²⁸ R. Drachenberg, Hearing of social partners in the HLG on 4 September 2007.

²⁹ UEAPME, Compendium of good practices of diversity and non-discrimination initiatives in European Crafts, SMEs and their organisations (2007).

³⁰ S. Anderson, Hearing of social partners in the HLG on 4 September 2007.

³¹ S. Anderson, *ibid.*

³² S. Andreon and R. Drachenberg, Hearing of social partners in the HLG on 4 September 2007.

Trade unions and employers assess the danger of social or wage dumping as well as the proliferation of unhealthy and unsafe work practices differently. For the former the competition between ethnic minorities/established immigrants and (temporary) workers or bogus self-employed people and majority people is a source of social tensions. The latter warn about confusing subgroups and categories of workers.³³

Social partners believe that the existing Directives allow a lot more with regard to positive action, although direct quota or affirmative action is not advocated.

1.3.3 Civil Society

Over the last years, civil society has played an increasingly important role in formulating the issues minorities are confronted with and also contributing to solutions. Non-governmental organisations (NGOs), foundations, churches or the Third Sector are in the advantageous situation that they are credible for the authorities, for the majority and for ethnic minorities themselves. They have often acquired considerable experience by supporting victims of racism, ethnic discrimination or anti-Semitism *e.g.* through legal advice and mediation..

NGOs are by definition independent and, thus, only accountable to their members. It is their right and their duty to advocate for the social and economic progress of their constituents. If their core mission consists in the inclusion of ethnic minority people they can, but do not have to be composed mainly or exclusively of minority members. Their great asset is their inside knowledge of daily life and the concrete problems of the people they represent. A long-term perspective and a secure income basis are the two core aspects to ensure a high level of professionalism. The impact of NGOs on decision making and on the views and attitudes of the majority is considerably higher, if the organisation is composed of committed and competent people.

There is a long list of achievements of NGOs with regard to the promotion of the non-discrimination principle. NGOs have often prepared the ground before public policy has decided to provide for the "classical" instruments for a change of behaviour. The foundation of SOS Racisme in France and its proliferation in many countries or the initiative for the launch of the Decade of Roma Inclusion 2005-2015 by the Open Society Institute are two examples where civil society was ahead of schedule compared to governments.

The input of NGOs to policy development takes place *i.a.* through civil dialogue and structured or more informal forms of cooperation. In France, NGOs have contributed significantly to the formulation of public policies against discrimination, and they have supported the creation of the High Authority for the Fight against Discrimination and for Equality (HALDE). Consequently, NGOs are represented in the advisory committee of the HALDE as well as in the National Advisory Committee for Human Rights (CNCDH) which advises the French government on human and fundamental rights and civil liberties. At European level umbrella organisations of NGOs are key addressees of consultations by EU institutions in order to make policies more target-oriented. The regular consultation of civil society – which has become a reality at EU level, from the practice of consulting European Commission's Green Papers with NGOs to the structured dialogue of the European Commission with the Social Platform – can be considered as good practice.

³³ C. Passchier and S. Anderson, Hearing of social partners in the HLG on 4 September 2007.

Moreover, NGOs become more and more involved in developing with public authorities, companies or business organisations models for the integration of minorities.³⁴ Finally, they are approached by research institutions and media when questions of ethnic minorities are looked at.

ENAR – the European Network Against Racism

An example of a NGOs achievement is the establishment of ENAR in 1998. Until that time, there was no legal remedy in any EC Treaty document which dealt with the discrimination faced by minorities in the European Community. It was the Starting Line Initiative which consisted of anti-racist NGOs and grassroots activists and individuals who campaigned for nearly 10 years to have a clause in the EU treaties which would prohibit discrimination. In 1996, under the Chairmanship of Ireland, NGOs succeeded in their efforts. The Irish Minister of Justice submitted a proposal to the Council of Ministers which was based on a text prepared by NGOs. This clause later came to be called Article 13 in the Amsterdam Treaty and is the foundation of all EU Directives concerning discrimination and equality. It simply means that NGOs can succeed if they are professional, work together and do not give up in the face of disappointments.

Bashy Quraishy
President of ENAR

Umbrella organisations of NGOs play also an important role in informing grassroots organisations and, thus, concerned people about their rights to life a life free of discrimination.

There are a number of projects which have been initiated by NGOs which could serve as examples of good practice for the role civil society can play in supporting the social and labour market inclusion of ethnic minorities. Evidently, such a list cannot be exhaustive, but it can give an impression of the richness and the imagination of organisations in contributing to this goal.

Civil Society as Actor

- *A partnership in **Italy** between the Municipality of Rome and Opera Nomadi, has resulted in the opening of the first **employment desk for Roma communities**. Opera Nomadi aims to promote and protect Romani culture and the rights of Roma, Sinti and Travellers. The Roma employment offers advice and cultural mediation for the employment of Roma, Sinti and Travellers. The skills and potentials of the people involved are assessed with respect to the labour opportunities available in the area.*
- *In **Ireland**, good practice in the area of health is being facilitated through an initiative of the Combat Poverty Agency (CPA), the "**Building Healthy Communities 2005-2007**" Programme. Under this Programme the Galway Refugee Support Group aims at building the capacity of refugees and asylum seekers with regard to access to the health service. Cairde, an NGO working to reduce health inequalities amongst ethnic minority groups, set up a National **Ethnic Minority Health Forum**.*

³⁴ See R. Rita Süßmuth, Migration und Integration: Testfall für unsere Gesellschaft (2006), 156ff. For concrete also chapters 8 "Good Practice in Enterprises" and 9 "Good Practice in Public Policy".

- *In Hungary the Mahatma Gandhi Human Rights Organization defends refugees' rights and organises cultural programmes for a more tolerant society. The organisation provides legal assistance for foreign victims of civil violence and crimes.*
- *In Denmark the Danish Institute for Human Rights played a very significant role in creating a **Committee for ethnic equal treatment** which brings together NGOs working in the six areas of discrimination stipulated under Article 13. Main achievement was a structured exchange of experience. This led i.a. to a report "Equal treatment – status and future perspectives" (2005) and a common strategy for equal treatment with an action plan as well as a joint declaration on an inclusive society and a conference (which was held in the Danish parliament in February 2007)*

Bashy Quraishy

Anti-discrimination NGOs and Ethnic Minorities (2007)

2. Equal Opportunities

Even when the principle of non-discrimination is applied, the preconditions for members of different ethnic groups (majority vs. minority, but also among different ethnic minorities) remain very often less favourable for the individual member of a minority. Although non-discrimination legislation, awareness and practice are fundamental components of an effective integration of ethnic minorities (into the labour market as well as into broader society), it is obvious that many disadvantaged ethnic groups face such obstacles that non-discrimination efforts themselves will not suffice to achieve desirable improvement. The task, therefore, is to move beyond non-discrimination policies to full-fledged equal opportunity policies, from formal to real, effective equality.

In this context, it should be noted that proponents of equal opportunity policies are sometimes being subjected to ideologically motivated criticism which accuses them of wishing for a total equality of outcome, akin to Communist theories and practices. It is to be emphasized that the authors of this document have no such intention. In a free society, inequalities of outcome will always exist. By "effective equality" we do not mean the equality of outcome between individuals, but - as far as possible - the freedom from conditions which would unfairly pre-determine the outcome for members of some groups as opposed to others.

2.1 Policies against Social Exclusion

Social exclusion, particularly on a minority ethnic group level, is to a large extent intertwined with discrimination in the form of a vicious circle (though it cannot be "explained away" by discrimination only). Members of a given ethnic group end up in conditions of social exclusion due to discrimination, to historically determined disadvantages and to objectively existing cultural differences from the majority - and, consequently, they are more likely to be discriminated against because a social stigma is added to their ethnicity.

The Roma, for instance, have been a marginalised and stigmatised group for centuries, which implies that extra efforts are needed to overcome their social exclusion and entrenched educational and economic disadvantages. Increased policy attention to the Roma on a European level emerged mainly from the process of the 2004 and 2007 accession which

brought large Roma populations into the EU,³⁵ but it is now increasingly recognised that also the Roma and related people in other Member States (Spain, Italy, Ireland etc.) have long been suffering from comparable social exclusion. Moreover, some groups of recent as well as established immigrants in a number of Member States also face very deep social exclusion which is not likely to be reversed by neutral non-discrimination policies themselves. Therefore, strategies for non-discrimination and social inclusion should be interdependent and mutually reinforce each other.

Social inclusion policies are mainly in the competence of the Member States, but the European Strategy on social protection and social inclusion provides for the distribution of good practices between EU Member States. Above all, however, the European Social Fund provides a European added value in this area. It identifies social inclusion as one of its principal goals and provides ample resources for the development of human capital, i.e., training people to enter or re-enter the labour market.

The community initiative EQUAL, which has focused on particularly disadvantaged groups (including ethnic minorities) in the labour market, has accumulated significant experience in these areas. It is to be hoped that this experience will now be mainstreamed in the next programming period of the European Social Fund.

2.2. Promotion of Ethno-Cultural Sensitivity

The issue of sensitivity towards the specific needs of persons with a different ethnic (and, therefore, cultural) background has developed significantly over the last half century, particularly in the context of immigration. Starting from the 1950s and 60s, public policies aiming at integration of immigrants aimed at making the immigrants or members of ethnic minorities adapt to the needs of the majority society (through language training, training on the functioning of the labour market and/or of society etc.). While a lot of such training was useful for the persons involved, the unquestioned underlying assumption was that members of the minority had to fully assimilate to the language, culture and customs of the majority.

Since the 1970s, the assimilationist assumption has been increasingly exposed as deeply problematic in ethical, political and practical terms. Those European societies which have a long-standing history of ethnic diversity often started applying a more culturally sensitive approach, making cultural allowances for instance by accepting differing dates for religious holidays, different diets, different dress codes etc. The specific needs of members of ethnic minorities were gradually at least partly recognized and taken into consideration.

In the last decade, however, there has been a mixed development in this respect. On the one hand, real problems of social exclusion and residential segregation of some minorities have led some Member States to a renewed emphasis on integration through adaptation on part of the migrants or members of ethnic minorities. This was accompanied, in some Member States at least, by a highly politicized debate in which the lack of integration of ethnic minorities was often blamed on "multiculturalism" – despite the fact that some of the countries which had the largest problems with ethnic minority social exclusion and residential segregation had always rejected multiculturalism (France) and even in those which did promote cultural pluralism and

³⁵ "Roma" is used in the generic sense and includes a broad variety of different groups such as Sinti, Cale or the Travellers in Ireland, cf. L. Tcherenkov/St. Laederich, *The Roma* (2004), 2 vol.

culturally sensitive public policies (United Kingdom, Netherlands), this did not amount to an official ideology of "multiculturalism" as it does in Canada.³⁶

On the other hand, there has been growing recognition of the importance of practical inter-cultural skills and competences on part of both minority and majority. The pragmatic emphasis on skills and competences enables policymakers, in particular on a local level, to avoid the ideological and increasingly stereotypical debates on "assimilation versus multiculturalism". The recognition of the need for inter-cultural skills and competences is also more realistic from the perspective of contemporary cultural anthropology which treats cultures as multilayered, dynamically inter-changing entities rather than as rigid wholes to which an individual either does or does not belong. The pragmatic and non-ideological dimension of this approach is confirmed by research done by the ILO which shows that intercultural sensitivity training is only useful if it is embedded in a concrete context, such as the workplace.³⁷

Recognition of the inter-cultural dimension in practice may also have an effect on the definition of equal opportunities. From the perspective of an effective access to equal opportunities it has been increasingly argued that even "equal treatment" as such should go beyond the mechanical application of *identical* treatment, obliging the responsible subjects (*e.g.*, authorities, employers or service providers) to ensure equal access by taking ethno-cultural differences into account. In other words, that law and practice should establish positive obligation for authorities, employers and service providers to take different cultural background into account, provided that this does not impose a disproportionate burden. This would amount to an equivalent of "reasonable accommodation" known from the area of disability. Undoubtedly, the development of national case-law in such cases is likely to be heavily affected by the different legal traditions. Nonetheless, some recent examples of such development are well worth mentioning:

Campbell Catering Ltd., vs. Aderoke Rasaq³⁸

A migrant worker faced disciplinary proceedings, and in 2004 the Irish Labour court held that employers have a positive duty to ensure that all workers fully understand what is alleged against them, the gravity of the alleged misconduct and their right to mount a full defence including the right to representation.

Special measures, such as a review all the employment policies and procedures in a company, may be necessary to ensure that this obligation towards non-national workers is fulfilled and that the accused worker fully appreciates the gravity of the situation and is given appropriate facilities and guidance in making a defence.

This court decision has the potential to dramatically improve the experience and situation of workers of a different cultural and linguistic background. It suggests a sort of positive duty in respect of non-national workers.

³⁶ See *i.a.* F. Heckmann et al., Effectiveness of National Integration Strategies towards Second Generation Migrant Youth in a Comparative European Perspective (2001), p. 8; W. Kymlicka, Finding Our Way: Rethinking Ethnocultural Relations in Canada (1998), passim.

³⁷ See *i.a.* J.P. Abell et al., The Documentation and Evaluation of Anti-discrimination Training Activities in the Netherlands, International Migration Papers 16 (1997) 57ff.

³⁸ Determination no. EED 048; see C. Lynch, ENAR Shadow Report Racism in Ireland (2005), p. 14; P. O'Leary, Antiracist Workplace Week Launch November 2004, <http://www.equality.ie/index.asp?locID=90&docID=218>.

Some Equality Bodies are committed to promoting national equality legislation which goes beyond the mere prohibition of discrimination and requires employers or service providers (in particular public services) to make the necessary adjustments for cultural and linguistic diversity.

2.3 Positive Action

For the goal of effective equal opportunities to become reality, some forms of positive action may be necessary. In the European Union, positive action was first introduced in the area of gender equality,³⁹ together with the definition of requirements which have to be met in order to be lawful – namely, that the positive measures have to be necessary, appropriate and proportionate. Since 2000, European legislation has established that such positive action is admissible, though not obligatory, also in the area of racial and ethnic origin.

Directive 2000/43/EC permits to maintain or adopt "*specific measures to prevent or compensate for disadvantages linked to racial or ethnic origin.*"⁴⁰ This is typically understood to cover a wide range of measures to compensate for present and past disadvantages that exist because of discrimination.⁴¹ Differential treatment which aims at overcoming these objectively existing disadvantages is not to be considered discriminatory. The Directive does not define what the necessary, appropriate and proportionate measures are, but in practice, the "toolbox" may contain both "soft" and "hard" measures, ranging from outreach advertising to more binding forms of preferential treatment which aim at "*ensuring full equality in practice*".⁴²

In Europe, notwithstanding this legal development, "positive action" is often considered controversial as a theoretical concept. This is at least partly due to a chronic misunderstanding – positive action tends to be wrongly equated with the most binding system of preferential treatment such as the system of ethnic quotas which has long been practiced in the US. In fact, however, there are few if any proposals for such binding quota-based solutions in Europe, where positive action tends to take different forms. Indeed, an increasing number of positive action policies are being practiced in Europe, mostly without creating any controversy. Such policies are usually targeted at overcoming specific disadvantages of vulnerable ethnic groups through qualification and re-qualification courses, job counselling, educational assistance etc. Positive action can play an important role in employment, namely in recruitment and career development, but also in other contexts, such as access to education and health services, or participation in decision making.⁴³

³⁹ M. De Vos, The European Community's Discrimination Law Provisions and Practice on Positive Action, in: Putting Equality into Practice: What Role for Positive Action 2007), p. 7ff. (EN).

⁴⁰ Directive 2000/43/EC, Art. 5.

⁴¹ M. Bell, Positive Action – Introducing the Concept, in: Putting Equality into Practice: What Role for Positive Action 2007), p. 5 (EN); Fundamental Rights Agency of the EU, Brief for the High Level Group (2007), p. 7.

⁴² Treaty EC Art. 141, para. 4 on positive measures in order to facilitate the vocational activity or to prevent or compensate for disadvantages in the professional careers of an underrepresented sex.

⁴³ In 2007, the European Commission has commissioned a study on positive action.

Examples of Positive Action

- *Agreements between the Hungarian government and Roma minority governments in the 1990s led to the establishment of police scholarships for Roma graduates and the set-up of summer camps to promote careers of Roma police officers with the aim to increase the number of Roma people in law enforcement.*
- *The State government of North Rhine-Westphalia in Germany adopted in 2006 an action plan which encourages young people of a minority ethnic background to become teachers.*
- *The London Metropolitan Police applies a positive action approach which permits to select among equally qualified candidates from different backgrounds.*
- *In France different examples of positive action have been implemented in order to contribute to equal opportunities during the whole life cycle: The Grandes Ecoles, such as Sciences PO or ESSEC, have implemented admission procedures for young people with a socially disadvantaged background. Moreover, the national police signed with the HALDE a convention on the extension of recruitment to young people of diverse backgrounds.*

Proceedings of the Annual Anti-Discrimination Conference "Equal Opportunities for All: What Role for Positive Action", Rome, 23-24 April 2007 (2007)
Putting Equality into Practice: What Role for Positive Action (2007)
Fundamental Rights Agency of the EU, Brief for the High Level Group (2007)
Contribution of HALDE (2007)

As the examples above demonstrate, positive action can be carried out on the level of national government as well as on a regional or local level. Also national Equality Bodies may promote projects to implement positive action (UNAR, Italy).⁴⁴ On the whole, positive action is understood mainly as an area of public policy.

2.4 Targeted Programming

The European Commission does not have a general policy on positive action, but its approach to equal opportunities - as exemplified by the actions carried out within the European Year of Equal Opportunities for All - indicates that it is also moving beyond simple non-discrimination, from formal equality to real equality of opportunities. In this context, it is worth mentioning that Member States are encouraged to address specifically the needs of disadvantaged ethnic groups such as the Roma when programming their use of European Social Fund resources. Such targeting of programmes which acknowledges the importance of ethnicity can be clearly seen as a justified use of positive action in the broader sense of the word even though it may not be presented under that label. It does not necessarily involve preferential treatment of individuals, but it is geared towards a particular community in order to prevent or compensate for past or contemporary discrimination.

The objection to the targeting of programmes for vulnerable ethnic minorities might be raised with the argument that disadvantaged ethnic groups can equally benefit from general, non-specific programming which makes no reference to ethnicity. In fact, however, this appears not to be the case. In Spain, for instance, the Roma (Gitanos) population had had little benefit

⁴⁴ <http://www.pariopportunita.gov.it/DefaultDesktop.aspx?page=197> .

from the European Social Fund in its first programming period because they were simply too disadvantaged from the outset, and lacked the formal skills to create projects which would reach the necessary thresholds. Therefore, since the second programming period, specific attention has been focused on the Roma (Gitanos) through the ACCEDER programme, which brought tangible results.⁴⁵ Similar experiences are now emerging from the first programming period of the European Social Fund in the Member States which acceded in 2004 and 2007 and where Roma have been largely unable to benefit from general, non-specific programmes.

3. Diversity Management

3.1 Society and Enterprise Policy

Although ethnic diversity is a fact in Europe, this has not influenced significantly the human resources policies of enterprises until recently. Members of ethnic minorities were recruited and promoted because of their special skills (*e.g.* language, scientific qualification, credibility for foreign customers of the same ethnic origin etc.), because they were completely assimilated, or – very often – because members of the majority did not want to do certain dangerous, low paid, or stressful jobs.

Personnel planning which aimed at reflecting the ethnic diversity of society in the company staff was for a long time virtually unknown. Enterprises followed a pattern which was typical also for politics or the media: Corporate cultures sustained a "glass ceiling" for others than white males; the "others" – *e.g.* women or members of minorities – remained underrepresented in many occupational sectors, in executive boards and in decision making positions.

Research shows that even some of those European companies which are aware of the potential benefits of having a broader ethnic diversity within their staff take a merely defensive approach or have hardly developed a rationale why and how they should address this challenge. There are, however, more and more companies which have recognized that ethnic diversity brings them a competitive advantage and have set-up the necessary internal strategies and management structures to realize this. Companies in the UK – possibly pursuing a US-inspired philosophy – seem to be much more progressive in this sense than companies in other Western European or in Scandinavian countries.⁴⁶

3.2 A First Survey in Europe

The study on the "Business Case for Diversity" presented in September 2005 highlighted good practices in the workplace with a view to actively promote diversity.⁴⁷ It was based on a survey among 3,000 businesses, from multinationals to SMEs, representing a broad variety of companies active in the industrial manufacturing and services sectors. This survey showed that companies are making progress in the implementation of diversity and equality strategies

⁴⁵ See chapter 9 "Good Practice in Public Policy".

⁴⁶ V. Singh/S. Point, *Promoting Diversity Management*, Management Focus (2004), p. 18f.

⁴⁷ Focus Consultancy/The Conference Board, *The Business Case for Diversity. Good Practices in the Workplace* (2005).

at the workplace. While some companies understand diversity in a very broad sense, others focus on specific aspects. Those which address in their business policies ethnic diversity can be found in both categories. The main drivers for companies were not only ethical and legal reasons, but also the perceived business benefits.

The 2005 study found that diversity policies' most important business benefit is resolving labour shortages and recruiting and retaining high quality staff – 42% of all respondents highlighted this. Labour issues are obviously growing in importance as the EU's workforce is about to start shrinking due to demographic change. The second most important business benefit, cited by 38% of respondents, was enhancing a company's reputation and standing in the local community. And more than 26% of companies saw improvements in their capacity to create and innovate. Other benefits include increased motivation and efficiency of staff and marketing opportunities to a wider customer base.

However, nearly half of all companies responding to the survey indicated that they have not yet developed or implemented a diversity policy. The main obstacles in promoting diversity, according to respondents, are lack of information and awareness of diversity practices (around 20% said), difficulty of measuring results (also around 20%) and discriminatory attitudes and behaviour in the workplace (17%).

Another finding of the study was that size of company appeared to be a significant factor in whether or not diversity policies are adopted and embedded within organisational practice. Whilst there are many smaller companies that have well embedded diversity policies and practices, it is the larger companies that are more likely to lead in this respect. This may be the result of greater exposure to workforce diversity related issues and concerns in larger companies operating within more diverse social contexts. Larger companies are also more likely to have the capacity.

23 million SMEs – 99% of all enterprises in the EU – constitute a vital part of the European economy. They cater for some 75 million jobs. Therefore, SMEs are the key to the labour market inclusion of ethnic minorities, if their business leaders can be convinced about the benefits of having an ethnically diverse staff.⁴⁸ The results of the 2005 study are currently completed by a follow-up study which focuses mainly on diversity in SMEs.

3.3 Relationship between Public Policy and Business Approach

The management of diversity is a proactive and ambitious strategy which aims not only at mainstreaming non-discrimination and equal opportunities into the organisational set-up and the operations of an organisation, but also at consciously using the benefits of enhanced ethnic or cultural diversity.

Diversity management is a newer trend than non-discrimination and equal opportunities policies. While equal opportunities policies are usually public-policy driven, diversity management is often implemented by private employers or as a strategic tool of business strategies. Indeed, diversity management is mainly a private business-driven approach. Therefore, diversity management will be referred to in more detail in Chapter 7 dealing with

⁴⁸ See Diversity at work - 8 steps for small and medium-sized businesses (2006):
http://ec.europa.eu/employment_social/fundamental_rights/pdf/pubst/broch/8steps_en.pdf

activities of the business sector which aim at improving the integration of members of ethnic minorities into the labour market.

The labelling of non-discrimination and equal opportunities as "public policy" and diversity as a mere "business approach" would be too simplistic. Businesses are under the obligation to ensure non-discrimination, and they can engage in various forms of equal opportunities protection without actively promoting diversity as such. Also, there are clear overlaps between diversity management and positive action:

Moreover, it must be noted that diversity management can also be used by public employers. In many Member States, public services, public enterprises or private-public partnerships are in a strategic position. As big buyers of goods and services they can use contract compliance procedures to support minority businesses and they can adopt internal diversity policies more easily.⁴⁹

It is clear that equal opportunities and diversity management are strongly interdependent and mutually reinforce each other. In practice this means *i.a.* that effective diversity management needs equal opportunities in order to find enough qualified and motivated people from a minority background.

The public sector – particularly the Equality Bodies – can also exercise a positive influence on diversity management by promoting the benefits of a more diverse society. In several Member States they can build on a positive attitude in society; in others they need to be a driving force to overcome strong feelings in the population which does not see ethnic diversity as enriching the national culture.⁵⁰ Consequently, a number of Equality Bodies have been designated by national governments to act as "National Implementing Bodies" for the 2007 European Year of Equal Opportunities for All.⁵¹ In Ireland, the Equality Authority has developed a partnership with national employer and trade union networks; in the framework of an annual "Anti Racist Workplace Week" business and trade union networks stimulate and support their members to take practical actions in the workplace to respond to cultural diversity and to achieve real equality.

Using the 2007 European Year of Equal Opportunities for All for Building Solid Partnerships

"The HALDE as National Implementing Body of the 2007 European Year launched a call with a view to stimulate multiple projects and mobilise associations and civil society for the key issues of the 2007 European Year. 45 projects (of which 41 were promoted by associations) have been selected. The organisations built solid partnerships of private and public actors which ensured a better cooperation between local and regional initiatives. The HALDE organised in partnership with the National Agency for Social Cohesion and Equal

⁴⁹ See Chapter 8, "Good Practice in Enterprises".

⁵⁰ Special Eurobarometer 263, Discrimination in the European Union (2007). 65% of European citizens feel that people of a different ethnic origin than the rest of the population enrich the national culture. The average figure reflects a very positive attitude in Sweden (86%), Finland (81%) and France (76%), and a more negative view on this issue in Austria (46%), Cyprus (39%) and Malta (32%).

⁵¹ http://ec.europa.eu/employment_social/eyeq/index.cfm?cat_id=SPLASH

Opportunities (ACSE) five regional events which aimed at targeting the attention of the general public or specialised audiences on different fields in the context of the six discrimination grounds and in particular on employment.

Louis Schweitzer
President of HALDE

Changing perceptions means highlighting the benefits of cultural diversity and contribution of minority ethnic groups to the economy: their participation in the workforce, the job creation by minority ethnic entrepreneurs, and the fact that members of minorities are customers and tax payers. As we have noted in the subchapter on inter-cultural competences, integration requires cultural change within both the majority and the minority ethnic group, if it is to be effective and successful.⁵²

3.4 Transatlantic Dimension of Diversity Management

Diversity management is an area in which it might be useful for Europeans to apply a transatlantic perspective and draw inspiration from the USA or Canada.

The key factors for the success of diversity management in US companies are

- the long-term commitment of CEOs and other members of the top management;
- its justification towards top management through precise numbers and goals (budgets, return on investment, benchmarks);
- the successful link of in-house diversity policy with contract compliance procedures for suppliers (which works particularly well in the public service);
- permanent monitoring (e.g. through diversity councils);
- the accountability and positive incentives for the middle management to achieve agreed goals.⁵³

In progressive US companies diversity management is seen as a strategic planning tool to generate profits by developing new products, addressing new customers and recruiting from a broader talent pool. Diversity managers in these companies can usually quote precise figures concerning their investments and the return through new business.

A look over the Atlantic: The New York Times Survey⁵⁴

In 2007 a survey for the New York Times Company has been carried out among 265 HR professionals and diversity specialists from a wide range of industries, range of revenue and range of workforce size on corporate diversity policies. Its main findings are:

- *The revenue size drives the size of diversity budget. While the average budget ranges between \$500,000 and \$750,000 it is significantly higher in enterprises with revenues over \$5 billion. Only 40% of respondents believe that the respective budget is adequate.*

⁵² See e.g. the interviews of K. Campbell, E.Ojeda and N. Ascherson for the IDEA Roundtable "Democracy and Diversity" (Oslo, 12 July 2007) and the background note, p. 2f., <http://www.idea.int/roundtable.cfm>

⁵³ Proceedings of the World Diversity Leadership Symposium 2007, New York, June 4-6, 2007.

⁵⁴ The New York Times Company, Looking Around the Corner. The View from the Front Line (June 2007), presented at the World Diversity Leadership Symposium, New York, 4-6 June 2007, see http://www.wdls2007.com/pdfs/2007presentations/WDLS2007_NYTimes_surveyFindings_s.pdf

- *Most Chief Diversity Officers' (CDO) offices are less than 5 years old. Their most common responsibilities comprise diversity strategy and planning (68%) and communication (55%). Supplier diversity (30%) or ethnic marketing (15%) are less common responsibilities.*
- *Corporate commitment is directly linked to the hierarchical level at which diversity policy is located. Interestingly, 60% of Heads of diversity departments are Vice-presidents or members of the C-suite and 78% of CEOs receive diversity updates at least quarterly.*
- *A slight majority of companies (53%) have Diversity Councils (in most cases corporate or executive Diversity Councils).*
- *Corporate commitment to diversity initiatives is more perceived as supportive (52%) than as enthusiastic (31%) or sceptical (17%). Accordingly, the effectiveness of company diversity programs is mainly regarded as "somewhat effective" (61%) – compared to 30% who rate it as "very effective" and 9% who perceive it as "not at all effective".*
- *Employers target more and more supplier diversity with a view to minority-owned businesses (59%).*
- *The US economy will be confronted with a shrinking workforce due to demographic change; hence, women (77%) and ethnic (77%) employees and customers lead as priorities for recruitment and retention.*

Survey conducted 30 January-26 March 2007 by Virtcom Consulting

3.5 Diversity Management in Europe

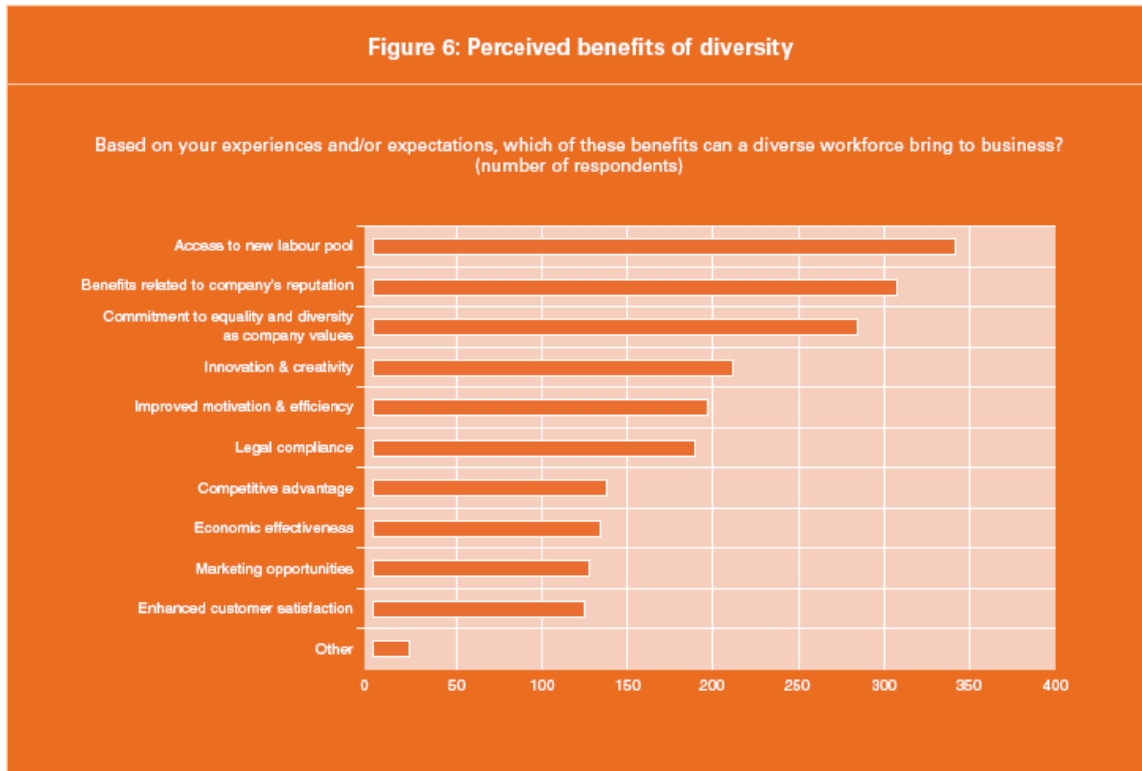
At enterprise level in Europe, diversity management offers the possibility of mainstreaming anti-discrimination and equality practices into business strategies.⁵⁵ Although main driver is still the ethical dimension, legal and economic reasons become more and more important. The most important benefit for companies is the possibility to select high quality staff from a larger and more diverse pool. A better reputation for the company, but also the access to new markets and product innovation are further important reasons for the introduction of diversity management.⁵⁶

It needs to be highlighted that for the time being only a limited number of committed companies have adopted fully fledged diversity management strategies. It is, however, likely that not only the globalisation of markets, but also the demographic development (with the ensuing higher demand for labour) will boost the concept. The ethnic reality in many (urban) areas has already led to more diverse staff composition also in SMEs, although this has not entailed the introduction of specific management tools to this end.⁵⁷

⁵⁵ See Focus Consultancy/The Conference Board, *The Business Case for Diversity: Good Practices in the Workplace* (2005).

⁵⁶ *Ibid.*, p. 5f.; 14ff.; 22 with fig. 6.

⁵⁷ A follow-up study on the business case for diversity is currently under way.



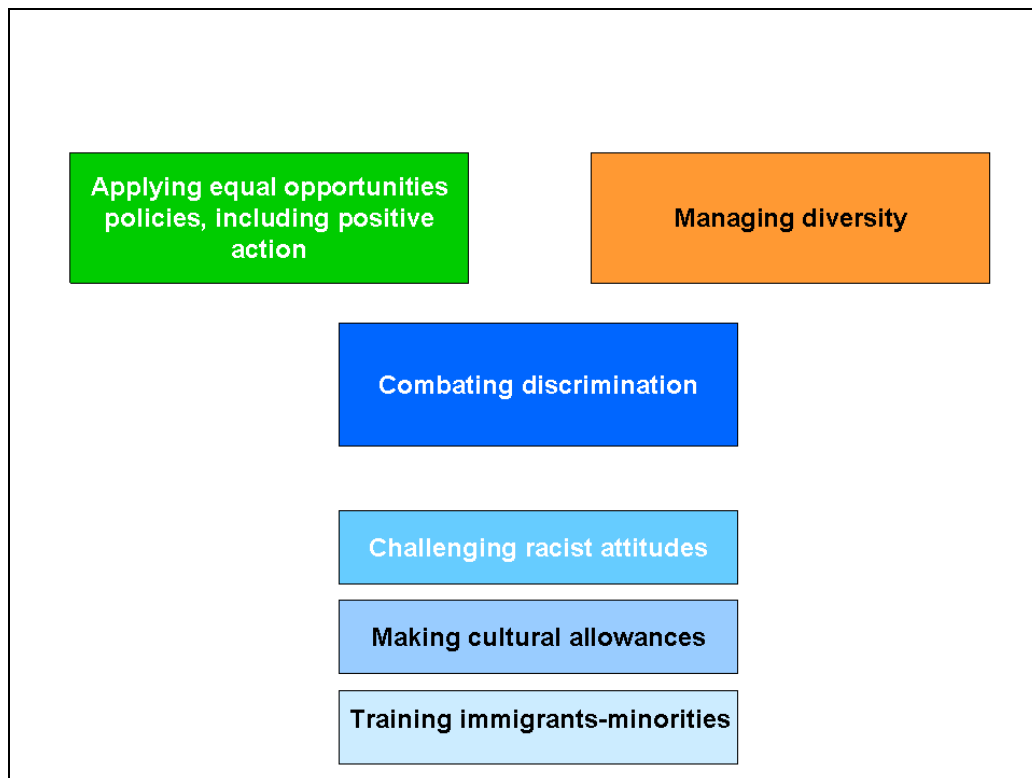
Focus Consultancy/The Conference Board, The Business Case for Diversity: Good Practices in the Workplace (2005)

Diversity management emphasises the benefits for organisational competitiveness and efficiency, and for gaining market advantage that come from recognising cultural differences between groups of employees, and making practical allowances for such differences in organisational policies. The idea is that encouraging an environment of cultural diversity where peoples' differences are valued enables people to work to their full potential in a richer, more creative and more productive work environment.⁵⁸

Whereas previous equal opportunities approaches saw as their main indicator of success the entry into jobs of under-represented and excluded groups, a diversity management approach also focuses on what happens after that and focuses on issues of the retention and promotion of skilled members of ethnic minorities in employment. Evidence has shown that employers often experience higher rates of labour turnover for their skilled minority workers than for their majority peers. Among the reasons for this may be the dissatisfaction that stems from working in an unsympathetic organisational climate. A range of elements within a diversity management programme can address this, ranging from, in the short term, mentoring schemes to, in the long term, trying to develop a more sympathetic organisational culture. This development appears to make it more likely that organisations will voluntarily adopt, in their own interests, anti-discrimination, equal opportunity and diversity management policies.⁵⁹

⁵⁸ Fundamental Rights Agency of the EU, Brief for the High Level Group (2007), p. 8.

⁵⁹ Ibid., p.8.



The graph is based on a presentation by John Wrench (Fundamental Rights Agency of the European Union) on May 3, 2007 and a briefing of the FRA for the High Level Group of June 19, 2007.

Conclusions

Discrimination on grounds of ethnic origin is considered by researchers and many stakeholders as an important barrier to the social and labour market inclusion of ethnic minorities. EU non-discrimination legislation provides for an individual right to live a life free of discrimination. Although this was a major step forward in many Member States, discrimination is still an every-day reality for members of ethnic minorities.

Equality bodies are key actors to support victims of discrimination. They need to be professionally experienced and sufficiently resourced to be efficient. By developing knowledge about discrimination and raising awareness they can influence the general public. Some, but by far not all equality bodies do not only advise and assist victims of discrimination, but can take cases in their own name to court. Social partners are in some Member States involved in the drawing up of non-discrimination policy and legislation (in particular in countries with tripartite consultation systems). At European level the social partners have adopted already in 1995 a joint declaration. Internally they have adopted action plans and/or set up structures to address the problem of discrimination at the work place. Civil society is a third important actor in this context: NGOs, foundations, churches and the Third Sector are credible partners for individual members of ethnic minorities, but also for public authorities and businesses. The most important role of civil society is that it supports individual persons and that it provides for input to policy development. Very often organisations of civil society are more advanced than institutional actors.

The application of non-discrimination law leads to formal equality but not to real equal opportunities. To close this gap the EU and her Member States have developed policies for social inclusion. They need to be complemented by the promotion of sensitivity for people of different ethnic origin and culture. Where the gap remains open or even grows from generation to generation – positive action and targeted programmes can be efficient remedies.

Diversity management by businesses is still relatively new in Europe. First experiences has, however, highlighted that there is a business case for ethnic diversity. The most frequently quoted benefits of hiring an ethnically diverse staff are the access to a new pool of talents, a better reputation for the company, higher innovation and more creativity or more customers and employees satisfaction. Above all, however, diversity management can have a tangible impact for the benefit of the members of minority communities themselves.

In the US, where diversity management has a longer tradition, a number of key factors for the successful application have been identified. They comprise

- the long-term commitment of top management,
- the ability to define the return on investment,
- the linking of in-house diversity policy with contract compliance procedures for external suppliers,
- permanent monitoring,
- the accountability and positive incentives for the middle management to achieve agreed goals.

Only the mutually reinforcing application of all three elements – non-discrimination policies, policies on equal opportunities and diversity management – will lead to tangible results.

Good Practice in Enterprises Strategies and Management

Main Strategies Applied in Enterprises Business Charters Ethnic Minority Enterprises

1. Main Strategies Applied in Enterprises

Enterprises play a major role in the context of labour market inclusion of ethnic minorities. There are important "push" and "pull factors" which sustain this role. On one hand, businesses need to comply with non-discrimination legislation and ensure that discrimination or harassment is banned. On the other hand, they need to be able to respond to the demands of a global market and diverse customers. Companies also need to pursue forward looking policies to find the best people for their work force in an environment which is hit by demographic change. Evidently, more ethnic diversity brings also a broader cultural mix and, thus, better social skills to a company.

Corporate Social Responsibility (CSR) is a concept which has been taken up by many enterprises already in the 1990s. As a voluntary approach it can comprise a broad range of elements in order to make the company an attractive and respected employer and a "good neighbour".¹ The motivation of adopting a CSR strategy can range from altruism and philanthropy (which are the traditional motives) to the wish to shape a more positive reputation among customers. CSR can, but does not necessarily have to include ethnic diversity.

The successful implementation of diversity policies which focus on ethnicity (but also on other diversity grounds) has to be based on organisational change and on change of the corporate culture.

The following paragraphs are based on examples which comprise companies from different industrial sectors, different size and different regions. Some of the examples are portrayed in-depth in annex 1 to this report. The references to a company are to be understood as examples.

¹ See e.g. COM (2006) 136: Implementing the Partnership for Growth and Jobs: Making Europe a Pole of Excellence on CSR; COM (2002) 347: A Business Contribution to Sustainable Development; cf. also http://ec.europa.eu/employment_social/soc-dial/csr/index.htm

1.1 "Setting the Scene" and Building of Commitment

Organisational change usually starts with the "scene setting". The company decides, why and how it wishes to elaborate its commitment for a broader ethnic mix of its personnel. The initiative can come from different sides, *e.g.* through a personal experience of the CEO (as in the case of the president of *FreeSoft*) or through a proposal from the work's council (as in the case of *BMW*).

An important aspect in this context is the building of commitment: Top-management commitment is absolutely essential, but for the successful implementation in business units the commitment and active involvement of middle management and – in the case of multinationals, such as *e.g.* *Siemens* – regional management is equally important.²

A thorough SWOT analysis of the business as well as a reflection about its issues and needs is always a first step. This includes an analysis of market opportunities, the needs of customers and the reputation of the company.³

Equality bodies can play a decisive role in this first important step: The French *HALDE* develops since the end of 2005 with big enterprises in France, such as *Casino, Danone, PSA Peugeot Citroën* and *Thales*, diversity strategies. The applied working method comprises an analysis of initiatives and good practices, the set-up of a working group composed of actors and experts with the task to elaborate a reference framework for the promotion of equal opportunities and the implementation of this framework. In principle this approach is transferable to different sectors, to SMEs, employment agencies and territorial bodies.⁴

1.2 Elaboration of Business Policies and/or Business Charters

In many companies the overarching policy on corporate social responsibility (CSR), the inclusion of diverse groups and ethical principles relies on a commitment of the corporate leadership. Building on such a commitment companies have developed business charters or more specific policies and strategies. These can be based *e.g.* on the discrimination grounds which are enshrined in the European legislation (see *e.g.* *Studiosus* or *Tesco*) or can go beyond (*e.g.* the policies of *BMW* which includes social background and political conviction, *Dublin Bus* which also includes marital and family status, or *Randstad* and *Tesco* which include colour of skin as additional criteria). Special cases are *FreeSoft, SVIK* and *US Steel* which focus in their diversity policies specifically on the local Roma communities.

A number of companies build their business policy around international instruments for human rights and labour standards. The UN Global Compact and the core labour standards of the International Labour Organisation are the most important orientations identified. Both

² See *e.g.* Siemens, Guiding Principles for Promoting and Managing Diversity (2001), Implementation, p. 3 (EN):

http://www.siemens.com/Daten/siecom/HQ/CC/Internet/Job_Careers/WORKAREA/eyekoned/templatedata/English/file/binary/guiding_principles_diversity_dt.pdf_1142361.pdf. Research on diversity initiatives of *Royal Mail* indicates that the commitment of top management relates directly with the commitment of the whole organisation, see Focus Consultancy/The Conference Board, *ibid.*, p. 17 (EN).

³ *Ibid.*, pp. 1; 4ff; 8f. (EN).

⁴ Contribution HALDE to the HLG (2007).

comprise the principle of non-discrimination and are used by *Aviva, BMW, Lufthansa and TNT Post* as guidelines for their respective policies.

The business policy can also relate to a benchmark, e.g. a high score in one of the leading diversity and sustainability indexes, such as the Dow Jones World Sustainability Index. Examples for this approach are *BT* or *Randstad*.

Subsidiaries of multinationals often sign-up to a national business charter, such as e.g. *Randstad France* or *Randstad Belgium*.

In many cases – e.g. *Aviva, BT* or *Randstad* – the company's policy on diversity is regarded as an integral element of CSR.

1.3 Implementing Structures and Tools

Research suggests that efficient diversity management goes beyond human resources development and is a part of the general business strategy, although the human resources policy of a company is the key to the creation of an ethnically diverse workforce.⁵ It is, thus, not surprising that in some companies – *BT, Ford, Randstad* – the CEO or C-suite members are responsible for implementing the corporate diversity policy.

For planning and guidance bigger companies have created a plethora of structures, such as Diversity Leadership Teams (*Air Products*), Diversity and Inclusion teams (*Royal Mail, GlaxoSmithKline*)⁶, a Change Management and Diversity department (*Lufthansa*), CSR Teams (*Aviva, BT*), (senior) Diversity Champions (*BT, TNT Post*) and a Diversity Council, supported by a Diversity Advisory Council (*Tesco*). Many of these managing structures are supported by steering committees. In the case of *Groupe PPR – Pinault-Printemps-La Redoute* the committee comprises the social development directorate and the delegate-general of SolidarCité. An interesting case is *Dublin Bus* where the Equality and Diversity Officer is supported by an "Equality and Diversity Panel" composed of 40 persons from various grades and locations.

BMW involves the EURO Forum, a cross-country platform for the European work's councils, for the follow-up of its agreement with the work's council and the international social partner to implement its global CSR policy. *Ford* cooperates in Spain, France and Belgium with trade unions with regard to diversity training and mentoring. The Spanish *Grupo VIPS* cooperates with NGOs and the 3rd sector to implement its corporate policy. While *SVIK* has a long-standing cooperation with a local trade school to train Roma, *FreeSoft* and *US Steel* work with regional authorities and Roma NGOs to improve the situation of Roma with regard to education, including pre-schooling for children.

In some companies the elaboration of policies and their monitoring are based on external standards and independently certified. The British standards framework "Investors in People",

⁵ See e.g. N.R. Lockwood, Workplace Diversity: Leveraging the Power of Difference for Competitive Advantage, SHRM Research Quarterly 2 (2005), p. 2ff.; J. Breitschuh/Th. Wöller, Internationales Marketing (2007), p. 75ff.

⁶ GlaxoSmithKline, Corporate Social Responsibility Report 2006 (2007), p. 42;
<http://www.royalmail.com/portal/campaign/content1.jsessionid=JRITMK2S3WG5EFB2IGEEOSQUHRAYUQ2K?catId=15700188&mediaId=15700204>.

SA8000 or the standards of the Dow Jones Sustainability Index are used *i.a.* by **Randstad Italia** or **TNT Post**. Other companies have set-up complex internal audit schemes, such as **Ford** with the Diversity Equality Assessment Review – DEAR. A part of the monitoring process is regularly the survey on employees' satisfaction.

A powerful tool to include diverse groups in strategy planning (but also in product design) are networks of employees (**Air Products**, **Aviva**, **BT**, **Ford**) and intercultural working groups (**Dublin Bus**).

Main implementing mechanisms are more or less comprehensive diversity programmes as well as awareness-raising measures. In this context the training of line managers (**Lufthansa**, **Tesco**, **SNCF**), the awareness-raising of staff on ethnic discrimination (**Danone**, **DDB**), the information of staff through in-house publications (**Tesco**, **Grupo VIPS**), mandatory intercultural training (**Credit Suisse**⁷) and the production of diversity factbooks and toolkits (**Aviva**, **Tesco**) are common good practices.

An important part of implementation is the making of cultural allowances for staff of a different ethnic, cultural and/or religious background, such as flexible working time and holiday schemes or the set-up of places for prayer (*e.g.* with **BMW** and **Tesco**).

In some companies managers are accountable for their ability to recruit and retain staff of different ethnic origins. The ethnic composition of a business unit is used a performance indicator with **Air Products** and **Ford**⁸ and managers can receive financial incentives of achieving their targets (**Ford**).

1.4 Recruitment Policy and Human Resources Development

Recruitment policy and human resources development are complementary parts of the implementation process. Companies with a vision of "*casting a wider net*" – such as **Credit Suisse** – set-up focused strategies to attract individuals of a diverse background.⁹ **BT**, **GlaxoSmithKline**, **TNT Post** and **Tesco** use the percentage of ethnic minority staff in the national markets UK resp. Netherlands as a marker for the own recruitment processes.¹⁰ This includes also the recruitment of management (**TNT Post**, **Grupo VIPS**).

Discrimination-free recruitment procedures are particularly important for visible ethnic minorities. Companies such as *e.g.* **Ford**, **Randstad Italia** or **Lufthansa** aim to ensure that recruitment procedures follow the principle of non-discrimination and equal opportunities. **Aviva** trains its recruiters specifically in this context. In France, anonymous on-line recruitment platforms, where the ethnic origin and the cultural background of an applicant are

⁷ http://www.credit-suisse.com/responsibility/doc/diversity_europe_en.pdf

⁸ See *e.g.* N.R. Lockwood, Workplace Diversity: Leveraging the Power of Difference for Competitive Advantage, SHRM Research Quarterly 2 (2005), 6, who refers to **DuPont** (senior management ensures accountability by integrating diversity into the overall business performance evaluation process) and **CitiGroup** (measuring of managers on the basis of their ability to attract and develop a diverse workforce).

⁹ http://www.credit-suisse.com/responsibility/doc/diversity_europe_en.pdf

¹⁰ GlaxoSmithKline, Corporate Social Responsibility Report 2006 (2007), p. 42;
http://group.tnt.com/images/Corporate_presentation_TNTPost_april2006_tcm31-190518.pdf

hidden, until a potential employer expresses his or her interest in a specific skills profile, have been introduced in companies such as *AXA*.¹¹

Private Public Partnerships can be founded on the interest of a company to attract a diverse workforce. *Grupo VIPS* has concluded with several national governments bilateral agreements to hire, train and develop people. *FreeSoft*, the Hungarian Ministry for Information Technology and local Roma NGOs and support structures have established a partnership to hire and develop Roma people which made use of government and EU funding. Some French companies have developed partnerships with NGOs such as AFIP, Africagora, SOS Racisme or APC Recrutement to extend the talent pool to minorities.

Directly linked to recruitment is the question of human resources development. This implies firstly ensuring that staff belonging to an ethnic minority also stays with a company, and secondly that there are no "glass ceilings" for the careers of minority people. Both aspects are interdependent. In the US the "revolving door syndrome" is evident for women and minorities: talents wish to have a career perspective and to further develop their professional and technical skills – or they will leave the enterprise.¹² Internal policies to retain staff are widely applied also in European companies, such as *Credit Suisse*,¹³ *CitiGroup*¹⁴ or *GlaxoSmithKline*.¹⁵

Numerous French companies, such as *Air France*, *Alcatel*, *Altadis*, *April Groupe*, *Cap Gemini*, *Carbone Lorraine*, *Club Med*, *Crédit Agricole*, *Caisse des depots et consignations*, *Eau de Paris*, *EDF*, *La Mondiale* or *Renault*, use audits on their human resources management or for ethical risk assessment.

A common method to integrate and develop people from ethnic minorities is the provision of coaching, targeted training and/or mentoring (*Air Products*, *Ford*, *Tesco*, *TNT Post*). Networks of ethnic minority staff, such as the Ethnically Diverse Employee Network – EDEN of *Air Products* – can be mobilised for this purpose. *Deutsche Bank* has set-up a summer placement programme to attract ethnic minority trainees for its investment banking branch.¹⁶

A particular aspect of HR development is the provision of – if needed, even basic – training to make people employable and to support their social integration. The efforts undertaken by *Coco-Mat*, *Grupo VIPS* and *TNT Post* for recently recruited staff and by *SVIK* and *US Steel* for Roma are worth to be mentioned in this context.

1.5 Supplier Policy

In the US, an important aspect of diversity management is focusing on suppliers. *Johnson Controls* buys goods and services of more than 50 categories for more than 1 billion US\$ at approx. 300 diverse suppliers.¹⁷

¹¹ http://recrute.axa.fr/postuler_metiers_commerciaux.html ; see E. Leveque, AXA teste le CV anonyme sur Internet, Le Journal du Net (4 mars 2005), <http://www.journaldunet.com/0503/050304axa.shtml>

¹² N.R. Lockwood, *ibid.*, p. 7.

¹³ http://www.credit-suisse.com/responsibility/doc/diversity_europe_en.pdf

¹⁴ <http://careers.citigroup.com/careers/homepage/emea/diversity.aspx>

¹⁵ GlaxoSmithKline, Corporate Social Responsibility Report 2006 (2007), p. 43.

¹⁶ http://www.db.com/careers/en/files/Insert_IHAD_UK_ENG.pdf

¹⁷ <http://www.johnsoncontrols.com/publish/us/en/about/diversity.html>

European companies integrate more and more their purchasing management in their CSR policy. **BMW** and **Studiosus** encourage their suppliers to follow the same principles of social responsibility, while **Aviva** established a supplier CSR code of conduct. **TNT Post** translates the standards of the UN Global Compact into its purchasing policy. **Randstad** requires that its suppliers respect the principle of non-discrimination.

Supplier Diversity Europe is a pioneering initiative that promotes supplier diversity. It is composed of 19 multinational enterprises and aims at "ensuring that under-represented businesses, including but not limited to race, disability and gender, have the same opportunities to compete for the supply of goods and services as other suppliers."¹⁸

1.6 Communicating Principles

The communication of a business strategy towards ethnic diversity needs to be targeted at the own staff, at potential applicants, at customers and at stakeholders and their organisations. Research shows that the change of the corporate climate and of attitudes towards ethnic minority people remain key challenges, even after all steps mentioned above have been taken.

Intercultural training – which can even be mandatory (as e.g. in the case of **Credit Suisse**) – is in this context a key tool to achieve such a change.

Moreover, it is in the proper interest of a company to inform its social environment about the steps it has taken and the progress achieved. This applies in particular, if a broader ethnic basis of the company is used to open new markets and offer new products to customers.¹⁹ Examples for this can be found among manufacturers of consumer products, such as **Unilever**²⁰, service providers, such as **Deutsche Telekom**, **BT**, **TDC**, or retailers, such as **Tesco**.²¹

1.7 Results and Perceived Benefits

Some companies which have adopted a policy for a broader ethnic mix have meanwhile either a composition of staff which reflects the ethnic diversity of the environment (**Tesco**, **TNT Post**) or have even overachieved this goal (**BMW**, **Lufthansa**).

The biggest positive effect of such policies with regard to the internal corporate climate seems to be a higher level of job satisfaction of employees, a lower turnover rate, a lower rate of absenteeism and a tendency to less litigation (**BMW**, **Coco-Mat**, **Ford**, **Randstad**, **Studiosus**, **TNT Post**, **Grupo VIPS**).

¹⁸ <http://www.migpolgroup.com/topics/2579.html>

¹⁹ N.R. Lockwood, *ibid.*, p. 4, indicates that by 2009 the purchasing power of ethnic minorities in the US will increase by 242%, while the own of the majority will increase by 140%.

²⁰ <http://www.unilever.com/ourvalues/environment-society/news-speeches/speeches/understanding-people-to-build-brands.asp>. The commitment to diversity is based on ethical reasons and the recognition that globally produced and marketed consumer goods must be sensitive with regard to ethnic diversity.

²¹ UNI Europa/ETNO, *Diversity at Work. A Review of Good Corporate Practices in the Telecom Sector* (2007), p. 12f.; Focus Consultancy/The Conference Board, *The Business Case for Diversity. Good Practices in the Workplace* (2005), p. 48 (EN).

Ethnic diversity seems also to have a positive impact on productivity through more innovation (*Air Products, Coco-Mat*), better performance (*Grupo VIPS*), higher customer satisfaction and/or new products (*BT, Coco-Mat, Studiosus, Tesco, Grupo VIPS*).

Finally, those policies influence the way how the company is seen from the outside world. They help to improve the corporate reputation (*Dublin Bus*), they improve the standing of the company in its immediate community (*Air Products*) and they can even serve as visible landmarks for the integration of disadvantaged groups (*SVIK*). This is many cases acknowledged by awards from industrial federations or stakeholder organisation or high scores in sustainability/diversity indices (*Air Products, BMW, Randstad, TNT Post*).

2. Business Charters for Diversity

In 2004 the French *Institut Montaigne* launched the idea of a national "*Charte de la diversité dans l'entreprise*" with a view to encourage businesses to acknowledge non-discrimination as a strategic principle and to reflect the factual composition of the French population in their staff. Until March 2007 1500 companies have signed up to the Charter. The Charter is actively promoted not only by the French government, but also by business associations and organisations for the promotion of CSR. The *Institut du Mécénat de Solidarité-Entreprendre pour la Cité* provides a standing secretariat.²²

The French Charter assumes that pluralism and diversity are drivers for progress. They enhance the efficiency of a business and improve its social relationships. Moreover, they have a positive impact on the corporate image and the company's reputation towards its customers and suppliers at national and international level. It is composed of six key principles which every subscriber has to implement into its business practice.

Charte de la diversité dans l'entreprise

1. *Sensibiliser et former nos dirigeants et collaborateurs impliqués dans le recrutement, la formation et la gestion des carrières aux enjeux de la non-discrimination et de la diversité.*
2. *Respecter et promouvoir l'application du principe de non-discrimination sous toutes ses formes et dans toutes les étapes de gestion des ressources humaines que sont notamment l'embauche, la formation, l'avancement ou la promotion professionnelle des collaborateurs.*
3. *Chercher à refléter la diversité de la société française et notamment sa diversité culturelle et ethnique dans notre effectif, aux différents niveaux de qualification.*
4. *Communiquer auprès de l'ensemble de nos collaborateurs notre engagement en faveur de la non-discrimination et de la diversité, et informer sur les résultats pratiques de cet engagement.*
5. *Faire de l'élaboration et de la mise en œuvre de la politique de diversité un objet de dialogue avec les représentants des personnels.*
6. *Inclure dans le rapport annuel un chapitre descriptif de notre engagement de non-discrimination et de diversité : actions mises en œuvre, pratiques et résultats.*

²² <http://www.institutmontaigne.org/charte-de-la-diversite-dans-l-entreprise-2050.html>

The great success of the charter is not only reflected in its strong growth of subscribers (from 35 companies which had signed the charter when it was launched to 314 in the first year, 594 after two years to 1,500 in the third year), but also in the fact that it is obviously not only attractive for multinationals or national champions to sign-up; the charter is also rooted in the regions and attracts more and more SMEs.

Following the French example a German business charter was drawn up in December 2006 under the patronage of the Federal Chancellor. It was firstly signed by four multinational enterprises and has meanwhile been adopted by some 70 companies, foundations, public authorities, research institutions and non-profit organisations.²³

The rationale for the German charter is the consideration that globalisation and demographic change increase the need to have access to a broader pool of talents. Its implementation requires the application of the principle of non-discrimination at the workplace. The perceived benefits will be a better image towards business partners and consumers nationally and internationally.

Diversity als Chance – Die Charta der Vielfalt der Unternehmen in Deutschland

Im Rahmen dieser Charta werden wir [i.e. die Unternehmen in Deutschland]

1. *eine Unternehmenskultur pflegen, die von gegenseitigem Respekt und Wertschätzung jedes Einzelnen geprägt ist. Wir schaffen die Voraussetzungen dafür, dass Vorgesetzte wie Mitarbeiterinnen und Mitarbeiter diese Werte erkennen, teilen und leben. Dabei kommt den Führungskräften bzw. Vorgesetzten eine besondere Verpflichtung zu.*
2. *unsere Personalprozesse überprüfen und sicherstellen, dass diese den vielfältigen Fähigkeiten und Talenten aller Mitarbeiterinnen und Mitarbeiter sowie unserem Leistungsanspruch gerecht werden.*
3. *die Vielfalt der Gesellschaft innerhalb und außerhalb des Unternehmens anerkennen, die darin liegenden Potenziale wertschätzen und für das Unternehmen gewinnbringend einsetzen.*
4. *die Umsetzung der Charta zum Thema des internen und externen Dialogs machen.*
5. *über unsere Aktivitäten und den Fortschritt bei der Förderung der Vielfalt und Wertschätzung jährlich öffentlich Auskunft geben.*
6. *unsere Mitarbeiterinnen und Mitarbeiter über Diversity informieren und sie bei der Umsetzung der Charta einbeziehen.*

3. Ethnic Minority Enterprises

While in many countries members of ethnic minorities (as well as immigrants) were – and are – often regarded as competitors and a threat for low skilled workers from the ethnic majority, one aspect was neglected for a long time: Ethnic minority businesses are a growing sector of

²³ http://www.bundesregierung.de/nm_774/Content/DE/Artikel/2007/03/2007-03-21-ib-charta-der-vielfalt-gewinnt-neue_20-mitstreiter.html

national and regional economies. They are customers, business partners, tax payers and providers of jobs not only for people from the own ethnic group, but they recruit also workers from the ethnic majority. Alone in Germany businesses founded and run by members of ethnic minorities provide for 1.2 million jobs.

Members of different ethnic groups respond differently to the chance to launch an own companies and there is also a gender aspect to be taken into consideration. In London in 2005 16.5% of all businesses are owned by ethnic minorities (a decline by 5% compared to 2003). Asian-owned businesses represent 8.9% of all London businesses while the Asian population represents 12.1% of London's population as a whole. The trend shows a decline in Asian business ownership from 2003 to 2005. Only 5.2% of London's businesses are black-owned compared to 10.9% of London's population classified as black. The trend over the same period is, however, positive. Black-owned businesses are more likely to be run by women than businesses in other ethnic groups. Women run around one quarter of black-owned businesses (25.5 %), compared with 18 % of White-owned and only 11.7 % of Asian-owned businesses.²⁴

In focus: Turkish Enterprises in Germany

- *Recent research of the Center for Studies on Turkey highlights i.a. that since 1985 in North Rhine-Westphalia the number of Turkish enterprises has grown by 200% to 24,000 companies which produce an annual turnover of 11.2 billion € and employ 120,000 people.²⁵*
- *In Berlin 10.6% of some 6,000 Turkish enterprises employ only German workers; 22% have ethnically mixed staff.²⁶*
- *The Öger Group is the 6th biggest tour operator in Germany and the biggest operator for Turkey tours in Europe. It comprises the tour operator, hotels and related services. The business generates a turnover of 623 m € and employs worldwide 3,100 people.²⁷*

Entrepreneurs from ethnic minorities are confronted with a number of problems when starting and trying to expand their businesses which are partly identical with those faced by any business start-up and partly specific to their ethnic minority background.

3.1 Frequent Problems of Ethnic Minority Enterprises and Possible Solutions

In many cases ethnic minority businesses are small. There are few examples that they grow into larger firms. They are also often concentrated in low entry-threshold activities and face difficulties in shifting to more advanced and profitable business fields. The failure rate of

²⁴ L. Jasper, London's Strategy to Promote the Social and Labour Market Inclusion of Ethnic Minorities (2007), p. 6.

²⁵ Zentrum für Türkeistudien, Türkische Unternehmen in NRW (2007), passim; G. Wiedemann, Zahl der türkischen Firmen steigt, Kölner Stadtanzeiger (21.8.2007), <http://www.ksta.de/html/artikel/1187344803469.shtml>

²⁶ Zentrum für Türkeistudien, Türkische Unternehmen in Berlin (2005), passim; M. Emmerich, Türkische Betriebe legen Döner-Image ab, Berliner Zeitung (11.10.2005), <http://www.berlinonline.de/berliner-zeitung/archiv/.bin/dump.fcgi/2005/1011/lokales/0044/index.html>

²⁷ http://www.oeger.de/content/group/images/company_profile.pdf

these businesses also tends to be above average. A recent study on Turkish businesses in the medium-sized city of Mülheim/Ruhr confirms this:²⁸

- most businesses are active in stereotypical "ethnic niches", such as the retail, services and restaurant/catering sectors;
- there are some examples of enterprises which require high skills;
- the structure of suppliers and customers shows, however, clearly that the economic activity must be a part of the mainstream economy, if it is to be sustainable;
- ethnic minority enterprises are in most cases either 1-person companies/family businesses or micro-enterprises with less than five workers.

A project funded by the Community Initiative EQUAL in Ireland "Emerge" was based on the observation that ethnic minority enterprises tend to rely almost exclusively on co-ethnic social networks when starting business activities. These networks provide access to markets, customers, finance, advice and labour, and thereby facilitate the start-up process for many ethnic minority entrepreneurs. Their great value in this respect should definitely not be underestimated. Unfortunately, however, these networks also tend to become very socially closed with little circulation of new information from the business community outside. Exclusive reliance of such networks can therefore constitute a limitation for the development of businesses, especially when these businesses try to extend their activities into mainstream markets.²⁹ Professional support from public support services as well as membership in trade organisations is not sufficiently accessible for ethnic minority entrepreneurs very often due to cultural or linguistic barriers.³⁰

Another EQUAL project "New Labour Market Possibilities" solved the latter problem by setting up a network in Berlin which involved also migrant self organisations and offers essential instruments for labour market inclusion, such as career guidance, vocational qualification, services to support business start-ups, business counselling etc. These services are offered in different languages and focus on the individual needs and resources. A project partner from Zaragoza integrated the Municipal Social Services Center in the network to the same end.³¹

3.2 Access to Finance

A major problem for ethnic minority businesses and their development "out of the ethnic niche" is the access to finance. Although ethnic community support represents an important source of start up funding, there is a clear need that ethnic minority enterprises get access to mainstream banks. This is particularly important where banks are managing not only their commercial assets, but also public aides for the setting up of enterprises.

In some cases, the need for initial financing could also be met by micro-credit schemes. The Open Society Institute is providing microcredits to Roma families with a view to support their economic success, mainly by launching small businesses. Experience shows that individual

²⁸ Zentrum für Türkeistudien, Türkisches Unternehmertum in Mülheim an der Ruhr (2006), pp. 14ff.; 43ff.

²⁹ <http://www.equalemerge.ie/rationaleofproject.aspx>

³⁰ See also the lack of interest in becoming members of trade organisations and the low use of support from local and regional chambers among Turkish entrepreneurs, Zentrum für Türkeistudien, Türkisches Unternehmertum in Mülheim an der Ruhr (2006), pp. 32ff.

³¹ E. Bunbury (ed.), New Labour Market Possibilities: Results and Recommendations – Good Practices Guide (2007), p. 44ff; 49ff.

development accounts work better with Roma communities that projects aiming at pooling finances. Microcredits which need communities of about 5,000 people to be sustainable work better in large Romany communities in Macedonia and Bulgaria than in Hungary, where Roma live in smaller communities and are more integrated in society. Moreover, there is a strong gender aspect: lending to women is far more effective than to men.³²

3.3 Supplier Diversity Policy

Companies but also public authorities have an important function in the market for ethnic minority enterprises as key customers. In the US supplier policy is regarded as a key instrument of diversity management, but more and more European companies follow the same path.³³ As the public sector in Europe is an important actor in procurement markets authorities at local, regional and national level play also a significant role in supporting minority owned businesses.

London: The Supplier Diversity Development Initiative

A key strand of the Mayor's Sustainable Procurement policy is to use the £5bn annual spend of the Greater London Authority (GLA) group on organisations to drive improvements in the delivery of greater equality and environmental performance in London.

The Supplier Diversity Initiative has been developed to ensure that smaller businesses owned by BAME people, as well as women and disabled people, win a fair share of public contracts and in particular GLA group contracts. Going further than the usual statements of commitment to equality and supplier diversity, the GLA initiative is unique by delivering not only a process of active engagement with BAME owned businesses but also integrating monitoring, measurement and reporting of supplier diversity outcomes as a mainstream corporate activity.

In practice this means collecting the contract calendars of the GLA group organisations and identifying contracts that can be matched to diverse suppliers. Running alongside this is a series of programmes run by the London Development Agency, the Mayor's agency for business and jobs, to support and develop new suppliers. These include activities to develop suppliers' understanding of public procurement requirements and linking them to tender opportunities to ensure they can compete successfully for more contracts. For buyers, the GLA is insuring that they are fully aware of the benefits of supplier diversity, that their contract opportunities are genuinely accessible and that contracts write in requirements for suppliers to promote equality and diversity.

This two-pronged approach is beginning to deliver real change. It is a visible and auditable process and serves to directly address two key barriers to BAME business success - that is disadvantage in the public procurement market and under-representation in the supply base of many public sector organisations.

Lee Jasper

The Mayor of London's Director for Equalities and Policing

³² Hearing of Mr David Meier, Open Society Institute Budapest (27 February 2007).

³³ See section 1.5 of this chapter and the recent survey carried out for The New York Times Company, Looking Around the Corner. The View from the Front Line (June 2007), presented at the World Diversity Leadership Symposium, New York, 4-6 June 2007, http://www.wdls2007.com/pdfs/2007presentations/WDLS2007_NYTimes_surveyFindings_s.pdf

The London initiative will be also integrated in the preparation of the 2012 Olympic and Paralympic Games and ensure that Black, Asian, Minority Ethnic led businesses will be encouraged to take part in procurement tenders.

Conclusions

Businesses adopt their strategies for more ethnic diversity for a number of reasons: They need to comply with non-discrimination legislation, but they have also an economic interest in attracting talented people for their work force, becoming more profitable in a global market or acquiring a better reputation. The diversity policy can be a part of a more comprehensive approach towards Corporate Social Responsibility (CSR).

The setting-up of a business strategy for ethnic diversity is a process with several steps. It starts usually with the "scene setting" and building of commitment which can be reflected in the elaboration of a business charter. Equality bodies can play a decisive role in this first important step: The French HALDE acts as a powerful promoter through the development of diversity strategies with big enterprises in France since 2005. The working method of HALDE could be transferred to different sectors, to SMEs, employment agencies and territorial bodies. Diversity strategies have to be implemented through structures, such as a diversity department, leadership teams, and diversity programmes. They are often accompanied by stakeholder fora or staff networks. The implementation uses also tools, such as training, benchmarking, information and the definition of indicators. Most visible aspects of a diversity strategy are the recruitment policy and human resources development as well as the supplier policy. The communication of the strategy and the appreciation of its results and benefits are important for creating a supportive environment.

In France, and some years later in Germany, leading enterprises have set-up in cooperation with public authorities and civil society business charters for diversity. They have been very successful and have attracted a still growing number of subscribers.

Self-employment is for many members of ethnic minorities a way to become economically active. The positive contribution of ethnic minority businesses to the European economy cannot be overestimated. They are customers, business partners, tax payers and first of all providers of jobs, for members of ethnic minorities but also for people from the majority. Ethnic minority businesses share a number of common problems: very often their size, their establishment in stereotypical "ethnic niches", a lack of access to finance and business counselling. A micro-credit scheme can be a possibility to launch an own small businesses for some members of ethnic minorities. Projects carried out under the Community initiative EQUAL and supplier diversity policies of big demanders, such as e.g. the Greater London Authority highlight possible ways to support ethnic minority businesses.

Good Practice in Public Policy

Actors and Priorities Aspects of Integration Public Private Partnerships and Integration Initiatives The Inclusion of Roma

1. Actors and Priorities

All political levels in the EU are confronted with the challenge to contribute to the integration of members of ethnic minorities in the labour market, in the respective communities, in the social fabric, in cultural life – shortly: in society as a whole.

This starts with the level of villages and towns where minorities need to find their place as local neighbours and part of a local community. In this context aspects of providing education for children and training for adults, of decent housing and access to social services and health services are of utmost importance. At local level minority people are particularly visible as customers, competitors, tax payers, possibly as victims of discrimination and violence, and hopefully as an enrichment of the environment. Local councils, party organisations at local level, the local authorities can have a huge impact on whether a town is exclusive or inclusive, a vibrant, colourful and stimulating place or a symbol of ghettoization, desperation, hate and fear.

A Mayor Can Make a Difference - the Example of Uszka

"The Roma men during the previous (Communist) regime used to go to work to the Dunan-Tul/Transdanubium, the Western part of the country, since there were no work opportunities in our town. After the changes, these commuting Roma became the first unemployed. After the local elections in 1994 the main programme of the municipal representatives was to help Roma to find work and accommodation. The returning Roma received land on which they could build houses with the help of social assistance. Our town has ethnic peace. There is no discrimination between Roma and non-Roma that both live in peace and harmony together. As a result since 1990 the number of citizens grew from 228 to 396. In 1998 the authorities of the city of Székesfehérvár decided to evict Roma from a part of their city. Uszka decided to "adopt" a family. For this gesture the mayor of the city received an honorary recognition, but at the same time, his decision drew the attention and the anger of racists on Uszka.

The offer of our local community to do voluntary public work was accepted. As a result 67 houses were renovated and five new houses were bought for Roma in a difficult social situation.

A second model programme, the Tanoda/Education Center, was started. As a result the scores of Roma students increased by 30%. Moreover, 37 Roma adults completed the primary education in the Education Center of the village.

The third initiative was another offer of our local government, providing basic instalment for Roma families who decided to deal with intensified cucumber production, which has a stable market in the region. The initiative was successful. After the investment of a relatively small capital, 25 Roma families have a stable source of revenue from May to September in every year."

Dr. Istvan Sertő Radics
Mayor of Uszka

Regions have played in European history an important role for the emergence and the integration of ethnic minorities. The "classical" national minorities in certain regions – e.g. Silesia or Friuli – were often a consequence of border changes. Regions with large ethnic minorities have taken this into account by allowing or even promoting multilingualism, cross-border contacts and cooperation. In modern history regions are in some Member States responsible for the public education system and culture, for policing and the legal system and for regional infrastructures. All this is highly important for the creation of equal opportunities and the full participation of ethnic minorities in society.

The role of Member States is relevant for the overall legal questions. It is the State's non-discrimination law that prohibits discrimination on grounds of ethnic origin. Although immigrants do not fall under the scope of this report, immigration, citizenship and naturalisation laws are decisive for the openness of the gate for new members of minorities. Moreover, the social protection schemes as well as tax and redistribution mechanisms are usually set-up and managed by national authorities; they can support or hamper the integration of minority people.

The principle of non-discrimination, the principle of equality between women and men as well as the respect of cultural, religious and linguistic diversity are universal fundamental rights and core values on which the European Union is built.¹ These include the protection of ethnic minorities. To this end, the EU has developed policies and instruments to support the inclusion of ethnic minorities. They comprise the legislation and action against discrimination, the European Employment Strategy or the European Strategy on social inclusion and social protection as well as the gender equality legislation. From the side of immigration policy the European programme for the integration of immigrants as well as the legislation on immigration and on long-term residents need to be highlighted.²

It is not possible to define a "typical" European strategy for the integration of ethnic minorities, because the practices and traditions of Member States are too diverse. The fact that some Member States are ethnically more homogeneous while others are more diverse is not decisive whether a society is more or less inclusive. Sweden or Finland as Member States with a relatively small and ethnically homogeneous population have nevertheless implemented integration policies which are good practice with regard to the social and labour market inclusion of ethnic minorities. Similar positive outcomes can be observed in the case

¹ Art. 21-23 Charter of Fundamental Rights.

² http://ec.europa.eu/justice_home/fsj/immigration/integration/fsj_immigration_integration_en.htm

of the UK which is today (in particular in some areas as Greater London or the West Midlands) a multiethnic society. What can be done with all precaution is to define a number of parameters which have an influence on the grade of inclusiveness of an integration concept. Among these parameters are:

- the legal and administrative requirements for the access to the labour market,
- the application of non-discrimination law
- the possibilities to participate in policy development
- the economical and social situation of long-term residents who are not citizens
- the access to citizenship for immigrants and their children.

The length of presence of an ethnic minority is not decisive whether it is more or less well integrated: the Roma as biggest ethnic minority are in most Member States citizens who are present since centuries, but are still excluded from society and the labour market.

It needs to be highlighted, however, that integration policy is not a static concept, but develops permanently in order to respond to current needs, opportunities and perceived or real threats. It also needs to be emphasized that certain aspects of integration policy are – with good reasons – a matter of subsidiarity.

2. Aspects of Integration

Public policy needs to cover five overall objectives with a view to integration. They are decisive for the social integration of members of ethnic minorities and their full participation in the labour market. To be effective they have to take the specific needs of people from minorities throughout the whole life-cycle into account. Moreover, most of these objectives are mutually reinforcing each other. The HLG highlights a number of good practices in the Member States. This selection is not exhaustive and the examples serve as paradigmata.

2.1 Protection of Rights

This most important field covers several areas: The status of citizenship of members of ethnic minorities, including the possibilities for immigrants to get access to the citizenship, non-discrimination laws and policies as well as the fight against racism and xenophobia.

2.1.1 Citizenship

Ethnic minority people have acquired the citizenship of an EU Member State by birth or naturalisation. Other groups, such as immigrants, refugees, asylum seekers or stateless persons who might be in a similar social situation might try to acquire citizenship by naturalisation in the future.

The 2006 Migration Board guidelines in **Sweden** capped the procedure for the *acquisition of citizenship* at 8 months, but factual waiting times are much shorter (1-6 months). Although the costs for naturalisation are high, Sweden has among all Member States the most liberal conditions for the acquisition of national citizenship.³

³ <http://www.integrationindex.eu/integrationindex/2546.html>

The *nationality* law in **Portugal** of April 2006 stipulates that any child born to a parent also born in Portugal and resident at the time of birth is automatically Portuguese. The law equalised the residency requirement for all first-generation migrants (once 10 years) around the shorter period once reserved for migrants from Portuguese-speaking countries (six years). Although costs for naturalisation increased, the fees are waived for applicants who can prove an income equal or less than the national minimum wage.⁴

Best practice with regard to the permission of *dual citizenship* can be observed in **Belgium, France, Ireland**, and the **UK**.

A specific case in this context is represented by members of the ethnic majority who *re-migrate* often after generations to the "home country". Examples for this category are ethnic Germans, ethnic Czechs or ethnic Finns who re-migrated since the early 1990s from parts of the former Sovietunion to their respective countries.

2.1.2 Non-Discrimination Legislation and Policies

The guarantee of a life free of discrimination is not only a moral, political, and legal requirement which is enshrined in international, European and national laws and agreements. It is also in the self-interest of a nation to ensure that all people can develop their full potential and to use the benefits of a diverse society. Moreover, the demographic change and the globalisation of the economy are powerful drivers to focus on inclusive solutions recognising that ethnic homogeneity is an issue of the past. EU Member States have transposed the Non-discrimination Directives 2000/43/EC and 2000/78/EC. Although a considerable number of Member States will have to improve their national laws in order to fully comply with the Directives, there is for the first time a comprehensive individual rights-based approach for members of ethnic minority to enforce their rights. As a matter of fact, non-discrimination law must not stand alone, but has to be embedded in a comprehensive political strategy which comprises the set-up of independent and effective equality bodies and clear public communication plan which supports the integration goals.

Finland (as well as **Portugal, Sweden** and the **United Kingdom**) is an example of good practice with regard to the *concept* of non-discrimination and its field of *application*. The Finnish Non-discrimination Act covers a wide range of discrimination grounds linked to personal qualities, including nationality and national origin. This broad scope was clarified by the interpretations of the Parliamentary Ombudsman, the Ombudsman for Equality and the Ombudsman for Minorities and Discrimination. The constitution, criminal law, labour law and specific legislation give antidiscrimination law a wide field of application. However, this new legislation has yet to be supported by wide-ranging case-law, particularly to define discrimination by association or on the basis of assumed characteristics.⁵ In the **United Kingdom** discrimination is forbidden also on grounds of the *colour of skin* and *nationality*. The laws in **Ireland** recognize explicitly the membership in the *traveller community* as a discrimination ground. The General *Law on Equal Treatment* of 18 August 2006 improved the approach towards non-discrimination in **Germany** significantly. It tackles discrimination on the grounds of ethnic origin, gender, religion and belief, disability, age or sexual orientation. Nationality is thought to be indirectly covered by race and religion. The Law applies to employment and career advancement, social protection and advantages, education and the provision of goods and services.

In the **United Kingdom**, the 1999 Macpherson report, a public inquiry after a failed homicide investigation, led to an amendment to the Race Relations Act which aimed at addressing

⁴ <http://www.integrationindex.eu/integrationindex/2506.html>

⁵ See Non-Discrimination Act, 21/2004, Section 6, and Employment Contract Act as amended by Law 23/2004; <http://www.integrationindex.eu/integrationindex/2362.html>

institutional racism in the law enforcement agencies. Moreover, public bodies were obliged to actively promote equality.⁶

The *Equality Tribunal* in **Ireland** has proved to become more and more involved in enforcement of non-discrimination. Between its establishment in 1999 and 2006, more than 12,400 people have brought claims to the Tribunal. Furthermore collective agreements covering more than 12,200 people have been referred to the Tribunal. It is of particular interest that last year the number of employment equality cases increased by 12%. Among them a 78% increase in referrals on the race ground (up from 82 to 146) is significant. It is also important to note that 44% of cases were successful and that the average award increased by 17% in 2006 to €10,113 in employment cases.⁷ Victims of discrimination on grounds of ethnic origin, religion and belief or nationality in the **Netherlands** can use alternative dispute resolution as well as judicial civil and administrative procedures. There, the shift in burden of proof applies and discriminatory motivation is treated as an aggravating circumstance. Legal entities with a legitimate interest in promoting equalities can likewise assist victims in many ways. Complainants are protected against victimisation in many areas of life. The average length for a case is kept below six months and the state offers legal aid and interpreters to victims with low incomes. The courts have a wide range of sanctions to compensate victims adequately and to impose effective, proportional and dissuasive sanctions. **Portugal** scores equally well with regard to the *enforcement* of non-discrimination law, except the fact that procedures are taking more time.⁸

The *Haute Autorité de Lutte contre les Discriminations et pour l'Égalité* (HALDE) in **France** addresses the "Parcours de discriminations" over the whole life-cycle. It has been a great progress to create an institution with three main tasks: information, support of victims of discrimination and the evaluation of best practice.⁹

2.1.3 Fights against Racism and Xenophobia

Although European non-discrimination law is a landmark for the social integration of ethnic minorities, racism and xenophobia are still a day-to-day reality in most European countries. Public policy has taken up this challenge and launched various actions against racism. In particular local initiatives which have been carried out in close cooperation with NGOs, educational and cultural institutions, churches and religious communities have contributed largely to the mobilisation of the public opinion against racist acts.

The fight against different aspects of racism in **France** was brought forward by NGOs such as "SOS Racisme" (in 1985) or the "Mouvement Ni Putes Ni Soumises" (2005). The concerns expressed were successfully taken up by politics and led *i.a.* to the creation of the HALDE.

Cities play a particularly important role in actively challenging racism and promoting diversity. Further to an initiative of UNESCO 69 municipalities from **15 European countries** are members of the "*European Coalition of Cities against Racism*". They committed themselves to fight against all forms of discrimination. This commitment is based on close cooperation with all civil society actors, particularly young people, the private sector and the media, to develop the Coalition and turn its initiatives into reality on the ground.¹⁰

⁶ A. Rudiger, Conceptual and Political Approaches to Integration: An Anglo-American Perspective, in: R. Süßmuth/W. Weidenfeld (ed.s), *Managing Integration* (2005), p. 17.

⁷ <http://www.equalitytribunal.ie/index.asp?locID=80&docID=1580>

⁸ <http://www.integrationindex.eu/integrationindex/2477.html>

⁹ <http://www.halde.fr/haute-autorite-1/missions-pouvoirs-24/missions-pouvoirs-5.html>

¹⁰ http://portal.unesco.org/shs/en/ev.php-URL_ID=11209&URL_DO=DO_TOPIC&URL_SECTION=201.html

2.2 Political and Social Participation

Ethnic minority are an integral part of society. It is, however, clearly visible that they are not equally represented in decision making positions. Political participation is one of the keys to change the general orientation of society in a sustainable way. The "Guardian" featured a report on the ethnic composition of the European Parliament in February 2007 which highlighted that only nine out of 785 Members of the House were non-white.¹¹ It is striking that the Roma population of 10-14 million people in the EU is represented in the Chamber only by two Members (both from Hungary). The situation in many national parliaments, but also in local assemblies is similar.

The government in **France** nominated *ministers* of non-white ethnic origin for key portfolios such as justice, housing and urban affairs or human rights. The election of Ion Cutitaru as *first Roma mayor* in Barbulesti (Ialomita county, **Romania**), a municipality with a 95% Roma population, in October 2006 was regarded by Roma civil society as an important signal.¹² Most political parties in **Belgium** had nominated people from ethnic minorities on their *lists of candidates* for the 2007 general elections. Although this had no dramatic impact on the composition of the Chamber, it made the ethnic diversity of the country beyond the Walloon, Flemish and German communities visible.

A number of constitutional provisions and national minority laws e.g. in **Poland, Hungary, Romania** and **Slovenia** as well as in **Croatia** foresee a guarantee for political representation of minorities in the national parliaments.¹³ The 5% *threshold* for votes is waived for the party of the Danish minority party in the regional parliament of **Schleswig-Holstein**.

In **Slovakia** where national minorities (in particular the Hungarian minority) have been always represented in the national, but also in the European Parliament the government created the provisions to ensure direct participation in decision-making processes: these comprise a *Deputy Prime minister* for human rights, national minorities and regional development as well as a *Council for National Minorities and Ethnic Groups*. Similar requirements to consult representations of minorities, if they are concerned by decisions, exist also in **Lithuania, Latvia** and **Romania**. It is, however, not in all cases clear whether they are effective.

Electoral rights and political rights and civil liberties for non-nationals are very strong in the Nordic countries **Finland, Sweden** and **Denmark** as well as in **Ireland**. This concerns mainly the access to membership on political parties, the right of association, voting rights in regional and local elections and the right to stand for local elections. Moreover, this is complemented by broad consultations at the different levels.¹⁴

A special aspect of participation is political advising of the government on minority issues. **Many countries** – but also **regions and municipalities** – with minority populations have established Minority Councils or Councillors for Minority Issues with a view to give advice to

¹¹ <http://www.guardian.co.uk/eu/story/0,,2012518,00.html>

¹² <http://lists.microlink.lv/pipermail/minelres/2006-October/004831.html>;

¹³ In Poland exclusively for the German minority; in Slovenia for "important and long-standing minorities": see K. Iglicka/M. Okólski, Conceptual and Political Approaches to Integration: A Central and Eastern European Perspective, in: R. Süßmuth/W. Weidenfeld (ed.s), Managing Integration (2005), p. 26.

¹⁴ <http://www.integrationindex.eu/integrationindex/2545.html>

authorities (which are mainly composed of ethnic majority people). It needs, however, to be highlighted that the composition, mandate and impact of such bodies varies greatly.

2.3 Education, Training, Development and Recognition of Skills and Qualifications

The legal and administrative integration of members of ethnic minorities needs in most cases to be complemented by further efforts to support them in finding their place in society.

In many cases a successful integration is hampered by a lack of linguistic skills and familiarity with customs of the majority society. Language training for all members of minority families – including women and children – can help to overcome barriers. It needs, however, to be stressed that language training must not be the only tool for integration. Even perfect language skills do not prevent structural discrimination of descendants of immigrants or members of the Roma community.

The Integration Act of 1999 and the 2005 integration plan "A New Chance for Everyone" in **Denmark** – which have, however, to be seen in the context of a very restrictive immigration policy – offered *language courses* together with *qualification upgrades* and opportunities for *work experience* over three years.¹⁵ The state in **Sweden** and the **Netherlands** supports Swedish resp. Dutch *language* and facilitates the access to *vocational training* for unemployed persons. All residents who have lived and worked (which includes caring for children under 10) in **Sweden** for two years have equal access to *study grants* as Swedes.¹⁶ A core element of the 2005 Immigration Act in **Germany** is the *integration course* which includes 630 hours of language training as well as an orientation course on history, culture and the legal system.¹⁷

A particularly burning problem is the segregation of Roma people in the educational system and, consequently, on the labour market. The government in **Hungary** has addressed this problem *i.a.* by the nomination of a *Commissioner* for the Integration of Roma and Socially Disadvantaged Children as well as by *legislation* which aims at ending *segregation in schools*.

One of the most important administrative barriers for the labour market participation of members of ethnic minorities is the recognition of their skills and – particularly in the case of 1st generation immigrants – of vocational and/or academic qualifications which they have achieved in 3rd countries.

In the **United Kingdom** the government supports the recognition of *skills and qualifications* acquired abroad. Best practice in this field is represented by policies in the **Netherlands** and **Sweden** which both gain recognition for skills and qualifications acquired outside of the national systems. In **Estonia** the state recognises skills and foreign qualifications through the same procedures for all people regardless of their legal status.

¹⁵ K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities (2007), p. 18.

¹⁶ <http://www.integrationindex.eu/integrationindex/2542.html>

¹⁷ K. Zimmermann et al., *ibid.*, p. 26.

2.4 Access to Employment and Self-Employment

Facilitating the access to work for members of ethnic minorities can be achieved through three main strands: integration policies and the removal of legal and administrative barriers, the opening of the public sector and its development to a model employer and, finally, the support of start-ups and the self-employment of members of ethnic minorities.

2.4.1 Labour Market Integration and the Removal of Barriers

The labour market policy in **Sweden** represents good practice in the field of *labour market integration and removal of administrative barriers*. Any person with a work permit of at least one year is eligible to work in *most sectors* or to become *self-employed* with a viable business plan, just like any EU national. Jobholders have the right to change their permit, job and industry, after less than one year. Losing the job does not automatically entail the loss of the residence permit.¹⁸ The *labour market integration measures* in **Spain** are amongst Europe's most advanced ones, including the state setting policy targets to reduce unemployment and promote the language skills of minority ethnic people.¹⁹

The 2006 Employment Permits Act in **Ireland** stipulates that 'Green card' *permits* can be renewed indefinitely. Authorities have considerable discretion to allow a worker to stay and seek work in the country even if he or she loses the job, especially if it is lost through no fault of his or her own. A similarly liberal approach allowing workers to change their employer, job or work permit category after less than a year is pursued by **Lithuania**.²⁰

The *European Social Fund* (ESF) is the most important instrument at European Union level to foster employment and qualification of people living and working in the EU. Moreover, it can be mobilized by **Member States** to improve social inclusion, to fight discrimination, to enhance gender equality or to stimulate the adaptability. The social integration of ethnic minorities and their labour market inclusion is an objective which fully corresponds with the philosophy of the ESF.²¹

ACCEDER – A Success Story of Roma Inclusion

In Spain the ESF was mobilised in the programming period 2000-2006 for the support of the ACCEDER Programme which aimed at promoting access to quality employment for Roma. It has been carried out by the Fundación Secretariado Gitano. The Programme has achieved over 20.000 contracts.

The Spanish Roma community totals around 650,000 people (out of an approximate total of 42 million inhabitants). Although its situation has improved over the last 30 years, the Roma community continues to suffer the greatest degree of rejection in Spanish society today and is also one of the most socially and economically excluded groups. A significant number of Roma are currently experiencing serious difficulties to access employment and vocational training – a problem which is one of the main causes for their inequality and social exclusion.

¹⁸ <http://www.integrationindex.eu/integrationindex/2542.html>

¹⁹ <http://www.integrationindex.eu/integrationindex/2533.html>

²⁰ <http://www.integrationindex.eu/integrationindex/2441.html>

²¹ The ESF-Regulations 2007-2013, and particularly the Community Strategic Guidelines (CSG), emphasise these possibilities. For example ethnic minority communities are mentioned as a specific target group under CSG section 4.2 (... "tailored support should be made available to specific categories of business or entrepreneurs " and 4.3 (... "to ensure inclusive labour markets for people at a disadvantage or at risk of social exclusion...including minorities").

The decline of their traditional professions and activities (mobile trading, paper collection, etc.), together with their lack of qualification have contributed to their expulsion from the labour market. Prejudices and stereotypes that have led to stigmatisation of Roma by the majority of society have also contributed to this situation.

ACCEDER was implemented through 45 integrated employment centres set up throughout Spain. The main objective – Roma access to the labour market – is processed mainly through labour insertion actions such as individual employment itineraries and the development and improvement of human resources. To this end an integrated, multidimensional and individualised approach was chosen. The programme was built around tailor-made vocational training, the set-up of a direct link between Roma job seekers and employment service providers, awareness-raising in respect of prejudices and discriminatory practices and the development of new jobs within the educational, healthcare and cultural social services. ACCEDER also aimed at pursuing more pro-active policies focusing on the Roma population with a view to effectively improving their living standards and guaranteeing equal opportunities in gaining access to public goods and services.

ACCEDER has been a great success both in quantitative and qualitative terms. A number of key factors for success have been identified. The most important among them are: An integrated long-term approach which involves and empowers the Roma community and which aims at providing targeted but non-segregated services. Success needs strong partnership with all relevant actors and the mobilisation of national, regional and local resources.

Finally, it is crucial to create role models and visible success stories to keep up momentum.

**José Manuel Fresno
Fundación Luis Vives**

2.4.2 Access to the Public Service

Most European Union Member States had traditionally large public services not only in the field of administration and law enforcement, but also for running public utilities, health services, educational services and a wide number of other economic activities. The state at all levels– local, regional and national – is, thus, an important employer and can play a key role in integrating minority people in the labour market. In many Member States citizenship is a precondition for entering the public services. But even if members of ethnic minorities hold the citizenship, recruitment practices and human resources development based on stereotypes have often prevented greater ethnic diversity in this sector. This led in the past to a number of "home grown" problems, such as police officers who did not have the linguistic and cultural skills to do their job in diverse inner cities or teachers who were confronted with classrooms with more than 70% of students belonging to other ethnic groups than the teacher..

Most *public sector and civil services* in the **United Kingdom** are open to non-nationals. **Germany** aims with the "*Vielfalt als Chance*" **campaign** at attracting more citizens from a diverse ethnic origin for the labour market (including the public services) as well as raising awareness among employers for the advantages of ethnic diversity.²²

2.4.3 Access to Self-employment

For many members of ethnic minorities self-employment and the starting-up of an own enterprise is for many reasons, including obstacles in getting hired a very attractive way to be economically active. Recent research on ethnic minority enterprises in Germany highlight that these enterprises, although they use often ethnic niches, have to find their customers and

²² <http://www.vielfalt-als-chance.de>

suppliers (and more and more their workforce) among members of the ethnic majority.²³ The European Structural Funds can support initiatives in this field.

There are some examples of good practice with regard to the possibility for minority people to take up self-employment. After a year or less working in **Portugal**, any person who has a viable business plan can *start a business*. A similar approach is taken by **Sweden**. Also **Slovenia** requires only a few bureaucratic conditions, before a person can set up an own businesses.

In the UK, the Greater **London** Authority has launched its *Supplier Diversity Development Initiative* as well as the *Diversity Works for London* initiative for the private sector. Moreover, it plans to use the planning and procurement in the context of the 2012 Olympic and Paralympic Games for supporting Black, Asian and Minority Ethnic (BAME) enterprises.²⁴

All Member States will have under the new programming period of the European Regional Development Fund 2007-2013 the possibility to mobilize this instrument for the improvement of infrastructure related to social inclusion and fighting urban deprivation. In this context it is now possible to support human capital investment, promote awareness and improve awareness and access to start-up financing for entrepreneurship, including for the unemployed and ethnic minorities.²⁵

2.5 Social Inclusion and Fights against Poverty

Members of Ethnic Minorities run a higher risk to be and remain poor than members of the ethnic majority. Primary reasons are discrimination, the educational status, lower labour market participation, a higher unemployment rate, a higher rate of precarious jobs. Moreover, there is an "ethnic wage gap" which – contrary to the gender wage gap of 15% in the EU average – can only be quantified for some countries where relevant data is collected and analysed, such as the Netherlands, where it is for non-Western minorities at 28%.²⁶ While the poverty risk for women of the ethnic majority in the EU is higher than the risk for men (20% compared to 16%), the double vulnerability of being a women and a member of an ethnic minority increases the risk of unemployment.

At the Spring 2006 European Council Member States have responded to the challenge to reduce poverty, and in particular child poverty and have identified ethnic minorities as one vulnerable group. Consequently, several Member States have adopted a more holistic approach to the social inclusion of ethnic minorities. Their priorities include addressing educational disadvantages and developing language skills, but also fighting discrimination and promoting participation in civic life more broadly.²⁷

²³ See chapter 8.

²⁴ See chapter 8.

²⁵ SEC(2007)329, Joint Report on Social Protection and Social Inclusion – Supporting Document (2007), p. 66 (EN).

²⁶ K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities (2007), p. 19.

²⁷ Joint Report on Social Protection and Social Inclusion 2007 (2007), p. 2; 7 (EN).

Social Inclusion in the EU and Ethnic Minorities – Some Hopeful Initiatives

- ***Greece, Bulgaria and Romania*** have singled out ethnic minorities as target group for the reduction of health inequalities and for equal access to health care.
- ***Germany*** offers special courses targeting women and girls from an immigrant background aimed at strengthening their self-confidence and offering them job prospects. ***The Netherlands and Denmark*** promote the emancipation of women of different ethnic origin to help their social inclusion.
- ***The Czech Republic, Hungary, Bulgaria and Romania*** tackle the disadvantages of Roma communities, with the main focus on education and living conditions. In the ***Czech Republic***, the city of Ostrava has launched an initiative to prevent multiple exclusion of Roma people from access to the labour market, to education and to social and health care services.

Joint Report on Social Protection and Social Inclusion 2007 – Supporting Document

It needs to be seen whether Member States now live up to their commitments and focus on the development of specific objectives and target use of the available instruments – in particular the European Social Fund – and concentrate on the vulnerable groups, such as the Roma.²⁸

3. Public Private Partnerships and Integration Initiatives

The Institut zur Zukunft der Arbeit (IZA) has in its study analysed a number of integration initiatives which have successfully contributed to the social and labour market integration of ethnic minorities, but also other vulnerable groups, such as immigrants, refugees, asylum-seekers etc.²⁹

Although these initiatives are different in terms of size, scope, target group and partners they allow drawing some general conclusion which are valid for most respective enterprises.

Cooperation between all relevant actors greatly increases the chances for success: An effective initiative combines public authorities at different levels (and public sources for funding, such as the ESF), private partners (in most cases enterprises, but also private foundations), stakeholder organisations and civil society as well as schools and other educational institutions. The ***ACCEDER*** programme in ***Spain*** or the ***RomIntegra7777*** project in ***Slovakia*** are successful examples of such cooperation.

Integration initiatives are particularly important for the most vulnerable groups, such as Roma or asylum-seekers, who often have greater difficulties than other ethnic minorities to integrate into the labour market due to an accumulation of problems (e.g. negative stereotypes, discriminatory attitudes, lack of necessary skills and qualifications, insecure legal status).

²⁸ Cf. Joint Social Inclusion Report 2004 (2004) p. 98f. (EN); COM(2003)773; Report on social inclusion 2005 - An analysis of the National Action Plans on Social Inclusion (2004-2006) submitted by the 10 new Member States (2005).

²⁹ K. Zimmermann et al., Study on the Social and Labour Market Integration of Ethnic Minorities (2007), Appendix D, p. 93ff.

Integration can be better achieved by projects building on the provision of vocational training, mentoring and counselling for job application. An example for such an approach is carried out by 14 NGOs in **Berlin (Germany)** for *refugees and asylum seekers* in cooperation with federal and local authorities and a large number of SMEs. An initiative which targets already children of minority groups can be particularly effective in avoiding disadvantages. The project on *Social Integration of Pre-School Roma Children* in **Prešov (Slovakia)** aims at educating young Roma children in social, hygienic and general skills before entering the general education system.

Some integration initiatives such as the Westminster *Small and Minority Business Council* in **London (UK)** are targeted at small ethnic minority businesses. Their objective is the encouragement of purchasing and subcontracting of established firms with the council's affiliates. Moreover, it trains and mentors small ethnic minority businesses in doing business with established companies. The *Equal Ariadna* project in **Arrasate (Spain)** intends to support and consult people from disadvantaged groups who are interested in creating a firm.

Shortages at the labour market are an important driver for the integration of ethnic minorities. The *Foxconn Integration Initiative* in **Pardubice (Czech Republic)** for the integration of Roma, Mongolians and people from the former Sovietunion, the *SVIK Roma Employment Programme* in **Svidnik (Slovakia)** for local Roma as well as the *VIP2* programme in **Copenhagen (Denmark)** which is open to all unemployed people try to provide potential workers with the necessary training to fill vacancies. One central component is language and vocational training.

4. The Inclusion of Roma

Roma are the biggest ethnic minority in the EU. Although official census figures are available, experts from Roma organisations, the UNDP and the World Bank assume that the real number of Roma people is much higher than indicated in official statistics. Recent projections assume that 10-12 million Roma people live in the EU after the 2007 enlargement towards Romania and Bulgaria.³⁰

4.1 The Decade of Roma Inclusion 2005-2015

The Decade of Roma Inclusion 2005–2015 is a political commitment by nine governments in Central and South-eastern Europe³¹ to improve the socio-economic status and social inclusion of Roma within a regional framework.³² This initiative brings together governments, intergovernmental and nongovernmental organizations, as well as Romani civil society, to accelerate progress toward improving the welfare of Roma and to review such progress in a

³⁰ Estimated population figure in: Focus Consultancy/ERRC/ERIO, *The Situation of Roma in an Enlarged European Union* (2004), p. 9; C. Gillcaster et al. (ed.s), *Roma in an Expanding Europe* (2003), p. 8.

³¹ Current participating countries include the Czech Republic, Slovakia, Hungary, Romania, Bulgaria, Croatia, Macedonia, Serbia and Montenegro.

³² Recent developments seem to make it more likely that the Roma Decade expands further in the region, and that also Western European countries with Roma minorities, such as Spain and Portugal, join it: <http://www.romadecade.org/index.php?content=175>

transparent and quantifiable way. The Decade focuses on the priority areas of education, employment, health, and housing, and commits governments to take into account the other core issues of poverty, discrimination, and gender mainstreaming.³³ To this end each country participating in the Decade has developed a national Decade Action Plan that specifies the goals and indicators in the priority areas.

The progress of the Roma Decade is measured by an independent monitoring mechanism, the "DecadeWatch" composed of Roma civil society leaders and experts and supported by the Open Society Institute and the World Bank. Its first report of June 2007³⁴ the DecadeWatch highlighted that there has been progress since the launch of the initiative and that national governments must move ahead from first pilot projects to integrated policies and programmes.

The DecadeWatch assesses governments' actions on introducing measures on the four Decade priority areas as well as institutional arrangements and anti-discrimination legislation. DecadeWatch evaluators decided to set-up a ranking of inputs provided by participating governments based on a scale from 0 (no action) to 4 (best practice). Decade countries scored between 2.29 points (Hungary) and 0.63 points (Montenegro).³⁵ **Hungary** scored particularly well with regard to

- **institutional arrangements** (3.13 points) which include *i.a.* her Decade coordination office with close links to line ministries;
- **education** (3.80 points) with a wide-ranging and integrated policy framework to advance Roma access to integrated education and in particular her decisive de-segregation policy;
- **employment** (3.00 points) with a comprehensive set of employment promotion programs for those excluded from the labor market – policies accessible to and actually designed for Roma, complemented by a self-employment program. Moreover, her training policy was evaluated as good practice;
- **housing** (1.75 points) where Hungary is trying to approach the housing challenge in a wider context by linking housing and infrastructure improvements to employment programs for Roma;
- **non-discrimination** (4.00 points) with Hungary's comprehensive law which qualified as best practice.

In the other categories which were assessed by the DecadeWatch **Romania** scored best in term of **health** policy (2.75 points) with the systematic scaling-up of health mediators as well as health awareness and outreach programs. The DecadeWatch evaluated the **Czech** government's annual priority plans as the best **action plan**, because it is backed up with budget allocations and foresees regular reporting on the implementation.

4.2 Initiatives of International Organisations

The involvement of international organisations in Roma-related issues has evolved since the mid-1990s. In general, whether inter-governmental or nongovernmental, to the challenge of the Roma's plight, was either a "rights-based" approach, prioritizing human and minority rights, or an effort to achieve "socio-economic integration." Over time, particular bodies

³³ <http://www.romadecade.org/index.php?content=1>

³⁴ <http://www.decadewatch.org>

³⁵ A. Hauptert/M. Nicoara (ed.s), DecadeWatch – Roma Activists Assess the Progress of the Decade of Roma Inclusion 2005–2006 (2007), p.23ff. (EN).

within larger organisations like the OSCE and the Council of Europe were established to address Romani concerns.

The OSCE Action Plan

56 OSCE member states have adopted, in 2003, a comprehensive Action Plan on Improving the Situation of Roma and Sinti within the OSCE Area. With this Action Plan the participating states pledge to take steps to ensure that Roma, Sinti, and other groups are able to participate in all aspects of public and political life, effectively eliminating obstacles caused by discrimination. Such discrimination is widespread and also creates disparities that affect the ability of Roma and Sinti populations to gain access to social services on equal terms, and to enjoy the same economic opportunities as others. It places special emphasis on those human dimension areas where Roma and Sinti encounter particular challenges such as: access to housing, health, education, employment and relations with law enforcement institutions, including the police. The Action Plan provides participating States with recommendations and a range of possible measures to be undertaken as a remedy to those challenges. It also underlines the fact that Roma and Sinti themselves should be actively involved in any actions targeting their communities.

An analysis of the period 2004-2006 shows, however, that the implementation process often suffers due to a lack of political will at the national level, and apathy or neglect to implement policies at the municipal or local levels. There are, however, numerous positive examples of cooperation between organisations actively engaged in Roma and Sinti-related activities. This includes recent initiatives supported by the European Commission in facilitating activities carried out by the ODIHR Contact Point for Roma and Sinti Issues to assist Roma and Sinti communities to participate in public and political life in South-Eastern Europe.

OSCE/ODIHR, Assisting Participating States in the Implementation of the Action Plan on Improving the Situation of Roma and Sinti within the OSCE Area (2007)

4.3 Public Policy Initiatives at EU and National Level

The European Union and its institutions have become more and more a "center of gravity" for Roma policy making. It happened as consequences of European Union enlargement and the requirements of the Copenhagen political criteria for aspiring new members. The "minority conditionality" for EU accession placed the political inclusion of Romani minorities among the political criteria, and spelled out requests for improvement in their social and economic standing as well as for better integration within their respective societies. During the pre-accession period, the PHARE support program was a determining factor in developing national Roma strategies and programs.

The European Union approach follows mainly five strands: rights, financial instruments, policy coordination in terms of employment and social inclusion policies, awareness raising and capacity building.

A Fundamental Tension

"To date, the implementation of Roma policy is burdened with all of these problems, and this is true especially for the post-communist countries that rely on funding from foreign donors for such efforts. Another reason for failure to substantially improve the situation of Romani communities can be found in the fundamental tension between the affirmative, rights-based approach that is applied in a majority of initiatives for Roma, and the realities of the ongoing transition in Central and Southeast Europe. These realities involve a sharp reduction of state-sponsored social welfare provisions, economic liberalisation, government decentralisation, and privatization of state controlled property. Furthermore, with a growing number of people experiencing extreme economic hardship in many parts of the region, local authorities hesitate to embrace a policy of special measures for the Romani community, which could generate a backlash among the majority of voters. This tension is particularly visible at the local level, where authorities are gaining an increasingly prominent role in carrying out policies, but at the same time face a shortage of resources and also must be attentive to their constituencies. As a result, many Romani communities are in a highly unfavourable situation: dealing with Romani issues is more a task of the local civil sector (Romani and/or non-Romani), supported with foreign funds, than it is of local administration. Where there is no such civil agent, the Roma's concerns and needs are simply ignored."

Andrzej Mirga
OSCE/ODIHR

At the national level, in more than 20 states various governmental programmes or strategies were adopted in recent years to deal with problems Roma community face. In spite of many programmes and initiatives targeted at Roma, change has been slow and results have been worse than anticipated. The expectations and demands of the Roma are clashing with the hopes for quick policy implementation. Moreover, structural problems – a lack of commitment, ineffective management, poor coordination, the low capacity of Romani partners, and insufficient funding – prevent policies from being effective.

There are, however, examples of good practises: The **Slovenian** Act on Roma which was adopted by the Parliament in April 2007 provides for the implementation of special rights in the area of education, culture, employment, spatial planning and environmental protection, health and social security as well as the participation in public affairs referring to Roma community members. **Montenegro** recently adopted a Roma Strategy that includes mechanism for financing its implementation: 0.2% of each annual budget shall be allocated for its implementation. The government of **Poland** has committed itself to ensure the budgetary support for the implementation of a Roma Programme with 10 million zloty per year over 10 years. This commitment over a total amount of 100 million zlotys is realised since 2004.

Conclusions

All political levels in the EU are confronted with the challenge to contribute to the integration of members of ethnic minorities in the labour market, in the respective communities, in the social fabric, in cultural life – shortly: in society as a whole.

It is not possible to define a "typical" European strategy for the integration of ethnic minorities, but there are several parameters – the requirements for the access to citizenship or to the labour market, the possibilities to participate in policy development plus the way, how non-discrimination is ensured and which opportunities long-term residents without citizenship have in the economy and society – which determine the impact of integration strategies. It can be noted that neither the ethnic or cultural homo- or heterogeneity nor the length of presence of an ethnic minority are decisive whether the public policy entails more or less inclusion.

An analysis of Member States integration policies highlighted examples which can be qualified as good practice. They can be found in all relevant areas:

- *Protection of rights*
 - *Access to citizenship*: the 2006 nationality law in Portugal stipulates that every child born to a parent also born in Portugal is automatically Portuguese. Best practice with regard to the permission of dual citizenship can be identified in Belgium, France, Ireland and the UK.
 - *Non-discrimination legislation and policies*: Finland, Portugal, Sweden and the UK represent best practice in terms of concepts and the application of non-discrimination law. The Portuguese, Irish and Dutch authorities have developed particularly effective mechanisms to enforce non-discrimination law.
 - *Fight against racism and xenophobia*: The French NGO movements "SOS Racisme" or "Ni Putes Ni Soumises" have triggered successfully a reaction by public authorities against racism. The European Coalition of Cities against Racism merits to be mentioned as an example of good practice in terms of mobilising all relevant actors.
- *Political and social participation*

The possibilities and opportunities for members of ethnic minorities to directly influence decision making can be based on the openness of the political class to co-opt members of ethnic minorities (such as *e.g.* in France), on specific constitutional and legal provisions regarding the representation of ethnic minorities in parliaments (such as *e.g.* in Hungary, Romania, Slovakia, Slovenia or Croatia), and on political liberties – *e.g.* the right to vote and stand for office in local elections (such as *e.g.* in the Scandinavian countries).
- *Education, training, development and recognition of skills and qualifications*

Integration courses which comprise language training or vocational training are recognised as a precondition for successful integration. Integration through education needs to start with children and should ideally comprise also a pre-school component, particularly for Roma children. The Hungarian law to abolish school segregation needs to be highlighted as an important step forward to provide Roma children with chances for the future. An important aspect in the context of education and training is the recognition of skills and qualifications which have been acquired in a third country. The UK, but first of all Sweden and the Netherlands have implemented policies which represent best practice in this field. In addition, there is a growing recognition that the integration process does not necessarily involve a change of identity, but rather the acquisition of practical inter-cultural skills on part of the members of the minority, and indeed also (at least to some extent) on part of the majority.
- *Access to employment and self-employment*
 - *Labour market integration and the removal of barriers*: labour market rules in Sweden and Spain are among the most advanced in Europe in particular with providing for chances for non-EU citizens to change jobs or become self-employed.

Among the projects funded under the European Social Fund the ACCEDER programme in Spain represents one of the best examples of a targeted, non-segregate approach to raise the employability of Roma by offering them tailor-made vocational training.

- *Access to public service:* Public services are in many Member States big employers and can act as role models. The open access to the public service also for non-national citizens in the UK is an example of good practice.
- *Access to self-employment:* for many members of ethnic minorities self-employment can be an attractive way to become economically active. The Swedish, Portuguese and Slovenian practice represents a pragmatic and non-bureaucratic way to launch a start-up. Ethnic minority enterprises are supported by supplier initiatives such as "Diversity works for London" or the "Supplier Diversity Development Initiative" of the Greater London Authority.
- *Social inclusion and fight against poverty*
Ethnic minorities and immigrants are identified in the European strategy on social inclusion and social protection as vulnerable groups in terms of poverty risk. In the context of the last cycle of national strategies a number of countries (Greece, Bulgaria and Romania have singled out ethnic minorities as target groups for the reduction of health inequalities. Germany, Netherlands and Denmark focus on the specific needs of women from ethnic minorities. Bulgaria, Romania, the Czech Republic and Hungary concentrate on Roma with a special focus on education and living conditions.

The IZA study has analysed a number of public private partnerships on integration. They have identified that the close cooperation of all actors is key for success. It can be noted that integration initiatives are particularly important for the most vulnerable members of ethnic minorities, such as the Roma. Some, but not all include enterprises from the private sector as partners; this is particularly effective, if the initiatives aims at building bridges from training to work.

A number of countries with Roma populations – among them five Member States and two candidate countries – have signed-up to the Decade of Roma Inclusion 2005-2015 and made precise commitments to improve the situation of this group in terms of education, employment, health and housing. To this end they have drawn up action plans with targets and the allocation of resources for their implementation. An independent monitoring process; the DecadeWatch, has analysed the progress since the launch of the Decade. Hungary was identified as the country which has made the best achievements up to date. She scored particularly well with regard to institutional arrangements, education, employment, housing and non-discrimination. With regard to health Romania needs to be highlighted, while the Czech Republic had drawn up the best action plan.

The European Union approach follows mainly five strands: rights, financial instruments, policy coordination in terms of employment and social inclusion policies, awareness raising and capacity building.

At the international level this is complemented by instruments such as the OSCE Action Plan to which 56 countries have signed up since 2003. Moreover, the European Union approach follows mainly five strands: rights, financial instruments, policy coordination in terms of employment and social inclusion policies, awareness raising and capacity building.

In spite of many programmes and initiatives targeted at Roma, change has been slow and results have been worse than anticipated, mainly due to structural problems. It needs to be underlined that, although equality mainstreaming should be a strategic goal in the EU and the Member States, specific and targeted action for Roma inclusion is needed.

There are, however, examples of good practice such as the Slovenian Act on Roma of 2007, the Roma Strategy of Montenegro and the Polish Roma programme which both comprise financial commitments for their implementation.

Recommendations

The High Level Advisory Group of Experts (HLG) makes its recommendations on the basis of the barriers which it identified during its mandate and its assessment of good practice in both public policy and enterprises. These recommendations are combined with precise calls for action with a view to implementation.

The HLG is convinced that the following eight recommendations can be used to build a strong frame for the social and labour market inclusion of ethnic minorities. This frame has to be filled by the relevant actors – alone and in partnerships – in the spirit of a common vision which comprises

- the respect for a life free of discrimination
- the respect for diversity
- the respect of human rights
- the consideration of rights of children and young people
- personal freedom and emancipation as societal goals
- the interdependence of democracy, tolerance, rule of law and mutual respect.

The HLG recommends the European Commission, the other European institutions, the Member States' authorities at all appropriate levels, social partners and organisations of civil society to

(1) *Make the inclusion of members of ethnic minorities into the society, in particular into the labour market, a priority of the political agenda*

- build the commitment of political leaders at all levels for the social and labour market inclusion of ethnic minorities
- build the commitment of business leaders for the social and labour market inclusion of ethnic minorities
- ensure that the objective of inclusion of ethnic minorities is mainstreamed in all relevant Community policies, in particular the European Employment Strategy and the European Strategy for Social Inclusion and Social Protection
- elaborate by the end of 2008 a European business charter on diversity

(2) *Pursue equality and gender mainstreaming*

- apply systematically the principle of equality mainstreaming in European and national legislation and policy planning
- apply systematically the principle of gender mainstreaming in European and national legislation and policy planning

- remove structural and administrative barriers which preserve inequalities.

(3) **Identify and address specific barriers to inclusion of members of ethnic minorities**

- address the
 - Lack of education and training**
 - make schools for children (and training facilities for adults) better accessible and improve their quality that members of ethnic minorities have equal chances to get a good education
 - use the support of civil society, organisations of ethnic minorities to identify needs and possible solutions
 - involve parents and ensure that they feel responsible for the educational success of their children
 - make efforts to overcome language barriers in school education, possibly by training teachers in minority languages or bringing in co-teachers who speak minority languages
 - include the education of intercultural skills in the curricula of schools and training facilities
 - use the possibilities of pre-school education to reduce barriers for children from ethnic minorities before entering formal education
 - create opportunities for a "2nd chance" for adults to acquire basic education and training
 - Lack of language skills**
 - define as a priority goal in every Member State that all members of ethnic minorities have access to training in the language of their country of residence
 - Lack of recognition of skills and qualifications**
 - facilitate in every Member State the recognition of formal skills and qualifications acquired in a third country
 - support in every Member State vocational training courses which help to formalize skills of members of ethnic minorities
 - use tools such as the Europass to document the acquisition of skills in another Member States
 - develop together with national authorities simple systems to document informally acquired skills
 - Lack of access to professions**
 - liberalize the access to all occupations, including those in the public sector for all qualified candidates
 - strengthen efforts in every Member State that members of ethnic minorities are equally represented in the work place and in occupations
 - Lack of access to citizenship**
 - follow the examples of countries which permit naturalization after five years
 - apply the *ius soli* for all children born in the country of residence
 - reduce obstacles for dual citizenship
 - Lack of integration policies**
 - invite every Member State to draw up by 2010 a policy document on its integration strategy which can serve as a basis for peer review and mutual learning
 - analyze in every Member States which kind of integration policy is required in order to facilitate the social and labour market inclusion of descendants of immigrants and ethnic minorities and implement it
 - Stereotypes, prejudices and negative attitudes**
 - mobilize all relevant social actors to fight against stereotypes, prejudices and negative attitudes
 - combat stereotypes and prejudices within public authorities and among other public actors
 - create partnerships with the media to achieve this goal
 - Lack of mobility and concentration in certain areas**
 - support mobility by ensuring that social rights and entitlements are preserved
 - fight against the establishment of segregated ethnic neighborhoods
 - analyze together with organisation of ethnic minorities how their mobility can be enhanced
 - Industrial Change**
 - use the possibilities from European and national funds to enhance the employability of workers
 - Disincentives through welfare systems**
 - make sure that work pays
 - reform welfare systems that they can be applied with a better target-orientation on the needs of individual people
 - remove in every Member State as far as possible administrative and legal barriers in order to allow asylum seekers and third country nationals to work
 - Discrimination**

- transpose EU Directive 2000/43/EC in all Member States correctly
- enforce EU and national law against discrimination on grounds of race and ethnic origin
- ensure that national equality bodies are independent, sufficiently resourced and have the professional expertise to support victims of discrimination effectively
- recognize and support the valuable contribution of civil society (NGOs, foundations, churches, the Third Sector etc.) to the every-day fight against discrimination
- **Lack of information**
 - analyze together with organisations of ethnic minorities which kind of information (and possibly: in which language) is relevant for ethnic minorities to get access to the labour market as well as to fully participate in society
- **Labour market competition**
 - treat all members of ethnic minorities on equal footing and ensure that the labour market is functioning free of discrimination
 - mobilize social partners to contribute to the debate and to represent all ethnic groups of workers equally
- **Undeclared work**
 - use all means to ensure that members of ethnic minorities are not channeled to the black labour market
- encourage project promoters to develop systematically mid-term and a long-term perspective (i.e. 3-5 years and after 5 years) for integration projects
- formulate in every Member State specific targets for the participation of ethnic minorities in the labour market, in general and vocational training as well as in lifelong learning

(4) *Establish a sustainable long-term policy for promoting inclusive labour markets, using a targeted, but not ethnically segregated approach*

- pursue an approach which addresses at the same time non-discrimination, equal opportunities and diversity management and use their potential to achieve real instead of formal equality
- encourage businesses on a voluntary basis (e.g. in the framework of Corporate Social Responsibility) to set up a practical framework for diversity management
- encourage and support SMEs – i.a. through training and the dissemination of practical toolkits – to implement diversity strategies
- encourage and support business start-ups of members of ethnic minorities by providing for access to information and to finance
- invite the social partners at European level to update their joint declaration of 1995 and encourage them to elaborate in the context of their joint work programme initiatives for the labour market inclusion of ethnic minorities
- invite the national social partners to develop initiatives for the labour market inclusion of ethnic minorities
- encourage Member States to make use of the possibility to promote positive action
- support the development of training tools to promote a discrimination-free work place
- encourage Member States to modernise their public services particularly in areas such as education, social services or policing by taking the greater ethnic diversity into account
- encourage investment in the Third Sector with a view to create employment opportunities for ethnic minorities which could combine e.g. work and qualification, and social support
- use public procurement and corporate supplier policies to support ethnic minority businesses

(5) *Mobilize all relevant actors, making use of the opportunities and value the contributions from members of ethnic minorities to the society*

- apply systematically the principle that organisations of ethnic minorities and NGOs representing and defending the rights of members of ethnic minorities are involved whenever inclusion policies are drawn up
- ensure that the relevant report, resolution and opinions adopted by the European Parliament, the Economic and Social Committee and the Committee of the Regions are followed-up and implemented
- ensure that projects aiming at the social and labour market inclusion of ethnic minorities are horizontally and vertically inclusive
- encourage and support the cooperation of civil society organisations, public authorities and equality bodies to address the issue of multiple discrimination targeted on members of ethnic minorities and in particular in women belonging to ethnic discrimination

- strengthen in every Member State the Equality Body and support the cooperation of Equality Bodies in EQUINET
- pursue campaigns both at EU and national level such as the "For Diversity. Against Discrimination" campaign of the EU
- encourage all Member State to include intercultural training as an integral part in general and vocational training as well as continuous training
- create by 2009 a European award which will be awarded annually to one municipality, one company and one organisation of civil society for the most important contribution for including ethnic minorities
- highlight in and information and awareness raising campaigns at all levels not only the economic and social added value provided by ethnic minorities, but underline also their contribution the culture of European societies

(6) *Allocate the necessary resources*

- make full use of Community funding such as the European Structural Funds, in particular the European Social Fund (ESF), for the social and labour market integration of ethnic minorities
- define in the Community Action Program for the Integration of Ethnic Minorities which Community funding can be used for vocational and general training, social housing, anti-discrimination and social inclusion
- develop by 2010 with national ESF authorities training formats for representatives of civil society and municipalities with a view to empower them to apply for Community funding dedicated to the labour market inclusion of ethnic minorities
- make full use of the Programme for Employment and Social Solidarity PROGRESS in order to support capacity building of civil society
- define in every Member States by 2010 targets for public spending on the inclusion of ethnic minorities for language training, vocational training, housing, health services which are oriented towards the best performing Member State in each category
- mainstream issues of ethnic minorities in all Community policies and programmes

(7) *Support mutual learning by highlighting good practice and developing knowledge and strengthen the analytical tools*

- support the exchange of good practice among public authorities at all levels
- support the networking and cooperation of public authorities, civil society and businesses in order to develop inclusion strategies at local/company level which are transferable
- support the dissemination of successful projects carried out with the support of the ESF and the Community Initiative EQUAL
- provide support for the set-up of a forum in 2008 which brings together representatives of public authorities at EU-, national -, regional – and local level, civil society, social partners, and ombudspersons/equality bodies
- encourage Member States to collect data on ethnicity on a strictly anonymous basis, in compliance with the rules on the protection of personal data and making sure that personal data which can be tracked down to an individual person do not indicate his or her ethnic origin, physical appearance, or colour of skin etc; ensure that for specifically targeted studies only data which are based on self-declaration and which are anonymous and collected in line with national laws are compiled
- use all possibilities of the Fundamental Rights Agency of the EU for the collection and analysis of data as well as for the monitoring of inclusion policies in favour of ethnic minorities
- define role models of successful inclusion of members of ethnic minorities and communicate their success to the communities
- strengthen international cooperation with UN and its agencies (UNDP, UNHCR, UNICEF, UNESCO, WHO), Worldbank, IMF, Council of Europe (in particular the ECRI and Human Rights Commissioners) and international NGOs and learn from the experience made in other regions of the world (Canada, US, New Zealand)
- place the social and labour market inclusion of ethnic minorities on the agendas of the Transatlantic Dialogue as well as of the regular dialogues with ACP countries, the AU, India

The HLG is aware that Roma represent the ethnic minority which is confronted with the highest risk to be excluded from the labour market and from society. Hence, it recommends in

addition to the first seven recommendations – which are fully applicable also for Roma – specifically with regard to the inclusion of this group:

(8) *Focus specifically on the implementation of policies to improve the situation of Roma in terms of education, employment, health and housing*

- In order to break the vicious cycle of poverty, a strong focus on education is the only way to a sustainable development
 - invite Member States to invest in pre-school education of Roma children
 - abolish school segregation for Roma children and abolish any kind of channelling of Roma to schools for children with mental disabilities
 - consider the role of families and the living environment
 - analyse together with representatives of Roma civil society which practical barriers, such as a lack of public transport, a lack of learning material, absolute poverty of the family or a lack of language skills prevent Roma children from attending classes successfully
 - encourage the use and the further development of scholarship schemes for Roma, such as the Roma Education Fund
 - invite Member States to reflect about possibilities to apply positive action in favour of Roma graduates
- develop and implement a comprehensive Community Action Plan
- oversee policies notably with regard to social inclusion and employment to ensure that Roma can fully participate in society and the labour market
- guarantee access to rights for the Roma through the full implementation of Directive 2000/43/EC, and encourage Equality Bodies to put a strong focus on the application and enforcement of these rights
- support the Decade of Roma Inclusion 2005-2015 and the OSCE Action Plan of 2003
- set up in 2008 a Task Force on Roma in order to elaborate and implement a Community Action Plan and coordinate Community policies which aim at their social and labour market inclusion
- encourage Member States to include the goal of Roma inclusion when drawing up their Operational Programmes on the Structural Funds, and in particular on the ESF
- benefit from the experience acquired in the ACCEDER project financed under the ESF which was targeted on neighbourhoods with a high Roma population and aimed at improving the employability of people by improving the whole environment including housing and health services
- use the whole range of positive action to create equal opportunities for Roma, in particular for young people and women

Annex 1

Good Practice in Enterprises: Examples

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Air Products	5,500 (Europe) [2005] > 20,000 (global) [2007]	www.airproducts.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
industrial gases, chemicals, equipment and services	<u>Annual revenue</u> 9 b \$ (global) [2007]	UK, Europe, global (> 40 countries)

Policy / Business Charter

- Regional equal opportunities policies address gender, race, religion, national origin, age, disability, sexual orientation, veteran status, gender identity and expression, and other characteristics. The company's global diversity and harassment policies address similar criteria.

Implementing Structures

- 14 Diversity Leadership Teams and 7 active Employee Networks charged with exploring diversity and engagement issues impacting their business areas and the broader Air Products culture. These teams are a strategic part of our diversity objectives.
- Executive Forum for Diversity sponsors the annual Global Diversity Recognition Program, giving employees the opportunity to acknowledge others for going “above and beyond” in the field of diversity.
- For 2007/2008 senior leadership intends to increase accountability for results with regard to diversity priorities.

Recruitment / HR Development

- Focus on ensuring that workforce is reflective of the global talent and business marketplace. Commitment to proactive search for diverse talent.
- US: intention to increase the representation of women and minorities.
- Europe and Asia: focus on women in leadership roles.
- Training and mentoring programme on diversity, including the "Buddy Program" of the Ethnically Diverse Employee Network (EDEN)
- Continuing examination of recruiting, hiring and development methods.

Supplier Policy

- Minority Purchasing Programme in the US

Results and Perceived Benefits

- Year Award of UK Chemical Industries Association for commitment to people development and creation of a diversified and engaged workforce.
- Team integration in France (incl. focus on acceptance and mutual learning) led to productivity improvement of 600,000 € (exceeded the target of 450,000 €).
- Specific efforts to recruit and accommodate Muslim employees in France have improved the relationship with the local community.
- Diversity communication, a mentoring programme and manager training in Spain led to recruitment from the local community.
- Enhanced worker innovation Europe wide.¹

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Aviva	>59,000 [2007]	www.aviva.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
insurance, financial services	<u>Annual sales</u> 41.5 b £ [2006]	UK, US, Europe, Asia, Australia (operating in >25 countries)

Policy / Business Charter

- Corporate diversity and human rights policies embody the key principles of the United Nations Universal Declaration of Human Rights and the International Labour Organisation's core labour standards; practices also include the principles of the United Nations Global Compact.

Implementing Structures

- CSR and diversity functions combined in a CSR team with a wider remit reporting to group HR director; central CSR steering group and European CSR steering group; annual CSR conference.²
- In 2006 creation of network groups for staff.
- Launch of an innovative and interactive "Respect@work" toolkit planned for 2007.³

Recruitment / HR Development

- In 2006 the diversity steering group oversaw the implementation of a "respect" campaign promoting best practice in diversity, including initiatives aimed at attracting, motivating and retaining a diverse workforce.⁴
- Training of recruiters in diversity and outreach advertising.

Supplier Policy

- Corporate CSR policy is embedded in purchasing management. Basis is a supplier CSR code of conduct (sign-up rate by 2006 is at 65%).⁵

¹ Focus Consultancy/The Conference Board, The Business Case for Diversity. Good Practices in the Workplace (2005), p. 33 (EN).

² Aviva, Corporate Social Responsibility 2007. Summary Report (2007), p. 5.

³ Ibid., p. 4.

⁴ Ibid., p. 17.

⁵ <http://www.aviva.com/csr07/index.asp?pageid=30>

Results and Perceived Benefits

- In 2006 Silver Award from "Race for Opportunity" (improved from bronze in 2005).⁶

<i>company</i>	<i>no. of employees</i>	<i>website</i>
BMW Group	106,575 [2007]	http://www.bmwgroup.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
car manufacturing	<u>Annual revenue</u> 48.9 b € [2006]	Germany, operations in > 150 countries

Policy / Business Charter

- Inclusion of UN Global Compact principles – which include the principle of non-discrimination⁷ – as well as ILO core labour standards⁸ in corporate business principles.⁹
- Corporate agreement on human rights and labour standards (based on the UN/ILO instruments) developed with trade unions and European work's council; implementation foresees equal opportunities and equal treatment with regard to ethnic origin, colour of skin, gender, religion, citizenship, sexual orientation, social background and political conviction.

Implementing Structures

- EURO Forum accompanies implementation and follow-up of corporate agreement.¹⁰
- Cultural allowances for ethnic/religious minority staff, such as flexible working-time/holiday planning and set-up of places for prayers for different religions, including Islam.¹¹

Recruitment / HR Development

- Employment of approx. 8,000 non-German nationals from more than 90 countries in German plants.

Supplier Policy

- Suppliers are encouraged to follow the same principles as the BMW Group.¹²

Results and Perceived Benefits

- High job satisfaction of staff and low turnover rate of only 1.9% [2004].
- Award of the German-Turkish Friendship Federation 2004 for the efforts on integration.

<i>company</i>	<i>no. of employees</i>	<i>website</i>
BT	106,200 (UK) [2007]	www.btplc.com

⁶ <http://www.aviva.com/csr07/index.asp?pageid=141>

⁷ Principle 6: <http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/principle6.html>

⁸ http://www.ilo.org/dyn/declaris/DECLARATIONWEB.static_jump?var_language=EN&var_pagename=DECLARATIONTEXT

⁹ BMW Group, Sustainable Value Report 2005/2006 (2006), p. 60f.

¹⁰ Ibid., p. 61.

¹¹ Ibid., p. 65.

¹² Ibid., p. 61.

<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
Telecommunications, ICT	<u>Annual revenue</u> 20.2 b £ [2007]	UK / worldwide (> 170 countries)

Policy / Business Charter

- Commitment of top management to place BT in leading UK diversity benchmarks.¹³

Implementing Structures

- Operating Committee chaired by the CEO agrees group-wide CSR policies
- CSR Steering Group
- Senior Diversity Champions, *i.e.* operational managers whose role is to ensure that the importance of diversity is aligned with and reflected in strategic operational decisions.¹⁴
- Identification of diversity-related social or ethical risks that would have a material financial impact on business.
- Networks supporting the diverse workforce, including the BT Women's Network, the Ethnic Minority Network, as well as the Asian, Muslim and Christian networks.

Recruitment / HR Development

- Ethnic diversity used as a marker in staff composition (9.23% in 2007, slightly increasing over the last 5 years; ethnic minorities in management positions above the BT average with 9.71% in 2007; approx. 10% in senior management positions).
- In 2006-07, 15% of new recruits came from an ethnic minority background, including 17% of new graduates and modern apprentices.
- 600 volunteer diversity coaches.¹⁵

Supplier Policy

- Integrated social and environmental criteria as basis for purchasing decisions.
- 413 assessments with high risk suppliers in financial year 2007
- Participation in the Global e-Sustainability Initiative to achieve consistent standards across the sector.

Results and Perceived Benefits

- Specific services, such as the "Asian Help line" which provides language support for customers in Punjabi, Hindi, Gujurati, Bengali and Urdu has led to an increase in call volumes to Asian countries and to a significant increase in Asian customers' satisfaction.

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Coco-Mat	200 [2005]	www.coco-mat.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
manufacturing and retailing of consumer goods	<u>Annual turnover</u> 12.3 million € [2005]	Greece

¹³ BT, Changing world: Sustained values (2007), p. 16.

¹⁴ UNI Europa/ETNO, Diversity at Work. A Review of Good Corporate Practices in the Telecom Sector (2007), p. 4.

¹⁵ Focus Consultancy/The Conference Board, The Business Case for Diversity. Good Practices in the Workplace (2005), p. 35 (EN).

(furniture, mattresses and textiles)		
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Policy / Business Charter

- Commitment of founders to recruit, train and develop people without discrimination on grounds of ethnic origin, religion, or a disability.

Implementing Structures

- Commitment to involve staff in decision-making processes.

Recruitment / HR Development

- Language and skills training, if needed.
- Encouragement of employees to bring forward ideas for product improvements and innovations.

Results and Perceived Benefits

- Low staff turnover
- Low absenteeism
- High customer satisfaction
- Product innovation (30% of new products are based on ideas from employees).¹⁶

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Dublin Bus	3,432 [2005]	www.dublinbus.ie
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
public transport	<u>Annual revenue</u> 189 million € [2006]	Ireland

Policy / Business Charter

- Equality and diversity strategy which at aims both the promotion of an inclusive workplace and the provision of a high quality customer service.
- Equality and diversity strategy aims to achieve full equality in practice on the grounds of gender, marital status, family status, sexual orientation, age, disability, religion, race and membership of the Traveller community.

Implementing Structures

- Action plan 2003-2008 setting out a series of practical steps.
- Equality and Diversity Officer for support, information, guidance and advice to management and staff.
- Equality and Diversity Panel (40 persons from various grades and locations) acting as diversity champions in the working place.
- Set-up of policies – "Dignity and Respect policy", "Transport for All policy" as well as "Recruitment and Selection policy" – which transpose the commitment to equality towards staff and customers.
- Intercultural working group involving staff and drivers from different origins and ethnic backgrounds.

¹⁶ Ibid., p. 36 (EN).

Recruitment / HR Development

- The "Recruitment and Selection policy" outlines the procedures which ensure the recruitment of the best candidate for a job.
- The policy also outlines the procedures which ensure that no individual or group is discriminated or hindered in her/his advancement.

Results and Perceived Benefits

- High level of worker satisfaction.
- Increase in number of job applicants from ethnic minorities.
- Enhancement of external corporate reputation.

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Ford (UK)	14,000 (UK) [2005]	www.ford.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
car manufacturing	26.5 b \$ (Ford Europe) [2005]	UK / Europe (21 countries in Europe)

Implementing Structures

- Diversity Council chaired by COO.
- Diversity Equality Assessment Review (DEAR) in order to carry out a systematic internal audit and to set achievable goals on the basis of the racial equality standard of the Commission for Racial Equality.¹⁷
- Diversity reviews in the UK manufacturing plants.
- Dignity at Work (DaW) programme.
- Cooperation with trade unions (in particular with regard to diversity training/mentoring programmes) in Spain, France and Belgium.¹⁸
- Accountability of all managers for achieving personal diversity objectives., including financial incentives of achieving them.¹⁹
- Sponsoring of employees networks (acting as information points, in-house lobby groups as well as market development panels and focus groups for Ford).

Recruitment / HR Development

- Diversity training programme, including mentoring programmes.
- Review of recruitment and selection procedures

Results and Perceived Benefits

- Increased awareness for diversity issues among staff which had participated in DaW programme.
- Improved workers' perception of the company.
- Positive impact on litigation at industrial tribunals and on industrial action.²⁰

¹⁷ For the race equality duties in employment in the UK see http://www.cre.gov.uk/duty/pa_specific_employment.html; Focus Consultancy/The Conference Board, The Business Case for Diversity. Good Practices in the Workplace (2005), p. 41 (EN).

¹⁸ K. Kalia, Linking diversity and expat management (2002), http://www.expatica.com/actual/article.asp?subchannel_id=159&story_id=11572.

¹⁹ BBC, "Nice Work" (29 June 2004), transcript p. 12f., http://www.bbc.co.uk/radio4/news/nicework/transcripts/20040629_nice_work.pdf

²⁰ Ibid., p. 14.

<i>company</i>	<i>no. of employees</i>	<i>website</i>
FreeSoft	126 [2006]	www.freesoft.hu
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
Software development, document management, IT auditing and counselling	<u>Annual revenue</u> 3.0 b HUF [2006]	Hungary

Policy / Business Charter

- President of the company is personally committed to recruit and develop Roma people.²¹

Recruitment / HR Development

- Public-private partnership with Ministry for Information Technology and Family Supporting Service, a local Roma NGO, to recruit staff.²²
- Specific intensive training for six months (carried out in PPP), continuous training on-the-job for Roma staff.²³

Results and Perceived Benefits

- Government and EU funding from EQUAL to cover wage costs and equipment; thus labour costs for the company were cheap.
- Business decision was not made in order to generate profits, but to prove that a data recording centre can be established and run with Roma staff.

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Lufthansa	94,510 [2006]	http://konzern.lufthansa.com/de/index.html
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
transport	<u>Annual turnover</u> 19.8 b € [2006]	Germany / global operations

Policy / Business Charter

- Member of UN Global Compact, commitment to respect human rights and liberties as well as core standards of the ILO.

Implementing Structures

- Diversity is integral part of corporate strategy.²⁴
- "Change Management und Diversity" department for the development of HR policies.
- Enhancement of visibility of staff with special potential in terms of diversity.
- Awareness raising for managers and workers' representations for diversity issues.

²¹ UNDP, Employing the Roma. Insights from Business (2005), p. 26.

²² Ibid., p. 26.

²³ Ibid., p. 28.

²⁴ http://konzern.lufthansa.com/de/html/verantwortung/personal_soZIALES/diversity/index.html ; http://konzern.lufthansa.com/de/downloads/verantwortung/lh_diversity.pdf

Recruitment / HR Development

- (Increasing) diversity is a goal of corporate HR strategy.²⁵ Cultural and linguistic diversity are regarded as assets.²⁶
- Lufthansa is committed to guarantee the principle of non-discrimination and (sexual) harassment in its recruitment policy (but also in the workplace, in PR and advertising).
- Employment and HR development follow the principle of equal opportunities with regard to gender, age, sexual identity, disability, nationality, ethnic origin, religion or belief.²⁷

Results and Perceived Benefits

- Lufthansa employs staff from 145 countries. In Germany personnel from 123 countries is employed. 12.3% of employees working in Germany do not have German citizenship (compared to ca. 8% in the population as a whole).

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Randstad	13,430 permanent staff 312,200 temporary staff on daily basis [2006]	www.randstad.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
temporary work agency	<u>Annual revenue</u> 8.2 b € [2006]	Netherlands; 2,670 branches in Europe, North America and Asia

Policy / Business Charter

- Corporate culture fights against discrimination on grounds of race, skin color, sex, sexual orientation, creed, age, political conviction, country of origin, disability, or social background.²⁸
- Randstad is included in the Dow Jones World Sustainability Index since 2005 and pursues a comprehensive CSR agenda.²⁹
- National operating companies set up individually ethnic diversity practices.
 - In 2005 Randstad France signed a diversity charter committing to take steps to promote diversity in the work force.³⁰
 - Randstad Belgium has signed the ‘Charter for Diversity’ with the Brussels government, as well as the diversity charter from the Federation of Belgian Enterprises in Belgium.

Implementing Structures

- CEO responsible for CSR.³¹

²⁵ http://konzern.lufthansa.com/de/downloads/verantwortung/lh_beschaefigungspolitik.pdf

²⁶ http://www.be-lufthansa.com/jobs_und_karriere.html

²⁷ Ibid.

²⁸ <http://www.randstad.com/holding/csr/diversity.xml>

²⁹ <http://www.randstad.com/holding/csr/index.xml>

³⁰ <http://www.randstad.fr/randstad/affiche-charte-diversite.pdf>

³¹ SAM Research, Corporate Sustainability Assessment Questionnaire (2006), p. 4, <http://www.randstad.com/holding/download/Dowjones2006.pdf>.

- Randstad uses breakdown of workforce based on minority, culture or similar as performance/management indicator; confidential complaints handling by "local integrity officers" and compliance officers in national operating companies.³²
- National operating companies have set-up additional implementing structures following their national practice:
 - Randstad France has set up an Anti-discrimination Committee and decided to establish a Diversity Committee;³³
 - In 2005, Randstad Belgium has set up a Randstad Diversity department which works with over 70 NGO-partner organisations; its mission include coaching for people with problems on the labour market, including foreign-born persons, as well as consultancy services for diversity management.
 - Randstad Italy has set up a certification scheme based on SA 8000 to monitor the corporate ethical commitment which prohibits discrimination on grounds of ethnic origin.³⁴

Recruitment / HR Development

- Randstad Netherlands run a program "Randstad Rentree" which aims at integrating *i.a.* refugees into the labour market.³⁵
- Randstad Italy prohibits that recruitment interviewees are asked for *i.a.* origin, community or religion and belief.³⁶
- Participation of national operating companies in social development projects *i.a.* funded under the EU EQUAL programme.³⁷

Supplier Policy

- Requirement for suppliers to respect *i.a.* the principle of non-discrimination with regard to race, gender etc.).³⁸

Results and Perceived Benefits

- Randstad Belgium, Canada, Denmark, France, Germany, Spain, and the Netherlands have been nominated as "Great Place To Work". The Group is included in the "100 Best Workplaces" Europe list 2007.
- Very high employee satisfaction and equally high number of temporary workers who would recommend Randstad.

<i>company</i>	<i>no. of employees</i>	<i>website</i>
SVIK	1,100 [2005]	
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
textiles		Slovakia

³² Ibid., p. 16f.

³³ <http://www.randstad.fr/randstad/diversite.asp>

³⁴ Randstad, Bilancio SA8000 (2005), p. 15,

<http://www.randstad.it/rit/randstad/file/Bilancio%20SA8000%20Randstad.pdf>

³⁵ <http://www.randstad.nl/rnl/werknemer/randstad/onsbedrijf/maatschappelijkebetrokkenheid>

³⁶ Randstad, Bilancio SA8000 (2005), p. 16.

³⁷ E.g. Randstad Belgium took part in the EQUAL project "Paradox" which aimed at increasing employment of persons over 45 and of ethnic minorities in the Antwerp region, see Focus Consultancy/The Conference Board, The Business Case for Diversity. Good Practices in the Workplace (2005), p. 46 (EN).

³⁸ SAM Research, *ibid.*, p. 26.

Policy / Business Charter

- Commitment of director to tackle Roma discrimination³⁹

Implementing Structures

- Cooperation between the company and the local clothing trade school to train Roma as skilled workers (Project ROMOR).⁴⁰

Recruitment / HR Development

- Recruitment of skilled workers from trade school.
- Adaptation courses for Roma girls from special schools.⁴¹
- Further plans foresee that the project ROMOR becomes financially sustainable through own, self-production for the Roma community.

Results and Perceived Benefits

- More than 25% of workforce is Roma people.⁴²
- Project ROMOR proves that Roma employment can be achieved, even without public funding.
- Changing of stereotypes and prejudices against Roma.
- Empowerment of Roma community.

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Studiosus	265 + 620 free lance travel guides [2006]	www.studiosus.de
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
tourism	<u>Annual revenue</u> 203.8 m € [2006]	Germany

Policy / Business Charter

- Business Charter which includes the principle of non-discrimination *i.a.* on grounds of race or ethnic origin.⁴³

Implementing Structures

- Management responsibility that non-discrimination principles are respected.⁴⁴

Recruitment / HR Development

³⁹ UNDP, Employing the Roma. Insights from Business (2005), p. 25; 30; D. Obšasníková, Project ROMOR as an Example that Romany Can and Should Be Taken into Account, in: Rómsky nový list (7.4.2004), <http://www.rnl.sk/modules.php?name=News&file=article&sid=895>

⁴⁰ Ibid.; P. Serenyi, Corporate Social Responsibility and Post- Communist Business: From State Paternalism to Enlightened Self-Interest?, in: Development and Transition 7 (July 2007), p. 22f.

⁴¹ D. Obšasníková, Project ROMOR as an Example that Romany Can and Should Be Taken into Account, in: Rómsky nový list (7.4.2004), <http://www.rnl.sk/modules.php?name=News&file=article&sid=895>

⁴² UNDP, Employing the Roma. Insights from Business (2005), p. 25; 30; cf. D. Obšasníková, Project ROMOR as an Example that Romany Can and Should Be Taken into Account, in: Rómsky nový list (7.4.2004), <http://www.rnl.sk/modules.php?name=News&file=article&sid=895>; in the interview director Koudelka states that "every third employee in the factory is a Romany."

⁴³ http://www.studiosus.com/unternehmen/leitbild_fakten/unternehmensleitbild/index.php

⁴⁴ Ibid.

- Introductory training for foreign travel guides on cultural, economic and political issues. Seminars for Greek travel guides on Bulgaria.⁴⁵
- Continuous training for travel guides.

Supplier Policy

- Suppliers have to commit themselves to social and environmental responsibility as far as this is feasible. There will be no cooperation with suppliers who are actively involved in breaches of human rights, environmental crimes, child or forced labour or accept the prostitution of children.⁴⁶
- "Fora of destinations" organised in the countries of destination of tours with a view to strengthen the social responsibility and respect for the culture and the environment of the regions.⁴⁷

Results and Perceived Benefits

- High customers' satisfaction of over 90%.
- High employees' satisfaction with working conditions.

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Tesco	360,000 [2007]	www.tesco.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
Retail	<u>Annual revenue</u> 42.6 b £ [2006/2007]	UK / 11 countries in Europe and Asia

Policy / Business Charter

- Diversity policy which aims at employing people who reflect the diverse nature of society in terms of age, sex, disability, sexual orientation, race, colour, religion or ethnic origin.⁴⁸

Implementing Structures

- Diversity Council composed of directors from different business functions and championed by a main board director.⁴⁹
- Diversity Advisory Group which meets every six weeks to monitor that the workforce mirrors the composition of the population as a whole.⁵⁰ In this context Tesco stores are provided with demographic profile of their community.⁵¹
- Inclusiveness workshops for the promotion of diversity in stores and elaboration of local diversity action plans.⁵² All 20,000 line managers in stores have participated in introductory workshop; specialised "Managing Ethnicity with Confidence Workshop" is available to Personnel Managers.⁵³

⁴⁵ <http://www.studiosus.com/unternehmen/qualitaet/reiseleiter/index.php>

⁴⁶ http://www.studiosus.com/unternehmen/leitbild_fakten/unternehmensleitbild/index.php

⁴⁷ http://www.studiosus.com/unternehmen/qualitaet/nachhaltiges_reisen/index.php

⁴⁸ <http://www.tesco-careers.com/home/working/diversity>

⁴⁹ <http://www.tescocorporate.com/inclusivity2.htm>

⁵⁰ <http://www.tesco-careers.com/home/working/diversity>

⁵¹ Focus Consultancy/The Conference Board, The Business Case for Diversity. Good Practices in the Workplace (2005), p. 48 (EN).

⁵² Ibid.

⁵³ <http://www.tescocorporate.com/inclusivity2.htm>

- Cultural and religious factbook and updated religious toolkit providing information on diet, prayer and dress (including information on workers and customers from Poland, China, Bangladesh, Pakistan, India, Ghana, Nigeria, Somalia and the Caribbean) Suggestions on how to support staff during festivals, in particular support pack at Ramadan for managers.⁵⁴
- Cultural allowances for staff members of ethnic minorities (flexible holiday policy, dress policy).⁵⁵
- Promotion of diversity policy through in-house magazine every 2 months (featuring 2 pages of diversity related case studies, success stories, news and updates). Internal communication and awareness-raising through information about different religious and cultural festivals.⁵⁶
- Annual employee satisfaction survey (focusing *i.a.* on career development and non-discrimination) with benchmark for ethnic group against company average. Regular meetings with focus groups.⁵⁷

Recruitment / HR Development

- Ethnic composition of local community provides for a marker for recruitment targets for local stores. The aim is attract and retain a more diverse workforce at every level of the organisation.
- Managers' responsibility to encourage talented staff members from under represented groups.
- Mentoring programme with a particular focus on under represented groups.
- Discrimination-free careers and training programme.⁵⁸

Results and Perceived Benefits

- 58% of new staff [2005] is from ethnic minority background.⁵⁹
- No statistical difference by ethnicity in answer to the staff viewpoint survey question "I enjoy working for Tesco."
- Rising customer demand for ethnic products with extremely high sales growth.⁶⁰

<i>company</i>	<i>no. of employees</i>	<i>website</i>
TNT Post	140,000 [2006]	www.tntpost.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
mail and logistics services	<u>Annual revenue</u> 10.1 b € [2006]	Netherlands and 6 EU Member States / operations in > 60 countries

Policy / Business Charter

- Inclusion of UN Global Compact principles – which include the principle of non-discrimination⁶¹ – in corporate business principles.

⁵⁴ <http://www.tesco-careers.com/home/working/diversity>; <http://www.tescocorporate.com/inclusivity2.htm>

⁵⁵ http://www.tescocorporate.com/crreport07/03_goodemployer/diversity.html

⁵⁶ <http://www.tescocorporate.com/inclusivity2.htm>

⁵⁷ Ibid.

⁵⁸ <http://www.tescocorporate.com/page.aspx?pointerid=791634D5066E4B9C9BE29A45587D82FE>

⁵⁹ Focus Consultancy/The Conference Board, The Business Case for Diversity. Good Practices in the Workplace (2005), p. 48 (EN).

⁶⁰ Ibid.

⁶¹ Principle 6: <http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/principle6.html>

Implementing Structures

- Global Diversity & Inclusion Initiative which is implemented locally. Corporate principles prohibit discrimination on grounds of ethnic origin, gender, marital status or age.⁶²
- Application of international management system standards "Investors in People" standard and SA8000.⁶³ In 2006 the measured performance with regard to the "Investor in People" standard was on target (at 68% in the mail section and 98% in the express section).⁶⁴
- Assignment of one manager for diversity issues; one person assigned at corporate level specifically for "Investors in People" standard.⁶⁵
- Group Compliance Officer in place to collect and handle employee grievances and complaints confidentially.⁶⁶
- Network of more than 40 diversity champions, backed by the management board and supported by senior HR managers.⁶⁷

Recruitment / HR Development

- Breakdown of workforce based on minority, culture or similar is used as indicator for management/performance.
- Hiring and advancement of ethnic minority employees and specific attention to ethnic minority women for delivery staff.⁶⁸
- In-house language and social integration programme for ethnic minority employees.
- Coaching of talented Moroccan jobseekers by managers.
- Recruitment of management reflects ethnic diversity in society (10% of managers belong to an ethnic minority).⁶⁹

Supplier Policy

- Principles of UN Global Compact are translated in the purchasing requirements.

Results and Perceived Benefits

- TNT has been designated leader in its industry in the Dow Jones Sustainability Index 2006 for the criterion "Talent Attraction and Retention" with a score of 82% (average score was 42%; since 2005 the score has improved by 14%).⁷⁰
- In a global engagement survey in 2006 employees rated 67% on diversity and inclusion (with regard to racial, national and sexual differences).⁷¹
- TNT Post in the Netherlands employs 9.5% of workforce of non-Western origin.

⁶² See Focus Consultancy/The Conference Board, The Business Case for Diversity. Good Practices in the Workplace (2005), p. 49 (EN); http://group.tnt.com/annualreports/annualreport06/social-responsibility-report/sr_06.html

⁶³ <http://www.group.tnt.com/socialresponsibility/standards/managementsystems/index.asp>

⁶⁴ <http://www.group.tnt.com/socialresponsibility/strategy/integrate/index.asp>

⁶⁵ http://www.group.tnt.com/images/djsi_questionnaire_2006_tcm31-298987.pdf

⁶⁶ Ibid.

⁶⁷ Focus Consultancy/The Conference Board, The Business Case for Diversity. Good Practices in the Workplace (2005), p. 49 (EN).

⁶⁸ http://group.tnt.com/images/Corporate_presentation_TNTPost_april2006_tcm31-190518.pdf

⁶⁹ Ibid.

⁷⁰ http://group.tnt.com/annualreports/annualreport06/social-responsibility-report/sr_annex2.html

⁷¹ http://www.group.tnt.com/images/djsi_questionnaire_2006_tcm31-298987.pdf

<i>company</i>	<i>no. of employees</i>	<i>website</i>
US Steel	[2006]	www.ussteel.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
steel manufacturing	<u>Annual revenue</u> 15.7 b \$ [2006]	US / Slovakia, Serbia, Thailand, Mexico

Implementing Structures

- Equal Opportunities project in cooperation with the Košice Self-governing Region and local non-governmental organizations aiming at the improvement of the situation for Roma (and other marginalized groups) in the fields of education and employment.
- Support of pre-school facilities for Roma and non-Roma children at the zero grade.

Results and Perceived Benefits

- Jobs for more than 150 Roma or members of marginalized groups as well as improved qualifications and an insured regular income. Strengthening of the position of Roma as representatives of the Self-governing Region.

<i>company</i>	<i>no. of employees</i>	<i>website</i>
Grupo VIPS	10,100 [2007]	www.grupovips.com
<i>industrial sector</i>	<i>key business figures</i>	<i>country</i>
HORECA and retailing	<u>Annual turnover</u> 469 million € [2007]	Spain (operating also in France)

Policy / Business Charter

- Commitment to equal opportunities regardless of nationality, race or gender.

Implementing Structures

- In-house awareness raising campaigns aiming at encouraging recruitment of people from groups with difficulties in the labour market.⁷²
- Cooperation with the Fundación Empresa y Sociedad, Ashoka España and Fundación Chandra and support of the 3rd sector.⁷³
- Cooperation with NGOs, *i.a.* by sponsoring the web portal www.hacesfalta.org.

Recruitment / HR Development

- Internal promotion policy wherein 95% of managers start as assistants in the kitchen, restaurant or shops.
- Agreements with labour departments of Bulgaria, Poland, Romania, Morocco, Colombia, Ecuador and the Dominican Republic to hire, to train (Spanish language training, basic job training, introduction to life) and to develop people from these countries.⁷⁴
- Programme "Brazos Abiertos" which aims at facilitating the integration of recently arrived workers.

⁷² <http://www.grupovips.com/en/flash.php>.

⁷³ <http://www.empresaysociedad.org/feys/es> ; <http://www.emprendoressociales.org/index.html> ; <http://www.fundacionchandra.org>

⁷⁴ Focus Consultancy/The Conference Board, The Business Case for Diversity. Good Practices in the Workplace (2005), p. 43 (EN).

Results and Perceived Benefits

- Personnel recruited in the seven countries in the context of the diversity initiative are proving to be more loyal, more conscientious and more sales oriented than the average.⁷⁵
- Lower staff turnover among foreign recruits (1.4% compared to 3.3% in the company as a whole and 12% in the sector in general).
- Better results of foreign recruits in training programmes, leading to a increase in the number of foreign born restaurant managers).

⁷⁵ Ibid.