

Going For Care – Going For Growth

Care Economy as key to reaching the EUROPE 2020 Targets

The expansion and improved integration of social services on both a municipal and regional level represents arguably one of the most effective tools for achieving the ambitious EUROPE 2020 targets.

For Example, an institutional high quality range of childcare facilities provides an almost unique illustration that the high demands of an intelligent, sustainable and integrative growth strategy are feasible and achievable through professionalization.

This is demonstrated by Europe's flagship countries such as Denmark and Sweden, which boast high volume and quality with regard to social infrastructure and thereby not only achieve both high employment rates for women and low poverty rates, but are also among the few countries that were able to endure the economic crisis comparatively successfully.

Social services play a critical role in many core European concerns:

1. **EUROPE 2020 employment target:** The employment target of 75% across Europe cannot be achieved without a corresponding increase in the number of women in employment. The lack of social infrastructure is a crucial barrier to women gaining increasing levels of employment. Moreover, an increase in employment is also the most effective means of combating poverty.
2. **Regional development and territorial cohesion:** Furthermore, where social infrastructure is lacking subsequent problems occur, such as excessive demands on families, distortions in (regional) employment markets, the increased migration of skilled worker whose presence is an essential factor for businesses making location decisions.
3. **Equality agenda:** Women and girls do, in fact, have access to broadly the same educational opportunities, but these qualifications can often go unused, due to care duties. Therefore, the *Strategy for the equality of men and women (2010-2015)* has a sound basis for its view that expansion of childcare facilities and nursing facilities is the key to a more gender-equitable Europe.
4. **Early childhood education:** The European Commission also highlights the importance of childcare for children's future educational and employment opportunities (KOM (2011) 66). The issue of pre-school training was at the heart of the *European Education Benchmarks for 2020*. For this to happen, the appropriate range of facilities needs to be created.

Social services can also contribute in other policy areas where the EU has articulated ambitious targets:

- **Competitiveness:** Utilising the talents and skills of both women and men in equal measure is vital to staying competitive in a globally competitive environment. Having a good range of social services in place is essential to this.

- Costs of urbanisation: Social infrastructure creates jobs locally and reduces costs for mobility and migration in cities.
- Environmental and climate policies: The expansion of social services contributes to all of the above-mentioned objectives, however, in comparison to other economic sectors, it is only associated with low impact on natural resources (e.g. energy usage).

In addition, investments in social infrastructure have proven, **highly positive effects on public finances**.¹ Although taxes generated from the additional employment figures are fed back into the public purse savings are increased in areas such as unemployment insurance and pension insurance. Currently the returns from increased employment exceed the costs of expanding services such as childcare.

EU funds to provide support for social services

EU funds are an essential tool for progress and further structural development in the policy areas mentioned above. The fundamental principles for the funding period to 2020 are currently /being discussed/, these principles will lead to improvements in the current prioritisation and procedure, essentially making more effective use of resources.

The significant importance of the expansion of social services as a key means of achieving the targets in the above-mentioned policy areas will be reinforced in these new fundamental principles.

Cross-community cooperation

Municipalities have a leading role in the development of social infrastructure. When multiple municipalities plan and cooperate they become more efficient and cost-effective. For example, services such as planning, administration, payroll, and accounting will be more efficient, as the division of labour provides for more cost savings through economies of scale. This improves efficiency and guarantees quality, in that it provides a broader range of options and specialisation.

Furthermore, experience shows that integration requires a specific type of institutionalisation that requires specific incentives and funding opportunities for community collaborations. EU funding should be made available for the expansion of social services. Additionally the affect of funding for special support for communities, especially social services, through the EU would require further discussion and collaboration.

The meeting

The aim of the meeting is to highlight the specific potential for growth and employment that expanding and integrating social services would bring. Lastly the potential to develop strategies to further utilise the returns on these investments to larger more relevant policy areas is an important goal.

¹ <http://www.arbeiterkammer.at/bilder/d128/Sozialstaat.pdf>