

Joint report on social inclusion

Employment & social affairs

Social security and social integration

European Commission
Directorate-General for Employment and Social Affairs
Unit EMPL/E.2

Manuscript completed in 2002

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Luxembourg: Office for Official Publications of the European Communities, 2002

ISBN 92-894-3222-5

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Printed in Belgium

PRINTED ON WHITE CHLORINE-FREE PAPER

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PART I — THE EUROPEAN UNION

EXECUTIVE SUMMARY

It is the first time that the European Union endorses a policy document on poverty and social exclusion. By documenting and analysing the situation across all Member States and by identifying the key challenges for the future this Joint Report on Social Inclusion contributes to strengthening the European social model. It is thus a significant advance towards the achievement of the EU's strategic goal of greater social cohesion in the Union between 2001- 2010.

This report gives a concrete reality to the open method of coordination on Social Inclusion agreed at the Lisbon Summit in March 2000. This new process is an important recognition of the key role that social policy has to play alongside economic and employment policies in reducing inequalities and promoting social cohesion, as well as of the need to ensure effective links between these policies in the future. It is thus an important element in progressing the European Social Agenda agreed in Nice and complements the objectives of the European Employment Strategy.

This report marks a significant advance in the process of developing commonly agreed indicators to measure poverty and social exclusion across and within all Member States. It shows that Member States and the Commission are actively engaged in this process. This will lead to a much more rigorous and effective monitoring of progress in tackling poverty and social exclusion in the future. It will also contribute to better evaluations of policies and a clearer assessment of their effectiveness and value for money. This should lead to better policy making in Member States in the future.

This report does not evaluate the effectiveness of the systems already in place in different Member States. Rather it concentrates on analysing the different approaches that have been adopted by Member States in their National Action Plans against poverty and social exclusion (NAPs/incl) in response to the common objectives on poverty and social exclusion agreed by the EU at Nice in December 2000. It examines Member States' NAPs/incl focussing on the quality of analysis, the clarity of objectives, goals and targets and the extent to which there is a strategic and integrated approach. In doing this it demonstrates the commitment of all Member States to use the new social inclusion process to enhance their efforts to tackle poverty and social inclusion.

This report documents a wide range of policies and initiatives in place or proposed in Member States. These will provide a good basis for co-operation and exchange of learning between Member States in the future. However, it has not been possible to identify examples of good practice as at present there is a general lack of rigorous evaluation of policies and programmes in Member States. The report thus identifies that an important challenge for the next phase of the social inclusion process will be to ensure more thorough analysis by the Member States of the cost effectiveness and efficiency of their policies to tackle poverty and social exclusion.

The new commitment - At the European Councils of Lisbon (March 2000), Nice (December 2000) and Stockholm (June 2001), Member States made a commitment to promote sustainable economic growth and quality employment which will reduce the risk of poverty and social exclusion as well as strengthen social cohesion in the Union between 2001 - 2010. To underpin this commitment, the Council developed common objectives in the fight against poverty and social exclusion. It also agreed that these objectives be taken forward by Member States from 2001 onwards in the context of two-year National Action Plans against poverty and social exclusion (NAPs/incl). Furthermore, the Council established a new open method of coordination which encourages Member States to work together to improve the impact on social inclusion of policies in fields such as social protection, employment, health, housing and education. The NAPs/incl and the development of comparable indicators provide the framework for promoting exchange of good practice and mutual

learning at Community level. This will be supported from 2002 by a five year Community action programme on social inclusion.

The overall context – The new open method of co-ordination should contribute to a better integration of social objectives in the already existing processes towards achieving the ambitious strategic goal for the Union set out in Lisbon. In particular, it should contribute to ensuring a positive and dynamic interaction of economic, employment and social policies and to mobilise all players to attain such a strategic objective. The present report is fully consistent with the aims of the European Social Agenda agreed at Nice, to the extent that it recognises the dual role of social policy, both as a productive factor and as a key instrument to reduce inequalities and promote social cohesion. In this respect it puts due emphasis on the key role of participation in employment, especially by groups that are under-represented or disadvantaged in it, in line with the objectives of the European Employment Strategy. Furthermore, the report takes into account the achievements of the European Social model, characterised by systems that offer a high level of social protection, by the importance of social dialogue and by services of general interest covering activities vital for social cohesion, while reflecting the diversity of Member States' options and conditions.

Fulfilling the commitment - All Member States have demonstrated their commitment to implementing the Open Method of Coordination by completing National Plans by June 2001. These set out their priorities in the fight against poverty and social exclusion for a period of 2 years and include a more or less detailed description of the policy measures in place or planned in order to meet the EU common objectives. Most also include examples of good practice. The NAPs/incl provide a wealthy source of information from which the Commission and Member States can further develop a process of exchange of good practice conducive to more effective policies within Member States. This process should be enhanced in future by more extensive evaluations by the Member States of their national policies, including their implications for public finance, and through the development of a comprehensive set of indicators and methodologies, at both national and EU levels.

The overall picture - Evidence from the NAPs/incl confirms that tackling poverty and social exclusion continues to be an important challenge facing the European Union. The impact of favourable economic and employment trends between 1995 and 2000 has helped to stabilise the situation which had deteriorated in many Member States with economic recession in the mid 1990s. However, it is clear from the analysis provided by Member States and comparable EU indicators that the number of people experiencing high exclusion and poverty risk in society remains too high. The most recent available data on income across Member States, while not capturing the full complexity and multi-dimensionality of poverty and social exclusion, shows that in 1997 18% of the EU population, or more than 60 million people, were living in households where income was below 60% of the national equivalised median income and that about half had been living below this relative poverty threshold for three successive years.

The risk factors - A number of factors which significantly increase people's risk of poverty and social exclusion have been identified in the NAPs/incl. Unemployment, especially when long-term, is by far the most frequently mentioned factor. Other important factors are: low income, low quality employment, homelessness, weak health, immigration, low qualifications and early school leaving, gender inequality, discrimination and racism, disability, old age, family break-ups, drug abuse and alcoholism and living in an area of multiple disadvantage. Some Member States stressed the extent to which these risk factors interact and accumulate over time hence the need to cut through the recurring cycle of poverty and to prevent intergenerational poverty.

The structural changes - Several NAPs/incl identify a number of structural changes occurring across the EU which can lead to new risks of poverty and social exclusion for particularly vulnerable groups unless the appropriate policy responses are developed. These are: major structural changes in the labour market resulting from a period of very rapid economic change and globalisation; the very rapid growth of the knowledge-based society and Information and Communication Technologies; the increasing number of people living longer coupled with falling birth rates resulting in growing dependency ratios; a growing trend towards ethnic, cultural and religious diversity fuelled by international migration and increased mobility within the Union; increase in women's access to the labour market and changes in household structures.

The challenges - The overarching challenge for public policy that emerges from the NAPs/incl is to ensure that the main mechanisms which distribute opportunities and resources – the labour market, the tax system, the systems providing social protection, education, housing, health and other services – become sufficiently universal to address the needs of those who are at risk of poverty and social exclusion and to enable them to access their fundamental rights. It is thus encouraging that the NAPs/incl highlight the need and confirm the commitment of Member States both to enhance their employment policies and to further modernise their social protection systems as well as other systems, such as education, health and housing, and make them more responsive to individual needs and better able to cope with traditional as well as new risks of poverty and social exclusion. While the scale and intensity of the problems vary widely across Member States eight core challenges can be identified which are being addressed to a greater or lesser extent by most Member States. These are: developing an inclusive labour market and promoting employment as a right and opportunity for all; guaranteeing an adequate income and resources to live in human dignity; tackling educational disadvantage; preserving family solidarity and protecting the rights of children; ensuring good accommodation for all; guaranteeing equal access to and investing in high quality services (health, transport, social, care, cultural, recreational and legal); improving the delivery of services; and regenerating areas of multiple deprivation.

Different points of departure - The NAPs/incl highlight the very different social policy systems across Member States. Member States with the most developed welfare systems and with high per capita social expenditure levels tend to be most successful in ensuring access to basic necessities and keeping the numbers at risk of poverty well below the EU average. Not surprisingly these very different social policy systems combined with the widely varying levels of poverty resulted in Member States adopting quite different approaches to tackling poverty and social exclusion in the NAPs/incl. Some used the opportunity to rethink their strategic approach to tackling poverty and social exclusion, including the co-ordination between different levels of policy-making and delivery. Others, particularly those with the most developed welfare systems where poverty and social exclusion tend to be narrowed down to a number of very particular risk factors, took the key contribution their universal systems make as read and concentrated on highlighting new and more specific measures in their NAPs/incl. Another factor that influenced Member States' approach to their NAPs/incl was the political structure of the country and how the responsibilities in the fight against social exclusion are distributed between the central, regional and local authorities. However, whatever the variation in this regard, most Member States recognised the need to complement national plans with integrated approaches at regional and local levels.

Strategic and integrated approach - While all Member States have fulfilled the commitment agreed in Nice, there are differences as regards the extent to which the NAPs/incl provide a comprehensive analysis of key structural risks and challenges, frame their policies in a longer term strategic perspective, and evolve from a purely sectoral and target-group approach towards an integrated approach. Only a few have moved beyond general aspirations and set specific and quantified targets which provide a basis for monitoring progress. Gender issues lack visibility in most NAPs/incl and

their mention is sporadic, though a commitment by some to enhance gender mainstreaming over the next two years is very welcome. To a large extent, the different emphasis in these aspects across NAPs/incl reflect the different points of departure mentioned above.

Scope for innovation - In terms of specific actions and policies most Member States have focused their efforts on improving co-ordination, refining and combining existing policies and measures and promoting partnership, rather than launching important new or innovative policy approaches. The relatively short time available to develop the first NAPs/incl has led most Member States to limit the policy measures to the existing budgetary and legal frameworks and most did not include any cost estimates. Thus, while most 2001 NAPs/incl are an important starting point in the process, in order to make a decisive impact on poverty and social exclusion further policy efforts will be needed in the coming years.

Interaction with the Employment Strategy - Participation in employment is emphasised by most Member States as the best safeguard against poverty and social exclusion. This reflects adequately the emphasis laid on employment by the European Council at Nice. Two-way links are established between the NAPs/incl and the NAPs/employment. On the one hand, the Member States recognise the crucial role played by the Employment Guidelines in the fight against exclusion by improving employability and creating new job opportunities, which are an essential condition for making the labour markets more inclusive. At the same time, the Employment Strategy is concerned mainly with raising employment rates towards the targets set in Lisbon and Stockholm in the most effective way. On the other hand, by focusing on actions that will facilitate participation in employment for those individuals, groups and communities who are most distant from the labour market, the NAPs/incl can play a positive role towards increasing the employment rate. The trend towards more active and preventive policies in most NAPs/incl reflects experience gained under the Luxembourg process.

Policy design - Across the different policy strands addressing the EU common objectives, three general and complementary approaches emerge from the NAPs/incl. The first approach involves enhancing the adequacy, access and affordability of mainline policies and provisions so that there is improved coverage, uptake and effectiveness (i.e. promoting universality). The second approach is to address specific disadvantages that can be overcome through the use of appropriate policies (i.e. promoting a level playing field). The third approach is to compensate for disadvantages that can only be partially (or not at all) overcome (i.e. ensuring solidarity).

Policy delivery - A key concern across all NAPs/incl is not only to design better policies but also to improve their delivery so as to make services more inclusive and better integrated with a greater focus on the needs and situations of the users. Some elements of best practice can begin to be identified on the basis of NAPs/incl. This involves: designing and delivering policies as close to people as possible; ensuring that services are delivered in an integrated and holistic way; ensuring transparent and accountable decision making; making services more user friendly, responsive and efficient; promoting partnership between different actors; emphasising equality, rights and non discrimination; fostering the participation of those affected by poverty and social exclusion; emphasising the autonomy and empowerment of the users of services; and emphasising a process of continuous improvement and the sustainability of services.

Mobilisation of key stakeholders - Most Member States recognise the need to mobilise and involve key stakeholders, including those experiencing poverty and social exclusion, in the design and implementation of their NAPs/incl. Most consulted with NGOs and social partners when preparing their NAPs/incl. However, in part due to the short time available, the extent and impact of this consultation seems to have been limited in many cases. A key challenge for the future will be to

develop effective mechanisms for their ongoing involvement in implementing and monitoring National Plans. Some Member States highlight consultation and stakeholder mechanisms that will help to ensure this.

Commonly agreed indicators - The evidence from the first round of NAPs/incl is that we are still a long way from achieving a common approach to social indicators which will allow policy outcomes to be compared and which will contribute to the identification of good practice. Efforts are needed to improve this situation, both at the national level and the level of the EU. The majority of NAPs/incl still make use of national definitions in the measurement of poverty and of levels of inadequacy in access to housing, health care or education and only a few make appropriate use of policy indicators in their NAPs/incl. This adds urgency to the current efforts to develop a set of common indicators on poverty and social inclusion which can be agreed by the European Council by the end of 2001. It also highlights the need to enhance the collection of comparable data across Member States.

INTRODUCTION

The present report aims at identifying good practice and innovative approaches of common interest to the Member States on the basis of the National Action Plans against poverty and social exclusion (NAPs/incl), in conformity with the mandate received from the European Council of Nice. It is presented as the Joint Report on Social Inclusion that the Council and the Commission have prepared for the European Council of Laeken.

The adoption of this report is in itself a significant achievement. For the first time ever, a single policy document assesses common challenges to prevent and eliminate poverty and social exclusion and promote social inclusion from an EU perspective. It brings together the strategies and major policy measures in place or envisaged by all EU Member States to fight poverty and social exclusion¹. It is a key step towards strengthening policy co-operation in this area, with a view to promoting mutual learning and EU-wide mobilisation towards greater social inclusion, while safeguarding the Member States' key responsibilities in policy making and delivery.

Following the inclusion under Article 136 and 137 EC by the Amsterdam Treaty, of the fight against exclusion among the social policy provisions, the European Council of Lisbon agreed on the need to take steps to make a decisive impact on the eradication of poverty by 2010. It has also agreed that Member States' policies for combating social exclusion should be based on an open method of co-ordination combining common objectives, National Action Plans and a programme presented by the Commission to encourage co-operation in this field.

The new open method of co-ordination should contribute to a better integration of social objectives in the already existing processes towards achieving the ambitious strategic goal for the Union set out in Lisbon *"to become the most competitive and dynamic knowledge-based economy in the world capable of sustained economic growth with more and better jobs and greater social cohesion"*. In particular, it should contribute to ensuring a positive and dynamic interaction of economic, employment and social policies and to mobilise all players to attain such a strategic objective. The present report is fully consistent with the aims of the European Social Agenda agreed at Nice, to the extent that it recognises the dual role of social policy, both as a productive factor and as a key instrument to reduce inequalities and promote social cohesion. In this respect it puts due emphasis on the key role of participation in employment, especially by groups that are under-represented or disadvantaged in it, in line with the objectives of the European Employment Strategy. Furthermore, the report takes in full account the achievements of the European Social model, characterised by systems that offer a high level of social protection, by the importance of social dialogue and by services of general interest covering activities vital for social cohesion, while reflecting the diversity of Member States' options and conditions.

¹ Throughout this report the terms poverty and social exclusion refer to when people are prevented from participating fully in economic, social and civil life and/or when their access to income and other resources (personal, family, social and cultural) is so inadequate as to exclude them from enjoying a standard of living and quality of life that is regarded as acceptable by the society in which they live. In such situations people often are unable to fully access their fundamental rights.

Given the multiple interaction with other existing processes of policy co-ordination, there is a need to ensure consistency with the Employment Guidelines, on one hand, and the Broad Economic Policy Guidelines, on the other, to avoid overlapping and conflicting objectives. In the Synthesis Report submitted to the European Council of Stockholm, the Commission started to translate the new strategic vision of the Union into an integrated assessment of policy strategies and outcomes in four key domains: economic reform, information society, internal market and social cohesion. The present report aims at highlighting the role of social policy and of other equally important policy areas for social cohesion (education, housing, health) in the forthcoming Synthesis Report that the Commission will prepare for the European Council in spring 2002.

All Member States have committed themselves in Nice to developing their policy priorities in fighting poverty and social exclusion in the framework of four commonly agreed objectives:

- (1) to facilitate participation in employment and access by all to the resources, rights, goods and services;
- (2) to prevent the risks of exclusion;
- (3) to help the most vulnerable;
- (4) to mobilise all relevant bodies.

The Member States also underlined the importance of mainstreaming equality between men and women in all actions aimed at achieving those objectives.

The NAPs/incl setting out the policy objectives and measures to tackle these objectives were prepared between January and May 2001. The Commission played an active role in supporting Member States' preparatory efforts, by proposing a common outline and a working schedule for the NAPs/incl which were adopted by the Social Protection Committee. Furthermore, the Commission proposed and took part actively in a series of bilateral seminars with all Member States, to present the new EU strategy and to discuss the country's policy priorities in preparation of the NAPs/incl. In addition to the authorities responsible for the co-ordination of the plans, several other government departments, as well as representatives from regional and local authorities, non-governmental organisations and the social partners, participated in the seminars in varying degrees.

The overall picture that emerges from the fifteen NAPs/incl confirms that tackling poverty and social exclusion continues to be an important challenge facing the European Union. If Member States are to achieve the goal of building inclusive societies then significant improvements need to be made in the distribution of resources and opportunities in society so as to ensure the social integration and participation of all people and their ability to access their fundamental rights. However, the magnitude of the challenge varies significantly both between and within Member States.

The very different social policy systems across Member States led to quite different approaches to the NAPs/incl process. Some Member States saw the NAPs/incl as an opportunity to rethink or make fundamental improvements to their approach to tackling poverty and social exclusion. Other Member States, particularly those with the most developed welfare systems, took the contribution their universal systems make to preventing poverty and social exclusion as read and concentrated on highlighting new and more specific measures in their NAPs/incl.

The NAPs/incl highlight the need and confirm the commitment of Member States both to enhance their employment policies and to further modernise their social protection systems as well as other systems, such as education and housing, and make them more responsive to individual needs and able to cope with traditional as well as new risks of poverty and social exclusion. A key challenge here is to ensure that equal value is given to policies in these areas alongside employment and economic policies. The struggle against poverty and social exclusion needs to be appropriately mainstreamed across this large range of policy areas and there need to be real synergies between them. There is also recognition in many Member States that the picture is not static and that the rapid structural changes that are affecting all countries need to be taken into account if new forms of social exclusion are not to occur or existing forms to intensify.

All Member States are committed to the new EU process of policy co-ordination against poverty and social exclusion. Without exception, the NAPs/incl set out Member States' priorities in the fight against poverty and social exclusion for a period of 2 years, taking into account the four common objectives agreed by the European Council of Nice. All NAPs/incl include a more or less detailed description of the policy measures in place or planned in order to meet such objectives and the majority have included examples of good practice to facilitate their identification. However, a number of Member States noted that the time allowed for the preparation of their plans was too short to enable them to consider new important initiatives and innovative approaches. Others pointed to the difficulty of aligning at such short notice, their new NAPs with the existing national decision-making processes. As a result, most NAPs/incl tend to concentrate on existing policy measures and programmes instead of setting out new policy approaches. As a general rule, the NAPs/incl focus comparatively less on the public finance implications of proposed initiatives. Existing initiatives will of course have been properly costed and budgeted for. But in terms of designing the future strategy for promoting inclusion, it is essential to be aware of financial constraints. Commitments to increase investment in education, to improve the adequacy of social protection or to extend employability initiatives may entail significant costs and therefore should also be consistent with overall national budgetary commitments as well as the Broad Economic Guidelines and the Stability and Growth Pact. Similarly, regulatory constraints should also be taken into account. For example, measures that might affect labour costs or incentives to participate in the labour market should be consistent with the BEPGs and the Employment Guidelines.

The next steps in the open method of co-ordination will be as follows:

- **Step 1 (Oct – Dec 2001):** the analysis of the NAP/incl by the Commission is supplemented by the Member States in the Social Protection Committee and subsequently in the Social Affairs Council. The European Parliament is expected to contribute to the debate. A Joint Report will then be submitted to the EU Council in Laeken-Brussels which is expected to define the priorities and approaches that will guide efforts and cooperation at Community level during the implementation of the first NAPs/incl.
- **Step 2 (Jan – May 2002):** attention will concentrate on organising a process of mutual learning, supported by the new Community action programme which is planned to start in January 2002 and the set of commonly agreed indicators on social inclusion which the Council is expected to agree on by the end of 2001
- **Step 3 (remainder of 2002):** A dialogue between Member States and Commission will take place in the Social Protection Committee, building on the experience of the first year of implementation. The aim is to draw conclusions towards the end of 2002 which make it

possible in the run up to the second wave of NAPs/incl to consolidate the objectives and to strengthen cooperation.

The Göteborg European Council invited the candidate countries to translate the Union's economic, social and environmental objectives into their national policies. Promoting social inclusion is one of these objectives to be translated in national policies and the Council and Commission encourage candidate countries to make use to this end of the Member States' experience presented in this report

1. MAJOR TRENDS AND CHALLENGES

Key trends

Over the most recent years, the EU has lived through a period of sustained economic growth, accompanied by significant job creation and a marked reduction in unemployment. Between 1995 and 2000, the 15 Member States enjoyed an average GDP growth rate of 2.6 %, which together with a more employment-friendly policy approach, was responsible for the creation of more than 10 million net jobs and an average employment growth rate of 1.3% per annum. Over the same period, the employment rate increased from 60 % to 63.3 % overall, and for women, the increase was even faster – from 49.7 % to 54 %. Unemployment is still high as it affects currently 14.5 million individuals in the Union, but the rate has declined steadily since 1995-97, when it had been close to 11%, to reach more than 8% in 2000. Reflecting a more active approach overall to labour market policy, long-term unemployment has declined even faster, resulting in a reduction of the share in unemployment from 49 % to 44 % (Table 10).

In contrast with the generalised acceptance that the economic and employment situation has improved, the perception of trends in poverty and social exclusion is quite uneven across Member States. While some admit that the situation has worsened, or at least has not changed significantly, in the latter part of the nineties, others suggest that it has improved, essentially due to the fall in unemployment. In many Member States renewed economic growth and increased levels of employment have helped to largely stabilise, but still at too high a level, the situation in relation to poverty and social exclusion which had deteriorated with economic recession in the mid nineties. However, the lack of a commonly accepted analytical framework makes it difficult to come to definite conclusions.

Moreover, current deficiencies in the available statistical coverage, including the measurement of changes over time, compound the difficulties in getting an accurate picture of recent developments. The latest year for which income data are known across Member States is 1997 (and not for all Member States).

This report provides a synthetic comparative analysis of the situation of poverty and social exclusion in the Union⁷ on the basis of available data. Central to this analysis is the choice of a relative concept of poverty, instead of an absolute one. Poverty is a relative notion to the extent that it is defined in relation to the general level of prosperity in a given country and point in time. An absolute notion, while theoretically attractive, does not respond to the particular goals of this report for two basic reasons. First, the key challenge for Europe is how to make the whole population share the benefits of high average prosperity, and not to reach very basic standards of living, as in other parts of the world. Secondly, what is regarded as a minimal acceptable way of life depends largely on the prevailing lifestyle and the level of social and economic development, which tends to vary considerably across Member States.

Traditionally, in measuring relative poverty there has been an emphasis on low income, thus losing sight of the multi-dimensional nature of this phenomenon. Such emphasis is justified given that, in a market economy, insufficient monetary resources impair access to a whole range of basic goods and services. However, low income is just one of the dimensions of poverty and social exclusion, and in order to measure and analyse this phenomenon more completely, it would be necessary to take into account other equally relevant aspects such as access to employment, education, housing, healthcare, the degree of satisfaction of basic needs and the ability to participate fully in society.

Non-monetary indicators show that, across the Union, substantial numbers of people appeared to live in an unfavourable situation with respect to financial problems, basic needs, consumer durables, housing conditions, health, social contacts and overall satisfaction⁸. One in every six persons in the EU (17%) faced multiple disadvantages extending to two or even all three of the following areas – financial situation, basic needs and housing. The situation of poverty among such people is particularly worrying.

While persons in a low-income household appear to be much more frequently disadvantaged in non-monetary terms than the rest of the population, the relationship between income and non-monetary dimensions of poverty is by no means simple. A substantial number of people living above a relative income poverty line may not be able to satisfy at least one of the needs identified as basic, due to the detrimental influence of such factors as health condition, security of work income, need of extra care for elderly or disabled members of the household, etc. On the other hand, the actual living standards for those living below a relative income poverty line are strongly conditioned by such factors as house ownership, or in kind social benefits.

While recognising that a purely monetary indicator cannot capture the full complexity and multi-dimensionality of poverty and social exclusion, a fairly good approximation to the measurement of relative poverty can be given by defining an income threshold below which people are at risk of falling into poverty. **In this report this threshold is defined as the proportion of individuals living in households where income is below 60% of the national equivalised median income.** In 1997, 18%⁹ of the EU population was living in households with income below this threshold, just

² In the choice of indicators underpinning this analysis, account was largely taken of the on-going work of the expert group established by the Social Protection Committee, as well as the conclusions of the report "Indicators for Social inclusion in the European Union" done by T. Atkinson, B. Cantillon, E. Marlier and B. Nolan, under the auspices of the Belgian Presidency.

³ For a detailed analysis of non-monetary poverty indicators based on the 1996 European Community Household Panel, see "European social statistics – Income, poverty and social exclusion", Eurostat 2000.

⁹ This figure is based on harmonised data from Eurostat's European Community Household Panel (ECHP).

about the same as in 1995. This corresponds to more than 60 million individuals in the EU of which about half were consistently living below the threshold for three successive years (1995-97). To get a full picture of the trends in relation to low income, it is also helpful to look at other points of the income distribution, for example at 70%, 50% and 40% of national equivalised median. The percentage of individuals falling below these thresholds is 25%, 12% and 7% respectively in 1997 for the Union as a whole.

Account should also be taken of the fact that these thresholds are national and that they vary widely across Member States. The monetary value of the threshold for the risk of falling into poverty varies between 11 400 PPS (or 12 060 euros) in Luxembourg¹⁰ and 3 800 PPS¹¹ (or 2 870 euros) in Portugal.

This indicator of the risk of poverty is also useful for assessing the overall impact of the social protection system on the distribution of income. 26% of the EU population would have fallen below this threshold if social transfers other than old-age pensions had not been counted as part of income, and 41% if old-age pensions had also not been considered (Table 6).

While the overall gender gap in the rate of risk of poverty is small¹², it is very significant for some groups: people living alone especially older women (15%, for older men, 22% for older women) and 40% for single parents who are mostly women (Table 3a and 3c).

The risk of poverty was also substantially higher for the unemployed, particular age groups, such as children and young people, and some types of households such as lone parent families and couples with numerous children.

Around the EU average risk of poverty of 18%, there are wide variations across Member States. The lowest risk of poverty rates in the EU in 1997 were found in Denmark (8%), Finland (9%), Luxembourg¹³ and Sweden (12%), Austria and Netherlands (13%), whereas the highest were found in Portugal (23%), the UK¹⁴ and Greece (22%)¹⁵ – see Graph 1 in Annex I.

Such variations call for a wide range of explanatory factors. Traditionally, attention has been drawn in the relevant literature to the correlation between expenditure in social protection and the risk of poverty (see graph 4 in Annex I). Comparisons between Member States regarding levels of expenditure on social protection raise complex issues. They must take account of different levels of prosperity, the age structure of the population, the business cycle, differences in patterns of provision of social protection and tax structures.

¹⁰ All data for Luxembourg refers to 1996.

¹¹ PPS= Purchasing Power Standards a notional currency which excludes the influence of differences in price levels between countries; Source: Eurostat

¹² The measured gender gap in low-income does not match the current perception of gender differences in the exposure to poverty and social exclusion. This can be partly explained by the fact that income data are collected at the level of the household and the assumption that there is an equal sharing of the household income among all adult members.

¹³ All data for Luxembourg refers to 1996

¹⁴ This data is not strictly comparable with the 1996 data (18%). It is presently under revision in order to improve comparability with data from other Member States.

¹⁵ It should be noted that these figures do not fully take into account the equalising effect that widespread owner-occupation of housing and/or income received in kind may have in some of these Member States.

Nevertheless, Member States with high per capita social expenditure levels (i.e. well above the EU average of 5532 PPS in 1998), such as Luxembourg, Denmark, Netherlands, Sweden and Germany, show percentages at risk of poverty well below the EU average.

In some Member States there are lower levels of expenditure on social protection and the risk of poverty and social exclusion is a more widespread and fundamental problem. It should be borne in mind that countries such as Portugal and Greece are experiencing rapid transition from a rural to a modern society and see evolving forms of social exclusion coexisting alongside more traditional forms.

The relatively wide quantitative variations across the EU as regards the risk of poverty illustrate the different starting points from which Member States had to develop their policy priorities in the NAPs/incl.

Key structural changes

There is an acknowledgement in the NAPs/incl of four major structural changes that are occurring across the EU and which are likely to have a significant impact over the next ten years. In practice these are reflected more or less strongly in the different proposed strategies depending largely on the extent to which Member States looked either at the past and present or looked from the present to the future when drawing up their plans. These structural changes are both creating opportunities for enhancing and strengthening social cohesion and putting new pressures on and posing new challenges for the main systems of inclusion. In some cases they are leading to new risks of poverty and social exclusion for particularly vulnerable groups. They are:

Labour market changes: There are major structural changes in the labour market resulting from a period of very rapid economic change and globalisation. They are creating both new opportunities and new risks:

- There is increasing demand for new skills and higher levels of education. This can create new job opportunities but also create new barriers for those who are lacking the skills necessary to access such opportunities, thus creating more insecurity for those who are unable to adapt to the new demands.
- There are also new job opportunities in services for people with low skills leading to increased income into households, though this can also lead to the danger of persistent low paid and precarious employment, especially for women and youths.
- There are also more opportunities for part-time and new forms of work which can lead to new flexibility in balancing home and work responsibilities and to a pathway into more stable employment, but also can result in more precarious employment.
- These trends are often accompanied by a decline in some traditional industries and a drift of economic wealth from some areas to others thus marginalising some communities and creating problems of congestion in others. This problem receives particular attention in the

NAPs/incl of Greece, Portugal, Ireland, the UK and Finland and is also evident in the regional differences within Spain, Italy and Germany.

Overall, these structural changes in labour markets, which often impact on the weakest in society, have been recognised by all Member States.

eInclusion: The very rapid growth of the knowledge-based society and Information and Communication Technologies (ICTs) is leading to major structural changes in society both in economic and employment terms and in terms of how people and communities relate to one another. These changes hold out both important opportunities and significant risks. On the positive side ICTs are creating new job opportunities and more flexible ways of working that can both facilitate the reconciliation of work and family life and allow more flexibility about where people work. They can contribute to the regeneration of isolated and marginal communities. They can be used to improve the quality of key public services, to enhance access to information and rights for everyone and to make participation easier for people with particular disadvantages such as people with disabilities or people who are isolated and alone. On the other hand, for those who are already at high risk of exclusion, ICTs can create another layer of exclusion and widen the gap between rich and poor if some vulnerable and low income groups do not have equal access to them. The challenge facing Member States is to develop coherent and proactive policies to ensure that ICTs do not create a new under-skilled and isolated group in society. Thus they must invest in ensuring equal access, training and participation for all.

In the NAPs/incl, the eInclusion issue is substantially recognised by the different Member States on the basis of a quite developed analysis of the risks and current national gaps. However, the scale of the challenge is not well quantified and indicators are in general not developed in the Plans.

Demographic changes and increased ethnic diversity: There are significant demographic changes taking place across Europe which see more people living longer and hence a greater number of older people and particularly very old people, the majority of whom are women. This is particularly highlighted by some Member States (Italy, Netherlands, Portugal, Greece, Austria) but is generally a growing issue. The old-age dependency ratio, defined as the proportion of people aged over 65 to working-age population (20-64) has increased from 25 % to 27 % between 1995 and 2000, and is foreseen to increase further to 53 % by 2050 (Source: Eurostat).

A reduction in birth rates in many countries is also contributing to an increase in dependency ratios. This has important implications for poverty and social exclusion in several respects:

- Tax/welfare systems are being challenged to fund adequate pensions for all older people, particularly for those, mainly women, whose working career has not been sufficiently long and/or continuous to accumulate satisfactory pension entitlements;
- Whereas public services are being challenged to meet the needs of a growing elderly population, to provide care and support, to ensure ongoing opportunities to participate fully in society and to cope with increasing demands on health services.

Several Member States recognise in their NAP/incl a trend towards growing ethnic, cultural and religious diversity in society, fuelled by international migration flows and increased mobility within the Union. In a recent communication (COM 2001 (387)) the Commission has also emphasised that, due to demographic and other pressures, there will be a need for increased migration of both skilled and unskilled workers in the EU. This has important implications for all policies which aim at promoting social inclusion and strengthening social cohesion. In its communication, the Commission has stressed that "failure to develop an inclusive and tolerant society which enables different ethnic minorities to live in harmony with the local population of which they form part leads to discrimination, social exclusion and the rise of racism and xenophobia."

Changing Household structures and the role of men and women: In addition to the ageing population requiring more care, households are changing more frequently as an effect of growing rates of family break ups and the trend towards de-institutionalisation of family life¹⁸. At the same time women's access to the labour market is sharply increasing. Moreover, women were traditionally, and still often are, in charge of unpaid care for dependents. The interaction between all these trends raises the crucial issues of reconciling work and family life and providing adequate and affordable care for dependent family members.

This is acknowledged to various degrees by all Member States. The increased participation of women in the labour market is seen as positive in terms of promoting greater equality between men and women, generating higher household incomes to lift families out of poverty and increasing opportunities for active participation in society. The main challenge is then for services and systems to respond in new ways to support parents combining work and home responsibilities and in ensuring that those who are vulnerable are provided with adequate care and support. This is particularly stressed by those Member States such as Greece, Spain, Italy and Portugal for whom the family and community was the key support against poverty and exclusion.

An aspect of the changing household structure is the growing number of one-parent households. These households tend to experience higher risk of poverty, as evidenced by the fact that 40% of the people living in such households were below the 60% relative income line in 1997 (the same percentage as in 1995) (Table 3c). Such risks are particularly acute for women who constitute the large majority of single parents. This is emphasised in a number of NAPs/incl (Austria, Belgium, France, Germany, Spain, UK). However, it is noticeable how a number of countries (in particular Finland, Denmark and Sweden) have much lower levels of poverty risk among one-parent families.

Key risk factors

The NAPs/incl clearly identify a number of recurring risks or barriers that play a critical role in limiting people's access to the main systems that facilitate inclusion in society. These risks and barriers mean that some individuals, groups and communities are particularly at risk of or vulnerable to poverty and social exclusion and are also likely to experience difficulties in adjusting to the structural changes taking place. They also serve to highlight the multidimensional nature of the problem, as it is usually due to a combination or accumulation of these risks that people (both adults and children) are trapped in situations of poverty and social exclusion. While the intensity of the risks varies significantly across Member States, there is a fairly homogeneous perception of the importance of the following risks:

¹⁸ COM (2001) "The social situation in the European Union 2001.

Long-term dependence on low/inadequate income: A number of Member States highlight how the longer the length of time someone has to survive on a very low income the greater the degree of deprivation and exclusion from social, cultural and economic activity and the greater the risk of extreme social isolation. 1997 ECHP data on people living in monetary poverty, that is people who have lived for three or more years in households below 60% of the national median equivalised income, suggests that this is a particular problem for 15% of the population in Portugal, 11% in Ireland, France and Greece, and 10% in the UK (Table 7). The issue of indebtedness associated with low income also features in a number of NAPs/incl.

Long-term unemployment: There is a clear correlation between long term unemployment and low income. People who have been jobless for a long time tend to lose the skills and the self-esteem necessary to regain a foothold in the labour market, unless appropriate and timely support is provided. For countries with high levels of long-term unemployment such as Spain, Greece, Italy, Germany, Belgium or France, with rates exceeding the EU average of 3.6 % in 2000 (Table 9), this risk is considered as a major factor behind poverty and social exclusion. However, all Member States highlight the risks of poverty and social exclusion associated with unemployment and especially long-term unemployment.

Low quality employment or absence of employment record: Being in employment is by far the most effective way to secure oneself against the risk of poverty and social exclusion. This is clearly borne out by evidence drawn from the ECHP according to which only 6% of the employed population in the EU lived below the risk of poverty line in 1997, as against 38% of the unemployed and 25% of the inactive (Table 3b). However, remaining in and out of insecure, low paid, low quality and often part-time employment, can lead to persistent poverty and weaker social and cultural relationships as well as leading to inadequate pensions in the future. While the proportion of the “working poor” has been stable in 1995-97, the phenomenon has been more noticeable in a few Member States (Greece and Portugal, with an in-work risk of poverty rate of 11%).

In addition, the absence of employment record is recognised as a key risk factor in particular for women when combined with a family break up and for single elderly women in countries where pension mainly depends on work record.

Low level of education and illiteracy: The lack of basic skills and qualifications is a major barrier to inclusion in society and this is even more the case in an increasingly knowledge-based society. There is thus a growing danger of new cleavages in society being created between the haves and have-nots of skills and qualifications. This is well acknowledged by most Member States.

While the total inability to read and write has now been largely eradicated in Europe, except among a small number of the elderly, ethnic minorities and immigrants, the phenomenon of functional illiteracy is widespread. This is recognised by several Member States, notably Greece, Ireland, Portugal and the Netherlands, who highlight the particularly severe difficulties that people with literacy problems face in participating in society and integrating into the labour market.

Many Member States recognise that some groups have particularly high risk of educational disadvantage. For example, Austria, Belgium, France, Italy, Luxembourg, Portugal, Spain and Germany identify poorly educated young people, particularly during the transition from school to work, as a significant group at risk of poverty. Encouragingly several Member States specifically recognise the challenge of integrating children with disabilities into mainstream education provision if their very high risk of educational disadvantage and social exclusion is to be countered. Some

Member States such as the Netherlands also highlight the problems of older people with low educational qualifications and the difficulties they face both in accessing the labour market and more generally participating in society. The high levels of educational disadvantage experienced by immigrants and ethnic minorities are stressed by many Member States as are the language barriers that many of them face.

Growing up in a vulnerable family: Children growing up in households affected by divorce, lone parent households, poor households with numerous children, jobless households, or households in which there is domestic violence are perceived as being at great risk of poverty and social exclusion. This is borne out by evidence from the ECHP showing that households with 2 adults and 3 or more children and households with a single parent with at least 1 dependent child have the highest risk of poverty rates of all household types, respectively 35% in 1996, and 40% in 1997 (Table 3c). Indeed in most Member States, children (0-15) are at a greater risk of poverty than adults, their average EU rate standing at 25% in 1997, as against 13% for adults (25-49) (Table 3a). Young people (16-24) also show a great risk of poverty, as 23% of them live below the 60% median income line. There is much evidence that children growing up in poverty tend to do less well educationally, have poorer health, enjoy fewer opportunities to participate and develop socially, recreationally and culturally and are at greater risk of being involved in or affected by anti-social behaviour and substance abuse. Some NAPs/incl have particularly emphasised this risk, as is the case with Finland, Portugal and the UK.

Disability: The majority of Member States clearly identify people with disabilities as a group potentially at risk of social exclusion. This is in line with the public perceptions on the importance of disability: 97% of EU citizens think more should be done to integrate people with disabilities more fully into society¹⁹. It also ties in with consistent evidence from the ECHP of the high risk of poverty for people who are ill or disabled. However, the lack of detailed data and common indicators for people with disabilities is striking. Only Italy, Spain, Portugal, UK and France list clear indicators for people with disabilities, thereby attempting to gain a real picture of the situation. It will be of fundamental importance to improve the provision of indicators on social inclusion for people with disabilities

Poor Health: There is a widespread understanding that poor health is both a cause and a consequence of wider socio-economic difficulties. The overall health status of the population tends to be weaker in lower income groups. The percentage of people claiming their health to be (very) bad was significantly higher for those below the risk of poverty line than for those above it in the Union as a whole (13% and 9% respectively²⁰), as well as in all Member States. Finland, Sweden, Spain, Greece, the Netherlands, the UK and Ireland, highlight in their NAPs/incl the strong correlation between poor health and poverty and exclusion. Particularly vulnerable groups such as the Roma and Travellers have poor life expectancy and higher rates of infant mortality. This correlation depends on various factors but in particular on the extent to which adverse social and environmental factors, which are experienced disproportionately by people on low incomes, can make it difficult for individuals to make healthier choices.

Living in an area of multiple disadvantage: Growing up or living in an area of multiple deprivation is likely to intensify the exclusion and marginalisation of those in poverty and make their inclusion

¹⁹ Results of a Eurobarometer survey conducted in 2000.

²⁰ ECHP, 1996 as reported in the Social Situation in the European Union 2001.

back into the mainstream more difficult. Such areas often tend also to develop a culture of welfare dependency, experience high levels of crime, drug trafficking and anti-social behaviour and have a concentration of marginalised groups like lone parents, immigrants, ex-offenders and substance abusers. Regenerating such mainly suburban and urban areas is seen as a significant challenge across the majority of Member States.

Precarious housing conditions and homelessness: Lack of access to adequate housing or accommodation is a significant factor in increasing isolation and exclusion and is perceived as a major problem in some Member States. Pressure on housing supply is particularly noted in areas of rapid growth in Sweden, Finland, and Ireland leading to significant problems of congestion. Particular groups such as immigrants and ethnic minorities (notably the Roma and Travellers) can also face greater difficulties in securing adequate accommodation and thus experience greater exclusion. Many Member States, notably Austria, Ireland, Italy, Netherlands, the UK and Finland, highlight serious problems of homelessness, and some attempt to estimate the numbers involved.

Immigration, Ethnicity, Racism and Discrimination: The majority of Member States, clearly identify ethnic minorities and immigrants as being at high risk of social exclusion²¹. Several, such as Denmark and Ireland, note the growing numbers of immigrants and the challenge of developing appropriate services and supports to help them to integrate into society and of building a more multi-cultural and inclusive society²². This is likely to be a growing challenge for many Member States over the next few years as the number of foreign workers and their dependants will increase²³. A few countries point to other factors of discrimination, such as sexual orientation (Germany). In spite of the widespread recognition of such risks there is a generalised lack of data and common indicators for people from these vulnerable groups. Only Spain, Portugal, Italy, Netherlands and France list clear indicators thereby attempting to gain a real picture of the situation and needs in their countries.

Breaking the Cycle of Poverty and Social Exclusion - A number of these risk factors as well as being causes could equally well be seen as consequences or products of poverty and social exclusion. For instance, the concentration of poverty and multiple deprivation in certain communities, high levels of physical ill health, psychological and environmental stress, increases in crime or drug and alcohol abuse and the alienation of young people are all exacerbated by poverty and social exclusion. The point is that the causes and consequences of poverty are often inextricably linked. Thus several Member States highlight the challenge of breaking the cycle of poverty or intergenerational poverty if some individuals and groups of people are not to become further marginalised and alienated from the rest of society.

²¹ The term ethnic minorities generally refers to national citizens of a different ethnic origin than that of the majority of the population (e.g. the Innuits of Denmark). These may include citizens from former colonies (e.g. the black African Portugese). Yet, it may also refer to groups among the immigrant population with an ethnic origin which is distinct from that of the majority of the population (e.g. Turkish immigrants in Germany).

²² See also Council decision of 28 September 2000 establishing a European Refugee Fund where one of the objectives is integration of certain categories of immigrants.

²³ This underlines the importance of ensuring that Community immigration policies are responsive to market needs – see communication COM 2001 (387) from the Commission to the Council and the European Parliament on an open co-ordination for the Community Immigration Policy.

Eight core challenges

The overarching challenge for public policy is to ensure that the main mechanisms which distribute opportunities and resources - the labour market, the tax system, the systems providing social protection, education, housing, health, and other services - become sufficiently universal in the context of structural changes to address the needs of those individuals, both men and women, who are most at risk of poverty and social exclusion and to enable them to access their fundamental rights. Eight core challenges stand out from the NAPs/incl:

- (1) *Developing an inclusive labour market and promoting employment as a right and opportunity for all:* There is general agreement across Member States of the importance of promoting access to employment not only as a key way out of poverty and social exclusion but also as a means to prevent poverty and social exclusion. The challenge is thus to develop a range of policies that promote employability and are tailored to individual needs. Such policies should be accompanied by the creation of appropriate employment opportunities for those who are least able to access the mainstream labour market as well as adequate and affordable measures to reconcile work and family responsibilities.
- (2) *Guaranteeing an adequate income and resources to live in human dignity:* The challenge is to ensure that all men, women and children have a sufficient income to lead life with dignity and to participate in society as full members. For several Member States, it means reviewing the systems and policies operating a redistribution of resources across society so that those unable to earn their living or who are retired have incomes that keep pace with general trends in living standards in the wider society. It may also include the development of adequate policy approaches to prevent and tackle problems of overindebtedness.
- (3) *Tackling educational disadvantage:* The challenge here is perceived by some Member States as to increase investment in education as a key long-term policy to prevent poverty and social exclusion. In accordance with Member States' priorities, this challenge may involve working to prevent educational disadvantage by developing effective interventions at an early age (including adequate and comprehensive child care provision), adapting the education system so that schools successfully respond to the needs and characteristics of children from disadvantaged backgrounds, preventing young people from dropping out of school (and bringing those that did back to learning), developing and extending lifelong learning so that there are customised education and training opportunities accessible to vulnerable groups, enhancing access to basic skills provision or tackling (functional) illiteracy. It also may involve strengthening the role of education and training establishments in promoting norms and values such as social cohesion, equal opportunities and active citizenship.
- (4) *Preserving family solidarity and protecting the rights of children:* For several Member States, the challenge is to find new ways of supporting the family in all its forms as a prevention against poverty and social exclusion while promoting equality between men and women and taking into account their changing roles in society. In addition, giving particular support and guidance to vulnerable families and protecting the rights of children is another key challenge in a number of countries. Some Member States also stress that promoting individual rights and the fight against discrimination are important tools in combating poverty and social exclusion.

- (5) *Ensuring good accommodation for all:* Access to good quality and affordable accommodation is a fundamental need and right. Ensuring that this need is met is still a significant challenge in a number of Member States. In addition, developing appropriate integrated responses both to prevent and address homelessness is another essential challenge for some countries.
- (6) *Guaranteeing equal access to quality services (health, transport, social, care, cultural, recreational, legal):* A major policy challenge, particularly for those Member States who have had a low investment in such services, is to develop policies that will ensure equal access across this wide range of policy domains. In this context it is striking that the legal, cultural, sporting and recreational dimensions remain undeveloped in many NAPs/incl.
- (7) *Improving delivery of services:* Delivery of social services is not limited to the ministries of social affairs but involves other actors, public and private, national and local. Four kinds of challenges can be identified from a large number of NAPs/incl. First, to overcome the fragmentation and compartmentalisation of policy making and delivery. This means recognising the importance of greater integration between different policy domains and of co-ordinating national plans with approaches at regional and local level. Secondly, to address the issue of the links between the national, regional and local levels, particularly in those Member States with strong regional structures. Thirdly, to overcome the problem of policies and programmes that seem remote, inflexible, unresponsive and unaccountable and to address the gap between democratic structures and those who are poor and excluded. Fourthly, to mobilise all actors in the struggle against poverty and social exclusion and to build greater public support for the policies and programmes necessary to shape an inclusive society.
- (8) *Regenerating areas of multiple deprivation:* The challenge of developing effective responses to the problems posed by areas of multiple deprivation (both urban and rural) so that they are reintegrated into the mainstream economy and society is recognised by Member States.

2. STRATEGIC APPROACHES AND POLICY MEASURES

Promoting a strategic and integrated approach

The Nice objectives were set in a political framework that made the promotion of social cohesion an essential element in the EU global strategy for the next ten years. The 2001 NAPs/incl are therefore a first step in a multi-annual process which should contribute to making a decisive impact on the eradication of poverty and social exclusion in the EU within that horizon. Furthermore, poverty and social exclusion take complex and multi-dimensional forms that require the mobilisation of a wide range of policies as part of an integrated approach. Member States were therefore encouraged to develop in their NAPs/incl a strategic and integrated approach to fighting poverty and social exclusion. The aim of the present chapter is to draw out lessons from the approaches adopted by Member States in trying to develop a strategic and integrated approach in their NAPs/incl.

In considering the different ways national strategies were developed account must be taken of the underlying differences across Member States in terms of:

- the nature and extent of the existing social protection system, including the level of public expenditure in social protection, and its universality and effectiveness;

- the perceived dimension of poverty and social exclusion, which in some cases is assimilated to the specific problems of most vulnerable groups in society, while in others it is considered as pervasive to the society as a whole;
- the extent to which an integrated anti-poverty strategy, encompassing a broadly agreed analytical framework, a set of priorities and a monitoring process, already exists in the country;

In addition, the first round of NAPs/incl demonstrates clearly that developing an effective strategic approach to tackling poverty and social exclusion is different in Member States such as Belgium, Germany, Italy, Austria, the UK and Spain in which responsibility for key policies (e.g. health, education and social assistance, etc.) is largely devolved to and/or shared between regional and local authorities. It is clear that this has the advantage of ensuring that strategies can better reflect local differences and be more responsive to local needs. It can also facilitate the mobilisation and participation of all actors. However, it also leads to particular challenges in terms of integrating local, regional and national policies and in combining, where necessary, overall national and regional targets. The process of developing an overall plan under these conditions has also proved a more complex one which requires a more lengthy period of preparation. However, in spite of the constraints the challenge of a regional approach led in these Member States to important steps forward during the course of developing the NAPs/incl.

Whatever the starting point or particular circumstances of Member States, three elements can be identified that provide the basis for developing national plans which are strategic, coherent and add value to existing efforts to combat poverty and social exclusion. These elements are: a high quality analysis of the **key risks and challenges** and an assessment of the effectiveness of existing responses; the establishment of **clear priorities**, on the basis of the common objectives adopted in Nice, including the setting of specific goals and targets; and an **integrated and multi-dimensional approach** to policy development. All plans contain some or all of these three dimensions to a greater or lesser extent and are themselves important steps in the formation and implementation of policies combating social exclusion. The process is at a very early stage and the present report does not intend to assess Member states policies and their effectiveness. In this context the following analysis is based on the presentation of the NAP's and is intended to help the identification and exchange of good practice.

Analysis: All Member States provide some assessment of the situation in their country. Some Member States, for example Belgium, Denmark, France, Italy, Netherlands, Portugal and the UK have provided comprehensive analyses of important structural trends and their underlying causes with indicators which underpin their assessment of the key challenges and risks both currently and into the future. The Greek NAP/incl identifies the key challenges and problems and focuses on particular target groups in the wider context of economic, employment and social reforms. The German NAP/incl takes into account the analysis included in its recent national poverty report.

Priorities and Targets: Several Member States use their analysis as the basis for developing a particularly coherent set of strategic objectives which build on the common objectives agreed in Nice. These are comprehensive and are translated into a set of specific goals and targets against which future progress can be assessed. They thus have a clear focus on bringing about structural change with a measurable impact on the eradication of poverty and social exclusion. Within this category there are quite a variety of responses as some conclude from their analysis that they need to set new or more ambitious objectives than heretofore whereas others conclude that their existing systems work well and thus place the fight against poverty and social exclusion very much in the

context of their developed universal social protection systems. In this latter case their objectives tend to focus on improving their systems further through a range of very specific measures.

In the NAPs/incl of Denmark, France and Netherlands the objectives are forward looking and flow from their in-depth analysis. The NAPs/incl of Denmark, Netherlands, Portugal, Finland, Sweden and the UK, have set targets that extend beyond 2003. Germany, Austria and Luxembourg concentrate on improving their comprehensive social protection systems by adding or extending a number of specific measures.

Integrated Approach: The NAPs/incl of Denmark, France and Netherlands use a strongly holistic approach to policy, reflecting their developed universal systems, as do Finland and Sweden. Such an approach leads them to link and integrate policies in a consistent way and helps in moving beyond a purely sectoral or target group approach and in taking a proactive approach to preventing poverty. Ireland highlights the multi-dimensional and integrated approach adopted under its existing National Anti-Poverty Strategy, in which context it has set medium-term targets which it will shortly be reviewing. The UK locates its plan within the broader framework of its existing national anti-poverty strategy.

While the NAPs/incl may differ in terms of the strategic approach which they have developed, all share a range of fundamental principles and objectives underpinning the European social model, such as "solidarity", "social cohesion", "respect for human dignity and fundamental rights", "integration and full participation in society" and "high level of social protection". At least two aspects are worth highlighting among those strategic elements that are common to most NAPs/incl.

Most NAPs/incl recognise the need for policies that **invest in new starts**. Building inclusive and active societies goes beyond protecting people against major risks and drawbacks in life. Initiatives taken in the NAPs/incl with regard, for instance to exclusion from the labour market, long-term unemployment, delinquency or addiction, skills redundancy, homelessness, family breakdown, poor or inadequate school behaviour and intergenerational poverty, respond to the often complex needs and difficult conditions faced by those for whom they are intended. They reflect a framework of rights and duties underpinning the goods, services and other provisions made available to support new starts.

Most NAPs/incl tend to tackle risk and disadvantage no longer defensively, i.e. as a threat, but to develop strategic responses that **turn risk and disadvantage into opportunity**. Policies and actions in relation to disability, migration, and deprived areas, for example, seek increasingly to bring out and develop the untapped potential of immigrants, people with disabilities, lone parents and older people as well as lagging regions and neighbourhoods. However, while most Member States aspire to achieving as universal and inclusive systems as possible which will support the integration and development of such individuals and areas and underpin people's fundamental rights as citizens, in practice several Member States still tend to concentrate on less universal and more selective policies which are based on a sectoral and target-group approach.

Promoting exchange of good practice and innovation

An important goal of the new European process is to promote the exchange of good practice and innovative approaches, in order to facilitate mutual learning. It was therefore expected that all NAPs/incl would set out in a structured manner a range of policy measures to tackle the priorities defined in the framework of the Nice objectives. Two issues are important in assessing how the different NAPs/incl have met such a requirement.

1. To what extent can the NAPs/incl be used as a primary source for identifying good practice of common interest to Member States?
2. To what extent has the NAPs/incl exercise led to the formulation of new and/or innovative policy measures and approaches?

Member States have included in their NAPs/incl a more or less detailed description of the policy measures in place or planned in order to meet their priorities. Some member States, particularly those with universal systems, opted to highlight new and more specific measures while taking for granted knowledge of their existing systems. The large majority have included examples of good practice to facilitate their identification. Therefore, in addition to their political relevance, the NAPs/incl also constitute a wealthy source of information which enables the Commission and the Member States to obtain an updated and comprehensive overview of the major policies in place. However, the examples of policies given under the different chapters of this report are based on the information delivered in the NAPs/incl and do not represent exhaustive lists of existing policies in this domain.

The lack of in-depth post evaluation analysis of the impact of current policies has limited the possibility of identifying which measures, approaches or initiatives deserve good practice status in the present report. Evaluation of policies (both ex ante and ex post) seems to be a key area for future development, with social benefits being made more explicit. Given overall constraints on resources, it is essential also to focus on the costs of policies and to look at whether other policies could achieve the same aims more efficiently. Also, in examining the possibilities of dissemination of good practice, full account should be taken of the underlying conditions in each Member State, and the extent to which they have conditioned success.

The identification of good practice and innovative approaches of common interest has therefore to be seen as an ongoing process of which the present report is just the first step. The examples from the member States highlighted in boxes in this report should be understood in this light. The exchange of good practice between Members States will be enhanced in the future by more extensive evaluations of the impact of national policies and through the development of a comprehensive set of indicators and methodologies, at both national and EU level. It is important to note that some of the new measures highlighted may already be in place in other Member States.

The relatively short time available to develop the first NAPs/incl has impaired the formulation of new and/or innovative policy measures and approaches. The measures presented in all NAPs/incl

have basically been developed in the context of existing budgetary and legal frameworks. Most Member States therefore have focused their efforts on improving co-ordination, refining and combining existing policies and measures and promoting partnership, rather than launching important new initiatives or policy approaches. These goals are facilitated for Member States like Denmark, Netherlands, Sweden and Finland, which already possess highly developed universal policies, or France, where the policy efforts against exclusion are being strengthened after last year's evaluation of the 1998 national law against social exclusion. For these reasons, the NAPs/incl of these countries tend to be relatively more forward-looking²⁸. Other Member States, like Greece, Spain and Portugal, saw in the preparation of the NAPs/incl an opportunity to introduce more ambition in their policies against poverty and social exclusion, by setting targets or rationalising the policy framework.

3. IDENTIFICATION OF GOOD PRACTICE AND INNOVATIVE APPROACHES

Policy responses in the NAPs/incl generally consist of a mix of market-oriented responses, public policy provision and civil society action. Throughout the different policy strands it is possible to identify three general goals which they seek to promote:

- Universality: This means ensuring increased levels of Adequacy, Access and Affordability of mainline policies and provisions with the view to improving their coverage, uptake and effectiveness.
- A level playing field: This means addressing specific disadvantages that can be overcome by the use of appropriate policy (e.g. lack of skills);
- Solidarity for human dignity: This means compensating for disadvantages that can only be partially (or not at all) overcome (e.g. disabilities).

3.1 Objective 1: To facilitate participation in employment and access by all to resources, rights, goods and services

3.1.1 Facilitating participation in employment

In the context of the European employment strategy, and the implementation of the guidelines in particular:

(a) To promote **access to stable and quality employment** for all women and men who are capable of working, in particular:

- By putting in place, for those in the most vulnerable groups in society, **pathways towards employment** and by mobilising **training policies** to that end;
- By developing policies to promote **the reconciliation of work and family life**, including the issue of child and dependent care;
- By using the opportunities for integration and employment provided by **the social economy**.

²⁸ The Finnish NAP/incl, while not including any new measure, refers to a range of policy issues being considered for further policy developments.

(b) To prevent the exclusion of people from the world of work by **improving employability**, through human resource management, organisation of work and lifelong learning.

All Member States agree that promoting participation in employment is a key way of both preventing and alleviating poverty and social exclusion. The right to work is a fundamental right and a key element of citizenship. Participation in the social community of a workplace is, for most people, a key means of both ensuring an adequate income (both in the present and when retired) and extending and developing social networks. This facilitates participation in society and reduces the risk of marginalisation.

In their NAPs/incl most Member States make links with the NAPs/empl. This was indeed expected, as the Employment Guidelines put due emphasis on the creation of job opportunities and the improvement of employability, which are essential conditions for making the labour market more open and inclusive. Some Member States recognise the important role that the European Employment Strategy has played in developing a more effective policy approach to fighting unemployment based on individualisation, activation and prevention.

Most of the policy areas and initiatives mentioned in this section were already considered under the Luxembourg Process. However, while the Joint Employment Report covers the whole range of policy actions which aim at improving the efficiency of the labour market and increasing the employment levels towards the targets set in Lisbon, and must be evaluated as such, the present report tends to focus on actions that will facilitate participation in employment for those individuals, groups and communities who are most distant from the labour market. A number of Member States have rightly noted the positive role that such actions can play towards more general employment goals, such as increasing the employment rate. While all NAPs/incl prioritise employment there are differences in emphasis. These tend to reflect differences in the employment situation across Member States. Countries with high employment and low unemployment emphasise the need to increase labour participation of specific groups, such as older people, immigrants or people with disabilities (Luxembourg, Netherlands, Denmark, Austria, Sweden and Ireland), also with a view to tackling current labour shortages. On the other hand, countries where unemployment and especially long-term unemployment is a widespread problem concentrate on more comprehensive policies to encourage job creation and increase the employability of the long term unemployed and young people (Spain, France, Belgium).

Many Member States, while emphasising the centrality of work, also stress that access to work should not be promoted regardless of other fundamental rights but rather should complement them. Thus access to work should not be at the expense of the right to an adequate minimum income, the right to participate fully in family, community and social life or the right to good health.

Full access to stable and quality employment for all women and men who are capable of working is to be seen as a result of a complex process of transformation of labour markets. In the Danish NAP/incl, the outcome of such transformation is defined as the inclusive labour market, where more persons with poor qualifications or reduced capacity for work get a chance to use their skills and participate in working life. The inclusive labour market is a broad concept mainly expressing the expectations that workplaces should be open to persons who are not capable, under all circumstance and at all times, of complying with prevailing performance or norms.

Policies that increase the employability of the most hard-to-place individuals, through the use of active policies, and in particular training, as well as policies aiming at reconciliation of family and work life or the promotion of the social economy, may be an efficient way to promote social inclusion. But an essential step is to make the existing labour market more open and responsive to employing individuals and groups who are currently marginalised and excluded.

Promoting a more open and responsive labour market

Measures to increase the openness and responsiveness of the existing labour market to people who are currently excluded include:

- Introducing social clauses/chapters in collective agreements for employing and retaining persons with reduced capacity for work in the labour market (Denmark) or establishing quotas for the employment of particular groups such as people with disabilities (Germany, Austria);
- reducing employers' costs in employing people with less skills or certain categories of unemployed (Denmark, Luxembourg, Greece, Sweden);
- promoting education and training of employers to counter prejudices or discrimination against people from particular communities or particular backgrounds and regular review and monitoring of recruitment procedures and outcomes;
- ensuring that government agencies prepare action plans for the promotion of ethnic diversity among employees (Sweden);
- inserting social clauses into publicly awarded contracts requiring the employment of people who are long-term unemployed or from special groups or from local disadvantaged communities or the introduction of a policy of ethnic equality (Denmark);
- expanding "sheltered", "near market" and rehabilitative job opportunities for particularly vulnerable people (Denmark, Finland);
- promoting entrepreneurship amongst disadvantaged groups and communities and provide intensive support to local economic development initiatives in areas of multiple disadvantage;
- focusing economic investment and employment development policies on unemployment blackspots, particularly areas of multiple disadvantage (UK; see also section 3.3.3);

Putting in place pathways towards employment

Developing and implementing pathways towards employment is widely recognised as a key dimension of developing a more inclusive labour market. Pathways normally combine several insertion measures like counselling, training, subsidised or sheltered employment, with the activation of social assistance recipients. This is a crucial and sensitive aspect as often social assistance recipients are people that are very far away from the labour market who require extensive and personalised aid. The majority of Member States reflect clearly in their NAPs/incl a change in

philosophy from passive income support to active support to assist people to become autonomous. In some cases, explicit reference is made to the experience gained under the implementation of the NAPs/empl with a view to extend the same approach in order to cover also those more distant from the labour market.

The link between the labour market situation and other elements of exclusion is recognised, with many Member States quoting as an objective the better collaboration between employment and social services in order to better target individual needs (Austria, Germany, UK, Finland, Luxembourg, Spain and Sweden). This focus on employability has led to the development of more tailor made supports for people and in several cases this has led to the development of specific social insertion contracts such as in Portugal and France and Luxembourg.

Developing effective insertion and activation measures is complex and more comparative studies between Member States as to what works best for those who are most distant from the labour market would be useful. Emerging best practice seems to suggest that measures should be developed in ways that are seen as supportive and developmental and not punitive. Individualised programmes should be developed in consultation and mutually agreed after careful assessment of people's needs and potential. For those who are most distant from the labour market insertion can take time and can involve preparatory action and confidence building.

It is clear that developing more effective activation programmes requires improvement in delivery mechanisms. A number of key improvements can be identified from the NAPs/incl. These include: greater decentralisation and more integrated localised delivery of employment and social services and supports such as the establishment of fifty Employment Promotion Centres in Greece or the Social Activation Incentive Scheme in the Netherlands or efforts to reduce and streamline bureaucratic procedures (Germany and France).

While a focus on prevention and thus early intervention is important so that people do not become too distant from the labour market it is also important that schemes do not cream off those who are most easily reintegrated and give less attention to those who are less productive. If not careful this could be one of the risks in setting ambitious targets or using reintegration companies without setting sub targets for the most vulnerable groups.

As well as developing focused activation programmes many NAPs/incl also give a high priority to their training and education policies with an increased emphasis on lifelong learning and on ensuring that vulnerable groups have enhanced access to this provision (Austria, Germany, Ireland, Italy, Luxembourg, Portugal, Sweden) and better access to apprenticeships such as Luxembourg's proposed apprenticeships for adults.

In developing a more active approach to increasing employability for long-term unemployed and those who have been long-term dependent on welfare Member States also recognise the particular challenges facing a number of especially vulnerable groups. Weakest groups in the labour market are identified as not only the long-term unemployed, but also young people, older workers, the disabled²⁹ and immigrants.

²⁹ Provisions to support the integration of disabled people in the labour market will be reviewed in section 3.3.1.

In line with the NAPs/empl, all Member States undertake to facilitate women's participation in employment³⁰ with a particular attention to those in more difficult situation such as the lone parents cited by most Member States, the disabled (Germany) and those with low skills (Spain, France) or returning to the labour market (Ireland).

Young people: Many Member States prioritise problems that have arisen around the transition from school to work, in particular for those individuals who do not complete their cycle of education/vocational training. Some countries have elaborated specific programmes to ease young people into employment such as Belgium's First Job Agreement, Finland's Rehabilitative Job Activities, France's Trace programme, Sweden's Municipal Youth Programme and the UK's New Deal for Young People of work related support and training which is compulsory for young people after six months. Other countries concentrate on the development of the vocational training system as an alternative route to basic qualifications (for example Italy is reforming the vocational training system following the example of the dual system and through the development of apprenticeship and internships and Greece is developing a system of Second Opportunity Schools aiming at reintegrating individuals over 18 in the educational process by means of individualised teaching). In countries where the vocational training system is already well established (Germany, Austria, Luxembourg) the emphasis is on facilitating job search and retention as well as on training, back-up assistance and counselling to limit the number of drop-outs. In this context it is interesting to note also the attention given to financial incentives to the trainee (subsidies to training).

TRACE: PERSONALISED PROGRAMME FOR YOUNG PEOPLE IN DIFFICULTY (FRANCE)

This programme is addressed to young people in difficulty. It offers each young person a tailor-made programme and follow up for 18 months by professionals and aims at placing at least 50% of them in durable employment. It is based on:

- the specific engagement of one young person with one social assistant with the signature of a contract. Each social assistant follows 30 individuals, can get to know them personally, their previous training and working experiences etc.;
- A piloting committee which coordinates and mobilises the existing activation measures which may exist at national, regional or local level. It also aims at eliminating administrative blockages and at favouring the links with other policy areas (health, housing, training etc.)

Older workers: The problem of older workers who lack the education or skills to access jobs in the modern labour market is identified by many Member States. For this reason many NAPs/incl emphasise the need for intensive skilling offensives and retraining of older workers (Germany, Finland, Netherlands and the UK). Some Member States also highlight the importance of flexible arrangements for work towards the end of a person's career (Finland, Denmark and Sweden).

³⁰ Provisions regarding the access of women in the labour market are dealt with under Chapter 4.

SPRING PROGRAMME: EXCHANGE HELP FOR A JOB (BELGIUM)

This programme is aimed at long term unemployed and minimum income recipients. It combines activation measures with the use of specific contracts of the temping agencies. Temping agencies receive subsidies for 24 months both to decrease the wage bill and to train the beneficiaries. The objective is to reduce the minimum income recipients by one third in five years and to raise the number of beneficiaries of activation measures from 5% to 20%.

Ethnic minorities and immigrants: The majority of Member States clearly identify ethnic minorities and immigrants as often having particular problems in accessing the labour market and many recognise the need to increase their employment levels. A few Member States set out specific targets in their NAPs/employment with that aim (Denmark, Netherlands). A number of interesting measures in this field is mentioned in some NAPS/incl. For example in Finland integration of immigrants is supported by an integration plan jointly drawn up by the immigrant, the municipality and the employment authority. Denmark has initiated a facilitator pilot scheme providing financial support by local authorities and employment services to buy working time of an employee in private companies. Spain provides interesting case studies developed by NGOs (La Huertecica and Asociacion Candelita).

PATHWAYS TO EMPLOYMENT FOR MINORITIES (NETHERLANDS)

In June 2000 the Dutch government negotiated agreements with a number of large companies on additional efforts to be made by these companies in the areas of intercultural management, inflow, transfer and retention of members of ethnic minorities. Intercultural management is an instrument for fleshing out the social dimension of Socially Responsible Enterprise. It involves the optimum utilisation of the possibilities for cultural diversity in the workforce (with an inward focus) and an acknowledgement of the cultural diversity of the clients (the environment in which the company operates). The government facilitates the preparation and implementation of this framework agreement via the project organisation 'Ruim Baan voor Minderheden' ('Pathways to Employment for Minorities'). The tasks of the project group are to provide a platform for the exchange of best practices, product development, to implement innovative trial projects and to eliminate bureaucratic bottlenecks.

FACILITATOR SCHEME FOR NON-DANISH ETHNIC MINORITIES (DENMARK)

The Government pilot scheme enables local authorities and Public Employment Services to provide financial support to buy working time of an employee in a *private* company to function as a facilitator or, in the case of small companies, to pay the fees of an external adviser facilitator. Facilitators and advisers are to help introduce new employees with a non-Danish ethnic background to the company. They inform the new employee of the norms and values in the company and facilitate dialogue and social interaction between the new employee and other employees in the company.

The target group for the scheme is unemployed people with a non-Danish ethnic background who claim cash benefits or unemployment benefits. The support scheme may be used when an unemployed person is offered ordinary employment, or it may be used in connection with offers of (individual) job training, on-the-job rehabilitation, flexible working arrangements and sheltered employment with wage subsidy.

Local authorities or the Public Employment Services can also use some of the funds to disseminate information about the facilitator scheme to companies or to arrange courses, establish networks etc.

Promoting the reconciliation of work and family life

Many Member States recognise that, in order to ensure that people stay or move into employment, it is important to help them to overcome barriers which may hinder their participation. The main factor mentioned in NAPs/incl is child (and other dependent) care, but other aspects are mentioned, such as a decent housing, good health, adequate transport.

As regards childcare, most Member States address it by increasing childcare facilities to help women access the labour market and fewer Member States, such as Sweden, Germany and Denmark, widen their approach to the various possible means to better reconcile work and family responsibilities for men and women.

Some Member States are introducing changes to legislation in order to increase the availability of parental leave for both parents, while others, such as Finland, Sweden, Italy and Portugal and others are taking measures to increase the take up of parental leave by men. In Sweden, the maximum period of parental benefit following childbirth has recently been increased by 30 days up to 480 days, provided that both parents make use of at least 60 days each.

Member States also develop incentives for employers to promote reconciliation between work and family responsibilities. Denmark does it within the framework of corporate social responsibility. Portugal intends to develop with the employers a social gender contract encouraging men to take a larger part in domestic duties. In Austria a prize is given to family friendly employers. Part time is also becoming an entitlement in more Member States.

The proposed improvements in childcare facilities mainly concern increases of available places, both for very young children and after school for older children. Some NAPs/incl (Italy) also mention the issue of care for other dependants, and the need to develop outpatient care to relieve household members of caring responsibilities. Few Member States address the affordability of childcare for low income groups. In Denmark, local authorities are encouraged to guarantee day-care to all pre-school children regardless of their parents employment status. Some Member States mention specific allowances and/or tax reduction (Austria, Germany, Belgium, Denmark, Italy) or are improving children's allowances (Finland, Ireland, Luxembourg, Sweden).

Making use of the potential of the social economy

The social economy and the third sector provide manifold opportunities for integration and employment. Third sector organisations can be defined as private, autonomous organisations that, inter alia, pursue social and economic objectives of collective interest, place limits on private, individual acquisition of profits and work for local communities or for groups of people from civil society sharing common interests. They also tend to involve stakeholders, including workers, volunteers and users, in their management.

If adequately supported, the social economy can make an effective contribution to expanding the labour market and providing new opportunities for people with poor qualifications or reduced capacity for work so that they can use their skills and participate in working life. The NAPs/incl provide several illustrations of how the potential of the social economy is being exploited in that direction. Italy, France, Belgium and Sweden develop the third sector and the social economy as a source of jobs for people with limited skills or productive potential through measures such as the

simplification of the legal framework, easier access to public procurement, and better networking with the public administrations.

3.1.2 *Facilitating access to resources, rights, goods and services for all*

(a) To organise **social protection systems** in such a way that they help, in particular, to:

- Guarantee that everyone has the resources necessary to live in accordance with human dignity;
- Overcome obstacles to employment by ensuring that the take-up of employment results in increased income and by promoting employability;

(b) To implement policies which aim to provide access for all to **decent and sanitary housing**, as well as the basic services necessary to live normally having regard to local circumstances (electricity, water, heating, etc.).

(c) To put in place policies which aim to provide access for all to **healthcare** appropriate to their situation, including situations of dependency.

(d) To develop, for the benefit of people at risk of exclusion, services and accompanying measures which will allow them effective access to **education, justice and other public and private services**, such as culture, sport and leisure.

3.1.2.1 Social protection systems

Thirteen Member States have developed a universal social assistance policy aimed at guaranteeing all legal residents a minimum income, although with limitations in certain cases. In Austria the provision is restricted to EU citizens except in some Bundesländer where it is accessible to all legal residents. In Spain there is no national scheme, but almost all regions have set up minimum income schemes with varying benefits. Italy is still testing the introduction of a universal last-resort safety net until 2002 (the experimental scheme is limited to about 230 communes and 90 000 beneficiaries). Greece continues to provide a range of cash benefits for particular vulnerable groups as well as an income guarantee for pensioners.

Improving adequacy

The majority of NAPs/incl include initiatives to improve the adequacy of minimum income schemes. The trend in reforms is both to make minimum incomes sufficiently adequate to ensure human dignity and to facilitate full participation in society and re-integration into the labour market. To achieve this, several approaches stand out in the NAPs/incl:

- **Increasing absolute levels:** In a number of Member States minimum income levels have not kept pace with increases in levels of earnings and cost of living. This has led to a reduced purchasing power of minimum income levels in comparison to average purchasing power levels in society at large. Belgium announces the intention to raise the guaranteed minimum income level as well as the level of income support for pensioners (together with Greece).

- **Protecting minimum income levels against seizure and skimming off:** Several Member States (Luxembourg, Finland, Germany, France, Belgium) introduce measures which prohibit or limit the seizure of minimum income resources, for example in situation of debts, bankruptcy or separation. Others make provisions for a more friendly tax regime.
- **Making minimum income schemes more tuned to the needs of dependants:** The large majority of NAPs/incl include initiatives aimed at increasing and/or combining minimum incomes with other resources to improve the living conditions of dependants, particularly in the case of children of single mothers. Several Member States (Netherlands, France, Belgium, Austria, Sweden) guarantee timely maintenance payments and provide backup arrangements when needed (e.g. advances), particularly to vulnerable lone parents with children.

GUARANTEED MINIMUM INCOME (PORTUGAL)

The Guaranteed Minimum Income (GMI) in Portugal is accessible to all legally resident individuals and families suffering from serious economic distress as well as to all young people with family responsibilities and mothers or pregnant women below 18 years. The system is based on the principle of national solidarity and its key objectives are: to guarantee access to a minimum income and integration conditions to all citizens and residents irrespective of their past contributions; to promote integration by means of a tailor-made Insertion Programme developed in consultation with the recipient; to guarantee accompanying support measures aimed at promoting inclusion and participation in society of the recipient; empower the recipient in terms of both rights and responsibilities, underpinned by active solidarity-based policies. The GMI is implemented in close partnership between the national and local government, civil society actors and the recipients on the basis of a contract including clear commitments by all the parties.

Since the GMI system was generalised in July 1997, more than 700.000 people have benefited from the system, of which 41% were children and young people (-18 years) and 7% older persons (+ 65 years). The majority of recipients have been women, single women as well as single parent women. More than one third of recipients have been able to leave the GMI system. The system has also prompted approximately 15.000 recipients to take up education and 16.000 children and young people to return to school in an attempt to curb early school leaving and child labour.

Improving accessibility

Many NAP/incl feature initiatives aimed at improving accessibility to minimum income and resource systems. The vision underlying these initiatives is a rights-based one. Because it is the last-resort safety net, the provision of minimum resources must not simply be offered but guaranteed to all people who need it. Two approaches stand out when it comes to making last-resort safety nets more inclusive.

- **Improving uptake:** The most common approaches (Netherlands, Spain, Denmark, Finland, France, Portugal, Austria and Sweden) in this field are: the development and/or strengthening of 'out-reach' information, awareness and delivery systems; devolving implementation on the basis of partnership arrangements with regional and local levels; and promoting a rights-based approach.

Promoting universal coverage: In all Member States access to minimum incomes is no longer reserved exclusively to own nationals. The general policy trend is to ensure that all *legal* residents in their territory have equal access to adequate minimum resources when needed. Some Member States go a step further and extends access to a minimum level of resources to refugees, asylum seekers and illegal immigrants. While the adequacy of these provisions often remains weak, the principle of guaranteeing to all persons in a country the right to human dignity, irrespective of their origin, nationality or legal status, is gaining ground.

INFORMATION AT HOME TO IMPROVE TAKE-UP OF SOCIAL ASSISTANCE AMONG OLDER PERSONS (HEERENVEEN-NETHERLANDS)

Older people may fail to take full advantage of financial and other social service schemes due to isolation, ignorance, fear of stigmatisation etc . In Heerenveen, welfare and social service organisations work in partnership with older people to put in place a permanent and structured system to inform over-70s *at home* about provisions and schemes in relation to housing, care and welfare to which they have a right but which they are currently not taking up. Secondary objectives are to identify the need for help, care and services, to identify bottlenecks in policy, administration and implementation, and to enable older people to play an active part in the community. Special attention is devoted to older people from ethnic minorities.

Making work pay and promoting employability

There is a general recognition among Member States that creating jobs that are accessible to people who are currently excluded from the labour market needs to be complemented by measures that ensure that taking up those jobs guarantees a decent income. There should not be disincentives which discourage people from moving from welfare to work. While no Member State advocates cutting levels of welfare benefits as an across-the-board measure to put people into work, there is a widespread concern to reduce long-term dependency whenever this is avoidable and to promote activation of the recipients in order to make social benefits a springboard for employment and not an obstacle.

To minimise misuse and the risk of long-term dependency, policy practice with regard to minimum income guarantees has often focussed on the 'last resort' dimension and, as a result, has been fairly restrictive in terms of linking minimum incomes with other resources. There seems to be now a reversion of this trend in most Member States. They envisage the possibility of combining minimum income with work-related earnings or other benefits, while avoiding multiple layers of benefits, which can give rise to unfair treatment of claimants. In addition, many Member States link the delivery of minimum income provisions increasingly with the provision of services which support minimum income recipients to improve their employability, such as counselling, training, voluntary work or other forms of activity and self-development. Measures proposed for making work pay include:

- retaining some benefits for a period when taking up employment (Belgium, Germany, Ireland);

- reducing tax levels on low paid jobs or introducing an "employment bonus" in the form of a tax credit to benefit those engaged in paid activity (France, Netherlands and UK) sometimes specifically targeted at families with dependent children (Belgium);
- combining social benefits and wages (France, Luxembourg and Sweden);

Moreover, in order to support the improvement of the capacity of the schemes to promote upward mobility and sustainable exits, several Member States (Denmark, Netherlands, Sweden) are developing indicators which makes it possible to track the mobility of recipients as long as they remain within the scheme as well as for some time after they have left the scheme.

Some NAPs/incl emphasise that a job does not necessarily lead out of poverty: in some cases this is due to poor productivity 'old economy' type of jobs, in particular in agriculture (Portugal, Greece), in others it appears as a new form of precariousness (Belgium, Italy, France). On the other hand, even a low paid job which is a second income in a household can help lift the household out of poverty. A number of measures aim at making jobs more attractive and at offering better protection to people with a precarious link to the labour market:

- introducing minimum wage legislation (Ireland and UK) and ensuring that social partners pay special attention to minimum wages when they negotiate collective agreements (Austria);
- topping up social insurance contributions of part-time workers or ensuring that pension rights will be earned for parents facing loss of income from regular work (Austria, Germany, Sweden);
- establishing social security protection for atypical workers (Germany, Austria

INTEGRATION OF ATYPICAL WORKERS IN THE SOCIAL SYSTEM (AUSTRIA)

Until recently economically active persons in the grey area between employment and self-employment and persons in certain forms of self-employment and persons on low-income (part-time workers) were not obliged to take out social security insurance.

Today all economically active persons must have social security or be given the opportunity to join a scheme on favourable terms. Some are covered as "independent employees" in the social security scheme for employees. Others are covered as "new self-employed" in the social security scheme for the self-employed. Moreover, employers must now pay contributions for part-time workers (monthly income of up to 296 €) into the sickness and pension insurance scheme and such workers may opt into the self-insurance system (flat rate contribution) in these social security branches.

3.1.2.2 Housing

All Member States recognise the importance of access to decent quality housing in their NAPs/incl as a key condition for social integration and participation in society. The housing situations in Member States differ greatly but generally function quite well. Most people in the European Union live in a decent to good quality house, which they either rent or own and have access to a reliable supply of water, electricity and heating.

When it comes to low-income sections of the population however the market is performing less satisfactorily in most Member States, and increasingly so. The declining supply of reasonably priced houses at the lower end of the housing market tends to push a rising number of households without adequate purchasing power into the residual segment of the market. Housing quality in this residual segment is low and declining, often lacking basic provisions and the trend in price and rents is generally upward as a result of rising demand pressure.

New precarious forms of accommodation include renting of furnished rooms or mattresses in overcrowded rooms, squatting in buildings, stations and other public spaces and living in informal dwellings such as caravans, shacks, boats and garages.

Given the importance of housing expenditure in the total household budget (on average 25% in the EU) higher rents have particularly strong knock-on effects on residual incomes of lower income households, often pulling them far below the poverty line. The use of indicators which track the share of the net rent in disposable income as well as net disposable income after total expenditure on housing, as proposed by Netherlands, is a welcome development.

The thrust of initiatives by Member States in their NAPs/incl is geared essentially at overcoming the deficiencies in their national housing markets in order to assure lower-income sections of the population access to decent and affordable housing. Most efforts can be grouped under three key policy approaches:

- Increasing the supply of affordable housing and accommodation: measures to complement and stimulate supply of low cost housing and to renovate existing dilapidated housing stock. This includes measures targeted at disadvantaged areas and neighbourhoods.
- Guaranteeing quality and value for money at the lower end of the housing market: measures to better control and regulate the housing market, particularly where it tends to act exploitatively or exclude.
- Improving access and protecting vulnerable consumers: measures to strengthen the position of low-income and other particularly vulnerable consumers on the housing market.

Increasing the supply of affordable housing and accommodation

All NAPs/incl report weaknesses and deficiencies in the commercial supply of decent quality housing which is affordable to low income households. In Ireland, Sweden, Finland, Portugal and to some extent Belgium access is particularly constrained due to structural factors.

Member States make use of a range a measures to stimulate and increase the supply of decent low cost housing. These include: provision of social housing subsidies in the majority of Member States, both for building as well as directly to individuals; investments to renovate and enhance housing stock in disadvantaged urban areas (Denmark, Finland, Portugal, Spain, Sweden and UK) as well as in rural areas (Portugal and Spain); incentives for developing special housing, for example, small and affordable flats for young people (Luxembourg and Spain), accommodation for Travellers (Ireland), disability-friendly housing (Austria, Denmark, Germany and UK) and housing for older people (Denmark and UK); earmarking land for low-cost housing (France and Portugal); tax and other incentives for renovation of old housing stock (Belgium, Germany, Finland, France, Portugal and UK); taxing and seizure of vacant housing (Belgium and France).

Guaranteeing quality and value for money at the lower end of the housing market

Most Member States recognise the need for measures that protect and empower weaker consumers in the housing market against possible misuses and exploitation in the commercial housing market. The following four measures emerge from the NAPincl as being most prominent:

- Demolition of indecent housing and housing estates (barracks, bidonvilles etc) in combination with rehousing of inhabitants in better quality accommodation (Belgium, Spain and Portugal);
- Better protection of the rights of low-income renters and owners by improving regulation and information (Belgium, Denmark, Finland, Ireland, Luxemburg and Sweden);
- Regulating, monitoring and controlling housing standards (Belgium and France);
- Monitoring and controlling the link between rents and (minimum) housing standards (Belgium, France and the Netherlands).

ACCESS TO SOCIAL HOUSING FOR PEOPLE LIVING IN SHACKS (PORTUGAL)

Improving access to housing features as a high priority in the Portuguese NAPincl. Most vulnerable in this field are nearly 80.000 people living in more than 40.000 shacks in urban and sub-urban areas. Since 1993 the Government has pursued an ambitious programme of pulling down the shacks and rehousing the inhabitants in social housing. Whereas the programme rehoused about 900 families per annum until 1998, the number of families has increased to about 7500 per annum since 1999 following protocols which were concluded with 170 town councils. This rhythm will be maintained in order to guarantee to all inhabitants living in shacks access to social housing before 2005.

Improving access and protecting vulnerable consumers

Member States develop a wide variety of measures to address the growing precariousness at the bottom end of their housing markets. These include:

- Efforts aimed at better mapping and understanding 'le mal du logement' (Finland, France and Netherlands);
- Public/Non-Profit/Cooperative 'facilitation agencies' which render information and broker services to weak consumers in the housing market (Belgium, Denmark, Finland, France, Germany, Luxembourg, Spain and Sweden);
- Rental subsidies and/or tax advantages for low-income groups (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Luxembourg, Netherlands, Portugal and Sweden);
- Housing assistance to young people (Denmark, France, Luxembourg, Portugal and Spain);
- Improving access to bank loans and bank guarantees (Luxembourg)

Several Member States provide shelters for particularly vulnerable groups in the form of refuge homes for women and children who are victims of domestic violence (France, Germany and Spain), special housing schemes for homeless people (Denmark, Luxembourg, Greece, Spain and Sweden), preventing cutting utility supplies (France), rehabilitation of accommodation of migrant workers (France), developing supported housing, i.e. housing plus care and services (Denmark, Germany, Netherlands and UK), and housing assistance to single mothers (Greece).

TO PROMOTE ACCESS TO HOUSING FOR YOUNG PERSONS – LOCA-PASS (FRANCE)

The aim of LOCA-PASS is to facilitate access to private or public rented accommodation to all young people below 30 years who are employed or looking for employment in the private sector. LOCA-PASS is managed and funded by the public organisations which collect 1% solidarity contributions to housing by employers. They work in partnership with the 'Union économique et sociale du logement' as well as with representatives of civil society. LOCA-PASS provides a guarantee and an advance to future (young) tenants which enable them to meet the conditions of the housing rental contract. The guarantee covers up to 18 months of rent including charges. The advance is granted at no cost and can either be paid to the tenant or the owner. The granting of the LOCA-PASS guarantee and/or advance is automatic when the applicant meets the conditions. The applicant submits a request to the public housing collection office which is nearest to her/his place of residence. If there is no reply within 8 days, the assistance is considered granted.

3.1.2.3 Healthcare

Three broad strategies arise from the NAPs/incl to provide better access to healthcare for all:

- developing disease prevention and promoting health education;
- improving adequacy, access and affordability of mainstream provisions;
- launching initiatives to address specific disadvantages.

These three strategies are combined differently in the NAPs/incl according to national situations and priorities.

Developing disease prevention and promoting health education

Preventive and education measures are not necessarily designed for the most vulnerable. Yet they can be most effective at ensuring equal access to healthcare by reaching directly certain groups at risk. They also play a key redistributive role to the extent that they help to overcome financial and cultural obstacles. Developing prevention and education is thus considered as a priority to tackle socio-economic health determinants. Among these policies three categories are often mentioned in the NAPs/incl:

- mother and child care providing for regular health screenings, including vaccination;
- preventive care at school, including regular free consultations and health training as part of the regular curriculum;

- preventive care at work in accordance to health and safety at work legislation or, for those unemployed, free regular health screenings offered by social or health services.

Innovative approaches are to be found in Finland (health training at school) and Austria (annual health screening).

Improving affordability, access and adequacy of mainline provisions

For those already suffering from poor health or most at risk, the need to reinforce coverage, uptake and effectiveness of mainline provisions, thus ensuring universality, is crucial.

Promoting **affordability** will normally require that full eligibility for all necessary services is given free of charge to the lowest income group and that necessary services are provided for those outside this group at a cost they can afford. This can be achieved through different policy instruments resulting in means-tested (income-related) exemptions of contributions. When basic co-payment is seen as necessary, some Member States implement policies which limit individual or household health expenditure to a certain ceiling (annual maximum health bill). Although the objective of affordability is shared by all Member States, the degree of coverage and the quality of care provided under the different systems may differ widely across countries. Considering their respective national contexts, innovative approaches were introduced in France (universal health coverage scheme) and Belgium (maximum health cost bill).

IMPLEMENTING UNIVERSAL HEALTH COVERAGE (FRANCE)

The universal health coverage scheme was put in place on January 1 2000. It replaces previous social assistance schemes in order to make it possible for everyone to join the social security system and, for the poorest, to have all their costs paid for. In particular, it aims to give to a large number of people, who could otherwise not afford it, access to a number of services previously only covered by complementary health insurance. More than 5 million people are now covered by this scheme. Although widely considered as a step forward, the issues of the level of the means test and of the package of services to which beneficiaries are entitled are still under discussion and further adaptations may occur as a result of a soon-to-be produced evaluation.

In addition to financial obstacles, **access** to healthcare services can be hindered by administrative, institutional, geographical and/or cultural obstacles. Hence the need to facilitate access of users, particularly those with more difficulties, to adequate services. Among these policies, three are most prominent in the NAPs/incl:

- general policy aimed at achieving a more balanced geographical distribution of health services;
- local or regional initiatives aimed at better coordination between social and health services;
- nation-wide recognition of a Charter of user's rights, including the need to reduce waiting lists.

Innovative approaches can be found in Sweden (policy and funding aimed at reducing waiting lists) and Denmark (funding of innovative projects promoting greater coordination between health and social services).

Beyond affordability and accessibility, mainstream provisions should also be made more **adequate** to meet the needs of the most vulnerable. In particular, services should be made more responsive to cases of emergency. These emergency services encompass emergency services of the hospitals, the provision of accommodation/day-shelters for certain groups in need and the existence of outreach services, possibly linked to a free phone line, coordinating the relevant types of professionals.

An innovative approach to this problem can be found in Portugal (setting up of a free national emergency phone line in coordination with local social services).

Launching initiatives to address groups with specific disadvantages

The adequacy of mainstream provisions is even more crucial for certain groups suffering from specific disadvantages. A certain number of these groups are mentioned in the NAPs/incl: the elderly;immigrants and ethnic minorities; people suffering from physical or mental disability; homeless; alcoholics; drug addicts; HIV positive; ex-offenders; prostitutes. Each of these groups require that certain policies and services be tailored to its specific needs.

In some countries, especially those where comprehensive social protection systems have been put in place more recently, **the elderly** may be vulnerable to social exclusion due to inadequate pension benefits. But in most countries, the most worrying concern is how to face a growing number of situations of dependency, given the limitations of, especially, public care services and the declining support role of families. To address this issue, different policy instruments have been envisaged across the EU, ranging from the development of long-term care facilities to the implementation of long-term care insurance schemes.

Equally important for people in poverty and social exclusion, the issue of **mental health** is raised by a majority of NAPs/incl. Member States agree on the need to tackle mental health problems through various sets of policy measures, relying in particular on greater local and regional cooperation, better provision of outreach and emergency accommodation services and specific training for health and social services' employees.

Considering their respective national contexts, innovative approaches concerning target groups can be found in Greece and in Germany (special provisions to facilitate access to healthcare of people from a migrant origin).

MEDICAL CARE FOR IMMIGRANTS (LOWER SAXONY,GERMANY)

The aim of the Ethno-Medical Centre (*Ethno-Medizinisches Zentrum – EMZ*) is to provide health services and counselling geared to the needs of immigrants by removing linguistic and cultural barriers to communication, thereby facilitating the task of making accurate diagnoses, particularly with regard to mental or psychosomatic disorders or illnesses. Basic elements of this work are: interpreting service for the social and healthcare services; further training for specialist staff, training provision, seminars/conferences; cooperative counselling network for specialists and experts; mother-tongue awareness-raising events in the field of preventive healthcare; mother-tongue booklets, media, documentation; health-promotion projects (AIDS, drugs, oral prophylaxis, female health etc.); working groups, self-help groups recruitment of volunteer helpers; production of specialist handbooks and publications.

3.1.2.4 Education, Justice and Culture

Education

Most Member States identify access to education as a fundamental right. They see it as both a key means of preventing the risks of poverty and social exclusion and an important way of supporting the inclusion of the most vulnerable groups. There is an increasing recognition of the importance of access to education for all citizens at all stages of the life cycle if people are to have the skills and qualifications necessary to participate fully in an increasingly knowledge-based society. Thus in most NAPs/incl there is a commitment to improving access to learning and the development of open learning environments in which learning is made attractive, with low (if any) thresholds to entry.

As well as access most NAPs/incl are also concerned with equity in the outcome of education and training. They thus develop measures to level the playing field by addressing specific disadvantages or barriers to educational participation and to compensating those who have missed out on education in the past through developing customised education and training pathways.

In the NAPs/incl there is a broad recognition that some of those individuals who have a particularly high risk of poverty and social exclusion are in that position because lack of skills and qualifications is more widespread in the communities or areas where they live. Those identified include immigrants, ethnic minorities including especially Roma/Gypsy/Traveller children, children living in and attending schools in areas of multiple disadvantage and young lone parents. The educational as well as the training needs of the disabled as well as of older unemployed workers, many of whom left school early with no or minimal qualifications, are also identified in the context of adult education and life long learning. Improving the skills and qualifications of these groups holds out the best prospect of neutralising and overcoming social and ethno-cultural stratification.

There is an emerging consensus that effective interventions to address the different aspects of educational disadvantage involve more than just educational responses. They require integrated and co-ordinated action by a range of actors as educational disadvantage can be adversely affected by weak home/family/community supports, poor health, lack of income, poor housing and environment, poor health, inadequate diet, lack of transport. The UK's Sure Start programme (see box) is a good example of such an approach.

Four strategic policy approaches can be identified which seem to hold out particularly hopeful ways forward: early intervention to prevent educational disadvantage³², removing barriers to participation for vulnerable groups, developing integrated responses to early school leavers and promoting lifelong learning and adult literacy.

Removing Barriers to Participation in Mainline Provision for Vulnerable Groups - There is a recognition in several NAPs/incl, particularly Belgium, Greece, Ireland, the Netherlands and France that some children and their families face particular barriers to participating in mainline educational provision. A number of interesting policy approaches are enumerated to improve access. These include:

³² This policy approach is treated in detail under section 3.3.2. (eliminating social exclusion among children).

- removing financial barriers to participation (Belgium, Netherlands, France and the UK)
- providing free canteens and improving transport or providing accommodation for children from remote areas (Greece), addressing language and cultural barriers of ethnic minorities and immigrants (Denmark, Luxembourg, Sweden, Germany), and providing mentoring and supplementary schooling for children from such communities (the UK)
- integrating children with disabilities into the mainstream education system (Austria, Germany, the Netherlands, Luxembourg, Spain, Italy and Greece)

SECURING EQUAL ACCESS TO EDUCATION (GREECE)

In Greece a series of measures promote the removal of obstacles to equal access to education and are provided on the basis of socio-economic criteria to students or pupils. These include: **Free student canteens** (11 Centres, 5,312 pupils of limited means); **Accommodation** (4,240 beneficiaries – 331 pupils, mostly from mountainous and remote regions hosted in boarding houses in order to be able to attend the nearest school); **Transport** All pupils living far from their schools are transported free of charge from their homes to school on the Municipality's expense. Operation of schools within hospitals and house tutoring. The "Transitional School for Adolescents" of the "Strophe" service network educates adolescents undergoing a detoxification phase. Special arrangements for admission of candidates of special categories to tertiary education. – Greeks from abroad, foreigners, the Muslim minority of Thrace, persons suffering from serious illnesses. Transfers of special category students. Arrangements for special categories in Vocational Educational Centres. E.g. Repatriated Greek nationals, free attendance for ex-drug users etc. Scholarships – from the State Scholarship Institute, the General Secretariat for Youth) etc. Finally, for working pupils there are evening lyceums and evening vocational schools.

INTEGRATION OF IMMIGRANT CHILDREN INTO THE REGULAR EDUCATION SYSTEM (LUXEMBOURG)

Approximately 36 % of the people resident in Luxembourg are immigrants of which 13% are Portuguese and 9 % Italian and French. The compulsory education system is to a large extent German. This makes it more difficult for children of immigrants to integrate into the schooling system which, in turn, also impedes their social and cultural integration in society. Non-native speaking children account for 13% of students in secondary education.

To help level the playing field in the education system for non-native children, Luxembourg has decided to organise 'welcoming classes' in French in nursery and pre-nursery schools. This early welcome is to help foster integration into Luxembourg society and, progressively, better equip non-native children to confront and overcome the educational difficulties which they are likely to face as a result of their weaker knowledge of German and Luxembourg national language.

Developing Integrated Responses to School Drop Out - Most Member States are very concerned with the problem of children who drop out of school. In practice this can be divided into three overlapping groups. First there are those under school leaving age still attending school but facing difficulties such as truancy, declining marks and behavioural problems. Secondly there are those of

school age who have actually dropped out. A third group are those early school leavers who have formally left school but with no or minimal qualifications who face problems of transition from school to work (see section 3.1.1). A wide range of policy responses are described for the first two groups which aim both to prevent drop out and to tackle drop out when it occurs and promote reintegration into the school system. Initiatives include both school focused initiatives and developments in the non formal education sector. These include:

- more emphasis in the curriculum on life and social skills,
- teacher training on issues related to poverty and social exclusion and on intercultural education and the development of more innovative teaching methods ,
- extra resources for schools in disadvantaged areas or with large numbers of disadvantaged pupils,
- better student welfare and educational psychological services,
- more special needs and literacy provision,
- safer school environments, after school clubs, holiday programmes,
- more focus on smoothing the transition from primary to lower secondary and from lower secondary to higher secondary, cutting down on school exclusions, addressing high levels of truancy and better monitoring and tracking of drop outs or those at risk of dropping out,
- better home-school-community liaison.

A key learning point that emerges from these different initiatives is that there is a need to mobilise a range of actors at local level both within the formal and informal education sectors, such as parents, social services, police and probation services, employers, unions and community groups if the problems of those young people who are most alienated from the school system are to be addressed. Schools will need to work closely with these other actors and to place more emphasis on offering new chances which are tailor made and take into account the root causes of why the person dropped out of school in the first place. There need to be better pathways between formal and non formal and informal learning and new ways of recognising and evaluating all competencies. Interesting pilot projects adopting such an approach are provided by Italy and Germany.

YOUNG PEOPLE DROPPING OUT OF SCHOOL (NORTH RHINE-WESTPHALIA, GERMANY)

There are many different approaches to helping this group, such as support measures for those who are tired of education or have left school early, as well as reintegration measures for those "refusing" an education. One of the most successful examples of a reduction in truancy is the "Rath model" in Düsseldorf. Firstly launched in the Rath district, the model has in the meantime become a synonym for reintegration measures for school drop-outs.

The model is a cooperative venture involving municipal authorities, vocational training centres, charitable organisations and local boards of education, upper elementary schools, schools providing "educative assistance" and schools for children with learning difficulties. 27 young people tired of or refusing an education are currently benefiting from the project.

The objective is to bring together school-specific youth welfare work, educational assistance in schools and general support measures in the field of education. The project is worthwhile in that it offers guidance and assistance to young people who have dropped out of education and also children in various difficult circumstances. The collaboration between various schools and youth welfare organisations is considered to be particularly useful.

REINTEGRATION OF YOUNG EARLY SCHOOL LEAVERS IN SITUATIONS OF EXCLUSION (ITALY)

Various initiatives have been taken in Italy to retrieve and assist young early school leavers.

- The municipality of Naples has launched the project 'Chance' in a very run down neighbourhood. The project, which has been replicated with success in a number of Italian cities, aims at recuperating and assisting young people between 13 and 15 years who have withdrawn completely from regular compulsory education. The project is innovative in that it does not bring drop outs straight back to school but organises 'teachers in the street' who approach the young people and offer them tailor-made activities and assistance. Ultimately most of the young people are re-integrated into school.
- The central authority in the north of the country has launched an initiative called 'Creativity of Young People' which has benefited approximately 900 socially excluded youngsters (ex-offenders, drug addicts, unemployed, people with a disability, school drop-outs etc). Social interaction centres have been set up for these youngsters in 27 towns, supported by a public-private partnership. The centres are managed by the youngsters, using their own skills and creative abilities. The youngsters have been trained and coached to set up cooperatives. The pilot experience has resulted in the setting up of 12 cooperatives which are self-supporting and which have also started to network between each other. Approximately 60 % of the youngsters have found a job as a result.

Promoting Lifelong Learning and Adult Literacy The increasing importance of lifelong learning in raising basic skills for all and in ensuring people's continued participation in society is highlighted in several NAPs/incl, particularly in the context of rapid developments in ICT (see section 3.2.1 Promoting eInclusion). There are a variety of general approaches aimed at increasing the overall level of participation in adult education in the future. Particularly striking is the growing emphasis on territorial approaches which aim to coordinate provision better at local level and to bring learning closer to home in order to better reach target groups and tailor learning opportunities. The Dutch "Kenniswijk" and the Portuguese "Territorios Educativos de Intervenção Prioritaria" are interesting examples in this regard.

A number of Member States, for instance in Belgium, the Netherlands, Finland, Sweden and Ireland, have developed more targeted approaches aimed at particularly vulnerable groups. These include initiatives like allowing the unemployed to participate in mainline educational establishments in Denmark. Several NAPs/incl also address the issue of (ex) prisoners and are increasingly putting in place projects of either education or training during the prison term and/or afterwards to facilitate transition to society. The Irish NAP/incl gives an example of good practice in this regard, the Moyross Probation Project Céim ar Céim.

For the weakest groups, improving basic skills means, first of all, increasing literacy and numeracy. Many NAPs/incl, for instance Netherlands, Denmark, Belgium, Finland, France, Germany, Ireland, Italy and Portugal, recognise that ethnic minorities, asylum seekers and immigrants would never be appropriately integrated into society unless the deficits are overcome through language teaching. Ireland has specifically targeted the issue of illiteracy and has committed a major increase to its adult literacy budget.

Some NAPs/incl emphasise that as part of life long learning there is a need for ongoing training and education for those involved in anti-poverty work. For instance Denmark proposes specific training and education for "care workers". Ireland notes that local authority personnel need to understand the nature and responses to poverty if they are to better develop local anti-poverty initiatives and is developing a Local Government Anti-Poverty Learning Network to address this need.

THE ADULT EDUCATION INITIATIVE (SWEDEN)

Since 1997, an initiative has been underway in Sweden within the framework of adult education, the Adult Education Initiative. The overall objective of this initiative is to reduce unemployment, develop adult education, reduce educational gaps, and increase the prospects for economic growth. During 2000, an estimated 223 000 persons have been given the opportunity to reinforce their skills and their position in the labour market through the Adult Education Initiative. The proportion of men who took part in upper secondary adult education increased between autumn 1999 and spring 2000 by 1.4 percentage points to over 33 per cent. The result of the initiative shows that a third of the students had increased their educational level corresponding to one year's study at upper secondary school during the 1997/98 school year. Evaluations have established that three-quarters of the participants in the Adult Education Initiative had received employment or gone on to further studies. Statistics Sweden presented in 2000 a study that showed that municipal adult education could have positive effects both with regard to income and employment.

Justice

Perhaps surprisingly given the emphasis in the Nice objectives on access to rights, the issue of access to the law and justice only features in a few NAPs/incl (Germany, Italy, France and Netherlands). However, it is also implicitly included in a number of other NAPs/incl, such as Belgium, Finland, Greece and Ireland, in the context of equal status and non-discrimination measures. In addition to an absence of clear objectives and targets, there is a general lack of information and data in relation to the access that people living in poverty and social exclusion have to the law.

Access to law and justice is a fundamental right. Where necessary citizens must be able to obtain the expert legal assistance they require in order to obtain their rights. The law is thus a critical means of enforcing people's fundamental rights. For some vulnerable groups access to the law can be particularly important but also problematic. Groups identified in the NAPs/incl include ethnic minorities, immigrants, asylum seekers, victims of domestic violence, ex-offenders, prostitutes and low income people living in rented housing.

Two key approaches to strengthening access to justice stand out from the NAPs/incl.

i. Improving access to legal services and justice: This includes measures such as subsidised legal assistance, local legal advice centres for people on low incomes, specialist advice centres for asylum seekers, the establishment of a comprehensive network of regional departmental committees on access to the law, developing alternative, speedier and more accessible means of resolving disputes and accessing justice for example through separation and conflict resolution projects and small claims courts.

ii. Developing laws and mechanisms to promote equality and counter discrimination: A few Member States (Netherlands, Finland, Sweden, Belgium, Ireland and Greece) clearly establish a link between equal status and non-discrimination measures and acknowledge that equality of opportunity and legal measures to combat discrimination are now an essential part of EU social policy and a key means to increase social inclusion. The establishment of new mechanisms and procedures to enable people to access these rights is a key part of this development.

PROMOTING EQUALITY AND FIGHTING DISCRIMINATION THROUGH THE LAW (IRELAND)

Ireland is committed to promoting equal treatment policies through a series of measures encompassing "The Employment Equality Act, 1998" and "The Equal Status Act 2000" on grounds of gender, marital status, family status, sexual orientation, age, disability, religion, race and membership of the Traveller community. To monitor this legislation, two offices have been established: "The Equality Authority" and the "Office of the Director of Equality Investigations".

The Equality Authority is currently working to three objectives: to promote and defend the rights established in equality legislation, to support the development of a capacity to realise equality outcomes in the workplace and in the provision of goods, facilities, services, education and accommodation and to contribute to a focus on equality considerations within the private and public sectors and across society.

The Office of the Director of Equality Investigations is an integral part of the equality infrastructure which is designed to promote equality and eliminate discrimination. It contributes to the achievement of equality by investigating or mediating complaints of discrimination contrary to the Employment Equality Act, 1998 and the Equal Status Act, 2000.

The feasibility of "equality proofing", which is a process whereby policies are evaluated for any possible adverse impact on groups protected by the equality legislation, is being tested by FÁS and the Department of Education and Science.

Culture

Access to and participation in cultural activity is a core part of human existence. Such participation is important for fostering a positive sense of identity and encouraging and stimulating creativity, self-expression and self-confidence. Involvement in the arts and creative activity is thus a very important tool in the activation and reintegration of those individuals and groups who are most distant from the labour market and who have the lowest levels of participation in society. Community arts projects can also play an important role in the regeneration of local communities and in the work of neighbourhood groups.

In general the NAPs/incl do not present coherent plans for fostering the participation of those who are excluded in the creation of culture and in cultural activities. However, a few Member States list interesting actions. Denmark's three year integration programme for new immigrants and refugees emphasises opportunities to participate in cultural as well as economic, social and political aspects of society. France highlights the access of the most disadvantaged to Espaces Culture et Multimédias. Portugal emphasises increasing access to culture for disadvantaged groups and the importance of increased decentralisation of provision if this is to be achieved. Ireland highlights a programme and report which examined how the arts can be used for the social integration of the long-term unemployed, Community Arts for Everyone. However, it doesn't draw on the important report on Poverty, Access and Participation in the Arts to develop a coherent overall strategy. The Belgium NAP presents clear statistical information on the cultural deficits of disadvantaged groups and signals the intention to present more details on cultural measures in its 2003 NAP.

3.2 Objective 2: To prevent the risks of exclusion

(a) To exploit fully **the potential of the knowledge-based society** and of new information and communication technologies and ensure that no-one is excluded, taking particular account of the needs of people with disabilities.

(b) To put in place policies which seek to prevent life crises which can lead to situations of social exclusion, such as **indebtedness, exclusion from school and becoming homeless**.

(c) To implement action to preserve **family solidarity** in all its forms.

3.2.1 Promoting eInclusion

The impact of the knowledge-based society and Information and Communication Technologies (ICTs) on inclusion, the *eInclusion* issue, is substantially recognised by the different Member States. However, the starting point varies greatly across Member States, as some of them (notably the Nordic countries and the Netherlands) experience much higher levels of diffusion of ICTs (e.g. in terms of internet penetration, also specifically in low-income groups) and of use of the possibilities they offer for social inclusion. The activities promoting eInclusion are therefore more evident in the countries showing greater lags in ICT diffusion.

eInclusion is taken up at a **strategic level** in the NAPs/incl of Netherlands, Portugal and Spain where it is included among the key principles of the strategy against poverty and social exclusion.

The most comprehensive policy approach to eInclusion is provided in the NAPs/incl of Netherlands, Portugal and Ireland. The goal is twofold: first, tapping the potential of ICTs for inclusion, through new job opportunities or by improving or generating new services for disadvantaged groups and areas and, secondly, ensuring that no one is excluded from taking economic and social advantage of the new technologies, by removing the barriers to the new society.

As regards the first goal, the initiatives reported focus on **training in ICT**, showing a general consistency with the content of the NAPs/empl. The initiatives address in particular the unemployed and are often characterised by a broad scope, as is the case for France, where 1,2 million unemployed will receive ICT training by the end of 2002, Denmark with IT by now compulsory in all vocational training courses and Italy, with computer training for unemployed in the Southern regions. In some cases training is combined with the provision of ICT equipment, as in Belgium.

The development of **online services** represents another opportunity for increased integration offered by the new technologies, an opportunity addressed by a series of initiatives, especially concerning the electronic provision of all public services, and the creation of one single entry portals, *inter alia* in Austria and Ireland, but also in the Netherlands, the setting up of thematic non-stop "virtual desks". In some cases ICTs provide new channels for interaction, such as in Finland with an e-democracy project aiming at stimulating the social participation of youth.

New technologies and online services are also used to foster **local communities**, as the Portuguese initiative "Com as Minorias" ("With minorities") for immigrants from Africa living in the Lisbon area and the Spanish "Omnia" project in Catalonia show. The key role of local communities and associations is recognised and supported also in Ireland with the CAIT initiative, funding community and voluntary sector projects using the new technologies for social development and Spain, where a plan aims at guaranteeing access to ICTs to the NGOs running social inclusion programmes.

Raising awareness on the potentiality of new technologies and services constitutes the first barrier to be tackled for an inclusive knowledge-based society, especially in countries with low rates of internet penetration. The NAPs/incl report some initiatives in this respect, such as the German "*Internet fuer alle*" ("Internet for all") campaign.

Those actions are often strictly linked with initiatives for **ICT basic literacy**, to support the wider population, and the disadvantaged groups in particular, in their first step in the use of Internet and online services. In this respect, it is evident that there is a need for different scale initiatives in the different Members States. On the one hand, the objective to ensure access for all to the knowledge-based society is transposed in some countries with low rates of internet penetration in wide ranging programmes (Spain - "*Internet para todos*", involving 1 million people - and Portugal, with a target of 2 million people with an ICT diploma by 2006). On the other hand, in countries with more than 50% of people online, programmes can focus just on disadvantaged groups (e.g. homeless and elderly people) and neighbourhoods, as in Finland and in the Netherlands.

ICTs, THE ELDERLY AND SOCIAL INTEGRATION: INTERNET IN HOUSING CENTRES (NETHERLANDS)

In The Netherlands, Internet cafés were set up in 48 combined housing and care centres for the elderly to enable older people to become acquainted with computers and the Internet. In addition, all 1,355 centres received a guide to help them to set up an Internet café with relatively limited resources. The cafés are also PC learning centres and are open to local residents, thus becoming a community meeting place and providing new communication options for older people.

The issue of **availability of ICTs** is mainly addressed from the perspective of public access, whereas ongoing initiatives providing financial support for the purchase of equipment are almost not mentioned. The development of public access, through the so-called public internet access points (PIAPs), is particularly highlighted in France, with a target of 7000 PIAPs by end of 2003 (2500 of which offer ICT literacy support), including cultural multimedia spaces in the structures of the Youth Information Network ("*réseau Information Jeunesse*"), and Luxembourg with the "communal information points" ("*point information communal*"). Greece pays a particular attention to internet information centres in remote areas and islands whereas in the United Kingdom the "UK online" centres (6000 by spring 2002, particularly in disadvantaged communities) match access to the internet with other learning opportunities. PIAPs are or are being installed in the libraries of all countries.

The recent Eurobarometer shows sharp differences in most Member States to the disadvantage of **women** in ICT training and access to Internet. However, only three Member States indicate positive measures to reduce the gaps. Austria presents several initiatives to facilitate women's access to technical professions and computer courses. Germany fixes a target of 40% of women in IT and media job training courses by 2005. Portugal plans to promote equal gender participation in life long learning with at least 50% of ICT content.

In line with the emphasis in the Nice objective on "taking particular account of the needs of people with disabilities" the majority of Member States have included measures to favour access of **people with disabilities** to ICT (Austria, Finland, Denmark, Germany, Greece, Portugal, Netherlands, Ireland and Sweden). Some Member States (Belgium, France, Luxembourg, Spain and the UK) have not adequately addressed this objective in their NAPs/incl. Innovative approaches are evident in Sweden and Denmark where universal design standards will be used to increase access to ICT products. Sweden will review relevant legislation and guidelines to bring them into conformity with the principle of accessibility. Other measures include the improvement of ICT skills for people with disabilities (Sweden, Portugal). For example, ICT will be used as an obligatory teaching tool in all special training courses for people with disabilities in Portugal.

ICT FOR THE DISABLED (SWEDEN)

During the period 1998-2001 the Swedish Handicap Institute has been conducting a programme of development and practical tests of ICT systems for disabled persons with a view to using ICT to increase their participation and equality. So far grants have been made to more than 60 projects and preliminary studies run by organizations for the disabled and county council and local authority departments and involving disabled people's organizations and individual users. A plan for evaluation and dissemination of information is drawn up for each project. In 2000 an evaluation was also made for the first time by an external consultant. There are four integrated components to the programme: an

application programme, an information campaign, a programme designed to improve disabled users' ICT skills, and a study of the social and economic consequences of ICT measures. The objective of the programme is, in the three years, to have acquired documented experience of the use of ICT in new areas and for disadvantaged groups, produced new ICT-based products and services that are adapted to or developed for use by disabled people and developed methods for the testing, training and use of ICT aids and services. About MSEK 30 will be allocated out of the Swedish Inheritance Fund over the three years.

People with disabilities face a wide range of barriers in terms of access to the Internet. As government services and important public information are becoming increasingly available on-line, ensuring access to public websites for all citizens is as important as ensuring access to public buildings. Thus, several Member States have included measures to promote the accessibility of the Internet for people with disabilities (Denmark, Germany, Netherlands, Ireland, Greece and Sweden). Greece, Ireland and Denmark have also adopted Web Accessibility Guidelines for Public Websites.

3.2.2 *Preventing over-indebtedness and homelessness*³⁴

Over-indebtedness

The issue of over-indebtedness is identified by a majority of NAPs/incl as a cause of persistent poverty and social exclusion (Germany, Belgium, Finland, Austria, France, Ireland, Luxembourg, the Netherlands, Portugal). Situations of over-indebtedness occur as a result of various factors, such as unemployment, low income, problems of household budgeting and misuse of credit. Hence the need to have recourse to both preventive and curative measures involving all the services concerned.

Among preventive measures, training and counselling on money management and budgeting for families at risk is seen as a key policy measure which should be reinforced by the development of relevant services (Germany, Ireland, Luxembourg, Portugal). Moreover, as is planned in Germany, bank and financial institutions may also contribute to supporting these training and counselling schemes.

Among curative measures, most Member States have designed policies facilitating the reimbursement of debts by tailoring the conditions and length of the reimbursement to the financial capacities of the debtors, envisaging in particular the possibility of a moratorium or debt cancellations (Germany, Austria, France). Beyond financial arrangements, there is a wide recognition that overall social guidance remains necessary and that access to basic goods and resources should be preserved. In that respect it is considered as crucial to promote greater cooperation between social and legal services, as well as with private financial institutions.

³⁴ The issue of preventing exclusion from school is treated at length both under objective 1.2 (ensuring access to education) and 3 (eliminating social exclusion among children).

POLICIES TO COMBAT OVER-INDEBTEDNESS (GERMANY)

The number of over-indebted households in Germany is estimated at around 2.77 million (1999). Regarding preventive measures, counselling for debtors is currently provided by around 1 160 independently run debt counselling agencies throughout Germany. These are financed by the *Länder*, municipal authorities or the service provider and offer help to debtors free of charge. Further initiatives are planned for 2001–2003 as the German Government has launched a poverty prevention programme aimed at encouraging sections of society to focus more on training and counselling in money matters for children, teenagers and adults and especially on households in a precarious financial position. Additionally, efforts are being made at regional level to get banks, financial institutions and the insurance sector involved in funding debt counselling. For this purpose, the organisations providing debt counselling services will be taking the initiative in setting up "regional negotiating tables".

As regards curative measures, individuals in a hopeless financial position have, since 1 January 1999, had the opportunity to make a new start after completion of a procedure to deal with insolvency and pay of residual debts. This offers the chance to have any outstanding debts written off after a period of six years. In the event of over-indebtedness, limits are placed on the amounts which may be seized in order to ensure that families can afford the necessities of life. The German Government intends to pass legislation in 2001 which will increase the income level beyond which sums may be seized to pay off debts. Changes to insolvency law are also planned: for example, it is intended that provision will be made for administrative costs to be deferred so that totally insolvent debtors will have access to insolvency procedures and thus be eligible to benefit from a possible discharge from their remaining debts.

Homelessness

Homelessness is perhaps the most extreme form of social exclusion. The information on homelessness in the NAPs/incl however is generally poor. Moreover, whenever indicators are available, they often reflect administrative concerns and outputs (people dealt with by homelessness services) instead of focusing on outcomes. Most Member States admit that they know (too) little about both the magnitude and the nature of the problem, which also prevents them from developing more strategic and preventive measures against homelessness.

A few Member States provide an estimate of the number of homeless: Denmark (4500), Austria (20000 of which 3000 are sleeping rough and the remainder is in supported housing), Finland (10000 single persons and 800 families) and the Netherlands (20000-30000), Italy (17000). Some Member States (Luxembourg, Ireland, Spain, France, Denmark, Belgium) recognise that homelessness may be increasing, but this perception is not shared by all. The UK asserts that the numbers of people sleeping rough have fallen significantly over the last few years. There are indications that homeless populations comprise rising proportions of women, young people, people of foreign origin, persons with mental health and/or addiction problems.

Five Member States (Belgium, France, Netherlands, the UK and Finland) indicate in their NAPs/incl a commitment to strengthen indicators and their information systems on homelessness. The suggestion by Belgium to improve methodologies as well as to promote more harmonised data collection through European cooperation is particularly welcome.

The most interesting features among national policy approaches to homelessness in the NAPs/incl can be summarised as follows:

- Austria provides special shelter and housing arrangements at local level; comprehensive approach (housing + counselling + other services).
- Denmark: National plan (July 2000); local and regional authorities in charge; prevent rent arrears; obligation to provide temporary housing to families in need; comprehensive package: housing + social, health and educational services; special budget DK 200 million 2000 – 2003; project on the homeless and ICT. DK 60 million 1999-2003 for a pilot arrangement to adapt housebuilding to the needs of the homeless.
- Finland: Special programme for reducing homelessness by 2004 including: 1000-1200 new dwellings for homeless (through priority allocation); supporting services; partnership approach 'cooperative bodies'.
- France: Improved use of emergency telephone number 115; strong partnership with associations; aims at increasing shelter capacity and improve quality of existing capacity; policy to prevent/deal with rent arrears.
- Germany: Focus is placed on preventing rent arrears (main cause of eviction); Länder in charge.
- Greece: Comprehensive special assistance has been provided to earthquake victims.
- Ireland: Homeless strategy (May 2000) sets out a comprehensive and preventative approach; substantial budget allocations and increases over next 5 years; strong partnership with NGO's and local authorities; shelter capacity being increased; special care provisions (alcohol and drug users); special homeless agency for Dublin; 3 year local action plans in preparation.
- Luxembourg: Strengthening of existing care, counselling and shelter provisions; development of supported housing; consolidating measures on emergency shelter provisions and developing proposals to improve access of homeless persons to the guaranteed minimum income.
- Netherlands: Comprehensive strategy and approach with the aim of preventing expulsion and rent arrears; integrated approach at local level; comprehensive registration and data base for all homeless in centres by 2006.
- Portugal: New national emergency telephone line will be put in place; commitment by local social action centres to reach out to all homeless within one year.
- Sweden: Parliament involved in preparing special package of measures since 1999; special budget for combating homelessness (10 million SKR/year from 2002 – 2004).
- UK: Strategic approach and commitment to reduce rough sleeping by 2002 by at least 2/3 (England), to zero by 2003 (Scotland); also in Wales. Special task forces/units prepare and oversee measures. Considerable efforts aimed at improving understanding and monitoring homelessness situation. 'Scotland's Rough Sleepers Initiative'; 'England's Safer Communities Supported Housing Fund'.

RESPONDING TO HOMELESSNESS (FINLAND)

The objective of Finland's programme for the reduction of homelessness for the period 2001-03 is to stem the increase in homelessness and to bring about a downturn in the number of homeless people by 2004. It is aimed to produce 1000-1200 new dwellings for the homeless. It is proposed to develop the selection of tenants in such a way that the homeless and other people in especially urgent need of housing are given priority in tenant selection by all types of owners. The programme will also ascertain the extra need for serviced accommodation, and it will develop supporting services for homeless people and other special groups. In order to enhance the effectiveness of services, it is proposed that co-operative bodies consisting of representatives of municipalities, service providers, the Third Sector and owners of rental apartment buildings should be established in centres of growth.

3.2.3 *Preserving family solidarity*

There are many measures in the different NAPs/incl that contribute to preserving family solidarity. These include both mainline policy areas such as employment, income support, housing, health, education and gender equality and more targeted policies to support particularly vulnerable groups such as children, the elderly and people with disabilities. However, it is striking that only some Member States specifically prioritise the preservation of family solidarity as a key policy domain in promoting social inclusion. Essentially these are those Member States that have traditionally seen the family as being at the heart of national strategies to promote cohesion, notably Portugal, Spain, Greece, Germany, Ireland, Italy and Austria. They particularly emphasise the continuing role that the family has to play in the social inclusion of children, the elderly and people with disabilities.

All recognise the rapid structural changes that are affecting the nature of the family (see chapter 1) and recognise that if the family in all its diverse forms is to continue to play a key role in preventing the risks of exclusion then policies need to respond to these changing situations.

Policy responses cover both general measures to support all families and specific measures to prevent families facing particular difficulties or crises (such as family break down or domestic violence) falling into poverty and social isolation. They can also be divided into policies which essentially aim to avoid families falling into poverty or rescue those that have and policies which strengthen the capacity of families to promote the inclusion of the old, the young and the disabled.

In general a mix of policy approaches seem to hold out the best hope of preserving family solidarity. These cover the following main areas:

- *ensuring economic stability and better living conditions* through favourable treatment for families in tax and welfare systems (Austria, Germany, Italy and Luxembourg), recognition of different family types including same sex couples (Germany), assistance to jobless and vulnerable families to find employment (France) and maintaining family allowances to the parents of children in care in order to allow their return into the family (Belgium);

- *ensuring support at a time of family breakdown and divorce* so that this does not lead to new poverty, precariousness and isolation and more children being taken into care (France). Measures include mediation and counselling services to assist with separation, special support and assistance to victims of domestic violence, strengthening general financial supports to lone parent families,

improving provisions in regard to maintenance payments (Austria) and measures to ensure that both parents are involved in the upbringing and care of children (Sweden and France);

- *enhancing information, training, support and counselling services* which will help families to cope with and reduce conflict, will improve parenting skills and lead to better support for children and a recognition of their rights in vulnerable families (Finland, France, Germany, Ireland, Luxembourg, Portugal) and will help to maintain the family unit in difficult situations and keep children in stable family situations rather than taking them into care within institutions (Italy and Portugal);

- *promoting locally based initiatives for vulnerable families* in disadvantaged communities such as support in Spain to Non Governmental Organisations to develop local integrated support systems and the development of community based family services centres in Ireland;

- *promoting measures to reconcile work and family life* such as enhanced day care provision and flexible working arrangements (see chapters 3.1.1. and 4 for more details);

- *assisting and encouraging families to care for sick, disabled and elderly at home* through enhancing support systems in the community, providing help at home and training on providing care (Austria, Greece, Spain, Sweden, Italy and Ireland) and assistance with financial costs arising from forgoing work to provide care such as a carers allowance (Ireland) and insurance reliefs (Austria).

IMPLEMENTING THE FAMILY SERVICES PILOT PROJECT (IRELAND)

Community involvement is the key to successfully delivering the support that families need from time to time. The aim of these pilot projects is to provide enhanced access to information services for families in their own locations through development of the one stop shop concept. Thus they emphasise an inter-agency approach and close working between government organisations and voluntary agencies. An enhanced programme of support is available to a small group of families with complex needs, e.g. very young lone mothers, other lone parents, and dependent spouses in households depending on social welfare. The projects involve working with people on an individual basis to enhance their capacity to improve their personal and family circumstances and to access opportunities for education and employment. They are underway in three local offices:- Waterford, Cork and Finglas in Dublin. The projects have been subject to an ongoing evaluation and a recent report recommends, inter-alia, mainstreaming of the pilots. The government have provided €15.24million (IR£12million) in the National Development Plan for the development of the successful aspects of the pilot project over the years 2000 – 2006. Total funding for the Family Service Project for 2001 is €1.27million (IR£1million).

3.3 Objective 3: To help the most vulnerable

(a) To promote the social integration of women and men at risk of facing persistent poverty, for example because they have a **disability** or belong to a group experiencing particular integration problems.

(b) To move towards the elimination of social exclusion among **children** and give them every opportunity for social integration.

c) To develop comprehensive actions in favour of **areas marked by exclusion**.

These objectives may be pursued by incorporating them in all the other objectives and/or through specific policies or actions.

3.3.1 *Promoting the integration of people facing persistent poverty*

It is increasingly recognised by most Member States that people with a disability or people experiencing particular integration problems such as the homeless, mentally ill people, drug and alcohol misusers, ex-prisoners and prostitutes are at especially high risk of persistent poverty. While many of their needs can best be met by improving access to mainline services even in the most developed and comprehensive systems, mainline provision is often not sufficient. This is confirmed by figures showing low take up of some mainline services by such groups.

For those people facing particular integration problems there is thus a need to develop special social services which will help them to help themselves to the greatest extent possible and assist them to participate actively in society. Measures for these groups include personal help schemes, special housing and day shelters and particular attention is given to the development of tailored and integrated packages of support to assist their integration.

In the case of people with disabilities the majority of Member States clearly identify them as a group potentially at risk of social exclusion and set out a more or less coherent strategy for their inclusion. France and Luxembourg have presented their policies in respect of the disabled in separate policy documents, which are simply referred to in their NAPs/incl.

A positive development is that a few Member States have set **national targets** to increase the social inclusion of people with disabilities (Sweden, Netherlands and Portugal). Other Member States have repeated the targets to raise the employment levels of people with disabilities included in their NAPs/empl 2001 (Sweden, Ireland, Portugal, Austria, United Kingdom and Germany). However, no new significant policy initiatives on employment are presented in the NAPs/incl.

There is a recognition by some Member States that people with disabilities have lower **educational attainment** which in turn affects their future employability. Data from the ECHP in 1996 shows that people with disabilities have less chance to reach the highest level of education and more chance to stop studying prematurely (9% of severely disabled people reached third level of education, compared to 18% of non-disabled people). It is a particularly welcome development that an increasing number of Member States are recognising the importance of integrating children with disabilities into the mainstream education system:

- Austria plans to extend the integration of school children with special needs to the ninth school year from 2001-2.
- In United Kingdom, the 1995 Disability Discrimination Act has now been extended to education.
- In the Netherlands, following the introduction in August 2000 of the Individual Pupil Funding Scheme, parents now have a choice of placing children with disabilities in a special school or mainstream schools, with a sum of money available for the school to make special adaptations for the child.

- In Germany and Italy, disabled pupils are integrated in ordinary school with education for all to enable them to reach their full potential. Depending on the kind and degree of disability, special pedagogic support is provided.
- Spain provides additional support services in education. Plans to extend support programmes for deaf people and people with a hearing impairment at all levels of education have been developed.

Despite growing evidence that people with disabilities who are integrated into the mainstream education system are more likely to develop the social and vocational skills that are required by the labour market, segregated education for people with disabilities persists in some Member States. For instance, in Belgium, the number of children in special education has increased. Belgium has however launched a project to integrate 60 pupils with disabilities into mainstream schools until 2003.

Disproportionate numbers of people with disabilities are considered ineligible for **training** because their educational levels are too low. Less restrictive eligibility criteria need to be considered to make training and skills updating more accessible. A few innovative measures were identified in:

- Sweden, where disabled persons who lack basic upper secondary education are eligible for training within the framework of mainstream labour market programmes;
- Finland, where the reform of the rehabilitation Allowances Act in 1999 made it possible for youths over 16 to be paid rehabilitation allowances rather than disability pensions, in order to allow them access to vocational training. This allowance has been extended from 2001 for youths up to age 20;
- Austria, where special support is available during the transition from school to work. Teams will be set up to help to promote the vocational integration of school leavers with disabilities.

Many disabled people are economically inactive and dependent on receiving disability benefits for often long periods of time. In some countries (e.g. Netherlands) their numbers have tended to increase, which has led national authorities to develop alternatives for the inactive disabled population and set out new measures to improve their **employability**. Some Member States have provided in their NAPs/incl examples of such measures:

- Sweden has recently proposed changes to the current system of disability pensions. These will be replaced by sickness benefits and will be integrated into the health insurance system instead of the old-age pension system. A new "Activity Allowance" is proposed for people under 30 to encourage them to undertake activities according to their capacity without risk to their financial security.
- Finland reformed the National Pensions Act in 1999 to enable disability pensions to remain dormant during periods of employment to help people with disabilities enter the labour market.

- Austria presented vocational integration subsidies with a temporary payment of wages as an incentive to recruit young people with disabilities; invalidity pensions will be paired with activating measures to prevent the drift into social exclusion.
- Denmark has in place schemes of flexible working arrangements and sheltered employment with wage subsidy for disabled persons:
- Luxembourg has recently proposed changes to its current system of employment and payment of persons with disabilities in order to better support their autonomy.

Some Member States have a more inclusive approach for people with disabilities, taking account of their needs when designing policies, under the "**Design for All**" concept. In Greece, a Design For All programme is being developed, including the removal of architectural obstacles aiming at designing cities that are friendly to people with disabilities (pavements, squares, pedestrian crossings). The most proactive approach is evident in Austria which goes one step further than Design For All and promotes disabled-friendly environment. Disabled-friendly accommodation is an essential prerequisite for integrating people with disabilities in the primary labour market. Therefore, Austria will put into place additional measures on disabled-friendly furnishings, job-design and technical installations in workplaces. Denmark is implementing legislation to ensure equal opportunities for persons with disabilities and access to buildings used by Government institutions are being improved during 2001.

Accessible **transport** is crucial to the social inclusion of people with disabilities. Initiatives in relation to the accessibility of public transport have been taken by some Member States (Netherlands, Spain, Ireland and Greece). The most ambitious measures are evident in the Dutch NAP: in order to make rail and regional bus transport 100% accessible in 2010 and 2030 respectively, the Government is pursuing accessibility measures relating to rolling stock, stations, platforms, bus stops, timetables, ticket offices and automatic ticket machines. In addition, the Passenger Transport Act 2000, stipulates that when awarding public transport contracts, the Government must include accessibility as part of the Programme requirements.

Several Member States have acknowledged that people with disabilities have **the right to live independently**. In Netherlands, the temporary 'Home and Care Incentive Scheme' came into effect in October 2000. It promotes innovative combinations of housing and care service provision to enable people with disabilities to live independently for as long as possible. Greece is gradually integrating people with disabilities living in closed institutions into special independent and semi-independent living arrangements, while at the same time having the possibility to participate in training or daily occupational programmes. In Denmark special funds have been allocated to build housing for people with physical disabilities under 60. Nursing homes and special hospitals for the intellectually disabled have almost been phased out in Sweden and more than 6 000 people have moved to group residential housing or to homes of their own. In the UK, "care and repair" programmes help with funding of improvements to people's homes to help them stay longer in their local community rather than move into hospital or residential care. In Scotland, this is supported by a target of increasing the proportion of people with learning disabilities able to live at home or in a "homely" environment.

3.3.2 *Eliminating social exclusion among children*

There is a considerable body of international research which demonstrates that subsequent performance in education is strongly influenced by early developmental experiences and that well-targeted investment at an early stage is one of the most effective ways of countering educational disadvantage and literacy problems. Children from poor backgrounds and vulnerable groups are often particularly at risk of missing out in this regard.

In the context of their own system, there is an emphasis in several Member States (Finland, Germany, Ireland, Greece, Portugal, Sweden, Spain and the UK) on developing more universal high quality early childhood education and support systems with particular emphasis on issues of access, adequacy and affordability for children from disadvantaged backgrounds and vulnerable groups. Portugal envisages the eradication of child poverty by 2010 as one of its key targets in the NAP/incl. and will ensure that all socially excluded children and youths will be individually approached by the local social services within three months with a view to their re-integration in school. The UK also reconfirms its target of eradicating child poverty within twenty years.

There is also an emphasis in several Member States, for example Greece, Netherlands and the UK, on the early identification of children with particular learning, speech and development difficulties and the development of tailor made supports. The Netherlands' emphasis on better identification of disadvantage and the offer of intensive language and general development programmes at play-school and during the first two years of primary school for these children is part of a comprehensive approach to educational disadvantage. Greece's plans to develop a mechanism for the early detection of learning and speech difficulties is an interesting initiative.

THE 'SURE START' PROGRAMME (UK)

Sure Start is a cornerstone of the UK Government's drive to tackle child poverty and social exclusion. It aims to make a major difference to life for under-4s living in poverty. Its four objectives cover improving social and emotional development, improving health, improving children's ability to learn and strengthening families and communities.

Sure Start works towards its objectives by: setting up local programmes in neighbourhoods where a high proportion of children are living in poverty in order to improve services for families with children under four; spreading good practice learned from local programmes to everyone involved in providing services for young children; and by ensuring that each local programme works towards a set of national objectives and targets.

While local programmes vary according to local needs all include provision of outreach and home visiting, support for families and parents, good quality play, learning and childcare experiences; primary and community health care. Distinctive features of the programme include partnership working, working closely with parents and local communities and a preventative approach.

By March 2004, there will be at least 500 Sure Start local programmes in England reaching a third of children aged under 4 living in poverty and backed by Government funding rising to £499 million in 2003/4. There are similar commitments by the devolved administrations in Scotland and Northern Ireland.

3.3.3 Promoting action in favour of areas marked by exclusion

The majority of Member States tackle the territorial dimension of social exclusion in their NAPs/incl. Three main challenges emerge clearly:

- Italy and Germany, and to some extent also Spain and Finland, stress the importance of overcoming *regional inequalities* as a key issue. The Belgian NAP/incl refers to a significant increase in the variation of employment rates across regions and France raises the issue of its overseas territories.
- Portugal, Denmark, Sweden, Finland, the Netherlands, the UK and France take action to assist *deprived areas and neighbourhoods* and to stop economic and social segregation, especially in urban areas.
- Netherlands, Austria, Greece, Ireland, Portugal and Spain raise the issue of the growing comparative disadvantage of traditional *rural areas*.

Member States follow basically two policy approaches in their NAPs/incl when addressing these problems. A significant number of actions can be classified as fairness and compensatory policies. They aim at offering some form of compensation for the relative disadvantage experienced by the area. A second more pro-active set of measures aims at capitalising the strengths and opportunities in disadvantaged areas.

Examples of fairness and compensatory policies were identified in the NAPs/incl, such as:

- Special income support for low-income households in deprived and mountainous areas, in Greece and Portugal;
- Alignment of minimum income (RMI) and lone parent (API) levels in the DOM to those applicable in metropolitan France
- Debt rescheduling for farmers who have become involuntarily impoverished, in Austria.

Numerous interesting examples of pro-active policies can be provided:

- Integrated housing strategy aimed at stimulating demand for existing housing stock in regions with shrinking populations ('Pidot' Report) in Finland.
- The Urban Committee in Denmark formulates urban, housing and cultural strategies for exposed urban and housing areas with a concentration of social, traffic-related, cultural and employment problems;
- The 'Asterias Programme' in Greece promotes networking between local authorities in order to strengthen services to citizens; and the 'Hippocrates Programme' improves access to health care services on small islands;

- Special assistance is provided in Sweden (4 billion SEK from 1999 - 2003) to 24 housing districts hard hit by economic crisis and housing large proportion of immigrants, based on local development agreements with metropolitan authorities;
- A Special Fund was created in France for the economic revitalisation of 751 dilapidated urban neighbourhoods in combination with special youth employment measures;
- The Integrated 'Large Cities Policy 2000' (Grotestedenbleid) was conceived in Netherlands for deprived urban neighbourhoods (in 30 medium cities) on the basis of measurable objectives;
- The Programme 'Die soziale Stadt' in Germany aims at promoting an integrated policy approach in deprived urban neighbourhoods – supplementary resources and measures are targeted at disadvantaged people;
- The Local Development/Social Inclusion Programme in Ireland (with a budget of 280 million € for 2000 – 2003) is based on a partnership approach and is targeted at areas with high concentration of unemployed, young people at risk, lone parents, Travellers and asylum seekers;
- 50 "Urban social development contracts" will be developed in Portugal over the next two years with the aim of creating inclusive towns and managed in partnership with local and national, private and public actors;
- In the UK, a National Strategy Action Plan for Neighbourhood Renewal (with a budget of approx. £ 1 billion) will focus mainline programmes more specifically on most deprived areas; the ultimate goal is to eradicate spatial inequalities and disadvantages within 10 – 20 years.

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NATIONAL STRATEGY FOR NEIGHBOURHOOD RENEWAL (UK)

The UK government has launched a comprehensive, carefully researched strategy to narrow the gap between deprived areas and the rest of England, so that within 10-20 years no one should be seriously disadvantaged by where they live. The Strategy will attack the core problems of deprived areas stuck in a spiral of decline, such as high levels of worklessness and crime and improve health, education, housing and the physical environment. The Strategy is a comprehensive approach to tackling area-based deprivation, bringing together actors at local, regional and national level. The approach emphasises the establishment of local strategic partnerships involving the public, private, voluntary and community sectors and neighbourhood management. The programme will bend mainstream budgets to focus on the most deprived areas and there will be minimum floor targets to meet. The Neighbourhood Renewal Unit which is spearheading the strategy will make sure that the Government delivers on 105 commitments it has made. It will monitor its success and an independent evaluation of the Strategy will be commissioned. This will be supported by the development of the Neighbourhood Statistics Service. The Strategy is backed by significant resources - £900m Neighbourhood Renewal Fund targeted at the 88 most deprived areas, a £36m Community Empowerment Fund and £45m at Neighbourhood Management pilots.

3.4 Objective 4: To mobilise all relevant bodies

- (a) To promote, according to national practice, **the participation and self-expression of people suffering exclusion**, in particular in regard to their situation and the policies and measures affecting them.
- (b) **To mainstream the fight against exclusion** into overall policy, in particular:
- by mobilising the public authorities at **national, regional and local level**, according to their respective areas of competence;
 - by developing appropriate **coordination** procedures and structures;
 - by adapting administrative and social services to **the needs of people** suffering exclusion and ensuring that front-line staff are sensitive to these needs.
- (c) **To promote dialogue and partnership** between all relevant bodies, public and private, for example:
- by involving the **social partners, NGOs and social service providers**, according to their respective areas of competence, in the fight against the various forms of exclusion;
 - by encouraging the social responsibility and active engagement of **all citizens** in the fight against social exclusion;
 - by fostering the social responsibility of **business**.

The mobilisation of all relevant stakeholders according to their respective areas of competence is a key component of an integrated and participative strategy to combat social exclusion and poverty: Member States' administrations, local and regional authorities, the agencies in charge of combating social exclusion, the social partners, organisations providing social services, non-governmental organisations all have a responsibility for fighting exclusion. Although often overlooked, other relevant actors also have an important role to play: universities and research institutes, national statistical offices, the media and, above all, actual victims of exclusion.

Such mobilisation is essential on grounds of both legitimacy and efficiency. First, the multidimensional nature of social exclusion requires the development of policy approaches which cut across several institutional and policy domains. Secondly, it is a matter of administrative efficiency that policy measures should be designed and implemented by the relevant authority at the right level. This mobilisation is necessary at every stage of the policy cycle: from planning through implementation and delivery, to monitoring and evaluation.

3.4.1 *Promoting the participation and self-expression of people suffering exclusion*

The need for an integrated strategy to promote the participation of those experiencing poverty and social exclusion is widely recognised. Yet this objective is not clearly and systematically reflected in concrete policy measures in the NAPs/incl, despite evidence indicating that failure to involve excluded communities is a major weakness in policy delivery. At national level, the participation and self-expression of people suffering exclusion are ensured indirectly through networks of NGOs. At local level only some Member States and/or local authorities have put in place institutional mechanisms and appropriate arrangements which give room for self-expression of the most vulnerable.

Two sets of innovative approaches to participation deserve particular attention. At national level, in the Netherlands, an 'Alliance for Social Justice', composed of benefit claimants, churches and trade unions, has been established and holds twice-yearly talks on combating poverty and social exclusion with the government and administrators of municipalities and provinces. At local level, interesting initiatives such as the development of Local Strategic Partnerships in the UK or Local Development and Community Development Programmes together with the EU Peace and Reconciliation Programme in Ireland and Northern Ireland, as well as the Piani di Zona in Italy, have been taken to involve beneficiaries directly in the setting up, overseeing or evaluation of local initiatives.

It is clear from evaluations of such programmes that supporting the active involvement of people affected by poverty and social exclusion can make an important contribution to the promotion of social inclusion. Such involvement in voluntary activity has three particular benefits. First, it can contribute to the personal development and empowerment of the person involved through building self-confidence and self-esteem, facilitating the acquisition of new skills, overcoming social isolation and building new contacts and networks. Secondly, supporting and encouraging local projects such as community development projects, women's groups and community arts projects, which aim to involve and mobilise people experiencing poverty and disadvantage, helps to foster and build social capital which is an essential element in developing and sustaining healthy and vibrant communities. Thirdly, the active involvement of those who experience poverty and social exclusion brings their expertise, knowledge and resources into the development process and this leads to better targeted and more relevant policies and programmes to promote social inclusion.

3.4.2 Mainstreaming the fight against exclusion

Institutional settings differ to a large extent among Member States in relation to their political and social protection systems. While the local authorities are in charge of the delivery of policy measures, design and overall political responsibility often lie with regional and/or national authorities according to the policy area. Hence the need to mobilise public authorities and to develop appropriate coordination procedures at every level so as to ensure proper delivery of services and policy measures.

Mobilising authorities and developing appropriate coordination procedures at national level

In all Member States, the NAPs/incl were drawn up by the central government under the co-ordination of the Ministry for Social Affairs. The mobilisation of the different public authorities has taken place in the framework of existing consultation or coordination structures.

Belgium, France, the UK, Italy, Ireland and Luxembourg had already developed systems of interdepartmental coordination in the field of social exclusion through the setting up of a specific inter-ministerial committee bringing together the Ministers in charge of different policy areas. In these Member States, as well as in Finland and Netherlands, a specific coordination structure at working level had been set up, gathering representatives from administrative bodies, and in some cases also of NGOs, social partners and social service providers, in order to monitor the policy process in this field. Other Member States, such as Portugal, Austria, Greece and Spain, seized the opportunity of the first NAPs/incl to announce similar coordination and/or consultation structures. In Luxembourg the Parliament was consulted on a draft of the NAP/incl.

Beyond the setting up of adequate institutions, additional efforts are needed to mainstream the issue of poverty and social exclusion in other policy domains than merely social protection or social assistance. One innovative way of keeping this issue high on the political agenda has been developed in Ireland for a few years. It aims at setting up poverty proofing processes by which, particularly at the design stage, all areas of central government have to consider the impact of their policies on those in poverty. A similar mechanism has been used in the UK in Northern Ireland known as New Targeting Social Need. There are proposals to extend this to local level in Ireland and to develop a similar process in Portugal.

Mobilisation and coordination at local and regional level

Member States where social policy is traditionally decentralised and developed on a strong partnership basis (Denmark, Sweden, Netherlands, Finland), as well as States with federal (Germany, Austria, Belgium) or regionalised structures (Spain, Italy and the UK) made an effort to integrate the contributions of their regional or local entities. However, the plans do not contain sufficient evidence to assess the magnitude or the outcome of such efforts in terms of effective mobilisation. This is an important issue which will merit more detailed development in future NAPS.

At the local level, the diversity of actors requires efficient coordination. In particular, the need to better coordinate employment and social services is widely recognised in order to develop more active social policy linking income transfers and social guidance. Innovative approaches have been implemented in Germany, Italy and Finland with that purpose. More structured coordination can take the form of local coordination committees or local plans for inclusion and employment, as in Denmark and France. In Denmark, these committees gather representatives of the social partners, the organisations of disabled people and the local authorities to advise the latter on the social effort aimed at the labour market and to contribute to the support of the most vulnerable groups through employment, including efforts aimed at the corporate sector. Social and healthcare services at local level, such as the primary or community social action centres existing in Belgium and France, can also contribute to coordination at local level.

Coordination between the different levels of competence is essential to ensure that national strategy is properly delivered on the ground. Depending on their political systems, and in particular on the competences of the regional entities, Member States may rely on existing decentralised structures (as in Finland, Germany, Austria), on more ad hoc cooperation agreements (as in Belgium, Greece) or on the interaction of national, regional and local plans to combat social exclusion (as in Italy, the UK, Ireland, Denmark and France). An interesting development is expected in Spain where all the Autonomous Communities, as well as the biggest municipalities, will develop action plans to combat social exclusion by 2003 in line with the overall strategy developed in the national action plan. An example can be found in the Autonomous Community of Navarra.

REGIONAL ACTION PLANS TO COMBAT SOCIAL EXCLUSION–

(NAVARRA, SPAIN, 1998-2005)

The Autonomous Community of Navarra adopted a regional plan to combat social exclusion in 1998. This plan stems from a thorough analysis of the regional situation concerning social exclusion and coordinates the efforts of the different regional stakeholders: regional administration of the autonomous community of Navarra, the social department of the University of Navarra, social service providers, Navarra's network against poverty and social exclusion and the regional delegation of central government. The aim is to tackle the following issues by 2005: minimum resources system, training and employment, access to housing, education and health and improved delivery of social services.

Adapting administrative and social services

All Member States have recognised in their NAPs/incl the need to improve the delivery of policies. In particular, most plans recognise that developing more inclusive policies requires giving a central place to the needs and situation of the users, particularly the most vulnerable ones. A significant number of measures in the NAPs/incl aim therefore at improving outputs and impact of policies on people for whom they are intended. This applies to universal policies such as health, education and employment which are designed to work for all people, as well as more targeted policies which aim to tackle particular risks.

Most initiatives are in relation to social services where there is a need to link and deliver services in an integrated manner. There is a significant trend as well to devolve authority to regional and local levels so that services can be tuned and delivered closer to the citizen.

In assessing how Member States are moving forward in improving the delivery of services and policies, it is useful to consider a set of ten broad principles for good practice. Such principles are to be seen as a benchmark that is to be reached gradually, taking into account the different starting situations in the Member States. The indications obtained from the NAPs/incl are encouraging in so far as they suggest that initiatives taken by most Member States to improve delivery systems tend to follow similar directions and reflect many of these principles.

DELIVERING POLICY AS GOOD AS IT NEEDS TO BE:

10 KEY PRINCIPLES FOR INCLUSIVE SERVICES AND POLICIES

Subsidiarity: policies and services become more inclusive when designed and delivered as close to people as possible; while this principle is applied to improve mainline policies, it is even more vital when it comes to promoting a level playing field and reaching particularly vulnerable people;

Holistic Approach: policies should be developed and services delivered in an integrated way which responds to the totality of people's needs rather than according to organisational demarcation;

Transparency and Accountability: beneficiaries of policies, including users of services, should be guaranteed clarity and openness about how decisions are made as well as clear procedures to challenge or appeal decisions (e.g. ombudsperson, Charter of rights);

User-Friendly: services become more inclusive by making them open, accessible, flexible and responsive to users (e.g. one-stop shops);

Efficiency: inclusive services respond quickly and speedily to people's needs with the minimum of bureaucracy, with an emphasis on early intervention and a sense for cost-effective solutions;

Solidarity and Partnership: inclusive policies and services tend to be developed and promoted in ways which enhance solidarity and cohesion within society and promote partnership and co-responsibility between all actors;

Human Dignity and Rights: inclusive policies and services recognise and promote the human dignity and fundamental rights of all through promoting equality and opposing discrimination;

Participation: inclusive policies and services tend to be designed, delivered and monitored with the participation of those affected by poverty and social exclusion;

Empowerment and personal development: inclusive policies and services aim to reduce dependence and support the empowerment, autonomy and self reliance of people; they foster opportunities for progression and personal growth and development;

Continuous improvement and sustainability: policies and services can always be made more inclusive and the effect on inclusion can always be made more sustainable, hence a growing trend in MS towards regular monitoring of 'outcomes' of policies and services as well as consultation with and feedback from users.

3.4.3 *Promoting dialogue and partnership*

Involving stakeholders

Formal consultation of the social partners and representatives of NGOs active in combating poverty and social exclusion has taken place in most countries. However, it is difficult to assess just on the basis of the information provided to what extent their contributions have been adequately reflected in the NAPs/incl.

Social partners have been consulted about or associated with the preparation of the NAPs/incl in the majority of the Member States. However, in the majority of cases, their intervention seems to have been limited. This consultation was undertaken through already existing nation-wide consultation settings (Luxembourg, Finland, Spain, Denmark) or through more specific committees set up under existing strategies to combat social exclusion (Ireland). In some countries (Spain, Portugal) the preparation of the NAPs/incl has been seized as an opportunity to establish or to consolidate institutional consultation in this area integrating the social partners.

Member States generally recognise the valuable experience and knowledge of non-governmental organisations, encompassing voluntary and other associations, both as advocates for socially excluded people and as major social service providers in several countries. Most NAPs/incl identify the need to involve the non-governmental sector in the NAPs/incl process, by developing and/or strengthening effective and comprehensive consultation and stakeholder mechanisms. Some Member States (Belgium, France, Finland, the Netherlands, Ireland, Italy, Luxembourg) have made more progress in this respect. While information and formal consultation of the non-governmental sector was ensured by all Member States, inter alia through the bilateral seminars held with the European Commission, few NAPs/incl describe to what extent contributions made by the non-governmental sector have been taken on board. Most Member States mention the relatively short time to prepare the first NAPs/incl, which has constrained the process of involving the sector.

New commitments have been taken, most notably in Spain, Finland, the Netherlands and Sweden, to gather and report on good practices or innovative local projects led by NGOs, with a view to further dissemination nation-wide. Belgium, Finland, France, the Netherlands, Luxembourg, Portugal and Spain also mention the need to further develop collaboration with national observatories, universities and research institutes active on the issue of poverty and social exclusion.

Encouraging social responsibility of all citizens

The NAPs/incl focus on two types of actions in order to encourage social responsibility and active engagement of all citizens. First, some Member States commit themselves to launching nation-wide awareness-raising campaigns in the media (e.g. Spain, France). Secondly, there is a clear recognition that voluntary or other socially useful activity should be promoted (Netherlands, Ireland, Denmark, Germany, Spain). Voluntary activities are not only essential to the work of NGOs but they can also be considered as effective pathways to sheltered or regular-types of employment, as in Denmark and the Netherlands.

Fostering the social responsibility of business

Although there is no unique definition of corporate social responsibility, Member States, in particular Denmark, the Netherlands, Ireland and Portugal, acknowledge the need to support schemes whereby companies integrate social concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. In that respect, corporate social responsibility should be considered as a way of managing change and of reconciling social development with improved competitiveness. This could be achieved for instance through the setting-up of a national network of businesses and the increasing use of a social clause in public procurements. The most comprehensive achievement is to be found in Denmark.

CORPORATE SOCIAL RESPONSIBILITY (DENMARK)

In order to boost social commitment in the corporate sector, a national network of 15 business executives from companies representing more than 85.000 employees as well as five regional networks of Business Executives have been established with support from the Danish Ministry of Social Affairs. Further, the Copenhagen Centre was established by government to accelerate international exchange of experience concerning social responsibility of the corporate sector. In addition, a *Social Index* was introduced by the Ministry of Social Affairs in 2000 to allow companies to benchmark themselves against other companies. The social index is calculated using a grid scoring the company on a number of parameters such as health policy, family policy and policies for recruiting minority groups. The Index follows the development of Socio-Ethical accounts that may be used by companies that want to display key figures regarding their social responsibility.

4. PROMOTING EQUALITY BETWEEN WOMEN AND MEN

The Nice European Council underlines **the importance of mainstreaming equality between men and women in all actions aimed at achieving the commonly agreed objectives**. The NAPs/incl give most Member States a unique opportunity to combine, in an integrated approach, the fight against poverty and social exclusion and the promotion of equality between men and women. Unfortunately, whilst all Member States mention some gender issues, very few mainstream equality between men and women consistently across their Plans - from the identification of the challenges, through the overall strategy, to the designing and monitoring of detailed measures. Nonetheless several Member States indicate that they will enhance gender mainstreaming during the next 2 years.

4.1 Gender sensitivity in the major challenges

Gender analysis across all the fields involved in combating poverty and exclusion is a fundamental first step. It not only covers the identification of significant gender gaps in data and statistics and of gender specific patterns in the risks of social exclusion but also includes a gender impact analysis of the possible effects of existing and planned policies. Although the NAPs/incl include some very relevant examples, a comprehensive analysis is absent in all cases. Several Member States cite the lack of data as a reason for this and plan to improve their data during the next 2 years.

Gender analysis is strongest under objective 1.1 (cf. chapter 1.1). This reflects the work done within the Employment NAPs: women's long term unemployment rates, low pay and atypical employment leading to weaker social protection rights (lower pensions or even no pension due to not satisfying minimum requirements). Many Member States go further than the labour market in answer to the common objectives but are still far from covering the full range.

There is a consensus amongst Member States on the factors connected with increased vulnerability to poverty amongst women. The most commonly mentioned are:

- in first place, single parents: where women form the major part, a high proportion of whom are dependent of social benefits
- second, pensioner status on a slim or non-existent employment record: women represent two thirds of the pensioners over 75 years of age and are particularly at risk of poverty.
- third, domestic violence cited by ten Member States.

Other factors of vulnerability among women mentioned by fewer Member States are disabilities, long term sickness, depression, illiteracy, prostitution and trafficking.

For men, vulnerabilities are a lot less explicitly expressed:

- most Member States mention homelessness but few report that men comprise the majority
- the same applies to (ex-)offenders;
- early school leaver figures are rarely categorised by gender either;
- men are also often disadvantaged in the few existing data on health (life expectancy, coronary diseases, suicide, smoking, alcohol/drug abuse).

4.2 Gender mainstreaming in the overall strategy

Gender mainstreaming in the overall strategy can be supported by legal measures, political commitments and appropriate structures involved in the designing of the strategy. Few Member States (Denmark, Finland, Sweden, Ireland and Northern Ireland in the UK) explicitly refer to statutory commitments for their public authorities to promote equality between men and women across the fields. Denmark, Finland and Sweden underlined that their social policy systems are based on individualised rights which enhance gender equality. Greece, France, Luxembourg, Portugal, and Spain commit themselves to mainstream gender in their strategy during the next two years. In the other NAPs/incl the gender conscious strategy is patchy and/or weak. The involvement of Equality structures/committees in the designing of the NAPs/incl merely exists, with explicit mention only in a few NAPs/incl.

The general trend of developing anti-poverty measures tailored to individual needs should contribute to improve gender awareness. However, some gender imbalances require a more in-depth review of the gender assumptions underlying social systems. A striking example is the dilemma of insufficient pension for single elderly women with low or no employment record. Eurostat figures show that the gap in low income rates between elderly men and elderly women are significantly

smaller in Member States where social policy systems are based on individual rights. The NAPs/incl could have been an opportunity to initiate an in-depth review in this area.

4.3 How gender issues are dealt with in the different objectives

Only when the problems have been properly identified, is it possible to make sure that the measures do not create gender discrimination and to decide if positive action is required, e.g., specific targets. Considering the lack of comprehensive gender analysis, the treatment of gender issues in the various objectives often appears patchy.

Objective 1.1 presents by far the most thought-through gender mainstreaming, reflecting the ongoing processes of the Employment NAPs. Women's disadvantages are treated in accessing the labour market but often without clearly focusing on low income groups. There are imbalances in reconciling work and family responsibilities where measures are aimed at mothers with few at fathers. Furthermore the emphasis is more on increasing the number of childcare places but few Member States address the affordability of childcare for parents of low income groups (cf. Chapter 3.1).

Some Member States address labour market gender gaps with multidimensional programmes, such as the Spanish Action Plan for Equality between men and women, the British New Deals for lone parents and for partners and the Irish Family Services Project for families with complex needs.

Lone parents' specific needs are to a certain extent mainstreamed by most Member States in the objectives 1.1 and 1.2 when presenting their measures on access to employment, training, education, social benefits, housing and services. The approaches could be seen as precursors of lone parent impact assessments of policies. Only four Member States have also mentioned them among the most vulnerable under objective 3 (Belgium, Denmark, the United Kingdom, Ireland).

Objective 1.2: the main field investigated is social protection, with special attention to old age pensions and social assistance schemes (cf. chapter 3.1.2-a). Although most Member States indicate a high risk of poverty among elderly women with low, atypical or no employment records, only a few of them refer to a review of their pension systems. Gender is partially addressed in the ongoing reform of the Irish pension and social insurance systems. Germany gives the possibility to accumulate pension rights to people with a broken employment record because of caring responsibilities and Luxembourg, Austria and Sweden will give pension rights for the years spent with children. The UK's pension reform and in particular the Second State pension should improve the situation for women who have suffered in the past from broken work records. In measures on access to housing, the approach is almost not engendered. Apart from homelessness (see below), France and Spain report new solutions in social and emergency housing for victims of domestic violence and Greece for single mothers (cf. Chapter 3.1.2-b).

The scarcity of the gender analysis has meant that gender is hardly considered in access to healthcare. Concerning men: France intends to improve mental care for homeless people. Concerning women: Belgium, plans to create an ambulant mental health care system to help reducing the high rate of depressions; the UK intends to reduce teenage pregnancy and Spain is developing an information health programme for prostitutes.

Concerning education, gender issues are barely visible. Early school leavers and truancy which affect more boys than girls are treated by several Member States without mentioning their gender

aspects (cf. chapter 3.1.2-d). Concerning adult education, Austria announces an action plan 2003 to promote access to school and adult education among women facing high risk of poverty and Spain present the "ALBA" plan to combat illiteracy among women.

As services are often part of multi-dimensional measures under objective 2 or 3, there is not much on gender in access to services under 1.2.

Objective 2: the recent Eurobarometer survey shows sharp gender gaps to the disadvantage of women in most Member States in ICT training and access to Internet but only three Member States indicate positive measures to reduce the gaps (Austria, Germany and Portugal; cf. chapter 3.2.1). Other initiatives under objective 2 relate to the prevention of family breakdown in Ireland, Belgium and Austria. The UK National strategy for carers is also reported under objective 2.

Objective 3: Surprisingly two wide ranging initiatives for women are presented as support for the most vulnerable, the Irish NDP³⁵ Equality for Women Measure and the fourth Spanish Action Plan for Equality between men and women.

Homelessness, where men form the major part, is dealt with under various objectives: objective 1.2 for emergency housing measures or health (France, the United Kingdom); objective 2 for prevention in Denmark, Greece and an integrated strategy in Ireland (cf. chapter 3.2.2); and objective 3 as most vulnerable group for Denmark, Germany and the UK.

Austria, Germany, Finland, France, Ireland, Italy and Spain report initiatives to reduce domestic violence and support the victims in objective 3 but also in objectives 1.2 or 2. Italy has adopted a law against domestic violence. It also develops initiatives to support victims of trafficking. Austria has installed legal protection against domestic violence and Germany is also discussing legal protection provisions, on top of the existing network of women's shelters. In Ireland, a national steering committee co-ordinates several initiatives of support and prevention. The Spanish National Action Plan against Domestic Violence (2001-2004) addresses in a balanced way support to victims, measures for perpetrators and training of law enforcement staff.

"OLTRE LA STRADA" (EMILIA ROMAGNA, ITALY)

To combat and prevent trafficking in women and children requires a comprehensive and multidisciplinary approach involving all the relevant actors both in the countries of origin and destination. Recently Italy has adapted its law on immigration to grant temporary residence permits to victims of trafficking as a first step in their social rehabilitation. The regional project "Oltre la strada" in Emilia Romagna involves local authorities, NGOs and social workers in local networks and develops co-operation with the victims' countries of origin. Activities include a help line, legal advice and protection, shelters, rehabilitation programmes, vocational training and work in a female-run enterprise. It also assists in preventing trafficking by disseminating information on the subject and training social workers and other relevant actors in both Italy and countries of origin.

Objective 4: gender balanced representation is completely ignored in all Member States. Denmark indicates measures by the National Association of Local Authorities to mainstream gender.

³⁵ National Development Plan.

4.4 Gender in the monitoring process, impact assessments and indicators

Just as changes to policy and new measures are preceded by gender diagnosis, they should be followed by gender impact assessment, backed up by appropriate indicators broken down by sex. Gender impact assessment is explicitly planned for in Ireland on a pilot basis for employment, training and education programmes. Monitoring committees at national level are mentioned by Denmark and Ireland. In the other Member States, explicit monitoring is limited to specific measures.

The indicators broken down by sex are mainly those of the Employment NAPs. Other data are patchy, with a little in social protection, education, health and participation in voluntary organisations. Several Member States indicate their intention to improve gender breakdown during the NAP period.

5. Use of Indicators in the NAPs/incl

In order to monitor the policies set out in the NAPs/incl, Member States were invited to develop, at national level, indicators and other monitoring mechanisms capable of measuring progress in regard to each of the objectives defined therein.

In the present context, it is useful to distinguish between performance and policy indicators. Performance indicators measure the characteristics of the phenomena, reflecting the outcome of policies and the progress achieved in tackling key social problems effectively (for example, poverty rate, number of school dropouts); policy indicators refer to the policy effort (for example, expenditure on social assistance; number of homeless assisted). To these one must add context indicators, which are used to place policies in the more general economic and social context (for example, the share of social protection expenditure in GDP). While it is more relevant to consider changes through time rather than levels, as the primary goal is to monitor progress over time, initial levels should also be taken into account, in view of the significant differences in the starting positions of Member States.

Most Member States used **performance indicators** for explaining the initial situation and identifying the main challenges. However, not all Member States have placed the necessary emphasis on such a task: Some Member States have included a relevant analytical section (Belgium, France, Italy, Greece, Spain) while others have simply referred back to existing material, for example from national observatories (Germany). Some member States have in addition calculated the different indicators which they intend to use (Belgium, Italy, Finland and the UK).

Some Member States have set specific **targets** on the basis of the analysis. Two categories of targets can be distinguished:

- Some Member States focused on a single overall target: reducing poverty levels (Ireland), halving the number of welfare recipients (Sweden), increasing the number of people in employment (Denmark). The Danish target of increasing employment by 100.000 people by 2010 has to be seen in the context of a country which has the highest employment rate in the EU, already above the European target of 70%. In this context, getting these extra people into work implies tackling the problems of the people furthest away from the labour market.

- Other Member States set themselves a series of specific targets, whether "administrative" (Netherlands) or on specific outcomes (UK) or a mixture of the two (Portugal). In the latter case, the NAP/incl pledges that, within a year, all socially excluded people should have been personally assisted by social services and proposed a social insertion contract. In terms of target-setting, the approach of Portugal seems to be the most ambitious with both general and specific targets.

Most other member States, while not setting specific targets, have identified implicitly throughout the analysis the indicators that will be used for monitoring. Only Austria and Germany (apart from the reference to the recent Government report on poverty and wealth) do not specifically mention indicators.

In the absence of commonly defined and agreed indicators at EU level, Member States tend to use **different definitions** for measuring and characterising current levels of poverty and social exclusion. While most Member States refer to the key indicator of the risk of poverty rate, some countries refer also to national indicators of absolute poverty (Italy, Portugal, UK) – although the meaning of 'absolute poverty' varies³⁶. The risk of poverty line is calculated at different thresholds (50% or 60% of median income), and in the cases of Ireland and Austria, it is adjusted on the basis of supplementary information. Greece and Italy define relative poverty on the basis of income and consumption, and justify the use of consumption by the high proportion of self employed, as well as the importance of house ownership, also among poor households.

The risk of poverty rate is not recognised as a key indicator by some Member States (Sweden, Denmark, Netherlands), which stress the importance of other factors for social inclusion, such as health, education and social participation, or prefer to take indicators based on administrative sources. The Netherlands develop a financial poverty index which takes into account the share of households receiving minimum income with the trend in the real disposable income of the recipients.

While there is no ambition to arrive at commonly agreed definitions of **policy indicators** for the Union as a whole, there is clearly a need to include in the NAPs/incl appropriate indicators and monitoring mechanisms in order to monitor progress over time, as required by the Nice objectives. Some Member States make a wide use of policy indicators in their NAPs/incl (Spain, France, Portugal, Denmark). Ideally, present levels of policy indicators should be given in the NAPs/incl in order to make them effective policy monitoring tools, but only Denmark has consistently adopted this more ambitious approach. Some Member States (Italy, UK), have explicitly decided not to consider policy indicators and to focus exclusively on performance indicators.

A number of **specific approaches** are interesting to note. The UK NAP/incl separates indicators that focus on current aspects of poverty and social exclusion (such as the low income rate) from indicators that capture factors that increase the risk of experiencing poverty and social exclusion (such as truancy at school or teenage pregnancies). The Italian NAP/incl identifies specific indicators for vulnerable groups (for example, disabled living in dwellings with architectural barriers, older people living alone and with no living relative). It is also interesting to note that some

³⁶ It refers to the affordability of a basket of goods in Italy, and to the relative poverty line fixed at a moment in time for the UK. No clear definition is given of absolute or child poverty by Portugal in its NAP/incl.

countries specifically use subjective indicators, advocating that the perceptions of the individuals involved can be just as important as their objective situation (Italy, Belgium).

The importance that some Member States give to the **territorial dimension** should not be underestimated. For some countries, (Spain, Italy, Belgium, Germany) the regional differences are striking and it is important that all information is available with a regional breakdown. Other countries stress the territorial dimension, but more in the sense of deprived city areas, and propose indicators to monitor specifically these areas (UK, Netherlands, France).

Indications for future developments at EU level

It is clear from the above that we are still a long way from a common approach to social indicators allowing policy outcomes to be monitored and facilitating the identification of good practice. Efforts are needed to improve this situation, both at the national level and at the level of the EU.

At national level, it is clear that there are big gaps in data availability in many countries. This is true in particular for the identification of vulnerable groups, where a number of NAPs/incl lack basic quantitative information or policy monitoring data concerning groups which cannot be identified through surveys, such as alcohol abusers, drug addicts, homeless people, ethnic minorities, etc.. There is a need to develop the national statistical base to be able to monitor the social inclusion strategy effectively. A greater effort seems justified in order to tap administrative sources more effectively. On many issues of interest for social inclusion, such as housing, health, justice, most disadvantaged groups, etc., administrative sources can provide useful information in addition to household surveys. Some Member States intend to use the NAPs/incl to launch an effort to improve their national statistical capability (Greece, Belgium).

At European level, the priority lies not only in improving the current European databases, but also in ensuring their acceptance by all Member States, which is not yet the case at present. Most of the statistical information underpinning social indicators at European level is provided by two household surveys coordinated by Eurostat – the Labour Force Survey (LFS) and the European Community Household Panel (ECHP). A new instrument is presently being developed to replace the ECHP after 2004 - the Statistics on Income and Living Conditions (EU-SILC). This is expected to become the reference source for analysis in the field of income and social exclusion, as well as for monitoring progress reached through the implementation of the inclusion strategies. It is therefore necessary that the instrument is accepted by all national statistical services and is treated as a national source, delivering timely data of good quality.

It must however also be recognised that European level indicators should not be limited to income and employment, but should also cover other key areas for social inclusion, such as health, housing, education, social participation and the situation of specific vulnerable groups. In the field of health, a comprehensive health information system will be established as part of the Community's action programme in the field of public health (cf. COM (2000) 285 final of 16.5.2000) which will cover the collection analysis and dissemination of data on health status, health systems and health determinants. As for health, the development of good quality national sources based on administrative data could be a first step towards a more comprehensive coverage, but in most areas it is insufficient as comparability will tend to be poor.

An expert group on indicators was created by the Social Protection Committee in January 2001 with the task of improving indicators in the field of poverty and social exclusion, including indicators to

be used to assess trends and to monitor policy developments in the framework of the NAPs/incl, and developing indicators capable of illustrating the role of social protection and supporting the process of modernising systems. A report from the group, defining a list of commonly agreed indicators in the field of poverty and social exclusion, was in the meantime adopted by the Social Protection Committee, in view of its submission to the European Council of Laeken. In future joint reports, this work should be taken into account as a basis for analysis.

While at the present stage it looks appropriate to use the existing national data in those fields (e.g. housing) where a commonly agreed battery of indicators is still lacking, the experience drawn from the current NAPs/incl, where only a minority of Member States provided detailed and relevant indicators, suggests that this approach is not sufficient if the aim is to make real progress in comparability.

For this reason, the development of commonly agreed indicators should remain the priority. Some of the indicators used by the Member States in their NAPs/incl should be taken into consideration in further work by the expert group on indicators. In the Statistical Annex, a selection of the indicators used in the NAPs/incl which could be developed at European level indicators is presented.

PART II — THE MEMBER STATES

BELGIUM

Conclusions

Situation and key trends Since 1997 the Belgian economy has continued to experience a favourable evolution. However, long-term unemployment and the share of the population living in jobless households remain important. In 1997 15% of the population are at risk of poverty (income below 60% of the median income), the EU average being 18%. The difference between this rate and the rate before transfers (28%) illustrates the well-developed social protection system in Belgium. Children from low-income households are disadvantaged with regard to education, and under-represented in further training and education. The healthcare insurance system covers 99 % of the population and is being strengthened in respect of exceptional health risks. The offer of social housing does not match the demand and rents have increased significantly over the last 15 years.

Strategic approach The Belgian NAP gives an extensive overview of all social policy initiatives taken by the different Belgian authorities in the framework of the 'active welfare state' approach, but could better articulate key priorities. The NAPincl focuses only on recent policy measures without referring to the existing comprehensive social policy system. It provides a wide-ranging overview of these measures, without however making a systematic assessment of their impact on social inclusion. Integration in the labour market is considered a key element, in combination with improved social protection schemes. Improvements in other major policy fields (housing, education and healthcare) should help prevent social exclusion. The synergy between policies of the various regional and community governments could be reinforced and local authorities could be further involved in the development of the NAP. The involvement of the stakeholders was limited, but the NAP ensures increased implication in the implementation, the follow-up and the assessment of actions.

Policy measures The first two of the Nice-objectives are equipped with a large number of measures, some of which contain quantified targets and time horizons. A number of these measures are innovative, such as the refundable tax credit, a programme with regard to the minimum income guarantee system and the introduction of a maximum health bill. Under Objective 3 the NAPincl focuses on vulnerable groups such as the disabled, migrants and single parents. The involvement of stakeholders will be further reinforced, inter alia through the Resource Centre for the fight against poverty.

Challenges ahead The impact of general policy measures on the situation of the most vulnerable groups will need close examination and follow-up. The further development of an active welfare state as part of a coherent approach tackling social exclusion from different angles (income, education and training, labour market participation, housing) is identified as an important challenge. Given the complex federal structure of Belgium, continued co-ordination between all levels remains essential. The Belgian NAP contains a strong section on indicators and aims at facilitating comparability by using community sources. The further development of such indicators, including a breakdown by gender, in order monitor and assess the impact of policy measures is identified as a key challenge. The implication of stakeholders should be enhanced.

1. MAJOR TRENDS AND CHALLENGES

Since 1997 the Belgian **economy** has continued to experience a favourable evolution. The **employment** growth rate was 1.8% in 2000 and the employment rate increased from 56.3% in 1996 to 60.5% in 2000. The employment rate of women (51.5% in 2000) grew by 6 percentage points since 1996. Unemployment decreased substantially in the last few years (from 9.7% in 1996 to 7% in 2000) but the share of long-term unemployment is still important. According to national data, the percentage of the population living in jobless households remains high (14%) and 2% of the working population can be considered as 'working poor', with the household composition being the main influencing factor.

Belgium spent 27.5% of GDP on social welfare in 1998, which is broadly in line with the EU average. Although Belgium has a well-developed **social protection system**, 15% of the population were at risk of poverty in 1997 (on an income below the threshold of 60% of the median income). Half of this group is confronted with persistent risk of poverty. Especially social welfare recipients and the unemployed run a high risk to get in this situation. Since the mid-80s, social benefits have lagged behind wage development.

However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such as access to employment, housing, healthcare and the degree of satisfaction of basic needs.

Education and **training** are key factors for the integration in the labour market. Children from low-income households are disadvantaged with regard to education, and are under-represented in further training and education programs. The **healthcare** insurance system covers 99% of the population, although specific groups requiring a great deal of care suffer particular hardship. The supply of social **housing** is small compared to other West-European countries and does not match demand. Rents have increased by 46% above inflation over the last 15 years, and especially rents in the lower segment of the market.

The NAPincl identifies the **future challenges** in broad terms, but three aspects are underlined by the Belgian authorities. First, the '**active welfare state**' approach is used as a multidimensional strategy to tackle social exclusion. Employment is considered as a crucial factor for social inclusion, with particular attention for groups at risk. The impact of the new activation policies on the integration of disadvantaged groups becomes visible: since a peak in 1998, the number of minimum income recipients is decreasing. Second, given the complex federal structure of Belgium, better **co-ordination of social inclusion policy** between the federal, regional and community governments is to be achieved. The Belgian authorities tackled this challenge by a co-operation agreement concluded in 1998 and which contributed to keep poverty permanently on the policy agenda. Third, the Belgian authorities have put considerable effort in the elaboration and calculation of **indicators** that are comparable at EU level. The further development of such indicators should allow for a close monitoring and assessment of the impact of policy measures on social inclusion. It is the government's intention to contribute to the European commitment towards developing a set of common indicators which will support the development of future NAPs incl.

2. STRATEGIC APPROACH AND KEY OBJECTIVES

The present NAPincl provides a wide-ranging overview of social policy measures that have been taken in recent years, but does not systematically assess their specific impact on social inclusion. The strategic approach in the NAP embraces the 4 objectives and covers the major policy fields.

Labour market integration should be facilitated by a preventive approach focused on activation, mainly through investments in education, training and guidance and by tackling the unemployment traps. For those remaining dependent on benefits, adjustments in social protection schemes and both general and selective increases in benefit levels are foreseen. Access to **education** will be improved by reducing education-related costs and increased funding for priority schools/areas.

The strategic approach also aims to improve the social **housing** sector and to facilitate the access to the private renting sector. In the field of **healthcare**, policies will be strengthened to cover exceptional health risks and to reinforce preventive and first line healthcare.

2.1. The long-term strategic perspective

The approach covers most of the major challenges although relying much on general measures. The targeting towards the most vulnerable groups remains underrated. The NAPincl is precise on additional budgets allocated to policy measures, but quantified targets and time horizons with regard to poverty and social inclusion are set only for a limited number of policy measures in the field of integration in the labour market.

2.2. The innovative content of the NAPincl

This first NAP on social inclusion is focused on recent policy measures without referring to the existing comprehensive social policy system. Most of the measures described are of a recent date and constitute new policy lines in the framework of the 'active welfare state'. A number of initiatives with respect to income and social protection, integration in the labour market and healthcare, are innovative. For education and housing, the innovative element is more limited.

2.3. Co-ordinated and integrated approach

The income and social protection policy is integrated with the vocational training and employment policy. Within the field of employment, the question of the integration of instruments and the collaboration between the different authorities is not addressed in the NAP. For education and housing, the strategies and measures of the different competent authorities put different emphases. In the field of healthcare, the central role of the Federal authorities in the health insurance system aims at a more co-ordinated and integrated approach. But overall, the NAP lacks a coherent approach, due to the difficulty of matching the different federated entities contributions.

Given the singularities of the Belgian federal structure, the elaboration of a strategic approach on social inclusion necessitates a close co-ordination between the federal, regional and community governments. The NAP has been elaborated in a broad forum: the working group on social affairs of the Belgian Intergovernmental Conference (which brings together the ministers of the Federal government and ministers of the federalised governments in the follow up of the Lisbon process). The involvement of the stakeholders, including the Resource Centre for the fight against poverty, precariousness and social exclusion, was limited due to time constraints, but the NAPincl states that

they will be prominently involved in the implementation, the follow-up and the assessment of the actions.

2.4. Compatibility of strategic approaches in relation to the National Action Plan/empl

The section on employment policy in the NAP inclusion is consistent with the NAP employment. The emphasis on active labour market policies, with particular attention to the integration of young people, long term unemployed, low-skilled workers and socially excluded groups and the measures to tackle the unemployment traps are found in both NAPs.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment and access to resources, rights, goods and services for all

A whole range of actions is listed to improve access by all to the labour market through activation, the promotion of social economy, lifelong learning schemes, pathways to integration for young people, ICT programmes. Other initiatives aim at improving access to reasonable income, to decent housing, to health facilities and to education. The NAP determines that families with very low income cannot fully benefit of the tax deduction for dependent children because their tax bill is too low. This shortcoming in the tax system concerns more than 10% of all families. Therefore, a refundable tax credit for dependent children will be introduced as from the fiscal year 2001, as an instrument to improve the income situation and to tackle the unemployment trap. Despite the recent positive employment development, Over the past ten years the number of people depending on social assistance has increased significantly, due to exclusion from the labour market as well as the erosion of mainstream social security benefits. The Spring Programme aims at tackling these structural causes by activation measures and increasing minimum benefit levels. The programme is not yet fully implemented. It sets ambitious quantitative targets and a time horizon: the overall number of minimum income recipients should be reduced by one third in five years time, the number of activated beneficiaries should be raised from 5% to 20%. There is no comprehensive strategy on ICT, but some good initiatives on ICT training are included.

3.2. To prevent the risks of exclusion

Prevention is an important aspect of the Belgian policy against poverty and social exclusion. The Belgian healthcare can be used as an example. The health insurance system covers fixed amounts for medical services, the balance being born by the patient. Although certain social categories are eligible for reduced personal contributions, households with low income and/or facing serious health problems need a better coverage. Previous measures already foresaw in reimbursements above certain levels of expenditure for some categories. The maximum health bill extends and simplifies these measures, allowing immediate reimbursement of expenses above given ceilings by the national health insurance fund. These ceilings are related to the household's income tax declaration. This measure prevents the risks of exclusion due to severe health problems (objective 2) and improves the accessibility of healthcare (objective 1).

3.3. To help the most vulnerable

The Belgian NAPincl focuses on vulnerable groups such as the long-term unemployed people with disabilities, migrants, , excluded groups in the health sector, single parents. A territorial approach is implemented through plans to promote a co-ordinated and integrated action against social exclusion in selected municipalities (with a partnership between public and private stakeholders).

3.4. To mobilise all relevant bodies

The structural involvement of the stakeholders will be assured through several bodies including the Resource Centre for the fight against poverty, precariousness and social exclusion. This centre was created in 1999, in order to ensure a permanent dialogue with all stakeholders as well as ongoing evaluation of anti-poverty policy on all levels. It has a solid legal structure and includes in its steering group representatives of the associations of the poor, the social partners, the (local) public agencies and the health insurance organisations. The involvement of this platform in developing the NAP has been limited.

4. GENDER MAINSTREAMING

The gender dimension in the NAPincl is taken on board but with limited visibility. The indicators are often lacking a gender perspective, and most of the gender related strategies concern the overall population and do not as such address the issues of poverty and social exclusion. The main gender related elements raised in the NAPincl concern the provision of childcare facilities to facilitate women's participation into employment. Useful initiatives in the field of employment, training and support services are presented to improve the situation of single parents.

The government expresses its concern about the under-representation of women in ICT. In order to establish a clear link between women and new technologies, an action plan for equal access for women to new technologies was developed within the framework of the Inter-ministerial Conference on Equality. In the field of health, the NAP installs new measures to tackle gender specific health problems that have been identified.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

Each of the Belgian ESF Objective 1 and 3 programmes (a total financial allocation of €929 million) contains specific priorities or measures on social inclusion. The proposed ESF actions target all categories of people at risk of being deprived, and the multidimensional aspects of social exclusion are being addressed by an integrated approach. On the basis of the programmes approved in 2000, it can be stated that the different Belgian governments intend to spend €378.5 million on social inclusion (40% of the total envelope).

The EQUAL programme, with an allocation of €74.1 million, will also concentrate on the integration of those who are excluded from the labour market. Despite the importance of the ESF and EQUAL, the NAPincl does not refer to their possible impact on the policy to promote social inclusion in Belgium.

DENMARK

Conclusions

Situation and key trends The Danish social policy system is based on the principle of universality: all residents are guaranteed certain fundamental rights if they should encounter social problems. The effectiveness and comprehensive nature of the system is confirmed by the fact that Denmark has the lowest risk of poverty rate in the EU in 1997.

The positive trends in the Danish economy, with the highest employment rate in the EU and low unemployment, form a good basis for reinforcing policies for building a more inclusive and cohesive society. According to the harmonised ECHP data, 8% of the Danish population lived on an income of less than 60% of the median national income and the rate of persons living at risk of poverty continuously for the 3 years 1995-1997 was 3%.

Strategic approach The Danish approach to social inclusion focuses on developing the inclusive labour market, allowing more people to gain or retain a stable affiliation with the labour market. This is seen as the best way to integration and also the best defence against poverty and exclusion. Other objectives are to ensure the individual person financial support for a reasonably decent life and to improve living conditions for the most vulnerable groups, those unable to participate in the labour market. The strategy is furthermore based on a willingness to involve all relevant stakeholders in the development of social policy.

Policy measures Denmark is responding to all four objectives but with a strong focus on the social dimension of the activation approach. The range of related measures is comprehensive. There is free access for all to education and to healthcare, and there are also care provisions for children and the elderly. Prevention has also for many years been an important feature of the policy against poverty and social exclusion, of which eInclusion is now a part. For the most vulnerable groups the focus is on initiatives such as the promotion of legal protection and individual action plans. Within the culture of "partnership" the Social council, local co-ordination committees and networks on corporate social responsibility have been established. A new Equal Opportunities Act was adopted in 2000, establishing statutory gender mainstreaming.

Challenges ahead The major challenge ahead is making a success of the inclusive labour market. This has to be seen in the context of an ageing workforce and the overall long-term target to increase employment by 100 000 persons. Another challenge is to ensure the social, linguistic, cultural and occupational integration of refugees and immigrants. People with multiple social/health problems, who make up a large proportion of those people ending up homeless, is also an issue of concern.

1. MAJOR CHALLENGES AND TRENDS

The **employment** rate in 2000, at 76.3 %, continues to be the highest in the EU. Moreover the **unemployment** rate is low at 4.7% and long-term unemployment is now just 1%. The rate of GDP growth was 2.9% in 2000.

According to the ESSPROS data from EUROSTAT, Denmark spends 30% of GDP on **social protection** compared to the EU15 average of 27.7% (1998 data). Measured as expenditure per capita in Purchasing Power Standards (PPS), the Danish expenditure on social protection is at 7098 PPS considerably above the EU15 average of 5532 PPS.

The effectiveness and comprehensive nature of the Danish social policy model is confirmed by the fact that Denmark has the lowest risk of poverty rate in the EU. According to the harmonised ECHP data (1997), 8% of the Danish population lived on an income of less than 60% of the median national income. The rate of persons living at risk of poverty continuously for the 3 years 1995-1997 was 3% (ECHP data).

However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such as access to employment, housing, healthcare and the degree of satisfaction of basic needs.

Developing the **inclusive labour market**, allowing more people to gain or retain a stable affiliation with the labour market, is the **major overall goal**. For the vast majority of people, quality of life is closely connected to an active working life where employment is not only a goal in itself, but also reduces the risk of social marginalisation. To reach this overall goal, the following challenges are present:

- Despite the substantial fall in unemployment and the increase in employment **the number of long-term claimants of maintenance allowances** – i.e. persons receiving cash assistance, activation or rehabilitation for at least 10 months during the calendar year – increased from 115 000 in 1994-1998 to almost 122 000 in 1999. As a rough estimate, about 70% thereof (85 000 persons) have problems other than unemployment.
- Promoting and building inclusive societies have a **growing ethnic dimension**. It is important to open and adapt policies in ways, which will ensure that increasing ethnic diversity in society is turned into a strength and does not become a factor of exclusion and social divide. Immigrants comprise a rising percentage of the long-term recipients of cash assistance (34% in 1999 against 24% in 1994).
- Another concern is **people with special social problems**. An estimated 50 000 people are socially marginalised (e.g. drug misusers at about 14 000, homeless people at about 4,500 and mentally ill people requiring special social initiatives at about 30 000). It is estimated that only a small proportion of the alcohol misusers falls into the group of socially marginalised people.

The positive trends in the Danish economy form a good basis for reinforcing measures to address these challenges and building a more inclusive and cohesive society. Over the next 10 years the Government aims to increase employment by 100 000. This has to be seen in the context of an ageing overall workforce that is falling in numbers and that is foreseen to fall by as many as 40 000 by 2010.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The Danish social policy system is based on the principle of universality: all residents are guaranteed certain fundamental rights in case they encounter social problems such as unemployment, sickness or dependency. The Danish approach to social inclusion focuses on giving people an active life. The strategy is to ensure that people in need should be helped to achieve the highest possible degree of self-support.

The key objectives in coming years relate to increasing employment and the inclusive labour market, aiming at reducing the number of retirees and long-term unemployed but also by reducing the numbers of people of working age who are on transfer income. The aim is to meet the needs of the increased number of older people without reducing pension levels and services or increasing taxation. However, most important is to make sure that people enter into meaningful working relationships, seen as the best way to integration and also the best defence against poverty and exclusion. Other issues are to ensure the individual person financial support for a reasonably decent life and to improve living conditions for the most vulnerable, those unable to participate in the labour market.

2.1. The long-term strategic perspective

The complexity inherent in the effort to assist vulnerable groups to (re-)gain a foothold in the labour market is matched by a comprehensive approach directed to all levels of policy formulation and implementation. The approach also recognises the necessity to create both economic incentives for individuals and employers and a common understanding of the need for everybody to contribute to social cohesion.

2.2. The innovative content of the NAPincl

The comprehensive character of social policy is directed to the creation of an active and cohesive society.

Taking the working place as the point of departure for prevention of social exclusion and marginalisation, the measures supporting the responsibility of social partners, the Social Index and the Socio-Ethical accounts represent new ways to create positive incentives for companies to take on social responsibility. This has to be seen in the context of an ageing overall workforce. Demographic developments mean that the workforce would be reduced by as many as up to 40,000 by 2010, if the present age- and gender specific participation rates remain unchanged.

2.3. Co-ordinated and integrated approach

The strategy involves a high degree of co-operation between the different levels of government as well as between public authorities, NGOs and social partners both at national and local levels.

2.4. Compatibility of strategic approaches in relation to the National Action Plan/empl

The social policy approach in the NAPincl is interlinked with other policy fields in a common drive to strengthen social cohesion. Both the NAPempl and the NAPincl focus on ensuring that as many people as possible participate in working life. The NAPempl focuses more on those in the labour force (in particular persons insured against unemployment), whereas the NAPincl focuses more on the creation of the inclusive labour market. In both NAPs there are only a few details about offers to the uninsured unemployed (people with unemployment as the only problem) receiving cash benefits. The NAPincl also includes policies aimed at those who are not able to participate in the labour market.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment

Much emphasis is put on facilitating participation in employment and the active social policy is targeted at persons who for some reason find it difficult to stay in or enter the labour market. The policy aims at giving each individual a chance to participate by developing her/his skills and at the same time creating more job opportunities for individuals with less than full working capacity.

The active social policy includes a range of measures with the overall objective of enabling individual persons to support themselves and their families. Such measures include rehabilitation benefits, flexible working arrangements and sheltered employment with wage subsidy, protected employment and day shelters. Social chapters have also been introduced in almost all collective agreements, establishing a framework for employing and retraining persons with reduced capacity for work. Social clauses are another instrument available to public authorities wishing to contribute to the inclusive labour market. As part of the effort to strengthen the active social policy, the anticipatory pension scheme reform will be implemented from 2001 to 2003. Such amendment implies operating with a new criterion of "working capacity" which focuses on the individual's resources and development potential rather than his or her limitations. This criterion is in accordance with the criteria used in relation to other schemes.

3.2. Facilitating access to resources, rights, goods and services for all

Denmark ensures access for all to education as well as to housing and healthcare. All persons also have a right to some form of benefit if they cannot support themselves and from the age of 65 all Danish citizens have the right to receive a public old-age pension. Access to housing is ensured by means of publicly subsidised housing and by individual housing benefits for low-income groups. The Danish care provisions for children, the elderly and other persons who can not look after themselves are also comprehensive. In 2000, 76% of local authorities provided a child care guarantee for children between the ages of 0 and 5. For older people and others in need of assistance local authorities are obliged to provide personal and practical assistance. Building regulations on accessibility for disabled persons are based on the UN Standard Rules on the Equalisation of Opportunities for Persons with Disabilities. The NAPincl does not address issues related to the access to justice, culture, sport and leisure.

3.3. To prevent the risks of exclusion

Prevention has for many years been an important feature of the Danish policy against poverty and social exclusion, which does not mean that there are no further areas which may benefit from more preventive attention. Further development can be seen in the public health programme where one of the general objectives is to improve the health of the most disadvantaged groups. Another issue is the improvement of deprived urban neighbourhoods by using a holistic approach focusing on local resources and physical, cultural and social improvements.

For persons at risk of marginalisation and with dependants, special support is put in place concerning their economic, housing and health situation. Denmark is taking steps to meet the challenge of integrating immigrants and ethnic minorities. For newly arrived immigrants and refugees, there has been since 1999 a three year integration programme aimed at ensuring them equal access to society and to the labour market. More recently a number of other initiatives in relation to ethnic minorities are being taken including projects for mentally ill and homeless people, the collection of more information about ethnic minorities, more support for parents, initiatives for families with disabled and more day-care places for bilingual children. While a comprehensive strategy on **eInclusion** is not presented, the Plan mentions initiatives in different areas: ICT and the disabled, with a specific IT Action Plan, and ICT and the elderly.

3.4. To help the most vulnerable

Helping the most vulnerable has high priority and efforts are being strengthened to prevent the aggravation of problems, while aiming at ensuring a decent life for each individual. Denmark appears to have a balanced approach based both on structural policies alleviating the risks of exclusion and tailor made measures for individuals at risk. The focus is on initiatives to promote legal protection, individual action plans, user involvement, qualified counselling, cohesion and equality.

3.5. To mobilise all relevant bodies

The Danish model is based to a large extent on a culture of "partnership" characterised by the involvement of the social partners, the local authorities and other relevant organisations, including user organisations, at all levels. The implementation of social legislation is decentralised and primarily the responsibility of the local authorities. Legal protection is ensured by the possibility of appealing against decisions on social issues to administrative appeals committees and finally to the courts.

A Social council has been established at national level, gathering *inter alia* representatives from the social partners, the local authorities and the Danish Council of Organisations of Disabled People. The same scope of representation can be found at local level, with **the local co-ordination committees**. Another example of the partnership approach is the campaign on **corporate social responsibility** where a national network, as well as five regional networks of Business Executives, have been established with support from the Ministry of Social Affairs to promote social commitment in the corporate sector. **The Copenhagen Centre** is also playing an important role in this field. **Social Index** and **Socio-Ethical Accounts** are being introduced to allow companies to benchmark themselves against other companies on social parameters.

4. GENDER MAINSTREAMING

Denmark's universal system, giving equal rights to all, in itself enhances equality. The employment rate for women is high and women's participation in the labour market is supported by a comprehensive offer of public day-care facilities for children. A new Equal Opportunities Act was adopted in 2000, making it compulsory for all public authorities to include gender equality in their planning and administration. A steering group will oversee and manage the mainstreaming process. Parents are entitled to parental leave for up to one year for children under 9 years old. The outcome of the leave scheme is not gender balanced, as approximately 90% of parents on leave are women. While only a few of the social indicators presented in the NAPincl are broken down by sex, significant gender related differences emerge. In order to further analyse such differences and to monitor progress, more information would be needed.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

The ESF allocation to the Objective 3 SPD is €379 million corresponding to 50% of the total amount. The SPD includes a priority aiming at promoting equal opportunities for all in accessing the labour market and support will also be available at a local level to provide disadvantaged groups, such as ethnic minorities, with employment and training opportunities (ESF allocation €105 million representing 27% of the budget). Another programme is the EQUAL programme with an ESF allocation of €29.9 million corresponding to 50% of the total amount. Approximately 58% thereof will be concentrated on actions to integrate people who are currently suffering some form of exclusion from the labour market. Despite the existence of the above programmes, their potential has not been referred to in the NAPincl.

GERMANY

Conclusions

Situation and key trends Germany has an employment centred system of social protection, which is based on various social insurance schemes, providing insurance against the major life risks - old age, illness, invalidity, the need for long-term care and unemployment - and, as a last resort safety net, on the right for residents in Germany to social assistance. This guarantees to people who do not have an adequate income the basic resources for meeting their economic, social and cultural needs. Despite favourable economic development in recent years (GDP growth in 2000: 3%), and an increase in the number of employed persons of about 1.1 million between 1998 and 2000, Germany is confronted with persistent high levels of unemployment in the Eastern Länder. The harmonised ECHP data reveal that in 1997 14% of the German population were at risk of poverty (i.e. with an income less than 60% of the national median), a lower rate than the EU average of 18%. 8% of Germans were in this situation for (at least) three consecutive years.

Strategic approach The NAP adheres explicitly to the concept of a 'socially fair society' and combines the emerging 'knowledge based society' with the need of strengthening social cohesion. At the same time the welfare state has to activate and to promote (*fördern und fordern*). Each person has to be more responsible for him or her self and at the same time his or her participation in social life has to be secured. The NAP especially emphasises the intention to avoid poverty cycles. The participation of non-governmental actors is seen as a very important condition for solving social problems. The publication of the first governmental Report on Poverty and Wealth in April 2001, emphasising the multidimensionality of the phenomenon of social exclusion, was an important step towards a more substantiated public discussion. The NAP/employment is considered to play a significant role in tackling poverty and social exclusion.

Policy measures The NAP focuses on four priorities in fighting poverty and social exclusion: integration into the labour market and qualifications, reconciliation of work and family life, assistance for the most vulnerable groups and improved efficiency of the assistance schemes by making them more targeted. The NAP provides an overview of the German system of social protection and refers to many existing and recently introduced as well as some planned individual measures and good practices to implement these objectives. A full panoply of policy areas and risk groups is mentioned, as well as specific help for them. More explanations should be given for most of the general commitments on how more inclusive policies will be translated into new operational arrangements. Quantified targets and monitoring mechanism capable of measuring progress should be better developed. **Challenges ahead** The major challenges ahead are the fostering of integrated inclusion policies related to people with problems entering into the labour market which will address this as a structural rather than as a mere target group issue. In fighting poverty and social exclusion common efforts from all the relevant partners in the fields of education, vocational training and lifelong learning are essential. Particular attention has to be paid to the higher unemployment rate in the Eastern Länder and its effects on social exclusion.

It is necessary to involve the regional and local level better in the development and implementation of the social inclusion process in order to enable a discussion the targets and initiatives at the levels appropriate to the German federal system.

1. MAJOR CHALLENGES AND TRENDS

Economic and employment growth in 2000 was (at 3% and 1.5% respectively) the highest in 10 years. Unemployment continued to fall to 7.9%, but the long-term unemployment rate (4.0%), while slowly decreasing, remained above the EU average. The groups with the Unemployment affects in particular people without certified education/vocational training; older workers; people with a disability; immigrants – especially female immigrants; and women with young children or living as single parents. There is a significant gap in the provision of childcare facilities both for children up to three years of age and for school age children in the Western Länder. Employment growth and unemployment decline are concentrated in Western Germany, where certain regions show nearly full employment, whereas in many regions of the Eastern Länder job growth is stagnant and unemployment remains high.

According to the ESSPROS data, Germany spends 29.3% of its GDP on social protection compared to the EU15 average of 27.7% (1998 data). Measured as expenditure per capita in Purchasing Power Standards (PPS), the German expenditure on social protection, at 6459 PPS, is significantly above the EU15 average of 5532 PPS.

The comprehensive social protection system in Germany explains to a large extent why the risk of poverty has been kept low despite the labour market problems. According to ECHP (European Community Household Panel) data, in 1997 14% of the population lived on an income below 60% of the national income median, a lower rate than the EU average of 18%. The persistent risk of poverty rate was 8%. According to the 1998 wave of the national German panel survey (SOEP), in the western German Länder 13.0% of the German, but 25.4% of the non-German citizens, were at risk of poverty. However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such as access to employment, housing, healthcare and the degree of satisfaction of basic needs.

Some of the key challenges are the following:

- Half of all non-Germans (compared to one quarter of German citizens) do not have any certificated vocational qualification or education. The gaps for those between 20 and 29 years old widens to one in three of the non-Germans compared to ‘only’ one in twelve German citizens.
- There are still regional income disparities between the old and the new German Länder. The 1998 German Income and Consumption Survey (EVS) of the Statistische Bundesamt reveals a rate of persons in households with an income below 60% of the national median threshold of 11.0% in the ‘old’ Länder, but of 18.7% in the ‘new’ Länder (12.5% overall at the national level)³⁷.

³⁷ However, if the different economic conditions, such as different price levels are taken into account, and the low-income threshold is calculated according to regional medians, then the quota of people living in low-income households are lower in the Eastern Länder (8.4%) than in the West (13.1%).

- In addition, Eastern Germany is characterised by specific challenges such as the high structural unemployment and the need to maintain public and private infrastructures.
- In December 2000, 3.3% of the population received social assistance, in other words 'regular assistance towards living expenses'. While the conditions for being entitled to social assistance have remained unchanged the number of people receiving cost of living assistance is decreasing (-4.2% in 2000 compared to 1999 and -3.2% in 1999 compared to 1998. More than one in four single parent households (28 %) rely on social assistance (1998 data).

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

On the basis of an activating and promoting welfare state, the NAP focuses on four priorities in fighting poverty and social exclusion: integration into the labour market and qualification, reconciliation of work and family life, assistance for the most vulnerable groups and improved efficiency of the assistance schemes by making them more targeted. Due to the federal structure, both the federal and the Länder level have been consulted in the elaboration of the NAP. The Länder, and within them the municipalities, are responsible for tackling poverty and social exclusion. The federal level is mainly responsible for promoting participation and access for all to the labour market, with the Public Employment Service responsible for managing/implementing unemployment and assistance legislation.

The Länder are responsible for education, culture as well as for financing and implementation of social assistance and also, to some extent, for vocational training, lifelong learning, and housing. This leads to differing strategies regionally and locally.

In this context and at this stage the Bundesrat, the Chamber of the German Länder, has adopted a resolution calling for the respect of the share of competencies as defined in the EU Treaty and expressing scepticism towards the setting up of quantified national targets or sub-targets in the NAP. As a result of time constraints, the NAP reports predominantly on policies and measures for more activation and better integrated approaches, which were already implemented or which are on their way. Only a few commitments are genuinely related to the NAP/incl itself.

2.1. The long-term strategic perspective

The first official report on poverty and wealth underlines the poverty risks linked with the situation in respect of employment, education and family. Therefore, the groups most vulnerable to social exclusion are the unemployed, people with low qualifications, single parents and families with three and more children, as well as immigrants including re-settlers. However, the NAP could have focused more on initiatives to tackle non-integrated departmental policies and foster coherent territorial approaches. Specific strategies for the challenges in the Eastern Länder need to be further developed.

Explanations are lacking in the general commitments on how more inclusive policies will be translated into new operational arrangements. The implementation of strategies to provide more and better childcare facilities remains unclear. Few new commitments beyond the two years perspective of the current NAP have been done (e.g. pension reform, part time legislation, Labour Market activation) and proposals on the mid-term strategy for integrated approaches are only at their very

beginning. Reference to the 10 years perspective highlighted at the Lisbon summit is not sufficiently pronounced.

2.2. The innovative content of the NAPincl

The NAP reports predominantly on policies and measures for more activation and better integrated approaches, which were already implemented in the present and partly also in the coming year. Many new initiatives are pilot measures in limited test regions or in some municipalities.

2.3. Co-ordinated and integrated approach

The need for better co-ordination of departmental policies has been debated for years between the stakeholders and it is also widely recognised in the NAP. Due to the federal structure, the consultation process between the national, regional and local authorities and the other partners takes place within the framework and the procedures foreseen by Germany's federal structure. This issue is related to the rather complex debate on the division public expenditure and receipts between the federal level and the Länder as well as the latter's political autonomy.

2.4. Compatibility of strategic approaches in relation to National Action Plan/empl

The NAPincl intends to complement the NAPempl in promoting 'access to stable and quality employment for all women and men who are capable of working' in particular for long-term unemployed persons in receipt of social assistance, people with low qualifications, people with disabilities and immigrants. As regards the participation of (in particular young) immigrants in education and training measures, the NAPincl specifies that their share should be raised to their respective share of all unemployed. Examples are mentioned on four local pilot projects for initiatives targeted on youth in the period 2001 – 2003. Quantified sub-targets on measures to reconcile work and family life are lacking in both NAPs.

Synergies between the two NAPs could be expected in the fields of continuous training and lifelong learning, where the NAPincl stands for a more integrated approach to reaching people with poor qualifications and other groups with the greatest needs.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment

The NAP focuses on improving co-operation between the PES and the social assistance administration aiming at more efficient assistance to help people integrate into the labour market and simpler bureaucratic procedures. The contribution of education and life long learning policies to this goal remains, however, unclear. For those with low qualification levels or lacking key basic and IT skills, and who experience the tension between the aim of lifelong employment and the reality of numerous breaks in their individual labour market careers, the answer seems still to lie in partly supplementary and only partly connected measures – the risk of the "Learning Divide" remains high. There is also a major initiative to foster the integration of persons with a disability into the labour market ('50.000 new jobs for the disabled'). Schemes providing tailor-made services for disabled persons by means of 'job assistance' (*Arbeitsassistenz*) are intended to be mainstreamed to the whole of Germany.

3.2. Facilitating access to resources, rights, goods and services for all

The government has formulated the aim of a need-oriented basic income, which will improve the existing system of 'cost of living assistance' and intends to achieve it step by step. As a first step the recent reform of the pension system includes provisions, which have made access to financial assistance easier for elderly people in need. A housing benefit reform intends to make the scheme more family-friendly. Attention is given towards structural improvements of health-care provision for immigrants (Ethnomedical Centre Hannover).

3.3. To prevent the risks of exclusion

There is a great variety of counselling services for specific groups such as migrants, families, young people, persons with disabilities, or homeless people. A great part of these services are offered by non-governmental organisations. The ICT promotion campaigns launched in 1999 and 2000 also include specific measures for people with disabilities, the elderly, and women as well as for improving public access to ICT facilities, e.g. in public libraries. On preventing homelessness, the NAP reports on the possibility to temporarily pay rent of tenants in difficulties. In order to increase the quality of advice provided by debt counselling agencies, quality standards for further training in debt counselling are being drawn up which will apply throughout the country. However, it seems important to ensure the necessary financial support for these information centres.

3.4. To help the most vulnerable

Objective 3 focuses on disabled persons, immigrants and persons with particular social problems. More commitments beyond the two years perspective of the current NAP should be made in order to support integrated approaches and structural reforms. There is a lack of information on some fields of problems and individuals at risk, e.g. the whole area of people with addictions to legal or illegal drugs.

The large scale programme 'The Social City' (*'Soziale Stadt'*) goes in the direction of a better integrated territorial approach to fighting social exclusion in an urban context.

3.5. To mobilise all relevant bodies

The NAP process included repeated consultations of the relevant partners from the federal and regional administrations with representatives of the social partners, civil society and experts from the academic world. Thus it continued the co-operation established by the consultative board for the 'Report on Poverty and Wealth'. The challenge ahead is to organise this collaboration in such a way as to fostering integrated and innovative approaches in implementing the Nice objectives.

4. ASSESSMENT OF GENDER MAINSTREAMING

The NAP emphasises the general objectives for increasing female labour market participation and for reconciling work and family life. To achieve this objective it is announced that the availability of childcare facilities will be improved. Moreover, part-time work is promoted by a bill on the equal status for women and men in the public service sector, by increasing the pension entitlement of women who have been working part-time because of their children, and PR campaigns. Finally, with the introduction of statutory long-term care insurance a network of outpatient care services has come into being, which allows many relatives of care-dependent persons to continue their own

professional career. Carers may also accumulate entitlement under the pension scheme. The NAP refers explicitly to gender mainstreaming in the context of the initiative 'Soziale Stadt' ('The Social City') within the territorial approach of combating social exclusion. Gender aspects of targets will be taken into account in the implementation of measures for people with a disability, in promoting ICT qualifications, in the context of child and youth welfare, education and regarding immigrants. In promoting ICT qualifications the 40% target for female participation in all ICT fields should be broken down by occupational categories.

A new law intends to further reduce the housing problems of victims of domestic violence.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

The total ESF intervention by the federal and Länder level amounts to € 10.809 billion under Objective 3 and € 8.805 billion under Objective 1. Objective 1 interventions closely follow the structure and thrust of the objective 3 SPD. Under policy field b (*'a society without exclusion'*) the ESF support amounts to 19.9% (€ 2.107 billion) and 22.1% (€ 1.29 billion) respectively, which is concentrated on fighting long-term unemployment and to improve the job chances for vulnerable groups on the labour market. In addition, a proportion of the 10% of the total ESF allocation in policy field e (*'to improve opportunities for women'*) will be earmarked for social inclusion objectives.

The Community Initiative EQUAL, with a total budget in Germany of € 979 million aims at new solutions for the further development of employment and vocational training schemes, actions and practice, focusing on inclusive and preventive actions to combat discrimination, inequality and exclusion in relation to the labour market. Not only gender mainstreaming, but also the fight against racism and xenophobia is regarded as horizontal issues to be integrated in all nine thematic fields.

Despite the existence of the above programmes, the NAP refers only to three measures co-financed by the ESF and to one HORIZON project from the last ESF programming period but does not give an overview on the support from the ESF.

GREECE

Conclusions

Situation and key trends In Greece a safety net of social and welfare provisions based on uniform principles is in the process of gradually evolving. Social policy has been dominated by non-targeted cash benefits, but this is changing as a result of recent steps. As regards facilities and programmes for open social care and protection, there is still room for improvement in relation to planning, implementation structures and delivery services. The harmonised ECHP data show that in 1997, 22% of the Greek population had an income less than 60% of the national median, while the percentage of persons at risk of poverty continuously throughout 1995-97 was 11%.

Despite successfully joining the EMU and continuous good economic performance, Greece continues to exhibit a low employment rate and high levels of unemployment. As a result of the problems in the labour market, and of structural developments - such as the change from a rural to an urban society, the ageing of the population, the weakening of family support mechanisms and the strong immigration flows, poverty and social exclusion continue to represent a serious challenge.

Strategic approach The NAPincl is structured along three strands: General policies, Specialised policies and Administrative interventions. In this context, three policy responses are proposed addressing: a) the needs (i.e. the demand) for social policy raised by existing and emerging problems that are linked to unemployment and the transition to new economic conditions, b) the delivery (i.e. the supply) of social policy through the adaptation of the administrative structures to serve the new role of social policy, and c) new ways of information handling (both statistical indicators and administrative information). This framework, although effectively identifies the key challenges, could benefit from clearer and specific strategic objectives and targets.

Policy measures The Greek NAPincl includes a great number of policy measures, distributed across the four common objectives. Particular emphasis has been put on measures serving Objective 1.1, most of which are already included in the Greek NAPempl, and on a great variety of social assistance schemes ("cash" benefits), which go some way towards meeting the goals of Objective 1.2. The reach of measures under this heading is extended by three new measures to be implemented in January 2002. The measures presented under objectives 2 and 3 appear to be fragmented, while those under Objective 4 focus on establishing the preconditions for involving all actors. The effort to promote e-inclusion is reflected in certain measures of broad scope, which nevertheless should be mainstreamed. Overall, some measures contain innovative elements, while the gender mainstreaming approach does not run through all the measures of the NAPincl, the exception being those under Objective 1.1. Furthermore, the dispersion of policy measures within different policy areas, although reflecting an effort to move towards an integrated approach, requires the development of appropriate mechanisms and the mobilisation of all stakeholders in the social policy area to ensure such an approach is achieved, areas in which the necessity for action is foreseen.

Challenges ahead The major challenge lying ahead is to elaborate and implement specific policies to improve the interventions in the social protection area in favour of all those citizens at risk of social exclusion and poverty, thereby promoting their social inclusion. Other major challenges are to promote the employment prospects of the most vulnerable population groups, given the link between unemployment and situations of poverty and social exclusion, and the need for a major pensions reform to safeguard pensions adequacy and sustainability in the long term.

1. MAJOR CHALLENGES AND TRENDS

According to the data presented in the Greek NAPincl³⁸, the risk of poverty rate was 17% in 1988, 18.4% in 1994 and 17.3% in 1999. This suggests that the risk of poverty has been kept stable despite fast structural change in the economy and in society. The ECHP data confirm the constancy over time, though the risk of poverty rate is estimated at 22% both in 1995 and in 1997.

However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such as access to employment, housing, healthcare and the degree of satisfaction of basic needs.

Greece continues to exhibit a low employment rate and high levels of unemployment. Unemployment in Greece is still higher than the EU -15 average (2000: 11,1% versus 8,2%) and it continues to be an issue which particularly affects women and the young people.

The existing forms of public provision of social, welfare and support services in Greece have to be adapted to meet the increasing and multidimensional needs in this field. According to the ESSPROS data from Eurostat, Greece has increased social protection expenditure and spent 24.5% of GDP on social protection in 1998 (EU-15 average of 27.7%). Measured as expenditure per capita in Purchasing Power Standards (PPS), expenditure on social protection in Greece, at 3139 PPS, is below the EU-15 average of 5532 PPS, due to its lower levels of productive capacity. More than half of social expenditures are devoted to old age and survivors pensions (52.6 % in comparison to 45.7% in EU-15), thereby leaving comparatively less resources for funding other social transfers.

- The main challenge lying ahead, especially in the light of the fact that the Greek family's role of solidarity is tending to retreat, is to preserve social cohesion by pursuing specific policies in the social protection area in favour of all those citizens at risk of social exclusion and poverty. This is clearly stated in the Greek NAPincl as being both the major challenge and policy priority.
- Another challenge which is acknowledged by the NAPincl, is to further increase the range and quality of Social Welfare services, which is likely to lead to further increases in their importance as a percentage of GDP.
- The NAPincl places great emphasis on the activating and preventing policy measures already planned or being implemented under the Greek NAP for Employment. Therefore, fighting unemployment and promoting employment is a major challenge of the Greek NAPincl.

38 Data derived from National Household Expenditure Survey, using disposable income and the poverty line as 60% of the national median.

- Despite the good economic performance that the country continues to show since 1996, Greece continues to face the challenge of addressing geographical *inequalities*, in order to reinforce social cohesion.
- *Early school-leaving* (especially young persons with “physical”, “mental” or “social” disabilities), while it has fallen in recent years, remains a challenge given its strong intra-generational poverty links.
- *Improvement of housing conditions of some low income households continues to need special attention.*
- Another area of concern, is the need for a major pensions reform. The *reorganisation of the social security system* is of major importance, as, given both the current financial situation and the future challenges of an ageing population, it is necessary for safeguarding continued pension adequacy in the long term
- *Promoting a multicultural society* through smooth integration of immigrants is a challenge and a priority of the NAPincl.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The strategic framework in the NAPincl aiming at preserving social cohesion is structured along three strands: General policies, with strong influences on social magnitudes and social relations, Specialised policies, with particular objectives and separate instruments and Administrative interventions so as to broaden the range of choices. In this context, three policy adjustments are proposed: a) to the needs (the demand) for social policy to address mainly new problems which are linked to unemployment, the transition to new economic conditions and to global realignments, b) at the delivery (the supply) of social policy through the adaptation of the administrative structures to serve the new role of the social policy, and c) to obtain new ways of information handling (both statistical indicators and administrative information). Overall, the NAPincl moves along four strategic directions: (1) continued macro economic expansion, (2) employment policy aimed against unemployment and in favour of flexibility in the labour market (aiding women and low income groups), (3) a series of reforms in areas linked to exclusion (Health, Welfare, Education, social security, public administration, decentralisation), (4) and three new targeted initiatives to be introduced in January 2002.

The NAPincl focuses on selected target groups, due to an assessment that, given current constraints, swifter progress towards the goal of a safety net should be achieved in this way. This approach could be aided by a clearer identification of groups at greatest risk of social exclusion (regarding size, composition, employment, housing conditions, etc) and of geographical areas at risk – which is lacking. There is therefore scope for further improvements in this respect.

2.1. The long-term strategic perspective

Although efforts are made to reshape and elaborate policies so as to address emerging problems of poverty and social exclusion, the NAPincl does not provide any quantified objective. The insufficient quantitative information in the NAP undermines the elaboration of a more comprehensive and better-structured action plan. Consequently, there is a strong need for the acquisition of hard evidence through better statistical data and analysis, a need which is acknowledged in chapter IV of the NAPincl. These are essential to ensure the follow up and evaluation of the policy measures of the NAPincl.

Pensions make up the bulk of social transfers. Other social transfers contribute significantly less to the alleviation of relative income poverty. The newly introduced measures of income transfers to poor households (i.e. those living in mountainous areas, with children at school and, the long-term unemployed) may contribute to improve this situation. . Besides, in considering the criteria for the extent of coverage of the various functions of the welfare system, two parameters are considered crucial: the level of the benefits and the number of the beneficiaries. For these reasons, the evaluation of the impact of the measures is essential.

Overall, the NAPincl makes it clear that, Greece has neither adopted an official definition of a poverty line nor a universal minimum guaranteed income. This explains the co-existence of a great variety of income transfer schemes to certain population groups (e.g. persons with disabilities, unemployed people, ex-prisoners, uninsured women, etc.). The unification and application of uniform criteria to the disparate benefits remains a task for the future.

2.2. The innovative content of the NAPincl

The NAPincl contains a few new targeted initiatives to be implemented in January 2002: income support to households living in mountainous and less favoured areas, cash benefits to the long-term unemployed aged 45-65 and benefits to families with children of ages up to 16 years at school. Also certain measures presented mainly under Objectives 2 and 3 are characterised by innovative elements and approaches. One should highlight in particular the drawing up of a map for the supply and demand of social care services at the regional and local levels, which will be linked with the integrated geographical information system to be developed for both health and social care.

2.3. Co-ordinated and integrated approach

The establishment of the mechanisms and arrangements required to ensure co-ordinated and integrated approaches is a priority. The government has made a commitment to set up those mechanisms. In addition, bottom-up and user-oriented approaches and adequate participation in the decision making processes still need to be further developed.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

The Greek NAPincl includes a great number of policy measures, which are distributed across the four common objectives and include various forms such as: actions, legislative acts, planned reforms in various policy areas, extension of existing measures, financial benefits, etc.

3.1. Facilitating participation in employment

Particular emphasis is placed by the NAPincl on measures and actions that serve **Objective 1.1** *“Facilitating participation in employment”*, the vast majority of which are measures included already in the Greek NAPempl 2001. However, while the NAPincl contains a series of targeted actions that can contribute to greater access to the labour market for particular targeted groups given the scale of unemployment problem, a crucial factor for their likely effectiveness would be the progress of the large scale restructuring of OAED which is underway and the establishment of a well organised system of identifying, reporting, and monitoring the flows into and out of unemployment. In addition, particular attention should be paid to measures aiming to provide guidance and social support tailored to individual needs.

3.2. Facilitating access to resources, rights, goods and services for all

Under **Objective 1.2** *“Facilitating access to resources, rights, goods and services”* the NAPincl also places emphasis on a wide range of social assistance schemes (benefits “in cash”), which serve only partially this objective. In addition, there is no general scheme for long-term unemployment compensation in Greece, while there is a danger that some groups experiencing poverty may not be eligible for income support. As to the rest of this objective’s measures (rights, goods and services) these are based mainly on planned general reforms of systems e.g. education, health, social protection, etc. which are designed to improve, inter-alia, equal access. One question is whether these kinds of reforms on their own are able to meet the needs of the disadvantaged persons or population groups. It is worth noting that there are few (or weak) links between policies addressed to Objectives 1.1. and 1.2.

3.3. To prevent the risks of exclusion

As regards the measures presented under **Objective 2**, *“To prevent the risks of exclusion”*, although they cover most population groups at risk, they appear to be fragmented and not linked to any measures presented under the rest of the Objectives. Some of the programmes presented such as the "Social Support and Training Centres for disabled individuals", the "Development and expansion of the "Psychargos" Mental Health programme" and the "Integrated urban development interventions" include innovative elements especially by being based on an integrated approach. As to the actions promoting eInclusion, these are mainly focusing on education and training.

3.4. To help the most vulnerable

Under **Objective 3**, *“To help the most vulnerable”*, a number of measures are proposed, mainly through the provision of support in intercultural educational problems, while there is no evident link between the actions foreseen and the accompanying social support services that are needed for the specific groups. However, structural reforms will also be important if social cohesion is to be prevented. Most of the measures are targeted at specific population groups. Here again, there are some measures which can be characterised as innovative, being underpinned by an integrated approach, such as the Integrated Action Plan for ROM (gypsies) which combines infrastructural investment with investment in human and social capital.

3.5. To mobilise all relevant bodies

The measures presented under **Objective 4** "*To mobilise all relevant bodies*", include plans necessary for the monitoring and implementation of the NAPincl, as well as measures improving Governance and administrative capacity. Hence the relevance of those measures to this objective is indirect. For some of them there is no immediate link with this objective while some others seem to take a long time before are put into effect. The rest of the measures referring to the strengthening of voluntary activities are under a planning process. The intention to set up a Network of Support Services to vulnerable population groups at the Municipality level is promising.

4. GENDER MAINSTREAMING

While the intention to adopt a gender mainstreaming approach is clearly expressed, the NAPincl lacks a comprehensive strategy based on a systematic analysis of the problems faced by women in Greece as well as a monitoring of the changes that are taking place. In this respect little is added to the gender mainstreaming actions announced in the NAP/empl. Some measures are presented in favour of the most vulnerable groups such as the post-release care programmes for female ex-prisoners.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

The European Social Fund and EQUAL contribute substantially to the fulfillment of the goals of the NAP incl. However, the text of the NAP contains only a few explicit references to the Greek CSF 2002-2006. In particular a large number of measures especially those under Nice Objectives 1.1, 2, 3 and less so under Objective 4, implicitly entail an ESF contribution. This shortcoming is due to the amounts being finalised after the submission of the NAP. The ESF is active in Greece in the area of social inclusion mainly through the strengthening of employability and integration of vulnerable groups, including facilitation of access to the education and health systems. The ESF's support is reflected mainly in the co-financing of the Operational Programmes "Employment and Vocational Training", "Education and Initial Training" and "Health and Welfare". Support is also provided by the ERDF for related infrastructure and equipment.

In addition, the EQUAL OP for Greece aimed at promoting and testing new ways of combating the discrimination and inequalities faced by the most disadvantaged in the labour market (young people, women, those without educational qualifications, ethnic minorities, people with disabilities, older workers, refugees, ex-offenders, drugs and alcohol abusers and asylum seekers) relies heavily on the ESF's support.

SPAIN

Conclusions

Situation and key trends The Spanish welfare state has improved very significantly over the past 20 years. The rapid growth of social protection expenditure (at a faster rate than GDP and the total public expenditure) has allowed Spain to build up a social protection system based on access to education, health and social benefits, in particular pensions for the elderly. The traditional tax-paid occupational protection system has moved towards a mixed system that also provides publicly funded social assistance benefits. In the past ten years, social protection has broadened its scope to cover the most vulnerable persons with the progressive implementation of social assistance schemes as a final safety net. The unemployment rate in Spain, despite steady improvements over the last 5 years, remains high at 14,1%. According to the harmonised ECHP data (1997), 19% of the Spanish population lived on an income below 60% of the median income. The recent trends show that homeless people, immigrants, their children and single-parent households are the socially most vulnerable groups, and that the major cause of exclusion is the lack of employment.

Strategic approach The Spanish authorities consider exclusion to be a multidimensional phenomenon, which makes the mobilisation of stakeholders much more difficult and can therefore, make it harder to implement a consistent inclusion policy. In that context, the current Plan presents a catalogue of the different existing measures and planned improvements that are designed to deal with inclusion. The key strategic priority of this Plan is the mobilisation of the public authorities at different levels, the social partners and the NGOs. This achievement should open the way in the future to present a Plan where measures will be much more integrated than in the present Plan.

Policy measures Spain addresses the four Objectives. The Spanish response to the social inclusion challenges focuses mainly on the employment component of social protection, in particular through the pension systems for retired workers and people with disabilities. This is aimed to ensure an acceptable level of protection for the elderly and the most vulnerable groups of the population. The other important strand of social protection concerns the minimum income as the last safety net for those people, in particular young people and older unemployed persons below pension age, who should be integrated into the labour market. Traditionally the Spanish Authorities have a targeted approach based on strong specialised public institutes rather than an integrated approach. Access to new technologies, in order to avoid exclusion from the information society, is also developed in the Plan.

Challenges ahead Co-ordination and co-operation between the different administrative levels will be required to define a minimum standard of measures in order to tackle the inclusion issue in a more homogenous way throughout the national territory. The Central and Autonomous Administrations are committed to all of the Autonomous Communities elaborating their own regional Plans, as is already the case in several regions and in particular in Navarra. Another important challenge is to respond to severe forms of poverty. Relatively recent forms of exclusion such as those experienced by adult and child immigrants, the homeless and the mentally ill deserve special attention. Finally, the improvement of the indicators related to exclusion, and the implementation of regional plans against exclusion, should in the near future be further developed.

1. MAJOR CHALLENGES AND TRENDS

Over the past 20 years, the Spanish social protection system has experienced changes that represent a move from the traditional tax-paid occupational protection system, towards a mixed system that also provides publicly funded social assistance benefits. This social protection system refers mainly to the minimum income benefit, health protection, unemployment and old-age benefits and labour market integration and is tending to become universal in scope. It is important to note that the minimum income guarantee is not based on a homogeneous national scheme as there are different regional systems that provide different levels of benefits.

The Spanish economic situation has improved in 2000 with GDP growing by 4,1%. This has contributed in particular to an increased employment rate and reduced unemployment. Although the employment rate increased from 47,1% in 1996 to 55% in 2000, it remains well below the EU average of 63%. Despite the significant increase in female employment, there is still a 30 percent gender gap. Despite steady improvements over the last 5 years, the unemployment rate is, at 14,1%, still the highest in the EU. Again there is an important gender gap as the female unemployment rate is double the male rate. Other specific issues in Spain are the high youth unemployment rate and the long-term unemployment rate, at 11,4% and 5,9% respectively.

According to the ESSPROS data from Eurostat, Spain spends 21,6% of GDP in social protection compared with the EU 15 average of 27,7% (1998 data). Expenditure per capita in Purchasing Power Standards (PPS) is at 3224 PPS in Spain, compared with the EU15 average of 5532 PPS. According to the harmonised ECHP data (1997), 19% of the Spanish population lived on an income below 60% of the median income (risk of poverty rate). The rate of persons at risk of poverty continuously for the 3 years 1995-1997 was 8% (ECHP data).

However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such access to employment, housing, healthcare and the degree of satisfaction of basic needs.

Some of the key challenges are the following:

- To ensure a minimum standardised assistance throughout the whole national territory, as the way social inclusion is dealt with differs significantly across different Autonomous Communities;
- To ensure closer co-ordination between active employment policies and social inclusion policies;
- To focus on the key vulnerable groups such as homeless people, immigrants and single-parent families, as these groups accumulate disadvantageous situations such as unemployment, low educational skills, bad housing conditions, disabilities, etc.

- To respond to the need to provide social protection to retired persons and those with disabilities.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The NAPincl presents the overall picture of poverty and social exclusion and the different existing measures and planned improvements that are designed to deal with this issue. This task required the involvement of a large number of different partners at central, regional and local level. In the institutional context of Spain, the NAPincl is necessarily more an overview of different measures, than a single integrated plan. Still it should be considered as a considerable achievement.

The NAP does not clearly indicate key or quantified objectives. However, it can be deduced from the detailed financial figures presented in the Plan, that pension and minimum income schemes are the major instruments to combat exclusion. The mobilisation of stakeholders is a strategic objective that will allow improving the efficiency of the inclusion policy.

2.1. The long-term strategic perspective

As it is possible to deduce from the financial breakdown, almost 90% of the resources indicated in the NAPincl are aimed at ensuring the minimum pension complement, and 10% to promoting labour-market integration. In that context, the priority is to ensure income support for people that are outside the labour market such as elderly people, and persons with disabilities.

The other 10% is mostly used to tackle issues indirectly related to poverty, such as housing conditions, health, education etc, or to support specific target groups. The measures included in these categories are well defined, as they correspond to actions implemented by specialised public bodies.

The lack of quantified targets is a weak point in the NAP. The improvement of the indicators related to exclusion, which should also cover the gender aspects, is necessary to have a better understanding of the social exclusion process and to encourage the adaptation of social policy to new trends. It is important to note that for each Objective there is a description of a set of initiatives that will be implemented in the next two years, in order to improve policies related to social inclusion.

2.2. The innovative content of the NAPincl

The most innovative content of the NAPincl is the mobilisation of stakeholders as described under Objective 4. Although under the other Objectives there is a description of the initiatives planned for the next two years, these refer in general to the improvement of existing measures. The mobilisation of all stakeholders in the field of social inclusion can be seen as the way to promote awareness of this specific issue as well as to foster systemic changes that will enable building up a more integrated approach.

2.3. Co-ordinated and integrated approach

The decentralised administration of Spain implies that most of the elements described in the Plan fall under the competencies of the Autonomous Communities. The "Ministerio de Presidencia" is responsible for co-ordinating the elaboration, monitoring and evaluation of the Plan. In that context it would be appropriate to assess at the regional level the extent to which the different measures are co-ordinated and integrated. In addition, most of the public bodies in Spain in the field of social affairs are strongly organised around target groups, which means that a holistic approach to social inclusion will only be possible through strong co-operation and co-ordination. It is clear from the actions described under Objective 4 that huge efforts have been undertaken to address this issue.

2.4. Compatibility of the strategic approach in relation to the National Action Plan/empl

The two NAPs are closely linked as regards the employment measures. This is particularly the case in the Objective 1 measures that are designed on one hand to guarantee unemployment benefits to the beneficiaries and on another hand to promote labour market integration through vocational training. This Plan includes the estimated allocation of funds of the NAP employment that are devoted to the most vulnerable persons.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment

The main emphasis is given to insertion schemes that combine employment and training as well as employment subsidies. The target group of this objective is the LTU. The Active Income for Insertion involves both the public employment service and the social services. It is designed to ensure a minimum income and to provide assistance in order to foster the integration of beneficiaries into the labour market. As this measure is managed by the central administration it would be interesting to evaluate its synergies with similar schemes for Integration managed at regional level.

3.2. Facilitating access to resources, rights, goods and services for all

The priority is given to ensuring access to minimum resources, which represents **65%** of the expenditure under this Objective and 32% of the whole NAP. The main beneficiaries are mostly the retired or the persons with a disability. The other priorities of this Objective are educational measures especially for those who do not have a minimal educational background, which represents **12%** of this objective. Also representing **12%**, the health measures focus mainly on integrated services, which encompass social, and health services, regional and local administrations tackling the problem of care for chronic illnesses, and on the National Plan against Drugs. Finally, 10% is allocated to social services and housing.

3.3. To prevent the risks of exclusion

One of the strands of this Objective concerns the implementation of Inclusion Plans at regional level. So far only 8 Autonomous Communities have presented a Plan, though by the end of 2003 all the

Autonomous Communities, as well as the biggest municipalities will have their own plans. The NAPIncl does not specify any financial support for these Plans, nevertheless this should be considered as a starting point. Another strand of this Objective is "family solidarity". These measures focus mainly on dependent persons and childcare, and benefit from a clear financial support.

As regards access to new technologies, the Plan recognises the role new technologies can play in helping NGOs and set out a number of initiatives to provide them with ICT equipment and to stimulate multimedia networks. It is also worth noting the intention to promote new technologies for the development of teleworking in groups with social difficulties. However, one should also note that 9,8 million people are described as having difficulties in accessing new technologies, which means that this issue goes beyond the specific area of social exclusion.

3.4 To help the most vulnerable

The priorities are presented by target groups. The top financial priority is given to "immigrants" and "families with children" which represent around 45% of the expenditure planned under Objective 3. "Elderly people" and "persons with disabilities" represent 40%, while "women" and "youth" represent 10% of the financial allocation. Concerning homelessness, only a small share of less than 1% has been allocated. Most of the measures or specific plans described are of particular interest for combating exclusion, and are closely targeted on specific groups.

3.5 To mobilise all relevant bodies

The most relevant aspect of the NAPIncl is the huge effort and commitment on the part of the different Spanish authorities and partners to gather information in order to present this Plan, and which permitted a broad overview of inclusion issues in Spain. The follow-up of the NAPIncl will require a significant effort in order to put in place more institutional forms of decision-making, including new discussion *fora*. As far as social inclusion is concerned, the co-operation between the Central administration and the Regions will be similar to that already in place for employment policy. Social partners and NGOs also intend to institutionalise the way they will further contribute to the social inclusion debate. However it would have been appropriate to have some information about the way the Public Administrations of the Autonomous Communities are mobilising the different actors at their level, as it is mostly at the regional level where social inclusion is implemented. In that sense, the Plan against exclusion of Navarra (1998-2005) indicates how an Autonomous Community can mobilise the regional partners to identify challenges and define operational measures.

4. GENDER MAINSTREAMING

The NAPIncl intends to apply gender mainstreaming across the four Objectives. Gender issues however are mainly seen from a women's vulnerabilities point of view, as in the wide ranging fourth Spanish Action Plan for Equality between men and women which appears under Objective 3. In the same objective is presented a new National Action Plan against Domestic Violence, which covers support from victims but also measures for the perpetrators and training for the law enforcement staff. In Objectives 1 and 2, gender issues are sometimes raised to combat illiteracy and when measures have

specific incidences on family life such as childcare and health care and may facilitate the integration of women into the labour market.

As part of the Ministry of Labour, the Women's Institute has participated in the process of elaboration of the NAPincl, however there is no clear indication about the follow-up and evaluation of the NAPincl from the point of view of gender.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

The current CSF Objective 1 and 3 (2000-2006) supports social inclusion mainly through the priority axis "labour integration of persons with special difficulties". Both ESF and national allocations represent for the whole period around € 980 million. The Autonomous Communities and NGOs are the major promoters of the measures related to social inclusion. The EQUAL initiative contributes also to social inclusion, in particular through the priorities related to labour insertion and gender equality.

FRANCE

Conclusions

Situation and key trends: In recent years France has enjoyed sustained economic growth and seen a fall in the unemployment rate and the number of people in a situation of poverty or exclusion. The country continues to suffer from high unemployment, which affects the different social categories and regions in a very unequal manner. In 1997 the risk of poverty rate stood at 17%, putting France slightly below the EU average. Although poverty and exclusion are mainly associated with being out of work, people with a job may also be affected. The main groups vulnerable to poverty and exclusion are children under the age of 15 living in poor households, the long-term unemployed, young people with inadequate qualifications, lone-parent families, large families, people living in run-down districts, and asylum seekers.

Strategic approach: The NAPincl extends and supplements the approach to the fight against exclusion which has been pursued since 1998. It will be implemented with the help of a detailed financial programme. The NAPincl applies a two-pronged medium-term strategy which puts a premium on access to employment, based on the NAPempl, and mobilises the various public and private-sector stakeholders in order to help people in the greatest difficulty to obtain their rights. This mobilisation of the stakeholders makes it necessary to ensure better coordination between the administrative departments concerned, as well as the close involvement of all the relevant partners. The procedure adopted takes account of the multidimensional nature of exclusion and places emphasis on an integrated approach in the various policy fields. The NAPincl also stresses the importance of more targeted action in regions where poverty and exclusion are most marked. Finally, although a considerable effort has been made to define indicators, the absence of quantified objectives or sub-objectives is regrettable.

Policy measures: The measures are divided into four main categories corresponding to the four Nice objectives. Although a large proportion of measures come under “access to employment”, the 2001 NAPincl proposes a wide range of social and cultural measures aimed at clearly defined target groups or regions. The intensity of the proposed policies can only be assessed by taking account of the financial aspects of the “national programme on preventing and tackling poverty and social exclusion”. The across-the-board approach in terms of access to rights helps to promote equal opportunities for men and women under the Plan’s provisions and measures, and this should be consolidated by the gender-specific indicators currently being developed.

Challenges ahead: To tackle insecurity factors in relation to income from employment, housing, health, knowledge and skills and to guarantee effective access to rights are the major challenges facing the French authorities. Special attention will also have to be devoted to the problems arising in sensitive social housing districts or certain geographical areas. Furthermore, in the light of the presentation of the “national programme on preventing and tackling poverty and social exclusion” in July 2001, and to reinforce the integrated nature of the NAPincl, it is essential to ensure a sustained follow-up using appropriate indicators, as well as joint implementation of the NAPincl and all the various programmes and initiatives which the French authorities adopt with regard to social inclusion.

1. MAJOR CHALLENGES AND TRENDS

Since mid-1997 the French economy has been experiencing sustained growth, despite a recent downturn (GDP grew by 3.2% in 2000), and a high rate of job creation (515 000 in 1999 and 580 000 in 2000). The unemployment rate has been falling since 1997 (8.7% at the end of March 2001), particularly benefiting the long-term unemployed, over-50s and young people. Despite these trends, **unemployment** remains very high, and **substantial inequalities persist**. For example, the unemployment rate is 7.7% for men but 10.9% for women, and there are considerable differences between the regions, with the north and south of France having to contend with much higher unemployment than the west or centre of the country.

In terms of the risk of poverty rate, defined as the percentage of the population whose income is less than 60% of the national median, this affected 17% of the population in 1997, putting France slightly below the EU average (according to European Community Household Panel data). In 2000, according to national statistics, some five million people were living below the risk of poverty line (based on a threshold of 50% of the median wage).

However, monetary income is only one of the dimensions of poverty. In order to obtain a complete picture, account should also be taken of other equally relevant aspects, such as access to employment, housing and health care and the degree to which essential needs are satisfied.

Poverty and exclusion are mainly associated with being out of work, but people in employment are not immune. The “working poor” constitute one of the groups most vulnerable to poverty and exclusion (1.3 million people). The other groups are children under 15 living in households at risk of poverty (950000 in 2000), the long-term unemployed, young people with inadequate qualifications, large families, lone-parent families, asylum seekers, and people living in run-down districts or overseas departments.

The return to work of parts of the poorer population groups and their escape from precarious living conditions are recent results of economic recovery. **The insecurity factors in relation to income from employment, housing, health or knowledge/skills represent the main challenge** facing the French authorities. A **second challenge** is that of **excluded people’s access to their rights**. The complexity of administrative procedures to be completed, forms to be filled in and dossiers to be compiled, together with the jumble of rules and regulations, often make access to rights difficult. Attention will also have to be devoted to run-down or sensitive **social housing districts** and to the **geographical areas particularly affected by social exclusion**.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The NAPincl applies a two-pronged medium-term strategy which puts a premium on access to employment, based on the NAPempl, and mobilises the various public and private-sector stakeholders in order to help people in the greatest difficulty to obtain their rights. This mobilisation of the stakeholders makes it necessary to ensure better coordination between the administrative departments

concerned, as well as the close involvement of all the relevant partners (especially the local and regional authorities). The procedure adopted takes account of the multidimensional nature of exclusion and places emphasis on an integrated approach involving measures in the fields of employment, training, housing and health.

The Plan **does not lay down quantified objectives** (or sub-objectives), a shortcoming which is likely to be detrimental to a proper understanding and perception of poverty and social exclusion situations, particularly in connection with evaluation. The strategy seems to opt for a presentation of "trends"; a long list of indicators is proposed, focusing especially on the formulation of indicators by gender and according to various variables (age bands, groups of socio-professional categories, income, labour market situation and family circumstances). By contrast, the July 2001 programme lays down quantified objectives for most measures, to be achieved by July 2003. **From this point of view, it is important to emphasise the importance of the integrated approach to the implementation of the NAPincl and the July 2001 programme.**

2.1. The long-term strategic perspective

The **strategy** proposed in the **NAPincl** comprises an **extension of the policies adopted in 1998** and is part of a **medium-term** outlook up to 2003. The financial instrument for implementing the **NAPincl is the national programme of July 2001**. The first results of the 1998 legislation showed that the measures had a real impact on access to employment, but less effect on access to rights (with the exception of access to health care, which was improved by the introduction of universal sickness cover).

The first objective of the **NAPincl** is to reintegrate jobseekers into the labour market by focusing more sharply on the groups most isolated from the world of work. It includes five main objectives which build upon the 1998 programme and correspond to the recommendations of the Nice summit.

2.2. The innovative content of the NAPincl

The real breakthrough in French policy to combat poverty and exclusion was the Act of 29 July 1998, of which the **NAPincl** includes only the main principles. However, the **NAPincl emphasises the efforts directed at the population groups most isolated from the employment market**, and extends **the involvement of the various State stakeholders** (Justice, Culture, National Education) **and of businesses** (the development of social responsibility and social dialogue within businesses so as to prevent and avoid the severance of employment relationships - and hence exclusion - constitutes one of the objectives of the draft legislation on "social modernisation"). The 2001 Plan also **emphasises the importance of action focusing on regions where poverty and exclusion are most in evidence.**

2.3. Co-ordinated and integrated approach

The strategic approach is clear and perfectly consistent with the challenges identified. It is based on the multidimensional nature of exclusion and the need to propose diversified responses. The **NAPincl** clearly identifies the consequences of exclusion, recognises the need to prevent it, and pinpoints the most vulnerable groups and areas. In order to meet the challenges, the **NAPincl** is simultaneously

following a strategy based on the various policies (employment, housing, health, etc.) as well as mobilising the stakeholders.

Concerning cooperation and coordination between all stakeholders, it is important to note that the development of this strategy was the subject of a major debate in French society between 1995 and 1998. The various associations and social bodies were all very much involved, together with the competent State administrative departments. In extending and building on these actions, the NAPincl does not seem to have given rise to such extensive mobilisation outside the associations directly concerned and the State services. **It would thus seem necessary to establish reinforced coordination mechanisms between the administrative departments concerned and to step up the involvement of the social partners in implementing the arrangements.** In this connection it will be important to secure the close involvement of local and regional government, in particular the general councils (*conseils généraux*) and municipal authorities.

2.4. Compatibility of strategic approaches in relation to the National Action Plan/empl

There are close links between the NAPincl and the strategy put forward in the 2001 National Action Plan for Employment. The new Plan by necessity takes into account the French employment strategy formalised in the NAPempl, which it reinforces and supplements. France attaches considerable importance to preventive and/or active measures in favour of persons at risk of exclusion, as testified to, for example, by the introduction of the new "personalised action project" scheme, the creation of the "employment premium", and the consolidation of the TRACE programme ("gateway to the labour market"), which targets young people with major difficulties. Other measures provide for aid in direct connection with employment (market and non-market sectors).

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment and access to resources, rights, goods and services for all

The approach adopted does not consist in creating specific rights to which only the most deprived are entitled, but proposes the adaptation of all provisions of general law and the development of follow-up action to ensure their effective enforcement. Action mainly involves guiding the unemployed and the groups most isolated from the labour market into employment, validating occupational skills and qualifications, and establishing social tariffs for public services based on people's real incomes. The new measures include facilitating access to housing, improving the system of access to health care, and above all a major effort concerning the psychological stress incurred. The NAPincl also proposes - albeit on a lesser scale - programmes to assist access to education, justice and culture.

3.2. To prevent risks of exclusion

The proposed **strategy is consistent** with the **principle of prevention** adopted at the Nice summit. A whole series of concrete measures are planned, in order to take early targeted action when a breakdown in living conditions seems likely. The main measures are a proposal for social support for families in serious debt, prevention of eviction, creation of education support units to prevent children dropping

out of school, prevention of family break-ups by providing increased parenting help, and easier access to new technologies for young people and jobseekers.

Although the Plan does not mention eInclusion as a major challenge, it does list a series of **initiatives on the use of information and communication technologies (ICT)** in education (all schools will be connected to the Internet by the end of the 2001–2002 academic year, Internet and computer user's certificate) and training (Internet initiation module and "Internet navigation certificate" offered to jobseekers undergoing training and young people attending local centres). Public Internet access points will be established (more than 7000 will be open by 2003, 2500 of which will have signed a "public cyberspace charter" with a view to offering general training for anyone in the form of an "Internet and multimedia passport"). Finally, the "Points Cyb" programme will be stepped up.

3.3. To help the most vulnerable

The approach adopted is oriented both towards people and regions. The vulnerable groups are clearly identified, and the proposed activities target the people and regions worst hit by exclusion problems. The measures include extension of the TRACE programme for young people seeking to enter the world of work, and the development of socially beneficial activities in run-down areas. Special attention is devoted to the overseas territories and departments with exclusion problems. Since the early 1980s France has invested considerable efforts in run-down areas, under the motto "a policy for towns and cities", and the 2001 Plan emphasises a more territorial approach by the State, particularly in the field of access to employment for the population groups with the greatest difficulties.

3.4. To mobilise all relevant bodies

The NAPincl recognises and emphasises the fact that effective action to combat exclusion necessitates **effective coordination among all the stakeholders**. This is achieved by reinforcing the local social observation structures and developing local centres housing the various public and social services. Greater involvement and better coordination of decentralised State services will accompany the strengthening of partnerships with associations. The partnership is an essential element of the Plan, in terms of both content and implementation procedures.

4. GENDER MAINSTREAMING

The across-the-board approach adopted to guarantee everyone effective access to the same rights should help to promote equal opportunities for men and women under the arrangements and measures presented. However, this approach seems to be more restricted as regards social protection, where discrepancies are found (especially in family break-up situations), and in fields necessitating the development of statistics broken down by sex, which according to the Plan will be introduced progressively.

The nature of the major challenges highlights the discrepancies between men and women in terms of employment and family situation (85% of lone parents are women). Consequently, the initiatives adopted above all concern access to employment (quantified objectives for the participation of poorly qualified women in the TRACE programme) and improvement of the economic independence of

recipients of lone-parent benefit. Men who are particularly marginalised, ex-prisoners, the homeless, delinquents, and migrant workers in hostels also benefit from special attention or measures in connection with various objectives, such as access to employment, housing, health care and the Internet. The development of personalised social support should also lead to more consideration being given to the specific needs of men and women.

One question that remains to be resolved is how to steer the various measures. The Plan promises special attention for the formulation of indicators by gender so that measures can more easily target women, who are often the main victims of exclusion situations. This becomes even more important in that the gender dimension is not particularly visible in the July 2001 programme, unlike in the NAPincl.

5. THE ROLE OF THE ESF

The NAPincl does not specifically mention ESF-cofinanced activities. **However, the links are perceptible** in the policy of prevention that is being pursued. The ESF, under the Objective 3 programme for the period 2000-2006, is providing special support for strengthening the preventive approach. These measures represent 65.5% of the total national ESF budget (approximately € 3 billion in ESF contributions).

In particular, ESF support is granted for activities benefiting the target groups of the "personalised action programme for a new start" and the development of "local integration and employment plans" and "departmental integration plans". The ESF also finances measures to combat exclusion, supporting an approach based on prevention and social integration and seeking to combine approaches aimed at preventing long-term unemployment with measures to tackle exclusion. The ESF also plays a preventive role by giving a second opportunity to young people who leave school without qualifications. Similarly, workers in employment can also benefit from ESF support. Finally, the ESF supports measures to remove obstacles to employment and training access for women and to encourage diversification in their career choices.

IRELAND

Conclusions

Situation & Key Trends The year 2000 was the 7th year of extraordinary economic growth in Ireland. GDP grew at 10.7%, three times the EU average and exceeding the results of the previous years. The impact has been enormous with a reduction in unemployment to 4.2% and in long-term unemployment to 1.7%. Alongside growth in employment, there are growing labour and skills shortages. In terms of poverty the picture is mixed. Using Ireland's 'consistent poverty' definition, adult poverty levels fell from 15% in 1994 to 8% in 1998, whilst child poverty levels over the same period dropped to 12%. But there is a growing income disparity; in 1997 20% of the population had income below 60% of the median using harmonised ECHP data. A thorough examination of social exclusion requires more developed trend information on poverty which in turn requires more information on specific groups such as poverty by geographical areas. Such an examination would also require an analysis of the problem of social exclusion. This analysis would need to address health, rural deprivation, transport and housing issues. It is expected that these issues will be addressed as part of the NAPS review.

Strategic Approach The need to tackle poverty is well recognised: social inclusion policies amount to 10 bn euros, and the National Anti-Poverty Strategy, which underpins the NAP/incl, was established in 1997. This Anti-Poverty Strategy (and hence the strategic approach to poverty in Ireland) takes a long term agenda (10 years) and is made up of specific targets covering particular programme areas and groups. Employment and access to jobs for all is seen as key to moving out of social exclusion. An administrative infrastructure and monitoring procedures and mechanisms (many new when introduced) have been put in place to progress the strategy. Of particular significance is that targets and principles have been integrated into national financial and development plans. There is a commitment to revisit and improve the Anti-Poverty Strategy and a wide-ranging review is now underway. However neither the analysis which underpins the National Anti-Poverty Strategy nor any of the recent evaluations of this strategy are adequately reflected in the NAP/incl which lacks a strategic dimension. Gender as a specific issue is not highlighted.

However when completed, the National Anti-Poverty Strategy Review is expected to contain both an analysis and a strategic policy response to the problem of social exclusion. **Policy Measures** Ireland is active under all four objectives, especially facilitating access into employment and raising standards of education. Unemployed and disabled people are targeted, and the value of lifelong learning highlighted. The importance of the family and tackling homelessness are two issues raised. The need for an effective social care infrastructure for children and older people is recognised, and child poverty is a key focus of the NAPincl. The involvement and contribution of stakeholders is valued and they are fully engaged in the review of the National Anti-Poverty Strategy with work plans in hand to involve them further in the Anti-Poverty Strategy. However the involvement of stakeholders in the current NAPincl process was viewed as weak, but should be addressed in future.

Challenges Ahead The NAPincl gives a broad outline of future challenges, and does not identify specific objectives. But it is possible to infer from the NAPincl that any future strategy under the revised NAPS must address a range of issues. Key priorities will be: enhancing investment in the provision of services (health, housing and transport services) for those on low income, tackling rural and urban deprivation and implementing a social care infrastructure (especially for children and elderly). It will also need to concentrate on reducing growing income inequalities, the integration of refugees and migrants, as well as the independence (particularly financial independence) and well-being of women. Targeting employment opportunities and raising educational achievements and literacy levels, will also need to be addressed.

1. MAJOR CHALLENGES AND TRENDS

The year 2000 was the 7th year of extraordinary economic growth in Ireland. GDP grew at 10.7%, three times the EU average and exceeding the results of previous years. These developments also saw growing labour and skills shortages. This impact is significant; most notable is the reduction in unemployment to 4.2% and in long-term unemployment to 1.7% and a growth in employment. The trend is of continued growth but at a slower rate (forecast 6.7% growth in 2001 GDP). In poverty terms the picture is mixed. Using the national 'consistent poverty' definition, adult poverty levels fell from 15% in 1994 to 8% in 1998, whilst child poverty levels over the same period dropped to 12%. Among the immediate consequences of rapid economic growth is a growing income disparity. According to the ECHP data, in 1997 20% of the population had an income below 60% of the median. A point to note is that Ireland spent only 16% of GDP on social protection in 1998 (the lowest percentage in the Union). This is partly attributable to its relatively low proportion of elderly people. However, low income is just one of the dimensions of poverty and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such as access to employment, housing, healthcare and the degree of satisfaction of basic needs. This examination will require trend information on poverty which is not adequately provided in the NAP/incl. This information would also need to be broken down to cover issues such as poverty risk by geographical area or poverty risks associated with more vulnerable groups. It is possible to deduce some of the major problems, such as rural deprivation, which appears endemic. Access to health is recognised as unequal but data is not provided. Human rights are tackled primarily through the Equal Status Act, but there is no specific reference to social rights and little reference to citizenship. At this stage of the Review of the National Anti-Poverty Strategy, the NAPincl identifies future challenges in broad terms rather than specific objectives. The main aim of the Irish Government is of maintaining a sustainable rate of economic and employment growth whilst tackling social exclusion, poverty and inequality. However it can be inferred from the NAPincl that if social exclusion is to be tackled effectively, policies will need to

address: the provision of services (health, housing and transport services) for those on low income; rural and urban deprivation and; the implementation of a social care infrastructure (especially for children and elderly). It will also need to concentrate on: growing income inequalities; the integration of refugees and migrants, and; the independence, particularly financial independence, and well-being of women. Targeting employment opportunities at those excluded, as well as raising educational achievements and levels of literacy, will also need to be addressed. This will require co-ordination at local level and better data, particularly on marginal groups. It is expected that these issues will be addressed as part of the NAPS review.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The need to tackle poverty is long recognised in Ireland through the National Anti-Poverty Strategy, covering policies accounting for some 10 bn euros. Put in place in 1997, the Strategy focuses on employment as a main route out of exclusion. Structural support for the Strategy includes strengthened legislation (especially Equality) and a partnership approach, in particular the National Partnership Agreement. This Strategy is at the heart of the NAPincl and of its strategic approach: it takes a long term agenda (10 years) and is made up of specific targets covering particular programme areas, reinforcing a target group approach. An administrative infrastructure and monitoring procedures and mechanisms (many of which were new when introduced) have been put in place to progress the strategy. Of particular significance is that targets and principles have been integrated into national financial and development plans. There is a commitment to revisit and improve the Anti-Poverty Strategy, and a wide-ranging review is now underway.

The unfortunate timing of the NAPincl and National Anti Poverty Strategy Review means that the NAPincl lacks an explicit analysis of the problem of social inclusion. Health, rural deprivation, housing and transport issues are not fully developed. Target setting is an important part of the review and few have been able to be included in the NAPincl. Further improvement in these areas is expected to be an important outcome of the NAPS review

2.1. The long-term strategic perspective

The National Anti-Poverty Strategy takes a 10 year view. This commitment to the long term perspective is also matched by a willingness to review and change where necessary. The focus on employment as the most important route out of exclusion, particularly for people with disabilities and unemployed people, remains appropriate given the labour market situation. The National Development Plan contribution to social inclusion is consistent with this approach. The timing of the National Anti-Poverty Strategy Review means that the NAPincl is confined largely to descriptions of policy measures already in place. It does not provide a quantitative or qualitative critique. nor any adequate evaluation evidence from the first four years of the Anti-Poverty Strategy.

2.2. The innovative content of the NAPincl

The NAPincl provides useful and interesting examples of good practice although it includes little that is new over and above the National Anti-Poverty Strategy. However it is expected that, as agreed with Social Partners, the NAPS review will provide a new impetus through an examination of 6 themes:

Educational Disadvantage; Employment; Rural Poverty; Urban Disadvantage; Housing; and Health. Each Working Group will address the concerns of women, children, older people and ethnic minorities as horizontal issues. A separate Group, the Benchmarking and Indexation Working Group (BIG) will examine the adequacy of welfare payments. The remit of each Working Group also includes targets and indicators. The review is expected to report in November 2001. A commitment has been given that the revised National Strategy will be reshaped using the NAPIncl framework.

2.3. Co-ordinated and integrated approach

The National Anti-Poverty Strategy process is built on a cross-Departmental and multi-agency approach. Social partners, NGOs, voluntary and community groups are involved in policy development and strategy with work in hand to strengthen this. The review of the National Anti-Poverty Strategy involves all relevant actors in a positive and significant way. Participation and involvement in the NAPIncl process is less clear. Conferences were organised to allow groups to contribute but the view from some stakeholders is that it was less participative than other strategic processes, and their contributions less valued. A commitment to full participation for future NAPIncls has been given. A comprehensive approach is attempted through Poverty Proofing. This is a radical attempt to ensure that all Government policies consider the impact on those in poverty. Poverty Proofing aims to provide policy makers with a systematic approach to assessing the impact of their policies, particularly at the design stage, on those in poverty. To date, the concept remains robust, but implementation needs further work. The approach should be further strengthened and extended to the local level following an external review of its impact.

2.4. Compatibility of strategic approaches in relation to the National Action Plan/empl:

The potential for compatibility between the two is strong and the NAP Employment addresses social inclusion issues. But although the NAPIncl does refer to the role of the **NAP Employment**, the links between the two documents are weak and could be improved.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment

The inclusion in the labour market of excluded people and eliminating long term unemployment are key challenges. The strategy is to provide incentives and mobilise all sources of labour and to provide the necessary education, training and lifelong learning opportunities. The NAPIncl bases its approach on the relevant Employability measures of the NAPempl and targets people with disabilities, unemployed, and to a lesser extent Travellers and refugees. A Lifelong Learning Task Force has been established to identify gaps in provision and make recommendations. Upgrading people with obsolete or low skills is a priority, but there are no targets yet. A number of policy initiatives are already in place to allow access to the Knowledge Based Society. These are either small pilots for particular groups, such as ICT opportunities for disabled people and for supporting the voluntary sector, or are large general approaches such as measures for digital literacy.

3.2. Facilitating access to resources, rights, goods and services for all

Social protection and minimum income issues are raised in The NAPincl. To put the position in context, Ireland spends the lowest proportion of GDP than any other Member State on Social Protection (16.1% compared to EU average of 27.7%, which is partly attributable to its relatively low proportion of elderly people). There are commitments in place supported by the Social Partners to increase all welfare. Substantial progress has been made towards achieving these commitments. More specifically, there is a commitment to increase child benefit, and a minimum IR£ 100 per week lowest welfare payment target exists. Removing the low paid from the tax net has already begun and the development of a threshold for income adequacy is work planned. Regarding health, there is a recognition that access to health is unequal in Ireland. Objectives have been set by the Programme for Prosperity & Fairness, but no targets. In terms of transport, the upgrading of facilities to assist access for the disabled is comprehensive including taxi's as well as buses and trains. Although not highlighted, these changes will benefit others (parents with young children or elderly people). But how the transport needs will be met of other socially excluded people, especially in rural areas, is not specified. Other access issues such as access to justice, recreation and arts are not raised. However there are several initiatives aimed at tackling domestic violence, including the National Steering Committee on Women against Violence, and MOVE and First Contact, two pilots aimed at potential perpetrators of violence.

3.3. To prevent the risks of exclusion

The demand for **housing** is estimated at 500,000 new dwellings over the next 10 years. No targets are set in the NAPincl to achieve this and the impact it will have on social inclusion is not explained. Targets will emerge following the NAPs review. The housing needs of Travellers have been singled out for action, but other socially excluded groups or low-income families have not been identified as a priority in the NAPincl. The NAPincl recognises that homelessness needs to be tackled urgently, and a new Homeless Agency has been established in Dublin. The NAPincl does not include relevant indicators /data. For **families** there are a range of policies supporting all aspects of family life including: the Money Advice and Budgeting Service to tackle **indebtedness** and a strategy to improve **work / life balance** is in hand, but no targets are set. An example of policy on the ground is the **Family Service Pilot Project** targeting problematic families with complex problems such as young lone mothers. Locally based, the project provides an integrated approach, offering a 'package of support services' tailored to meet individual family needs. This includes guidance, counselling and case management. A recent evaluation report has now recommended mainstreaming the project.

3.4. To help the most vulnerable

Interventions tend to be targeted at specific groups rather than universal in approach. **Rural disadvantage** is endemic. Nearly 61% of educationally disadvantaged school children are in rural areas. As with other aspects of rural poverty, no specific targets are set, although there are global targets that will benefit rural inhabitants, such as that to drastically reduce early school leaving and raise qualification levels. Poverty amongst **older people** is identified, particularly the need for effective or improved pension cover. A new development is **The RAPID Programme** which identifies the 25 most disadvantaged areas in Ireland based on: unemployment, income levels, family and social structure, educational disadvantage and high levels of local authority housing. RAPID aims to focus

social inclusion measures and National Development Plan investment at the most disadvantaged. It is a localised and targeted approach to social protection. The **Colaiste Ide – City of Dublin Vec** provides quality, flexible education (online and distance learning) to unemployed, lone parents and disabled people. It attracts students from all over Ireland and is involved in outreach.

3.5. To mobilise all relevant bodies

Stakeholders are involved in the social inclusion agenda. The consultative infrastructure is strong, whilst greater delegation of responsibilities to regional and local level is now evident, including some delegation of the National Development Plan and National Anti-Poverty Strategy to the Regional Assemblies, the setting up of the City and County Development Boards and the increasing involvement of Local Authorities. The newly established Equal Opportunities and Social Inclusion Co-ordinating Committee is drawn from a wide range of organisations (including NGOs and Social Partners) and one of its tasks is to identify ways of promoting equality and social inclusion as a central part of Government Policy. A recent White Paper 'Supporting Voluntary Activity' establishes a framework to strengthen the consultative mechanisms planned as part of the National Anti-Poverty Strategy Review. For the NAP/incl, conferences were held to gather views but the process was not satisfactory to some stakeholders.

4. GENDER MAINSTREAMING

There is no gender analysis in the main challenges, but work is in hand to tackle women's poverty, including through the National Anti-Poverty Strategy Review. Structurally, there is the Gender Mainstreaming Unit (GMU) attached to the Department of Justice Equality and Law reform, as well as the planned Education Gender Equality Unit (GEU). The new equality architecture covers 9 forms of equality, replacing the single focus on Gender. The impact of this change is unknown.

Gender is addressed in employment in line with the Employment NAP. It is partially addressed in social protection. For example, earlier state pension improvements have been made, although the current pension reform focuses on occupational and private pensions. However particular attention should be given to the needs of older women, particularly those with low or no employment record. Improvements are evident in some areas, especially in support for carers, where the non-means tested Carers' Benefit is now complemented by the recent introduction of the right for up to 65 weeks Carers' Leave from employment. In addition, credited contributions are granted to maintain pension cover during absence from work to care full time for children or other dependents.

In access to services such as healthcare, housing and transport, gender mainstreaming is not evident.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

The national Employment and Human Resource Development OP accounts for more than € 12.5 bn investment. The ESF contribution to this programme is more than € 900m or 85% of all ESF. In addition, ESF contributes to the two Regional OPs where ESF measures are concerned with childcare and to the PEACE II OP in which ESF is used to support social inclusion and employability actions. Although the amount of ESF allocated to the Social Inclusion Policy Field is relatively modest (around 12% of € 1.056m available) there is substantial ESF support through policy fields A and C for groups at risk of exclusion.

ITALY

Conclusions

Situation and key trends: Social exclusion in Italy is concentrated in certain regions of the south, whereas in the north the phenomenon is more limited and the groups affected are more specific. The main reason for social exclusion is monetary poverty, which in 1997, according to the European indicators, stood at 19% (risk of poverty rate, based on a threshold of 60% of the median income). Social exclusion particularly hits large families whose head is unemployed, as well as people with a low level of education and dependent elderly people. The geographical concentration of these risks is very much in the south of the country, where the social system is still centred on financial assistance mechanisms rather than on the availability of services. The family, which remains a pillar of the country's social model and enjoys a range of tax benefits and direct aids, still has to make up for the lack of social services. This phenomenon can have negative effects on female employment in spite of a series of initiatives designed to achieve a balance between family life and work (which is still a distant prospect in Italy).

Strategic approach: The social exclusion strategy is based on a combined approach, which includes universal and preventive policies, as well as remedial policies aimed at target groups. The new planning policy being tested aims to be: **integrated**, with assistance and social services consistent with the principles of universal access, closer partnership, and creation of networks and a monitoring system; extensively **decentralised**, with direct involvement of the regional authorities at all levels; **partnership-based**, the involvement of the various stakeholders being one aspect of the new planning system; and **multisectoral** in that the NAP, with different multiannual plans, is based on a timetable up to 2003, the policy objectives of which are not quantified at national level. However, the spirit of the strategy and policy measures adopted clearly testify to the government's long-term commitment. Two main trends characterise **public spending** priorities up to 2003: the rebalancing (1998-2000) of expenditure on social protection, with a reduction in (invalidity and war) pensions and an increase in transfers and services, and the doubling of appropriations for the Social Policy Fund between 2000 and 2003.

Policy measures: The "National Social Plan" (NSP) adopted in April 2001 constitutes the basis for the preparation of the NAP and refers explicitly to the Nice objectives. It is being implemented through regional plans and provides the framework for the new social inclusion strategy and the recently adopted reform of the assistance system (2000 framework law). The NSP refers to a range of planning instruments (four national and four sectoral plans) supplemented by other more specific forms of assistance (local minimum wage trials, Immigrants' Education Act, family and maternity benefits, Children's Rights Act, etc.). The measures in force correspond to the four common objectives and are presented in a manner consistent with this structure.

Challenges ahead: The main challenge is to develop the south of the country, and this is also a priority of Italy's structural policies. To this end a strategic effort should be made. Care for young people and dependent elderly people also constitutes a major challenge. The problem of poverty, clearly identified in the diagnosis and listed as one of the five objectives of the NSP, also remains a challenge which has not yet been addressed by specific measures, other than the minimum wage scheme (which is still at the experimental stage). At institutional level, the main challenge is the coordination of national planning, both between the various sectoral plans and between the national and regional levels. Monitoring and evaluation (by the Social Policy Observatory) and the ability of the regional authorities to face up to the responsibilities devolved to them are other aspects which must be followed up carefully.

1. MAJOR CHALLENGES AND TRENDS

The NAP analyses **poverty** in a very methodical manner, applying the concepts of **relative** poverty (based on a threshold which takes account of expenditure) and **absolute poverty** (based on consumption of a minimum basket of goods and services). In 1999, according to national data, relative poverty affected nearly 12% of households (approximately 7 508 000 people), 65.9% of them in the south. 4.9% of families (1 038 000 people) were in a situation of absolute poverty (11% in the south compared to 1.4% in the north). In 1997, according to ECHP data on risk of poverty (Eurostat methodology), 19% of the Italian population were living below the threshold of 60% of the median income, of which 34.7% in the south, 9% in the north and 19.1% in the centre. Income distribution is also unequal within these geographical areas, which increases the differences in social cohesion. The **risk of poverty** in terms of income is taken into account, and the main categories of persons subject to this risk are identified (e.g. large families, young people and dependent elderly people). It is noted that poverty increases with the number of minors in the household.

The Italian NAP considers that monetary income is only one of the dimensions of poverty and social exclusion and in order to obtain a complete picture, account should also be taken of other equally relevant aspects, access to employment, housing and health care and the degree to which essential needs are satisfied, as well as other factors, such as for example, the level and quality of school education, access to knowledge (especially new information technologies), and dropping out of school (in the south, the number of young people who leave school without a certificate is eight times higher than in the north).

The groups at risk of social exclusion include **minors** (28% of minors are at risk of poverty in the south compared with 5.2% in the North), the **homeless**, the **disabled** (especially the elderly disabled) and **immigrants**, who find it difficult to gain access to employment and the school system and tend to be in insecure jobs.

The lack of **jobs** remains an important factor in exclusion (which affects 28.7 % of households whose head is unemployed). The situation is even worse in the south owing to the low level of education of unemployed people and the high rate of short-time working.

Especially in the south, the family is still too often forced to act as a social cushion and extended social inclusion and assistance network. The family network's role in caring for minors and other dependent persons constitutes a major challenge to Italian social policy and social inclusion. The focus still tends to be on financial aid rather than on the availability of services.

Insufficient **childcare services** are available; for example only 6% of infants (0-2 years) are accommodated. The need to provide care for children and dependent people has a negative impact on equality of opportunity, in that it can restrict women's chances of employment and economic autonomy. Policies designed to reconcile work and family life should be strengthened if this problem is to be tackled, in particular a greater availability of care services

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The NAPincl provides a broad response to the challenge of ensuring social inclusion. The **gradual rebalancing of public spending** in the field of social assistance (including social security and pensions) is in progress. The main principles of the NAP are the promotion of universal access, minimum income and decentralised services, and the rationalisation of transfers of public resources with clearer identification of the resources earmarked for the fight against poverty and those for other social purposes (e.g. distributing the burden of family responsibilities). The NAP develops the priorities identified in the 2000-2003 National Social Plan (NSP) adopted in April 2001. The initiatives adopted in the NSP by the government suggest a commitment to a long-term strategy with a view to achieving ambitious objectives. In view of the geographical concentration of the problems, another objective would be to enable the south to catch up. The effectiveness of monitoring, steered at central level by a Social Policy Observatory, is a key element in this strategy. Consequently, one of the priorities remains the development of evaluation methods for social policies.

The priority policy objectives of the NAP are respect for children's rights, the fight against poverty, the improvement of household services, the improvement of the conditions for caring for dependent people, and the social inclusion of immigrants. The reform of assistance policy is pursuing the objective of a long-term universal approach. The strategy is both preventive (e.g. certain national and sectoral plans such as the national health plan, the plan for the disabled and the education plan) and remedial. Action in this context includes minimum income trials, as well as legislation covering maternity, dependent people, invalidity, children's rights, etc.

The strategic approach means that the regions must be able to face up to their new responsibilities and introduce the necessary planning tools (plans are currently being drafted, and only three regional plans have been adopted as yet, all in central or northern Italy).

2.1 The long-term strategic perspective

Owing to the organisation and regionalised structure of the Italian social system, the objectives to be achieved are described mainly in qualitative terms, and are rarely quantified - although quantification and timetables are covered by the regional and local plans which are in the process of being adopted.

However, the Italian government is prepared to quantify the national objectives once the regional plans have been adopted.

The monitoring system, work on indicators, the nature of the problems and the approach to multiannual planning demonstrate the consistency between the main challenges and the proposed strategy. The Italian government's response covers a period of two years only.

2.2 Co-ordinated and integrated approach

Chapter 3 of the NAP focuses on the role of the "integrated system of social policies", which is based on eight plans, four of them national (social services, health, employment, education) and four of them sectoral (the disabled, children and young people, drug users, the elderly). One pillar of the NAPincl is the National Social Plan (NSP), a sort of "master plan", which is very innovative for Italy and is

characterised by an integrated strategy of universal response to the needs of social inclusion, based on the principles of universal access, closer partnership, and creation of networks and a monitoring system. The NSP provides a framework for regional and local planning and is in fact implemented through regional plans (*piani sociali regionali*) and local plans (*piani di zona*), which directly involve the regional and local authorities in both planning and implementation.

Within this complex system of planning, the principles of coordination and integration are explained, particularly in the NSP. It is not clear how the national and sectoral plans will combine, or to what extent the proposed structure will be able to reduce the gaps between the regions. The involvement of **private stakeholders** is highlighted by the part played by the Foundations and their ability to mobilise financial resources. Their role is mentioned in the National Social Plan for 2001-2003, in which private stakeholders, especially representatives of the third sector and voluntary sector, are referred to as key players.

2.3 The innovative content of the NAPincl

The most innovative aspect of the NAPincl is the actual process of implementing the **framework act on the reform of the social assistance system**. Under the reform, management and coordination tasks are separated; the central authorities will increasingly be required to perform coordination and monitoring tasks, whereas management and implementation will be the responsibility of the Regions.

Another important innovative aspect is the current **minimum income** trial being undertaken by a number of municipalities since 1998. However, the NAP does not give any information on the results achieved or say whether it is intended to give general currency to this measure. A further innovative element concerns the tools introduced to diagnose social exclusion problems; more detailed work is being carried out on **indicators**, which will certainly lead to a significant improvement of the permanent system of analysis and monitoring.

2.4 Compatibility between the NAPincl and the NAPempl

There no specific references to the policies set out in the NAPempl, which are merely repeated in general terms in the context of the NAPincl.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1 Facilitating participation in employment and access to resources, rights, goods and services for all

Measures are based around two priorities: facilitating access to **employment** and facilitating access to **resources, rights, goods and services**. The employment strand takes in all current policies (school reform, university reform, training, employment centres, etc.), as well as tax and income support measures such as the minimum income trial. Measures to help people meet their family responsibilities and to assist prisoners and immigrants are also included under this objective. The important aspects of the resources, rights, goods and services strand are the consolidation of social services for the people

concerned, regionalisation of public health services, measures to reduce the cost of housing, free assistance for the most deprived, and the social services department.

3.2 To prevent the risks of social exclusion

Three types of initiative are listed in this connection: measures to stop young people dropping out of school without qualifications, measures to support the family solidarity network, and adoption of a national plan for the **new economy**, which includes training schemes, the distribution of computers, and encouraging young people to use the Internet. Apart from this plan (which will benefit 600 000 students during the period 2001-2, at a cost of around € 90 million), there are no quantified objectives for the other activities mentioned.

3.3 To help the most vulnerable

The initiatives in this connection are aimed at four target groups. The poor: the government's response is the minimum wage and minimum measures for the homeless. Drug users: therapy programmes are mentioned. Minors, young people and children: a diversified response is offered (socialisation structures, participation of young people in the life of society, centres for young people, psycho-social help, school integration for immigrants, protection of young people against the risk of delinquency). The disabled: a national sectoral plan (2000-2002) and a series of specific financial assistance measures.

3.4 To mobilise all relevant bodies

The very nature of the current reform is based on a partnership approach, which requires the various stakeholders to play an active role at their own levels of responsibility. The active participation of the private sector, as well as associations, NGOs and the social partners, must be organised by the regional authorities. Citizens, as beneficiaries of services and as consumers, must also play a more active role.

Central-level initiatives may give rise to local programmes and also encourage “social pacts” (*patti per il sociale*), a pilot experiment based on a bottom-up approach and necessitating close consultation with the stakeholders in the field.

4. GENDER MAINSTREAMING

Analysis of the major challenges in the analytical part of the plan reveals discrepancies to the detriment of women in relation to employment, unemployment, disabilities and the sharing of family responsibilities and shows that women are more likely to be involved in voluntary work. By contrast, 80% of homeless people are male, half of them immigrants. The Plan provides a wealth of indicators and statistics broken down by sex (including data on households broken down with reference to the head of household (housing, subjective poverty, difficulty in obtaining access to services, etc.). The social situation is analysed from the gender angle. The question of promoting equal opportunities for women and men, although covered by the diagnosis, is not adequately developed with regard to the strategic approach, the emphasis having been placed on reconciling work and family life rather than on reducing the difference in activity rates. A series of measures may be regarded as making a positive

contribution in this context (maternity support for women not covered by existing legislation on maternity leave, tax deductions for looking after children and old people at home, better access to care services for children and the elderly). The legislation on domestic violence is also mentioned, as is the development of new national statistical indicators on domestic violence and on reconciling work and family life.

5. THE ROLE OF THE ESF

The NAP mentions ESF assistance. Generally speaking, it is estimated that 6% of the resources for ESF Objectives 1 and 3 are earmarked for measures concerned with social exclusion and services for the individual. However, the role of the ESF in controlling social exclusion goes well beyond the measures specifically mentioned. Other Community initiatives are also referred to, but their impact on social exclusion is not considered. The exception here is EQUAL, which aims to promote integration between the NAPempl and NAPincl and an innovative approach as regards cohesion and social inclusion policies.

LUXEMBOURG

Conclusions

Situation and trends. Luxembourg has a booming economy and a high standard of living. Its social policy is generous, with total spending on social protection coming to 9 258 PPP per inhabitant per year in 1998, putting the country in first place among the EU Member States. The 1996 Eurostat household income survey reported a risk of poverty rate of 12%, based on a national median income of € 2 200 per person per month (after payment of social transfers), attesting to the relative effectiveness of Luxembourg's social protection system in substantially reducing poverty. In spite of the policies undertaken, there are continuing difficulties in respect of unemployed elderly people, low-skilled jobseekers, lone-parent families or “new arrivals” who have fled their region of origin.

Strategic approach. Under the new common strategy, Luxembourg intends to **continue** to follow its determined policy in favour of an **active social state**, while strengthening it wherever it appears necessary. Given that the current system has shown itself to be effective, the Luxembourg authorities do not consider it a priority to undertake major reforms or to introduce many new instruments. The Luxembourg social system sees itself as being **all-embracing**. This first NAPincl reveals three main aims: to provide everyone with sufficient income, to foster integration into the world of work as a means of tackling poverty and social exclusion, and to do more to prevent potential crisis situations. The plan also includes the development of coordination and follow-up with regard to the policies in these fields.

Policy measures. The proposed measures are relevant to the problems faced and constitute a response to the common objectives adopted in Nice. As regards the first of those objectives, the plan submitted pursues the active policy adopted, particularly measures designed to ensure adequate means of support and improved access to employment, training, housing and all public services. As for the second objective, the plan seeks to prevent school failure and illiteracy and to break the vicious circle caused by serious debt. Thirdly, it makes provision for improved protection of young people and better social integration of people who do not speak Luxembourgish. Finally, concerning the fourth objective, the preparation of this plan has had the effect of mobilising all the forces of the political world, society and associations. The government has committed itself to involving, in an organised manner, the various organisations (NGOs) and local authorities in implementing and steering the NAPincl.

Challenges ahead. A number of challenges merit more detailed attention: housing conditions, immigration, the role of the school system in promoting social inclusion, risk groups, and social assistance. Synergy between the NAPincl and the NAPempl must be consolidated, particularly in terms of the generalisation of activation and prevention policies with regard to GMI recipients or other groups with limited work skills. A greater effort must be made to contain the risk of a shortage of housing accessible to people on low incomes, given the state of the housing market. Recent migration flows pose problems in terms of integration into the country's cultural and social life, and especially education. Furthermore, the proportion of women, often with children, who are dependent on social assistance calls for particular attention; the number of elderly people in this situation also calls for particular attention. More detailed consideration should also be given to exclusion as a function of age, origin and gender. Finally, this first NAPincl does not contain any quantified objectives.

1. MAJOR CHALLENGES

Strong economic growth (8.5%), a preventive and active employment policy, and personalised employment services are all factors contributing to the near absence of unemployment (2.4%). Despite an enviable economic situation and a social policy which is both all-embracing and generous (in 1998 total spending on social protection in Luxembourg came to 9 258 PPP³⁹ per inhabitant, putting the country in first place in the European Union), the **1996 Eurostat survey** on household incomes in Europe found that 12% of Luxembourg's population had a net income of less than 60% of the national median income (€ 2 200 per inhabitant per month). According to national data, 5% of the population have a monthly income of less than € 1 000, a percentage which has remained stable overall for a number of years. This testifies to the effectiveness of the social transfers system in substantially reducing the effects of poverty.

However, monetary income is only one of the dimensions of poverty. In order to obtain a complete picture, account should also be taken of other equally relevant aspects, such as access to employment, housing and health care and the degree to which essential needs are satisfied.

The recent rise in inflation (3.1%) affects people on modest incomes. The main factors in this rise were essential **consumption** items such as housing, water, electricity and energy, and food (more than 5%).

The increase in the number of **social housing units** (+7.5%) cannot hide the risk of a shortage of accommodation for rent which is accessible to the low-paid population. Luxembourg has the lowest ratio of housing units per 1000 inhabitants after that of Ireland. This problem could become worse in view of the rapidly expanding property market.

The steady growth in employment has brought unemployment down to 2.4%. This **residual unemployment** often reflects an increase in specific problems and is therefore very much of a social nature. Consequently, there remains a **hard core** which the active employment measures in place are unable to absorb. These are generally people with a low level of education and skills or with multiple and various disabilities (lack of expertise, psycho-social or health problems).

Although the policies pursued have kept the poverty problem under control and even slightly improved matters (1.7% fall in the number of GMI recipients between 1998 and 1999), Luxembourg remains faced with a number of difficulties in reaching a fully satisfactory manner, the whole population among unemployed elderly people, low-skilled jobseekers, lone-parent families, thousands of “new arrivals” in the country (people without papers, refugees, asylum seekers, illegal immigrants, etc.).

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The NAP reflects the government's desire to work towards an **active social state** with the intention of developing responsible solidarity and an open society in which everyone can participate. The Luxembourg social system sees itself as being **all-embracing** and non-discriminatory. Under the

³⁹ PPP = Purchasing power parity.

new European strategy, Luxembourg intends to **continue** its determined policy in this field so as to allow every citizen to participate fully in economic and social life by making sure that everyone has sufficient means of support, access to fundamental entitlements (housing, health, education, employment, culture, justice and leisure) and the means to exercise their rights as citizens.

2.1. The long-term strategic perspective

Given the challenges faced, the proposed measures respond to the common objectives adopted in Nice, without introducing major reforms, in view of the quality of the instruments already in place. This first NAPincl should be seen from a medium-term perspective. The authorities' intention is to **assess** the effects of existing legislation and to consolidate or even **add** to it. However, Luxembourg pays little attention to the question of drawing up strategic and operational objectives, the choice of monitoring indicators or the adaptation of measures to take account of results. This makes it difficult to predict the eventual impact of the measures proposed or to envisage a timetable for the implementation of the new policies. Luxembourg avoids putting figures to its aims in this field.

2.2. The innovative content of the NAPincl

The NAPincl includes a systematic inventory of initiatives which have proved successful, particularly with regard to economic solidarity, employment of the disabled, and integration of GMI recipients into companies or under active policies promoting the return to work of the most vulnerable. It provides an added value compared with existing policies on social exclusion and poverty, by modernising and improving certain approaches (to serious debt, dependence, access to minimum wage, dropping out of school, etc.). The most innovative aspects of the NAP relate to the generalisation of the social emergency service at national level, alternative vocational training for young people at the Dreibern socio-educational institute, and primary school education for children who do not speak Luxembourgish.

2.3. Coordinated and integrated approach

The NAPincl is based on **broad** consultation of stakeholders in politics, the economy and civil society, with a prior information and awareness-enhancement phase involving the social partners and NGOs in particular. The opportunity afforded by the NAPincl has also been seized upon by the government to develop the link between the various policies and hence also between the large number of administrative bodies involved in the fight against poverty. The NAPincl is a result of the coordinated contributions of policies, without always making clear in the text the connection between them. More attention could have been paid to a fundamental examination of exclusion as a function of age, origin and gender.

2.4. Compatibility of strategic approaches in relation to the National Action Plan/empl

Employment is an important factor in social inclusion. The aim of an intensified active employment policy and application of the measures announced in the NAPempl is to consolidate access to employment - and hence integration into society - for everyone. The measures provided for under the NAPincl and NAPempl complement each other, in that those under the NAPempl seek to reintegrate jobseekers in general into the labour market while those under the NAPincl are more specifically aimed at reintegrating people who are particularly disadvantaged.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment and access to resources, rights, goods and services for all

The majority of measures are linked to the objective of promoting participation and access for everyone. Social inclusion will be achieved through policies in support of employment, the family, education, training, housing, access to public services and justice, access to the knowledge society, and through targeted measures designed to meet the needs of the most vulnerable. The NAPincl thus includes a list of policies (current or in the process of being revamped), including activities in the fields of job creation and reintegration through economic solidarity. One of the priority instruments is **integration into work** as an ongoing method of tackling poverty and social exclusion.

3.2. To prevent risks of exclusion

In absolute terms, the extent of exclusion may appear marginal. It manifests itself in the form of a rise in long-term unemployment, an increased number of older jobseekers, and a steady number of GMI recipients (9 000, or 2% of the population), young people leaving school without qualifications, people with multiple personal disabilities, disabled persons, and other dependent people.

The recent Act of 8 December 2000 on measures to prevent and deal with **overindebtedness** is part of this policy of prevention, aiming to eliminate this vicious circle. Other very specific measures (both preventive and remedial) with more immediate tangible effects include social and family policy measures (increase in family benefits, reduction of tax on low incomes, increase in supplementary pension allowances, partial exemption from tax of the value of a residence accruing to a GMI recipient in the context of an inheritance), other statutory measures to help those on modest incomes (threshold for seizure of assets, harmonisation of minimum social standards, mediation committee, clearance fund for overindebtedness), the creation of a social emergency service, specific measures for providing training or work integration for GMI recipients, measures to counteract school failure or cultural exclusion, voluntary early education and socialisation at infant school, literacy classes in French, and the establishing of an institution to help young adults and young people who have dropped out of school to make the transition to working life. The plan identifies quite clearly eInclusion as a major challenge to be addressed, without, however, giving substantial detail on the development of necessary responses between now and 2003.

3.3. To help the most vulnerable

This objective was already well covered by Luxembourg's "classic" policy. The measures listed reflect the desire to correct the inequities of a society characterised by a booming economy but with a hard core of exclusion and persistent poverty. Starting with the Act on guaranteed minimum **income** (GMI) forming part of the fight against poverty, with a view to ensuring that **everyone** can enjoy the minimum means of support, the NAPincl extended the horizon to social exclusion in its most global sense, in particular by facilitating access (new instrument in place since March 2000).

The NAPincl lists social cohesion and solidarity policies, such as providing shelter for children in distress (part of draft legislation promoting children's rights and protecting young people), specific measures for GMI recipients, disabled people (draft legislation dated 27 July 2001), integration of

people who do not speak Luxembourgish, and the procedure to regularise the status of asylum-seekers without papers, Kosovo refugees, etc. There is also a multiannual action plan on drug abuse and help for the mentally ill.

3.4. To mobilise all stakeholders

This aspect is already firmly anchored in Luxembourg tradition, and the plan therefore includes few really innovative measures. However, the Council's desire for as many stakeholders as possible to be involved in the preparation and implementation of the NAPincl has been complied with. The plan is based on broad consultation and involvement of stakeholders from politics, the economy and civil society. This involved an information and awareness-enhancement phase relating to the conclusions of the Nice Summit, involving the social partners and NGOs in particular. The jointly prepared summary document was submitted to the national parliament which debated it on 17 May 2001, while the plan was subsequently decided on by the government. The various NGOs and local authorities will continue to be involved in implementing and steering the NAPincl.

4. GENDER MAINSTREAMING

The government's intention is to systematically include equality between men and women in all its practices and policies. Furthermore, the NAP proposes the continuation of positive action for the integration of women into work and society, including the development of local accompanying structures to help women reintegrate into the labour market and society. Some measures more specifically concern women, such as the creation of childcare facilities, the sharing of pension rights between women and men, and pension insurance legislation (the "computation" system, under which a parent staying at home to bring up a child is credited with seven years of pension contributions).

However, the relative proportion of women who are dependent on social assistance or who are on the minimum wage demands a more in-depth follow-up of the promotion of gender equality within the various policies.

Consideration of the gender dimension underlines the importance of an integrated approach on the part of many policy mechanisms. It raises also the question of the choice of appropriate monitoring indicators and of a more focused attention on the problems of women and children in difficulty.

5. THE ROLE OF THE ESF

The NAPincl does not mention the role of the ESF, though some of the measures mentioned clearly involve assistance under Objective 3 of the ESF or EQUAL (policies for the inclusion of young people or women returning to work, tailored teaching, integration of people who do not speak Luxembourgish, people suffering discrimination or dependence problems such as drug users, the homeless, migrants, ex-prisoners, etc.).

Luxembourg has been allocated ESF assistance amounting to € 44 million for the period 2000-2006 under Structural Objective 3 and the Community Initiative EQUAL. 36% of total ESF assistance is earmarked for social inclusion, including 25% on measures for the disabled and 11% on other victims of discrimination.

THE NETHERLANDS

Conclusions

Situation and key trends The Dutch demographic situation is characterised by an increasing share of old persons and a growing ethnic minority population. The booming economy of the past years has caused the official unemployment figure to drop under 3%, and labour participation to increase to 73%. However, some categories have a considerably lower employment rate, and the almost 1 million persons in the disability scheme remain of concern. In 1997 the risk of poverty rate stood at 13%, below the EU average. Monetary poverty was reduced in the past 5 years because minimum income increased more than average wages. Furthermore, long-term dependency on minimum income dropped slightly. Income statistics show that women and old persons are usually more vulnerable than other categories. Provisions, such as housing, are mostly affordable and accessible for the less well-off. However, some problems remain that are currently being addressed. Educational quality is suffering from staffing problems and there are also problems of learning disadvantages for children of ethnic origin and there is too much premature school leaving. Access to health care is constrained by waiting lists and there are important health inequalities between persons with a different socio-economic status.

Strategic approach The Dutch strategy to combat poverty and exclusion is based on 4 main principles. The first is to bring people who depend on a benefit back to work or to make them participate in a social activation programme. The second is to offer income security to all those who cannot support themselves. Benefits and minimum wage are indexed to wages. A generic universal minimum income policy in combination with more specific subsidy schemes and local individual income support make sure that the purchasing power of minimum income recipients as well as low income earners is maintained. The poverty trap, which increased between 1995 and 2000, was reduced after the introduction of a new tax system with a larger tax credit. The third is to maintain a well developed system of social services and provisions. And attention is given to improve accessibility for the most vulnerable. The fourth principle is the partnership approach which is to ensure that all stakeholders can participate in policy development and implementation.

Policy measures The 4 EU objectives are broadly addressed in the NAP. Social participation and offering accessible and affordable provisions are two main principles adopted in response to EU objective 1. Preventing the risks of exclusion, EU objective 2, is a major accent in Dutch policies, including concrete measures to promote internet access and to prevent 'digital disadvantage'. Dutch poverty policies have a strong emphasis on the most vulnerable groups and the strong accent on local implementation allows for special action towards deprived neighbourhoods (EU objective 3). The Dutch policy approach is based on the principles of co-operation between central and local authorities and involvement of all stakeholders including the people suffering exclusion (EU Objective 4).

Challenges ahead The main challenge for the Netherlands will be to combine its income policy, which guarantees a relatively high minimum income with an activation policy that financially rewards people who leave the benefit system for a paid job. Another difficult challenge forms the reintegration of people currently receiving an occupational disability benefit but who are able to work. More prevention is also needed to reduce the inflow into the disability scheme. Ageing of the population will increase demand for health care. The current waiting lists problem has to be tackled. The increasing share of people of minority ethnic origin requires adequate implementation of integration programmes. Although figures show that learning disadvantages are decreasing, efforts to tackle disadvantages from the very start need to be sustained.

1. MAJOR CHALLENGES AND TRENDS

From a demographic point of view, Dutch society has changed considerably during the past decades. The population aged and now counts 13.6% of persons over 65, against 7.7% in 1950. This led to an increased number of people with physical disabilities or chronic illnesses. Also important is the higher growth of the population of ethnic origin, a consequence of a high birth rate and immigration. The Netherlands has benefited from the booming economy of the past period, official unemployment fell under 3% and the labour participation level increased from 62% in 1990 to 73% in 2000. However, the employment rate of women, ethnic minorities, older people and low-skilled people is much lower.

Since 1995, the minimum income has increased more than the average wages. The percentage spent on fixed costs of living has been reduced and long-term dependency on a minimum income dropped slightly. Women and older people are generally more long-term dependent on a minimum income than others.

According to ECHP (European Community Household Panel) data, in 1997, 13% of the population lived on an income below 60% of the national median. Only 4% were continuously at risk of poverty throughout 1995-97.

However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such as access to employment, housing, healthcare and the degree of satisfaction of basic needs.

The Netherlands has the largest share of social rented homes in the EU, which gives even the less well off freedom of choice. Housing benefits have caused the net proportion of income spent on rent to decrease over the past years. In education, children from ethnic minorities, often suffer from a considerable language and developmental disadvantage. Between 1991 and 1999, the number of primary schools with a high concentration of disadvantaged children was reduced from 19% to 8%. Premature school leaving is also tackled with success, leading to a reduction from 26.600 persons in 1998 to 21.800 in 2000. The health and youth care sectors face the problem of waiting lists as supply cannot keep up with demand. Recent studies on socio-economic differences in health status reveal that people with a low educational level spend an average of 12 years less in good health and live an average of 3.5 years less than people with a higher education. Internet access is good but can be improved for the most vulnerable. Compulsory integration programmes are organised for all newcomers. In addition, measures are taken for the many oldcomers who are still in a disadvantaged position. Finally, people with low incomes tend to be concentrated in the same neighbourhoods of large cities, contributing to social and economic segregation.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The strategy consists of 4 main principles. Firstly, *social participation* is promoted in the form of paid employment or social activation for those with a large distance to the labour market. The aim is to increase the activity rate of special target groups. The employment aspect is more broadly elaborated in the NAPempl, which complements the NAPincl. The NAPincl focuses on the social activation programmes, which promote the reintegration long term unemployed through voluntary work or other activities that are of use to the community. This reinstates a work routine and boosts

the participants' social skills. Social activation may also be an option for people with an occupational disability benefit.

Second, *income security*, is pursued in three ways: 1/ Through a generic income policy, that indexes minimum wage and social benefit to the average wage increase, assuring that everyone benefits from an increase in prosperity. 2/ There are specific subsidy schemes for groups that face specific costs in the areas of housing, children, disability or chronic illness. 3/ The municipalities may offer specific income support, possibly linked to activation measures, based on individual and local circumstances. This is a successful approach that is to be further pursued. At the same time activation policies have to make sure that wherever dependency is avoidable people leave the benefit system. The poverty trap is tackled by offering financial incentives to those who accept a job or participate in social activation. For those with a long-term dependency on a minimum income who are not able to work or participate in social activation a scheme will be implemented to offer supplementary income support.

Thirdly, poverty and social exclusion are also combated by *offering affordable and accessible services*. Dutch local housing policy allows people to choose and rent a good quality home. In education, the aim is to reduce developmental disadvantages of children and a target is set to halve premature school drop out by 2010. In health care, the strategy for the waiting list problem could be elaborated more in depth, especially in the light of the ageing of the population. Regarding the socio-economic health differences, the government wants to decrease the number of unhealthy years of life of people with a low socio-economic status by 25% in 2020. The Dutch policy mix for ICT is directed at internet access and ICT knowledge and skills. Short-term targets are being set for connection to the internet of schools, public libraries and municipal services. Social inclusion of immigrants is promoted by an integration programme for all newcomers and social activation programmes to unemployed oldcomers.

Fourth is the *partnership approach*, in which national and local public authorities work closely together with all stakeholders, including the beneficiaries themselves.

2.1. The long-term strategic perspective

The strategy of the Netherlands is a mix of income, activation, services and provisions policies. Basically, the strategy aims at maintaining the current system and to reinforce and fine-tune where it is weak (with particular attention to the weakest groups). In general, the strategy described appears adequate to meet the challenges. New challenges like ICT or poverty in deprived neighbourhoods of cities are tackled through new strategies. A few issues like ageing or the labour market potential of persons with an occupational disability benefit, could be elaborated more in depth. The long-term perspective is well developed in the NAPincl. Specific targets and commitments have been included for the next decade. Some targets, like those relating to accessibility of public transport, go even beyond 2010.

2.2. The innovative content of the NAPincl

Important efforts have been made in the last years to modernise and integrate Dutch policies aimed at combating poverty and social exclusion. Moreover, the preparation of NAPincl coincided with the evaluation of national anti-poverty policies of the period 1995-2000, The outcome of this evaluation will continue to provide policy guidance in the coming years. The NAPincl seeks to build on and consolidate the ongoing reform and modernisation efforts.

2.3. Co-ordinated and integrated approach

The Minister of Social Affairs is the co-ordinating Minister in the field of tackling poverty and social exclusion. An interdepartmental working group, comprising all the relevant Ministries, reports annually on the progress made. This working group also compiled this NAP. The Association of Dutch Municipalities (VNG) and the Social and Cultural Planning Office (SCP) provided input and advice to the working group. Consultation and co-operation with all relevant actors and stakeholders is institutionalised in the Netherlands.

2.4. Compatibility of strategic approaches in relation to the National Action Plan/empl

The NAPempl concentrates on the labour market aspects whereas the NAPincl focuses on other social policy aspects. The labour market strategy of the NAPempl is briefly repeated because it is the reintegration and activation pillar of the Dutch strategy against poverty and social exclusion. But the NAPincl has three extra pillars which constitute the bulk of the report. Both NAPempl and NAPincl make an explicit reference to each other.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment

Increasing the labour participation is pursued through measures targeted at vulnerable groups (women, ethnic minorities, older persons) and through fiscal incentives. A tax reform introduced in 2001 makes the tax system more employment-friendly. The review of the social security system is aimed at creating a private market for reintegration services. In order to support development and implementation of social activation policy at local level, the government set up a temporary national Information and Service Point for Social Activation (ISSA). The Social Activation Incentive Scheme provides subsidies to municipalities to better entrench social activation in their own structural policies. In the future, performance agreements for municipalities will be established. The political aim is to reach all benefit recipients through a comprehensive approach.

3.2. Facilitating access to resources, rights, goods and services for all

In *housing*, the future rent policy will continue to ensure that rent increases are limited to inflation. Ceilings are set for the annual increase in rents in relation to the quality of the dwelling. The Home Ownership (Promotion) Act of 1 January 2001 provides low incomes with a mortgage subsidy, which may be supplemented with a property transfer tax subsidy. The Netherlands is also promoting the accessibility of *public transport* especially targeted at people with disabilities.

3.3. To prevent the risks of exclusion

The preventive approach can be found in *education*, where learning disadvantages are addressed through early identification, cure and prevention. Premature school leave is another main field of intervention. Educational quality is suffering from staffing problems. Efforts are made to attract teaching personal coming from other jobs. The salaries for teachers have been raised. Students including those from cultural minorities are encouraged to choose for a teacher training. The educational opportunities of disadvantaged pupils are being improved with extra financial resources and support for special educational opportunity schools. The aim is to raise the quality of the education and the performance of pupils. In various municipalities 'broad schools' were created,

they aim at combining mainstream school activities with care for children outside school hours, thus allowing for reconciliation of work and family life. The government has set aside extra funds for the 'Compulsory Schooling Action Plan' and the 'Early School-leavers Action Plan'. In the *care sector*, the local authorities have been given a more preventive and co-ordinating role by the amendment of the Public Health (Prevention) Act, which should enable them to more effectively reduce socio-economically induced health differences.

3.4. To help the most vulnerable

Dutch *income policies* focus on the most vulnerable groups. Special national income schemes offer housing benefits, provisions for people with disabilities and chronically ill and study fees. Municipal income support includes instruments like special means tested assistance, exemption from local levies, discounts on cultural activities etc. *ICT policies* are targeting disadvantaged groups in vulnerable regions. Internet access is promoted through projects such as 'Digital playgrounds'. In public libraries in disadvantaged neighbourhoods, residents can have access to Internet at low cost and/or receive training in ICT skills. EUR 9.1 million was set aside for this project in 2000 as part of urban renewal policy. The number of locations is currently around 300. Another measure is 'Knowledge Neighbourhood' where, with financial support from the government, certain Dutch municipalities are experimenting with the introduction of ICT infrastructure and applications in neighbourhoods.

3.5. To mobilise all relevant bodies

All Dutch policy efforts are based on a *partnership approach*. While the national authorities provide legislation, frameworks and financial means, the local authorities play a major role in the development and implementation of measures. The Government tries to involve citizens, businesses and interest groups of vulnerable categories. In 2000 benefit claimant lobby groups, churches, humanist NGOs and trade unions joined forces in an 'Alliance for Social Justice'. Twice a year a government delegation led by the Minister of Social Affairs and Employment holds talks with this Alliance, the Association of Netherlands Municipalities (VNG) and the Association of Provincial Authorities (IPO) on all aspects relating to the fight against poverty and social exclusion.

4. GENDER MAINSTREAMING

There is little attention for gender mainstreaming in this NAPincl except for some limited assessment of gender dimensions in employment, income and homelessness. Some figures confirm the (higher) risk of income poverty among older single women and single parents living on a minimum income. The Shelters Monitor, published for the first time in 2000, will be developed to provide more gender-sensitive data and information, not in the least in respect of the growing group of homeless women.

The NAPincl generally pays attention to gender issues when these relate to the NAPempl and the Longterm Emancipation Policy Plan, for example the general target of 65% women in employment by 2010. The NAPempl comprises specific measures in this respect. When dealing with social activation/participation policy, the NAPincl pays some attention to gender aspects. For example, it stresses the importance of childcare facilities to help single mothers living on benefit to re-enter the labour market. Yet in other vital social inclusion policy domains (e.g. education, health, housing)

gender sensitivity is hardly visible in the NAPincl and could be strengthened. The new Emancipation Monitor launched in November 2000 should make this possible.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

ESF objective 3 supports the Dutch efforts for reintegrating long-term unemployed persons into the labour market. A large share of these people are categorised as 'having a large distance to the labour market'. They require a reintegration pathway of at least 2 years and consisting of different components. ESF is also supporting measures in the field of education aiming at the reduction of early school drop out. Equal supports actions aimed at improving the qualifications of vulnerable groups at risk of discrimination.

AUSTRIA

Conclusions

Situation and key trends The main basis of social protection is a comprehensive, federal based social insurance scheme with compulsory membership for all active persons and their non-active dependants (spouses and children). This system provides access to health insurance, unemployment insurance, retirement pension systems and, accident insurance. A second, means tested, security net, the social assistance system (Sozialhilfe) is under the responsibility of the nine Länder. The good economic and employment performance in Austria continued in 2000. Real GDP growth amounted to 3,2%, the unemployment rate fell further to 3,7 %, a situation close to full employment. According to the ECHP (European Household Panel), 13 per cent of the population in Austria were at risk of poverty in 1997. The persistent risk of poverty rate is 5% (1995-1997). Therefore, poverty is not a mass phenomenon in Austria.

In recent decades, labour force participation rates have increased, while unemployment rates have remained comparatively low. Disparities between high and low incomes are lower than the EU 15-average, but income disparities between men and women are considerable. The overall education and qualification level of the population has significantly improved over the last 30 years. The minimum level of old age pensions (Ausgleichszulagenrichtsatz) has increased significantly from 30 to 50 % of the average employment income.

Strategic Approach According to the Austrian Authorities the Austrian policy-framework to combat poverty and social exclusion is based on an integrated economy, employment and welfare policy. The NAPincl outlines a comprehensive catalogue of existing measures, which contributed to a large extent to the favourable situation in Austria. For an overall strategic approach, research in identifying future risk factors leading to poverty and social exclusion are planned to be launched. Quantitative targets based on expected outcomes, monitoring indicators of the effort now presented and time-schedules for implementation are illustrated for some groups (homeless and disabled people). The integration of various measures of education policy which are mentioned in the NAPincl and their specific contribution to each policy goal should be more combined with an integrative overall framework.

Policy Measures Austria is responding to the four objectives with a strong focus on employment and benefit measures for families in general. The NAPincl is basically focused on ongoing measures and a few new policy developments (e.g. old-age insurance for women, disabled persons, family poverty). The problems of some groups facing severe problems of access to the labour market or restricted access to several social benefits (such as non-EU-immigrants) should be addressed more exactly in the NAP.

Challenges ahead The main challenge is to promote a comprehensive and integrated strategy to combat poverty and social exclusion, while building on the existing well-developed social system. This would include the setting up of goals, the definition of clear time-schedules and the promotion of a package of measures addressing the gaps identified. The general commitment for monitoring and evaluation should be translated into operational arrangements in the context of the NAPincl implementation. Efforts will also need to be made to reduce the complexity of the administrative system, which is linked to the responsibilities between the federal state and the provinces, and between various administrative units (e.g. one-stop-shops).

1. MAJOR CHALLENGES AND TRENDS

The good economic and employment performance in Austria continued in 2000. Real GDP growth amounted to 3,2%, the unemployment rate fell further to 3,7 %, a situation close to classical full employment. The employment rate is nearly in line with the Lisbon targets at 68,3% (77% for men, 59,4 % for women).

Altogether, the incidence of poverty risk in Austria is a quarter below the EU-average. The main basis of social protection is a comprehensive social insurance scheme with compulsory membership for all active persons and their non-active dependants (spouses and children). A second means tested security net, the social assistance system (Sozialhilfe), is under the responsibility of the nine Länder and grants social assistance entitlements to EU-citizens, as well as, to a varying extent, to non-EU citizens.

The complexity of the issue is mirrored not only in a division of responsibilities between federal state and provinces but also between various administrative units at these two levels. The dual character of the Austrian social protection system prevents most people from falling into poverty, but not in all cases the system is completely reliable. There is a need of further development of co-ordination and integration of inclusion policies for the most vulnerable groups.

According to ESSPROS data from Eurostat, Austria spends 28,4 % of GDP on social protection compared to the EU-average of 27,7 % (1998 data). Measured as expenditure per capita in Purchasing Power Standards (PPS), the Austrian expenditure on social protection is at 6.297 PPS approximately 15 % above the EU-average of 5532 PPS.

Austria's comprehensive social protection system has contributed to keeping the risk of poverty generally low. According to ECHP (European Household Panel) data for 1997, 13% of the population lived on an income below 60% of the national median. 4.7% were continuously at risk of poverty threshold throughout 1995-97.

However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such as access to employment, housing, healthcare and the degree of satisfaction of basic needs.

Disparities between high and low incomes are lower than the EU 15-average. However, there are relatively high income disparities between men and women.

- The overall education and qualification level of the population has significantly improved over the last 30 years – the share of individuals with an educational level not higher than primary education have been tremendously reduced.
- The minimum level of old age pensions (Ausgleichszulagenrichtsatz) has increased significantly within this period from about 30% of the average employment income to about 50% of this income.
- There are indications that asylum seekers not covered by the federal minimum guarantee ('Bundesbetreuung') are at high risk of poverty and exclusion.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The Austrian welfare state has established a very comprehensive social security net, which has led to a quite favourable situation concerning poverty in comparison to other Member States. Therefore the NAP puts more emphasis on outlining a catalogue of existing measures, which are intended to be continued and evaluated, rather than on many new actions to be undertaken in the future.

- The NAPincl refers mainly to existing analysis and ongoing debates.
- The translation of the Nice objectives is based on ongoing and some new measures.
- There are few quantified targets, albeit the plan sometimes includes commitments for some measures and *non-quantified* goals. The plan does hardly provide binding time schedules for implementation. Appropriate monitoring mechanisms capable for measuring progress in fighting poverty and social exclusion would be particularly important.

2.1. The long-term strategic perspective

The NAPincl includes a comprehensive list of existing measures that are still to be evaluated or re-assessed against new developments or against new needs. Some long term aspects which could have a significant preventive effect on the reduction of social exclusion and are still being planned and prepared are mentioned in the NAPincl, but remain vague (e.g. the problem of women without a retirement pension is mentioned as an issue which the government intends to tackle in the future). The integration of various measures of education policy which are mentioned in the NAPincl and their specific contribution to each policy goal should be more combined with an integrative overall framework.

2.2. The innovative content of the NAPincl

The working group (Beirat) for the development and implementation of the NAPincl can be mentioned as a process-related innovation. The government's intention to address the problem of women without a retirement pension is important. One concrete step is to calculate a certain number of periods of childcare, which will contribute to the number of years required for a claim to a retirement-pension. Even though the labour market effects of the new childcare allowance ('Kinderbetreuungsgeld') remain to be evaluated, there are some notable and positive elements in it like the inclusion of persons previously not entitled, the considerable rise of additional earnings (Zuverdienstgrenze) or the periods counted as contributory times not only for the eligibility but also for the level of the pension.

2.3. Co-ordinated and integrated approach

Several measures mentioned in the NAP have not been specifically developed to fight poverty, though they have poverty-preventing and poverty-reducing impacts (e.g. some employment measures, the childcare allowance, special funds for people with a disability). Their efficiency and effectiveness in this respect will be analysed.

In Austria the co-ordination of measures at regional level to combat social exclusion including for the social assistance measure (Sozialhilfe) is an important issue. The NAPincl states that a working group will be established to deal with this problem and that nation-wide quality standards will be developed.

2.4. Compatibility of strategic approaches in relation to National Action Plan/empl

The consistency between NAPincl and NAPempl is referred to. There are several measures and objectives repeated in the NAPincl which are laid down in the NAPempl. The NAPempl also has highlighted the disadvantages that immigrants face in relation to the labour market. The integration of immigrants is mentioned as one of the priorities of the NAPincl. Measures or indications on how this objective will be achieved are still insufficiently concrete.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment

The NAP emphasises employment targets. To a certain extent the NAPincl refers to elements which have been developed in the NAPempl. This is in line with the Lisbon European Council's conclusions with respect to the goal of facilitating participation in employment. However, some groups which face severe problems with employment are insufficiently mentioned, such as non-EU-immigrants for whom, so far, insufficient measures are being taken to harmonise the residence permit and the employment permit. Some interesting IT-training initiatives directed to women are mentioned. Little is said on how the knowledge-based society and e-learning initiatives will address the problem of the 'learning divide' and which are the specific features foreseen to meet the specific needs of the disadvantaged.

3.2. Facilitating access to resources, rights, goods and services for all

With regard to access by all to resources, rights, goods and services the NAPincl enumerates the various transfers which already exist in the advanced Austrian welfare state and which have positive effects for the achievement of this goal. Access for all to education is given. The proportion of people with an education level not higher than primary education has been tremendously reduced in recent decades. For 15,8 % of the population between 20 and 29 years, the education level corresponds to the primary school (men: 14,4 %; women: 17,1 %).

A number of reforms in the social policy area ('Social Targeting') need to be assessed with respect to their possible effects in the area of access to goods and services.

3.3. To prevent the risks of exclusion

The NAPincl mentions three policy areas which should serve to prevent the risk of exclusion: The use of information technology, measures to support solidarity within families and other primary groups and help in specific situations of need. Beside specific measures for people with disabilities, on regional level (e.g.

Vienna) an innovative approach to prevent homelessness is mentioned in the NAPIncl. The perspectives for long-term changes and improvements, which would help to solve the existing problems in some remaining areas (e.g. the restricted access of immigrants to certain social benefits measures or the promotion of innovative active labour market policy measures for those who are not employable in the 'first or main' labour market) need to be further examined.

3.4. To help the most vulnerable

There is a comprehensive listing of the most vulnerable groups in the NAPIncl. Notable measures are the additional money for people with a disability ('Behindertenmilliarde') and the childcare allowance, which is designed as a universal benefit without insurance necessity. However, the NAPIncl does not specify what concrete measures are planned for other special groups in the future. Commitments beyond the two years perspective of the current NAP should be made more explicit (disability, single parents, elderly persons and early school leavers) and a strategic framework for integrated approaches and structural reforms should be more elaborated. The NAPIncl is referring to the rural dimension of poverty and several proposals for the improvement of the infrastructure in rural areas are announced.

3.5. To mobilise all relevant bodies

The federal government stated in the NAPIncl that consultations have been organised with all relevant stakeholders. Some stakeholders however have voiced concern about the process and wish more recognition of their contributions. References to mobilising gender equality bodies are not included.

Yet the NAPIncl provides an institutional basis for establishing the dialogue between the different actors and institutional groups in the framework of the NAPIncl implementation and preparation of the next exercise.

4. GENDER MAINSTREAMING

The NAPIncl refers to the general objectives for increasing female labour market participation and for reconciling work and family life. A consistent gender mainstreaming approach and indications, how the specific problems disadvantaged women will be addressed, are covered insufficiently and too generally in the NAP and need more attention.

While the 'Kinderbetreuungsgeld' might ease poverty in some cases, further gender impact evaluation will have to assess which impact the 'Kinderbetreuungsgeld' will have on female employment.

The debate on individual rights is focusing on individual pension rights for women.

The maintenance advances (Unterhaltsvorschuss) intends to contribute to the diminution of female poverty.

The 'Protection Against Violence Act' (Gewaltschutzgesetz) enables women and their children to remain in their own apartments and thus contributes to combating social exclusion of persons threatened by violence.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

Out of 1.147 Mio Euro for the objective 3 programme, 219 Mio Euro are dedicated to policy field 2 (social inclusion). In objective 1, Burgenland, 4,5 Mio € are planned for social inclusion. In other policy fields positive effects to combat poverty are expected.

A general reference is made to the effect of the ESF in improving the situation in combating poverty and social exclusion.

The Community Initiative (CI) EQUAL, which is much more focused on people excluded from the labour market, is mentioned in the NAPincl. The total amount of the CI EQUAL for the programming period 2000-2006 is 204 Mio. Euro.

PORTUGAL

Conclusions

Situation and key trends: Despite low unemployment and high employment rates, the risk of poverty rate remains high in Portugal (23%, according to Eurostat data for 1997). Traditional forms of poverty - caused by the limitations of the social protection system and the dominance of activity sectors with intensive but low-qualified and low-productivity labour - coexist with “new poverty” emerging as a result of recent modernisation processes in the Portuguese economy and often linked to immigration and job insecurity. The low level of academic and vocational qualifications of the majority of the Portuguese population and the high school drop-out rate only aggravate the exclusion factors. Against this background the government has started, over the last five years, to develop a “new generation of active social policies” with a view to improving social inclusion, founded on partnership and giving priority to integrated assistance methods.

Strategic approach: The general long-term strategic approach is based on economic development which is compatible with the improvement of social cohesion and the elimination of the structural factors which generate exclusion processes. The NAP makes provision for the mainstreaming of social inclusion in all relevant policies, modernisation of social protection systems, and integrated initiatives targeting particularly vulnerable groups and regions. The partnership approach and mobilisation of stakeholders at national and local levels is also a central feature of the strategy. The NAP lays down quantified objectives with a view to eradicating child poverty, reducing absolute poverty and the poverty rate, and fighting poverty in both urban and rural environments.

Policy measures: The NAP comprehensively covers the four main objectives and the sub-objectives adopted in Nice, but sometimes there is a certain amount of confusion between “priorities” and “goals”, repetition of the same “instruments” under different objectives and sub-objectives, and difficulties as regards priorities. Most of the measures envisaged are not new, and the link between each measure and the objective it serves is not always explicit. On the basis of the measures presented, three aspects should be highlighted: participation in employment is considered from a perspective of prevention, activation and promotion of lifelong learning; the principle of positive discrimination is a cornerstone of the reform of the social protection system (addressing the problem of pensioners in a poverty situation); and an integrated approach to vulnerable groups is proposed on the basis of an extensive “contract system”. The NAP also provides for the development of services and facilities primarily intended for disadvantaged individuals and families and sets out a commitment to promoting equal opportunities (“gender contract”).

Challenges ahead: The main challenges to be faced concern combining the preventive and remedial dimensions of social policies: direct action to combat serious exclusion situations, early intervention and activation to facilitate reintegration into work, and the long-term prevention of possible exclusion risks by improving education and skills levels. The role of social protection is to ensure a more intensive supply of social services and facilities which are geared to the needs of the most deprived, and to improve access to health care, housing, justice, etc. Given the ambitious nature of the quantified objectives that Portugal has set itself in the short, medium and long terms, the system of monitoring of indicators certainly constitutes a substantial challenge. The effective mobilisation of the stakeholders, particularly the social partners and the beneficiaries of measures, should be stepped up.

1. MAJOR CHALLENGES AND TRENDS

In 2000 the rate of economic growth (3.3%) was equal to the EU average. Similarly, productivity increased at the same rate as the Community average (1.6%), but Portugal still has the lowest productivity rate in the EU (65.8% of the Community average).

The employment situation is reflected by an employment rate (68.3%) which is above the Community average, as well as a relatively low unemployment rate (4.2% in 2000). However, despite the generally positive trend of labour market indicators, structural problems persist: long-term unemployment accounts for 40% of total unemployment, only a minority of the population aged between 15 and 64 have completed upper secondary school (11.5% compared with 42.3% in the European Union), and a high proportion of young people drop out of school early (43% of those aged between 18 and 24 leave school with inadequate qualifications).

Risk of poverty remains widespread in Portugal. Defined as the percentage of the population living on an income of less than 60% of the national median, 23% of the population were affected in 1997 (the highest rate in the EU). Persistent poverty also remains high: 15% of the population have lived below the 60% median income line for three consecutive years. However, it is clear that monetary income is only one of the dimensions of poverty, and in order to obtain a complete picture, account should also be taken of other equally relevant aspects, such as access to employment, housing and health care and the degree to which essential needs are satisfied. Portugal spends less than average of its GDP on social protection (23.4% in 1998, compared with a Community average of 27.7%).

Against this background, special attention needs to be devoted to the number of people in a persistent poverty situation, the high proportion of working poor (low incomes from employment and job insecurity), the high proportion of pensioners in a poverty situation (highlighting one of the shortcomings of the social security system), the low level of skills in the workforce, the tendency to drop out of school early, and the question of poverty in rural environments and certain urban areas. The risk of poverty rate for women is higher than for men (25% against 22%), another subject which merits special attention.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The main priorities in tackling poverty and promoting social inclusion are of a general nature and are based on six strategic aims: economic development, social cohesion, equal opportunities, social protection, integration, and a network of social services and facilities.

The principal objectives of the NAP are thus as follows:

- activation of people excluded from the labour market, and lifelong learning in a context of competitive economic development consistent with cohesion needs
- development of social protection systems as specific tools for tackling poverty
- reintegration of individuals and families in exclusion situations into society and work (integrated programmes and social integration contracts)

- integrated development of regions affected by exclusion
- creation of a network of social services and facilities, with the participation of civil society
- promotion of equality between women and men with a view to the implementation of a “gender contract”.

In the NAP, Portugal has set itself certain objectives to be achieved by certain dates:

Quantified objectives: to eradicate child poverty by 2010; to reduce the risk of poverty rate to 17% and cut absolute poverty by half by 2005; to implement, by 2003, 50 “urban social development contracts” (managed in an integrated manner and covering disadvantaged urban communities).

Other objectives: to launch the “rural areas and social development” programme (integrated local development of rural communities); to conclude a “social integration contract” with all the people concerned within one year (three months in the case of children and young people at risk); to set up a national telephone helpline (in conjunction with local social emergency centres).

2.1. The long-term strategic perspective

Concerning the adequacy between the strategy and the objectives pursued, the following aspects must be highlighted:

- application of the principle of the mainstreaming of social inclusion so as to make the fight against exclusion an integral part of sectoral policies other than social policy;
- the various aspects relating to participation in economic life are covered by the NAP, in particular training, vocational skills, education, employment, and lifelong learning in a society of knowledge. Another point to note is the desire to place the eradication of structural exclusion factors at the heart of economic policies;
- the development of social protection systems is a central aspect of the strategy; despite the associated budgetary constraints, the reform of the social security and solidarity system (based on the principles of justice, equity, solidarity and positive discrimination) is continuing;
- the two territorial locations of exclusion (rural communities and run-down urban areas) are covered by an integrated development strategy.

The NAP analyses the problems clearly and in a long-term perspective. The challenges are of a structural nature and refer back to the national economic and social development plan (the ultimate goal of which is to enable the country to catch up on the Community average within one generation). A number of quantified objectives, more specifically child poverty and absolute poverty (concepts which are not further defined), are presented in a perspective going beyond 2003. However, the way in which this two-year plan is integrated in the long term still has to be examined, as the distinction between long-term “priorities” and more immediate “goals” is often difficult to follow.

2.2. The innovative content of the NAPincl

From the strategy point of view, there are two innovations in the national context: the mainstreaming of social inclusion in all current policies and the long-term perspective in tackling exclusion. Another point to note is the strategy to prevent the risk of a new form of exclusion, “info-exclusion”. From the policy point of view, most of the programmes and measures listed are already in place.

However, the innovative nature of certain themes should be highlighted, for example a new dimension of the “contract system”. Side by side with “contracts for integration into society and work” (not unknown in the past, as Portugal is already following the integrated pathways to integration approach, formerly GMI), the NAP mentions a new “gender contract” and “urban social development contracts”.

2.3. Co-ordinated and integrated approach

The roles of the various stakeholders (institutional, non-governmental, public and private) at the various levels of action (especially national and local) are defined in the context of the social dialogue (social consultation committee) and partnership between the State and civil society (cooperation pact for social solidarity, social network for development). The need for coordination is mentioned several times, and despite the efforts developed over the last ten years under the anti-poverty programmes, active partnership must be stepped up.

The NAP makes provision for: joint mobilisation of the national, regional and local authorities (the regional authorities have only a coordinating role); institutional partnerships (inter-ministerial monitoring committee for the combining of the various sectoral policies and mainstreaming of social inclusion, and the Ministry of Labour’s operational committee on NAP preparation and follow-up); adaptation of administrative and social services to the needs of local stakeholders (e.g. solidarity and social security offices); involvement of the social partners (to be improved), NGOs and social services institutions; placing of responsibility on citizens and businesses (e.g. extension of the Portuguese Business Network).

2.4. Compatibility of strategic approaches in relation to the National Action Plan/ empl

The NAPempl constitutes the preferential reference framework, particularly as regards measures under objective 1 of the NAPincl. The main objectives of the NAPempl (transition of young people into working life, integration into society and work, educational and vocational qualifications, monitoring of the sectoral restructuring process, and promotion of quality in employment) are incorporated into the NAPincl either directly or indirectly.

There is also a close relationship between the two Plans in terms of strategy: links between education, training and employment systems; adoption of macroeconomic policies for job creation; innovation and information society; sectoral, regional and local approaches to resolving problems of a social nature; promotion of the social dialogue; linking of social protection, employment and training policies; promotion of equal opportunities to encourage the participation of women in the labour market and the participation of men in family life.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

Given the global approach which should constitute the framework for action to achieve the four common objectives (comprehensively covered by the NAP, but hardly systematically in terms of priorities between the main objectives or between the sub-objectives), a number of examples can be highlighted:

3.1. To facilitate participation in employment and access to resources, rights, goods and services for all

Concerning participation in the labour market, employment policy activities focus on (i) the development of measures to prevent long-term unemployment and achieve activation through pathways to integration into society and work implemented by contract-based plans (placing more responsibility on the individual) and (ii) on the development of the national lifelong learning strategy. Concerning access to resources, rights, goods and services, the aspects to note are the continuation of a policy of “positive discrimination” in terms of retirement pensions, the rehousing of people living in substandard accommodation (taking care to prevent the forming of new exclusion areas), and improvement of the functioning of the national health service and local health centres (especially help for drug users).

3.2. To prevent risks of exclusion

As regards preventing the risk of exclusion, a fundamental aspect is the strategy to avoid the risk of “info-exclusion” (generalised access to information technology, and training leading to the awarding of a “basic skills diploma” to 2 million people by 2006). Concerning solidarity, one innovative aspect seems to be the combining of traditional solidarity with the development of the services market (e.g. remuneration of neighbours for domestic support services).

3.3. To help the most vulnerable

Action to help the most vulnerable groups (clearly identified in the NAP, with special attention to be devoted to immigrants, ex-prisoners and drug users) is based on an integrated approach, with personalised social, institutional and economic inclusion programmes and integration plans for the priority groups founded on the contract system. Specific action in the form of regional inclusion initiatives is also envisaged for problem regions.

3.4. To mobilise all relevant bodies

As regards mobilisation, the practice of involving excluded people is being developed at three levels (individual, collective and organisational), and the role of “mediators” in promoting information for, and active participation by, excluded people is crucial. At institutional level, existing institutional partnerships and sectoral action plans, together with “social security and solidarity offices” (local and community action to find integrated solutions to problems), constitute

an attempt to adapt administrative and social services to citizens' needs. As regards public/private partnership, the encouraging of businesses to take on social responsibility merits a mention.

4. GENDER MAINSTREAMING

This is a concern which is common to all the NAP objectives (often implicitly) and is one of its priority action areas.

As regards objective 1, the priorities are to promote equal opportunities in access to employment and ensure non-discriminatory treatment, to introduce into business culture the idea of reconciling working life and family life as a right of workers of both sexes, an employer's duty and a business's social responsibility, and finally to develop a network of support services for children and dependent people in order to facilitate employment, training and occupational inclusion for women. Turning to objective 2, ensuring equality is explicitly covered in terms of access to the information society and information technology. Under objective 3, the NAP specifically refers only to women who are victims of domestic violence. Concerning objective 4, the NAP mentions the importance of systematically taking into account the equality dimension in the partnership context. However, additional efforts are needed in terms of mobilising women's organisations and/or bodies representing women's interests.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

As regards the "instruments" contributing to the achievement of the Nice objectives, the operational programmes co-financed by the ESF under Community Support Framework III (2000-6) and the Community Initiative EQUAL are mentioned several times, but the NAP does not give any indication of the sums involved. However, the effective combining of funding from the social security budget and the CSF III is referred to as one of the factors underpinning the development of the Plan. Furthermore, the framework for action provided by the NAP makes it possible to avoid scattering national and Community assistance too widely; instead, assistance is rationalised by concentrating resources and making instruments more specialised.

The Structural Fund resources allocated to Portugal under Objective 1 are substantial: the ESF's contribution accounts for 22% (€ 4 370 million) of this aid, and approximately 16% of ESF assistance is specifically earmarked for social inclusion (an increase over CSF II). Another element is the indirect contribution of other areas of ESF assistance (active labour market policies and lifelong learning). Other aspects of CSF III worthy of mention include the "Employment, training and social development" programme (the top priority in financial terms being social development), the "Education" programme (measures to prevent young people dropping out of school, improvement of educational qualification levels, adult education), the "Information Society" programme (acquisition of ICT skills, prevention of info-exclusion), and the "Health" programme (one of the priorities being to improve access to quality health care).

FINLAND

Conclusions

Situation and key trends The Finnish social security system rests on the basic principles of universal social welfare and health services and a comprehensive income security system. The aim is to provide the entire population with social welfare and health services that are mainly tax-funded and whose organisational responsibility is decentralised, being assigned to municipalities. The income security system is by nature a risk-based social insurance system, which is supplemented by residence-based benefits. Finland spent 27,2% of GDP on social protection in 1998, slightly less than the EU average. This structure has succeeded in ensuring a low risk of poverty by international standards. In 1997 9% of the Finnish population lived on an income of less than 60% of median income.

Strong economic growth (5,7%) continued in Finland in 2000 led by the burgeoning export sector. It seems likely to remain relatively strong for this year as well (at around 4%). The employment rate amounted to 67,5% in 2000.

Strategic approach The NAPincl strategy in the coming decade is crystallised in four general policies: promoting health and ability to lead an active life; increasing attractiveness of working life; prevention and combating social exclusion; and ensuring effective services and a reasonable level of income security. The starting point is to preserve the basic structure of the Finnish social security system and work within that structure, by putting more emphasis on the primacy of work. The process will be monitored and evaluated systematically by Finnish authorities, but, apart from the risk of poverty rate, the NAPincl does not specify which targets will be used for that purpose.

Policy measures Finland regards the universal system of services and income transfers as an effective policy tool aimed at countering poverty and social exclusion. The system has been supplemented by extra income transfers and services aimed at groups in danger of social exclusion.

The NAPincl responds to all four objectives with a number of measures, most of which aim at improving the universal system. The measures include, for instance, a rise in the level of the national pension, rehabilitative work activities, improvement of mental health services for children and youths, establishment of an ombudsman for issues of discrimination, and activation of elderly people as well as quality recommendations for their care. Budget implications of the measures have been identified, where possible. Finland has annexed to the plan an integrated summary table of all the measures under the four common objectives broken down by identified risk factors.

Challenges ahead The main challenges include: developing the protection system in such a way that accepting work is always financially worthwhile; preventing the accumulation of problems as regards e.g. the long-term unemployed, people with mental or addiction problems, the over-indebted, and families of these; targeting support to people in the most vulnerable positions; improving co-operation between various actors concerned with the prevention of social exclusion and poverty; and addressing regional discrepancies so as to maintain the same standards of social services in the whole country.

1. MAJOR CHALLENGES AND TRENDS

Strong economic growth (5.7%) continued in 2000 led by the burgeoning export sector. National sources project, however, slower growth for this year (2,7%) mainly due to weaker international demand. Employment increased by 1,5% in 2000. The employment rate was 67.5% (70.6% for men and 64.4% for women). In contrast with the favourable economic development in 2000, the unemployment rate declined slowly and remained at 9.8% (9.1% for men, 10.6% for women). Structural problems in the labour market are manifested in disproportionately high unemployment among low-skilled, older workers on the one hand and in increasing recruitment problems in some sectors and growth sectors on the other.

Due to savings decisions made as a consequence of the early 1990's depression and a relatively long period of economic growth after that, the share of GDP spent on social expenditure has come down to less than the EU-average in Finland. According to ESSPROS data from Eurostat Finland spends 27,2% of GDP on social protection compared to the EU15 average of 27,7% (1998 data). Measured at expenditure per capita in Purchasing Power Standards (PPS), the Finnish expenditure on social protection is at 5181 PPS almost equal to the EU15 average of 5379 PPS (1997 data). The harmonised ECHP data reveal that in 1997 9% (EU15 18%) of the Finnish population lived on an income below 60% of the national median. Young adults, the unemployed and "other inactive" and single person households tended to present the highest risk of poverty.

However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such access to employment, housing, healthcare and the degree of satisfaction of basic needs.

- National sources indicate that the number of people suffering from severe social exclusion ranges from 30 000 to 60 000, i.e. 0.6-1.2% of Finns.
- High unemployment, in particular long-term unemployment (LTU- rate 2,8%), remains Finland's most important social problem.
- The major risk factors leading to the danger of social exclusion include economic or financial exclusion; health problems; exclusion from the labour market, exclusion from the housing market; exclusion from education or a low level of education; and other types of exclusion, such as criminality, addictions, cultural exclusion etc.
- Territorial differences deserve attention.
- Exclusion is often about accumulation of many problems. A key challenge is to prevent simultaneous accumulation of resource deficiencies.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The Finnish social security system rests on the basic principles of universal social welfare and health services and a comprehensive income security system. Residents have normally individual rights to basic services and benefits. There is no basic requirement of employment or income, but

employed people get higher benefits based on their income. The schemes have succeeded in ensuring a low level of poverty by international standards.

The NAPincl strategy in the coming decade is crystallised in four general policies: promoting health and ability to lead an active life; increasing attractiveness of working life; prevention and combating social exclusion; and ensuring effective services and a reasonable level of income security.

Finland strives to preserve the basic structure of the existing system and works within that structure by putting more emphasis on the primacy of work. The reform of social security benefits, taxation and service charges is to be continued in order to make work acceptance always financially worthwhile. The aim is to improve not only incentives for households but also institutional incentives for organisations: special attention is to be paid to incentives for employers, legislation regulating the relationship between the State and municipalities, and the State funding of municipal finances.

2.1. The long-term strategic perspective

The plan sets out key strategic objectives and attempts to identify the challenges from the long-term perspective. Finland strives for integrating a number of furtherances to the system in place. The policies and measures aimed at upgrading the universal support and services system can be seen as an endeavour to address problems in a durable manner. The NAPincl recognises, however, that many of the challenges foreseen in the plan necessitate also the use of special targeted actions. All in all there is a broad range of undertakings at different levels to tackle the problems. An important goal is to increase employment and, especially, to try to cut long-term unemployment, through a strategy based on active social policy. This is a special challenge in Finland. While it has been in the centre of the Government's policies for several years, long-term unemployment has not decreased as much as would have been desirable and affects a core of hard-to-place people.

2.2. The innovative content of the NAPincl

Besides the comprehensive set of measures Finland has included in their plan, they present various issues subject to ongoing policy discussion and measures that have been proposed or being dealt with by different working parties. These will be discussed and addressed during the period of the plan. The following are examples of measures being envisaged: reforming the occupational health system to incorporate short-term jobs; promoting the employment of the disabled; development of an action model based on joint responsibility on part of various actors within society and changing the funding responsibilities of benefit systems in order to increase the chances of employment for those who are at the risk of exclusion from the labour market; drawing up integrated housing strategies in municipalities based on the use of the existing housing stock; examination of nationwide development needs and of student welfare at the levels of pre-school instruction, basic schooling and upper secondary schooling; and establishment of a centre working closely with NGOs to study and monitor poverty and social exclusion.

2.3. Co-ordinated and integrated approach

Broad-based policy preparation has a long tradition in Finland. The schemes are normally run by the public administration, mostly at municipal level. The country's policies in the areas of income, taxation, employment and social affairs have been developed through collaboration between the State, the municipalities and the social partners. Such a partnership-based tradition played an

important role in the adjustment of Finland's system of social policies to changed circumstances in the 1990s. Third Sector actors and the churches, the public and private sectors have recently increased co-operation aimed at preventing social exclusion.

2.4. Compatibility of strategic approaches and objectives in relation to National Action Plan/empl

The NAPincl measures classified under the title "exclusion from the labour market" in the plan have been reported in NAPempl and they are compatible. Both plans have been checked by an inter-ministerial group responsible for coordination of EU-related matters in the field of social affairs. Furthermore, the social partners, who play an important role in social and employment policy in Finland, have participated in the preparation of both NAPs.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment

Changes in the labour market have meant that market demand is mainly focused on highly educated and skilled persons. It is important to ensure an adequate supply of labour. Obstacles to employment have been removed by eliminating disincentives embodied in the tax-benefit system. New types of services and various kind of subsidised work have been developed to promote employment of less highly educated and skilled persons. Rehabilitation for work, and any associated supporting measures aimed at increasing a person's control of his or her life, are key methods identified by NAPincl in putting an end to social exclusion.

There are also measures to improve the work capacity of ageing persons, as well as to enhance the employability of immigrants. As regards the reconciliation of work and family life, parents with children of pre-school age have a subjective right to day care regardless of their employment status. The NAPincl foresees the development of afternoon activities for schoolchildren. Life-long learning is being promoted by reforming income security during adult vocational training.

3.2. Facilitating access to resources, rights, goods and services for all

The danger of social exclusion is countered by using the universal system of services and income transfers that covers all people living in Finland. The social safety net and the wide consensus around it saved Finland from major social unrest in the early 1990's. Policies aimed at combating exclusion will continue to rely first and foremost on the development of the universal system, which can, however, be supplemented with specially targeted measures where necessary.

The plan refers to a number of measures to improve the social protection system: co-ordination of subsistence allowance and earnings to encourage people to take on part-time or short-term jobs; extension of the allowance period for the rehabilitation of youths with disabilities in order to support them to take on work without immediately losing their benefits; raising the maximum rent acceptable for the general housing allowance; and improving mental health services for children and young adults.

3.3. To prevent the risks of exclusion

Vigorous efforts have been made in a number of policy areas with the aim of preventing crisis situations leading to social exclusion. Income redistribution reduces relative poverty in Finland very effectively. The NAPincl lists the following measures under the prevention objective: raising the national pension level; raising child supplements associated with labour-market support; reform aimed at increasing the effectiveness of preventive subsistence allowance; making compliance with job-seeking schemes a prerequisite for receiving unemployment allowances; free pre-school instruction for children in the six-year-age group; and establishment of an equalisation fund to ensure that child protection is not dependent on the financial situation of a municipality.

3.4. To help the most vulnerable

Social exclusion risks are addressed first and foremost by the services and income security provided under the principle of universality, but the existence of social exclusion problems means that specially targeted measures are required in addition. Finland presents various kinds of rehabilitation measures aimed at increasing an individual's control over his or her life. Innovative workshops at vocational training institutes to counter exclusion from education, as well as workshops for young unemployed, both co-funded by ESF, are also referred to. The Government is proposing the establishment of an Ombudsman for issues of discrimination and promotion of good inter-ethnic relations. Moreover, ordinary people's ability to cope with information society is to be developed.

3.5. To mobilise all relevant bodies

In the Finnish structure, the participation and mobilisation of all stakeholders is part of the normal administration, where the relations to bodies outside the administration itself are regulated in the legislation and in daily practice. However, the NAPincl puts forward new initiatives in this regard, such as: the development of co-operation between municipal authorities in the field of active social policy; the 'Suburbs 2000' housing estate programme; the development of open services for persons who have been treated for mental health problems; and establishment of regional partnership centres by the NGOs.

4. GENDER MAINSTREAMING

The structure of the social policy system is mainly based on the individual and individualised rights and duties have proved to enhance gender equality in society. The NAPincl shows awareness of gender differences as such and the importance of promoting gender equality. The individual-based systems are supported by a comprehensive system of services that facilitates the reconciliation of working and family life and facilitates the participation of women in the workforce.

5. THE ROLE OF ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

Under Finland's Objective 3 programme almost 140 M€ of ESF and national public funding is foreseen for specific measures aimed to reintegrate the most vulnerable and disadvantaged groups, representing 13% of the total public expenditure for the programme. Social inclusion measures are

also funded through Finnish regional programmes. Furthermore, the Community initiative EQUAL aims to combat all forms of discrimination and inequalities as well as to prevent social exclusion. ESF and national public funding for Finland's EQUAL programme amounts to 145 M€.

SWEDEN

Conclusions

Situation and key trends The Swedish social and health system is universal and comprehensive. Social security benefits are largely based on the principle of compensation for loss of income with individual rights to basic benefits for all people resident in the country regardless of their social or professional affiliation, marital status or sex.

Steady economic growth (over 3% during the last 3 years) with a high employment rate of 73%, and relatively low unemployment form a solid basis for strengthening policies for social inclusion and for the fight against poverty. Sweden spent 33% of its GDP on social welfare in 1998, the highest share in the Union. The rate of risk of poverty is low, 12% in 1997.

Strategic approach The Swedish welfare system is based on a policy of full employment for both men and women and on a universal social security system. The Government commits itself in the NAPincl to further increase employment (target: employment rate of 80 % by 2004) and to strengthen social justice (target: halving the number of welfare dependent people by 2004). A vigorous employment policy is the key to fighting poverty. By opting for a universal system with income-related benefits rather than a system of minimum benefit levels, Sweden ensures an integrated and inclusive approach . Gender mainstreaming is embodied in the structure of the welfare system. The universal schemes giving individual rights enhance equality between men and women.

Policy measures The NAPincl responds to the four common objectives by increasing investment in the welfare system, and by adjusting the social protection schemes so that they address more effectively the existing pockets of poverty. The NAPincl includes a broad range of general reforms and specific measures in all areas with a comprehensive approach for social inclusion. Inclusive labour market measures mean that the unemployed are offered training or work experience if no work is available. The Primacy of Work principle urges effective measures to give people the opportunity to find a job and support themselves. Pension reforms seek to enhance social inclusion. The NAPincl includes investment in all levels of education, a reform of vocational training and adult education, as well as enhancement of skills and accessibility to information technology.

Challenges ahead The major challenge ahead is to continue to strengthen the welfare system including the full employment policy and universal social security system. Only by increasing employment can health care, social services and pensions of the ageing population be adequately financed and the need for benefits and other social security allowances reduced. Further challenges have been identified to ensure that those whose standard of living deteriorated substantially during the economic crises are not socially excluded, to strengthen protection for those at risk of social exclusion on account of disabilities, ethnic origin, short or incomplete education, lack of integration into labour market or residence in disadvantaged areas/regions, and to improve support for the most vulnerable (those with misuse of alcohol and drugs, homeless people, children at risk and the intellectually disabled).

1. MAJOR CHALLENGES

The Swedish social and health system is universal and comprehensive and the social security system is largely based on the principle of compensation for loss of income including individual rights to basic benefits for all people resident in the country regardless of their social or professional affiliation, marital status or sex. There is no basic requirement of employment or of income in order to get social security, even though the employed get higher benefits based on their incomes. During the last three years **GDP growth** has been over 3 % per year, 3,6 % in 2000, but it is expected to slow down to 2 % in the current year. The **employment rate** in 2000 was 73 % (71 % for women and 74,8 % for men), one of the highest in the Union. The unemployment level continues to fall and was 5,9 % (5,8 % for women and 6 % for men) in 2000 compared with 7,2 % in 1999. The long-term unemployment rate remains low, at 1,1% for women and 1,4 % for men in 2000.

According to ESSPROS data from Eurostat, Sweden spent 33.3% of its GDP on **social protection** in 1998, the highest share among the EU Member States (EU average of 27,7%). The 2001 Spring Budget Bill indicates that the percentage of relatively poor persons (those living on an income below 50% of average income) have increased on a trend basis from 7.2% to 9.1% between 1991 and 1998⁴⁰. On the basis of the harmonised ECHP data, the risk of poverty rate (estimated at 60% of the national median) was 12% in 1997.

However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such access to employment, housing, healthcare and the degree of satisfaction of basic needs.

After the economic recovery social policy has been reformed and resources increased. However, the following challenges can be observed:

- The expansion of the social welfare allowance system meant **rising costs**, due to the **longer periods of welfare dependency** and **the increasing number of households** depending on these allowances for long periods (young people and households containing refugees and immigrants). To counteract this, the policy was to make the system less generous and more restrictive, especially through tighter eligibility criteria and putting ceilings on benefit levels. The restoring of the social system ensures its sustainability and stability.
- Even though the Swedish social security system was able to face the challenge of the economic recession and to prevent it turning into a welfare crisis, some groups such as **young people, immigrants and single parents** were affected harder than others. The challenge is how to compensate these groups.
- A challenge is also to improve the situation for the **most vulnerable**. Despite the lack of data available there are indications that the situation of the most vulnerable has deteriorated in several respects, i.e. for children at risk, those misusing alcohol and drugs, the homeless and overcrowded, criminals and prostitutes. Further attention should also be

40 Measured by the households' disposable income per consumption unit, using national data, the relative poverty rate fell to 3,9 % during the same period.

given to the needs of the long-term unemployed, the disabled, the elderly, and people born outside Sweden.

- Even though there are only minor regional differences in disposable income, the process of **socio-economic and ethnic segregation** has continued during the 1990s. However, the trend is neither dramatic, nor clear-cut in all respects. Ethnic segregation is particularly high.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The Swedish welfare system is based on a policy of full employment for both men and women and on a universal social security system. The Government is committed to increased employment and social justice. The employment target is that 80% of the population aged between 20 and 64 shall be in regular employment by 2004. The target of social justice is to halve welfare dependency between 1999 and 2004.

A vigorous employment policy is the key to fight poverty. The purpose of the Swedish employment policy is to reduce unemployment and create a high rate of employment for both men and women regardless of their background or origin.

The objectives of the Government to increase social justice include: 1) to ensure that the groups whose standard of living deteriorated substantially during the economic crisis are not socially excluded – mainly young people, single parents and some immigrant and refugee groups; 2) to strengthen protection for groups at risk of social exclusion on account of disabilities, ethnic origin, short or incomplete education, lack of integration into the labour market, or residence in disadvantaged areas/regions; and 3) to improve support for the most vulnerable groups. Measures need to be taken to prevent and treat the misuse of alcohol and drugs, reduce the number of homeless people and strengthen protection for children at risk and the mentally disabled.

By opting for a universal social security system with income-related benefits rather than a system of minimum benefit levels, according to the Swedish authorities, administration is cheaper than in a system of means-tested benefits, and, the most disadvantaged groups are better off.

2.1. The long-term strategic perspective

Given a policy of full employment with a universal social system supplemented by income based schemes, the strategic approaches and key objectives are targeted correctly. When no clear poverty or social exclusion can be identified, it is sensible to strengthen the welfare of all people. If economic growth continues as foreseen, the long-term objectives will be reached. By strengthening the social welfare policy framework, the possible problems caused by lower growth will be met.

How this underlying strategy of the welfare system diminishes effectively poverty and social exclusion is not really discussed in the Swedish NAP/incl, neither has the importance and the potential of the universal schemes been assessed. Moreover, it is not clear how the different measures set out in the NAP/incl will contribute to the central target of halving the number of welfare dependent people. Progress will, however, be measured by 2004.

2.2. The innovative content of the NAPincl

The thrust of Swedish policies against poverty and social exclusion is the universal social system as described above. The system provides a solid basis for abolishing the main sources of poverty and social exclusion. However, specific measures addressed to special cases or groups of people are still needed. Such measures are in fact an important part of the Swedish welfare system. There will also in the future be scope for further innovations in order to help and support the most vulnerable. Some Offices of Ombudsman (the Disabled, Children) are mentioned in the NAPincl. Having a long tradition of Ombudsmen in different fields, this typical Swedish institution to combat poverty and social exclusion could be mentioned as an innovation, on which more information would be welcome.

2.3. Co-ordinated and integrated approach

In the framework of the welfare system, the co-ordinated and integrated approach to policies is mainly regulated by legislation and administrative rules. The bodies outside the administration can give their opinions. Taking this as granted, the general welfare policy takes into account all the relevant aspects of poverty and social exclusion. Even if not clearly spelled out, there seems to be a clear balance between employment related policies and the measures to strengthen social schemes, and clearly defined key objectives for both areas (see also point 3.4. below). References are made in the NAP to the efforts which the Government and a large range of different bodies and interest groups at all levels have put in, although it is not possible to assess to what extent the participation of the bodies outside the normal administration has resulted in actual contributions to the NAP/incl.

2.4. Compatibility of the strategic approaches in relation to the National Action Plan/empl

Sweden solved the compatibility and co-ordination of the NAP/empl by attaching it as Annex 1 to the NAPincl. Even though there seems to be co-ordination in policy level between these two aspects of the Swedish welfare state, this is not clearly spelled out in the NAPincl.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment

The policy of full employment being a cornerstone of the Swedish welfare system, the NAPincl stresses the role of employment policy in the fight against poverty. To facilitate participation in employment Sweden has opted for the principle of activation and skill enhancement. The Primacy of Work principle means effective measures to give people the opportunity to find a job and support themselves. To strengthen the incentive to work, the rules of the unemployment insurance scheme have been changed to this effect. Furthermore, an activity guarantee scheme was introduced last year. Educational reforms also enhance access to labour market, such as qualified vocational training, new post-secondary education, and a new bill on the development of adult education. To make it easier for both parents to enter and stay in the labour market, parental benefits are to be extended by 30 days, totalling 480, if both parents make use of at least 60 days each.

3.2. Facilitating access by all to resources, rights, goods and services

The universal welfare system means individual rights and access by all to social benefits, to education, to health and to care services and to housing. Everyone has a right to reasonable financial

resources in case of loss of income. To facilitate access by all, Sweden has launched several reforms and measures. For instance, the economic situation of the elderly has been improved and the old age pension has been reformed based on lifelong earnings and including a basic cover in the form of a guaranteed pension for those who have a low or no income. To facilitate access to education, investment in all levels has been made. Housing policy has been reformed; for instance local authorities are required to plan their housing supply to ensure decent housing for everybody. A National Action Plan for the Development of the Health Services is to improve health care. A new Social Service Act is to extend the individual's right to assistance. The Office of the Disability Ombudsman will set up a national accessibility centre.

3.3. To prevent the risks of exclusion

One of the main objectives of the Government is to strengthen the protection of the groups at risk of social exclusion for whatever reason. The situation is to be analysed annually to allow strengthening of specific measures. The NAPincl presents numerous plans and measures to this effect such as the national action plan against racism, xenophobia, homophobia and discrimination, which was recently presented to enhance possibilities for general legislation against discrimination. The measures for e-Inclusion focus on new initiatives such as ICT potential for disabled people, while existing initiatives for digital literacy for disadvantaged groups or for ICT access of elderly people are not presented.

3.4. To help the most vulnerable

To improve support to the most vulnerable is also one of the strategic policy approaches of the Government to be analysed annually. Measures and plans introduced cover the most vulnerable such as children at risk, misuse of alcohol and drugs, homeless and with overcrowding, crime and prostitution as well as the long-term unemployed, the disabled, the elderly and immigrants. To improve social integration, a special investigator has been appointed to submit proposals for implementation of the two EU directives against discrimination. Government has committed funds for 1999-2003 to address social, ethnic and discriminatory segregation in the metropolitan regions and to promote equal and gender-equal living conditions for the inhabitants of these regions.

3.5. To mobilise all relevant bodies

As Sweden has a strong tradition of voluntary organisations, the government allocates grants every year to support about 100 organisations in the social sector. In order to increase the knowledge base and develop the work of these organisations, a secretariat was set up in the National Board of Health and Welfare in 2001. To mainstream the fight against exclusion, all government agencies are to prepare action plans for the promotion of ethnic diversity among their employees. To enhance the possibilities for asylum-seekers, refugees and other newly arrived immigrants, an agreement to improve co-ordination has been made between a broad range of public authorities. The social responsibility of business has been enhanced by different measures.

4. GENDER MAINSTREAMING

The universal schemes, giving individual rights to all, enhance equality as such, also between men and women. There is gender mainstreaming in the structure itself. This might be why there are rather few specific references to gender issues. Even though Sweden has a good tradition on equal

opportunities and has obtained good results in the field, gender mainstreaming as such is not discussed at all to make gender perspective visible in targets, actions and evaluation process.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

The total ESF co-funding for 2000-2006 under objective 3 is €2,78 billion, objective 1 €44 million and EQUAL €172,4 million, including ESF and national public and private funding. 14,5% of both the Objective 3 and 1 programmes is allocated to equal opportunities. EQUAL is wholly contributing to the fight against discrimination. Despite of these programmes, the role of ESF is practically non-existent in the NAP incl. It is mentioned only in references to the NAPempl and there to the chapter which describes what ESF does in Sweden. No discussion on how ESF programmes could assist Swedish social welfare policy is found.

UNITED KINGDOM

Conclusions

Situation and Key Trends Healthy economic performance has led to record high levels of employment and low levels of unemployment and long term unemployment. Despite this the UK has experienced continued income inequalities. The UK had a risk of poverty rate of 22% in 1997⁴¹ (income below 60% of the national median). One in three children live in households below this threshold. Almost 2 million children live in households with no one at work. Worklessness is concentrated in particular social groups and geographical areas. There are a number of groups particularly vulnerable to social exclusion: children in care, rough sleepers, lone and teenage parents, certain ethnic minorities, the mentally ill, and the disabled. Women constitute a higher proportion of adults at risk of poverty. The persistence of monetary poverty means many pensioners were unable to build up a decent second pension. A major challenge is the concentration of poverty risk within geographical areas (inner cities, social housing estates and some rural areas) suffering from interlinked problems of social exclusion.

Strategic approach The UK approach tackles issues in relation to the life cycle with intervention tailored to the needs of different age groups. This operates in the context of the UK's universal social protection system. There is a strong commitment to employment as the route out of poverty, but also as a significant preventative element. Particular focus is given to children living in poverty with a key commitment to eradicate child poverty within 20 years. Given the complex nature of the problem, the strategy takes a long-term approach. The NAPincl only reports on an existing set of policies, and does not announce any new policies. There is emphasis on setting long-term targets (2020) with both sub-targets for specific groups or areas. A range of innovative indicators monitor progress. The NAPincl contains little detail on the gender mainstreaming of policies. The Devolved Administrations are responsible for many of the policies impacting on poverty and exclusion and each is responsible for developing its own strategy for tackling problems. The UK government and the devolved administrations share a common goal of eradicating poverty and promoting inclusion and there are similarities in their strategic approaches.

Policy Measures The UK responds to all four objectives. There are a range of policies, and recent reforms, designed to increase opportunities and incentives to work and tackle low pay and low skills. The NAP/incl provides a narrow range of examples from the UK's approach to ensuring access to services. Preventing exclusion places particular focus on policies helping children from an early age. Pension reform should help prevent more people from moving into pensioner poverty. The NAP also discusses national strategies to reduce poverty risks for carers and lone parents. The NAPincl identifies a number of vulnerable groups requiring additional intervention to meet their needs. Particular attention is given to children in or leaving care, pregnant teenagers, and those suffering from problems with drug abuse, homelessness or poor mental health. Local Partnership is a strong theme in the UK approach, with a range of relevant actors closely involved in the delivery of policies. They are often given flexibility to "bend" programmes to meet specific local circumstances. However, at the national level NGOs and the two main Social Partners are less closely involved.

41 This data is not strictly comparable with the 1996 data (18%). It is presently under revision in order to improve comparability with data from other Member States.

Challenges Ahead The UK's major challenge remains tackling the numbers of children living in poverty. The fight against exclusion must also address continued income inequalities and concentration of unemployment and inactivity amongst key groups and areas. It is important that the UK continues to develop properly co-ordinated arrangements for targeted policies to ensure access for all to good quality services, particularly health, housing and education. This is especially important within deprived neighbourhoods. Devolution and the focus on local delivery mean that the UK needs to ensure existing co-ordination methods continue to work effectively to maintain the strategy behind the range of local, regional and national policies. Tackling poor basic skills is important because of the link to low paid jobs and periodic spells of unemployment. Given that women are more likely to be in, and remain in, poverty future NAPs need to systematically mainstream gender in all the policies. A further challenge is tackle the large numbers of individuals (especially women) who are unable to build up decent pension entitlements and thus reduce the number of pensioners living in poverty.

1. CHALLENGES AND TRENDS

Despite healthy economic performance leading to record high levels of employment and low levels of unemployment and long term unemployment, increases over the past 20 years in income inequalities and the number of people at risk of poverty present a range of challenges. 22% of the population were at risk of poverty in 1997. Before social transfers, the rate was 43% in 1997, which is a measure of the income correcting effect of the social protection system. The UK spent with social protection 26.8% of GDP in 1998, marginally less than the EU average (27.7%).

However, low income is just one of the dimensions of poverty, and in order to measure and analyse this phenomenon more precisely, it is necessary to take into account other equally relevant aspects such access to employment, housing, healthcare and the degree of satisfaction of basic needs.

Women constitute a higher proportion of adults at risk of poverty. One of the most important challenges is the number of children at risk of poverty. The problem is not only of sheer numbers but has the potential to be compounded across generations as children grow up in persistent poverty. Approximately one in three children lived in a household with income below 60% of the national median in 1998/9. Part of the explanation is the number of children living in families where no one works. The number of "workless" households has doubled since 1979. Almost 2 million children lived in such households in 2000 (nearly 16% of all children) with 800,000 growing up in families where all parents have been claiming out-of-work benefits for more than 5 years.

The problem of worklessness can be exacerbated by a lack of incentive to work caused by the relationship between low wages and loss of benefits. The recent introduction of in work tax credits to help the low paid should help alleviate this situation. Worklessness is concentrated in particular social groups, geographical areas and households. 16-18 year olds neither in education or work, lone parents (the highest number in the EU), certain ethnic minorities, the disabled, and those with no qualifications are more at risk of poverty and exclusion. Particularly vulnerable to exclusion are children in care, teenage mothers, and those suffering from problems with drug abuse, homelessness and mental health problems.. One in four older people lived in a low-income household in 1998/9. The persistence of monetary poverty means that many were unable to build up decent second pensions. A further challenge facing the UK is the concentration of poverty risk within geographical areas (inner cities, social housing estates and some rural areas). These areas suffer from multiple, interlinked problems of high unemployment and mortality rates, ethnic

divisions, high levels of crime, and poor access to quality services (housing, education and health care).

The key future trends are likely to continue to be: growing concentration of unemployment amongst key groups and areas; persistently high levels of economic inactivity, especially among older men (there are 2.3 million economically inactive men of working age); poor basic skills and its link to periodic spells of unemployment; and the high levels of child poverty. Projected patterns of job growth are likely to exacerbate this with growth concentrated in high qualification occupations and low unemployment localities.

2. STRATEGIC APPROACH AND MAIN OBJECTIVES

The UK has a universal social protection system based on minimum standards for all. The approach is to tackle issues in relation to the lifecycle. Intervention is tailored to the needs of different age groups to ensure disadvantage is not compounded across generations. This approach has a strong commitment to employment as the primary route out of social exclusion. Strategic objectives are identified in relation to children and young people, people in working age and older people. Further objectives relate to disadvantaged communities. Measures to address social exclusion combine changes to mainstream programmes such as the tax and benefit systems with targeted initiatives addressing specific issues or groups. Such initiatives have proliferated recently and need to be well integrated to ensure coherence.

The key commitment is to eradicate child poverty within 20 years. Policies to address this have a strong preventative element. There are similar objectives across all the devolved administrations. For people in working age the aim is to create a more inclusive society through a welfare state that provides support and opportunities to everyone who can work, and ensures the most vulnerable can participate fully in society. Tackling pensioner poverty concentrates on alleviating immediate problems faced by today's poorest pensioners and a long-term objective to provide older people with security and independence in retirement. There are a range of innovative policies to narrow the gap between the poorest neighbourhoods and the rest of the country. Central to this is ensuring that core public services address the special needs of deprived areas.

2.1. The long-term strategic perspective

There is a range of objectives consistent with tackling the UK's major challenges. Given the complex and multi-dimensional nature of the problem, the strategy necessarily takes a long-term approach. Targets range from the long term (2020) target on child poverty to a series of sub-targets for specific groups or areas, and intermediate targets to monitor progress.

The innovative content of the NAPincl

The NAPincl reports exclusively on an existing set of policies, and does not announce any new policies in the fight against social exclusion. The range of innovative indicators measure progress, not just nationally, but also at the local level, with a focus on improving standards in areas with the worst performance. "Floor targets" set minimum standards below which provision can not fall. A crucial element of the UK approach is the focus on objectives. This gives emphasis to and significant investment in, developing the "evidence base" through systematic monitoring of progress and the use of robust evaluation.

2.2. Co-ordinated and integrated approach

Devolution has important implications in the UK. Scotland, Wales and Northern Ireland are responsible for many of the policies impacting on poverty and exclusion and each is responsible for developing its own strategy for tackling problems. The UK government and the devolved administrations share a common goal of eradicating poverty and promoting inclusion and there are close similarities in their approaches. A Joint Ministerial Committee on Poverty, including Ministers from the UK and the Devolved Administrations, has been set up to develop a joint policy. Both devolution, and the focus on local delivery, makes the need for co-ordination a priority in order to maintain the strategy behind the vast range of local, regional and national policies. Partnership in the delivery of policies at a local level, is a very strong theme in the UK approach. The Government and the devolved administrations recognise that they alone can not achieve success without the active involvement of all relevant actors. The multi-agency and cross-departmental approach is essential given the scale of the problem. It is important that the UK continues to develop properly co-ordinated arrangements for targeted policies to ensure access for all to good quality services. Consultation in developing the next NAPincl at all levels should improve with a less tight timetable.

2.3. Compatibility of strategic approaches in relation to National Action Plan/empl

Given the UK's employment led approach, there is a strong relationship between policies covered in the NAPincl and the NAPempl. However this linkage is not well drawn out in the NAPincl.

3. MAJOR POLICY MEASURES UNDER THE FOUR COMMON OBJECTIVES

3.1. Facilitating participation in employment

Policies encouraging access to employment include active labour market policies, tax and benefit reform (tax credits for the low paid), and improvements in the work focused "service" for the unemployed and inactive. The New Deal regime is the keystone of this approach. The regime offers intensive support and training to a wide client group: young people (compulsory at 6 months); over 25 year olds (compulsory at 18 months); and voluntary programmes (lone parents, the disabled, the over 50's and partners of the unemployed). Evaluation has been relatively positive on the effects of the New Deals, especially the New Deal for Young People, leading to improvements in all of the programmes. To tackle disincentives to work, and address the problem of low levels of pay amongst a significant part of the workforce, the UK increasingly uses targeted tax credits to provide a minimum in work income. This will be extended in 2003 with the introduction of an employment tax credit for people on low incomes, with or without children. To complement this, the National Minimum Wage provides a floor for wages. To improve the service offered to the unemployed and the economically inactive, the new "Jobcentre plus", will become operational in October 2001. This agency, merging the Public Employment Service and the Benefit Agency, will provide a more work-focused approach to the payment of all benefits for people of working age in Great Britain.

3.2. Facilitating access by all to resources, rights, goods and services

A range of policies tackle variations in quality and access to these services. However the NAP/incl provides a narrow range of examples from the UK's approach to ensuring access to services, with no discussion of access to legal services, sport or culture. Innovative life long learning services aim to attract people traditionally unable or unwilling to take up learning. Policies for E-inclusion are not well illustrated in the plan, with notable exceptions. "UK online" centres aim to help develop ICT skills and tackle the risk of exclusion of groups on the wrong side of the digital divide. "*learnirect*" offers web-based learning and over 1,000 centre across UK to make learning accessible to all. Access to decent housing is a particular concern in the UK. In 1996 40% of social sector and 29% of private sector homes in England failed to meet set standards of decency. The recent green paper "The Way Forward for Housing" sets out the strategy to improve the quality of the housing in England, backed up by an additional investment of £1.8 billion. In Wales the National Assembly recently consulted on proposals for a National Housing Strategy "*Better Homes for People in Wales*". In Scotland the recent Housing Act give local authorities stronger powers to tackle housing needs and help alleviate homelessness. The UK offers universal access to healthcare services through the NHS. The 10-year NHS plan sets out reforms to improve health services and ensure they tackle health inequalities in England.

3.3. To prevent the risks of exclusion

The life cycle approach places emphasis on preventing the risks of exclusion amongst children. Policies, backed by significant investment, aim to tackle the key risk factors occurring during childhood: poor early development, health, school attendance, teenage parenthood, and non-participation in education, training or employment between the ages of 16-18. "*Sure Start*" is the key policy in this fight. The scheme is directed at neighbourhoods where a high proportion of children live in poverty, working with parents-to-be, parents and children to break the cycle of disadvantage. It aims to improve services at the local level, spread good practice, and work towards local and national targets which vary according to local needs. Recent education reform is helping to raise standards, as evidenced by progress towards meeting the various National Targets. Support through policies like *Early Education Centres*, *Excellence in Cities*, and *New Community Schools* in Scotland are designed to prevent the risks of exclusion amongst the most vulnerable groups of children. Northern Ireland has set a target to reduce the number of pupils identified as persistent non-attendees (2003). To prevent exclusion in old age the UK has introduced measures both to target help on existing pensioners and to protect tomorrow's pensioners from the risks of social exclusion. Currently steps have been taken to help the poorest pensioners through the Minimum Income Guarantee. In the longer term the most important cause of poverty in old age is the lack of a decent second pension to supplement the basic state pension. Thus important reforms to the pensions system are designed to address this with the new State second pension targeting groups particularly at risk such as those on low incomes or those with a broken work record or unable to remain in paid work due to caring responsibilities, illness or disability. The impact of these new developments will need to be carefully monitored.

3.4. To help the most vulnerable

The NAPincl identifies a number of vulnerable groups requiring specific intervention to meet their needs. Particular attention is given to children in or leaving care, an issue identified as one of the key risks for social exclusion. "*Quality Protects*" (England) aims to modernise the services provided for children in care so they can make a successful transition into adulthood. Targets have been set to improve outcomes for vulnerable children, including educational attainment for those leaving care. Given that the UK has one of the highest rates of teenage pregnancy in Western Europe, reducing this rate gets special attention. In England the Government has set up a Teenage Pregnancy Unit to co-ordinate initiatives aimed at halving the rate of teenage conceptions among under-18s by 2010. In Wales "*Children First*" sets out a five year programme to improve social services for children in need, backed up by local targets.

The primary focus of initiatives for the working age is getting them into work. Additional support is targeted towards those suffering from problems with drug abuse, homelessness or mental health. As regards support to vulnerable older people the aim is to provide a decent minimum income, and improve the access and quality of services, in particular health and social care, housing, and tackling the fear of crime. The NAP discusses policies targeted at neighbourhoods in Objective 4, to illustrate the partnership led approach of these policies. However, the UK has a strong territorial approach to tackling exclusion. In Wales, *Communities First* will provide targeted support to the most deprived communities. The *National Strategy for Neighbourhood Renewal* sets out the Government's intention of narrowing the gap between deprived areas and the rest of the England. Policies are often locally delivered, and designed to tackle significant, inter-linked problems of deprived areas. The ambitious aim is that within 10-20 years no one should be seriously disadvantaged by where they live. A major focus of the strategy is to "bend" mainstream programmes to focus on the most deprived areas. The *Neighbourhood Renewal Fund* provides extra resources for 88 of the most deprived local authority areas. 26 *Health Action Zones* across England aim to reduce health inequalities in deprived areas. Similar approaches are followed by the Devolved Administrations. In Scotland, the *Social Inclusion Partnership* programme promotes inclusion in neighbourhoods suffering multiple deprivation.

3.5. To mobilise all relevant bodies

Territorial based policies of the UK Government and the Devolved Administrations heavily rely on partnership in their delivery at a local level. Local Partners are often given flexibility to bend programmes and tailor them to local needs. Local Strategic Partnerships bring together the public, private, voluntary and community sectors to identify the root causes of neighbourhood decline and develop ideas on how to improve things. Many Local Authorities have been set Local Public Service Agreements (PSAs) whereby they have to meet targets agreed with local people and partners. At an England-wide level the Social Exclusion Unit has a remit to improve Government action by promoting "joined up solutions". The unit draws heavily upon the involvement of partners in its work. Wider consultation at the national level is less frequent with the involvement of NGOs and (especially) the UK's two major national Social Partners restricted to specific issues.

4. GENDER MAINSTREAMING

The UK NAPincl acknowledges that "women constitute a higher proportion of adults in poverty and are more likely to be persistently poor" but its treatment of gender mainstreaming is patchy. The

Scottish sections of the plan show nevertheless a more consistent identification of the challenges and reference is made to Northern Ireland statutory commitment to promote equality of opportunity including between men and women. The coverage of gender issues under the four objectives is variable. It is strong under the first objective, where policies encourage women to play a full and active part in the labour market. Examples include the New Deal for Lone Parents and the national childcare strategies which aim at a large increases in the number and quality of childcare places. Future female pensioners with current broken work records should particularly benefit from the ongoing State Pension reforms. Under Objective 3 teenage mothers and boys leaving care home are identified as particularly vulnerable groups. Few of the indicators in the NAP/incl were broken down by gender although this could easily have been done for many of the indicators and targets. Scotland shows a fuller breakdown of its indicators.

5. THE ROLE OF THE ESF IN FIGHTING POVERTY AND SOCIAL EXCLUSION

Structural Funds have a considerable role to play in tackling social exclusion in the UK. Social Inclusion is a key theme for ESF. Under funding for 2000-2006, Objective 3 contains three Operational Programmes (England, Scotland, Wales) providing a closer national focus and allowing each programme to vary funding to address exclusion according to national priorities. In Scotland 40% of the Objective 3 budget is aimed directly at Social Exclusion. ESF will tackle a range of problems directly linked to fighting exclusion across all priority fields. Most important is priority 2, which targets individuals or areas of deprivation suffering from multiple disadvantage. However action under all other four priorities also make important contributions. Under Objectives 1 and 2 ESF will work alongside ERDF in using areas based approach to bring forward Community Economic Development. EQUAL will play a major role in targeting socially excluded groups, but is not mentioned in the plan.

PART III - ANNEXES

List of Indicators used in Joint Inclusion Report 2001

	Indicator	Definition	Data sources + years
1.	Index of income inequality S80/S20	Ratio between the income of the top 20% of the income distribution to the bottom 20%.	ECHP (1995, 1996, 1997)
2.	Gini coefficient	The relationship of cumulative shares of the population arranged according to the level of income, to the cumulative share of the total amount received by them (as calculated in Newcronos).	ECHP (1995, 1996, 1997)
3a	Risk of poverty rate after transfers with breakdowns by age and gender	Individuals living in households where the household income is below 60% national equivalised median income. Age groups are: 1. 0-15, 2. 16-24, 3. 25-49, 4. 50-64, 5. 65+. Gender breakdown for all age groups + total	ECHP (1995, 1996, 1997)
3b	Risk of poverty rate after transfers with breakdowns by most frequent activity status	Individuals aged 16+ living in households where the household income is below 60% national equivalised median income. Most frequent activity status: 1.employed, 2.self- employed, 3.unemployed, 4.retired, 5.inactives-other. Gender breakdown for all categories + total	ECHP (1995, 1996, 1997)
3c	Risk of poverty rate after transfers with breakdowns by household type	Individuals aged 16+ living in households where the household income is below 60% national equivalised median income. 1. 1 person household, under 30 yrs old 2. 1 person household, 30-64 3. 1 person household, 65+ 4. 2 adults without dependent child; at least one person 65+ 5. 2 adults without dep. child; both under 65 6. other households without dep. children	ECHP (1995, 1996, 1997)

		<p>7. single parents, dependent child 1+</p> <p>8. 2 adults, 1 dependent child</p> <p>9. 2 adults, 2 dependent children</p> <p>10. 2 adults, 3+ dependent children</p> <p>11. other households with dependent children</p> <p>12. Total</p>	
4.	Dispersion around the risk of poverty threshold	Persons living in households where the household income was below 40, 50 and 70% median national equivalised income	ECHP (1995, 1996, 1997)
5.	Risk of poverty rate anchored at a moment in time	<p>1995X: Risk of poverty rate, using 60% of the median of 1995 multiplied by the inflation factor 1994/95</p> <p>1996: Risk of poverty rate, using 60% of the median of 1996</p> <p>1996X Risk of poverty rate, using 60% of the median of 1995 multiplied by the inflation factor of 1994/96</p> <p>1997: Risk of poverty line, using 60% of the median of 1997</p>	ECHP (1995, 1996, 1997)
6.	Risk of poverty rate before transfers	<p>1. Original income</p> <p>2. original income +old age+survivors (=previous definition of 'before transfers').</p> <p>Gender breakdown + total</p>	ECHP (1995, 1996, 1997)
7.	Persistence of poverty risk	Persons living in households where the household income was below 60% median national equivalised income three years in a row. Gender breakdown + total	ECHP (1995, 1996, 1997)
8.	Regional cohesion	Coefficient of variation of employment rates at NUTS 2 level.	LFS (1995, 1997, 2000)
9.	Long term unemployment rate	Total long-term unemployed population (>12 mths.; ILO def.) as proportion of total active population; Gender breakdown + total	LFS (1995, 1997, 2000)

10.	Long term unemployment share	Total long-term unemployed population (>12 mths.; ILO def.) as proportion of total unemployed population; Gender breakdown + total	LFS (1995, 1997, 2000)
11.	Very long term unemployment rate	Total very long-term unemployed population (>24 mths.; ILO def.) as proportion of total active population; Gender breakdown + total	LFS (1995, 1997, 2000)
12.	Early school leavers not in education or training	Share of total population of 18-24-year olds having achieved ISCED level 2 or less and not attending education or training.	LFS 2001

1. Share ratio S80/S20

	1995	1996	1997
B	6,4	5,8	5,5
DK	2,9	2,8	2,7
D	5,7	5,3	4,7
EL	6,5	6,4	6,8
E	6,2	7,0	6,7
F	4,8	4,8	5,0
IRL	5,8	5,7	5,4
I	6,1	5,9	6,0
L	4,8	4,6	:
NL	4,7	4,9	4,6
A	4,3	4,1	3,9
P	7,6	7,1	7,4
FIN	:	2,7	3,0
S	:	:	3,4
UK	6,0	6,0	7,4
EU15T	5,7	5,6	5,7

Source: Eurostat, ECHP

Note: For UK there is a break in series between 1996 and 1997. Until 1996, ECHP was used for calculations. From 1997 onwards the national panel transformed into the ECHP format is used.

2. Gini-coefficient

	1995	1996	1997
B	37	34	34
DK	22	22	21
D	31	30	29
EL	35	34	35
E	34	35	35
F	30	29	30
IRL	34	34	33
I	33	32	32
L	29	28	:
NL	29	31	28
A	28	26	25
P	38	37	38
FIN	:	22	23
S	:	:	23
UK	34	34	34
EU15T	32	32	31

Source: Eurostat, ECHP

Note: Break in series for UK see table 1

3a. Risk of poverty rate by age-group and gender (60% of median equivalised income)

Gender	Age	B			DK			D			EL			E		
		1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997
Total	Total	17	16	15	12	10	8	17	16	14	22	21	22	20	19	19
M	Total	17	15	13	11	8	7	15	14	13	21	21	22	20	19	19
F	Total	18	18	16	12	11	9	19	17	15	23	21	22	20	19	19
Total	0 - 15	19	21	15	9	5	3	23	22	24	19	20	21	24	24	25
M	0 - 15	18	21	13	12	4	3	22	22	26	19	21	23	24	22	23
F	0 - 15	20	20	17	6	6	4	23	21	21	19	19	19	25	26	27
Total	16 - 24	24	22	23	20	17	14	20	21	17	23	23	22	23	24	23
M	16 - 24	26	20	20	23	17	15	19	18	15	23	24	25	23	26	22
F	16 - 24	21	24	26	18	17	13	21	23	20	22	23	20	24	22	24
Total	25 - 49	12	12	10	7	6	4	14	13	10	15	15	16	17	17	18
M	25 - 49	10	9	8	6	5	5	12	12	9	14	15	16	17	16	17
F	25 - 49	14	14	12	7	6	4	17	14	11	16	15	16	18	18	18
Total	50 - 64	18	13	14	6	6	5	17	12	13	24	20	24	19	18	17
M	50 - 64	18	13	15	5	5	5	17	11	11	21	18	21	19	18	17
F	50 - 64	17	12	14	7	6	5	17	14	14	26	22	26	19	18	17
Total	65+	24	21	22	27	24	22	17	16	14	36	33	35	15	14	15
M	65+	24	18	22	23	21	19	10	11	8	35	32	34	16	15	15
F	65+	25	24	21	29	26	25	21	19	18	36	35	36	15	14	14

Gender	Age	F			IRL			I			L			NL		
		1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997
Total	Total	17	17	17	19	19	20	20	20	19	12	12	12	11	12	13
M	Total	16	17	17	18	18	19	19	19	19	11	12	12	11	12	12
F	Total	17	18	17	20	20	21	20	20	20	13	12	12	12	13	14
Total	0 - 15	20	22	24	27	26	28	24	24	24	16	17	17	13	15	13
M	0 - 15	20	23	27	27	25	28	25	24	25	16	22	22	12	15	13
F	0 - 15	19	21	21	28	28	27	23	23	23	17	12	12	13	15	13
Total	16 - 24	27	28	30	19	19	21	28	28	26	12	18	18	24	27	24
M	16 - 24	24	25	28	17	18	20	27	25	26	11	16	16	21	26	24
F	16 - 24	29	32	32	21	20	22	30	30	27	14	20	20	27	27	24
Total	25 - 49	12	12	11	15	15	15	17	17	18	10	9	9	9	10	9
M	25 - 49	11	12	11	14	14	15	16	16	17	10	8	8	8	9	8
F	25 - 49	12	13	12	16	17	16	18	18	19	11	10	10	10	11	10
Total	50 - 64	14	14	14	14	13	14	18	17	17	11	10	10	8	8	6
M	50 - 64	13	16	16	16	15	15	17	17	17	11	9	9	7	7	5
F	50 - 64	14	13	12	12	12	12	18	18	16	11	11	11	8	8	7
Total	65+	18	17	17	20	21	25	16	17	16	12	9	9	8	8	8
M	65+	17	15	14	13	14	18	14	13	13	9	8	8	8	8	8
F	65+	20	19	19	25	26	30	18	20	17	14	9	9	8	7	8

Gender	Age	A			P			FIN			S			UK		
		1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997
Total	Total	13	14	13	23	22	23	:	8	9	:	:	12	22	18	22
M	Total	12	12	12	22	21	22	:	8	8	:	:	12	20	16	20
F	Total	15	16	15	25	23	25	:	8	9	:	:	11	23	20	25
Total	0 - 15	16	18	16	26	25	29	:	5	7	:	:	10	31	26	39
M	0 - 15	15	18	15	25	25	29	:	5	6	:	:	10	30	25	37
F	0 - 15	17	19	16	28	26	30	:	5	7	:	:	10	31	28	42
Total	16 - 24	13	14	12	19	18	21	:	19	19	:	:	22	21	19	25
M	16 - 24	11	12	14	18	16	20	:	20	18	:	:	20	21	16	26
F	16 - 24	15	15	10	21	20	22	:	19	19	:	:	24	22	22	25
Total	25 - 49	11	11	10	17	16	17	:	5	7	:	:	12	16	12	14
M	25 - 49	11	10	9	16	15	15	:	5	8	:	:	14	14	11	12
F	25 - 49	12	12	11	17	17	18	:	5	7	:	:	10	18	14	16
Total	50 - 64	10	11	10	24	22	21	:	7	6	:	:	7	14	13	12
M	50 - 64	9	9	8	21	21	19	:	9	5	:	:	7	13	11	13
F	50 - 64	10	13	12	27	23	23	:	5	6	:	:	7	14	15	12
Total	65+	20	21	22	39	37	37	:	12	9	:	:	9	32	25	29
M	65+	15	16	16	38	36	34	:	6	5	:	:	8	28	22	22
F	65+	23	24	25	40	38	39	:	16	12	:	:	10	36	27	34

		EU15T		
Sexe	Age	1995	1996	1997
Total	Total	18	17	18
M	Total	17	16	17
F	Total	19	18	18
Total	0 - 15	23	22	25
M	0 - 15	23	22	25
F	0 - 15	23	22	24
Total	16 - 24	23	23	23
M	16 - 24	22	21	22
F	16 - 24	24	25	24
Total	25 - 49	15	14	13
M	25 - 49	13	13	12
F	25 - 49	16	15	14
Total	50 -64	16	14	14
M	50 -64	15	14	14
F	50 -64	16	15	14
Total	65+	21	19	19
M	65+	17	16	15
F	65+	23	21	22

Source: Eurostat, ECHP

Figures showing gender breakdowns for multiple person households are based on the assumption of equal sharing of income within the household.”

* In the age group 18-24 years there is a large number of persons who are in full-time education. Such persons would in some Member States live mainly or partly from income in kind transferred from parents/family. Income in kind are not part of the income concept used in this study and thus the poverty rate for persons in full-time education may be overestimated.

Note: Break in series for UK see table 1

3b. Risk of poverty rate by gender and most frequent activity (60% of the median equivalised income)

Most frequent activity	Gender	B			DK			D			EL			E		
		1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997
TOTAL	Total	17	15	15	12	10	9	16	14	12	23	21	23	18	18	18
TOTAL	M	16	13	12	11	9	8	13	11	10	22	20	22	18	18	18
TOTAL	F	18	17	16	13	12	10	18	16	15	24	21	24	18	18	18
Employed - not self-employed	Total	4	3	4	4	3	3	8	7	6	10	11	11	7	6	7
Employed - not self-employed	M	4	3	4	3	2	2	7	7	5	8	10	10	8	7	7
Employed - not self-employed	F	4	4	3	5	3	3	8	7	6	12	12	13	5	6	5
Self-employed	Total	17	18	15	20	15	13	10	7	5	24	22	23	23	30	27
Self-employed	M	19	17	16	22	16	18	7	3	4	25	23	24	23	31	28
Self-employed	F	12	19	12	16	12	2u	14	14	8	23	19	18	21	27	24
Unemployed	Total	35	30	29	10	8	4	40	39	35	34	28	38	38	34	36
Unemployed	M	46	39	34	13	12	6	42	45	39	44	37	45	42	39	41
Unemployed	F	27	24	26	9	5	3	37	32	32	28	23	34	34	28	30
Retired	Total	20	17	18	24	21	18	20	17	15	34	31	36	12	11	13
Retired	M	21	15	18	22	19	16	17	13	12	32	29	32	15	14	15
Retired	F	20	19	18	26	22	20	22	19	18	37	36	40	6	6	7
Inactive - other	Total	28	26	24	24	26	21	27	25	23	25	22	24	22	21	21
Inactive - other	M	31	26	21	30	27	24	26	26	24	30	24	29	22	22	21
Inactive - other	F	27	25	25	21	25	19	27	25	22	24	22	23	22	21	21

Most frequent activity	Gender	F			IRL			I			L			NL		
		1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997
TOTAL	Total	15	16	16	16	17	18	19	18	18	11	10	:	11	12	13
TOTAL	M	14	15	14	14	15	17	18	17	17	10	9	:	10	11	12
TOTAL	F	16	17	17	18	19	20	20	20	18	12	11	:	12	13	14
Employed - not self-employed	Total	7	7	6	3	4	5	8	8	7	7	5	:	6	6	5
Employed - not self-employed	M	7	7	7	4	5	6	9	9	8	7	6	:	6	6	5
Employed - not self-employed	F	6	6	5	2	3	4	6	5	6	9	5	:	6	7	6
Self-employed	Total	15	16	17	14	13	13	22	19	24	12	12	:	18	18	17
Self-employed	M	15	16	18	14	14	12	23	20	26	13	8	:	20	19	17
Self-employed	F	14	14	16	9	7	15	19	16	17	:	:	:	12	15	16
Unemployed	Total	36	43	38	35	39	44	48	48	47	:	:	:	20	23	19
Unemployed	M	43	52	42	39	42	47	52	54	52	:	:	:	24	29	20
Unemployed	F	31	36	33	21	28	33	43	41	40	:	:	:	19	21	18
Retired	Total	17	17	15	18	17	22	15	13	13	12	11	:	6	:	:
Retired	M	15	15	14	17	16	20	14	14	13	10	10	:	6	:	:
Retired	F	18	18	17	20	19	30	15	13	12	15	12	:	9	:	:
Inactive - other	Total	28	28	31	24	26	27	25	26	24	15	15	:	15	15	21
Inactive - other	M	29	26	28	20	24	29	24	21	21	18	18	:	18	17	23
Inactive - other	F	28	29	32	25	27	27	26	27	24	14	14	:	14	15	19

Most frequent activity	Gender	A			P			FIN			S			UK		
		1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997
TOTAL	Total	13	13	13	23	22	22	:	9	8	:	:	:	19	16	17
TOTAL	M	11	11	11	21	20	20	:	8	8	:	:	:	17	14	15
TOTAL	F	15	15	15	25	23	25	:	9	9	:	:	:	21	18	20
Employed - not self-employed	Total	6	6	5	10	10	11	:	2	2	:	:	:	6	6	5
Employed - not self-employed	M	6	6	4	11	10	10	:	2	2	:	:	:	6	4	3
Employed - not self-employed	F	7	6	6	10	10	12	:	2	2	:	:	:	7	8	7
Self-employed	Total	23	20	25	35	34	32	:	15	13	:	:	:	20	14	15
Self-employed	M	26	22	27	30	30	30	:	15	11	:	:	:	20	16	15
Self-employed	F	19	16	22	43	41	36	:	15	15	:	:	:	20	7	14
Unemployed	Total	34	31	31	31	29	34	:	17	19	:	:	:	54	48	49
Unemployed	M	37	34	36	41	29	42	:	20	23	:	:	:	55	50	53
Unemployed	F	29	28	25	23	29	28	:	14	15	:	:	:	50	44	37
Retired	Total	14	16	16	35	32	33	:	10	7	:	:	:	30	24	29
Retired	M	12	14	14	36	33	31	:	6	3	:	:	:	27	21	23
Retired	F	17	19	17	35	32	34	:	13	10	:	:	:	33	26	34
Inactive - other	Total	21	24	21	28	27	28	:	18	18	:	:	:	32	27	31
Inactive - other	M	21	20	21	19	27	23	:	21	22	:	:	:	30	26	34
Inactive - other	F	22	24	21	30	27	30	:	16	15	:	:	:	33	28	29

Most frequent activity	Gender	EU15T		
		1995	1996	1997
TOTAL	Total	17	16	16
TOTAL	M	16	14	14
TOTAL	F	19	17	17
Employed - not self-employed	Total	7	7	6
Employed - not self-employed	M	7	7	6
Employed - not self-employed	F	7	7	6
Self-employed	Total	18	16	17
Self-employed	M	18	16	17
Self-employed	F	18	16	15
Unemployed	Total	40	40	38
Unemployed	M	45	45	43
Unemployed	F	36	34	32
Retired	Total	20	17	18
Retired	M	18	15	15
Retired	F	20	18	19
Inactive - other	Total	26	25	25
Inactive - other	M	26	24	25
Inactive - other	F	26	25	25

Source: Eurostat, ECHP

Figures showing gender breakdowns for multiple person households are based on the assumption of equal sharing of income within the household.

The figures cover the population aged 16 or more.

* The variable on most frequent activity status is not available in the Dutch ECHP. The figures provided here are constructed from comparable information.

Note: Break in series for UK see table 1

u: unreliable data

3c. Risk of poverty rate by household type (60% of median equivalised income)

		Total	1 person hh, total	1 person hh, male	1 person hh, female	1 person hh, under 30 yrs	1 person hh, 30-64 yrs	1 person hh, over 65 yrs
B	1995	17	23	20	25	33	18	26
	1996	16	21	11	27	26	15	25
	1997	15	20	15	23	27u	15	23
DK	1995	12	27	22	32	43	11	35
	1996	10	25	19	30	42	11	29
	1997	8	24	20	27	47	9	26
D	1995	17	26	21	29	40	19	27
	1996	16	21	17	24	34	15	25
	1997	14	24	19	27	34	20	25
EL	1995	22	32	22	36	25	20	41
	1996	21	25	20	30	24u	13	33
	1997	22	29	18	35	34	15	36
E	1995	20	14	14	14	16u	18	12
	1996	19	11	11	11	21u	16	8
	1997	19	11	11	12	32u	14	8
F	1995	17	24	24	24	40	16	25
	1996	17	24	23	24	41	15	25
	1997	17	20	18	21	32	11	25
IRL	1995	19	36	29	42	16	30	46
	1996	19	37	30	43	21	29	48
	1997	20	43	34	51	17	32	58
I	1995	20	23	15	27	15u	14	29
	1996	20	23	14	27	27u	13	28
	1997	19	21	16	23	26u	16	23
L	1995	12	13	6	18	12u	9	18
	1996	12	12	5	17	13u	11	13
	1997	:	:	:	:	:	:	:
NL	1995	11	18	18	17	50	7	8
	1996	12	19	20	18	53	8	7
	1997	13	22	22	22	53	5	:
A	1995	13	25	18	29	29	18	30
	1996	14	27	18	31	34	19	31
	1997	13	27	19	31	29	19	33
P	1995	23	49	45	51	:	34	58
	1996	22	47	42	49	:	34	55
	1997	23	43	34	46	18u	29	51
FIN	1995	:	:	:	:	:	:	:
	1996	8	23	23	24	48	14	25
	1997	9	20	19	20	43	12	17
S	1995	:	:	:	:	:	:	:
	1996	:	:	:	:	:	:	:
	1997	12	23	26	20	46	18	11
UK	1995	22	32	26	36	30	21	40
	1996	18	27	20	31	29	18	33
	1997	22	35	24	41	42	17	47
EU15T	1995	18	25	21	28	30	18	29
	1996	17	23	18	25	31	16	26
	1997	18	24	19	27	34	16	28

		2 adults, without dep. children, (at least one 65+ vrs)	2 adults, without dep. children, (both under 65 vrs)	Other hh without dep. children	Single parent, at least 1 dep. child	2 adults, 1 dep. child	2 adults, 2 dep. children	2 adults, 3 or more dep. children	Other hh with dep. children
B	1995	23	12	8	34	10	14	22	23
	1996	18	8	5	30	9	14	25	24
	1997	20	10	6	30	7	12	18	23
DK	1995	19	4	6	9	4	3	15	19
	1996	19	4	7	7	3	2	13	5
	1997	17	3	3	9	0	3	6	0
D	1995	10	13	11	53	12	14	32	16
	1996	11	9	7	55	13	11	38	12
	1997	8	8	5	48	8	12	.	6
EL	1995	39	17	18	23	12	17	16	26
	1996	35	13	15	26	10	17	20	32
	1997	36	17	16	24	13	14	26	37
E	1995	19	13	13	38	15	18	31	26
	1996	18	15	12	36	14	17	36	24
	1997	18	14	12	30	14	21	33	24
F	1995	16	11	9	29	9	8	28	26
	1996	14	11	8	31	8	9	34	30
	1997	14	10	10	.	7	8	30	28
IRL	1995	8	6	5	52	7	15	34	16
	1996	10	7	4	52	11	16	33	18
	1997	9	7	4	40	14	12	38	20
I	1995	12	8	14	23	14	18	42	31
	1996	13	9	15	19	13	19	40	32
	1997	14	11	14	25	15	21	34	29
L	1995	12	8	5	27u	11	9	30	11
	1996	9	10	2	27u	8	9	23	17
	1997	.	.	.	.	.	.	.	.
NL	1995	8	6	9	30	11	9	16	15
	1996	8	6	7	45	9	9	18	17
	1997	.	6	6	40	7	6	17	16
A	1995	18	7	6	40	12	8	24	13
	1996	15	8	5	32	10	11	31	17
	1997	18	6	6	28	11	9	26	12
P	1995	42	22	15	34	13	17	45	23
	1996	38	18	14	32	16	16	40	21
	1997	40	19	14	40	12	13	58	28
FIN	1995	.	.	.	.	.	.	.	.
	1996	4	5	6	9	3	3	5	11
	1997	4	8	4	9	5	4	9	4
S	1995	.	.	.	.	.	.	.	.
	1996	.	.	.	.	.	.	.	.
	1997	4	7	35u	16	6	7	12	44u
UK	1995	28	8	6	59	13	19	38	26
	1996	20	7	5	49	11	16	36	19
	1997	17	7	7	41	12	16	.	16
EU15T	1995	17	11	11	40	12	15	32	23
	1996	15	10	9	38	11	14	35	22
	1997	15	9	9	40	10	14	.	20

Source: Eurostat, ECHP

Figures showing gender breakdowns for multiple person households are based on the assumption of equal sharing of income within the household.

Note: Break in series for UK see table 1, u: unreliable data

4. Dispersion around the risk of poverty threshold (40%, 50%, 60% and 70% of the median equivalised income)

		40% of the median	50% of the median	60% of the median	70% of the median
B	1995	6	10	17	26
	1996	6	10	16	24
	1997	6	10	15	23
DK	1995	2	4	12	19
	1996	2	5	10	17
	1997	2	4	8	16
D	1995	8	11	17	24
	1996	6	9	16	22
	1997	4	8	14	21
EL	1995	10	16	22	29
	1996	9	15	21	27
	1997	11	16	22	29
E	1995	8	12	20	27
	1996	9	13	19	25
	1997	9	13	19	25
F	1995	5	9	17	25
	1996	4	10	17	25
	1997	4	11	17	25
IRL	1995	3	8	19	29
	1996	3	8	19	29
	1997	2	10	20	29
I	1995	8	13	20	27
	1996	8	13	20	26
	1997	9	13	19	27
L	1995	4	7	12	21
	1996	3	6	12	20
	1997	:	:	:	:
NL	1995	5	7	11	20
	1996	5	8	12	21
	1997	6	9	13	22
A	1995	4	7	13	21
	1996	4	7	14	22
	1997	4	8	13	21
P	1995	10	17	23	30
	1996	9	15	22	29
	1997	9	15	23	30
FIN	1995	:	:	:	:
	1996	2	4	8	16
	1997	2	3	9	17
S	1995	:	:	:	:
	1996	:	:	:	:
	1997	4	7	12	20
UK	1995	6	13	22	30
	1996	6	12	18	26
	1997	11	16	22	29
EU15T	1995	7	11	18	26
	1996	6	11	17	25
	1997	7	12	18	25

Source: Eurostat, ECHP

Note: Break in series for UK see table 1

5. Risk of poverty rate anchored at a moment in time (%)

	1995	1995x	1996	1996x	1997
B	17	16	16	14	15
DK	12	11	10	8	8
D	17	15	16	13	14
EL	22	21	21	22	22
E	20	20	19	19	19
F	17	17	17	18	17
IRL	19	17	19	14	20
I	20	19	20	20	19
L	:	:	:	:	:
NL	11	12	12	12	13
A	13	14	14	14	13
P	23	22	22	22	23
FIN	:	:	8	:	9
S	:	:	:	:	12
UK	20	23	21	20	22
EU15T	18	17	17	17	18

Source: Eurostat, ECHP

Note: Break in series for UK see table 1

6. Risk of poverty rates before transfers by gender (including and excluding old age pensions) (60% of median equivalised income)

	Excluding old age pensions in social transfers								
	1995			1996			1997		
	Total	M	F	Total	M	F	total	M	F
B	29	28	30	28	27	29	28	27	29
DK	31	30	33	31	29	32	29	27	31
D	24	22	25	23	22	24	22	21	23
EL	23	22	24	23	22	23	24	23	24
E	27	28	27	26	26	26	28	28	28
F	28	27	28	28	27	29	28	28	28
IRL	34	33	36	33	32	34	34	32	35
I	23	22	23	22	21	23	22	21	22
L	25	25	26	26	25	26	:	:	:
NL	25	24	25	24	24	24	26	25	26
A	25	23	27	25	22	28	25	23	27
P	28	26	30	28	27	29	29	27	30
FIN	:	:	:	32	30	33	34	33	35
S	:	:	:	:	:	:	29	26	30
UK	33	30	36	30	27	33	33	31	36
EU15T	27	25	28	26	25	27	26	25	27

	Including old age pensions in social transfers								
	1995			1996			1997		
	Total	M	F	Total	M	F	Total	M	F
B	45	42	48	46	42	49	46	43	49
DK	40	37	42	40	37	43	38	35	41
D	39	34	43	38	34	42	38	35	42
EL	38	36	40	37	37	37	38	36	39
E	41	39	43	42	40	43	42	41	43
F	40	38	42	41	38	43	41	39	43
IRL	42	40	44	42	40	44	40	39	42
I	40	38	42	41	38	44	42	40	45
L	41	38	43	42	40	44	:	:	:
NL	38	36	41	38	36	41	37	34	40
A	42	37	46	40	36	44	40	36	43
P	38	35	40	38	36	40	39	36	41
FIN	:	:	:	38	36	40	39	38	41
S	:	:	:	:	:	:	45	41	48
UK	42	38	45	39	35	43	43	39	46
EU15T	40	37	43	40	37	43	41	38	44

Source: Eurostat. ECHP

Figures showing gender breakdowns for multiple person households are based on the assumption of equal sharing of income within the household.

Note: Break in series for UK see table 1

7. Persistent risk of poverty for 3 continuous years (1997, 1996, 1995) (60% of median equivalised income)

	Total	Male	Female
B	8	7	9
DK	3	3	3
D	8	7	9
EL	11	10	12
E	8	8	8
F	11	11	10
IRL	11	10	11
I	8	8	9
L	:	:	:
NL	4	4	5
A	5	5	6
P	15	14	16
FIN	:	:	:
S	:	:	:
UK	10	8	11
EU15T	9	8	9

Source: Eurostat, ECHP (1995, 1996, 1997)

Figures showing gender breakdowns for multiple person households are based on the assumption of equal sharing of income within the household.

Note: Break in series for UK see table 1

8. Coefficient of Variation - Employment Rate (in percentage)

	1995	1996	1997	1998	1999	2000
B	8,1	7,7	7,5	7,5	7,6	8,0
D	5,9	5,8	5,5	5,6	5,8	5,9
EL	9,0	10,1	9,1	7,3	7,3	7,3
EL	10,7	10,6	10,9	11,2	10,9	10,8
F	6,9	7,0	7,1	7,2	7,1	6,9
I	16,3	17,5	17,2	16,5	17,2	17,1
NL	3,1	3,5	3,2	3,1	2,7	2,1
A	3,2	3,2	2,8	2,6	1,7	3,0
P	6,3	8,1	9,6	7,4	7,5	8,2
FIN	7,1	7,2	7,2	7,3	7,5	7,1
S	:	4,3	3,2	4,2	4,4	4,7
UK	5,4	6,5	6,4	7,4	8,0	7,8

9. Long term unemployment rate

	Total long-term unemployed population/ Total active population.					
	1995	1996	1997	1998	1999	2000
B	5,8	5,8	5,4	5,7	5,2	3,8
DK	2,0	1,8	1,5	1,3	1,0	1,0
D	3,9	4,2	4,9	5,0	4,5	4,0
EL	4,6	5,4	5,3	5,9	6,5	:
E	12,4	11,8	10,8	9,4	7,3	5,9
FR	4,7	4,7	5,0	5,0	4,7	3,8
IRL	7,2	6,9	5,7	:	2,8	1,7
I	7,4	7,9	8,1	7,1	7,1	6,4
L	0,7	0,9	0,9	0,9	0,8	0,6
NL	3,1	3,0	2,5	1,9	1,4	0,8
A	1,2	1,4	1,5	1,6	1,5	1,0
P	3,4	3,6	3,5	2,1	1,9	1,7
FIN	5,5	5,1	4,4	3,6	2,6	2,8
S	1,8	2,9	3,5	3,3	2,2	1,3
UK	3,8	3,3	2,7	2,0	1,8	1,5
EU-15	5,2	5,2	5,2	:	4,3	3,6

Males	Total long-term unemployed population/ Total active population.					
	1995	1996	1997	1998	1999	2000
B	4,5	4,4	4,2	4,5	4,5	3,1
DK	1,8	1,6	1,2	0,9	0,9	0,9
D	3,2	3,6	4,3	4,5	4,2	3,7
EL	2,6	2,8	2,8	3,1	3,7	:
E	8,8	8,1	7,5	6,1	4,4	3,5
FR	3,9	3,8	4,2	4,3	3,9	3,0
IRL	7,8	7,5	6,4	:	3,2	2,1
I	5,7	6,1	6,4	5,6	5,4	4,9
L	0,5	0,7	0,6	0,7	0,7	0,5
NL	2,9	2,6	1,9	1,5	1,1	0,7
A	1,0	1,2	1,4	1,5	1,3	1,0
P	3,0	3,1	3,0	1,6	1,6	1,4
FIN	6,3	5,6	4,6	4,2	2,6	2,8
S	2,3	3,5	3,8	3,9	2,7	1,4
UK	5,0	4,4	3,6	2,6	2,3	2,0
EU-15	4,5	4,5	4,5	:	3,6	3,0

Females	Total long-term unemployed population/ Total active population.					
	1995	1996	1997	1998	1999	2000
B	7,7	7,8	7,1	7,4	6,2	4,8
DK	2,1	2,1	1,8	1,8	1,2	1,2
D	4,9	4,9	5,6	5,7	4,9	4,3
EL	7,9	9,6	9,2	10,1	10,7	:
E	18,2	17,5	16,1	14,4	11,6	9,5
FR	5,8	5,8	5,9	5,9	5,5	4,7
IRL	6,1	5,9	4,6	:	2,1	1,0
I	10,3	11,0	11,0	9,6	9,8	8,8
L	0,9	1,2	1,3	1,1	0,9	0,6
NL	3,4	3,5	3,2	2,3	1,7	1,1
A	1,5	1,5	1,5	1,8	1,7	1,0
P	4,0	4,3	4,1	2,6	2,2	2,0
FIN	4,6	4,5	4,1	3,1	2,6	2,7
S	1,3	2,2	3,1	2,7	1,6	1,1
UK	2,2	1,8	1,6	1,3	1,1	0,9
EU-15	6,1	6,2	6,2	:	5,2	4,4

10. Long term unemployment share

	Total long-term unemployed population/ Total unemployed population.					
	1995	1996	1997	1998	1999	2000
B	62,4	61,3	60,5	61,7	60,5	54,3
DK	27,9	26,5	27,0	26,7	20,3	21,3
D	48,3	47,2	49,2	51,5	50,8	50,6
EL	50,9	56,3	55,4	54,5	55,3	0,0
E	54,6	52,8	51,7	49,7	46,3	41,8
FR	39,9	38,0	39,2	41,6	38,7	40,0
IRL	60,1	58,6	55,6	:	48,3	40,5
I	62,9	65,1	65,6	58,9	60,6	61,0
L	22,4	27,6	34,6	31,3	32,3	25,0
NL	43,6	46,0	44,9	42,4	37,7	29,6
A	27,0	25,6	28,3	29,2	31,2	27,0
P	48,7	49,9	53,4	44,1	40,9	40,5
FIN	32,3	32,8	29,2	27,6	22,3	28,6
S	20,4	30,0	33,9	37,4	29,1	22,0
UK	43,5	39,8	38,6	32,6	29,6	27,3
EU-15	48,6	47,9	48,5	:	45,6	43,9

11. Very long term unemployment rate

	Total very long-term unemployed population/ Total active population.					
	1995	1996	1997	1998	1999	2000
B	3,8	3,8	3,7	4,1	3,8	2,7
DK	0,8	0,8	0,6	0,6	0,5	0,3
D	2,2	2,5	3,0	3,1	2,9	2,6
EL	2,5	3,2	3,1	3,8	3,9	3,6
E	8,1	7,7	7,1	6,2	4,8	3,8
FR	2,4	2,6	2,6	2,7	2,7	2,3
IRL	5,1	4,7	3,8	:	1,9	:
I	4,9	5,5	5,6	4,9	5,0	4,8
L	0,3	0,4	0,2	0,3	0,5	0,2
NL	2,0	1,9	1,5	1,2	0,8	0,5
A	0,6	0,7	0,7	0,9	0,7	0,8
P	1,4	1,7	1,9	1,2	0,9	0,9
FIN	2,9	2,9	2,6	2,0	1,5	1,3
S	0,0	0,0	0,1	0,0	0,0	0,0
UK	2,4	2,1	1,8	1,3	1,1	0,9
EU-15	3,1	3,2	3,2	:	2,7	:

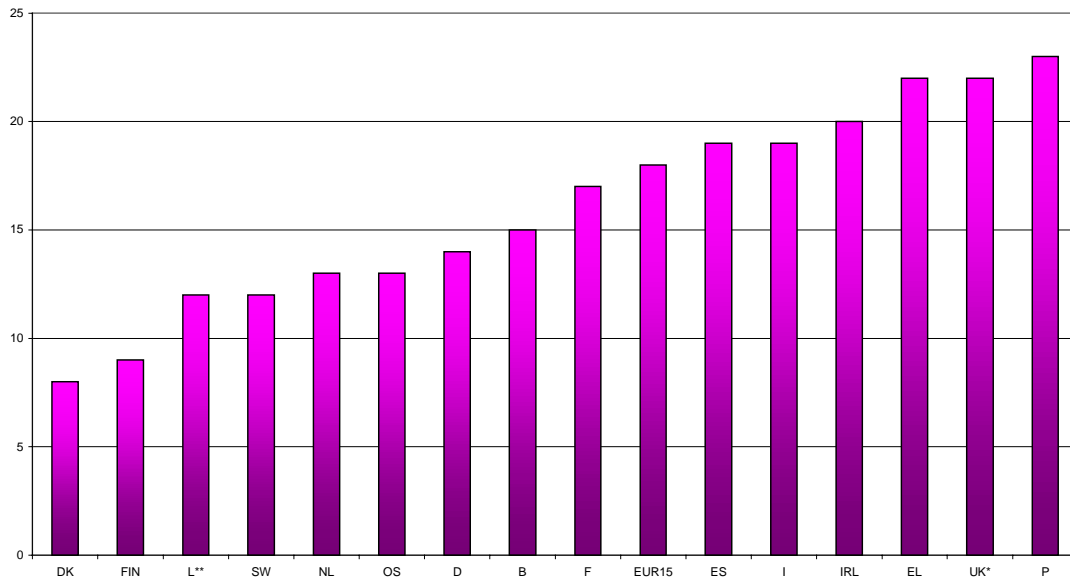
Males	Total very long-term unemployed population/ Total active population.					
	1995	1996	1997	1998	1999	2000
B	2,7	2,8	2,8	3,2	3,0	2,1
DK	0,6	0,7	0,5	0,4	0,4	0,3
D	1,7	2,1	2,5	2,6	2,6	2,3
EL	1,4	1,5	1,6	1,9	2,1	2,1
E	5,4	5,0	4,6	3,8	2,8	2,2
FR	1,9	2,1	2,1	2,3	2,2	1,8
IRL	5,9	5,5	4,5	:	2,3	:
I	3,8	4,3	4,4	3,9	3,9	3,7
L	0,2	0,3	0,2	0,3	0,4	0,1
NL	1,9	1,7	1,2	1,1	0,7	0,4
A	0,6	0,7	0,8	0,8	0,7	0,9
P	1,2	1,4	1,5	1,0	0,7	0,8
FIN	3,5	3,4	2,8	2,4	1,6	1,5
S	0,0	0,0	0,1	0,0	0,0	0,0
UK	3,3	3,0	2,5	1,8	1,5	1,2
EU-15	2,7	2,8	2,7	:	2,3	:

Females	Total very long-term unemployed population/ Total active population.					
	1995	1996	1997	1998	1999	2000
B	5,3	5,3	4,8	5,3	4,8	3,4
DK	1,0	0,9	0,8	0,9	0,6	0,4
D	3,0	3,1	3,6	3,6	3,2	2,9
EL	4,4	5,8	5,6	6,7	6,5	5,9
E	12,5	11,9	10,9	10,0	7,9	6,2
FR	2,9	3,2	3,1	3,2	3,2	2,8
IRL	3,7	3,6	2,7	:	1,2	:
I	6,8	7,4	7,4	6,4	6,7	6,4
L	0,4	0,5	0,2	0,4	0,6	0,3
NL	2,1	2,1	1,8	1,3	0,9	0,7
A	0,7	0,7	0,7	0,9	0,7	0,7
P	1,7	2,1	2,2	1,5	1,2	1,1
FIN	2,3	2,4	2,4	1,5	1,4	1,1
S	0,0	0,0	0,1	0,0	0,0	0,0
UK	1,2	0,9	0,9	0,7	0,6	0,5
EU-15	3,7	3,9	3,8	:	3,3	:

12. Early school leavers rate by gender (age 18-24)

		1995	1996	1997	1998	1999	2000
B	M	16,6	14,7	14,2	16,7	17,7	14,8
	F	13,5	11,0	11,2	12,3	12,7	10,2
	Total	15,1	12,8	12,7	14,5	15,2	12,5
DK	M	5,2	12,2	11,0	9,5	14,2	13,4
	F	6,9	12,1	10,3	10,0	9,1	9,9
	Total	6,1	12,1	10,7	9,8	11,6	11,7
D	M	9,7	12,5	12,3	:	14,2	14,6
	F	11,4	14,2	13,5	:	15,6	15,2
	Total	10,6	13,3	12,9	:	14,9	14,9
EL	M	26,6	24,2	23,7	24,6	21,2	21,8
	F	18,8	17,8	16,7	15,5	14,8	12,9
	Total	22,7	21,0	20,2	20,1	18,0	17,4
E	M	38,1	36,4	35,0	34,8	34,7	33,7
	F	28,4	25,3	24,5	23,7	23,0	22,4
	Total	33,3	30,9	29,8	29,2	28,9	28,1
F	M	16,8	17,0	15,4	16,2	16,0	14,8
	F	14,2	13,7	13,0	13,7	13,5	11,8
	Total	15,5	15,3	14,2	14,9	14,7	13,3
IRL	M	25,7	23,5	22,6	:	:	:
	F	17,1	14,2	15,1	:	:	:
	Total	21,4	18,8	18,8	:	:	:
I	M	35,8	34,9	33,7	32,3	30,3	32,4
	F	29,1	27,7	26,2	24,5	24,2	25,6
	Total	32,4	31,3	29,9	28,4	27,2	29,0
L	M	32,9	32,8	30,9	:	18,9	15,9
	F	33,9	37,9	30,5	:	19,4	17,6
	Total	33,4	35,3	30,7	:	19,1	16,8
NL	M	:	18,1	16,8	17,0	17,5	17,5
	F	:	17,1	15,2	14,0	14,9	15,9
	Total	:	17,6	16,0	15,5	16,2	16,7
A	M	9,9	9,2	9,0	:	:	:
	F	17,3	14,9	12,5	:	:	:
	Total	13,6	12,0	10,8	:	:	:
PT	M	47,1	45,6	46,8	51,7	51,3	50,6
	F	35,5	34,4	34,4	42,0	39,6	35,6
	Total	41,3	40,0	40,6	46,9	45,5	43,1
FIN	M	15,1	11,4	9,1	8,6	12,0	12,5
	F	10,5	10,8	7,0	7,2	7,9	7,2
	Total	12,8	11,1	8,1	7,9	10,0	9,8
S	M	:	9,0	7,3	:	7,7	9,2
	F	:	6,0	6,2	:	6,1	6,2
	Total	:	7,5	6,7	:	6,9	7,7
UK	M	4,2	4,8	5,5	:	7,3	6,5
	F	5,1	6,4	6,0	:	7,0	7,1
	Total	4,7	5,6	5,8	:	7,1	6,8
EU15T	M	23,2	22,6	21,8	27,0	20,9	20,7
	F	19,4	18,6	17,8	20,2	16,9	16,4
	Total	21,3	20,6	19,8	23,6	18,9	18,5

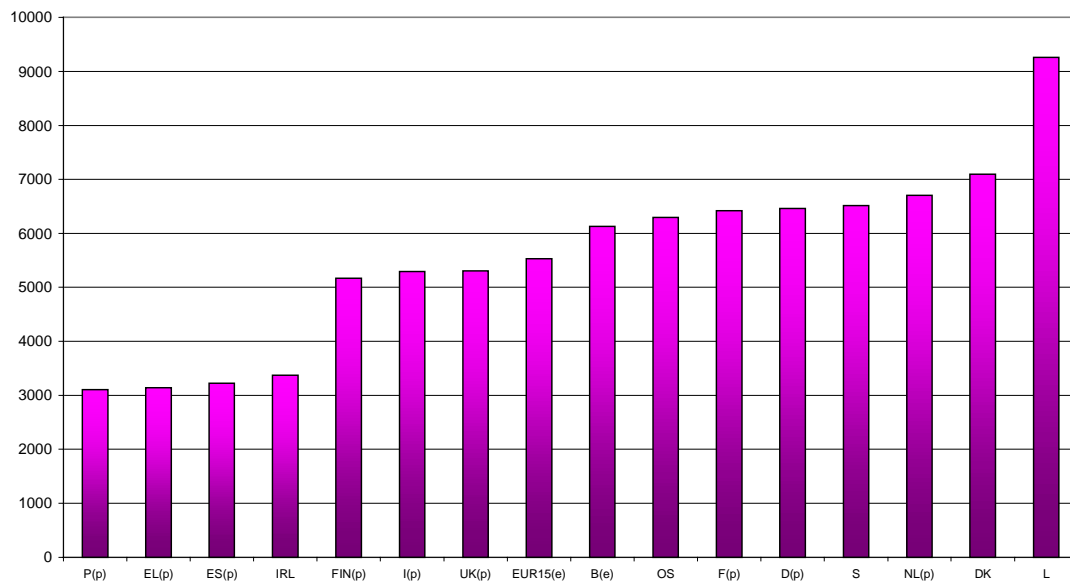
People at risk of poverty 1997 (%)



* This data is not strictly comparable with the 1996 data (18%). It is presently under revision in order to improve comparability with data from other Member States.

** All data for Luxembourg refers to 1996.

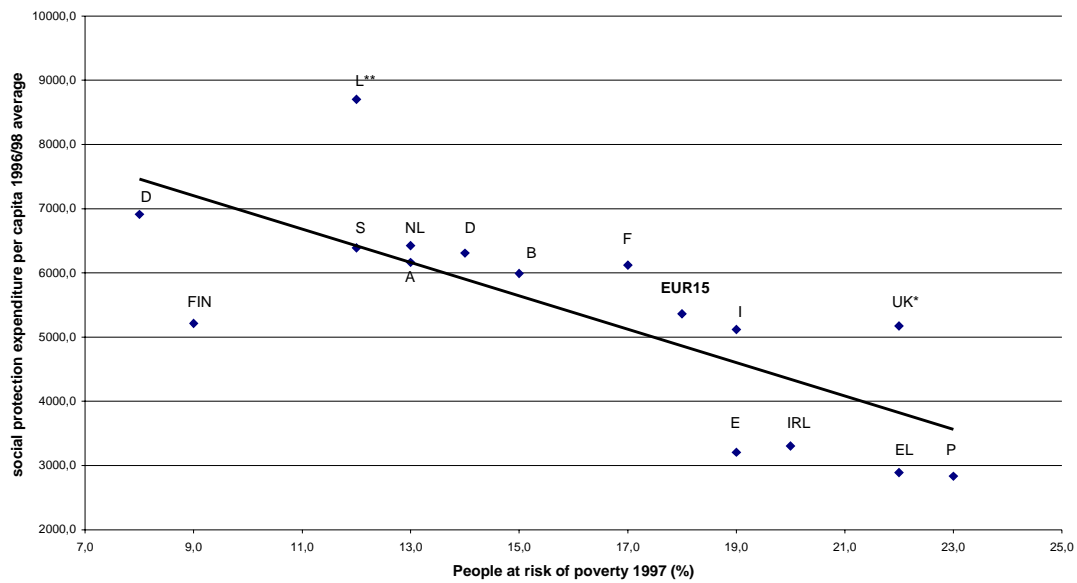
2. Spending on social protection per capita PPS, 1998



3. Percentage of GDP spent on social protection, 1998



Correlation between risk of poverty (1997) and social expenditure per capita (PPS; average 1996/98)



* This data is not strictly comparable with the 1996 data (18%). It is presently under revision in order to improve comparability with data from other Member States.

** All data for Luxembourg refers to 1996

Examples of indicators used in the NAPs/incl:

On employment

- involuntary part-time (F)
- activation rate (EMCO indicator) (F)
- employment rates for women with and without children (I)
- % persons who could not work because of childcare/care for other dependants (SILC) (F)
- % population participating in voluntary work (NL)
- employment rates for disadvantage groups (people with disabilities, lone parents, ethnic minorities, 50+) (UK)
- households with two or more unemployed members (I)

On access to minimum resources

- perception of poverty (I, B)
- proportion of persons aged 18-65 who received benefits for at least 6 months in the year (DK)
- proportion of people who for the last 3 years have been at least 80% of the time either unemployed or in activation, or training/educational leave, or cash assistance recipients, or rehabilitees or sickness benefit recipients (DK)

On living conditions

- living condition indicators (cumulative non monetary deprivation) (F)

On Housing

- housing indicators (existence of amenities- all separate) (F)
- overcrowding (F)
- housing costs (F)
- number of homeless /number of people using shelters (F,NL, Fin)

On health

- renouncing medical expense for financial reasons (F, B)
- % people limited in daily activities because of illness/disability (B, F)

- % of disabled people living alone (I)
- Share of disabled 16-64 in employment (I)
- Adult smoking rates (UK)

on education/training

- % functional illiteracy (B)
- % household budget spent on education (B)
- truancy at school (UK, E)
- link between education level of parents/children (B)

On access to services

- % persons who live less than 10 mins walk from public transport (F)

on social/ cultural participation

- % people having seen a show (theatre, cinema) last month (F)
- Cultural participation in last 12 months (F)
- sport undertaken in past 12 months (F)
- % households who can afford a week holiday away from home (F)

on access to new technologies

- proportion of population using PCs by income
- proportion of population using internet, by income

on indebtedness

- % population with (bad) debts (NL, B, Fin)

on children

- % of children living in households below the poverty line (I, PT, UK)
- % of children living in jobless households (B, UK)
- children living in working age jobless households (UK)
- children living in a home that falls below the set standard of decency (UK)

- number of children living in temporary accommodation (UK, Fin)
- % of children institutionalised (F, Fin)

on older people

- % of old people living alone
- % of isolated older people (Percentage of population aged 65 and over living alone without any living children or brothers/sisters) (I)
- % of older people living in households below poverty line (I, UK)
- proportion of older people living in a home that falls below the set standard of decency (UK)
- proportion of population of older people being helped to live independently (UK)
- proportion of older people whose lives are affected by fear of crime (UK)

on specific groups

- prisoners (average on a particular day) (FIN)
- reintegration of prisoners (F, B)
- incidence of alcohol abuse (Fin, E)
- incidence of drug misuse (UK, Fin)
- Rates of domestic burglary (UK)
- Violent crimes (per 100 000) (FIN)
- suicide (Fin)

on territorial disparities

- proportion of students from under-represented, disadvantaged areas in higher education, compared to overall student population in higher education (Scotland)
- The Netherlands have included an example of a package of local indicators and targets for a specific locality (HAARLEM)

ANNEX II

**EXAMPLES OF GOOD PRACTICE INDICATED IN THE NATIONAL ACTION
PLANS AGAINST POVERTY AND SOCIAL EXCLUSION**

1. EMPLOYMENT

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
A	1. Supported employment	Project designed to provide the disabled with guidance and help and to offer employers various forms of assistance in order to ensure that disabled workers can fully develop their potential.
BE	1. Le Plan Rosetta	The plan obliges companies to hire a certain percentage of adolescents younger than 25.
DA	1. Methodology Development Programme	Project to be launched late 2001 to develop new and better methods for practical social work, to increase the quality of social work and to ensure increased awareness.
	2. Job types for people with highly individual skills and qualifications	Three-year pilot project to be launched in 2001 to gather and disseminate existing knowledge and ideas that may provide inspiration for local job creation activities.
	3. Increased awareness about local efforts relating to the job market	Major information campaign initiated in collaboration with the Social Council to be launched in 2001.
	4. Effect measuring	Project to enable local monitoring of labour market policy measures.
	5. Youth Project	Model project (1999-2002) for local authorities to support the integration of young people from vulnerable groups in training and education programmes and in the job market.
	6. The On-the Job Rehabilitation Project for Vulnerable Groups	Programme to develop individual projects for people to reintegrate the labour market.

DE	1. "Course Scheme" to fight long-term unemployment - Brandenburg	Scheme introduced in Brandenburg in 1993 to encourage the long-term unemployed to take the initiative in reintegrating themselves back into the labour market.
	2. Temporary employment of social assistance recipients on work benefiting the community - Bavaria	Use of temporary work as a means for social assistance recipients to reintegrate the labour market.
	3. Work has to pay off Supplementary child benefit to avoid reliance on social assistance – Rhineland Palatinate.	Programme launched in May 2000 to determine how the readiness of social welfare recipients with children to take up gainful employment can be increased.
FR	1. Trace - Pathways to Employment	On-going programme to promote tailored and early intervention to help job seekers and prevent youth and adult unemployment.
	2. Aid for unemployed people who start up or rescue businesses	Social and fiscal measures to provide entrepreneurs with guidance and financial aid.
I	1. Moriana – Municipalities of Milan and Turin and the provinces of Naples and Genoa.	New jobs for socially excluded young people. The project aims at the insertion of young people in employment via new economy jobs, also through the creation of centres for aggregation of micro-self-employment

NL	1. Pathways to Employment for minorities	Framework agreement reached in June 2000 between the government and a number of large companies to improve labour market participation and integration of ethnic minorities.
	2. Talent activated	Various local projects aimed at activating people who are far removed from the labour market and who are socially isolated through voluntary work, sheltered employment, vocational training courses and subsidised jobs.
PT	1. Horizons 2000	Programme to provide individual guidance and propose adequate training and jobs for the unemployed.
SV	1. Real opportunities for combining parenting and work	Combined system of family allowances and childcare services to make it easier for both parents to combine parenting and work.

2. MINIMUM INCOME / SOCIAL SAFETY NET

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
A	1. Integration of atypical workers in the social system	Promotion of social coverage to ensure that all economically active persons have social security or be given the opportunity to join a scheme on favourable terms.
	2. Means-tested minimum pension	Provision for a minimum pension taking the form of compensatory payments to persons who have been insured for a short period or been on low pay.
EL	1. EKAS – Targeted income support for pensioners	Pensioners' social solidarity supplement established in 1996 to provide additional benefits to pensioners in greater need.
I	1. Minimum Income Benefit – 237 municipalities throughout Italy.	Experimentation to introduce a minimum income scheme, targeted at individuals and households under poverty threshold and including activation measures.
PT	1. Guaranteed minimum income	Measure to guarantee a minimum income to all citizens in financial need.

3. HEALTHCARE

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
BE	1. Maximum health cost bill	Reform of the healthcare system to ensure that low-income households do not pay more than an annual health cost ceiling.
DA	1. INTEGRA – The Back to Life Project	Project in partnership between the local authorities of Odense and Frederica and the European Commission to develop new human resources and qualifications as a first step toward the functional and social rehabilitation of marginalised groups of drug misusers.
DE	1. Medical care for the homeless – Berlin	Integrated programme aimed at providing outreach services for the homeless. (e.g. mobile surgery and outreach consultation with doctors).
	2. Medical care for migrants – Lower Saxony	Programme to provide health and counselling services geared to the needs of migrants by removing linguistic and cultural barriers.
FR	1. Universal Health Coverage	Reform of the healthcare system brought in 1999 to make it possible for everyone to join the social security system and, for the poorest, to have all their costs paid for over and above those charges already covered by the basic scheme.

4. HOUSING

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
BE	1 Federal law on housing	Federal law adopted in 1997 setting the minimum conditions to which a building for renting purposes has to comply to, such as elementary security requirements, electric installations, running water and housing.
ES	1. Plan for Historical Centrum - Saragossa	Plan to maintain the existing population and attract new habitants into the historical centre of Saragossa.
FR	1. Loca-Pass: Aid to access housing for the youth	Scheme designed for young persons under 30 looking for an accommodation to provide him or her with financial guarantee and advance.
NL	1. "EOS": modernisation of housing benefit	Governmental programme aimed at improving efficiency, customer friendliness of and information on housing benefits.
	2. Social Investment Plan: Overtoomse Veld Noord in Amsterdam	Consultative Platform composed of representatives from the local government, housing associations and local businesses to improve local housing and urban policy..

5. EDUCATION

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
BE	1. Reducing the cost of education	Various initiatives to increase financial support to the family and children most in need.
DA	1. Language play – the integration of bilingual children in day-care facilities and schools.	Project led by the local authority of Alberstlund focusing on language development both for Danish and bilingual children.
DE	1. "Rath" Model – North Rhine Westphalia	Set of reintegration measures in order to reduce the number of young people dropping out of school.
	2. Integration courses to promote social and linguistic skills – Hamburg	Programme to enable teenagers and young adult migrants to improve their knowledge of German.
I	1. Chance – Municipality of Naples	Aimed at children aged between 13 and 15. Socially reintegrating drop-outs and bringing them back into the education system.
	2. Socialisation and Creativity among Young People – 27 municipalities in the centre/north of Italy	Training for socially excluded young people using socialisation and creativeness, encouraging the creation of cooperatives.

IRL	1. Stepping Stones Project – Watterford Youth Committee	Project aimed at improving personal and educational skills of young unemployed people in order to enhance their prospects of securing employment.
	2. Colaiste ide Open Learning Centre – City of Dublin	Centre established in 1994 to provide quality flexible education to the unemployed, lone-parents, house-parents and those who need flexibility in their education.
	3. Moyross Probation Project (Step by Step)	Project aimed at the development of training for work for young offenders and youth at risk between the ages of 15-25..
NL	1. Tilburg Tuition Fees Foundation	Foundation set up in 1996to give children of less well-off parents an opportunity to take part in normal extra-curricular activities.
	2. Broad School Policy: Open Neighbourhood Schools	Initiatives aiming at putting schools at the heart of a neighbourhood, offering a wide range of activities for children, parents and other local residents.
PT	1. Combat School and Social Exclusion in the frame of primary education	Set of policy measures aiming at reducing school drop-outs by favouring the offer of diversified training and facilitating the transition from school to active life through qualifying education.
	2. National Agency for Education and Training for Adults- ANEFA	Permanent structure in charge of the promotion of lifelong education and training for people with little education and qualifications.

6. JUSTICE

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
EL	1. The Ombudsman: encouraging equal access	Setting up of an autonomous authority operating as an independent extra-judicial mechanism for control and mediation.
DA	1. Legal protection of the most vulnerable groups in society	Project part of the wider "Service and Welfare" project to make an intensive outreaching effort in relation to the most vulnerable groups in society to enable them to use the services offered by public authorities.
FR	1. Access to Justice	Setting up of Houses of Justice together with the increased role for local Ombudsmen to allow people, particularly the excluded, to better know and take up their rights

7. E-INCLUSION (ICT)

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
DA	1. SOLICOM – IT project for socially excluded people in Vejle	Project launched in 1999 to give socially excluded groups a chance to access information and communication technology.
ES	1. OMNIA – Catalonia	Project initiated in 1999 to set up IT centres in the most deprived areas.
I	1. Sito Word Scuola – Ministry for Education	Learning to use new technologies targeted at students and teachers.
	2. Domus Area, Teledidattica, Relais Service, Teledivisione, Rete Radio-Mobile - Ministry of Employment, Ministry of Health, Municipality of Ferrera, private company	Using new technologies to increase the possibility for elderly and/or disabled to people to stay in their own home and to maintain social contacts for disabled, elderly excluded and socially marginalised people.
NL	1. Internet in combined Housing & Care centres for the elderly	National project to enable older people to become acquainted with computers and the internet through the development of internet cafés.
	2. Knowledge Neighbourhood: ICT in the neighbourhood.	Experimental projects to provide inhabitants mainly from disadvantaged neighbourhoods with access to a range of innovative electronic services via high-quality ICT infrastructure.
	3. Removing thresholds: Internet and the disabled	The intention of this project is to increase access to the Internet for the disabled and to make the functionalities of the Internet and communication technology more easily accessible to people with disabilities.
	4. A virtual home for the homeless	Project aimed at giving homeless people the opportunity to become familiar at their own pace with the ICT.

SV	1. ICT for the disabled	Programme designed to test and develop the use of ICT systems for disabled persons during the period 1998-2001.
UK	1. University for Industry – learndirect	Private company funded through a combination of public and commercial sources to stimulate demand for lifelong learning, and in particular ICT training, amongst adults and SMEs.

8. CULTURE, SPORTS, LEISURE

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
FR	1. Solidarity Vacation Voucher	Voucher distributed by local social services to allow families in social difficulties to go on vacation.
IRL	1. CELTTS (Celtic Eco-Leisure Training & Tourism Scheme) – Waterford Youth Comtee.	Project aimed at the delivery of a joined accredited training course for young people working in the outdoor pursuits sector

9. INDEBTEDNESS

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
A	1. Private bankruptcy	Procedure established in 1995 enabling all debtors to discharge their debts under certain precisely defined conditions within a reasonable time (as a rule seven years)..

10. HOMELESSNESS

A	1. Measures against homelessness	Programme set up in Vienna to prevent and combat homelessness through the prevention of eviction, day centres, sheltered accommodation and suitable long-term housing.
DE	1. Avoiding homelessness: securing a permanent place to live – North-Rhine Westphalia.	Programme to help the homeless and to promote integrated strategies at the interfaces between urban development, housing and social policy.
ES	1. Relocation into "normal" housing – IRIS Madrid	Institute settled in Madrid in charge of helping people living in shantytowns to find better accommodation.
	2. IGLOO network	Setting up of national, regional and local networks to provide simultaneous and multidimensional responses to the issue of homelessness.
NL	1. Foundation Voila for the homeless – the homeless working for the homeless in Amsterdam	The aim of the foundation is to ensure that homeless people help each other by developing ideas and initiating projects for and by homeless peoples.
	2. Pension Maaszicht: young homeless people on their way to a new place in the community - Rotterdam	A halfway house in Rotterdam that offers accommodation and guidance to young homeless people in order to make it easier for them to return to "normal" society.

11. TERRITORIAL / REGIONAL DIMENSION

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
DE	1. Social City - Bremen	Programme combining 4 areas of action: stimulation of economic activity, new businesses and services, residential development and rejuvenation of focal points.
	2. Living in neighbourhoods - Bremen	Programme aimed at residential and district development, as well as support for neighbourhoods. .
	3. Promoting improvements in living conditions and community work – Rhineland Palatinate	Measures to improve living conditions in the urban districts and to promote community work.
EL	1. The Response to the Athens Earthquake	Set of coordinated urban and city planning policy measures taken as a response to the Athens earthquake, Sept. 7 th 1999.
ES	1. Confederation of Centres for Rural Development (COCEDER)	Network of centres in charge of the integrated development of rural areas.
PT	1. National programme in the fight against poverty	Nation-wide strategy supported by European structural funds to develop rural and urban zones.
UK	1. Community Regeneration - Wales	Programme aimed at regenerating the most disadvantaged communities in Wales and based on a recent review of best practice.

12. FAMILY SOLIDARITY / CHILDREN

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
A	1. The Carinthia childcare allowance	Childcare allowance paid for children aged three and under.
	2. Prevention of violence in the family	Federal Act empowering the police and constabulary to remove a potentially violent person from the home and to issue an exclusion order.
	3. Advance on child maintenance	Provision that the <i>Bund</i> pays advances for children in the event of default of the person who is legally obliged to pay maintenance.
	4. Nursing care	System of standardised federal nursing care allowance combined with an adequate range of social services for persons providing nursing care on a private basis.
DA	1. Children should be seen and heard – a project about children in alcohol misuser families in Randers	Project carried out from 1996 to 1998 to promote child perspectives and parent motivation in alcohol misuser families.
DE	1. Mother and Child Help for single parents – Baden-Württemberg.	Programme to ensure that single parents receive the necessary guidance and financial independence to care for their children
IRL	1. Family Services Project - Waterford	Establishment of a high quality information service regarding both statutory and voluntary support available to the family.

PT	1. Working fathers combining the professional life and family life	Recognition of men's rights being both workers and fathers.
	2. Committee for the protection of children and teenagers in danger	Official institutions established in 1991 in order to promote the rights of children and teenagers by developing preventive and curative measures.
	3. Nursery care 2000	Governmental programme to develop the capacity of the national network of nursery care for children under 3.
	4. To be born citizen	Interministerial project to establish a package of procedures from which it is possible to promote the immediate legal registering of children at the maternity/hospital.
UK	1. Sure Start	Governmental strategy to tackle child poverty and social exclusion through the development of integrated local programme

13. TO HELP THE MOST VULNERABLE

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
DA	1. Equal opportunities for people with disabilities	Amendment to the Housing Act to ensure continued equal opportunities for people with disabilities and in particular unobstructed access to a wide range of premises .
	2. Facilitator scheme for ethnic minorities	Pilot project enabling local authorities and Public Employment Service regions to provide financial support to buy some of the working time of an employee in a private company so that this employee can work as a facilitator for new employees.
	3. Local policy concerning the integration of ethnic minorities.	Cross-sectoral integration plan adopted by the Greve local authority to unite all the initiatives taken by the local authorities.
DE	1. Anti-discrimination Programme Same-sex cohabitation – Schleswig-Holstein	Programme aiming at fighting any discrimination on the grounds of sexual orientation in various policy domains.
	2. Nursery places for all children with disabilities for the purpose of integration. – Hessen	Framework agreement between the Land and the relevant institutions to ensure that every disabled child has an entitlement to a place in a day-care establishment.
ES	1. Commune Metisse - Asturia	Various initiatives at local level to favour the integration of immigrants
	2. CANDELITA - Madrid	Programme in place since 1996 to provide various vulnerable groups with specific local services and benefits.
	3. "La Huertecica" – action against addiction and social marginalisation	NGO-led project aimed at setting up integrated centres to respond to the needs of the most vulnerable.

I	1. Arcobaleno – private company	Integration of young disabled in an ICT company, also through training of the employers and intervention on the enterprise culture.
	2. Oltre la Strada – Emilia Romagna region	Project aimed at combating trafficking and sexual exploitation of foreign women and children and at reintegrating the victims.
	3. Quality of Home Help – Municipality of Reggio Emilia	Restructuring of the service for home care for dependent elderly people focusing on the quality of services
NL	1. Information at home – Heeveren	Project to inform older people at home about provisions and schemes relating to housing, care, and welfare, which are currently not being take up and to enable them to play an active part in the community.
	2. Handholds for recovery – Eindhoven	The project is a collaborative "chain" whose links are made up of night shelters, day centres, clinical and peripatetic care facilities, the criminal justice system, care facilities, and other support for around 300 long-term drug addicts.
PT	1. Integrated help to older people - PAII	Programme aimed at the promotion of the autonomy of elder people at home by improving the quality, mobility and access to services.
	2. Principle of Positive Discrimination	System by which families or individuals receive specific benefits or services according to their particular needs.
UK	1. The Disability Rights Commission (DRC)	Independent body set up by the Government to help secure civil rights for the disabled.

14. MOBILISING STAKEHOLDERS

<i>Member State</i>	<i>Title of Measure</i>	<i>Summary</i>
DA	1. The Social Index and the Socio-Ethical Accounts	The Social Index was introduced in 2000 by the Ministry of Social Affairs as an instrument for the companies to benchmark their social responsibility.
DE	1. Social Service Agencies – North Rhine-Westphalia	Programme to develop "one-stop shops" to improve working procedures, quality and delivery of social services.
	2. "JobPlan" pilot project - Hamburg	Pilot project to improve cooperation between employment services and social welfare organisations (MoZArt).
	3. Social Information System - Bavaria	Setting up of a new regionally-organised social information system providing details of virtually all service providers in order to compare benefits and services.
ES	1. Plan to combat Social Exclusion in Navarra	Integrated regional action plan to fight social exclusion across various policy fields
	2. Network for socio-professional integration - Madrid	Global plan led by the Association RAIS to fight against social exclusion across education and work.
FR	1. PLIE (Local Plans for Inclusion and Employment)	Plans gathering local actors to coordinate their action in the fight against inclusion and in the promotion of local employment.
IRL	1. Area based partnership companies and funded community groups	Local partnerships gathering representatives from community and voluntary sector, state agencies, the social partners at local level and elected public representatives.

I	1. Territorial Pact for Social Issues – Province of Savona	Territorial pact aimed at socially excluded people, elaborated through a partnership between the regional, provincial and local authorities, other public and non- public bodies, social partners, representatives of the third sector.
NL	1. Neighbourhood social activation in Klazienaveen, Hengelo and Rotterdam Noord	Project aimed at promoting social activation through support to formal and informal organisations contributing to the participation of local residents.
	2. LETS (Local Economic Transaction Systems) Swap Shops	LETS is an amenity at district level which facilitates and encourages the exchange of goods and services between private individuals.
	3. Social Axis Desk: Integrated service-provision	Governmental plan to ascertain how and with what resources local health care, income support and housing services can be offered in a more integrated way.
PT	1. Social Network	Integrated programme to encourage the networking of local stakeholders and to better coordinate the delivery of services.
	2. Solidarity and Social Security Centres	Project aimed at improving the quality of reception of beneficiaries in social services.
	3. Book 2000 – From declaration to action	Book inspired by the lists of grievances of the French Revolution to promote self-expression of socially excluded people.
SV	1. Personal representatives for more persons with intellectual disabilities	Governmental grants to local authorities to cover the cost of 300 new posts for independent representatives of those with the severest intellectual disabilities.

