

# Fighting Poverty

**"Actions and measures against poverty in the local context:**

**The role of civil society in building stronger communities", the subject of opinion SOC/530.**



# Opinion

- The Dutch Presidency
- Peer reviews
- Poverty Narrative
- Recommendations



# Examples

Paltamo, a community located in NE Finland, is an important example of how the inhabitants and the municipality have joined forces to solve the unemployment problem.

In 2011, there were about 300 unemployed people in the small town. They are now included in the payroll of a new employment agency, run by the Paltamo employee association, which brings together stakeholders, municipality, local entrepreneurs and trade unions. The ESF is also involved in supporting this 4-year project.

The employment agency offers its services to outsourcing enterprises and associations, functioning like a temporary work agency and thus obtaining work places for the Paltamo residents. The wages are topped up with regular wage subsidies from the Employment and Economic Development Office



Social Cooperative Humana Nova encourages the employment of the disabled and other socially-excluded persons through the production and selling of quality and innovative textile products made from ecological and recycled fabrics for the needs of the domestic and the foreign markets.

It is a socially responsible company which in its operation pays great attention to addressing social, environmental and economic problems. Humana Nova aims to integrate disadvantaged and disabled people on the labour market. A specific focus is also given to vocational training, social support and mentoring. Its approach aims to create conditions for social inclusion of people with multiple and complex needs, taking into account the individual differences of every person.



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### **Job Bank (Finland) and Füngeling Router (Germany)**

The Job Bank project in Finland and the Füngeling Router project in Germany both show that social enterprises can function as temporary employment agencies to facilitate the transition from school to work. In Germany, the Füngeling Router initiative has offered temporary work for young people with disabilities since a new labour law on temporary work allowed longer-term periods of temporary work. Young people with disabilities are now legally allowed to stay in the enterprises long enough to finish their vocational education qualifications. In Finland, Job Bank is made possible because of new policy programmes for employment, entrepreneurship and work life, and the Act on Social Enterprises. In both cases, therefore, new legislation and regulation have had a significant enabling role.



## **The Inclusive Vocational Education and Specialised Tailor-Made Training project (Austria, Belgium, Norway, Slovenia)**

The EU 2020 Strategy on Smart, Sustainable and Inclusive Growth that was launched in 2010 includes an agenda on New Skills and Jobs. To reach the goals of this strategy, it is crucial that persons with a disability are involved in Europe's activation and employment policies. An inclusive vocational education and training (VET) system is essential in improving the chances of persons with disabilities to integrate labour markets.

Investt is a three-year project (Dec 2012-Nov 2015) co-funded by the Lifelong Learning Leonardo Da Vinci Programme (EU) that plays an important role with this regard.

The Inclusive Vocational Education and Specialised Tailor-Made Training (INVESTT) project seeks to achieve better inclusion of young persons with disabilities in the system. This is an important tool to support the transition of students from education to labour markets. INVESST wants to provide schools with useful strategies to guide all students, with a wide range of abilities, and help them achieve success in their communities.



The Crossroads project was established in 2011, providing assistance to European migrants facing poverty, homelessness and/or unemployment in Stockholm. It is a joint initiative by the Swedish Public Employment Service, the City of Stockholm, the Salvation Army and the Stockholm City Mission, co-financed through the European Social Fund from 2011-2013.

Crossroads' key aim is to support the category of migrants who fall under the scope of the 2004 Movement Directive, and as such has two primary target groups: 1) EU mobile citizens and 2) third-country nationals with the right to reside in another EU country. Both groups are allowed to freely reside and to look for employment in Sweden for a period of up to 3 months, during which they cannot access Sweden's welfare and social protection systems. To extend their legal residence beyond this initial period, they need to meet specific requirements, which are often unknown or confusing to them; they face an increased risk of experiencing poverty and social exclusion.



In Latvia, the percentage of children living in a household at risk of poverty or social exclusion is more than 40%. Around 25 000 out of 360 000 children in Latvia (7%) live in families in situations of high social risk. The main factors affecting child poverty are the labour market situation of the parents, which is linked to their level of education, the composition of the household in which the children live and the effectiveness of government intervention through income support and the provision of enabling services.



# Opinion Conclusions

Urges the EU Council to reiterate the commitment made in the Europe 2020 strategy, namely to reduce the number of people living below the poverty line by at least 20 million by 2020;

Recommends that, when doing so, the Council take the Sustainable Development Goals – as set out in 2030 Agenda for Sustainable Development – into consideration and that it make sure this agenda is linked with Europe 2020;



- **Considers that, during the European Semester, employment and social goals should be put on an equal footing with macroeconomic considerations;**
- **Recommends that the European Semester take the Europe 2020 poverty reduction target fully into account and that this issue be present throughout the process, from the Annual Growth Survey (AGS) to the Country Specific Recommendations (CSRs) – which help Member States to achieve their poverty reduction targets;**

- **Calls, particularly in connection with combating poverty, for a move away from EU economic policies which continue to be only austerity-orientated;**
- **Urges Member States to launch their own integrated national strategies to fight poverty, and, when doing so, to seek guidance from the Commission's "Recommendation on the active inclusion of people excluded from the labour market", which, thanks to the interplay between its three strands (1. Adequate income support, 2. Inclusive labour markets and 3. Access to quality services), is largely considered to be the most comprehensive and efficient strategy to eliminate poverty and social exclusion;**

- **Highlights the high level of child poverty across Member States and the immediate need to implement the Commission's Recommendation "Investing in children: breaking the cycle of disadvantage", which is part of the 2013 Social Investment Package and which employs a very similar structure to the Active Inclusion Recommendation, containing similar three strands: 1. Access to adequate resources; 2. Access to affordable quality services and 3. Children's right to participate;**

- **Requests that the Commission pursue an ambitious and wide-ranging social investment agenda and promote this in all phases of the European Semester and that Member States implement the 2013 Social Investment Package and reiterates its views on the needed social investment approach;**
- **Calls on the Commission to propose, without delay, new guidelines for consulting stakeholders in the social field, allowing them to provide input in a structured way as part to the European Semester, at all stages of the process, namely during: design, delivery and evaluation;**

- **Strongly encourages the Commission to include principles for more effective and reliable social standards and systems in the announced "European pillar of social rights" and to make fighting poverty and social exclusion one of the major components of that pillar.**