
EUROPEAN PARLIAMENT

Working Documents

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DOCUMENT 1-75/80

Report

drawn up on behalf of the Committee on Social Affairs and Employment

on the proposal from the Commission of the European Communities to the Council (doc. 1-596/79) for a Decision concerning an interim programme to combat poverty

Rapporteur: M. Roland BOYES

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By letter of 6 December 1979 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 235 of the EEC Treaty to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a decision on the proposal for a Council decision concerning an interim programme to combat poverty.

The President of the European Parliament referred this proposal on 14 December 1979 to the Committee on Social Affairs and Employment as the committee responsible and to the Committee on Budgets for its opinion.

On 18 December 1979 the Committee on Social Affairs and Employment appointed Mr Roland BOYES rapporteur.

It considered this proposal at its meeting of 1 April 1980 and at the same meeting the committee unanimously adopted the motion for a resolution and the explanatory statement unanimously with 2 abstentions.

Present: Mr Van der Gun, chairman; Mr Peters, vice-chairman; Mr Boyes, rapporteur; Mr Albers (deputizing for Mr Oehler), Mr Calvez, Mrs Cassanmagnago Cerretti, Mrs Clwyd, Mrs Dekker, Mr Van Minnen, Mrs Tove Nielsen, Mr Pininfarina, Mr Prag, Mrs Roberts (deputizing for Mr Spicer), Mr Sarre, Mr Spencer, Mr Vandewiele.

The opinion of the Committee on Budgets is attached.

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A

The Committee on Social Affairs and Employment hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a decision concerning an interim programme to combat poverty

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council¹,
 - having been consulted by the Council (Doc. 1-596/79),
 - having regard to the report of the Social Affairs and Employment Committee and the opinion of the Committee on Budgets (Doc. 1-75/80).
1. Recognizes that the economic crisis within the Community creates an environment in which it is likely that many underprivileged groups - including the elderly, the disabled, the unemployed, migrant workers, ethnic minorities, the illiterate, single parents and the unemployable - will remain or become increasingly vulnerable to exclusion and stigmatization;
 2. Understands that poverty is already a problem on a vast scale within the Community with millions of people permanently excluded from the benefits of economic progress;
 3. Is of the opinion that if a programme to combat poverty is not financed in the interim, Community action in this field could not be considered complete as poverty remains a major pre-occupation in all Member States;
 4. Points out that if an interim programme were not financed, resources, manpower and expertise would be dissipated and the sense of immediacy in the vital nature of this work lost;
 5. Notes that the Parliament has previously supported resolutions proposing Community aid in order to establish and ensure the continuation of projects aimed at combatting poverty;
 6. Realises the advantages of the Community-based pilot poverty programme which is now the only one in this field;

¹ OJ No. C 307, 7.12.1979, p.10

7. Fully supports the Commission's proposal for an interim programme based on a provisional analysis of the present programme and concentrating upon a small number of aspects where there is a strong possibility of improving the situation during an interim period whilst awaiting Council's final conclusions;
8. Asks the Commission to initiate schemes and studies in each Member State based on information obtained from present studies to be financed from appropriations of 9 million E U A.

EXPLANATORY STATEMENTI. BACKGROUND

1. The Social Action Programme adopted by the Council of Ministers on 21 January, 1974, listed among its priorities, specific measures to combat poverty through a series of pilot schemes. The Commission were given the responsibility of implementing this mandate.

The Commission's programme proposals were given the support of the Parliament in the Opinion of 13 May, 1975¹ and were approved for a period of 2 years in the Council Decision of 22 July, 1975 (75/458/EEC).

The decision empowered the Commission to promote or provide financial assistance for pilot schemes which test and develop new methods of helping persons beset by or threatened with poverty in the Community, and to promote, carry out or provide financial assistance for pilot schemes to improve understanding of the nature, causes, scope and mechanics of poverty in the Community, within the limits of relevant appropriations entered in the Budget of the Communities.

Appropriations of 2.5 million units of account and 2.825 million were entered for 1975 and 1976 respectively.

2. Adopting the definition that poverty is a 'relative condition, and that people feel poor and are seen to be poor, whatever their absolute standards, when their lack of resources cuts them off from the living patterns of the mass of society,' the Commission approved, on 27 November, 1975, a list of 21 pilot schemes proposed by Member States and two cross national studies proposed by the Commission and accepted by Member States. The cross national studies were initially funded for one year and the national schemes for two years.

Obliged, by the Council decision, to consult representatives of Member States on all matters of importance concerning the development of the programme, the Commission set up an Advisory Group. The group, comprising of nine government representatives, seven independent experts and two members representing each side of industry, met for the first time in March, 1976.

¹ OJ, C 128, 9 June, 1975

3. On 12 December, 1977 the Council of Ministers, taking account of the Commission's first report on the programme (Com(76)718 final) and of the fact that the majority of schemes had not been completed, agreed to renew the programme for a further three years. The Budget was also extended to allow adoption of six new schemes and studies and to finance a second phase for each of the two earlier studies. The amounts allocated for 1977, 1978 and 1979 were, respectively, 3.5 million, 5 million and 5.75 million units of account. These developments were approved in the Opinion of the Parliament of 8 July, 1979¹ on the proposal for a Council decision amending the decision of 22 July, 1975).

4. On the basis of the Council decision, the Commission adopted, on 29 March, 1978, a series of pilot schemes and studies extending the programme (Sec(78)1360).

On 6 December, 1978 the Commission further decided:

- (a) to continue the implementation of schemes in progress, most of which had been approved in 1975.
- (b) to continue implementation of a pilot study which had been updated.
- (c) to implement a proposal concerning the 'evaluation and control' of the programme.
- (d) to implement a proposal relating to the elaboration of eight national reports on poverty and measures taken to combat it in the Member States of the community.

5. In accordance with Article 6 of the aforementioned decision, the Commission submitted to the Council and the European Parliament a second report on the results available relative to the projects undertaken with financial assistance from the Community. (Com(79)537 final).

In relation to (c) in 4. above, ESPOIR (European Special Programme Observation, Information and Research) based at the University of Kent, is under contract to prepare an overall evaluation of the programme for the Commission by November, 1980.

6. Upon completion of the programme and by 30 June, 1981 at the latest, the Commission will submit a final report consisting of an evaluation of the results obtained in the context of the programme to combat poverty.

¹ OJ, C 183, 1 August, 1977

Given that this report will be based upon:

- A final report on each project;
- An evaluation report on the programme of pilot schemes and studies as a whole;
- A series of national reports on poverty and measures taken to combat in the Member States of the Community;

and given that in view of the importance of the problem it is unlikely that the Council will be able to draw up its conclusions before the beginning of 1982, a decision is required in relation to the interim period between the end of the programme, 1 December, 1980 and the application of the Council's conclusions.

In order to span the period between the end of the programme and the application of the Council's conclusions, for which the earliest date will be the second half of 1982, the Commission is now submitting a new draft defining proposals for an interim period for the purpose of continuing research and action to combat poverty.

II. SPECIFIC REMARKS

1. 'Exclusion' Exclusion relates to that group forced to and trapped at the foot of the social ladder with poorest jobs, housing, education - those forced into a 'poverty trap'. Literacy for large numbers is not guaranteed and therefore they are considered unfit for qualified manual labour offered by firms recruiting from modern labour markets. The net result is underemployment, or irregular low paid jobs, in marginal industries, which results in lack of resources, i.e. housing and health. Often children are denied minimal education opportunities. Many in this category are excluded from political and pressure groups activity, hence Fourth World.

'Stigmatization' is the process of branding people as inferior and disreputable.

2. 'Poverty' is defined in different ways by writers and researchers on the subject. In their second report the Commission¹ used the following definition:

'Individuals or families may be considered in general to be in poverty when they have a command over resources that is so deficient that they are excluded from ordinary living patterns, customs and activities of the Member States in which they live.'

In his recent book 'Poverty in the UK', Professor Peter Townsend uses a Relative Deprivation Standard. However, whichever definition is adopted the numbers living in poverty or on the margins of poverty are dramatic and of such magnitude that they cannot be allowed to continue to exist in one of the richest areas of the world. In the UK alone, Townsend suggests 12.5 million people are living in poverty and the March 1977 issue of Euroforum suggests that one in four families in Europe is involved.

3. In the Commission's proposals to the Council (Doc. 1-596/79) they say,:'

'Main justification can be found in the fact that poverty in the Community has not diminished to any great extent and it may even have increased since the first programme to combat poverty was launched, given the present economic crisis. The European Parliament has already voiced a political pre-occupation in this matter by proposing annual Community aid in order to ensure the continuation of research to combat poverty and to promote action based on the results of such schemes.'

4. According to ESPOIR (European Special Programme - Observation, Information and Research) which is evaluating the pilot schemes, action projects need one to two years to be established and one year to run down. The build-up of contacts, trust, expertise and data, all take considerable time over and above the initial acquisition of accomodation, personnel and materials, etc. Data gathering and expertise are the most crucial to build up and to retain. Therefore they say that building upon existing data and expertise would be the most feasible within two years. In its guidelines ESPOIR states that most projects in the present programme will have been in existence for four to five years but a few will have a much shorter life and it is important that they be given a chance to prove their worth. In selecting the components for the interim programme it might therefore be advisable to give some priority to these projects.

¹ COM(79)537 fin., 17 Oct. 79

5. In its second report the Commission states:

'(that it is concerned) to encourage schemes which would deal with problems common to more than one Member State so that experience gained might be relevant to the formulation of policy for the Community as well as at national level.

The European programme is an attempt to lift action and research above the national level so that hopefully the Member States can learn from each other's experience and pool ideas on what is, despite very different national contexts, a common problem.'

In its guidelines ESPOIR states:

'...related action research schemes and studies should be enabled to work in concert across frontiers to produce results based on comparable experience.'

6. There are a number of types of projects that could be included in the interim programme, though clearly they must be designed to last for a two year period. Possible areas of investigation include the following:

- (a) The use of poverty indicators which have emerged from the pilot scheme and studies to indicate persons or areas in need of special assistance,
- (b) the testing in all nine Member States of the administrative integration of social insurance and social assistance services at local level,
- (c) to investigate why social aids do not always reach target populations,
- (d) to determine how far poverty varies, according to the socio-economic environment of different regions,
- (e) to investigate how far the process of stigmatization is likely to be reinforced rather than alleviated by official welfare agencies and how their negative effects can be revised.

In general, cross national studies should be implemented in all Member States to test the results that would arise.

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the committee to Mr van der GUN, Chairman of the Committee on Social Affairs and Employment

Luxembourg, 14 May 1980

Subject: Proposal from the Commission of the European Communities to the Council for a decision on an interim programme to combat poverty (Doc. 1-596/79)

Dear Mr Chairman,

The Committee on Budgets examined the above proposal at its meeting of 28-29 April 1980.

The following expenditure is expected to result from continuation of the research projects and actions involved in the programme to combat poverty:

1980	4.8 m EUA
1981	4.2 m EUA

As in previous years the committee has very real doubts about the economy of the use of the appropriations and the provisions made for control; the committee is not on the other hand responsible for evaluating the content of the Community programme.

The committee delivered a favourable opinion by 9 votes to 2 with 6 abstentions.

Yours sincerely,

Erwin LANGE

Present: Mr Lange, chairman; Mr Notenboom and Mr Spinelli, vice-chairmen; Mr Arndt, Mr Baillot, Mr Balfe, Mr Bonde, Mrs Boserup, Mr Colla, Mr Dankert, Mr Fich, Mr Forth, Mr Gouthier, Mrs Hoff, Mr Hord, Lord O'Hagan, Mrs Scrivener, Mr Simonnet, Mr J. M. Taylor and Mr Tuckman.