THE FIGHT AGAINST POVERTY, SOCIAL EXCLUSION AND DISCRIMINATION

By supporting Member States in the fight against poverty, social exclusion and discrimination, the European Union aims to reinforce the inclusiveness and cohesion of European society and to allow all citizens to enjoy equal access to available opportunities and resources.

LEGAL BASIS

Articles 19, 145 to 150 and 151 to 161 of the Treaty on the Functioning of the European Union (TFEU).

OBJECTIVES

Combating poverty and social exclusion is one of the specific goals of the EU and its Member States in the field of social policy. In accordance with Article 153 TFEU, social inclusion is to be achieved solely on the basis of non-legal cooperation — the open method of coordination (OMC) — while Article 19 TFEU allows the EU to take action to fight discrimination both by offering legal protection for potential victims and by establishing incentive measures.

ACHIEVEMENTS

A. Fight against poverty and social exclusion

Between 1975 and 1994, the European Economic Community conducted a number of pilot projects and programmes designed to combat poverty and exclusion. However, Community action in this area was continually being contested in the absence of a legal basis.

The situation changed with the entry into force in 1999 of the Treaty of Amsterdam, which enshrined the eradication of social exclusion as an objective of Community social policy. As provided for in Article 160 TFEU, a Social Protection Committee was established in 2000 to promote cooperation between Member States and with the Commission.

The Lisbon Strategy, launched in 2000, created a monitoring and coordination mechanism consisting of objective setting, poverty measurement on the basis of a set of indicators and benchmarks, guidelines for the Member States, and national action plans against poverty. The OMC was also applied in parallel with other social protection sectors.

In 2005, the Commission proposed streamlining the ongoing processes into a new framework for the OMC on social protection and inclusion policies (the ‘social OMC’). The overarching objectives of the social OMC include: social cohesion, equality between men and women and equal opportunities for all through efficient social protection systems; effective and mutual interaction between the Lisbon objectives of growth, jobs and social cohesion; good governance; and the involvement of stakeholders.
With its Recommendation on the active inclusion of people excluded from the labour market of October 2008, the Commission updated Council Recommendation 92/441/EEC and stated that ‘Member States should design and implement an integrated comprehensive strategy for the active inclusion of people excluded from the labour market combining adequate income support, inclusive labour markets and access to quality services’.

One of the major innovations brought about by the Europe 2020 strategy for smart, sustainable and inclusive growth adopted in 2010 was a new common target in the fight against poverty and social exclusion: to reduce by 25% the number of Europeans living below the national poverty line and to lift more than 20 million people out of poverty.

To achieve this objective the Commission launched, in December 2010, the European platform against poverty and social exclusion, together with a list of key initiatives to be completed, such as an assessment of active inclusion strategies at national level and a White Paper on Pensions (COM(2010) 0758). Since 2011, an Annual Convention of the platform has brought together policymakers, key stakeholders and people who have experienced poverty.

Faced with an increasing number of people in Europe at risk of poverty due to the crisis, the Commission adopted two further initiatives in 2013.

In its communication ‘Towards Social Investment for Growth and Cohesion — Social Investment Package’ of February 2013, the Commission urges the Member States to prioritise social investment in people with a view to investing in children in order to break the cycle of disadvantage.

Further, in October 2013, the Commission presented a proposal to strengthen the social dimension in the governance of the Economic and Monetary Union, responding to calls by the European Council. A key component is the social scoreboard, which is an analytical tool for detecting developments across the EU that require closer monitoring. It comprises five key indicators: unemployment; youth unemployment and the proportion of young people not in education, employment or training (NEETs); household disposable income; at-risk-of-poverty rate; and income inequalities. Since the 2014 European Semester exercise, the scoreboard has been included in the Joint Employment Report of the Annual Growth Survey, which sets out strategic policy priorities. Moreover, in 2015 three employment indicators (activity rate, long-term unemployment rate and youth unemployment rate) were added to the Alert Mechanism Report of the Macroeconomic Imbalance Procedure, though not triggering any further steps, as the Commission presumes that they do not in themselves imply an aggravation of the macro-financial risks.

B. Anti-discrimination legislation

1997 can be regarded as a turning-point, as a new article — Article 13 — was introduced into the Treaty Establishing the European Community (TEC) (this article is today Article 19 TFEU), empowering the Council to take action to deal with discrimination on a whole range of new grounds, including racial or ethnic origin, religion or belief, age, disability and sexual orientation. In 2003 this article was modified by the Treaty of Nice to allow the adoption of incentive measures.

Subsequently, a number of directives were adopted:

— Racial Equality Directive (2000/43/EC);
— Employment Equality Directive (2000/78/EC);
— Equal Treatment Directive (2006/54/EC), merging a number of previous directives dedicated to equal opportunities for men and women.
A comparative analysis of non-discrimination law in Europe (2017) underlines that such directives have tremendously enhanced legal protection against discrimination across Europe, despite minor gaps in transposition in a few Member States.

Two further Commission proposals for directives enhancing equality are awaiting consensus in the Council: the directive on gender balance in company boards (2012) and the directive on implementing the principle of equal treatment between persons outside the field of employment (2008). Another directive, on maternity leave (2008, amending a Directive of 1992) and backed by Parliament, was withdrawn in July 2015 after years of deadlock in the Council. Instead, in April 2017 the Commission presented a proposal for a directive on work-life balance for parents and carers as one of the deliverables of the European Pillar of Social Rights (5.10.1). This takes a broader perspective on sharing caring responsibilities between women and men.

C. Incentive measures

In December 2002 Parliament and the Council adopted Decision 50/2002/EC establishing a programme of Community action encouraging cooperation between Member States for the purpose of combating social exclusion. A specific Community action programme to combat discrimination was established on the basis of Article 13(2) TEC (now Article 19(2) TFEU); it covered all of the grounds set out in Article 13, with the exception of sex, which was dealt with separately by the European Community’s gender equality programme.

In 2007, all existing Community funding programmes in the area of employment and social affairs were integrated into a single framework with the adoption of the Progress programme. In order to further rationalise administration, the current Employment and Social Innovation (EaSI) programme for the period 2014-2020 incorporated the Progress programme as one of three axes (5.10.2).

In March 2014 Parliament and the Council adopted Regulation (EU) No 223/2014 on the Fund for European Aid for the Most Deprived (FEAD). The fund supports Member States’ actions to provide material assistance, in combination with social inclusion measures, to the most deprived. The budget earmarked for 2014-2020 amounts to EUR 3.8 billion in real terms, plus an additional 15% in national cofinancing by the Member States in accordance with their national programmes.

The main funding instrument is the European Social Fund (ESF), which makes EU funding available to cofinance actions aimed at combating discrimination and helping the most disadvantaged to access the labour market (5.10.2).

D. EU strategies for specific groups

In November 2010 the Commission adopted a European Disability Strategy 2010-2020 (COM(2010) 0636), building on the Disability Action Plan 2004-2010. As regards gender equality, a new programme, the Strategic engagement for gender equality 2016-2019, follows on from the Commission’s Strategy for Equality between Women and Men 2010-2015, which defines key priorities. Faced with a high number of jobless young people, in 2012 the Commission proposed a Youth Employment Package. Additionally, in February 2016 the Council adopted a recommendation on the integration of the long-term unemployed, as proposed by the Commission. Moreover, in December 2016 the Commission launched the European Solidarity Corps to create new opportunities for young people (5.10.3).
ROLE OF THE EUROPEAN PARLIAMENT

The Treaty of Lisbon endowed Parliament with the power of consent in relation to the adoption of non-discrimination legislation under Article 19(1) TFEU. Parliament was an active player in the debate that led to the inclusion of this article, and it has often called on the Commission and the Member States to ensure the full and timely implementation of the directives of 2000. Parliament has repeatedly adopted resolutions with the goal of strengthening EU action aimed at improving the conditions and prospects of the socially disadvantaged and reducing poverty. In addition, several of its reports stress the role of quality employment in preventing poverty. Further resolutions welcome the Commission’s strategy of active inclusion and the European platform against poverty (resolutions of 6 May 2009 and 15 November 2011).

In its resolution of 20 October 2010 on the role of minimum income in combating poverty and promoting an inclusive society in Europe, Parliament supports a minimum income (at a level equivalent to at least 60% of the median income in the relevant Member State) and minimum wages set at a decent level (i.e. above the poverty threshold). Six years later, Parliament invited the Commission to evaluate the manner and the means of providing at Member State level an adequate income so as to support social convergence across the Union (resolution of 14 April 2016, ‘Meeting the antipoverty target in the light of increasing household costs’).

Moreover, Parliament was very active in pushing for the continuation of, and adequate funding for, the EU’s food distribution programme for the most deprived (e.g. resolution of 7 July 2011 on the scheme for food distribution for the most deprived people in the Union), and agreed a rescue plan with the Council in February 2012. Following negotiations in 2013, the Council agreed to Parliament’s request to increase the FEAD budget from EUR 2.5 billion to EUR 3.5 billion. Moreover, in a resolution of 26 October 2016 Parliament called for a considerable increase in payment appropriations for the FEAD.

In several resolutions since 2012 Parliament criticises the fact that the full potential of the Lisbon Treaty regarding employment and social policies has remained untapped. Parliament welcomes the Commission initiative to strengthen the social dimension and supports the establishment of a scoreboard. Further, Parliament calls on the Commission to define concrete benchmarks in the form of a social protection floor (resolution of 20 November 2012, ‘Towards a genuine Economic and Monetary Union’ and resolution of 21 November 2013, ‘Strengthening the social dimension of the EMU’).

Recent resolutions embody Parliament’s concern that the EU is a long way from achieving the employment and social targets, in particular the poverty target. Parliament calls for a growth-friendly and differentiated fiscal consolidation which would allow Member States also to tackle unemployment. As regards the social scoreboard Parliament calls for the inclusion of additional indicators, such as child poverty levels and homelessness (resolution of 25 November 2014, ‘Employment and social aspects of the Europe 2020 strategy’).

In its resolution of 11 March 2015 entitled: ‘The European Semester for economic and policy coordination: employment and social aspects in the Annual Growth Survey 2015’, Parliament calls on the Commission to make greater use of the social scoreboard in policy formulation. Parliament argues that in general, employment and social considerations should be put on a par with macroeconomic considerations in the procedure of the European Semester. Moreover, Parliament calls in several resolutions for socially balanced and sustainable structural reforms and for efficient public spending without essential public and social services being jeopardised (resolutions of 25 February 2016 and 24 June 2015). Consequently, in its resolution of 15 February 2017 Parliament welcomed the fact that the Commission had reaffirmed socially
balanced structural reforms in its Annual Growth Survey 2017 for the European Semester. As regards gender equality, Parliament pushes for the mainstreaming of gender equality into budgets and policymaking and for gender impact assessments to be carried out when setting up any new policy.

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06/2017