In the first decade of the twenty-first century, millions of people in Europe are still struggling with poverty. This despite the fact that Europe is a relatively economically well-off region. Taking a conventional relative measure of poverty, calculated in terms of income below 60% of the national median, it is estimated that about 16% or 75 million people in the European Union can be termed poor (European Commission, 2007). This figure however masks the considerable variation noted in different EU countries with the share of the population living on a low income ranging from less than 11% in the Czech Republic, Slovenia, Denmark, Finland, Sweden and Luxembourg to around 20 or 21% in Slovakia, Portugal, Ireland, Spain and Greece (European Commission, 2007; European Communities, 2007a). In Malta, the percentage of people who in 2005 fell below the poverty line is quite close to the EU average. According to the Survey on Income and Living Conditions (SILC) carried out by the National Statistics Office, the poverty rate in Malta and Gozo stood at 14.9% or 59,315 persons. The SILC established a poverty threshold of Lm2032 (€4733.29) calculated at 60% of the median equivalised disposable income. All persons whose equivalised income fell below this threshold were considered to be at risk of poverty (NSO, 2007a).

Poverty is a relative concept and caution should be taken when comparing data from different countries because of the different statistical methods which may be used in compiling these data. The new Survey on Income and Living Conditions (EU SILC), launched in 2004, attempts to bring greater harmonization and comparability between countries. Furthermore, since at-risk-of-poverty thresholds vary from one country to another, the standard of living of people considered to be at risk of poverty in different countries may be significantly different in absolute terms (Commission of European Communities, 2007a). Calculating the at-risk-of-poverty threshold in purchasing power standard (PPS) for the different Members States, taking a single adult household as an example, the Joint Report on Social Protection and Social Exclusion (Commission of European Communities, 2007a) shows that among the EU Members States with the lowest at-risk-of-poverty threshold one finds all the new Eastern European Member States as well as Portugal while Luxembourg and Austria have the highest at-risk-of-poverty thresholds. This means that for example, in Luxembourg a single person household falling just below the at-risk-of-poverty threshold would have a standard of living seven times higher than its counterpart in Latvia, Lithuania and Bulgaria and more than twelve times higher than in Romania. The same report shows Malta’s threshold to be higher than that of Eastern European countries. At the lower middle side of the spectrum, following Portugal which has a notably lower threshold than Malta, Malta’s threshold (over 6000 PPS) is similar to that of Greece and slightly lower than that of Spain and Slovenia (Commission of the European Communities, 2007a).

The same report also shows that those countries with the highest poverty rates also tend to have high rates of poverty intensity (at-risk-of-poverty gap) while the contrary applies to those countries with lower rates of poverty, albeit this is not always the case. In 2004 the at-risk-of-poverty gap for the EU was 23%. Malta appears to have one of the lowest at-risk-of-poverty gaps (around 17%) following Finland, Austria and Denmark (Commission of the European Communities, 2007a).

The above figures pertain solely to the bottom part of the income distribution. It is also interesting to compare the income of individuals at the lower end of the income distribution with those at the top. This may be measure by the income quintile ratio which shows that in 2004, 20% of the EU population at the higher end of the income distribution (top quintile) received an income almost five times higher than the 20% with the lowest income (lowest quintile) (Commission of the European Communities, 2007a). The report also indicates that member states which have the highest disparities in income also tend to have the highest at-risk-of-poverty rates. In 2004 the countries with the highest income disparities were Portugal (with a ratio of over 8:1) followed by Lithuania, Latvia and Poland. The figures for Malta do not reveal high income disparities between the top and bottom income groups. With a ratio of over 4:1 Malta’s situation is similar to that of countries such as Germany, Belgium and Cyprus although its disparities are higher than those found...
in the Nordic countries but lower than those of other Mediterranean countries. Indeed countries such as Spain, Italy and Greece have higher than average income disparities (Commission of the European Communities, 2007a). Data also show (European Commission, 2007) that since the 90s certain countries registered an increase in income inequalities while others experienced a decline. However there is little indication that member states will achieve any similarity in inequality patterns in the near future.

The Many Dimensions of Poverty

Much has been written about poverty and the poor. Many have defined it or attempted to measure or explain it. Others sought to offer solutions and to recommend ways of reducing or even of eliminating it. It is not the scope of this paper to dwell at length on definitions or measures of poverty (for a detailed discussion of definitions and measurement of poverty see for example Lister, 2004; Alcock, 2006). However a cursory look at the main issues raised in the debate is appropriate for a better understanding of the plight of the millions of people who experience poverty at some point in their life or even throughout their whole life span.

Traditionally poverty was understood to be directly linked with inadequate income resources. Early studies such as those of Rowntree in England (1901, 1941 in Barnes et al, 2002) defined and measured poverty in absolute terms. This approach perceives poverty in terms of not having an adequate income level to enable a person or household to satisfy basic needs such as food, water, clothing and shelter. Absolute definitions of poverty have a number of weaknesses and have been the target of criticism for various reasons such as (i) the difficulty of establishing minimum standards of physical efficiency; (ii) the problem of calculating a sum of money for achieving such a standard; (iii) the failure to account for cultural, social and individual variations as well as for changes over time; (iv) for taking into consideration only physical needs and neglecting the wider social and cultural needs (Barnes et al, 2002).

This latter dimension of poverty was developed by Townsend in his important work on poverty in the UK (1979). Critical of the narrow perception of poverty based largely on the notion of subsistence or survival, he broadened the definition of poverty and gave it a relative and social dimension. According to his much quoted definition of poverty,

“Individuals, families and groups in the population can be said to be in poverty when they lack the resources to obtain the types of diet, participate in the activities and have the living conditions and amenities which are customary, or are at least widely encouraged or approved, in the societies to which they belong. Their resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns and activities” (1979:31).

Townsend wanted to show that need or deprivation is relative and that human beings are not only physical but also social beings. The cultural, social and historical circumstances not only influence our social needs but also impinge on our physiological needs (Lister, 2004:24-5).

The European Union also defines poverty in relative terms:

“The poor shall be taken to mean persons, families and groups of persons whose resources (material, cultural and social) are so limited as to exclude them from the minimum acceptable way of life in the Member State in which they live” (1984 in Lister, 2004:21).

Although nowadays the importance of recognizing the cultural and social dimensions of poverty is widely acknowledged, the absolutist approach cannot simply be dismissed as wrong (Alcock, 2006). After all, the relativist approach is not without its limitations as critics of Townsend, most notably Sen (1983) have argued. In practice, a workable definition of poverty needs to combine both absolutist and relative elements (Alcock, 2006). Indeed recently the debate has moved beyond the absolute-relative dichotomy to take on a more holistic and reconciliatory approach. (Spicker, 2007). Both researchers and policy makers have lately acknowledged the importance of taking a multi-dimensional approach to poverty. Indeed the Copenhagen Declaration (United Nations, 1995 in Alcock, 2006) pointed to the importance of developing a notion of “overall poverty” encompassing its various manifestations.
In his book *The Idea of Poverty*, Spicker (2007) outlines and discusses the many clusters of meaning inherent in the various attempts at defining poverty, grouping them under three main dimensions which pertain not only to material need and economic circumstances but also to social relationships. The latter incorporates factors such as one’s social class position, dependency on social assistance, social exclusion and lack of entitlement or basic security understood in terms of human rights (Spicker, 2007:4-5). Lister (2004) also points to the importance of understanding poverty in terms of both material and non-material factors. For people who experience poverty, their problem is not just about being economically disadvantaged but also about not having a voice, about disrespect, humiliation, lack of dignity and self-esteem, shame and stigma, powerlessness, denial of rights and diminished citizenship. These comprise what she terms the “relational/symbolic” aspects of poverty (Lister, 2004:7). In his remarkable work on development, Sen (1999) identified poverty in terms of capability deprivation, an approach which focuses on deprivations which are *intrinsically* important in contrast to lack of money which only has *instrumental* value.

These broader dimensions of poverty were also identified by the researchers of *Voices of the Poor*, a set of studies undertaken by the World Bank (1999 in Spicker, 2007). This in-depth analysis of poverty in different cultures revealed a number of elements which transcend material needs and involve precarious livelihoods, excluded locations, physical health, gender relationships, lack of social participation, lack of security, abuse by those in power, disempowering institutions, weak community organizations and limitations both in the capabilities of individuals as well as for collective and social action. The complexity of the poverty phenomenon, the heterogeneity of people “in need” and the diversity of contexts in which the problem is embedded have also emerged clearly in the study by Spiteri and McKay in this volume. The study which was based on the experiences of a number of families in St Helen’s parish in Birkirkara is evidence of how financial problems are intertwined with a number of other mishaps such as illnesses and relation problems which further increase the disadvantage of the poor.

There seems to be a wide consensus that poverty is a social problem and that the problem is not simply about lack of money (Alcock, 2006). Attached to this multi-faceted phenomenon is the issue of morality (Spicker, 2007:5). Poverty is not just about definition and quantification. It is about finding effective ways of dealing with it seriously in order to alleviate the hardship and the suffering experienced by millions of people not only in the impoverished countries but also in the much richer regions of the world. But who are these people?

**The Faces of the Poor**

In the beginning of this paper I presented some statistical data pertaining to poverty levels, income distribution and poverty gaps across the EU. Behind these impersonal figures and statistical trends there are human beings of all ages, coming from different walks of life, different backgrounds and cultures and having different personal and social circumstances. Although everyone can become a victim of poverty, there are certain social groups which are more likely to experience poverty and deprivation since poverty is not evenly distributed in society. Certain people are at greater risk of poverty than others. This may be due to their economic status (Alcock, 2006:22). Unemployed and inactive people are at greater risk of poverty than those in paid employment, although employment does not guarantee an escape from poverty. People may also be poor as a result of their family circumstances (ibid.). For example lone parents are among the highest at risk groups (European Communities, 2007b).

Other factors which may have a negative impact on one’s chances of being poor are gender, ethnicity, age and disability. Women are generally more likely to live in poverty than men and tend to experience poverty differently from men (Lister, 2004; Alcock, 2006; Gordon and Townsend, 2000). Millions of children in the rich countries have to struggle with poverty and deprivation. The poverty of children has been on the increase in many of the world’s developed economies according to UNICEF reports (2005, 2007). Old age poverty is also on the increase and older women face an even greater risk than men (Peer Review, 2006). Immigrants (Caritas Europa, 2006) and disabled persons also have relatively high risks of falling into poverty. Poverty also varies by region or geographical area (Alcock, 2006). Alcock also cites research which links poverty to the life course. Events such as marriage, divorce, parenthood and retirement have an impact on a person’s earnings, spending needs and spending and saving patterns. The life course approach identifies specific stages at which people’s risks of poverty and social exclusion increase (Barnes, 2002). At the same time these life cycle experiences are also affected by wider social structures (Alcock, 2006:105).
On the basis of earlier data (early 1990s) from across the EU, Barnes (2002:13) notes that poverty tends to hit similar categories of people. Although at the time the data were not strictly comparable due to different methodologies or sample size, they give us a general indication of those individuals and households most at risk of poverty. These included households where the head or all members were unemployed, large households, single, elderly and retired person households and female headed households. More recent data on material deprivation in the EU (Eurostat, 2005) point to single parents as facing the highest risk of deprivation together with the unemployed who suffer higher deprivation levels than the rest of the population. Single parenthood increases the risk of poverty even after taking into consideration factors such as employment, status, education level, age, health and country of residence although the risk of poverty increases with parenthood even in dual parent families (European Commission, 2007). Single households and elderly persons also appear to have more problems than other age groups (Eurostat, 2005).

In Malta the situation does not appear to be much different from that of other European countries. Similar groups tend to be at higher risk of poverty as in other Member States. Malta’s National Action Plan on Poverty and Social Exclusion (NAP, 2004-6:8) identifies the unemployed and disabled people, together with disadvantaged children and single parents as being particularly at a high risk. However, low skill adults, persons with mental health problems, those suffering from addictions, certain categories of low income older people as well as immigrants are also likely targets of poverty and social exclusion.

In 2000 according to the Joint Memorandum on Social Inclusion of Malta (JIM), children (0-15 years) and those over 65 years appear to have the highest risk in terms of age categories. While children and elderly persons are identified as the most vulnerable groups in Malta, it is male children and elderly women who face the greater risk, in line with EU trends. Regardless of their socio-economic background, persons with disabilities are also among the highly vulnerable groups (JIM, 2003:11-12). The report also notes a risk-of-poverty rate among the unemployed in Malta which is significantly higher than that of the EU (Malta 50%; EU15 39%). Also with higher than the EU average in 2000 are single parents and persons in rented housing (JIM, 2003; Cutajar and Deguara, 2004).

Taking household types, the JIM report (2003:11-12) identifies single parent households with at least one dependent child as being the most likely to have incomes below the poverty threshold. Most of these households are headed by women and more than one fourth of these included children less than 18 years old in 2000. Households with two adults and three dependent children, persons under 30 living alone, large families and single female households are also at risk according to the same report. In an earlier study based on 1995 data on Maltese families, Tabone (1998) identified four family types living in relative poverty. The largest group consisted of those headed by those in the 20-44 age cohort having a low educational level and mainly engaged in unskilled jobs. The second group consisted of families with unemployed breadwinners. The third group comprised families of pensioners, widows and widowers and the fourth group was made up of single-parent families comprising unmarried or separated parents.

A recent survey on income and living conditions (SILC) in Malta (NSO, 2007a) confirms most of the earlier trends discussed in the JIM report with some notable changes. Children and elderly people are still the highest two categories at risk of poverty although the percentage of children at risk has increased by 0.9 percentage points from 21% to 21.9% while the share of elderly persons at risk has declined from 20% to 16.3% since 2000. In terms of household type, single parent households have the highest poverty rate although this also declined from 55% to 47.9%. In contrast, while households with three dependent children still occupy second place, the poverty risk of this social category has risen significantly since 2000. While the JIM (2003) indicates that 28% of these households fell below the poverty threshold in 2000, the NSO survey obtained a worrying 34.7% result for this vulnerable group. Unemployed persons especially males are also a high risk group although since 2000, the poverty rate for this group decreased from 50% to 45.9%. However, this is still a point of concern especially since among males, the risk of poverty rate exceeds 50%.

The following sections take a more detailed look at the particular circumstances and issues related to some of these vulnerable groups in Europe and particularly in Malta.
The Poverty of Women

I have chosen to discuss women as a particularly vulnerable group not only because women, largely due to their caring role and disadvantaged position in the labour market, are more economically disadvantaged than men but also because their greater vulnerability is also evident in the higher poverty rates of lone parent households which in the majority headed by women as well as among the elderly (European Commission, 2006).

Research has consistently shown that women are more likely to be poor than men and have always been the more vulnerable group. They also tend to experience poverty differently from men (Lister, 2004; Alcock, 2006; Ruspini, 2000). Nowadays the term “feminisation of poverty” is frequently used although, as both Lister (2004:56) and Alcock (2006:134-5) argue, this may suggest that female poverty is a recent phenomenon. What is new, according to both authors is that female poverty has gained wider recognition. This is partly due to the increasing number of lone mothers and the increase in women’s concentration in low paying jobs as well as increased gender-sensitivity in poverty research although much more still needs to be done in this respect (Ruspini, 2000).

Women face sex-specific risks particularly as a result of the family responsibilities which they have traditionally been expected to shoulder. These responsibilities tend to influence their work patterns, the type of work they do, their income and social security benefits. The combination of disadvantage within the family, labour market and social security system accounts for the persistence of poverty among women (Ruspini, 2000) and distinguish female from male poverty (Lister, 2004). Unlike that of men, women’s participation in the labour market is closely linked to the number and age of children. EU data (European Commission, 2006) reveal that the employment rate of women declines between the ages of 20 and 49. The number of children also increases women’s likelihood of being in part-time employment. The low female employment rate is a particularly worrying trend in Malta where the increase in female participation in paid work increased by only 0.6 points from 2000 (33.1%) to 2005 (33.7%) (Commission of the European Communities: Country Profiles, 2007b) while in 2007 the female employment rate stood at 35.5% (NSO, 2007c). In Malta, the majority of women start working when they are young and leave the labour market upon becoming mothers with only a small proportion returning at a later stage (NSO, 2007c; Vassallo et al, 2002), most likely on a part-time basis. In line with EU trends, part-time work in Malta has a high female concentration. Between January and March 2007, full-time employed persons were unevenly split into 73% males and 27% females. While 19.1% worked part-time or reduced hours (3.7%), the corresponding rates for men were 4.3% and 0.3% respectively (NSO, 2007c).

Women’s limited or interrupted participation in the labour market combined with gender stereotyped occupational segregation and discrimination are predominant factors contributing to women’s lower earnings. In the EU, women on average earn 15% less than men on an hourly basis (European Commission, 2006). Therefore while nowadays, more women in the EU are in paid employment, their experience of the labour market is different from that of men as they are more likely to occupy lower status and lower paid jobs, to work fewer hours and for shorter periods of time in predominantly “female” sectors (Alcock, 2006; Deguara, 2004). These factors often lead married women to become dependent on their husband and single, divorced, widowed or separated women, young lone mothers or elderly pensioners into poverty (Alcock, 2006:138-140). Consequently it is hardly surprising that more women than men depend on social assistance (Cutajar, 2006).

Women’s Invisible or Hidden Poverty

Women’s partial or total dependence on men is one element of poverty experienced by women which may be less obvious and less likely to feature in statistical data on poverty especially if the unit of measurement in poverty research is taken to be the household (Ruspini, 2000). A focus on household or family income may obscure differences in the experience and extent of poverty between men and women (Alcock, 2006). On the one hand the family may cushion the effects of poverty by acting as a support or protective mechanism. This is especially true in Southern European countries where the family still plays an essential role in filling the gaps left by the welfare state, often masking the poverty of women (Ruspini, 2000). On the other hand, household income does not necessarily give a true indication of the economic well-being of individual family members. It is misleading to assume that poor women are the wives or partners of men who are either

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unemployed or in low-paying jobs. Women may experience poverty even if they are part of a family whose income is generally adequate (Alcock, 2006). This is due to a number of factors such as the distribution and control of household resources.

Lister (2004) refers to research which shows that household income may be shared unfairly to the detriment of women who often have less spending money and less access to resources and consumables such as food or a car. Since men are generally regarded as the breadwinners even when the women are in paid employment, their income is often regarded as secondary. Consequently, it is men who often control how money is spent, although it is often the women who have to manage the family budget (Alcock, 2006). Especially in low-income families where women also have to deal with debts, research has shown that it is not uncommon for women, especially mothers to make sacrifices and give up on necessities such as food, clothing and heating in order to protect other family members, especially children, from bearing the brunt of the family’s economic disadvantage. The sacrifices women have to make in their continuous ordeal of poverty management often entails long hours of unpaid work at home in order to curb and control costs. Thus women’s unpaid work is intensified and extended to the detriment of their personal well-being as well as their educational and career advancement (Lister, 2004; Alcock, 2006).

Lone Parenthood

The past few decades have witnessed profound changes in the size and structure of families in many countries including Malta. The various social, economic and technological developments have brought about new trends in various social spheres, not least in the family. Nowadays in many parts of Europe less people opt for marriage and those who do tend to marry at a later stage. Cohabitation and family breakdown are more common and one is less likely to stay with the same partner for life. Births outside marriage have increased while there has been a decrease in fertility (European Communities, 2007b; Millar, 2002). Although these transformations may have taken place later in Mediterranean countries, the situation in Malta is similar in many ways to the overall European picture. A general change in social attitudes, a more secular society and greater educational and occupational opportunities for women are among the factors which have had a significant impact on the family. Maltese families are nowadays much smaller than they were in the middle of the 20th century, couples are getting married at a more mature age and tend to postpone having children to the late 20s (NSO, 2006a). Although divorce is not available in Malta, couples may resort to annulment or separation. Since the 1990s separations have seen a marked increase with a separation index of 429.5 in 2003 up from 100 in 1995 (JIM, 2003). According to the 2005 census, the number of separated persons increased from 4120 in 1995 (1.4%) to 11,045 in 2005 (3.3%) while the number of annulled or divorced persons increased from 978 to 2309 respectively.

As a result of these transformations, the number of lone parent families has increased. There have been significant shifts in the composition of this type of family as well as a deterioration of their economic situation (European Communities, 2007b). In many European countries, marriage dissolution has replaced widowhood as the main cause of lone parenthood followed by single motherhood and the break-up of cohabiting couples. However in Mediterranean countries such as Italy and Spain widowhood is still significant. In Malta widowhood may still be the main cause of lone-parenthood as indicated by 1995 census data (Abela, 1998:65). However as might be expected, widowhood is more common among the older age groups while separation and single parenthood are much more likely to lead to the formation of lone parent households among younger persons especially women. Indeed, the age distribution of lone mother households is significantly different from that of other households with the vast majority (64.8%) aged below fifty; 34.4% aged 20-39 and 30.4% aged between 40 and 49 (NSO, 2003). Such young households are naturally more likely to have dependent children and therefore are at a higher risk of poverty as indicated earlier. In the six European countries reviewed by Millar (2002:94) lone mothers with at least one dependent child had a much higher poverty rate than the national average. Although couples with dependent children are also at a relatively high risk of poverty, their poverty rates are lower than those of lone mothers. Lone mothers with non-dependent children have a much lower risk of poverty than their younger counterparts.

There are various ways into as well as out of the status of lone parenthood. A person may become a lone parent after divorce, separation or annulment; other causes are desertion or death of the partner as well as the birth of a child outside marriage. At the same time, there are various ways which offer a way out of lone parenthood such as cohabitation, re-marriage, giving up children for adoption or children growing up and
leaving home (Ruspini, 2000; Millar, 2002). This variety together with the numerous differences in welfare systems largely account for the lack of an internationally recognized definition of lone parenthood (Ruspini, 2000). However, regardless of how it is defined, lone parenthood, particularly in the case of dependent children is, as already shown, a high risk poverty factor. In many cases lone parent families are headed by women (European Commission, 2006) although research suggests that in some European regions or countries such as in Eastern Germany, Bulgaria, Ireland, Norway and UK, the trend for lone fathers to be old widowers is starting to change and there is evidence of a notable (although small) percentage of young (under 25) divorced or unmarried single fathers (European Communities, 2007b). However, overall women are much more likely than men to experience lone parenthood (Milliar, 2002:79).

In Malta the number of lone parent households with one or more dependent children in 2005 amounted to 3605 or 2.58% of households, according to the latest census of population and housing (NSO, 2007b) although the data are not classified by gender. However other data indicate that between 75 and 80% of lone parent families are headed by women. Data from the Household Budgetary Survey (HBS) (NSO, 2003) indicates that 76.1% of lone parent households are single mother households while the Gender Equality Action Plan 2005-2007 (ETC, 2005a) states that 75.5% of single parent households are headed by women. The JIM (2003) states that women head 79% of all lone parent households, 26.9% of which include children aged less than 18. This is certainly not a distinctive Maltese characteristic since women head the majority of this type of household in different European countries (Millar, 2002:79). Furthermore in countries such as Portugal and Greece where it is not easy to obtain a divorce and remarriage is not so common, women who become lone mothers as a result of marital breakdown may remain lone mothers for many years (Millar, 2002:86). In Malta divorce is not just difficult! It is non-existent. Therefore remarriage is only possible in cases of annulment or widowhood. However cohabitation appears to be gaining ground. The 2005 census reports 2538 persons as the unmarried partner of the reference person responding to the census, suggesting that there are at least 5076 cohabiting persons in Maltese households (NSO, 2007b).

The survey on income and living conditions (SILC) (NSO, 2007a) indicates that lone parent households are the type of household most at risk of poverty, with a poverty rate of 47.9%. The rate for males is slightly higher (49.2%) than that of females (47.1%). This may suggest that lone fathers tend to have low income occupations or that since lone mothers make up a larger group, their income range is more varied, thus raising their mean income. The slight difference to the disadvantage of fathers does not support the argument made by Millar (1992 quoted in Alcock, 2006:143) that gender is the most crucial element in lone parent poverty, that “it is precisely because lone mothers are women that they have a very high risk of poverty” and that the relatively small number of lone fathers are less likely to be poor. However the fact remains that since lone parent households have the highest poverty rate and most of these households are lone mother households, more women than men are suffering the financial consequences of lone parenthood.

In many ways the situation of lone mothers is a reflection of wider issues related to women in general and to gender inequality in various countries (Millar, 2002:79). In Malta, according to HBS data (NSO, 2003), the Southern Harbour district has the highest concentration of lone mother households. The same report also shows that only 40.8% of lone mothers own their house compared to 58.9% for other households. Furthermore Kiernan (2002:89) maintains that the odds ratio of unmarried mothers to be living in social housing at age 33 is almost seven times those for married mothers. As stated in the JIM (2003:11) those living in rented housing are two and a half times more likely to be poor than home owners. Furthermore, lone parents also pay the highest average annual rent compared to other households, this being one of the main factors leading to their poverty. However Malta’s National Action Plan on Poverty 2004-2006 gives a much higher figure for single mothers who own their home (56.5%) although it gives a similar figure to the HBS for those in rented housing. As reported by Vassallo et al (2002:151), female-headed households are more likely to live in sub-standard or inadequate housing, although the situation is worse among older women.

With regard to household amenities, lone mother households in Malta tend to show higher levels of deprivation when compared to other households in terms of television sets, video cameras, freezers, dishwashers and air-conditioners although no differences were noted in relation to other appliances (NSO, 2003). Ruspini (2000:124) reports that in all the European countries in her study, when compared to married mothers lone parents lacked a number of consumer goods such as microwaves, dishwashers or videos. In Ireland and Great Britain lone mothers were less likely to have access to a telephone. They found it difficult to save, take an annual holiday, replace furniture or invite friends or family over. In a study on poverty and
social exclusion in six European countries (Tsakloglou and Papadopoulos, 2002:40), it was found that deprivation in terms of household necessities and consumer durables varied considerably across countries with relative deprivation scores being very high in Austria, Germany and the UK, high in Greece and moderately high in Portugal. However in all countries the share of lone parent households reporting financial hardship and lack of subjective well-being was higher than the national average. Reviewing the same countries, Millar (2002:95-6) found much higher levels of relative deprivation among lone mothers than among couples with dependent children, with the highest gap found in Germany and Austria and the lowest in Greece and Portugal. For these mothers, deprivation not only means having to do without certain desirable items or having to work harder without the help of certain appliances. It also means a greater risk of social exclusion to their own detriment and that of their children. This is especially more so when they lack means of communication or transport (Ruspini, 2002).

Lone parent families are more likely to experience poverty in countries where their employment rates are low and where family benefits and social transfers are not high (Millar, 2002). The decision of any woman with dependent children to participate in the labour market very often highly depends on her ability to find a work-life balance. This is especially more so where lone mothers are concerned (Millar, 2002). Millar also cites research that shows that the policy approaches of different countries have a significant role in facilitating or limiting access to the labour market for lone parents. In Malta where the participation of women in the labour market is only around 35%, the participation rate of lone mothers is even lower. According to the JIM only 16.5% of single parent households are employed, 2.4% of which only on a part-time basis. Lone mothers have a much lower full-time participation rate (8.1%) than lone fathers (35.6%) (JIM, 2003:11; NAP 2004-2006:9). They are also more likely to work part-time and in lower-paid “female” occupations” (Cutajar, 2000 in Cutajar, 2006). Lone mothers also tend to depend more on welfare benefits than their male counterparts due to their caring responsibilities (NSO, 2003; Cutajar, 2006). Dependence on benefits together with their generally lower educational level (NSO, 2003; European Communities, 2007b; Cutajar 2006) further contribute to lower rates of lone mother employment. At the same time, the activity rate of lone mothers is often higher than that of married mothers (European Communities, 2007b; Cutajar, 2006; Millar, 2002) partly as a result of being pushed into the labour market by their circumstances. It is hardly surprising therefore that lone parent households have the second lowest disposable income among all household types in Malta with an average annual income of Lm4744 following only single person households (NSO, 2007a). According to HBS data (NSO, 2003) within lone mother households only 40.8% of total income comes from salaries (60.1% for other households) while 43.8% comes from social benefits (16.6% for other households).

At the same time lone parents may receive additional support from family members, friends or the community apart from receiving social benefits. Millar (2002) reports that in certain countries such as Greece and Portugal there is greater reliance on family support as family ties are strong. In Malta family and neighbourhood ties are also quite strong very often resulting in the provision of informal support such as childcare (JIM, 2003). In her study of young, unmarried mothers, Cutajar (2006:287) also quotes research which shows that family support is of crucial importance for young mothers. The help offered by the family in the form of housing, advice, transport, childcare, financial as well as emotional support very often enables the young mother to develop her educational, emotional, parental, social and occupational skills. Furthermore, despite the financial hardship faced by many lone mothers, Lister (2004:58) cites research which suggests that some lone mothers tend to prefer the poverty of lone parenthood to the economic dependence experienced in their previous male-dominated marriage they at least enjoy financial autonomy.

The Elderly

While lone parenthood is a status which affects a relatively small proportion of the population, old age is a stage in the life of the individual which is experienced by most, especially in the industrialized countries, where more people are reaching old age. In Malta as in other European countries, the number of old people in the population has been on the increase. While in 1921 9.6% of the population were over 60 years old, the figure went up to 15.9% in 1995 and in 2005 (persons aged 65 and over) the elderly made up 13.7% of the Maltese population (NSO, 2006a). According to the 2005 census, there are 77434 people over 60 years old or 19.12% out of a population of 404962. As expected, in every 10-year category of those aged between 60 and 100, women are notably more numerous than men (NSO, 2007b). Women’s longer life expectancy may be seen as a blessing but at the same time it has serious implications. Women not only tend to live longer
than men. They also tend to marry men older than themselves. Therefore older women are more likely to become widowed and spend their old age in solitude. This together with other disadvantages related to their gender has a negative impact on their quality of life (Vassallo et al, 2002:155). This trend for a larger proportion of elderly women living alone also has important implications for policy-makers (Middleton, 2002). Longevity is expected to rise even further in the future so that by 2050 Europeans are expected to live around four or five years longer than today. The population of those in their 20s will decline by 20%. While the category for those aged 50-64 will increase by 25%, the share of those older than 80 will double (Peer Review, 2006).

Overall, the elderly report living standards which are relatively close to those of the population aged 0-64. Although in some countries (Ireland and Cyprus) the level is under 75%, in others the standard of living of the elderly even exceeds 90%. In Malta, the elderly report a standard of living of over 85% of that of the rest of the population (Commission of European Communities, 2007a). However, the elderly have a higher risk of poverty than the rest of the population in most of Europe although the older group among the old (75+) and particularly older women are at a higher risk of poverty (SPC, 2006; European Centre for Social Welfare Policy and Research, 2006).

In the first years of the 21st century about 13 million elderly people in the EU25 are at risk of poverty. This translates into one-sixth of the 74 million elderly population of the EU (European Centre for Social Welfare Policy and Research, 2006). Taking income-based measures of poverty in terms of the 60% median income thresholds of each specific country, the same report indicates that the highest poverty rates among the elderly are found in Cyprus, Ireland, Spain, Portugal, Greece and the UK. While in the EU 15 the average elderly poverty rate is 19%, lower rates (9% average) are observed among the new Member States, especially those previously forming part of the communist bloc. Indeed Cyprus has by far the highest elderly poverty rate in the EU (52%) while Malta, with a 20% poverty rate, slightly exceeds the EU average. In Malta the elderly are the second highest category at risk of poverty after children according to the SILC (NSO, 2007a). With the increase in life expectancy, protecting the elderly against poverty is a major concern for the EU. It is estimated (Peer Review, 2006) that by existing standards, those aged 75+ at risk of poverty will increase dramatically by the middle of the 21st century.

Compared to the working age population, among the elderly there was a higher persistence of the risk of poverty in all EU15 countries (European Centre for Social Welfare Policy and Research, 2006). Indeed this is one of the distinguishing features of old age poverty since it is more difficult for the elderly to improve their situation in societies which do not facilitate the continued participation of the elderly in the labour market. The situation is even worse for the oldest and most frail (Lister, 2004:67). Consequently, the report by the European Centre for Social Welfare Policy and Research (2006) suggests that policies should aim to increase the incentives for elderly people to work and save more during their working lives. Indeed the EU is committed to facilitating a longer working life. The Lisbon Strategy set a target of increasing the employment rate for workers aged 55-64 from the current rate of around 43% to 50% by 2010 while the Barcelona Council of 2002 recommended an addition of five years to the retirement age also by 2010 (Peer Review, 2006; Commission of European Communities, 2007a).

Malta’s employment rate of older workers is relatively low (around 30%) similar to that of Belgium, Italy, Luxembourg, Austria, Poland, Slovenia and Slovakia (Commission of European Communities, 2007a). Very often the difference in the labour force participation of older workers in different countries is accounted for by the variation in the labour market participation of women. In the Nordic countries elderly women are much more likely to be engaged in paid employment than in Mediterranean countries where the proportion of female homemakers is high (Hallberg, 2006). In Malta only about 11% of women aged 55-64 are economically active (NSO, 2007d). Indeed increasing these figures was one of the key priorities set out in Malta’s National Action Plan 2004-2006. However Alcock (2006) cites research which shows that older workers, even before reaching the pension age, may face discrimination and marginalisation. This may be linked to the problem of ageism which is based on stereotyped assumptions about older people, such as their presumed lack of efficiency and flexibility. Older people may find it difficult to find employment also because due to their pension entitlement, they may be considered as being less in need of a job (Alcock, 2006:168).
In terms of households, in most countries, single elderly households have a high risk of poverty. Like lone-parent households, single elderly households are more likely to be headed by women, further confirming the significance of gender in the distribution of poverty (European Centre for Social Welfare Policy and Research, 2006). As pointed out by Vassallo et al (2002:142) for elderly women, living alone can have certain repercussions such as emotional weakness due to lack of social contacts and activities. Especially at night elderly women may also feel physically insecure. Furthermore, it is also difficult for them to see to house maintenance since they are either incapable of doing the repairs themselves; they may not feel comfortable letting workmen inside their house or they may not be able to afford it. As a result, they often end up living in sub-standard housing. According to the JIM (2003) elderly female heads of households live in inferior housing conditions compared to their younger counterparts, many lacking such essential amenities as bathrooms and kitchens. In households with two adults one of whom is over 65 years old, the poverty rate in the EU is generally lower than the average for the whole elderly population (European Centre for Social Welfare Policy and Research, 2006). In this regard however, Malta does not follow European trends since according to the same report, in Malta these households have a higher poverty risk than the 65+ population. This is also confirmed by the SILC carried out by the NSO (2007a).

Elderly people who live in rented accommodation are in many countries more likely to be poorer than elderly home owners especially in Ireland, Italy, Belgium and Luxembourg (European Centre for Social Welfare Policy and Research, 2006). Elderly people are also more likely to be sick and disabled than the rest of the population (Middleton, 2002) and thus may have more expenses, less access to the labour market and a greater risk of dependence and social exclusion. In a study based on six European countries, Middleton (2002) reports that retired people are slightly more likely than other adults to be deprived of household amenities, largely because their homes might be older. At the same time, apart from Greece, retired people are less likely to be deprived of consumer durables although they tend to lack household and personal necessities more than other adults. Education also appears to have a notable impact on poverty risk among the elderly. Older people in the south of Europe are likely to have spent fewer years in formal education, resulting in a higher risk of poverty (Hallberg, 2006). Furthermore, retired persons are less likely to have completed secondary and tertiary level education in many countries especially those where policies encouraging education at these levels are relatively recent (Middleton, 2002). For example in Malta, secondary education only became compulsory in the 1970s, thus not affecting today’s elderly.

Although the elderly tend to have higher rates of poverty than the rest of the population, their income tends to be closer to the poverty threshold than that of working age persons (SPC, 2006). Higher poverty rates are normally linked to higher poverty gaps. The fact that among elderly people the reverse is true points to the importance of welfare benefits in alleviating poverty among the elderly (SPC, 2006). On average, in the EU 25 the elderly receive incomes 16% below the poverty line while the poverty gap for the rest of the population is 23% (European Centre for Social Welfare Policy and Research, 2006). The same report indicates that the poverty gap ratios for men and women are not significantly different although gaps in certain countries are notably higher for males (Ireland, Austria and Slovak Republic) or for women (Greece and UK).

According to the First Report on the poverty of the elderly in the EU 25 by the European Centre for Social Welfare Policy and Research (2006), the difference in the poverty rates of elderly men and women is evident throughout the EU especially in the EU15. Although the figures are not strictly comparable, the poverty risk is higher for women in all member states and females aged 75+ have a higher poverty risk than those aged 65-74 almost in all countries but particularly in Ireland. Elderly women have more than double the risk of being poor than their male counterparts in a number of countries although in others (including Malta) the differences are relatively small. In Malta (2001 data) women also have a higher risk in both age groups. Although the gender gap is not large (19% males; 21% females for those aged 65+), it is wider among those over 75 years old (18% males; 24% females) (SPC, 2006).

There are various factors which account for higher risks among the oldest people especially women (SPC, 2006). They may have accrued lower pension entitlements; social security legislation may have made less generous provision. Women have traditionally found it even more difficult to have full pension rights due to gender differences in opportunities earlier in life (SPC, 2006). Women’s financial situation during retirement is closely linked to the events and circumstances which have shaped their lives such as decisions about earning, saving and spending. Considering the different expectations tied to the roles of men and women in
society, certain ‘choices’ made by women may not actually be voluntary (Peer Review, 2006). This coupled with the various disadvantages experienced by women in the labour market discussed earlier, increases women’s likelihood of experiencing poverty and social exclusion in old age.

As might be expected, old age benefits make up the largest proportion of the income of the elderly (Alcock, 2006; European Centre for Social Welfare Policy and Research, 2006). However, despite the widespread provision of state benefits as well as the increase in private pension protection, many elderly persons still have to depend on inadequate state pensions (Alcock, 2006). Although for many retirement from work may be perceived as a time of rest, relaxation and an opportunity to enjoy pastimes and leisure activities, for others retirement brings with it a deterioration of their quality of life (ibid.). Furthermore, retirement has different implications for men and women, largely due to their different social roles (Hills et al, 2002). While women tend to retire from the labour market earlier than men (Middleton, 2002) for many older women who were homemakers for most of their lives, retirement “is something that happens to their husbands” as Alcock (2006:169) puts it. Elderly female homemakers continue being homemakers after retirement age. Unpaid work at home may even increase as a result of having to take care of one’s spouse or other family members (Alcock, 2006). As often happens in Malta, due to lack of adequate or affordable childcare, female elderly often take up the responsibility of caring for grandchildren or other family members who need their support. Spiteri and McKay’s study in this volume brings out the pros and cons of this dilemma facing the elderly. On the one hand, helping other family members makes elderly people feel useful and socially integrated. On the other hand, having to shoulder the problems of others very often leads to stress as well as to financial problems. Therefore especially for those who did not manage to save sufficiently earlier in life, retirement may not be associated with relaxation and leisure but with a continuation of unpaid work for homemakers and with lower earnings for breadwinners and their dependents.

The Poverty of Children

Children are among the most vulnerable groups experiencing poverty not only in developing countries but also in the rich developed countries. Some 40 to 50 million children live below the poverty lines of the world’s richest countries (UNICEF, 2005). In the EU children are more likely to be victims of poverty than the average citizen in almost all member states. In some EU countries almost one third of children are at risk (Commission of European Communities, 2007a). The UNICEF (2005) study on child poverty in rich countries reports that, regardless of how poverty is measured, the situation of children has worsened since the mid 90s. The percentage of children living in poverty has increased in 17 of the 24 OECD nations for which data were available.

The same study (UNICEF, 2005) reveals that while Denmark and Finland have poverty rates of less than 3%, in the US and Mexico, the rates of child poverty are over 20%. The report also points out that all six non-European countries in the study (Australia, Canada, Japan, Mexico, New Zealand and the US) are at the bottom half of a table indicating the percentage of children living in relative poverty (defined as households whose income is less than 50%). It is also shown that Nordic countries show the greatest progress, with poverty rates below 5%. The report also suggests that there might be a link between population levels and poverty as countries with smaller populations (4 to 9 million) tend to have lower rates of poverty. There are also significant differences between countries in the North and South of Europe. According to the UNICEF (2007) report, nine countries, all in the north of Europe, have managed to reduce poverty to less than 10% while in Portugal, Spain and Italy child poverty still exceeds 15%.

The UNICEF reports (2005; 2007) recognize the limitations of making international comparisons based on a specific measure of family income as this gives only a partial picture of child poverty. For example it does not indicate how far below the poverty line a family income may be; it does not indicate the differences in the standard of living of different countries; relative income poverty may also hide situations of child deprivation in cases where the family income is higher than 50% of median income but where this is not benefiting the child such as due to drug or alcohol abuse by parents. In contrast, a child may not be deprived in a low-income family. The 2007 UNICEF study in fact takes into consideration three other dimensions apart from relative income poverty: the unemployment of adults in the household; deprivation; and lack of cultural and educational resources, in an attempt to better grasp the complexity of child poverty.
In Malta, children (0-15) are the age group most at risk of poverty with a poverty rate of 21.9% according to the survey on income and living conditions (NSO, 2007a). Although since 2000 the figure did not change much, there was still a slight increase from 21% (JIM, 2003). Children increase household costs especially at a time when mothers reduce or end their participation in the labour market (Lister, 2004:68). It has also been documented that living in a lone-parent household or in a family with many children further increases the risks (Commission of European Communities, 2007a). As indicated earlier, most Maltese families rely on the income of a male breadwinner for their earnings, as the female labour activity rate is significantly low (below 35%). Most women quit the labour market upon becoming mothers. Moreover as the discussion on lone-parenthood has shown, in Malta the households experiencing the highest risk of poverty are those consisting either of lone-parents with dependent children or of two adults with three or more dependent children (34.7%) (NSO, 2007a). Another group of vulnerable children involves those in residential care. These made up 0.33% of all children under 18 in 2000 according to the JIM (2003). These factors probably contribute significantly to explain the relatively high incidence of poverty among Maltese children.

On average the proportion of children living in jobless households in the EU has remained the same between 2001 and 2006 although there are significant variations between Member States (Commission of European Communities, 2007a). In Malta there are almost 9% of children living in jobless households (Eurochild, 2007). While this figure is only about one half that of the UK (over 16%) which reports the highest rate of children living in jobless households in the EU, it is still significantly higher than that of Luxembourg with a rate of around 2.5% (Bradshaw, 2007). At the same time, Malta’s proportion of children living in jobless households is close to the EU average of 9.5% (Commission of European Communities, 2007a). Moreover, between 2000 and 2005 the share of Maltese children living in jobless households increased by 1% (NSO, 2006a). The fact that a significant number of children are brought up in such households is of great concern. The absence of an adult breadwinner may be detrimental to the educational and future labour market success of children (Commission of European Communities, 2007a).

Data from six EU countries and the US (European Commission, 2005) suggest that apart from lone-parenthood, family size and the unemployment or underemployment of adults, there are other factors which enhance the poverty risks of children. Children are more likely to be at risk of poverty if their parents are young, if they are part of immigrant, ethnic or racial minority families or if a member of their family is disabled or chronically sick. Moreover, although the employment of one of the parents protects children to a degree, children living in one-earner families are nowadays at a higher risk of poverty than in the past even if the sole earner has a relatively good income (Hills et al, 2002:109). Children in care, disabled, Roma and unaccompanied immigrant children together with children of substance-abusing parents and of parents who had been institutionalised are mentioned as particularly vulnerable by many of national reports on poverty and exclusion in the EU. Malta’s report particularly highlights the lack of attention given to unaccompanied immigrant children and children with disabilities (Eurochild, 2007).

Children’s poverty is more likely to persist for a long time although a significant number of children do succeed in escaping poverty (European Commission, 2005). The experience of living in poverty not only has an impact on children at the time; it also has long-lasting effects such as low educational performance, unemployment and lower earnings (Hills et al, 2002; Alcock, 2006; UNICEF, 2007). Rates of early school leavers and school dropouts are one indicator of educational performance. Figures vary significantly across the EU with a rate of 30.8% in Spain and 5.5% in Poland. Malta has an alarmingly high rate of early school leavers (41.2% in 2005 down from 54.2% in 2000) (Eurochild, 2007). The same report interestingly notes that the EU15 average was higher (17.2%) than that of the EU25 (17.2%).

Poor children may also become pregnant at an early age, have lower skills and aspirations and be welfare dependent (UNICEF, 2007). They are also less likely to enjoy good health and to stay out trouble with the law (Commission of European Communities, 2007a). There may also be problems associated with stigma, being different and difficulties with fitting in or joining in which can lead to bullying (Ridge, 2002 in Lister, 2004:69). The impact of poverty tends to be harder if poverty spells are longer and more frequent. They also depend on the severity of poverty and the age of the child. Younger children tend to be worse hit (European Commission, 2005).

Child poverty is not inevitable. It is the result of political choices by governments in their efforts to mitigate market forces (Gordon and Townsend, 2000). However, policy decisions do not act alone in determining
poverty levels among children. There is a complex interplay between government policies, family efforts, labour market conditions and the wider forces of social change (UNICEF, 2005). Moreover, although there is a clear link between the level of government spending on family and social benefits and child poverty rates, there are still variations in child poverty rates in countries with similar levels of government spending. This implies (i) that child poverty does not depend only on the level of state expenditure and (ii) that many countries may potentially reduce child poverty without having to increase their expenditure (UNICEF, 2005).

The last few years have seen child poverty being given a much greater priority by many Member States. This was especially encouraged by the EU’s Open Method of Coordination (OMC) (Eurochild, 2007). However many governments still perceive child poverty from the perspective of adults. They tend to focus on the needs of parents and families while children’s views tend to be ignored (European Commission, 2005). Malta has been criticised by Eurochild (2007) in this regard. The writers of the report argue that while children and young people are given due consideration in Malta’s National Action Plan on poverty and social exclusion, their participation was not facilitated and their voices were not heard although various professionals who work directly with children were consulted. Lister (2004) cites research which calls for a shift to a child-centred perspective on poverty, focusing on the needs and experiences of children themselves as this would provide a more holistic picture of child poverty. A study by the European Commission (2005) argues for an integrated strategy of child, family and women-friendly policies aimed at reducing and preventing child poverty which would acknowledge the problem of child poverty and make it a policy priority as well as recognise the rights of children. The report sets out a set of child-related policy initiatives targeting the needs of children and their parents as well as particularly vulnerable groups such as disabled and immigrant children and children in care (European Commission, 2005).

The Unemployed and the Working Poor

As might be expected, unemployment is closely linked to poverty and social exclusion, although the link is not automatic. A person may be unemployed but not living in poverty as a result of support from other family members or due to state generosity. Similarly, being employed does not necessarily imply that a person is protected from poverty. In fact a significant proportion of the poor consists of low-paid working individuals - the working poor (McKnight, 2002:105).

Unemployment and poverty are related to a number of social factors, thus certain social categories are at a higher risk. According to Alcock (2006), the risk of poverty is related to class status since those occupying working class jobs and who have low skill and educational levels are more likely to experience unemployment and poverty. Sick or disabled persons may also find it difficult to secure paid employment as employers may perceive their ability to perform as too limited. Stereotyped assumptions and prejudice may also exclude other groups from the labour market such as older people and those belonging to ethnic minorities, thus increasing their risk of poverty.

According to the European Commission (2007a), in 2005, EU unemployment stood at 8.8% up from 8.6% in 2001. Long-term unemployment rose from 3.6% to 3.9%. In most EU countries, unemployment rates are higher for women than for men (2.1% on average) while youth unemployment stands at a high 18.5%. Malta’s labour market trends are dissimilar in a number of ways to the general situation in the EU. Having the lowest labour market participation rates of women as well as of older workers in the EU as well as the highest rate of early school leavers, Malta also has comparatively lower levels of unemployment, both short-and long-term as well as acceptable levels of youth employment (Commission of European Communities: Country Profiles, 2007b). Another different streak characteristic of the Maltese labour market is that men register higher levels of both short- and long-term unemployment (NSO, 2007c). This may in part be due to the lower rates of female participation in the labour market.

In Malta, unemployment data are derived from two main sources: The Employment and Training Corporation (ETC) which keeps records of all those registering for work and the Labour Force Survey (LFS) carried out by the National Statistics Office (NSO) on a quarterly basis and is based on a random sample of 2500 private households. Consequently the two sources provide different figures. According to ETC data (NSO, 2007e) in September 2007 there were 6629 persons registering for work, 5940 under Part I of the
unemployment register and 689 under Part II. According to ETC data based upon both registers, in June 2007, the unemployment rate stood at 4.3% of the labour supply with men registering a higher rate (4.9%) than women (3.1%) unlike the general EU trend. The long-term unemployment rate stood at 1.7% (men: 2.1%; women: 0.1%), although these data pertain only to those registering under Part I. On the same basis, the unemployment rates of older workers (45+) stood at 4.1% for men and 2.9% for women while youth unemployment (younger than 25) stood at a relatively low rate of 5.5% (men: 6.4%; women 4.1%) (NSO, 2007e). The corresponding figures derived from the LFS (April-June 2007) are higher than those provided by the ETC although still lower than those for the whole EU. According to the LFS (NSO, 2007d), Malta’s unemployment rate is 6.6% with most of the unemployed (14.8%) aged between 15 and 24 years.

The rate of those living in jobless households in Malta is also relatively low (8.2% in 2005) compared to the EU average of 10.2% (Commission of European Communities: Country Profiles, 2007b). In the EU even countries with relatively high rates of employment have above average rates of people living in jobless households. Overall the percentage of women living in jobless households (10.8%) is two percentage points higher than for men although this is higher (3 percentage points or more) in certain countries including Malta (Commission of European Communities, 2007a).

Besides being one of the main sources of poverty, joblessness is a central determinant of social exclusion. Having a job is for many people a platform to meet other people, form social networks and realize their full potential as members of society (Commission of European Communities, 2007a). This does not mean that all forms of employment offer such opportunities. Semi-skilled and non-skilled work often deprives workers of opportunities for personal development, social participation, learning opportunities, autonomy, job security as well as other related services such as transport and childcare (De Lathouwer, 2001). In spite of this, being without a job has been found to be a stressful experience especially for the long-term unemployed who do not just lose their source of income but also their skills and self-esteem (Commission of European Communities, 2007a). Although research has shown that people may experience unemployment in different ways, there is consistent evidence which suggests that the well-being of the employed is considerably higher than that of the unemployed (De Lathouwer, 2001). This also emerged from Spiteri and McKay’s contribution in this publication. They showed how unemployment impacts negatively on the well-being of its victims by increasing their stress, demoralising them and putting serious limitations on their (very often modest) aspirations. In certain cases the frustration and the long periods of idleness also led to other problems such as gambling, drug abuse and alcoholism. Long-term unemployment rather than unemployment as such may be assumed to pose the real poverty risk. Those having low skills and qualifications have a higher risk of long-term unemployment mainly due to a decrease in the demand for skilled and unskilled work over the past years (Agulnik et al, 2002).

Despite the relatively low rates of both short-term and long-term unemployment in Malta, the poverty rate among the unemployed is a high 45.9% with men appearing to be much worse hit than women. In fact the poverty rate of unemployed males (53.7%) is more than twice that of their female counterparts (24.7%) (NSO, 2007a). This could be due to a number of factors such as the level and type of benefits received and whether they receive financial support from other family members. In Malta, according to ETC data (NSO, 2007e), most long-term unemployed persons are male. Out of a total of 2436, only 374 women have been registering for work for 53 weeks or more. Disability may also be an influencing factor considering that almost 80% of disabled persons registering for work under Part I of the unemployment register are male. The same ETC data show that youth unemployment is also dominated by men (6.4%) although the gap between males and females is not so wide (women: 4.1%). However, young unemployed persons are more likely to be recipients of low levels of social assistance, if at all. Most of the long-term unemployed who are older than 45 years old are also men (4.1% as opposed to 2.9% women). Furthermore, women (especially lone mothers) may also be recipients of children’s allowance.

The high risk of poverty among the unemployed in Malta suggests that welfare benefits are not sufficient to alleviate jobless persons from poverty. Although not all those registering for work (such as school leavers who still live with their parents) are entitled to social assistance, ex-employed persons who have paid at least

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1 Part I includes new job seekers, re-entrants into the labour market and those made redundant by their former employer. Part II includes those who were dismissed from work due to disciplinary action, and those who left work voluntarily, refused work or training opportunities or were struck off the register upon inspection by law enforcement personnel.
50 insurance contributions prior to losing their job, are entitled to a fixed daily rate of unemployment benefit [Lm4.13 (€9.62) daily for single parents and married persons maintaining a spouse who does not have a full-time job; Lm2.70 (€6.29) for any other person]. The rates for special unemployment benefit are set at Lm6.92 (€16.12) and Lm4.52 (€10.53) respectively. Entitlement to unemployment benefit does not exceed 156 days after which a person who is still looking for work will start receiving social assistance (Department of Social Security, 2006). However, while social protection may relieve a person from poverty, it does not necessarily succeed in ensuring an escape from poverty. For social assistance to be truly effective, it has to be accompanied by other social services such as adequate health, education and housing and more importantly by measures which encourage and facilitate integration or re-entry into the labour market for those who are able to work (Commission of European Communities, 2007a).

Reducing reliance on welfare and increasing self-sufficiency by encouraging labour market participation and making work a more viable and attractive option than living on “relief” (as social assistance is often referred to by the Maltese) is the prerogative of many governments. While unemployment benefits may provide some degree of income security and enable people more time to search for jobs which suit them best, they can reduce the financial incentive to go back to work, hence leading a person into an unemployment trap. This happens especially when an individual is faced with the prospect of a low-paying job which would only increase her/his income marginally when calculating the taxes that have to be paid, the loss of benefits to which s/he was previously entitled as well as other expenses associated with work such as childcare and transport (Commission of European Communities, 2007a). Studies have shown that for long-term unemployed breadwinners and lone parents, these factors make low paid work financially less appealing, trapping them into unemployment for periods which may persist for a long time. This is especially so in countries with welfare models offering a long benefit entitlement without attaching to it any training requirement for the unemployed (De Lathouwer, 2001).

The Malta National Action Plan on Poverty and Social Inclusion (2004-6) certainly recognised the many challenges related to work and unemployment as evident both in its stated strategic approach as well as in the number of key priorities which are set to address a number of social problems, the first four of which being directly linked to employment, unemployment, making work pay, training and accessibility to the labour market of certain vulnerable groups (pp. 8-10). It is also important for policy-makers to recognise that although employment plays an important role in alleviating poverty, it does not necessarily imply that those who have a job are protected against poverty. There are workers who still cannot cope with living expenses especially if they have a low wage and they have a family to support (Alcock, 2006). The self-employed, who are not protected by the minimum wage, may also be at risk of poverty and their income may even at times drop below the level of social protection according to Alcock. In Malta, the percentage of the working poor is significantly lower than that of the unemployed. At 5.5%, the poverty rate of those who have a job is not extremely worrying considering the much higher risk of poverty of those without a job (45.9%) (NSO, 2007a). This is probably due to a combination of the long-established minimum wage which offers a degree of protection as well as the wide range of social measures and state-funded services offered in Malta. It is interesting to note that similar to the unemployed category, the risk of poverty among the working poor is higher for men (6.6%) than it is for women (2.9%) (NSO, 2007a). Considering that overall females tend to work fewer hours than males, that they are more likely to work on a part-time bases and occupy lower level jobs than men, this may be related either to the fact that more men are found in elementary occupations or to their being more likely to be the sole breadwinners in their household.

Paid employment is the main source of income for many families and individuals. It is also an important means of social inclusion. Although unemployment figures are not significantly high in Malta, close to half of those without paid employment live in poverty and the solution to the problem may not just be the availability of jobs for these people. As policy-makers are undoubtedly aware, the problem is more complex and various issues related to the problem also have to be addressed such as how to make work pay, how to make work more accessible to vulnerable groups such as the disabled, how to eliminate prejudice and discrimination in the labour market, how to integrate older workers in the labour market and how to improve the skills and knowledge of those seeking work, especially the long-term unemployed.
Disability and Poverty

The 2005 census indicates that there are 23,848 persons with long-term disability in Malta amounting to about 6% of the total population. This marks an increase of around 2% since the 1995 census where disabled persons amounted to 16,576 (Cutajar and Deguara, 2004). It should be noted that census data are based on self-assessment and individual perceptions and not on objective criteria although the census defines disability as “any restriction in or lack of ability (resulting from impairment) to perform an action in the manner or within the range considered normal for a human being” (NSO, 2007b, p. xix). It may be argued that such responses are too subjective and that there has been no “real” increase in disability but simply an increase in those who see themselves as disabled. However, as Agulnik et al (2002) argue, subjective assessments of disability may be more useful than more rigid measures in that they reflect the person’s actual experiences and needs.

Disability covers a wide range of physical and mental conditions and social circumstances where individuals may experience problems or encounter restrictions in being independent, in providing for themselves or participating in social activities (Alcock, 2006). Disability can take many forms and may be the result of visual, hearing, physical, intellectual impairments and mental conditions as well as a combination of these. A person may not necessarily be born with an impairment but may become disabled as a result of accidents, physical ailments or old age (Davis, 1995 in Cutajar and Deguara, 2004). As the nature of disability varies, so do the problems and needs arising from these disabilities (Alcock, 2006). According to the same author, this variation has also led to numerous political and academic debates regarding the definition of disability which remain largely unsolved and controversial. Therefore studies on the relationship between disability and poverty may be using different definitions of disability (and perhaps different definitions of poverty) making comparisons between research finding problematic (Alcock, 2006). Getting a clear picture of disabled persons in the EU is not an easy task also because definitions and criteria vary according to policy objectives, legislation and administrative standards. Surveys based on subjective data are influenced by varying cultural perceptions in different Member States. Furthermore, many studies focus on individuals of working age and exclude children and people living in institutions (Commission of the European Communities, 2005).

One may take different perspectives of disability. The medical model regards disability as a personal problem resulting from disease, accident or some other health condition which can be tackled by means of medical intervention. The social welfare model is closely linked to the medical model and sees impairments as a source of disadvantage and social exclusion which can be improved or reduced by means of cash benefits or other forms of welfare. In contrast, the social model does not consider disability as inherent in the person but which arises out of the person’s social context and environment including its physical structures (such as buildings and transport services) as well as its social constructions and beliefs which may give rise to discrimination against disabled persons (European Commission, 2002).

According to the 2005 census, the most common form of disability in Malta is due to physical impairments (7702) while a significant number (3763) of disabled persons have more than one impairment. There are slightly more females (12003) who suffer from some form of disability than males (11845). The census also indicates that the highest concentration of disabled persons is in the Southern Harbour Region although the dispersion is more or less even across the other regions (NSO, 2007b). The majority of persons with disability are not registered with the National Commission Persons with Disability (NCPD). In 2005 there were 9063 on its register, 55% of whom were male. Almost 50% were aged 60 or older while 11% were younger than 20 (NSO, 2006b).

It is estimated that in the EU 44.6 million people or almost 16% of the EU population aged between 16 and 64 suffer from a long-standing health problem or disability (LSHPD) although there are significant variations between countries. It should be noted that these figures do not differentiate between disabilities and long-standing health problems (Commission of the European Communities, 2005). Although these figures cannot be compared to Malta’s relatively low disability rate of 6%, the figure for Malta remains relatively low even when both long-standing health problems and disabilities are taken into consideration. According to Eurostat (2003) only 8.5% of the Maltese working-age population suffered from LSHPD in 2002 compared to 16.4% in the EU 15. The same report also suggests that rates of disability do not differ significantly on the basis of gender as data for Malta also show. However, data also indicate that the risk of being disabled in the EU is
slightly higher for women than for men, possibly due to gender differences in work participation although this has not been confirmed (European Commission, 2001). As might be expected, both local (NSO, 2007b; NSO, 2002) and EU (Eurostat, 2003) data show that rates of disability increase with age. At the turn of the millennium, 63% of people with disabilities were older than 45 while the corresponding percentage for non-disabled persons in the EU was only 34% (European Commission, 2001).

While an impairment does not necessarily lead to social problems such as poverty or social exclusion, there appears to be a dynamic link between poverty and disability (Elwan, 1999). Alcock (2006) cites research which shows that disability is often associated with a decline in or lack of income and employment while those at the lower end of the income distribution are more likely to become disabled than those having higher incomes. The JIM (2003) reveals that in Malta disabled people have a high risk of poverty regardless of their socio-economic background. Although the disability pension helps to relieve some of the financial problems faced by these people, it does not guarantee financial independence. Furthermore, although a disabled person may supplement the disability pension by income from paid work, the total income cannot exceed the minimum wage, thus increasing the risk that the disabled remain trapped in poverty (JIM, 2003: 12). The same report also notes the low rates of employment among persons with disability who also tend to have low educational levels. Disabled persons tend to find it difficult to infiltrate the labour market and to undergo training programmes.

The many difficulties encountered by persons with disabilities and their families in Malta were among the issues addressed in a research project conducted by the NCPD in collaboration with the National Statistics Office (NCPD, 2004). The survey participants were selected from among those registered with the Commission. Although the survey does not focus specifically on poverty or social exclusion, many of the findings point in their direction. Almost 15% of respondents receive no income at all while half of them claim to earn less than Lm200 (€465.87) a month, Lm40 (€93.17) less than the national minimum wage. Where income is concerned, the problem appears to be more prevalent among females than among males with 26% of females earning nothing compared to 5% of males and with a generally lower proportion of females than males the higher the income. At the same time, an ETC (2005b) study related to the work experience of disabled persons found that a significant number of respondents earned between Lm200 (€465.87) and Lm349 (€812.95) monthly. A disability pension is received by 37% of the people surveyed. Less females receive a pension than males although the percentage is much lower among those aged 60 and over (NCPD, 2004). Persons with disability may receive other forms of financial assistance from the government such as invalidity pension, special children’s allowance or pensions for schizophrenia or chronic illness as indicated in the National Disability Survey (NCPD, 2003a). Furthermore, persons with disability have expenses related to their disability as the NCPD (2004) study shows. These may involve specialized services or equipment, home adjustments, physical aids and medicines. They may also need to pay for care and support services (Alcock, 2006). Alcock cites research which suggests that these expenses, combined with the generally low income of these people, point to much higher incidence of poverty among households with disabled persons than the official figures suggest. A local study carried out by Cordina (NCPD, 2003b) cites Household Budgetary Survey and National Disability Survey data which show that the average per capita income of persons living in a household with a disabled person is generally about 5% lower than that of other households. This may be due to the lower incomes of persons with disability which in turn affect the per capita earnings of their household. Buying medicines and other health-related products appears to be a huge financial burden among the poor who suffer from long-term illnesses or disability as shown by Spiteri and McKay in this study.

Data also show that households with a disabled member only earn just over two-fifths of their income from paid work compared to three-fifths in the case of other households. The lower earning capacity of these households from paid work is combined with their greater dependence on social welfare. EU data (European Commission, 2001) reveal that especially since disabled persons are more likely to be unemployed or inactive, they are more likely to be recipients of benefits than non-disabled persons especially among the older age groups. Across the EU, 80% of disability benefit recipients are over 45 years although certain countries have higher proportions of younger recipients. In some countries fewer women tend to receive disability-related benefits than men (European Commission, 2001). In Malta the income obtained from social benefits by households with a disabled person is double that for other households according to Cordina (NCPD, 2003b). As the author claims, this points to a significant level of dependence considering that disabled persons may also be receiving other forms of assistance or services not only from the state but also...
from other organisations and particularly from their family (NCPD, 2003b; 2004). Cordina’s research (NCPD, 2003b) also reveals that the lower earnings of households with a disabled person is reflected in their spending trends. While the distribution of their spending is similar to that of other households, the amounts spent on the different items is lower. At the same time, households with a disabled member tend to have a higher savings ratio. This may be due to their being more concerned about the future especially if the disabled person is a child, thus further limiting their spending capacity which continues to reduce their standard of living.

While persons with disability (the elderly to a lesser extent) tend to find support and assistance from various sources, especially from their family, the NCPD (2004) report calls for policymakers and service providers to help disabled persons achieve greater independence. There is a substantial number of disabled persons (40.4%) especially young ones who are willing to pay for services. However considering the generally low income of the disabled, the Commission’s study recommends the development of support schemes provided at a fee but which will be state-subsidised according to the financial situation of the recipient.

The generally low income level of persons with disability is directly linked with their low levels of participation in the labour market as well as with the type of work they do. This in turn is also related to their generally lower level of education. All these specific issues, albeit closely linked, require the serious attention of policy-makers if the socio-economic situation of the disabled is to be ameliorated. The patterns which emerge when comparing disabled with non-disabled persons both locally and across the EU reveal significant differences in the educational levels of the two groups. Levels are relatively lower for disabled persons across the EU although in some countries such as France, Italy, Spain and the UK the proportion of disabled persons with no educational qualifications beyond primary level is extremely high. Although this may in part be due to the age factor, the lower educational level of the disabled persists even after controlling for age (European Commission, 2001). The link between disability and educational level is also possibly due to having less qualified people occupying jobs with a higher risk of becoming disabled. Another explanation is the probable effect of disability on educational level. People with certain types of disability have less access to educational opportunities (European Commission, 2001).

The NCPD (2004) study reveals that among the survey participants 12.4% have no education compared to 3.6% for the general Maltese population. More persons with disability are likely to have finished primary education only while the proportions decrease as the level of education rises. While only 14.9% of participants were undertaking some form of study at the time of the survey, it is noted that the figures for the 16-19 and 20+ age cohorts contrast sharply. There are very few disabled persons who continue studying beyond the age of 19. It is also observed that while over 70% of respondents claim that disabled persons have the opportunity to continue studying, only 20% are inclined to do so. It would be interesting to know the reasons underlying this reluctance on the part of disabled persons to further their education. After all education may increase the likelihood of finding employment and earning a decent income. A local study carried out by the ETC (2005b) among disabled persons and employers points to the low educational standard and low work experience of the participants as one of the factors inhibiting them from finding employment. Employers taking part in the study also remarked that they could not employ disabled persons who had sought work with their company due to lack of qualifications and work experience.

Indeed statistics both local and for the EU point to a significant gap in the labour market activity of disabled and non-disabled persons. In the EU in 2003 40% of disabled persons were employed compared to 64.2% non-disabled, while the former’s inactivity rate was twice as much (Commission of European Communities, 2005). Research shows that the likelihood of a disabled person being employed is lower for almost all age groups and for all educational levels. Compared to other disabled persons, those who have a disability and are employed are younger, more likely to be male and better educated. However when compared to non-disabled persons who work, the opposite is true: employed disabled persons are older, slightly more likely to be female and with a lower educational level than non-disabled workers (European Commission, 2001). The factors underlying these low figures vary from one country to another but benefit traps and the risk of losing benefits upon employment are two central disincentives. A further explanation may be the unwillingness of employers to hire disabled workers to avoid making expensive adjustments in the workplace (Commission of the European Communities, 2005). Actually a local study (ETC, 2005b) found that employers were willing to introduce support measures such as changing working conditions or providing technical aids or personal assistance to any disabled employees. However they were more reluctant to make structural changes or to
offer disabled persons the opportunity to work from home. EU data also indicate that 43.7% of disabled persons believe they could work if they received proper assistance although only 15.9% of those who need assistance actually receive it (Commission of European Communities, 2005).

As might be expected, the more severe the nature of the disability, the lower the labour market participation of disabled persons in the EU. Only 20% of those with severe disabilities work compared to 68% of those without LSHPD (Eurostat, 2003). Data from various countries suggest that the type of disability has a major impact on employment rates. People with mental illnesses, learning difficulties or psychological impairments are less likely to work than those with physical impairments (European Commission, 2001). This was confirmed by a local study (ETC, 2005b) on the work experience and job search of persons with disability. Persons having intellectual or mental impairments as well as those having multiple disabilities are more likely to be inactive or registering for work. While the inactivity rate for disabled people is double that for the non-disabled, the unemployment rates for the two groups are not much different. This may be due to the “discouraged worker” effect. Since many disabled persons know or perceive their chances of finding employment as slim, they do not even register for work and consequently form part of the inactive category (Eurostat, 2003). As a result, the relatively low unemployment rates among disabled persons do not give a realistic picture of their labour market disadvantage (European Commission, 2001).

In Malta the Labour Force Survey of June 2002 (NSO, 2002) indicated that 4% of the disabled were unemployed while 63.8% were inactive. Local research (ETC, 2005b) suggests that persons with disability tend to experience long periods of unemployment and particular difficulties in finding a job. Most respondents in the study had been registering for work for over a year while others had been unemployed for more than two years. The study participants claimed to face difficulties due to their disability, lack of response from employers, lack of job opportunities or lack of support needed at work. ETC data (NSO, 2007e) show that in September 2007 there were 246 disabled men and 65 disabled women registering for work under Part I of the unemployment register. The NCPD (2004) study indicates a relatively high unemployment rate of 7.7% among the survey respondents compared to 3.1% among the general population. However, it is also significant to note that relatively few of these showed an interest in working.

Among those who are in the labour market, there are no major differences between disabled and non-disabled in the employment status (employee or self-employed), sector or firm size at EU or national level according to the European Commission (2001). However disabled persons are more likely to work part-time partly due to age and gender factors. Furthermore, disabled persons receive a lower hourly wage than non-disabled persons, are over-represented in lower income bands and under-represented in higher income bands. According to the same report (European Commission, 2001) this wage differential is largely due to personal or job-related factors such as age, education or occupation although there still remains an unexplained component which is possibly the result of discrimination against disabled persons. Data from the Labour Force Survey (NSO, 2002) indicate that 32.2% of disabled persons in Malta had a job. This contrasts sharply with the results obtained from the survey carried out by the National Commission Persons with Disability (NCPD, 2004) where only 11.5% indicated they were economically active with similar shares engaged in the private and public sectors. The same study showed that contrary to the general EU trend, most of these work on a full-time basis. In line with EU trends, in Malta persons with disability, especially males, are over-represented in elementary occupations (three times as much) while females are more likely to be engaged in clerical work than non-disabled persons (twice as much). Although most are happy at work, many feel underpaid. They also see little opportunity for promotion or further training on the job. These trends were also revealed in the study carried out by the ETC (2005b) where most claimed to have low-status jobs such as plan and machine operators, elementary occupations or clerical work and that most of them worked full-time.

All these trends clearly reflect the unfavourable labour market situation of persons with disability. Considering their low levels of education and labour market participation as well as their concentration in lower level jobs, it is clear that specific education and labour market policies are needed regardless of the employment status of the disabled. In the EU it is estimated that up to 3.5 million persons with disability can potentially be integrated within the labour market, although this obviously entails overcoming a number of major obstacles. There is enough evidence today that socio-economic integration of disabled persons is not merely a question of social justice and rights but also the most cost-effective way of reducing the poverty of children, young people and adults with disability (ILO, 2002). Although employment may not be the only
answer, it is a major source of income in modern industrial societies and a practical means of combating poverty. It is also an important route to social integration and thus of reducing the risk of social exclusion.

Considering the limitations and obstacles encountered by persons with disabilities in their daily life, it is not surprising that their level of social participation leaves much to be desired. The National Disability Survey (NCPD, 2003a) indicates very low participation rates of disabled persons in sports (males 5%; females 28%), politics (1.2%; 0.4%), social organizations (3.4%; 1.2%), religious organizations (13%; 13.8%), organizations for disabled persons (12%; 12.8%) and other activities (9.6%; 6.2%). The NCPD (2004) study gives a similar picture with 65.6% of respondents claiming to spend most of their time at home. Many disabled persons have difficulty going out on their own although most of them still manage to go out and very few never go out at all. There are quite a few who participate in sports, religious, local council or NGO activities. Others attend day centres or centres for the elderly. Almost 40% claim to go shopping or to do other errands. The situation is not completely bleak and much has already been done on social, political, legal levels as well as where physical and structural adjustments are concerned to facilitate the social participation of the disabled. However, greater physical accessibility and different forms of support and assistance would enable disabled persons to integrate more within the community not only as workers but also as independent members of society. The strong family ties characteristic of Maltese society have ensured that disabled persons receive ample support and assistance from family members. However, this may in a way have had undesired effects in that disabled persons may have come to be perceived as unable to run their life independently. Especially when their carer dies, this dependence implies that these persons may need to be institutionalised away from their community, further increasing their risk of social exclusion (JIM, 2003).

As some commentators (Alcock, 2006) have pointed out, most of the problems faced by the disabled are not due to the disability itself but concern more the failure of society to take into account the practical needs of the disabled. Poverty and dependence associated with disability are very often the result of the failure to respond to these needs. Consequently disabled persons are unable to provide for themselves as other people are expected to do and to achieve their full potential as active citizens who have a great deal to offer society.

The Plight of Immigrants

Around 175 million people (about 3% of the world’s population) live outside their country of birth. Since 1970, migration has more than doubled. In the EU around 20 million people are third country nationals (from outside the EU) with legal residence (Caritas Europa, 2006). Malta only has a small share of non-Maltese and ethnic minorities. According to the 2005 census, only 3% of Malta’s population comprised foreign nationals, the majority hailling from Britain, other EU countries and Australia. Malta also has smaller proportions of Italians, French, Germans, Americans, Canadians and Libyans among others. Most of these live in Malta’s northern and northern harbour regions (NSO, 2007b). Certain minorities characteristically found in other EU countries such as Roma hardly feature in Malta (JIM, 2003). However one has to differentiate between voluntary and forced migration which involves an element of coercion and concerns people such as asylum seekers fleeing their country because of war, political, religious, racial or other bases of persecution or oppression as well as displaced people due to national, environmental, chemical or nuclear disasters, famine or land development projects (Caritas Europa, 2006). Malta has during the past few years seen an unprecedented influx of immigrants who come by boat largely from sub-Saharan African countries with the intention of finding asylum in Europe. It is on these that this section will primarily focus as it appears that these migrants are the most recent addition to the list of social categories most likely to experience poverty in Malta. Indeed reference is made to them, albeit briefly in both the 2004-2006 National Action Plan on Poverty and Social Exclusion as well as in the National Report on Strategies for Social Protection and Social Inclusion 2006-2008. African immigrants may not be the only category of foreign nationals who have been entering the country in an irregular manner. The Government’s (2004) Policy Document on Irregular Immigrants, Refugees and Integration distinguishes three types of irregular immigrants in Malta:

- Those who enter legally but remain beyond their authorised stay;
- Those who arrive without proper documentation;
- Those who enter illegally either voluntarily or involuntarily after having difficulties at sea and are saved by Maltese coastguards. Most of these apply for refugee status.
This increase in migrant flows is partly the result of Malta’s joining the European Union but also because of Malta’s geographical position as well as globalisation trends which have made the flow of people from one country to another much easier. The rate of foreigners from other EU countries is double that of non-EU legally resident citizens. The legal immigration of third country nationals amounted to 1913 in 2004 although it is estimated that in 2005 about the same number entered Malta irregularly. In 2006 there were 1270 registered asylum seekers in Malta (MIPEX, 2007). Although in numerical terms, the flow of asylum seekers has not been dramatic, in relation to Malta’s small population, the percentage of asylum seekers and refugees is one of the highest in Europe (MIPEX, 2007). Malta is tied by the Dublin II Convention which puts responsibility on the receiving states and prevents asylum seekers from going to a third country. This puts a lot of pressure on countries such as Malta which geographically stand on Europe’s doorstep. As part of its obligation to becoming an EU member state Malta enacted a Refugee Act which came into effect in October 2001 and provided for the establishment of the Office of the Refugee Commissioner and the Refugees Appeals Board. In 2007, the Organisation for Integration and Welfare of Asylum Seekers (OIWAS) was inaugurated within the Ministry for the Family and Social Solidarity.

Although poverty and immigration are not always connected, in Europe large numbers of immigrants live in poverty and the groups most at risk are irregular immigrants and asylum seekers. Other high risk groups include sub-Saharan Africans, Turks, Moroccans, migrant women, children of migrants and elderly migrants. These are often victims of social and economic deprivation while they also risk exclusion from employment, housing, health and education (Caritas Europa, 2006). A Report by the Commission of European Communities (2007a) claims that in the EU, significant differences remain between immigrants, ethnic minorities and the rest of the population with regard to employment and unemployment, income, education, early school leaving, health and poverty. Research (European Commission, 2007; Lelkes, 2007) also shows that migrants from outside the EU are more likely to be at risk of poverty than those coming from another EU country. Their employment rates are significantly lower especially where women are concerned and they tend to be concentrated in elementary jobs. In 2005 their unemployment rate was more than twice as high compared to that of EU nationals. This may be partly due to their lower educational level although differences remain even after controlling for education.

According to Caritas Europa (2006) many European countries distinguish between the right to live in the country and the right to work and therefore certain migrants may be legally living in a country but are not allowed to earn a living. Immigrants are over-represented in atypical jobs making them vulnerable to discrimination and exploitation. If they are employed in the informal sector they are more likely to experience insecurity. Especially if they are also illegal immigrants, their bargaining position at work is even worse. As a result they are more likely to earn below-average wages, to be deprived of social rights and benefits and to work longer hours. Data from the UK (Alcock, 2006) also points to a concentration of ethnic minorities in low-paid, low status, public service manual work and shift work in labour-intensive sectors. Due to cultural and family patterns, women from ethnic minority groups have not infiltrated the labour market. Consequently earnings are lower for people belonging to some ethnic minorities resulting in a strong link between low pay and poverty within these groups. Unemployment rates are also higher among ethnic groups in the UK partially due to employer discrimination. According to Alcock (2006), asylum seekers are at a particular risk of poverty with statistical evidence indicating high percentages among them who experienced hunger and could not buy clothes. Child poverty is also high among asylum seeking families and gypsies. Asylum seekers are prohibited from working until their case has been processed, and they do not have full access to social security support.

Immigrants very often have to do the worst jobs - what Stalker (2001) calls 3-D tasks (dirty, dangerous and difficult) and thus find themselves in the periphery of the “dual labour market”. In many industrialised countries, nationals tend to refuse such jobs as they opt for cleaner, white-collar jobs. The rise in the level of education, especially the expansion of higher and tertiary education in these countries, has left certain gaps in the labour market and it is these gaps which immigrants are likely to fill. 3-D jobs are rejected by nationals as they are unpleasant, low-paid and unstable. Construction and agriculture are sectors which employ a good share of immigrants in many countries. Immigrants have also become commonly associated with personal service work where many are employed as nurses, nannies, maids or gardeners. Others work in the catering industry or as cleaners. A good share of these workers consist of undocumented migrants (Stalker, 2001). This was largely confirmed by the Caritas Europa (2006) study. While employers have to turn to migrants when local people refuse certain jobs, Stalker (2001) argues it is the low cost which offers the greatest
incentive to employers. He quotes a study from the Netherlands which suggests that while it is convenient for employers to hire illegal immigrants as casual workers in times of peak production, what attracts them most is that they pay them less. While 3-D immigrant workers are generally paid less than locals, there are also distinctions between immigrants often depending on the country of origin. Some are less favoured than others and these differences are reflected in the unemployment rates.

The disadvantaged position of ethnic minorities in the labour market has not only raised their risk of poverty but also increased their dependence on benefits (Alcock, 2006). At the same time Alcock shows how immigrants may also be in a disadvantaged position where welfare is concerned. Uneven patterns of low paid employment contribute to the ineligibility of ethnic groups to certain benefits such as insurance benefits, especially pensions which are based on contributions paid during employment. Immigrants may also not be eligible to benefits due to not having lived in the country for the stipulated length of time. Furthermore, studies in Britain quoted by Alcock (2006) suggested lower levels of benefit take-up among non-British, the language barrier being a central obstacle.

Migrants may also face difficulties to access housing markets according to the Caritas Europa (2006) report. In many parts of Europe there is an inadequate supply of council or social housing. In the private sector, landlords may be reluctant to rent to immigrants or may take advantage of their desperate situation. Immigrants tend to concentrate in unpopular districts in appalling living conditions. According to Alcock (2006) this concentration is also linked to the risks of poverty and exclusion. In the UK, 70% of citizens from ethnic minorities live in the 88 most deprived districts. Although inequalities in employment, health and education have an impact on the poverty of ethnic groups in general, the geographical element is still important. In the UK, social rented housing and poor quality housing are disproportionately concentrated in these areas and are more likely to be occupied by ethnic minorities. While the concentration of ethnic minorities in a geographical area may result in greater cultural support and cooperation, it can also increase the risks of harassment and intimidation suffered by black people in the UK (Platt, 2002 as cited in Alcock, 2006).

The combination of living conditions, poor nutrition and dangerous, low-paid jobs lead to illness which exacerbates the poverty of these people. Immigrants are not given the same level of healthcare as the rest of the population in all countries. In many countries, asylum seekers and immigrants have limited or no access to healthcare (Caritas Europa, 2006) although this is not the case in Malta as all irregular immigrant asylum seekers are entitled to free medical assistance (source: OIWAS). Poor access to education and training as well as exclusion from participation in the democratic process also contribute to the poverty of migrants, according to the Caritas Europa report. These disadvantages are aggravated by discrimination. Furthermore, migrants do not face these problems only in the first months after they reach the receiving country but continue to do so for many years. Poverty can be inherited making second generation migrants also likely to continue experiencing poverty. Having lower levels of education and few job prospects and living in poor migrant communities very often reinforces disadvantage (Caritas Europa, 2006). In response to this situation many Member States have made the social inclusion of immigrants and ethnic minorities a priority. However the lack of data on these groups makes it difficult to establish variations in the degree of vulnerability and social exclusion between different ethnic groups (Commission of the European Communities 2007a).

In Malta many migrants from African countries are here against their will. They embark on a journey across the Mediterranean hoping to reach Italy and then proceed to other European countries but end up in Malta after facing difficulties at sea or after being intercepted by the Maltese coastguards. The majority come from Sudan, Eritrea, Cote d’Ivoire, Ethiopia, Nigeria and Somalia (LIBE Committee, 2006). Although landing in Malta is not considered a criminal act, irregular immigrants are kept in detention centres for a maximum period of eighteen months until their case is processed in the interest of national security according to the Government’s Policy Document (2004). Detention policy applies to all immigrants who are caught entering Malta irregularly except certain vulnerable groups. The latter include unaccompanied minors, persons with disability, families and pregnant women, elderly and unaccompanied women with children although this list may not be exhaustive. These are accommodated in alternative centres. However, the release process is lengthy and vulnerable groups may be detained with the others for months according to the report by the Committee on Civil Liberties, Justice and Home Affairs of the European Parliament (LIBE Committee, 2006). Furthermore, according to the same report there are no formal procedures by which vulnerable groups
are identified. The Government’s detention policy is controversial and not without its critics. A report by the Jesuit Refugee Service (JRS Malta, 2005) on the reception of asylum seekers in Malta expresses concern regarding the conditions of detention centres in Malta claiming that they fail to respect the dignity of immigrants and do not facilitate access to services which immigrants are entitled to especially legal assistance. Likewise, the report by the Committee on Civil Liberties, Justice and Home Affairs of the European Parliament (LIBE Committee, 2006) gives a very dismal picture of the living conditions of immigrants in detention centres and describes them as “unacceptable for a civilised country and untenable in Europe, which claims to be the home of human rights”.

According to the JRS Malta report (2005) at any given time there is also a notable share of immigrants living in the community. These are invisible and not even mentioned in the Government’s Policy Document (2004). Although their difficulties are different from those of immigrants who are held in detention, JRS believes that “these people are among the most disadvantaged in terms of access to material or financial assistance and professional or other services” (JRS Malta, 2005:6). This is a mixed group and includes those who manage to apply for refugee status before they are detained by the authorities, those released from detention and are still waiting for their case to be decided as well as those who enter Malta legally and apply for refugee status. There is also a category of forced migrants who do not legally qualify as asylum seekers but who claim they need protection from forced return. These are either in detention or in the community. According to the same report, those who live in the community receive no assistance and find it hard to meet their basic needs. Some manage to find accommodation and some support from NGOs. However families are faced with greater difficulty since NGO-run hostels for the homeless usually cater for women and children or for men only. The others have to turn to rented accommodation which is often expensive. Furthermore, apart from having no financial assistance, these people cannot work legally. Consequently they are condemned to a harsh life, struggling to make ends meet. This situation may last for long months until their application for protection is processed.

The majority of African immigrants apply for asylum. Once their application is processed they may be given refugee or temporary humanitarian protection. Around half of the applicants receive a positive response although the majority are granted temporary humanitarian status rather than refugee status (LIBE Committee, 2006; Vella, 2006). While those whose application for asylum is rejected should in theory be repatriated, many of these remain in Malta due to a number of problems and end up living in Open Centres. As the LIBE report (2006) shows, the conditions in the Open Centres are not much better than those of the closed centres. The JRS report (2005) considers the conditions in the Open Centres as leaving much to be desired while Darmanin (2008) describes how about 1000 immigrants live in a “tent village” in Hal Far, each tent taking up to 30 bunk beds. The facilities in these tents leave much to be desired and they are hardly equipped for the winter cold and the extensive summer heat.

National law does not provide for material reception conditions of asylum seekers. However in practice, asylum seekers who are released from detention after a maximum of eighteen months receive a number of benefits which do not amount to much but at least they are better off than those who were never detained who get no assistance whatsoever (JRS Malta, 2005). Until December 2006, immigrants living in the Open Centres used to be provided with a food ration apart from free accommodation. However the food ration has now been replaced with daily allowances according to the immigrants’ status. These allowances are attached to regular registration in the Open Centres. Asylum seekers and those who are granted temporary humanitarian status are entitled to €4.66 (Lm2.00) a day; children receive €2.33 (Lm1.00); rejected asylum seekers get €3.49 (Lm1.50) while those who are returned to Malta by another country (in terms of the Dublin II Convention) are entitled to a daily allowance of €2.91 (Lm1.25) irrespective of their original status. Reception conditions are not indefinite and immigrants are encouraged to find regular employment so that they will eventually be able to live independently in the community (source: OIWAS).

Immigrants that have been granted Refugee Status by the Refugee Commissioner or upon appeal are not given an allowance since they are entitled to full unemployment benefits, housing assistance, rent subsidy, pink cards and other entitlements as any Maltese citizen. However between their release and their first payment, they are issued interim payments of €4.08 (Lm1.75) per day (source: OIWAS). Data on the issue of work permits and the employment and unemployment status of immigrants was difficult to obtain. Reporting the proceedings of a seminar on irregular immigrants and the Maltese labour market and citing statistics issued by the Employment and Training Corporation, Massa (2007) claims that 879 immigrants have been
granted a work permit although less than half of these have a regular job. Those issued with a permit include 82 refugees, 615 immigrants given temporary humanitarian status and 182 asylum seekers. Among asylum seekers, 57 worked as cleaners, 55 as labourers, 20 worked in construction and 18 in catering. Between January 2002 and October 2007, 2253 applications for a work permit by immigrants were rejected although the criteria for these rejections were not divulged. Rejected asylum seekers are not allowed to work and consequently they often resort to informal jobs (Vella, 2007). According to the JRS Malta (2005) report, most immigrants find the lack of access to the labour market as the biggest obstacle to a dignified life. Not being able to work legally, they often end up depending on charity or resorting to illegal work which increases their vulnerability to abuse and to work-related accidents and injuries.

The report adds however that while immigrants may find employment in the informal sector, employers in Malta are increasingly being more cautious in employing persons illegally. Furthermore, jobs are usually short-term and seasonal, often involving long hours, low pay and hard work. It is difficult to make ends meet especially if they have a family. Having a family also makes it difficult for immigrants to work because they would have nobody to look after their children. These problems are especially accentuated among the more vulnerable groups of asylum seekers. In view of this, the JRS recommends that the government should ensure a basic standard of living, some form of accommodation and access to the labour market to all asylum seekers as well as adequate financial assistance to those who cannot work.

The Government’s Policy Document (2004) states that the welfare of immigrants, regardless of their status, is the responsibility of the Ministry for the Family and Social Solidarity. The Ministry’s responsibility is to ensure that all irregular immigrants are provided with food, shelter and other welfare services including education, health, job training and development of personal skills. Especially considering their traumatic experiences, their dangerous journey, their separation from family and community, their difficulties when faced with the language barrier as well as being faced with a completely different culture, the ministry is also responsible for promoting their inclusion into Maltese society. However, the integration of African irregular immigrants into Maltese society is no easy task in a country where the perception of the public towards immigrants is hardly favourable. According to the Migrant Integration Policy Index (Mipex, 2007) Malta is one of only four countries where only a minority sees ethnic diversity as culturally enriching. The Maltese are the least supportive in the EU of migrants’ rights and the most supportive of deportation policies even regarding legally-residing third country nationals especially if they are unemployed.

This had also emerged clearly from a Eurobarometer survey in candidate countries by the European Monitoring Centre on Racism and Xenophobia back in 2003 (EUMC, 2005) when the immigrant issue had begun to leave its mark on the Maltese. The survey found that Malta features significantly among the countries which strongly oppose the granting of civil rights to legal migrants. The Maltese registered the second highest exclusionist stance after Latvia, strongly supporting repatriation policies even of legal migrants. In Malta the situation is similar to that described by Alcock (2006) where asylum seekers are often regarded with hostility. Although they may be fleeing violence and oppression in their country, they are often suspected of having left their country for economic reasons. Although this may be a false perception, it is often shared and projected by the media where immigrants are often portrayed as unwanted or illegal immigrants or as referred to by the Maltese as “klandestini” meaning secretive.

In the past few years, Malta has introduced a number of integration policies aimed at refugees, mainly as part of its process of transposing EC Directives into its legislation. However according to the Migrant Integration Policy Index (Mipex, 2007), Malta’s highest scores are only in the areas of family reunion and long-term residence. Malta’s scores are very low in relation to access to nationality and labour market as well as to anti-discrimination measures. The weakest policy scores were registered in terms of political participation, a characteristic shared by many other European countries. Therefore it is clear that not enough is being done to address the plight of immigrants and since they hardly have any voice, migrants have little chance of improving their situation. Since they have no vote, their problems are very often not a priority for politicians (Caritas Europa, 2006).

Across Europe (and Malta is no exception) there are very few studies on the relationship between immigration and poverty. More research is therefore needed in this regard. A European Commission Report written in 2004 (cited by Caritas Europa, 2006:15) states that: “While member states identify immigrants among those particularly at risk of poverty and social exclusion, many countries still fail to provide in-depth
analysis of the factors leading to this situation. Little attention is given to promoting access to resources, rights, goods and services, in particular to appropriate health care”. Furthermore, although Member States may indicate in their national action plans that the inclusion of ethnic minorities is a priority, the EU may not be doing enough to instigate concrete action from its Member States. A report by the European Centre for Minority Issues (ECMI, 2005) accuses the European Commission of ostracising ethnic minorities from its process of rejuvenating Europe’s economy while acknowledging the impact of social exclusion on Europe’s slow economic growth. The Commission acknowledges the importance of integrating minorities and migrants and that the unemployment gaps between disadvantaged groups and between non-EU and EU nationals is too high. Yet it does not explicitly point to the exclusion of ethnic minorities from the labour market as a deterrent to economic growth. The report points to the weak approach of Member States towards the social inclusion of ethnic minorities both whether it is rights-based or growth-motivated. Ethnic minorities are often regarded as second class citizens and an economic burden rather than as an asset.

From Poverty to Social Exclusion?

Social exclusion is closely related to poverty but goes beyond income poverty and includes the various dimensions of both economic and social deprivation. While the notion of poverty is linked to distributional issues and to “the lack of resources at the disposal of individuals or households”, the notion of social exclusion involves relational issues and implies limited social participation, lack of integration and lack of power (Room, 1995:5). However the distinction is not always clear as there is an overlap with certain understandings of poverty especially relative definitions of poverty such as those of Townsend (1979) cited earlier. There are those who prefer the concept of exclusion to that of poverty since it tends to be perceived as more multi-dimensional than poverty and draws attention to the various dynamic processes which are experienced by those in disadvantaged situations although both concepts may be viewed in a multi-dimensional way (Whelan and Whelan, 1995:29). Room (1999, in Barnes, 2002) believed that many elements of the discourse on social exclusion also formed part of the analysis of poverty. It is the way these elements are combined which adds value to the concept of exclusion. He identified five factors which are characteristic of social exclusion:

- It is multidimensional.
- It is dynamic - It involves understanding a process and establishing the factors influencing entry and exit.
- It has a neighbourhood dimension - It is more than lack of personal resources and includes inadequate or insufficient community facilities.
- It is relational and focuses more on lack of social participation, integration and power than on distributional issues.
- It involves being cut off from the rest of society.

The idea of exclusion developed within the context of French social policy which was never mainly concerned with ‘poverty’ but rather with the concept of solidarity. While after World War II, the French social protection system sought to include as many social categories as possible, there were still those who were left out and hence the term *les exclus* - those who lacked the protection enjoyed by others. (Spicker, 2007). Society is seen in terms of a status hierarchy where people are united in terms of rights and obligations. Exclusion implies not being part of this moral order by virtue of a number of factors including low income (Walker, 1995:103). The modern usage of the concept refers to those who are excluded by the state, those who fell outside the net of social protection. In the 1970s it particularly referred to social categories such as the disabled, lone parents and uninsured unemployed especially young adults (Burchardt et al, 2002). This term was later extended to include people who were deviant. In France this was associated with ‘marginality’. These people were perceived in a negative light for not sharing the values of society and thus undermining social solidarity (Spicker, 2007). In Britain and the US this was also linked to the notion of the underclass. According to Burchardt et al (2002) in the US, terms such as ‘ghettoisation’, ‘marginalisation’ and ‘the underclass’ are more likely to be used rather than social exclusion. The term ‘underclass’ tends to portray the socially excluded as a number of generations outside the mainstream who are mostly to blame for their predicament due to their attitudes towards work and their irresponsible behaviour and who tend to depend on welfare. The underclass tends to be characterised by ethnic minorities, single parents and unemployed youth. More recently, with the increasing intensity of social problems, the term has taken a broader meaning to include those who are isolated in society (Burchardt et al, 2002).
Measuring exclusion is not an easy task particularly in the absence of an agreed definition of the term. There are those who see exclusion in terms of a combination of social problems such as unemployment, lack of skills, low income, poor housing, poor health, family breakdown and criminal environments. Others associate exclusion with the inability to participate effectively in the various spheres of social and political society; a process of being shut out from any form of participation or integration in society (Levitas, 2000: 364-5). Another approach to exclusion has focused more on discrimination and lack of civil, social and political rights of certain groups in society. Others take a narrower perspective and see exclusion in terms of lack of participation in the labour market. A broader view gives importance to factors beyond low income to include polarization, differentiation and inequality (Burchardt et al, 2002). Another meaning is to refer to those who are socially rejected such as the unemployed, young offenders and people with AIDS. Although these are still outside the mainstream, they are not left out or standing outside but have been pushed out (Spicker, 2007).

There is also the issue of voluntary exclusion. There are those who regardless of their economic situation choose to isolate themselves from the wider society by refusing for example to participate in social or political activities or by refusing to work. However one has to distinguish between choosing voluntarily to live in exclusion and having to exclude oneself due to factors beyond one’s control (Lister, 2004; Barry, 2002; Burchardt et al, 2000). A person may decide to withdraw from a number of social spheres due to hostility or discrimination. As Burchardt et al (2000:389) and Barry (2002:14) argue this would be a constrained rather than a free choice. A person’s voluntary decision therefore has to be perceived within the context of the choices available to the individual. A person’s present choices may be influenced by previous choices, for example early school leaving or not going to university. Choices may also be constrained by cultural barriers. For example nobody in a person’s family or community would have continued to study beyond compulsory schooling. Barry (2002:14) argues that what appears to be voluntary social exclusion should always be regarded with scepticism although there might certainly be cases of genuinely voluntary exclusion. These should be distinguished from involuntary exclusion since they give rise to different concerns. Furthermore, although being denied what someone does not want bears no moral significance, one should recognise the implications that one may still be denied opportunity regardless of whether one desires it or not. Therefore for Barry (2002) the socially excluded are those who are denied the opportunity of participating whether they want to participate or not.

Although there may not be a universally accepted definition of social exclusion, Room (1995) believes that this should not deter policy-makers from addressing issues such as education, employment, working environment, health, housing and social participation on which there is agreement. Furthermore, although the various dimensions of exclusion are related, they remain distinct and are thus better analysed and addressed separately rather than lumping together “the socially excluded” (Hills, 2002). Indeed data show that there is no evidence that a particular excluded group is cut off from the wider society over an extended period of time. Rarely do individuals score negatively on every dimension of social exclusion (Burchardt et al, 2002; Lister, 2004). Evidence seems to point at a continuum of exclusion and non-exclusion or from less to more excluded and these vary with different dimensions of exclusion. Research suggests that exclusion and inclusion may coexist in different spheres and sub-spheres (Lister, 2004:87; Burchardt et al, 2002). However Burchardt et al also claim that long term exclusion on one dimension tends to lead to higher risks of other forms of exclusion.

There are degrees of exclusion with extreme exclusion implying little or no social participation although people can form part of certain groups and not of others (Spicker, 2007). Social exclusion affects individuals, groups and geographical areas and is reflected not only in earnings but also in access to health, education, housing and other services as well as other factors such as debt. Exclusion can therefore give rise to other social problems such as an increase in homelessness, urban crises, ethnic tension, an increase in long-term unemployment and persistent high levels of poverty (Spicker, 2007). It is also linked to the life-course or to particular life circumstances. Barnes et al (2002) examine stages or states which are more likely to give rise to poverty and social exclusion. They consider two particular stages in the life-course - young adulthood and retirement - which represent universal stages in the life-course and two life situations - lone parenthood and disability. Their findings indicate that young adults who leave the protection of their parents, enter the world of work for the first time or further their education may experience disadvantage leading to exclusion. Retiring from the labour market can likewise make a person more vulnerable to disadvantage and exclusion. Lone parents and sick and disabled persons represent life situations which are not experienced by everyone.
and which may not be experienced permanently. Such groups tend to go through experiences such as separation from the partner, lack of access to the labour market, welfare dependency, difficulties with mobility and insufficient support which often lead to a deterioration in living standards, changes in lifestyle and an inability to integrate in society.

The relationship between poverty and social exclusion may be viewed from different perspectives. On an empirical level, the link may be viewed as being of a causal or of a consequential nature (Lister, 2004:81). Lister cites research which sees poverty and exclusion in terms of a consequential trajectory in the sense that one moves from income poverty to social exclusion. The poor are seen to have compounded their predicament and fared from bad to worse. Walker (1995:124) refers to this trajectory where people slip from poverty to exclusion as a shift which can be compared to moving from a state of “keeping their heads above water” through “sinking” through “drowning”. This situation may be brought about by loss of employment and compounded by structural factors. Poverty may give rise to social exclusion as a result of being excluded from work, from participating in social and cultural activities, losing social contacts, living in stigmatised neighbourhoods and not being reached by welfare institutions (Lister, 2004:81-82). Exclusion may also be viewed as a cause rather than as an effect of poverty. Lister cites Sen (2000) as subscribing to such a view, pointing to the various ways in which exclusion can lead to poverty and deprivation. Other research (in Lister, 2004) has placed poverty within social exclusion, seeing poverty as one of the many aspects of exclusion.

The effect of poverty on social relations is mixed and not very significant (Heady and Room, 2002:148). European data suggest a varying degree of overlap between material poverty and social exclusion. Some research found a clear link between low income and some dimensions of social exclusion although generally speaking research does not point to a particularly strong link. The link is stronger in some countries than in others and in cases of extreme and severe poverty (Lister, 2004:85). A number of studies edited by Barnes et al (2002) found that poor young people are slightly less likely to be socially involved. Lone parents and parents who live with their partner portray quite similar patterns of social participation and there is no evidence that poverty accounts for any differences. Sick and disabled people tend to participate less in social activities but it is not clear whether this is due to their state of health or to their financial situation. For example the poor elderly in Spiteri and McKay’s study in this volume at times felt restricted from participating in certain social activities not only due to lack of means but due to their poor health. Retired poor people are less likely to join clubs and meet friends and relatives in some countries although they tend to have regular contact with neighbours. Poverty appears to have little effect on social isolation possibly because social contact does not cost much and largely takes place between people of similar income (Heady and Room, 2002:148). However it is important to distinguish between different forms of social isolation. While the poor may have strong personal networks, they tend to be disconnected from the wider society. It is this form of isolation which is more typical of the poor and the unemployed. Research suggests that people may feel part of their community and that is why they may not feel a sense of exclusion. In fact there are those who question whether a person has to feel excluded in order to be excluded. However in reality their only contact with mainstream society would be through authority figures such as social workers. (Lister, 2004:86).

Therefore although certain types of poverty may increase the risk of exclusion, poverty is not an essential feature of social exclusion. While certain elements of poverty such as low income, limited choices and coping strategies are more likely to lead to social exclusion, there are many people who may experience short spells of poverty without much risk of exclusion. It is longer and repeated spells of poverty which increase the risk of exclusion as the poor lose their sense of dignity and self-determination and their coping strategies are pushed to the limit. The risk of social exclusion is enhanced when poverty is highly concentrated and there is a huge gap between the experiences of the poor and the non-poor (Walker, 1995: 127-8). While many view social exclusion as a wider concept than poverty, the apparent overlap between the two implies that there are those who experience both poverty and exclusion where there are others who may be poor but social integrated or socially excluded without being poor (Lister, 2004:82-3). Indeed, as Barry says (2002:16), while low income may act as a barrier to social inclusion, so may high income in certain situations lead to social isolation.

Different meanings of the term ‘social exclusion’ and different perspectives concerning its relationship to poverty not only point to the different dimensions of social exclusion but also to different models of causality.
and consequently imply different policy agendas (Levitas, 2000:358). Burchardt et al (2002:3) refer to three broad traditions in the literature in which the blame is placed on (i) the behaviour and moral values of the excluded; (ii) the system and its institutions from the welfare state to late capitalism and globalisation and (iii) discrimination and lack of enforced rights. Similarly Levitas refers to her earlier work (1998) in which she outlined three different approaches taken by researchers and policy-makers in the debate:

- **Redistributive Discourse (RED)** sees exclusion as arising from poverty and regards reducing poverty through an increase in welfare benefits as essential for solving problems of exclusion. In this approach exclusion is seen to be more complex and a wider notion than poverty although poverty remains its central element.

- **Social Integration Discourse (SID)** considers labour market participation as the central feature for working-age individuals to be socially integrated. Unlike the first model, this approach does not see welfare as the solution to exclusion but employment which facilitates inclusion not only in itself but also by not being poorly paid or by not preventing other forms of participation due to long and unsociable hours. Thus this model encourages inclusion through employment and diminishes the value of unpaid non-market work.

- **Moral Underclass Discourse (MUD)** focuses on moral and cultural causes of poverty and is particularly concerned with the dependence of jobless households on welfare. It also points to the impact of exclusion on social order and seeks redress in tough measures which will restore or enhance social morality and strengthen social order. This approach tends to put greater responsibility on the excluded rather than on the redistributive nature of the welfare state (Levitas, 2000:359-360).

The EU has in recent years, especially since the Lisbon summit in 2000, shown greater commitment to fight social exclusion, to identify the risks of social exclusion and to develop policies which promote inclusion and integration in society (Heady and Room, 2002). Thus social integration has become one of the strategic goals of EU Member States (Burchardt et al, 2002). According to Spicker (2007), the idea of exclusion partly gained importance in the EU as an alternative to discussing poverty issues and partly as an attempt by some governments to avoid using the term ‘poverty’ as it is politically safer. Nowadays social exclusion has become a buzz word especially in the EU. (Barnes, 2002). Barnes considers Graham Room as one of the influential figures who contributed significantly to the conceptualisation and measurement of the term at a European level. In 1994 he recommended to Eurostat that it should shift its focus from perceiving poverty in financial terms to adopting a broader conception embracing a number of dimensions. The shift from a focus on income/financial disadvantage to multidimensional disadvantage highlights both the importance of perceiving disadvantage as more than income poverty as well as to identify the various elements involved and the relationship between them for analytical and political purposes (Room, 1995:235). Although the focus on exclusion may not be an entirely new approach, considering its closeness to the notions of relative poverty and multiple deprivation, there is one factor which Burchardt et al (2000:6) consider as “a genuine extension of its predecessors in social policy” - that of perceiving lack of integration as being caused by factors other than low income. While lack of material resources is still important in causing social exclusion, it has been recognized that there are other possible causes.

“Exclusion” implies a different approach to policy in that it has created more awareness that people needed to be included, not just given welfare benefits although many issues involved in the conceptualisation of exclusion were also addressed in debates about poverty (Spicker, 2007). The *revenu minimum d'insertion* introduced in France in the 1980s differed in content and scope from the welfare programmes in other countries in that it not only offered a basic income but also made provisions for social inclusion. It included two types of “contract of insertion”, one with the claimant and the other with social agencies and local industries to offer facilities, services, social support schemes and opportunities for social inclusion (Spicker, 2007). In a similar vein, the European Commission (1993 in Spicker, 2007) has taken three approaches to combat exclusion, approaches which were previously applied by the commission in its fight against poverty in its broad sense and these have been:

- to address the various dimensions of exclusion by finding multiple solutions and combining a number of efforts;
- to address the problems by creating a network between different social actors and agencies including NGOs;
• to involve the people themselves in the decision-making process since this in itself is a major aim of social integration.

Both EU institutions and Member States have recognized the importance of understanding social exclusion in order to develop effective policy (Heady and Room, 2002). EU Member States are in fact required to submit two-year action plans on combating poverty and social exclusion. In this sense, focusing on exclusion may not make a significant difference in policy-making in that such policy measures are in many cases already being taken in response to poverty if poverty is addressed in its wider sense (Hills, 2002:227), as reflected in many of the National Action Plans of EU Member States. As one of the new Member States Malta has drawn up a National Action Plan Against Poverty and Social Exclusion 2004-2006 and a National Report on Strategies for Social Protection and Social Inclusion 2006-2008. These were preceded by the Joint Memorandum on Social Inclusion in Malta (JIM, 2003) compiled by the Government of Malta and the European Commission Directorate-General for Employment and Social Affairs.

“Social exclusion” is a contested term and only recently is it being used more frequently (Hills, 2002:226). There are those who are not so comfortable with the use of the term. For example Levitas (2000:358) feels that although the dichotomy between the included and the excluded should not be dismissed, it is problematic partly because it tends to obscure divisions between the included and gives more importance to the division between the included and the excluded. There is also the risk that due to the multiple dimensions of exclusion, policy-makers may be tempted to focus on those which are more “politically safe” (Burchardt et al, 2000). There are those who are critical of the term, arguing that real poverty may be hidden under the wider term of social exclusion (Lister, 2004:87-8). Although social exclusion may make policymakers and researchers more sensitive to this aspect of poverty, it may at the same time reduce “the ‘spark’ that ‘poverty’ ignites because of its everyday usage and evaluative content” (Nolan and Whelan, 1996 cited in Lister, 2004:88). At the same time the concept of exclusion did manage to bring to the forefront certain social problems such as isolation and discrimination which may have been neglected in the past (Burchardt et al, 2000). Proponents of the concept argue that the various insights inherent in the concept of exclusion may not be new but they have served to widen the understanding of poverty and to encourage a wider policy focus which gives importance both to prevention and solutions (Lister, 2004:93). The use of the term may also be useful as the exclusion-inclusion dichotomy points to processes and instigates efforts to establish what is responsible for exclusion and who is doing the excluding. An understanding of such processes will surely lead to more effective policies which promote and facilitate inclusion (Hills, 2002:227).

The Value of Social Transfers

Social security benefits have been the major form of protection against poverty in many welfare states. They are mainly provided by the state and may be either horizontal (contributory) or vertical (non-contributory) (Alcock, 2006). However the state was never alone in this. Redistribution of resources to prevent poverty also takes place through voluntary organizations as well as informally by family members. However the state remains the major redistributor of income allocating huge sums of money to social security. In 2003, the EU25 spent 28% of its GDP on social protection, with the highest expenditure recorded in Sweden (33.5%) and the lowest (13.4%) in Estonia and Latvia. In most countries, old age and survivors’ benefits account for most of the expenditure accounting for 62% of total expenditure (Malta: 52.3%). The expenditure on sickness and health also increased steadily between 1999 and 2003 in the EU 15 (Eurostat, 2006). In terms of per capita PPS (purchasing power standards), the differences between countries become more pronounced. Within the EU 25, Luxembourg had the highest expenditure (10905 PPS per capita) followed by Sweden and Denmark. The Baltic States have a very low level of expenditure (1411 PPS or less). Outside the EU, expenditure is highest in Norway. Malta’s expenditure (2879 PPS) is relatively low compared to the EU25 average (6012). However the differences between countries are partly a reflection of the variation in the wealth of different countries and also relate to differences in welfare systems, demographic trends, unemployment rates and other social, institutional and economic factors (Eurostat, 2006). In the first quarter of 2007, social security expenditure in Malta amounted to Lm62.7 million (€146.05 million) and registered an increase of 5.8%. Compared to the same quarter in 2006, the government spent Lm3.5 million (€8.15 million) more mainly in respect to contributory benefits (NSO, 2007f). Malta’s National Action Plan (2004-6) attributes the fact that poverty has not up to now been a major issue in Malta to the wide net of social protection and the continuous increase in social expenditure. The extensive social welfare system in Malta significantly reduces the proportion of those close to the poverty line according to the NAP.
Although combating poverty is not the only aim of social security expenditure, social security is the most effective means of preventing or combating poverty. By providing cash benefits to compensate for or to supplement income, it aims to prevent or reduce poverty by ensuring that welfare recipients receive an adequate income (Alcock, 2006:219). Gordon and Townsend (2000:12) quote data which show that in a number of European countries, social benefits raise the household income significantly although this varies and depends on benefit levels. OECD data (UNICEF, 2005:23) have shown that the greater the proportion of GDP which a country allocates to benefits aimed at increasing family security such as family allowances, disability and sickness benefits, day care provision, unemployment insurance, employment promotion and other forms of social assistance, the lower the risk of having children growing up in poor households. Tsakloglou and Papadopoulos (2002:46-9) also found benefits to have a substantial impact on alleviating poverty. Basing their conclusions on European Community Household Panel data, they found that pensions are the most important welfare component in all the countries they reviewed. In all countries except UK, the contribution of pensions in quantitative terms was more significant in combating poverty than all the other social transfers combined. In all countries social transfers contributed significantly to a reduction in poverty although differences between countries were also noted. For example social transfers were more effective in northern than in southern EU countries. In all countries, social transfers were more effective in reducing poverty in households with sick or retired persons than for the rest of the population while for households with young adults or lone parents, a lower decrease was registered compared to other households. As expected, households with retired persons experienced the most significant reduction in poverty. According to the same authors, while the impact of pensions is felt most significantly in households with retired people, non-pension benefits proportionately reduce poverty in households with sick or disabled people, young adults and lone parents than in other households.

The European Commission estimates that in the absence of social transfers, the risk of poverty in the EU would have been considerably higher (41% instead of 16%) in 2004 while if pensions are taken as income instead of social transfers, the rate would have been 26%). The impact of social transfers excluding pensions is greatest in Scandinavian countries and the least significant in southern countries (European Communities, 2007a). This was confirmed by a study of the European Foundation for the Improvement of Living and Working Conditions (2007) although the impact of benefits is strikingly different in the EU25 Member States. For example in the Czech Republic there would be an increase from 8% to 39% without social transfers and to 21% without counting pensions. In France the risk would rise from 12% to 44% and to 26% without pensions and in Poland the risk would increase from 17% to 49% and to 31% when excluding pensions. Contrastingly in Cyprus, the risk would only increase from 15% to 26% or to 18% without pensions.

Gordon and Townsend (2000:10) are convinced that the welfare state has been highly instrumental in maintaining the standard of living of people in Europe. Especially comprehensive welfare states have been crucial in alleviating the suffering and improving the health of millions in various countries. They are not only effective in reducing poverty but also in protecting the welfare of all Europeans not only through cash benefits but also by providing various universal services (Gordon and Townsend, 2000:12). Furthermore, the authors believe that many economic studies tend to overlook the important role of services in improving household living standards. Services provided by the welfare state such as education, housing and health often have a higher impact on the standard of living of the lowest income households than do wages, cash benefits and pensions combined (p. 13).

However whether the income provided by the welfare state is sufficient to help people escape from poverty is a controversial issue. There are complex issues related to the implementation of benefits such as fraudulent claims or underpayment (Alcock, 2006:219). According to Alcock the latter may be due to errors in calculation but there are also those who fail to claim or to take up their benefits. While universal and insurance benefits tend to be taken by most, there are problems of take-up with means-tested benefits. This happens either because potential claimants would not know they are entitled to benefits, because of the complexity of entitlement or the stigma associated with welfare dependency. Failure to claim benefits further increases the risks of poverty especially more so because means-tested benefits are aimed specifically at low-income households. There are also the problems of unemployment or poverty traps where finding a job or a wage increase may result in loss of benefits. Problems of error, lack of take-up together with poverty and unemployment traps limit the effectiveness of welfare in reducing poverty. This has led commentators and policy-makers to argue that in order for policy to be effective in combating poverty, other measures have to
be taken which involve more than just cash benefits. This line of policy has been strengthened by the shift in focus from material poverty to multidimensional poverty and social exclusion (Alcock, 2006:220-3).

At the same time one has to recognise the importance of modernising or restructuring social protection systems to be able to deal effectively with the rapid social changes and the ensuing social problems of the past decades. It has been found that while social transfers are effective in reducing poverty among “traditional” targets such as the elderly, the sick and the disabled, they are less effective in dealing with the problems faced by groups whose vulnerability is a feature of our times such as young people and lone parents (Heady and Room, 2002:151). Welfare programmes may also be blind to changes taking place in the fields of gender and the family. This is of particular concern in a small insular island state such as Malta where traditional gender roles are still relatively strong. Camilleri-Cassar (2005:49) is critical of Malta’s welfare regime in that despite its generosity, it has not been sensitive to gender differences and to the greater vulnerability and dependence of certain categories of women. Built on a “male breadwinner” model, it fails to recognise women’s capability of economic independence and may increase women’s reliance on benefits in the incidence of marital breakdown, widowhood and in old age. Women’s poverty, which is very often hidden within the family where income may not be evenly shared, is not adequately addressed by Malta’s social security system (Camilleri-Cassar, 2005:52).

Welfare benefits and state services are clearly among the factors which influence entry or exit from situations of poverty and exclusion (Room, 1995:237). Hills (2002:231) distinguishes between policies which aim to reduce the risks of disadvantage and those which aim to improve their effects. There are those who refer to this distinction in terms of prevention and response or cure. Hills believes that in certain situations prevention may be more effective than cure. However unless it is possible to identify the high-risk groups, prevention can be more expensive than dealing with problems as they emerge. There is also a useful distinction between policies aimed at those entering an undesirable state and those exiting from it. In this regard he outlines four types of policy responses to poverty and social exclusion, the first two involving policies aimed at reducing the risks of disadvantage, what Hills calls “active” measures while the other two are more concerned with reducing the impact of poverty or improving its consequences, also called “passive” redistribution:

- **Prevention** or reduction of poverty risks e.g. through education and training to increase job security;
- **Promotion** of escape from poverty such as through “welfare to work” policies to instigate the unemployed to find work;
- **Protection** from the impact of poverty such as through the payment of unemployment benefits;
- **Propulsion** away from undesirable circumstances by emphasizing the benefits of exit for instance through in-work benefits for those who leave unemployment.

Poverty being such a complex and multi-dimensional problem, there is no one way of dealing with it. Although social transfers are not without their limitations they appear to be quite effective at least in cushioning the harsh effects of material poverty if not of eradicating it. Welfare benefits may also prevent people who are not poor from falling into poverty especially when they take the form of social insurance schemes. Although the concept of poverty goes beyond material deprivation, lack of money still remains a central concern for many of those who live in poverty. Even though social transfers do not necessarily enable the poor to escape from poverty, they certainly can make life for the poor less difficult.

**Conclusions and Recommendations**

The EU has on more than one occasion reiterated that the fight against poverty and social exclusion is one of its central objectives and that of its Member States. The Amsterdam Treaty (Articles 136 and 137 in particular) made the combating of social exclusion a clear objective of the Community. Its adoption in 1997 introduced the fight against social exclusion among the priorities for social policy and provided a new legal framework and basis for new policy commitment in this area (Commission of the European Communities, 2007c). In March 2000, the European Council which met in Lisbon acknowledged the unacceptable level of poverty and social exclusion in the EU. It recognised the challenges Europe was facing as a result of globalisation, an ageing population and the expansion of an information-based society. It was agreed that a number of economic and social reforms had to take place which over a ten-year period would combine job growth, greater economic competitiveness and social cohesion. Thus what has come to be known as the
Lisbon Strategy was launched. In Lisbon the European Council invited Member States and the Commission to take the necessary action to make “a decisive impact on the eradication of poverty by 2010” (Commission of the European Communities, 2007c). The Nice Summit of December 2000 asked Member States to submit their first National Action Plans covering a two-year period by June of 2001 (Heady and Room, 2002) and every two-years since then. Malta is at present working on its third report on Strategies for Social Protection and Social Inclusion, as the action plans are now referred to.

The Lisbon European Council of March 2000 also established the Open Method of Coordination (OMC) as a means to achieve the goals set in the Lisbon Strategy. The OMC aims to achieve greater convergence among Member States in the fields of economic, employment and social policy and to strengthen the capacity of the EU to support Member States in their endeavour to achieve greater social cohesion; to spread greater awareness and knowledge about the complex nature of poverty and social exclusion; to increase the participation of stakeholders both at national and EU levels as well as to promote a common approach to social protection reforms. According to the Council of the European Union (2007), the OMC has so far managed to obtain positive results, making the people of Europe more aware of the EU’s commitment to social values. The OMC is managed by the Social Protection Committee within the Council of the EU which monitors the development of social protection policies in the Member States and which facilitates the exchange of information, good practice and experiences across the countries of the EU.

However less than half way through the Lisbon Agenda, it was already clear that the goals set for 2010 were unlikely to be reached. In 2004 a High Level Group chaired by Wim Kok (European Commission, 2004) presented its report to the EU Commission pointing to a lack of determined political action, lack of coherence and coordination as well as too many aims without any clear priorities as mainly contributing to the unsatisfactory results at the time. The Report also stressed the importance of strengthening the European social model. Despite the seeming good will on the part of the EU and its Member States; despite the numerous plans and reports which are written; the positive action which is implemented and the monitoring and evaluation processes which are undertaken, the results are still far off the desired outcome. Although certain achievements have been registered, over 75 million people in the EU are still living in poverty. In all Member States significant parts of the population are still experiencing deprivation and still have limited access to basic services or feel marginalized in their societies. Moreover, there is evidence that the number of people suffering from absolute poverty is increasing mainly due to greater wealth inequalities across the EU (Commission of the European Communities, 2007c). Furthermore, despite the efforts of Member States to reduce child poverty, it still remains a significant challenge (Commission of the European Communities, 2006).

In 2005 the European Commission launched its Social Agenda for 2005-2010 for modernising Europe’s labour markets and social protection systems while protecting the most vulnerable in society by ensuring that the benefits of economic growth and job creation benefits everyone. In it the Commission announced its proposal to designate 2010 as the European Year for combating poverty and social exclusion in order to complement the work being done through the OMC. Through its proposal the Commission (Commission of the European Communities, 2007c) wants to consolidate the EU’s political commitment to solidarity, social justice and social cohesion as established in the Lisbon Strategy. It also aims to enhance public awareness of poverty and social exclusion in Europe and to challenge the view that the fight against poverty is a social cost. It wants to reaffirm the importance of collective responsibility in fighting poverty and marginalisation by promoting the participation of public and private actors as well as by giving a voice to those who are experiencing poverty and social exclusion. The Commission proposes that the European Year will focus on four specific objectives which are: recognition (of the rights of the poor); ownership (of responsibility); cohesion (by raising public awareness of the benefits of a just and integrated society) and commitment (of the EU to the fight against poverty). It is also planned that the activities underpinning the OMC during the European Year will focus on the following themes:

- child poverty and the intergenerational transmission of poverty;
- an inclusive labour market;
- lack of access to education and training;
- gender dimension of poverty;
- access to basic services;
overcoming discrimination and promoting the integration of immigrants and the social and labour market inclusion of ethnic minorities;
addressing the needs of disabled people and other vulnerable groups.
(Commission of the European Communities, 2007c:3).

One of the central problems facing policy-makers and other stakeholders in the fight against poverty both at EU and national levels is that, considering the complexity of the problem and the many issues linked to it, “there is no obvious ‘answer’ to poverty” (Spicker, 2007:143). Since poverty can take different forms and has various dimensions, there is no simple formula which can be used to address it. Spicker therefore feels that any policy dealing with poverty cannot be expected to solve every aspect of the problem although the more comprehensive and wide-ranging it is, the more likely it is to be effective. Due to the multidimensionality of poverty, policies have to be multidimensional too. Every anti-poverty strategy has to take into consideration material need, economic circumstances and social relationships. Anti-poverty policies also have to take into consideration the wider patterns of social inequality and social exclusion. Material poverty is only one aspect of the broader structures and processes within which certain social categories experience disadvantage and social exclusion. Therefore any policy which aims to reduce or eliminate poverty must also seek to fight these structures and processes (Alcock, 2006). Furthermore, although for policy purposes it may be necessary to distinguish the separate dimensions of poverty and social exclusion, simply identifying the different dimensions is not enough. It is just as important for policy-makers to focus on the relationship which exists between the various dimensions which together can form a spiral or a chain of social disadvantage requiring a corresponding network of related responses (Room, 1995:240).

Although both academic and political discourse on poverty often assumes that action should be taken to combat the problem, very often disagreements over both the definition and the measurement of poverty lead to divergent views regarding which policies work best (Alcock, 2006). There are various ways in which government and society have responded to poverty such as poverty relief, social protection, strategic intervention, prevention as well as indirect responses (Spicker, 2007). Earlier in this paper, I referred to a classification by Levitas (1998 in Levitas, 2000) of different policy responses based on different discourses of poverty which she identifies by the acronyms RED, MUD and SID. Spicker (2007) feels that some things work while others do not. Among the policies which do not work according to him are those which aim to give the poor a better chance of competing with others. While incentives such as training and education may increase people’s potential and revitalize the economy, in any system that is based on competition, there will always be those who are left out. Another approach which does not work is for policy to focus on some groups while leaving others out. For example a system which caters for the disabled but not for the sick inevitably results in people with long-term illnesses presenting themselves as disabled. In contrast, Spicker feels that three approaches have proved to be more successful than others:

- **Economic Development.** Although it has its casualties and is problematic in a number of ways, it does reduce poverty. It raises the standard of living of many people and promotes inclusion. There may still be those who lose their job as a result of a changing economy or those who find it difficult to compete. It may also lead to a fall in the standard of living of the poor.

- **Social Protection** is also generally successful in dealing with poverty especially when systems are generous. They prevent people from falling into poverty; they help specific vulnerable groups and protect people’s economic position. However they also maintain high levels of inequality.

- **Good Governance** is a political approach which is less direct and more controversial. It involves primarily democratic governance although the rule of law, the establishment of individual rights and the development of economic and social rights are just as important.

Spicker (2007) sees two major problems with anti-poverty policies. The first one is that they may work for one kind of poverty but not for others. For example a policy may protect rights but increase dependency or promote employment and economic growth and at the same time reinforce the disadvantage of those who cannot participate in the labour market. The second is that the aims of policy may be implicit, concealed or guided by other principles. They often take into consideration other issues such as the effect on the economy, on education, culture, family life, religion or personal relationships. A similar concern was also expressed by Lister (2004) when she claimed that policy responses to poverty usually reflect wider political issues and are
often shaped by definitions, conceptualisations and measurements of poverty as well as by the explanations offered for their emergence, existence or persistence. A further problem with addressing poverty and any other social problem is the bureaucratic processes and administrative procedures involved, making it more difficult to respond holistically and effectively to the problems. Policy tends to develop piecemeal and often involves lengthy periods of negotiation, experimentation, adjustment and use (Spicker, 2007).

A major problem in most European countries nowadays is unemployment (not necessarily linked to low levels of education). Indeed it has been suggested that the focus of policy should shift from welfare dependency to active labour market policies, anti-discrimination policies and family-work balance policies which take into consideration the existing variation in family and household structures and their specific needs (European Communities, 2007b). It has been proven that employment contributes significantly not only to reduce the risk of poverty but also that of social exclusion as work is an important means of social integration (European Foundation for the Improvement of Living and Working Conditions, 2007). Indeed economic growth and the creation of employment are the basis of the Lisbon Strategy and some good progress has in fact been registered in the functioning of EU labour markets and in the employment rates of certain categories such as women and older workers (Commission of the European Communities, 2006). Employment also features prominently in Malta’s National Action Plan (2004-6) as well as in the National Report on Strategies for Social Protection and Social Inclusion (2006-8). However, the document on the implementation of the Renewed Lisbon Strategy (Commission of the European Communities, 2006) notes that although progress has been made in many Member States, more effort is needed for example to narrow the still wide gender gaps and to reduce the higher unemployment rates among certain groups such as minorities and young and older workers. Furthermore, while employment creation undoubtedly has its benefits, in certain situations and for certain social groups living in poverty or experiencing exclusion, the problem cannot be solved simply by employment provision. Considering the difficulties of certain groups in accessing the labour market and their concentration in low-paid, unstable jobs (which may also be in the informal sector), making work pay through a decently paid, rewarding job is one of the options which should seriously be considered by policy-makers. However, even this option is not sufficient for certain groups such as the severely disabled whose access to employment is even more restricted and in certain cases out of the question. It has also been acknowledged by Member States in their National Reports on social inclusion that economic growth and employment creation do not necessarily lead to less income inequalities, in-work poverty or regional disparities (Council of the European Union, 2007). Therefore employment policies have to be implemented in conjunction with other policies which encourage active inclusion. Investment in employment cannot take place to the detriment of other forms of social inclusion programmes and welfare.

Another challenge in the fight against poverty and social exclusion is that nowadays, social policy makers are faced with a different set of requirements than in the past (European Communities, 2007b). New social risks are resulting in more social groups being left out of the network of social protection which traditionally covered most members of society. Despite the increasing difficulties of financial sustainability, both old and new risks have to be covered. While traditional risks such as unemployment, sickness, disability and old age remain today, new risks have emerged such as bad and unstable jobs, an increase in lone-parent families, long-term unemployment of low-skilled workers, the difficulty of women, young people and the disabled to enter the labour market as well as unemployment among middle aged persons (European Communities, 2007b). Indeed the Social Reality Stocktaking Consultation, initiated by the European Commission in 2006 draws attention to the importance of addressing both old and new forms of poverty and social exclusion in Europe (Commission of the European Communities, 2007b).

Malta’s level of poverty is relatively low within the EU. At 15% it is slightly below the EU average. This is largely due to Malta’s wide-ranging system of social protection, the active role played by NGOs as well as the informal support provided by Malta’s still strong family and community ties. Indeed, the Joint Memorandum on Social Inclusion (JIM, 2003) which the Maltese Government had prepared in conjunction with the Directorate General for Employment and Social Affairs of the European Commission claims that as a result, “poverty has not up to now been a major issue in Malta” (p. 11). The report identifies the various social groups who are most at risk of poverty in Malta and outlines the major challenges and priorities for Malta as it was preparing for full participation in the OMC. As a Member State, Malta has pledged its commitment to fighting poverty and social exclusion particularly by focusing on increasing the overall employment rate (especially that of women) by investing in human capital, strengthening the welfare system through pension reform, improving access to health care services and guaranteeing quality health services to
all (Commission of European Communities: Country Profiles, 2007b). The Commission’s report however claims that while Malta’s strategy is well in line with the overall EU objectives, progress on some of the key issues related to the Lisbon Agenda is slow. It points out a number of weaknesses in the Maltese National Strategy Report for 2006-8. For example, it claims that the document does not give a clear indication of how the different challenges will be addressed in detail. In particular, Malta’s National Strategy fails to identify specific measures which can be implemented in the various sectors, timing, financial resources, expected results and indicators, possibly undermining any future evaluation of the proposed measures.

Although the proportion of people at risk of poverty in Malta may be relatively low, this does not take into consideration those who are socially excluded especially those whose experience of marginalisation within Maltese society is not linked to low income. Furthermore, the percentage of the poor has not changed since 2000, the base year of the JIM. While this may be interpreted positively in the sense that poverty levels have been kept stable, an alternative interpretation could be that the first decade of the 21st century has not witnessed any improvement in the situation of the poor in Malta, despite the Government’s claimed commitment to the contrary. Like other countries, Malta is also facing new challenges such as new family structures partly resulting from increasing rates of marital breakdown and cohabitation, an increase in teenage pregnancies, youth and 40+ unemployment as well as the influx of immigrants which the country has witnessed over the past few years. Other challenges may not be so new but have recently been receiving more attention such as the high rates of early school leavers as well as the high rates of inactivity among the disabled and married women. Demographic factors particularly the reduced birth rates coupled with a longer life expectancy make pension reform an ever pressing issue. In light of this, Malta’s protection system has to be reviewed not only in terms of sustainability but also to ensure that all the vulnerable groups are included. While the active participation of NGOs, family and community is to be encouraged, one cannot ignore the social changes which Malta is undergoing as a modern nation. While Malta still retains traditional cultural elements in relation to family life, modern "European" trends may undermine the family support which has until now very often been taken for granted. Consequently, this may lead to an increase in the number of those who experience poverty or social exclusion.

The pledge to eradicate poverty and social exclusion in Europe is a shared commitment and this has to be reflected in the recognition of the growing interdependence of the Member States and their need to work closely together. Poverty and social exclusion are universal problems and greater efforts at coordination both among the Member States as well as with EU institutions will enhance the likelihood of realising the vision of a more inclusive, just and equal Europe a reality. Monitoring and evaluation processes need to be stepped up both at national and EU levels in order to reap more concrete results than those achieved so far. Complex problems such as poverty and exclusion will certainly be more effectively addressed if policy makers encourage the involvement of civil society. The support of NGOs, families, communities and above all the involvement of the poor themselves will undoubtedly contribute to the alleviation of suffering still experienced by so many people in Europe. After all nobody knows more than the poor and the excluded what would help their predicament most. More importantly there has to be sincere political will to implement effective programmes which will ensure a more just redistribution of material resources as well as greater recognition of the right of every human being as an equal citizen and a full partner in every sphere of society. Material and social deprivation are unacceptable in any part of the world but it is a greater shame for the rich and powerful region of Europe to be scarred with such human suffering.

References


