

Measuring the impact of active inclusion and other policies to combat poverty and social exclusion

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Assessment of the Relevance of the policy to Malta

Complemented by a social fabric which still values strong community and family ties, Malta thrives from a strongly entrenched social welfare system that actively protects those at risk-of-poverty, such that the at-risk-of-poverty rate has been retained relatively stable over the years (15% in 2008, 14% in 2007, 2006 and 2005 compared to 15% in 2000). However, beyond Malta's deep-rooted social consciousness, risk-of-poverty rates reveal that certain population groups (including; the long term unemployed, single parents, irregular migrants, drug and alcohol dependents, persons with disability, older persons, children and young people at risk, families with 3 or more dependent children and elderly people with very low pension income) may be more vulnerable to risks of poverty and social exclusion.

Malta's National Action Plan on Social Inclusion (NAP Inclusion) for the period 2008-2010 in fact identifies the main challenges in combating poverty and social exclusion in Malta as being those of:

- tackling school absenteeism, learning difficulties and illiteracy and pursuing the commitment to reduce early school leaving and educational underachievement;
- increasing the overall employment rate, particularly through (a) the inclusion of older workers, women and vulnerable groups within the labour market, and (b) making work pay;
- promoting greater availability of adequate and affordable housing;
- combating the intergenerational transmission of poverty and social exclusion;
- addressing the social aspects of migration and promoting equality and diversity;
- reforming the social protection system to ensure its sustainability, adequacy and comprehensiveness.

In its commitment to address these on-going concerns and emerging needs, for the current period, Malta is prioritising the following three over-arching policy priority objectives:

- promoting the social inclusion prospects of children and young persons, through measures that target the intergenerational transmission of poverty and advance children and young persons' personal development, well-being, rights, interests and responsibilities;

- promoting active inclusion, by endorsing a pro-active social inclusion strategy which goes beyond a social protectionist vision so as to ensure that provision of services facilitates participation and inclusion and leads citizens towards greater self-actualisation, and empowerment through; i) adequate income support, ii) access to inclusive labour markets and iii) access to quality social services;
- promoting equality of opportunities so as to ensure full social participation in society regardless of age, disability, gender, race, belief and sexual orientation, by; (i) combating discrimination, (ii) promoting the integration of third country nationals and (iii) mainstreaming social inclusion and anti-discrimination issues.

The measures and initiatives proposed through this social inclusion strategy are being complemented by the setting of a number of quantifiable targets regarding the risk of poverty as well as more specific targets under the three different overarching policy objectives.

Therefore the NAP Inclusion strategy aims:

For the short term¹:

- to maintain the rate of people at risk of poverty stable at 14.2%.

This goal is complemented by the medium term² target, to:

- reduce the rate of people at risk of poverty from the present 14.2%.

Enhancing children's social inclusion prospects by:

- reducing the risk of child poverty below 19.0% (*20%, SILC, 2008*)
- reducing the rate of early school leavers to 22% by 2013 (*37.6%, Labour Force Survey, 2007*)
- increasing the percentage of 20-24 year olds with upper secondary qualifications and above to 70% by 2013 (*54.7%, National Reform Programme, 2007*)

Promoting active inclusion by:

- raising the overall employment rate to 57% by 2013 (*54.9% Labour Force Survey Q2/2009*)
- raising the female employment rate to 41% by 2013 (*37.6% Labour Force Survey Q2/2009*)
- raising the employment rate of older workers to 35% by 2010 (*28.4% Labour Force Survey Q2/2009*)
- raising the average exit age from employment to 59.7 years by 2010 (*57.8 (T), 58.3 (M), 56 (F), in 2008, NSO*)

¹ Short term is hereby defined in terms of the two year time frame covered within the current action plan.

² Medium term is hereby defined in terms of time-frames exceeding the two years.

- raising the long-term unemployed on active measures at any one time to 20% by 2010 (*15%:Total, 13%:Adults, 24%:Youths, PES data, 2008*)
- increasing the provision of formal childcare for children under 3 years to 15% by 2010 (*5,700 availing of service, average of 10 hours per child availing of service, SILC 2007*)
- increasing the number of adults in lifelong learning to 8% by 2013 (*6.2%, Eurostat, 2007*)
- increasing the percentage of public sector employees receiving training to 12.5% by 2010
- increasing the percentage of households connected to broadband to 80% by 2010 (*55% in 2008, 70.3% of household with a PC, NSO/MIIT, 2007*)
- increasing the percentage of the population that is ICT-literate to 75% by 2010 (*45.9% individuals (18+) using the computer frequently, NSO/MIIT, 2007*).

Promoting equality of opportunities by:

- increasing awareness about and promoting positive attitudes towards diversity,
- strengthening related legislative and policy frameworks to continue to combat discrimination on the basis of religion or belief, disability, age, gender or sexual orientation,
- stepping up resources and services aimed at (supported) independent living,
- securing more gender balance on government appointed boards and committees,
- gender and disability mainstreaming all national policies,
- making gender equality a horizontal priority in all public procurement and actions,
- promoting the integration of third country nationals and addressing racism.

Malta became a Member State of the European Union in 2004. Therefore, the reporting exercise on social inclusion and protection issues within the framework of the OMC is relatively a new phenomenon. In 2004, Malta issued its first National Action Plan Report on Poverty and Social Exclusion (2004-2006). Two other National Reports on Strategies for Social Protection and Social Inclusion have since been issued covering periods (NSR) 2006-2008 and 2008-2010 respectively. These were accompanied by reports' light updates. Throughout these reporting exercises, Malta has undertaken efforts to consolidate its methods for monitoring and analysing trends on social exclusion as well as enhancing its working structures to assess and evaluate the effectiveness of social inclusion and social protection measures. In view of this, the National Report on Strategies for Social Protection and Social Inclusion (2008-2010) proposes a number of measures to consolidate structures and working methods so as to ensure a good governance approach for developing, monitoring and evaluating social inclusion policies. Such measures include amongst others:

- The permanent establishment of an inter-ministerial working group responsible for the compilation of the NSR to enhance its effectiveness and ensure a constant reference point for action plan development and evaluation.

- The consolidation of on-going dialogue between the Policy Development and Programme Implementation Directorates and the National Statistics Office³ to assist in the process of progress reporting and the monitoring of relevant trends and indicators.
- The setting up of a research unit within the Ministry for Social Policy (Policy Development and EU Affairs Directorate – Social Affairs) to facilitate data collection and analysis in social protection issues.

Similarities and Differences of the programme to Malta's scenario

Although Malta like any other country upholds its particular characteristics and unique socio-cultural context which inevitably impact on the priority objectives and targets adopted for ensuring the effective promotion and evaluation of social inclusion and social protection measures, nonetheless a number of similarities between the French Peer Review policy measure and the monitoring system adopted by Malta can be observed.

In this regard, it can be observed that both the French and Maltese models:

- Identify and reflect the validity of indicators for measuring the impact of social protection policies to combat poverty and social exclusion. In fact, following the 2007 Joint Report which identified in its country profile for Malta the need for 'more quantification of expected results and use of indicators', the 2008-2010 NAP Inclusion aimed to set adequate and realistic targets for the two year time frame to enable better quantification and appraisal of progress in the respective measures in so far as present data collection permits;
- Endorse common thematic priorities. The 11 thematic objectives stated in the French model are in a way also reflected in the objectives of the Maltese NAP. Main common thematic priorities include for example those of; children and youth, elderly, employment, housing, education and training;
- Endorse active inclusion measures as the most effective means for combating poverty and social exclusion. One of the priority objectives of the NAP Inclusion Report for the period 2008-2010 is that of promoting active inclusion by going beyond a social protectionist vision to ensure that provision of services facilitates participation and inclusion. Furthermore, apart from increasing employability, such initiatives also contribute to help retain people in the labour market by making it easier for them to engage in gainful employment such as through the provision of adequate and affordable child-care facilities and measures for better work-life balance;
- Recognize the validity of consultation with stakeholders. The work on Malta's National Action Plan 2008-2010 was conducted within a framework where social partners and the

³ The primary body responsible for the collection, compilation, analysis and publication of statistical information in Malta, including data on social inclusion and social protection is the National Statistics Office. The mission of the National Statistics Office (NSO) which is governed by the Malta Statistics Authority Act XXIV of 2000 is "to produce efficiently and with minimum burden on respondents high-quality statistics that are relevant, reliable and comparable, and to disseminate them in an impartial, independent and timely manner, making them available simultaneously to all users".

general public were consulted through a series of intensive focus group seminars which also provided a platform of communication for people experiencing poverty and social exclusion;

- Adopt multiple indicators to reflect the multi-dimensionality of poverty through indicators that: i) directly measure poverty, ii) manifestation of poverty (poor living conditions), iii) precursors or predictors of poverty (such as limited educational attainment).

Notwithstanding such perceived similarities, this exercise also observes a number of key differences, which amongst others relate to:

- Poverty-targets. Malta in contrast to France does not aim to set highly ambitious targets regarding the reduction of the risk of poverty rates, although ambitious targets have been set up in other specific areas, such as in the area of further education for young people and in the area of employment, particularly as regards the female employment rate;
- Emphasis and extent of indicators for measuring the impact of social inclusion policies. Whilst Malta recognises the validity of indicators, such indicators are mainly utilised not as an end in themselves but more to: i) develop evidence based policies and ii) help in the monitoring and evaluation of social inclusion policies;
- Structures in place for measuring social inclusion targets and monitoring progress on the identified indicators. The NSO, the Social Inclusion Office⁴, the ISG-SPC (Indicators Sub-Group of the Social Protection Committee) representative and the NSR permanent working group are the primary entities which are responsible for developing indicators and monitoring progress on social protection targets and measures. These entities which have been set-up over time work closely together, nevertheless they are different from ONPES which is an interdisciplinary unit specifically focused on the provision of evidence based policy proposals which directly report to the Prime Minister;
- Focus on immigration. Whilst Malta's NSR focuses on asylum seekers and irregular migrants as vulnerable groups which may require particular social inclusion attention, and thus considers the monitoring of the situation through data collection as important in this regard, the French Scoreboard system omits reference to Laeken indicators on immigration;
- Central versus Regionality. Given the size of the country, targets are largely set at national and not regional level.

⁴ The Office for Social Inclusion, set up in 2005, is a key component of social policy development and upholds the overall responsibility for the promotion of social inclusion issues, including the development of Malta's National Action Plan for Social Inclusion. According to its mission statement, it aims "To reduce the risk of poverty and social exclusion amongst vulnerable groups and enhance prospects of social inclusion and cohesion across all sectors of society".

Potential transferability of the programme to Malta

Malta is of the opinion that there is no single European social model, nor is there an ideal one that would address the aspirations of all EU citizens. As Europe is built on diversity, it is European values rather than European policies which need to be promoted collectively. As a result, Malta believes that there should be no one size fits all solution, since it is neither useful nor adequate to try to assimilate the diverse national models into a standard model. This is because Member States differ considerably in view of their intricate national specificities and policy preferences. As a result, Malta feels that in general, the setting of new targets in the area of social inclusion and protection should remain a prerogative of Member States.

Malta thus primarily draws on the portfolio of commonly agreed Laeken indicators and statistics to monitor the overarching objectives of the three strands: social inclusion, pensions and health care to support the analysis presented in its NSR. For the purpose of the monitoring exercise of the NSR, Malta largely utilises the framework of indicators arising from the Commission Eurostat methodological document; 'Continuity of Indicators between end-ECHP and start-SILC – Algorithms to compute cross-sectional indicators of poverty and social inclusion adopted under the Open Method of Coordination' (2005). This analysis could however be supplemented with national indicators, highlighting national specificities in certain particular areas of social protection and inclusion.

Notwithstanding Member States' national diversities which may hinder the encouragement and adoption of new common indicators, this innovative approach in the area of measuring the impact of active inclusion and other policies to combat poverty and social exclusion appears to provide a good practice example that Malta may refer to and possibly also in the long-term partially adopt for consideration.

Such a measure has provided insight into the reality in which such a monitoring tool can operate. It has also provided insight into the incorporation of new statistical methodologies aimed at monitoring poverty and social exclusion, as well as working methods to address governance issues relating to such statistical monitoring analysis.

Although adoption of the scoreboard in full is surely not considered to be feasible within the present term, it provides a number of areas for consideration which may help to consolidate Malta's present monitoring framework. For example, such partial adoption may be considered in relation to indicators on youth poverty which are not presently monitored within the Maltese context. The adoption of indicators on youth poverty may help to consolidate present local knowledge on issues of child poverty and establish greater understanding on the intergenerational transmission of poverty and social exclusion.

Similarly, as regards to employment, indicators relating to in-work poverty and underemployment, which are not presently applied within the Maltese context may help to complement other utilised data to monitor the effectiveness of active inclusion policies. Other indicators which through adoption from the Scoreboard system may help to consolidate local knowledge on poverty and social exclusion, concern those relating to financial or banking exclusion.

As a result, such a measure surely merits further analysis with a view to consider its transferability within the local context particularly as a complementary instrument to the NAP Inclusion. However, any transferability practices must be addressed in such a way as to take due consideration to the particular socio-cultural and demographic scenario within the local context.

Furthermore, it is envisaged that such transferability practices need to entail a lot of structural arrangements, including enactment of legal frameworks and working methods.

Assessment of the effectiveness of the Scoreboard system for measuring the impact of active inclusion and other policies to combat poverty and social exclusion

Whilst appreciating the relevance of the Scoreboard system for facilitating the measurement of the impact of active inclusion policies, however Malta also observes the following limitations which may hinder the adoption of such an approach within the local context.

Whilst the Scoreboard seems to be a good monitoring tool in the context of implementing social protection policies, it is less clear whether the scoreboard enables policy-makers to determine whether the change in poverty indicators and targets is a direct result of the implementation of particular policy makers. This same dilemma emerges also in the context of the Laeken indicators. Both the scoreboard and the Laeken Indicators may thus be seen to be limited in assisting policy measures to determine whether the policies are being effective to combat poverty and social exclusion.

Both measures are inadequate for filtering and assessing any possible external mitigating circumstances, which may also be impacting on social protection and inclusion indicators and targets. As a result, although the scoreboard and the Laeken indicators are likely to provide a good assessment of trends in the level and nature of social inclusion issues across the dimensions covered, they may not on their own provide a holistic measure for monitoring the effectiveness of social protection and inclusion policies.

Furthermore, the scoreboard and the Laeken indicators do not provide qualitative measures that take into account the process by which the dynamics of poverty and social exclusion happen, nor do they take into account the debilitating effect of personal experiences of poverty and social exclusion, including subjective experiences of shame, lack of dignity and a feeling of social exclusion in the participation of the normal activities in daily life.