

Poverty amidst plenty: Europe's unions fight for fairer shares

If you were looking for an impoverished continent, Europe would not spring readily to mind. But a substantial and growing number of Europeans find it difficult to make ends meet. Trade unions are among those tackling a scourge that is often hidden.

Officially, 72 million people in the European Union are at risk of poverty.¹ That is in Europe's wealthier regions. Some of its poorest countries are outside the EU, and they are knocking at the door. In all parts of the continent, trade unions are building alliances against poverty.

Europe used to be divided by the Iron Curtain. The differences still show – not least in living standards. In Central and Eastern Europe, the former communist regimes seldom even admitted the existence of poverty. But, as a report from the European Trade Union Confederation (ETUC) notes, the new era has brought new threats: “The democratic transition has been accompanied by economic changes inspired by neoliberalism (insecure jobs, social security reforms leaning heavily towards privatization, etc.)” This has led to “a considerable increase in poverty and in precarious situations (low wages for those in employment, minimal social benefits for the sick, the retired, etc.)”.²

Exclusion – and action

Western Europe has its problems too, and they are not about to go away. Poverty is on the increase in the EU, the ETUC paper reports. “The growth in the numbers of the working poor, in almost all European countries, is one sign of this deterioration. National and European policies for combating poverty have not had any really positive effects, other than keeping the poverty rate constant in some regions. On the other hand, low pay, the progressive erosion of income from social security allowances (sick pay, pensions,

unemployment benefits), greater insecurity of employment, and the weakening of collective relationships and contractual agreements, whether at the European or the national level, have all been helping to create an environment that is favourable to the growth of poverty.”

That poverty lurks even where it might least be expected. In 2004, for instance, the Austrian railway workers' union published a think tank report showing that 876,000 people in Austria – 11 per cent of its population – are poor or at risk of poverty. “An above-average risk of poverty exists among rural people, women, the self-employed, one-parent households, large families, people with limited education, pensioners, the unemployed, people with disabilities and migrants. Which means that children are also particularly affected.”³

That “at risk” list would be the same in most European countries.

At an ETUC seminar in October 2001, unions, researchers and NGOs listed factors that produce social exclusion throughout Europe. We give the main points below. And then, in italics, we describe the corrective action being taken by European unions – drawn from ETUC papers or other sources.

Here, we concentrate on union action against poverty in Europe itself. But European trade unions also play a leading role in campaigns for more and better assistance to other continents. They make a clear link between the fight for worldwide social justice and action against poverty closer to home.

According to the ETUC, among the main factors causing poverty in Europe are the following.

Low-quality jobs and very short periods of employment

“Having a job is an effective way of escaping the risk of poverty and social exclusion. In 1997, for example, 7 per cent of the employed population were living below the poverty threshold, as against 39 per cent of the unemployed and 26 per cent of the economically inactive. However, the proportion of the working poor did not decrease in the period 1995-1997. And in Greece, Spain and Portugal, the working poor make up 11 per cent of those living below the poverty line. As regards very short periods of employment, these have been identified as putting women at major risk of poverty and social exclusion, particularly when these frequent interruptions of employment are added to career breaks for family reasons. They also constitute a significant risk for single women and elderly women, especially in countries where the amount of pension received depends mainly on the periods of time worked.”

Trade unions’ core roles of organizing and collective bargaining are clearly their most vital contribution to tackling this problem. The growing proportion of “working poor”, in particular, shows that a decent wage is still a dream for many in Europe. In addition to bargaining, union pressure for the establishment or the upgrading of a minimum wage has a part to play, as do campaigns for the improvement – or maintenance – of state benefits and social services.

Union action to promote gender equality is also of great importance here. In addition to mainstreaming women’s concerns in their demands, unions run projects to assist disadvantaged women. In Spain, for example, the Comisiones Obreras labour federation (CC. OO.) opened a centre which provides unemployed women with training for the catering trades. This is supplemented by social casework and help for children with problems at school. At the same time, the centre trains shop stewards about social issues, including drug addiction.

Long-term unemployment

“There is an obvious link between long-term unemployment and low income levels. In countries with particularly high rates of long-term unemployment (i.e. more than 4 points above the European average), namely Spain, Greece, Italy, Belgium and France, this risk is regarded as a major contributory factor to poverty and social exclusion.”

Union responses to unemployment are “diverse”, the ETUC study notes. At the policy level, “there is still the strategy of prevention and of “repairing” active employment policies via national and international institutions (ILO, European Union, Council of Europe)”. But “in concrete struggles, unions have contrasting levels of collective commitment. These range from denial (‘it isn’t union business’) to strong, sustained commitments integrated to the greatest extent possible into collective, local, regional and national action”.

In fact, there are two issues here: how can unions help to reduce unemployment, but also how can they keep in touch with – and possibly organize – the long-term unemployed?

Responses to unemployment itself are generally part of the unions’ macroeconomic lobbying at the national and European levels – see below under “Lobbying government”. In general, unions press for policies that encourage productive investment, rather than speculation and “jobless growth”. They also favour active labour measures such as vocational training and retraining.

In many European countries, governments have been making access to long-term unemployment benefits more difficult and have taken tougher measures to ensure the “reinsertion” or “reactivation” of the registered jobless. While not always opposing these measures as such, unions do warn against “blaming unemployment on the unemployed”. They are also against forcing people into “junk jobs”. The vacancies offered to the unemployed must be good quality and properly paid, unions insist.

One policy option quite clearly does not work, the ETUC study says: “Wage moderation has not contributed to employment. On the contrary, it has had devastating effects:

- *Company profits, not to mention managerial remuneration, appear unreasonable, and the distribution of the fruits of higher productivity is seen as unjust.*
- *The growing incidence of low pay keeps purchasing power weak, thus affecting domestic demand and firms' level of activity, including the creation of jobs."*

On union contacts with the unemployed, over half the unions surveyed by the ETUC "report that members who lose their jobs keep up their union membership". Unionization of the unemployed generally remains high "when there is a very specific reason for it, such as when the union is responsible for paying out unemployment benefit or when membership helps in finding a new job". Most unions either do not charge unemployed members any dues at all or else offer a special rate – "generally 30 to 50 per cent of the normal trade union contribution".

Local trade union centres for the unemployed have proved their worth in a number of European countries. "They generally fulfil a dual function: they offer advice and services to the unemployed, and they act as a representative body by coordinating the demands of the unemployed as regards job creation, social security, leisure services, free public transport or cheap fares, etc." In some countries, the centres are co-funded by the local or national employment authorities.

Living in a "vulnerable" family

"The European statistics show that households made up of two adults and three or more children, as well as households composed of one parent with at least one dependent child, are at higher risk of social exclusion and poverty than are other types of household. Young people between the ages of 16 and 24 also show great vulnerability. Twenty-five per cent of them are living below the poverty line. Moreover, children living in surroundings of poverty are obviously also likely to experience less favourable educational conditions. They are also in poorer health, and have fewer opportunities to take part in social

and cultural life, etc. In a word, they are at major risk of ending up on the fringes of society, and thus being excluded from it. Often, poor literacy levels compound these problems."

Here too, unions' lobbying of governments on social issues is crucial – particularly on decent family benefits, income support and education. And many unions have special outreach programmes for young people – this also in the unions' own interests. The average age of trade union members in Europe has risen steeply in recent decades.

Disability

The risk of social exclusion posed by disability "is identified by virtually all EU Member States, and 97 per cent of European citizens think that more should be done to integrate people with disabilities into society. However, with the exceptions of Italy, Spain, Portugal, the United Kingdom and France, few countries ... have provided for specific measures with this aim in view".

Unions in many European countries have specific policies aimed at fighting discrimination against disabled workers.

In Denmark, the decision was taken to reduce poverty by promoting disabled people's access to employment. One element was to make both public and private employers shoulder their responsibilities by bringing in employment quotas. "But in parallel to that, particularly in the private sector, it was also a matter of promoting negotiation between the social partners, through a trade union awareness-raising campaign in favour of hiring people with disabilities, while maintaining the competitiveness of the enterprises (which, amongst other things, implies that the person is hired for a job – and/or is assigned a task – which corresponds to his or her aptitudes)."

Unions in Italy support local projects that train shop stewards and workgroups to understand the needs of disabled people, defend their rights – especially the right to a job – and secure appropriate access facilities in the workplace.

Bulgaria – poverty wages in the EU?

Bulgaria is one of Europe's poorest countries. It hopes to enter the European Union in 2007, but its average wages are lower than in all the EU Member States and Romania.

Poverty estimations by official Bulgarian sources vary widely, but an assessment by the Bulgarian trade union federation CITUB, using its own indicators,¹ shows that the situation is dramatic, even for those who have jobs. According to calculations by the CITUB-linked research institute ISTUR, 18 to 20 per cent of Bulgarian workers – some 550,000 people – are living below the poverty line.

Since the beginning of the “transition”, in the early 1990s, Bulgarian workers have seen the value of their earnings decline by 57.3 per cent. This growing poverty results from a combination of several factors: a major drop in the country's GDP, the crisis in its banking and financial system, privatizations and numerous businesses going into liquidation. But above all, it is due to galloping inflation, which reached 1058.4 per cent in 1997. Since the establishment of a Monetary Council that same year, inflation has been brought back down to a few per cent. Per month!

In fact, wage rates are now less than basic living costs. In the year 2000, the average wage was 238 leva (approximately €125 or US\$110), while living costs for the same period were 258 leva.

Massive wage arrears are also causing great poverty among workers in Bulgaria, as in a number of other East European countries. According to national statistics, at the end of June 2001, wage arrears owed to Bulgarian public sector workers had reached 43 million leva (about €22 million or US\$28 million at November 2005 exchange rates).

The pressure for wage moderation exerted by the international financial institutions (the IMF and the World Bank) was also decisive. But the neoliberal theory that wage moderation creates a favourable climate for employment growth was totally disproved on the ground in Bulgaria. Far from reducing unemployment, real wage moderation over the past two years has actually boosted joblessness. “Official” (i.e. registered) unemployment, which is considerably lower than “real” unemployment, rose from 14 per cent to 18-19 per cent over that period.

One further influence on poverty among Bulgarian workers is the current reform package which comes down to greater reliance on privatization in a whole range of fields, including health care, pensions, education and other public services.

Naturally, Bulgarian unions' priorities are wage policy and social benefits, and they are pursuing these issues in their negotiations both with the State and with the private employers. Each spring, the unions hold campaigns against poverty and unemployment, during which they submit proposals to Parliament and the Government. At the same time, awareness raising and organizing drives are held in enterprises within the informal sector.

While Bulgaria is keen to join the EU, the country's unions see few signs of the much-vaunted “European social model”.

“How can we continue to be proud of a country where the average wage is €150?” protests Konstantin Trenchev, President of PODKREPA trade union federation. “The progress made in terms of social legislation is obvious, but in practice it doesn't work,” explains Ekaterina Ribarova, head of European integration affairs at CITUB. The EU Commission's latest evaluation report agrees: “Bulgaria's efforts must now be focused on the effective creation of the implementation structures required in the areas of employment, the fight against discrimination, the promotion of equal opportunities and public health. It should also strengthen social dialogue and increase its financial resources.”

One issue pressed by the trade unions is the need for greater partnership in deciding how to use the funds allocated by the EU. From 2004 onwards, pressure from the social partners and from Brussels did get union and employer representatives into most of the subcommittees dealing with Bulgaria's use of pre-accession financial aid. “But we are never able to prepare properly for the committee meetings,” Ribarova says, “as we never receive the documents in time. On top of that, we cruelly lack the means and human resources required.”

After the EU admonished Bulgaria over the spending of funds, an “expert” came up with the suggestion that partnerships be established between administrative institutions and business circles “reputed for their flexibility and creativity”. Civil society groups were left out of the picture.

¹ They calculate the cost of living on the basis of a “shopping basket” consisting of 593 goods and consumer services needed for a normal existence. To define the poverty threshold, the reference point is a reduced “basket” of 77 basic goods and services, including a guaranteed intake of 2.400 kcal, the nutrition needed for a person's physical survival.

Health problems

“Countries such as Finland, Sweden, Spain, Greece, the Netherlands, the United Kingdom and Ireland emphasize the strong correlation between ill-health and the risk of poverty and exclusion.”

Unions across Europe continue to campaign for high-quality health care available to all, and either free at source or at least affordable.

The workplace itself is, of course, a major cause of ill-health and injury. Unions’ occupational health and safety work, and their campaigns against laxer regulation and inspection, are therefore also part of the fight against poverty.

Old age and retirement

Europe’s oldest citizens are frequently among its poorest. Workers who devoted their lives to building up the continent’s industrial strength are not the first to enjoy its fruits, particularly in societies where the family unit no longer includes the third generation. In many European countries, the financing of pensions is under threat – pensions which, in some cases, are already inadequate.

Pensioners have joined together in associations or unions, often led by retired trade unionists. At the European level they are grouped in the European Federation of Retired and Older People (Fédération européenne des retraités et personnes âgées -FERPA), which is affiliated to the ETUC.

“FERPA emphasizes the urgent need to establish a minimum income which can enable people to break out of the poverty spiral”, the ETUC paper reports. This would help many older people – for instance, “Greek pensioners who worked in agriculture and who, because of their flawed retirement provisions, have to turn to public assistance. 700,000 retirees are in this situation.” So FERPA launched a petition to have the right to a decent minimum income built into Europe’s Charter of Fundamental Social Rights. The petition has garnered more than a million signatures.

FERPA argues that an adequate European minimum would be:

- *for pensions, in each country, the equivalent of 50 per cent of its per capita GDP*
- *for wages, 60 per cent of per capita GDP*
- *for the guaranteed minimum income, 40 per cent of per capita GDP.*

Precarious living conditions and homelessness

“Ensuring access to decent accommodation is one way of combating isolation and exclusion. EU Member States see housing as a major problem. Countries such as Austria, Ireland, Italy, the Netherlands, the United Kingdom and Finland emphasize the importance of the problem posed by homelessness.”

ETUC affiliates report “various activities in which trade unions or union officials work either in ad hoc or permanent partnership with specialized associations” to assist the homeless. Union-run centres for the unemployed help their members find affordable accommodation, and also campaign on such issues as fair access to water, gas and electricity supplies. In some countries, unions help to organize tenants’ associations or housing cooperatives.

Immigration, ethnic issues, racism and discrimination

“The majority of Member States clearly identify ethnic minorities and immigrants as being at serious risk of exclusion and poverty. Denmark and Ireland, for example, are facing a growing influx of immigrants and have to step up their efforts to offer them suitable services and assistance. France, Spain, Portugal, Italy and the Netherlands have taken specific measures in an effort to address these problems.”

Immigration is nothing new in Europe. Unions there have a “wealth of experience built up over many years” on this issue, the ETUC points out. Although this is “often a difficult process beset by internal tensions and contradictions”, unions have always been to the fore in helping migrant workers “to improve their living and working conditions while at the

same time gaining recognition in working life, through the opportunity – often won through sheer persistence – to vote and stand for election in company and industry representative bodies (joint industrial councils) as well as trade union policy bodies”. Unions are also active in denouncing racism and campaigning against racist political parties.

And they run practical local projects to assist immigrants. In Mantua, for example, the three Italian labour federations CGIL, CISL and UIL joined together with the Lombardy regional authority to support a scheme which “helps immigrants find accommodation and work, promotes family reunification and provides other services”. In a working class district of Paris, the labour confederation Force Ouvrière has an advice bureau “with a specialized member of staff to deal with all immigration matters (right of abode, legalization, employment, etc.) and services (information, action, links with the voluntary community)”.

Political risks

As well as marginalizing the people directly affected and their families, poverty, low pay and unemployment can, of course, pose a threat to other workers’ living standards. They also raise political risks, the ETUC points out. “For several years now, the long-term unemployed, the working poor and the marginalized have been registering their protest by voting for xenophobic groupings of the extreme right.⁴ This is the case in France, Britain, Belgium, the Netherlands and eastern Germany (former GDR). These working class populations used to vote for communist or socialist parties. Now, they complain that they are no longer listened to by the political groupings nor by trade unions and associations that used to be alongside them in their struggles for emancipation.

“This poses very serious dangers for democracy in many European States.”

Lobbying government

As on other continents, one European trade union response to poverty is to lobby for better macroeconomic measures. This pressure has to be exerted on at least two levels. Organized labour in the EU may not have to contend with Poverty Reduction Strategy Papers, but it does operate within a system that gives ample scope for governmental buck-passing. When socially regressive measures are taken, national capitals and Brussels tend to point the finger at each other. So union representations on anti-poverty action have to be made in both the national and the European spheres.

Nationally, unions in Western Europe tend to press for the improvement of social provisions that particularly benefit the poor (various state benefits, unemployment coverage, health care, vocational training and retraining). Or, more often these days, to oppose cuts in those provisions. The word from most European countries is that the fight for social justice has not become any easier. The trend is towards fewer and tighter social benefits – a fact that governments variously blame on globalization and an ageing European population. In this regard, the ETUC “deplores the fact that the policies put into effect do not place enough emphasis on mechanisms for redistributing wealth, particularly through social protection (social security) and the tax system”.

Analysis by statistician Anne-Catherine Guio suggests that the unions are right to oppose social security cuts.⁵ “A comparison between the standard at-risk-of-poverty rate and the hypothetical situation where social transfers are absent shows that such transfers have an important redistributive effect that helps reduce the number of people who are at risk of poverty,” she notes. “In the absence of all social transfers, the poverty risk for the EU population as a whole would be considerably higher than it is in reality (40 per cent instead of 16 per cent).”

The Austrian think tank report agrees: “Social transfers are extremely important,

Britain – poverty hits one in five

"I am scared to be old and need help in this country now. My husband was the lucky one – he died. Even in death he had no dignity though; I had no money, so he went into a pauper's grave – and so will I."

"All they have in front of them is more of it – constantly taking it in turns to sell things, pawn things, use a credit card. All their children know is poverty, being told to keep quiet when the bailiffs call, then the screams and tears when they get in."

Two views from poor people today in one of the world's richest countries, the United Kingdom.

They come from *Making UK poverty history*, a brochure launched in October 2005.¹ Behind the booklet are Britain's Trades Union Congress (TUC) and also well-known international development campaigners like Oxfam. The TUC is very active in the fight against poverty, notably through the network of union-run centres for the unemployed.

"In Britain, one in five people is living in poverty", the brochure says. Many of them "go without basic necessities such as a warm coat and decent shoes", Poor children "are disadvantaged even before they are born. A child born into poverty is more likely to weigh less at birth, and is twice as likely to die before his or her first birthday, or to leave school without qualifications, than one from a more affluent family".

A strong link is made with international development issues. "Whilst material poverty is more severe in developing countries, the underlying causes, and the ways in which people are affected and the way they are treated, are very similar. In Britain, as in many other countries, there is unequal power and wealth and a lack of political will to put poverty at the top of the agenda."

But there are also some differences: "Two Indian community workers who visited poor areas of the UK in the 1990s observed that, although people appeared to be generally much wealthier in the UK than in India, poor people seemed much more stigmatized and demoralized, and often have a 'complete lack of hope'. There is a 'safety net of welfare which ensures you don't starve' but this also creates the 'illusion that things are not so bad'."

In Britain, one in four children, one in five working-age adults and roughly one in five older people live in poverty, the brochure says. Unemployment is one of the reasons: "Over three-quarters of individuals in households where the head or spouse is unemployed live in poverty." But "those in work are often poorly paid too – half of all children living in poverty have a working parent".

There are some signs of improvement – "the number of people living in poverty has started to go down in recent years owing to a number of government measures, particularly designed to help young children and families".

But "it looks increasingly likely that the Government will miss its first target of lifting 1 million children out of poverty by 2005, making it even tougher to meet the 2010 target without a fairer distribution of income. The UN's *Human Development Report 2005* praises the Government for its efforts to tackle child poverty since 1997, but argues it needs to consider raising taxes if that progress is to be kept up".

So ordinary people need to campaign against poverty, the brochure insists. But can alliances between unions and other organizations really deliver the goods for the working poor? The pamphlet tells a hopeful tale. Telco is a community organizing group in London. As well as local unions, it includes churches, mosques, schools and other civil society institutions. In 2003, Telco members attended the Annual General Meetings of two major banks, HSBC and Barclays, to ask that they pay a "living wage" to their contracted-out cleaning and security staff. This demand was initially rejected by the two banks, although the issue generated instant press interest, particularly when Abdul Durrant, a cleaner at HSBC, gave dramatic testimony about life on low pay in Britain's capital city. Part of the banks' argument against the living wage was that they already gave significant sums to charities in East London. "We want justice, not charity," a local bishop retorted. As a result of the persistent campaign, staff employed by contractors to the two banks were able to secure a wage almost 50 per cent higher than the legal minimum.

¹ Online at www.tuc.org.uk/welfare/tuc-10763-f0.pdf

as they reduce the number of poor people in Austria by more than half.”⁶

In Central and Eastern Europe, an additional union concern has been to ensure the introduction of pension and social security systems that offer the kind of protection needed within a market system. The ETUC has backed these efforts. “From 1999 to 2003, the ETUC engaged in training and information activities aimed at showing what real social security systems, based on sharing and solidarity, are like, and criticizing the reforms imposed by the World Bank. This was done on the basis of the standards of the ILO and the Council of Europe.”

A proper social safety net for Europe’s newer market economies is indeed a major ILO focus. An ILO survey in Hungary in mid-2001 showed that “poverty is heavily concentrated among households with unemployed individuals who want to work and are able to do so, whether or not they are classified officially as unemployed”. This implied that “the major instrument for addressing poverty lies outside the social welfare system itself in the creation of new jobs and development of new expertise and skills”. And yet, “given the magnitude of unemployment, even the most vigorous efforts at new job creation cannot be expected to have a significant short-term impact. Hence we must expect that the social welfare system will continue to play a key role in poverty alleviation in the years immediately ahead”. The survey also showed that “universal and social insurance benefits are more effective than targeted social assistance payments in addressing poverty among those who receive them”. So a key recommendation from the ILO-commissioned Hungarian experts was “a new approach to setting benefits and determining eligibility”. This “should involve, first and foremost, setting an adequate social minimum, sufficient to lift families out of poverty, whatever their size. In the past, such a procedure has never been part of the political process. Rather, the standard of eligibility and total sum to be spent on social assistance were determined entirely by budgetary considerations”.⁷

From 1995 to 2000, the ETUC and the platform of European social NGOs contributed to the elaboration of the EU’s Charter of fundamental social rights. In doing so, “they were inspired in particular by the standards systems of the ILO and the Council of Europe,” the ETUC paper says.

The ETUC also made efforts to give content, and contractual effect, to the cross-border European social dialogue.

Since 1990, “the ETUC has given concrete, continuous support to strengthening the capacities of unions in the countries of Central and Eastern Europe concerning the whole range of social policies (decent work, social security, a contractual and participative culture, the ratification and implementation of ILO and Council of Europe standards, participation in European Works Councils, information and training on social rights)”.

This experience “showed that social policies, backed by legal and contractual rights, are indispensable if civil, political, economic, social and cultural rights are to be put into effect and are to form the criteria for any policy aimed at fighting precariousness and poverty, by combining preventive measures and monitoring, together with acquired legislative and contractual rights”.

At the EU level, too, the ETUC has kept up the pressure for anti-poverty policies. “Since January 1974, the ETUC supported the measures taken by the European Union to combat poverty by means of pilot projects. At that time, there was a certain consensus on the definition of poverty.” More recently, the ETUC has been sceptical of EU anti-poverty efforts.

The Treaty of Amsterdam (1999) empowered the EU to “encourage co-operation between Member States through initiatives aimed at improving knowledge, developing exchanges of information and best practices, promoting innovative approaches and evaluating experiences in order to combat social exclusion”.

In May 2000, the European Council meeting in Lisbon noted that people were living permanently below the poverty

threshold and declared this state of affairs to be unacceptable.

“On that basis, a series of objectives and measures were decided (known as the Lisbon employment strategy), aimed at making Europe the world’s most competitive and dynamic knowledge-based economy, capable of sustained economic growth accompanied by the quantitative and qualitative improvement of employment and greater social cohesion. The promotion of social inclusion and therefore of action to eradicate poverty are essential elements of this strategy.”

But, the ETUC paper says, “this strategy, adopted in March 2000, was to end in a fiasco”.

In December of that year, “the European Union launched National Action Plans on Social Inclusion (NAPs/incl.), in order to identify the causes and consequences of social exclusion and poverty and to remedy them through close cooperation between the public authorities, the social partners and NGOs”.

Notes

¹ On average, 16 per cent of the population in the (current 25-State) EU were “at risk of poverty” in 2003, the latest year for which full data are available. This means that they were living in households with an “equivalized disposable income” below 60 per cent of the median equivalized income of the country they live in. “This figure, calculated as a weighted average of national results (where each country receives a weight that equals its total population), masks considerable variation between Member States,” notes the statistician Anne-Catherine Guio. “At one extreme, countries with the highest poverty rate are Slovakia, Ireland, Greece (21 per cent), followed by Portugal, Italy, Spain (19 per cent) and the United Kingdom and Estonia (18 per cent). At the other extreme, the share of the population at risk of poverty is close to 10 per cent in the Czech Republic (8 per cent), Luxembourg, Hungary, Slovenia (10 per cent), followed by Finland and Sweden (11 per cent), Denmark, France, Holland (12 per cent) and Austria (13 per cent). The remaining countries face inter-

mediate poverty rates close to the EU average.”, *Statistics in Focus*, 13/2005, Eurostat. http://epp.eurostat.cec.eu.int/cache/ITY_OFFPUB/KS-NK-05-013/EN/KS-NK-05-013-EN.PDF

² *Pauvretés et précarités en Europe et actions syndicales*, a background paper prepared by the European Trade Union Confederation (ETUC) for the ACTRAV symposium in October 2005. Throughout the present article, “ETUC paper” and “ETUC study” refer to this document.

³ *Armuts- und Reichtumsbericht für Österreich*, Österreichische Gesellschaft für Politikberatung und Politikentwicklung, Vienna, July 2004. Published by the Austrian Railway Workers’ Union on its website: www.eisenbahner.at/servlet/BlobServer?blobcol=urlldokument&blobheader=applicationper cent 2Fpdf&blobkey=id&blobtable=Dokument&blobwhere=1091532922631

⁴ Certainly, the European ultra-right parties that have made the biggest electoral inroads tend to combine their anti-immigrant rhetoric with appeals to the “national” working poor. When ultra-rightist Jean-Marie Le Pen came second in the first round of the French presidentials in 2002, one French newspaper ran the headline *Job Insecurity Boosted Le Pen Vote*. The Force Ouvrière labour federation agreed, noting that “in February, a report from the National Observatory on Combating Exclusion showed that 4.2 million people are living below the poverty threshold (560 euros per month in 2001). This figure has remained stable over the past 5 years while the GDP, the indicator of this country’s wealth, went up by an average of 3.1 per cent per year between 1997 and 2000. This report also emphasized that those in precarious or part-time jobs make up a third of the wage-earning population, to say nothing of the many retirees living on the basic pension (460 euros)”. Force Ouvrière concluded that it had a double task ahead of it: “fighting the extreme right” and “clearly affirming our demands”. www.force-ouvriere.fr/index.asp?lk=s&id=139&theme_choisi=Org.per cent 20per cent 20Conventionsper cent 20collec.

⁵ op. cit., see note 1.

⁶ op. cit., see note 3.

⁷ *Combating Poverty and Social Exclusion – Volume 1 – A Case Study of Hungary*, Zsuzsa Ferge, Katalin Tausz, Ágnes Darvas, ILO SRO Budapest, 2002. www.ilo.org/public/english/region/eurpro/budapest/download/combating_poverty_vol1_eng.pdf. This is one of a series of detailed studies of social security and pension reform in Central and Eastern Europe, published by the ILO’s Budapest Office. See www.ilo.org/public/english/region/eurpro/budapest/publ/social/socsec.htm