P8_TA-PROV(2017)0403

Minimum income policies as a tool for fighting poverty

European Parliament resolution of 24 October 2017 on minimum income policies as a tool for fighting poverty (2016/2270(INI))

The European Parliament,

– having regard to Article 5(3) of the Treaty on European Union (TEU) and Articles 4, 9, 14, 19, 151 and 153 of the Treaty on the Functioning of the European Union (TFEU),

– having regard to the 1948 Universal Declaration of Human Rights, as reconfirmed by the 1993 World Conference on Human Rights, and in particular Articles 3, 23 and 25 thereof,

– having regard to the Charter of Fundamental Rights of the European Union, and notably its provisions relating to social rights, in particular Articles 34, 35 and 36, which specifically define the right to social and housing assistance, the right to a high level of human health protection, and the right of access to services of general economic interest,

– having regard to the European Social Charter and in particular Articles 1, 4, 6, 12, 14, 17, 19, 30 and 31 thereof,

– having regard to International Labour Organization (ILO) Conventions Nos 29 and 105 on the abolition of forced labour, ILO Convention No 102 on social security, and ILO Recommendation No 202 on social protection floors,

– having regard to the ILO’s Decent Work Agenda and Global Jobs Pact, as adopted by a worldwide consensus at the International Labour Conference on 19 June 2009,

– having regard to the EPSCO Council conclusions of June 2013, ‘Towards social investment for growth and jobs’,

– having regard to Council Recommendation 92/441/EEC of 24 June 1992 on common criteria concerning sufficient resources and social assistance in social protection
systems\(^1\) (recommendation on minimum income),


– having regard to Commission Recommendation 2013/112/EU of 20 February 2013 entitled ‘Investing in Children: breaking the cycle of disadvantage’\(^3\),


– having regard to Commission Recommendation 2008/867/EC of 3 October 2008 on the active inclusion of people excluded from the labour market\(^4\),


– having regard to the Commission proposal of 2 March 2015 for a Council decision on guidelines for the employment policies of the Member States (COM(2015)0098),

– having regard to its resolution of 6 May 2009 on the renewed social agenda\(^5\),

– having regard to its resolution of 20 October 2010 on the role of minimum income in combating poverty and promoting an inclusive society in Europe\(^6\),

– having regard to its resolution of 20 November 2012 entitled ‘Social Investment Pact – as a response to the crisis’\(^7\),

– having regard to its resolution of 24 November 2015 on reducing inequalities with a special focus on child poverty\(^8\),

– having regard to its resolution of 14 April 2016 on meeting the antipoverty target in the light of increasing household costs\(^9\),

– having regard to its resolution of 26 May 2016 entitled ‘Poverty: a gender perspective’\(^10\),

– having regard to its resolution of 15 September 2016 on the proposal for a Council

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\(^1\) OJ L 245, 26.8.1992, p. 46.
\(^3\) OJ L 59, 2.3.2013, p. 5.
\(^5\) OJ C 212 E, 5.8.2010, p. 11.
\(^6\) OJ C 70 E, 8.3.2012, p. 8.
\(^7\) OJ C 419, 16.12.2015, p. 5.
decision on guidelines for the employment policies of the Member States¹,

– having regard to its resolution of 19 January 2017 on a European Pillar of Social Rights²,

– having regard to the opinion of the European Economic and Social Committee of 15 June 2011 entitled ‘The European Platform against Poverty and Social Exclusion – a European framework for social and territorial cohesion’,

– having regard to the opinion of the European Economic and Social Committee of 10 December 2013 on ‘European minimum income and poverty indicators’,

– having regard to the study entitled ‘Towards adequate and accessible minimum income schemes in Europe’, published in 2015 by the European Minimum Income Network (EMIN),


– having regard to the Eurofound report of 2017 on ‘Income inequalities and employment patterns in Europe before and after the Great Recession’,

– having regard to the study by the European Parliament’s Policy Department A entitled ‘Minimum Income Policies in EU Member States’, published in final form in April 2017,

– having regard to the report entitled ‘Minimum Income Schemes in Europe – A study of national policies 2015’, drawn up for the Commission by the European Social Policy Network (ESPN) in 2016,

– having regard to the question for oral answer O-000087/2016 – B8-0710/2016 of 15 June 2016 tabled by its Committee on Employment and Social Affairs,

– having regard to the question for written answer P-001004/2016 of 2 February 2016,

– having regard to its recommendation to the Council of 7 July 2016 on the 71st session of the United Nations General Assembly³,

– having regard to the Schuman Declaration of 9 May 1950, which called for ‘the equalisation and improvement of the living conditions of workers’;

– having regard to Rule 52 of its Rules of Procedure,

– having regard to the report of the Committee on Employment and Social Affairs and the opinion of the Committee on Economic and Monetary Affairs (A8-0292/2017),

A. whereas poverty and social exclusion, the causes and duration of which are not dependent on the will of those afflicted by them, are infringements of human dignity

¹ Texts adopted, P8_TA(2016)0355.
and of fundamental human rights; whereas the EU and its Member States committed in 2010 to reducing the number of persons at risk of poverty and social exclusion by 20 million by 2020; whereas poverty and social exclusion are not only matters of individual responsibility and need to be addressed in a collective manner;

B. whereas Europe is one of the wealthiest regions in the world, although recent data on income poverty have highlighted the rise in poverty and severe material deprivation in Europe and growing inequalities between Member States;

C. whereas a buoyant economy with low unemployment is still the most effective tool for fighting poverty;

D. whereas income poverty is only a part of the overall concept of poverty, and therefore poverty does not refer only to material resources, but also to social resources, notably education, health and access to services;

E. whereas the term ‘relative poverty’ says nothing about real need, but, rather, merely describes a person’s income relative to that of others;

F. whereas according to the methodology developed by Eurostat, the at-risk-of-poverty threshold is set at 60% of national median equivalised disposable income (per household, after social transfers); whereas given the existing divergences between Member States and different national social policies, this percentage should be considered together with other indicators such as reference budgets; whereas income is an indirect indicator of living standards and a reference budget reflects the diversity of consumption patterns and the cost of living across Member States;

G. whereas there must be no confusion between ‘income differentials’ and ‘poverty’;

H. whereas, according to the Commission\(^1\), 119 million people in the EU – some 25% of the total population – are at risk of poverty and social exclusion after social benefits; whereas in some Member States this fact is accompanied by persistently high unemployment rates, and whereas this situation particularly affects young people, for whom the figures are even more alarming; whereas even though numbers are slightly declining, there are still more people at risk of poverty than in 2008; whereas the EU and the Member States are far from reaching the Europe 2020 target on poverty and social exclusion, since the level remains above that target;

I. whereas available data suggest that certain groups of people, such as children, women, the unemployed, single-parent households, and persons with disabilities, are especially vulnerable to poverty, deprivation and social exclusion;

J. whereas poverty especially hits families;

K. whereas reconciling family and working life, especially for single parents, is of the utmost importance for being able to escape poverty;

L. whereas account should be taken of the need to incorporate action to prevent and

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combat poverty and social exclusion in all relevant policy areas, ensuring universal access to public services, decent jobs and an income allowing people to live with dignity;

M. whereas, according to the Commission, high unemployment, poverty and inequality remain key concerns in some Member States; whereas broad income inequalities are not only detrimental to social cohesion, but they also hamper sustainable economic growth, as has been noted by Commissioner Thyssen; whereas, according to Eurofound, the impact of the crisis has been generally more acute among lower-income individuals, pushing income inequalities upwards within European societies;

N. whereas homelessness represents the most extreme form of poverty and deprivation and has increased in recent years in virtually all Member States, overall in those worst hit by the economic and financial crisis; whereas, according to the European Federation of National Organisations working with the Homeless (FEANTSA), around 4 million people across the EU experience homelessness every year, over 10.5 million households suffer severe housing deprivation and 22.3 million households face a housing cost overburden, indicating that they spend more than 40 % of disposable income on housing;

O. whereas the current situation requires measures to promote national minimum income schemes so that all those with insufficient incomes and meeting specific conditions for eligibility are ensured decent living conditions, while also improving social and labour market inclusion and guaranteeing equal opportunities in enjoying fundamental rights; whereas education, redistributive social transfers and benefits, fair tax policy and a sound employment policy are important factors for mitigating income inequalities, lowering the unemployment rate and cutting poverty; whereas having a decent job would protect someone from the risk of poverty and could be considered as a major indispensable means of social integration;

P. whereas according to an overview carried out by Eurofound, many people in the EU do not receive the benefits they are entitled to, including in-work benefits, for example because of the complexity of benefit systems or application procedures, or because they are not aware of their entitlements;

Q. whereas the concept of a minimum income must not be confused with the concept of a minimum wage, which is fixed by collective agreement or by legislation at national level;

R. whereas the setting of wages is a Member State competence;

S. whereas introducing and strengthening adequate minimum income schemes in all Member States, with adequate budgetary, human and material resources, together with active employment policies for people able to work, is an important and effective measure for combating poverty and inequality, helping ensure economic and territorial cohesion, protecting the fundamental rights of individuals, ensuring a balance between economic and social objectives and supporting social integration and access to the labour market;

whereas the provision and management of social security systems is a Member State competence, which the Union coordinates but does not harmonise;

whereas, according to the European Social Observatory (OSE), some forms of income support already exist in 26 Member States;

whereas there are many differences between Member States in the treatment of minimum income policies, since the right to a dignified life is not considered as a universal and subjective right in all Member States; whereas there exist high levels of non-take-up, as well as lack of coordination between income support, active labour market policies and social services; whereas in only a few cases are minimum income schemes able to lift people out of poverty;

whereas some of the most vulnerable people, such as the homeless, experience difficulties in accessing minimum income schemes;

whereas guaranteeing the provision of an adequate minimum income for those who lack the requisite resources to achieve a decent standard of living, as well as participation in labour market (re)integration measures and safeguarding access to employment and the motivation to seek work, are provisions that are included under the European Pillar of Social Rights; whereas at the high-level conference held in Brussels on 23 January 2017, following the public consultation on this issue, the President of the Commission, Jean-Claude Juncker, reiterated that such measures should be adopted by all Member States;

whereas, according to Eurostat, in 2015 the employment rate of EU citizens aged from 20 to 64 stood at 70.1 % and was far from the goal of 75 % set under the Europe 2020 strategy;

whereas the Commission proposal of 2 March 2015 on guidelines for the employment policies of the Member States reiterates the importance of income support for combating poverty (Guideline 8);

whereas well-designed, adequate and widely available income support systems do not prevent or discourage a return to the labour market and also help boost internal demand;

whereas the Commission’s Recommendation of 3 October 2008 on active inclusion rightly recognises that apart from facilitating access to quality employment for those who can work, active inclusion policies should also ‘provide resources which are sufficient to live in dignity, together with support for social participation, for those who cannot’;

whereas on 5 October 2015 the Council adopted conclusions on pension adequacy, considering it essential that public pension or other social protection schemes contain appropriate safeguards for people whose employment opportunities do or did not allow


2 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions launching a consultation on a European Pillar of Social Rights (COM(2016)0127) – Annex 1.
them to build up sufficient pension entitlements, and that such safeguards should notably include minimum pensions or other minimum income provisions for older people;

AD. whereas in Council Recommendation 92/441/EEC, the Council called on Member States to recognise the basic right of all people to receive social assistance and have sufficient resources to be able to live in a dignified manner; whereas in Council Recommendation 92/442/EEC of 27 July 1992 Member States are urged to base their own social protection systems on those principles;

AE. whereas in its conclusions of 17 December 1999, the Council endorsed promoting social inclusion as one of the objectives with a view to modernising and improving social protection;

AF. whereas the Recommendation on active inclusion identifies adequate income support as one of the three equally important strands of an active inclusion strategy and stresses that it must be accompanied by access to quality services and by inclusive labour markets; whereas, likewise, promoting social inclusion requires coordinated measures that address the individual and his or her dependants, accompanied by action to promote stable work;

AG. whereas in many countries key barriers to developing effective links between the different strands of active inclusion include lack of capacity, skills and resources in public employment services and social assistance institutions, lack of coordination and cooperation between services, and a tendency to prioritise different groups in need of support who may be easier to reintegrate into the labour market;

AH. whereas the Commission’s Social Investment Package of 2013 once again reiterated the importance of an active inclusion approach, and within this stressed the importance of adequate minimum income support; whereas it was stated that the adequacy of existing national minimum income schemes can be improved to ensure that the level is high enough for a decent life; whereas it was mentioned that ‘the Commission will, as part of the European Semester, monitor the adequacy of income support and use for this purpose reference budgets once these have been developed together with the Member States’;

AI. whereas ILO Recommendation No 202 on social protection floors states that countries should ‘establish as quickly as possible and maintain their social protection floors comprising basic social security guarantees’, and further states: ‘The guarantees should ensure at a minimum that, over the life cycle, all in need have access to essential health care and to basic income security which together secure effective access to goods and services’;

AJ. whereas the Council has recognised the necessity of active inclusion with adequate income support and the importance of an integrated life-cycle approach for tackling poverty;

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AK. whereas the long-term unemployed, who at the end of 2015 accounted for 48.1% of the unemployed total in the EU, equivalent to 10.9 million people, find it much harder to return to the labour market;

AL. whereas in many instances, as a result of bringing up children and the periods of time spent doing so, there are severe losses of income and continuing financial drawbacks (‘family pay gap’);

AM. whereas mothers and fathers bringing up children are doing real work that must be recognised as such;

AN. whereas, at the end of 2015 5.1% of inactive individuals in the EU consisted of discouraged people who would have wanted to work but had stopped looking for employment, and whereas these people are not systematically counted in the unemployment figures;

AO. whereas unemployment leads to a fast and steady deterioration of workers’ living conditions and of their mental and emotional state, which compromises their prospects of updating their skills and, consequently, the possibility of (re)integration in the labour market;

AP. whereas certain public employment programmes may be an effective tool that can work along with minimum income schemes as a means to the social and vocational inclusion of particular categories, such as unemployed young people, the long-term unemployed and other vulnerable groups; whereas such programmes could be effective in contexts and depressed geographic areas where retraining is required; whereas people who keep themselves busy working under a public employment programme will also find it easier to find new jobs; whereas such programmes need to provide a decent wage and include a personalised itinerary, and should lead to decent work;

AQ. whereas the Council conclusions on the 2017 Annual Growth Survey and the Joint Employment Report adopted by the EPSCO Council on 3 March 20171 both call on Member States to ensure that social protection systems provide adequate income support and that reforms continue to focus on, among other things, providing adequate income support and high-quality activation and enabling services;

AR. whereas vocational training, in particular through work-related training schemes, provides the necessary skills for pursuing a professional activity and building a professional network, thus helping achieve sustainable labour market integration and reducing the risk of poverty;

AS. whereas minimum income schemes represent a very small percentage of government social spending, while providing a huge return on investment, and the cost of non-investment has enormous immediate impacts for the individuals concerned and long-term costs for society;

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AT. whereas minimum income schemes are good for the whole of society, as they are indispensable for achieving more equal societies and more equal societies perform better on many social and economic indicators;

AU. whereas minimum income schemes are an effective form of economic stimulus package, as the money is used to address pressing needs and immediately re-enters the real economy;

AV. whereas the right to an adequate standard of living is recognised in Article 25 of the UN Universal Declaration on Human Rights, and refers to the extent to which the level of benefit provides people with sufficient resources to ensure ‘a standard of living adequate for their health and well-being’; whereas coverage refers to the extent to which all those in need of support are covered by the eligibility conditions pertaining to a minimum income scheme; whereas take-up refers to the extent to which those who are eligible to receive a minimum income benefit actually do receive it;

AW. whereas often the lack of adequate payments coupled with limited coverage and poor take-up, due inter alia to poor administration, inadequate access to information, excessive bureaucracy and stigmatisation, means that the payments concerned fall very far short of ensuring a decent life for the most vulnerable in society¹;

AX. whereas a number of Member States have to deal with severe budget deficits and increased debt levels and have consequently tightened their social spending, and this has affected their public health, education, social security and protection and housing systems, and, in particular, access to the related services and the adequacy, availability and quality of those services, resulting in a negative impact especially on the most deprived members of society in those Member States;

AY. whereas minimum income schemes can act as automatic macroeconomic stabilisers in response to economic shocks;

AZ. whereas the effectiveness of minimum income schemes in terms of alleviating poverty, fostering labour market integration, especially for the young, and acting as automatic stabilisers varies significantly between Member States;

BA. whereas minimum income policies act as an automatic stabiliser; whereas the recession has been less severe in countries which have solid systems to support disposable household income;

BB. whereas tax avoidance and tax evasion create an unlevel playing field within the EU and are depriving Member States of large volumes of revenue that would otherwise contribute to sufficient funding for robust social and public welfare policies, as well as reducing government revenue when such revenue could finance better conditions for economic growth, higher incomes and social policies; whereas this phenomenon constitutes a serious problem for the EU;

BC. whereas a number of studies have shown how poverty negatively affects economic

¹ ESPN, ‘Minimum Income Schemes in Europe: A study of national policies 2015’. 
growth\(^1\);

BD. whereas some Member States are launching pilot projects for testing basic income policies, among them Finland, where a randomly chosen group of 2 000 unemployed people will receive an unconditional sum of EUR 560 per month, which should produce an adequate incentive to accept temporary or part-time work;

BE. whereas implementing basic income schemes is being discussed in several Member States;

**Minimum income schemes**

1. Calls on all Member States to introduce adequate minimum income schemes, accompanied by back-to-work support measures for those who can work and education and training programmes adapted to the personal and family situation of the beneficiary, in order to support households with inadequate income and enable them to have a decent standard of living; stresses that this minimum income should be the last social protection network and should consist of adequate financial support in addition to a guaranteed access to quality services and to active labour policies, as an effective way to combat poverty and ensure a decent existence for all those who lack sufficient resources; highlights in this regard that the right to social assistance is a fundamental right and that adequate minimum income schemes help people to live a life in dignity, support their full participation in society and ensure their autonomy across the life cycle;

2. Takes the view that promoting inclusive and poverty-free societies must be based on enhancing the status of work with labour rights based on collective bargaining and providing quality public health, social security and education services that break the cycles of exclusion and promote development;

3. Highlights the importance of adequate public funding to finance minimum income schemes; calls on the Commission to specifically monitor the use of the 20% of the total allocation of the ESF devoted to fighting poverty and social exclusion, and also to examine, in the forthcoming review of the Common Provisions Regulation for the Structural Funds (Regulation (EU) No 1303/2013), and in particular in the framework of the European Social Fund and the EU Programme for Employment and Social Innovation (EaSI), the funding possibilities for helping every Member State establish a minimum income scheme where it does not exist or improve the functioning and effectiveness of existing systems;

4. Acknowledged that it is difficult for Member States to go from no or low-quality minimum income schemes to high-level schemes; requests, therefore, that Member States work towards the progressive realisation of adequate minimum income schemes, addressing the issues of adequacy, coverage and take-up of the schemes;

5. Emphasises that the establishment of minimum income schemes can both mitigate inequalities and the social impact of the crisis and have a counter-cyclical impact by providing resources to improve demand in the internal market;

6. Stresses that it is vital for all those in need to have access to sufficient minimum income schemes to be able to meet their basic requirements, including for the most excluded such as homeless people; considers that adequate minimum income is an income that is indispensable for those in need to live a life in dignity, and that it should be considered in conjunction with the right to access to universal public and social services; believes that minimum income schemes have to ensure the non-perpetuation of social dependency and facilitate inclusion in society; recalls that the Recommendation on active inclusion recognises the need for an integrated strategy in the implementation of the three social inclusion strands (adequate income support, inclusive labour markets and access to quality services);

7. Highlights the importance of the automatic stabilisation dimension of welfare systems for the absorption of social shock waves caused by external effects such as recessions; calls, therefore, on the Member States, in view of ILO Recommendation No 202, which defines social protection floors, to ensure and increase investment in social protection systems in order to guarantee their performance in tackling and preventing poverty and inequalities while ensuring their sustainability;

8. Points up – in connection with the minimum income debate – the particular position of families and single parents and the particular extent to which they are affected;

9. Highlights that people should be enabled to participate fully in society and the economy, and that this right should be fully recognised and made visible in Union policymaking, by ensuring high-quality universal social protection systems which include within them effective and adequate minimum income schemes;

10. Considers that social protection, including pensions and services such as healthcare, childcare and long-term care, remains essential for balanced and inclusive growth, also contributing to a longer working life, creating employment and reducing inequalities; calls, therefore, on the Commission and the Member States to boost policies that ensure sufficiency, adequacy and efficiency, as well as the quality of social protection systems throughout the life-cycle of a person, thus guaranteeing a decent life, fighting inequalities and boosting inclusion, with the aim of eradicating poverty, especially for those excluded from the labour market and the most vulnerable groups;

11. Emphasises that an adequate income across the life-cycle is fundamental for helping people with insufficient levels of income to achieve a decent life;

12. Emphasises that adequate minimum income schemes, as an active inclusion tool, promote social participation and inclusion;

13. Recalls that one of the main goals of the Europe 2020 strategy is reducing the number of those affected by poverty and social exclusion by at least 20 million, and that still more efforts are needed to reach that goal; believes that minimum income schemes can be a helpful way to reach this objective;

14. Stresses that decent jobs are the best way to fight poverty and social exclusion; recalls in this context the importance of boosting growth, investment and job creation;

15. Regrets that some Member States appear to disregard Council Recommendation 92/441/EEC, which recognises the ‘basic right of a person to sufficient resources and
Points out that, while most Member States have national minimum income schemes, several of these schemes do not provide adequate income support for all the people that need them; calls on all Member States to provide for the introduction and, if necessary, upgrading of guaranteed minimum income schemes so as to help prevent poverty and foster social inclusion;

Stresses that the introduction of a national minimum income scheme should not lower the protection afforded by regional minimum income schemes;

Stresses the importance of the European Semester in encouraging Member States which do not yet have minimum income schemes to introduce systems of adequate income support;

Notes that in some Member States the entitlement to minimum income benefits is subject to participation in active labour market measures; highlights in this regard the important role of the EU as a medium that enables Member States to exchange best practice;

Reiterates its position, as expressed in its resolution of 20 October 2010, on the role of minimum income in combating poverty and promoting an inclusive society in Europe;

Takes due note of the European Economic and Social Committee’s opinion on a framework directive on adequate minimum income in the European Union, which should lay down common rules and indicators, provide methods for monitoring its implementation and improve dialogue between the individuals concerned, the Member States and the EU institutions; calls on the Commission and the Member States, in this regard, to evaluate the manner and the means of providing an adequate minimum income in all Member States;

Welcomes the Commission statement that the European Semester now has a stronger focus on employment and social performance, but believes more efforts are necessary to reach this goal and to assure global coherence, especially through the promotion of social investment; calls on the Commission to regularly monitor and assess the progress made by Member States with regard to the Country Specific Recommendations (CSRs) in delivering accessible, affordable and quality services, as well as implementing adequate and efficient minimum income schemes;

Stresses the importance of the European Semester in monitoring the adequacy of existing minimum income schemes and their impact on reducing poverty, specifically through the CSRs, but also underlines the importance of the joint employment report and the Annual Growth Survey;

Stresses that minimum income schemes should ensure an income that is above the poverty line, prevent severe material deprivation, and lift households out of such situations, and should be accompanied by the provision of public services such as health, education and childcare;

Considers that minimum income schemes should be embedded in a strategic approach

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towards social inclusion and integration, involving both general policies and targeted measures – in terms of housing, healthcare, education and training, social services and other services of general interest – helping people to overcome poverty, while providing personalised support, as well as assistance in gaining access to the labour market for those who can work; believes that the real objective of minimum income schemes should be not simply to assist but above all to accompany the beneficiaries in moving from situations of social exclusion to an active life, thus avoiding long-term dependency;

26. Calls on the Member States to improve coordination and integrated planning between administrations and services dealing with the different strands of active inclusion, developing a single point of contact for clients, and enhancing the capacity of and resources available to services so as to increase access to them and improve their quality;

27. Considers it crucial to guarantee an adequate income also for people in vulnerable situations for whom a return to work is not possible or no longer an option, as recognised by the Recommendation on active inclusion;

28. Calls for significant and verified progress to be made on the adequacy of minimum income schemes, so as to reduce poverty and social exclusion, in particular among the most vulnerable in society, and help guarantee their right to a life of dignity;

29. Notes with concern that in many Member States, for example, the costs of long-term care exceed even the average pension income; stresses the importance of taking into account the specific needs and living costs of different age groups;

30. Stresses the importance of defining appropriate eligibility criteria adapted to the socio-economic situation in the Member States, to make it possible to benefit from an adequate minimum income scheme; believes that these criteria should include not being a beneficiary of an unemployment benefit, or the circumstance that being a beneficiary is insufficient to avoid poverty and social exclusion, and should also take account of the number of children and other dependents; emphasises nevertheless that these criteria should not create administrative barriers for accessing minimum income schemes for people who are already in a highly vulnerable situation (e.g. a fixed address should not be required for homeless people);

31. Reiterates the importance of equal access to minimum income schemes, with no discrimination on grounds of ethnicity, gender, educational level, nationality, sexual orientation, religion, disability, age, political opinions or socio-economic background;

32. Is concerned at the high rate of non-take-up among people who are entitled to minimum income; considers that non-take-up is one of the major barriers to the social inclusion of those concerned; requests the Commission and the Social Protection Committee to further research the problem of non-take-up and to develop recommendations and guidelines to tackle this problem; calls on the Member States to combat non-take-up, including by raising public awareness about the existence of minimum income schemes, providing appropriate guidance on accessing those schemes, and improving their administrative organisation;

33. Stresses the need for Member States to take specific action to determine a minimum
income threshold, based on relevant indicators including reference budgets, in order to safeguard economic and social cohesion and reduce the risk of poverty in all Member States; takes the view that this information should be presented annually on the International Day for the Eradication of Poverty (17 October);

34. Notes that many Member States already use the Minimum Income Protection Indicators (MIPI); calls for the use of MIPI data by all Member States, which will also allow better comparison between national systems;

35. Believes that minimum income should be considered temporary and should always be accompanied by active policies of inclusion in the labour market;

36. Argues that minimum income schemes are transitional instruments for reducing and fighting poverty, social exclusion and inequality, and that they should be seen as a social investment; notes the counter-cyclical effects of minimum income schemes;

37. Emphasises the need, when minimum income levels are determined, for due account to be taken of the number of dependants, in particular children or people with high dependence, in order to break the vicious circle of poverty, in particular child poverty; calls on the Commission and the Member States to ensure the swift implementation of the 2013 recommendation ‘Investing in children: breaking the cycle of disadvantage’; takes the view, furthermore, that the Commission should draw up an annual report on progress in the fight against child poverty and the implementation of the recommendation, with the help of the indicators included therein;

38. Points out that reference budgets can help set the level of minimum income necessary to meet people’s fundamental needs, including also non-monetary aspects, such as access to education and lifelong learning, decent housing, quality healthcare services, social activities and civic participation, while taking into account household composition and ages, as well as the economic and social context of each Member State; recalls that the Commission, in its Social Investment Package communication, urges Member States to set reference budgets to help design efficient and adequate income support that takes into account social needs identified at local, regional and national level in order to improve territorial cohesion; calls, in addition, for the use of reference budgets as a tool to assess the adequacy of minimum income schemes provided by Member States;

39. Believes that Member States, when setting adequate minimum income schemes, should take into account the Eurostat at-risk-of poverty threshold, set at 60% of national median equivalised disposable income (after social transfers), together with other indicators such as reference budgets; considers that reference budgets could be used to better tackle poverty and to test the robustness of the level of minimum income and of the above-mentioned threshold, while respecting the subsidiarity principle;

40. Believes that the lack of up-to-date figures on income and living conditions is an obstacle to the implementation and comparison of a reference budget and a minimum income taking account of national specificities;

41. Calls on the Commission and the Member States to exchange best practices from minimum income schemes;

42. Calls on the Commission and the Social Protection Committee to document and
disseminate examples of successful strategies, and to promote peer reviews and other methods of exchanging good practice on minimum income schemes; recommends that these efforts should focus on key issues such as ensuring regular uprating, improving coverage and take-up, addressing disincentives, and enhancing links between the different active inclusion strands;

43. Believes that, given the many questions posed by minimum income schemes, such as accessibility, coverage, financing, entitlement conditions and duration, a concept for national minimum income schemes could be helpful in contributing to a level playing field among Member States; in this regard calls on the Commission to carry out an impact assessment of minimum income schemes in the EU, to request regular monitoring and reporting, and to consider further steps, taking into account the economic and social circumstances of each Member State and the needs of the groups most affected, as well as assessing whether the schemes enable households to meet their basic personal needs and to reduce poverty;

44. Is concerned at the cuts in the amount and/or duration of unemployment benefits and the tightening of eligibility criteria which have occurred in many Member States in recent years, resulting in more people having to rely on minimum income schemes and creating additional pressure on those schemes;

45. Stresses that inequalities are growing within each Member State and within the EU;

46. Is concerned that in many Member States the level of benefits and coverage of minimum income schemes seems to have been reduced in recent years; considers that Member States should increase coverage by minimum income schemes of people in need of support, in line with the recommendations of the ESPN:

(a) calls on Member States with very complex and fragmented systems to simplify these and develop more comprehensive systems;

(b) calls on Member States with currently low levels of coverage to review their conditions to ensure that all people in need are covered;

(c) calls on Member States whose minimum income schemes currently exclude significant groups experiencing poverty, to amend their schemes to better cover them;

(d) calls on Member States with high levels of administrative discretion in their core minimum income systems to aim to reduce this and ensure that there are clear and consistent criteria for making decisions linked to an effective appeals process;

47. Stresses the importance of increasing participation in lifelong learning of workers, the unemployed and vulnerable social groups, as well as the need to improve the level of professional qualifications and the acquisition of new skills, which are a fundamental tool to accelerate integration in the labour market, increase productivity and help people find a job;

48. Points up the importance of demographic developments in connection with combating

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poverty in Europe;

49. Stresses that urgent practical steps need to be taken to eradicate poverty and social exclusion, promote effective social safety nets and reduce inequality, in such a way as to help ensure economic and territorial cohesion; stresses that these steps must be taken at the appropriate level, with actions at both national and European level in accordance with the division of competences for the relevant policies;

50. Supports the Commission’s social investment approach, which views well-designed social policies as contributing to economic growth whilst protecting people from poverty and acting as economic stabilisers1;

51. Welcomes reflections and studies concerning how to achieve a fairer distribution of income and wealth within our societies;

52. Stresses that key factors impeding the development of a social investment approach by Member States include the impact of the economic crisis2;

53. Calls for due attention to be paid as of now, in the shaping of macroeconomic policies, to the need to reduce social inequalities and guarantee access for all social groups to properly funded public social services, thus tackling poverty and social exclusion;

54. Calls for action to reduce social inequalities by enabling people to make best use of their gifts and capabilities; also calls for social support to be focused on those who are both poor and unable to earn a sufficient income by their own efforts;

55. Points out that recent experience of reforms based on tax exemptions shows that it is preferable to finance minimum income policies using budget support rather than through tax incentives;

56. Underlines that education, social transfers and progressive, fair and redistributive tax systems, alongside practical measures to strengthen competitiveness and combat tax avoidance and tax evasion, all have the potential to contribute to economic, social and territorial cohesion;

57. Underlines the need to adapt existing minimum income schemes in order to better address the challenge of youth unemployment;

**Public employment programmes**

58. Takes note of certain public employment programmes, which consist of the option, for those who want to and are able to work, to have a transitional job, in the public sector or in non-profit private entities or social economy enterprises; stresses, however, that it is important for these programmes to promote work with rights, based on collective bargaining and on labour legislation;

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2 ESPN, ‘Social Investment in Europe: A study of national policies 2015’.
59. Takes the view that public employment programmes should help to improve workers’ employability and facilitate their access to the regular labour market; recalls that these programmes should include a personalised itinerary and should provide decent wages and lead to decent work;

60. Believes that the creation of decent jobs should be a priority for the EU as an important step towards reducing poverty and social exclusion;

61. Calls on the Commission and the Member States to ensure the full participation of all stakeholders, in particular social partners and civil society organisations, in the design, implementation and monitoring of minimum income policies and programmes;

62. Instructs its President to forward this resolution to the Council and the Commission.