**EAPN input to the public consultation for an Action Plan to implement the European Pillar of Social Rights**

**Introduction**

EAPN welcomed the adoption of the European Pillar of Social Rights (EPSR) by inter-institutional proclamation in November 2017, and the commitment demonstrated by the new European Commission leadership to ensure that the EPSR has real impact on social rights. On 14 January 2020 the Commission adopted a [Communication](https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52020DC0014&from=EN)[[1]](#footnote-1) heralding the launch of a year-long [public consultation](https://ec.europa.eu/social/main.jsp?catId=1487&langId=en) as a basis for the launch of a concrete Action Plan at EU and national level in 2021.

In this document, EAPN sets out its proposals for an **Action Plan to implement the European Pillar of Social Rights**, as a part of its response to the European Commission’s consultation. It builds on EAPN’s policy position papers on the European Pillar of Social Rights (EPSR) developed together over this period with its national and European Organisation members: [Last Chance for Social Europe](https://www.eapn.eu/15644-2/) (2016), Response to the EPSR: [Making Social Rights the beating heart of Europe (2017)](https://www.eapn.eu/18092-2/); [Response to the Social Fairness Package: Making a difference to people in poverty](https://www.eapn.eu/20302-2/) (2018), as well as EAPN monitoring reports on the implementation on poverty, social rights and participation through the European Semester[[2]](#footnote-2) and specific thematic reports. This paper strongly builds on our [Position Paper for Delivering Agenda 2030 for people and plant: EAPN proposals for a Post Europe 2020 strategy.](https://www.eapn.eu/delivering-agenda-2030-for-people-and-planet-eapn-proposals-for-a-post-europe-2020-strategy/)

A further vital source for EAPN is the direct voice of people experiencing poverty, captured in the reports of the [EU People Experiencing Poverty Meetings](https://www.eapn.eu/voices-of-poverty/),[[3]](#footnote-3) co-organized with the European Commission and the Presidencies since 2001.

This input sets out **our proposals for EU level action,** developed together with EAPN’s EU-wide Policy Expert group: the EU Inclusion Strategies Group, (EUISG). EAPN members will provide **direct input from the national level, whilst** supporting these EU level proposals, additionally highlighting national network proposals for national legislation and policy proposals.

**Overarching EU concerns**

* **Coherent Post 2020 EU social and sustainable strategy – Social and Green Deal**
* EAPN strongly backs the implementation of the European Pillar of Social Rights, but underlines that an effective implementation will depend upon the coherence of its role within the overarching strategies and approach being developed by the EU.
* In 2019, the ‘European Green Deal’ was announced by President Von der Leyen, as the new Growth Strategy[[4]](#footnote-4). Whilst welcoming the commitment to swift action on climate change, there is a need for more than only a limited approach to ‘*just transition’*, primarily targeted at regions converting from fossil-fuels, to a *Just Transition principle*, to ensure that the poor not only don’t pay for regressive effects of transition but positively benefit from the initiatives. However, this alone isn’t sufficient. The Green Deal itself needs to be framed within an overarching balanced economic, environmental and social sustainability project, building on the Europe 2020 strategy, where macroeconomic policy explicitly supports and invests in environmental and social / protection and rights underpinned by effective ex-ante social/poverty impact assessment.
* EAPN calls for a long-term coherent, social and sustainable development strategy that eradicates poverty and social exclusion, which would implement Agenda 2030 and the SDGs. The European Green Deal and the EPSR would be equal pillars within this overarching approach. ([See EAPN Position: Delivering Agenda 2030 for People and Planet (EAPN proposals for a Post Europe 2020 strategy](https://www.eapn.eu/delivering-agenda-2030-for-people-and-planet-eapn-proposals-for-a-post-europe-2020-strategy/))
* Neither is it possible to design an Action Plan for social rights, without clear reference to the essential macroeconomic policies to help implement those rights. The negative legacy of the EU’s priority on fiscal consolidation, austerity, liberalisation and privatisation of public services particularly during the crisis, continues to threaten social rights.
* A transparent social/distributional impact assessment needs to be done, also requiring support to a golden rule[[5]](#footnote-5) to support investment in public infrastructure essential for social rights, including social protection[[6]](#footnote-6), in order to ensure real progress on reducing poverty and inequality.
* No progress can be made on social rights, unless explicit commitment is made to reinforcing welfare states, particularly in guaranteeing adequate incomes – through minimum income and social protection, quality jobs and universal public services, supported by adequate funding. A key indicator/target for increasing public spending in relation to GDP on funding of welfare states, and increasing progressive taxation is crucial.
* **Social Rights must contribute to an effective EU strategy to fight poverty**
* Whilst the 20 Social Rights in the EPSR are highly relevant to the fight against poverty, a focus on gradual implementation of individual rights alone will not deliver tangible results on poverty. The implementation of social rights needs to be coordinated in a **multidimensional strategy**, linking the different individual rights, with the overarching goal to eradicate poverty, reduce inequality and promote well-being.
* EAPN strongly welcomes the increased focus on poverty reduction in the Commission’s recent Communication[[7]](#footnote-7) on the EPSR, highlighting the need to support a life in dignity by “*getting the support needed to look for a job, being able to access affordable and quality health care, decent opportunities for education and training, affordable housing and affordable access to essential goods and services, including water, energy, transport and digital communications. For those out of the labour market, minimum income schemes, accompanied by enabling services, offer a last resort which should ensure a life in dignity’*’, as well as support on housing, energy poverty, for children and Roma. Commissioner Schmit has made clear his support for an EU anti-poverty strategy in the EP hearings and consequent events.
* For this reason, EAPN it is clear that the **opening premise and goal** of the Action Plan should be the commitment to **End Poverty in all its forms** (SDG 1), building on the Europe 2020 goal and targets and to a **rights-based, person-centred integrated strategy to fight poverty and exclusion, for all groups, through the life course**. The action plan proposals for each individual social right/principle should then indicate how they individually and collectively contribute to this goal and strategy, in a coherent, integrated form.
* For EAPN this anti-poverty strategy should:
* **build on the 3-pillared Active Inclusion approach** recommended in the Commission Recommendation on [**’Active Inclusion of people excluded from the labour market’**](https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:307:0011:0014:EN:PDF), but not only as a means to get people into any job and as the ‘only route out of poverty’ (when in-work poverty continues to rise to currently 9.6% - data for 2018), but rooted in the principle of guaranteeing all people - regardless of age and situation - access to rights, resources and services.
* prioritise the right to **adequate living standards and services**: 1) Quality jobs/fair wages 2) Income support for those who cannot work or access decent jobs: Minimum income and social protection and 3) Quality universal services. This practically means not just services to ‘get people into work’, but services that support a dignified life through their life course: guaranteeing the right to affordable, quality housing, universal quality education/training and lifelong learning, health and social care, affordable energy/water and transport, underpinned by the EPSR and SDGs.
* be **comprehensive and integrated**, providing joined-up personalised services, including through a case-management approach that responds to the challenges facing each person in gaining their rights to services, quality work and income support in a comprehensive manner.
* Put the **person at the centre at all stages of their lives including children** – both empowering them and supporting their participation in the design and ownership of their own inclusion pathway, but also collectively as vital beneficiary and important voices in the design, delivery and monitoring of the jobs and services.
* Link to **thematic strategies for key target groups**, underneath the overarching umbrella of an integrated EU anti-poverty strategy: 1) particularly a child guarantee, rooted in the comprehensive 3-pillar approach of the [Investing in Children Recommendation](https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32013H0112), supporting a Council Recommendation to ensure its implementation; 2) tackling homelessness and housing exclusion – supporting a framework for national strategies; 3) targeted strategies for older people, people with disabilities, migrants, Roma and other groups.
* **Achieving upward convergence for social rights needs targets!**
* The EPSR aims to provide an essential floor for social rights in the EU. This is an essential balance to Stability and Growth and all policies should contribute to support the implementation, particularly economic, but also environmental etc.
* The goal to drive economic and social upward convergence, is currently carried out through EU soft coordination mechanism: the European Semester, primarily through the Social Scoreboard. The focus on EU averages in the Scoreboard, however, is not sufficient to drive positive progress ie upward convergence, particularly in areas where the EU average itself is low. There is a clear need for ambitious EU targets and common goals that can drive this vision – ie concrete poverty and inequality reduction targets.
* Although the Europe 2020 poverty target to reduce poverty by at least 20 million fell short, it was crucial in setting a common political ambition as well as driving funding in line and support of this target (ie the 20% ESF earmarking and Horizon 2020). However, the target was flawed, as it didn’t refer to a common %, unlike the other Social targets. Member States were also left to set their own targets based on their own choice of indicators (e.g. in Germany and Sweden).
* For this reason, EAPN would support the **SDG 1 target, and propose an ambitious EU target to reduce at risk of poverty and social exclusion (AROPE) by 50%**, aiming for a progressive realisation, with a mid-term 5 year review and an action plan, developed and monitored with stakeholders at national and European level through the European Semester.
* This should be combined with an **additional target to eradicate extreme poverty**, again in line with SDG 1. Robust indicators need to be developed for this area, which can build on the new social and material deprivation indicator developed through the ISG. They should include a concrete measurement of homelessness. Indicators and a target for extreme poverty should be additional to the AROPE indicators/target. It is essential to monitor the multi-dimensional phenomenon of poverty in ‘all its forms’. EAPN strongly defends the relative poverty indicator, as well as more absolute indicators, to capture people’s ability to participate on equal terms in each Member State.
* **More effective monitoring and implementation through EU soft instruments**

The main soft policy EU instruments to monitor the delivery on the EPSR will be the European Semester and EU funds. Both these will need to work effectively in tandem as key elements and this needs to be clearly spelled out and well anchored in the Action Plan.

**Socialising the European Semester**

* Although progress has been made on integrating the EPSR, with the renamed ASGS (Annual Sustainable Growth Strategy) the dominant focus continues to be on promoting macroeconomic goals of Stability and now Green Growth, with a continued focus on cost-cutting/restructuring of public services, particularly health and social protection.
* The focus on social rights and the EPSR is very limited. Only a page or so is dedicated to this, compared to over 50 pages on macroeconomic and environmental issues and priorities. Although mentioned within the chapter on employment, education and social policies, there is no detailed analysis of all the principles, only of the social scoreboard, which does not cover all principles. The SDGs are monitored in the annex, but they are not consistently mainstreamed in the ASGS. Poverty is not now consistently a focus, with the ending of Europe 2020 and the poverty reduction target. There is an overall lack of analysis of the effectiveness of the policies and proposals for solutions.
* The introduction of a new Environmental Sustainability chapter focussed on just transition, whilst welcome, worryingly seems to displace the focus on delivery on social rights, for example in the Annex D of the Country Reports (now focusing on priority investment areas and framework conditions for effective delivery of the Just Transition Fund) in the period 2021 to 2027, rather than combining a focus on environmental protection/just transition and social rights.
* A clearer road map, with a transparent monitoring grid (ie Revised Joint Assessment Frame), needs to be launched, which monitors all 20 EPSR principles consistently, not only the indicators in the Social Scoreboard, ensuring that section on social rights is dealt with on an equal footing to the economic and now environmental objectives (ie with equal length chapters in the Country Reports and NRPs, linked to the SDGs) showing their contribution to the main social scoreboard indicators - ie particularly the reduction of poverty and inequality, for key age and target groups.
* This should ensure at least 1 social rights CSR, for each country, underpinned by a full analysis of all social rights, key trends and the situation for poverty and social exclusion in the Country Reports and the NRPs.
* A clear link should be made with the voluntary reporting mechanisms for the SDGs.
* The participation of civil society organisations, with people directly facing poverty on equal terms in a meaningful partnership, will be key to keeping up pressure on social rights at the national and EU level. This requires obligatory guidelines, transparent funding and monitoring through the European Semester.

**Mobilizing EU funds and link to the Semester**

* Important steps have been taken to try to ensure that [EU funds in the Multi Financial Framework (MFF) 2021-2027](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2018%3A375%3AFIN) are mobilised more effectively in support of the EPSR, and deliver on poverty and social exclusion: with the new priority 4: “A more social Europe implementing the Pillar of Social Rights“ and the specific objective of *people at the risk of poverty, including most deprived and children***,** underpinned by strengthened, obligatory *enabling conditions*, to ensure effective delivery of National strategic policy framework for social inclusion and poverty reduction.
* However, the overall budget for the MFF and particularly Cohesion Funds are facing grave threats and are not yet agreed. Even if the full amount is agreed, the funding of 25%, including FEAD funds, is not sufficiently ambitious. There needs to be clear guidance to ensure that such integrated strategies go beyond narrow active labour market measures, avoid conditionality, and effectively support inclusion for key target groups. This means co-development together with community organisations/NGOs, and strict enforcement of the enabling conditions ensuring meaningful engagement of civil society organisations in the monitoring committees under the Code Of Conduct on Partnership on ESF.
* The stronger connection to the European Semester, both in requiring delivery on the CSRs and monitoring investment to the objectives in Annex D, are useful. However, the CSRs must prioritise **social rights**, and not just ‘**social issues’**, where the main focus is often ‘restructuring/reducing’ the funding for social provisions (particularly health/care/pensions/social protection) which undermine social rights. Annex D needs to include a strong focus on the delivery of the 4th Priority on the Social Pillar, the specific priority, ie *people at the risk of poverty, including most deprived and children***,**  and the enabling condition on antipoverty strategies, not as at the moment only on green investment.
* Steps need to be taken to ensure that ESF is not instrumentalised by national governments to finance mainstream public programmes and implement effective sanctions when EU funds are misused.
* It will be crucial to pro-actively support innovative, grass-roots community/NGO projects with upfront funding, global grants, avoiding the 20% co-financing requirement.
* **Ambition towards enforceable Social Rights**
* Valuable as the EPSR is, it is currently only a framework of principles rather than enforceable rights. The current ‘soft mechanisms’ have clearly fallen short of delivering substantial results on poverty, with still 109 million (2018) at risk of poverty and exclusion[[8]](#footnote-8) and growing gaps across Member States and between key groups, with higher risk faced by children, single parents, people with disabilities, unemployed persons, Roma, migrants and the homeless.
* A clear goal should be to progress towards an enforceable framework if implementation is to be effective. In the long-term this may require Treaty changes, however, progress can already be made within existing Treaty obligations, if the EU has sufficient political ambition and will.
* Whilst social policy is considered mainly within national competence, the EU has a role in Article 3.5 L(TFU), to contribute to eradicating poverty, observe human rights and respect the [charter of the United Nations](https://en.wikipedia.org/wiki/Charter_of_the_United_Nations)”. Progress on enforceable social rights has been recently made with the adoption of the [Directive on Work-Life Balance in 2019](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELLAR:4119596d-a475-11e9-9d01-01aa75ed71a1) and with the current EC social partner consultation regarding an EU framework on fair minimum wages.
* The Action Plan for the implementation of the EPSR, should set out a dynamic roadmap of desirable areas for ‘hard law’, quoting the relevant legal base that could be crucial in defending basic social rights and standards, and then setting out what is needed to achieve these measures - with the involvement of Parliament, the Council, the Advisory bodies, national and EU civil society and social partners stakeholders - to achieve their progressive adoption, during the coming decade.
* **Putting people at the heart – empowering people to claim their rights, and hold governments to account**
* The role of civil society organisations is still regrettably weak and insufficiently clear in the delivery of the EPSR, nor is there sufficient implementation of existing requirements in the main coordination mechanisms eg the Semester and EU funds. Whilst Civil Society Organisations are highlighted in the Commission’s recent Communication, and within the European Semester (Recital 11 of the revised Employment Guidelines (2018), in reality NGOs struggle to be engaged consistently and meaningfully at all stages of the European Semester process and to achieve impact. Big disparities exist between Member States, the different DGs, and Commission Representations at national level, i.e. the European Semester Officers.[[9]](#footnote-9)
* Whilst major efforts have been made by DG Employment to engage NGOs, this has not translated into engagement by sufficient MS, neither is such guidance apparent in the Economic Guidelines, despite the crucial role macroeconomic policy plays to support investment in public services, social protection and social rights, in the fight against poverty.
* Civil Society Organisations should be put on a par with social partners, at all stages of the consultation process, at EU, national and regional level. This means 1) changes to the economic guidelines, and stricter implementation of the employment guidelines, with obligatory guidelines, 2) a practical handbook, and 3) effective monitoring through the Semester, including quality standards/benchmarks/peer review for quality engagement.
* The direct voice of people experiencing poverty and social exclusion is crucial. The Commission must build on the current annual [EU meetings of people experiencing poverty](https://www.eapn.eu/voices-of-poverty/), to mainstream them directly into the policy-making processes, as a crucial voice contributing to meaningful solutions.
* Equal resources should be made available for the meaningful engagement of civil society organisations, particularly those who support the direct engagement of people experiencing poverty and social exclusion at the national level, to ensure accountability, monitoring the delivery on social rights and poverty reduction, as well as contributing pro-actively to the implementation.

*Whilst recognising that all the principles are crucial, EAPN Europe has selected 5 principles which are key to the fight against poverty. We provide below proposals for an action plan for those 5 key principles, proposing* ***concrete EU action*** *– both a) hard law and b) soft mechanisms.*

*EAPN members whilst supporting these EU actions, will present national recommendations in the area of the 5 principles.*

**Specific recommendations on Key EPSR Principles**

**PRINCIPLE 14: MINIMUM INCOME**

EAPN has campaigned on the right to an adequate minimum income since 2000, most recently through coordinating the European Minimum Network Project[[10]](#footnote-10) based on the following definition: **“***Minimum income schemes are income support schemes which provide a safety net for those who cannot work or access a decent job and are not eligible for social insurance payments or those whose entitlements to these have expired. They are last resort schemes which are intended to ensure a minimum standard of living for individuals and their dependents when they have no other means of financial support***”.**

As such, adequate minimum income schemes are a priority instrument to prevent and tackle poverty for all groups. They are a key social right and are good for people who need them and for the whole society. They allow people to live in dignity and ensure they can remain active in society, helping them reconnect to the world of work. They also set minimum floor for income level and help to ensure decent wages. Adequate Minimum Income is indispensable for more equal societies and to ensure social cohesion, which is beneficial for the whole of society. They are also good for the economy: providing a high return on investment and work as automatic stabilisers.

To be effective, they need to be designed on the basis of three key criteria: 1) **Adequate:** a level of income that is indispensable to live a life in dignity and to fully participate in society. 2) **Accessible:** providing comprehensive coverage for all people who need the schemes for as long as they need the support. 3) **Enabling:** schemes that promote people's empowerment and participation in society and facilitate their access to quality services and inclusive labour markets.

However, according to the Commission’s own yearly assessments[[11]](#footnote-11), although all MS now have MIS of some type, they still fall far short in terms of adequacy, coverage and providing positive, enabling support for beneficiaries. Only 2 countries have MI above the poverty threshold: NL and IE. In BG, RO, LT, HU, EL, PT and SK, the MI is below 40% for a single person[[12]](#footnote-12). Narrowing of eligibility criteria, and major problems of low take up (between 20-70%[[13]](#footnote-13)) is undermining rights. The requirement in the EPSR, that ‘minimum income benefits’ should be combined with incentives to (re)integrate into the labour market’ has too often been interpreted as punitive conditionality, with threats of sanctions and even withdrawal of benefits, attacking rights, increasing hardship and undermining the link with the labour market.

EAPN believes that a **guaranteed minimum income is a right for all people throughout their entire lives.** This should be achieved by:

* Ensuring that MIS take people out of poverty and above the 60% median disposable household income poverty threshold, underpinned by national reference budgets that capture real costs of essential goods and services.
* Providing comprehensive coverage and seamless transitions to other benefits at all stages.
* Supporting person-centred, integrated support as part of a positive ‘active inclusion approach’ based on case-management approaches and personalized planning.
* It will be essential to ensure that MI beneficiaries are ensured access to other key social rights – eg decent housing, education, affordable health, and not just as a ‘condition’ or an ‘instrument’ to get them into work. EU social standards must be rights, should never be conditional or treated as a disincentive to work. Conditionality of this type is a contradiction to the rights-based approach that the EU has signed up to.
* They should offer a positive hierarchy to minimum wage, to provide positive incentives to work – ie minimum wage should be set higher than minimum income, rather than reducing MI.

***To make progress at EU level, EAPN proposes both soft and hard law actions outlined below.*** *For a more detailed updated discussion please see EAPN’s Position Paper on adequate income (2019) (link needed)*

**Soft Instruments to support upward convergence**:

The right to Minimum Income should continue to be strengthened through the European Semester, and EU funds in the following ways:

* Minimum income should be viewed as part of an integrated active inclusion approach, and a crucial element in an EU multidimensional, integrated antipoverty strategy, as highlighted above.
* MS should be required to ensure minimum income to be adequate, accessible and enabling, monitoring progress on all these elements with CSRs in the European Semester.
* Further develop reference budgets of baskets of goods and services to check adequacy, for different household types with the involvement of people, not only in poverty.
* Progress should be made on agreeing common EU definitions of adequacy, coverage and enabling support, as well as common methodologies on reference budgets.
* Visibility and mainstreaming of the benchmarking indicators agreed by the Indicators Sub Group (ISG) of the Social Protection Committee (SPC) to check the adequacy, related to the AROP level, developing indicators to capture coverage, particularly take-up and ‘effectiveness’ of enabling support, ie in terms of beneficiaries assessment of benefits and long-term impact in social participation, education as well as access to sustainable, quality jobs.
* Research, awareness-raising, mutual learning and peer review should be carried out on how to increase the adequacy of long-term financing of adequate minimum income, as well as benefits of ‘positive/supportive’ methods of participation and job search support, as opposed to negative activation with conditionality. Other key areas include: take up, smoothing transitions between MI and Unemployment Benefit, removing disincentives and ensuring that people do not fall through the net.
* CSRs should trigger concrete policy action and sanctions when minimum income falls far short of adequacy, as ‘critical developments’ which require an urgent coherent/coordinated response with the macroeconomic policy CSRs, ie supporting investment in MIS and increasing tax revenues through increased collection/tackling evasion and more progressive taxation.
* EU funds should be targeted to support the development of effective national minimum income schemes (MIS).

**Hard Law/EU legislation**

* Soft law alone is failing in guaranteeing an adequate minimum income in most countries, nor is it succeeding in effectively reducing poverty. EAPN believes that a **European Framework Directive** is needed to guarantee this right and provide a level playing field across the EU on minimum social standards.
* The Directive should provide a common EU framework, setting out minimum requirements: establishing common objectives, common principles, definitions and methods to guarantee this right across the EU, referring back to Member States the establishment of the conditions of access and detailed rules of application in order to take account of the situation in each Member State. It is not proposed that the Directive should fund directly an EU-level minimum income payment.[[14]](#footnote-14)
* The indicator for adequacy proposed is as quoted above: at least above the poverty threshold (60% median income), underpinned by national reference budgets.
* EAPN’s Legal Opinion and Working Paper, both issued in 2010, confirm that a legal base exists in the field of the integration of persons excluded from the labour market (TFEU art 153, 1, h). There is no formal objection that can be found in the Treaty to legislate on financial support for the integration of people who are excluded from the labour market. (For a full discussion of these issues, as well as a proposal for a draft Directive, please see [EAPN Working Paper on A Framework Directive](https://www.eapn.eu/wp-content/uploads/Working-Paper-on-a-Framework-Directive-EN-FINAL.pdf) and [Legal Opinion](https://eminnetwork.files.wordpress.com/2018/12/EAPN-2010-Minimum-Income-Directive-legal-assessment-107.pdf) (2010), as well as EMIN 1 and EMIN2[[15]](#footnote-15)).
* Support for an obligatory framework on MI has been gained from an increasing number of actors galvanised by the work of EAPN and EMIN including: [EESC](https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/european-framework-directive-minimum-income-own-initiative-opinion), [ETUC](https://www.etuc.org/sites/default/files/document/file/2020-02/A%20Trade%20Union%20input%20for%20an%20Action%20Plan%20to%20Implement%20the%20European%20Pillar%20of%20Social%20Rights%20%20%2B%20Annex%20%28Adopted%29.pdf) and [Social Platform](https://www.socialplatform.org/wp-content/uploads/2014/06/20140624_SocialPlatform_PositionPaper_Directive-Minimum-Income.pdf), as well as support for an EU framework to guarantee adequate national schemes from the [European Parliament Report in 2017.](https://www.europarl.europa.eu/doceo/document/A-8-2017-0292_EN.html)

**PRINCIPLE 12: SOCIAL PROTECTION**

**EAPN in its** [**response to the consultation on Access to Social Protection**](https://www.eapn.eu/eapn-answers-the-european-commission-consultation-on-access-to-social-protection-for-all-workers/) **(2018)** highlighted 5 key challenges in its response:

1) **Social protection should not be restricted to those in work, but cover risks of all throughout the lifecycle, regardless of employment status.** Adequate social protection for all, providing for lives in dignity for both those who can and cannot work, is the cornerstone of both an inclusive Europe, free of poverty, as well as a sustainable recovery, as per the EPSR principle.

2) **This initiative must not implicitly encourage an employer culture when insecure contracts proliferate, nor a highly segmented labour market where unstable work is the norm.** While reinforcing income security and providing adequate coverage for all workers, and particularly those in precarious employment, is crucial, quality and sustainability of work and employment, stable contracts and adequate pay and social security contributions.

**3) The responsibility of providing adequate social protection rests with contractual relations and the welfare state**. EAPN denounces any attempt to shift responsibility to the individual, or to move towards a private insurance system of social protection. Benefits like health and family care should be redistributive, not based only on employment-based contributions.

4) **Coverage by adequate social security must be mandatory.** As identified in the background paper, lack of information about one’s rights, or difficulty in tackling the associated red tapes, are strong deterrents in the redistribution of rights and resources. All workers, regardless of type of contractual arrangement or other distinction, must benefit from the same portable employment rights and entitlements, and mandatory coverage by adequate social protection.

5) **Trade-off between coverage and adequacy.** While striving to not leave anybody behind, all benefits must be set at a level which affords recipients and their families a life in dignity, avoiding a situation where providing for more people results in lower levels of income support.

EAPN welcomed the Council Recommendation on Access to Social Protection but raised doubts to its effectiveness in providing the necessary level of adequate protection to all workers regardless of employment status, particularly in the context of increasingly precarious new ways of work. A longer-term problem is the limited EU definition of the scope of social protection, rather than the broader approach of the [UN/ILO Social Protection floor](https://www.ilo.org/secsoc/areas-of-work/legal-advice/WCMS_205341/lang--en/index.htm), which treats social protection as a basic right, through the life cycle, irrespective of employment situation and status, underpinned by re-distributive tax funding rather than only employment-based contributions.

A further concern is the continuing evidence that the European Semester treats social protection primarily as a cost, rather than an investment, with the primary focus of the CSRs focused on ‘sustainability’ and cost effectiveness of national systems, as the dominant objective in the CSRs, rather than adequacy linked to Principle 12.[[16]](#footnote-16)

The impact assessment of the proposal for a Recommendation on Access to Social Protection aptly describes the challenges behind Principle 12. EAPN would be of the view that careful and transparent monitoring with stakeholders including civil society should be followed by an impact assessment in 4 years’ time, to assess whether the Recommendation has been effective and is the appropriate tool to deliver this principle, or whether a Directive would be more suitable. As access to social protection is dependent on employment within the EU, it is one of the key criteria/principles necessary for quality employment (See EAPN [quality work principles.](https://www.eapn.eu/wp-content/uploads/2016/01/2012-10-principles-on-quality-work.pdf)) and needs to be monitored with Principle 5.

Key areas that will need to be monitored are:

* Coverage and adequacy, particularly issues of duration and level of social protection benefits, regardless of employment status.
* Guarantee of effective minimum protection for all: with high priority to check impact on the most vulnerable groups ie people in precarious jobs: including zero-hour contracts, involvuntary part-time work, temporary work and bogus self-employment.
* Checking that flexi-security (Securiflex) is not being used to support flexibility over social protection.
* Effective management of transitions for workers involved in ‘revolving door’ access to work ie in and out of low paid, precarious jobs and unemployment.
* Portability of workers’ rights cross borders and the actual implementation.
* Concerns over access to training for all workers, particularly those in low, paid and more precarious jobs.
* The effectiveness of work-life balance, monitoring the transposition and implementation of the work/life balance Directive.
* Checks on the effectiveness of affordable access to health care, particularly out of pocket payments, the quality of care for different vulnerable groups.
* Gender and age-discrimination gaps, as well as discrimination against other groups eg youth, or specific target groups.
* The overall context of new forms of work, driven by new, exploitative business models will need to be a constant reference point.[[17]](#footnote-17)
* Trade Unions and collective bargaining, as well as social dialogue are recognised rightfully as key actors. However, Civil Society organisations like anti-poverty organisations who work people with people experiencing low wages/precarious work and in-work poverty, should be included as dialogue partners as essential partners to this monitoring process, including the individuals themselves.

**Soft Instruments supporting upward convergence**

* The Council Recommendation on [Access to Social Protection](https://ec.europa.eu/social/main.jsp?catId=89&furtherNews=yes&langId=en&newsId=9478) needs to be implemented prioritising the extension of mandatory and effective coverage, and adequacy of benefits to all workers (employed and self-employed) as a main priority, together with the considerations highlighted above.
* These criteria should be monitored rigorously through the European Semester, with particularly attention paid to ensuring the coherence of macroeconomic CSRs to support the necessary investment by the State to guarantee implementation, rather than prioritizing ‘cost-cutting’.
* New indicators should be developed in the area of social protection, eg adequacy of pensions.
* Adequate financing of social protection should be key priority, introducing indicators/benchmarking to ensure social protection spending should not fall below 35% of GDP,[[18]](#footnote-18) increasing revenue by tackling tax evasion/avoidance and more progressive tax systems including tax on wealth, property and capital.[[19]](#footnote-19)

**Hard Law/EU legislation**

* EAPN strongly backs the need for a Framework Directive to guarantee access to social protection. We support the ETUC[[20]](#footnote-20) view that an impact assessment should be carried out in 4 years’ time, involving the social partners. Discussions with civil society organizations particularly those working with low-paid and vulnerable workers should also take place to ascertain whether a further legal instrument is needed to achieve the expected results.

**PRINCIPLE 20 ACCESS TO ESSENTIAL SERVICES (Including energy poverty, and linked to Principle 11: Childcare and support to children, Principle 19: Housing and Assistance for the homeless, and Principle 16: Health care)**

For EAPN the provision of universal services is a vital element of social protection and welfare states. They are crucial in preventing and tackling poverty and social exclusion and act as a lynchpin to the European Social Model. Equal and affordable access to quality education, health, social and housing services is also one of the three main pillars (in addition to income support and inclusive labour market) of the Active Inclusion Strategy[[21]](#footnote-21) (2008) which could should underpin an Integrated Anti-Poverty Strategy as highlighted above.

In setting future policies and strategies for implementing principle 20 ‘accessibility of services’, affordability, coverage and quality must be key criteria. There is also a need to ensure universality, guaranteeing the right for all as part of an essential social compact to ensure quality services for everybody, combined with additional targeted measures to achieve effective access for vulnerable groups and antidiscrimination measures (targeted universalism). EAPN believes that the new European Pillar of Social Rights linked to the UN Sustainable Development Goals Agenda for 2030 should provide an overarching rights-based framework[[22]](#footnote-22) for a post 2020 Strategy.

However, in reality the right to essential services, particularly to public services, has been consistently undermined by their accelerated privatisation and liberalisation, seeking profit above the common good. This has been linked to a shift away from universalism towards targeted services, under pressure from austerity measures. The European Semester (in particular until around 2017, but also still in the last two to three years) has too often supported this view.

All public services, including water, waste, sanitation, transport, digital and financial and social services as well as social services and justice systems, provide an essential public infrastructure that represent essential common goods to EU citizens, a flagstone of the European Social Model. The EAPN EU Inclusion Strategies Group (EUISG) in 2017 elaborated their report [’Nobody left behind’](https://www.eapn.eu/wp-content/uploads/2017/01/EAPN-2016-12-EAPN-Access-to-Housing-and-Health-Services-963.pdf). In the 2019 [People Experiencing Poverty meeting](https://www.eapn.eu/wp-content/uploads/2020/02/EAPN-2019PEP-REPORT-4119.pdf), health and housing where highlighted as [key priorities](https://www.eapn.eu/wp-content/uploads/2020/02/EAPN-2019PEP-REPORT-4119.pdf), and facing mounting threats.

* Energy Poverty, and the right to affordable, clean energy is a key challenge, with rising energy poverty affecting more than 50 million people, and where 1 in 10 cannot heat their home properly and 1 in 5 cool them in summer.[[23]](#footnote-23) An integrated approach which supports adequate income, reduces energy consumption and promotes fair prices is crucial. [[24]](#footnote-24)Decent housing combined with energy efficient measures are key means to reduce energy consumption and energy poverty, thus supporting the EPSR and Just Transition. Social affordable housing is a clear priority.
* Access to early childhood education and care of good quality is crucial. However, a strategy to fight child poverty (part b of principle 11), must recognize the multidimensionality of poverty and needs an integrated approach rooted in children’s rights and support to the parents, within an overarching EU antipoverty strategy highlighted above. [The Child Guarantee](https://www.eurochild.org/fileadmin/public/03_Internal/Calls/Child_Guarantee_pdf_fin.pdf), is a key initiative to ensure access to free healthcare, free education, free childcare, decent housing and adequate nutrition, but needs to be embedded in an integrated approach based on the Investing in Children Commission Recommendation[[25]](#footnote-25): supporting access to resources, services and participation.

**Soft Instruments for Upward Convergence**

* Rebalance the focus in the European Semester, towards ensuring universal access to affordable services in all areas, rather than viewed predominantly as a cost and a target for restructuring.
* Include access to all key services as a key element in an integrated EU antipoverty strategy as outlined above and monitor comprehensively.
* Access to services must cover accessible as well as affordable, quality services i.e. geographical coverage, disability access, as well as access to waiting lists and for all groups. It must also be environmentally sustainable i.e. support the circular economy.
* In the area of Energy Poverty, assert the right to *affordable*, clean energy and develop obligatory EU guidelines/guidance to ensure the development of effective, rights-based approaches to fight energy poverty in the national [climate and energy plans](https://ec.europa.eu/energy/topics/energy-strategy/national-energy-climate-plans_en), based on the 3 pillar approach (adequate income, reducing consumption/energy efficiency and fair prices) and consistent with Principle 20 of the EPSR.
* Further EU action is needed to ban disconnections, which deprive people of their right to energy, stop the phasing out of regulated prices in the energy sector for domestic households and support social tariffs for vulnerable customers. Assign an ambitious share of EU Just Transition and EU invest financing to support energy efficiency and decent housing, including expansion of social housing measures targeting low income households ensuring no additional costs in housing or bills for these households.[[26]](#footnote-26) and[[27]](#footnote-27)

**Housing and Assistance for the homeless (Principle 19)**

**PeP 2019 EU Meeting**

**Key messages on housing[[28]](#footnote-28)**

* Treat housing as a fundamental right not a financial good.
* Ensure Access to decent social housing
* Make decent housing affordable
* Address speculation
* The European Semester should make Country-Specific Recommendations(CSRs) to treat housing first as a social right, rather than primarily as a market for growth and address speculation, support the increase of adequate and affordable housing for low income groups, including through significant investment in social housing.
* Support the promotion of national cross-sectoral strategies to tackle homelessness[[29]](#footnote-29), invesing in *Housing First* and ensuring a *stop to criminalisation* of the homeless.
* The EU should support regulation of rents and access to private rented housing to ensure decent affordable housing particularly for low income households, acknowledging the evidence of massive market failure. Actions should be taken to incentivise owners to make accommodation available and prevent empty property.
* EU minimum quality standards on housing should be agreed and monitored, taking the indicators from the EU SILC as a minimum. Such absolute standards should also be benchmarked in relative terms in relation to country norms.
* A composite housing exclusion indicator should be developed linking existing EU SILC indicators (e.g .on housing cost, rent arrears, overcrowding).
* A strong priority should be given to increasing public investment in social housing, with support from EU funds eg EU invest and ERDF. These should be recognized as key social investments and part of a Just Transition, and discounted as deficit calculations, revising the Stability and Growth Pact. An indicator should be introduced to monitor social housing provision and its impact on housing need and homelessness.
* The participation of people facing homelessness and housing exclusion is crucial to achieve viable policy solutions, together with the NGOs that support them.

**Healthcare (Principle 16)**

**PeP 2019 EU Meeting**

**Key Messages on Health**

**1. Good Quality Healthcare for all, including for vulnerable groups**

**2. Government to fight and reverse privatisation**

**3. Overcome the lack of political will and implement existing legislation**

* The EU should create an adequate framework to guarantee the right to affordable, universal, quality health and care services for all, covering all essential health and care services (including prevention, primary, hospital and specialist care, dental, mental health, long-term care and the cost of medicines). The Semester should give specific focus to defending universal provision, as a public good.
* Equal access for all groups and in all areas must be ensured, in terms of disability but also rural/city divide, for key target groups: including Roma, migrants, homeless etc.
* A specific commitment should be made to universal public health and an independent assessment carried out of the impact of privatisation and liberalisation on access to affordable, quality health care.
* EU macroeconomic policy as shown through the European Semester, must visibly move away from an austerity and market focus on only cost-effectiveness and efficiency in health services, giving a new priority to the right to health/care ensuring quality, equity and affordable access.
* EU mobility and transferability of rights to affordable health services must be clarified and guaranteed as part of the support to EU people mobility, ensuring that all groups can access rights, including undocumented migrants.
* Increased monitoring of national legal frameworks and obligations, including commitments to universality, non-discrimination, reimbursement of costs, waiting lists etc.
* Transparent monitoring of EU funds spending on health (New MFF) should be carried out with the involvement of civil society to ensure that EU funding supports affordable access to quality public health for all.
* Poverty and social exclusion must be recognised as major social determinants of health inequality which lead to long-term social and economic costs and the link between the 2 closely monitored and mainstreamed, building on key new studies.
* The users (patient, people facing poverty and social exclusion and those currently unable to access health services) must be made key actors in the design, monitoring and support in delivery, particularly through the European Semester.

**Childcare and support to children (principle 11)**

* As partners to the recent [investing in Children Alliance joint statement](file:///C:\Users\Sian\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\XETF4GGI\Proposalfor%20a%20Council%20Recommendation%20on%20the%20Child%20Guaranteefor%20the%20wellbeing%20of%20all%20children%20across%20the%20EU)[[30]](#footnote-30), EAPN supports the reinforcing of the Investing in Children Commission Recommendation (2014) with a Council Recommendation on the Child Guarantee (2020), recognizing the multidimensionality of poverty and framing the Recommendation within an integrated approach tackling the needs of children and their carers/parents.( 1) access to adequate resources and benefit. 2) access to affordable, quality and inclusive services, 3) Children’s right to participate in cultural and recreational activities and in decisions made for their lives).
* Ensuring that the Council Recommendation has a clear implementation plan to ensure effective monitoring and is properly financed and interconnected to other EU financial instruments beyond ESF+.

**Hard Law**

* EAPN continues to support the need for progress towards an EU Directive regarding protection of universal public services, to ensure that the public good is safeguarded in an increasingly marketized, profit-driven model.
* The absence of any obligatory **right to housing** is a major weakness in the EU social model. The EU must be seen to actively pursue a housing rights agenda. The right to a decent and affordable home should be seen as key EU acquis drawing on a growing EU and international jurisprudence in relation to housing rights[[31]](#footnote-31) The right to housing should be enforced regardless of residence status, to ensure access to rights for migrants, homeless people and other excluded.

**PRINCIPLE 1: EDUCATION, TRAINING AND LIFELONG LEARNING**

EAPN advocates for the right to **universal, quality, affordable, accessible and inclusive public education throughout the life-course for all**. [[32]](#footnote-32)For EAPN and its members, school and pre-school education, vocational education and training (VET) and lifelong learning (LLL) are key public services and goods (at EU level framed as Services of General (Economic) Interest)[[33]](#footnote-33).

In our view, the primary role of education is to empower and transform lives, allowing individual women and men to reach their full potential and to fulfil their aspirations. It should also provide people with the right skills and qualifications for the labour market, thus enabling them to secure good quality, stable jobs which effectively shield them and their families from poverty and social exclusion. Last but not least, education should equip individuals with soft, horizontal, and critical thinking skills, so that they can take full ownership of their own life plan and build a meaningful rapport with their community, helping to strengthen our democracies through participation and active citizenship.

We therefore advocate for a learner-centred, rights-based approach, which puts people and their potential and aspirations at the heart of any learning activity. EAPN promotes lifelong learning (LLL) as a comprehensive, holistic vision of education, which should span throughout all the phases of the life cycle for personal and professional development through formal, informal and non-formal services.[[34]](#footnote-34)

In setting future education and training policies for accessibility of services, affordability, coverage and quality must be key criteria. There is a need to ensure universality, guaranteeing the right for all as part of an essential social compact to ensure quality services for everybody, combined with targeted measures to ensure rights of access for vulnerable groups and antidiscrimination measures (targeted universalism).

Ensuring the active participation of people experiencing poverty and social exclusion and their NGOs in the design, delivery and evaluation of these services is crucial if education policies and services are to play an effective role in preventing and tackling poverty and social exclusion.

In the [2018 EU People Experiencing Poverty Meeting:](https://www.eapn.eu/wp-content/uploads/2019/04/EAPN-Long-Report_PEP_FINAL-3537.pdf) **Let’s make Education a way out of poverty**!, it was underlined that implementation of EPSR Principle 1 requires major public investment and a change of political paradigm - prioritizing fairer society, shared prosperity and human rights and well-being, with the aim being to make Europe poverty free. People experiencing poverty and their civil society organisations must be key partners in the design, monitoring, and implementation of these policies. The focus on education and poverty raised crucial questions around how to ensure real access to quality and inclusive education (particularly for vulnerable groups facing multiple obstacles), access to technology and the growing technological divide, the hidden costs of poverty in the education system, and how to prevent and support early-school leavers, among other topics.

Priorities for EAPN are to prioritize investment in universal free public education, including early learning and care and through the life course, promoting the right to education beyond skills for employment, supporting life skills and participation in the community, working in partnership with families, community organizations and students to adapt to their needs. The validation of non-formal and informal education is key, as it is exactly this kind of educational support which appeals to people who may have not done well through formal systems.

The European Semester has a key role to play, but careful coordination must take place with the EU Education Area, particularly as far as driving broader objectives beyond skills and employment.

The explicit link between ESF+ and the implementation of the EPSR is clear. However, it will be important for educational approaches not to be geared only to accessing any job, but as part of a rights-based approach for delivering on the priority on promoting social inclusion and fighting poverty, including as part of the enabling condition to have an integrated strategy to fight poverty in place. The indicators of success must more clearly reflect this priority ie progress to social participation and inclusion not just employment.

In terms of the European Green Deal and Just Transition, skills training is clearly vital, however, more emphasis could be given to increasing ‘access to relevant quality, training for hard to reach groups, so that they also can benefit from the green transition, as well as in circular economy initiatives (for example social enterprises).

Discussion is underway about Individual Learning Accounts; however, this needs to be rights-based, available irrespective of employment status, and recognize the fragile employment history of many people currently experiencing poverty and social exclusion.

The involvement of trade unions in work-related training/LLL and NGOs working with people on the ground and particularly engaged in providing informal/non-formal education, will be crucial to design effective education that impacts on poverty and social exclusion.

**Soft policies to promote upward convergence**

* Require systematic implementation through the European Semester, pressing for implementation of social rights and access to universal, quality and affordable education, VET and LLL throughout the life course, prioritising CSRs for those EU MS which have made low progress or have major problems with ensuring equal treatment for poor, or excluded groups.
* Include in the Multi-Annual Financial Framework (MFF) and more specifically in the ESF+ dedicated funding to support targeted investments in more inclusive education systems, in support of informal and non-formal education in particular for NEETs and adult learners as well as accessibility, awareness raising and anti-discrimination measures.
* Introduce socio-economic background as grounds for discrimination in all European anti-discrimination legislation and support disaggregated data collection on educational attainment and completion to reflect all key groups.
* Encourage and ensure the active participation of children, youth and adults in educational systems and services as well as in dialogue processes to develop and monitor educational and training policies.
* Include action on non-formal education in the European Education Area.
* Make and regularly update an EU-wide inventory of existing systems and procedures to validate non-formal education, training and life skills[[35]](#footnote-35), as the basis to then elaborate recommendations to EU MS with non-existing or underdeveloped validation systems and arrangements, backed up by the 2012 Council Recommendation on the validation of non-formal and informal learning (see footnote 16).
* Redefine higher numerical targets for the indicators “rate of early school leavers” and “number of young people neither in employment nor in education and training” (NEET) compared to those set in the context of the Europe 2020 Strategy, in order to stay politically ambitious and economically and socially sustainable , also set benchmarks for the quality of support for early school leavers. This should be done in the context of a comprehensive Post 2020/Europe 2030 Strategy, encompassing an Anti-Poverty Strategy, and when elaborating and implementing the Action Plan of the European Pillar of Social Rights.
* Better target EU funds to support lifelong learning from a broader perspective than labour market needs, for example through implementing enabling conditionalities in the European Social Fund/ESF+.
* Prioritise in EU-funded lifelong learning programmes those with the lowest level of educational attainment, in adult literacy, as well as those from low income families or suffering from discrimination when it comes to access to programmes, and concrete support measures.
* Continue and expand the use of EU funding from ESF+ to co-finance language and integration courses for migrant workers, refugees and asylum seekers and to improve the information on a range of issues in relation to their economic and social integration and rights.
* Continue and expand the use of EU funding from ESF+ to co-finance support measures for the educational attainment and social inclusion of Roma children and to overcome segregation and discrimination in the school and vocational training system.

**PRINCIPLE 6 FAIR WAGES (CONNECTED PRINCIPLES - 3: Equal Opportunities, 4: Active support to employment, 5: Secure and adaptable employment, 8: Social dialogue)**

EAPN has consistently and for many years worked on the topic of **decent wages**, with a long-standing focus on **fighting in-work poverty and promoting quality jobs and employment as well as integrated active inclusion policies as key elements of an integrated strategy to fight poverty.**

EAPN in 2011 elaborated [10 EAPN Principles for Quality Work](https://www.eapn.eu/quality-work-for-quality-life-eapn-s-10-principles/) reflecting our members’ view on what constitutes a quality job and decent working conditions[[36]](#footnote-36) – not surprisingly the issue of adequate wages and of living wages is listed first[[37]](#footnote-37). In 2017 EAPN issued a [Position Paper on Inclusive Labour Markets – Building pathway approaches to quality employment](https://www.eapn.eu/inclusive-labour-markets-quality-employment-eapn-position-paper/), further elaborating on the EAPN’s view on inclusive labour markets which would “holistically support those who can work into quality employment, while equally promoting social participation and dignified lives for those who cannot work” (p. 4), building on an integrated active inclusion approach. In 2018 EAPN published the [Analysis Paper “The Future of Work’: Labour market trends and the risks to poverty and social exclusion”](https://www.eapn.eu/the-future-of-work-labour-market-trends-and-their-implications-for-risks-of-poverty-and-social-exclusion/) which i.a. also deals with quality work and the quality of contractual arrangements and contains EAPN’s related proposals and recommendations. In 2013 EAPN issued a [Position Paper on In-Work Poverty](https://www.eapn.eu/images/stories/docs/EAPN-position-papers-and-reports/2013-EAPN-in-work-poverty-position-paper-web.pdf) and in 2014 elaborated the [EAPN Explainer on Quality Work and Employment](https://www.eapn.eu/images/stories/docs/eapn-books/2014-EAPN-Explainer-Quality-of-Work-and-Employment-web.pdf). The 2017 [European Meeting of People Experiencing Poverty focused exclusively on in-work poverty](https://www.eapn.eu/16th-european-meeting-people-experiencing-poverty-lets-tackle-in-work-poverty-2017pep/), producing a [full report](https://www.eapn.eu/wp-content/uploads/2018/01/EAPN-16thPEP-Meeting-2017-full-report_final-smaller-document-size.pdf) and a [short report](https://www.eapn.eu/wp-content/uploads/2018/03/EAPN-Short-Report_PeP2017_electronic.pdf) with key messages to policy makers. Much of all this earlier work was taken up in a [Compendium of Promising Practices – Combatting In-Work Poverty](https://www.eapn.eu/combatting-in-work-poverty-eapn-compendium-of-promising-practices/) published in 2019.

Current data provided by the EU show little progress on fair wages or decent jobs.[[38]](#footnote-38) This is primarily due to downward pressure on wages, increasing wage gap between directors and other workers, with globalisation driven by exploitative business models searching for re-location/sub contraction with cheaper workforces, both within the EU and outside.

Work is increasingly not a viable route out of poverty. In-work poverty is rising, currently at 9.6% (2018). Poorer workers are often trapped in low-paid jobs, with insecure working conditions. The rise of gig economy, platform working has exacerbated this development, leaving people vulnerable and on low wages. Sectors that face low wages, are predominated by women, ethnic minorities and migrants.[[39]](#footnote-39)

The worrying growth of exploitation and ‘unpaid work/modern slavery’ facing key at risk groups, including undocumented migrants/particularly women and youth is a new challenge, as well as ‘forced volunteering’ – in relation to punitive activation models, ie the ‘work fare model’.[[40]](#footnote-40)

The decline in trade union memberships, collective bargaining and collective agreements also contributes to lower wages. During the crisis, the EU’s Stability and Growth Pact put negative pressure on wages, and undermined collective bargaining (See ETUC 2020[[41]](#footnote-41)) This is evident from our annual assessments with our members in the European Semester, particularly of the CSRs.[[42]](#footnote-42) as well as by the ETUC 1st phase consultation on fair minimum wages.

Because of the above, EU Action to ensure a floor for minimum wages is key. The Commission’s commitment to creating a floor, with its proposals for consultation on EU action is welcomed. However, it should be clear that the overall goal is decent wages and quality work for all. The risk to focussing only on minimum wage is that it can contribute to the suppression of overall wage levels. The question of adequacy of wages is a crucial one.

Statutory minimum wage rates (which, according to Eurostat, exist in 22 out of 28 Member States) do not often come with a guarantee of providing income adequacy for all workers. The term “living wage” emerged from the recognition of the need to focus on the provision of decent wages through paid work, which surpasses the rather low limits often set for a minimum wage rate, in order to provide a worker with an acceptable standard of living. The aim should be to achieve minimum living wages – ie at levels that ensure a decent living standard. [[43]](#footnote-43)

EAPN supports the development of an EU framework together with social partners to guarantee minimum wages/living wages that can take people out of poverty. EAPN backs the overall approach and main objectives set out in the consultation document. We fully support the idea of an EU obligatory framework to establish and ensure adequacy of minimum wages in all countries. The overarching aim of such an instrument should be to contribute to progress towards decent wages and quality jobs for all, resulting in the reduction of in-work poverty.

This can best be achieved by the definition and enforcement of a set of common minimum requirements all MS have to comply with. For EAPN three points stand out in this regard: 1) The coverage of the whole workforce by MW arrangements, 2) the level of pay and therefore the adequacy of MW (in relation to take-home pay levels sufficient to protect workers against poverty and to support a decent living on the backdrop of price levels and living costs in a given MS), and 3) the mechanisms in place to guide adjustments of (statutory or collectively bargained and agreed) minimum wages. The first aspect concerns the existence of lower minimum wage levels for specific groups, e.g. young workers or people with disabilities, long-term unemployed. The second aspect is taken up in the next bullet point. The third aspect concerns the set of clear criteria used to monitor MW developments and to decide on updates at a reasonable frequency or regularity.

For EAPN, the value-added of an EU Directive would not only consist in the requirement for a minimum wage for all countries, whilst respecting the national means and procedures to achieve this, but also in the establishment of a clear comparable EU benchmark for adequacy. This would also help addressing increased income inequalities and reversing increasing wage divergences between high- and low-level wage earners in many countries. The reference value for a decent amount could be fixed (at the end of a longer transition process, taking into account current levels, country-specific conditions for certain groups of workers and/or sectors as well as the general economic situation) at 60% of the median wage or of the average wage. If the benchmark chosen was the median wage, the 60% share of the national median wage, however, cannot be considered as adequate in countries where wages are very low. There it would rather as a general benchmark that needs to be tested against real living costs and disposable income of a worker after social benefits and taxes in a given country.

For EAPN it is important to establish a positive hierarchy between adequate minimum income (to be established above the poverty threshold, set in the EU context to 60% of the national [median](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Median) equivalised disposable income after social transfers[[44]](#footnote-44)), with a net minimum wage above in order to provide a positive and rights-based incentive to work rather than driving down basic benefits and or setting punitive conditionalities in the context of labour market activation policies which would push people into law quality and/or precarious employment.

EAPN also supports the intention shown in the consultation document to require collective bargaining and the ”effective involvement of social partners in the adjustment of minimum wages” (p.10), as absolutely essential when setting MW, as well as to have ”transparent national frameworks based on clear and stable criteria” in order to achieve and upgrade MW.

EAPN recognizes the current legal obstacles to a legal framework on levels under the present Treaties, however supports progress towards the establishment an EU framework to ensure adequate minimum wages, and to require statutory minimum wages where no minimum wage exists and wage levels are low.

*For more detail on these issues, please see EAPN’s position on adequate income – minimum income and minimum wage and response to the public consultation.*

**Soft measures to promote upward convergence**

**PEP 2019 EU Meeting**

**Key Messages on employment/fair wages**

1. Governments and EU must combat low pay and unpaid work and support adequate wages for a life in dignity ending forced work and modern slavery and forced volunteering through ‘workfare’.

2. Need personalised, integrated support, according to an Active Inclusion approach, with simplified bureaucracy and information.

3. Quality, relevant training for workers (paid for by employer) and for job seekers.

* Prioritise progress towards quality work, developing quality employment principles and indicators including adequacy of wages, benchmarked to the 60% of median wage, but also reference to wage share and relation to GDP.
* Through the European Semester adopt a pro fair-wage priority, encouraging and providing CSRs to increase wages, and to support the establishment of a statutory minimum wage at decent levels, where none exists, and wage levels are low.
* Prioritise and examine more systematically the in-work poverty rate, in relation to gender and specific groups, and require actions to increase wages, increase employment security and against involuntary part-time work, countering discrimination in pay rates, including closing the gender pay gap, in order to ensure that decent work is a sustainable route out of poverty.
* Monitor the increase of ‘forced volunteering and work’ as a key violation of rights, and provide recommendations requiring employment contracts and ‘decent wages for work’.
* Support person-centred, rights-based supportive active inclusion approaches as part of an EU antipoverty strategy which support people into effective, training, quality jobs and participation.
* Set CSRs to support the increase trade union membership and collective bargaining, as essential pre-requisite for achieving fair, living wages and establish a social standard floor.
* Support participation of people facing in-work poverty, and the NGOs that support them, ensuring consultation in the design, delivery and monitoring of both activation services and in dialogues on in-work poverty and monitor through the Semester.

**Hard law/EU legislation**

* Progress towards an EU obligatory legal framework, for establishing minimum living wages, which allow for a decent standard of living for workers and their families (as outlined above).
* Use the benchmark of 60% of median wage as an indicator of adequacy. Consider also indicators reflecting wage share of GDP and wage gap.
* Require statutory minimum wages in all countries where wage levels are below the median, and where strong collective bargaining instruments do not currently exist.
* Require the establishment of strong collective bargaining as key means to ensure progress towards fair wages for all, decent jobs and inclusive labour markets.
* An EU directive to address the gender pay gap and binding pay-transparency measures is also needed in order to bridge the gaps that enhanced coordination within the EU Semester has been unable to address.

1. EC Communication: A strong social Europe for Just Transitions (14 January 2020) [↑](#footnote-ref-1)
2. See EAPN Positions on European Semester (2010-2020), eg Is the 2019 European Semester more Social? – EAPN Assessment of the European Semester 2019 (September 2019). [↑](#footnote-ref-2)
3. [EU Meetings of People Experiencing Poverty (2011-2019)](https://www.eapn.eu/voices-of-poverty/) [↑](#footnote-ref-3)
4. [↑](#footnote-ref-4)
5. ETUI (2015) Golden Rule of Public Investment. [↑](#footnote-ref-5)
6. EAPN (2019) Financing Social Protection Reflection Paper. [↑](#footnote-ref-6)
7. EC Communication: Social Europe for a Just Transition (14 January 2020) [↑](#footnote-ref-7)
8. This means the Europe 2020 poverty reduction target (20 mio.) is missed by about 14 mio. as of end of 2018. [↑](#footnote-ref-8)
9. EAPN 2010: Is the European Semester 2019 more social: EAPN Assessment of the 2019 European Semester. [↑](#footnote-ref-9)
10. The European Minimum Income Network (EMIN) is an informal Network of organisations and individuals committed to achieve the progressive realisation of the right to adequate, accessible and enabling Minimum Income Schemes. The organisations involved include the relevant public authorities, service providers, social partners, academics, policy makers at different levels, NGOs, and fosters the involvement of people who benefit or could benefit from minimum income support. EMIN 1 and 2 received financial support from the EaSI programme from 2013-2018. See www.eminet.eu [↑](#footnote-ref-10)
11. EC Joint Employment Report 2020 (December 2019) [↑](#footnote-ref-11)
12. EMIN2 Final Report, December 2018 [↑](#footnote-ref-12)
13. EMIN2: Peer Review on Coverage/Take Up, Helsinki (March 2018). [↑](#footnote-ref-13)
14. EESC own initiative opinion for a framework directive on minimum income. (20.02. 2019) [↑](#footnote-ref-14)
15. EMIN2 Final Report (December 2018) [↑](#footnote-ref-15)
16. EAPN: Is the European Semester more social? EAPN assessment of the European Semester 2019 (Sept 2019). [↑](#footnote-ref-16)
17. EAPN: The Future of Work: labour market trends and their implications for risks of poverty and social exclusion. [↑](#footnote-ref-17)
18. EAPN: Financing Social Protection Reflection Paper (2018) [↑](#footnote-ref-18)
19. EAPN: Delivering Agenda 2030 for People and Planet: EAPN proposals for a post Europe 2020 strategy. [↑](#footnote-ref-19)
20. ETUC Position Paper for the Action Plan for the EPSR which has been adopted in October 2019. [↑](#footnote-ref-20)
21. Communication from the Commission on a Commission Recommendation on the active inclusion of people excluded from the labour market, COM/2008/0639 final, 3 October 2008, <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52008DC0639>, and Commission Recommendation on the active inclusion of people excluded from the labour market (2008/867/EC), 3 October 2008, <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32008H0867> [↑](#footnote-ref-21)
22. EAPN: Nobody left behind: ensuring access for all to affordable, quality housing and public health services. [↑](#footnote-ref-22)
23. Right2Energy [Coalition: Statement on Green Deal:](https://righttoenergy.org/2019/11/28/a-green-new-deal-for-all/) [↑](#footnote-ref-23)
24. EP with EAPN: [Energy Poverty Handbook](https://www.eapn.eu/launch-of-energy-poverty-handbook-in-european-parliament/) [↑](#footnote-ref-24)
25. EC: Investing in Children Commission Recommendation (2013) [↑](#footnote-ref-25)
26. [Right2Energy Coalition](https://righttoenergy.org/) and [EPSU/EAPN Statement on Right 2 Energy](https://www.epsu.org/article/right-energy-all-europeans-be-promoted-european-parliament) (2017) [↑](#footnote-ref-26)
27. [Right2Energy Statement on Just Transition](https://righttoenergy.org/2019/11/28/a-green-new-deal-for-all/); A green new deal for all. [↑](#footnote-ref-27)
28. EAPN 18 PeP EU meeting: Short , 18 and 19 November 2019 (March 2020) [↑](#footnote-ref-28)
29. FEANTSA www.feantsa.org [↑](#footnote-ref-29)
30. Investing in Children Alliance Joint Statement proposals for a Council Recommendation on the Child Guarantee for the well-being for all children across the EU. [↑](#footnote-ref-30)
31. FEANTSA (2016) 5 Key principles for implementing the housing priority in the European Pillar of Social Rights. [↑](#footnote-ref-31)
32. See EAPN’s issue paper on Education, Training and Lifelong learning when on website. [↑](#footnote-ref-32)
33. Health care, social services, housing, education, water, energy and transport, amongst others, represent essential public infrastructures and services. Services of general interest (SGIs) or services of general economic interest (SGEIs) – also commonly known as public services - fulfil people's daily needs and are vital to their well-being. The quality of the life of people depends on their accessibility, affordability, quality and continuity. They are essential for sustainable economic and social development and regional cohesion in Europe and a Pillar of the European Social Model. For EAPN universal access to them is a fundamental right. [↑](#footnote-ref-33)
34. EAPN: Nobody left behind [↑](#footnote-ref-34)
35. This inventory endorsed by the 2012 Council Recommendation on the validation of non-formal and informal learning works, together with the European guidelines, as a tool to support countries in developing and implementing validation arrangements and can be accessed here, <https://www.cedefop.europa.eu/en/events-and-projects/projects/validation-non-formal-and-informal-learning/european-inventory> [↑](#footnote-ref-35)
36. In line with the [ILO Decent Work concept, principles and agenda](https://www.ilo.org/global/topics/decent-work/lang--en/index.htm). [↑](#footnote-ref-36)
37. The other key issues covered comprise employment rights, social protection, quality working conditions and working environment, the reconciliation of private and professional life, the right to participate in collective bargaining and social dialogue, protection against discrimination, access to training and personal development, progression in work, and job satisfaction. [↑](#footnote-ref-37)
38. Joint Employment Report 2020. [↑](#footnote-ref-38)
39. JER 2020 and Employment and Social Development Outlook 2019 [↑](#footnote-ref-39)
40. See EAPN monitoring of Employment developments through the Semester Assessments eg Is the European Semester more Social/ Sept 2019. [↑](#footnote-ref-40)
41. [ETUC response to 1st phase consultation on fair minimum wages (2020](https://www.etuc.org/sites/default/files/document/file/2020-02/ETUC%20REPLY%20to%20the%20First%20Phase%20Consultation%20of%20Social%20Partners%20under%20Article%20154%20TFEU%20on%20a%20possible%20action%20addressing%20the%20challenges%20related%20to%20fair%20minimum%20wages_0.pdf)) [↑](#footnote-ref-41)
42. See EAPN European Semester assessments including of the CSRs, NRPs, AGS 2019. [↑](#footnote-ref-42)
43. See EAPN Living Wage Campaign and [2 pager on living wage](https://www.eapn.eu/images/stories/docs/campaigns/2016-EAPN-Living-Wage-2-pager.pdf) [↑](#footnote-ref-43)
44. See [here](https://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:At-risk-of-poverty_rate) the relevant EUROSTAT definitions, used i.a. in the context of the Europe 2020 Strategy and the European Semester, but also in the annual EC Employment and Social Development Reports (here for [2019](https://ec.europa.eu/commission/presscorner/detail/en/IP_19_3412)). [↑](#footnote-ref-44)