

Statement/Conclusions to the EAPN Policy Conference: 14 July 2020

The conference has vividly highlighted the devastating impact of the COVID-19 virus on people across Europe. But the impact is not the same for everybody. The EAPN study¹ and other interventions have shown that the virus is exacerbating existing poverty and inequalities. Poor and vulnerable people are the main victims: particularly older people, children and families, those suffering from ill-health or disability, workers on the front-line, in essential but low-paid jobs, those suffering from exclusion and discrimination because they are homeless, migrant/asylum seeker, black or a Roma. Women, particularly single parents, bear the brunt across all groups. People who are better off are not being affected in the same way – they have better access to good health and social care, stable jobs where they can work from home or with furloughs, support for childcare and facilities to home-educate their children. The top 1% can escape to their tax havens and protect their investments and even increase their wealth.

The crisis shines a flashlight on structural inequality and the capacity and resilience of existing health and social protection systems – countries with strong welfare states have protected people better and are better prepared for an inclusive recovery. These countries invest in public services financed through fair redistribution systems – with decent wages and effective, progressive tax systems. We are also concerned about the democratic deficit – the crisis has enabled already autocratic governments to tighten surveillance and to reduce civil rights, particularly impacting on the poor and marginalized.

The worst, however, is still to come. We know the Commission is already predicting higher levels of poverty and social exclusion than in the 2008 crisis which affected over 123 million people. The conference strongly welcomes the short-term and innovative measures taken by most national governments. The response by the EU supporting budget flexibility through the escape clause of the Stability and Growth Pact is crucial as well as the initial Recovery package proposals but the challenge now is the longer term. Who will pay the price? How will the debt/deficits be closed? Who will gain from the new investment? Austerity has to be completely rejected. The Crisis has to be seen as an opportunity to close the gap between the rich and the poor (corporations, countries and individuals), between the powerful and the powerless, as well as to invest in a truly Social and Green recovery.

The EU and Member States must act urgently to ensure that the recovery measures are effective and reach the people who are most affected. They must invest in a long-term antipoverty strategy that can guarantee social rights - to an adequate income (through adequate social protection and minimum income, decent wages), and essential and public services. They must protect employment and ensure that quality jobs are created and are accessible for excluded and vulnerable groups. They must seize the opportunity to strengthen democracy and participation. The children, young people and adults who are worst affected must be listened to and seen as a crucial part of the solution.

¹ EAPN (July 2020): Impact of COVID-19 and policy response on people facing poverty and vulnerability in Europe; G. Malgesini., <https://www.eapn.eu/the-impact-of-covid-19-on-people-experiencing-poverty-and-vulnerability-eapn-report/>

Some priorities for EU action that have been highlighted are:

- 1. Ensure that current financial support measures prioritize protection of the poor and vulnerable and assess the impact** – through a comprehensive assessment on who is impacted worse and by proposing solutions to reduce poverty, inequality, gender and discrimination gap together with the groups themselves.
- 2. Prioritize investment in universal, free, public health and social care, revaluing and compensating key workers and closing the inequality gap, paying attention to the social determinants of health inequalities.**
- 3. Adopt an overarching EU social and sustainable post 2020 strategy – AGENDA 2030 – to drive an inclusive recovery** – underpinned by the Sustainable Development Goals and the European Pillar of Social Rights that makes ending poverty a pre-requisite and ensures the poor benefit and do not pay for transition.²
- 4. Agree an integrated EU antipoverty strategy, as the main goal and framework for the European Pillar of Social Rights Action Plan in 2020, that reinforces integrated support to social rights.** This should guarantee adequate income (through quality jobs, adequate social protection and minimum income), essential public and universal services (particularly health/social care, housing and education). It should include an ambitious 50% poverty target (AROPE), ending extreme poverty including homelessness. Specific strategies should be set for key groups e.g. a Child Guarantee underpinned by a 3-pillar “Investing in Children” approach, ‘housing first’ strategies to tackle homelessness and housing exclusion.
- 5. Make the European Semester more social – ensuring poverty, inequality and social rights get an equal focus compared to economic and environmental objectives.**
- 6. Make progress on obligatory Social Rights: Propose an EU Framework Directive to guarantee adequate Minimum Incomes, and an EU framework on Fair Minimum Wages.**
- 7. Ensure the EU Recovery plan benefits the poor and vulnerable, including through ‘Just Transition’: investing 30% of ESF+ on social inclusion, gender equality, the fight against discrimination** – investing in affordable, energy-efficient social housing, universal public health and care, and personalized social services targeting key at risk groups
- 8. Give priority to participation and democracy! Creating meaningful dialogue with people experiencing poverty and Civil Society Organizations,** as with social partners in the European Semester building on the Employment Guidelines Recital 10. Enforce EU acquis regarding rule of law and democracy, defending CSOs freedom of voice and action.
- 9. Reject austerity in Europe and progress towards a macroeconomic framework that prioritises the fight against poverty and inequality.** This can only be done with fair redistribution measures that reduce inequality between the wealthy and the poor. Impose taxation that makes wealthier businesses and individuals help pay the costs of rescue and recovery packages.

² EAPN: Delivering Agenda 2030 for people and planet: EAPN proposals for a post Europe 2020 strategy. (2019)