

Adequate, accessible & enabling minimum income schemes across Europe – The time for action is now!

Digital Stakeholder Workshop 2

Conference “Our Social Europe - Strong Together”

16 September 2020

Welcome and introduction

Heather Roy

Secretary General of Eurodiaconia &
Treasurer of Social Platform

Structure of workshop

Digital polling 1

Input 1: Overview of workshop topic: Working towards adequate, accessible and enabling minimum income benefits/schemes – State of play and policy hooks at EU level

Digital polling 2

Input 2: The case of Latvia

Digital polling 3

Input 3: The case of Spain

Presentation of joint recommendations

5 Break-out groups

Reporting back from break-out groups & Agreement on two recommendations

1st round of digital polling

Input 1: Overview of workshop topic

Working towards adequate, accessible and enabling minimum income benefits/schemes – State of play and policy hooks at EU level

Dr. Gerhard Timm

Executive Director at the Bundesarbeitsgemeinschaft der Freien Wohlfahrtspflege (BAGFW)/Federal Association of Non-statutory Welfare (Germany)

2nd round of digital polling

Input 2: The case of Latvia

How to increase inadequate benefit levels? – A long & ongoing fight

Egils Rupeks

National Network Representative in EAPN's EUISG
EAPN Latvia

Input 2: The case of Latvia – Amounts and beneficiaries of GMI & Quotes from people experiencing poverty

2019*

average GMI
monthly (2020) **€64**



Quotes from People Experiencing Poverty**

Q1: 'Do you feel oppressed / worried about...'

31Y old man, working: «Feel worried my family/kid about»

60Y old man, jobless: «Strong anxiety inside, hopeless...»

A man born 1977: «Worried about everything, everything...»

Q2: 'What was ended, what's started, what's the hardest...'

60Y old, «still working»: «Lost one (position) entirely, another cut (pay) by half, trying to live with €120 (month)...»

A man born 1977: «Lost my job, kicked out from my (rented) apartment, don't know where and how to live...»

* Source Latvian Ombudsman's Office <http://www.tiesibsargs.lv/en>

** Source survey among ex-convicts, their family members, more at <https://www.facebook.com/SaintLukeGroup>

All pictograms are courtesy of ©2020 Mārtiņš Krūklis

Input 2: The case of Latvia – AROP threshold & GMI amounts

2020*

GMI from €64

...→€109



- at risk-of-poverty threshold (in €/Y)****
- single pers. household
 - 2 pers.+2 children (>14Y old) household
- minimum income level (in €/M)****
- single pers. household
 - 2 pers.+2 children (>14Y old) household

	2017	2018
• single pers. household	4400	4912
2 pers.+2 children (>14Y old) household	9240	10316
minimum income level (in €/M)**		
• single pers. household	198	218
2 pers.+2 children (>14Y old) household	614	676



Centrālā statistikas
pārvalde

* Source regulation nr 913 of Cabinet of Ministers, December 18th, 2012; Ministry of Welfare - initiative still discussed... www.lm.gov.lv

** Source Central Statistic Bureau <https://www.csb.gov.lv/en/sakums>

Input 2: The case of Latvia – What was done by EAPN LV?

- Regular/permanent **communication towards the relevant state institutions on the shortcomings (no methodology) in the determination of the GMI value** and its application.
- Continuous efforts – background information for Ombudsman to submit an **application to the Constitutional Court** on 1 October 2019 (on the non-compliance of the Regulations #913 of the Cabinet of Ministers of 18 December 2012 on the GIM level with the clauses of the *Satversme* Constitution of the Republic of Latvia)
- The **opinion** concerning the Ombudsman's application requested by the Constitutional Court submitted on 10 February 2020 (sent to the EC HQ, the Representation of the EC in Latvia, the State Audit Office and the Ministry of Welfare)
- Prominent **experts teams** invited to hear the case at Constitutional Court, especially EAPN-Latvia arguments on 19-26 May 2020.
- The **decision of the Constitutional Court** of the Republic of Latvia on 25 June 2020.



3rd round of digital polling

Input 3: The case of Spain

Introduction of a national minimum income system as example of a recent policy reform – Action/work needed to arrive there

Dr. Graciela Malgesini

EU and Advocacy Officer

EAPN Spain

Input 3: The case of Spain – The last decade can be considered “lost” in terms of poverty reduction

11,875,000 people in AROPE which represents 25.3% of the Spanish population. Instead of reducing the AROPE rate by 1.4 million people (EU2020), it increased in 1 million more people.

At risk of poverty is 20.7% Low work intensity reaches 10.8% of the population. 4.7% of the population suffers from “severe material deprivation”

670,900 households without any income (Survey of Active Population, 2Q, 2020)

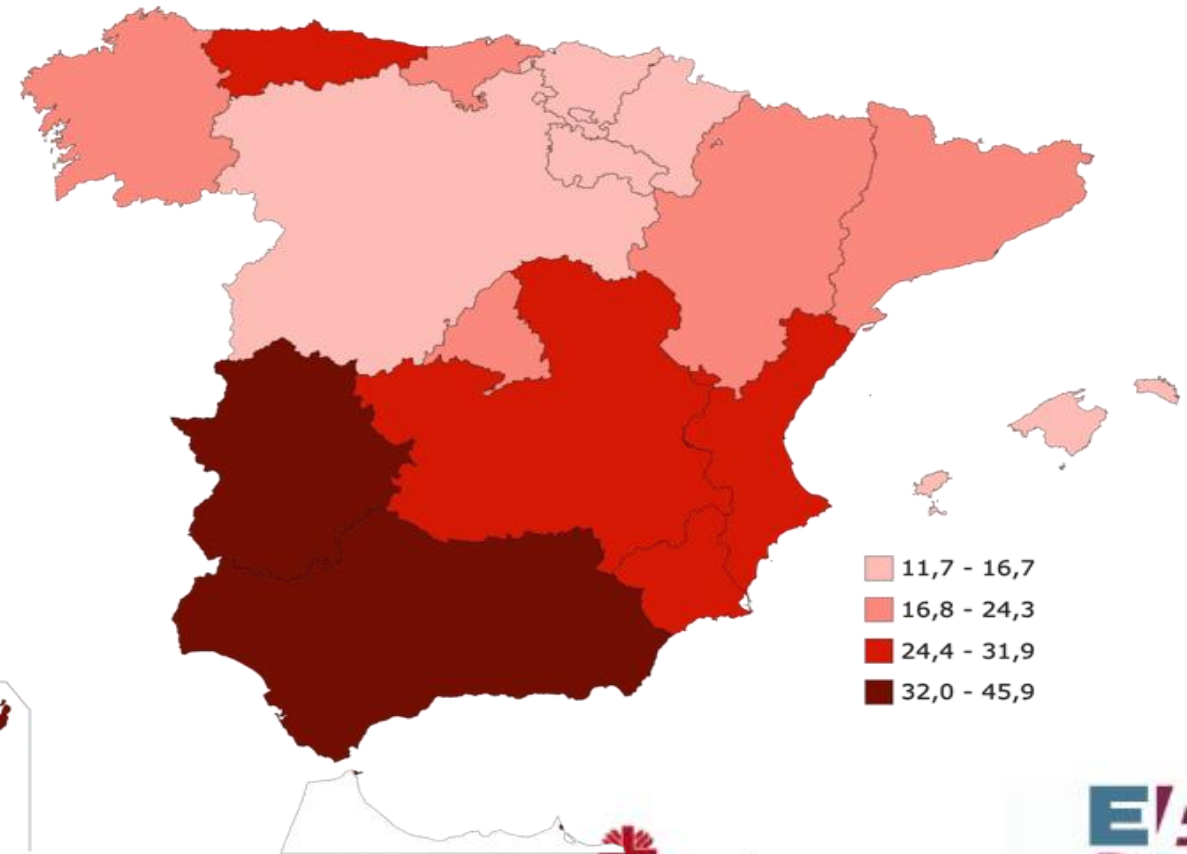
Women are more affected by poverty and social exclusion. With respect to specific groups, younger persons and children, foreigners, single parents, those unemployed and with low-education attainment have higher rates than their respective average.

Age groups	Men	Women	Difference W-M in pp
Under 16	28.2	32.1	3.9
16-29	29.7	33.8	4.1
30-44	24.4	25.2	0.8
45-64	25.3	27.0	1.7
65 +	15.7	15.8	0.1

Input 3: The case of Spain – Regional distribution of poverty/AROPE

Philip Alston, UN expert on extreme poverty and human Rights, pointed out in February 2020 that *"far too many people are struggling. The post-recession recovery has left many behind, with economic policies benefiting corporations and the wealthy, while less privileged groups suffer fragmented public services that were severely curtailed after 2008 and never restored"*

The regional distribution of AROPE shows the enormous existing disparities, between the Northern regions with poverty levels similar to the EU average and the Southern regions which quadruple that average



Input 3: The case of Spain – For the 4th consecutive time, the CSR to Spain refer to the need to improve the efficiency of MI schemes, regarding poverty: Country Report 2018

CSR 2: Reinforce the coordination between regional employment services, social services and employers, to better respond to jobseekers' and employers' needs. Take measures to promote hiring on open-ended contracts. Address regional disparities and fragmentation in income guarantee schemes and improve family support, including access to quality childcare. Increase the labour market relevance of tertiary education. Address regional disparities in educational outcomes, in particular by strengthening teacher training and support for individual students. (MIP-relevant)

Limited progress

- Some progress in reinforcing coordination between employment services, social services and employers
- Limited progress in promoting hiring on open-ended contracts
- Limited progress in addressing fragmentation in income guarantee schemes and improving family support
- Limited progress in increasing labour market relevance of tertiary education
- Limited progress in addressing regional disparities in educational outcomes

Before COVID-19: 17 similar regional schemes, they only reached 20 % of their potential beneficiaries nationwide, with strong regional disparities

Input 3: The case of Spain – Minimum Income schemes & COVID-19

Spain has been one of the most-affected countries by COVID-19, with around 40,000 deaths and severe confinement/lockdown measures backed by a long State of Alarm

As a result, the country's GDP is to drop by 9.2 percent this year and unemployment is expected to rise from 14.4 percent to 19 percent

Spain has now the highest EU youth unemployment rate of the EU

Around 2 million workers are in the shadow economy, so they had no right to social protection

Input 3: The case of Spain – Anti-cyclical measures & “social shield”

The social-democrat government in Spain assumed the task of sustaining its economy with anti-cyclical measures, costing €300 billion in all, aimed to safeguard the viability of business, the employment of millions of Spaniards and the supply of essential goods for a population constrained by the virus

A window of opportunity for the Sánchez government to demonstrate that the state can prevent mass layoffs and generate security to households who were already struggling

Input 3: The case of Spain – The IMV will "*protect those who are having the worst time, fight poverty and contribute to the economic recovery of the country*" (Pedro Sánchez)

Spain, in line with what European and international institutions has taken a step towards greater social cohesion, reducing the historical debt maintained with poor families - for having an ineffective and insufficient system of social protection and the fight against poverty

The new Minimum Income at the state level was a condition included in the coalition agreement between the Socialists and the leftist group *Unidas Podemos*, after the indecisive results of the November national elections of last year

Input 3: The case of Spain – Who is eligible for the IMV?

To claim it, families must prove they are in a vulnerable situation with a household income less than €450 per one-person

Migrants who have been living in Spain for more than a year could also claim the new benefit with the residency requirement waived if the person has been the victim of abuse or trafficking

A total of 850,000 families are expected to benefit from the new measure. 90,000 families have been automatically enrolled from June

Adults between the age of 23 and 65 who live alone can also be eligible. **In total, some 2.3 million people should receive it**

The amount each claimant will receive will vary between a minimum of €462 and a maximum of €1,100 per month depending on whether there are children or unemployed adults in the household

The government expects it will cost state coffers €3 billion annually and plans to partially fund it through a proposed "Tobin tax" on digital companies and stock market transactions.

Renta garantizada €/mes		Adultos		
		1	2	3
Menores	0	462	600	738
	1	700	738	877
	2	838	877	1.015
	3	977	1015	1.015
	4 o más	1.015	1.015	1.015

Input 3: The case of Spain – The new “Ingreso Mínimo Vital” (Vital Minimum Income) provides a life-line for people experiencing extreme poverty & social exclusion

Remain active in the society

Reconnect to the world of work

Live a life in dignity

It is a safety net for those who cannot work or access a decent job and are not eligible for social insurance payments or for those whose entitlements have expired

It intends to overcome the regional differences by means of a single-entry door, mostly online, and homogenous requisites throughout the country

It could be partly compatible with regional income support (in some regions to be developed) and with employment (compatibility to be develop)

Inspired by EMIN principles, as in: “adequate, accessible and enabling”

Presentation of key recommendations to EU institutions & national governments

=> [Booklet](#) distributed to all participants

Dr. Shannon Pfohman

Policy and Advocacy Director at Caritas Europa &
Vice-President of Social Platform

Presentation of key recommendations, focusing on the EU-level

Accessibility/eligibility Adequacy Enabling/supportive character

Rights-based approach Voice of PeP Take up of benefits/rights

Reference budgets Dignity Regular upgrading of benefit levels

EU Framework Directive Participation EU-level minimum standards

Break-out groups

Group 1: Piotr Sadowski, President of Social Platform

Group 2: Sian Jones, Policy Coordinator at EAPN

Group 3: Dr. Shannon Pfohman, Policy and Advocacy Director at Caritas Europa

Group 4: Heather Roy, Secretary General of Eurodiaconia

Group 5: Livia Hentschel, Head of Department “European Labour Market and Social Policy”,
Deutscher Gewerkschaftsbund (DGB)/German Trade Union Confederation

Reporting back & agreement on two key recommendations

Ministers meet stakeholders: Discussing Social Europe (15.30-17.00)

Leo Williams

Director at the European Anti-Poverty Network (EAPN) &
Management Committee member of Social Platform

Closing of workshop

THANK YOU & SEE YOU IN THE AFTERNOON

15.30-17.00 Ministers meet stakeholders: Discussing Social Europe

Heather Roy

Secretary General of Eurodiaconia &
Treasurer of Social Platform