

## VIEWPOINT



**Fintan Farrell**, Director – European Anti Poverty Network (EAPN)

### The impact of the crisis on people in poverty

The impact of the crisis is now beginning to bite. What does this mean for the 79 million people already at risk of poverty

and the NGOs that support them? EAPN members highlight four immediate concerns:

1. Jobs are being lost across the EU. Those in the most precarious jobs are being hit first and left with limited unemployment benefit rights. Pressures to make work more flexible, such as short-time working, forced unpaid leave and even cuts in wages, are making the working poor pay for the crisis. This is only likely to increase the 8% of workers living below the poverty line.
2. For those already outside the labour market, integrated active inclusion strategies are fast becoming a myth. Not only is it now almost impossible for these groups to access jobs, but Member States are still insisting on punitive conditionality which threaten people with cuts or reduced benefits if they fail to access work.
3. Despite the EU's commitment to ensure an adequate minimum income to those who cannot work some Member States have been quick to cut or delay updates of benefit levels, or restrict eligibility or duration of benefits. This is causing untold hardship and particularly impacting on child and family poverty.

4. Social services form the base of integrated social protection systems and the European Social Model. Front-line services are now being overwhelmed by new demands. Many of these services are provided by NGOs and are not receiving extra funding and support. Many are threatened with cuts.

What needs to happen? The Commission's Economic Recovery Plan stresses that social justice and solidarity should be a horizontal pillar, putting people first. If this is to be made a reality swift short-term action is needed. The priorities are to ensure an adequate income for all, defend and create quality social as well as green jobs, guarantee reinforced social protection for those who cannot work, including increased support to NGOs. These steps would provide the necessary stimulus to consumer spending, support social inclusion and restore security and hope for the future.

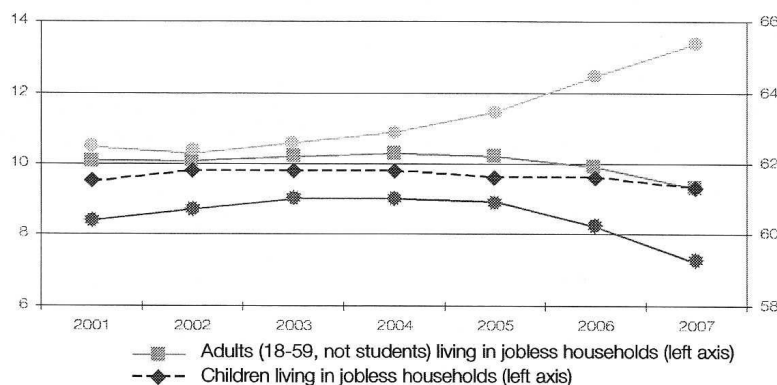
But the crisis also needs longer term solutions. Public confidence in the role of governments to defend the public interest must be restored. The EU needs a new economic and social model which is capable of reducing poverty and inequality and promoting social cohesion. Effective redistribution mechanisms must be introduced which reduce the gap between rich and poor and provide sustainable financing for universal social protection infrastructure. The EU must also listen to ordinary people. The opportunity must be seized to embed participative democracy now – starting by making NGOs equal partners in this debate.

## CALENDAR

- **Meeting of People experiencing poverty**  
Brussels, 15-16 May 2009  
<http://ec.europa.eu/social/main.jsp?catId=88&langId=fr&eventsId=155&furtherEvents=yes>
- **Poverty and social exclusion in rural areas**  
Budapest, 11-12 June 2009  
<http://ec.europa.eu/social/main.jsp?catId=88&langId=en&eventsId=158&furtherEvents=yes>
- **Integrating Cities Conference**  
Eurocities, Berlin, 2 April 2009  
<http://www.eurocities.eu>
- **Social services – A tool for mobilizing workforce and strengthening social cohesion**  
Presidency Conference, Prague, 23 April 2009  
<http://www.eu2009.cz/scripts/modules/diary/action.php?id=494>
- **'Children's Rights in Ireland: Are we there yet?'**  
Organised by Children's Rights Alliance in association with the Office of the Minister for Children and Youth Affairs, Dublin, 2 April 2009  
<http://www.childrensrighs.ie/>
- **'Child-friendly Europe'**  
Conference organised by the Czech Presidency of the EU, Prague, 6-7 April 2009  
<http://www.eu2009.cz/event/1/440/>

## STATISTICS

### Employment and unemployment trends vs. Children & adults in jobless households (EU – 2001-07 / %)



## EXCHANGE



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More information on Social Protection and Social Inclusion in the EU can be found on:

<http://ec.europa.eu/social/main.jsp?catId=437&langId=en>