

Laying the foundations for a fairer Europe
Ensuring an adequate minimum income for all
EAPN & BAPN – September 24, 2010

Keynote speech by Philippe Courard (9.10am – 9.20am)

Ladies and Gentlemen,

Dear participants,

2010 is a window of opportunity to make a major step in the fight against poverty, it is not only the EY against Poverty but we also have for the very first time an official poverty target to lift at least 20 million people out of poverty. It is therefore my conviction that the Belgian Presidency of the EU has an historic opportunity to lay indeed the foundations of a fairer Europe for all.

We pinpointed 3 priorities for our Presidency in order to achieve this goal:

- 1. Assuring a decent and adequate income for all in order to give every man and woman the possibility to live a life in dignity based on the fundamental human rights
- 2. Guaranteeing every child in the EU a happy future by taking the fight against childpoverty much more seriously
- 3. Making an end at the biggest shame of Europe namely that too many people don't have a home to live in
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In order to make progress on these priorities we planned 3 major events during the Presidency:

- a European Conference on childpoverty that was held in the beginning of September and that resulted in a strong Declaration of the Trio supporting the idea of a Recommendation on childpoverty
- the Round Table against Poverty and Social Exclusion on 18 and 19 oct during which we will discuss minimum income
- a consensusconference on homelessness to come to a real European Strategy and find lasting solutions

Let us focus on the theme of today the need for an adequate minimum income for all

Although ensuring an adequate minimum income is essential, some Member States have not yet adopted a minimum income system. And even if such a system is in place in some of the Member States, this minimum income is rarely adequate. In fact, the majority of Member States have a minimum income that is below the poverty line, which is set at 60% of national median equivalent income. In this respect we don't have lessons to give because also in Belgium this is the case.

Everyone has the right to live in dignity and I believe it is our duty to preserve this right by any means possible. In order to

accomplish this, ensuring an adequate minimum income for all is a must! In order for it to be adequate, this revenue needs to be accessible for anyone, including for the most vulnerable groups and during all stages in life (from early childhood to old age) and it needs to be sufficiently high to enable people to make their own projects in life and fulfil their own dreams.

But how does one determine the amount needed for living in dignity? How does one know whether the level of a minimum income set by Member States are sufficient for those who benefit from them ?

This has been the subject of a recent Belgian study entitled « Standard budget : What is the income needed to live a dignified life in Belgium ? ». We have organised a workshop only yesterday in order to present and discuss this important study with all stakeholders. The study focuses on different types of households and develops a scientific methodology to define and calculate in a very detailed manner the basket of goods and services a family needs to live a life in dignity. More important still is that the study hasn't been written just behind a university desk but in close cooperation and dialogue with the real experts: the people who live in poverty themselves.

The study showed very clearly that the indicator of 60% of national median equivalent income we use to define the poverty line in Europe is even underestimated . In many householdtypes (especially those with older children) the poverty line lies under the amount that is needed to live a life in dignity .

This means that the study is a great help to come to an evidence based minimum income all over Europe.

The interesting thing is that eleven other European countries have launched similar projects in order to determine standard budgets. This shows that the debate on the adequacy of minimum incomes has taken flight, and I am very happy with that.

However, there is still a need for uniformity at European level in terms of what these minimum income systems should comprise, how high this minimum income needs to be and how it could be calculated, how it would be administered to all those who need it, etc. In fact, up to now there is no common definition on the adequacy of incomes. We want to move forward on this and thereof we discussed it with the European social ministers during the informal EPSco council of July and we asked explicitly to all Member States if they agree to work on a common framework on minimumincome. This

wasn't a revolutionary statement knowing that it was already asked for in 1992 by a Council Recommendation and asked again in the Recommendation on Active Inclusion of 2008.

Nevertheless I have to admit that the enthusiasm wasn't very great with many of my colleagues, confronted with severe budgetcuts as a result of the crisis. But it is my deep conviction that especially in times of crisis we must invest in decent incomes to avoid an even deeper consumptioncrisis. When we look at the Belgian situation it is clear that our good social protection system and our minimumincomes acted as automatic stabilizers for the effects of the crisis.

Therefore, we won't give up . We think that we can give a new boost to the discussion with our study on Budget Standards Therefore we a proposal for organizing a Peer Review in November on the subject of standard budgets. This proposal was warmly welcomed by the Social Protection Committee (SPC). Several Member States have already expressed their interest to participate in this Peer Review on standard budgets. This event will take place during the second half of November.

The organization of this Peer Review is a perfect opportunity to determine common criteria and indicators in terms of adequate minimum incomes at European level and to urge other member

States to use the standard budgets as a tool to define adequate minimum income.

At the Round Table against Poverty on the 18th and 19th of October we will discuss this item . Immediately after the Round Table, we organise a Ministerial meeting of the ministers in charge of social inclusion and the fight against poverty. During that meeting we want to convince the other Member States to take the results of the Peerreview seriously and we will ask for their engagement to discuss the results with all stakeholders in their own country.

This can be the first step to a real common framework and common approach on the issues of adequacy, uprating, coverage and nontake up of minimum incomes all over Europe. This can pave the way to what we all want in this room , to what all of you are advocating for already many years: a real hard law on a decent income for all.

You can count on me ,I am committed to defending this crucial issue as a spokesman for the Belgian Presidency. The events that we organize bear witness to this commitment, like the 9th Roundtable discussion on poverty and social exclusion, followed by the meeting of ministers in charge of the fight against poverty. Later on I do hope that our conclusions will be endorsed by the EPSCO council.

In any case, the way is long, therefore it is really important to work together with Hungary on this subject in order to guarantee that the flame is kept alive when Belgium passes the torch of the Presidency to Hungary.

I would like to thank you all in advance for participating in this conference and for bringing your valuable contributions to the table at the workshops taking place throughout the day. I would also like to thank both the European and Belgian Anti-Poverty Networks for taking the initiative to organize this event. I do believe that your work , your enthusiasm and your engagement in this matter, will produce essential building blocks to come to that what we all want and are longing for: a fairer Europe for all.

Closing plenary session – Which routes to take for the future ? How to achieve results ? Debate Be- Hu- Parliament- Commission

1. Events regarding the Presidency (Mini budget, Roundtable discussion, etc) which generate progress in the discussions on the minimum income
2. Continuous exchange with the stakeholders (EAPN, BAPN, etc)
3. Organization of a Peer Review in November on standard budgets – this is a great opportunity to allow an exchange of experiences in defining an adequate minimum income
4. Reviewing 60% of national median equivalent income as an indicator for the poverty line
5. Putting the need for an adequate minimum income on the agenda of the December EPSCO Council and reiterating the need for a Framework directive
6. Working with Hungary given the rotating presidency in order to maintain the process until the adoption of a Framework directive on the implementation of a minimum income