

EMIN

EUROPEAN MINIMUM INCOME NETWORK

Position in relation to Minimum Income as part of the European Pillar of Social Rights

(Adopted 26 June 2017)

Text from the Staff Working Document (SWD) accompanying the launch of the Communication on the European Pillar of Social Rights

Minimum income: Everyone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services. For those who can work, minimum income benefits should be combined with incentives to (re)integrate into the labour market.

After a long period of consultations, the European Commission has published its communication establishing a European Pillar of Social Rights.

We fully support the ambition of the Commission to ensure that the social pillar will be part of the efforts to launch a new process of social convergence within the Economic and Monetary Union and the EU more generally. The Interinstitutional Proclamation of the European Pillar of Social Rights should contribute to a firm endorsement of all rights enshrined in the pillar by all relevant European Institutions.

We welcome the recognition of the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and to effective access to enabling goods and services, as part of the European Pillar of Social Rights.

Building on the existing 1992 Council Recommendation on minimum income and on the 2008 Commission Recommendation on active inclusion, a legally enforceable right to adequate and accessible minimum income benefits should help to deliver on the

commitments to drastically reduce poverty and social exclusion in the framework of the Europe 2020 strategy and the 2030 UN Sustainable Development Goals.

The commitment of the Commission to use the Country Specific Recommendations within the European Semester can help to stimulate Member States to improve the adequacy and accessibility of their minimum income schemes. Benchmarking and exchange of best practices in areas such as the right to adequate minimum income, monitoring of progress supported by a new social scoreboard, including on the impact of social transfers on poverty reduction, and incorporated in the annual Joint Employment Report, will contribute to assess Member States efforts to deliver. However, we are convinced that only soft law will not be enough to effectively enforce the right to a decent minimum income. We therefore reiterate our ambition to come to legally binding measures through a European framework directive.

The explicit mention to adequacy of minimum income benefits is more than welcome and the Commission must commit to monitoring developments in relation to adequacy. For the European Minimum Income Network (EMIN), the proposed benchmarking exercise should develop a common methodology building on the agreed at-risk-of-poverty indicator of 60% of median equivalised income and the agreed material deprivation indicators, as national references, combined with a common EU-wide framework and methodology for reference budgets, to test the robustness of the level of minimum income and of the 60% threshold.

In line with the active inclusion strategy, a positive hierarchy should be established between minimum income and minimum wages. Therefore, EMIN advocates raising minimum wages to at least 60% of national median or average wages.

In order to secure the long-term sustainability of funding for adequate minimum income, especially in countries under financial adjustment programmes, additional resources are needed to guarantee funding of all welfare provisions.

We are concerned with the narrow definition of incentives to reintegrate into the labour market, pointing only at the design of the benefit to preserve financial incentives to take up a job. The Recommendation on active inclusion rightly refers to the need for inclusive labour markets and access to quality services to provide minimum income beneficiaries a fair chance to take up a decent job.

The intention of the Commission to further use the European Funds to support the implementation of the rights in the social pillar and to use the pillar as a reference for the post 2020 financial programming period deserve our support.

We express the hope that the dialogue between the social partners and the civil dialogue at national and at European level will help to mobilise all social actors to effectively deliver the right for all to an adequate and accessible minimum income. The EMIN project is committed to contribute to this ambition.

In light of these reflections **we propose a rewording of the Principle/Right to Minimum Income** (additions in **bold**, deletions in ~~strikethrough~~) to bring it in line with the Active Inclusion Recommendation (2008), as follows:

Minimum income

Everyone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services. For those who can work, minimum income benefits should be combined with ~~incentives~~ **access to quality services and inclusive labour market policies, to empower minimum income beneficiaries to (re)integrate into sustainable employment which can take them out of poverty. the labour market.**

Further Information

What are Minimum Income Schemes?

Minimum Income Schemes are defined as, income support schemes which provide a safety net for those whether in or out of work who have insufficient means of financial support and are not eligible for insurance based social benefits or whose entitlements to these have expired. They are last resort schemes, which are intended to ensure a minimum standard of living for the concerned individuals and their dependents.

What is EMIN? 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. EMIN is organised at EU and national levels, in all the Member States of the European Union and also in Iceland, Norway, Macedonia (FYROM) and Serbia.

EMIN Partners

- European Anti-Poverty Network (EAPN)
- European Trade Union Confederation (ETUC)
- The Federal Public Service for Social Integration in Belgium
- The University of Antwerp
- Academic Experts and Experts by Experience
- The National EMIN Networks
- The EU Level Supporters Group – Open to organisations and actors committed to ensuring adequate and accessible Minimum Income Schemes

EMIN is coordinated by the European Anti-Poverty Network (EAPN). More information on EMIN can be found at www.emin-eu.net

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The information contained in this document does not necessarily reflect the official position of the European Commission.