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Minimum income

A social investment to tackle poverty

Adequate minimum income schemes are essential to combat poverty and social exclusion. They enable people to be contributing members of society, undertake training and/or look for work. Which is why, on the occasion of the International Day for the Eradication of Poverty, the Greens/EFA would like to highlight the crucial character of minimum income schemes for all EU Member States.

Not to be confused with basic income or citizens' income, which are independent from any other revenue and granted to citizens or residents of a country by a public institution, minimum income schemes are last resort support measures specifically designed to ensure decent living standards for individuals and families who have no other means of financial support; either because they cannot work, access a decent job, or are refused unemployment benefits.

Current situation across Europe

Nowadays, 120 million people in the European Union, which roughly represents 25% of the population, are at risk of poverty and social exclusion, and vulnerable to persistently high unemployment rates.

Excluding Greece and Italy, who don't even have a general minimum income scheme, most Member States fail to lift people out of poverty or prevent pauperisation with theirs. This is mainly due to States not taking into account the Eurostat "at-risk-of-poverty" threshold, set at 60% of national median income, to calculate the amount of their allowances adequately.

What is the EU doing?

European institutions are well aware of the problem revolving around minimum income schemes.

Since 2008, the Commission asked all Member States to develop active inclusion strategies based on income support, access to services and inclusive labour market. Currently, the Parliament is working on a report that will be voted next week in Strasbourg. Named "Minimum income policies as a tool to tackle poverty", by Laura Agea, the report calls for the implementation of a minimum income scheme in every EU Member State.

However, since minimum income schemes alone might not be enough, they must be accompanied by a

series of other measures such as easing the access to social and employment services, healthcare, quality education, transports, and so on. In addition, the labour market also has to be more inclusive, meaning every working-age individual, including people in vulnerable situations, must be put in the position and supported to join the workforce, apply for quality jobs and earn a decent wage.

This is why we - along with the European Anti-Poverty Network, the European Minimum Income Network, the European Economic and Social Committee, and many other NGOs - believe that the best way to work toward this goal is to adopt a framework directive that sets common methodologies for all Member States to define adequacy, common principles, definitions and means to achieve a level playing field across Europe.

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