Meeting the antipoverty target in the light of increasing household costs

2015/2223(INI) - 14/04/2016 - Text adopted by Parliament, single reading

The European Parliament adopted by 310 votes to 73 with 26 abstentions, a resolution on meeting the antipoverty target in the light of increasing household costs.

Need to fight against poverty and social exclusion: Members recalled that the combination of the financial and economic crisis and falling household revenues have **increased unemployment and social exclusion within the EU,** especially among the most vulnerable groups of people, thereby increasing the burden on welfare services. **Unemployment among young people** has exploded in the European Union since the crisis and is now running at over 20 %, putting young people at risk of falling into poverty from a very early age.

Between 2008 and 2013, the number of people at risk of poverty or social exclusion in the EU increased from 117 million to 122.6 million. **In 2013, 16.7 % of the population of the EU was at risk of poverty** after social transfers, 9.6 % were in a situation of serious material deprivation and 10.7 % of households were considered to have very low work intensity. This development runs counter to the strategic objective of the EU that is defined in its Europe 2020 Strategy and which aims to **reduce the number of people in or at risk of poverty and social exclusion by at least 20 million by 2020.**

Main recommendations: Parliament called on the Commission and the Member States to:

- **invest fully in the fight against poverty and social exclusion** and to adopt an integrated strategy to combat its various forms by means of a holistic approach linking economic, education, employment, energy transport and social policies on the basis of best practices;

- sign up to a **winter heating disconnection moratorium** so as to ensure that during a defined winter period no household can be cut off from energy or that those who are must be reconnected emphasising that related costs are public responsibility in nature, since social policies are primarily the responsibility of governments; Member States should evaluate the measures needed to comply with the World Health Organisation (WHO) standards for adequate housing temperature;

- carry out an **impact assessment of minimum income schemes** in the EU and to evaluate the manner and the means of providing at Member State level an adequate minimum income above the poverty threshold of 60% of national median income in all Member States in line with national practices and traditions respecting the characteristics of each of them;

- ensure a more efficient, targeted and more carefully monitored use of the **European Structural and Investment Funds (ESI Funds)** by national, regional and local authorities in order to tackle energy poverty, increasing living costs, social exclusion, housing deprivation, and the insufficient quality of the housing stock; the Commission should allow greater flexibility in this field;

- **dedicate a summit** to the reduction of poverty, extreme poverty and social exclusion and access to decent living standards.

Build bridges between social policy and energy policy in the European debate: in this regard, Parliament called on the Commission and Member States to:

- **target funding and policies towards tackling poverty and energy poverty**: Member States and the EU are urged to provide microcredits or loans free of interest or at low rates via (e.g. the EIB) to low-income households to support them in the upfront investment in renewables or energy efficiency, such as insulation, solar energy and energy efficient appliances. Any investment made, either in new homes or in improving existing homes, should be based on energy efficiency;

- **evaluate, in the framework of the energy efficiency package**, the application of relevant provisions in Directive 2012/27/EU to target households affected by energy poverty and social housing and on the basis of this evaluation to consider strengthening the provisions of the Directive so that Member States are encouraged to ;include social aims in their energy efficiency obligation schemes

- **propose decisive measures on social housing** and enhance energy efficiency investment in social rental housing through European funds: Members recommended that the Member States expand the supply of quality social housing in order to guarantee access for all, and in particular for the most disadvantaged, to adequate housing and to further use their opportunities to provide social housing with alternative legal constructions.

European policies to meet the antipoverty target: Parliament asked Member States to provide everyone with accessible adequate support, including minimum income as long as it is needed. It highlighted the importance of defining eligibility criteria in order to benefit from an adequate minimum income scheme. The Commission was asked to study the possibility of extending the Fund for European Aid to the Most Deprived beyond the programming period 2014-2020.

Members supports the Commission's intention to ensure a social triple A score for the Union by presenting new measures, in order to improve the effectiveness of social and employment policies, which includes a clear strategy for combating gendered aspects of social exclusion. They stressed gender pay gap in the EU, which is a key contributors to female poverty. It noted that lone parents, the majority of whom are women, are at a higher than average risk of poverty (34 %).

The Commission and Member States were asked to:

- establish an **EU framework** to reduce poverty and social exclusion in line with the Europe 2020 Strategy, consisting of concrete measures and actions;

- urgently identify, and maintain policy measures that enable households to **meet housing costs,** including the provision of housing allowances, given that 22 348 834 households (approximately 11 % of the EU population) spend more than 40 % of their disposable income on housing;

- press ahead with their efforts to tackle socio-economic inequalities, which would ultimately make it possible to reduce some of the inequalities relating to **healthcare** by focusing their attention on the needs of vulnerable groups such as people living in poverty;

- put in place strategies aimed at **reducing the digital divide** and promoting equal access to new information and communications technologies;

- do everything possible to ensure that all people have **access to drinking water** as soon as possible.

Lastly, Parliament invited the Commission, in the context of the European Semester, to make recommendations to the Member States regarding the policies to be put in place and the reforms to be made in order to combat poverty and social exclusion effectively to promote social convergence, taking into account the specific features of each Member State.