December 4, 2012

To: Ministers of Employment and Social Affairs

Letter to the EPSCO Council of December 6-7, 2012

Take actions to combat poverty and to reduce rising inequalities for people's well-being

Dear Ministers,

At the EPSCO Council meeting of December 6 and 7, the European Commission will present the Annual Growth Survey (AGS) for 2013, while at the same time the Annual Convention of the European Platform Against Poverty and Social Exclusion will take place. Furthermore, you will discuss the proposal for an Equal Treatment Directive and adopt Council conclusions on combating violence against women (points 6, 8 and 10 of EPSCO agenda).

In light of this, we want to bring the following key issues to your attention:

A) There will be no social cohesion and well-being of all without combating poverty and reducing inequalities. The Annual Growth Survey of 2013 fails to acknowledge that austerity measures, - promoted by many governments and encouraged by EU economic governance - result in increased inequalities, poverty and social exclusion.

As a consequence of on-going austerity measures, inequalities are increasing in the EU. The reductions of public funding has led to reductions in staffs, cuts in social benefits and privatisation in education, health, housing, employment services, and social services. This has created barriers to many of the people you are responsible for in accessing those essential services and ensuring their wellbeing. Last week in Spain, a country undergoing a harsh austerity policy like many other EU countries, thousands of protesters blamed austerity policy for making private six hospitals and 27 clinics in the Madrid region alone. This is coming alongside a cut in the healthcare budget of six billion euros a year.

Income inequality in OECD countries is at its highest level for the past half century. The average income of the richest 10% of the population is about nine times that of the poorest 10% across the OECD, up from seven times 25 years ago.

Moreover inequality is also on the rise in the labour market with an increased segmentation between rising number of unemployed, working poor, precarious jobs.

Furthermore, poverty has increased by 2 million since 2008 and gone up to almost 116 million. At the same time, the EU and the member states are not making any progress on the Europe 2020 target of lifting 20 million people out of poverty as the sum of the national poverty targets account for less than 11 million.

The AGS 2013 reflects the lack of attention paid to the well-being of all people and to the EU 2020 poverty and social exclusion target by the EU and the member states. No

concrete proposals or guidelines were formulated to address the on-going increase in inequality and poverty, and contrary to last year, there was no progress report on the implementation of Europe 2020.

When it comes to employment, the AGS is calling for measures such as to „facilitate flexible working arrangements, reduce severance pay for standard contracts and simpligy individual or collective dismissal procedures". We believe that this is in contradiction with ensuring the quality of work, descent minimum wages and job security.

It is now time to:

- **Invest in social protection and services for long term objective instead of cutting budgets for short term budget balance.** Europe is in need of a social investment strategy in order to achieve sustainable and inclusive growth, an adequate support system to address the social impact of the economic crisis, the redistribution of wealth and prosperity, and intergenerational solidarity. This will ensure long-term social investment and short-term fiscal consolidation are mutually supportive at both EU and member states level.

- **Develop an integrated poverty and social exclusion strategy at EU and national level. Combating poverty cannot wait for growth and jobs to rise up again – it has to be a priority policy on its own. The European Convention of the European Platform Against Poverty and Social Exclusion must be an essential instrument in the implementation of the poverty target.** It should take stock of the implementation of the poverty target in all countries, and provide a forum for reflection by the EU, the member states and civil society on the actions needed to improve the situation. The Convention should provide recommendations to be taken up by the Spring Council, and included in the European Semester through the Annual Growth Survey, the National Social Reports and National Reform Programmes and the country specific recommendations. This is to ensure that actions recommended by the Europe 2020 Flagship that is the European Platform Against Poverty and Social Exclusion, are implemented.

- **Invest in equality to achieve the Europe 2020 Strategy targets onsocial inclusion, education and employment, as discussed at the Equality Summit in November.** Discrimination plays a crucial role in preventing people from accessing education and the labour market and prevent them from developing their full potential. Ensuring equality would ensure better result on these two targets and support them in getting out of poverty. We also stressed at the Equality summit that social status (Art 21 Charter of Fundamental Rights) should be integrated as a ground of discrimination in EU and national policies in order to ensure that all policies are designed to ensure access for those experiencing poverty. The most equal countries have much less social problems than the most unequal countries in Europe[1].

B) There is no equality without the same legal protection for all: Adopt the Article 19 Equal Treatment Directive to combat inequalities hindering social inclusion and access to employment.

- **Tackling discrimination within the labour market cannot be achieved without tackling what hinders access to the labour market itself** (access to education, public transport, housing etc.); Case law from ECJ show the effect of how the implementation of the Racial Equality Directive (2000/43/EC) and the Employment Equality Framework Directive

1 Why Inequality Matters (Class Centre for Labour and Social Studies, 2012)

(2000/78/EC) has improved the quality of life for millions of Europeans by setting the standard and legal clarity for equal treatment and non-discrimination.

- **The people are calling for it.** The Parliament wants it. The trade union want it. Equality bodies want it. Social NGOs want it and the Commission wants it.

C) Combat all forms of bias violence: Adopt the Council conclusions on combating Violence Against Women.

- **Violence against women is increasing since the beginning of the recession** (reports show e.g. that domestic violence have gone up 17% in UK); and the economic crisis has created conditions whereby victims of abuse have fewer resources to be safe, to flee and to protect themselves from violence. This is the direct impact of public spending cuts on policy and judiciary, legal aid, public health services, welfare benefits and housing benefits[2]. Violence against women costs EU Member States at least 16 billion euros every year - one million euros every half an hour[3]. However the annual budget for prevention programs is 1000 times less. Prevention is essential to reduce violence.

- **Violence against women is wider than domestic violence:** Women and girls represent 50% of the population and arediscriminated against on the basis of their sex and gender, as well as other characteristics too, such as disability, age, sexual orientation, gender identity, ethnic origin etc. Therefore we believe in a holistic approach to combating all forms of bias violence is also needed – we propose a definition of bias violence and a variety of recommended actions to be taken at the EU, national and regional level.

We trust that we can count on your support.

Yours sincerely,





Conny Reuter
President

Pierre Baussand
Director

Social Platform is the largest civil society alliance fighting for social justice and participatory democracy in Europe. Consisting of 45 pan-European networks of NGOs. We campaign to ensure that EU policies are developed in partnership with the people they affect, respecting fundamental rights, promoting solidarity and improving lives.

[2] EWL report The price of austerity – The impact on women's rights and gender equality in Europe
[3] Psytel, 2010 Daphne Project on the cost of domestic violence in Europe