

## EuroHealthNet input to the European Commission's proposal for a Council Recommendation on adequate minimum income schemes in the EU

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EuroHealthNet, a European not-for-profit partnership of organisations, agencies and statutory bodies working on public health, disease prevention, promoting health, and reducing inequalities, welcomes the Commission's proposal for a Council Recommendation on adequate minimum income schemes in the EU. With a long-term commitment to promoting health equity, **EuroHealthNet recognises the significant impact of the financial and income arrangements on people's health and wellbeing.** Social protection programmes, including minimum income schemes, have been long [linked with better health not just for those benefiting, but for the whole population](#).

EuroHealthNet commends the European Commission's efforts to target the root causes of poverty, inequality and social exclusion via an integrated active inclusion approach and a set of policies designed to ensure that no one falls below a set income level. We hope these efforts will contribute to meeting the EU's collective commitment to reduce the [poverty figures by 15 million people by 2030](#). **This must include actions such as the provision of minimum income benefits and activation measures, with a particular focus on enabling, needs-based social services, including health.** Since such proposals cannot be effective and impactful when applied in isolation, they must form a part of a EU-wide and national level contextualised structural and systemic approach to poverty and economic vulnerability reduction. Other income-related social protection and welfare measures must be put at place to support people across their lifecourse (young workers, young families with children, retirement). Rising inflation and living costs today in the EU due to the pandemic and the Ukraine war make calls for adequate income schemes more urgent than ever.

While we realise the work here concerns a minimum income scheme, as compared to a universal basic income (two different instruments), EuroHealthNet calls for any meaningful proposal taken forward to consider potential benefits of removal of stress and social stigma caused by means-tests, conditionality, and uncertainty about the income support's withdrawal. **Wherever appropriate, we believe room for flexibility should be left to complement a minimum income scheme with basic-like income measures extending beyond more traditional social protection benefits** like child allowance, tax deduction, meal vouchers, free public transport etc.

This could lead to better mental and physical health, social cohesion and safety, as shown by [some experiments](#) in this field, and reported by or members in [Finland](#), [Slovakia](#), and [Scotland](#).

More concretely, **EuroHealthNet recommends** to (rationale and evidence included further in the document):

- Take much **stronger action to overcome structural challenges behind the introduction of the adequate minimum income schemes in the EU**; address increasing **in-work poverty** and insecurities related to **non-standard forms of employment**, and how it affects people's pension rights and adequacy
- **Align the adequacy of the minimum income schemes to the real cost of living**, with a particular attention to people's ability to afford healthy and sustainable living; address the structural underlying causes of health inequalities such as access to key services - housing, education, food and energy security; promote a **Minimum Income for Healthy Living (MIHL)** concept
- Consider adding a **public health objective and a social rights-based rationale for the introduction and assessing the adequacy of the minimum income schemes; implement a MIHL, guided by health (equity) impact assessments** as part of the methodology for the setting of the schemes at national, regional, or local levels, as appropriate
- **Integrate the enabling social services with access to health promotion and disease prevention interventions**, with a focus on supporting people's capability, skills, (digital) health literacy and competences to choose and maintain healthy and sustainable lifestyles; **expand the active inclusion services with psychosocial support**, including for dependant members of the families of the minimum income schemes' beneficiaries
- **Measure access to minimum income schemes and access to integrated enabling services as part of activation measures**, and when measuring impacts of the schemes on poverty reduction (as indicated in the revised Social Scoreboard) consider more **qualitative measures of impacts on people's health and wellbeing** (self-perceived health, ability to afford a healthy living, etc.)
- **Align the adequacy of minimum income schemes with the annual cycle of European Semester** and the assessment of the national Recovery and Resilience Plans' implementation as a **progress indicator towards reducing number of people living in or – as seems more relevant - at risk of poverty and social exclusion (AROPE)**
- **Move the emphasis away from conditionalities, disqualifications and sanction-based regimes to positive and assets-oriented narratives and self-motivation**, and link it with other ongoing debates on poverty and inequalities especially in the area of health

As highlighted by EU Commissioner for Jobs and Social Rights, it is crucial to ensure that EU states “provide social protection to all to lift people out of poverty, reduce inequalities and empower all Europeans to fully contribute to society”. **Minimum income schemes – that enable the conditions for a healthy life - are essential for populations and to mitigate long-term impact of crises.** The COVID-19 pandemic has revealed how important and effective social protection and welfare systems are in cushioning the economic and social blow of a crisis. Also, in a case of the current unveiling Ukrainian refugee crisis, it is likely that robust social protection measures such as minimum income schemes will prove effective. Further to this avail, EuroHealthNet suggests the proposal for a Council Recommendation to promote a concept of a [Minimum Income for Healthy Living](#), as recommended by the World Health Organization and the International Labour Organization.

The Europe 2020 strategy which included a target to reduce the number of people living in poverty by 20 million (from 116 million to 96 million) by 2020 was not met. In 2020, 109 million people were at risk of poverty even before the COVID-19 pandemic began. As a consequence of the pandemic, the [Commission's 2020 Strategic Foresight Report](#) estimated that poverty in the EU would rise by 5% overall, reaching at least 125 million people. These figures are likely to worsen as the Ukraine crises develops. Acknowledging the failure in meeting the poverty target of the Europe 2020 strategy calls for **much stronger actions taken both at the European and national levels to overcome structural and political challenges** behind the introduction of adequate minimum income schemes in the Member States. We argue that **adding a strong public health objective and social rights-based rationale** would aid the schemes implementation. Considering **health (equity) impact assessments as part of the methodology** for the setting of minimum income schemes is recommended. Lessons from the [EU Joint Action on Health Equity Europe \(JAHEE\)](#) may come helpful.

The EU suffers from significant socio-economic disparities between and within countries. This is often associated with poor design of social protection models, including minimum income schemes as in the focus of this response. In addition, lack of proper coordination between different local, regional and national levels, enabling social services, and various stakeholders with knowledge into the needs of the beneficiaries (such as in health) affects the perceived efficiency and value, or return on investment. **In many countries, there is still no sufficient emphasis on developing an integrated and tailored approach to supporting those receiving benefits** and to help them to integrate into society and, as far as is possible, into the labour market. Indeed, minimal income schemes in and of themselves often fail to lift target population out of poverty if only one dimension (out of many others) of poverty, social and labour exclusion are addressed. **Beneficiaries of minimum income schemes often face multiple problems affecting their health, well-being**, and housing situation. Those, in turn, affect their availability to participate in active labour market measures and in society.

As highlighted by the European Commission's [Call for Evidence background document](#), the consequences of non-action to improve minimum income schemes, and financial protection in general, transcend national borders and create divergences among Member States and regions. This is certainly a case for **people's financial ability to meet healthy living standards** (afford healthy and sustainable diets, decent housing and quality of the living environments). It further transcends to **people's ability to afford the cost of healthcare** with prevention and health-enabling measures including. Income levels represent a key social determinant of health. [WHO Health Equity Status Report](#) estimated between 35-46% of inequalities in health, psychosocial wellbeing and life satisfaction attributable to income security and social protection. We argue that – as part of the enabling social services - the health services offered cover these, plus psychosocial support, including for dependant members of the families of the minimum income schemes' beneficiaries.

Approaches toward the introduction of effective minimum income schemes should look at reducing the poverty levels by addressing the structural and underlying causes of ill-health and diseases, and therefore access to key services such as housing, education, and access to healthy food are important. This could lead to better overall mental and physical health, social cohesion and safety, readiness for work - as shown by [some experiments](#) in this field, and reported by or members in [Finland](#), [Slovakia](#), and [Scotland](#). The Scottish example is an interesting one - a specially designed **Triple I tool** aims to help national and local decision **makers invest in policies and interventions with the largest impact on health and health inequalities, including in the field of income-based policies** (taxation, benefits, minimum wage, etc.). Triple I tool models the potential impact of policies on overall population health and health inequalities by measuring the following outcomes: premature deaths, years of life lost, and hospital stays. It makes Scotland one of the few countries in which **anti-poverty and health-related rationales are at the centre of such interventions**. The initiative is driven by a strong coalition between local government and the public health sector.

**EuroHealthNet stands ready to support the European Commission** in their further work on this dossier in particular as regards adequate levels for healthy and active ageing and early years conditions (minimum income for families), as well as will communicate it across our network, promoting the proposal, encouraging sharing of good practice among the EU countries and our members, as well as stimulating research and innovation towards integrated interventions.

**Further resources:**

[EuroHealthNet Policy Precip: Making the link: Improving Health and Health Equity through Strong Social Protection Systems](#), September 2020 – including examples from our members in Finland, Slovakia and Scotland.

[Universal basic income policies and their potential for addressing health inequities: Transformative approaches to a healthy, prosperous life for all \(2019\)](#) – including case studies from Finland, Denmark, the Netherlands, and Spain, as well as guidelines on “How to make it work for health equity? – success factors”. Importantly, a concept of minimum income for healthy living is explained.

[The public health effects of interventions similar to basic income: a scoping review](#), the Lancet Public Health, March 2020.

[A basic income to improve population health and well-being in Wales?](#) By Public Health Wales and the World Health Organization Collaborating Centre on Investment for Health and Well-being, 2021.

[DRIVERS Final Scientific Report. The role of income and social protection for inequalities in health, evidence and policy implications](#). Chess Centre for Health Equity Studies, September 2014



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