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## **EUROPEAN SOCIAL CHARTER**

Ad hoc report on the cost-of-living crisis

submitted by

**THE GOVERNMENT OF SPAIN**

Report registered by the Secretariat

on 20 December 2023

**CYCLE 2023**

# SOCIAL EUROPEAN CHARTER

## AD HOC REPORT SPAIN 2023

### *Question:*

*1) Please provide information as to whether and how the statutory minimum wage is regularly adjusted/indexed to the cost of living. Please indicate when this last happened, specifically whether it has been adjusted /indexed since the end of 2021.*

*2) Please provide information on any supplementary measures taken to preserve the purchasing power of the minimum wage since the end of 2021*

### **RESPONSE:**

Below, information is provided on the legal regulation of the Minimum Wage and on the amounts set from 2021.

The minimum interprofessional wage is set annually by the Government, in accordance with article 27 of the revised text of the Workers' Statute Law, approved by Royal Legislative Decree 2/2015, of October 23, in the following terms:

1. The Government shall set, after consultation with the most representative trade union organizations and business associations, on an annual basis, the minimum interprofessional wage, considering:

- a) The consumer price index.
- b) The average national productivity reached.
- c) The increase in the participation of labor in the national income.
- d) The general economic situation.

Likewise, a six-monthly revision will be established if the aforementioned price index forecasts are not met.

Therefore, the Government sets the minimum interprofessional wage annually considering the above factors, including the consumer price index.

Since 2021, the Government has approved the following royal decrees fixing the SMI:

-From January 1, 2021 to August 30, 2021, the validity of Royal Decree 231/2020, dated February 4, fixing the minimum interprofessional wage for 2020, which sets it at 31.66 euros/day or 950 euros/month or 13.300 euros per year (including the two extraordinary payments), is extended.

-Royal Decree 817/2021, of September 28, which sets the minimum interprofessional wage for 2021, fixes the SMI between September 1 and December 31, 2021, at 32.17 euros/day or 965 euros/month or 13.510 euros per year (including the two extraordinary payments). The new amounts represent an increase of 1.579 percent with respect to those provided for in Royal Decree 231/2020, of February 4.

-Royal Decree 152/2022, of February 22, which sets the minimum interprofessional wage for 2022, fixes the SMI for 2022 at €33.33/day or €1.000/month, or €14.000/year (including the two extraordinary payments). The new amounts represent an increase of 3.63 percent with respect to those provided for in Royal Decree 817/2021, of September 28.

-Royal Decree 99/2023, of February 14, which sets the minimum interprofessional wage for 2023, fixes the SMI for 2023 at 36 euros/day or 1.080 euros/month, or 15.120 euros per year (including the two extraordinary payments).

-With this new amount, the Minimum Wage increases by 8% and represents an increase of 47% in the last five years. As indicated in the preamble of the regulation, with this 8 percent increase, in accordance with the Report presented in June 2021 by the Advisory Commission for the Analysis of the Minimum Interprofessional Wage, the right to a fair and sufficient remuneration that provides working people and their families with a decent standard of living is effectively met, on the one hand; and, on the other hand, the objective that the net minimum interprofessional wage should reach 60 percent of the net average wage in 2023 is achieved, fully complying with the provisions of the European Committee of Social Rights in application of the European Social Charter and satisfying the commitment acquired by the Government to reach equivalence by the end of 2023.

### **Future perspectives:**

In the Coalition new Government Agreement there is a firm commitment to continue increasing the minimum wage in the political term that has just begun. Literally, the commitment read as follows: "The minimum wage will continue to grow throughout the legislature to ensure its purchasing power, guaranteed in the Workers' Statute that it will increase at a pace of 60% of the average salary".

At this very moment, (December 2023) the Spanish government is negotiating with the social partners a new increase in the minimum interprofessional wage to adjust it to at least 60% of the average net salary.

### *Question:*

*3) For States Parties with no statutory minimum wage, please describe any measures taken to preserve the purchasing power of the lowest wages since the end of 2021.*

### **RESPONSE:**

N/A

*Question:*

*4) Please provide information as whether the cost of living crisis has led to the extension of in-work benefits.*

**RESPONSE:**

In the context of the Minimum Living Income promoted by the Ministry of Inclusion, Social Security and Migration, an incentive to employment has been implemented in the Royal Decree 789/2022, of 27 September, which regulates the compatibility of the Minimum Vital Income (MVI) with income from work or self-employed economic activity to improve the real opportunities for social and labour inclusion of the beneficiaries of the benefit.

This incentive has the aim of avoiding the so-called 'poverty trap'. In other words, that the existence of the benefit inhibits beneficiaries from seeking employment for fear of losing their income or seeing it reduced.

The employment incentive is aimed precisely at ensuring that the disposable income of the beneficiary who joins the labour market or increases the number of hours of employment, if he or she was already working, is higher than it would have been without the incentive, with an increase that is attenuated as the income from work increases.

Thus, when the MVI recipient registers an increase in their income from work or self-employment of up to 60% of the Guaranteed Income for their type of household, the incentive will provide them with an increase in their disposable income of the same amount.

The MVI beneficiary's disposable income will also increase when increases in earned income are between 60% and 100% of his or her guaranteed income. In this case the incentive will vary according to three parameters:

1. The presence or not of minors, with a higher incentive for households with children.
2. The composition of the household, with a higher incentive for single-parent families and for people with disabilities.
3. The previous relationship with the labour market, with a higher incentive for people entering the labour market than for those who were already working.

The incentive will be maintained, although in a more attenuated form, even for wage increases above the Guaranteed Income threshold for the type of household to which the beneficiary belongs.

This special and strategic mechanism of the inclusion policy developed by the Ministry is not a new and independent benefit from the MVI, therefore, recipients do not have to apply for it independently, but it is calculated ex officio. It is triggered when the MVI is revised, and only in the case of changes in earned income because a job has been found or the conditions of the existing job improved.

With the approval of this innovative mechanism, the first instrument of these characteristics to be implemented in the Spanish General State Administration, one of the objectives to support participation in the labour market of component 22 of the

Spain's Recovery, Transformation and Resilience Plan, scheduled for the last quarter of 2022, is also met.

Other measures recently taken regarding in-work benefits are the following:

- **200 euros for low-income workers.**

Following the energy crisis of 2022 in which fuel and electricity prices rose exponentially, families suffered a serious blow to their monthly expenses.

So, to alleviate this, was set a €200 lump-sum subsidy for working people (self-employed or employed) with an income of less than €27,000 per year. This aid ended in March 2023, but it has had several extensions in which the requirements have been changed, leaving today only a line of aid for people with a business activity dedicated to transport.

- **Aid 600 euros from the Employment Public Service**

In July 2023, the State published a line of aid for individuals and companies in the artistic sector (Royal Decree 1/2023) who are unemployed, or who see their contracts transformed into indefinite-term, full-time contracts.

- **Grants for gender violence**

Special reference should be made to aid for gender violence. Women and adolescents over 16 years of age who are victims of sexual violence are considered to be victims of gender violence for the purposes of unemployment benefits, if they are Spanish nationals.

These persons may, due to this condition, request a reduction in working hours, a temporary suspension with reservation of the job (up to 6 months, extendable up to 18 months) or a definitive termination of the job. In any of the two previous cases, they may receive contributory benefit or unemployment benefit even if they have not paid contributions for one year.

Similarly, if during this suspension of the contract (in which, we insist, unemployment benefit can be paid), the person is forced to leave the job due to the circumstances of the abuse, the period of suspension will be considered as worked for all purposes.

Likewise, a specific economic aid is foreseen for women victims of gender violence with special difficulties in obtaining a job, being able to also receive the Active Insertion Income or the Minimum Vital Income.

*Question:*

*5) Please provide information on changes to social security and social assistance systems since the end of 2021. This should include information on benefits and assistance levels and the allocation of benefits*

**RESPONSE:**

**Social Security Reforms**

The Spanish Social Security system, during the first legislature of the coalition government, has undergone an important transformation process supported by the consensus reached in the social dialogue, as well as in the permanent Parliamentary Commission of the "Toledo Pact" (officially known as the Commission for the Monitoring and Evaluation of the Toledo Pact Agreements) and in accordance with the provisions of the Recovery Plan, Transformation and Resilience Plan that the Kingdom of Spain submitted to the European Commission in 2021, which includes a series of investments and reforms to be implemented by Spain between 2021 and 2023.

In order to carry out these investments and reforms, Spain has defined 10 lever policies, which determine the future evolution of the country. Each of these policies includes components that articulate coherent investment and reform projects to modernise the country. Within the policy lever X "Modernisation of the fiscal system for inclusive and sustainable growth", component 30 "Long-term sustainability of the public pension system within the framework of the Toledo Pact", includes five reforms to be carried out by Spain before the year 2023 aimed at ensuring the financial sustainability of the system in the short, medium and long term, maintaining purchasing power, preserving its role in protecting against poverty and guaranteeing intergenerational equity:

- Completion of the process of separating the sources of financing of contributory and non-contributory Social Security protection.
- Maintaining the purchasing power of pensions.
- A new system of Social Security contributions for the self-employed based on income from economic activity.
- Advance in the design of the supplement aimed at reducing the gender gap in pensions.
- Reform and promote supplementary pension systems.
- Adjust the maximum contribution base of the system.

Chronologically, the first part of this set of reforms corresponds to 2021. Based on the consensus reached in the framework of the "Toledo Pact" and social dialogue, Law 21/2021, of 28 December, on guaranteeing the purchasing power of pensions and other measures to strengthen the financial and social sustainability of the public pension system, adopts the necessary measures to respond to the major challenge for Spain, in many areas and not only in pensions, of the imminent access to retirement of the so-called baby-boom generation. This response involves offering certainty to pensioners, fundamentally by guaranteeing the purchasing power of pensions through a revaluation criterion linked to the evolution of inflation, and reinforcing the balance of the system through the assumption by the State of non-contributory expenditure.

This Act amends various provisions of the revised text of the General Social Security Act, and its content can be grouped into two main blocks:

-The first block relates to guaranteeing the purchasing power of pensioners by indexing the annual revaluation to the consumer price index (CPI), and the second block relates to establishing measures aimed at gradually bringing the effective age of retirement into line with the ordinary retirement age.

The reduction coefficients relating to early retirement will be revised and the way in which people who retire after the normal retirement age are entitled to receive the financial supplement will be made more flexible, so that they will be able to choose between three options: to receive an additional percentage of 4%, which will be added to that applied to the regulatory base for calculating the pension, for each full year of effective work that is accredited after the normal retirement age is reached; a lump sum for each full year of actual work credited and contributed between the date of reaching retirement age, and the date of the event giving rise to the pension; or a combination of the two previous options.

-The second part of these reforms is mainly contained in Royal Decree-Law 2/2023, of 16 March, on urgent measures to extend the rights of the elderly.

The main objective of these measures is to significantly strengthen the financial capacity of the system in order to establish the foundations that will guarantee the sustainability of the system over the next thirty years, without forgetting the commitment to the equity and sufficiency of pensions, so that measures are also included such as the reinforcement of minimum pensions, setting an objective reference indicator to mark the future evolution of the amounts of the different modalities with minimum complement in order to preserve the objective of sufficiency and poverty reduction.

To this end, a new additional provision, the fifty-third, is introduced into the General Social Security Act, which progressively increases, from 2024, the minimum contributory retirement pension for those over 65 years of age and with a dependent spouse, so that in 2027 it cannot be lower than the poverty threshold calculated for a household comprising two adults.

It also provides for the equalisation from 2024 of the minimum widow's and widower's pensions with family responsibilities, pensions with a dependent spouse, except for total permanent incapacity whose holders are under 60 years of age, to the amount of the aforementioned retirement pension. The rest of the minimum pensions will be increased annually in the same way as the previous ones, but by 50%.

As for non-contributory pensions, once they have been revalued in accordance with article 62, they will be increased each year, in the same period and by the same procedure, but with the reference of multiplying the poverty threshold of a single-person household by 0.75.

Between these two blocks of reforms contained in Law 21/2021 of 28 December and Royal Decree-Law 2/2023 of 16 March, two other pieces of legislation with a strong reformist character have been approved.

-Firstly, Law 12/2022, of 30 June, regulating the promotion of occupational pension plans, reconfiguring complementary social protection in favour of collective instruments, with the creation of a publicly promoted occupational pension fund, managed by the private sector, This will strengthen the content of

sectoral collective bargaining, but without calling into question the centrality of the public pension system based on a pay-as-you-go financial system.

-Secondly, Royal Decree-Law 13/2022 of 26 July establishing a new contribution system for the self-employed and improving protection in the event of termination of activity.

The main objective of this Royal Decree-Law is to adapt the contribution bases for self-employed workers to pay contributions based on real income, which will help to improve, in general terms, the pensions of this group, who were previously able to choose their contribution base regardless of their income, which meant that around 80% of the workers included in the Special Social Security Scheme for Self-Employed or Self-Employed Workers were paying contributions based on the minimum base. Moreover, this measure represents a necessary budget to strengthen the public pension system and guarantee the sustainability of the system.

On the other hand, since 2019, considering that, unlike what happened in other European countries in the same environment, Spain did not have a benefit that covered the risk of extreme poverty, and in accordance with the National Strategy to Prevent and Combat Poverty and Social Exclusion approved by the Council of Ministers on 22 March 2019, which indicated that one of Spain's main challenges was to reduce income inequality, work began to implement a Minimum State Living Income that would ensure that people in need would have a minimum level of social protection, which identified the reduction of income inequality as one of Spain's main challenges, work began on the implementation of a State Minimum Living Income to ensure a minimum level of income for people in need. The need to implement the Minimum Vital Income was accelerated by the COVID-19 health crisis, which particularly affected people in vulnerable situations. As a result, Royal Decree-Law 20/2020 of 29 May 2020, establishing the minimum living income, came into force on 1 June 2020.

The need to implement this benefit immediately meant that the regulation suffered from certain technical defects and underwent successive modifications in a short period of time, until it was finally replaced by the current Law 9/2021, of 20 December, establishing the minimum living income, which came into force on 1 January 2022.

The minimum living income is a non-contributory Social Security benefit which is a safety net aimed at enabling people to move from a situation of exclusion to a situation of participation. It guarantees a minimum level of income by covering the difference between the sum of the economic resources of any kind available to the individual beneficiary or, where appropriate, to the members of a cohabitation unit, and the amount of guaranteed income, which will be, in the case of individual beneficiaries, the amount established annually for non-contributory pensions, and in the case of cohabitation units, this amount increased by 30% for each member.

Royal Decree 789/2022, of 27 September, which regulates the compatibility of the Minimum Vital Income with income from work or self-employed economic activity in order to improve the real opportunities for social and labour inclusion of the beneficiaries of the benefit, specifies the exempt amounts for the calculation of income and income to be taken into consideration for the determination of the situation of economic vulnerability of income from work or economic activity, 60% of the guaranteed income of the cohabitation unit will be excluded from the calculation, and thereafter, up to the guaranteed income, a percentage may be excluded from the calculation depending on whether or not income from work or self-employment was included in the tax year prior



to the year before the year of the review, the situation of the beneficiary depending on whether or not he/she is part of a cohabitation unit and the composition of the cohabitation unit.

In accordance with the policy lever VIII "New care economy and employment policies", of the Recovery, Transformation and Resilience Plan, the Government Delegate Commission for Economic Affairs, at its meeting of 31 October 2022, adopted an Agreement approving the Plan for the reorganisation and simplification of the system of non-contributory economic benefits of the General State Administration, published by Order ISM/1055/2022, of 31 October.

The Plan for the reorganisation and simplification of the system of non-contributory economic benefits of the General State Administration aims to: improve the equity of non-contributory benefits, extending their coverage and generosity; increase their efficiency by focusing on social and labour inclusion activities that avoid poverty traps; facilitate accessibility, so that the user can access a simplified scheme of benefits; achieve greater levels of agility to facilitate activation and resolve aspects of internal inconsistency in the model.

This plan promotes the study and reorganisation of the system's non-contributory benefits, currently aimed at specific groups, the elderly and the disabled, and their potential integration into the general concept and scheme of the Minimum Vital Income benefit, in the form of supplements, which should provide a response to three of the main causes of economic exclusion: old age, disability and vulnerable families with children.

In order to achieve the objectives, the plan presents the following basic directions:

- Develop and extend the MVI to make it the basic benefit of the minimum income guarantee system.
- Simplify the current support around it, for which it will be necessary to evaluate the parameters that guarantee the equity pursued by the plan.
- Establish more efficient governance between the different managing bodies, which will require an agile information system, with information and data-driven decision-making at the heart of benefit design.

And, because a plan of this nature requires a significant amount of time for its implementation, the plan itself sets out a timetable in 2 phases:

- **Phase 1. Preparation of work leading to an implementation plan (2023-2025).**

A) Technical preparation (2023-2024).

- Consolidation of the IMV.
- Full roll-out of the Digital Social Card (DSC).
- Creation and development of the inter-ministerial working group composed of representatives of the Ministries of Economic Affairs and Digital Transformation, Labour and Social Economy, Finance and Public Administration, Social Rights and Agenda 2030, Agriculture, Fisheries and Food and Inclusion, Social Security and Migration.

## B) Governance and necessary consensus (2025).

- Definition of the institutional model (structure and organisation) needed to develop this new instrument.
- Interlocution with social agents | Toledo Pact.
- Interlocution with the Autonomous Regions. Announcement of the reform plan.

- **Phase 2. Implementation of the plan.**

2026-max. 2030: Staggered roll-out of the plan, with optimal use of resources.

### Minimum Living Income and Child Benefits

Royal Decree-Law 20/2020, of 29 May, established the minimum living income, as a non-contributory Social Security benefit, to guarantee a minimum income for people in a situation of economic vulnerability, as well as to promote opportunities for social and employment inclusion of beneficiaries, for which a series of requirements must be met.

Subsequently, Royal Decree-Law 3/2021 of 2 February, which adopted measures to reduce the gender gap and other matters in the social security and economic spheres, introduced a series of reforms in the regulation of the IMV to enable it to cover a greater number of people.

For the financial year 2023, the amounts set for the guaranteed income of the IMV, according to the type of cohabitation unit, are as follows:

#### AMOUNTS OF THE IMV ACCORDING TO THE TYPE OF COHABITATION UNIT IN 2023

COHABITACION UNIT	EUROS / YEARLY
One adult	6.784,54
One adult and one minor	8.819,88
One adult and two minors	10.855,2
One adult and three minors	12.890,52
One adult and more than three minors	14.925,96
Two adults	8.819,88
Two adults and one minor	10.855,2
Two adults and two minors	12.890,52
Two adults and three or more minors	14.925,96
Three adults	10.855,2
Three adults and one minor	12.890,52
Three adults and two or more minors	14.925,96
Four adults	12.890,52

COHABITACION UNIT	EUROS / YEARLY
Four adults and a minor	14.925,96
Others	14.925,96

To the monthly amount received by the cohabitation unit is added a single parent supplement equivalent to 22 percent of the amount for an individual beneficiary.

The total number of IMV beneficiaries, with the accumulated data of initial benefit registrations, who have appeared on the payroll in the period from June 2020 to November 2023 is 2,102,922, of whom 1,189,662 are adults and 913,260 are minors. By sex, 1,135,345 are women and 967,101 are men (the rest are not recorded).

The Minimum Vital Income (IMV) has been in place since June 2020, and has a particular impact on reducing child poverty, as 69% of recipient households include at least one child, and almost half of the beneficiaries of the benefit are minors (43.4%).

It is also worth highlighting the expansion of child-rearing assistance, which is made up of two benefits: the IMV's child support supplement (CAPI) and the tax deduction for working mothers in the Personal Income Tax (IRPF).

The CAPI is a child allowance, which for the year 2023, amounts to 115 euros per month for each child aged 0-3, 80.5 euros for each child aged 3-6 and 57.5 euros for each child aged 7-18, available for households with incomes below certain thresholds. Approved on 1 January 2022, the number of child supplementary allowances amounts to 438,300.

For the budget year 2023, the budgeted expenditure for IMV and CAPI amounts to €3,040.01 million.

The introduction of this minimum income has meant that the autonomous communities and cities have had to adapt their Minimum Insertion Incomes to make them compatible, subsidiary and complementary to the MVI, depending on the case.

Thus, since 2020, when the Minimum Living Income was introduced, the number of people entitled to the Minimum Income benefit has been reduced by 9.74%, by 35,954 people.

In addition, the total expenditure executed has been reduced by 12.62%, by 241,206,258.68 €.

With regard to the number of members dependent on the benefit holder, these decreased by 16.07% in 2021 and increased again in 2022.

EJERCICIO	PERCEPTORES		GASTO EJECUTADO	
	Titulares Prestaciones			
	Total	% Variación	Total	% Variación
2020	369.289	24,26%	1.970.180.393,00 €	16,84%
2021	352.291	-4,60%	1.819.874.520,56 €	-7,63%
2022	333.335	-5,38%	1.728.973.864,32 €	-4,99%

**Other measures:**

- **Contributory pension for family doctors and paediatricians**

The regulation approved by the Government also provides for family doctors and paediatricians in primary care in the National Health System to be able to combine their pension with full or part-time employment (50% of the working day).

The measure is intended to cover the expected shortage of doctors in these specialities over the next few years as a result of the numerous retirements and will be in force for three years

- **Special measures for domestic employees**

Royal Decree-Law 16/2022, of September 6, established the improvement of the working and Social Security conditions of domestic workers.

The main objectives of this regulation are:

- Ensure a level of protection of the safety and health of people working in the family home equivalent to that of any other worker.
- Provide salary guarantee coverage to the group of domestic workers through the salary guarantee fund like the rest of workers.
- The equality in the field of Social Security between domestic workers and the rest of the employed people, including unemployment benefits.
- Provide compensation coverage to domestic service workers in cases of insolvency or bankruptcy of employers, also modifying the procedure for dismissal due to employer withdrawal.

- **Social Services**

In the framework of Social Services, the main measures carried out were those framed in the "Plan de Choque en Dependencia". The Territorial Council of Social Services and the System for Autonomy and Care for Dependency (SAAD), approved at its meeting of 15 January 2021, without any votes against, the "Agreement for the implementation of

the "Plan de Choque en materia de dependencia en 2021". The Agreement can be accessed via the following link:

<https://imserso.es/documents/20123/97064/acuerdoplanchoque20210115.pdf>

It is an Agreement that includes a series of objectives of various kinds relating to key aspects of the System for Autonomy and Care for Dependency. The Agreement addresses issues relating to the reduction of waiting lists for dependent adult care, the promotion of improvements in employment in the care sector, improvements in the quality and coverage of SAAD services provided to citizens, the financing of the system, improvements in the management of procedures by the communities (simplification of administrative processes), improvements in the development of SAAD benefits, and the recognition of local authorities in the management of the system.

In relation to each of these objectives, the Plan established a time horizon for their implementation, and Annex I to the Plan set out an ambitious timetable setting out the roadmap for their effective realization. At this point, and in relation to each of the objectives set out in the Shock Plan, there are some which have already been fully achieved, while there are other issues on which it has been possible to make significant progress, and others which have not yet been expressly addressed.

- **Approval of a specific plan for the reduction of the waiting list** (approved in April 2021).

On April 30, 2021, the Territorial Council of Social Services and the SAAD adopted the "Agreement for the reduction of the waiting list" in the SAAD.

The document of the Agreement can be accessed at:

<https://imserso.es/documents/20123/97064/acuerdolistaespera20210430.pdf>

According to the latest available data (as of 11/30/2023), there are a total of:

- 60,931 people who have submitted the appropriate application, and have been waiting for more than six months for their degree assessment to be carried out.
- In addition, there are 138,741 people who have already been assessed and, being in a situation of dependency, are awaiting the recognition of the benefit or benefits to which they may be entitled and who submitted an application six months ago or more.
- Finally, there are 9,105 people who, having been assessed, have not yet received the assigned service and for whom six months have passed since their application was submitted.

Adding these figures together, the "waiting list" (in reality this is the number of people who have not been assigned a grade or benefit or service six months after submitting their application) amounts to a total of 208,777 people when the starting point for these same parameters in January 2021 was 311,495 people, with a reduction in three years of 33%.

This figure must be combined with the increase in the number of people with effective PIA (i.e., effectively receiving benefits or services of sufficient intensity for their degree), which has gone from 1,084,209 people in January 2021 to 1,377,005 people in November 2023 (almost 300,000 more people), an increase of 27%.

- **Establishment of improvements in SAAD benefits and services (amounts and intensities) for application during 2022 and 2023.**

It is worth highlighting the approval of Royal Decree 675/2023, of July 18, amending Royal Decree 1051/2013, of December 27, which regulates the benefits of the System for Autonomy and Care for Dependency. This new regulation has contemplated a series of measures (and which to a large extent come to reverse the cuts in the system in 2012) relating to the improvement of the system's benefits, such as raising the intensity of the home-help service, improving the maximum amounts of economic benefits, or establishing minimum amounts for such benefits.

- **Commitment to agree on the necessary modifications to the 2008 SAAD Center and Service Accreditation Agreement.**

On June 28 the Territorial Council of Social Services and the System for Autonomy and Care for Dependency (SAAD) approved the "Agreement on Common Criteria for the accreditation and quality of the centers and services of the System for Autonomy and Care for Dependency (SAAD)", which replaced the previous agreement adopted in 2008.

It can be accessed through the following link:

<https://www.mdsocialesa2030.gob.es/derechos-sociales/servicios-sociales/docs/AcuerdoSAAD.pdf>

This new agreement represents an important advance in the minimum levels of quality required within the framework of the SAAD, addressing not only residential services but also tele-assistance, home help and day centers.

- **Regulation of the figure of the Personal Assistant and addressing the possible modification of the economic benefit for care in the family environment (2022).**

In the Plenary Session of the Territorial Council of Social Services and the System for Autonomy and Care for Dependency on May 12, 2023, the Agreement of the Territorial Council of Social Services and the System for Autonomy and Care for Dependency was approved, defining and establishing the specific conditions for access to personal assistance in the System for Autonomy and Care for Dependency.

The text of this agreement can be accessed through the following link:

[https://www.boe.es/diario\\_boe/txt.php?id=BOE-A-2023-12779](https://www.boe.es/diario_boe/txt.php?id=BOE-A-2023-12779)

The purpose of the Agreement is to define and establish a common framework of basic conditions of access to personal assistance and its characteristics within the framework of Law 39/2006, of December 14, on the promotion of personal autonomy and care for dependent persons.

- **Disability Strategy and Plan 2022-2030**

In 2022, the Spanish Disability Strategy 2022-2030 and the Healthy Well-being Plan for People with Disabilities 2022-2026 were approved.

On the one hand, the Spanish Disability Strategy 2022-2030 includes the measure "E3.3.3. Consideration and compensation of supplementary support needs and the additional cost of disability for people with disabilities with high support needs".

On the other hand, the Healthy Well-being Plan for People with Disabilities 2022-2026 includes the "8.5.2. Develop the provision of personal assistance by approving a state regulation with unified criteria, based on personalisation and flexibility, to facilitate independent living in the community".

*Question:*

*6) Please provide information as to whether social security benefits and assistance are indexed to the cost of living, as well as information in particular on how income-replacing benefits such as pensions are indexed. Please indicate when benefits and assistance were last adjusted/indexed.*

**RESPONSE:**

According to article 58 of the revised text of the General Social Security Act, approved by Royal Legislative Decree 8/2015, of 30 October, and article 27 of the revised text of the State Pensioners' Act, approved by Royal Legislative Decree 670/1987, of 30 April, Social Security pensions, pensions, including the amount of the minimum pension, shall be revalued at the beginning of each year by a percentage equivalent to the average value of the year-on-year rate of change expressed as a percentage of the Consumer Price Index for the twelve months prior to December of the previous year.

In accordance with the above, Royal Decree 1058/2022 of 27 December on the revaluation of pensions in the Social Security system, of pensions for the Passive Classes and of other public social benefits for the financial year 2023, establishes a general revaluation of pensions and other benefits paid by the Social Security system, as well as of State Passive Classes, of 8.5%. It also establishes a revaluation of 8.5% of the minimum amounts of pensions in the contributory form of the Social Security system.

The same Royal Decree 1058/2022 of 27 December sets the amount of non-contributory retirement and disability pensions at 6,402.20 euros per month, 8.5% higher than in 2022, which was 5,899.6 euros per year.

Royal Decree-Law 6/2022 of 29 March adopting urgent measures within the framework of the National Plan of response to the economic and social consequences of the war in Ukraine provided for an extraordinary increase in the minimum living income benefit and in the non-contributory retirement and disability pensions, of 15% on the monthly amount, for the monthly payments from April to December 2022, both inclusive, for the minimum living income, and from 1 July 2022 until 31 December 2022 for retirement and disability pensions in their non-contributory form.

Subsequently, Royal Decree-Law 20/2022, of 27 December, on measures in response to the economic and social consequences of the war in Ukraine and support for the reconstruction of the island of La Palma and other situations of vulnerability, established in article 77 an extraordinary increase in the non-contributory retirement and disability pensions of the Social Security system, with effect from 1 January and for the whole of

2023, consisting of the result of applying to the amount of the pension established on 1 January 2022 (€5,899.60) a percentage that complements the percentage established for 2023, 8.5%, to reach a total percentage of 15%. 899.60) a percentage that complements the percentage of revaluation established for 2023, 8.5%, to reach a total percentage of 15%.

Finally, Article 79 also establishes an extraordinary increase, for 2023, in the non-contributory benefit of the minimum living income, which will be applied to the amount of the guaranteed income to an individual beneficiary on 1 January 2022, i.e. the amount of non-contributory pensions (€5. 899.60) or on the amount of the guaranteed income to a cohabitation unit in the case of beneficiaries who are part of a cohabitation unit, i.e. the amount of non-contributory pensions for the year 2022 increased by 30%; and which will consist of the result of applying to these amounts a percentage that complements the percentage of revaluation for 2023, 8.5%, to reach a total percentage of 15%. This extraordinary increase will also apply to the children's allowance for which fixed amounts are established.

## **REVALUATION OF PENSIONS**

From 2013 to 2018, pensions were revalued according to the Pension Revaluation Index (IRP), i.e. 0.25%.

In 2019, in order to maintain their purchasing power, pensions were revalued by 1.6% (Royal Decree-Law 28/2018, of 28 December, for the revaluation of public pensions and other urgent measures in social, labour and employment matters), while minimum pensions, non-contributory pensions and non-concurrent SOVI pensions were increased by 3%.

In 2020, pensions have been revalued by 0.9% (Royal Decree-Law 1/2020 of 14 January establishing the revaluation and maintenance of pensions and other benefits paid by the Social Security system).

In 2021, all pensions rose by 0.9% in January, except for non-contributory pensions, which were revalued by 1.8%. In addition, pensioners received a compensatory payment in January 2022 of 1.6% equivalent to the difference between the average CPI for 2021 up to November, which is 2.5%, and 0.9%.

In accordance with Law 21/2021 of 28 December on guaranteeing the purchasing power of pensions and other measures to strengthen the financial and social sustainability of the public pension system, from 1 January 2022, pensions were revalued according to the average CPI for the twelve months up to December 2021 (equal to the average value of the year-on-year rates of change expressed as a percentage of the Consumer Price Index). Thus, in 2022, minimum pensions and non-contributory pensions were increased by 3% and the rest of pensions experienced a percentage increase of 2.5%. According to Royal Decree-Law 11/2022 of 25 June, an extraordinary increase of 15% was approved for non-contributory pensions and the amounts of the Minimum Vital Income, from 1 July 2022 to 31 December 2022.

For the year 2023, according to the previous precept, pensions were revalued by 8.5%, equivalent to the variation of the twelve months prior to December 2022, in order to mitigate the negative consequences of the inflationary cycle on the purchasing power of the population. For 2023, non-contributory pensions and MVI benefits have consolidated the 15% increase, approved as of 1 July 2022.



Royal Decree-Law 2/2023 of 16 March on urgent measures to extend pensioners' rights, reduce the gender gap and establish a new framework for the sustainability of the public pension system introduced changes to the revaluation rules by proposing additional increases to the general revaluation of minimum and non-contributory pensions in order to achieve the sufficiency of these benefits, in a transitional period until 2027.

It also establishes an additional 10% increase, in the 2024/2025 biennium, in the supplement to contributory pensions to reduce the gender gap.

*Question:*

*7) Please provide information as to whether any special measures have been adopted since late 2021 to ensure persons can meet their energy and food costs, such as price subsidies for energy, fuel, and basic food items.*

**RESPONSE:**

The main measures taken are the following:

- **20 cent reduction per litre of fuel refuelled**

This measure intends to lower energy prices, support the most affected sectors and the most vulnerable groups, and reinforce price stability. The aim is to limit the economic and social costs of this temporary distortion in gas prices and to facilitate the adaptation of the Spanish economy.

The Royal Decree-Law 6/2022, which approves the "National Plan of response to the economic and social consequences of the war in Ukraine", includes a rebate of 20 cents per liter of refueled fuel (e.g. diesel, petrol, gas and adblue) for individual persons and companies). The government applies a rebate of 15 cents, and fuel suppliers (e.g. petrol stations) apply a rebate of at least 5 cents.

The fuel suppliers who collaborate in the implementation of this measure provide a discount of 20 cents off the retail price (including taxes) on each supply. Fuel suppliers may apply for a monthly refund of the discounts implied by this rebate (15 cents). They may also request an advance payment from the Tax Agency. The Tax Agency is responsible for the management, control and collection of this discount. This is an extraordinary and temporary discount on the retail price, available between 1 April and 30 June 2022. The budgetary impact of this measure amounts to €1,423 million, charged to the general state budget.

The measure ended on 31 December 2022.

- **Public aids for the fisheries sector.** Ayudas para el sector pesquero (Real Decreto-Ley 6/2022)

The Royal Decree-Law 6/2022 ("National response plan to the economic and social consequences of the war in Ukraine") includes an aid package for the fisheries sector. This aid compensates operators in the fisheries sector for additional costs, in accordance with Article 26(2) of Regulation (EU) 2021/1139 of the European Parliament and of the

Council of 7 July 2021. This action establishes the European Maritime, Fisheries and Aquaculture Fund.

Specifically, the fisheries sector will receive €30 million. This budget is made up of an initial allocation of €21 million (70% funding from the European Commission) and will be increased to €30 million (30% from Spain). Similarly, the aquaculture sector will receive €20 million, comprising an initial allocation of €14 million (70% funding from the European Commission), which will be increased to €20 million (30% from Spain). In both cases, funds come from an appropriation (credit), to be drawn from extraordinary revenue from the Financial Instrument for Fisheries Guidance.

In addition, direct state aid for vessels and fishing vessel owners to compensate for the increase in fuel prices will amount to €18.18 million, ranging from €1,550.52 per vessel (with a gross tonnage of less than 25) to a maximum of €35,000 (for vessels of 2,500 gross tonnage or more).

This measure has not been further extended. The measure ended on 31 July 2022. This initiative is linked to aid to fuel-dependent sectors .

- **Public aids for the transport sector**

Royal Decree-Law 6/2022 ("National Response Plan to the economic and social consequences of the war in Ukraine"), includes the agreement reached between the Ministry of Transport and the National Road Transport Committee (CNTC).

This agreement approves a direct aid line of €450 million in total, managed by the State Tax Administration Agency, and aimed at private transport companies and self-employed transport workers. Specifically, aid of €1,250 per lorry, €900 per bus, €500 per van or ambulance, and €300 per light vehicle (taxis and PHV -private hire vehicles) is offered. The maximum aid limit for each beneficiary is €400,000. The agreement also increases aid for those who decide to retire from the transportation industry.

This measure has not been further extended. The measure ended on 31 December 2022. This initiative is linked to aid to fuel-dependent sectors.

- **Supplementary education grant for beneficiaries of scholarships. Beca de educación complementaria para los beneficiarios de becas y ayudas (Real Decreto-ley 14/2022)**

Royal Decree-Law 14/2022 includes the distribution of a supplementary grant of €100 per month for all beneficiaries of scholarships and grants in the 2022-2023 round of awards. With the approval of the measure, beneficiaries started receiving this monthly supplement in September and will do so until December. They have received €400 in total. The government has allocated €400 million to finance this measure. Beneficiaries will receive the supplementary amount in four monthly payments.

The aim works to prevent young people from abandoning their studies for financial reasons. The grants is aimed at young students of Secondary education, Vocational Training and university students with specific educational support needs.

The measure ended on 31 December 2022.

- **Training in digital skills for vulnerable children and adolescents**

On 12 December 2023, the Council of Ministers approved a royal decree to train 418,761 children and adolescents in digital skills.

The Digital Skills for Children Programme (CODI in Spanish) aims to reach 950,000 minors, primarily in vulnerable situations, so that none of them are left behind in the digitalisation process.

The total budget is 222 million euros, divided into three annual instalments: 50 million in 2022; 97 million in 2023 and 75 million in 2024. Its objectives are to close the digital gap by providing basic digital skills to girls and boys and to initiate the teaching of advanced digital skills to vulnerable adolescents and young people, favouring training for employability with a gender perspective. This royal decree allows to speed up the implementation of funds and the fulfilment of these objectives.

The 97-million-euro package combines online and face-to-face training, aimed at two age groups: girls and boys from 9 to 13 years old and adolescents from 14 to 17 years old. The activities will take place during non-school hours and periods, as part of extracurricular activities or during the summer period.

The CODI prioritizes children and adolescents who are in a situation of poverty or social exclusion, with disabilities or other situations of vulnerability included in the State Action Plan for the Implementation of the European Child Guarantee.

- **€200 cheque for middle class families. Cheque de 200 Euros para familias de clase media (Real Decreto-ley 20/2022)**

This measure consists of a one-off lump sum payment of €200 to support middle-class families with inflation. It is intended to reduce economic vulnerability. It is aimed at families with an income of less than €27,000, assets of less than €75,000 (the main residence is excluded from the calculation of assets), and those who do not receive other social benefits (such as pensions or the minimum living income). Income and assets are calculated by adding together those of family members living in the same household.

This single payment can be applied for from 15 February 2023 to 31 March 2023. Applicants had to fill out form at the Tax Agency to provide details on how they can receive the payment.

This measure has not been further extended. The measure ended on 31 March 2023.

- **Reduction of VAT on fresh or staple foods during the first half of 2023 to alleviate the rise in prices caused by the war in Ukraine.**

The initiatives adopted by the Executive over the course of 2022 have made Spain the European Union country with the lowest inflation in November, but the war continues to affect the general level of prices, especially for certain fundamental goods such as foodstuffs.

To alleviate this increase, the government has abolished Value Added Tax (VAT) from 1 January 2023 on products that were already at the reduced rate of 4% and, in addition, has lowered VAT on oils, including olive oil, from 10% to 5%.

This is intended to alleviate the situation of families, especially those on low incomes, who spend more of their income on these goods.

- **Foodstuffs VAT reduction from 4% to 0%**

Plain bread, as well as frozen plain bread dough and frozen plain bread intended exclusively for the production of plain bread; Bread-making flour; Milk produced by any animal species: natural, certified, pasteurised, concentrated, skimmed, sterilised, UHT, evaporated and powdered; Cheeses; Eggs; Fruits, vegetables, legumes, tubers and cereals that have the status of natural products in accordance with the Food Code and the provisions dictated for its development.

- **Foodstuffs VAT reduction from 10% to 5%**

Olive and seed oils; Pasta.

These tax reductions remained in force until 30 June 2023. In the event that the year-on-year rate of core inflation (excluding energy and unprocessed food) in March is below 5.5%, it will end on 1 May 2023.

- **One-year extension of free Renfe multi-journey tickets for Cercanías, Medium distance services.**

The government aims to promote public transport and reduce the use of private vehicles, as well as helping to reduce energy dependence and the carbon footprint.

Renfe passes in 2023 are free of charge, but users must pay a deposit of 10 euros in the case of “Cercanías and Rodalies” and 20 euros in the case of “Media Distancia”.

The deposit will be returned automatically at the end of the four months of validity of the season ticket, provided that the user has made a minimum of 16 journeys.

Passes are valid for up to four months. They must then be renewed. They are single person, personalized and non-transferable and valid for unlimited journeys between any origin and destination of the hub for which they have been issued.

In the case of “Media Distancia”, only four journeys can be made per day (outward and/or return).

- **Avant rail services**

The Government has also extended for one year the 50% discount for recurrent users of the rest of Avant rail services, declared as a public service obligation. The discount will be applied to all Avant multi-journey tickets (“Tarjeta Plus Pass, Tarjeta Plus 20 or Tarjeta Plus-45”) sold between January 1st and December 31st 2023 with specific conditions of use.

Moreover, as a novelty, the Government has introduced new routes where Media Distancia and Avant travel cards will be free of charge for recurrent customers: between Murcia and Alicante, and routes between Ourense and A Coruña and between Madrid and Salamanca.

- **Capping house rents at 2% by 2023**

Landlords will be able to raise the rent to their tenants by a maximum of 2% during 2023. Rental contracts that end before 30 June 2023 may be extended for 6 months.

On 27 December 2022, the Council of Ministers approved the extension of the 2% limit on rent rises, which was agreed on 29 March of that year as part of the National Plan to

respond to the economic and social consequences that Russia's invasion of Ukraine is having on citizens.

The aim of this extraordinary measure is to mitigate the effects that the rise in the Consumer Price Index (CPI) may have in the area of rental housing, given that it is a common index in contracts.

The rent update may not exceed the result of applying the annual variation of the Competitiveness Guarantee Index, which is published by the National Statistics Institute every month and is capped at 2%. The use of this reference index responds to reasons of extraordinary and urgent necessity.

If my rental contract is terminated, the tenant of a property can negotiate with the landlord to increase the rent.

If the lessor is a large landlord, i.e. a natural or legal person who owns more than ten urban properties for residential use, the rent increase will be that agreed between the parties, although it may not exceed 2%.

If the landlord is not a large tenant, the rent increase may be higher than 2% if both parties agree. If they do not reach an agreement, the increase will not exceed the result of applying the annual variation of the GCI (Competitiveness Guarantee Index), with a maximum of 2%.

The landlord of a property, when the time comes for the annual update of rents, cannot apply the CPI, even if it is stipulated in the contract, but the GCI (Competitiveness Guarantee Index).

- **Extraordinary extension of rental contracts**

Rental contracts for permanent housing that expire between 28 December 2022 and 30 June 2023 will be extended, at the tenant's request, for a further six months from the expiry date, maintaining all their conditions.

The extension does not apply if the tenant needs the house to use it as a permanent home for himself or for his relatives in the first degree of consanguinity or by adoption, or for his spouse in cases of separation or divorce, provided that this case has been established in the contract.

- **Suspension of evictions**

The Government has also extended until 30 June 2023 the suspension of eviction and repossession procedures in cases of eviction of tenants considered vulnerable without a housing alternative.

The eviction may be suspended if the property belongs to legal entities or individuals who own more than ten dwellings.

Landlords affected by the suspension of evictions may apply for compensation until 31 July 2023. The application must include a reasoned and justified statement of the compensation requested.

The compensation would be for the period between the suspension and the moment it is lifted. It consists of the average value that corresponds to a rental of a dwelling in the vicinity of the property plus the current expenses that the landlord proves to have assumed.

- **Aid for renting**

This type of aid is granted, regulated and announced by each Autonomous Community.

This aid is subject to certain economic and income requirements of the beneficiaries.

Similarly, the rent must not exceed the thresholds of €550 per month, €700 in the case of large families, €800 in the case of people with disabilities.

- **Cultural voucher**

The cultural voucher is a direct grant of €400 for minors under the age of 18 for the purchase of cultural products. All you have to do is live in Spain and have Spanish nationality. It is a prepaid card in the mobile phone that can only be redeemed for the allowed cultural services (concerts, theatre, books, audio books, CDs, museums, videogames, festivals, etc.).

- **European Social Fund +**

With the new stage of European Funds, the ESF+ proposes a change in the management of basic material assistance, which is incorporated as a thematic concentration within the ESF+. The new BASIC program, which dispenses with a direct delivery of food, and is now implemented through a system of indirect provision, through cards or vouchers redeemable for food products and other products of "basic material assistance" as defined in Article 2 of the ESF+ Regulation, such as hygiene items such as soap, shampoo and toothpaste, as well as menstrual hygiene and diapers for children, for families with dependent children who are under the severe poverty line.

Although it will be managed by the autonomous communities, in 2024 has been raised, although there is a transitional period in 2024 in which the M<sup>o</sup> de Derechos Sociales, Consumo y Agenda 2030 will assume the management of the cards or vouchers, in an amount exceeding 100 million euros.

*Question:*

*8) Please provide up-to-date information on at-risk-of-poverty rates for the population as a whole, as well as for children, families identified as being at risk of poverty, persons with disabilities and older persons. Please show the trend over the last 5 years, as well as forecasts for upcoming years.*

**RESPONSE:**

- **Annual Report on the State of Poverty in Spain**

According to the 13th Annual Report on the State of Poverty in Spain 2022 (October 2023), state action is revealed to be a very important aspect in maintaining people's quality of life. It confirms that leaving the market as the sole guarantor of a decent life is not enough:

*"The containment measures framed in the so-called Social Shield (such as ERTes or the Minimum Vital Income) reduced the poverty rate in the whole of the national territory by 3.2 percentage points, resulting in 1, 5 million people who did not reach poverty".*

Furthermore, it highlights that practically all indicators show a significant recovery in people's living conditions and an almost complete return to the data prior to the economic crisis caused by covid-19; all in one year.

The following data stand out:

- Spain currently has some 1.8 million people in AROPE (At risk of poverty and/or exclusion).
- In 2022, 26% of the Spanish population, i.e. some 12.3 million people, were at risk of poverty and/or social exclusion. The figure represents a break in a two-year period of growth and a reduction of some 800.000 people from the previous year. It is the lowest rate since the new AROPE indicator has been calculated.
- 20.4% of the Spanish population, i.e. some 9.6 million people, are at risk of poverty. The figure represents a reduction of 1.3 percentage points compared to previous data, and around 580.000 people have been lifted out of poverty in the last year.
- Disability: According to the type of household, around 22% of single-person households, almost 26% of single-parent households and 13% of nuclear households have at least one disabled person among their members. Moreover, for all indicators of poverty and vulnerability, people with disabilities have higher rates than the rest of the population. For example, 30% of people with disabilities are in AROPE compared to 22.7% of the rest of the population. They also have an average income per consumption unit 7.8% lower than the rest of the population. On the other hand, 13.6% of employed people with disabilities are poor.
- Elderly people: the only group that has managed to increase its real income is that of people aged 65 and over.
- Gender gap: Systematically both the AROPE and at-risk-of-poverty rates for women are higher than for men, reflecting a structural problem. In 2022, 27.2% of women are at AROPE compared to 24.8% of men. In turn, the at-risk-of-poverty rate for women is 21.1%, 1.3 points higher than for men (19.8%), i.e. half a million more poor women.

The report concludes that "the great result of the State's containment measures and the maintenance of people's quality of life managed to radically limit the increase in poverty and/or exclusion rates".

- **Childhood poverty**

Regarding Childhood poverty, having children is an important risk factor for poverty and/or exclusion. All households with children and adolescents have higher rates in the main indicators than those with adults only, and this is not a cyclical issue; it happens every year, all the time. Within households with children and adolescents, the weakness of single-parent households should be highlighted, almost half of which are in AROPE (49.2% last year and 54.3% the year before).

One third of children and adolescents are at risk of poverty and/or social exclusion (32.2% AROPE rate), i.e. almost 2.6 million children. In addition, more than a quarter live in households with incomes below the poverty line (27.8% poverty rate), which translates into more than 2.2 million children at risk of poverty. More than one million children and adolescents are in severe poverty, which represents 13.5% of the total population under 18 years of age.

- **Childhood poverty figures**

In 2020, Spain was the third country with the highest rate of child at risk of poverty and social exclusion (ARPE) in the European Union (Source: Eurostat 2020. Children at risk of poverty or social exclusion) and the sixth with the highest child inequality in the OECD. 27.4% of those under 18 years of age in Spain live in moderate poverty, which is equivalent to 2,260,000, a rate significantly above the 20.7% registered for the total population (Source: High Commissioner against Child Poverty (2019). Risk rates of moderate, high and severe poverty in Spain, by age groups). In this context, the pandemic has affected children and adolescents to a greater extent. In 2020, severe material deprivation reached 9% of the child population, one and a half points more than the population between 18 and 64 years old. (Source: UNICEF (2021). Diagnosis of the situation of children in Spain before the application of the GIE)

The Spanish Government, being aware of the work to be done to reduce child poverty, has carried out several measures that confirm a great commitment to the most vulnerable children.

From an institutional point of view, a specific ministry of children and youth has just been created with the new legislature in November 2023.

Spain fulfilled its commitment to Europe and to the more than 2,379 million boys and girls in our country who are in a situation of poverty or social exclusion, approving on July 5, 2022 the “National Action plan to implement the European Child Guarantee (2022-2030)”

This Plan proposes two strategic axes and one transversal, which are specified in concrete objectives with intermediate goals to 2025 and final goals to 2030 and the respective measures to achieve them.

- The first axis is to reduce poverty and strengthen social protection. The Action Plan proposes measures so that by 2030 more than 700,000 boys and girls will no longer live in a situation of risk of poverty or social exclusion.
- The second strategic axis proposes the universalization of rights, through access and enjoyment of basic services to break the intergenerational cycle of poverty. It raises specific objectives on topics such as early childhood education and early care, school segregation, extracurricular activities, digital divide, coverage of oral, visual and mental health services, healthy eating, access to decent housing, among others.
- The third axis has a transversal approach aimed at promoting territorial equity where every child can have the same possibilities of exercising their rights regardless of the socioeconomic conditions of their parents. In addition, it proposes to promote protective, inclusive environments based on the principles of universal accessibility and participatory.



Regarding the investment of resources, the minimum budget required by the EU to implement this Action Plan has been doubled, reaching 11% of the ESF, exceeding 1.2 billion euros.

The National Action Plan is aimed at children and adolescents in situations of poverty or social exclusion. Based on the diagnosis prepared, different groups have been identified, sometimes coinciding, of children in situations of special vulnerability in Spain, which are the following, with an estimated number per group:

1. At risk of poverty or social exclusion: 2,624,000
2. With disabilities (certificate): 129,540
3. In single-parent households 193,000 and single-mother households (or other family models with special care difficulties) 944,000
4. Migrant origin. 906,983
5. ROMA ethnic group, with special attention to those from Eastern Europe. 190,000
6. In the protection system. There are 35,608 minors whose custody or guardianship is vested in public administrations; Of them, 16,991 live in residential resources and, of them, 1,030 have some type of disability.
7. Foreigners without family references. 9,228
8. With serious deprivation in terms of housing. 513,800
9. With parents in an irregular administrative situation. 147,000
10. In conflict with the Law. 2,423
11. Applicants for asylum or international protection, temporary protection (Ukraine) and refugees, of which:
  - 87,727 Applicants for International Protection
  - 5,242 Asylum Status Grants
  - 8,605 Subsidiary Protection Concessions
  - 820,915 Concessions for Humanitarian Reasons
  - 45,279 Temporary protection
12. Victims of trafficking or sexual exploitation. Figure not available.

- **Poverty risk rate for the general population**

With regard to the poverty risk rate for the general population, i.e. taking 60% of the median as a reference, it reached its maximum in 2014, reaching 22.2%, stabilizing around that figure. In the year 2022 the rate has been 20.4%, which means a reduction with respect to the two previous years.

## AT-RISK-OF-POVERTY RATE

AT RISK OF POVERTY RATE				
2018	2019	2020	2021	2022
21,5	20,7	21,0	21,7	20,4

Source: INE. Encuesta de Condiciones de Vida.

Finally, with regard to the AROPE RATE, these are the data on the evolution of the rate in Spain:

## AROPE INDICATOR

AROPE INDICATOR					
YEAR OF SURVEY	2018	2019	2020	2021	2022
WOMEN	28,4	27,2	28,1	28,9	27,2
MEN	26,1	25,2	25,9	26,7	24,8
<b>AVERAGE</b>	<b>27,3</b>	<b>26,2</b>	<b>27,0</b>	<b>27,8</b>	<b>26,0</b>

Source: INE. Encuesta de Condiciones de Vida.

As can be seen, the AROPE rate has evolved positively over the years, decreasing by 2.7 percentage points since 2015, reflecting a decrease of 1.8 percentage points relative to 2021 to reach 26% in 2022. Of note is the difference of 2.4 percentage points between sexes, a greater gender gap than in 2021.

Spain has experienced a decline in the number of people at risk of poverty and social exclusion (AROPE indicator), from 13,188,000 people in 2015, to 12,658,000 people in 2019, when it reached its minimum. From then on it progressively increased, probably because of the crisis caused by the COVID-19 pandemic, to reach 13,040,000 people in 2021. In 2022, the figure stood at 12,323,660 people (26% of the total population), 716,340 people less than in 2021.

In reference to the poverty rate by age group, the data is shown below:

### Population at risk of poverty by age group

Population at risk of poverty by age groups						
YEAR OF SURVEY	2017	2018	2019	2020	2021	2022
<b>Under 16 years old</b>	28,1	26,2	27,1	27,6	28,7	27,7
<b>From 16 to 64 years old</b>	21,9	22,1	20,9	20,0	21,2	19,3
<b>65 and over</b>	14,8	15,6	14,5	18,8	17,5	18,7
<b>TOTAL</b>	21,6	21,5	20,7	21,0	21,7	20,4

Source: INE. Encuesta de Condiciones de Vida.

As for the AROPE rate by age group, these are the data:

AROPE rate. Population included in at least one of the three criteria for the risk of poverty or social exclusion by age group.

AROPE rate. Population included in at least one of the three criteria for the risk of poverty or social exclusion by age group.					
YEAR OF SURVEY	2018	2019	2020	2021	2022
<b>Under 18 years old</b>	30,5	31,0	31,6	33,4	32,2
<b>From 18 to 64 years old</b>	28,3	27,2	27,3	28,5	25,8
<b>65 and over</b>	20,7	18,1	21,6	20,5	21,3
<b>TOTAL</b>	27,3	26,2	27,0	27,8	26,0

Source: INE. Encuesta de Condiciones de Vida.

In reference to the AROP indicator in minors, we see that its evolution is similar to the AROPE. It also has the highest rate of all age groups, which in 2022 is 27.8%, 7.4 p.p. higher than the general rate, and which has traditionally been the case. As with the AROPE rate, the AROP rate peaked in 2014 at 30.5%, a consequence of the economic crisis. Since then, there is a progressive decrease in this rate, until 2020, when it increases again by 0.2 p.p. It is in 2021 where it increases by 1.3 p.p., probably as a consequence of the crisis caused by the COVID-19 pandemic, to decrease again in 2022.

## Population at risk of poverty under 18 years of age

Population at risk of poverty under 18 years of age									
YEAR OF SURVEY	2014	2015	2016	2017	2018	2019	2020	2021	2022
Menos de 18 años	30,5	29,6	29,7	28,3	26,8	27,4	27,6	28,9	27,8
TOTAL	22,2	22,1	22,3	21,6	21,5	20,7	21,0	21,7	20,4

Regarding the poverty rate of those over 65 years of age, this group experienced an increase in its poverty rate from 2015, a trend that continued until 2018 and which is broken in 2019, when it decreased by 1.1 p.p., from 15.6% in 2018 to 14.5% in 2019. However, it is worth noting its worsening in 2020, increasing by 4.3 p.p.

Finally, the following table shows how having dependent children influences the poverty or social exclusion rate of households. The difference between households with and without children is remarkable and, moreover, has been increasing as a result of the crises.

## Risk of poverty or social exclusion by type of household

Risk of poverty or social exclusion by type of household					
YEAR OF SURVEY	2018	2019	2020	2021	2022
One person households	29,5	27,4	32,6	34,6	32,6
2 adults without dependent children	23,7	21,5	21,8	21,1	20,8
1 adult with 1 or more dependent children	51,1	47,6	49,8	54,3	49,2
2 adults with 1 or more dependent children	26,4	25,3	24,9	27,6	26,8
Other households without dependent children	22,8	22,8	22,7	21,0	18,4
Other households with dependent children	34,6	35,6	37,8	37,3	31,1
TOTAL	27,3	26,2	27,0	27,8	26,0

Source: INE. Encuesta de Condiciones de Vida.

Households composed of one adult with one or more dependent children have the highest AROPE rate, 49.2% in 2022, with a decrease in the rate in this last year of 5.1 p.p. As can be seen in the table, the AROPE rate for this type of household is almost 50%; that is, more than one out of every two households composed of an adult with one or more dependent children is at risk of poverty or social exclusion.

Households consisting of two adults with dependent children have poverty rates very close to the rate for the general population, 26.8% in 2022. However, it is worth noting an increase of 2.7 p.p. in 2021, to decrease in 2022 by 1.2 p.p. This rate is much higher than that of households consisting of two adults without children, which stands at 20.8%, a rate that has also decreased in the last year.

Special mention should be made of the group of "other households with dependent children", which is 5.1 p.p. above the national average, with a rate in 2022 of 31.1%.

- **Forecasts for upcoming years.**

The new Strategy of Rights of the Childhood and Adolescence 2023-2030 foresees plans to end poverty and social exclusion of children and adolescents according to the following forecast:

- **2023**

- The risk of child poverty and social exclusion is 33.4% (ECV 2021).

- The capacity to reduce severe child poverty after public transfers is 28.8% (ECV 2020), and the % of GDP in support transfers to families and children is 1.3% GDP (2.3% in EU, Eurostat 2019).

- Coverage and efficiency: not all homes with boys, girls and adolescents have the same aid, and not all those who are in poverty they receive aid, even if they are entitled to it.

- **2025**

- The child poverty rate is reduced by 3.4 percentage points and the capacity to reduce severe child poverty after transfers increases to 40%.

- Data is available on the child support system as a whole and possible solutions based on the data obtained.

- **2030**

- The poverty rate in 2030 for children is reduced by 8.6 percentage points.

- The ability to reduce child poverty severe after transfers increases up to 60%.

- EU average spending on protection is reached for childhood and family.

- The group of households with boys and girls in moderate poverty accesses aid breeding.

- All children live in homes protected against the total absence of income.

- No boy or girl excluded from the income guarantee system.

- Social service portfolios will be equipped and its access and enjoyment at the territorial level.

- There are better systems for collecting information and data.

- **People with disabilities**

- Employment of people with disabilities

34.6% of people aged 16 to 64 with an officially recognized disability in 2021 were active, 0.3 points higher than in the previous year. This activity rate was 43.1 points lower than that of the population without a disability.

- Minimum wage for people with disabilities

The average gross annual salary of employees with disabilities was €21,544.2 in 2021, 3.6% more than in the previous year. This figure was 17.2% lower than that of people without disabilities (€26,030.0).

➤ Poverty of people with disabilities

According to new data published on poverty and social exclusion in the XIII Report 'The State of Poverty in Spain' presented by the European Anti-Poverty and Social Exclusion Network (EAPN-ES):

- It is true for all years that people with disabilities bear a much higher risk of poverty and/or exclusion than those without disabilities. In the last two years there was a substantial improvement that reduced the rate of the former by 5 points and brought it to be the lowest since 2008. Even so, in 2022, 30% of people with disabilities are at risk of poverty and/or exclusion, while for people without disabilities the figure is 22.7%.
- According to the type of household, around 22% of single-person households, almost 26% of single-parent households and 13% of nuclear households have at least one person with a disability among their members.
- Only 19% of people with disabilities received regular cash benefits in 2020. There is also a wide gender gap, with 22.8% of men receiving benefits compared to 16.3% of women.
- People with disabilities have an average income per consumption unit that is 7.8% lower than the rest of the population.
- 12.5% of employed people are poor and this figure rises to 13.6% if only employed people with disabilities are considered. It is assumed that the employment of people with disabilities is more protected, however, even work does not protect them from poverty.
- The severe poverty rate among people with disabilities in 2022 is 8.2%, slightly higher than among people without disabilities (7.9%). The rapid recovery from the crisis caused by covid-19 hit people with disabilities very hard and reduced in one year all the increase accumulated in the last eight years.
- Twenty-seven percent of people with disabilities experience difficulties or many difficulties in making ends meet. The difference is a little more than seven percentage points compared to people without disabilities (18.8%). In addition, 41% cannot afford unexpected expenses of at least €800 (32.1% among people without disabilities).

*Question:*

*9) Please provide information on what measures are being taken to ensure a coordinated approach to combat poverty as required by Article 30 of the Charter, and to diminish reliance on last-resort relief, such as food banks and soup kitchens.*

**RESPONSE:**

In 2020, in the context of the crisis generated by the COVID 19 pandemic, the government implemented a social shield that has prevented 1.5 million people from falling into poverty and/or exclusion. This is attested to by the European Anti-Poverty Network in Spain.

The Minimum Vital Income (MVI) is one of the measures that the Government promoted in the first place. It was a measure demanded by the European Commission since 2014, which sought to alert Spain to the need to create a homogeneous and stable minimum income system for the entire Spanish territory, given the diversity and the different minimum income models that existed depending on the communities of origin.

In this context, the MVI emerged as a Social Security benefit, which establishes a basic guaranteed floor for all people, regardless of where they live. From this level onwards, the Autonomous Regions can supplement the benefit, either by increasing the amount of the benefit or by extending it to groups or individuals not included in the MVI. Since then, the MVI has already benefited more than 730.000 families and more than 2 million people, of whom almost half (43%) are children, and more than 60% are women.

Since then, the planned regulatory developments have been implemented. The Child Support Supplement, the Social Inclusion Seal and the Employment Incentive have been approved.

Work has been carried out on two aspects:

- On the one hand, on reducing the coverage gap (non-take up). This is a phenomenon that affects all income-related benefits, both nationally and internationally, and has been a priority for the Ministry of Inclusion, Social Security and Migration.

Specific actions have been implemented such as the issuing of SMS, surveys to potential beneficiaries, the MVI bus and the "Acceso Vital" project implemented by EAPN-ES throughout the country.

- Secondly, the other issue on which efforts have been focused has been the analysis of social investment in order to discover, with evidence, the part of that investment that has both a social and an economic return. This issue has been central to the Spanish presidency of the EU and intense work has been carried out together with Belgium, which will hold the next European Presidency.

- Special protection for large families (more than 3 children).

With regard to the financial aid received by large families that have been recognized by the state title deriving from Law 40/2003, of 18 November, on the protection of large families, although the General State Administration does not directly manage any of the different rights or benefits recognized by the regulations issued by the different territorial administrations under this law, and which constitute its protective action, we can provide information on the benefits that we have identified in general:

- Personal income tax deduction for taxpayers who are part of a large family: in the case of general category families, up to 1,200 euros per year and up to 2,400 euros per year for special category families, although the amount of the deduction is increased by up to 600 euros per year for each of the children who are part of the large family that exceeds the minimum number of children required to qualify for each category.

- 50% reduction (for the general category), or exemption (for the special category) of fees and public prices in the field of education (enrolment, exams, issue of degrees and diplomas).
- Specific deduction for the calculation of the computable family income for the purposes of applying for a grant or aid: 525 euros will be applied for each sibling who is a computable member and lives in the family home, including the applicant, in the case of large families in the general category, and 800 euros in the case of large families in the special category, provided that they are entitled to this benefit. This deduction will be up to 2,000 euros in the call for grants for students with specific educational support needs.
- Entitlement to a subsidy for students with special educational needs who belong to large families, which will cover both school canteen and school transport costs, regardless of income or family assets.
- Discounts of 20% or 50% on road, rail and sea transport fares (depending on the category, general or special). These discounts can be accumulated with other established discounts.
- 5% or 10% discount (depending on the category) on domestic air fares.
- Social voucher on the PVPC electricity tariff consisting of a 25% discount for large families – exceptionally, and until 31 December 2023, the discount is 65% - on the total consumption of 4,761 kWh. However, if the annual income of the family unit is equal to or less than 2 times the IPREM in 14 payments (€16,800 in 2023), the discount will be 40% as they are considered to be a severe vulnerable consumer. – Exceptionally, and until 31 December 2023, the discount is 80%.
- Exemption from the payment of fees for the issuance or renewal of ID cards and passports for members of large families.

On the other hand, there are specific tax deductions for certain family situations (for example, for single parenthood/single parenthood) approved by some Autonomous Regions in the use of their regulatory powers.

- **New Strategy to Prevent and Combat Poverty and Social Exclusion**

In March 2019, the Government approved a Strategy to Prevent and Combat Poverty and Social Exclusion for the period 2019-2023, whose cumulative social spending has been €223.4 billion in measures aimed at vulnerable groups. The distribution was as follows: 28,100 M in 2019; 40,800 M in 2020; 41,400 M in 2021; 50,300 M in 2022 and 62,800 M in 2023.

Both the 2019-2023 Strategy and its annual development operational plans can be consulted at the following links:

[https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/estrategia\\_es.pdf](https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/estrategia_es.pdf)

[https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/po\\_2019\\_estrategia\\_prev\\_ylucha\\_pobreza.pdf](https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/po_2019_estrategia_prev_ylucha_pobreza.pdf)

[https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/P.O.\\_2020.pdf](https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/P.O._2020.pdf)



[https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/Plan Operativo PO 2021 Estrategia Lucha Pobreza.pdf](https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/Plan%20Operativo%20PO%202021%20Estrategia%20Lucha%20Pobreza.pdf)

[https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/PO\\_2022.pdf](https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/PO_2022.pdf)

[https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/PO\\_2023.pdf](https://www.mdsocialesa2030.gob.es/derechos-sociales/inclusion/contenido-actual-web/PO_2023.pdf)

With a view to the coming years, work has begun on the next National Strategy, for the following period up to 2030, coinciding with the period of validity of the 2030 Agenda, basing its preparation on the same participatory and consensus criteria with all the relevant agents and partners in this area: Public Administrations, the Third Sector of Social Action, social partners, etc.

*Question:*

*10) Please provide information on steps taken to consult with, and ensure the participation of, the persons most affected by the cost of living crisis and/or organisations representing their interests in the process of designing of measures in response to the crisis.*

**RESPONSE:**

-Trade unions and Employers' organisations have been consulted through tripartite or bipartite social dialogue bodies or Direct consultation outside a formal body has taken place.

-Specialized advisory bodies have been also consulted.

-Regarding poverty measures, it must be underlined that the Ministry of Inclusion, Social Security and Migration dedication to poverty situations has been approached from the point of view of income guarantees and, in this sense, the MVI benefit was approved. However, situations of poverty and exclusion cannot be combated exclusively with income guarantees, but also require accompanying policies for inclusion.

For this reason, the Ministry has set up the social policy laboratory with 34 pilot projects for inclusion itineraries, developed throughout the territory, through the Autonomous Communities, Local Entities, and the Third Sector. These projects focus on groups in situations of vulnerability and on dimensions of work ranging from labour inclusion, digital training, educational reinforcement, health, energy poverty, etc.

The participants in the projects are MVI beneficiaries, as well as recipients of minimum income or vulnerable people, who must be accompanied in a process of inclusion that begins with personal empowerment and work on self-esteem; through accompaniment, involvement in their environment and in the community where they live; as well as through the detection of needs, whether housing, health or employment. With this approach, social organisations that work with beneficiaries enhance their participation in decision-making processes. A clear example of this is the EAPN-ES project "Acceso Vital", which worked on empowering people to be able to exercise their citizenship rights autonomously.

In this regard, it is indicated that for the development of the Spanish Disability Strategy 2022-2030, a fully accessible citizen survey was carried out with more than 8,000 responses, 13 focus groups on key issues such as education, health, employment or independent living, in which 190 people participated, more than 60% of them people with disabilities. Likewise, for the first time, a focus group was held with people with great support needs (people with no language, with very severe disabilities) whose needs and desires were collected through their life journeys and with the support of human and technological assistance.

Similarly, experts and representatives of CERMI member entities, as well as personnel from the General Directorate for the Rights of Persons with Disabilities and the Royal Board on Disability participated in the preparation of the Plan for the Healthy Well-being of Persons with Disabilities 2022-2026. Also other persons linked to the Early Attention Group (GAT), the Patients' Platform (POP) and other executive centers of the General State Administration also participated.

In the elaboration of plans and measures to combat poverty and social exclusion, the most representative entities of the Third Sector of Social Action, as well as the different ministries with protective action, the autonomous communities and cities, the social partners and experts who can contribute to the implementation of effective measures, are always involved.

As far as social entities are concerned, the Social Inclusion, Employment and Rural Group of the State Council of Social Action NGOs, the Homeless People working group and the State Council of the Roma People, among other institutions, actively participate in the debates. In addition, there are also direct representatives of people in situations of poverty and social exclusion, in order to enrich the previous reflections and the final drafting of measures.

Social entities are also represented in other actions promoted by the Ministry of Social Rights, Consumption and Agenda 2030. A very significant case is the integration of many of these entities in the Social Inclusion Network, a forum for debate and exchange of experiences co-chaired by the Directorate General for Family Diversity and Social Services and by the European Social Fund Administrative Unit.

In 2023, the National Strategy for the Fight against Homelessness in Spain 2023-2030 has been approved by Agreement of the Council of Ministers, creating a framework for action that seeks to address the situation suffered by more than 28,500 people in our country and to achieve a 95% reduction in the number of people in involuntary homelessness in Spain over the next seven years.

The strategy stems from the commitment to provide a comprehensive and coordinated response to the situation of these people and from a global and coordinated approach of all public administrations, through a framework of joint action to promote policies to improve the situation of homeless people, which in our society is one of the most serious expressions of social exclusion and vulnerability. It is structured on the basis of two general objectives that are articulated around twelve specific objectives framed in four lines of action, and lines of action are also defined in order to guide the actions of the various actors.

Its two main objectives are to eradicate street homelessness and to prevent it. Specifically, the aim is to reduce the number of 7,277 people living on the streets and the 2,082 people who have been homeless for between 0 and 6 months, as reported in the INE's Homeless People Survey of 2022, to 50% by 2028 and 95% by 2030.

All the actors involved in the fight against homelessness in our country have participated in its preparation. On the part of the General State Administration, in addition to the Ministry of Social Rights and Agenda 2030, 15 management centers of the Ministries of Health, Equality, Interior, Justice, Inclusion, Social Security and Migration, Labor and Social Economy, and Economic Affairs and Digital Transformation participated.

The different autonomous communities have participated through the Delegated Commission of the Territorial Council of Social Services and the System for Autonomy and Care for Dependency. As well as local referent entities, entities of the Third Sector of social action (mainly from the State Council of Social Action NGOs) and experts from their own experience (i.e., for having lived street situations), with the support of the entity EAPN, have also participated.

## **Appendix**

### **Request for an ad hoc report on the cost of living crisis**

#### **Introduction**

Since at least late 2021 Europe has seen a very significant rise in cost-of-living. Inflation has reached levels not seen in the last four decades in many countries, its effects hitting disproportionately the most vulnerable, low-income households. In many States Parties wages are failing to keep up with inflation.

Different States have responded in different ways but across the Council of Europe, there have been significant increases in poverty and reduced enjoyment of Charter rights. This is particularly true with regard to rights related to social protection (Articles 12, 13, 16 (family benefits), 30, and 31), the right of workers to remuneration such as will give them and their families a decent standard of living (Article 4§1), and rights adhering to socially vulnerable groups (Articles 15, 17, 19 and 23). The cost of living issue has a broad scope and a pan-European dimension.

The Committee considers that 'social rights and the cost-of-living crisis' is an appropriate topic for an ad hoc report (cf. paragraph 9 of CM(2022)114-final) as, (i) it addresses a key emerging challenge in terms of contemporary rights enjoyed in the Council of Europe area, (ii) it enables the Committee to provide a general [pan-European] overview of national situations in light of this challenge, and (iii) it enables the Committee to refine and develop further its legal analysis from a Charter perspective. This is a new issue for the Committee (and indeed human rights monitoring bodies with a social rights mandate more generally) and it is urgent the Committee should engage with it. Doing such a report would enable the Committee to provide general orientations on the application of the Charter to a crucial emerging issue and to outline the criteria to be applied when seeking to establish whether the situation in a specific State Party satisfies the requirements of the Charter (again drawing on paragraph 9 of CM(2022)114-final).

In developing the following questions on the basis of which the ad hoc reports should be drawn up, the Committee has especially focussed on aspects of 12, 13, 15, 16, 17, 23, 30, 31 and 4§1, in particular aspects related to income and purchasing power. In doing so, we will look at rights related to social protection – namely Articles 12, 13, 16 (family benefits) and 31 – as well as the right of workers to remuneration such as will give them and their families a decent standard of living (Article 4§1). The Committee has also had regard to the cost of living and the right to protection from poverty and social exclusion (Article 30) as well as the situation of groups that have been hit particularly hard by the cost-of-living crisis, such as families with children (Articles 16 and 17), persons with disabilities (Article 15), and older persons (Article 23).

The Committee underlines that the ad hoc report system is quite different in aim and purpose from the statutory reporting process. The Committee's report following the ad hoc reports from States Parties will not be country specific (although it may refer to pertinent law and practice in certain States Parties where appropriate) and it will make no legal assessment of the situation in States Parties in relation to specific Charter provisions. The process is rather aimed at gathering information with a view to the Committee identifying elements of good practice which the

Committee could then use in order to formulate guidance to States or statements of interpretation relating to Charter provisions. Therefore, States Parties should reply to all questions posed irrespective of whether the State Party has accepted the relevant provision of Part II of the Charter (as an example, the Committee wishes to receive information on minimum wages also from States that have not accepted Article 4§1 of the Charter, cf. question 1 to 3 below).

## Questions

1) *Please provide information as to whether and how the statutory minimum wage is regularly adjusted/indexed to the cost of living. Please indicate when this last happened, specifically whether it has been adjusted /indexed since the end of 2021.*

2) *Please provide information on any supplementary measures taken to preserve the purchasing power of the minimum wage since the end of 2021*

3) *For States Parties with no statutory minimum wage, please describe any measures taken to preserve the purchasing power of the lowest wages since the end of 2021.*

4) *Please provide information as whether the cost of living crisis has led to the extension of in-work benefits.<sup>1</sup>*

5) *Please provide information on changes to social security and social assistance systems since the end of 2021. This should include information on benefits and assistance levels and the allocation of benefits*

6) *Please provide information as to whether social security benefits and assistance are indexed to the cost of living, as well as information in particular on how income-replacing benefits such as pensions are indexed. Please indicate when benefits and assistance were last adjusted/indexed.*

7) *Please provide information as to whether any special measures have been adopted since late 2021 to ensure persons can meet their energy and food costs, such as price subsidies for energy, fuel, and basic food items.*

8) *Please provide up-to-date information on at-risk-of-poverty rates for the population as a whole, as well as for children, families identified as being at risk of poverty, persons with disabilities and older persons. Please show the trend over the last 5 years, as well as forecasts for upcoming years.*

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<sup>1</sup> Supplements to support workers on low incomes such as the *prime d'activité* in France, or the *Working Family Payment* and the *Back to Work Family Dividend* in Ireland.

9) *Please provide information on what measures are being taken to ensure a coordinated approach to combat poverty as required by Article 30 of the Charter, and to diminish reliance on last-resort relief, such as food banks and soup kitchens.*

10) *Please provide information on steps taken to consult with, and ensure the participation of, the persons most affected by the cost of living crisis and/or organisations representing their interests in the process of designing of measures in response to the crisis.*

### **Extracts from the ECSR's case law<sup>2</sup>:**

**Article 4§1** guarantees the right to a fair remuneration such as to ensure a decent standard of living. It applies to all workers, including to civil servants and contractual staff in the state, regional and local public sectors, to branches or jobs not covered by collective agreement, to atypical jobs (assisted employment) and to special regimes or statuses (e.g., migrant workers).

To be considered fair within the meaning of Article 4§1, the minimum wage paid in the labour market must not fall below 60% of the net average national wage. The assessment is based on net amounts, i.e., after deduction of taxes and social security contributions. For these purposes, taxes are all taxes on earned income. Indirect taxes are thus not taken into account. Where net figures are difficult to establish, it is for the State Party concerned to provide estimates of this amount. When a statutory national minimum wage exists, its net value for a full-time worker is used as a basis for comparison with the net average full-time wage (if possible calculated across all sectors for the whole economy, but otherwise for a representative sector such as a manufacturing industry or for several sectors). Otherwise, regard is had to the lowest wage determined by collective agreement, or the lowest wage actually paid. This may be the lowest wage in a representative sector, for example, the manufacturing industry.<sup>640</sup> Where the net minimum wage is between 50% and 60% of the net average wage, it is for the State Party to establish that this wage permits a decent standard of living. Where the minimum wage is low, the Committee may, when assessing compliance with Article 4§1, take into consideration other elements, such as whether workers are exempt from the co-payment in respect of health care or have the right to increased family allowances. A wage does not meet the requirements of the Charter, irrespective of the percentage, if it does not ensure a decent living standard in real terms for a worker, i.e., it must be clearly above the poverty line for a given country.

Under **Article 12§1**, the level of income-replacement benefits should be such as to stand in reasonable proportion to the previous income and should not fall below the poverty threshold defined as 50% of the median equivalised income, as calculated on the basis of the Eurostat at-risk-of-poverty threshold value.

Assistance under Article 13 must be “appropriate”, i.e., make it possible to live a decent life and sufficient to cover the individual's basic needs. In order to assess the level of assistance, basic benefits, additional benefits and the poverty threshold in the country are taken into account. (The

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<sup>2</sup> These extracts are for background information and not because the Committee will be making legal assessments.

poverty threshold  $h$  is set at 50% of the median equivalised disposable income and calculated on the basis on the Eurostat at-risk-of-poverty threshold). The equivalised disposable income is calculated by Eurostat on the basis of the income of a household, established by summing all monetary income received from any source by each member of the household and deducting taxes and social contributions paid. In order to reflect differences in household size and composition, this total is divided by the number of “equivalent adults” using a standard scale, the so-called ‘modified OECD scale’. The resulting figure is attributed to each member of the household (Source: Eurostat). In the absence of this indicator, the national poverty threshold is taken into account. Assistance is appropriate where the monthly amount of assistance benefits – basic and/or additional – paid to a person living alone is not manifestly below the poverty threshold in the above sense. In conducting this assessment, the level of medical assistance is also taken into account.

**Under Article 16** States Parties are required to ensure the economic protection of the family by appropriate means. The primary means should be family or child benefits provided as part of social security, available either universally or subject to a means-test.

Family benefits must constitute an adequate income supplement for a significant number of families. Adequacy is assessed with respect to the median equivalised income (Median equivalised income (Eurostat): the income of a household is established by summing all monetary income received from any source by each member of the household. In order to reflect differences in household size and composition, this total is divided by the number of “equivalent adults” using a standard scale (the so-called modified OECD equivalence scale). The resulting figure is attributed to each member of the household.). The level of benefit should be adjusted as necessary to keep pace with inflation. Other forms of economic protection, such as birth grants, additional payments to large families or tax relief in respect of children, are also relevant to the implementation of this provision.

The obligation of States under **Article 15** to take measures to promote persons with disabilities’ full social integration and participation in the life of the community is strongly linked to measures directed towards the amelioration and eradication of poverty amongst people with disabilities.

Likewise, under **Article 17** the prevalence of child poverty in a State Party, whether defined or measured in either monetary or multidimensional terms, is an important indicator of the effectiveness of state efforts to ensure the right of children and young persons to social, legal, and economic protection. The obligation of states to take all appropriate and necessary measures to ensure that children and young persons have the assistance they need is strongly linked to measures directed towards the improvement and eradication of child poverty and social exclusion.

When assessing adequacy of resources of older persons for the purposes **of Article 23**, the Committee takes into account all social protection measures guaranteed to older persons and aimed at maintaining income level allowing them to lead a decent life and participate actively in public, social and cultural life. In particular, the Committee examines pensions, contributory or non-contributory, and other complementary cash benefits available to older persons. These resources will then be compared with median equivalised income. For this purpose, the

Committee will also take into consideration relevant indicators relating to at-risk-of-poverty rates for persons aged 65 and over.

**Article 30** requires States Parties to adopt an overall and coordinated approach, which shall consist of an analytical framework, a set of priorities and corresponding measures to prevent and remove obstacles to access to social rights, in particular employment, housing, training, education, culture, and social and medical assistance. It must link and integrate public policies in a consistent way, embedding the fight against poverty and social exclusion in all strands of policy and moving beyond a purely sectoral or target group approach. Effective coordination mechanisms should exist at all levels, including at the level of delivery of assistance and services to the end users. Adequate resources must be made available for the implementation of the measures taken in the context of the overall and coordinated approach under Article 30. In many instances, a significant and enduring expansionary fiscal policy effort by the States Parties will be necessary to prevent an increase in poverty and social exclusion. Adequate resources are one of the main elements of the overall strategy to fight social exclusion and poverty and should consequently be allocated to attain the objectives of the strategy. The measures should be adequate in their quality and quantity to the nature and extent of poverty and social exclusion in the country concerned.

Adequate housing under **Article 16** (housing for families) and **Article 31** includes a dwelling which is safe from a sanitary and health point of view, i.e., that possesses all basic amenities, such as water, heating, waste disposal, sanitation facilities, electricity, etc.