

## Press release – MEPs: Minimum wage is a remedy for inequality and in-work poverty



The principle that ‘work is the best remedy for poverty’ does not apply to low-wage sectors, and those working under precarious and atypical working conditions. MEPs therefore urge the Commission and member states to include the prevention of in-work poverty in their overall goal to end poverty in the EU.

### **European directive on minimum wage**

MEPs welcome the Commission’s proposal for an EU directive on adequate minimum wages, describing it as an important step to ensure that everyone can earn a living from their work and participate in society. The directive should ensure that statutory minimum wages are, where applicable, always set above the poverty threshold, they stress. They also make clear that employers should not deduct the costs for carrying out work, such as accommodation, the requisite clothing, tools, personal protection and other equipment, from minimum wages.

### **Equal labour conditions for platform workers**

The [legislative framework on minimum working conditions](#) must be enforced for all workers as another important element of the fight against in-work poverty, MEPs underline. This includes atypical or non-standard workers in the digital economy who often work in precarious conditions. These workers must also be covered by existing labour laws and social security provisions as well as being able to engage in collective bargaining, they add.

## Work-life balance

Transposing and implementing the [Work-Life Balance Directive](#) is key to fighting poverty and inequality, MEPs say. Given that women are more at risk of poverty and social exclusion than men, tackling the gender pay gap and guaranteeing access to affordable and quality childcare are important steps in this respect.

The text was adopted with 365 votes in favour, 118 against and 208 abstentions.

## Quote

“The EU is one of the wealthiest regions in the world. However, 95 million Europeans live at risk of poverty. For this reason alone, we need urgent action to ensure a life free from poverty for all. Across Europe, we need social minimum standards and strong social security systems. We need wages and income that allow for a decent living. We should not allow economic interests to override social protection”, said rapporteur [Özlem Demirel \(GUE/NGL, DE\)](#)

## Background

According to [Eurostat's definition](#), individuals are at risk of in-work poverty when they work for over half the year and their yearly disposable income is below 60% of the national household median income level after social transfers. [Eurostat figures](#) show that 9.4% of European workers were at risk of poverty in 2018. Low wages have not increased at the same rate as other types of wages in many member states, exacerbating income inequalities and in-work poverty and reducing the capacity of low-wage earners to cope with financial difficulties.