Committee of Economical and Financial Affairs

Resolution on the question of income disparity and social exclusion:
*The poorest 20% of the European population has 5 times less income at their disposal than the top 20%, indicating an alarming tendency towards income disparity and social exclusion. With nearly 1 in 4 European citizens living at risk of poverty or social exclusion, how can European countries change this trend and improve the quality of living of individuals in the lower parts of the wealth distribution chain? Can the system of a basic income tested in Finland and other parts of the world be an answer?*

The Youth European Student Parliament,

1. **Considering that there is a great difference in the income between the lower part and the higher part of the wealth distribution chain,**
2. **Alarmed by the lack of awareness regarding the fact that 24% of the EU population is in danger of poverty and/or social exclusion,**
3. **Emphasising that the crime rates are higher in parts where population which is at risk of poverty lives,**
4. **Referring to the fact that poorer households are heavily affected by a financial crisis,
a) Worse conditions to live during a crisis
b) Less access to healthcare**
5. **Minorities are less likely to get higher status jobs and get out of the lower part of the wealth distribution chain,**
6. **Alarmed by the fact that 17% of the European youth lack opportunities and basic education which leads to employment exclusion, because disadvantage is being passed from one generation to the next,**
7. **Considering the fact that income growth is slower among the poor population and the number of unemployed people is rising annually,**
8. Encouraging the EU to implement the tax and benefit system\* in which individuals are taxed according to the benefits they receive from public expenditures;
9. Further invites member states to discuss the possibility of UBI\* as a solution to income inequality and consider funds in the annual budget;
10. Draws the attention to a solution for social exclusion by carrying out collaborative and interactive awareness campaigns, including marginalized population and wealthy population;
 i) Suggests town events, campaigns (East-Belgium and Brazil have established parliaments where the demographic of a town is taken and then participants are aimlessly invited)

 ii) Solemnly affirms the establishment of a day in the year devoted to fight against economic inequality and social exclusion,

 iii) Calls upon schools to encourage students to present projects about economic inequality exclusion in their region

1. Requests investing in free educational and cultural programmes which will give young people more possibilities and reasons to stay aside from crime
(has been approved in cities like Berlin or Sao Paulo);
2. Recommends establishing more strategies to support people affected by poverty in situations like the corona-crisis by distributing food, hygiene and medicine vouchers.

 i) Encourages member states to organise fundraising events to aid people at risk of poverty and social exclusion;

 ii) Emphasizes the importance of voluntary organisations in tackling economic inequality and social exclusion;

1. Proposes investing in free skill courses and education for minorities providing them a chance to reach higher status jobs;
2. Requests providing young people with EU financed scholarships, internships and job guarantees at companies whose work contributes to the sustainability of EU;
3. Suggests covering expenses such as school equipment and public transport for students at risk of poverty and social exclusion;
4. Considers necessary implementing programmes in which municipalities of member states help unemployed people find a job, which will fix the overall problem;
5. Proposes simplifying the process of getting a new job in which bureaucratic\* obstacles are being reduced and providing HR\* department monitoring;
6. Simplifying the recognition of professions available in foreign EU member states and offer new chances on the labour market;

Appendix:
**\*BENEFIT TAXATION** - a system in which individuals are taxed according to the benefits they receive from public expenditures.
**\*UBI - Universal Basic Income** - a government program in which every adult citizen receives a ‘free’ amount of money (e.g 1000 €) on a regular basis to provide financial stability

**\*Bureaucratic** means involving complicated rules and procedures which can cause long delays.
\***HR – Human Resources** - the department of a business or organization that deals with the hiring, administration, and training of staff.