

Good practice: the Basque Country (Euskadi)

“Structured public policies for fighting poverty in the Basque Country were first introduced through the *First Comprehensive Plan for Fighting against Poverty in the Basque Country*, which was drafted following the first "Survey on Poverty and Social Inequality". The Basque Country then became the first autonomous region in Spain to establish a public income guarantee system, with a subjective (enforceable) right to a periodic subsistence benefit from very early on. Up until that time, almost all economic aid to the poor was provided by the Catholic charity Caritas and other voluntary organisations, as well as any other pre-existing social welfare or aid organisations. [...]

From that time onwards, successive laws have been enacted to further structure and restructure the fight against poverty in the Basque Country through guaranteeing income (1990, 1998, 2000, 2008 and 2011). [...] The first decade of the twenty-first century saw a major improvement in benefit access levels. This evolution is linked to a growing acceptance of immigrants' rights to access the system (including illegal immigrants), the application of employment stimulus packages, the increase in pension payments to pensioners and the substantial progress made in relation to minimum guarantees. This piece of legislation is based on the Basque Country's exclusive devolved power in the field of 'social aid', although some clashes have occurred with the central Spanish government, especially when a supplement for small social security pensions was

introduced as part of this policy, and it was to come out of the Basque budget. [...]

Currently, benefits are set at 88 per cent above the minimum professional wage, although in 2012 they were cut by 7 per cent, a reduction that will hopefully be recovered in the future once the economic situation improves. Depending on recipients' housing requirements, the size of their family and other circumstances, the sum in question can be as high as 200 per cent of the minimum wage. **In this sense, the situation in the Basque Country is far superior to that of the majority of Spain's other autonomous regions, and this has led to some criticism from certain sectors (employer organisations, for example), with claims that amounts are too high and act as a disincentive for people to look for work.** The coverage rate for all recipients (both direct recipients and users) per 1,000 inhabitants is very high in the Basque Country (71) when in other regions it reaches figures as low as 2.89 in Extremadura or 3.17 in Murcia. In 2010, **the Basque Country accounted for 42 per cent of all expenditure in Spain related to these programmes, despite the fact that it had no**

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more than 2.6 per cent of the population estimated to be living in poverty. Today, due to much greater cuts in other regions, the data for the Basque Country are undoubtedly even more favourable, with data for 2012 indicating public expenditure on these programmes of over €432 million.” (Fernando Fantova, 2014).¹⁴

In the case of the Basque Country, Minimum Income has been related to a certain extent of fraud in the access and the qualification on behalf certain recipients, in particular some of the foreigners, who have large families and receive the highest amounts. However, 78% of the Basque citizens is against cutting or reducing the scheme, as shown in