

Panel discussion on priority theme: Poverty Eradication

Panel intervention by Mr. Jesper Østrup Zwisler, Permanent Secretary, Ministry of Social Affairs and Integration, Denmark

Mr. Chairman, Distinguished Co-panellists, Ladies and Gentlemen

I am delighted to be here – and I look forward to discussing an issue very close to my own heart – the fight against poverty.

As you all know, in March of 1995, Heads of state and government, at the invitation of the United Nations, met in Copenhagen to set goals for social development and to give these goals the highest priority into the twenty first century.

At this Social Summit some of the most important social problems in the world such as poverty, unemployment and social exclusion, were addressed.

It was acknowledged that societies need to respond more effectively to these social problems. We shared the conviction that we need social development and social justice if we want to achieve economic development and peace within our nations.

This is still the foundation for the Commission for Social Development. Combating poverty and social exclusion has been at the core of this Commission since 1995.

Mr. Chairman,

Denmark has taken over the Presidency of the Council of the EU at a challenging time for Europe. The economic crisis has had severe consequences for many European countries as it have had for the rest of the world.

The economic slow-down deepens and affects more and more countries in Europe. People lose their jobs. And there is a risk that the impact of the economic crisis will seriously deteriorate the situation of the most vulnerable citizens.

Fortunately, the worst effects of the crisis have so far been mitigated by various social protection systems. But we must acknowledge that these systems are under pressure due to the length of the crisis.

As you may know, we have set an ambitious target for The European Union: Our goal is that 20 million people should be lifted out of risk of poverty by 2020.

At this stage it is difficult to say whether this target will be achieved. But it is fair to say that it will be a significant challenge.

Making sure that our social protection schemes protect the most vulnerable groups remains high on the political agenda.

In times of crisis, we must more than ever, do our very best to make sure that everyone can receive basic health care; that our children can go to school; and that all unemployed can find the help they need in getting back to the job market.

In other words we need to do our very best to provide a basic social safety net for everyone.

But we must always see to it that work pays enough to provide for ourselves and that people – both men and women - are encouraged to work.

This is particularly important these days where the unemployment rate for young people is on the rise. Millions and millions of young people throughout Europe and around the world are unemployed and uneducated. We are in risk of seeing a whole generation being defeated by this.

Everything must be done to prevent such a situation. Especially, because many of our countries are faced with an ageing population. Over the coming years' time, we will be compelled to develop a modern and flexible workforce for everyone. We need to make the most of all human resources.

We must never leave people on passive support provided by either the family or the state without offering them adequate opportunities to take up work, training or education. It is devastating – especially for younger people to lose contact or never even obtaining contact with the labour market or the education systems.

For the same reason, we must do our utmost to prevent transmission of social or economical problems - or even poor health and lack of education - from generation to generation. An ounce of prevention is worth more than a pound of cure, as I am sure you will agree.

For many decades, Denmark has been a strong advocate for social protection for all. Universal social protection – both in terms of cash benefits and social services – is a key component of the Danish welfare model, which was created long before we became an industrialized and developed nation.

Our legislation stipulates that all children, women and men with impaired physical or mental function or with special social problems shall receive the necessary assistance based on an individual needs assessment. Our citizens have access to free education and free health services. This is only possible because all citizens are willing to share the financial costs in a way of shared solidarity.

The commitment for social protection is underpinned by a solid international framework, including the UN and the ILO.

Mr. Chairman,

It is a clear priority for me as Danish Minister for Social Affairs and Integration and as Chair of the Social Affairs Council in the EU to send the clear message that everyone of us should have the same possibilities from the outset. That nobody should be left behind.

The European Report on Development 2010 pointed out that social protection is not a luxury available to only developed countries. Universal access to basic social protection is feasible and affordable even in the least developed countries.

In these hard times, we are all called on to cut back on spending and to be cautious in our approach to fiscal expenditures. Denmark also faces fiscal challenges. However, we need to make sure that what we have is invested wisely and placed where it creates jobs and social protection.

The role of social protection schemes is two-fold. On one hand, the schemes are a safety-net for people in need of assistance. On the other hand, their value as economic stabilizers should not be

underestimated. They sustain the purchasing power in society with the effect that the economic downturn is alleviated.

I therefore welcome the discussions in the EU on how we can improve our social protection systems and also the debate in the ILO on the Social Protection Floor.

Mr. Chairman, in 2011 at the ILO Conference in Geneva we recognized and reiterated that social security is a human right and a social economic necessity. At the conference there was a wide support in the international community to the concept of a Social Protection Floor that endorses these principles.

The Social Protection Floor is an important instrument in reducing poverty and inequality and sustaining economic growth.

I – as in deed the EU as a whole - welcome the Social Protection Floor approach developed by the ILO. We support the conclusions of the ILO conference in 2011, which will be further elaborated throughout the course of 2012.

I agree that social security is an investment in social and economic development by enhancing human capital and productivity. Without basic social protection societies cannot exploit their full productive potential.

People need a basic level of social security to accept the risks of changes, even if these changes create increased welfare in the longer run.

The Social Protection Floor is a useful tool in helping countries develop social security systems.

I find that the wide consensus in the international community to the Social Protection Floor approach is very encouraging.

We all know that good intentions and recommendations are not always enough – on solidarity with developing countries is also expressed through our assistance efforts.

In 2010 official EU development assistance reached a record of almost 68 billion US dollars [54 billion Euro]. This once again confirms European countries as a generous donor worldwide. More than 14 bio.

US dollars [11 bio. Euros] of that aid was channelled through the European Commission.

In recent years, nine million children have been enrolled in primary education with the help of the EU. 31 million households have been connected to better drinking water. And 36,000 kilometres of road were constructed or maintained.

The EU also aims to create jobs and revenue by promoting investment, trade and private sector development. Through strengthening labour standards, providing vocational training, and improving safety measures and social protection systems – in both formal and informal sectors – more people are gaining access to decent work. Since 2004, for example, vocational training has been given to 4.8 million people.

Mr. Chairman, If we look back on the 17 years that have passed since the heads of state gathered for the Social Summit in Copenhagen, there is no doubt that we have come a long way. We have made a determined effort to fight poverty through a wide range of initiatives.

We have done so by standing firmly by our core values. Values of social and gender equality. Sharing the strong belief that economic development and social justice go hand in hand. But we will not rest until we have reached our goals. And it is more important now than ever that we stand together. That we refuse to let the global economic slow-down defeat our attempt to improve the possibility of prosperous lives for the present and future generations.

I am absolutely certain that this is a top priority for all of us. And I am glad and proud to be here today to exchange hopes and recommendations for a better future for all people.

Thank you.