



ENSURING THE FUTURE OF SOCIAL PROTECTION AND OF THE WELFARE STATE IN THE EU

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#SocialRights

1. WHY?

In 2021, the European Commission launched **the High-Level Group on the future of social protection and of the welfare state in the EU**. The group reflected on **how to reinforce social protection systems and the welfare state** to respond to megatrends such as demographic change, the impact of new forms of work, and the digital and green transitions.

Their report will **inform and inspire policy reforms at European and national levels**, involving Member States, social partners and key stakeholders.

2. WHO?

Chaired by former European Commissioner Anna Diamantopoulou, the High-Level Group consists of 11 experts in the areas of social protection and welfare states, labour market, demography, or public finance.

To support their reflection, the group consulted Member States via the Social Protection Committee, the European Parliament, social partners, civil society, youth organisations, and international organisations.

3. WHAT?

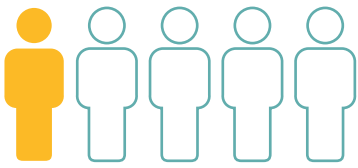
The High-Level Group produced a report analysing:

- the **expected impacts of megatrends**, such as an ageing population, new forms of work, and the digital & green transitions on social protection,
- potential pathways to **ensure welfare systems are fit for the future**,
- **fair and sustainable financing** of social protection.

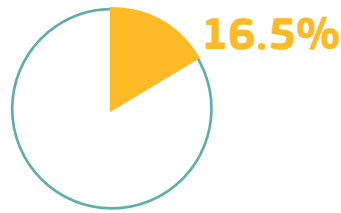
They propose **21 key strategic recommendations** to ensure a resilient and sustainable welfare state in the future.

KEY FIGURES IN THE EU

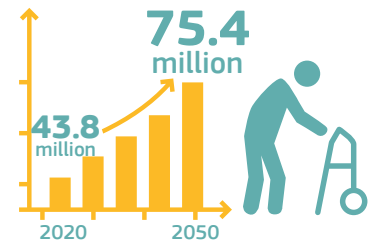
1. Risks along the life cycle:



19.5% of children were at risk of poverty in 2021.



of 20-34 year-olds were neither in employment nor in education and training in 2021.



The number of persons aged 75+ is expected to rise, increasing demand for pensions, health and long-term care.

2. Changing world of work:



of workers are in non-standard forms of work (temporary, part-time or self-employment) that can limit their access to social protection.



Over two thirds (18 million) of the 27 million self-employed in the EU worked on their own with no employees in 2021.



of workers were at risk of poverty in the EU in 2021.

3. Energy poverty: Even before the energy crisis, nearly 30.5 million Europeans were unable to afford keeping their home adequately warm in 2021. Those with income below the poverty threshold are much more affected (16.4%) than others (6.9%).



4. Around 70% of all fiscal revenue is used for the welfare state, not including education. Fiscal revenue of the EU 27 was €6.1 trillion in 2021, making up 41.7% of the GDP.

Source: Eurostat

21 KEY STRATEGIC RECOMMENDATIONS



A. Starting strong

- 1) Affordable early childhood education and care
- 2) Income support and services to prevent child poverty
- 3) Support to enable starting a family
- 4) High quality jobs for the youth, complemented by financial support for further education and training



B. Ensuring inclusive social protection and lifelong learning

- 5) Access to social protection for all people in employment irrespective of their status
- 6) High quality of work throughout working life
- 7) Opportunities for up- and re-skilling for the digital and green transitions
- 8) Inclusion of migrants through social and labour market policies
- 9) Job retention schemes for all to protect income, jobs and skills during crises



C. Supporting adequate income and high-quality care in old age

- 10) Flexible working-time and adjusted workplaces for longer careers in good health
- 11) Chance for everyone to earn an adequate pension, and decent minimum benefits to tackle poverty in old age
- 12) Pension credits for care giving periods
- 13) High-quality and affordable long-term care services



D. Promoting inclusive and high-quality services including energy-efficient housing and transport

- 14) Affordable, energy-efficient and universal-design housing
- 15) Energy-efficient public transport accessible to all
- 16) High quality and inclusive social services, better involving non-profit and social economy organisations



E. Ensuring sustainable financing for a resilient welfare state

- 17) Broadening the tax basis through progressive taxation on income, consumption, capital, carbon and energy
- 18) Considering minimum tax rates on capital at EU level
- 19) Golden rule for public finances to secure social protection and investment in social infrastructures



F. Stepping up EU capacity to secure social protection in the future

- 20) Additional EU legislative initiatives to fulfil all principles of the European Pillar of Social Rights and ensure consistent enforcement across the Union
- 21) Minimum package of social rights, based on the European Pillar of Social Rights, guaranteed at national level.