



The Social Contract and Demographic Change

European attitudes on welfare systems and the
implementation of the Council Recommendation on Access to
Social protection

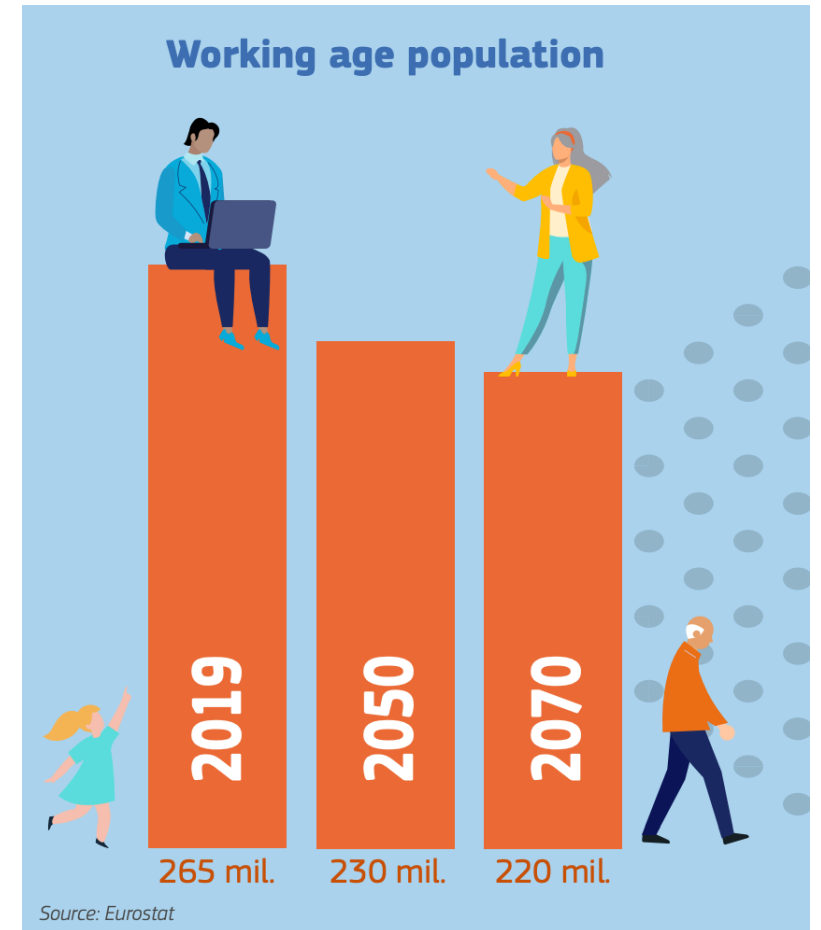
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Demography is changing in Europe

- Demographic change **impacts our social market economy** and puts the social contract under pressure.
- **Drivers** include longer life expectancy, fewer births, an ageing population, smaller households, a more mobile Europe and a changing population size.
- Demographic changes affects **Europe's place in the world.**
- Welfare states across Europe are adapting to new circumstances, and the Council Recommendation on Access to Social protection is **an answer to the need for European coordination.**
- Pandemic puts pressure on **welfare and health systems**, and the social economy as a whole.

The social contract is impacted by demographic developments

- Europe's welfare and healthcare systems are **the most advanced globally**.
- The **European population is ageing**, leading to **pressures** caused by rising expenditures and shrinking revenues.
- Need for larger and more inclusive **labour market**, as well as enhanced **productivity through skills and education**.



EU policy responses

- Demographic developments puts pressure on social systems also because of the changes in the **composition of the labour market**.
- Council Recommendation on Access to Social has **the objective of supporting people in non-standard forms of employment and self-employment**. Includes a three-year programme with
 - the establishment of a monitoring framework by November 2020
 - National plans to be submitted by May 2021
 - A review by the Commission by November 2022
 - The pandemic is accelerating national responses...but not on a systemic basis

United in diversity – citizens' attitudes towards the social contract

- Strong **legitimacy** for the European-style welfare state
- **Vast majority show concern** for the well-being of others
- **Strong support** for a social contract where governments intervene
- Attitudes also reflect the **'deservingness' principles**
- **Country specific contexts** impacts attitudes

EU-27 population by urban-rural regional typology, 2019



The future sustainability of the European welfare state model

- The process of **adjustment, redesign** and **reform implementation** needs an understanding of citizens' preferences
- Demography drives changes in the world of work, making reforms **especially difficult** for national governments in the EU.
- **Attitudes and trust** builds for a future of sustainability and transition.
- **Strong support** for the European welfare model paves the way forward.



Thank you



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