Demographic challenges in the EU (II)

Recommendations and conclusions
1 March 2020

Recommendations

Active ageing

The EU Green Paper on demographic change [13] comprehensively addressed the nature of the challenge Europe is facing and the urgency to take action. In parallel, the Commission communication ‘Common actions for growth and employment’ [14] described population ageing combined with a shrinking working-age population as a challenge that needs to be addressed, as it would affect Europe’s economic and social future. Furthermore, the promotion of active ageing was seen as contributing to the European Commission’s overall objective of improving living standards.

In 2006, the European Commission stated in its communication ‘The demographic future of Europe — from challenge to opportunity’ [15] that “in view of the complexity of the challenges of ageing, an overall strategy appears essential. Both at EU and at national levels it will be necessary to review existing policies to determine whether they need to be adjusted to take account of the changing demography of the EU.”

The new College of Commissioners will produce a Green Paper on ageing, “launching a wide debate on long-term impacts, notably on care and pensions, and on how to foster active ageing,” according to the European Commission’s communication.

With an ageing European population, low fertility rates and increasing intra-EU labour mobility, putting in place effective EU policies to support families and foster positive migration trends in line with the demands of the labour market will ensure EU’s stability and prosperity.

A significant decline of the future workforce as a result of an ageing population and labour migration flows requires additional policies that will support greater workforce participation and promote human capital development fitting for the digital age. Reducing economic and social disparities in the EU will promote cohesion and integration.

Subject of the exploratory opinion on ‘Demographic challenges in the EU in light of economic and development inequalities’.

Ignacio Socias, Contribution of IFFD to the opinion of the European Economic and Social Committee entitled ‘Demographic challenges in the EU in light of economic and development inequalities’ (Brussels, 14th January 2020).
The referred letter of President von der Leyden. This Green Paper is also meant to "assess whether our social protection systems are fit to deal with the needs of an ageing population." [16]

The core policy directions are identified as follows: [17]
- Support demographic renewal through better conditions for families and improved reconciliation of working and family life.
- Boost employment — more jobs and longer, better quality working lives.
- Raise productivity and economic performance by investing in education and research.
- Receive and integrate migrants.
- Ensure sustainable public finances to guarantee adequate pensions, health care and long-term care.

In order to meet the challenges, other recommendations are: [18]
- Link the retirement age with increases in life expectancy.
- Restrict access to early retirement schemes and other early exit pathways.
- Support longer working lives by providing better access to lifelong learning, adapting work places to a more diverse workforce, developing employment opportunities for older workers and supporting active and healthy ageing.
- Equalise the pensionable age of men and women.
- Support the development of complementary retirement savings to enhance retirement incomes.

To summarise, population ageing is one of the most important phenomena influencing policy directions in the multidimensional context of social, labour market and economic transformations. The reform focus is on tapping the potential of all generations, and of the growing elderly population in particular, to contribute to economic development and welfare in the EU and its Member States. In any case, future populations of EU Member States will have to become more adaptable.

Fortunately, the average educational attainment is continuing to rise. Such investments in education and human capital will be the best defence against uncertainty. For the EU, it is also important to recognise that internal mobility encouraged by economic disparities has the potential to disproportionately influence the emigration of skilled people and even the overall population sizes of certain Member States, primarily in Eastern and Southern Europe.

Work-family balance

Nearly one in five workers (18%) in the EU reports a poor work-life balance; this percentage has remained stable since 2000. Indicators of conflict between work and life have increased slightly in the past decade. Work-family balance is primarily a gender-equality issue. Women in employment report a better work-life balance than men, linked to their shorter working hours. Differences in reported work-life balance between people of different age cohorts emerge when a life course perspective is considered: problems combining work and life are most frequently reported by people with young children. This is especially the case for men: during this phase, they also express a strong preference for working fewer hours.

Most unpaid work involves caring for children or dependent adults. Women assume care responsibilities more often than men (working fewer paid hours or not at all). Formal support services are not available or affordable for everyone: a sizeable share of women not seeking employment because of care responsibilities indicates a lack of available or affordable care services. There are clear indications that the demand for formal long-term care is rising and will continue to do so. However, to meet this demand will put pressure on government budgets: hence, further reliance on informal care is likely, with a consequent impact on work-life balance.

It is evident that many factors influence the ease with which care and paid work can be combined, including the number of working hours and intensity of care work, as well as the availability of flexible working arrangements or formal care services. Not surprisingly, there are large differences between Member States in the proportion of workers finding it more or less easy to combine paid work with care. Beyond its impact on quality of life, caring is also likely to affect working carers' material well-being, as time spent providing care is not remunerated, working hours may be reduced and so income is lower — although even lower for someone who cares full-time and does not work at all. As long-term care can last for several years, it can completely change the carer's life. The average duration of care is 6.7 years, with a significant impact on pension entitlements, social embeddedness, savings and more. [20]

In that sense, Target 5.4 of the 2030 Sustainable Development Agenda can be especially relevant: "recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies, and the promotion of shared responsibility within the household and the family as nationally appropriate." [21]

As the last report of the UN Secretary General on family issues states, "support for the caregiving functions of the family through policies that foster work-family balance and through generous parental leaves has had a great impact on making sure that both men and women in the family have equal rights and responsibilities. When care is not fairly distributed and supported, unequal relations within the family persist, as care deficits are usually filled by women. Shared care within a household creates a family life where both parents are involved in raising a child and a better environment for shared decision-making that benefits the family." [22]

The recent Directive on Work-life balance for parents and carers focuses on the wide range of its potential beneficiaries. “While parents and carers will profit from work-life balance better adapted to the needs of today's families, an increase in women employment, their higher earnings and career progression will positively impact them and their families' economic prosperity, social inclusion and health. Companies will benefit from a wider talent pool, a more motivated and productive labour force as well as less absenteeism. The rise in female employment will also contribute in addressing the
challenges of demographic ageing and ensuring Member States' financial stability." [23]

Comprehensive legal and policy frameworks balancing work and family life should be established to encourage shared responsibilities between family members, the State, the private sector and the society at large. Such policies may range from parental leave to child benefits and access to quality and affordable childcare. Flexibility of working hours and working place, professional support and advice and efforts to create a more family-friendly culture in the workplace are equally important. To achieve this, the following actions are recommended: [24]

- Recognise and communicate the value of work-family balance in the economy and in society.
- Develop, provide and communicate comprehensive well-resourced and flexible parental leave entitlements throughout the life course of the family and in periods of transition.
- Support, promote and communicate part-time working arrangements according to parental choice by ensuring non-discriminatory practices towards parents in the labour market. Promote skill development and learning systems throughout the life course of the family and in periods of transition to facilitate parents’ re-entering the labour market.
- Promote, develop and communicate key media messages focusing on the value of children, maternity, paternity and families in our societies.
- Develop, promote and communicate the economic and social value of family-friendly workplaces in accordance with systems of accreditation.
- Enhance dialogue and partnerships between social policy makers and relevant stakeholders, including families, family associations, business sector, trade unions and employers to develop and improve family-friendly policies and practices in the workplace.
- Support and promote a stronger, integrated, accessible and supported framework to enhance lone parents’ opportunities to balance work and family life and therefore fully engage in education, skill development and job advancement.
- Recognise and communicate the social, economic and cultural value of family care work.
- Offer and promote a variety of care practices and opportunities to enable families to make choices (e.g. regarding childcare arrangements), according to their parental responsibilities, needs and values.

**Child protection**

Child poverty or social exclusion is high — around 21% of Europe’s children live in income poverty, 8.5% live in severe material deprivation and 9.3% in workless households. Child poverty is multidimensional as issues of education, leisure, clothing, food, health and housing are involved along with income. Research confirms that poverty and deprivation in childhood has both short- and long-term effects causing an intergenerational cycle of disadvantage. It shows that well-designed cash transfers and tax benefits, employment of parents, early child education and care and family services are key to fight child poverty. A European Child Guarantee was called for by the European Parliament in 2015. [25]


- Equal opportunities for all children: children have the right to an adequate standard of living and to appropriate social and economic protection. However, too many children, even in richer countries, are affected by poverty. Certain groups of children, such as children “on the move” and affected by migration, are particularly vulnerable. Discrimination of children on the grounds of gender, disability, or sexual orientation is a reality in Europe. The Strategy calls on member States to change their legislation and policy relying on specific Council of Europe legal standards, such as the European Social Charter.

- Participation of all children: children have the right to be heard and participate in decisions affecting them. Their views should be given due respect in the development, implementation and evaluation of child-related laws, policies and actions. Member States should make sure that children are consulted in all contexts relevant for their rights. One way to achieve this is to use the Council of Europe Child Participation Assessment Tool to measure the extent to which countries involve children in decision-making.

- A life free from violence for all children: States must guarantee that children are protected against all forms of violence, including sexual abuse and exploitation. The Council of Europe is a pioneer in setting standards for protecting children: it has such legal tools as the Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse (Lanzarote Convention), the Convention on Domestic Violence and Violence against Women (Istanbul Convention), the Convention on Action against Trafficking in Human Beings, and the Convention on Cybercrime. The Strategy also calls on member States to put an end to corporal punishment of children in all settings — schools, institutions and at home.

- Child-friendly justice for all children: many children come into contact with the justice system in one way or another. Sadly, justice systems in Europe are still ill-adapted to the specific needs of children. The Strategy calls on member States to implement the Council of Europe Guidelines on child-friendly justice, to ensure that primary consideration is given to the child’s best interest, and to use deprivation of liberty only as a measure of last resort and for the shortest appropriate period of time.

- Rights of the child in the digital environment: Internet has become an integral part to children’s lives. They have the right to learn, play and communicate online — and to be protected from bullying, hate speech, radicalisation, sexual abuse, and other risks of the “dark net”. Guaranteeing the rights of the child in the digital environment is a key challenge all member States of the Council of Europe face, and the Strategy will help them provide children with practical knowledge of how to be online and stay safe.

Going forward, the following key priorities are suggested: [27]
Conclusions

We suggest to strengthen the evidence in all the previous topics, in order to create a coordinated ‘Policy Coherence on Demography,’ through the following steps: [28]

- Resuming the European Demographic Forum (interrupted by the outgoing Commission), as a place of debate and exchange of best practices.
- Resuming the European Platform for investing in children (which succeeded the European Platform for families initiated under the German Presidency).
- Create an even stronger investment case for family-friendly policies, which also incentivizes governments to improve their policies (there may be a need to create regional investment cases as well).
- Identify and approach business sectors that would be ready for the policy change.
- Offer alternatives on the policies so there is flexibility in adoption, as all companies may not reach the gold standard immediately.
- Promote the relationship between the government policy-legislative framework and the realities of families working in the informal sector.

Member States could also improve their policies in the following points: [29]

- Provide statutory, nationwide paid leave to both mothers and fathers, where it is lacking.
- Remove barriers to the take-up of childcare leave, especially those faced by fathers.
- Enable all children to access high-quality, age-appropriate, affordable and accessible childcare centres irrespective of their personal or family circumstances.
- Fill the gap, where it exists, between the end of parental leave and the start of affordable and accessible childcare in centres so that children can continue their development without interruption.
- Ensure that mothers can breastfeed before and after they return to work by providing such things as guaranteed breastfeeding breaks, places to pump and store milk and quality childcare nearby.
- Build the capacity of health professionals to provide breastfeeding support in hospitals and communities.
- Collect more and better data on all aspects of family-friendly policies so that programmes can be monitored, policies compared, and countries held accountable.
- Improve parenting education and family learning contents in the different levels of education.
- Above all, ensuring that every future impact assessment put in place by the Commission take in due consideration the impact of every new piece of EU legislation on families and demography.

[20] Eurofound, ‘Striking a balance ...’
[25] Ursula von der Leyen, Mission letter ...
[29] Cf. Letter to Dubravka Šuica ...