

Round Table on Social Protection:
Social cohesion: Ageing perspective in an
inclusive Europe

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MIPAA endorsed a global and integrated approach to address ageing challenges and opportunities

- MIPAA implementation requires changing attitudes, policies and practices, at all levels and in all sectors.

Its objective is ensuring that all parts of population can be able to age in dignity and security, and that older persons can continue participating in their respective societies as full citizens.

Five years after the II World Assembly on Ageing, the global approach towards a society for all ages is still pending

Only a few themes or perspectives, for different reasons, has become specially prominent:

- Control of the impact of ageing on public expenditure.
- Need to increase employment levels, particularly of women and older persons.

Social protección need to adapt to new realities, including longevity, new economic context, technological changes, and increased migration

- Redefining the relations between activation and protection
- Contributing to a new balance between flexibility and security.
- Reorganizing the role of the State and other actors in social protection.

EU: Weak progress of social dimension affecting an integrated approach

- Priorities on growth and employment after the revised Lisbon Strategy had had an impact on social objectives.
- Failure on consensus around the European Constitution has stopped some advances on social rights.
- Complexities association to the process of expansion of the EU.

Social cohesion role as a productive factor tend to be forgotten

- Investing on participation, integration, social protection and the fight against discrimination, contributes to create growth and stability (i.e. expansion of the service sector in the social field).
- Social investment is also a key element of citizens' legitimation.

EU: Open method of coordination on social protection and social inclusion

- **Objective 1** : *“Promote social cohesion and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies”*

EU Social Protection expenditure 28% of GDP

Pensions 13%

Health and Longtermcare 8%

Other economic benefits 5%

Public expenditure on pension, health and longtermcare is expected to increase 4,4% by 2050 (EU- 25) as a consequence of population ageing.

Objective 2: Interact closely with the Lisbon objectives on achieving economic growth and more and better jobs and with the EU's sustainable development strategy.

- Social protection has to contribute to improve employment.
- Social inclusion policies should focus on transition to work.
- Fiscal and benefit systems would be revised taking into account active labour market policies.
- Pension system reforms should strengthen incentives to work longer, restrict early exits from the labour markets and tighten the links between contributions and benefits.
- Labour markets would be open to older workers.
- Integration of migrants a key emergent challenge
- Balance between informal care and formal care affects labour supply, particularly of women. Health and long-term care sectors will expand in the future and will demand human resources

Objective 3: Strengthen governance, transparency, and the involvement of stakeholders in the design, implementation, and monitoring of policy

- NAPs need to create structures to involve civil society in their social policy planning.
- Pension reforms need to be built on consensus. Commitments to automatic or regular review mechanisms help citizens to plan.
- The interface between health provider and care providers, as well as among central, regional and local levels is crucial for effective coordination.

The recent European Commission Communication on “The demographic future of Europe – from challenge to opportunity

Main elements

- **The challenge is not insurmountable** if we make good use of the current brief period of “demographic bonus.
- **Need for an overall strategy** in dealing with ageing.
- The source of the problem is no higher life expectancy, rather the inability of current policies to adapt to the new demographic order and the **reluctance of businesses and citizens to change their expectations and attitudes.**
- Member States are facing a **problem of retirement rather than a problem of ageing.**

European Commission Communication on the demographic future

5 core policy directions

- Promoting demographic renewal in Europe.
- Promoting employment in Europe: more jobs and longer working life of better quality.
- A more productive and competitive Europe.
- Receiving and integrating immigrants in Europe.
- Sustainable public finances in Europe: guaranteeing adequate social security and equity between generations.

Council of Europe (CoE)

Third CoE Head of State or Governments Summit (Varsovia, 2005), definition of priority future activities of the Organisation:

- There is need to reinforce social cohesion in Europe, in their social, educational, cultural and health dimensions.
- Policies aimed at promoting social cohesion should take into account challenges associated to the ageing of population.

Council of Europe (CoE)

CoE definition of social cohesion

“The capacity of a society to ensure the welfare of all its members, minimising disparities and avoiding polarisation. A cohesive society is a mutually supportive community of free individuals pursuing these common goals by democratic means”.

Ageing challenges need to be addressed from an equity, dignity, autonomy and participation perspective.

Ageing responses interface with european social cohesion objectives

MIPAA implementation fits better if it is articulated in the context of strategies designed from a broad social cohesion perspective.

Looking at social cohesion is an essential reference in the MIPAA's follow up and monitoring processes.

Ageing and Social Security

Social Security reforms should be a key issue in the MIPAA review

Social Security is still necessary in an ageing globalizing world

- As facilitator of structural and technological transformations.
- As factor of social cohesion and legitimation.
- As provider of personal security-
- As element for the improvement of living conditions.

SOCIAL SECURITY AS A FUNDAMENTAL RIGHT

- Philadelphia Declaration (ILO – 1944)
- Universal Declaration on Human Rights 1948 (art. 22).
- International Covenant on economic, social and cultural rights.
- ILO Conventions and Recommendations, from Convention 102 (minimum norm) to 128 (retirement pensions).

A fundamental right still pending of global guarantee

- More than of the global population lack any kind of Social Security protection.
- Only one out of five persons enjoy adequate social security coverage.
- Europe is the region with the higher level of expenditure in Social Security.

Major challenges for Social Security Systems

- Extend coverage levels.
- Maintain or achieve adequate pensions levels.
- Ensure financial sustainability of pensions and health and long term care systems.
- Reinforce institutional governance

Ageing and Social Security Systems: Key issues

- Give incentives to extension of working lives.
- Promote full contribution careers.
- Ensure adequacy of benefits (two levels: reduction of poverty risks, standard of living).
- Reinforce gender and age antidiscrimination legislative framework.
- Coordinate more Social Security with active employment policies, training and health policies and active ageing strategies.

Final suggestions

- Address and assess trends and answers to ageing challenges from a broad social cohesion perspective.

Only a broad perspective can ensure a global and integrated approach.

- Revise how the “multigenerational life-cycle approach” is being applied in relevant public policies:
 - **Salaries.**
 - **Education and training**
 - **Inclusion**
 - **Health**
 - **Housing.**
 - **Taxation.**

Final suggestions

- Consider the emerging importance in Europe of integration/inclusion of migrants.
- Need to give attention to intergenerational aspects involved when designing strategies for integrating migrants.
- Take into account cultural diversity in ageing strategies.

Final suggestions

- There is a need to assess to what extent a cultural change around ageing is taken place.
- A cultural change is needed in building societies for all ages.