

INTERGENERATIONAL SOLIDARITY – THE VIEW OF SLOVENI

Davor Dominkuš, UNECE Ministerial conference, Vienna, 2012

Dear ministers, delegates, ladies and gentleman before I start with my intervention I would like to thank the organisers of this important conference for the invitation and possibility to participate in the discussion on intergenerational solidarity. At the same time I would like to apologize our state secretary Mrs Patricia Čular who is not able to be here because of some important duties back home in Slovenia.

INTRO

In the context of our discussions on intergenerational solidarity it seems important to define the basic concepts and terms we are using. When we talk about the intergenerational solidarity we talk about social connections and networks between generations. Solidarity is related **to positive aspects** of connections and relations between individuals and groups as well as groups among themselves. It is a broad concept and according to our understanding is related to interactions and offering of different types of support and help when needed. The intergenerational solidarity can be observed at three different levels: macro, mezzo and micro one.

At the macro (state) level the intergenerational solidarity is related to functioning of the welfare state systems. Intergenerational solidarity is an integral part of many systems of modern welfare state (system) – most evident are the pension system, the health care system, education system and others. Therefore, the welfare state and solidarity at that level can also be understood as a form of social contract between generations. Some social scientists claim that the question of relation between generations is one of the key questions for the welfare state because a large part of its programmes is redistributing financial and other sources between generations (i.e. child benefits, pension insurance, health care, long-term care, etc.).

At the mezzo level, the intergenerational solidarity is related to community, ranging from the social networks in local community (neighbours), to the work of NGOs and different support services in the community.

At the micro level the intergenerational solidarity is related to connections and relations between generations in the family (grandparents, parents, children).

Of course, all three levels of intergenerational solidarity are interrelated and support each other in different ways depending on tradition and the organisation of systems at the state level, and the local level as well as family structure and several cultural-contextual elements in different societies.

Most of UN ECE countries are faced with the changed relations between generations (increasing numbers of elderly people and decreasing young generations), that present a challenge for the reform of welfare systems, especially those that are based on the principles of intergenerational solidarity. The unfortunate fact is that this coincides with the current economic crisis and its employment and social consequences (increased unemployment, few new jobs) and the need for fiscal consolidation of public finances. The reforms of different systems of social protection, such as social transfers, pensions, health care system, long term care etc. often go in the direction of cutting public finances and increasing the contributions of individuals or families. The implicit assumption is that if at the state (macro) level there is less intergenerational solidarity integrated than in the past, the mezzo and especially the micro level will jump in and take over the aspects of solidarity (financial and other) that would be abolished at the macro (system) level.

But, is that really so? Are the families prepared or equipped for this, do they have enough potentials and resources? Can we burden them more than they already are? Can the community networks and NGOs increase their role? In the reforms of systems of welfare, the question of intergenerational solidarity has to stay in the first row otherwise the interrelations between intergenerational solidarity at different levels can lose the delicate balance which it has now.

SLOVENIAN EXPERIENCE

Let me illustrate this with the developments in Slovenia. Since the beginning of this year we introduced the reform (of the system of minimum income and other) social transfers (in a way that all rights to public funds that are means-tested are now claimed in the same way). Among other things, the so-called pension supplement that was before granted only to pensioners with low pensions and was part of the pension system, was transferred into the minimum income scheme (social transfers system). This means that the scope of potential beneficiaries of this supplement broadened and the sum of money granted was raised (not only pensioners with low pensions, but all people with very low

incomes that are not capable of work) but on the other hand it is now means-tested (as all social transfers) and the state can claim back the funds given after the death of the beneficiary from his/her inheritance if this does not endanger the social security of the heirs (offspring). The result of this change (reform) is that about one third of the people that were receiving the pension supplement until the end of last year gave up their right to this supplement. They still have low pensions, but do not want this supplement, as they do not want their children (heirs) to give back any funds after. Now, if we can say that their children (heirs) will jump in and support them (instead of public funds support they received before), then the situation is ok because the solidarity on micro (family) level will intensify. But, what if their children (heirs) will not do that? How will these pensioners live what will the quality of their life be?

We are carefully monitoring the developments and will respond (with changes in legislation) if needed. Our example illustrates how sensitive the system changes are and how important is to consider different aspects of solidarity when we intervene in our social protection systems.

CLOSING REMARKS

At the end I would like to point out that in Slovenia we are convinced that further promotion and development of intergenerational dialogue and solidarity is of crucial importance for building more inclusive society and for better quality of life of all generations.

Thank you for your attention.