



AGE Platform Europe Policy Statement

Assessment of the European Semester 2020:

Focus on health, blind on long-term care?

With country perspectives from Austria, Denmark, France, Germany,
Malta, Netherlands, Spain and Sweden

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Table of contents

Executive Summary: positive reactions in the European Semester, while crisis is raising the stakes.....	3
Introduction.....	4
Part I: The Country-Specific Recommendations after COVID-19.....	5
General assessment: a partial revolution in the CSRs.....	5
Austria.....	7
Belgium.....	8
France.....	11
Germany.....	12
Spain.....	14
Part II: The European Semester before the COVID-19 crisis.....	16
Annual Sustainable Growth Strategy: a positively new discourse, but some unaddressed areas.....	16
Austria – Country Report.....	19
Denmark – Country Report.....	19
France – Country Report.....	20
Germany – Country Report.....	21
Malta – Country Report.....	23
The Netherlands – National Reform Programme.....	26
Pensions.....	26
Spain – Country Report.....	28
Sweden – Country Report.....	30

Executive Summary: positive reactions in the European Semester, while crisis is raising the stakes

The COVID-19 crisis has profoundly affected the EU's social systems and economy, and the European Commission has taken a revolutionary step to adapt the European Semester to this urgency: the triggering of the General Escape clause and the high attention on (re)building health systems, ensuring social protection coverage and promoting digital and green investments can only be welcomed. In this contribution, AGE comments on the main developments in the European Semester, including the documents that predate the COVID-19 crisis. AGE's main contribution on the recovery remains its [working paper on the recovery from COVID-19](#). AGE also developed [an equally relevant contribution on the human rights implications of the COVID-19 pandemic](#).

- **AGE welcomes the shift in the Country-Specific Recommendations with a special focus on health care, inclusiveness of social protection and green and digital investments.**
- However, **long-term care**, a sector where dramatic shortcomings have been laid bare during the COVID-19 crisis, is largely left out of the recommendations
- **Aligning the Semester to the European Pillar of Social Rights and the Sustainable Development Goals is to be welcomed.** However, the underlying emphasis of the SDGs on leaving no-one behind is not sufficiently present as a concern in the ASGS nor the Country Reports. For example, **Poverty is not mentioned in the ASGS, and social exclusion is reduced to its relevance to the labour market. Social isolation, housing exclusion or energy exclusion are not mentioned in the ASGS.**
- The **emphasis on greening is positive** and the fact that the approach does not only focus on green investments, but also on a digital and green skills initiative for individuals is helpful. It **should be further stressed that green investments should be investments with a high social impact:** low-energy social housing or public transport for instance
- Employment policies are mainly mentioned in terms of the challenges to provide skills for the labour market. **Vulnerable groups mentioned regarding the labour market do no longer include long-term unemployed and older workers.** Emphasis is put on protecting those who have lost jobs and incomes during the crisis, but the **previously unemployed or inactive should remain in the focus of labour market policies.**
- **Territorial disparities and solutions to reducing them are not sufficiently integrated; given the challenge of rural and remote areas to maintain public and private services and quality of life; and the resulting social unease that bears the risk of fostering populism**
- The **emphasis on 'fairness' rather than social justice could translate into a lack of attention to the most vulnerable;** this attention should not be lost and even increased
- The **focus on gender equality seems to have shifted** to include only the issues of younger women challenged with childcare responsibilities, **not with informal long-term care and assistance. References to the Gender Gap in Pensions have disappeared from ASGS and country reports.**

Introduction

The COVID-19 crisis has changed the face of the European Semester, and impacted profoundly the way AGE worked with its members to collect feedback on the different steps in the Semester. While IAGE had prepared a submission based on the Annual Sustainable Growth Strategy and the Country Reports, the crisis meant a reorientation of member States' and the EU's policies, but also the unveiling of blatant deficiencies in health and long-term care systems – many of which have been existing before the crisis and pinpointed by AGE and other civil society organisations in the work on the Semester before.

In March and April 2020, AGE collected numerous practices, testimonies and recommendations from AGE members who themselves were experiencing the frontlines – those in the spotlight, as in hospitals – but also those left by and large outside the spotlights, in residential long-term care services, where in some member state more than 50% of fatalities due to COVID-19 were taken place – at least, so is the suspicion, as long-term care services with rising fatalities were often not provided with testing, protective equipment, nor treatment, meaning that the causes of many deaths remains unaccounted for.

The soaring numbers of people having to rely on social protection and social assistance place a heavy burden on the EU and member States, who have committed to 'leave no-one behind'. Issues of access and adequacy of social protection have become more burning – in the short-term for those who have lost incomes, but also in the longer term, as the debt burden might bring societies again towards the calling into question of essential social protection arrangements, such as pensions.

The EU and the European Semester must react to this – and it by and large has, by triggering the General Escape Clause and centring the Country-Specific Recommendations on health, social protection, and investment to recover from the crisis. However, this renewed attention to some social policies should not lead to overlooking other burning issues: first and foremost the quality, financing and availability of long-term care, but also the need older jobseekers will need in the event of mass dismissals, the adequacy of pensions and minimum income schemes in light of rising housing costs, or the need to invest into the adaptation of living- and workplaces to the needs of an ageing society.

This contribution is divided into two parts:

- Part I provides AGE members' comments on the Country-Specific Recommendations 2020, which take into account the new economic situation due to the COVID-19 crisis. It also reiterates [AGE's proposals for the recovery from COVID-19](#), published earlier this year, as recommendations for further economic policies in the EU
- Part II provides AGE's work on the Annual Sustainable Growth Strategy, Country Reports and National Reform Programmes, which by and large were drafted and adopted before the extent of the COVID-19 induced crisis were known. As many shortcomings exposed during the crisis have their root in pre-existing deficiencies, especially in the fields of health and long-term care, this assessment is still valuable.

Part I: The Country-Specific Recommendations after COVID-19

This part concentrates on the Country-Specific Recommendations and is intended as a short comment on what is missing and how to implement the recommendations issued. AGE has published a general [Working Paper on the recovery from COVID-19](#), for which contributions and comments are welcome.

General assessment: a partial revolution in the CSRs

By triggering the general escape clause and centring the 2020 CSRs on economic support for the recovery and on health, the Commission and Council have taken important steps that could amount to a revolution in the Semester process. Where in the past, the process has often recommended cost savings in sensible areas such as health and long-term care, public investments or pensions, this year's recommendations take an expansionary stance, promote public investments, income support for workers persons in other forms of occupation who have lost their revenues during and after the lock-downs and recommend for all EU member state to increase the resilience of the health system.

Recommendations to strengthen the resilience, investment and capacity of health systems can only be welcomed. What is lacking in addition to this is taking a preventive approach to health beyond focussing only on hospital care and crisis relief in case of disease. Notably, the [objectives of the World Health Organisation's Decade on Healthy Ageing](#) could be streamlined into the European Semester in future editions.

However, **long-term care is often absent from the recommendations**: only recommendations for two member States (Portugal and Slovenia) mention long term care – while in many member States, over 50% of the COVID-19 related fatalities were taking place in these settings. The vulnerability of the residents of long-term care facilities has been exacerbated by lack of resources in terms of staff, personal protective equipment, access to medical treatment and testing and medication. In home care, services have been reduced or entirely abandoned, exposing home care recipients to unmet care needs and placing the burden of care on informal carers without access to training nor personal protective equipment. Lack of resources to implement reasonable physical distancing measures have led to social isolation of older people; even during their end of life access by close family members or psychological support have been stopped. More shortcomings have been documented by [AGE in its report on human rights and COVID-19](#).

In light of these shortcomings, stronger emphasis on the funding, working conditions and quality of long-term care would have been necessary in the 2020 CSRs.

Regarding **employment policies**, AGE members highlighted the risk to concentrate on youth unemployment only – an important issue for the years to come – at the expense of losing long-term unemployment and unemployment/inactivity of older persons out of sight. Due to the risk of restructuring and insolvencies, there might also be a risk of many older workers losing their jobs. Given low hiring rates, lack of access to adapted training and upskilling opportunities and persisting ageist

stereotypes in the labour market, these new jobseekers are at high risk of becoming long-term unemployed, jeopardising their chances to build adequate pension entitlements. Previous CSRs have mentioned older workers as a target group, but this has not been the case for some years. **Emphasis should be put on promoting employment of older workers specifically.**

The fight against poverty and social exclusion is at the heart of the recommendations on income support issued by the Commission, recommending to many member states to increase adequacy and coverage of social protection. However, these could be more precise. They focus on continued revenues for categories of workers and self-employed who have lost income during the lock-downs, and sometimes do not address preexisting factors leading to risk of poverty and social exclusion: inadequate benefits that do not protect from poverty and social exclusion, but also lack of access to benefits and high rates of non take-up. **The Commission should have recommended reviewing the conditions of access rather than only the coverage of benefits.**

Digitalisation is also a key topic in the Country-Specific Recommendations, with recommendations addressing digital infrastructure, skills, learning and digital access to public services. However, important barriers still exist for persons of all ages to access the digital world: these are not only related to the lack of skills, but also to the cost of equipment and subscriptions and lack of connectivity in some regions. While digitalising public services is certainly a way to increase efficiency and accessibility for many people, **offline avenues to access services should always be available, taking into consideration the barriers that still exist for many.** Especially during lock-down in rural areas, persons facing digital exclusion were also threatened by loneliness and isolation. Further **digitalising services also bears the risk of reinforcing the desertification of rural territories** as less 'physical' services are called for; therefore digital investments should also assess their impact on local communities.

The **green transition** features prominently in the CSRs, in line with the Commission's Annual Sustainable Growth Strategy. AGE supports the 'greening' of the European Semester as it translates our common responsibility towards younger and future generations. **Emphasis in green investments should be put on green investments with social impact**, such as energy reduction measures in social housing and households who could not afford renovations, clean and accessible public transport and green skills.

Austria

Analysis provided by Pensionistenverband Österreich

Support to the economy (recital 16): There were criticisms of the implementation of economic support measures for companies. The distribution of funds by the chamber of employers was seen as too bureaucratic and too slow, while the 450 million euros granted to Austrian Airlines were promised without conditions.

Health care system (recital 17): the Austrian health system has withstood the crisis, in many areas better than in other comparable industrialised countries. But the planned merger between health insurances is not managed professionally and will lead to financial problems in the future. The Federal State should guarantee payments in cases of health insurance insolvencies.

It should be reminded that the European Commission has repeatedly called for severe cuts in health care funding – even in the latest Country Report 2020 of 26 February. It was criticised that expenditure in hospital care and on medication were above the EU average – which turned out to be an advantage during the COVID-19 crisis.

Long-term care (recital 17): The Commission is right in its assessment that long-term care is facing structural and fiscal challenges, which were still not addressed. It is also positive that the Commission highlights the need to ensure intra-EU mobility of workers and to increase the attractiveness of care professions to maintain the system.

Tax system (recital 18): The assessment that the Austrian tax system relies heavily on labour taxation is right. The Commission foresees a stronger shift towards wealth-based taxes. A time-limited wealth contribution, a time-limited increase of the highest tax rates in income tax, a raise on taxes on dividends would be suitable to cover the costs of the COVID-19 crisis. No mention is made about fighting tax avoidance by large corporations.

Unemployment (recital 19): The Commission makes a due assessment about the problem of youth unemployment. However, there is no mention of the problem of unemployment among older workers. The question is also unaddressed by the Austrian federal government. A good recommendation would be to fund 40,000 jobs for public-benefit activities for older employees, whose cost have been evaluated at 27 million euros).

Education (recital 19): The Commission is right also to describe the rise of pre-existing inequalities in the educational system due to the COVID-19 pandemic.

Insolvencies (recital 20): The Commission pinpoints the problem of future insolvencies due to the COVID-19 crisis. Especially strategies to prevent the emergency sale of strategically important companies are necessary. There are no solutions as of yet provided by the Austrian federal government, a federal agency to take parts in such companies would be necessary. In the past, there was an instrument to take

over insolvent companies, to restructure and to partly reprivatise them, the *Gesellschaft für Industriepolitische Massnahmen (GIBI)*.

Public investment (recital 21): The Commission recommends the front-loading of public investment projects, which is unquestionably positive. Austrian infrastructure is relatively well-maintained in EU comparison, however there are still urgent investment needs in the areas of public transport, education and childcare, energy supply and efficiency, housing and digitalisation.

Additional recommended measures would be:

- Increase of purchasing power through a reduction of income tax for low incomes, as well as a negative tax for people who are not subject to income tax (because of too low incomes)
- Increase of unemployment benefits towards 70% of net replacement rate.
- Guaranteeing the financing of the long-term care system through taxes on heritage, investment into more staff and increase of mobile care services
- Investment offensive into education
- Guarantee the sustainability and adequacy of the pension system and enshrine the well-tested pay-as-you-go system in the constitution

Belgium

Assessment provided by Vlaamse Ouderenraad

Resilience of the health system (recommendation 1): We wholeheartedly support this recommendation, however we are convinced that further elaboration is necessary. Below we highlight the issues that should be covered in the recommendations adopted by the Council:

Health:

- **Ensure coordination between the different governments and ministers** responsible for healthcare. The fragmentation of health policies prohibits an effective organization of the Belgian healthcare system. The current pandemic has proven once more that ineffective coordination on policy level leads to chaos in the field. There was a lot of confusion and frustration because of the lack of deliberation. If we want to address future pandemics more effectively, partnership, direct/open communication and a joint approach are necessary.
- **Ensure cooperation and exchange between different forms of care** as residential care centres, local services centres, family care,... Especially the cooperation between long term and acute care and between residential and ambulatory care needs to be intensified. The current pandemic has proven that in times of urgency, intense cooperation is possible. We have to take profit of this momentum. The fragmentation of care should be addressed to ensure cross-

domain collaboration. In situations of crisis these efforts will contribute to the quality and continuity of care.

- **Improve the financial support of care for older persons**, especially the residential care centres. Care has been underfunded for years. The funding is not adjusted to the high care needs of the older residents. This sometimes results in poor quality care. It also leads to high care costs for the care user, because care centres often provide additional care and/or employ more nurses than they are funded for. These costs appear on the monthly bill of the residents.
- **Address the shortage of health workers**. In normal settings the amount of staff barely meets the needs of the residents, in times of crisis it becomes an almost impossible challenge to provide the necessary care.
- **Improve working conditions for nurses in residential care centres** for older persons by amplifying the number of staff, by providing a more diverse mix of professional profiles and competencies and by investing in the exchange of expertise between residential care and hospitals.
- **Adjust the organization of the residential care centres** for older persons. Research is needed to discover how we can organize the residential care more in sync with the health and psychosocial needs, expectations and wishes of older persons. To give new initiatives such as small-scale living, or intergenerational projects more opportunities to develop, regulations should be altered. The current crisis emphasizes the medical needs of the residents, but this shouldn't minimize the attention for the physical, psychological and social needs of the elderly.
- **Provide continuous training to healthcare professionals** on basic hygiene rules, how to deal with crisis situations, how to react to a pandemic, ... Furthermore, also counselling and psychological support should be given. Especially in the aftermath of the pandemic we should pay attention and protect the mental well-being and resilience of care workers. The pressure on health care will not disappear overnight and it is to be expected that the intense period we went through will show its effects on the mental health of the professionals on the frontlines in the near future.
- **The mental health care system should be accessible for and meet the needs of all inhabitants**, regardless their age. The high costs of private mental health care and the long waiting list for public mental health care impede the access for a large number of people. At the moment there is a variety of campaigns to raise awareness and there are some actions targeting specific groups in the society, such as younger people. But a structural and overall course of action is missing. Extra funding is necessary to invest in the prevention of mental diseases and to embed and connect mental health care with other care settings such as residential care centres.



- **Recognize informal caregivers** and offer them the necessary support. So that they can combine care tasks with other roles and balance the informal care with their professional lives in a healthy manner. They should be able to count on support from professional caregivers and have access to mental health care or support groups to protect their well-being.
- **Invest in advance care planning and end of life care.** All older persons should be informed whether to make an advance care plan. This plan can make the difference and be an important indicator in situations of acute health risks. It is troubling to know that a lot of older people, even residents of residential care centres, do not have such a plan. And if someone has an advanced care plan, the quality of the existing plan is often poor. They are drawn without the necessary intense guidance and do not reflect the wishes of the person. In other cases the plan was once created, but has not been adjusted to the altered health needs and care expectations of the person. The COVID-19 pandemic has once again proven how fast situations can shift to life threatening. When tough choices have to be made at the end of someone's life, an early care plan is indispensable. Equally important is end of life care. More funding is needed to ensure that, even in times of crisis, the last moments can be experienced in a humane manner. Both for the person who is at the end of life, his or her loved ones and the professional care givers.

Poverty and social exclusion

- **Invest in an e-inclusion policy.** Due to the isolation measures, more people are digitally active, including older people. But this is not obvious for all of them. Not everyone has access to a computer, tablet or an internet connection, or they lack the necessary skills. Therefore, it is vital that all citizens have access to digital technologies and excellent offline services. Furthermore, education is crucial and required to increase their digital skills. Especially in times of crisis it is important to reach this digitally excluded group.
- **Invest in neighbourhood networks and neighbourhood-oriented care.** These networks and form of care give older people the needed support to live in their own environment for as long as possible. Extra attention should be given to people in a vulnerable position. In times of crisis the existing networks can be an important safety net for them.

France

Assessment provided by AGE France

The Commission recommendations are based on sound analysis and are much in line with the recommendations made by AGE France before the COVID-19 crisis.

Territorial inequalities (recital 9): inequalities among territories have been pinpointed, which was one of the two major highlights of AGE France's recommendations 2020. The pandemic has shown the importance of the local network of initiatives in the territories, the role of local mandate-holders, charities and neighbourhoods as main tools to fight isolation

Employment of older persons: this was the second highlight of AGE France's contribution. In the upcoming period, a lot of attention will be put – rightly – on youth unemployment, but both unemployment among younger and older persons are interlinked. Promoting employment for older workers will enrich and stimulate labour markets also for younger jobseekers. It must be avoided to relive the lump-of-labour fallacy where older employees were supposed to leave into pre-pension to give a job to a younger one. The mentioned support measures are to be welcomed and justified. The one group which is not sufficiently highlighted are liberal professions and self-employed, of which some have been without any income during lock-down and who will not recover their previous amount of activity.

Health (recommendation 1): the recommendation mentions a balanced distribution of health care staff. In the current political context, it would rather be necessary to mention the improvement of working conditions in the care sector. This will induce short-term, but not necessarily long-term costs, as reductions of expenditure have a long-term financial and human cost. The pandemic was an important reminder for this.

Renewable energies: It is important not to forget the coherence between investments and return on investment for the community. Impact assessments preceding investment into energy should consider all associated costs, direct financial costs, but also impact on the environment (plants and animals), the local economy (tourism, agriculture, real estate), health of residents and landscape.

Germany

Summary of positions by the National Association of Senior Citizens' Organisations (BAGSO - Bundesarbeitsgemeinschaft der Seniorenorganisationen)

While the crisis has shown important deficiencies in long-term care and the income support system, no recommendations are made on these two aspects by the Commission. Below is a summary of BAGSO's recommendations regarding the reform of the health and long-term care system, and, in light of the recommendation to invest into digitalisation, remarks about inclusive digitalisation

Health

The German health system is not prepared for the increasing demand for gerontological health needs. Geriatric health offers should be increased across the territories and close to older persons' homes. Older people with chronic diseases should be taken in charge by multi-professional care teams, including psychological and social care. Rehabilitation services need to be expanded. [BAGSO made proposals for the expansion of geriatric services.](#)

- The health system is not adapted to chronic diseases and multi-morbidity, which require different approaches than acute medical care. A holistic perspective on the needs of a person is needed
- Geriatric capacities need to be increased at all levels of the health system, in ambulant and hospital care. All health care professionals should have geriatric knowledge and training opportunities must be developed in this sense.
- Geriatric needs must have an impact on the staffing of services, it is not acceptable that older persons are put on tranquillisers because no staff is available in nursing homes. Guidelines for the treatment of older and very old persons need to be developed, as well as protocols taking into account co-morbidities and combinations of diseases
- Medicines, especially the ones massively used with older patients, need to be tested with older persons. Compatibility and interactions between different treatments need to be researched and lists of drugs that are unsuitable for older persons must be made better known.
- New concepts are needed to cover rural areas with geriatric caregivers.
- The concept of prevention and rehabilitation in care needs to be implemented more consequently.
- Health skills among older persons need to be improved.

Long-term care

There is no adequate overall concept for long-term care. Varying amenities are available to persons in need for care and assistance based on the form of care (residential or ambulant) they receive. Care providers are not incentivised to promote health, as they will receive higher allocations for higher care needs, while those who only rely on statutory care insurance do not have access to all facilities. Persons who require assistance, but do not fit into the official classifications for care, do not have access to benefits. The distribution of roles in the health and care system means that beneficiaries need to get through a substantial amount of paperwork. [BAGSO made proposals for the further development of the long-term care system](#). Specifically in the context of COVID-19, BAGSO issued several statements on the situation of older people in care institutions, with a special focus on [reducing social isolation among the residents](#).

Informal carers also need better conditions, a care leave that is based on the same principles of parental leave should be introduced (Cf. [BAGSO's proposals for informal carers](#)). Currently, ¾ of persons with care needs and 2/3 of persons living with dementia live at home and are most often cared for only by informal carers – in two out of three cases women. The systemic relevance of informal care is not sufficiently recognised, as exemplified by lacking protective measures for informal carers during the COVID-19 pandemic. [BAGSO called for a better recognition and protection of informal caregivers](#) during the pandemic.

Digitalisation

While advancing digitalisation is important, it is just as important to reduce the digital divide by improving older people's access to digital media, as 12 million people are digitally excluded in Germany – 95 % of them are 50 years or older. Older persons are more likely to use PCs rather than mobile equipment to go online, and more heavily rely on other family members to support them in using the internet. Changes in older persons' online behaviour are almost exclusively linked to the effect of internet users growing old, rather than people in older age starting to use the internet. [BAGSO has made proposals](#) for this, *inter alia*:

- Provide access and enable opportunities, for example by providing free access in public spaces, such as libraries, accompanied with digital literacy initiatives. These should be accessible to persons with disabilities. Municipalities have a responsibility for creating such spaces and ensuring their services remain accessible for all users. Especially in rural areas, initiatives promoting access should be reinforced. The same holds true for retirement and nursing homes and health care facilities, where financial means of older persons are often very limited. Public funding for such facilities should be conditional upon granting free public Wi-Fi.

- Reduce barriers and create trust. Online content must be further brought in line with accessibility standards and the UN Convention on the Rights of Persons with Disabilities. Design of applications must be made more self-explanatory. This is an important market opportunity especially for start-ups that can be supported by the public sector.
- Take up responsibility for a safe internet. Older persons, being less digitally literate, are often victims of online fraud. Education and learning initiatives can overcome their vulnerability, but also their fears of using the internet because of the risk of fraud. The legal responsibility of service providers for security should however be strengthened.
- Promote media literacy. There are no concepts and concrete measures for promoting digital skills of persons of and above retirement age, apart from localised and time-limited projects. There should be regional and federal strategies for IT education of older persons, including through formal education providers (which usually do not target older persons), public media and state media authorities.
- In the context of the current COVID-19 pandemic, BAGSO has issued a [call for the provision of a basic digital infrastructure in care homes](#). This became particularly urgent due to COVID-19 and the increasing necessity for residents to connect to their loved ones via digital media. BAGSO included five necessary steps. For example, every institutional care home must be equipped with Wi-Fi for the residents by the end of 2020, as well as with the necessary devices such as tablets and smartphones. In order to make digital communication easier for people with no previous knowledge, all devices should in the future be equipped with uniform, self-explanatory software. In addition, caregivers need to learn how to use the devices and help older people use them.

Spain

Comments provided by ASPUR

Despite the fact that paragraph 19 of the ‘whereas’ states that ‘**Persons with disabilities and the elderly in residential care have been particularly exposed** during the crisis. Their continued access to medical and social care, including emergency and intensive care services, needs to be ensured,’ we miss concrete proposals; there is no a single mention of the need for a clear redefinition of the health capacities of the residences and their relationship with the public health system, in order to create a new model common to the whole state. Long-term home care of older persons is also forgotten, as well as the need to improve the training of specific personnel for the care of the elderly.

On the other hand, in points 20 and 21 of the recitals, refers to ‘**reviewing the system of hiring incentives** to better promote sustainable forms of employment, notably for young workers’ (20) and proposes some guidelines. However, there is not any mention of promoting measures or incentives to



support older jobseekers in the search for employment, so once again they are the forgotten ones when establishing programmes or incentives for employment

In recital 22, when talking about **poverty and social exclusion**, it is stated that ‘Social protection expenditure remains highly oriented towards older people, and the level of expenditure on pensions is set to increase significantly in the medium to long term, should the announced departures from the 2013 pension reform be made permanent and no adequate compensatory measures taken. The difficult economic and social context resulting from the pandemic instead calls for intergenerational solidarity in favour of the younger generations.’ What it does not say is that, precisely from the funds of the social security system that should be used to guarantee pensions, since they are fed by the contributions that workers and companies make essentially to ensure the contingency of retirement, other types of social aid are being financed that have nothing to do with retirement, such as, for example, the universal basic income which, like any other measure of this nature, should be financed from the general state budget. It seems to be more and more necessary to devote a chapter to the subject of pensions in which an in-depth analysis is made of how the funds created to guarantee them should be fed and to ensure that these funds are used only to pay pensions.

Finally, **coordination between all state administrations** and the need to reach a broad agreement by all or, at least, most political parties is becoming extremely important.

Part II: The European Semester before the COVID-19 crisis

Although the changes due to the COVID-19 crisis warrant a new approach that takes into account the new context and the Commission's adapted response to it, the work conducted before the outbreak by AGE members on the European Semester is still relevant: many of the issues in health, long-term care or social protection laid bare during and after the crisis have their roots in pre-existing shortcomings. The contributions below refer to the Annual Sustainable Growth Strategy, the Country Reports and the member States' National Reform Programmes.

Annual Sustainable Growth Strategy: a positively new discourse, but some unaddressed areas

AGE overall welcomes the new structure of the [Annual Sustainable Growth Strategy \(ASGS\)](#) and the priorities for the new European Semester, including the integration of the European Pillar of Social Rights and Sustainable Development Goals into the Semester. It is coherent to also introduce environmental sustainability into the Semester. AGE would like to raise, however, a number of concerns that should be observed in the implementation of the priorities.

Governance

While the ASGS 2020 emphasises the importance of better involving the European Parliament, the process still does not give a statutory, decisive role to the EU's directly representative body. Beyond the involvement of social partners, nothing is said about involvement of civil society at national and regional level, the role of national and regional parliaments.

The Commission should fully integrate the need for consultation with national and regional Parliament regarding the national priorities in the European Semester (National Reform Programmes) as well as give guidelines to member states for the involvement of national civil society on the NRPs.

Environmental Sustainability and older persons

Sustainability is a welcome aim of EU policies. Emphasising the need for 'just transitions' and additional support to affected regions and job categories seems the right approach to ensure the social sustainability of environmental measures. However, certain considerations have to be taken into account:

- A major aim should be the **reduction of energy consumption through public support to insulation measures in public buildings and dwellings**. Older persons and families should be the first beneficiaries of such measures. When supporting the transformation of buildings or the construction of new buildings, the Semester and the EU climate funds should also develop accessible spaces or, regarding housing, develop housing solutions that can easily be made accessible to residents who develop an impairment.



- The development of **local renewable energy sources** should be privileged, bearing in mind they do not induce pollution in other countries where raw materials are sourced and that they should not penalise territories regarding the development of sustainable tourism and the value of real estate, agriculture and livestock production. They should also contribute to health of residents and biodiversity.
- While developing forms of transport to reduce energy consumption, due attention should be paid **not to increase the desertification of rural areas** and isolation of older persons. Transport should be accessible, on-demand solutions should exist for those who have special needs and carsharing, ridesharing and the development of cycle paths should be privileged.
- **Easily accessible public services**, including one-stop shops should be developed close to public transport services in rural territories in order to fight isolation of older persons who might not have access to digital services

Productivity Growth

- While the emphasis on digital skills, reskilling and upskilling seems to be the right approach to increase productivity while being inclusive, attention should be paid **that these opportunities are not only available for people active in the workforce**. Digitalisation creates new barriers that might exclude inactive people and people who have left the workforce because of retirement or a disability/health condition. To maintain cohesive societies, it is important to **especially promote the skills, including digital skills, of these most excluded groups**
- Policies **regarding long-term care and health should also figure in the priorities regarding improving economic productivity**, as labour market participation of older workers and especially women depend on the health status of workers and long-term care services for persons in need for care and assistance.

Fairness

- There is a positive focus on fair working conditions, including for digital workers/new forms of work; **this should however not be translated into the erosion of the status of standard employment**
- The focus on women in the labour market is a good approach, but not sufficient. Child care is mentioned but **not long-term care, a major challenge in light of the ageing of society** and corresponding increased long-term care needs, which will hamper the labour market participation of mainly women if they stay unaddressed. Contrary to previous Annual Growth Surveys, **the reference to the gender pension gap has disappeared**.
- Promoting **fairness via skills**, social protection and fighting exclusion is a positive approach; **attention should be given to these policies to be truly inclusive**, i.e. reaching also those who are not or no longer active in the labour market
- **Loneliness and isolation**, a serious problem for many older persons with a direct impact on social inclusion, mental and physical health is not mentioned nor addressed. The same is true for the other aspects of social exclusion that are not linked to the labour market: the fight against poverty and material deprivation
- The chapter mentions focus groups including persons with disabilities, Roma, migrants. However, **older workers and long-term unemployed have disappeared from the focus**.



- The reference in this chapter to the need to invest in health and long-term care systems is good, however there is **no mention of quality care and care to support the autonomy of persons as key drivers for social inclusion**
- The chapter contains a **positive remark on the need to remain ‘cohesive’**: access to healthcare and quality education in the territories; accessibility to mobility It is important that this territorial dimension is fully included; **AGE will continue to monitor the process on the Green Paper on Ageing and the new Commission’s approach towards rural areas to ensure it includes the dimension of quality of life in these areas.**
- The ASGS recognises the importance of fairness and taxation as foundation for the financing of social protection with very positive language; **however, there is still a focus on labour market participation and not on fairness beyond the labour market**

Macroeconomic stability

- **The founding paradox of the European Semester remains:** ‘make swift process to reduce debt without jeopardising investment’
- It is **positive that the ASGS mentions the sharp increases in housing prices.**
- While pension reforms have been among the most quoted reforms in the European Semester, they are not mentioned. **There is no indication about the way on how to reconcile the objectives of adequacy and sustainability in pensions.**

Austria – Country Report

Comments provided by Pensionistenverband Österreichs

Pensions

The projected share of GDP dedicated to pensions is projected to only increase from 13.9% in 2015 to 14.4% in 2060, despite the increase of the share of 65+ relative to the total population by over 10%. Workers with long careers (45 years) can leave the labour market with 62 years of age with a full pension. Minimum pensions for singles with 30 and 40 contribution years have been increased, as well as minimum pensions with 40 contribution years of one spouse. The statutory pensions have been indexed higher than inflation in 2020 – the highest pension increase in 25 years.

Employment

Between 2017 and 2018, the ‘Aktion 20.000’ aimed to increase labour market participation of long-term unemployed, with much success. The action was halted by a new government, resulting in only 3.800 new persons in employment thanks to the programme. The action was reintroduced in September 2019, with 50 million euro in the federal budget dedicated to older jobseekers. Until the end of 2020, 5.000 long-term unemployed should be reintroduced in jobs.

Long-term care

Long-term care is financed through taxes at all levels (federal, regional and municipal). The Older citizen’s Council is in favour of continuing the financing of long-term care through taxes, instead of introducing a long-term care insurance.

Denmark – Country Report

There have been several improvements in the old-age pensions. A calculation from the Ministry of Finance showed that it was more advantageous for an average worker to save outside a pension scheme than inside. Calculations showed the combined effect of taxation on pension schemes and the reduction of the state pension due to income testing, especially when pensioners approach retirement age. As a solution, larger tax deductions were introduced for contributions to pension schemes. This helps people currently accumulating pension funds, but comes too late for those already retired.

In the labour market, older persons seem not to have problems to stay in their jobs alongside rising retirement age. However, older workers who lose their job find it more difficult to find a new one. A new type of disability pension has been introduced from January 2020 for people who have exhausted their unemployment or social assistance benefits and have six years until retirement.

The indexation of state pensions was increased and brought in line with wages (after having been under-indexed for more than 25 years) and income testing was reduced temporarily.

Concerns persist about the quality of health and long-term care services, although access is free.

France – Country Report

Summary of the contribution from AGE France. Full contribution [in French](#) and in [English](#)

Note that this contribution was made at a time when the COVID-19, crisis had not yet fully developed

- Globally, the analysis from the Country Report is accurate
- However, the specific situation of older persons is not addressed anywhere in the sections on employment policies and on education, life-long learning and training
- The problem of desertification of rural territories and their needs is unaddressed
- Contradiction between certain new measures and the increased complexity of administrative and fiscal rules is not addressed
- For the two headline projects concerning older persons, the pension reforms and the ‘Plan Grand Âge’, the financing is not yet guaranteed
- The deterioration of the social climate in France is not highlighted, although it has a strong impact on reform plans, which is in contradiction of the Commission recommendations to make the European Semester more inclusive to stakeholders

Key challenges for France:

- High government debt close to 100% GDP, which poses high risk in case interest rates rise. Structural reforms are under discussion, but for the moment they have not shown an impact on the reduction of the deficit, the social context having rather increased spending
- **Labour markets** are improving, but the unemployment rate stays at a comparatively high level. While reforms for the training system, both initial education and life-long learning, have been started, it is too early to measure the effects. However, the increase of pensionable age will require additional measures to enable older workers to stay in the labour market. This requires a clear policy of managing careers and life-long learning, by including all policy levels: national, local and companies. Developing labour markets for older persons is a precondition to reform pension systems. Raising the employment rates of older persons towards the EU average over the next five years should be a national target. Retirement age should be made more flexible, while access to life-long learning should be encouraged and expanded.
- Globally, the **social protection system** is rather efficient, but the proposed legislative changes to the health and long-term care system do not address the issue of financing. The medical and social sector suffers from the lack of financial means, difficult working conditions, lack of attractiveness as an employment sector. Therefore, human resources shortages are likely to increase. The gerontological health sector remains too segregated from generalist medical care.
- The **pension reform** which is currently debated is facing very complex issues. The aims of simplifying and of creating a universal, sustainable system are challenged by the multiplicity of existing systems, statuses and acquired rights.
- Issues linked to **rural areas and desertification**: while several social laws have been published which concern older persons (the ‘Plan Grand Age’), local implementation and lack of resources is an issue. There is a risk of developing urban communities while leaving behind rural areas and suburbs. Territories must become actors for adaptations to ageing. The 2015 reform (NOTRe law) has led to a further shifting away of public services from citizens in rural areas. There continue to be ‘medical deserts’ with an insufficient number of doctors and medico-social

services in some areas. An economic stimulus for rural areas and medium-sized towns is needed, supporting medical and educative infrastructure, local services and retailers, transportation facilities and social and cultural life.

- **Costs of housing**, such as rents, have increase strongly in large towns, forcing some older persons to leave for cheaper places, cutting social ties. At the same time, loneliness and isolation, often linked to mobility problems, are a major source of difficulties. Renovation is a challenge for older persons with low incomes or savings, driving their energy consumption, this is exacerbated by the difficult access to loans due to some financial institutions' age limits. Investment into intergenerational housing projects have the potential to tackle both the issues of inadequate housing and of loneliness and isolation.
- **Loneliness and isolation** remain key issues for older persons. To tackle this, loneliness should be better measured and identified. Territorial policies addressing loneliness should be developed and communication campaigns should raise awareness for the issue, triggering also volunteering and solidarity from civil society.

Germany – Country Report

Summary of positions by the National Association of Senior Citizens' Organisations (BAGSO - Bundesarbeitsgemeinschaft der Seniorenorganisationen)

Health, Long-term care and digitalisation

Please refer to the analysis provided for the implementation of the Country-Specific Recommendations.

Housing costs and adaptable housing

The Country Report highlights the high share of persons facing overburdening through housing costs, especially older persons.

According to a 2019 DIW report, more and more older persons are owning their dwelling. Older tenants are spending a much larger share of their income on housing. For both tenants and homeowners, the share of costs for housing in their incomes as increased significantly over 20 years; for 2/3 of older tenants, housing costs exceed 30% of their income and almost two fifth are overburdened (housing costs exceed 40% of income). There is a need to expand the construction of social housing, with particular attention paid to the needs of older persons. The housing allowance should be improved.

The average pay-out of the statutory pension insurance increased by 20% between 2006 and 2016, while rents increased much faster (by 77%). The at-risk of poverty rate of persons over 65 meanwhile increased from 11% in 2006 to 19 % in 2018, as noted in the Country Report. Increases of housing costs are disproportionally faster in urban areas. Particularly older tenants who have to move (for example for health reasons, passing away of a partner or to reduce housing costs by looking for smaller housing

units) are facing the explosion of renting costs, as they lose their older leases. The share of tenants is much higher for lower income groups of older persons (2/3 of the lowest income quintile) than for higher income groups (25% of the highest income quintile). Older persons living alone (to a great majority older women) are more likely to be tenants than homeowners. Another factor of polarisation is geography, with a much higher share of tenants among older persons in the former Eastern German regions (63%) than in the former Western German ones (41%).

DIW proposes the following recommendations to avoid the risk of increasingly overburdened older tenants and older persons living in inadequate housing:

- Support for homeownership to allow more persons to accede to ownership during their life-course
- Sufficient increases in old-age income, including statutory pensions, or support through housing allowance. Housing allowance is often not sufficiently increased in line with income and rent developments. Simplifying the application to housing allowance can increase the number of supported households. Measures in these sense should be complemented by measures containing increase of rents.
- Social housing should be further developed, as older persons with low incomes were also likely to have low incomes throughout their career and therefore to be unable to accede to homeownership. There is especially a need for social housing adapted to the needs of older persons: smaller units meeting accessibility requirements. Supporting construction of age-adaptable social housing in urban areas will also free space for younger generations and families, as older persons are enabled to move to more suitable housing units.

Malta – Country Report

Summary of comments provided by, National Association of Pensioners. [Link to full contribution](#)

According to an IMF report issued in February 2020, Malta's growth has become dependent on domestic demand, requiring the addressing of a number of key challenges. The comments below should be seen in this context.

Pensions and fight against poverty and social exclusion

The Country Report warns about the challenge of pension sustainability linked to the relative increase in the number of pensioners, compared to those of working age and referring to changed indexation rules that should contain some of the pension outlays. However, this analysis is flawed. The changes referred to are changes to the way pensions are increased annually: for persons born before 1962, pensions increase according to the announced evolution of living costs, whereas for persons born in 1962 and thereafter, they increase as correlated to 70% in line with national average wage and to 30% in line with inflation. As a result, while the pensions for persons born before 1962 are capped at 12,635 € annually, those for people born on and after 1 January 1962 are capped at 24,650 € annually. What is more, the maintenance of two different systems distinguished by birth date reinforces ageism and acts against solidarity between generations.

The Country Report states that the government increased pensions beyond indexation to address adequacy. However, this is a one-off measure that will not be sufficient to achieve the result of adequate retirement income. The Report states that State pensions have been increased by 4,50 € per week to address inadequacy, however only 2,17 € constitute the one-off increase, while the rest corresponds to the statutory indexation.

Another aberration of the pension system is the reduction of social security pension for those who are receiving a pension from their former employer ('service pensions'). A measure was introduced to phase this out over a protracted period of time, which can only be holistically effective for people retiring in many decades yet to come. While the Country Report seems optimistic about the outcomes of the Pension Strategy Group set up in 2018, pensioners' associations from different sectors are still sceptical about this group finding an equitable resolution of the anomalies of the system.

Pensioners' associations are refuting official arguments that the revenue accruing from Social Security contributions does not suffice to cover the payment of social benefits at current rates, let alone if these rates were to go up higher. The associations maintain that, according to the Social Security Act – Cap 318, Social Security work-related benefits, including pensions, must be paid out from Social Security contributions paid in by employees, self-employed, employers and the State. In 2018, € 966 million was collected in SSC, whereas expenditure of social benefits reached € 701 million, meaning a surplus of € 265 million, which goes to prove that the system on its own is sustainable, and therefore adequacy of pensions can be consequently positively addressed by drawing on these 'extra funds'.

While the number of people at risk of poverty and social exclusion is reportedly decreasing, the figures relative to pensioners show they are amongst the lowest earners of society and their risk of poverty and social exclusion remains high. While the ceiling for tax-free pension income has been raised, this is not enough to protect low-earning pensioners from poverty risk.

Social isolation and loneliness are problems for 2 out of 5 Maltese. 46.000 people do not feel positive about their life and 186.000 report some form of loneliness, the number one reason to call the local Support Line throughout the last decade. In the context of self-quarantining and quarantine linked to the COVID19 pandemic, this feeling of loneliness is becoming a stronger problem and should be tackled, especially among the group of older persons who report this.

Employment policies

Citizens over 60 years constitute one fourth of the Maltese population, and this problem of an ageing population is further compounded by the need to import foreign labour (apart from the high inward migration flows of people of working age), as companies report labour shortages which constrain their activities. The inward migration positively impacts the financial situation of the social security system. However, as the IMF report states, they also create an additional challenge because of the lack of infrastructure adapted to the increased population size. Population density is one of the highest in Europe, and transport and housing infrastructures are stretched beyond the acceptable limit. It is therefore unsustainable to count on further population growth to rebalance the pension system, so more long-term measures to guarantee adequate pensions should be identified.

With 46%, Malta has the second-highest gender pension gap in the EU, a gap which has been steadily widening since 2013. While some attribute this to the introduction of small additional pensions for women born between 1952-61 without sufficient contributions, that does not account as 'pension income' for the sake of the statistic, whilst it cannot mask the underlying structural causes of the gender gap in pensions, including lower labour market participation, lower share of women reaching senior positions, lower remuneration and lower average numbers of years in formal employment.

Employment of persons with disabilities remains one of the lowest in the EU, according to the Country Report. About 50% of the number of persons with disabilities in Malta were aged 61 years and more in a 2011 census.

Health and long-term care

The Country Report states that expenditure on health care is projected to increase considerably due to ageing, which is a reasonable prediction, considering Malta has one of the highest life expectancies in the EU. The Country Report also rightly pinpoint a high amount of out-of-pocket payments for visits to general practitioners, as 70% are carried out in private clinics. Despite this, self-reported unmet needs



for medical care are very low, therefore the system seems accessible. However, older people more predominantly are directed towards State Hospitals, as many have never been covered by private health insurances, and most immigrant workers also rather use State Hospitals than private clinics. There is a labour shortage in nursing – the Union maintains that the Public Health Service was 400 nurses short before the COVID19 outbreak in Malta in early March 2020 – but the State Health Service performs rather well. Waiting times for appointments with specialists have declined, but still remain for certain disciplines. However, the COVID19 pandemic is putting additional pressure on the system.

Long-term care is a slowly growing demand in Malta, and the government addresses this by contracting out private nursing homes and institutions. A Government grant (introduced in 2012) to elderly persons electing to remain at their own homes or stay with relatives and be independently cared for has been welcomed: those aged 80 years or over currently receive € 350, which is reduced by € 50 in cases where the resident is between 75 and 79 years. Statistics collated about disabled persons in 2014 reveal that over 80 per cent of the assistance they receive comes from relatives, with the rest shared amongst friends or neighbours, institutions and the Church.

Air pollution is a major problem, as Malta is one of the most car-dependent nations in the EU although having the shortest commuting distances. The country has the highest number of vehicles per capita. This directly impacts the health situation, as air pollution is such a high risk factor for many diseases in older age, first and foremost heart diseases and stroke.

The Netherlands – National Reform Programme

Comments provided by Older Women's Network Netherlands – [Full contribution in Dutch](#)

AGE members had the opportunity to comment on the draft National Reform Programme, albeit they have been given only very short time to analyse the document.

Pensions

There is an intention to give young people better pension rights for a year of work than people close to retirement age. While the reasoning seems understandable, the measure has the appearance of age discrimination and does not guarantee a fairer pension system.

Fluctuation in incomes both from interests and from equity appear to be stronger than they used to, affecting the returns of pension funds. If the differentiation between pension accrual rules for younger and older workers are introduced and pension systems further adapt to changes in the economy, the system will become more opaque to beneficiaries and create distrust between different categories of pensioners. **OVN therefore is against this reform proposal. Rather, the conditions for pensions funds should be harmonised and all persons with an income, both younger and older persons, should contribute.**

Volunteering by older persons

Older persons contribute tremendously to society and the economy. Since the economic crisis, many older persons have taken up the informal functions of carer and babysitter, relieving younger people from these duties; Three quarters of the 4.4 million informal carers in the Netherlands are over 60. **The contribution of volunteers and informal carers of all age categories, as well as grandparents involved in childcare, should be made visible in the economic and labour market analysis, to better value it socially and economically.**

Training and life-long learning

Life-long learning should be made possible through an appropriate offer. Available offers are focussed solely on participation in the labour market, missing the opportunity for learning aside and after the labour market.

Every older person should be allocated a personal development budget.

Research and Development

Society is challenged by the feeling of being left behind by many social groups who stay under the radar of labour market and economic statistics.

Social research into marginalised group, especially into the group of informal carers, should be safeguarded by earmarking 25 million euros into this.

Digitalisation

OVN believes that the opportunities of digitalisation are overestimated while the problems, challenges and costs are underestimated. Especially the cybersecurity aspect of digitalisation is downplayed: the security of many for an older citizen's aspects of life depend upon online passwords and it requires strong self-discipline and devotion to adopt all recommendations to stay safe enough online. In a society with 2.5 million people who have intellectual disabilities, this is not tenable, and many older citizens are struggling as well. **Therefore, every digitalised service should be matched by the possibility of a non-digital access. This should be rolled-out urgently as every day, there are citizens placed outside of society because of lack of access to the digital world.**

Transport

Older people are particularly affected by shortages in local public transport, a focus area of the NRP. However, focus is put on interurban transport and fast transport between larger transport hubs, rather than on local transport networks. Many bus stops are at 20 minutes or more of walking distance, making them inaccessible to many older persons. **An additional budget should be allocated for fine-grained local transport.**

Fight against poverty and social exclusion

The Europe 2020 Strategy and its implementation in the Netherlands links poverty and social exclusion to work intensity, thereby completely excluding people aged 65 and over from the monitoring. **In the follow-up to Europe 2020, older people and especially older women should be included in poverty monitoring and poverty reduction policies**

Poverty and social exclusion are serious problems in the Netherlands and the fact that they have AROPE rates below EU averages is no reason to celebrate. 17% are at risk, schools are worrying about the number of pupils coming without breakfast, foodbanks are used and a considerable percentage of older persons with the wish to die state financial reasons for this.

The multiplication of procedures for the different resources that people can request when they are in need makes the system inefficient and humiliating. **Municipalities should sit down with beneficiaries, especially with families with children, once a year to aim creating one-stop shops or streamlining benefits.**

Financial independence of women

Financial independence is not possible without flanking policies. First and foremost, childcare should be of good quality, reliable and affordable. **There must be a long-term policy so that people who want to found a family know what they can expect from the government.**

More formal care will have to be made available to enable women's increased labour market participation. This needs to be reflected in the public budgets. Men have to be enabled by policies and their employer to also take part in caring for children, persons with disabilities and older persons, to promote gender equality

European funds

ESF funds should be made available for the promotion of the expertise and the support of informal carers, including for providing training during and after the period of informal care.

Spain – Country Report

Comments provided by Jose Manuel Cela, ASPUR and supported by CEOMA

Despite some progress, the situation in Spain regarding older persons is still far from adequate. Certain aspects should be highlighted in the recommendations:

Pensions

There should be a section on the pension system in the recommendations. The Country Report states that risks to overall financial sustainability remain significant, that the government wants to permanently link pensions to the consumer price index again and to dissociate pension levels from developments in life expectancy. The Commission considers that this would increase pension expenditure significantly and reduce intergenerational equity.

This should be put into the perspective of the Commission's analysis stating 'the share of people at risk of poverty or social exclusion continues to decrease, but it is still high [...]. Older adults face a much lower risk of poverty or social exclusion than children, with 17.6% of people over 65 at-risk of poverty or social exclusion, 0.7 pps below the EU average.

However, the Bank of Spain¹ considers that the number of households at risk of poverty is higher today than in 2009 and the situation is particularly bad for families with heads of family between 45 and 65.

Any compensatory measures should establish mechanisms to ensure that the purchasing power of pensioners is maintained and that they contribute to reduce the risk of poverty among older persons.

Interventions in the area of pensions are mainly concerned with ensuring the sustainability of the pension system by reducing expenditure: raising of retirement age, reduction of pension levels and tightening the conditions for early retirement. **The last two measures represent a significant risk to increase the risk of poverty for older persons who have not yet reached retirement age.**

The Country Report does not look at two issues that have a major impact on social security spending:

- non-contributory pensions have been put into the budget of Social Security, rather than of the State budget before, while they are a responsibility of the government and not of social security
- The costs of the current expenditure for administration, staff and investment are put into the budget of the Social Security, reducing the resources available to the funding of pensions

1 Bank of Spain publications [Artículos Analíticos. La población en riesgo de pobreza o exclusión social en España, según la definición del Consejo Europeo](#)

There is a **need to provide information to workers about their future pensions**, to increase awareness for the need to put additional resources aside to ensure an adequate retirement income, particularly for the self-employed. The Country Report emphasises that most self-employed still opt for the lowest contribution rates, which does not allow them to build entitlements to adequate pensions and unemployment benefits.

Employment of older persons

All along the report, there are no references to the over 50s on important matters such as unemployment or risk of poverty and social exclusion. The only age category looked at is people aged 20-64, and unemployment rates of under-25s.

The only exceptions are twofold: the mention of a plan to increase support to the long-term unemployed, but which may discourage activation of older unemployed people, referring to the ReincorporaT plan. The plan makes additional resources available for public employment services to identify the needs of long-term unemployed and has an age threshold for eligibility, which was reduced from 55 to 52 years, and its duration has been extended until the recipient's statutory retirement age. Implicitly, **the Country Report therefore recognises the problem of long-term unemployment affecting older people, but there is a lack of concrete date to look at the situation.**

Secondly, the Country Report mentions the employment rate of older workers (55-64 years old) compared to the total employment rate of men (73.9%) and women (61.9%). **The situation of people between 30 and 40 has nothing to do with that of those aged over 50, so putting them into the same group is not an adequate way to reflect reality.** This is all the more important in the context of increasing retirement age to ensure sustainability of pensions and which holds the risk of increased unemployment among low-skilled people due to digitalisation and robotisation.

Skills and life-long learning

There is a need to improve and encourage training of older persons, especially related to the use of new technologies. The Country Report mentions low participation of low-skilled in adult learning and limited digital skills as weaknesses, but does not look at the age structure of digital skills. It is especially important for older persons, as digital technologies can both create new relationships to fight loneliness, but also reinforce isolation due to the reduction of public and private services and activities in rural areas, where many older people live and the digital gap is very real.

Additionally, it is important to highlight the **need to provide training and reskilling programmes to increase employability** of older workers and jobseekers.

Dependency and long-term care

The Country Report identifies **growing needs for long-term care** in the future due to ageing and the lack of public services to meet the demand, all while being concerned about the fiscal pressure of long-term care in the long run. It is difficult to identify a clear policy from these pointers.

Governance

The Country Report states that **coordination among different levels of government is important and remains a challenge** in policy areas where both national and regional levels are involved in reforms and the emphasises the need for stronger and sustained coordination between national, regional and local authorities.

In addition to this coordination, it is important that all administrations agree to use the same criteria and that these are harmonised at EU level. This would make it easier to measure the impact of different public polices and make comparison between different administrations and member States

In many sections of the country report, reference is made to ‘recent measures’ that have been implemented, without specifying which ones and without assessing the results of this.

Sweden – Country Report

Comments provided by SPF Seniorerna

Housing market

On Supply Drivers we would like to add that the housing stock is not used efficiently also for another reason. **There is a lock-in effect of seniors in both the rental market and in the owner-occupancy market.** Thus seniors tend to stay in apartments and houses that are too large for them and that are not adapted to ageing. This is to the detriment of seniors, but also to the entire society because seniors with care needs cannot stay at home but are forced to receive care services or move to an expensive care home, sooner than otherwise expected.

Employment and skills

The employment rate of the elderly is an area with strong potential for improvement.

Admittedly, the number of employed persons in the 65-74 age group has increased sharply in 2005-2018 by 117,000 persons to 193,000 seniors in 2018. This corresponds to 15 percent of the total increase in the number of employed persons in the Swedish economy.

Seniors' employment rate has increased from 9.9 percent in 2005 to 17.3 percent in 2018. In 2018, almost every fourth person aged 65-69 worked and more than one tenth person aged 70-74.

Seniors worked an average of 24 hours a week, and are over-represented in agriculture and forestry as well as in business services (consulting services).

At the same time, in 2018, there were 20,000 seniors who would like to work but did not, or who would like to work more than they did.

The contribution of employed seniors to GDP has more than doubled from SEK 51 billion in 2005 to SEK 122 billion in 2018. This is in par with Sweden's entire steel and metal industry, or the entire motor vehicle industry's contribution to GDP.

The government should invest in lifelong learning in the proper sense of the word. Priority should be given to education for older persons. Opportunities should be expanded for seniors to participate in further education and training, and to make access to study loans easier.

The high digital skills in the Swedish labour force must also include the senior labour force.

Fight against poverty and social exclusion

Every sixth pensioner in Sweden is below the EU limit for risk of poverty. This means that in just over ten years, Sweden has gone from having the lowest proportion of pensioners in the risk group to today having the highest in the Nordic countries.

On average a pensioner in Sweden – from the public pension – receives 1,200 €/month, before tax. Women receive on average a public pension of 1,000 €/month, before tax. Men receive on average a public pension of 1 300 €/month, before tax.

On average a pensioner in Sweden – in total pension – receives 1,600 €/month, before tax. Women receive on average a public pension of 1,300 €/month, before tax. Men receive on average a public pension of 1,900 €/month, before tax. Women's total pension before tax is only 68 percent of the men's pensions.

The pension system delivers too low pensions, approximately 10 percent lower than expected.

The pension system is financially stable from the perspective of the state, but not for all pensioners. The confidence in the system has decreased, among people of all ages. Wages, rents and food prices increase faster than pensions, therefore Swedish pensioner lose purchasing power every year.

Pensions must be raised for both today's and tomorrow's pensioners. The whole pension system needs to be revised. After 20 years under the current pension system, an evaluation is necessary.