



The Future of Social Protection and of the Welfare State in the EU

A focus on Italy



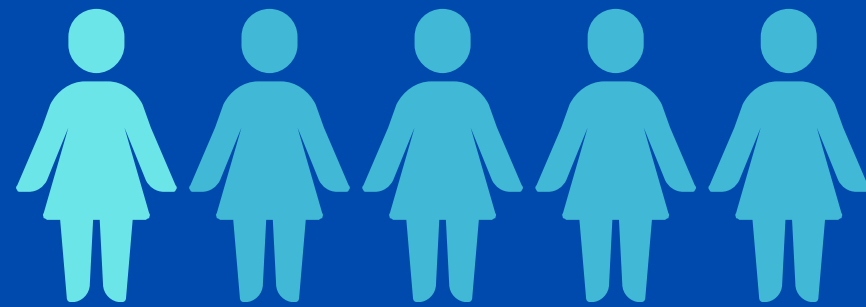
Anna Diamantopoulou, Chair of the Welfare High-Level-Group

January 18, 2024

Rome

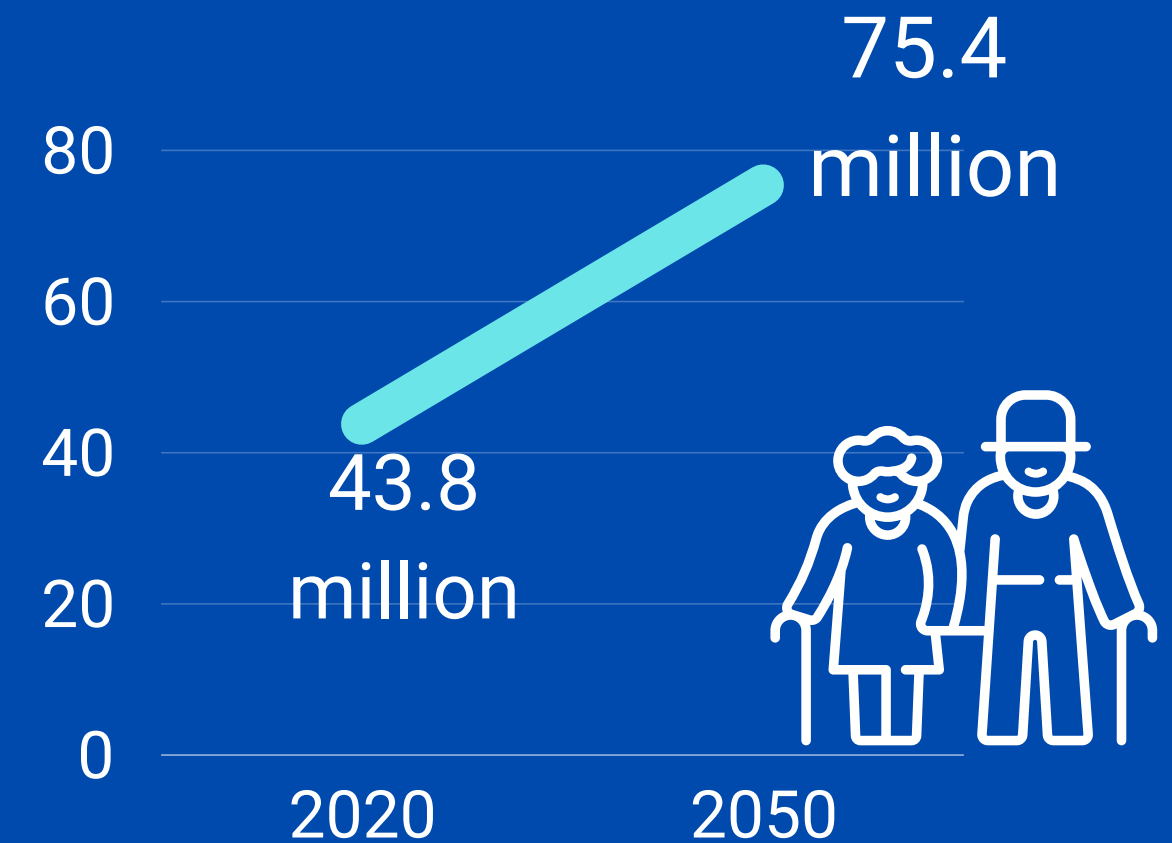
Key Figures in EU

1. Risks along the life cycle



➤ 19.5% of children were at risk of poverty in 2021

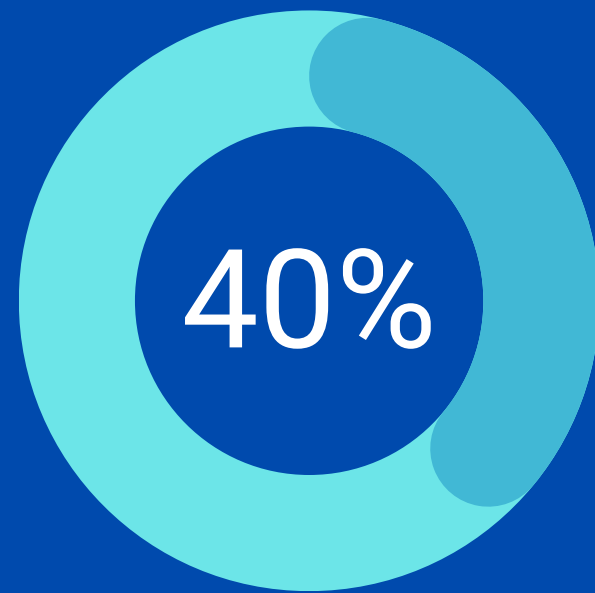
➤ of 20-34 year-olds were neither in employment, nor in education and training in 2021



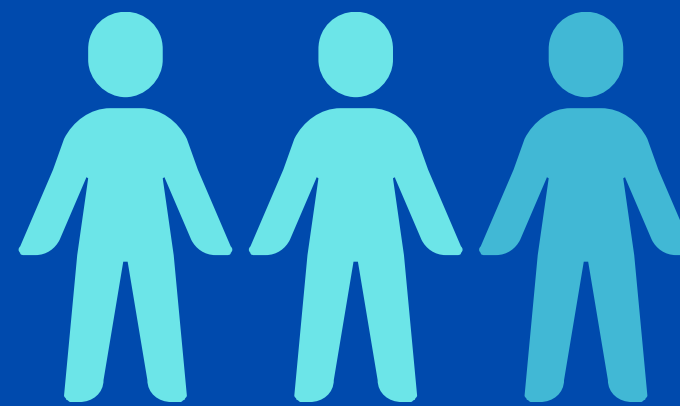
➤ The number of persons aged 75+ is expected to rise increasing demands for pensions, health and long-term care

Key Figures in EU

2. Changing World of Work



➤ of workers are in non-standard forms of work (temporary, part-time, self-employment that can limit their access to social protection



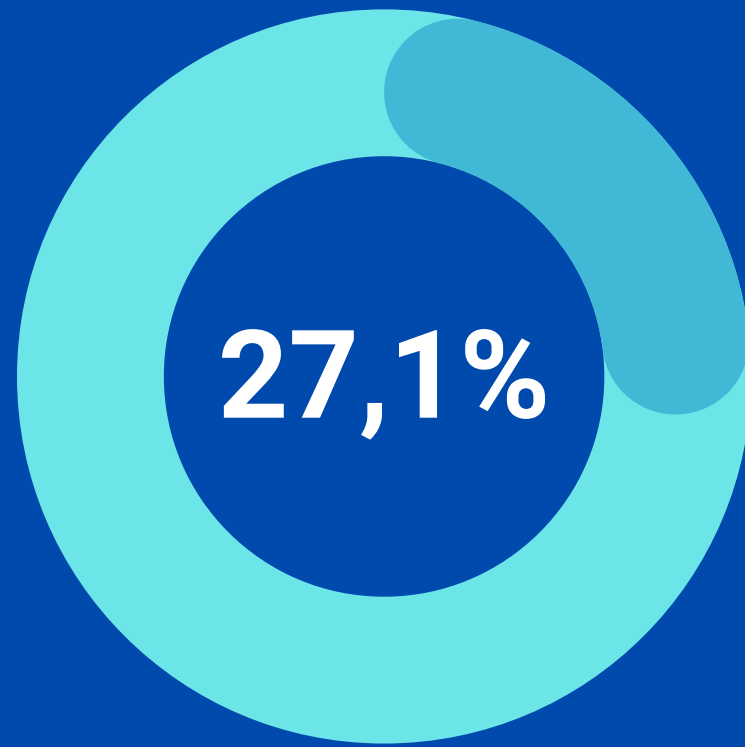
➤ over two thirds (18 million) of the 27 million self-employed in the EU worked on their own with no employees in 2021



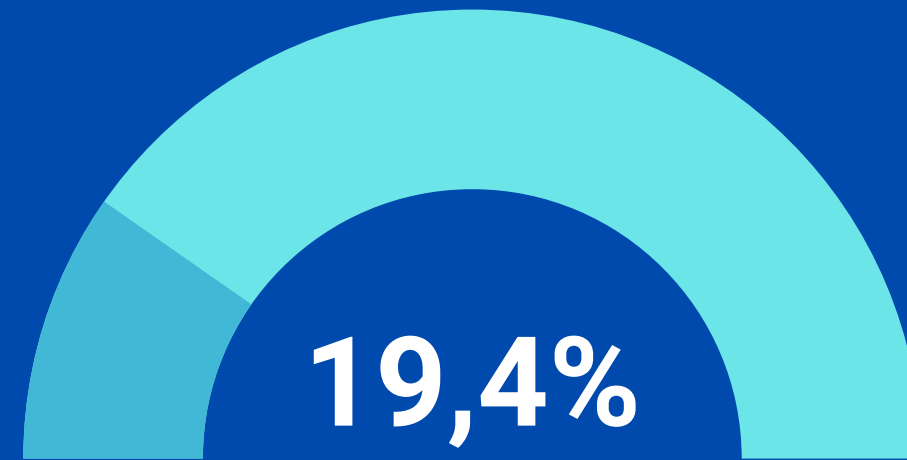
➤ 9% of workers were at risk of poverty in the EU in 2021

Key Figures in Italy

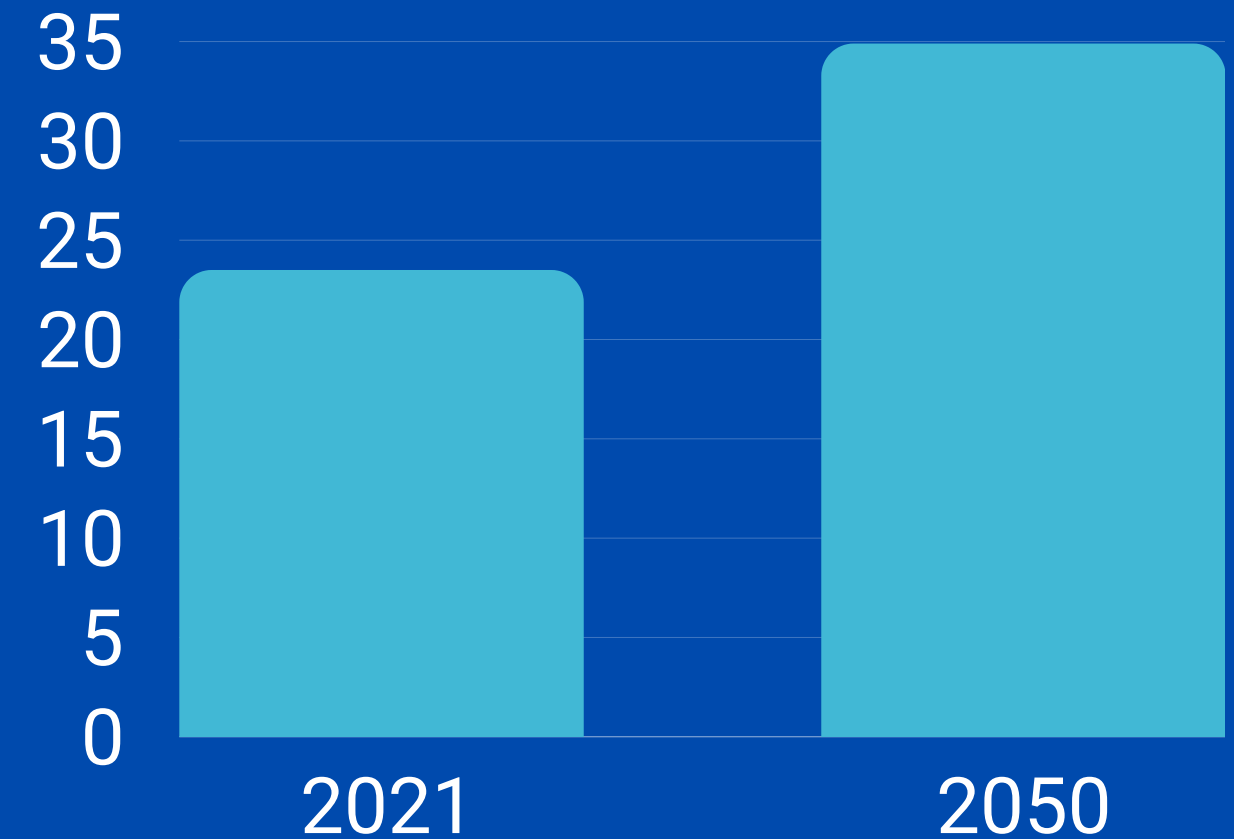
1. Risks along the life cycle



- Children make up 15.8% of the total population.
- 27.1% of children in Italy are at risk of poverty or social exclusion.

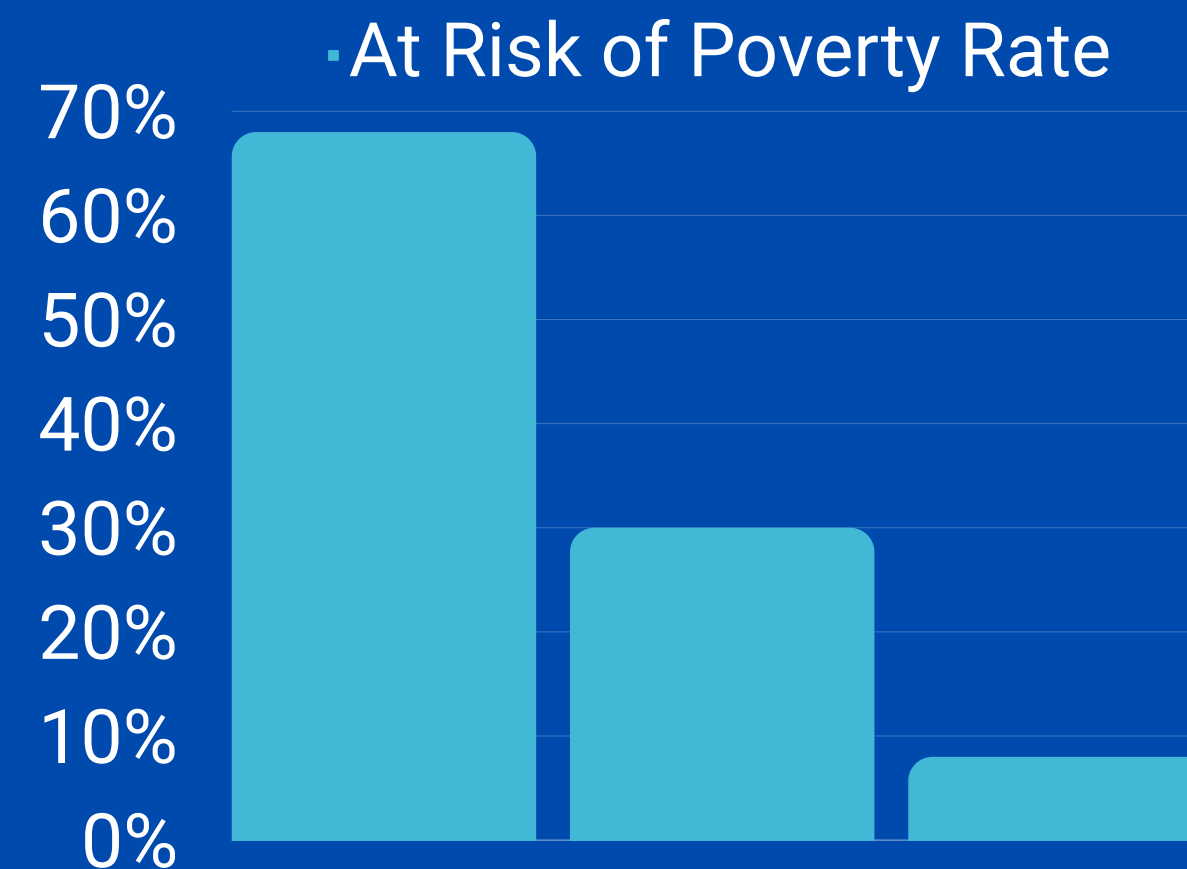
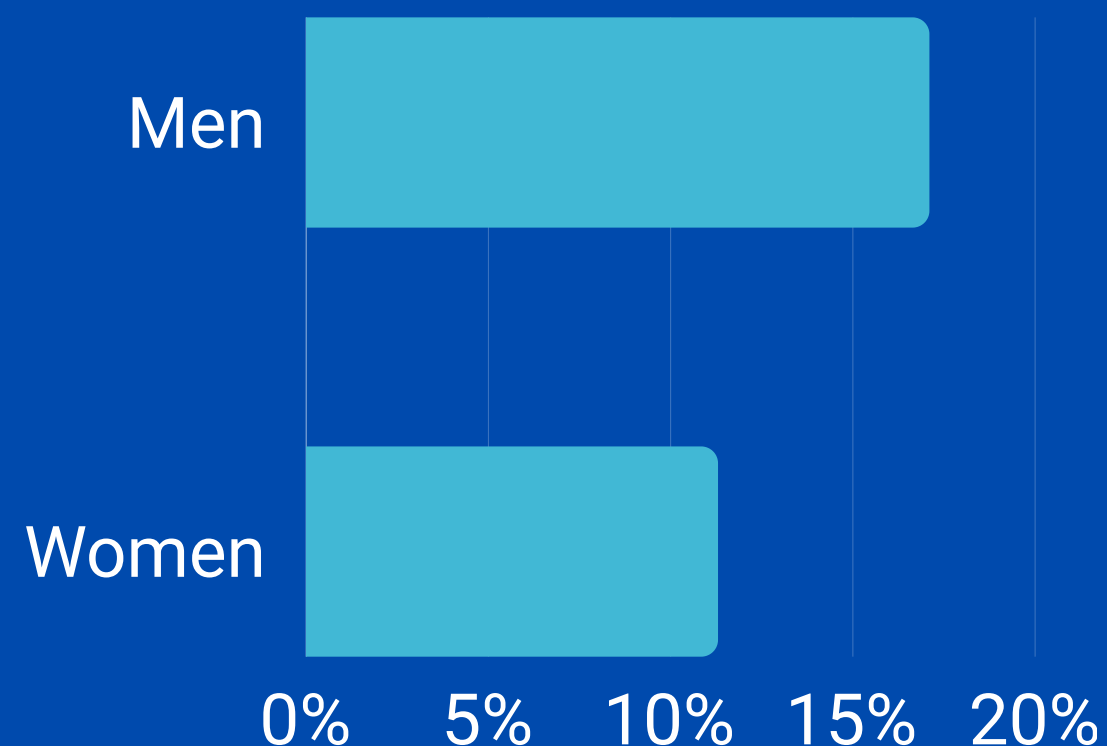


- 19,4% of young people (aged 15-29) in Italy, neither in employment nor in education and training



- 34.9% individuals aged 65 and over in 2050, while in 2021 was 23.5%
- The ratio between individuals of working age (15-64 years) will go to about 1 to 1 in 2050 (from about 3 to 2 in 2021).

2. Changing world of work



➤ In 2021, nearly 5 million employed persons, one-fifth of the total, were nonstandard (temporary employees, collaborators, or involuntary part-timers).

➤ In Italy, employed persons being self-employed without employees of employment (2022) were 17,1% men and 11,3% women.

➤ 68.0% for people (>65 years) with very low work intensity

➤ 30% with medium work intensity

➤ 8% for people with very high work intensity

21 KEY STRATEGIC RECOMMENDATIONS



A. Starting strong

- 1) Affordable early childhood education and care
- 2) Income support and services to prevent child poverty
- 3) Support to enable starting a family
- 4) High quality jobs for the youth, complemented by financial support for further education and training



B. Ensuring inclusive social protection and lifelong learning

- 5) Access to social protection for all people in employment irrespective of their status
- 6) High quality of work throughout working life
- 7) Opportunities for up- and re-skilling for the digital and green transitions
- 8) Inclusion of migrants through social and labour market policies
- 9) Job retention schemes for all to protect income, jobs and skills during crises



C. Supporting adequate income and high-quality care in old age

- 10) Flexible working-time and adjusted workplaces for longer careers in good health
- 11) Chance for everyone to earn an adequate pension, and decent minimum benefits to tackle poverty in old age
- 12) Pension credits for care giving periods
- 13) High-quality and affordable long-term care services





D. Promoting inclusive and high-quality services including energy-efficient housing and transport

- 14) Affordable, energy-efficient and universal-design housing
- 15) Energy-efficient public transport accessible to all
- 16) High quality and inclusive social services, better involving non-profit and social economy organisations



E. Ensuring sustainable financing for a resilient welfare state

- 17) Broadening the tax basis through progressive taxation on income, consumption, capital, carbon and energy
- 18) Considering minimum tax rates on capital at EU level
- 19) Golden rule for public finances to secure social protection and investment in social infrastructures



F. Stepping up EU capacity to secure social protection in the future

- 20) Additional EU legislative initiatives to fulfil all principles of the European Pillar of Social Rights and ensure consistent enforcement across the Union
- 21) Minimum package of social rights, based on the European Pillar of Social Rights, guaranteed at national level.



Recommendations - Key Points

Children first! - GEN Z are digital natives!



➤ Revolution in education: green skills, digital skills is what we need

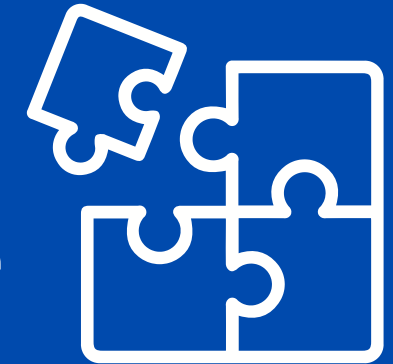
No workers excluded from social policies



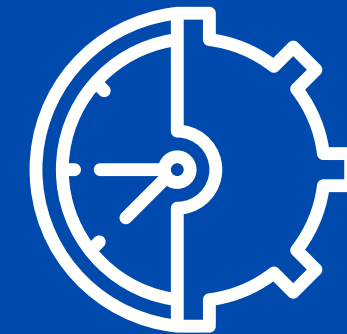
➤ Ensuring inclusive social protection and lifelong learning

Recommendations - Key Points

- **Public system for long-term care is the big challenge for welfare state**
Supporting old aged people, we liberate middle aged and give hope to the youth



- **Adequate financing for the welfare state is an investment -**
Poor financing is a dead generator



- Considering minimum tax rates on capital at EU level
- Golden rule for public finances to secure social protection and investment in social infrastructures