

## ETUC SOCIAL PROJECT - SURVEY FOR NATIONAL CONTACT PERSONS

### ETUC Youth Committee report

This survey, for completion by the National Contact Persons on behalf of their trade union, is an important source of the qualitative and quantitative information required for the ETUC's SociAll Project. This is in addition to the extensive information about each countries' pension system that will already be available to the National Experts from established national and international sources.

The survey will provide the National Experts with:

- Background information, specifically from a trade union perspective, about the country's pension system and attitudes to recent trends in pension provision;
- To outline the challenges in the sphere of pension provision that have been identified by trade unions; and
- Set out the trade unions' priorities and proposals.

The survey is divided into three sections that are summarised in Table 1 below. These relate to the corresponding sections of the National Reports, as outlined in the Methodological Note. Section 4 of the National Reports will also be informed by the information that is provided.

<b>Table 1. Outline of the National Survey</b>	
<b><u>Section 1.</u></b>	<b>The Country's Pension System:</b> The views of the national trade unions on the strengths and weaknesses of prevailing pension system and the content and the expected effects on the system of recent reforms and those currently under active discussion.
<b><u>Section 2.</u></b>	<b>Current Challenges:</b> Trade unions' perception of the main socio-economic and demographic challenges that affect the present and future of pension provision.
<b><u>Section 3.</u></b>	<b>Possible Reforms:</b> The trade union's priorities in pension policy and the strategies required to have more effective pension protection in the future.



## Section 1. The Country's Pension System

*This section of the survey covers the current situation, including questions on the trade unions' views on the strengths and weaknesses of prevailing national pension system. It also asks questions on the content and the expected effects on the country's pension system of recent reforms and those currently under active discussion. It should be taken that the National Experts are already familiar with the country's existing pension system and current issues. The status of the current reforms should be identified as follows:*

- **Completed Reforms**, i.e. those implemented since 2010
- **Planned reforms**, i.e. i.e. almost certain to be adopted, i.e. having gained enough political support and formulated as draft legislation
- **Reforms under active discussion**, i.e. those that are under discussion, with an indication of the likelihood that the reform will be adopted.

## QUESTIONS

### GENERAL OVERVIEW

*Not pertinent.*



## Section 2. Current challenges

*This section of the survey is about the trade unions' perception of the main socio-economic and demographic challenges that affect the present state and future of pension provision in terms of coverage effectiveness and adequacy (and the effective implementation of the Recommendation on Access to Social Protection for Workers and the Self-Employed).*

*This should cover:*

- *The issues the trade union regards as the more urgent challenges to pensions; and*
- *The main social and occupational groups that, in the view of the trade union movement, need greater attention for more effective pension protection.*
- *The gender dimension of the challenges*

The lists of issues provided for certain questions is non-exhaustive and other issues should be covered, if appropriate

## QUESTIONS

### Main Challenges

#### Q. 2.1

- a. What are, in general, the main social challenges in pension provision with respect to the social and economic outlook of your country?

*Please consider the needs of people, their rights and living conditions. You can make reference to the topics listed below, noting the relevance in the short, medium and long run, and add some others. Please, explain your choices and, for those that are regarded as the most salient, provide a concise explanation, with data and examples.*

- Population ageing
- Poverty rates
- Access to essential services
- Out-of-pocket expenditure for healthcare and long-term care
- Low salaries
- Unemployment
- Increased share of atypical jobs (high rate of involuntary part-time/zero-hour contracts/
- Bogus self-employment
- Sluggish economic performance
- Low average productivity
- Increasing inequalities
- Gender gaps in employment/wages
- The Covid-19 Pandemic



- Other:

*The issues related to non-standard employment become all the more pressing when assessing how the nature of young peoples' employment today will impact their ability to save for their future. Through being engaged in non-standard work young people are unable or less able to participate in contributory statutory pension systems. In countries where occupational and private pension plans are the primary pension pillars, even standard employment contracts with a fixed duration do not offer access to occupational pension plans. Precariousness of income also inhibits younger people to save in private pension plans, as they are not able to block eventual savings for decades without having enough confidence to have an income in the near future. Pension schemes today are clearly not aligned with the current trajectory of a young person's education and employment.*

b. Who do these social challenges affect?

*Young people*

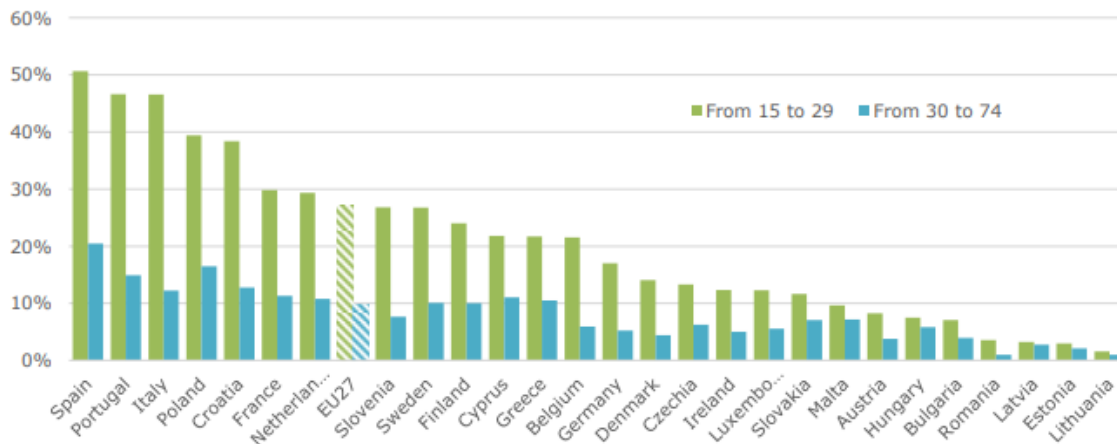
c. What are the main reasons for these challenges?

1) *Non-standard form of work*

*Young people are overrepresented in non-standard forms of work.*

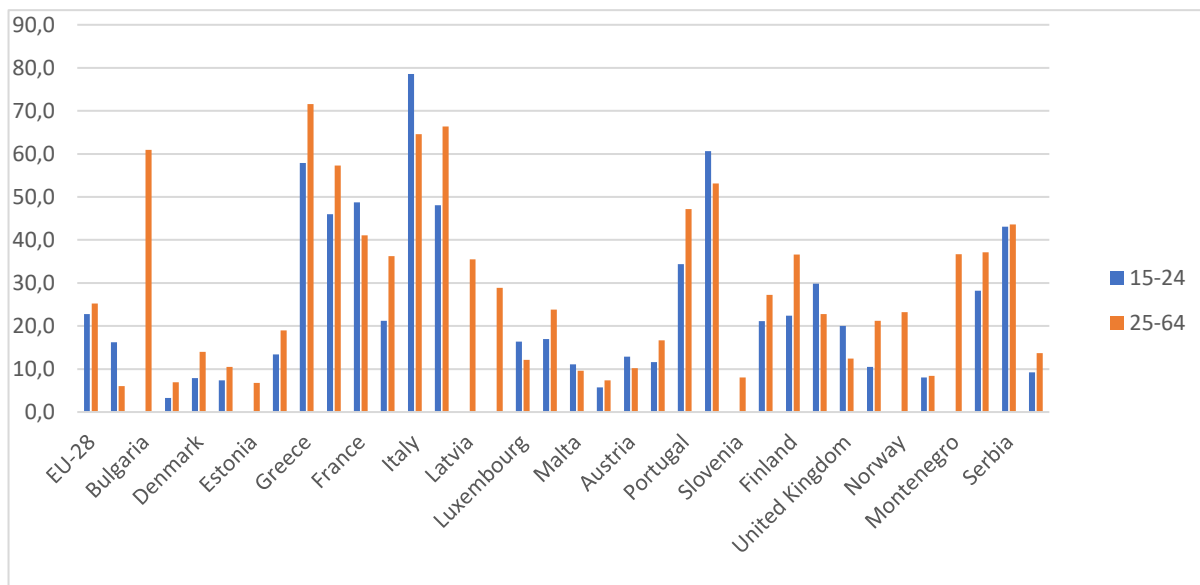
2) *Precarious = short term contracts*

**Figure 19. Temporary employees by age group, as a share of all employees (2019).**



Source: Eurostat estimates based on the EU Labour Force Survey (LFS). Note: countries are in descending order according to the share of temporary employees among all employees. The indicator excludes individuals in education or training.

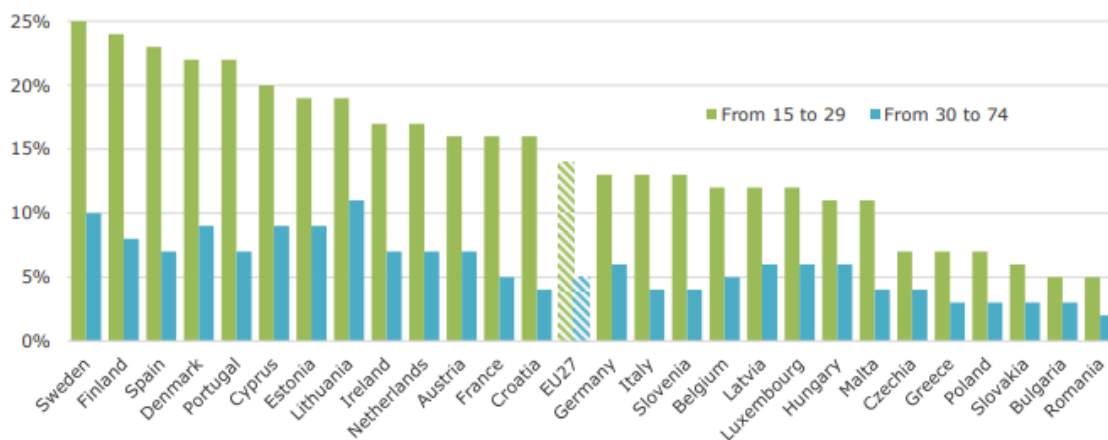
*Source: Eurostat, Involuntary part-time employment as percentage of the total part-time employment, by sex and age (%) [lfsa\_eppgai], accessed 06/01/2020.*



3) Job-to-job transition (again precarious contracts)

Young people change job more frequently and the short contracts are not aligned with the pension system

Figure 18. Estimated probabilities of job-to-job transitions by age group (2018-19).



Source: Eurostat estimates based on the EU Labour Force Survey (LFS). Note: countries are in descending order according to the share of job-to-job transitions among 15 to 29 year-olds. Estimates are based on the sample of persons who are employed in both years, have not been in education or training in either year, and have changed their job determined by contract lengths at least once in the period between the interviews.

4) Young people awareness of their rights (and consequences of precarious work...)

For young people counselling, guidance and mentoring is particularly important given the new economic recession and the changing nature of work and skills, with increasing labour market volatility and more job-to-job transitions. Career advice – and indeed career management skills and awareness of labour rights – are vital given the increasing prevalence of non-



*standard work, less stable employment situations, increasingly precarious school-to-work transitions and growing path dependence. Yet according to a recent study, around 67% of young people claimed not to have received any or sufficient career advice during or after education ([https://www.youthforum.org/sites/default/files/publication-pdfs/0096-19\\_COMEM%20II-19\\_Policy\\_Paper\\_Future\\_of\\_Work\\_FINAL.pdf](https://www.youthforum.org/sites/default/files/publication-pdfs/0096-19_COMEM%20II-19_Policy_Paper_Future_of_Work_FINAL.pdf))*

*Unemployment benefits, based on a contributory model, are often inaccessible for young people looking for their first job, or who have only completed internships or short-term contracts. This creates a cycle where young people must take on precarious work to make an income, but this type of work continues to exclude them from eligibility for social assistance. Access to social protection in new employment relationships is a particular problem for young people who are often not made aware of the implications of different work statuses and contracts for their rights. Social welfare systems no longer reflect the reality of the changing nature of work and in particular that experienced by Europe's youth.*

d. Can you please provide data to support your views?

*NA.*

### **Challenges to Formal coverage**

Q. 2.2

*Please answer the questions shortly framing the relevant situation(s) in the demographic/ social/ macroeconomic context and always keep into account the gender perspective wherever relevant and possible. In your reply, please, consider in particular but not only employees, self-employed and atypical workers, as well as the gender dimension (de facto)*

*Not pertinent.*

### **Challenges to Effective coverage**

Q. 2.3

a. Is it possible to highlight any major effectiveness issues?

*Please, consider effects that, for example, possible entitlement conditions, wage levels, contribution levels, may have on non-standard workers, the self-employed, atypical workers, women.*

*NA.*

b. Who do these effectiveness issues affect? Are there categories of workers or self-employed that are at particular risk of limited effective coverage of pension benefits? *You can make reference to the topics and groups listed below, noting the relevance in the short, medium and long run, and add some others. Please, explain your choices*

*and, for those that are regarded as the most salient, provide a concise explanation, with data and examples.*

- Women
- **Younger workers**
- Self-employed workers
- Bogus self-employment
- Atypical workers
- Precarious workers
- Agricultural employment
- Working poor
- Migrant workers
- Low skilled workers
- Other

*In principle, young people can benefit from almost all types of social protection programmes and policies except for old-age pensions. In practice, however, young people are often denied access to some of these benefits and services, due to their age or the unavoidable specificities of their circumstances. The addition of requirements, based on minimum periods of work, age limits, family situations, education backgrounds, leads to direct or indirect discrimination against young people, with more and more hurdles to overcome on the path to inclusion.*

c. What are the main causes of the risk of ineffective coverage of workers?

*You can make reference to the topics listed below, noting the relevance in the short, medium and long run, and add some others. Please, explain your choices and, for those that are regarded as the most salient, provide a concise explanation, with data and examples.*

- Significant lack of transparency in the access to relevant information
- Aggregation of contributions across schemes
- Waiting period
- Calculation rules
- **Requirements to access old-age or seniority pensions**
- Lack of reconciliation of professional and family life
- Incomplete work careers
- Low wages
- Missing financial capacity to save in (voluntary) pension schemes
- Others

d. How far are the following contingencies significant in leading to ineffectiveness of pension provisions? *Please, explain your choices and, for those that are regarded as the most salient, provide a concise explanation, with examples.*

- Maternity, paternity, parental leave
- Study or training periods
- Sickness
- Unemployment
- Care duties (elderly, children, disabled, etc...)
- Other

NA.

e. What are their major **social** impacts of ineffective pension provisions?

*This has consequences not only for young people's right to live with dignity in the present but also for poverty later in life. Being caught up in unstable, short-term employment means young people are not able to contribute to statutory pensions systems or be enrolled in pensions schemes (<https://www.youthforum.org/sites/default/files/press-release-pdfs/Excluding-youth-a-threat-to-our-future%20%283%29.pdf>) . If this trend persists, income insecurity is likely to be a challenge for the current generation of Europe's youth in the future. ([https://www.ilo.org/global/publications/books/WCMS\\_604882/lang--en/index.htm](https://www.ilo.org/global/publications/books/WCMS_604882/lang--en/index.htm))*

f. Do you see issues for **fiscal sustainability of a fair and effective social protection system**?

*The future of work requires shifting away from a welfare system focused on tackling unemployment and instead creating one focused on tackling poverty and social exclusion. Basic income schemes, that decouple income from employment, are one possible solution that could be further explored. To fund welfare reforms, adequate taxation is key. This can partly be achieved by redistributing wealth from those who contribute to unsustainable consumption and production practices to support fairer and more forward-looking welfare systems . Tax justice would not only help raise the necessary resources to better protect people through social security systems, but will be fundamental to contribute to a fairer society.*

*If Member States receive less income – based on taxes – they tend to save on basic needs such as social security and public services: education and training, child care, public transport, etc. This creates even more problems for young people. Especially due to the tightening of the admission requirements for social protection, many young people risk social exclusion, they have to rely on welfare and thus end up in an even weaker position. To strengthen social justice, the ETUC and its Youth Committee believe that more has to be done to fight tax avoidance and to efficiently sanction tax evasion. Country-by-country reports are certainly a tool to track these potential misuses, yet this obligation should be extended to every country where a multinational*



*company has an activity. A Common Consolidated Corporate Tax Base is needed to create effective tools to counter tax evasion and control of tax havens, as well as respect for human rights by international corporations in global supply chains. Also, tax systems must be more redistributive to provide equal opportunities. Young people also believe that, in addition to the social policy in companies, the ecological behaviour of companies must also be taken in consideration. Companies that do not engage in climate targets must lose their European and national tax support!*

- g. Is the lack of transparency or satisfactory information about pension entitlements and obligations limiting *effectiveness of pension provision*; and, if so, which categories of workers and the self-employed are most affected?

*NA.*

### Challenges to Adequacy

Q. 2.4

*Not pertinent.*

### Other challenges

Q. 2.5

What are the **challenges and the opportunities related to occupational pension policy/schemes** concerning their contribution to formal coverage, effective coverage, adequacy (and transparency) of pension systems?

*Not pertinent.*

Q.2.6

Is there any other particular (set of) challenge(s) that you deem key or that should be addressed as a priority in order to give impetus to upward convergence?

*Not pertinent.*

Q.2.7

How is the Covid 19 emergency impacting your priorities?

*Young people are one of the hardest-hit group by the Global pandemic as they face a double risk, with many of them easier laid off than more experienced workers, and others unable to enter sectors that are no longer hiring. (young people are overrepresented in the sectors ravaged by COVID 19 – tourism, hospitality retail and seasonal work (agriculture)).*

### Section 3. Possible Reforms

*This section seeks information about the trade union's priorities in pension policy; and their involvement in the policy making process and the strategies to have more adequate and effective pension protection for all. **The examples given under each question are for assistance and other issues should be covered, when appropriate.***

#### QUESTIONS

##### Q. 3.1

What are the main demands/actions/reforms that the trade unions propose in order to meet the challenge(s) highlighted in the answers to Section 2?

*Provide a concise description from those listed below, plus any other that you consider relevant in light of your replies in the previous set of questions. Please, explain your choices and, for those that are regarded as the most salient, provide a concise explanation, with examples*

- **Minimum schemes**
  - Employment related or income-based schemes
  - Occupational pension provision
  - Pensionable age and early retirement schemes
  - **Regulation of the labour market and active labour market policies**
  - In-kind benefits, long-term care and social assistance
  - **Other Access to information**
- 
- *End age-based discrimination in access to social assistance to ensure better coverage for youth, particularly among those most vulnerable to social exclusion and poverty*
  - *Work with public employment services trade unions and education providers, including youth organisations, to provide young people with free, accessible and youth-friendly information about their entitlements to social security and contributions to pensions based on different contract types.*
  - *Allocate more financial and human resources towards the enforcement and monitoring of labour legislation.*
  - *Update labour legislation to regulate new and non-standard forms of work and ensure that legislation can be adjusted to regulate other new forms of work that may emerge in the future to safeguard workers' rights.*
  - *Invest in pilot projects and further research into new solutions and non-contributory forms of social security, such as a universal basic income, to improve access to welfare in light of the changing role and value of work.*



- *Combat tax avoidance and reform taxation policies to target digital technology companies and digital capital as well as high polluters to raise funds for stronger, reformed welfare systems.*

*Please, explain also how the proposed reform would address the challenge(s) identified in your replies to the previous set of questions*

*- keeping in mind the possible effects linked to age groups/ gender/ forms of employment and  
- providing an assessment and considering effects of main issues from the topics listed below, in the light of your replies in the previous section, plus any other that you consider relevant. Please, explain your choices and, for those that are regarded as the most salient, provide a concise explanation, with examples.*

- **Formal coverage for specific categories of workers and self-employed**
- Effective coverage
- Adequacy of benefits
- **Inequalities** (gender pension gaps, pension rights of younger cohorts of workers, coverage of atypical jobs)
- Other:

### Q 3.2

What would be the main fiscal sustainability drivers necessary to support your policy proposals? What would be the issues arising? What the desirable sources of financing?

NA.

### Q.3.3

Are there any major actors supporting or opposing your proposal and why?

NA.

