

Briefing Note

► Date: 23/11/2018 ► Version: Final

Summary of main messages: Social Protection Committee annual report 2018

Main objectives of the report

The main objectives of the 2018 Annual Report are to analyse the social situation in the EU Member States, identify the key structural social challenges as well as their good social outcomes, and review the most recent social policy developments in Europe. The report aims to provide input to the Council on identifying the main social policy priorities to recommend to the Commission in the context of the preparation of the 2018 Annual Growth Survey.

Main findings and common priorities

1. Continued improvement in the labour market, with further **reductions in unemployment**, including youth and long-term unemployment, as well as continued improvement in the labour market participation of older workers.
2. Rise in the number of people **at risk of poverty** and social exclusion: In 2016 there were around 0.8 million more people at such risk in the EU compared to 2008, with a total of 118 million or **close to 1 in 4 Europeans**.
3. The main negative trends for the EU are
 - Deterioration with regard to the **depth of poverty** in many Member States, and with regard to **in-work poverty** in several countries, despite improving labour market conditions.
 - Rises in the at-risk-of-poverty rates for people residing in (quasi-)jobless households, pointing to weaknesses in the **adequacy of social benefits** in several countries.
4. Lack of inclusiveness of the economic recovery a concern: **Income inequality** is remaining high; **poverty gap** is widening in many countries.
5. Although the risk of poverty or social exclusion of **the elderly** is still significantly lower than for the general population in the majority of the Member States, there are signs of a decline in the relative income of the elderly.
6. Rising share of the **working poor** in several Member States: Income from employment often needs to be complemented by adequate benefits.

7. Gaps in access to social protection: **New forms of employment** risk undermining the social and financial sustainability of social protection. Social protection systems need to ensure access to **adequate protection for all persons in employment** and be better tailored to the needs of non-standard workers.
8. While there are clear signs of improving **child poverty** and youth exclusion rates, in 2016 there were around 25 million children in the EU28 living at risk of poverty or social exclusion. Access to affordable quality early childhood education and care, along with well-designed work-life balance policies, is key to improve children's life prospects.
9. **People with disabilities**, with a **migrant** background and **ethnic minorities**, including Roma, often face multiple disadvantages in relation to participation in the labour market and in society. Supportive measures and **social services** are needed to support all individuals' capacities to participate actively in society and the economy.
10. Housing exclusion and **homelessness** are a growing concern across Member States.
11. **Pension systems** have been one of the areas with the most reforms in recent years, driven by the need to improve the long-term fiscal sustainability while maintaining retirement income adequacy.
 - The pension gap between men and women, mainly due to the gender pay and employment gaps, remains large and is likely to persist.
 - People in non-standard or self-employment often face less favourable conditions for accessing and accruing pension rights.
 - The risk of poverty or social exclusion increases with age.
12. Population ageing increases the demand and need for **long-term care**. The shift to formal care is likely to accelerate due to changes in the family structure and changes in the world of work. Measures to address these challenges could include creating a shift from institutional to community care and **home care** and improved policies for prevention, rehabilitation and independent living. Special attention should be given to support for **informal caregivers**.

The Social Protection Committee is an advisory policy committee which provides a representative forum for social policy coordination, dialogue and cooperation at EU level. It brings together policy makers from all EU Member States and the Commission in an effort to identify, discuss and implement the policy mix that is most fitted to respond to the various challenges faced by Member States in the area of social policies.

The full annual report is [available here](#).