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Developments in Social Protection in 2007

I. Introduction

This synopsis of the development of social protection systems in the participating countries attempts to identify the major challenges they face and the ways in which social protection policies are responding to them. As such, it provides an overview of developments in participating countries in four key areas: social integration and labour market inclusion; social security and social services; support for families with children; and pension systems. In reviewing the developments in individual countries, the summary report tries to also make reference to planned reforms in these policy areas and, when possible, attempts to identify broader trends in relation to the developments at the EU level.

According to recent key EU documents, the tasks and challenges in social protection especially concern: active policies for social integration and labour market inclusion with emphasis on individualisation, specialisation and long-term reintegration as well as the development of tools for prevention and rehabilitation; policies to improve the efficiency of expenditure used for social security and social services while at the same time improving their quality; adapting policies in support of family life, to take account of demographic ageing, changes in living conditions and a growing diversity in family relationships; and measures to modify old-age pension systems.

II. Developments throughout Europe¹

1. Social integration and labour market inclusion: Multi-faceted approaches

- *The overall context*

The 2007 *Joint Report on Social Protection and Social Inclusion*² emphasised the close link between social integration and labour market inclusion in its assessment of the current state of affairs in the following way: “Active inclusion emerges as a powerful means of promoting the social and labour market integration of the most disadvantaged. Increased conditionality in

¹ The overview of developments in individual states reflects developments in Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Germany, Estonia, Greece, Finland, France, Iceland, Ireland, Italy, Latvia, Lichtenstein, Lithuania, Luxembourg, Hungary, Malta, The Netherlands, Norway, Poland, Portugal, Romania, Slovenia, Slovakia, Spain, Sweden, Switzerland and the United Kingdom as reported by national correspondents.

² *Joint Report on Social Protection and Social Inclusion 2007: Social inclusion, Pensions, Healthcare and Long Term care*. European Commission, Directorate-General for Employment, Social Affairs and Equal Opportunities, Unit E2. Manuscript completed in March 2007.

accessing benefits is a major component, but this must not push those unable to work further into social exclusion. While most Member States champion a balanced approach combining personalised labour market support, including skills training, for those who have the potential to work, and accessible, high-quality social services, more attention needs to be given to ensuring adequate levels of minimum resources for all, balanced with making work pay.”

This assessment reflects the fact that active inclusion has been at the forefront of national policies for some time now and continues to be so. As such, countries have continued their work on improving active inclusion policies, intensifying their focus and upgrading system incentives for activation. Austria has adopted a series of measures to modernise rules for accepting employment by tailoring them more closely to the situation of the job-seeker. Germany introduced legislative measures to promote the long-term integration of the unemployed in the labour market, especially older persons above 50 years of age and youth entering the labour market. Luxembourg has introduced changes to unemployment legislation emphasising reactivation of job-seekers through individual activation agreements and promoting employment of young people through instruments offering real employment prospects. Slovakia has introduced amendments broadening active labour market policy instruments as well as increasing allowances for targeted instruments. Slovenia has introduced more long-term planning within active employment policy to increase effectiveness and introduced changes aimed at the activation of recipients of social assistance. The UK has also intensified services for job-seekers unemployed for more than a year. In an attempt to stimulate employers, Sweden has introduced exemptions and reductions from payment of general payroll taxes by employers who employ persons who are unemployed for more than 1 year, receiving long-term sickness or disability benefits and other marginalised groups.

- *Financial incentives to work*

An important part of measures aimed at increasing motivation for activation has focused on setting up incentives to financially ease the transition to work for recipients of benefits. The concept of accumulation of benefits with work income has continued to play a key role in this aspect by removing previous financial disincentives of people receiving benefits to find employment. The accumulation of benefits with employment income for low-income workers is being tested in some regions in France and, after evaluation, may be extended to all low-income workers. Ireland has broadened conditions for jobseekers to retain more of their social welfare payment upon finding employment to better cover women and part-time workers. The UK piloted a new "better off in work credit" to ensure that all long-term claimants see a significant rise in their incomes when they take a job. Sweden will introduce changes to make it easier to combine disability benefits with income from work. In Belgium, the social supplement for former unemployed persons and former invalids who find work will continue to be paid for up to 2 years if they have dependants. In Denmark, the trial remission of debt to public services for unemployed persons who start working also served to increase the motivation to move from benefits into work.

Document available at:

http://ec.europa.eu/employment_social/spsi/missoc_info_en.htm.

- *Integrating and/or retaining people with disabilities into employment*

In addition to measures promoting active inclusion mostly through targeted financial incentives, policies also focused on strengthening measures to combat labour market exclusion. Significant efforts were made to counter labour market exclusion due to disability and work-related accidents and diseases through a focus on rehabilitation, measures to prevent work-related disabilities and accidents, as well as incentives for employers to employ persons with disabilities.

Paying close attention to strengthening rehabilitation, Hungary introduced a new rehabilitation benefit for disabled persons able to work with rehabilitation. Sweden will introduce a rehabilitation chain with stricter time frames for assessing work capacity, to speed up return to employment. The UK also reformed incapacity benefits with the goal of active participation in employment activities and launched a pilot program to raise awareness among employers about employment of disabled persons. In Iceland, the disability assessment committee has proposed a massive increase in work rehabilitation and a new system to assess disability and ability to work.

Focusing on work-related disabilities and injuries, Denmark started a campaign to reduce depression related disability. Also Finland has launched a project designed to reduce the amount of depression-related disability. The initiative aims to improve mental health in the working-age population by promoting mental well being at the work places and by targeting depression prevention, treatment and rehabilitation. It also aims to develop a range of best practices concerning people on sick leave due to depression and to enhance their return to work. In Norway, efforts are being continued to decrease the number of people on sick-leave through increased involvement of employers and medical professionals in follow-up activities.

Addressing the role of employers in preventing work-related disabilities and injuries, Denmark is introducing reduction of work accidents contributions for employers that take preventive measures against work accidents and occupational diseases. Belgium introduced a system of differentiation of premiums for employment injuries insurance as an incentive for companies to implement results-related prevention policies. Slovenia has re-examined the quota system for employing workers with disabilities according to the real possibilities in each sector and increased incentives for employers to employ disabled persons above the prescribed quota. Accident insurance reform is also being prepared in Luxembourg.

- *Punitive measures*

In addition to active inclusion measures extending opportunities and support, a smaller number of punitive measures were introduced to motivate people to keep or find jobs. To motivate persons to make an effort to stay in work, the Czech Republic introduced the loss of entitlement to unemployment benefits if the unemployed person was laid off because of serious infringement of work duties. In Denmark a minimum requirement of 300 hours

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worked per year was introduced for persons receiving benefits for more than 2 years. Sweden introduced a reduction in long-term unemployment benefits (from 80% to 70% after 200 days). In the UK, it became mandatory for all lone parents claiming Income Support for 12 months or more with a child aged 5-13 years to participate in work focussed interviews every 6 months. The 18-month limit on social allowances for healthy unemployed persons of working age was first implemented in Bulgaria on 1 January 2008, while eligibility requires at least 9 months registered unemployment without refusal of job vacancy or training.

- *Providing security*

Increased activation efforts focused on ensuring that all persons able to work are motivated to find or keep employment also create an incentive to improve social support for those persons, who despite their best efforts are unable to secure an income from work. To better support the attainment of minimum living standards, the Czech Republic initiated a reform of the living minimum system, separating it from housing contributions and introducing a two-tier system differentiating between active and inactive individuals. To increase the income of carers, Ireland has introduced provisions whereby a person who has an entitlement to a non-care related social security payment can retain that payment and also receive an additional half-rate benefit for caring. Bulgaria has introduced a new pecuniary benefit for long-term unemployed persons who are nearing the retirement age but do not yet qualify for a pension. Policy measures regarding social integration and labour market inclusion have thus continued to strive for the delicate balance also stressed in the 2007 Joint Report – increasing the targeting and effectiveness of active inclusion balanced by strengthening social support for those unable to secure an income from work.

2. Social security and social services: Improving quality and cost-efficiency

- *The overall context*

In its 2006 communication *Implementing the Community Lisbon programme: Social services of general interest in the European Union*³, the Commission pointed out that “modernising social services is one of the most important issues facing Europe today” (p. 3). The 2007 communication *Services of general interest, including social services of general interest: a new European commitment*⁴ reflects the agreement reached in the Protocol on services of general interest annexed to the Lisbon Treaty in outlining the basic principles guiding this modernisation: the role and wide discretion of national, regional and local authorities in aligning services as closely as possible to the needs of the users; respecting the diversity of services, situations, and needs and preferences of users; achieving a high level of quality,

³ *Implementing the Community Lisbon programme: Social services of general interest in the European Union*. Communication from the Commission. {SEC(2006) 516}. Brussels, 26 April 2006, COM (2006) 177 final.

⁴ *Services of general interest, including social services of general interest: a new European commitment*. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Brussels, 20.11.2007, COM(2007) 725 final.

safety and affordability, ensuring equal treatment and promoting universal access, and upholding user rights.

National policies have also been aware of this challenge and responded with measures to improve the efficiency of expenditure used for social security and social services while at the same time trying to improve the quality and accessibility of schemes and services. Efforts to improve the efficiency and streamline social security systems and social services focused on controlling expenditure as well as streamlining processes and using the synergies of unified organisation and collection of contributions.

- *Cost containment in health care*

Measures to improve expenditure control were especially evident in healthcare. In one approach, measures were introduced to improve the regulation of healthcare expenditure. In France, new financing legislation has reinforced mechanisms to regulate health insurance expenditure. Hungary focused on the re-structuring of hospital capacities, the re-regulation of the pharmaceutical market emphasising tight price competition among pharmaceutical companies and facilitating the prescription of the most effective but lowest-cost medication by practitioners. Lichtenstein has introduced monitoring and quarterly publishing of statutory healthcare insurance costs and services together with quantitative planning for service providers. Luxembourg has intensified the promotional campaign for the use of generic medication and initiated actions to promote prudent use of resources in the hospital sector with regard to consumption of medication and more efficient procurement of medical and non-medical supplies.

In some cases, measures to improve expenditure control in healthcare were also accompanied by tighter reimbursement limits or moderate patient co-payments to increase cost-consciousness. In France, reimbursement limits were introduced on certain healthcare products or treatments. Hungary has introduced moderate visit fees for primary and specialist care as well as moderate hospitalisation fees, with exemptions for minors, mothers, emergency healthcare and other relevant situations. In Netherlands, the no-claims bonus scheme has been replaced by a compulsory excess for insured persons over 18 years of age with compensation for persons with unavoidable long-term health expenses. While moderate charges for visiting ambulatory doctors and hospital stays were abolished in Slovakia, these were partially compensated by limits on specialised ambulatory care brought about by the need for a general practitioner's referral. Changes focusing on increasing competition in the provision of health services and between health insurance funds were introduced among others in Germany. Lichtenstein introduced quarterly monitoring of healthcare expenditure.

On the other hand, expenditure control measures were complemented by a focus on improving the quality and access to healthcare, through strengthening of maximum waiting periods in Denmark and Sweden or introduction of a cap on prescription fees in Austria. Belgium has introduced an end to fee supplements for hospitalisations concerning children accompanied by parents, increased reimbursement for related expenses of cancer patients and

their parents as well as simplified reimbursement of expenditure resulting from healthcare treatment accidents. In Cyprus, work is under way to implement the new National Health System with universal healthcare coverage by the end of 2008.

- *Increased efficiency of administration*

Most countries have also continued to improve the general efficiency of public administration of social systems. These efforts materialised in the form of simplification and unification of legislation, as was the case with regard to pension benefits legislation in Finland or the new social security framework law with a new structure and more transparent and rigorous financial management in Portugal. They were also manifested through the unification or centralisation of system administration as could be seen in France with the unification of employment benefits and services provision and the unification of unemployment insurance and social security contributions collection. Norway continued the merging of local social insurance and employment offices. Romania continued the centralisation of the collection of contributions and consolidated family and child matters under a single body – the Ministry of Labour, Family and Equal Opportunities. Sweden is continuing the reorganisation of the Social Insurance Agency with a closer cooperation with the Public Employment Service and the Health Care System.

In other instances, specific aspects of system management were improved. In Greece, the focus was on the computerisation of social security institutions, the increased utilisation of pension funds and the speeding up of pension awarding. In Ireland, improved financial planning was carried out for the first time via the first Annual Output Statement for the Department of Social and Family Affairs. Belgium has modernised pension application procedures to allow electronic pension requests by internet and automated the issuing of pension estimates for workers who reach the age of 55. In Finland the employees in the private sector will receive (from 2008 on) annual pension data records containing information on the accrued pension provision and an estimate of the pension amount. The public sector will be covered by the system in 2010. Fraud prevention was not a major focus of initiatives in the area of social protection, with Austria and Belgium tightening rules for combating non-declared employment by instituting registration prior to start of work and France improving cooperation among public institutions and reinforcing checks. In Sweden, a Commission is currently investigating the incidence and size of fraud in the welfare systems

- *Quality of social services*

In the field of social services, a focus on improving and extending out-patient home-based care is apparent from the new legislation in the Czech Republic and Germany or the introduction of complete pension payment to pensioners in care in Finland. The same focus should be reflected in the new legislation on social services being prepared in Slovakia. These developments reflect a growing focus on providing quality social services closely tailored to the needs of individual users within their natural environment.

Document available at:

http://ec.europa.eu/employment_social/spsi/missoc_info_en.htm.

At the same time, significant work remains to be done in systematically promoting the quality of social services. In this regard, a voluntary EU quality framework providing guidelines on the methodology to set, monitor and evaluate quality standards and support bottom-up initiatives aimed at developing voluntary quality standards and exchange of experience proposed by the Commission in its 2007 communication⁵ could replicate the success brought about by coordination in other areas.

3. Supporting families with children

- *The overall context*

The Commission's 2006 communication *The demographic future of Europe – from challenge to opportunity*⁶ recognises family policies promoting the demographic renewal in Europe as the first key element to constructively addressing the demographic challenge facing Europe today. The common aim of these policies is to (i) reduce the inequality of opportunities offered to citizens with and without children, (ii) offer universal access to assistance services for parents, in particular for education and care for young children, and (iii) manage working hours to offer both men and women better opportunities for lifelong learning and for balancing their private and working lives.

The 2007 Commission's communication *Promoting solidarity between the generations*⁷ reflects upon the need to adapt policies in support of family life to take account of demographic ageing, changes in living conditions and the growing diversity in family relationships, acknowledging the broader context of family policies within public policies influencing family situations. It also reiterates the trend towards the decentralisation of activities, individualisation of rights and benefits, and targeting of expenditure to increase the incentive to work while paying due attention to the fact that family policies are increasingly taking account of the changes in aspirations and practices concerning the respective roles of men and women in society. Measures undertaken within the area of family policies on the national level have continued to reflect these challenges even if the multitude of approaches makes it harder to identify clear trends.

- *Increase of child allowances*

Governments continued to extend direct state support for families with children with the main

⁵ *Services of general interest, including social services of general interest: a new European commitment.* Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Brussels, 20.11.2007, COM(2007) 725 final.

⁶ *The demographic future of Europe – from challenge to opportunity.* Commission Communication. Brussels, 12.10.2006, COM(2006) 571 final.

⁷ *Promoting solidarity between the generations.* Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Brussels, 10.5.2007, COM(2007) 244 final.

focus remaining on supporting families with more than one child, either through direct increases in state support or the broadening of entitlement conditions flexibility. Portugal has increased the family allowance from the second child onwards. Austria has increased support for families with at least 3 children by increasing child benefits for the 3rd and subsequent child and also by significantly increasing the family income threshold for entitlement to multiple children's allowance. Estonia raised the child allowance for the third and subsequent child. A general non-contributory single payment benefit for childbirth was introduced in Spain. In contrast, Slovakia introduced an increase in childbirth allowance for the first child only.

- *Wider eligibility basis for entitlement to family benefits*

To promote the combination of state family support and family income from work, increased flexibility of entitlement rules was introduced in various ways. Austria introduced a flexible system of parental allowance allowing families to choose the length of the benefit as well as for parents to alternate in its receipt according to the specific needs of the family. Cyprus extended Maternity Allowance from 16 to 18 weeks. Conditions for paternal benefit were also relaxed in Estonia. Luxembourg replaced the tax credit for children by a tax bonus to better support low income families. In the Netherlands, a new means-tested child allowance for each child has replaced the tax credit for children to provide income support for low-income families. New legislation in Spain brought maternity and paternity benefits for self-employed persons in line with benefits for employees. Slovakia introduced a child benefit supplement for pensioners caring for children, who are not eligible for the child tax bonus in place. France improved the conditions for maternity leave of self-employed mothers. Belgium increased support for single parent families with children and adopted a more flexible approach in determining orphan allowances based on contribution history of either deceased or surviving parent.

- *Various measures*

Still, state support for families and its modifications remained varied. Parental allowance was increased across the board in the Czech Republic. Monthly family allowance for children was equalised for every child in Bulgaria and the beginning-of-school-year lump-sum cash benefit was modified to allow payment in kind, if it is deemed appropriate by the school. Lithuania increased maternity benefits and extended the payment of child benefits to all children under 18 or attending school. Portugal introduced a prenatal allowance. In France, child benefits (school year allowance) were modulated according to age of child. Latvia replaced the state-financed child-raising allowance for employed persons by a parental benefit financed from social insurance contributions. Germany introduced a new parental allowance and parental leave replacing the previous child-raising allowance.

Despite the variety of approaches, family policy is increasingly becoming an issue of common interest. This is not only attested by the establishment of the European Alliance for Families at the 2007 Spring European Council that will “serve as a platform for the exchange of views

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and knowledge on family-friendly policies as well as of good practices between Member States.”⁸ It has already been given a more specific shape by actions presented by the Commission in its communication *Promoting solidarity between the generations*⁹ through a high-level group of government experts on demographic issues, European, national, regional and local forums and networks, an observatory of best practices and relevant research tools. These developments are creating further possibilities for learning from best practices throughout Europe in developing family policies that will reflect the changing shape of European families in providing them the support they need and deserve.

4. Pension systems: Improving coverage and long-term financial sustainability

- *The overall context*

The 2007 *Joint Report on Social Protection and Social Inclusion*¹⁰ reflects the general trend of adapting pension systems “to increases in life expectancy and creating a transparent relationship between contributions and benefits,” while acknowledging that “ageing means that pension adequacy increasingly depends on more people working – and working longer”, whether through reducing access to early retirement schemes or increasing incentives and opportunities to work longer.” At the same time, the report reiterates that “the long-term sustainability of public finances is still at risk” and coping with this is a “key policy challenge.” It concludes that “the issues of pension adequacy, sustainability and modernisation need to be considered jointly.” In tune with these assessments, pension systems continued to be modified to balance broad coverage of population and long-term financial sustainability of old-age pension systems.

- *Increasing retirement age*

Taking into account increasing life expectancy, the trend of increasing retirement age has continued in several countries. In Denmark the retirement age will be increased from 65 to 67 years by 2024-2027. In Germany, a gradual increase of the retirement age from 65 to 67 will take place by 2029. In Malta, the current retirement age of 60 for women and 61 for men will be increased to 65. In the UK the retirement age will rise from 65 to 66 by 2024-2026, to 67 by 2034-36, and to 68 by 2044-2046. The introduction of so-called “windows” deferring old-age pension entitlements by up to 6 months has in practice also raised the retirement age in Italy. Denmark has instituted an automatic system for retirement age review and adjustment every 5 years, with a 15 year notice guaranteeing security.

⁸ *Presidency Conclusions*. Brussels European Council 8/9 March 2007, Doc. No. 7224/07.

⁹ COM(2007) 244 final.

¹⁰ *Joint Report on Social Protection and Social Inclusion 2007: Social inclusion, Pensions, Healthcare and Long Term care*. European Commission. Manuscript completed in March 2007.

- *Restricted use of early retirement schemes and encouraging prolonged careers*

To keep pension expenditure in check and promote employment of older persons, changes to pension system have continued to target early retirement conditions. In France, early retirement rules continued to be tightened by increased employer contributions. Hungary has instituted a minimum early retirement age of 60 for men and 57 for women, with at least 38 years of work. Portugal has introduced an increased reduction in early retirement pensions. In Slovakia a cap on early retirement has been introduced by limiting eligibility to only 2 years prior to retirement age. Belgium has introduced stricter rules concerning pre-retirement age pensions, keeping exceptions before the age of 60 for long careers, arduous jobs, workers with serious physical problems and for employees of companies in difficulty or undergoing reorganisation. In addition to introducing more strict rules for early retirement, Italy also introduced more favourable conditions for workers carrying out arduous work are older than 57 years of age and having paid contributions for 35 years.

Tightening the rules for early retirement was accompanied by measures to reward long work records. Such measures were adopted in Lithuania for persons with work record longer than 30 years. Portugal also improved the protection of long contributory work careers. Belgium introduced additional entitlements for those continuing to work after the age of 62 or after working more than 44 years and introduced a fixed prosperity-linked bonus depending on length of work career. Bulgaria has also introduced a bonus for persons continuing to work after retirement age and having worked for 37 years (men) or 34 years (women). New legislation introduced in Iceland allows persons over 70 years old to earn income from employment without affecting the amount of the national pension. In Switzerland, measures to motivate longer work careers are being considered in the context of the occupational pension scheme (2nd pillar).

In addition to measures targeting early retirement and rewarding longer work careers, some changes also targeted the more technical aspects of pensions systems. To ensure sustainability of the pension system, a cap on the highest pensions and a financial sustainability factor into pension calculation was introduced in Portugal. On the other hand, Romania abolished maximum limits in the pension calculation formula and broadened the contribution base for the pay-as-you go system.

- *Extended coverage of pension schemes*

In addition to addressing long-term sustainability and increasing life expectancy, social security rules were modified in some countries to broaden and improve system coverage, especially of groups of persons without full-time work income. In Austria, coverage was extended for those providing care for relatives. Malta adopted measures to extend coverage for parents caring for children and part-time workers. In Romania, changes extended coverage to all self-employed persons while also extending coverage through the reduction of exemptions and broadening of the voluntary insurance regime. New legislation introduced in Spain integrated self-employed agricultural workers into the general self-employed and

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autonomous workers scheme and extended coverage for self-employed workers. The UK introduced changes to ensure fairer access to state pensions for women by decreasing minimum qualifying years and improving credits for parental caring duties. Measures to universalise coverage for parents caring for children, i.e. not only mothers but also for fathers, were adopted in Czech Republic. Italy has relaxed the rules for pooling contributions for pension entitlement from different schemes without the need to transfer contributions (from a minimum of 6 years to a minimum of 3 years within a given scheme).

In some countries, work was continued on a more systematic expansion or revision of the set-up of old-age pension systems. In the UK, an increase and simplification of state pensions has been complemented by obligatory enrolment in workplace pension schemes and introduction of personal accounts for low earners. In Ireland, the Government presented a Green Paper setting out the options that might be considered for future pension development including maintaining the status quo, universal provision, enhancing social security pensions, alternative tax incentives and mandatory approaches. On the other hand, an effort to unify various pension schemes was initiated in France as well as in Portugal, while conditions of awarding special (miners') pensions were tightened in Poland.

- *Strengthening of the insurance principle*

A number of countries have also continued work on the introduction of defined-contribution schemes, where the pension depends on contributions and interest earned on them during a working lifetime. Romania introduced private pension funds with gradually increased contribution rates. Bulgaria increased contributions to compulsory private pension insurance (in parallel with decrease of contribution to state pension insurance funds) and introduced voluntary occupational schemes as a supplement to the pension system. And following the first 3 years of the functioning of the funded pension scheme, Slovakia has enacted a temporary period to enter or opt-out of the funded pension scheme. Since these systemic reforms are only in their beginnings, it will be extremely interesting to observe their impact on the financial sustainability of social security systems and countries' abilities to address demographic changes.

III. Looking ahead

In the area of social integration and labour market inclusion there is general orientation towards the specific needs of disadvantaged groups on the labour market. New measures are being implemented to activate both employees and employers. Various combinations of benefits and income from work are being created, even tailored to specific groups, utilising a combination of services, benefits and tax tools. Growing attention is being paid to prevention and rehabilitation of work-related disabilities and injuries. Social integration policies not only try to combat exclusion but aim to improve the social support for those who are active but unsuccessful in securing sufficient income from work.

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A second major trend can be seen with regard to the management and financing of social protection, especially through regulations to improve expenditures, concentration on efficiency of public administration of social systems, fine-tuning various aspects of system management, and particular care for the quality of social services. These measures to improve the efficiency of expenditure used for social security and social services, however, come together with trying to improve the quality and accessibility of services. Furthermore, in all countries there are evident efforts to advance and improve the regulation of healthcare, not only with regard to expenditure but also the quality and access to healthcare.

It can also be noted that governments continued to extend direct support for families with children with a greater emphasis on various specific life situations and family forms. The tools of family policies are more decentralised and individualised, while this decentralisation and individualisation takes on different modifications in different countries.

Pension systems continued to be modified to balance broad coverage of population and long-term financial sustainability of old-age pension systems. Among the major trends, we can count the continued gradual increasing of retirement age, promotion of employment of older persons and tightening of early retirement conditions to reward long work records as well as attempts to improve coverage of groups of persons without full-time work income.

Hand in hand with these developments, several countries are in the process of preparing comprehensive changes to social protection systems. Comprehensive social security system reform is under preparation in Finland and a review of social security legislation was started in Malta. A general revision of public policies in terms of efficiency and financial balance is being prepared in France. Ongoing social dialogue about social security reform is taking place in Greece and under preparation in Norway following the political agreement on new models for old-age, disability and early retirement schemes. In Cyprus, reform measures have been proposed to improve the financial sustainability of the Social Insurance Scheme and are currently under discussion with social partners. Reform measures proposed in the National Strategy Report on Pensions are currently also under discussion with social partners in Bulgaria. In the UK a single system of benefits for all persons below retirement age is under consideration.

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