Social protection: long-term evolution of pensions

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The Council held an open debate transmitted live by TV to the press and the wider public on safe and sustainable pensions and pension systems and future European co-operation in this field. The topic had been chosen against the background of mainly three factors: 1) the ongoing reform process to modernise and improve social protection in most of the Member States, 2) the demographic challenges faced by all Member States and 3) the need to find added value in an enhanced co-operation and co-ordination at European level. In the debate, Member States made reference to the Commission's Communication on the future evolution of social protection from October 2000 and the ten principles identified by the Commission. Ministers also referred to the preliminary study of the Social Protection Committee on the long-term viability of pensions, of which the main findings were presented orally to the Council. There was broad agreement in the Council on the basic principles underlying safe and sustainable pension systems. Ministers in particular mentioned the following points: - guarantee pensions that provide adequate and secure incomes to the retired population; - pension systems should also continue to meet social objectives and thus counteract poverty and social exclusion; - the need for sound public finances without, however, narrowing the debate to the financial aspects; - maintain solidarity between and within generations; - raise the quality of pension systems; - increase the employment rate, in particular of women and older people, was seen as an important element to cope with the expected demographic imbalances; - promote equality between women and men as far as the recognition of periods of work in the context of pension systems is concerned. Ministers also addressed the issue of how to further enhance European co-operation in this area. There was broad agreement on building on the work done so far by the Social Protection Committee and on the usefulness of exchanging information and best practice between Member States. Most Member States were in favour of applying the open method of co-ordination to this area while respecting national competence. The President, Mrs Ingela THALEN, concluded that the Social Protection Committee would pursue its work in view of presenting the report requested to the Gothenburg European Council in June 2001. The issue would be taken up in the framework of the strategy on sustainable development to be adopted in Gothenburg. Gothenburg would also establish a framework for continued co-operation at European level on the subject of pensions.