Monitoring Structural reforms in Social examples

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4. The Statesman experience game
### Warm-up > Trainspotting & frog cooking exercise

Who, what/why/when...

<table>
<thead>
<tr>
<th>% of GDP</th>
<th>2019</th>
<th>2020</th>
<th>2030</th>
<th>2040</th>
<th>2050</th>
<th>2060</th>
<th>2070</th>
<th>Difference 2070-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total expenditure</td>
<td>39.5</td>
<td>42.0</td>
<td>41.9</td>
<td>46.4</td>
<td>52.7</td>
<td>58.4</td>
<td>64.0</td>
<td>24.5</td>
</tr>
<tr>
<td>Of which: age-related expenses</td>
<td>21.0</td>
<td>22.3</td>
<td>22.9</td>
<td>26.2</td>
<td>29.1</td>
<td>30.0</td>
<td>29.9</td>
<td>8.9</td>
</tr>
<tr>
<td>Pension expenditure</td>
<td>10.0</td>
<td>10.9</td>
<td>10.8</td>
<td>13.6</td>
<td>15.7</td>
<td>16.1</td>
<td>16.0</td>
<td>6.0</td>
</tr>
<tr>
<td>Old-age and early pensions</td>
<td>7.7</td>
<td>8.4</td>
<td>8.4</td>
<td>10.7</td>
<td>12.4</td>
<td>12.7</td>
<td>12.7</td>
<td>5.1</td>
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<tr>
<td>Disability pensions</td>
<td>1.1</td>
<td>1.2</td>
<td>1.2</td>
<td>1.5</td>
<td>1.7</td>
<td>1.7</td>
<td>1.6</td>
<td>0.5</td>
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<tr>
<td>Other pensions</td>
<td>1.2</td>
<td>1.3</td>
<td>1.2</td>
<td>1.4</td>
<td>1.6</td>
<td>1.7</td>
<td>1.6</td>
<td>0.5</td>
</tr>
<tr>
<td>Health care</td>
<td>5.9</td>
<td>5.9</td>
<td>6.5</td>
<td>7.0</td>
<td>7.2</td>
<td>7.4</td>
<td>7.4</td>
<td>1.5</td>
</tr>
<tr>
<td>Long-term care</td>
<td>1.0</td>
<td>1.1</td>
<td>1.3</td>
<td>1.6</td>
<td>2.0</td>
<td>2.2</td>
<td>2.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Education</td>
<td>3.8</td>
<td>3.8</td>
<td>3.9</td>
<td>3.6</td>
<td>3.9</td>
<td>4.1</td>
<td>3.9</td>
<td>0.1</td>
</tr>
<tr>
<td>Unemployment</td>
<td>0.3</td>
<td>0.5</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.1</td>
</tr>
<tr>
<td>Wage compensitions</td>
<td>0.3</td>
<td>0.3</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
<td>0.1</td>
<td>-0.2</td>
</tr>
<tr>
<td>Subsidies</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Government investments</td>
<td>3.2</td>
<td>3.2</td>
<td>3.2</td>
<td>3.2</td>
<td>3.2</td>
<td>3.2</td>
<td>3.2</td>
<td>0.0</td>
</tr>
<tr>
<td>Total primary expenditure</td>
<td>37.9</td>
<td>39.7</td>
<td>39.4</td>
<td>42.9</td>
<td>45.9</td>
<td>46.7</td>
<td>46.7</td>
<td>8.8</td>
</tr>
<tr>
<td>Interest expenditure</td>
<td>1.6</td>
<td>2.3</td>
<td>2.5</td>
<td>3.5</td>
<td>6.8</td>
<td>11.7</td>
<td>17.3</td>
<td>15.6</td>
</tr>
<tr>
<td>Total general government revenue</td>
<td>40.1</td>
<td>41.6</td>
<td>39.9</td>
<td>39.6</td>
<td>39.3</td>
<td>39.3</td>
<td>39.2</td>
<td>-0.8</td>
</tr>
</tbody>
</table>

1. Employment and social protection – examples
Employment and social protection – examples (1/13)

The European pillar of social rights

- Delivering on a **more social and fairer Europe** - European Pillar of Social Rights
- **compass** - socio-economic convergence/progress
- **three main dimensions/20 principles/numerous indicators**
  - **Equal opportunities** - skills development, life-long learning and active support for employment
  - **Fair working conditions** - balance of rights and obligations between workers and employers
  - **Social protection and inclusion** - access to health, social protection benefits and high-quality services, including childcare, healthcare and long-term care

Employment and social protection – examples (2/13)

The european pillar of social rights – indicators

- Eurostat states it has your key to European statistics – it appears it is already yours, therefore, use it! 😊
- European pillar of social rights
  - Social scoreboard indicators (link)
  - Headline indicators/flagships
  - Secondary indicators

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**Social protection and inclusion**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Latest value</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>At-risk-of-poverty or social exclusion rate (AROPE) % of population</td>
<td>13.7 [2016]</td>
<td></td>
</tr>
<tr>
<td>At-risk-of-poverty rate (AROP) % of population</td>
<td>12.4 [2016]</td>
<td></td>
</tr>
<tr>
<td>Severe material and social deprivation rate (SMSD) % of population</td>
<td>2.2 [2016]</td>
<td></td>
</tr>
<tr>
<td>Persons living in a household with a very low work intensity % of population</td>
<td>4.3 [2016]</td>
<td></td>
</tr>
<tr>
<td>At-risk-of-poverty rate or exclusion of children % of population 0-17</td>
<td>11.6 [2016]</td>
<td></td>
</tr>
<tr>
<td>At-risk-of-poverty rate (AROP) for children % of population 0-17</td>
<td>10.5 [2016]</td>
<td></td>
</tr>
<tr>
<td>Severe material and social deprivation rate (SMSD) for children % of population 0-17</td>
<td>1.2 [2016]</td>
<td></td>
</tr>
<tr>
<td>Children living in a household with a very low work intensity % of population 0-17</td>
<td>2.6 [2016]</td>
<td></td>
</tr>
</tbody>
</table>
Employment and social protection – examples (3/13)
The European pillar of social rights – zooming in

- The nature and the implications of the selected (KP)Is?
  - sensitivity, volatility, magnitude, intensity, time, interdependence/correlation, etc.

- What does it tell you? Good, bad, average? Value to the policy maker... it is about understanding (also) the big picture.
  - value, trend, efficiency of policy/measures feedback (?), priorities framework, peer pressure, etc.

- ER - % of employed p. in relation to the comparable total population
- AR - % of active p. in relation to the comparable total population (i.e. empl&unempl).
Employment and social protection – examples (4/13)

Activity rates > Slovenia > setting the scene

Setting the stage/background - small vs. big comparability (?):

- GDP EUR 47mrd, GDP p.c. EUR 23k (current prices; 2020), population 2,1m, size 20.273 km²,
- Slovenia has a small and open economy/labour market,
- Extreme and fast moving volatility (5-7 years), good „shock absorbers“:
  - insured Δ140K (&50k+70k) => 910k (10/2008), 830k (2/2013), 970k (2/2020).
  - unemployment Δ70k => 60k (6/2008), 130k (1/2014), 70k (6/2019),
  - foreign workers Δ50k => 50k (2013), 100k (2020),
  - other „absorbers“ - atypical forms of work (...), public sector empl., community work arrangements, LIS/NEETS, education (VII+), sabbatical, im/emigration, maternal/paternal leave, retirement, etc.

Sources: Eurostat, ZPIZ&ZRSZ monthly reports, SURS.
Employment and social protection – examples (5/13)

Activity rates > Slovenia > setting the scene

• Mid-long term (fin.) forecast @ high risk, therefore **constant adapting to „moving targets“** is essential:
  • pensioners 625k of which 460k old age (**90k more** than in 2010),
  • 65+/15- ratio currently @ 1,3 and will **rise to 2 by 2033** (20>28% in 20 years); 65+ @20%,
  • pension expenditure approx. 10% of GDP in 2019, expected to rise above **15% in 2040**.

• Labour force participation rates:
  • **65+** neglectable (SI 3,1% / EU 6,6% / DE 7,8%),
  • **55-64** low, but rising fast (SI 48,6% / EU 60% / DE 72,7%),
  • **25-54 employment rate very high**, (No1 in OECD; SI 87,8% / EU 81,3% / DE 85,6%),

Sources (%): EUROSTAT, OECD, ZPIZ monthly reports.
Employment and social protection – examples (6/13)

Activity rates > Slovenia > setting the scene

Impact on activity rates - % of total population 15-64 (empl&unempl)

Sources: Eurostat, ZRSZ, ZPIZ (data), UMAR, calculations, adaptation TB
Employment and social protection – examples (7/13)

Activity rates > Slovenia > setting the scene

• A tectonic move under way… decomposition based on age – better insight.

Labour force participation by age in 2010 and 2020

Source (data): SURS.
Employment and social protection – examples (8/13)

Activity rates > Slovenia > examples of policy failures

Policy failures with initial/temporary positive impact – examples

- Some policies/measures tend to cause:
  - positive implications in the short run/negative in the long run,
  - cause unexpected negative externalities to arise,
  - adversely interact with other policies/measures.

- Mitigating the above risk:
  - permanent KPIs monitoring and periodical post-implementation assessments,
  - introducing umbrella strategies and taking a holistic approach to change (i.e. SRs).

Examples (1 of 4)

- **Subsidising first labour market entrants** and long term unemployed to opt for entrepreneurship (i.e. **sole entrepreneurs**) and **flat rate taxation**
  - short term – unemployment and inactivity↓
  - long term – market distortions (price/quality dumping), downward spiral for the individual and his household, social insecurity (>90% minimum SSC insurance), default tax/SSC liabilities, high social transfers and other benefits (kindergarten), inflation of atypical forms of work/shadow economy, etc.

- **scholarships for shortage occupations**
  - shortage in staff due to poor wage, work, safety and health conditions,
  - attracting scholars from lower income households „inheriting the poverty trap“.
Employment and social protection – examples (9/13)

Activity rates > Slovenia > examples of policy failures

Examples continued (2 of 4)

- Combining the **low minimum wage** competition model with high social transfers/benefits (i.e. the working poor)
  - indirectly subsidising of low productivity/low added value businesses
  - high cost to the public finance, society and individuals caught in the spiral (high at poverty risk significantly increasing in old age – sick leave, disability, unemployment, retirement),
  - (!) modern economies/welfare states cannot afford low wages, low productivity, low added value, etc.,

- **Work activity allowance** and detached tax/social policy
  - An increase of the social assistance by more than 30% in 2018 increased the census for social assistance in case of activity to approx. 90% of minimum wage; translation through various factors caused **minimum differences in household income in case of activity/inactivity** (social transfers, benefits – kindergarten, meals, health insurance, etc.),
  - **Distortions in decisions** of individuals/households – **disincentivised vertical transition/additional income and labour market participation/inactivity**, increased risk of entering the long term poverty spiral, etc.,
  - on/off limits pertaining to social benefits add to the problem (glass/steel ceiling)
Employment and social protection – examples (10/13)

Activity rates > Slovenia > examples of policy failures

Examples continued (3 of 4)

• Mandatory insurance contributions for employees assigned to work abroad based on comparable salary in Slovenia (i.e. mostly minimum wage)
  • inadequate part of actual income subject to mandatory insurance – risks not adequately covered (sick leave, disability, unemployment, retirement),
  • reduced SSC flows to state budget, asymmetry burden sharing and benefits (social transfers, retirement),

• limiting the view to pensioners income only
  • Importance/implications of expenditures (accommodation, food, transport, heating, long term care services, etc.)
  • Hidden externalities – poor long-term care, daily care, etc. causes (mostly) women to leave the labour market too soon (escaping the labour market),

• bridge to retirement/(re)activation – stimulating free-ridding
  • Rewarding inactivity – unemployment, sick leave (20% „activity bonus“, 4%pt additional accrual rate),
  • Gaps in unemployment benefits regulation (25/1/25/1…, 9/3/9/3…)
Employment and social protection – examples (11/13)

Activity rates > Slovenia > examples of policy failures

Examples continued (4 of 4)

- Dealing with/monitor multiple converging/duplicating measures,
- In Slovenia there are **multiple measures pertaining to children**; some of these are listed below:
  - Ministry of Labour and social Affairs > child allowances (250m), large family allowance (10m), scholarships, maternity and paternal leave, etc.
  - Ministry of Education and Sports > school and student meal allowances (10m), scholarships, student accommodation,
  - Ministry of health > health insurance,
  - Ministry of the Environment and Spat. Plan. > not-for-profit family accommodation,
  - Ministry of finance > dependant family member tax allowance (300), annual duty for vehicles exemption, motor vehicles tax exemption,
  - Ministry of Infrastructure > highway vignette for large families,
  - Municipalities > childbirth grant(s), payment of health insurance (threshold), transport to school, kindergarten, etc.

- Measuring, interpreting and understanding the underlying implications is **beyond complex** – introducing a universal child allowance/income?
  - May reduce the complexity but not necessarily improve the impact.
Employment and social protection – examples (12/13)

Key takeaways

The risks > potential remedies:

• being caught in your own policy bubble > interdepartmental and interministerial workgroups, single set of main priorities to which lower grade priorities have to adhere, umbrella (horizontal) strategies to generate goal congruence, tracking the work of other departments/ministries, etc.

• failing to detect negative externalities > (permanent) KPIs monitoring and periodical post-implementation assessments, looking at the data from different viewpoints (stat. analysis),

• taking credit or blame for items within/out of your reach > decomposition of (KP)Is understanding their nature and drivers; secondary/partial (KP)Is and targets to be used for assessing contribution to the global result, etc.

• quantity is not everything > understand and provide for the shortcomings of quantitative statistics/(KP)Is; sound interpretation and communication, use of qualitative (KP)Is and target setting, etc.
Employment and social protection – examples (13/13)

Questions – your experience

Have you identified any policy failures in your country? Is there a pattern that you recognised (e.g. politically/vote sensitive issues – a „politicians beauty contest“)?

How were the failures identified?
• post implementation evaluation,
• KPIs/internal controls,
• red-flagged by other ministries/departments/stakeholders,
• other.

Was the impact of negative externalities estimated? How?

How long did it take to change/did it change?
2. COVID 19 – data at your fingertips
COVID 19 – data at your fingertips (1/8)

Speed and accuracy matters – understanding behaviour

• „Split-second“ decision/policy making in austerity times relies heavily on availability of data&analysis in real time,
• „traditional“ periodical reports provided by SURS, ZRSZ, UMAR, etc. not enough/obsolete when made available,
• special/ad-hoc reports&sets of data needed,
• new sources, tools and approaches have to be developed to:
  • support decision-making over a broad range of tailor made measures,
  • allow for their timely activation, intensity and deactivation (measuring, interpreting and understanding impact),
  • assuring efficient and effective use of public funds while mitigating market distortions,
  • provide input/support for communication with stakeholders,
  • etc.,
• not helping (just) the loudest/strongest, but the most in need.
COVID 19 – data at your fingertips (2/8)
Examples of data collected in real time

HW traffic > 3,5t year-on-year change (%)

Electricity, year-on-year change (%)

Source: DARS (data), UMAR (processing&graphics), TB (adaptation).

Source: SODO (data), UMAR (processing&graphics), TB (adaptation).
COVID 19 – data at your fingertips (3/8)

Examples of data collected in real time

Online tax cash registers – invoices registered

Sources: FURS (data), UMAR (processing&graphics), TB (adaptation).
COVID 19 – data at your fingertips (4/8)
Examples of data collected in real time

Debit/credit card purchases and impact on spending (UK)

Index February 2020=100

Sources: Office for National Statistics (UK) and Bank of England calculations
COVID 19 – data at your fingertips (5/8)
Speed and accuracy matters

- examples of data collected in real time (i.e. at least daily) in Slovenia that may be used to generate new (KP)Is, monitor and tune the responses to the COVID-19:

<table>
<thead>
<tr>
<th>Data</th>
<th>Information (micro&amp;macro)</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-line cash registers data flow</td>
<td>• <strong>volume/frequencies/distribution of sales</strong> - determining stores opening hours to balance limiting purchase interactions/crowdedness, estimate impact, etc.;&lt;br&gt;• <strong>spending/consumption/liquidity</strong> across a variety of sectors (retail, catering, tourism, etc.) - assess access to goods/services, calibrate support needed, impact of measures, tax revenues estimation, state budget/treasury liquidity planning, etc.;&lt;br&gt;• <strong>region/area, business activity impact</strong> - when/where/how to adapt measures by region/activity,&lt;br&gt;• <strong>identification of distortions/misuses</strong> of financial assistance to businesses and individuals</td>
<td>FURS</td>
</tr>
<tr>
<td>cash balances on account @ COB time, frequencies</td>
<td>economy and population liquidity status (by account and aggregated – sector, region. etc.)</td>
<td>BSI</td>
</tr>
<tr>
<td>customs (pre)clearance / customs warehouses „traffic“</td>
<td>incoming goods via e.g. Port of Koper and customs warehouses signal issues in the supply chain, reduced/increased orders to manufacturing</td>
<td>FURS</td>
</tr>
</tbody>
</table>
COVID 19 – data at your fingertips (6/8)

Speed and accuracy matters

- **Examples of data collected in real time** (i.e. at least daily) in Slovenia that may be used to generate new (KP)Is monitor and tune the responses to the COVID-19:

<table>
<thead>
<tr>
<th>Data</th>
<th>Information (micro&amp;macro)</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>employees (de)registration</td>
<td>labour market/economy „pulse“ measuring (changes in mandatory insurance basis – employee, unemployed, pensioneer, dependent family member etc.)</td>
<td>ZZZS/AJPES</td>
</tr>
<tr>
<td>companies (de)registration</td>
<td>businessess expectations/optimism „pulse“ measuring (types/volumes of entities)</td>
<td>AJPES</td>
</tr>
<tr>
<td>electricity consumption</td>
<td>(manufacturing) industry „pulse“ measuring</td>
<td>SODO</td>
</tr>
<tr>
<td>electronic tolling</td>
<td>logistics and transport „pulse“ measuring</td>
<td>DARS</td>
</tr>
<tr>
<td>electronic registration of turist guests</td>
<td>tourism (accommodation) „pulse“ measuring</td>
<td>AJPES</td>
</tr>
<tr>
<td>social assistance and other rights from public funds</td>
<td>broad range of social assistance and other needs by area, type, volume etc. (trends, structure, impact etc.)</td>
<td>MDDSZ – ISCSD2</td>
</tr>
<tr>
<td>new Corona 19 cases</td>
<td>plan for hospital/intensive care capacity needs in 10 days, health-related measures impact (lockdowns, vaccination, hygiene reccomendations, etc.)</td>
<td>MZ/NIJZ</td>
</tr>
</tbody>
</table>
COVID 19 – data at your fingertips (7/8)

A look beyond the superstorm – long term implications

- Increased **efficiency and effectiveness** in a broad range of policy areas may be expected to occur – new (KP)Is,

- some of the **long term positive externalities**:
  - **new sources** of data mapped,
  - increased capacity/sensitivity for **identification of emerging data** sources,
  - decision and policy making closer to the **needs & developments**,
  - narrowly **targeted** (niche) measures resulting in a higher value for money impact, etc.

- Example – **labour market**: future quality and response times
  - supplementing the „mammoth“ policies with „JIT“ preventive/proactive measures; **anticipating and interfering** with the movement of KPIs,
  - (central) **tuning/synchronisation** and identification of adverse measures.
Long term challenges not (really) changing but evolving:

- more is not necessarily better/data abundance
  - capacity to select relevant and reliable sources,
  - assuring integrity/consistency/quality of data,
  - collection, processing and interpretation capacities (staff, equipment, leveraging by using AI augmentation, etc.),
  - maintenance of data flows/storage, etc.,
- building resilience to data misuse and misinterpretation,
- the shifting asymmetry of information – stakeholders.
4. Follow-up experience on pension reform
Follow-up experience on pension reform (1/5)

What was it about?

Addressing:

• Decent living of elderly population
• Increasing the retirement age
Follow-up experience on pension reform (2/5)

Ski jumps are popular in Slovenia – translating it to public finance?

What about 2045...
- long time care,
- health sys,
- etc.

Will we be able to afford policies that stimulate activity?

% GDP

Sources: ZPIZ (data), IER (graph).
# Follow-up experience on pension reform (3/5)

## 2019 change to pension system and labour market laws

<table>
<thead>
<tr>
<th>Pension law</th>
<th>Part of section</th>
<th>&gt; 2019</th>
<th>2020 &gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrual rates (future pensions 5-15% increase by the end of the transition period)</td>
<td>Lowest pension</td>
<td>26%</td>
<td>29,50%</td>
</tr>
<tr>
<td></td>
<td>Old-age, 40 years worked</td>
<td>57,25% M; 63,5% W</td>
<td>63,50%, min. p. impact (40yw)</td>
</tr>
<tr>
<td></td>
<td>Other accrual rates</td>
<td>survival, family: 33, disability: 36 (M), 39 (W)/57,25</td>
<td>survival, family: 38, disability: 41/63,5</td>
</tr>
<tr>
<td></td>
<td>children</td>
<td>decrease of retirement age („up“ to 58 years)</td>
<td>Additional possibility available (1,36% up to 3x OR age requirement reduction)</td>
</tr>
<tr>
<td></td>
<td>accelerated accrual rates</td>
<td>4% p.a. 41 - 43 years worked; (1% per 3m)</td>
<td>3% p.a. 41 - 43 years worked; (1,5% for 6m)</td>
</tr>
<tr>
<td></td>
<td>Transition period</td>
<td>n/a</td>
<td>6 years</td>
</tr>
<tr>
<td>„Double status“</td>
<td>1-3 years after fulfilling old-age retirement conditions</td>
<td>20%</td>
<td>40% when meeting conditions to retire (40/60, 15/65); incompatible with long term sick leave</td>
</tr>
<tr>
<td></td>
<td>after 3 years</td>
<td>20%</td>
<td>20%, no limitation</td>
</tr>
</tbody>
</table>
## Follow-up experience on pension reform (4/5)

### 2019 change to pension system and labour market laws

<table>
<thead>
<tr>
<th>Labour mkt. law</th>
<th>Section</th>
<th>&gt; 2019</th>
<th>2020 &gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unemployment benefits</strong></td>
<td>Unemployment benefit insurance period requirement</td>
<td>9m/24m</td>
<td>10m/24m; agreement to update the law on working time registration</td>
</tr>
<tr>
<td></td>
<td>25m unemployment allowance right (&quot;waiting for retirement&quot;)</td>
<td>25 l.z.d./55 l./25 m.</td>
<td>25 insured years /53 age/19 m; 28 insured years/58 age/25 m</td>
</tr>
<tr>
<td></td>
<td>Increase (minimum) unemployment allowance</td>
<td>350 EUR gross</td>
<td>530,19 EUR gross; net equal to &quot;social assistance&quot;</td>
</tr>
<tr>
<td><strong>Other relevant changes (bridge to retirement)</strong></td>
<td>sanctions</td>
<td>possible avoidance</td>
<td>removal of bypass(es)</td>
</tr>
<tr>
<td></td>
<td>accumulating rights pertaining to unemployment benefits</td>
<td>no limitations</td>
<td>removal of bypass(es)</td>
</tr>
<tr>
<td></td>
<td>„double insurance“ (sick leave/pension)</td>
<td>no limitations</td>
<td>remove</td>
</tr>
</tbody>
</table>
Follow-up experience on pension reform (5/5)

What happened? The course of a minority government (since 2018)

- Transition period 2025 > 2023
- Indexation – regular/additional (plan – target distortion only)
  - regular 2,7 (1/2019); 3,2 (1/2020)
  - additional 1,5 (12/2019); 2,0 (12/2020); 2,5 (1/2021); 3,5 being discussed (12/2021)
- permanence of impact/long term sustainability
- average net pension w/o partial 9/2019 EUR 740 > 820 9/2021
- minimum pension (530 > 620) – adversity of impact
- additional benefits (farmers, purchase of years and voluntary inclusion/unactive)
- Corona 19 measures – one time additional payments
- Corona 19 distortions – 03/2020-9/2021 +4,7mrd spent on measures to mitigate the impact

…

- inflating (long term) expectations > future reforms/negotiations (tripartite dialogue)
- aligning measures to public perception (and not facts)
- relevance of the pre-set (micro) indicators (replacement ratio, average age of new old-age retired), reactivation no., no. working past retirement statutory age, activity rates 60-64, unemployment 55+, etc.) > communication > fall-back to basic KPI to raise the alarm (pensions expenditure to GDP, updated projections)
5. The Statesman experience game
Thank you!