

PRESS RELEASE

Actuarial Association of Europe publishes AAE Discussion Paper “From Labour Supply to Labour Productivity”

Brussels, 30 May 2022:

The Actuarial Association of Europe (AAE) announces the publication of a paper titled [“From Labour Supply to Labour Productivity”](#).

The EU's working age population has been shrinking for a decade and this is projected to continue. The population at working age (20–64 years of age), would shrink in all Member States as a proportion of the overall population. Whereas in 2019 people of working age represented 59% of the EU population, this share would fall to 51% by 2070.

The overall picture is one in which total employment is expected to decline steadily and the contribution of labour input to output growth to decline accordingly.

Labour productivity growth, driven by Total Factor of Productivity growth, is projected to become the sole source of potential output growth in both the EU and the Euro Area.

This paper of the Social Security Subcommittee provides analyses and insights into some of the important issues raised by the European Commission's recent publications; Ageing Report 2021 and Pension Adequacy Report 2021.

The focus is set on the challenges we need to deal with over the next 50 years in order to respond to the main question of "How to defend the public pension systems?":

- Lifelong learning
- Access of citizens to their pension information
- The autonomy of older people and their participation in society
- Ensuring sustainability of Social Security Pension promises

To face the above challenges we, as Social Security Actuaries, seek to strengthen our problem-solving approaches. This includes steps to define the requirements for recognizing and measuring social benefits. The actuarial approach should identify those solutions which are optimal.

Our primary concern is how we may contribute to the well-being of the society, underlying which we see the key question to be, not “where do we think we will be in the year 2070?”, but “where would we like the world to be in 2070?”

- End of press release -

Notes for editors

1. For further information please contact Monique Schuilenburg, Operations Manager (tel. +32 2 201 60 21), moniques@actuary.eu
2. Copies of all AAE press releases are available on the AAE website (www.actuary.eu)
3. The Actuarial Association of Europe (AAE) was established in 1978 under the name Groupe Consultatif to represent actuarial associations in Europe. Its primary purpose is to provide advice and opinions to the various organisations of the European Union - the Commission, the Council of Ministers, the European Parliament, the European Supervisors and their committees – on actuarial issues in European legislation. The AAE currently has 37 member associations in 36 European countries, representing over 27,000 actuaries. Advice and comments provided by the AAE on behalf of the European actuarial profession are totally independent of industry interests. The Actuarial Association of Europe is registered in the EU Transparency Register under number 550855911144-54