

# Well-performing public services for a fair and resilient European society



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## SUMMARY

Is the European public service sector ready to realise the lofty ambitions of the European Pillar of Social Rights and guarantee equal opportunities and access to jobs, fair working conditions and social protection?

This European Policy Centre (EPC) Issue Paper, produced with the support of the European Confederation of Independent Trade Unions (CESI), analyses how certain global trends are challenging the operating models of Europe's public service sector.

Digitalisation requires the public service workforce to upgrade their digital skills, and more investment in digital infrastructure. An ageing population is putting a heavier burden on both the supply and demand of public services. On the one hand, the EU public service workforce is getting older, while it is becoming increasingly difficult to recruit young talent. On the other, an ageing population means a rise in the demand for health- and long-term care, and more people needing to rely on social protection systems.

Public service providers in Europe, having to meet increasing demands, must also deal with budgetary concerns. And although employment trends in this sector look more favourable than those in the broader economy, the relatively high incidence of atypical work contracts presents a challenge.

Furthermore, the COVID-19 crisis has exposed structural weaknesses in the sector. Among them are the absence of emergency preparedness, the lack of adequate budgets and fragile supply chains.

There are also significant differences between the EU member states. Eastern and Southern European countries will suffer more from demographic changes and are already characterised by low levels of public trust in their public institutions. Since institutional trust is crucial for public services to achieve their objectives, and public service performance essential for maintaining institutional trust, these countries could become trapped in a vicious cycle that damages the performance of their public service providers further.

To help European public services cope with these challenges and prepare for future disruptions, EU member states and European institutions must set an **EU public service agenda** centred on five building blocks:

- **National governments must be encouraged to renew their support for public services, addressing the current financial and investment shortcomings.**
- **EU member states must aim to improve the resilience and service quality of public services through comprehensive and ambitious reforms.**
- **The public sector workforce must be equipped with the right tools to face the ongoing transformations.**
- **European public services must attract new and young talent to address labour shortages.**
- **Public services must be digitalised to meet the expectations of consumers.**

The EU has a crucial role in incentivising its member states to build future-proof public services, by steering innovative and progressive changes, not least through the European Semester process which is now intrinsically linked with the Recovery and Resilience Facility.

**If the European Pillar of Social Rights is to be implemented, member states must support their public services adequately.**

**Only then will the European public service sector continue to deliver economic and social prosperity to its citizens and be resilient in the face of new challenges and trends.**



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## CENTRAL, REGIONAL AND LOCAL ADMINISTRATION



### PUBLIC INVESTMENT:



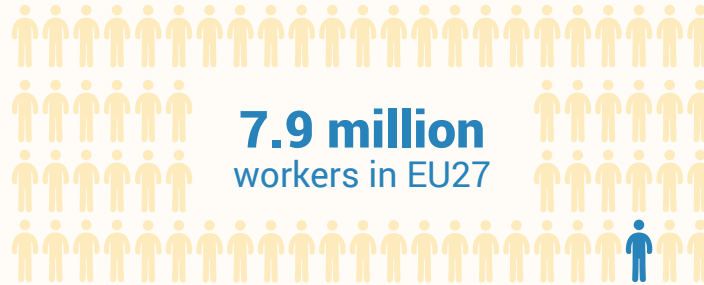
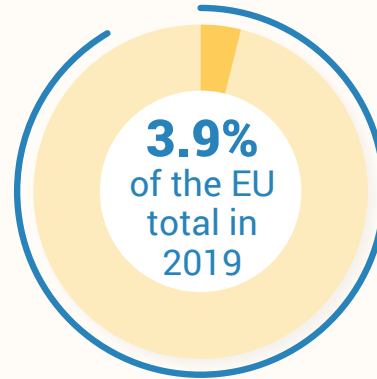
**-46.2%**  
from 2001 to 2018



Only  
**6 out of 24 COUNTRIES**  
experienced some  
level of growth



## THE EUROPEAN ADMINISTRATION WORKFORCE REPRESENTS:



In the last decade:

**+12.8%**  
of total EU27  
employment

**+16.7%**  
absolute number  
of workers

## PROFILE OF WORKERS



High number of workers who **completed tertiary education**



The **workforce is ageing** at a faster rate



**Temporary contracts** are common, part-time and self-employment less



Workers work **fewer hours**, nights, evenings and weekends

## CHALLENGES



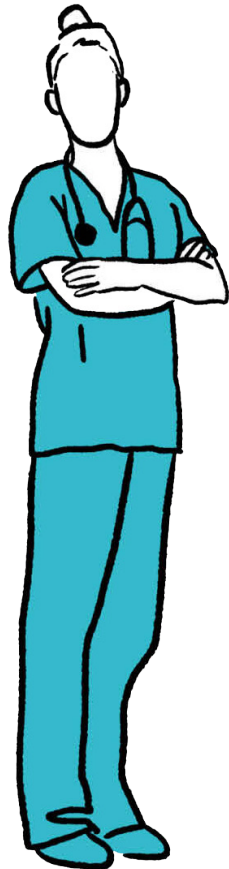
Besides **digitalisation**, the **service performance has stagnated or deteriorated** in the EU over the last couple of years.

The quality is measured against **five variables**:

- Transparency and accountability
- Bureaucratic coordination
- Implementation of policies and services
- Human resource (HR) management

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## HEALTHCARE



### ATYPICAL FORMS OF WORK:



PART-TIME WORK



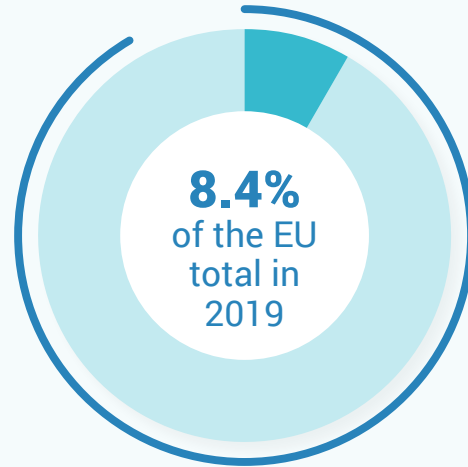
SELF-EMPLOYMENT



WORKING PATTERNS

nights, evenings & weekends

## THE EUROPEAN HEALTH WORKFORCE REPRESENTS:



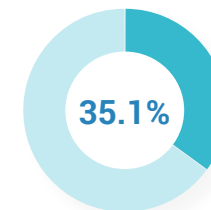
EU WORKERS  
≥ 55 YEARS  
in 2019

23% in healthcare  
total economy

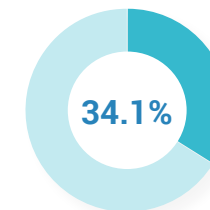


In at least 7 COUNTRIES, worrying peaks in the age distribution of national health workers aged ≥ 55 years accounting for MORE THAN 25% of the workforce.

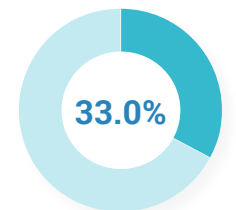
### TOP 3:



BULGARIA



LATVIA



LITHUANIA

## COVID-19 PANDEMIC



The COVID-19 pandemic has exposed the existing structural weaknesses of European health systems and, in many cases, their unpreparedness to absorb a health crisis of this magnitude.



STAFF SHORTAGES



UNEVEN CAPACITY OF EUROPEAN HEALTH SYSTEMS



HIGH SHARE OF ELDERLY EMPLOYMENT

**Concerns about future shortages of health professionals:**

Despite the increase in the number of health professionals over the last decade, it has not been enough to equip European health systems to respond to sudden increases in demand for care.

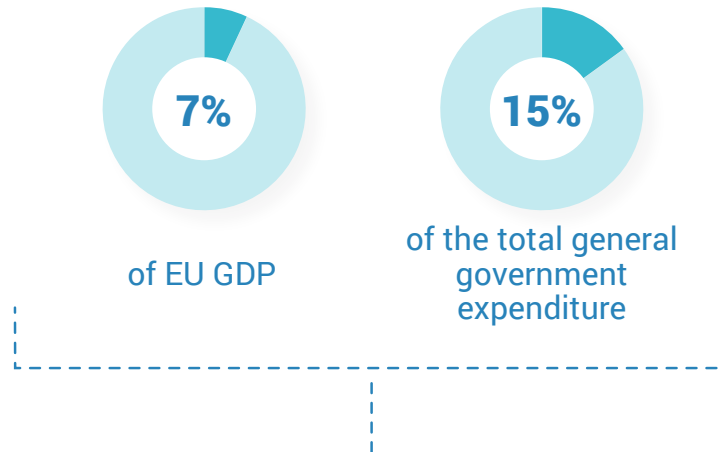
## HEALTH FINANCING



### MAIN SOURCES:

- Government expenditure
- Social health insurance schemes

### EU27 GOVERNMENT EXPENDITURE ON HEALTH IN 2018:



Health spending has generally increased over the past two decades across Europe, as both percentages of GDP and total government expenditure. Nevertheless, investments in the sector have decreased significantly.

## CHALLENGES



- Ensure affordable access to quality care for all
- Meet the evolving needs of an ageing population
- Address the growing burden of chronic conditions
- Embrace the digital transformation

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## EDUCATION



High percentages of  
**ATYPICAL  
FORMS  
OF WORK:**

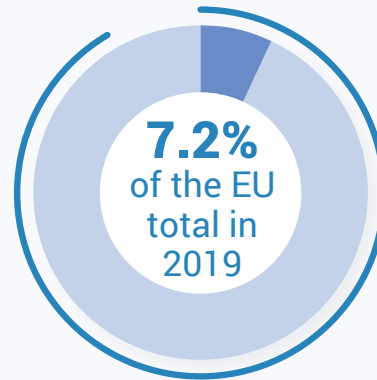


**PART-TIME WORK**



**MORE  
SELF-EMPLOYMENT**

## THE EUROPEAN EDUCATION SECTOR REPRESENTS:



## AGE STRUCTURE OF WORKERS



The ageing population of educators, paired with the difficulties in attracting and retaining young professionals, raises serious concerns about future staff shortages.

**55 TO 64 YEARS:**  
between 2008 and 2019

↗ **+33%**

**≥ 65 YEARS:**  
between 2008 and 2019

↗ **+128.1%**

## CHALLENGES



- Decreasing resources for education
- Impact of digitalisation and adoption of new technologies



**DECREASING  
FINANCING**



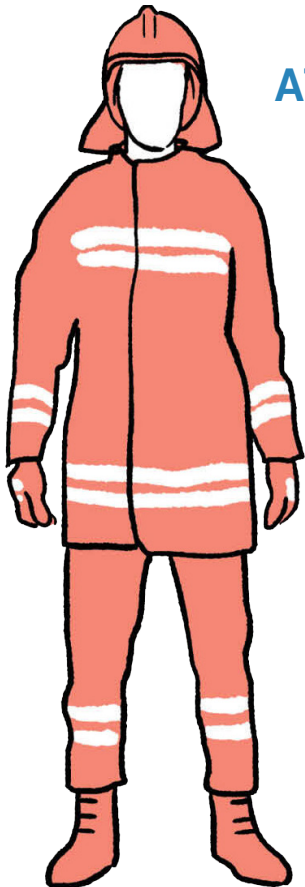
**AGING  
WORKFORCE**

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## PUBLIC ORDER AND SAFETY



### ATYPICAL WORKING PATTERNS:

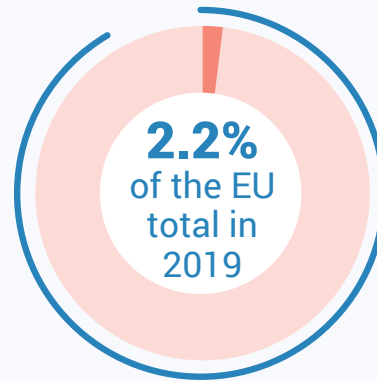


**WORK MORE HOURS**  
than the total economy



**WORKING PATTERNS**  
nights, evenings & weekends

## THE EUROPEAN PUBLIC ORDER AND SAFETY SECTOR REPRESENTS:



## PROFILE OF WORKERS



**Higher educational level**  
than the rest of the workforce



**Younger**  
than the total EU workforce



But with a greying trend

## FINANCING



EU27 government expenditure in the public order and safety sector has remained **stable** in recent years:

- **Less than 2%** of EU GDP in 2018
- **Public investment** is **exceptionally low** and has been decreasing over the last two decades.

## PERFORMANCE



- **Access to justice services** is generally perceived as **satisfactory** across European countries
- European citizens also express **trust in local police**.