

## Resolution

### Support and protection of young families in times of macroeconomic challenges

*Adopted at the YEPP Council Meeting in Zagreb (23/09/2023)*

#### Recognizing that:

- The demographic change has a powerful impact on our economies, general welfare and social systems, as well as housing and infrastructure needs.<sup>1</sup>
- The latest data demonstrate that existing demographic tendencies, such as increasing median age, declining fertility rates, and a shrinking working-age population, continue to prevail in the European Union (EU).<sup>2</sup> The average number of childbirths per woman currently stands at around 1.5, which is well below the value of 2.1 required to maintain a stable population, whereas the share of people over 65 will be around 30% by 2050, compared to around 20% today.
- The EU's share of the global population is projected to continue declining in the coming decades, resulting in the need for close cooperation at all levels of political decision making to ensure the competitiveness of our Single Market.<sup>3</sup>
- The European People's Party has historically addressed the alarming demographic trends and advocated for family-friendly policies.
- The family represents the core foundation of every society and bears the primary responsibility for the education and socialization of children as well as the integration of values of citizenship.
- The answer to demographic challenges requires strong and determined population, tax, housing, and social policies through which family and each of its members will be strengthened.

#### Acknowledging that:

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<sup>1</sup> European Commission, Staff Working Document - The impact of demographic change – in a changing environment, 2023, available at: [https://commission.europa.eu/system/files/202301/the\\_impact\\_of\\_demographic\\_change\\_in\\_a\\_changing\\_environment\\_2023.PDF](https://commission.europa.eu/system/files/202301/the_impact_of_demographic_change_in_a_changing_environment_2023.PDF)

<sup>2</sup> European Parliament, European Parliamentary Research Service, Demographic Outlook for the European Union, 2022, available at: [https://www.europarl.europa.eu/RegData/etudes/STUD/2022/729461/EPRS\\_STU\(2022\)729461\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2022/729461/EPRS_STU(2022)729461_EN.pdf)

<sup>3</sup> European Commission, Staff Working Document - The impact of demographic change – in a changing environment, 2023, available at: [https://commission.europa.eu/system/files/202301/the\\_impact\\_of\\_demographic\\_change\\_in\\_a\\_changing\\_environment\\_2023.PDF](https://commission.europa.eu/system/files/202301/the_impact_of_demographic_change_in_a_changing_environment_2023.PDF)

- The current macroeconomic trends characterized by high inflation and rising cost of living have deepened social deprivation, absolute poverty, and energy poverty.<sup>4</sup> This in turn could result in widening existing social inequalities within the EU.
- Different households have different margins of adjustment to inflationary pressures depending on their income and balance sheet structure. In addition to lowering consumption, households can borrow, use their savings, work longer hours or/and ask for wage increases. However, a recent study has shown that low-income households tend to have fewer alternative options to access more financial means, making them more vulnerable to high inflation.<sup>5</sup>
- In a recent Eurobarometer survey, 45% of respondents identified “rising prices/inflation/ cost of living” and 18% the economic situation as the two most important issues facing their country.<sup>6</sup>
- Young families, particularly those with children are often highly vulnerable to inflationary shocks and rising living costs. The limited ability to access additional financial means can have a direct negative impact on their life quality as well as purchasing power and can heavily discourage their potential family planning.
- European countries are free to conduct monetary and fiscal policies in accordance with their national interest and international obligations.

#### **YEPP Calls on:**

- All of the relevant stakeholders to recognize and actively address the challenges that young families face in light of the current macroeconomic situation characterized by high inflation in order to protect social cohesion and prevent further negative implications to demographic trends.
- The European countries to provide support for young families within their own tax and benefits framework, which may among others include family-friendly tax policies, maternity benefits, and financial support for children.
- The European countries, with the assistance of the EU institutions, to continue looking into other issues relevant to young families, which may among others include the provision of affordable child care and housing, work and employment support, as well as education incentives.

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<sup>4</sup> European Commission, Joint Research Centre, The effect of rising energy and consumer prices on household finances, poverty and social exclusion in the EU, 2022, available at: <https://publications.jrc.ec.europa.eu/repository/handle/JRC130650>

<sup>5</sup> European Central Bank, The impact of the recent inflation surge across households, 2023, available at: [https://www.ecb.europa.eu/pub/economic-bulletin/articles/2023/html/ecb.ebart202303\\_02~037515ed7d.en.html](https://www.ecb.europa.eu/pub/economic-bulletin/articles/2023/html/ecb.ebart202303_02~037515ed7d.en.html)

<sup>6</sup> Eurobarometer, Standard Eurobarometer 99 - Spring 2023, 2023, available at: <https://europa.eu/eurobarometer/surveys/detail/3052>.

- The European countries to take into account the impact on young families and their families' budgets when introducing provisional national control measures aimed at countering higher prices of basic products.
- The European countries to encourage a sustainable work-life balance for young families.