

Care: an economist's point of view

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The Social Contract on Care

- Working age population provides and funds care for the young and the old
- In their turn, the current working age population will receive care in their old age

BUT

- Increase in dependency ratio is increasing the burden of funding on the working age population

Options for funding care

- Pay for Yourself
- Partnership
- Insurance
- Comprehensive
- Tax-funded
- Cap on personal contribution

Funding Social Care: Criteria

- Efficiency
- Equity
 - Intra-generational
 - inter-generational
- Sustainability

Final thoughts

- Efficiency is important
- In social care, fairness needs to be considered across generations
- A new Social Contract for Care?