



Insuring
a more
open world

**Families,
generations,
and social ties
by 2030**

Challenges for the
insurance sector

The Foresight report
No. 1 – March 2021



CNP Assurances

Our mission is to **protect** people and everything that is important to them over the **long term**.

With an **open mind**, we are working with our partners to reinvent solutions adapted to each person, supporting all life paths.

19

countries in Europe
and Latin America

36

million people insured ⁽¹⁾
in personal risk/protection
insurance ⁽²⁾

340

distribution
partners

12

million people insured ⁽¹⁾
in savings/retirement
plans

5,156

employees

⁽¹⁾ Estimates partly based on the number of contracts under management

⁽²⁾ Personal Risk, Health, Term Creditor and Property & Casualty insurance²

FOREWORD

Véronique Weill, President of CNP Assurances

In these times of general uncertainty, foresight is more necessary than ever. The work carried out by CNP Assurances' teams helps us to adapt to future developments and to base today's strategic decisions on solid foundations.

Our mission of protection is becoming all the more important in light of changes in society: the end of the single family model and linear life paths, the threat of systemic crises that increase the need for risk protection, and persistently low interest rates that are unfavourable to savings. Meanwhile, new digital technologies are leading to a search for greater freedom in the choice of service providers, and practices based on the principle of use are replacing practices of ownership. The insurer of tomorrow will have to rise to all these challenges.

Our lives are changing and families are reinventing themselves. This inspires us. The subjects covered in this report are testament to the attention that CNP Assurances pays to the major transformations underway or just beginning in our society, and to the protection of the greatest number of people.

The wider public financial sector, to which we now belong, is dedicated to deploying a global and civic-minded approach to the needs of individuals. CNP Assurances is committed to inventing positive and practical solutions to support collective and individual life paths, and helping to create a more open world.

I hope you enjoy reading this first foresight report from CNP Assurances.

Antoine Lissowski, Chief Executive Officer of CNP Assurances

Conducting foresight studies on "families, generations and social ties" makes sense when you play such an important role in the lives of individuals as CNP Assurances does. The Group supports the unique life paths of individuals and families, through all their transformations and even in the event of separation.

It is clear that in ten years' time, the world will be unlike yesterday's or today's world. The insights provided by this foresight report are part of the in-depth analysis that CNP Assurances teams are conducting with experts on the major issues of the future. Anticipating, innovating, working as part of an ecosystem and experimenting over the long term characterise CNP Assurances' approach to meeting society's needs while carrying out the necessary transformation of our business.

These changes are crucial to the interests and responsibilities of CNP Assurances, its partners and their networks. We are committed to facilitating the autonomy of young people, enhancing the savings of the pivot generation and supporting older people in the face of the challenges of longer life and dependence.

This foresight report traces the development of major trends, sheds light on the challenges facing the insurance sector, and provides an outlook on the world of 2030 with three possible scenarios for "families, generations and social ties".

Whatever the future holds, CNP Assurances will stand by its policyholders.

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¹ www.futuribles.com

INTRODUCTION

The transformation of the traditional family is accelerating, stimulated by upheavals in sociology, technology and even the law, as well as by demographic trends. Whether single-parent, blended or multi-generational, new types of families are emerging and, by choice or necessity, sometimes several generations now live together in the same household. This new reality raises the question: what does the future hold for "families, generations and social ties"?

The subject of this first foresight report published by CNP Assurances lies at the crossroads of several disciplines: anthropology, sociology, philosophy, etc. Although it is central to the issues currently facing society, there have been very few foresight studies of note on this subject. These include the OECD (Organisation for Economic Co-operation and Development) report on "The Future of Families to 2030", published in 2011,² and, more recently, the "Rapport Vigie" produced by Futuribles International in 2016, which predicts an increase in what it describes as "rhizome families" by 2050.³

This foresight report therefore makes a major contribution to this field, and addresses some of the foundational elements of our society. Its ambition is considerable. It aims to explore the major transformations that families, generations and social ties are undergoing and to construct possible scenarios, viewed in particular through the prism of insurance, in order to prepare for them, facilitate them or protect against them, as the situation requires.

Conducted at the initiative of the directors of CNP Assurances, the foresight study presented in this report is intended to provide food for thought and a call to action, in the face of the challenges that lie ahead for the financial sector, and particularly insurers, over the next ten years.

Methodology

This foresight report is the result of a year-long process of reflection carried out within CNP Assurances, comprising several stages:

- An online survey of internal employees who are members of the "120 Network" within CNP Assurances,⁴ which identified the subject of "families, generations and social ties" as being a high priority.
- An in-depth analysis of seven major transformations related to this theme: family structures, the home/housing, youth, the pivot generation, longevity, communities of origin and chosen communities.
- A second online survey among the members of the 120 Network and a workshop involving around ten employees, in order to consolidate the key findings.
- Interviews with experts from within and outside the CNP Assurances Group to further refine the analysis.

² <https://www.oecd.org/futures/49093502.pdf>

³ <https://www.futuribles.com/fr/document/en-2050-des-familles-rhizomes> (access restricted to subscribers)

⁴ The "120 Network" ("réseau 120") is an internal community within CNP Assurances made up of leaders and experts representing the various professions, who act as intermediaries and ambassadors for the foresight-based approach within teams.

EXECUTIVE SUMMARY

The concept of the family, which has been called into question for several decades by upheavals in sociology, technology and the law, remains at the heart of French people's priorities. But it is changing.

The family group is now constructed in a variable way, over the course of encounters, aspirations and even separations, and takes on a very wide range of forms. Consequently, single-parent, blended and multi-generational families are now an integral part of our social fabric. The family is no longer restricted to blood ties, and individuals can come together to form a "found family" on the basis of their shared home, values or experiences. Already, families as defined by the presence of a parent-child bond have become a minority among French households, more than half of which are made up of people living alone or as a couple.

The family is also organised along generational lines: a century ago there were three generations in a family at most, whereas today there may be four or even five, owing to the increase in life expectancy. This coexistence is unprecedented in the history of humanity, and has resulted in a high degree of intergenerational solidarity, although these relationships are sometimes difficult to organise.

At the bottom of the family tree, the younger generations must contend with an increasingly hostile labour market and ever more demanding conditions of access to housing. At the top of the family tree, the older generation faces the inexorable advance of time and the risk of loss of autonomy. In the middle, members of the so-called "pivot" generation are doing their best to support both their children and their parents, sometimes to the detriment of their own development.

These family environments vary, sometimes very greatly, according to regions, social backgrounds, cultures and values. This diversity may well increase over the next decade.

Three scenarios can be envisaged in changes between now and 2030. In the first scenario, the family would remain a refuge from all kinds of disruption, but it would tend to develop over the course of one's life. In the second scenario, priority would be given to the development of each individual rather than the family, resulting in more flexible, diverse and transitory family ties. In the third scenario, on the contrary, individuals would seek to build a family for life, with the desire to live together counting more than biological ties.

The aim of this first foresight report is not to predict what the French families of tomorrow will look like. Instead, it gives a panorama of the trends and uncertainties that are likely to modify the structure and place of families in our society within the next ten years. It therefore establishes a knowledge base, to be enriched and debated, and provides a source of inspiration for those involved in insurance and protection.

FAMILIES, GENERATIONS AND SOCIAL TIES UP TO 2030: MAJOR TRANSFORMATIONS

I. The family in all its forms: Three revolutions, ten transformations

Three revolutions in the family: Biotechnology, love and law

French families have undergone three major revolutions over the last 40 years:

1. A technical revolution

Over the last 50 years, medical progress has overturned the norms of reproduction in families, separating sexuality from conception. Contraception has enabled couples to exercise greater control over when they wish to have a child, while medically assisted reproduction has made parenthood a possibility for a growing number of people. Finally, genetic identification now makes it possible to establish a biological parental relation with certainty, and therefore sometimes to separate marriage from parenthood.

2. A revolution in love

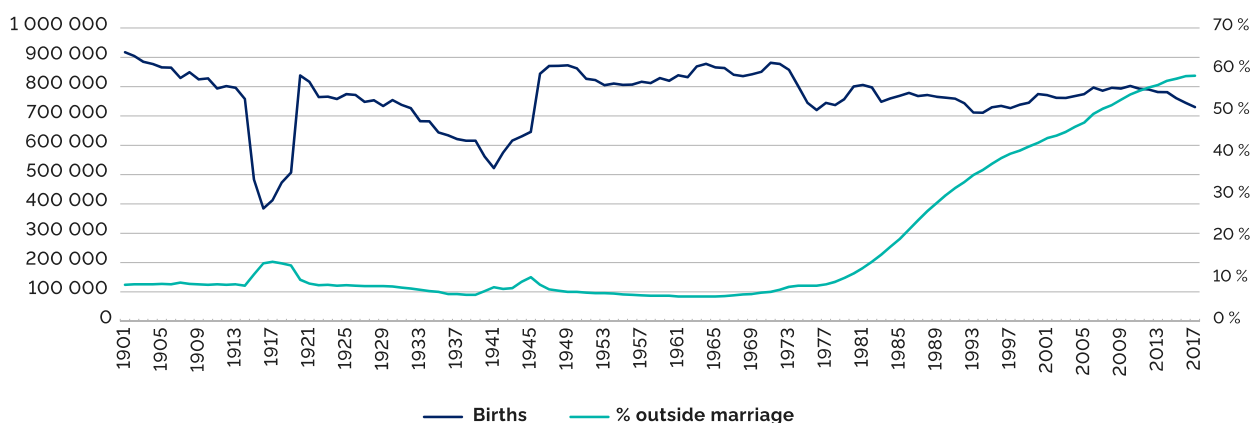
The family is no longer considered a necessity nor even an obligation. It is increasingly becoming a choice, based on the feelings shared by both members of the couple. This loving relationship then becomes a prerequisite for the creation of a

family, and for the parents their child becomes an object of both desire and attention. In short, happiness and fulfilment are becoming the ultimate goal of the family.

3. A legal revolution

Finally, families have undergone a legal revolution, as the law increasingly seeks to protect them rather than institute them. The role of the law is thus less to preserve the institution of the family than to safeguard the freedom and rights of its various members. Indeed, the law must adapt to the increasing precariousness of families, the weakening of the institution of marriage (at a time when 60% of births take place outside marriage), and the diversification of family structures: single-parent families, blended families, same-sex parent families, etc. The law is also supporting the gradual equalisation of men and women within the family.

Number of births and proportion of births out of marriage (Metropolitan France)



Sources: <https://www.insee.fr/fr/statistiques/2381394>; <https://www.insee.fr/fr/statistiques/2381380>

Chronology of the main legal developments in the family

- **1965:** Legal autonomy of married women and equality in marriage
- **1970:** reform of paternal control (which becomes parental authority)
- **1975:** legalisation of abortion
- **2002:** the law establishes the principle of the joint exercise of parental authority
- **2009:** reform of the legal treatment of filiation, creating equality between all children, whether born of a married couple or not
- **2013:** legalisation of same-sex marriage
- **2020:** access to medically assisted reproduction is extended to single women and couples

Julien Damon, sociologist, Associate Professor at Sciences Po Paris

Ten major transformations in the family

1. Recent transformations

The family has changed considerably in France since the 1970s. These transformations are therefore relatively recent, but historically unprecedented, since they involve changes in terms of demographics, sociology, law and ethics.

2. The acceptance of plurality

Historically, the family was thought of in the singular, with only one possible trajectory: a church marriage followed by the birth of children. There was therefore only one recognised form of family. This model has changed profoundly over the last 40 years, and family structures have become much more diverse. Society and the law now speak of families, in the plural, as evidenced by the transition from a Family and Social Assistance Code (2000) ("Code de la famille et de l'aide sociale") to a Families Code ("Code des familles").

3. The recent re-emergence of conflict

These transformations in the family do not always follow a smooth path. They have an impact on individual and collective values, and thus give rise to tensions and even conflicts. The campaign against the proposed legalisation of same-sex marriage in 2013 illustrates this. Since then, other debates and controversies have arisen, for example concerning access to medically assisted reproduction for same-sex couples, or again concerning surrogate motherhood. As the family becomes more diverse, there is thus less consensus at the societal level on the nature of the family.

4. The centring of the family on the child

In the past, from a purely secular point of view, the purpose of the family was to pass on an inheritance. Today, the family is orientated towards the "best interests of the child", to use the legal expression. The family is therefore now centred on the

child, much more than on the couple or the marriage. This is reflected in particular in the increasing attention paid to the child's education and development.

5. Internal democratisation

Historically, the family was organised around the father. There is now equality between family members. Authority is therefore shared between the two members of the couple and even increasingly with the children, whose voice and preferences are taken into account in a number of family decisions.

6. The equalisation of conditions for women and men

In connection with the previous transformation, there is also an equalisation of the conditions for men and women within the family, which goes hand in hand with a de-specialisation of their roles. For example, women can work and open a bank account without their husband's consent. In fact, today seven out of ten women in France carry out paid work, and this situation is considered "normal" by the majority of French people, which is a radical change compared to the 1960s.

7. The increasing fragility of families

Today's families are more diverse in their forms, but they are also more fragile than in the past. For example, every year one in a hundred marriages ends in divorce, and separations are also increasing for unmarried couples. Moreover, one family in five is a single-parent family. In 90% of these cases the single parent is a woman, usually with limited income.

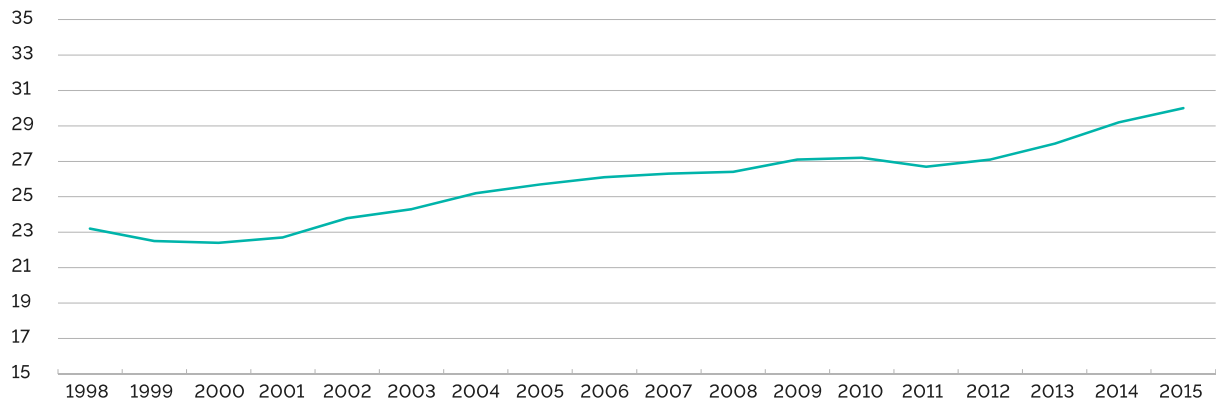
8. Immigration

The transformation of the family reflects the openness of the French population to the international environment. Accordingly, 30% of children living in France have at least one parent who was born abroad.⁵

⁵ <https://www.insee.fr/fr/statistiques/1283065>

Proportion of births with at least one parent born abroad

(all French territory, as %)



Source : INSEE

9. Ageing

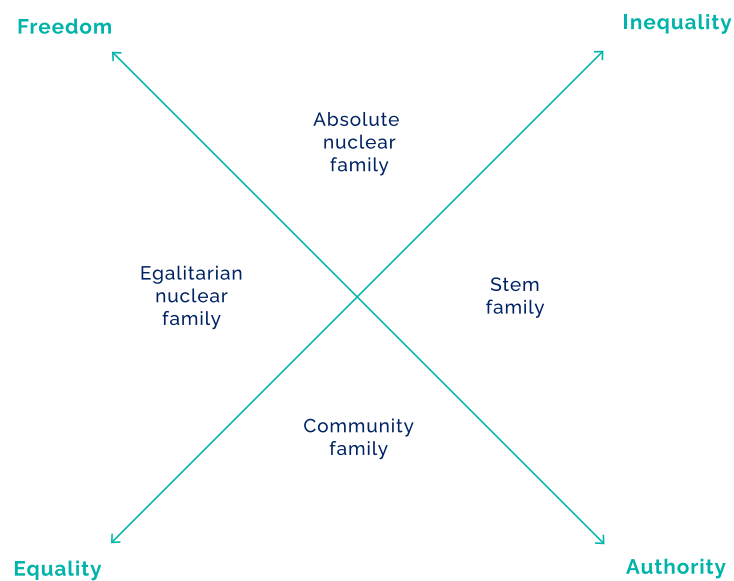
Another trend in French society that can be observed at the level of the family is ageing. As a result of the increase in life expectancy, we are moving from nuclear families with two generations (two parents and at least one child) to families with three, four or even five generations. This intergenerational cohabitation is obviously unprecedented in human history.

10. Digitisation

Finally, the arrival of digital technology in our lives is also observable in family dynamics. Thanks to new technologies, physical distance is no longer an obstacle to intra-family exchanges. This virtual proximity has of course increased since the beginning of the health crisis.

Family systems standing the test of time

In its usual sense, the family is defined by the sum of all the people linked to each other by marriage or parent-child relations. The classification of family systems is commonly modelled around two main dimensions: on the one hand, an axis spanning from authority to freedom, and on the other hand an axis spanning from inequality to equality.



Source: https://www.herodote.net/III_Le_role_des_structures_familiales_dans_le_contenu_des_crisis_de_transition_et_des_ideologies_dominantes-synthese-2000.php

The combination of these two dimensions gives rise to four main types of family system:

- The *absolute nuclear family* is characterised by the absence of cohabitation between parents and their adult married children, and the absence of a precise rule for inheritance (instead, frequent use is made of wills). The values of this group are freedom and non-equality (rather than a positive inequality), individualism and a rejection of mixing (a system of apartheid or multiculturalism).
- The *egalitarian nuclear family* is characterised by the absence of cohabitation between parents and their adult married children, and the presence of strictly egalitarian rules for the distribution of inheritance between children. The values of this group are freedom and equality, individualism, universalism and meritocracy (in the sense of equal opportunities).
- The *stem family* is characterised by verticality in its relationships, the cohabitation of the married heir with his parents, and inequality in inheritance (a full transmission of the estate to one of the children). Its values are authority and inequality, ethnocentrism and rejection of the universal.

- The *endogamous community family* is characterised by an extended family structure, the cohabitation of married sons with their parents, and weak authority on the part of the father. Upon the father's death, property is divided equally among his sons. Daughters are excluded from inheritance. There is frequent marriage between the children of two brothers (endogamy). Its values are weaker authority, equality and universalism.

Historically, according to the analysis of Emmanuel Todd (2011),⁶ there is a diversity of family systems found in different geographical regions. On the basis of this observation, it is reasonable to hypothesise that the specific characteristics of each family system may be either congruent or at odds with the major transformations that are under way and those to come. Moreover, some types of family system may adapt themselves more readily to the revolutions that the family is undergoing, or may even contribute to these changes.

Finally, reactions and resistance in the face of major transformations are generally a function of the values embedded in each family system, in particular their vision of the future, from either long-term or short-term perspectives.

New families

The family, consisting of at least one adult with at least one child under the age of 18, is a priority for the French people. Nevertheless, the term now covers a wide range of realities. Today, in France, seven out of ten families are made up of two

parents living with at least one child. At the same time, more than two out of ten families are single-parent families, and almost one in ten is a blended family. About a quarter of all children live with only one of their parents.



Source: <https://www.insee.fr/fr/statistiques/4285341>

Note: In blended families, four out of eleven children live with both parents, i.e. they are the offspring of the new union. Five out of the eleven live with their mother and two out of eleven live with their father.

⁶ Emmanuel Todd, *L'Origine des systèmes familiaux: Tome 1 L'Eurasie*, Gallimard, col. "NRF Essais", 2011 (ISBN 9782070758425), 768 pages.

We are therefore witnessing a diversification of family models, but this is a relatively gradual process, since it only concerns 32% of children.

The proportion of single-parent families in France has doubled since 1990, as has the proportion of blended families. Several trends have favoured this transformation: changes in social

values concerning the family, the decline in the influence of the Catholic Church, the emancipation of women, changes in family law, the growth of social assistance for single mothers, etc. Nevertheless, for almost ten years now, the increase in the proportion of blended families has slowed, and this proportion may soon reach a plateau.

Towards a stabilisation of the number of blended families?

For the first time in several decades, the proportion of blended families in the population has stabilised in France. INSEE counted 723,000 families of this type in 2019, i.e. 9% of the total, the same proportion as in 2011. The proportion of children living in blended families, which had more than doubled between the mid-1980s and early 2010s, from 5% to 11%, also stabilised between 2011 and 2019, at around 11%.

This development may be the consequence of a levelling off of separations after several decades of growth. It may also be the result of the fact that mothers in single-parent families are more reluctant to return to life as a couple: for the time being, this type of family continues to increase in prevalence. It is too early to conclude that a long period of upheavals in family organisation, from the 1960s to the 2010s, has come to an end.

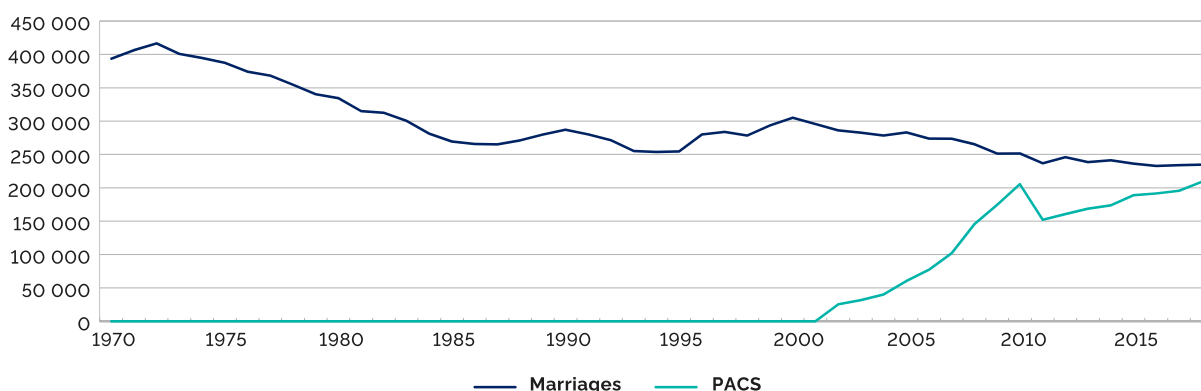
Louis Maurin, sociologist, Director of l'Observatoire des inégalités

The revolution in family law

Family law underwent profound transformations throughout the 20th century. For example, the concept of the "head of family" officially disappeared in 1970, replaced by joint parental authority. Similarly, marriage lost its sacred and irreversible character: the number of marriages has almost halved since 1970, and there will soon be more new Pactes civils de solidarité (Pacs, the structure for civil partnerships in France) than marriages celebrated each year (since this union is considered to be a more flexible legal instrument than marriage, for which it can also serve as a preliminary stage). This increase in the number of new Pacs is explained on the one hand by the law of 23 June 2006 on succession, which brings it closer in line to marriage,⁷ and on the other hand by the change brought about from 1 January 2011 whereby married couples no longer benefit from a reduced tax rate.⁸

At the same time, one third of the marriages that took place in 1990 have since ended in divorce, even though the proportion of divorces among marriages has been declining for several years. At the same time, almost 15,000 people of the same sex are now getting married each year. Moreover, one in five couples is now a common-law relationship, compared with 5% 30 years ago. The couple is still a reality for the vast majority of adults, but these relationships are freer and offer more choice. It can also take different forms, as shown by the example of non-cohabiting couples or the more difficult situation of couples who are separated but who continue to live under the same roof (for the sake of their children or while waiting to find alternative accommodation, etc.).

Change in the number of marriages and Pacs



Source: <http://www.observationsociete.fr/structures-familiales/les-francais-se-marient-de-moins-en-moins-mais-sunissent-de-plus-en-plus.html>

INSEE data, source (since 1990): <https://www.insee.fr/fr/statistiques/2381498>

⁷ http://leparticulier.lefigaro.fr/jcms/c_37214/le-nouveau-pacs-peut-il-replacer-le-mariage

⁸ <https://www.insee.fr/fr/statistiques/3681499>

The increasingly important place of children in the family

More than eight out of ten families have one or two children. There is therefore a gradual decrease in the number of children per family, which is accompanied by a change in their place in the household. They arrive later (the average age of the mother at the time of birth of their first child is now 28.5 years, compared with 24 years in 1970), they are more likely the result of a deliberate pregnancy, and they are sometimes the object of substantial investment and high expectations on the part of

their parents. But they are also listened to more, their preferences are taken into account more, and their happiness and personal development have become higher priorities. Nevertheless, although children are treated as adults at a younger age, they remain dependent on their parents for a longer period of time, especially financially. Moreover, some families also continue to function in a more traditional way.

The effects of the health and social crisis due to Covid-19

So far, the Covid-19 crisis has led to families re-centring on themselves. While for the majority this has resulted in stronger ties and solidarity, it has also precipitated the break-up of some households. Crises traditionally make separations more difficult, especially for women who, if unemployed, may be forced to

postpone the moment of moving home. Situations of forced cohabitation can also heighten tensions: following the lockdown that occurred in the autumn of 2020, almost one in two French people considered that the mood in their homes had worsened.

From now until 2030: Major trends and uncertainties

In ten years' time, the overall structure of French families should not undergo such significant upheavals as those observed over the last 40 years. In fact, demographers and sociologists are currently divided in their views: will the diversification of family structures continue, further reducing the number of traditional families? Will there also be an increase in the number of childless couples, for economic, ecological or personal reasons (owing to a prioritisation of career, personal development, etc.)?

Or, on the contrary, will transformations in the family reach a plateau, as suggested by the stabilisation of the number of blended families, divorces and people living in common-law relationships? In particular, we may find that people born in the 1980s and 1990s, many of whom experienced the separation of their parents and the creation of new couples, will seek situations of greater stability for their own children.

Even more fragmented and diverse families in the future?

With the progress of science, there are almost no technical limits to human reproduction. This should facilitate the growth of single-parent and same-sex families with children.

The traditional model of the couple will probably persist, but it may also be transformed as divorces become more frequent. This has the potential to complicate situations of inheritance and make them more unstable.

Jean-Christophe Merer, Group Chief Risk Officer, CNP Assurances

What are the challenges for insurers?

1. Adapting pension and savings offerings to the diversification of families

The diversification of family structures means that individuals vary their situation, and therefore their needs, much more frequently over the course of their lives. It can also result in financial, practical and psychological instability, which creates difficulties for long-term projects and committing to long-term contracts.

Some individuals may prefer offerings that are flexible enough to adapt to changes in their personal situation. For example: what are the legal guarantees for members of a common-law couple? What financial support is available for a recently separated parent who has to organise alternating custody of a child?

In the future, insurers will have to provide greater support to individuals and their families in anticipating their needs in terms of savings and personal risk insurance. In particular, they will need to provide:

- Information on the legal protection associated with different family statuses (common-law couple, step-parent, etc.);
- Information on the various savings and personal risk insurance offerings that may be appropriate depending on an individual's needs and life stage.

2. Developing approaches for positioning oneself as a trusted third party for families

Over the last ten years or so, the development of digital technologies has led to a strong growth in the creation of contractual commitments online, beyond traditional inter-individual relations (whether in the field of bancassurance, the purchase of goods and services, health services, etc.). Meanwhile, as we have seen, the greater complexity and diversity of situations, particularly family situations, call for more individualised and less standardised approaches. Some audiences still have a strong expectation for long-lasting, face-to-face relationships, while others, who may have more versatile practices, are comfortable with online relationships and tools.

In the field of personal insurance (in the broadest sense), which concerns life's major choices, events and risks (prevention, personal risk insurance, wealth management, comprehensive insurance for accident victims), the need for trusted third parties⁹ is growing.

It is essential to increase the amount of information (and security) online, but this only partially meets people's needs for reference points and "reassurance" in a French society where mistrust is widespread.¹⁰ In a national context marked by mistrust and a sceptical attitude towards expertise, institutions of reference will increasingly be called upon to play a role of trusted advisor to help individuals and families express their needs, to act as intermediary/mediator and to provide advice. Notaries have understood this challenge of positioning themselves as "trusted third parties" beyond their provision of legal services, and are therefore providing direct personalised advice and guidance.

It is not a question of making insurers into "trusted third parties" as such, but rather of developing approaches that make it possible to meet the needs of families for support (e.g. in terms of equity release schemes, in relation to notaries if necessary) and for interpersonal relations.

3. Developing offerings that take into account different life trajectories, or even "family" offerings

The diversification of family structures could increase the overall need for insurance that is capable of adapting to changes in individual and family circumstances over time. In particular, these offerings could cover entire families rather than individuals (following the example of the offerings of some mutual insurance companies, in health or personal risk

protection schemes), allow for the addition or withdrawal of beneficiaries, but also offer a very wide range of services in terms of risks. The nature of the risks covered could thus vary according to the age of the people concerned, their needs, their financial means, their plans, etc.

⁹ The "trusted third party", a notion developed historically to designate professionals authorised to implement electronic signatures, is now being used in a broader sense, in the context of an increasing polarisation of society and a general reduction in trust towards institutions.

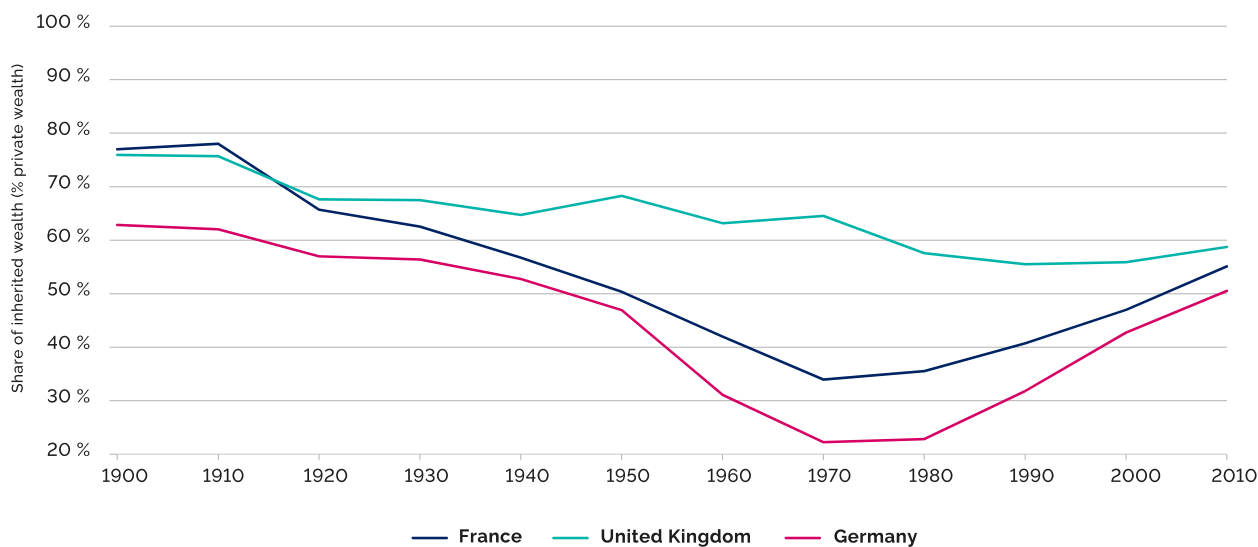
¹⁰ The level of trust between citizens is low, which is a source of potential tensions within communities and society. This trend has persisted since 2010 and is more marked in France than elsewhere in Europe. Source: Cevipof, Baromètre de la confiance politique, wave 11bis, comparison. April 2020.

II. Communities, an extension of the family?

Inherited networks continue to be crucial for life paths and opportunities

Networks of belonging inherited by individuals continue, in France, to be crucial for their life paths. This is particularly the case with regard to social background and gender, but also place of residence and ethnic origin. Similarly, more than half of the wealth of French people is now inherited, and wealth is increasingly concentrated among the older generations.

Share of inherited wealth in European countries, 1900-2010



Source : <http://ses.ens-lyon.fr/actualites/rapports-etudes-et-4-pages/quel-est-le-poids-de-lheritage-dans-le-patrimoine-total-banque-de-france-decembre-2018>

Today in France, it takes an average of six generations for individuals from the most disadvantaged backgrounds to reach the average income, and the income level of an individual remains strongly linked to that of their social background.¹¹ Thus, among the 10% of French people who are the most well-off, only one in six are the children of manual workers.

Nevertheless, the extent of inequality in France is still very much mitigated by the social redistribution system and the extent of public services (especially education and health). For

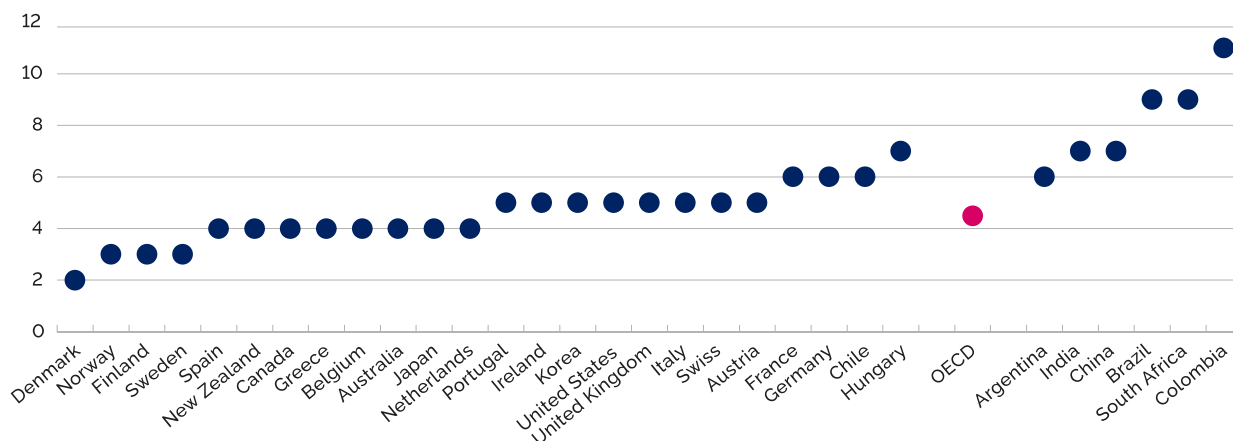
example, income inequalities fell sharply during the 1970s and 1980s, and have since been subject to more fluctuating trends. However, overall inequality remains much lower in France than in other developed countries (particularly the United States) thanks to the redistribution system.¹²

The following graph presents a comparison of countries indicating how many generations it takes for people from the most disadvantaged backgrounds to reach the average standard of living for that country.

¹¹ OECD

¹² <http://www.observationsociete.fr/revenus/inegalites-revenus/comment-evoluent-les-inegalites-de-revenu.html>

Number of generations needed for the most disadvantaged to reach the average standard of living per country (source: OECD)



Source: OCDE

Individuals are increasingly free to choose their communities, and to leave them

At the same time, individuals have never been so free to claim membership of communities that correspond to their values and/or practices: religious affiliation, sexuality, ethical values, the defence of humanitarian or environmental causes, etc. These affiliations are made possible by two simultaneous trends.

The first of these two trends is the increasing individualisation of society, which centres agency on the individual, but also makes them responsible for their choices. This goes hand in hand with a decline in the influence of historical institutions such as churches and trade unions. According to the sociologist Émile Durkheim, "the social function of religion is to provide shared beliefs, the 'collective conscience' that binds society together".¹³

Change in the number of people following a religion

Religion	Number of followers (2018)
Catholicism	In 2018, 32% of those surveyed considered themselves to be Catholic, compared to 70% in 1981.
Islam	In 2018, 6% of those surveyed considered themselves to be Muslim. The figure was 14% among 18-29 year olds.
"No religion"	The proportion has risen from 27% to 58% over 40 years. In 2018, the proportion of convinced atheists was 21%, a figure that has doubled compared to 1981.

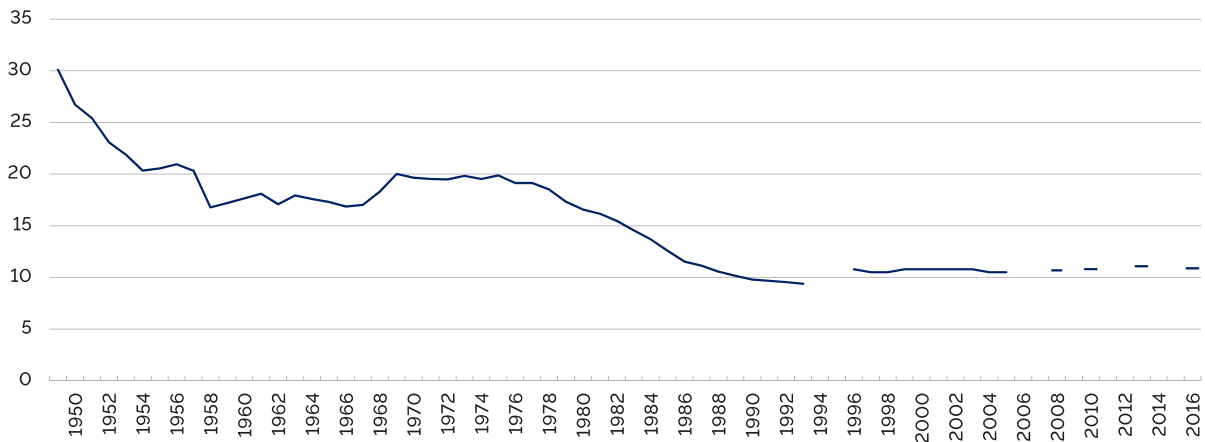
Source: European Values Study, 2018.

URL: https://www.lepoint.fr/debats/de-plus-en-plus-de-francais-ne-croient-plus-en-dieu-23-05-2019-2314705_2.php

¹³ https://www.scienceshumaines.com/des-croyances-diversifiees_fr_42155.html

The graph below shows the decline in trade union membership in France.

Change in trade union membership in France (%)



Source: Centre d'observation de la société

The level of trade union membership has fallen since the 1960s, following advances in social progress, particularly those of the Auroux Laws in 1981 and 1982 (the requirement for an annual renegotiation of wages and the length and organisation of working time, the creation of the committee for health, safety and working conditions in the event of danger ("Comité d'hygiène, de sécurité et des conditions de travail", CHSCT), the creation of a right of expression for employees). Today, trade unions are facing a crisis of legitimacy owing to the decrease in the number of members, while they continue to represent employees (a consequence of the representative role of trade

unions in companies). Thus, only one employee in ten today belongs to a trade union, compared to three in ten at the end of the Second World War¹⁴.

On the other hand, the democratisation of access to the internet and social networks has increased the potential for joining communities. Today, nearly 60% of French people are members of at least one social network.

JAN 2020

FRANCE

The essential headline data you need to understand the state of mobile, Internet, and social media use



Total population

65.20 million

Urbanisation:

80 %



Mobile phone connections

65.53 million

VS. Population:

100 %



Internet users

58.03 million

Penetration:

89 %



Active social media users

39.00 million

Penetration:

60 %

Sources: Population: United Nations; Mobile: GSMA Intelligence; Internet: ITU; GlobalWebIndex; GSMA Intelligence; Eurostat; Local Telecoms Regulatory Authorities and government bodies; Social media platforms' self-service advertising tools; APJII; Kepios Analysis; Social media: platforms' self-service advertising tools; company announcements and earnings reports; CafeBazaar - All latest available data in January 2020. Comparability advisory: source and base changes.

¹⁴ <http://www.observationsociete.fr/travail/donnees-generales-travail/une-france-tres-peu-syndiquée.html>

Young people in the 2030s: Finally in control of their own lives?

Youth refers to a period of life, but also to certain social markers: a point when one gains access to training, employment, love, independence... all of which have been thrown into disarray by the current health crisis.

However, there is no single model for youth, with a single set of values and practices. I do not think that young people today are constructing a shared way of life, in the way that was seen, perhaps, for the generation of 1968. There are simply young people, with life experiences, cultures and profiles that may be shared to a greater or lesser extent. The divides are linked to social, economic, cultural and territorial differences, as well varying access to and mastery of digital technology. Youth is plural and calls on our organisations to respond in an adapted and personalised way, with the aim of enabling young people to be fully in control of their own lives.

At the same time, young people all over the world have access to a globalised cultural industry, transnational knowledge and social networks, a shared language (English) and global issues: all young people are caught up in the current economic, climatic and political crises, and, more recently, the health crisis as well. Will there ever be a new generation that is not described as being "sacrificed"? Some say that the involvement of young people in the climate transition has never been stronger and could be a shared, foundational event... but the experience of a global lockdown could also act as the "marker" of this generation. All young people in all countries, in all territories and all social classes have faced the same difficulties in accessing training (the closure of universities), or employment, but also sociability and, above all, independence. If young people do constitute a generation, how can our institutions best protect and respond to these young people living "in danger"?

Hélène Delahaye, doctor in sociology, Head of Foresight and Research at La Poste

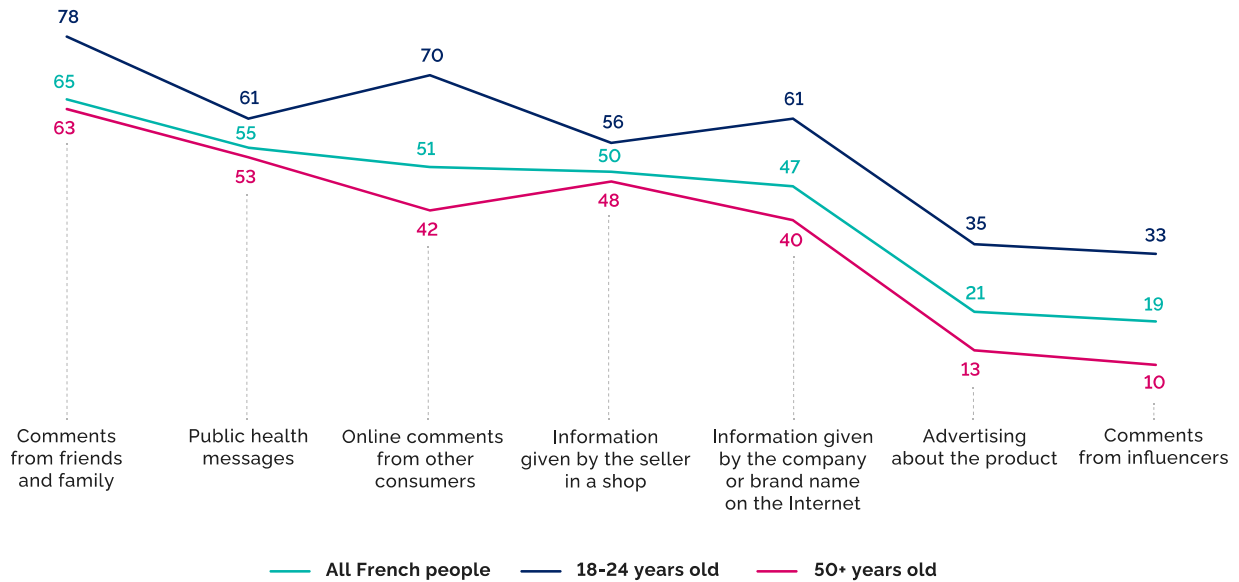
The increasing influence of chosen communities on individual behaviours

While inherited communities continue to play a large role in the behaviour and choices of individuals, the influence of chosen communities is also increasing. These communities can be connected to common values and/or practices. Indeed, they can be major influencers of behaviour, including purchasing behaviour. In particular, social networks have become the second greatest source of information on brands (after search

engines). This trend is particularly prevalent among younger generations, for whom peer influence is not a new phenomenon, but has become even more pronounced through the growth of social networks. They are increasingly attuned to the content of social networks, but also to the messages relayed by influencers (especially on Instagram, Facebook and YouTube).

Consumption: What influences the consumer in their purchasing choices?¹⁵

When you have to make a major purchase (small or large household appliances / materials / furniture / electronic item / etc.) do you attach great or little importance to each of the following? % who attach "a great importance" to each criterion



Source: <https://observatoirecetelem.com/wp-content/uploads/2018/03/rapport-harris-observatoire-cetelem-2018-t1s3-consommation-aujourd'hui-et-demain-le-poids-des-influenceurs.pdf>

Moreover, some communities can exert a strong influence on individuals, especially when they are based on strong values: this is the case, for example, of vegan or environmental communities.

Young generations are more sceptical and more sensitive to the messages attached to communities

The younger generations show a very strong mistrust of traditional institutions, as shown by their low level of involvement in political parties, for example. They seek authorities they consider to be legitimate, or rather trustworthy actors in a world in deep crisis.

These generations are very clear-sighted about the importance of "good" networks, social background and family wealth. This awareness may lead some of them to question the importance of pursuing the "right" studies, which have become a necessary but not sufficient condition for professional advancement. The result is a rejection of the current system and its potential for social advancement, and in particular a questioning of the meritocratic nature of that system.

In response, a growing proportion of young people are turning to community networks, particularly digital communities of friends and communities characterised by social engagement. They may also be attracted to religious communities. The aim for these young people is to join communities that are easily accessible, without belonging to a prior network, in order to compensate for their lack of access to other networks. What may appear to be detached from reality therefore actually constitutes very rational behaviour. Moreover, this generation is often not afraid to provoke or even shock in order to address others, for example through videos. They are therefore very sensitive to very concise and striking messages that do not lead to argumentation or opposition. In other words, they are much more receptive to language similar to that used by the advertising industry rather than the oppositional way of thinking taught by the education system.

A large part of the younger generation is very sensitive to online influencers, especially bloggers. In particular, they are very receptive to very short and direct messages such as those presented in online videos, which can quickly become viral.

Norbert Merjagan, science fiction author

¹⁵ <https://comarketing-news.fr/des-consommateurs-sous-influence/>

The effects of the health and social crisis due to Covid-19

The health crisis, and especially the resulting economic crisis, could undermine progress in reducing inequalities. Indeed, situations of precariousness will probably increase for several years, including in terms of educational inequalities.

Everything depends on the extent to which a "return to normal" will be observed within the next ten years. On this point, analysts remain divided for the moment.

At the same time, the Covid-19 crisis has further accentuated the influence of online communities in the lives of the French people, as a result of the ban or restriction of most physical gatherings (especially associative ones). Although this change had already begun before the crisis, it could accelerate. The reverse could also be true. Many people are realising in this crisis that they need human contact.

Where will we stand in 2030? Major trends and uncertainties

By 2030, inequalities due to individuals' backgrounds could remain a reality in France. However, the dominant trend could lead more towards the diversification of individual life paths, of individuals' choices regarding social belonging, and of the constraints guiding the behaviour of French people. It is therefore very likely that communities and networks will continue to play a major role in life paths, but individuals' room

for manoeuvre will be increasingly complex and variable according to social origins, life stage and the choices made by each person. Individuals will therefore be defined by their inherited characteristics, their personal choices, and those choices that are influenced by the communities to which they belong. In particular, the importance of communities that support extreme values could increase in society.

What are the challenges for insurers?

1. Taking into account the role, expectations and values of communities

The growing influence of communities on individuals could also affect their insurance choices. Indeed, the return to the spheres of communities of origin and chosen communities is accompanied by a confidence in these communities with regard to the choice of trusted third parties, especially insurers.

These communities could thus recommend certain products corresponding to their values, whether environmental, ethical, religious, etc. This trend could work in favour of insurers, or alternatively it could disadvantage them if actors or products are denigrated because they do not respect the values of the collective.

2. Preparing to provide diverse offerings for communities

More and more communities could take out insurance to cover their activities and members. This is already the case for associations, of course, but this need could extend to online communities.

In response, insurers are already offering collaborative insurance. For example, MAIF launched a collaborative

insurance policy for owners of electric cars in 2017, after finding that they consider themselves to be better than average (and therefore less dangerous) drivers.¹⁶

The company Otherwise offers collaborative pet insurance, collaborative drivers' insurance and supplementary health insurance aimed specifically at self-employed people.¹⁷

¹⁶ <https://www.maif.fr/particuliers/auto-moto/guide-assurance-auto/voiture-electrique.html>

¹⁷ <https://otherwise.fr/>

3. Preparing for the emergence of new, community-based actors in the field of risk insurance

Finally, some communities could themselves offer insurance to their members. This is already the case in the agricultural sector, for example, with some farmers' cooperatives, which could expand their services in this area. For example, AgroSolutions, a subsidiary of the leading French agricultural cooperative group InVivo, has offered insurance brokerage services since 2017. Its aim is to "increase the rate of insurance coverage" for French

cereal farmers.¹⁸ It offers an insurance product in partnership with Groupama, and wants to develop others.

In addition, the Malt platform, which supports a community of freelancers, offers tailored health insurance (Alan), and Uber and Deliveroo offer insurance for their delivery drivers.

¹⁸ *InVivo se lance dans le courtage en assurance*

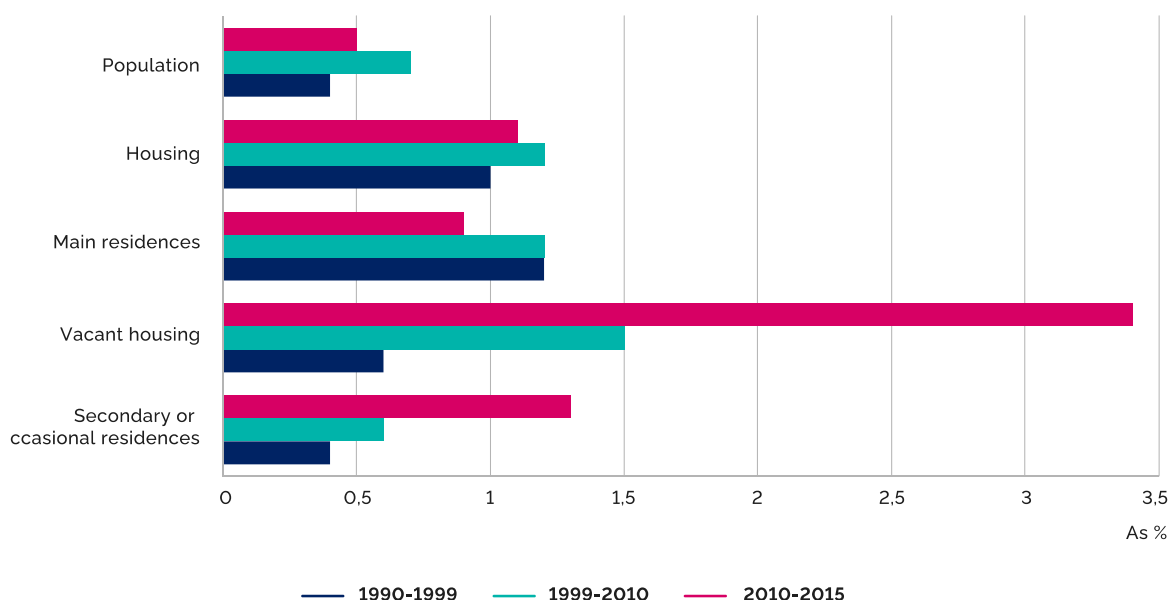
III. Homes for living, working and sharing

Increasing pressure on the housing stock

Metropolitan France currently has 35.7 million dwellings¹⁹, 82% of which are primary residences, 10% secondary residences or occasional dwellings and 8% vacant dwellings. Over the past 35 years, the housing stock has been growing overall at the same rate as the number of households, i.e. around 1.1% per year. However, the demand for housing is increasingly concentrated in certain territories (particularly in the West and South) and in the major cities, where there are growing pressures on the supply of housing. This pressure is further increased by the fact that the number of vacant dwellings has increased by 45% in

France over the last ten years, including in these areas already under pressure: almost 10% of dwellings are now vacant in the city centres of the major urban areas. As a result, some households may not have housing that is appropriate to their situation. They may find themselves in a situation of poor housing²⁰ or overcrowding²¹. Four million people are currently affected by inadequate housing. More than 8% of households are overcrowded, mostly tenants. At the same time, some regions and territories are experiencing under-occupation and high vacancy rates in their housing stock.

Annual growth rate of population and housing stock by category



Source: INSEE, population censuses of 1990, 1999, 2010 and 2015. <https://www.insee.fr/fr/statistiques/3572689>

Notes: from 2010 to 2015, the population increased annually by an average of 0.5%, the number of dwellings by 1.1%, the number of vacant dwellings by 3.4%. Field : France excluding Mayotte.

Household expenditure on housing is equivalent to one fifth of France's GDP. It also represents on average more than a quarter of household budgets, with very significant differences

between household categories: the poorest 10% spend 42% of their income on housing.

¹⁹ <https://www.insee.fr/fr/statistiques/4263935>

²⁰ According to INSEE, poor housing can take three forms that do not necessarily overlap: poor quality of housing (noise, dampness, heating, etc.), too small a surface area, or precarious accommodation

²¹ According to INSEE, a dwelling will be in a state of "moderate overcrowding" if it lacks one room compared to the norm and in a state of "accentuated overcrowding" if it lacks two rooms. The notion of accentuated overcrowding is used to define poor housing

Effects of the Covid-19 crisis

The Covid-19 crisis, in particular the periods of lockdown, confirmed and accentuated housing inequalities among the French population. In particular, the difficulties generated by overcrowding were accentuated during this period. However, these situations mainly concern major cities: 74% of people living in overcrowded housing are in a large conurbation, and 40% of these are in the Paris region.²²

In response, some households that can afford it may choose to move from metropolitan areas to smaller towns or even to rural areas. In fact, for 40 years INSEE has recorded a higher growth in low-density areas than in the rest of the country. This

attractiveness could increase even further, as shown by various surveys carried out since the spring of 2020 and the return to business of estate agents.²³

The market for second homes (which represent 10% of the housing stock), which had recently been declining, especially owing to particularly high taxation²⁴ in 2018 and the rise of Airbnb, may be revitalised.

Nevertheless, it will of course be necessary to continue to monitor these initial short-term trends in order to confirm them.

Where will we stand in 2030? Major trends and uncertainties

By 2030, inequalities in access to housing and in the adequacy of housing could increase further. For households with a choice, the surrounding environment will also be increasingly decisive in the choice of housing, with space and proximity to nature becoming important criteria. At the same time, young people, for whom access to home ownership will become difficult or even impossible, could on the contrary limit their housing-related expenses. Meanwhile, the thermal comfort of housing

should increase overall thanks to the strengthening of standards in this field.

By 2030, the structure of the housing stock and the location of the population will not be drastically altered, given their inertia. Nevertheless, the size of major cities may tend downwards, while medium-sized towns and rural areas, particularly those located near attractive urban centres, could be revitalized.

2. The world in your home

While French households spend a significant part of their budget on housing, they also spend most of their time and activities at home. Several trends are converging in their effects:

- Today, more than half of the population is made up of inactive people (children, students, the unemployed, housewives, pensioners, disabled people, etc.);
- Digital technology makes it possible to carry out more and more activities from home (work, training, consumption, entertainment, culture, etc.);
- The home is considered to be the main place to be with the family;
- The French want to spend time on the maintenance and improvement of their homes.

²² <https://www.insee.fr/fr/statistiques/4478728>

²³ <https://www.futuribles.com/en/article/la-covid-accelerateur-de-la-demetropolisation/>

²⁴ <https://data.gouv.fr>

Doing everything at home thanks to digital technology

In 2019 in France, only 7% of employees officially reported working from home at least once a week. Half of them were professional and managerial staff.²⁵ Nevertheless, a higher proportion of people were likely to work from home informally: in the different surveys carried out on the subject, between a quarter and a third of them reported working from home regularly in 2019. During the first lockdown, one in five employees worked from home full time. During the French second lockdown, only one in ten worked from home.

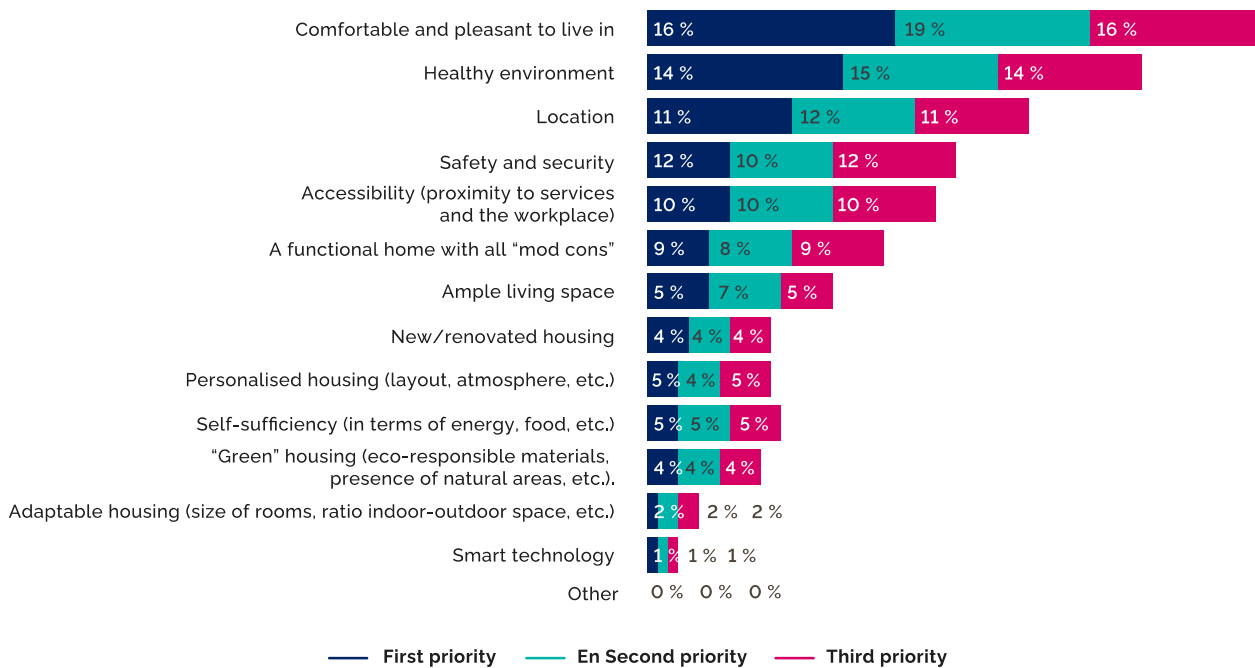
In 2019, e-commerce will account for 9% of retail trade in France (excluding food). However, during the first lockdown period, online sales by large-scale retailers increased by 50%, and all the evidence suggests that e-commerce will experience sustained and accelerated growth as a result of the crisis.²⁶

More space and access to nature

Given the amount of time spent in the home and the diversity of activities carried out in it, the space available per person and the comfort of housing have increased steadily over the last 50 years. According to the General Council for the Environment and Sustainable Development, in 2013, each French person will have access to an average of 40m², compared with 23m² in

1970. Two-thirds of primary residences are houses, almost all of which have a garden. The adaptability of housing is not a priority for the moment, but could become one in response to these new uses: a home office, different needs at different times for blended families, the need for a separate room for older children or dependent parents, etc.

Apart from the price, what are the most important criteria for you when choosing housing?



Source : <http://lobsoco.com/wp-content/uploads/2019/03/Observatoire-de-lHabitat-LObSoCo-Nexity-CDC-Habitat-Somfy.pdf>

²⁵ <https://dares.travail-emploi.gouv.fr/dares-etudes-et-statistiques/etudes-et-syntheses/dares-analyses-dares-indicateurs-dares-resultats/article/quels-sont-les-salaries-concernes-par-le-teletravail>; <https://dares.travail-emploi.gouv.fr/dares-etudes-et-statistiques/tableaux-de-bord/le-marche-du-travail-pendant-le-covid-19/>

²⁶ https://www.fevad.com/communiqués-de-presse/cp_2020/

According to Nexity's Observatoire de l'Habitat ("Housing Observatory"), in 2019, and therefore before the Covid-19 crisis, six out of ten French people aspired to live "elsewhere", mainly urban dwellers who wanted to get closer to nature.²⁷

Effects of the health and social crisis due to Covid-19

The Covid-19 crisis, and in particular the two periods of lockdown, have obviously accelerated this refocusing of households on their housing. Thus, the practice of working from home could remain at a high level, even after the health crisis is over.

Similarly, the use of e-commerce has increased since the start of the health crisis: online sales increased by almost 50% in the second quarter of 2020.²⁸

Finally, the two periods of lockdown have further accentuated the importance of housing in people's lives, and the importance

attributed to its comfort, space, but also its location in a pleasant environment, close to nature. During the first lockdown period, a quarter of French people said they wanted to move after the lockdown came to an end, to have more space, especially outside, but also to live closer to nature.²⁹ According to a survey of the CapiFrance network of estate agents, more than 70% of them recorded an increase in the number of searches for properties with outside space between June and July.³⁰ Some regions with a low population density have seen an increase in the search for housing, mainly for houses with gardens (in particular in Normandy, Brittany, Poitou, etc.).

Where will we stand in 2030? Major trends and uncertainties

By 2030, the ageing of the population, the importance attached to housing, and digital innovations should further accentuate the refocusing of households on their housing. This situation will raise the question of the sharing and management of space within the home between its occupants and their various

activities. This re-centring on the home may also have repercussions on intra-family and friendship relations: more exchanges by means of digital tools, but also time spent together in the home rather than outside.

A return to intergenerational cohabitation

In France, intergenerational cohabitation is no longer the dominant practice, especially in large conurbations. Young people try to gain their autonomy as early as possible. Nevertheless, almost half of 18-29 year olds, i.e. almost 5 million people, live with their parents.³¹ Although the cohabitation of young people with their parents declined during the 1990s, it has been increasing again over the past 20 years. Indeed, longer periods spent in education, a later and more complicated entry into the labour market and difficulties in finding housing are forcing more and more young people to stay or return to live with their parents. This situation affects

students, the unemployed and working people, and in all these cases the main motivation is financial.

At the same time, almost 200,000 adults live with a relative because of health problems. These are mainly elderly women and widows living with one of their children. For example, almost 3% of women over 75 years of age live with their child. Nevertheless, this phenomenon is still poorly measured and may include many more people, particularly those who are dependent.

²⁷ <https://www.nexity.fr/observatoire-habitat/edition-2019>

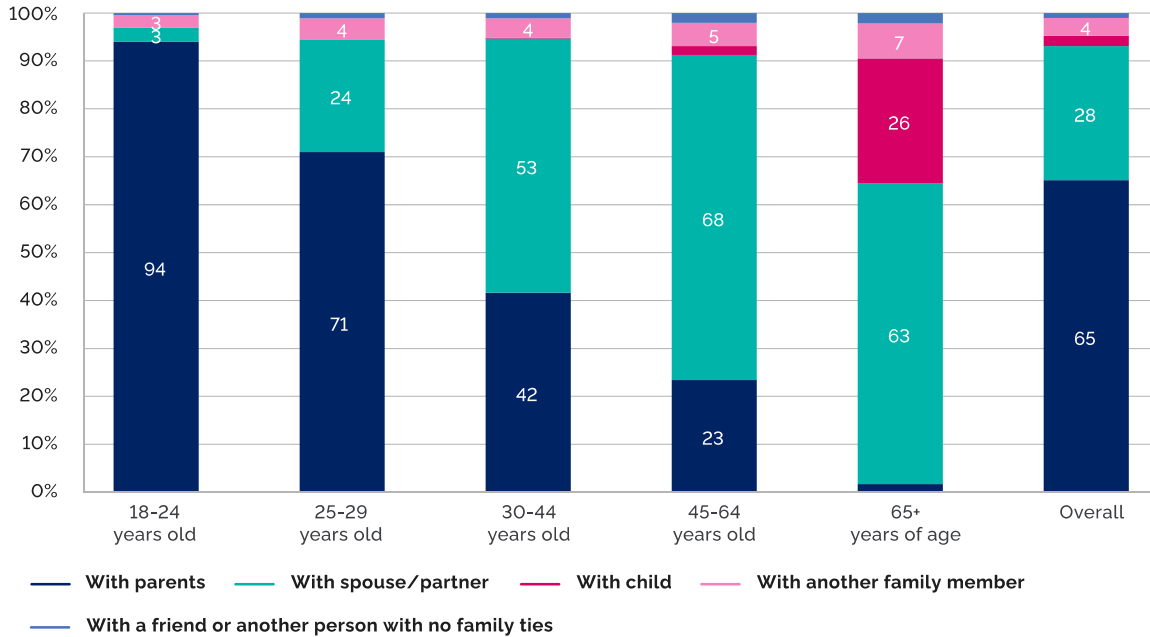
²⁸ <https://www.fevad.com/bilan-du-e-commerce-au-2eme-trimestre-259-milliards-deuros-de-chiffre-daffaires-en-hausse-de-53/>

²⁹ https://fr.forumviesmobiles.org/projet/2020/04/23/enquete-sur-impacts-confinement-sur-mobilite-et-modes-vie-des-francais-13285?utm_source=NL&utm_medium=email&utm_campaign=enquete_confinement

³⁰ <http://extranet.escalconsulting.com/cp/cp.php?idcp=5618>

³¹ <https://drees.solidarites-sante.gouv.fr/IMG/pdf/dd58.pdf>

Distribution of adults living in other people's homes, by their relationship with the other residents (as %)



Source: <https://drees.solidarites-sante.gouv.fr/IMG/pdf/dd58.pdf>

Finding housing: Young people's struggle

Getting your own independent accommodation represents a turning point in life, a symbol of autonomy for young adults. However, there is a growing tension between the aspirations of these young people for more freedom and the difficulties associated with the search for housing. Indeed, today, in order to access housing, one needs a stable job, particularly a salaried job. However, more and more young people are finding it difficult to enter the labour market, or prefer to become self-employed. Faced with a more uncertain and less standardised society, young people are adapting by looking for more flexible jobs and/or becoming entrepreneurs. But housing remains a kind of lock, or anchor in this model. It therefore becomes the factor that most normalises young people who, on the contrary, are looking for new forms of life and commitment. Young people then run the risk of succumbing to their fate, that of failing to live according to their aspirations, particularly in terms of their professional life.

Norbert Merjagan, science fiction author

The rise of co-tenancies at all ages

There is also an increase in the number of people sharing a rented home with friends or even strangers, and not just among students. Seven out of ten French people say they have already lived in a co-tenancy situation. According to the various surveys carried out on this subject, half of the people sharing a rented home are employed or inactive.³² Their motivation is both financial social: they want to avoid living alone, share the cost of the rent and facilities, and spend time together.³³ By comparison, one third of French people currently live alone.

The growth of Airbnb has also meant that accommodation has been opened up to complete strangers, for one or more nights.³⁷ In the summer of 2019, 8.5 million French people used Airbnb for their holiday rentals, and in 2018 accommodation offered by private individuals accounted for 14% of the number of tourists in France.

Accommodation is therefore no longer necessarily a private place, reserved for family and friends, but can on the contrary become a place for spending time together, pursuing activities, and for sharing facilities.

³² <https://blog.locservice.fr/observatoire-2020-marche-colocation-france-locservice-6307.html>

³³ http://harris-interactive.fr/wp-content/uploads/sites/6/2018/12/Rapport-Harris_Interactive-Les_Francais_et_la_colocation-BAD1.pdf

Effects of the health and social crisis due to Covid-19

The Covid-19 crisis, and in particular the periods of lockdown, resulted in a refocusing on the family home, but also in new situations of intergenerational cohabitation during these unprecedented periods. Thus, students and couples with children returned to live with their parents during the first and sometimes the second lockdown.

At the same time, the crisis has brought an unprecedented halt to the practice of short-term rentals via Airbnb, mainly because of the drastic reduction in the number of tourists. On the other hand, the search for co-tenancies does not seem to have been reduced so far.

Where will we stand in 2030? Major trends and uncertainties

In the future, the practice of sharing a rented home is expected to continue to grow in response to both rising housing costs and to avoid loneliness.

Intergenerational co-tenancies could also attract more and more older people who wish to stay in their own home while having a student present.

Acquiring and improving your home in the future

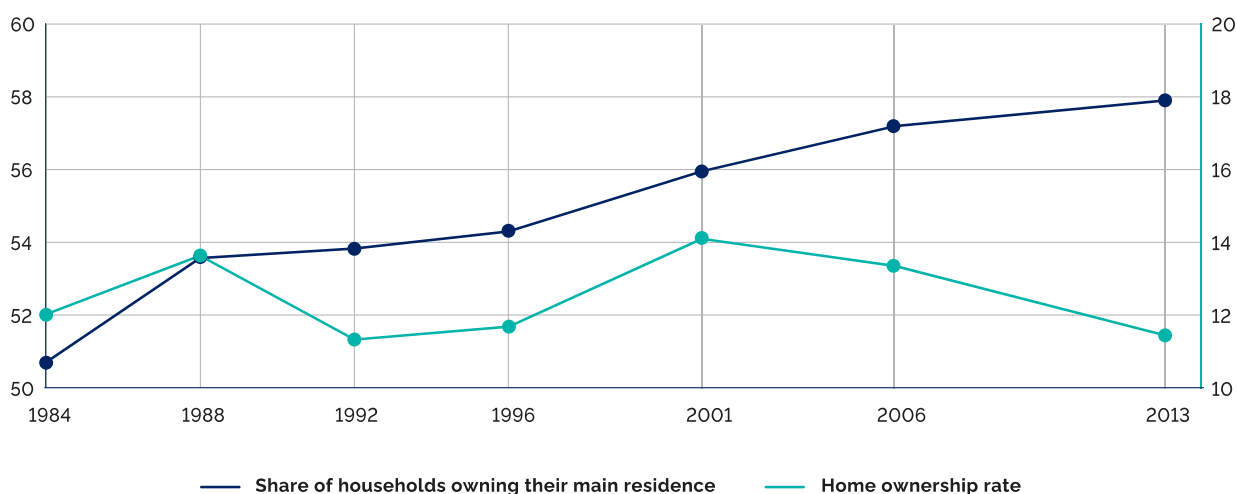
Becoming a homeowner, an increasingly difficult goal

Over the last 40 years, the share of households owning their own home has increased by more than 12 percentage points to 58%. Nevertheless, this rate has stabilised over the last ten years.³⁴ Indeed, although the purchasing power of households has increased on average, the rate of access to home ownership has been decreasing since 2006. In particular,

becoming a homeowner is becoming more difficult for low-income households under the age of 45: only 16% of these are now homeowners, i.e. half as many as 40 years ago.³⁵ These groups are in fact the most exposed to the difficulties of access to housing; rising prices, increasing requirements for the granting of mortgages, more fluctuating incomes, etc

Share of households owning their main residence and home ownership rate since 1984

As %



Source : <https://www.insee.fr/fr/statistiques/3303465?sommaire=3353488>

³⁴ <https://www.insee.fr/fr/statistiques/4277733?sommaire=4318291>

³⁵ <https://publications.banque-france.fr/hausse-des-inegalites-daces-la-propriete-entre-jeunes-menages-en-france-1973-2013>

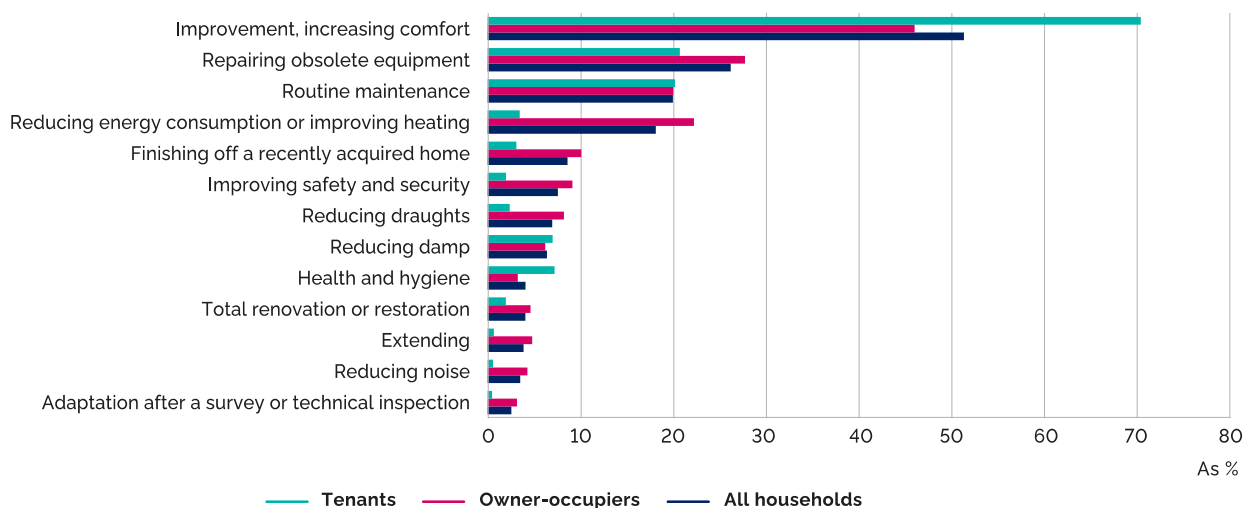
An increase in the resources devoted to maintaining and improving housing

Households spend on average more than 26% of their budget on housing, an increase of six percentage points over the last 30 years.³⁶ The annual expenditure of homeowners on their primary residence has more than doubled over this period

(including loan repayments), as has that of private sector tenants. Every year, nearly a third of households spend money on work on their home or shared property: improvement, repair, maintenance, etc.

Reasons for construction work by occupancy status

(France excluding Mayotte)



Source: https://www.insee.fr/fr/statistiques/fichier/2586026/LOGFRA1717_F7.7.pdf

Note: As households were able to give several reasons, the sum of the bars does not add up to 100%.

Notes: 70.3% of tenants who had carried out work in the previous 12 months did so in order to improve their housing.

Smarter and more connected homes

The emergence of smart homes over the last few years has several uses: improving the comfort of facilities, optimising water and energy consumption, securing the home against intrusion and ensuring the safety of the elderly. Thanks to connected equipment (smartphones, speakers, monitors, etc.), it is now possible to remotely adjust the temperature of the home, switch appliances on, off, or on standby (boilers, water heaters, dishwashers, washing machines), control the opening or closing of shutters, etc. Appliances can inform their owner in the event of a problem, be programmed remotely and put on standby to save energy. However, at present, only three out of ten homes in France are equipped with at least one connected appliance.³⁷ These are mainly monitoring equipment (alarms) and electricity consumption controls. Connected loudspeakers have also become increasingly popular since they were launched on the market a few years ago: more than 3 million homes are equipped with them.³⁸

Property developers such as Nexity offer new homes equipped with a centralised system for controlling housing equipment (energy and water consumption, etc.), but also for informing occupants about common areas (the breakdown of a lift, etc.).³⁹

Finally, connected housing has great potential for monitoring elderly people who have lost their autonomy. Presence detectors enable lights to be switched on and off, fall detectors or devices that must be triggered every day at the same time (a coffee machine, shower, etc.) can alert emergency services in the event of a problem.

Nevertheless, the question of the acceptability of these technologies arises among certain populations, particularly the elderly.

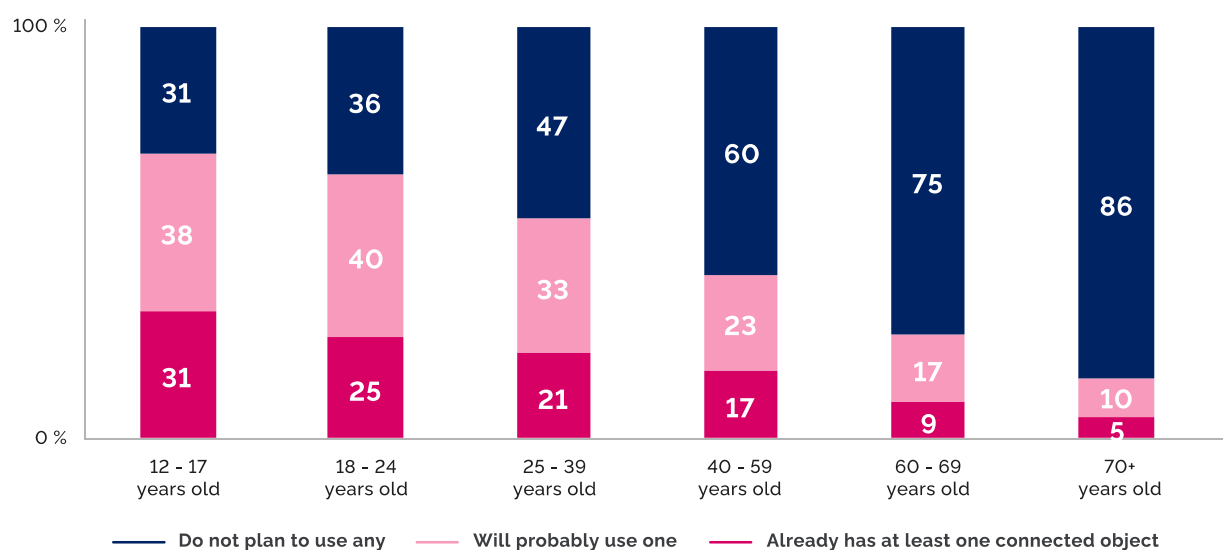
³⁶ https://drees.solidarites-sante.gouv.fr/IMG/pdf/dd25_depenses_pre-engagees_QUEL_Poids_dans_le_budget_des_menages.pdf

³⁷ <https://www.lesechos.fr/partenaires/enedis-la-transition-connectee/les-francais-satisfaits-des-objets-connectes-pour-leur-logement-1017812>

³⁸ <https://labo.fnac.com/actualite/france-compte-32-millions-utilisateurs-enceintes-connectees/>

³⁹ <https://www.nexity.fr/guide-immobilier/conseils-achat/maison-connectee/maison-intelligente>

Attitude of the population in 2019 towards connected objects, of any type, by age



Source: Centre de Recherche pour l'Étude et l'Observation des Conditions de Vie (CREDOC):
<https://www.credoc.fr/publications/barometre-du-numerique-2019>

Insurers are integrating smart housing and equipment into their offerings

Several insurance companies already have offerings aimed at exploiting the potential of connected housing.

Thus, Macif waives deductibles in the event of a claim in exchange for the installation of home surveillance services using connected objects: video surveillance cameras, smoke detectors, presence detectors, flood detectors, etc. They are linked to an application that alerts the occupant in the event of an incident.

The BNP Paribas group goes further, since it invests directly in the construction of connected housing. For example, it has created a new residence in Issy-Les-Moulineaux that is entirely made up of connected housing. Residents can use their voice or smartphone to control heating, lighting and a certain number of connected devices.

Effects of the health and social crisis due to Covid-19

The crisis will obviously also accentuate inequalities in terms of households' financial capacity to acquire and maintain their housing. Fuel poverty and, more broadly, difficulties in paying housing bills could increase.

Furthermore, by refocusing households on their housing, the Covid-19 crisis should further increase investments by owner-occupiers in their housing, at least for those who have the means to do so: they may carry out improvement work in view of the time that is spent there, or fit a home office, etc.

Where will we stand in 2030? Major trends and uncertainties

Over the next ten years, tensions are expected to increase further between households' aspirations and their financial room for manoeuvre.

The issue of adapting housing for the needs of dependents will become crucial. In addition, another issue will emerge: the discrepancy between the structure of the housing stock,

consisting mainly of large dwellings, and the reduction in the number of people per household. This mismatch between supply and demand could increase the need for greater flexibility in residential mobility or, failing that, the need to adapt housing to change the use of spaces. It could also be conducive to the practices of co-tenancy and cohabitation.

What are the challenges for insurers?

1. Systematically integrating housing issues into support for policyholders' life paths (relationship management, advice, guidance, etc.)

More than ever before, real estate is viewed by householders as an attractive, profitable and safe investment, to the detriment of life insurance and financial investments. The majority of households have a strong aversion to risk in their investments and are aware of the decline in profitability of life insurance. Maintaining the attractiveness of life insurance will therefore be a challenge for insurers in the future, which will probably require rethinking this product. At the same time, insurers could also focus on developing the "risk appetite" of households, in order to direct them towards riskier but also more profitable investments.

Although housing is a priority for the French people, access to it is also more complicated in areas where it is under pressure (major cities, coastal areas, etc.) and for certain groups,

particularly the young and the precarious, but also increasingly for a part of the middle classes. However, access to housing determines a large part of people's living conditions. New needs are therefore emerging, particularly for young people, to access a first home and then to become homeowners. While some can rely on their families for help, others find themselves with very limited resources, and this situation can complicate their degree of autonomy and their entry into the labour market. Anticipating this stage can be a matter of beginning to save from early on, but also in finding trusted third parties other than relatives who can act as guarantors for young tenants.

To improve access to home ownership, property leasing could also be considered for individuals.

2. Providing flexible protection to accommodate the diversity of housing uses and needs

The changing relationship of the French to their housing is leading to increased needs, which also calls for rethinking the approach to the home. Indeed, it is becoming both a financial and emotional investment, a place where tastes, values and social distinction can be expressed. For insurers, this means taking a global approach to housing, in terms of facilities and maintenance needs, adaptability over life stages, anticipation of the different stages of family life (the arrival of children, the

need for independence for older children, adaptation to dependent occupants, etc.).

In particular, it will be important to address the challenges of working from home by strengthening the offerings covering individual risks at home (accidents at home, health issues, etc.). The lockdowns have revealed these new needs, which are currently poorly covered.

IV. Increasingly diverse needs according to age

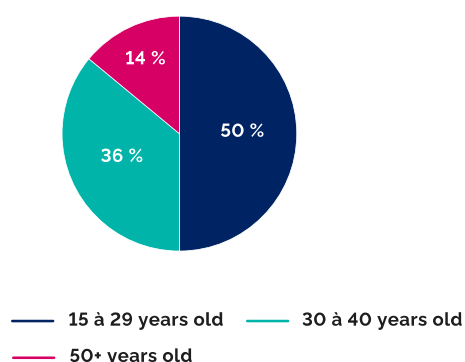
1. Reaching adulthood and autonomy

A later and more complicated entry into the labour market

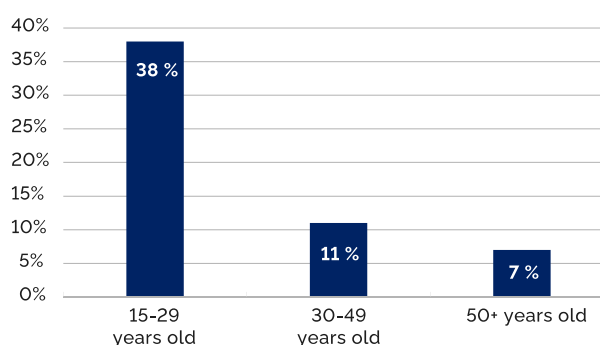
Entering the labour market has always been a necessary condition for young people's attainment of autonomy, determining their financial independence. However, this entry is taking place later and later, on the one hand because of the longer duration of studies,⁴⁰ and on the other hand because of the pressures on the labour market. Furthermore, young people take longer to find a stable job (CDI) and therefore go through a longer phase than their parents of precarious employment and/or alternation between employment and unemployment.

Nearly one in five young workers under 25 years of age is unemployed. Half of the precariously employed workers in France are under 30 years of age, and almost 40% of those under 30 have a precarious job. Young people with few qualifications are, unsurprisingly, the most affected by this precariousness: currently, almost half of young people without qualifications are unemployed, compared with 9% of young people with higher education qualifications.

Distribution of precarious jobs
by age, as %



Rate of precariousness
by age, in 2018, as %



Source: <http://www.observationsociete.fr/ages/jeunes/precarite-jeunes-populaires.html>

Moreover, the various surveys carried out on the subject seem to show that young people are more demanding of companies than their parents had been. They attach more importance to giving meaning to their work, to the recognition of their skills and to the ethics of their company. However, they are also less loyal to their employers and more attracted to entrepreneurship.⁴¹

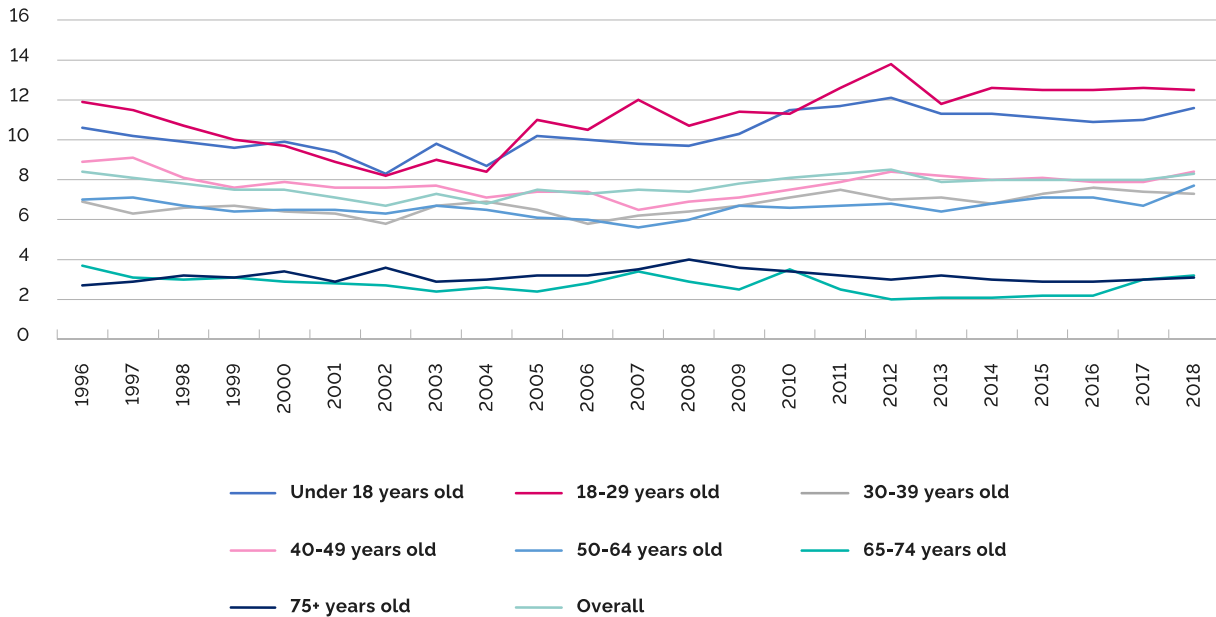
Increasing numbers of young people in poverty

As a result of these difficulties in finding work, more than 12% of 18-25 year olds are now in poverty, an increase of four percentage points since 2002. This situation mostly concerns young people who have few or no qualifications and cannot count on financial support from their parents or, for those under 25, on social benefits.

⁴⁰ School expectancy, or the average expected length of schooling for a child aged 2, has increased from 17 years in the 1980s to 18 years in 2016. Insee Références, 2018 edition - Fact sheets - "L'école et ses sortants"

⁴¹ See for example: <https://injep.fr/wp-content/uploads/2019/10/rapport-2019-09-rapport-au-travail.pdf>, and <https://www.latribune.fr/economie/france/comment-les-jeunes-actifs-voient-le-monde-du-travail-806623.html>

Change in the poverty rate by age (as %)



Poverty threshold of 50% of median standard of living. Series recalculated to account for gaps in data in 2010 and 2012.

Source: INSEE, calculations by Observatoire des inégalités – © Observatoire des inégalités
<https://www.inegalites.fr/La-pauvrete-augmente-chez-les-plus-jeunes-mais-n-epargne-pas-les-plus-ages>

The “boomerang” generation: Almost half of 18-29 year olds still live with their parents

Currently, 46% of French people aged 18-29 live with their parents, five percentage points higher than 40 years ago. This concerns two thirds of students, but also more than half of the unemployed and more than a quarter of workers. As mentioned above, this trend towards intergenerational cohabitation reflects the growing difficulties in gaining access to housing for the younger generations, the impact of the extension of the duration of studies, but also the effect of “life events”. As job losses and relationship separations are increasingly frequent

events, they may force people to return to live with their parents, either temporarily or permanently. Young people’s residential trajectories are therefore increasingly reversible: leaving the parental home is no longer as definitive as it was in the past.

Even young people who have left home may receive financial support from their parents: this is the case for 10% of 24-25 year olds, particularly to pay rent or food expenses.

Younger generations remaining dependent on their elders

On the one hand, young people are experiencing difficulties in achieving financial independence in an unfavourable economic context. On the other hand, longer periods of study and difficulties in finding employment lead to financial dependence on parents.

Finally, the cost of housing means that children are staying longer and longer in the family home.

This transformation makes intergenerational relations more complex. Adults are supporting both their parents and also their children, whose situation is more precarious.

**Sarah Bouquerel, Director of the Activities and Strategic Relations Cluster
with the Banque Postale group at CNP Assurances**

Younger generations are increasingly diverse in terms of aspirations and personal situations

Young people aged between 20 and 30 years share a number of values with each other, but also with their parents. For example, the vast majority of them attach great importance to the family and want to be able to start a family themselves. Nevertheless, they are forming couples and having their first child later in life than their parents had done. A small minority of young people, especially women, even claim that they do not want to have children, preferring to prioritise their personal life or their professional career, or in response to their environmental concerns.

Above all, the younger generations are far from being homogeneous: their aspirations, situations and constraints vary greatly according to their background, their place of living, their gender, etc. Thus, inequalities in educational achievement

remain strongly correlated with social background: there are almost three times as many children of professional and managerial staff as children of workers in higher education. This obviously has repercussions on the conditions of access to the labour market and on incomes. Inequalities can also be closely correlated with people's place of residence: while young people in rural areas will have to invest in a car at a very early age and face the lack of available jobs, young people in the Ile-de-France region will be the most penalised by the cost of housing, etc.

There is therefore not one but several younger generations, and this diversity of situations is, and will continue to be, reflected in a diversification of individual needs.

Effects of the health and social crisis due to Covid-19

The economic crisis resulting from the health crisis will make it even more difficult for young people to achieve autonomy, but above all it will accentuate inequalities between them. It should be remembered that the 2008 crisis had already increased the difficulties of access to employment for young people with few

or no qualifications, and these are also the most affected by the current crisis. For example, the unemployment rate for 15-24 year olds reached nearly 25% following the 2008 crisis, compared to 15% in the early 2000s.⁴²

The resilience of society and youth in the face of the crisis

It is still difficult to anticipate the long-term impacts of the crisis on the French socio-economic situation. It will of course lead to an increase in unemployment over the coming months, particularly concerning the long-term unemployed and the most precarious. At the same time, however, French society seems to be demonstrating its resilience, especially young people. Thus, in terms of schooling, there is a considerable ability to catch up and adapt on the part of pupils. Likewise, some young people were already having difficulty entering the labour market and were already demonstrating their autonomy in finding jobs, becoming self-employed, etc. From this point of view, they are turning out to be more resilient than some media voices had feared.

Louis Maurin, sociologist, Director of l'Observatoire des inégalités

Where will we stand in 2030? Major trends and uncertainties

By 2030, inequalities between young people could increase further, given the worsening economic climate and the increasing precariousness of the labour market. The autonomy of some young people may be delayed, particularly their access to housing, but also the arrival of their first child. Several other uncertainties remain. On the one hand, it is unclear whether this will merely be a delay or if there is a risk that some

young people will experience long-lasting precariousness, with low and irregular incomes and an inability to access home ownership. Furthermore, to what extent might these constraints lead some young people to review their priorities for their future, for example by giving priority to access rather than ownership (of a home, car, etc.), a preference for co-tenancies, etc.?

⁴² <http://www.observationsociete.fr/ages/jeunes/le-chomage-marque-la-jeunesse-mais-frappe-aussi-les-plus-ages.html>

2. A pivot generation under pressure

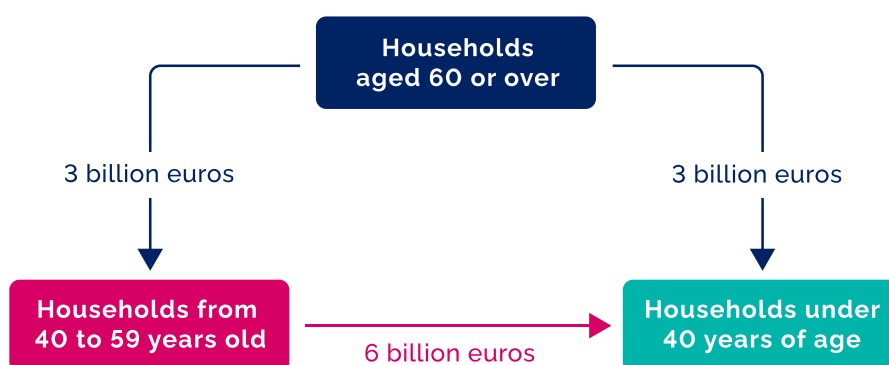
A generation that increasingly supports its children and ageing parents

French people currently aged between 40 and 60 are often referred to as the "pivot generation" to describe their central role in the dynamics of intergenerational solidarity. Indeed, when they are parents, they often have to support their children in their journey towards independence, which may involve providing accommodation, financial assistance, moral support, etc. At the same time, many members of this generation are still supported by at least one of their parents. However, as the latter grow older, the pivot generation also has to help them with their

daily tasks and even, when they become dependent, regularly assist them or provide them with accommodation.

Currently, half of all households provide financial assistance to another closely connected household. Most of this assistance is provided by people aged 40-59 for their children, with those over 60 also helping their children and grandchildren. At the age of 50, the French give an average of 5% of their income to their relatives.

Cash transfers from older to younger generations



Field: private households in France.

Source: INSEE, Family Budget Survey 2011. <https://www.insee.fr/fr/statistiques/3591027>

Notes : households whose reference person is aged between 40 and 59 transfer 6 billion euros to their descendants under 40 and receive 3 billion from their relatives aged 60 or over (parents or grandparents).

Family carers, especially women, still receive little recognition and support

Family carers, particularly those caring for dependent elderly people, remain poorly recognised and undervalued in France. There are currently around 11 million carers of dependent or sick people in France. Of these, around 7 million help a dependent elderly relative: they provide support in their daily lives, moral support and/or financial or practical assistance in the home. The majority of these carers are between 45 and 65 years old; six out of ten are women and half of them work. The role of carer is therefore often combined with a professional activity, which can generate a certain amount of tension for the people concerned in terms of the time available. Furthermore, almost one in two carers report at least one negative effect on their health as a result of the support given to their relative. This situation particularly concerns the spouses of dependent persons and, again, mainly women. However, the role of the carer is still little recognised by the general public and this activity is undervalued, both in terms of the time spent and its financial value.

Sources: <https://drees.solidarites-sante.gouv.fr/etudes-et-statistiques/publications/les-dossiers-de-la-drees/article/les-proches-aidants-des-seniors-et-leur-ressenti-sur-l-aide-apportee-resultats>; <https://institut.amelis-services.com/aidants/aidant-familial-un-engagement-a-prendre-tres-au-serieux/>

The pivot generation: The crucial role of women

Women belonging to the pivot generation find themselves in a situation that is unprecedented in the history of the family. For the first time, owing to the increase in life expectancy, they will have only a few years between the time when their children become independent and the time when they have to care for their own dependent parents. In fact, they will have to bear a very heavy personal burden, all the more so as they are often presented as the "natural carers" of their parents, even though this role is not self-evident in our societies. It may well be viewed as a duty, even a social and legal one, but it is not necessarily a choice on the part of these women. In fact, inequalities could increase between the relatives of dependent persons in terms of their freedom of action: while some will be able to resort to private help, others, particularly women, will have to provide more of their own time and energy. Collective choices could also be made. At present, the care of dependents represents a cost of €7 billion for households, i.e. an average of €6,000 per household per year. However, the collectivisation of this cost could also be considered, since, by way of comparison, it represents a little over 10% of the loss of revenue caused by the abolition of the housing tax ("taxe d'habitation").⁴³

Louis Maurin, sociologist, Director of l'Observatoire des inégalités

Intergenerational solidarity has never been stronger

It is necessary to differentiate between solidarity at the family level and national solidarity, as they can function according to different principles. In this case, intra-family solidarity has never been stronger, both financially and emotionally.

This solidarity is also unprecedented, since, given the increase in life expectancy, it is now possible for up to five generations of the same family to coexist. This means that the pivot generation may be required to support their children, grandchildren, parents and grandparents at the same time.

Meanwhile, at the national level, there is a rise in intergenerational tensions, linked in particular to the feeling that the older generations have benefited from favourable living conditions and also enjoy preferential public policies. In particular, it should be recalled that the standard of living of retired people is higher than that of the rest of the population. In the future, collective debates may therefore increasingly focus on increasing the tax burden on pensioners.

Julien Damon, sociologist, Associate Professor at Sciences Po Paris

Baby boomers are now also exposed to precariousness

The generation of baby boomers has, overall, benefited from a relatively favourable socio-economic context throughout its life, which has enabled its members to build up a real estate portfolio and enjoy relatively stable professional careers. It is this same situation that today enables them to support their relatives. Nevertheless, this generation is also now exposed to financial difficulties, and even precariousness. Currently, around 8% of 40-64 year olds live below the poverty line, a figure which has risen by around two percentage points in the last 15 years, even though the trend was downwards until the 1980s.

However, at these ages, the prospects of escaping from poverty are much more limited, if not non-existent.

In other words, there are major inequalities between families in terms of the ability of the pivot generation to support their children and parents, not only financially, but also with regard to time and willingness. Between 2010 and 2018, the share of 50-59 year olds who own their own home fell by almost 7 percentage points (and by the same amount for 60-69 year olds).

⁴³ <http://www.senat.fr/rap/r18-428/r18-4283.html>

Workers aged 45-50 are already considered "senior" by society and businesses!

Deficits in pension systems and increasing life expectancy mean that the retirement age must be gradually set back. Pension reforms are therefore proposing that the age of 64 should be set as a benchmark figure for the moment of retirement. At the same time, however, society and the business community are considering men and women to be "seniors" at an increasingly early age. One now becomes senior between 45 and 50 years of age, and sometimes earlier in certain cutting-edge professions. There is therefore a growing gap, currently between 15 and 20 years, between the point of seniority (the presumed beginning of professional "obsolescence") and the benchmark age for retirement. There is certainly a need for further reflection in order to maintain employability, reduce professional vulnerability and maintain workers' motivation throughout a period that already amounts to half of a working life.

Jean-Christophe Merer, Group Chief Risk Officer, CNP Assurances

Effects of the health and social crisis due to Covid-19

The economic crisis resulting from the health crisis does not in principle spare any generation. Some members of the pivot generation could therefore face a drop in income, particularly in

the most affected sectors (hotels and restaurants, tourism, culture, etc.).

Where will we stand in 2030? Major trends and uncertainties

Over the next ten years, the economic situation of the pivot generation is expected to remain generally better than that of the rest of the population, even if an increase in precariousness cannot be excluded for some of them. Moreover, this

generation will probably continue to provide ever more support to their relatives, both their children, as they seek their independence, and their parents, who are beginning to lose their autonomy.

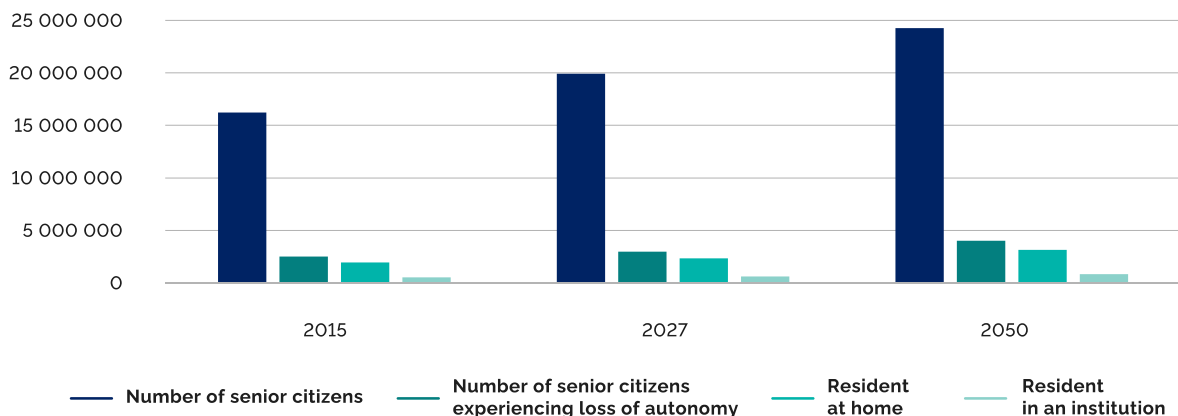
3. Dependence and isolation, a double burden

Nearly one in ten French people are over 75 years old

The over-75s today represent 9% of the French population, and they will account for 12% in 2030. There are already 2.2 million people over 85, but "only" 21,000 centenarians.

Ageing is not synonymous with dependence, as this situation is most often observed in the very old. Thus, half of those over 85 years of age are now losing their independence. These number of dependent people could of course increase in the future as the number of very old people increases.

Number of senior citizens experiencing loss of autonomy



Population: France excluding Mayotte, people aged 60 and over

Sources: INSEE, projections Omphale; Drees, EHPA 2015 and VQS 2014 studies; <https://www.insee.fr/fr/statistiques/4196949>

An ageing France

Today, out of 100 French people, 20 are over 65 years old and 6 are over 80 years old. In 2050, 26 will be over 65 years old and 11 over 80 years old. Up until 2050, the proportion of over-65s in the overall population will increase only slightly, but the composition of this age group will change considerably, with more very old people (75 and over) and a clear predominance of women over men.

Moreover, due to the migration of younger people to major cities, the geographical distribution of ageing will continue to be differentiated: in the Centre-France region many rural communes have a population of which more than 40% are senior citizens, half of whom live alone. One third of these are women (34%), with a monthly salary of less than €1,000 (38%). It should be noted here that only 7.1% of over-75s are in relative poverty (60% of the average income level), compared to 8.1% of the overall French population.⁴⁴

And yet, it was the pandemic that led to the designation of the elderly as "vulnerable", clearly showing that, alongside the effect of advanced years, risk factors, multiple illnesses, fragility and dependence, the socio-economic precariousness of the elderly also played a major role. This attests to the need for a global approach to ageing.

In 2017, 1.5 million people in France received personal autonomy allowance ("allocation personnalisée d'autonomie", APA), whether they lived at home or in an institution. It is estimated that in 2050, 4 million French people will be in receipt of it, attesting to the worsening level of functional dependence and loss of autonomy, especially among the very old, and especially if they live in nursing homes.⁴⁵ Currently, France has 11,000 care homes ("établissements d'hébergement pour personnes âgées et dépendantes", EHPADS), representing 800,000 beds occupied by people whose average age is 85 years old.⁴⁶ Over the last thirty years, the mission of EHPADS and the long-term care sector has changed owing to the clinical severity of the residents, transforming these institutions from being places where one goes to live, to being places of care, or even places of dying (one quarter of the elderly over 75 years old die in nursing homes).⁴⁷ However, it should be kept in mind that each death is unique, depending both on the context of life and the context of death, as well as on the balance between the right to life and the right to death, moral rights and legal rights, not to mention the role of spirituality.⁴⁸ Have these rights always been sufficiently observed during the terrible Covid-19 pandemic? Certainly not, as will be demonstrated by addressing the inequalities that have been revealed by the current viral crisis.

Jean-Pierre Michel, University of Geneva and Académie nationale de médecine – Paris

More isolated and precarious senior citizens

The issue of dependence will combine with situations of isolation, which are also becoming increasingly frequent. For example, half of the over-80s live alone, and a quarter of those aged 65 to 79. At the same time, 8% of French people aged over 75 live below the poverty line. The majority are women (widows) living alone. Above all, situations of loneliness are more frequent at older ages: according to the charity Petits frères des pauvres, 900,000 people over the age of 60 are isolated from their families, and 300,000 are even in a situation of "social death", as they very rarely see other people.

For these isolated and precarious senior citizens, managing dependence will therefore be a complex issue. It will depend in particular on whether or not there are relatives capable of assisting them, whether or not their housing can be adapted, and whether or not they have the financial means to pay for outside assistance.

Society underestimates the importance of social connectedness. In particular, the catastrophic effects of social isolation have been observed during the lockdown periods. I am surprised that it is only now that the issue of mental health, including the impact of lockdown on it, is being taken into account. Social connectedness is a vital element whose importance is underestimated.

Laure Châtel, Director of "Grand âge et autonomie" department, CNP Assurances

⁴⁴ <https://fr.statista.com/statistiques/480487/taux-pauvrete-selon-age-france/>

⁴⁵ <https://www.insee.fr/fr/statistiques/4277754?sommaire=4318291>

⁴⁶ OECD. *Health at a Glance 2015*. Paris: Available at: http://www.oecd-ilibrary.org/content/book/health_glance-2015-en

⁴⁷ https://www.parlons-fin-de-vie.fr/wp-content/uploads/2018/10/Atlas_Soins_Palliatifs_Fin_de_Vie_en_France.pdf

⁴⁸ Hans JONAS - *Le droit de Mourir*. Payot et Rivages Ed. Paris 1996

Within the next ten years, there will be more and more elderly people, who could find themselves in situations of isolation and/or fragility, because they live alone and do not have the means or the desire to live in a retirement home or in a nursing home. The underlying question is how society will respond to these situations, when there is a strong expectation for home care at the end of life. Is it, for example, realistic to anticipate that some ageing parents will return to live with their children, in the context of a housing crisis, particularly in large conurbations?

**Sarah Bouquerel, Director of the Activities and Strategic Relations Cluster
with the Banque Postale group at CNP Assurances**

Effects of the health and social crisis due to Covid-19

The health crisis has been a source of tension for older people and their families. On the one hand, the latter are keen to help them as best they can during this complicated period. On the other hand, they may be afraid of transmitting the virus to them and therefore seek to limit contact with their vulnerable older relatives. Overall, the crisis may aggravate the isolation of some older people, especially those who already had little regular contact.

According to Bihl and Pfefferkorn, "social inequality is the result of an unequal distribution of society's resources among its members. This unequal distribution is due to the very structures of that society, which give rise to a sense of injustice, legitimate or otherwise, among its members."⁴⁹

The current pandemic has revealed four major sources of inequality:

1) Health inequalities

These inequalities have been especially pronounced in the difference between the low numbers of elderly people who have contracted the SARS-Cov-2 virus and very disproportionate rate of mortality among the over-75s, for whom the death rate was as high as 75%.⁵⁰ These catastrophic figures have shown the many limitations of a health care system that does not give sufficient priority to promoting health and targeted prevention (through vaccinations), the divisions that exist between the private and public sectors, and the lack of access to information and services, which has led to the improper use of age as a factor in decision-making and the triage of cases.⁵¹ The mortality rate among senior citizens has therefore reached record levels in nursing homes, attesting both to the trend towards the ghettoisation of these establishments and to their imperfectly defined mission between being a place in which to live and a place where care can be administered. There is also a chronic shortage of qualified care staff, which will only increase in the coming years.

2) Social inequalities

In addition to the environmental differences noted in the first chapter, the elderly population has found it difficult to learn the techniques of social distancing, to apply the recommendations for self-isolation, and to endure the exacerbation of their pre-existing loneliness and isolation. The replacement of many health and social services by remote working has been even more problematic owing to the excessive work load of support staff. The feeling of fear and abandonment has been extreme for older people who are trapped at home or deprived of any emotional contact in institutions. But the worst hardship for both the elderly and their families was the inability to visit the dying, which Marie de Hennezel referred to as the "forbidden farewell". However, we should not overlook the huge outpouring of community solidarity observed throughout France and abroad, which made it possible to support the most vulnerable, whatever their age and condition.

3) Inequalities in resources

In this area, the social divide that was discussed above and will be discussed further below is already apparent. In French society, the elderly are often regarded as privileged people who enjoy long years of retirement (currently estimated in France at 25 years), even if these are the promised reward of a lifetime's work. The issue of financing pensions has become more acute with the new government plan to increase the retirement age. Elderly people are also accused of costing the community a lot in terms of care, since they consume a large part of the total health expenditure, which amounts to 11.3% of France's GDP. These issues, which were barely mentioned before the pandemic, have emerged with worrying urgency in the current medical

⁴⁹ Bihl, A. et Pfefferkorn, R. (2008). *Le système des inégalités*. Paris, France: La Découverte, coll. "Repères"

⁵⁰ Public Health France 22 October 2020; <https://www.santepubliquefrance.fr/maladies-et-traumatismes/maladies-et-infections-respiratoires/infection-a-coronavirus/documents/bulletin-national/covid-19-point-epidemiologique-du-22-octobre-2020>

⁵¹ FONTAINE R and PENNEC S *Gerontol Société* 2020; 42: 19-36

and socio-economic crisis. Some young people and associations are questioning whether care should be reserved for the elderly while the financial burden falls on the young. This essential question is particularly alarming.

4) The different stereotypes underlying huge societal and ethical controversies

The previous paragraph attested to the financial strains that have come to light during the health crisis, but which were already being felt long before. Ageism, which is present at all levels of society, involves stereotyping, prejudice and discrimination on the basis of age.⁵² The pandemic has exacerbated this trend, as shown by the phrase used ironically by younger people to denigrate the attitudes attributed to the baby boomer generation: "Okay, Boomer!". It should also not be overlooked that there is another trend, that of "adultism", corresponding to the power that older generations exercise over younger generations.⁵³ In addition to these different forms of generational discrimination, there is, as mentioned above, economic stigmatisation and of course ethnic and racial stigmatisation. The Covid-19 crisis has added technological discrimination to this list, which was already too long. The digital divide has separated the generations and tends to exclude older generations from information and services.

In the face of such great inequalities of so many different types, how will it be possible to rebuild society for the benefit of older people in the future?

Jean-Pierre Michel, University of Geneva and Académie nationale de médecine – Paris

Where will we stand in 2030? Major trends and uncertainties

Within ten years, inequalities are likely to increase between those older people who are able to benefit from support from relatives and/or external assistance and those who are

increasingly isolated. The latter will therefore be particularly vulnerable, both physically (falls, domestic accidents, etc.) and psychologically.

4. Ageing well at home: Needs and services for increased longevity

The challenge of adapting housing for older people

According to the CNAV ("Caisse nationale d'assurance vieillesse") and the ANAH ("Agence nationale de l'habitat"), only 6% of French housing is adapted for use by the elderly.⁵⁴ However, around 2 million ageing households already need to make adjustments to their homes to ensure that they remain compatible with their state of health. The difficulty in this area is twofold: it is a matter of both identifying these needs precisely and financing the work. While some are relatively minor (automatic lighting, automatic shutters, etc.), others can cost

several tens of thousands of euros. And the financial support offered by the ANAH is not always sufficient and/or known.

There are many examples of the adaptations that can be made to housing for the elderly. For example:⁵⁵ widening the access path to the house, replacing stairs with a ramp, the installation of ramps along walls, installing a shower equipped with a seat and grab bars instead of a bathtub, installing motion-sensitive lighting, etc.

Digital technology and connected objects can improve the quality of life of senior citizens

Digital tools are beginning to be used by relatives, specialist companies and also by certain insurers to limit the isolation and improve the quality of life of ageing people in their homes. These tools have various uses: remote communication tools

allowing connections with relatives, remote health consultations, connected objects that facilitate daily activities, smart sensors that can alert rescue services in the event of a fall, etc.

⁵² Ayalon L et al *Eur J Ageing*. 2017 Jan 5;14(1): 1-4. doi: 10.1007/s10433-016-0409-

⁵³ Liat Ayalon

⁵⁴ https://www.anah.fr/fileadmin/anah/Actualites_presse/2013/Rapport_Anah_Cnav_decembre_2013.pdf

⁵⁵ <https://www.pour-les-personnes-agees.gouv.fr/preserver-son-autonomie-s-informer-et-anticiper/amenager-son-logement-et-sequiper-son-logement>

How can we help future generations to age well?

Our approach to ageing must be holistic and integrated into the whole course of life. From the point of conception onwards, all life stages affect the quality of ageing. The state of health of the parents at the time of conception (and not only that of the mother), the conditions of pregnancy, the weight of the child at birth, its growth curve and the socio-economic conditions will all influence the individual's acquisition of functional abilities as a child, adolescent and young adult. This part of life is essential in determining the later experience of ageing. In particular, basic education, physical activity, nutrition, lifestyle/behavioural choices and the possibility of vocational training leading to full employment are often overlooked as important contributors to the quality of health enjoyed in middle age (45-55 years).

In fact, it is in middle age that all the factors come together that determine the experience of either good or bad health in old age. It is during this period of life that all the risk factors accumulate (sedentary lifestyle, smoking, excessive alcohol consumption, low intellectual activity, etc.) and that the first signs of chronic diseases (high blood pressure, high cholesterol and atherosclerosis) appear, either clearly or surreptitiously. Most of the time, these small abnormalities remain below the level where they require clinical care, and go unnoticed until the sudden revelation of a more serious pathology. However, it is during this period of life, generally marked by intense professional and family activity, that attention should be paid both to one's health and to one's socio-economic and relational (family, friends, wider social contacts) foundations. It is really in this mid-life period that ageing accelerates, marked by a slight decline in abilities. The overall level of functional abilities at this stage of life determines an individual's path towards ageing in either good or bad health.

This principle is fundamental and yet not yet accepted by the public. Two elements are worth noting here:

- On the one hand, the fact that life expectancy continues to rise. Thus in France today's young people, when they reach the age of 65, will have a further life expectancy of 23.4 years for men and 25.7 years for women (compared with 18 and 21.6 years today). This means that today's young people will become even older than their parents' generation.⁵⁶
- Will they be in better functional health? This remains unclear, because after 30 years of falling morbidity and dependence, the latest data from France show an alarming trend towards an increase in the period of life lived with functional incapacity.

Is this what the new generations want? They do not seem to be aware that in the future it will be their turn to be old, pushed around by the younger generations and subject to the vicissitudes of life (the pandemic illustrates just how unpredictable these vicissitudes can be).

If things are not to turn into a dramatic generational conflict or an economic crisis, we must act quickly and immediately to take account of the fact that ageing begins at birth and must no longer end in long years spent without independence or autonomy. There must be a paradigm shift and acceptance of the new definition of "ageing well" proposed by the WHO in 2015: "the process of developing and maintaining the functional ability that enables well-being in older age".⁵⁷

Too often, aging well is still associated with the absence of disease. Today, given the huge extension of life and the impossibility of living so long without any illness, "healthy ageing" means living a functionally independent life until death.

From mid-life onwards, targeted prevention and the maintenance of physical and intellectual activities make it possible to delay functional decline for as long as possible. Home care is still to be favoured, with the contribution of current technological developments, which ageing people should adopt as soon as possible.

Jean-Pierre Michel, University of Geneva and Académie nationale de médecine – Paris

⁵⁶ https://ec.europa.eu/info/business-economy-euro/economy-finance-and-euro-publications_en

⁵⁷ WHO, *World report on Healthy Ageing*, WHO Geneva, 30 September 2015

Raising awareness of the need to anticipate the difficulties arising from loss of autonomy

Families are still ill-informed about the needs related to loss of autonomy

Although the management of loss of autonomy is a major societal issue, the population is also largely in denial about it.

It is therefore essential to raise awareness among families as to the reality of the needs associated with maintaining autonomy throughout life, and the need to take responsibility as early as possible for protecting themselves against the difficulties associated with loss of autonomy.

Mourning the loss of the welfare state?

The French people are primarily expecting a response from the public authorities, but in light of the financial resources available, this response will not be sufficient.

In the medium term, support networks and facilities should be enhanced, and jobs in this domain better valued, but at the same time, public finances will not be able to absorb the costs related to the loss of autonomy of all citizens, and not all families will have sufficient financial resources to support their elders.

In fact, the projections for dependence-related expenditure already speak for themselves. This is demonstrated in the Libault report (March 2019): for public authorities, concentrating on improving and strengthening existing facilities and resources will already require an additional €9.2 billion between now and 2030.

How can we hope that public finances will also lighten the burden on individuals?

The cost of care will be borne by... individuals and their carers.

However, according to the same report, €6 billion of identified expenses are currently being borne by households, to which should be added the cost of informal assistance borne by families.

How will families cope in 20 years' time, when more baby boomers will become dependent?

These issues undeniably call for the early use of multiple backup solutions:

- Support and anticipation of fragility, preventative care;
- Help for older people remaining at home;
- Adaptation of housing;
- Personal assistance;
- Support for carers;
- Various financial services: long-term care insurance, preservation or financing of additional savings or pension funds, monetisation of real estate assets, etc.

The creation of a 5th branch of the social security system devoted to autonomy is a significant step forward. However, to ensure that no family is left destitute when the time comes, huge efforts must be made to educate French people about the unavoidable cost of dependence and to encourage them to seek out other solutions as soon as possible in addition to the public schemes.

Laure Chatel, Director of "Grand âge et autonomie" department, CNP Assurances

Effects of the health and social crisis due to Covid-19

The Covid-19 crisis has accentuated the refocusing of senior citizens on their housing. Young retirees have perfected their mastery of digital technology in order to continue communicating with their loved ones, keeping up to date, making purchases and even enjoying some of their leisure

activities online. The situation may be more difficult for older senior citizens, for whom this imposed sedentary lifestyle can have harmful consequences on their health and social interactions.

Where will we stand in 2030? Major trends and uncertainties

Within ten years, the issue of adapting housing to the needs of an ageing population will become a priority. Indeed, the growth in the number of dependent people or people losing their autonomy has already been anticipated for many years. However, until now, this realisation has not been accompanied

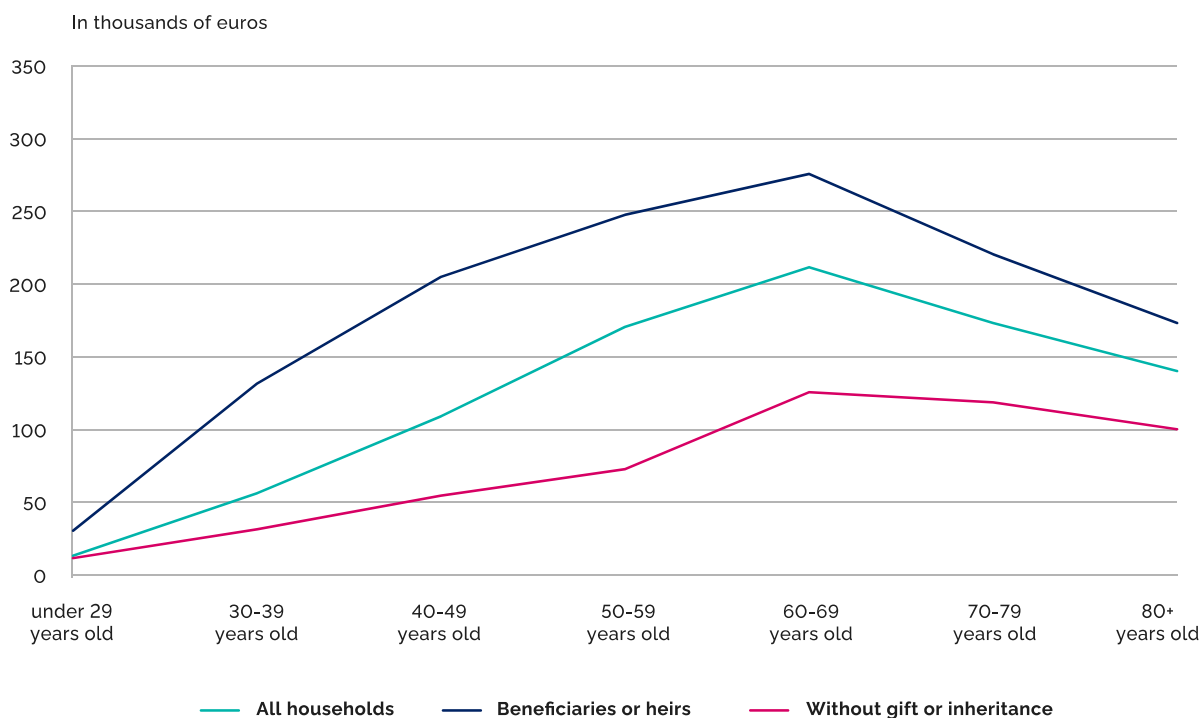
by sufficient measures for planning the adaptation of housing and financing this work. There is therefore a great risk that within ten years there will be an increase in domestic accidents, but also an increase in older people living in poor health.

5. Inequalities in wealth and early transmission of inheritance

More than half of the wealth of French people is inherited. Nevertheless, this wealth is being passed on later and later, owing to the increase in life expectancy. As a result, wealth is increasingly concentrated among the older generations: it is on average twice as high for those aged 60-69 as for those aged 30-39, but it decreases from the age of 70 onwards. Two-thirds of this wealth is made up of real estate. On the one hand, older

people may wish to pass on part of this wealth at an earlier age in order to help their children and/or grandchildren. Thus, almost half of French households benefit from an asset transfer even if, unsurprisingly, this is found more among wealthier households.⁵⁸ In response, regulations are changing to encourage the early transfer of assets.

Net median wealth of households, by age of reference person



Source : https://www.insee.fr/fr/statistiques/fichier/3549498/REVPMEN18_F2.7_patri-net-men.pdf

On the other hand, older people may need cash to finance their health care and/or their dependence care. Equity release schemes are theoretically a response to this need, and also enable older people to retain the use of their homes. However, equity release schemes are still in the minority in France: they

only represent 0.5% of property sales each year, even though these sales are also increasing by 5% per year.⁵⁹ Today, 40% of housing involved in an equity release scheme is in the Île-de-France region, and 25% on the Côte d'Azur.

⁵⁸ <https://www.insee.fr/fr/statistiques/3549494/sommaire-3549502>

⁵⁹ <https://edito.seloger.com/actualites/france/viager-un-marche-immobilier-en-croissance-de-5-chaque-annee-article-24395.html>

Where will we stand in 2030? Major trends and uncertainties

Between now and 2030, the continuing ageing of the population could have two main consequences in terms of wealth and inheritance:

- An increase in donations and the early transmission of wealth from older people to their children and/or grandchildren;
- A possible increase in the use of equity release schemes, to satisfy both the desire of older people to grow old in their own homes and their need for liquidity.

What are the alternatives for enhancing your wealth after retirement?

Retirement does not mark the end of reasoned risk-taking in wealth management. It all depends on the objective that is being pursued. Some of the wealthiest savers may aim to pass on their wealth, rather than finance their retirement. However, at the age of 70, a French person today has a life expectancy of between 15 and 20 years, a time horizon that allows a certain amount of risk to be taken, in the form of an equity stake in a portfolio, for example.

Some people choose to pass on wealth before they turn 70 in order to take advantage of tax benefits, in which case it is the risk appetite of the recipient rather than that of the donor that matters when choosing an asset management strategy.

Finally, there are alternative ways of financing pensions, which need to be further developed. For many French people, the main, if not the only, part of their wealth is the real estate that they own. Equity release schemes can therefore be an option. However, from the investor's point of view, the need to bet on the duration of human life can create discomfort and be an obstacle to investment. The use of a life annuity makes it possible to eliminate this element and to collectivise the risk.

Jean-Christophe Merer, Group Chief Risk Officer, CNP Assurances

What are the challenges for insurers?

1. Raising awareness among younger generations about the concept of risk coverage

A growing proportion of young people are facing a more complicated and drawn-out entry into adult life, leading to an irregularity in their income, a reduced capacity to save and a reduced ability to plan for the future. Their needs are therefore immense, yet these generations do not necessarily turn to insurers to meet them, as it becomes more difficult for them to anticipate their future needs when their immediate needs are

not necessarily being met. In fact, they no longer necessarily feel the need to take out insurance because they live more in the present and they may be less guided by their parents in this respect. They therefore need all the more support and assistance to be able to plan for the future. To this end, they may need tailored offerings and services.

2. Helping young people to better prepare for their life paths

The younger generations have grown up with the services of the digital giants and with a greater diversity of offerings than their parents. Indeed, they are less loyal to companies, more demanding, and more interested in innovation. When it comes to choosing their insurance, they will not necessarily turn to the same insurers as their parents, and they will not hesitate to

compare offerings and to place their trust in new players in this field. The very strong trust that they already place in the tech giants (Google, Amazon, Facebook, Apple, Microsoft) could also work in the favour of these companies if they decided to develop insurance offerings (which some are already beginning to do) and/or insurance comparison services.

3. Supporting the pivot generation, who are the key to intergenerational links and the management of family risks

The pivot generation has never lived up to its name so well, since it now has to take care of its children up to a sometimes advanced age, and also its parents when their autonomy declines. This situation generates new needs, particularly for women: the need for support in their role as carers (financial,

practical and moral), occasional or ongoing financial needs, and specific insurance needs for themselves and for their relatives. This implies, in particular, anticipating the periods of life that are most conducive to accumulating savings and those that could, on the contrary, lead to increased risks.

4. Supporting people in ageing well, especially finding the path between longevity and dependence

Older people in situations of dependence are receiving increasing attention from public authorities, associations and their relatives. The same is not necessarily true for those who are facing a limited loss of autonomy and changing needs for support, who may not find someone willing to address those needs. However, the path towards longevity should be planned from the age of 50 onwards. Moreover, a growing proportion of older people live alone, and sometimes find themselves in a

situation of extreme social isolation. They will therefore need specific support, both practical and social, which cannot always be provided by their relatives. Insurers, but also other local actors with a strong local presence such as la Poste and la Banque postale (services based in local post offices), could therefore play an important role in supporting these vulnerable people.

5. Optimising the use of existing savings of older people to support their needs and those of their relatives

All generations face increased liquidity needs, for example to compensate for irregular income or to finance projects (especially real estate). In particular, the growth in the number of older people losing their independence goes hand in hand with the wishes of these senior citizens to stay in their homes. The result is an ever-increasing need to adapt these dwellings and to finance associated works.

To satisfy these needs, households may therefore have to draw on all or part of their assets or those of their relatives. They may therefore:

- Take advantage of the early transmission of wealth;
- Or use all or part of their assets by selling them or using equity release schemes.

Insurers could play an important role in informing households about the solutions available to them in this area, but also in guiding their choices. Innovative service offerings could also be designed along the lines of equity release schemes.

These developments will require a new legal framework and fiscal incentives encouraging a redistribution of wealth between generations and private/public financing of ageing well.

THREE POSSIBLE SCENARIOS FOR THE EVOLUTION OF FAMILIES BETWEEN NOW AND 2030

The first part of this foresight report provides an overview of the current and future transformations of families, generations and social ties. By extrapolating the future development and interrelations of these trends, it is possible to envisage different scenarios for the next ten years.

These scenarios are all based on a certain number of major trends that are currently observable in French society, which have a certain degree of inertia, such that they will continue to structure French society up to 2030 (and even beyond).

These trends include:

- The ageing of the population;
- The individualisation of society (which leads to the prioritisation of the preferences of individuals and their development rather than that of inherited values and collective interests);
- Changes in the location of the population and the structure of the housing stock;
- Growing tensions between the ambition of the French social protection system and its financial means;
- A persistently gloomy economic context, coupled with growing public debt, in the wake of the current economic crisis.

These three scenarios are also all based on the trends presented in this booklet.

However, these scenarios differ in their guiding principles, at the level of French society, family structures, intergenerational solidarity, and also individual trajectories. They therefore present different possible responses to the major uncertainties listed throughout this booklet.

- In the **first scenario**, the family remains a place of refuge, but in variable forms, in a more fragmented and individualistic society.
- In the **second scenario**, priority is given to individual fulfilment, and membership of groups, including family membership, becomes more transitory and diversified, according to each person's aspirations.
- In the **third scenario**, the search for meaning and strong ties leads a growing number of individuals to build a family for the long term, which may be grounded in biological or community ties.

The aim of these scenarios is not to describe precisely what French families might look like in 2030, but rather to envisage different possible contexts in which actors, particularly insurers, could situate themselves in order to consider the implications of their activities.

They therefore present several background environments within which, however things turn out, a wide variety of individual trajectories will be inscribed.

Morphological table combining the different variables and hypotheses up to 2030

Themes	Variables	Hypothesis 1	Hypothesis 2	Hypothesis 3	Hypothesis 4
Family	Family structures	Diversification but stem family still dominant	Return to the traditional family	Intergenerational families	Tribe family
	Home, housing	Investment in and prioritisation of housing, but growing inequalities	Increase in investment in housing	Nomadism, withdrawal of investment from housing	Shared housing and community living
Generations	Youth	Boomerang generation: delayed autonomy, staying in the parental home	Communities of belonging with seniors (in distinction to hypothesis 1)	Prioritisation of independence and experience	Imposed and precarious independence
	Pivot generation	Willing support from pivot generation	High demands on support from pivot generation	Conditional support from pivot generation	#NA
	Old age	End of the welfare state / 3-tier care (very limited state aid, family, private organisations)	Strengthening the dependence policy of the welfare state	New types of cooperation between public policies and private initiatives	[Rupture] decline in the number of dependent older people
Social ties	Communities of origin	Increasing inequalities	Moderate social reproduction	Equal opportunities for all	#NA
	Chosen communities	Fragmentation of society into chosen communities	Prioritisation of social cohesion and loose communities	Increasing tensions and conflicts between exclusive and intolerant communities	#NA

Scenario 1: Withdrawal into the home in a divided and unsupportive society

French society is undergoing multiple pressures, linked in particular to a gloomy economic context which increases precariousness and inequalities of all kinds. Social cohesion is deteriorating, with shared values and interests gradually giving way to community demands of all kinds. Public policies are unable, for lack of ambition and means, to limit this trend. The social bond as a whole is becoming more diversified and fragmented, depending on the communities to which individuals belong, territories, values, etc. Younger generations are facing increasing difficulties in attaining their autonomy and in asserting their interests in the eyes of society and political leaders.

In this context, the family remains of central importance for individuals in terms of values, wealth, life choices and solidarity. More than ever before, the family is thus becoming a place of reassurance and solidarity in a society that is considered ever more hostile. Nevertheless, the forms of the family can vary over time, over the course of separations and new groupings of blended families. Faced with the growth in the number of single people and the diversification of aspirations, "families" are no longer limited to blood ties. Communities, whether local or online, allow everyone to share values, causes and practices and to benefit from alternative forms of solidarity. There are therefore growing inequalities between those who can rely on family solidarity and those who are isolated or insufficiently supported.

Scenario 2: Growth in the membership of multiple groups in an archipelago society

French society is becoming increasingly unequal, leading to a two-tier system. In particular, the situation of precarious young people and isolated elderly people is deteriorating, and collective solidarity is proving incapable of addressing these problems. The growth of individualisation is also transforming interpersonal relations, particularly within families. More and more young people want to free themselves from the family "straitjacket" and assert their own values of entrepreneurial freedom, the renunciation of property, and also of children. At the same time, the pivot generation is no longer willing to sacrifice everything in the name of family solidarity, and is therefore limiting the financial aid and moral support that it provides to relatives. In short, the family is no longer seen as an

essential and inviolable foundation for individuals, but rather as an entity that can take on very different forms over the course of people's lives.

Each individual feels free to invent their own family, or alternatively not to have one at all, devoting themselves instead to communities (tribes) that better correspond to their values. There are growing inequalities between those who have the means of attaining freedom, and those (especially the elderly) who may find themselves isolated, neglected both by their families and by collective solidarity. Public authorities are refocusing their support on these vulnerable groups.

Scenario 3: A search for long-term belonging in an unequal society

Individuals are increasingly disorientated by issues at the national and international level: economic crisis, climate change, a climate of mistrust, etc. In response, they are looking for new values and new imaginaries to address their concerns. They are looking for collectives capable of reassuring them and providing them with moral and financial support. For some people, the family continues to be this island of reassurance. In this case, they are keen to build a family structure that is as long-

lasting as possible, in which solidarity and loyalty are central. At the same time, more and more individuals are turning to communities of all kinds: territorial, religious, or communities based on all sort of social commitments. The biological family is therefore no longer the only sphere of belonging but, whichever form of belonging is chosen, it provides stability and guidance for individual behaviour.

AFTERWORD

Thomas Béhar, Chief Financial Officer, CNP Assurances Group

Whatever our family status, our age or place of residence, we are all concerned to some extent by the transformations analysed throughout this report, which is the outcome of a year of research.

Some of these changes are relatively slow but already visible, such as the issue of increasing longevity and intergenerational solidarity. Others are much faster but more unpredictable, particularly the impact of the current crisis on younger generations. All of these changes have, and will continue to have, major implications for the needs of individuals and families in terms of risk protection, savings and housing, but also for social ties and the way we live together.

This report seeks to better understand future transformations in the social fabric, in order to better anticipate and support them in partnership with public authorities, associations, local authorities, insurance companies, etc. This report was also written for them. It is intended to be circulated as widely as possible to provide everyone with food for thought and for action.

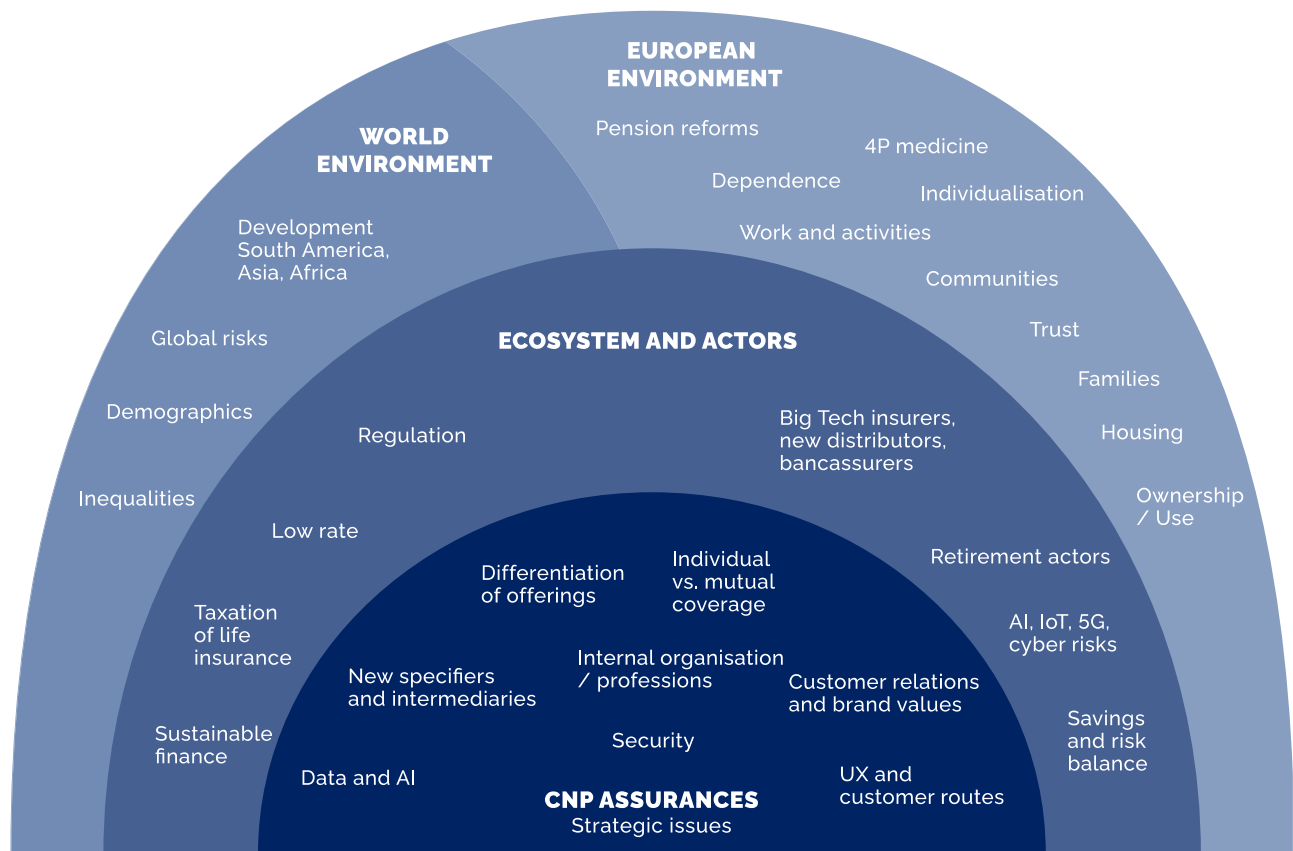
We firmly believe that CNP Assurances has a fundamental role to play in the changing social landscape, and we will therefore continue our work to identify the solutions that we can offer in response to these new family realities.

APPENDIX: THE CNP ASSURANCES RESEARCH AND STRATEGIC FORESIGHT SYSTEM

The Research and Strategic Foresight Department was created in 2019 under the impetus of CNP Assurances Executive Management. Reporting to the Group Finance Department, this department, on a human scale, brings together two complementary activities. The Applied Research Unit conducts studies in partnership with the academic world through the Chair of Excellence in Digital Insurance and Long Term Risk, which is funded by CNP Assurances. The Foresight Anticipation Unit explores possible futures so as to inform strategic choices and develops the Group's strength in innovation.

The department has developed an original approach combining the arts of actuarial science, risk management (ERM: Enterprise Risk Management) and foresight. It contributes to the development of long-term thinking that is attentive to ongoing or emerging transformations, and that makes connections between their political, environmental, social, economic and technological dimensions.

The department relies on the collective expertise of members of the 120 Network (composed of employees from all business lines, who are experts and ambassadors of the foresight approach), and on networks of external experts. Its analyses draw on this diversity of expertise as well as personal experience. These factors make it possible to understand the interplay of actors and their decision-making ability in order to inform the company's strategies, innovations and actions. In addition, its outputs are intended to contribute to the reflections of the financial sector in the form of updates, foresight reports, foresight surveys and various events (foresight workshops, foresight and research briefings, etc.).



CNP Assurances foresight model

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