

Brussels, 21 November 2008

## **Towards better societies for families and older people**

### **What is the Demography Report?**

The Report is published every two years by the European Commission and provides the latest facts and figures that are needed to assess where Member States stand in responding to the challenges of demographic change. The 2008 report focuses on the ageing society and changing family and household patterns in the EU.

It will be presented at the second European Demography Forum on 24-25 November 2008 in Brussels. The Forum will be devoted to how EU countries can learn from one another to create better societies for families and older people. It will bring together policy makers and actors in the field, notably in workshops that will be reviewing examples of good practice in these two areas.

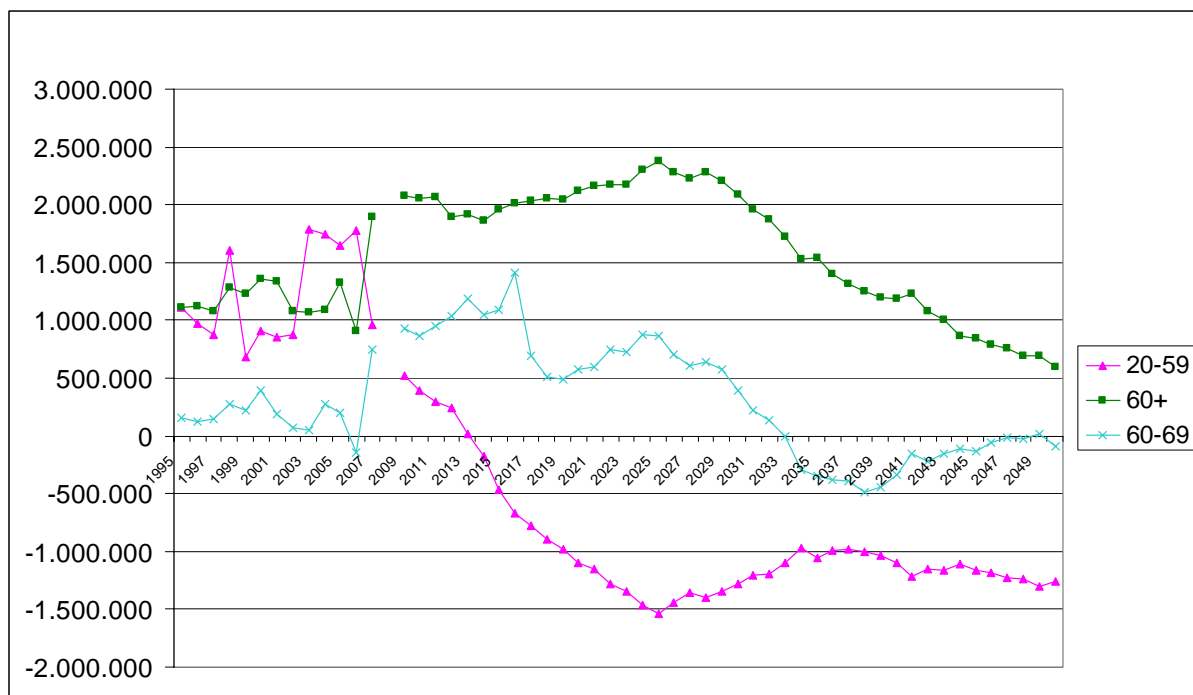
### **What does the Report tell us about the ageing population?**

High birth rates after World War II led to what is often referred to as the baby-boom which lasted into the 1960s. The latest Demography Report emphasises that these baby-boomers are now reaching their sixties and are beginning to retire from the labour market. This marks a turning point in the demographic development of the European Union. Ageing is no longer something that will happen at some point in the distant future; it is starting now.

### **What about the working population?**

Over the past decade, both the population of working age (20-59 years) and the population aged 60 years and above had been growing by 1 to 1.5 million people per year on average. From now on, the population aged 60 years and above will be growing by 2 million people every year for the next 25 years. The growth of the working-age population is slowing down fast and will stop altogether in about 6 years; from then on, this segment of the population will be shrinking by 1 to 1.5 million people each year (see figure 1).

**Figure 1: Population change over previous year, EU 27, 1995-2049**



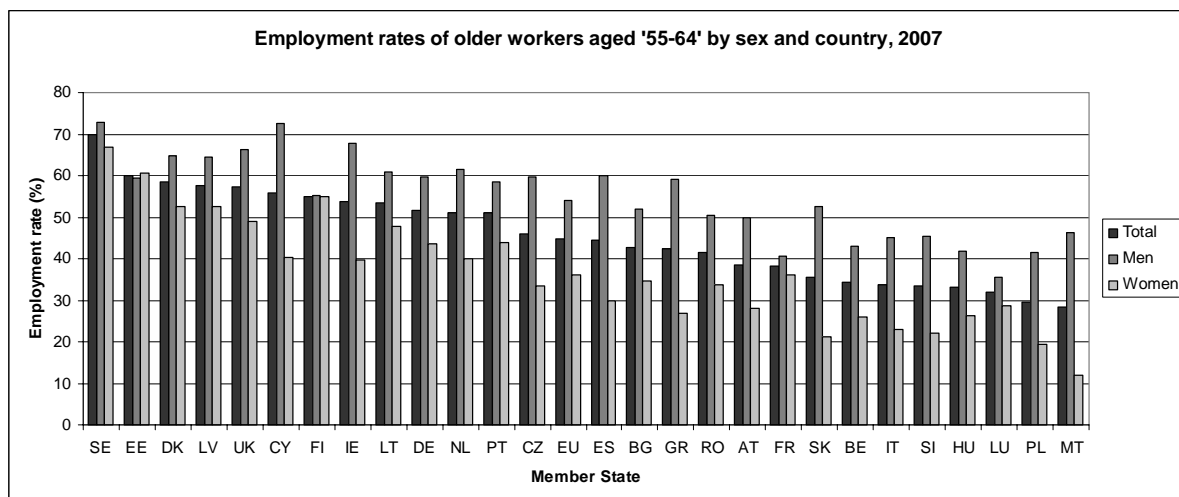
Source: calculation based on Eurostat demographic data, including EUROPOP2008 convergence scenario projection from 2009 onwards.

### Are people working longer?

The ageing baby-boomers represent the key to tackling the challenge of demographic ageing. The Report shows that in 2007, only around 50% of men and 40% of women were still in employment at the age of 60. In a majority of Member States and for the EU as a whole, the employment rate of people aged 55-64 remains below the Lisbon target of 50% set at the 2001 Stockholm European Council for the year 2010. The ageing baby-boomers now entering this age group thus constitute a major potential for increasing Europe's labour force.

However, the report also emphasises that there has been an increase by 10 percentage points compared to the year 2000 in the employment rate of older workers. The trend towards earlier retirement has been reversed – a clear indication that the Lisbon strategy, which aims among other things at promoting employment of older persons, is working.

**Figure 2: Employment rates of older workers aged 55-64, by gender in EU-27, in %**



Source: Eurostat, Labour Force Survey.

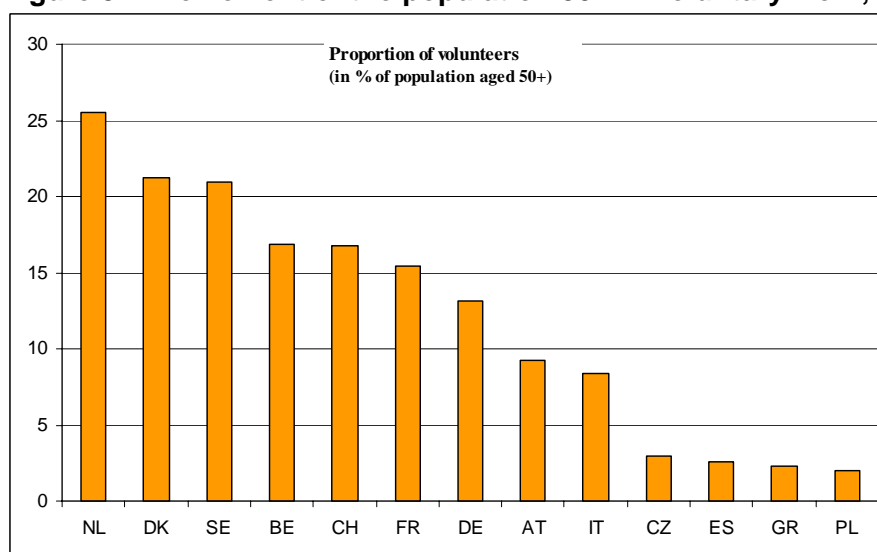
Employment after the age of 65, the typical statutory retirement age in many Member States, is rare: only about 13% of men aged 65-69 years and 7% of women are still in employment, typically working part-time. In this age group, part-time work is widespread: 47% of employed men and 61% of women aged 65+ worked part-time in 2007.

### How are older people involved in society, besides work?

The ageing baby-boomers can provide considerable informal help, notably to family members and relatives. According to the Survey on Health and Retirement in Europe (SHARE, which does not cover all Member States), about two in five grandparents in the countries covered by SHARE provide care to their grandchildren, one in five grandfathers and almost one in four grandmothers almost weekly or more often.

There are huge differences across countries as far as activities such as volunteering, informal helping, caring for other adults and other social activities in clubs, political or community organisations are concerned. Older people are most likely to be involved in these activities in the Netherlands, Sweden and Denmark, whereas participation levels are lowest in the Southern and Central European countries taking part in the SHARE Survey.

**Figure 3: Involvement of the population 50+ in voluntary work, by country**

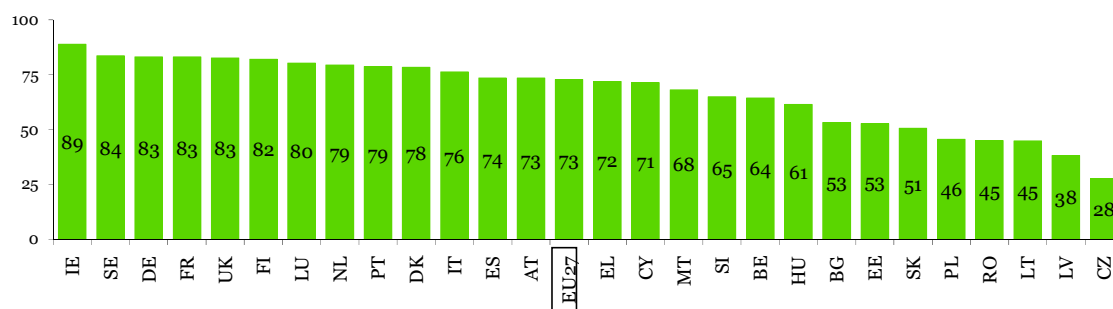


Source: SHARE 2006-07 (pre-release); calculations by the Mannheim Research Institute for the Economics of Ageing.

The ageing baby-boomers thus also represent an important resource for society as volunteers. A Eurobarometer survey carried out in September revealed that almost three quarters of Europeans would consider participating in community work or volunteering after retirement.

#### Figure 4: Readiness to engage in community work or volunteering

Once people have retired, would they consider **participating in community work or volunteering?**



Q7a. Thinking of the time when you retire, would you consider...?  
Base: respondents who had not yet retired  
% "Yes" shown by country

Source: Flash Eurobarometer n° 247 *Family life and the needs of an ageing population*.

#### How does demographic ageing affect families?

Making full use of the potential of the ageing baby-boomers will be a condition for avoiding increasing tensions or even conflict between the generations in ageing societies which are also concerned with the situation of families. Many countries are concerned about low birth rates which could reflect the difficulties and lack of support families are facing. The report describes the changing family and household patterns in the EU that need to be taken into account in the modernisation of social and, in particular, family policies.

#### How is family life changing in Europe?

The social reality of family life has changed profoundly over recent decades. People are less likely to enter into a first marriage, and, in 2003, did so about two years later than in 1990: the average age at first marriage rose from 24.8 years to 27.4 years for women and from 27.5 to 29.8 years for men. A significant number of marriages are now between partners of different nationalities: between 12% and 15% in Germany and France, around 20% in Belgium and Austria, between 25% and 30% in Estonia, Luxembourg and Cyprus. Divorce rates have increased since the 1970s, more than doubling in some countries.

Unmarried cohabitation has become commonplace, and a large proportion of children are born outside marriage: in most Member States between 25% and 50% of all children. In spite of this 'de-institutionalisation' of family life, most children still live in couple households, married or cohabiting, which represented over 80% of households with children in 2001. Single-parent households, most of them headed by mothers, accounted for 14% of households with children.

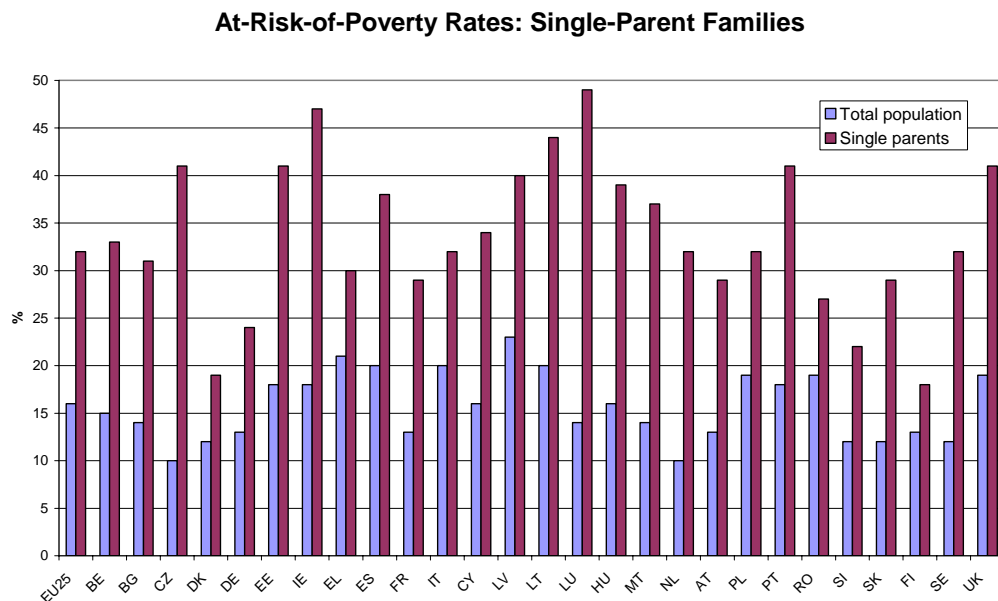
## What about the role of women?

Another major trend affecting family life in the EU is increased female labour force participation. The gap in employment rates between men and women aged 25-49 halved between 1990 and 2005 from 32 percentage points to 16. However, this labour market integration of women often takes the form of part-time employment. Marital status, childbearing and childrearing are no longer seen as an insurmountable obstacle for female employment. Indeed, countries with high levels of female employment also have higher fertility rates, suggesting that achieving a satisfactory work-life balance for women may be a key to both higher female employment and relatively high fertility rates.

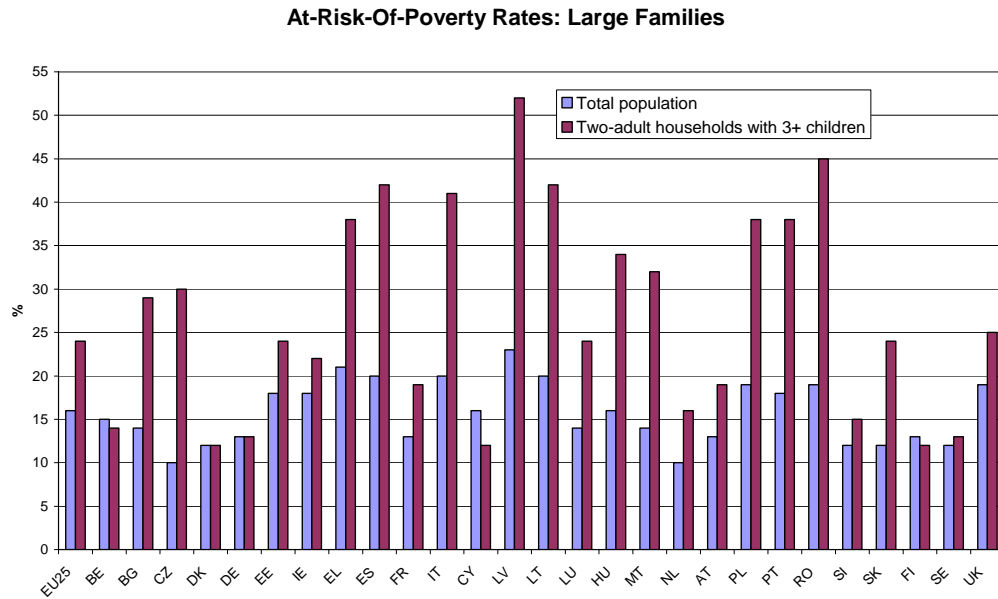
## What does the Report say about family policies?

Changing family and household patterns need to be taken into account in the modernisation of social, and in particular, family policies. The need for action is exemplified by the high risk of poverty to which single-parent families are exposed: about one third of people living in single-parent families are at risk of poverty, compared to 16% of the entire population. Large families (two-adult households with three or more children), which can be considered as a more traditional target group of family policies, also face higher poverty risks at 24%, but less so than single-parent families. A quarter of women living in single-person households are also at risk of poverty.

Figure 5:



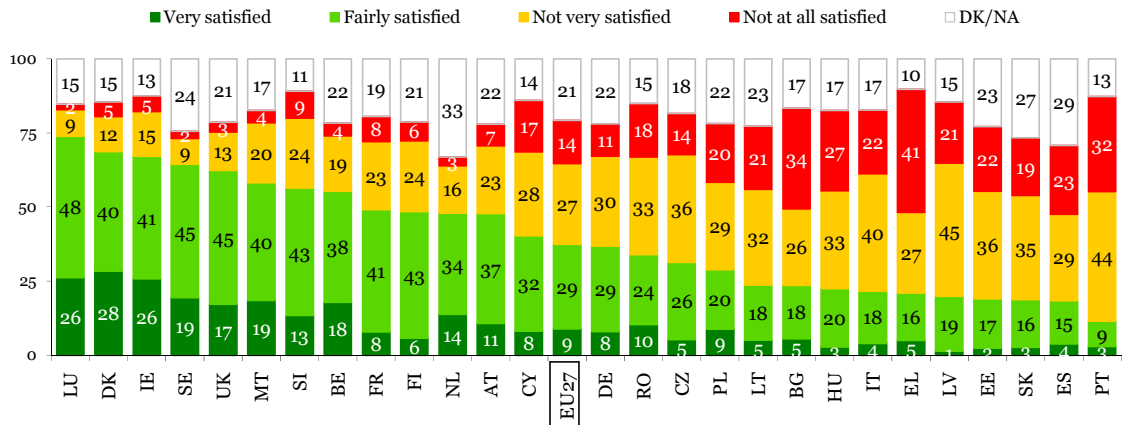
**Figure 6:**



According to the Flash Eurobarometer 247, a majority of Europeans is not satisfied with public support for families with children, with eastern and some southern European countries displaying the lowest levels of satisfaction.

**Figure 7:**

**Satisfaction with public support for families with children**



Q1\_b. Now, we are going to talk about family life and work, and policy actions in these areas. How satisfied would you say you are with...  
 Base: all respondents  
 % by country

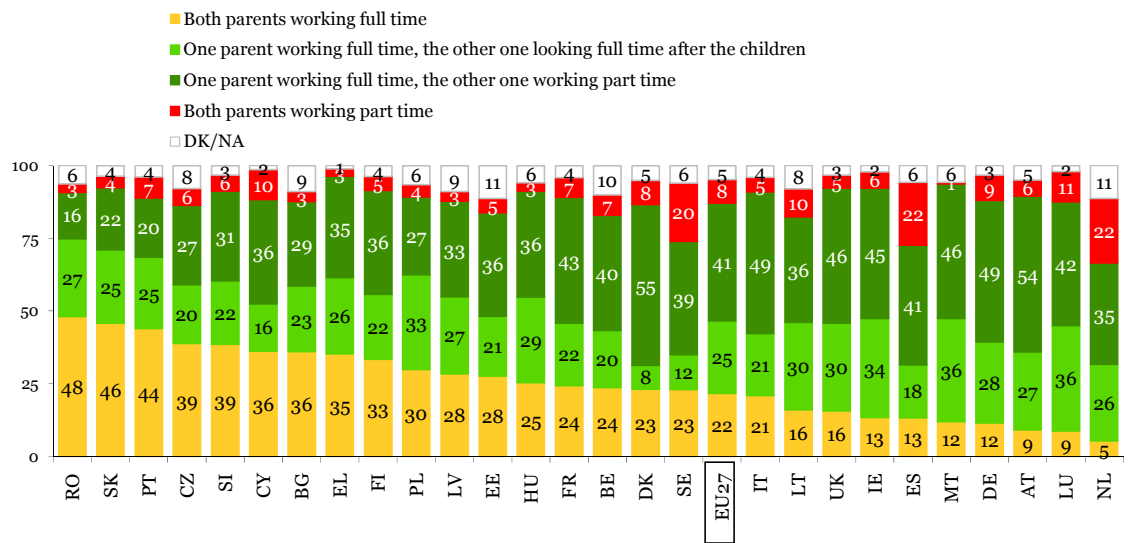
Source: Flash Eurobarometer n° 247 *Family life and the needs of an ageing population.*

**How about balancing work and family life?**

Only about a quarter of Europeans believe that the best way of combining work and childcare consists in one parent being the breadwinner and working full time and the other parent staying at home. However, there are considerable differences across countries and the support for this 'traditional' family and childcare model ranges from eight percent (DK) to 36 (MT, LU). The vast majority of Europeans – over 70 percent – consider that both parents should be able to work at least part-time (figure 8).

**Figure 8:**

**The most practicable and realistic way to combine work and childcare**



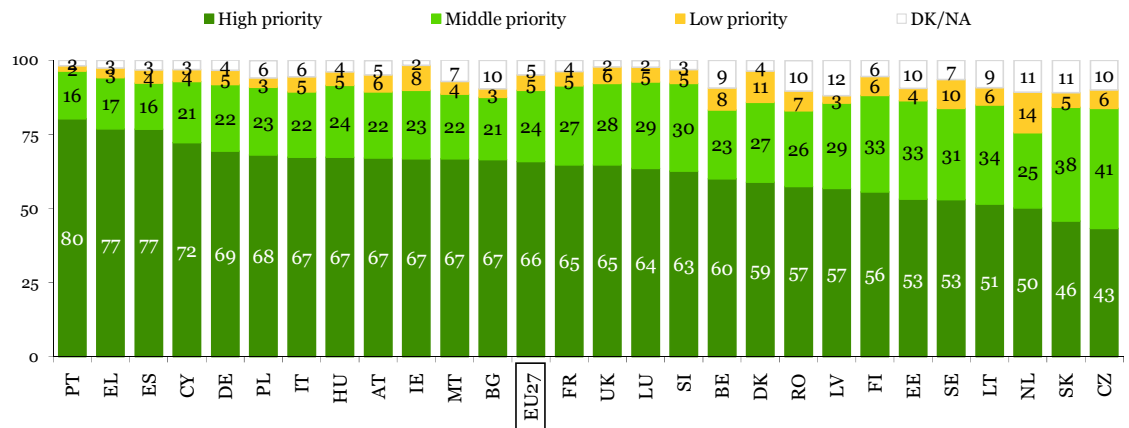
**Q4. Combining work and child care can be organised in different ways. I am going to read out several possible options, please tell me which one you believe is most practicable and realistic, taking into account the need to earn a living?**  
*Base: all respondents % by country*

Source: Flash Eurobarometer n° 247 *Family life and the needs of an ageing population.*

Access to flexible childcare arrangements is therefore particularly important to families with children. Almost two-thirds of Europeans regard this as a high priority, putting childcare (together with increased tax advantages for families) at the top of their list of priorities for policy action.

**Figure 9**

**Priority level for policy action: Access to more flexible childcare arrangements**



Source: Flash Eurobarometer n° 247 *Family life and the needs of an ageing population.*