

COMMUNICATION FROM THE COMMISSION

Green Paper "Confronting demographic change: a new solidarity between the generations"

AN INTRODUCTION

Väestöliitto, the Family Federation of Finland, is a non-governmental organization working for the welfare of families. It was founded in 1941 and has 27 member organizations. Väestöliitto has approximately 120 full-time employees. According to its by-laws, the goal of the Väestöliitto is to produce and disseminate information about the significance of the population's size and structure for the mental and material development of the society, its well-being and living environment and to have an impact on improving the living conditions of the families.

The focus of today's work is:

- To encourage public debate on population issues
- To work for the welfare of the families by promoting good parenthood and steady marriage/partnership as well as living conditions of the families
- To work for sexual health and sexual rights of young persons
- To promote a tolerant and multicultural society

In addition to these activities, Väestöliitto is providing special health care services such as fertilization clinics.

In June 2004, Väestöliitto published a Population Policy Paper. The major issue highlighted in the paper was that a new approach to population issues was needed because from the year 2005 the number of people entering the labour market will be smaller than the number retiring. Above all, this will affect the economic dependency ratio, meaning the ratio between those who are employed and those who are not.

Proposed measures related to fertility and migration:

- To increase the fertility from 1.7 to 1.9; it should be noted that a fertility rate of 1.9 is still lower than the natural renewal rate (2.1) and the average fertility rate of 2.3, that research has identified as the preference of Finnish families. There is also a goal to reduce the age at which women give birth to their first child from 28 years to 26 years.
- To decrease infertility rates from the current level of 15% to 10% through increased awareness of risk factors to fertility caused by sexually transmitted diseases and greater support for assisted fertilization programs.
- To increase the proportion of families with at least three children to 30% of all families.
- Increasing the migration of those who seek to live and work in Finland.
- Stabilizing the employment situation of young professionals in order to reduce emigration from Finland to other countries, especially female health care professionals who are moving to Great Britain, Germany and Norway.

The paper received a great deal of publicity in the community and also proved to be of great interest to the government. A representative from Väestöliitto was also involved in the preparation of Government's report to the Parliament entitled "Report on future population policy, good society for all".

Väestöliitto believes that the Green Paper, published by the European Commission has an important message for the whole of the European Union. Because Väestöliitto is a family organization, it is pleased that the concept of the family is strongly highlighted in the paper. The Green Paper will hopefully encourage further discussion on how families are best supported in different European countries, and help to disseminate best-practice approaches. One has to remember, though, that European nations have different historical and cultural backgrounds, which are reflected in their national family policy. Family policy, like social policy in general should remain the responsibility of individual member states.

II DISCUSSION CONCERNING THE QUESTIONS

Answers to the questions

1. The Challenge of European Demography

Väestöliitto wants to highlight the fact that one of the most significant achievements of the welfare state has been to extend the lives of its citizens. We should therefore consider the increases in the population of elderly people, not only as a threat but recognise this as a significant achievement, which presents great opportunity.

The Finnish Government is one of the few European nations to prepare a report for the future aimed at improving the wellbeing of all generations. Even although Finland's birth rate, at 1.78 children, is one of the highest in European Union, it still falls well below the rate required to maintain the population at the current level. According to research undertaken by Väestöliitto, Finnish families would like to have more children than they have at present. One factor which influences the high birth rate in Finland is the welfare state concept where it is possible for women to participate in working life and also have a family with children. Achieving a balance between work and life is only be possible when the welfare state is able to provide appropriate services to support families with children

These services include:

- A functioning day care service, which in Finland is a subjective right for children under school age. It is the responsibility of municipalities to organize this service and a fee is charged based on the income of the each family. There is an alternative service, which cares for children up to three years of age in the home. There is also financial support available for parents wishing to use private day care facilities if this is preferred to that offered by the municipality.
- Paid maternity leave and parental leave is available and funded by the state. Payment is based on the income of each recipient but people with no previous income will also receive a minimum rate. If a parent chooses to remain at home and care for the child, she/he has the right to return to the service of same employer up until the child is three years of age.
- Regardless of the provision of an effective day care system there are still problems between male and female parents about balancing the distribution of household and family tasks, as well as utilizing the leave provisions

- The fathers of small children are working more overtime than any other group of workers in Finland. Very often mothers of very young children (under three years of age) stay at home and receive a home care benefit. To achieve more gender balance and equality between work and family would require a more flexible approach to employment with a greater number of part-time and casual jobs being created. Part-time employment could be supported with social benefits provided for longer than the current three-year period.
- In families with children under seven years of age, women are still doing twice as much home work as men. One must remember that in the majority of cases women in Finland work full time. There is a need for more flexible working hours for both parents and there is a need for changes in attitudes towards the responsibility of home work.
- Väestöliitto would like to stress that employers also have a role in the development of family policy as well as individual member Governments. It is not only traditional social policy measures which influence family policy but housing policy, environmental solutions and the general attitudes of the public are growing in importance. These factors should persuade the social partners to take the demographic threat seriously and commit more resources to supporting families and individuals so that they are better able to combine family and work responsibilities.
- How can parents, in particular young parents, be encouraged to enter the labour market, follow the career that they want and have the number of children they want? This is a crucial question. As stated previously the provision of a functioning day care system with an option of alternative home care support for very young children is important. However, this is not enough; additional problems need to be resolved. Including:
 - o How can employers be encouraged to recruit young women when the costs associated with maternity leave rests firmly on the shoulders of the mother's employer? This is one reason why young qualified women in Finland often have only a temporary work contract with therefore have no long-term security in which to raise a family. For women planning their first child the permanence of the work contract is very significant. Allocating more resources to increase the number of permanent jobs, especially in female-dominated branches such as health care and education would likely lead to improvements in fertility rates. The costs of maternity and family leave should be shared equally by the employer of the father and the employer of the mother or better still to be met in part or completely by the collective social security funds.
 - o University studies in Finland take much longer than in most other European states. The Finnish Government is now trying to accelerate university studies and have students graduate in less time. As an alternative to this strategy, Väestöliitto has proposed that more support for students with children be organised and this may encourage more students to have children. It is often easier to conciliate studies and family than to conciliate work and family.
 - o As previously mentioned, Finland provides "basic" maternity and parental assistance for young parents without any previous working history (for example those who have recently graduated from universities). The level of assistance was recently increased and even though the increase was small it may still encourage some women to have their first child at a younger age.

- Family policy measures are not enough to encourage people to raise a family. In Finland the costs of housing are very high, especially in the capital area. The high costs of the extra space needed for a family with more than two children acts as a disincentive. The average size of apartments in Finland is the smallest in Europe, only 78 m² and the proportion of larger apartments at 11 %, is also the lowest in Europe. One can say that our housing policy does not encourage families to increase the number of children!

1.2. The Possible contribution of immigration

Finland is one of the most homogenous nations among the European Union with only about 100 000 immigrants living here. It is certain that the current welfare state model cannot be maintained without an increase in the number of working immigrants; indeed we need a more active immigration policy. Currently the unemployment rate among immigrants is very high and immigration policies need to be created which quickly integrate new migrants into the labour market.

Väestöliitto wants to point out the significance of a good family policy for immigrants. It is not possible to consider immigrants only as a labour force. They have the same needs and must have equal rights with all citizens. Children and spouses who work in the home caring for children need language skills and adaptation support to the Finnish society. In childcare and in school services, it is important to consider their own language needs as well as the needs for Finnish/Swedish language. It is unlikely that Finland would be the first choice of many people leaving their own country. The attitudes of the native population must be changed, so that Finland is a more attractive country to relocate to and those that choose to come would stay.

2. A new solidarity between the generations

Instead of placing the needs of different age groups in competition with each other, our aim should be a society for all people and we must try to find elements that are beneficial for all.

- The controversy is artificial, elderly people are very often the fathers and mothers of working generations and grandparents of their children.
- A long and productive life is a goal that has been reached only in developed welfare societies. When we provide a high quality of care for elderly people, it builds trust and confidence for the future of the younger age groups as well. Taking good care of the needs of children means that elderly people can trust that there are people enough to take care of the pensions and other needs of the older generations.
- The generation gap might be overcome with life span thinking. Pension regulations are changing to encourage people to work longer; many people of working age with small children are looking for possibilities to work shorter days or weeks or stay longer at home after the birth of their child. In the future there should be greater flexibility in the labour market and fewer restrictions based on age.
- Programs should be based on interest or need rather than on age. Cultural events, hobbies, and leisure time activities should be open and accessible for all age groups instead of organizing special programs for different age groups.
- The quality of the living environment and the availability of suitable housing are crucial both for elderly people and for families with small children. Accessibility, flexibility, good

transport connections and access to daily services will make life easier for all (and especially those who are pushing the prams or people in wheel chairs).

- Generations need each other. Strong relations within families and between generations promote healthy conditions, increases forecasts of a longer life for individuals and generate social capital in a society. Grand parents are especially important for their grand children and vice versa. This relationship should be recognised even in situations of divorce. We have addressed the rights of the child and both parents but we need to also ensure that the children are able to retain their relationship with grandparents.
- It is important to highlight how important it is for society to support those family members who are caring for older or disabled family members requiring constant support in the home. Without this support the elderly or disabled would be required to live in hospitals or institutions. Municipalities provide funding for care services and they also have responsibility to organise respite care services so that carers are able to have some regular breaks. A tax deduction for the costs of hiring domestic help is also an important factor in influencing adult children to help older parents to manage at home. The government is planning to increase the maximum level of tax deduction for this purpose.
- In Finland we need more children and more migrants in order to secure the future of the welfare society. However it would be dangerous for society to place the needs of different groups in conflict with each other.

2.1. Better integration of young people

- It is important to ensure that no child or young person drops out from the education system before they have completed their education. At the moment 14% (Males 17% and females 11%) under the age of twenty-five do not continue their education after completing compulsory schooling.
- The unemployment rate for young people is relatively high in Finland. Unemployment creates economical difficulties and social consequences with a greater risk of alienation from the society. It is important to develop bridges from school to working life and alternatively more practical ways for young people to continue their studies after compulsory school is finished.
- Väestöliitto would also point out the importance of access to quality sex education and sexual health services for the younger generation. This is more effective if it is arranged within the context of the school health care system. It is important to recognise the impact of sexually transmitted diseases on infertility.

3. Conclusion: what should the European Union's role be?

- It is time for the European Union to pay attention to the plight of families and to identify how families can be best supported and encouraged to have children. One must remember, though, that having children is a choice of couples or individuals; bearing children is not a duty, but a right. It is society's duty to create favourable circumstances for couples to have children.
- The concept of "family" is changing. For example in Finland very few families now consist of more than two generations, while in Southern European countries families with three generations still exist. The proportion of single parent families has increased and the same with reconstituted families. Whatever the structure of families they all need to be respected and supported! This is the only way to build up sustainable Europe.
- The European Union's role should be policy development; to open discussion on the importance of families; to distribute best practices used in member states in order to support

families; to encourage the social partners in Europe to create better circumstance for families to reconcile work and life; and to support European governments to consider the needs of families when developing policy. Not to regulate.

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