



PERMANENT REPRESENTATION
OF MALTA
TO THE EUROPEAN UNION

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Green Paper on Demographic Change
DG Empl/E/1
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European Commission
Rue Joseph II, 27
1049 Brussels

Julia

Attached, please find Malta's replies to questions put forward in a Communication from the Commission on a Green Paper "Confronting Demographic Change : a new solidarity between the generations" (COM (2005) 94 final), for onward transmission to DG Employment

Best regards,

Charles Sultana
Counsellor

Malta's replies on a Green Paper "Confronting Demographic Change: a new solidarity between the generations"

Malta's proposed Comments/ Amendments

Page 2/ Paragraph 2. statement "...But they are discouraged from doing so by all kinds of problems that limit their freedom of choice, including difficulties in finding housing" is only partly correct. This statement needs modifying as it completely ignores demographic changes in view of the 'second demographic transition'. In fact, precisely the opposite is happening, where people have more freedom of choice and opt to postpone the birth of the first child or remain childless altogether. It seems that these transitions have been completely overlooked in this statement.

Page 2, Paragraph 5. phrase "The trend is even greater..." could be also amended to 'the trend is more salient' or similar.

Page 5. Paragraph 1. sentence commencing "In China it will be fast..." is unclear, as the preceding sentence talks about population rising.

Page 5, Paragraph 4. stresses again that "low fertility rate is the result of obstacles to private choices" – and does not leave space for 'the actual freedom of choices' and even the tendency of 'being a better parent to fewer children'. All the mentioned factors do undoubtedly contribute to the decrease in birth rates. However, this sentence calls for more flexibility.

Malta's Replies

Q1: Do you take the view that the discussion of demographic trends and managing their impact should take place at European level?

The implications of changing demographic trends should be discussed both at national as well as at the European level, especially when proposing/recommending potential solutions to related problems. National and European demographic profiles are changing as a result of low fertility and low mortality rates. EU membership provides people with work and study prospects outside their country of origin and therefore people are likely to take up such opportunities and to exercise their right to move freely from one member state to another, thus reshaping the demographic profile of their country of origin as well as that of the host nation.

Q2: If so, what should be the objectives, and which policy areas are concerned?

The objectives are to secure long-term stability and improvement of trends, leading towards demographic balance necessary to maintain at least replacement levels, taking into consideration both the social, the family and the economic impact, while ensuring freedom of choice and action of the individual.

At a time when dependency burdens are rising as a result of a growing number and proportion of retirees, economic, financial and welfare policies should aim at promoting and securing sustainability, effectiveness and adequacy. Policies should not however be determined only by demographic trends but also by people's emerging needs and changing expectations.

Q3: How can a better work/life balance help to tackle the problems associated with demographic ageing?

Curricula could play a part in tackling problems associated with work/life balance through making young people aware of the new realities, the gender dimension, a non-discriminatory gender orientation in subject options, and education for the world of work and education for leisure.

Schools, child-care, and youth work can further contribute to the improvement in work/life balance. This should enable more women to continue or return to work besides being of support to fertility rates by providing professional extended services beyond statutory school time. These services would themselves enhance the lifelong learning process through formal, non-formal and informal learning.

Flexible working conditions and time throughout one's career wherever possible should be encouraged. Gradual reduction of working hours could encourage senior citizens to remain active, exploiting their experiences while contributing to economic growth without overtaxing their energy.

Promoting and indeed enforcing measures which promote a better work-life balance could help towards creating an environment which is more conducive towards having more children. This alone is not enough, and the promotion of scenarios where household tasks are equally distributed between men and women should be enhanced. This would allow both men and women to develop their careers and contribute within the labour market without limiting their choice as to the number of children that they would actually like to have.

Q4: How can a more balanced distribution of household and family tasks between men and women be encouraged?

The increase in awareness of more balanced distribution of household and family tasks could ultimately bring more well-being to the household/family. For families with children or other dependent persons, the introduction of fiscal and other benefits should be considered. However, the strong behavioural element, which characterises this issue, as confirmed by the implementation of the post Barcelona European Council 2002 directives, shows very slow progress.

A culture change requires time, determination and consistency. Ongoing educational campaigns should therefore slowly but surely change people's outlook on traditional roles and help them to adapt to changing demographic trends and adopt household/family roles that acknowledge and effectively address contemporary realities.

An improved work/life balance should help bring about the culture change required to drift away from traditional gender roles. One way of promoting such balance is by introducing work practices that are conducive to flexibility, such as flexi-time and teleworking.

Comment [m1]: We already have this in Malta, while in many EU countries elderly have different expectations from life in old age other than looking after children and baby-sitting. It is best to re-check this.

Encouraging fathers to take parental leave and or reduced hours could also bring a more balanced distribution of household and family tasks. Awards given to firms, which encourage a family friendly approach and create incentives for men for taking parental leave, ought to be publicised in the media.

Q5: Should the award of certain benefits or advantages (leave, etc.) be linked to an equal distribution of tasks between the sexes? How best to ensure an adequate income for both parents on parental leave?

Fiscal and or other benefit measures might help, but the essence is to break the traditional perceptions through education and information. Also, it is important to ensure that by availing themselves of certain benefits, parents returning to work would not be penalised, meaning 'be worse off' than they were before the parental leave.

Gender equality presupposes equal distribution of tasks. It is realised that more work, through education and information, may be required to bring forward the concept into practice.

Distribution of tasks between the sexes is generally agreed on by husband and wife. Income tax concessions for either partner returning to work after a prolonged period of parental leave could encourage the parent to return to work.

In order to create an environment that effectively provides equal opportunities for men and women, both within the labour market and within the family ambit, a comprehensive approach should be adopted. Individual measures will not in themselves yield the desired results.

Q6: How can the availability of child care structures (crèches, nursery schools, etc.) and elderly care structures be improved by the public and private sectors?

In Malta, the public provision of child care facilities is limited. On the other hand, the number of private child care facilities catering for children below three years has increased significantly over the past five years. However, in many instances young couples still rely on family care and in some cases mothers opt not to take up work after giving birth. The imperative is to conduct a proper cost-benefit analysis in subsidised child care provision, as well as to probe into the demand issues regarding child care facilities. Private sector facilities tend to be significantly more expensive and do not always cater for 'full time' employed parents.

The foregoing highlights the need for care services for children as well as older persons. Moreover, the legislation that regulates the operation of such services, both public and private, could be further developed. Considering the particular vulnerability of children and older persons (as well as disabled young adults), the expansion of their care facilities should be scrupulously regulated and monitored.

Public Private Partnerships aimed at providing such services should be encouraged.

Q7: Can a reduced rate of VAT contribute to the development of care services?

Reducing VAT may help in encouraging the development of care services. This, however, should be left to the discretion of the individual Member States.

Q8: How can parents, in particular young parents, be encouraged to enter the labour market, have the career that they want and the number of children they want?

Young couples could be encouraged to have children at a younger age: however, the non-linear career path has to be encouraged where an interrupted career would not lead to a disadvantage or unemployment. Couples, who have a first child at a younger age, tend to have more children than those who tend to postpone the birth of the first child and this could be corroborated by securing a right mix of fiscal and social benefits for these couples.

Concepts of flexi-time, reduced hours, job-sharing and parental leave should be promoted, while safeguarding workers' rights and conditions as stipulated by law.

Young parents, particularly women, still suffer major disadvantages within the place of work. Notwithstanding the introduction of a number of measures aimed at facilitating the needs of parents of young children who would like to remain in employment, the progress achieved in this regards, at least at the national level, has not been very encouraging. This is particularly due to the lack of awareness of such measures, as well as to the fear of damaging the relationship with the employer should the employee attempt to enforce such rights, with all the repercussions that this could entail.

Furthermore, besides the difficulty in balancing work and family life, another disincentive lies in the fact that for a number of women, work does not really pay. Moreover, the prospects of promotion and improvement in working conditions are often perceived as poor. A measure that could help lessen such disadvantages is that of improving the conditions of work of part-time workers.

As regards the desire of having more children, adequate and affordable child care systems need to be put in place. However, the invaluable support provided by grand parents should not be underestimated.

Finally, the need for the equal distribution of household and family tasks between men and women needs to be given adequate importance.

Q9: To what extent can immigration mitigate against certain negative effects of demographic ageing?

The negative effects of demographic aging (like high dependency ratios) can be mitigated by more liberal immigration policies. Demographic analyses indicate that in some countries, the number of immigrants that are necessary to alleviate the population aging crisis is substantial.

Immigration, particularly from third countries may bring its own challenges and problems, especially where contrasting cultures are concerned. Hence, it needs to be gradual, selective and well planned.

Comment [m2]: Please verify which third countries are meant here!!!

Q10: What policies should be developed for better integrating these migrants, in particular young people?

Integration can be facilitated through a good knowledge of the national culture. Policies may therefore need to focus on the setting-up of courses that are specifically designed to teach national culture to people coming from different backgrounds and lifestyles.

Educational policies should include an inter-cultural and an inter-faith education dimension. Human Rights Education and Education for Democratic Citizenship should have a place in both the curricula and the daily life of any school.

Programmes should be developed with special emphasis on the prevention of conflicts and violence; the promotion of conflict transformation through multi-cultural youth activities; the role of intercultural (including inter-religious) dialogue in the promotion of peace; the promotion of intercultural understanding between young people in Europe and further a field; and the development of confidence building measures and preventative strategies in conflict-risk areas and with conflict-risk groups.

Accepting and celebrating different cultures is an integral part of the school's curriculum. A policy of inclusion and cohesion must be on-going at all levels and in all places of education, work and entertainment, involving government, education and training institutions, non-government organisations.

Q11: How could Community instruments, in particular the legislative framework to combat discrimination, the structural funds and the Employment Strategy, contribute?

Structural funds could be tapped in order to cover the specific provisions and educational, health and social services needed for the integration of immigrants and to create the necessary awareness to target migrants. Also, structural funds can be used to promote the social and economic integration of such migrants. The employment strategy can contribute towards social inclusion and reinforce the integration of the migrants in the host societies.

The legislative framework to combat discrimination is an effective tool towards the improvement of working conditions of the so-called disadvantaged groups. However, laws are not enough if the general public is unaware of them. Thus ongoing campaigns need to be carried out in order to ensure that individuals are aware of their rights.

Q12: How can Community policies contribute more to combating child poverty and poverty among single-parent families and to reducing the risk of poverty and exclusion among young people?

The strongest impact should be on those Community policies that alleviate poverty at a young age, intergenerational transfer of poverty and poverty in incomplete families. Structural funds should be weighted to a greater extent towards these cases.

Community policies should promote access to stable and quality employment and training targeted at single parent families. In addition to this, proper and affordable childcare services need to be available for single parent families.

To combat poverty among children, community policies need to focus on early identification of children who might be exposed to educational disadvantages and disadvantaged family environment by adopting a 'child needs assessment framework'.

In the case of young people, community policies can contribute by supporting young people in mapping out an individual pathway plan, through youth outreach programmes. Through such programmes young people can have access to employment and training opportunities and access to healthy leisure activities so that they can develop their personality and character and at the same time minimise the risk of poverty.

Community policies can focus on developing community based social work services in disadvantaged areas which can contribute more to combat poverty and social exclusion among single parent families, children and young people. Such social work services could include parenting skills, child care services, youth out reach programs and community programs to prevent poverty.

Q13: How can initial training and adult training schemes be improved? What can non-formal education and voluntary activities contribute? How can the structural funds and the instruments for achieving better access to the knowledge society contribute?

Both initial vocational training (IVT) and continuing vocational training (CVT) can be improved if they are brought in line with current and future labour market requirements. This can be achieved through the involvement of relevant stakeholders in the various stages: identification of training needs, programme design and evaluation. Such schemes will be more successful if they include an element of on the job exposure. Such an experience will help the participant to put to practice what he has learnt and thereby improve retention.

Non-formal education (provided in various settings) can be an alternative to formal educational settings. They are beneficial amongst those that have failed in the formal education setting as they provide alternative access to knowledge and skills. The only deficiency in such systems is that knowledge and skills attained are not yet recognized and acknowledged.

The structural funds can provide the necessary budget allocation in order to provide awareness and access to resources.

Q14: How can the bridges between school and working life and the quality of young people's employment be improved? What role should social dialogue play? What can dialogue with civil society, in particular youth organisations, contribute?

Intergenerational transfer of knowledge could be considered as one form of solidarity between young and the old, as these two groups have rather different types of work experiences and skills.

It is vital to enhance the employability of young people. This may be achieved through proper counselling as well as through the interaction between employers in the private sector and the education institutions.

Social dialogue can provide policy makers with informed ideas on requirements and issues faced by youths entering the labour market or those already participating. With such instruments experiences can be shared

Social dialogue, and in particular dialogue with youth organisations, can be a useful tool to increase understanding of the different viewpoints, various problems and important issues relating to young persons employment. As importantly, it should also serve to initiate discussion on and propose possible solutions required to overcome the various problems facing youths in employment.

Q15: What forms of solidarity can be fostered between young people and elderly people?

Solidarity between generations can be fostered by encouraging the non-linear career paths, by regular training and recognising non-formal education etc. Older workers need a different set-up from the regular '40 hours a week' regime. These requirements could be met with reasonable ease, thereby giving the opportunity to the older workers who wish to remain active in working life.

Solidarity between generations and people of different age groups depends also on the way that policies project retirement and old age. A distinction should be made between retirement age and the threshold of old age. While point of retirement may, as a result of administrative and legal requirements, be linked to chronological age, the onset of old age should be determined by a person's level of dependence and not by age. Retirees who are often projected as elderly people are actually third-agers, who can pass on knowledge and experience to younger people, and can therefore actively contribute and interact with younger and older generations. Solidarity between generations can be better fostered if people of different age are helped to objectively acknowledge and appreciate each others strengths and weaknesses.

Q16: How can the organisation of work be modernised, to take into account the specific needs of each age group? How can young couples' integration in working life be facilitated and how can we help them to find a balance between flexibility and security to bring up their children, to train and update their skills to meet the demands of the labour market? How can we enable older people to work more?

It is important to remove any obstacles, which prevent the achievement of balance between family and work. At the micro level, better division of household and family duties could also help and hopefully the fertility decline would be converted into stability and relative growth. Older employees should be stimulated to remain active, through various fiscal stimuli such as, for example progressive pension credits.

Flexibility of working time and conditions should be encouraged as far as feasible, without risking jobs. Such flexibility could facilitate the rearing of children as well as the lifelong learning process for career progression.

The provision of family-friendly measures such as childcare facilitates the reconciliation of work and private life. Affordable childcare facilities facilitate the young couples' integration in the working life.

The introduction of teleworking opportunities could be instrumental. Besides allowing a worker to work from the comfort of his or her own home, it considerably shortens the actual working day by eliminating commuting, which time can then be utilized as quality time with family members. Teleworking can also have other ancillary effects such as minimizing work-related stress, and decreasing the levels of emissions created by cars whilst travelling to work.

With regards to training and re-training, distance learning could also provide similar advantages, whilst also allowing a student to progress at his or her own pace and at one's own time.

Q17: How can work organisation best be adapted to a new distribution between the generations, with fewer young people and more older workers?

In order to cope with such change the organization's working time has to be more adaptable and flexible to the exigencies of older workers. Considerations have to be made towards improving the workers' health especially related to older workers. The organization's culture has to accept such new generation distributions and challenge and eliminate any stereotyping related to older workers.

Human resource planning and career planning can help organizations to manage an ageing workforce effectively. This means reviewing the way employees are managed at key stages such as recruitment, promotion, and training.

The induction and training programmes in an organization have to be open so as to assist older workers in becoming accustomed to new technologies or changing work environment. Older workers often have the necessary skills but sometimes are not familiar with new technologies. These problems can be overcome during the induction and training process.

Q18: How can the various stakeholders in the Union contribute, in particular by way of social dialogue and civil society?

Distribution of inter-generational work practices could be facilitated by social dialogue and inter-action with civil society.

Q19: Should there be a statutory retirement age, or should flexible, gradual retirement be permitted?

Although a statutory retirement age should remain, mechanisms that encourage flexible or gradual retirement before and after the statutory retirement age are to be considered, given the social and demographic changes that are being experienced.

Q20: How can elderly people participate in economic and social life, e.g. through a combination of wages and pensions, new forms of employment (part-time, temporary) or other forms of financial incentive?

The elderly people's participation in economic and social life must be recognized. The well being of the elderly people is dependent on their social integration and self-sufficiency. Elderly participation in the social life can be achieved through recognizing their value and their role in sharing their experiences and traditions.

Also elderly participation can be enhanced through the conservation of their capability to continue working, as well as to ensure their emotional well-being. Skills regeneration and training is another technique how elderly participation can be enhanced.

Financial incentives through the modification of pension regulations so that elderly people would be encouraged to work further from their official retirement age, including part-time employment, could encourage elderly people's participation.

Q21: How can activities employing elderly people in the voluntary sector and the social economy be developed?

A mix of stimulating measures could be adopted. Ultimately, the positive effects would be felt at the micro as well as at the macro levels.

Q22: What should be the response to pensioner mobility between the Member States, in particular with regard to social protection and health care?

Ideally, maximum mobility should be insured, similarly to the labour force mobility within the EU. Malta supports the position of maximum mobility of pensioners between Member States as enshrined in the fundamental principle of freedom of movement with the EU and as safeguarded in the context of Regulation 1408/71. However, certain residence based social benefits which are aimed to enhance subsistence levels of beneficiaries should be limited to the principle of territoriality.

Q23: How should we be investing in health promotion and prevention so that the people of Europe continue to benefit from longer health life expectancy?

Health promotion and prevention could start with education at young age.

Health promotion investment should: -

- *assess the needs of the population to be able to better plan actions;*
- *ensure equitable access to health promotion by responding to the particular health needs of different groups or communities;*
- *involve individuals and groups in the planning, delivery and evaluation of initiatives;*
- *work in partnership with organisations and communities to achieve these aims*

Health promotion must work with the young population within the school setting, where in partnership with the education authorities, it creates an environment that is conducive to good health and encourages healthier behaviours.

Health promotion at the workplace invests in the health and well-being of all employees for their own benefit and that of their companies.

Q24: The coordination of national social protection policies is due to be extended to long-term care for the elderly in 2006. How can this help to manage demographic change?

With increasing life expectancy and a bigger number of older adults in retirement, there should be a co-ordination of national social protection policies.

Given the growing imbalance between the size of the group receiving benefits and the size of the group paying the costs, the question always remains whether such policies of intergenerational cohesion will be sustainable.

One needs to develop a better understanding of the linkages between health and the environmental, social and economic conditions. Models of effective intervention to improve health outcomes throughout life need to be developed and tested.

Transitions from health to disability and death should be tracked to determine pattern of vulnerability and the appropriate type and tuning of support.

Within the health care system itself, the interface between health services and other services such as housing and social support is to be considered. Education and pensions are also to be included.

Such policies should delineate the responsibilities of the individuals, the family, the community (voluntary and private sectors) and the state with regards to such challenges.

Certainly, the individual partners' ability to play their roles greatly depends on the support they receive from the other partners.

Governments are responsible for putting in place the frameworks needed to promote well-being and independence and to facilitate action by individuals, families and country state-holders.

There should be also urban development plans to meet the specific needs of the elderly.

Health system administrations are called upon by adopting services and information to reflect the specific needs of the elderly and also in creating integrated community home care programmes that recognise and support the services provided by informed care-givers and health professionals.

The business community and industry also play an important role both as entrepreneurs and as corporate citizens. The private sector needs to support labour policies that are flexible enough to favour family friendly policies.

Q25: In particular, should a distinction be drawn between retirement pensions and dependency allowances?

Retirement pension and dependency allowances, as social policy instruments, could be regarded as two separate instruments of elderly people welfare and should therefore remain distinct.

Q26: How do we train the human resources needed and provide them with good quality jobs in a sector which is often characterised by low salaries and low qualifications?

It is important to create awareness amongst employers that it is more costly to train new employees than to retrain existing ones

The status of low-paid workers ought to be improved by improving the work organization, by developing their skills and ultimately, by making them better paid.

Q27: How do we arrive at a balanced distribution of care for the very old between families, social services and institutions? What can be done to help families? What can be done to support local care networks?

It is important to recognise the work of the family members which ultimately reduces the workload of public services. Local care networks and in particular help that might be offered among the elderly persons themselves should be encouraged. The work of NGOs in this field should be encouraged and supported by governments.

Q28: And what can be done to reduce inequality between men and women when they reach retirement age?

Inequality should be curbed well before retirement age, so that it will not transfer itself into old age. Equality in opportunities, jobs, pay, promotion, etc., is necessary.

From a social security perspective, recognition of periods of family responsibilities (child bearing periods) could help in reducing the inequalities experienced particularly by women when reaching retirement age.

Q29: How can new technologies support older people?

Communication and information are important to elderly persons – growing older is a process of adjustment and information helps in the transition. Elderly people are eager for information about programmes, services, policies, products as well as leisure, volunteer and cultural activities. Effective communication ensures that elderly people gain access to them.

The following modern technologies can be used to reach a wider audience, including the elderly: -

Television and video - *Special care must be taken in designing television messages for the elderly.*

Automated Communication - *The design of bank machines and other automated services (such as on-line services to acquire information, license renewal or paying bank bills) should take into account the sensory, mobility and agility changes associated with ageing.*

The Internet - *It can be a very effective way to reach a group of elderly persons. Computer courses for the elderly are very popular and it is very likely that Internet use would expand with every new generation of elderly.*

Improving Care with Technology - *Certain software management tools are available on the market and they utilise mobile computing technology to suit the requirements of the residential and community aged care environments. They enable care to be centred on the recipient and capabilities as well as recognising facility resources such as time, space and work practices.*

Life-Line System - *Another important aspect in the use of new technology is the life-line system which is very practical, user friendly and popular with the elderly sector. By the push of a button, the elderly person comes in touch with operator when the need arises. From thereon, contact is done and the help is provided immediately.*

Mobile Telephony - *Mobile telephony provides security to the elderly person and also to their families or carers.*

Q30: Should the European Union be promoting exchanges and regular (e.g. annual) analysis of demographic change and its impact on societies and all the policies concerned?

Yes, regular analysis is required as demographic changes are often of a slow and very permanent character (differently from economic changes) and their impact can be predicted with a high level of certainty.

Q31: Should the Union's financial instruments – particularly the structural funds – take better account of these changes? If so, how?

The financial instruments made available by the European Union should be flexible enough so that country/region needs can be addressed. It is important to avoid a one-size-fits-all approach.

Q32: How could European coordination of employment and social protection policies better take on board demographic change?

Similarity of demographic processes that already exist in the EU countries could be the main driver towards adopting common objectives and respective policies in the field of employment and social policies.

European co-ordination of employment and social protection policies need to take on board the specific demographic changes in particular countries and regions, since differences do exist within the European Union.

A coordinated effort will create a synergy between all the Member States in identifying issues related to demographic change and innovation is more likely to be developed. Nearly all Member States will be affected by such demographic changes, thus hopefully augmenting their willingness to coordinate their efforts in attaining common objectives.

Greater effectiveness can also be accomplished through European coordination of employment and social protection policies if the demographic dimension and the populations' age and sex outline are mainstreamed.

Q33: How can European social dialogue contribute to the better management of demographic change? What role can civil society and civil dialogue with young people play?

Young people have to cope with several simultaneous life histories: career, education, housing and family formation. This is not an easy task and the role of civil society and civil dialogue should be not only informative but also one of guidance and prevention.

In order to achieve real youth participation a certain number of instruments need to be placed at young people's disposal. This entails developing participation training for young people, keeping them informed, providing them with means of communication, supporting their projects, and recognizing and giving a higher profile to young people's dedication to community causes and voluntary work.

Social dialogue can be a forum where demographic change can be discussed and all concerned parties could have the opportunity to obtain relevant information and also forward ideas and concerns with the aim to develop better and innovative proposals on how to tackle such issue. Social dialogue is vital towards the successful achievement of the policies designed to address demographic change.

Q34: How can demographic change be made an integral part of all the Union's internal and external policies?

The Union's internal policies should address issues of increased life expectancy, decline in fertility rate as well as the family formation, while external policies should deal with immigration policies and ways to use them to fuel the demographic engine of socio-economic growth.