

#### LIETUVOS RESPUBLIKOS SOCIALINĖS APSAUGOS IR DARBO MINISTERIJA

## MINISTRY OF SOCIAL SECURITY AND LABOUR REPUBLIC OF LITHUANIA

DG EMPL/E/I		2005 -10- 14	Nr.(19.2-60)-SD-1153
J-27 01/122	EMPL - CAD A/ 23855		
European Commiss B-1049 Brussels BELGIUM	DATE 20-10-2005		
	CF: E		
	<b>C</b> :		

CONCERNING COMMENTS ON GREEN PAPER "CONFRONTING CHANGE: A NEW SOLIDARITY BETWEEN THE GENERATIONS"

Please find enclosed comments from the point of view of the Republic of Lithuania concerning issues and problems raised in the Green paper "Confronting demographic change: a new solidarity between the generations" (5 pages).

Sincerely yours,

State Secretary of the Ministry

Rimantas Kairelis

A.Vivulskio str. 11, LT-03610 Vilnius, Lithuania

Phone: (370~5) 2664 201, Fax: (370~5) 2664 209

E-mail: post@socmin.Lt

# GREEN PAPER "CONFRONTING DEMOGRAPHIC CHANGE: A NEW SOLIDARITY BETWEEN THE GENERATIONS"

Comments from the point of view of the Republic of Lithuania

#### L GENERAL VIEW

Each and every Member State of the European Union is facing demographic changes. The analysis of the change of demographic indicators has revealed that different countries share similar tendencies that manifest themselves in the decline of a birth rate, the ageing of the population, the longer lifespan, etc. Nevertheless, the nature and scope of national problems that are arising are not the same and therefore the demographic policy of each Member State of the European Union has its own peculiarities. Moreover, the policy areas related to solving demographic problems fall within the national competence of the Member States, and therefore, before undertaking any initiative on the EU level, it is necessary to ensure that the subsidiary principle will be adhered to.

The main objective to be reached in this sphere is the efficiency of the demographic policy enabling to respond to the challenges that the European society is currently facing. To attain this goal, the monitoring of demographic processes and their analysis at the European level are required: the forecasting of demographic processes in each country should be carried out under the same models and the specific tendencies characteristic of each country should be assessed. For the formation and implementation of the demographic policy, common goals should be set to all the countries, whereas specific measures to be adopted could be selected independently, taking into consideration the situation in each individual country.

#### II. THE CHALLENGE OF A LOW BIRTH RATE

A low birth rate is becoming an acute problem for many Member States of the European Union. Nevertheless, the measures, such as financial support to families, the development of flexible work forms and other measures applied in the national systems differ in their scope and largely depend on the economic situation in the country and the available means. Therefore, the set of measures aimed at raising the birth rate in any particular country should be selected taking into consideration the national situation in each country.

The existence of a possibility to choose is especially important to young families wishing to combine their family life and employment. It is important that the choice to work and to seek for professional career would not preclude from the possibility to create a family, raise children and properly educate them. The existence of flexible work and working time organisation forms would create the conditions for combining family and employment duties and responsibilities. The creation of comfortable working environment conditions, such as the possibility for a woman to breast-feed her child, to see him, etc., is also relevant. The presence of appropriate and available special kindergartens, schools, day centres for children and similar institutions is substantial.

The private sector could contribute to the development of the network of pre-school institutions by establishing small private kindergartens, especially in remote regions where the network of social and pre-school education institutions is usually less developed. Service providers could be subsidised through the social services financing mechanisms. These services could also be provided by persons of pre-pensionable age with pedagogical, social or medical education who do not have much possibilities of finding a job in the labour market which has recently changed as a result of demographic changes (when the number of children is declining, the need to have and maintain large kindergartens and other pre-school institutions is reducing as well, the number of schools is declining and thus qualified employees are loosing their jobs; such a loss of a job and a possibility of employment is especially relevant to elderly able-bodied women).

Attention should be paid to changing the traditional deep-rooted gender stereotypes. As gender stereotypes are directly determined by public awareness, it is important to prepare adequate special purpose educational programmes, carry out public awareness campaigns and apply other special measures promoting the formation of non-stereotypical roles of women and men in all the spheres

of the public life. The mass media, which undoubtedly greatly influences the attitudes and behaviour of the people, should pay more attention to the issues related to gender and change the traditional attitude towards the roles of men and women in the family life and in the public life.

The possibility for women and men to share the family, household and work duties and responsibilities should be not only available but also attractive. For example, it is not sufficient to simply lay down in the legal acts the provision enabling both women and men to take a child care leave, a more modern attitude towards the duties of a father and a mother should be promoted and be attractive both financially and emotionally: bigger monetary compensations, better employment and career guarantees during and after parental leave, better informing, more favourable estimation among the employer and colleagues, and bigger support from the people round about would help men more easily leave aside their patriarchal thinking and the feeling of "shame" for being engaged in a "womanly" business and would promote to actively participate in raising, taking care of and educating the children.

It is important to mention that no policy measures formed and implemented by the executive bodies will be effective and give long-lasting results without encouraging people to revise the priorities of their life values and give higher or at least the same priority level to family and children as to successful career or a well-paid job. Positive attitude towards the family and children should be formed, respect for family values should be cultivated, and harmonious relations within the family should be fostered both in educational institutions for children and young people and in everyday relations within the society and among the family members.

## III. THE POSSIBLE CONTRIBUTION OF IMMIGRATION

Speaking about the EU level strategies and measures in this field, we believe that first of all we should consider the complexity of the integration of the third-country citizens and the forecasts regarding demographic ageing in the EU neighbourhood. Therefore, it is likely that the immigration could only temporarily solve the problem of demographic ageing. Thus, it would be more wise to develop new policies seeking to reduce a negative influence of demographic ageing, for example, introduce the required measures so that the EU residents were kept employed in the EU labour market as long as possible by creating for them the conditions for combining professional activities and duties in the family, f.e. let's say, special kindergartens for very little children with proper medical care that would allow the parents to remain at work even in case of illness of a child and similar measures, etc.

Different activities could be combined while implementing integration programmes, for example, a part of training courses could be devoted to traineeship. Persons receiving only minimal support from the country of destination could be given incentives only after they show good results in the integration process, for example, in language learning. In such case, if it became obvious that there will be a lack of residents capable for work, special programmes should be initiated in the neighbouring countries where the integration programmes could be implemented even before a third-party citizen actually enters the country of destination.

The aforementioned measures could be especially useful for young people who can achieve better results due to their receptivity to knowledge. All the above-mentioned complex measures could be incorporated into the common strategic EU documents devoted to solving of demographic problems and each Member State of the EU, taking into consideration its national needs and situation, could independently select which measures are most useful and necessary.

## III. BETTER INTEGRATION OF YOUNG PEOPLE

One of the most important components of an efficient and successful demographic policy is the attention to young people and solving of their problems. It is especially important to ensure better integration of young people into the society, to encourage their activeness and participation in the public life and the labour market as well as to develop their education and training. To this end, a complex approach to the youth policy in general is required, as well as a better coordination in the course of implementation of the selected measures.

One of the biggest problems that young people are facing is the so-called transition from educational system to the labour market. Both the educational institutions and the employers, who should be interested to employ educated and qualified employees, play an important role in this process. It is necessary to stimulate the interest of the employers to directly participate in the process of vocational development of human resources. We need to combine the efforts of educational institutions and youth non-governmental organisations in search for suitable contacts with employers and developing the dialogue between the youth organisations and employers and business representatives both on the national and on the regional/local levels.

As regards the development of youth education and its relationship with better integration into the labour market, we need to find mechanisms that would encourage the employers to establish training centres under the companies and organise refresher courses for lecturers from universities, colleges and vocational training institutions in the operating companies. In crafts and manufacturing, we should promote the development of apprenticeship. This, together with efficiently organised recognition/formalization of non-formally (in practice) acquired knowledge and skills, would motivate the companies, especially small and medium-sized ones, to invite more apprentices. Speaking about financial measures, additional privileges could be applied by the state to the employers who recruit young people without professional experience and agreements between the employers and educational institutions on manufacturing practice for young people could be concluded. In this context, youth organisations could act as lobbyists supporting and propagating the initiatives that are both positive and beneficial to young people.

### IV. A GLOBAL APPROACH TO THE "WORKING LIFE CYCLE"

In the process of work organisation modernisation process, where we have to take into consideration the needs of separate age groups, the development of the social dialogue between the employer and employees plays a crucial role as the application of flexible employment forms is the object of the agreement between them. The organisation of flexible working time and special programmes offered by large employers to support families raising children could be applied as efficient measures to improve the demographic situation in the country. State institutions could provide comprehensive information to the employers, employees and organisations representing their interests on the possibilities of flexible work organisation forms seeking to help the residents exercise their right to employment, to increase their employment opportunities, to combine work and family duties and responsibilities, as well as the time for studies, rest and work. The application of flexible work organisation forms would be useful not only to the employees as consequently they can devote more time to their families and children, but also to employers as they would enable them to reduce the labour costs and better adapt work organisation to structural changes by combining the interests of employers and employees.

The possibilities of improving the integration of young people into the labour market are described in Chapter III and the activity of elderly people in the labour market could be ensured by such measures as the availability of continuing professional training and re-qualification, the development of lifelong learning, a wide variety of contracts of employment seeking to apply new and flexible work organising forms. Early retirement should not be promoted and be considered as a last resort for a person of pre-pensionable age, if he fails to find a job for a long time. Appropriate legal and financial incentives for persons of such age to seek employment and for the employers — to employ and keep them working - should be provided.

In the process of work organisation modernisation process, measures fostering solidarity between different generations and promoting mutual tolerance between the different age groups could also be applied. It could be possible to create such working places where an elderly person and a young person would work in shifts (before the noon and after the noon). The interim hour could be spent working together seeking to ensure the succession and continuity of work and the dissemination of experience. In such way, elderly people could contribute to the non-formal vocational training of young people, share their experience and skills. On the other hand, young people could provide certain social services (assistance at home and etc.) to elderly people.

#### V. NEW PLACE FOR ELDERLY PEOPLE

Seeking to encourage the activity of persons of pensionable age, we have to find a suitable and useful for the society place in the labour market to those pensioners who are willing and able to work and to create the possibility of receiving additional earnings to supplement the pension.

The old-age pension age, of course, has to be set in the laws, but it is necessary to make the retirement prior to this age financially unattractive and applicable only in exceptional cases. On the contrary, later retirement should be actively promoted by respectively increasing the pension for additional work years. Most probably, gradual increase of the old-age pension age in the countries where the old-age pension age is under 65 years of age is inevitable. Such an increase will be accepted in the society less painfully, if longer pensionable age will consequently ensure higher pension as more work years will have passed.

The combination of work and pension for persons who have reached the old-age pension age should be promoted. Elderly people usually have accumulated valuable work experience and they themselves want to remain professionally active but are no longer capable of coping with full workload. Therefore, they should be provided with an opportunity to work part time and receive a respective part of a wage and a part of a pension that would be constantly increasing due to contributions paid while working.

Due to ageing society, more active mobility of persons of pensionable age can be expected, including both a temporary stay in another country or a permanent living therein. Therefore, it is important to further properly ensure the social rights of elderly people, especially those who are no longer working and receiving old-age or any other respective benefits, when they are moving from one country to another. The principles for coordinating the social security systems currently effective in the European Union allow to quite adequately ensure social guarantees to elderly people in case of their moving to another country, paying special attention to their health care. Nevertheless, due to demographic changes in the society in the future, social security institutions in the Member States will have to better adapt to these changes and, first of all, ensure increased and closer cooperation of various institutions in the Member States.

Ageing is also related to the increased need for health care. It is necessary to ensure the availability of health care services to all elderly people and to integrate the aspect of health into the actions undertaken in other sectors, to reinforce public health prevention measures and better coordinate the provision of health care and social services.

## VI. SOLIDARITY WITH THE VERY ELDERLY PEOPLE

Elderly people, who account for nearly one fifth of our society, are one of the most numerous groups of social services recipients. The need for social services is increasing due to the changes in the family structure – the number of households with families of different generations living together is declining especially rapidly. Therefore, having reached senior age and lost independence, members of such families frequently apply to receive social services.

The development of social security policy (together with the health care) has to be aimed at high quality social services (social care) to elderly people so that their family members could continue working. This would allow families to maintain similar income level; family members will not loose qualifications and could compete in the labour market. On the other hand, it is important to help elderly people stay in the usual social environment by correspondingly adjusting the social services provided to them.

It is necessary to constantly improve the systems of social services seeking to provide the social services that would best meet the actual needs of the people and ensure adequate protection of elderly people and the most vulnerable groups. The development of the social services (especially the assistance at home, community services and day social care) would significantly increase the opportunities of family members to return to the labour market, if they are not working or working only part-time because they have to take care of their elderly parents. The modernisation of social services providing should also be oriented towards the support of the efforts and initiatives undertaken in this sphere by non-governmental organisations, individual persons or the community.

#### VII. WHAT SHOULD BE THE EU ROLE?

The EU should encourage the exchange of opinions and regularly carry out the research on demographic changes and their impact on the society. It is necessary as demographic changes in the country influence all spheres of life. The formation of demographic policy in each country should be oriented towards the common EU goals set in the Lisbon Strategy, Social Agenda, and the European Youth Pact in the spheres of economy, health care, health care policy modernisation, social services and other spheres. Taking into consideration the priorities and measures established in the National Action Plans, the possibility of allocating more funds for solving the problems related to the demographic situation by using the resources from the structural funds in the next programming period 2007-2013 could be discussed.

SUMOKĖTA PORT PAYE

Lietuva Lithuania 03500 L 0027

LIETUVOS RESPUBLIKOS SOCIALINĖS APSAUGOS IR DARBO MINISTERIJA A. Vivulskio g. 11, LT-03610 Vilnius

European Commission

DG EMPL/E/1 J-27 01/122 B-1049 Brussels

BELGIUM