

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

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Do you consent to the publication of your personal data/data relating to your organisation with the publication of your replies to the consultation? <span style="float: right;">Yes</span>	
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Please specify the name of your organisation or institution National Association of local government for England and Wales	
Country where your organisation is based <span style="float: right;">UK - United Kingdom</span>	
<b>Explanation</b>	
<ul style="list-style-type: none"> <li>• Do you take the view that the discussion of demographic trends and managing their impact should take place at European level?</li> <li>• If so, what should be the objectives, and which policy areas are concerned?</li> </ul> <p>The Local Government Association (LGA) is the national voice for local government, speaking for just under 500 local authorities and representing over 50 million people. We exist to promote better local government and represent the local authorities in England and Wales. The Local Government International Bureau is the international arm of the LGA. Should the discussion of demographic trends and managing their impact take place at European level? The LGA/LGIB welcomes the opportunity to comment on the Commission's Green Paper and the Commission's recognition that demographic decline is becoming a key political priority. It is vital that the Commission understands the crucial role that local government has to play in dealing with demographic change and takes into account the position of local government in any future debate and developments. The LGA recognises that this is primarily an area for Member States but that discussion and co-operation at EU level can be helpful to assist a strategic approach across Europe. Identifying common trends and exchanging good practice can be helpful in meeting common challenges which all countries are likely to face. What should be the objectives and policy areas concerned? Areas where we might like to learn from other countries could include pensioner poverty, mental health and well-being in later life, physical health and well being in later life, 'workability' (explained under active ageing section later in this document) and ideas for increasing labour flexibility.</p>	
<b>1. The challenges of European demography</b>	

## 1.1. The challenge of a low birth rate

*Over many years, the Union has been making considerable efforts to achieve equality between men and women and has coordinated national social protection policies.*

- How can a better work/life balance help to tackle the problems associated with demographic ageing?
- How can a more balanced distribution of household and family tasks between men and women be encouraged?
- 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?
- How can the availability of child care structures (crèches, nursery schools, etc.) and elderly care structures be improved by the public and private sectors?
- Can a reduced rate of VAT contribute to the development of care services?
- 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?

• How can a better work/life balance help to tackle the problems associated with demographic ageing? A better work/life balance will help to achieve better mental health among the population, which in turn is likely to lead to a longer, happier working life which will reduce the numbers of people who are off work for reasons of illness or incapacity. This in turn means that there will be more older workers available in later years to support the demographic dependency ratio. Additional workers will also be needed to meet the Lisbon strategy target employment rate of 70% (it is worth noting, however, that the UK government aims for a figure of 80% in its national ageing strategy Opportunity Age) • How can availability of child care structures and elderly care structures be improved by the public and private sectors? The LGA highlights the disparity of financial support that carers receive in comparison to other benefits in the UK. At a domestic level, funding of both childcare and elderly care is inadequate and should be reviewed. A reduced rate of VAT can contribute to the development of care services, but there are other important factors to consider. The development of care services depends on a more complex range of demographic, geographical, financial, service development, provider (supply) and population (demand) factors.

## 1.2. The possible contribution of immigration

*The Thessaloniki European Council in June 2003 declared that an EU integration policy for immigrants should help to meet the new demographic and economic challenges currently facing the EU. This is the debate initiated by the Green Paper adopted last January.*

- To what extent can immigration mitigate certain negative effects of demographic ageing?
- What policies should be developed for better integrating these migrants, in particular young people?
- How could Community instruments, in particular the legislative framework to combat discrimination, the structural funds and the Employment Strategy, contribute?

• What policies should be developed for better integrating these migrants in particular young people? Young people need to have a sense of belonging, ownership, and responsibility for their area and responsibility for their community and their local area. If young people are disenfranchised from mainstream society, this can reinforce divisions between different groups. A sense of belonging is critical to children and young people taking ownership. Children and young people in Britain are more diverse than ever and they can have very different experiences. The young are not a homogeneous group and a variety of activities and methods will be required to ensure they are able to contribute fully to the shared local vision. Different approaches may be required depending on age, disability, gender, ethnicity or geographical location. Local authorities can also draw together local partners to ensure that there are sufficient local facilities that encourage cross cultural contact at all levels. The role of the local youth service, voluntary and community sectors in provision of local facilities and activities, and the benefits to the local community, cannot be underestimated. The quality and quantity of young service

provision is an important component in building community cohesion. Children and young people are a core group that must be centrally involved in helping to build and sustain strong local cohesive communities. The disengagement of young people from local democratic processes is clear to see from local election turnouts and the age profile of those involved in local politics. Involving young people in the decision-making process can therefore be regarded as a long-term approach to capacity building and community development. Local authorities can ensure that young people have a bigger stake in local decision making, for example through setting up youth parliaments etc.

## 2. A new solidarity between the generations

### 2.1. Better integration of young people

*European objectives have been laid down for the prevention of long-term youth unemployment, combating early school leaving and raising the level of initial training. The structural funds help to attain them at grass roots level.*

- 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?
- 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

- 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?

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

• 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 European Community's policies on child poverty might wish to closely examine the UK's experience in this area, at both national and local level. The UK government has already made progress towards achieving its targets of reducing child poverty by half by 2010 and eradicating it by 2020. This has been achieved largely through income maximisation measures and changes to benefits and tax credits. The LGA supports measures to increase benefit and tax credit rates for the poorest families and has run 'quids for kids', a year long campaign to encourage local authorities to run take up campaigns. However, we feel that local government services have a key role to play in tackling existing child poverty and reducing the risk of families falling into poverty in the first place. The LGA also considers raising the aspirations of children to be a crucial factor in combating child poverty. The UK government has already recognised that poverty is not just about income. Therefore, these potential local solutions should be given greater consideration by governments across the EU. The nature of poverty varies widely from place to place and so local solutions are crucial. National programmes do not always have the flexibility to meet the diverse needs of local communities and often fail to address pockets of deprivation. National frameworks focused specifically on the most deprived areas miss the fact that in the UK 50% of children living in poverty do not actually live in the most deprived areas. Policies across the EU need to acknowledge and then resource the critical contribution that local government makes. The LGA has recently commissioned research exploring the areas where local government is positively influencing, or has the potential to influence, factors which can break the cycle of deprivation, or lead to higher aspirations for children in poverty. This should be available in January 2006 and will make a further contribution to the debate around how best to combat child poverty.

### 2.2. A global approach to the "working life cycle"

*In order to foster the transition to a knowledge society, EU policies promote the modernisation of work organisation, the definition of lifelong learning strategies, the quality of the working environment and "active ageing", in particular raising the average retirement age. Demographic changes reinforce the importance of these policies, whilst raising new questions:*

- 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?
- How can the modernisation of work be organised, to take into account the specific needs of each group? The LGA suggests that education of the population, both workers and employers, will play a big role. At the moment people expect to have one career. In the future with people living (and probably working) longer, the training and re-training of people to enable them to have two three careers will need to be more accepted and more widely available. The LGA cautions the Commission against segmenting age groups too rigidly.
- How can we enable older people to work more? The choice for older people to work more must be a voluntary decision as much as possible. Governments might like to consider the impact on volunteering if older people take longer paid employment, since older volunteers play a vital role in some organisations and services to keep society running smoothly. In order to enable people to work more there needs to be a change in attitudes and assumptions about older people and what they can and want to do. In order to change attitudes, the following methods might be of use: More awareness raising activities; combating stigma and discrimination; availability of training and re-training possibilities; public sector, especially local authorities can set a good example by employing more older people.

- How can work organisation best be adapted to a new distribution between the generations, with fewer young people and more older workers?
- How can the various stakeholders in the Union contribute, in particular by way of social dialogue and civil society?
- How can work organisation best be adapted to a new distribution between the generations, with few young people and more older workers? The LGA highlights the Finnish concept of 'workability', which focuses on all the things that are needed to keep people both fit and willing to work. This entails taking a whole life perspective and thinking about managing working lives differently. Employers, including local authorities, who are large employers in many areas, could use the concept of workability to anticipate such problems and develop such staff into different routes or change working patterns. Initiatives such as this could pay for themselves over time in terms of reduced absence and pension contribution costs. The LGA would welcome exploring these possibilities further, as many authorities would welcome initiatives which may sustain the careers of people approaching retirement. In addition to making changes at government level, it is crucial to get employers to act. There needs to be a culture change in business if we are to see significantly larger numbers of older workers, even though we know the coming years will see a major demographic change in this direction. We know that older people are currently disadvantaged in the labour market and welcome the establishment of the Commission for Equality and Human Rights and forthcoming legislation to assist in tackling this. However, we are not sure that outlawing discrimination and changing the pension rules are enough. Perhaps pump-priming positive, active ageing projects aimed at employers could be considered.

### **2.3. A new place for “elderly people”**

*The European coordination of retirement scheme reforms is promoting more flexible bridges between work and retirement.*

- Should there be a statutory retirement age, or should flexible, gradual retirement be permitted?
- 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?
- How can activities employing elderly people in the voluntary sector and the social economy be developed?
- What should be the response to pensioner mobility between Member States, in particular with regard to social protection and health care?
- How should we be investing in health promotion and prevention so that the people of Europe continue to benefit from longer healthy life expectancy?
- Should there be a statutory retirement age? We endorse a flexible approach to retirement and the retention of experience within the employment market. This should be supported by the move to establish age equality in employment law next year and by the setting up of a Commission for Equality and Human Rights. It is worth stressing that just as forcing people to stop work when they want to

continue is wrong, so is forcing people to continue to work when they want to stop. • How can elderly people participate in economic and social life? In social terms, there needs to be recognition that older people are experienced and have plenty to offer. Mentoring is one area in particular where the experience of older people could assist the development of young people and help to bridge the inter-generational divide.

## 2.4 Solidarity with the very elderly

*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?*

- 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?
  - In particular, should a distinction be drawn between retirement pensions and dependency allowances?
  - 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?
  - 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?
  - And what can be done to reduce inequality between men and women when they reach retirement age?
  - How can new technologies support older people?
- How can new technologies support older people? New technologies (such as assistive technology) can assist people to live more independent lives as they get older and to live at home rather than in residential care. However, it is crucial that the correct balance is struck, as technology will sometimes replace human contact, which is a vital part of people's well-being and something that many older people do not get enough of.

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

- 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?
- Should the Union's financial instruments – particularly the structural funds – take better account of these changes? If so, how?
- How could European coordination of employment and social protection policies better take on board demographic change?
- 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?
- How can demographic change be made an integral part of all the Union's internal and external policies?

## The Questionnaire

How did you perceive this questionnaire? Expectations met