



EuroHealthNet Response to the Communication from the Commission on 'Confronting demographic change: a new solidarity between the generations' COM(2005) 94 final

The views in this commentary may not be representative of the individual positions of all national members of EuroHealthNet, who may reserve the right to submit separate responses.

Introduction

EuroHealthNet welcomes the communication on confronting demographic change: a new solidarity between the generations.

We see this consultation as a significant step undertaken by the Commission to tackle the issue of the demographic change in Europe and to define a common European strategy to adapt to that upcoming demographic situation. We particularly welcome the gender approach developed by the Commission.

EuroHealthNet believes that Europe's ageing population is a clear sign of improved quality of life and health care. Therefore the ageing phenomenon is by itself a great accomplishment if not a success of modern society and should not be considered merely as a demographic problem putting our social model at risk.

However, no one can deny that the demographic change is likely to have serious consequences on the organisation of our modern societies. In that sense the communication is comprehensive in listing the causes and possible consequences of the new demographic balance between younger and older generations and we welcome the initiative of the Commission to launch a thorough discussion on demographic change and how to respond to it.

Although there is no such thing as a European model, there is at least one common feature in all European countries: people who are the most able, contribute to the social model and will in turn, benefit from a pension when they will be less able. The underlying pillar of our societies is indeed **solidarity between the generations**. The ageing population is threatening that intergenerational tacit agreement.

Therefore we agree with the Commission that the demographic change will have two types of consequences: economic consequences and social consequences. However EuroHealthNet is concerned that the communication focuses mainly in finding solutions to the economic problem induced by an ageing society such as the sustainability of our pension system. EuroHealthNet believes that the solutions to adapt our economic and social model to the ageing society should be of much broader scope. A successful adaptation requires the direct involvement of each group of population and requires a change of mentality in our societies.

This response paper will first try to answer the Commission's questions and will then raise additional questions that deserve to be raised but are missing from the Communication.

Response to the Commission questions

I- The Challenge of European Demography

1.1 The challenges of a low birth rate

Two main factors causes a low birth rate in Europe: families or couples have their first child later in the life course due to a bad integration of young people in the labour market, and families find it difficult to have many children due to the cost of life (housing and education in particular).

Measures that would ensure employment stability and starting work earlier would certainly encourage young people to build a family earlier.

Measures that would provide financial support to families to help them raise their children properly (second child allowance, housing allowance, education allowance ...) would certainly encourage families to have more children.

However EuroHealthNet is not convinced that encouraging families to have more children and earlier is an effective solution to the ageing society. We should also consider that having the first child later or to have few children in general is also a matter of personal choice. We live in a modern society where leisure, travelling and comfort are very important, which can bring families and couples to have their first child later or to have fewer children in order to preserve a style/quality of life and guarantee enough attention/care/resources to the child.

In the same trend EuroHealthNet believes that a better work/life balance would definitely allow families to spend more time together and therefore have a more enjoyable and stress free life for the benefit of people's health. However we do not see it as a guarantee that families will make more children.

Better balance of household tasks between men and women at adult age is a private life issue. If something can be done at this level, it is via campaign and household education addressed to very young boys and girls at kinder-garden, primary and secondary school.

EuroHealthNet believes that the issue of availability of child care structure is essential, especially in cities where demand does not meet the needs. We believe that mothers who have given birth – or fathers taking a parental leave- will not need to prolong their maternity leave and will go back to work more relaxed if they can rely on such structures.

In general EuroHealthNet is of the opinion that any measure that can improve the quality of life, reduce family related stress is beneficial to young people and can help them to build a family earlier.

1.2 The possible contribution of immigration

EuroHealthNet is concerned about what the Communication calls '*the possible contribution of immigration*' or the '*judicious use of immigration*'. Immigration is about human beings; it should not be seen as a mere mechanism enabling Europe to mitigate the ageing of our population and to provide young labour to our economy.

Counting on immigration to balance our demographic situation poses serious ethical questions that the green paper does not raise:

Can Europe allow a selective and discriminative immigration of young and educated people to the EU ? while at the same time preaching non-discrimination for older workers within our borders ?

This would result in a questionable brain drain of educated young people from third countries to Europe. These young people would leave behind their elderly relative, thus reproducing our problem of caring for the elderly in other countries.

However, one must recognise that immigration is already happening. Migrants are in general a vulnerable group at risk of poverty, social exclusion, poor health, labour exploitation. European countries need to ensure the protection and social inclusion of these vulnerable groups in the European society by providing them with:

- proper health: developing health promotion policies that include/target them, integrating them in the social security and health care system,
- access to proper housing
- access to training for non-qualified adults
- access to proper education, which means integration and success in the education system
- access to a proper and stable job, which means that Member States need to facilitate the work permit process.
- no discrimination on the basis of race, origin, skin colour, religion...

These fields are mainly Member States' responsibility, however the EU can bring an added value in terms of flagging up the issue and launching the inclusion process of migrants in a coordinated manner at EU level.

II- A new solidarity between generations

2.1 Better integration of young people

EuroHealthNet welcomes the fact that the Commission recognises the difficulty of young people to integrate in economic life. Many young people/students are at risk of poverty and social exclusion.

Children and poverty

We are happy to see that the Commission considers the situation of children in poverty. However we think that this does not fit in the heading 'better integration of young people' but rather deserves a separate section on 'families at risk', which is missing from this Communication.

The family model is evolving in Europe and is not anymore synonymous of security and stability. Single-parent families are a vulnerable group at risk of poverty.

The risk that children from these families might fail or drop out of school is high. This poverty cycle needs to be stopped by preventing children to fail or quit school and by encouraging them to undertake higher education. This can be done by developing a 'support for education

policy', which would support community level assistance to children and families at risk of poverty and families at risk of poverty.

Students and poverty

Many students are at risk of poverty during their studies. Banks are often quite discriminative when allowing loans to students according to their family background and type of studies.

Some studies leave very little time to students to have a part-time job to sustain themselves, and thus put them at risk of failing their studies. University courses should be adapted to young people who need to work.

Working students are too often working in the informal market or in low quality jobs that don't match their qualifications. We should develop policies to enable students to have proper jobs: jobs that match their qualifications, and that are declared so they can benefit later from their contribution to the social security system.

In that sense volunteer, social, artistic work should be regarded as real professional activity, should be declared, should be considered by employers and should count for the calculation of the young person's contribution to the social system. This requires a major change of mentality. *This is where the EU can have an added value by developing an employment strategy that takes into account all types of work and make it easier for young people to contribute earlier to the social system.*

Young people and poverty

Many young people have difficulties to enter the labour market because of lack of work experience and lack of lack of jobs.

Once again, they go through unstable employment, low paid-low quality jobs or jobs on the informal market and are again at risk of poverty and social exclusion and depression.

Integrating the economic life without a stable job is difficult given that banks won't give these young people access to credit and insurances companies will apply higher rates to insure these young people because they constitute a risk.

Young people are our future; our society is taking big risks by making their start in life more difficult.

Young people need trust from employers, banks and insurance companies. This requires again a major change of mentality, hence we *recommend that the EU drafts a EU-wide strategy for the integration of young people in the economic life, that ensures that young people will not be discriminated against and to ensure that they all have a chance to start rather sooner than later.* This strategy would be separate from the employment strategy that is not focused on young people.

2.2 A global approach to the "working life cycle"

One of the solutions proposed in the face of ageing is to keep people at work longer.

EuroHealthNet thinks that in order to keep people at work longer we need to keep them healthy. Therefore we need to enhance policies that have a positive impact on health:

-developing health promotion policies: physical activity, healthy eating, healthy lifestyle (alcohol, drugs, tobacco), injury prevention

-developing disease prevention campaigns and programmes

-employers should be encouraged to develop a health strategy for their employees via a constant dialogue with social partners. This means less work related-stress, better quality jobs, occupational health concern, better work/life balance, good working environment , reasonable working hours....

-keeping people included in society. This means proper housing, proper education, proper training, proper job, proper place in society (no discrimination).

EuroHealthNet is sceptic about the Communication proposal to raise the statutory average retirement age. We believe that it should be a personal choice as not everybody reaches retirement age in good health and with a proper job. It is particularly unfair for older people who have been asked to step down from their work due to their age, and who will then be 'unemployed' longer. We believe that many older people might be victims of such a situation, which might lead them to depression and other mental health problems.

Instead of raising the average retirement age, we suggest applying a bonus to people who agree to work longer.

Health inequalities and the health status of populations should be taken into account when discussing to raise the average retirement age in Europe, as life expectancy and general status of health varies greatly between countries of the new enlarged Europe.

Instead of raising the retirement age, we should focus on getting young people a job. In the same trend we are concerned about the phrasing of the question 'How can we enable older people to work **more?**'. We believe that the question should be 'How can we enable older people to work **longer?**' as we don't believe that making older people work more is a good option when there are so many young people unemployed.

Another solution often proposed in the face of ageing is to find the right balance between flexibility/security and older/younger workers

We are concerned about the question 'how can we help young people to find a balance between flexibility and security'. Given the current labour market and the human resources policies applied by employers, young people do not have a choice between flexibility and security. The balance is imposed on them de facto. If we want people to be happy and secure in their job and in their life, they need to have more choice.

The right balance between flexibility and security can be achieved via social regulation:

- Guarantee workers a maximum of working hours per week/months.
- Guarantee workers with a minimum job security; apply restrictions to the repetitive use of short-term work contracts, or repetitive use of trial periods
- Guarantee workers with a minimum wage
- Guarantee social security to all workers (whether they are temporary, in the trial period, short-term contract)
- Guarantee an honest social dialogue between workers and employers

Taking into consideration that there will be more older working people and less young working people, we need to modify the organisation of work. We will need to establish a more modern working environment where each age category is valued and respected. This goes through exchange of experience from the older to the younger, and life-long training of people to ensure their efficiency throughout their working cycle. Employers have an important role to play to ensure that these dynamics really take place and that there is no discrimination on the basis of age (old or young) in the labour market.

We believe that these are the conditions to keep people healthy, work-related stress-less and happy in life, which will enable them to stay longer at work.

2.3 A new place for 'elderly people'

EuroHealthNet welcomes the fact that the Commission plans ahead for the future wealthy generations of elderly people and pensioners, however we regret that the communication

does not mention the situation of pensioners today. Some of today's pensioners do not enjoy the glossy lifestyle depicted by the Communication. Some of them receive a very low pension (especially widows who have never worked). Some of them are far away from their children, feel isolated and suffer from mental health problems.

Europeans need to take care of their elderly. We believe that the first step is to keep people healthy through out their life course so that they can enjoy a healthy retirement.

A healthy elderly person is a healthy child. Health promotion plays a very important role from the early years in order to keep people healthy longer. In that sense we need to emphasize our public health policies and promote health via:

- promoting physical activity
- promoting a healthy lifestyle (no alcohol, drugs or tobacco)
- applying disease prevention scheme and early diagnosis
- applying injury prevention schemes (road safety, sport safety, work-related injuries...)
- promote occupational safety

The EU can bring an added value with the new Health and Consumer Protection Programme by enhancing the exchange of information, the exchange of good practices, reducing health inequalities, improving the general state of health, and create a platform for exchange between Member States in a coordinated manner.

We believe that the second step to keep elderly people healthy is to ensure their inclusion in society by:

- developing bridges between generations. Elderly people who want to keep active could be trained to childcare and thereby fill up the staff and facilities shortage in child-care.
- developing volunteer and social work possibilities for the elderly to prevent them from isolation
- developing part-time paid work possibilities to enable those who want to work to complement their low pension
- provide social allowances to prevent them from poverty
- provide them with access to health care to prevent them from illness with the objective to keep them self-sufficient as long as possible.
- provide support to persons suffering from mental health problems

EuroHealthNet has published a compendium of good practices from the health field to promote social inclusion and health inequalities in Europe. We recommend the reading of this report to see how elderly people can be better included in society via local/community initiatives¹.

EuroHealthNet also encourages recognition of part-time, volunteer, social work for older people who want slow down their working rhythm while remaining active. In many countries it is not possible to couple a pension with a professional activity, which forces older workers who retire to have another activity without declaring it, and therefore without contributing to the social system.

2.4 Solidarity with the very elderly

Our recommendations on solidarity for the very elderly people join those made for elderly people, with the difference that very elderly people need more acute health care. The objective should be to prevent very elderly people from dependency and health-related illness for as long as possible.

¹ EuroHealthNet (2004) 'Promoting Social Inclusion and Tackling Health Inequalities in Europe : an overview of good practices from the health field in Europe', EuroHealthNet: Brussels.

It is clear that very elderly people with a low pension will need an additional specific dependency allowance. Retirement and dependency deserve separate treatment.

Our societies need to solve the shortage of health care and long-term care professionals by making these professions more attractive. This means mainly offering more family-friendly working hours, adapting the workload, adapting the salaries to a reasonable level and develop training opportunities in the profession. These measures are particularly necessary in the enlarged Europe where richer countries brain-drain nurses and doctors from poorer countries.

With regards to informal care, EuroHealthnet invites policy makers to be particularly cautious not to over-estimate the capacities and abilities of families, friends, local networks to supply proper care to very elderly people.

Caring for an elderly or disabled relative is a considerable burden for families, especially for women, all the more when they need to take care simultaneously of their parents and their children ('sandwich generation').

In some European countries, informal care is the biggest provider of health care to very elderly or disabled people. Unfortunately this work is not recognised, nor paid, nor valued by society.

We need to develop policies that would recognise and pay or compensate for caring.

Carers should also be trained to provide better health care to their relatives. Carers also need special attention as they are considered a group at risk. They need respite care, emotional support and social recognition.

Quite often, informal care is seen as a solution to our ageing society. According to some theories, informal care would help us take care of our elderly relatives while reducing the cost for the society. EuroHealthNet disagrees with this simplistic vision. EuroHealthNet believes that we should find the right balance between informal care and institutional care. Caring should be a choice, not an obligation.

We need to develop mobile caring structures for elderly dependent people who want to remain in their home. This implies training independent professional staff and developing local caring networks and community facilities via public-private partnership.

We should also take into consideration the fact that people live increasingly far away from their relatives. We therefore need to create more structures where elderly dependent people could be welcomed and where they could live comfortably and happily.

The balance between older and younger generations will be such in the future, that it will be impossible to rely solely on families to care for their elderly relatives. Families should not be ashamed to trust their elderly to an institution, and elderly person should not insist on staying at home if they are not independent anymore. EuroHealthNet believes that a drastic change of mentalities is needed at this level. The best way to address this challenge is to develop a reliable and quality long-term care system. EuroHealthNet welcomes the OMC in that field and encourage authorities to better inform families on their choices.

III- Conclusion/ what should the European Union's role be?

EuroHealthNet regrets that some important issues are missing from the Communication. We believe that the integration of disabled people in the economic system is an important issue that is not sufficiently tackled by the green paper.

Non-discrimination of disabled persons and their integration in the work force should be fully integrated in the EU strategy to respond to demographic change.

Our response to the communication questions is clearly health oriented because we believe that health plays an important part in responding to the demographic change.

However other policies that are not clearly mentioned in the text are also essential in order to enable most people to contribute to our social model.

Transport, urbanisation, housing, citizenship, environment policies can also have an impact on ageing and solidarity between generations.

We therefore encourage the Commission to look for synergies between these policies (and their respective financial instruments) and a better quality of life that would enable us to longer and healthier.

EuroHealthNet calls on the commission to include all social and health related aspects mentioned in our present response both into the revised Lisbon Strategy and into the financial perspective (2007-2013) discussion that is taking place right now.