

Basic information	
2007/2156(INI) INI - Own-initiative procedure Demographic future of Europe Subject 4.10.14 Demography	Procedure completed

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	EMPL Employment and Social Affairs		CASTEX Françoise (PSE)	26/10/2006
	Committee for opinion		Rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs		RAEVA Bilyana Ilieva (ALDE)	10/07/2007
	REGI Regional Development		SCHROEDTER Elisabeth (Verts/ALE)	01/02/2007
	LIBE Civil Liberties, Justice and Home Affairs		KÓSÁNÉ KOVÁCS Magda (PSE)	17/07/2007
	FEMM Women's Rights and Gender Equality (Associated committee)		RESETARITS Karin (ALDE)	20/12/2006
Council of the European Union	Council configuration		Meetings	Date
	Transport, Telecommunications and Energy		2835	2007-11-29
European Commission	Commission DG		Commissioner	
	Employment, Social Affairs and Inclusion		ALMUNIA Joaquín	

Key events			
Date	Event	Reference	Summary
		COM(2006)0571	

12/10/2006	Non-legislative basic document published		
12/07/2007	Committee referral announced in Parliament		
12/07/2007	Referral to associated committees announced in Parliament		
29/11/2007	Resolution/conclusions adopted by Council		Summary
23/01/2008	Vote in committee		Summary
30/01/2008	Committee report tabled for plenary	A6-0024/2008	
20/02/2008	Debate in Parliament		
21/02/2008	Decision by Parliament	T6-0066/2008	Summary
21/02/2008	Results of vote in Parliament		
21/02/2008	End of procedure in Parliament		

Technical information	
Procedure reference	2007/2156(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Strategic initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/6/50702

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE392.248	11/10/2007	
Committee opinion	LIBE	PE394.183	20/11/2007	
Amendments tabled in committee		PE398.510	13/12/2007	
Committee opinion	FEMM	PE394.241	17/12/2007	
Committee opinion	ECON	PE394.184	19/12/2007	
Committee opinion	REGI	PE396.686	20/12/2007	
Committee report tabled for plenary, single reading		A6-0024/2008	30/01/2008	
Text adopted by Parliament, single reading		T6-0066/2008	21/02/2008	Summary
European Commission				
Document type	Reference	Date	Summary	
Follow-up document	COM(2006)0571 	12/10/2006	Summary	

Document attached to the procedure	COM(2007)0244 	10/05/2007	Summary
Commission response to text adopted in plenary	SP(2008)1857	16/04/2008	
Other institutions and bodies			
Institution/body	Document type	Reference	Date
CofR	Committee of the Regions: opinion	CDR0341/2006	06/06/2007

Demographic future of Europe

2007/2156(INI) - 29/11/2007

In regard to the Communication from the Commission on "The demographic future of Europe – from challenge to opportunity", the Council adopted a series of conclusions which may be summarised as follows:

- recognising that: ageing of the population is one of Europe's most pressing challenges,
- the isolation and loneliness experienced by many elderly citizens can be mitigated by the facilitation of social interaction provided by electronic communications,
- the use of ICT-based products and services will allow ageing citizens to live longer independently, and will provide opportunities for enhancing their safety, security and healthcare,
- the increasing older population is likely to create pressure for the development of a new and enlarged market for innovation, creation and exportation of new products and services within the Community as well as globally,
- ICT has significant potential to create a triple-win by 1) improving the quality of life of citizens, 2) containing the rising costs of care, and 3) enabling new and growing business opportunities for Europe,
- market barriers and fragmentation, insufficient market development and awareness, high diversity of rules and regulations, limited adoption of inclusive design, insufficient research and innovation, lack of affordable solutions, digital illiteracy and insufficient understanding of users must be overcome for Europe to fully reap the benefits of ICT for ageing well,
- it is appropriate to adopt a comprehensive cross-policy approach both at national and at EU levels, including electronic communications and information society, social, employment, public procurement, health and urban policies,

the Council calls on the Member States to take the following measures:

- actively contribute to the Action Plan for Ageing Well in the Information Society through appropriate initiatives including the development of national action plans;
- report progress, including on relevant targets of the Riga declaration (notably halving by 2010 internet usage and digital literacy gaps of elderly people and realising web accessibility of public websites), as part of the envisaged reporting on e-Inclusion, as part of the envisaged i2010 European e-Inclusion Initiative, at the end of 2008;
- clarify rules and regulations affecting ageing well solutions and cooperate with the Commission in analysing market barriers;
- take into account the needs of the older age-group population as well as the potential it creates for new markets and services when establishing their national research policies and programmes, in particular with a view to the e-inclusion of the elderly;
- stimulate cooperation of all stakeholders at the national and European levels, visibility of existing solutions and exchange of good practices, including demonstrations of the available services and actions in Europe;
- mobilise and support local and regional authorities, given their important role in the delivery of social and health solutions for elderly people and encourage cooperation and interoperability to increase economies of scale;
- mobilise financial incentives for research, innovation and market uptake.

In parallel, it invites the Commission to:

- make proposals in 2009 to overcome legal and technical barriers to ICT for ageing well;
- contribute to mechanisms for the exchange of experiences and good practices;
- support Member States in giving visibility to existing and available services and actions in this field within the Community;
- improve e-accessibility for elderly persons and disabled persons, including through European standards and legislative action as appropriate;
- sustain research, innovation and deployment support in European programmes.

The Council invites industry to: i) establish in 2008 an innovation platform with users on joint research, innovation, and deployment agendas, linking to relevant European Technology Platforms to enable European leadership, in particular by collaborating and developing joint research activities with European research and academic institutions for the development of inclusive ICT products and services; ii) deepen understanding of user requirements, and contribute to a European curriculum on inclusive design by 2008; iii) step up efforts, with authorities, on digital literacy training for elderly people; iv) enable older employees to remain active with ICT.

Lastly, it called on civil society to i) closely cooperate with industry and academic and research institutions on joint research, innovation and deployment agendas; ii) make available information that will increase the understanding of market barriers and improve market transparency; iii) for regional authorities, actively incorporate ICT for ageing well in regional development agendas and participate in relevant Regions for Economic Change networks.

Demographic future of Europe

2007/2156(INI) - 21/02/2008 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report drafted by Françoise **CASTEX** (PES, FR), on the demographic future of Europe, and noted with concern the demographic projections until 2050. These projections show an ageing of the European population, whose average age could rise from 39 in 2004 to 49 in 2050. Parliament stresses, however, that 50-year projections are not irreversible predictions but serious warnings to which we must respond today if we are to maintain Europe's competitiveness, the viability of the economy, social cohesion, solidarity between the generations and its social model. It considers that the perspective of shrinking populations by 2050 may implicate a lowering of the pressure on the environment and provide an opportunity for sustainable development. It also recalls that the two chief causes of demographic change – the falling birth rate and the ageing of the population – are the result of progress.

Parliament discusses several points which may be summarised as follows:

Maternity: Parliament stresses that the average birth rate in the EU, which at 1.5 is abnormally low, is not a reflection of women's choice or of European citizens' actual aspirations for creating a family. It may be linked to the difficulty of reconciling work with family life (lack of child-care infrastructures, social and economic support for families, and jobs for women), the anxiety-inducing social environment (unstable work situation, expensive housing) and a fear of the future (late access to employment for young people and job insecurity). Since, however, Member States' birth rates range from 1.25 to 2, it is possible to influence birth rate curves favourably through coordinated public policies, by creating a family- and child-friendly material and emotional environment.

Family support: Parliament acknowledges that a society that places children at the centre of its policies is the precondition for a healthier birth rate. It proposes a series of measures to improve family support. These measures range from the provision of childcare for at least 90% of children from age 3, to greater parental support and tax breaks for company crèches, as well as a better application of relevant directives, including Directive 2006/54/EC on the equal treatment of men and women in matters of work and employment and Directives 96/34/EC and 97/81/EC. Parliament also calls on Member States to recognise the social, economic and educational value of informal family work in the form of caring for children and other dependants, while examining the possibility of recognising length of service, social security and pension rights for those who carry out such informal work.

Adoption and infertility: Members suggest measures to improve adoption. In particular, they propose placing abused children, orphans and those raised in specialist institutions, in foster care and to initiate discussion at a European level on adoption procedures for children from Member States or third countries. In more general terms, they are concerned by the increasing problem of infertility in Europe, which affects around 15% of couples. Unlike Parliament's committee, which had called for infertility to be made the subject of a specific recommendation, Parliament called on the Member States to ensure the right of couples to universal access to infertility treatment.

The human resources challenge: Parliament notes that, faced with an imbalance between the active and non-active population resulting from demographic change, the EU has substantial scope to increase the employment of women, young people, senior citizens and people with disabilities. It calls for a reform of current European human resource management which, by under-employing people aged less than 25/30 and people over 55, limits to approximately 30 years the working life of a large part of the population. Members consider that the measures envisaged having regard to demographic change must take account of the increase in productivity of all the working population, thus "not only is the ratio of economically active to economically non-active people significant but also the increase in productivity".

Working beyond 65: Members call for practical initiatives to enable older people to work longer if they so wish, so that they can pass on their particular work experience to young people, other workers and employers. Parliament believes that people over the legal age of retirement today have a better life expectancy and higher quality of life than ever before and that Member States should promote and not prevent the establishment of rules enabling the prolongation, voluntarily on the worker's part, of working life after the legal age of retirement. It also considers that the time has come to address the issue of "pensioners' stress", namely the feelings of dejection, uselessness and nihilism experienced by workers a few days after retirement, when they perceive themselves to be useless, abandoned, and without a future. Incentives should be proposed which will make it easier for young people to enter the employment market, for example by encouraging workers who have reached retirement age to act as mentors for young workers and by introducing job-sharing and part-time working, with a view to facilitating the hand-over from one generation to the next. Generally, Parliament encourages Member States to maintain a budgetary balance between revenue and expenditure in the various pension schemes and commends the Member States which set aside budgetary appropriations each year for the payment of future pensions.

Grey Gold: recalling the huge contribution made by older people to social cohesion and to the European economy, Members also emphasise that these people constitute a market referred to as 'grey gold', due to their consumption of goods and services (including leisure, care and welfare services). They, therefore, call on Member States to promote measures to encourage the physical well-being of older people and to support the exchange of experience between regions in which the 'silver economy' plays a major role in regional development, in general (notably through the use of Structural Funds).

Abuse of older people: Members also focus attention on the maltreatment and lack of care, to which the elderly are exposed, within their families or within the institutions in which they are placed. They urge Member States to take instant action in this domain as, according to estimates, some 10% of older people experience some form of physical, financial or mental abuse before they die. A warning system could be developed as well as penalties for maltreatment of this kind.

Immigration: Parliament notes that the use of immigration will continue to be one of the elements in the EU's demography and could be a positive contribution from an economic, social and cultural point of view. It stresses the need for immigration policies to be coordinated among Member States by ensuring that immigrants enjoy the same living and working conditions, and calls upon the Commission to consider specific measures relating to economic immigration. It emphasises that legal migration inside the EU should be advantageous for migrants and should not constitute a disadvantage for the countries of origin, and encourages Member States to improve their integration measures for immigrants.

Regional differences: Parliament notes that the impact of demographic change on individual regions is serious and requires different adjustment strategies depending on whether the region concerned is a region of migration or of shrinking population. The Commission should promote, as part of territorial cooperation, EU-wide networks in which regional and local authorities and civil society actors can learn from one another about tackling the problems resulting from demographic change.

Solidarity between generations: MEPs note that the demographic future of Europe creates new problems, as regards democratic mechanisms, and that "in an ageing society the political representation of minors, who represent the common future and the political future of the Community", must be better taken into account. They, therefore, ask that the voice of young people be better taken into account and that they be included in everyday decision-making.

Demographic future of Europe

2007/2156(INI) - 10/05/2007 - Document attached to the procedure

PURPOSE: to propose a framework for the exchange of best practices, with a view to **promoting solidarity between generations**, based on the principles of the Lisbon Strategy and on the concept of the "European Alliance for Families".

BACKGROUND: in its communication on the demographic future of Europe (see summary of 12 October 2006), the Commission had already stressed the importance of demographic renewal, by including the actions of Member States in the renewed framework of the Lisbon Strategy for growth and employment and the monitoring of the policy on gender equality. The debate that has taken place since then on the ageing demographic, has highlighted the importance of intergenerational solidarity, bearing in mind that, today, young adults take longer to fly the nest and are increasingly required to support dependant older persons. This results in a heavy burden for young and middle-aged people to bear, and especially for women.

Therefore, gender equality, and more broadly speaking, equal opportunities seem to be of utmost importance for establishing renewed solidarity between generations. This is why, even though Member States have exclusive powers in the area of family policy, the EU can, nevertheless, indirectly contribute to their modernisation and success, by highlighting the participation of women in the workplace, the need for a better work-life balance, as well as the employment and participation of young people.

It is in this context that the Commission proposes the current communication, calling for a framework of measures and the exchange of best practices to promote solidarity between generations.

CONTENT: to promote the revitalisation of family policies and to improve the work-life balance, the Commission proposes a two-tiered approach:

1) Promote family policies: bearing in mind the measures already taken by the Member States in this area, the communication shows what can be done within the framework of the Lisbon Strategy to further reinforce the current framework. Community law has long taken into account the demands of family life and the corresponding rights. In particular, since 1992, the *acquis communautaire* has benefited from a legislative framework for the protection of pregnant workers and the introduction of maternity leave. At the same time, one of the very first results of the European social dialogue concerns the right to parental leave. The importance of this balance, which is essential for the financial independence of women, can be seen in both the Roadmap for equality between women and men 2006-2010 (see [INI/2006/2132](#)) and in the European Pact for Gender Equality, approved by the Member States during the March 2006 European Council (annex II of the [Council Conclusions](#)). Other measures have been implemented to take the rights of children into account and to increase the participation of women in the workplace (notably via the "Open Method of Coordination" (OMC), which aims to draw particular attention to improving the situation of poor children and their families, modernising pension schemes to better reflect new working trends and career breaks, and promoting long-term care for dependant persons).

Considering that progress needs to be made in this area, the communication notes that, within the context of the Lisbon Strategy, there are several proposed initiatives to further promote a work-life balance. In particular, for 2007-2008, the Commission plans to:

- launch a second consultation phase on the content of possible legislative and non-legislative proposals, alongside the current communication, with the aim of contributing to a better balance;
- lead a series of activities (2007) in order to respond to the European Council's mandate to emphasise the fight against child poverty (also see [INI/2007/2093](#));
- reflect on the quality of services for dependant older people and on the protection against maltreatment, as well as on measures that could be taken at European level, in cooperation with Member States, to accelerate the development and modernisation of infrastructures and services aimed at meeting the challenges of an ageing population;
- monitor the consultation process, so as to better understand the social reality in European societies and to shed new light on the direction of Community policies in the area of equal opportunities and the access to care services for all generations.

2) "European Alliance for Families": this concept, launched by the March 2007 European Council (point 20 of the Council Conclusions of 8 and 9 March 2007), will be finalised through a knowledge and exchange platform on family-friendly policies and best practices of Member States, with a view to responding to the challenges of demographic change. The measures planned by the Commission are as follows:

2.1 Establish a "European Alliance for Families" platform: from 2007, the Commission will develop tools to create a system for the exchange of best practices and research. This will involve:

- creating a High Level Group of government experts on demographic issues: the aim of this group will be to advise the Commission in preparing reports and organising biannual forums on demography and assisting it with the implementation of measures for the analysis and exchange of experiences;
- creating European, national, regional and local forums and networks: every 2 years, a **European Demographic Forum** will be organised by the Commission to review the demographic situation and the implementation of the guidelines proposed by the communication on Europe's demographic future. The first forum is planned for Autumn 2008;
- establishing an "observatory of best practices": the Commission will invite the European Foundation for the Improvement of Living and Working Conditions to establish an observatory of best practices in the area of family policies. The information gathered by this observatory will be used by both European and decentralised forums;
- reinforcing research topics through the 7th Research Framework Programme.

A Eurobarometer survey on the situation of families and their needs will also be carried out in 2008.

2.2 Develop partnerships aimed at promoting work-life balance by making use of new means provided for through Structural Funds. In particular, the Commission calls on Member States to ensure that operational programmes financed by the Funds promote family policies and work-life balance, through a practical guide that will be presented to local and regional stakeholders. Lastly, at the 3rd European Demographic Forum, planned for 2010, the Commission will report back on the achievements made under the European Alliance for Families framework.

Conclusions: by encouraging a better response to family needs, in terms of caring for children and dependant persons, as well as a more balanced sharing of domestic responsibilities, national family policies will reinforce intergenerational solidarity. New family policy guidelines will also contribute to supporting growth and employment, by facilitating female participation in the workplace, in particular.

By focusing on gender equality and, more broadly, on equal opportunities, the Lisbon Strategy is a relevant support framework for developing these family policies. Family policy is, however, the sole responsibility of Member States, even though the "European Alliance for Families", a new concept established by the Spring European Council, will make a useful contribution to promoting the exchange of best practices and research in this area.

Demographic future of Europe

2007/2156(INI) - 12/10/2006

PURPOSE: an analysis of the demographic future of Europe and the presentation of an overall strategy on transforming demographic challenge into demographic opportunity.

CONTENT: the purpose of this Communication is to examine how Europe can confront demographic change. It underlines how the EU can support the Member States as part of a long-term strategy. In so doing the Communication sets out the main factors involved in the demographic process and evaluates the main course of action at national, regional and local levels – as well as at a European level.

The ageing of the EU's population is the result of four interactive demographic trends:

1. The average number of children per woman (the current fertility rate) is low at 1.5 children for the EU-25, well below the replacement rate of 2.1 required to stabilise the population size in the absence of immigration. A limited increase of 1.6 is projected for the EU-25 by 2030.
2. The decline in fertility in recent decades followed the post-war baby boom which is causing the bulge in the size of the population aged 45-65 years. The gradual progress of the baby-boomers towards retirement age will lead to a substantial increase in the proportion of old people, who will need to be supported financially by a reduced working-age population. This phenomenon will disappear, but not for several decades.
3. After increasing by eight years since 1960, life expectancy at birth could continue to rise by at least a further five years by 2050. The projected increase would have its greatest impact on the older generations, so that Europeans reaching the age of 65 in 2050 can expect to live, on average, between four and five years longer than those reaching 65 today. This will lead to a spectacular increase in the number of people surviving to the ages of 80 and 90.
4. Europe is already the recipient of major inflows of net migration from third countries. In 2004, the EU registered 1.8 million immigrants, i.e. an influx greater than that of the United States relative to the total population. Eurostat's conservative projection is that around 40 million people will emigrate to the EU between now and 2050. Despite current flows, immigration can only partially compensate for the effects of low fertility and extended life expectancy on the age distribution of the European population.

As a result of these trends, the total population of the EU-25 will fall slightly, but will become much older. In economic terms, the main change will involve the size of the working-age population (15-64 years), which will decrease by 48 million between now and 2050. The dependency ratio (the number of people aged 65 years and above relative to those aged from 15 to 64) is set to double and reach 51% by 2050, which means that the EU will change from having four to only two persons of working age for each citizen aged 65 and above.

Impact of the ageing population: The impact of demographic change on the labour market, on productivity and on economic growth, will be considerable. Economic growth rates are set to decline with the ageing of the population, owing to a reduced working-age population. Projections indicate that, if current trends and policies remain unaltered, the average annual growth rate in GDP for the EU-25 will fall systematically from 2.4% (between 2004-2010) to only 1.2% between 2030 and 2050. Further, on the basis of current policies, ageing will lead to ever greater pressures on public spending, although the situation varies widely from one country to another. For the EU-25, it is estimated that age-related public spending will rise by 3-4 GDP points between 2004 and 2050, representing an increase of 10% in public spending. These upward pressures will be felt from 2010 onwards and will become particularly pronounced between 2020 and 2040. They relate particularly to pensions, health and services for the elderly.

Bearing all of the above in mind, an overall strategy is essential. Both an EU and national response will be needed that reviews existing policies and determines whether they need to be adjusted to take account of the EU's changing demography.

The Commission is proposing five core policy directions:

1. Promoting demographic renewal in Europe: The EU Member States can prevent demographic decline. Currently, there are many different policies to tackle demographic decline but they generally have three aspects in common: i) to reduce inequalities in opportunities with and without children; ii) to offer universal access to assistance services for parents, such as education and care for young children and iii) to manage working hours in order to offer both men and women better lifelong learning opportunities and the option of balancing their private and working lives. To recall, the European Council, meeting in Barcelona in 2002, made a clear commitment to step up provisions of childcare. By 2010 childcare should be available to at least 90% of children aged between 3 and 6 years and at least 33% of children under 3 years of age. The Commission will, therefore, consult with the social partners on measures relating to parental leave, more flexible work arrangements etc. in order to improve the balance between work, private and family lives. The needs of the family will be given due consideration.

2) Promoting employment in Europe: more jobs and longer working lives: Some success has already been seen vis-à-vis increases rates of employment – a vital objective of the Lisbon strategy. Yet, demographic ageing calls for a strategic response that encourages employment amongst those aged 55 and over. This will require far-reaching reforms including removing incentives for early retirement and actively encouraging the employment of senior citizens. Public employment policies, as a whole, should create more job opportunities for older workers. In a bid to address these challenges, the Commission invites the Member States to respect commitments they entered into at the Stockholm European Council in 2001, to raise employment rates for workers over 55 by 50%. The Member States are also invited to fully implement the Directive on equal treatment in employment and education. For its part, the Commission will consult interested parties on establishing a Community framework to improve the supply of cross-border health services and patient mobility.

3) A more productive and dynamic Europe: A third response to the demographic challenge is to improve the productivity of Europeans at work. The ageing population offers the chance to enhance the competitiveness of the European economy. For example, the European service industry could benefit from the needs of an older client base. A first step could be to encourage companies to factor in the ageing phenomenon into their innovation strategies. This would apply, for example, to information and communication technologies, financial services, transport, energy, tourism infrastructure and local services. In response to this the Commission will adopt a Communication on how to take account of the needs of an ageing population. Special attention will be given to the conditions and potential role of the Structural Funds for developing elderly care provisions.

4) Receiving and integrating immigrants in Europe: Current national policies on immigration from third countries are not uniform. That is why the EU is working with the Member States to develop elements of a common policy on legal immigration. Particular focus is given to immigration in relation to satisfying labour market requirements. To recall, the 2004 Hague programme led to a “Policy Plan on legal migration” that inspired the establishment of the European Integration Fund. Such measures can support further action at all levels to help the integration of legal migrants. In the course of 2009, the Commission will consider the need to propose new measures relating to economic immigration and to take stock of progress on internal mobility.

5) Sustainable public finances in Europe: In most Member States, public finances are no longer sustainable under existing policies. Increasing the participation rate in employment is an effective tool for increasing revenue. New challenges are also emerging, frequently linked to the development of private savings. Within this context it is important that governments develop efficient, functioning financial markets and to create stable and secure conditions for individuals to save and invest. Building up private savings and capital should be promoted so that individuals can have more autonomy in determining the level of income they wish to have at their disposal during their retirements. Indeed, the commission is adopting a report analysing the long-term sustainability of public finances, based on population projections up to 2050 and on the financial strategies presented by the Member States in their 2005 Convergence and Stability Programmes.

Conclusion: Current policies are no longer viable in the long term, in that they do not address the expected decrease in the active population combined with decreasing public finances. The source of the problem is not higher life expectancy as such, rather it is the inability of current policies to adopt to the new demographic order and the reluctance of businesses and citizens to change their expectations and attitude – particularly within the context of labour market modernisation. The reforms set out in this Communication are part of a European response to these challenges.