



The over 65 year olds in the EU

Europe is the continent with the highest proportion of older people. Italy and Germany - together 28% of the total EU population - already have just over 20% of their populations over 65 years old. This 65+ proportion is expected to continue to increase as baby boomers age. Also, life expectancy has been rising by 2 years per decade.

The European Commission (EC) has been increasingly active regarding population ageing. A new cross-cutting EC programme is aiming for fast development and deployment of products and services for older people.

Member States (MS), following EC coordination, have agreed on common objectives for their healthcare systems (of which older citizens are greater users) giving universal right of access and high quality.

Both healthcare and pensions systems are feeling the increasing cost effect of more older citizens. The EU, which has limited powers in this area, has encouraged MS to ensure the cost sustainability of both.

To help solve the pension challenge, balance fewer workers entering the workforce and retain older workers' valuable knowledge, the EU is acting to bring about later retirement ages. Volunteering is also encouraged for skill transfer, to combat older persons' social exclusion and reduce a generational divide. 2012 is designated as "European Year for Active Ageing and Solidarity between Generations".

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Context

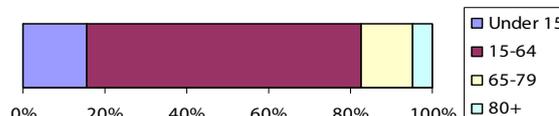
In the developed countries it has been recognised for some time that the average age of the population is increasing.

This brings a number of challenges for those who are over 65 years old. Already largely retired they expect a relatively long lifespan. However, this could be costly. In particular, health and (old age) care costs are increasing because of life enhancing treatments and longevity of life. On the other hand, income from the state and companies (pensions and social benefits) will likely be reduced reflecting the impact of the Great Recession and worldwide competition from globalisation. Further, a reducing workforce could mean less wealth generation.

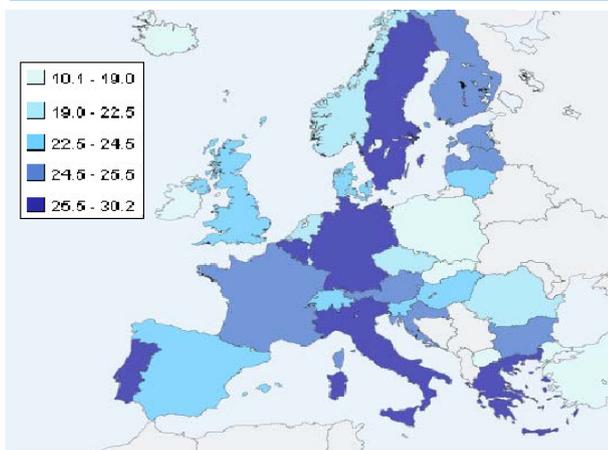
The EU's overall demography

Europe, with a population in 2009 of 502.5 million, is the continent with the highest proportion of older people in its population. Italy (26.4%), Germany (25.3%), Sweden (24.1%), Bulgaria and Belgium (23.9%), Greece (23.4%) and Austria (23.3%), have the highest over 60's proportions.

Distribution by age (EU-27)



Data source: Eurostat (2010)



Proportion of people over 65 to those of working age (2007)

Source: Eurostat

This has come about through:

- Economic, social and medical progress, which has brought about longer life.
- The baby boomers: sixty years ago the number of births rose sharply and remained high for about 20 to 30 years before lower fertility rates led to a drop.

The result is a general, but previously unprecedented, ageing of the population, though inward migration is an off-setting factor. Those populations that are currently the oldest are expected to continue to age rapidly for the next twenty years.

[EUROPOP2008](#), a Eurostat publication that gives population projections, says that by 2014 the working age population (20–64) will start to shrink, as the post-1945 baby boomers retire. Up until recently a number of baby boomers have retired early. Those over 60 are increasing by over 2 million per year, double the rate of three years before.

One of the main features in all modern ageing societies is the growing social heterogeneity of older people, including significant numbers of people from a wide range of ethnic backgrounds.

The over 65 year olds demography

In 2009, for a 65 year old, **life expectancy** on average was 17.2 years for men and 20.7 years for women. This average varies by individual person mainly based on the social-economic status (factors such as education, employment and income) and this is reflected in large variations between MS. The higher the status, the lower the mortality rates and, consequently, the higher life expectancy.

Life expectancy has increased by about two years per decade. A person's healthy life expectancy has been increasing at about the same rate as life expectancy. Thus frailty (developing a disabling condition that

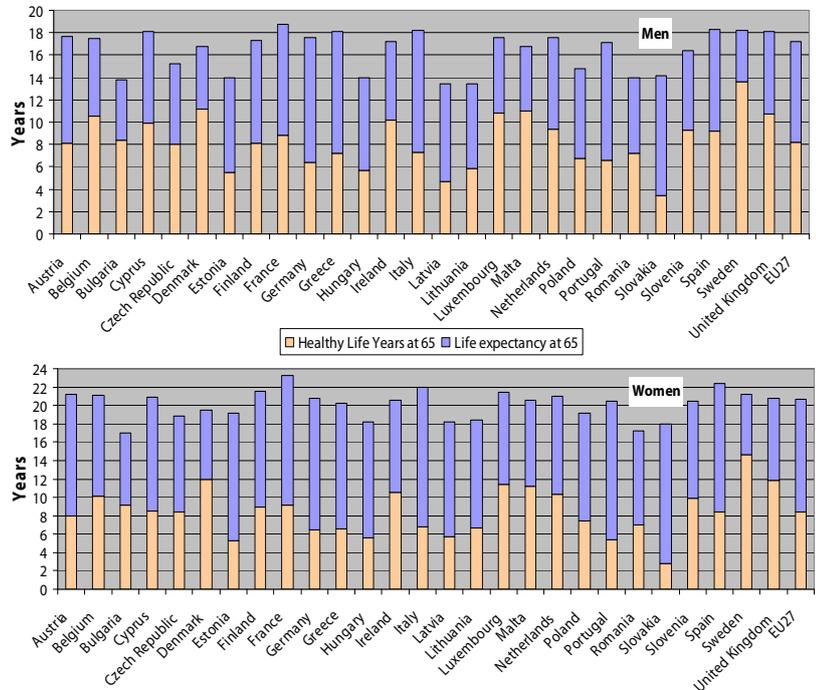
makes people dependent and vulnerable) has been starting at a later age.

The estimated number of healthy life years (HLY) is a rough indicator of the quality of life in old age.

HLY – the absence of limitations in functioning/disability, also known as disability-free life expectancy (DFLE).

HLY is calculated by asking individuals' questions about any health related restrictions that they might have. The limitation should affect an activity that they usually do, and for at least six months.

HLY and Life Expectancy



Data source: Eurostat (2009)

The ratio of **old age dependency** (proportion of the number of people over 65 as compared to 15–64) was 24.6%. The employment rate of those between 65–69 years old was 7.4% for women and 13.2% for men.

It is estimated that the number of Europeans aged 65–79 years old will increase by 36% from 2010 until 2030, with those aged 80 years or above rising by 57%.

Key data for 65+ persons

	65+		Employment	Poverty		Internet use
	Number	%		65+ old	Country total	
Austria	1 475 921	17.6%	5.3%	15.1%	12.0%	29%
Belgium	1 860 159	17.2%	2.0%	21.6%	14.6%	36%
Bulgaria	1 325 891	17.5%	2.8%	39.3%	21.8%	4%
Cyprus	104 863	13.1%	12.9%	48.6%	16.2%	7%
Czech Rep.	1 598 883	15.2%	4.7%	7.2%	8.6%	21%
Denmark	902 859	16.3%	6.2%	19.4%	13.1%	57%
Estonia	228 753	17.1%	8.3%	33.9%	19.7%	24%
Finland	910 441	17.0%	4.1%	22.1%	13.8%	45%
France	10 758 697	16.6%	1.6%	10.7%	12.9%	No data
Germany	16 901 742	20.7%	4.0%	15.0%	15.5%	43%
Greece	2 141 786	18.9%	4.0%	21.4%	19.7%	4%
Hungary	1 663 483	16.6%	1.9%	4.6%	12.4%	15%
Ireland	505 880	11.3%	8.6%	16.2%	15.0%	23%
Italy	12 206 470	20.2%	3.1%	19.6%	18.4%	12%
Latvia	390 209	17.4%	5.6%	47.5%	25.7%	12%
Lithuania	534 401	16.1%	4.5%	25.2%	20.6%	10%
Luxembourg	70 046	14.0%	3.4%	6.0%	14.9%	65%
Malta	61 095	14.8%	3.5%	19.0%	15.1%	13%
Netherlands	2 538 328	15.3%	5.9%	7.7%	11.1%	57%
Poland	5 161 470	13.5%	4.7%	14.4%	17.1%	11%
Portugal	1 901 153	17.9%	16.5%	20.1%	17.9%	11%
Romania	3 206 408	14.9%	13.0%	21.0%	22.4%	3%
Slovakia	665 134	12.3%	1.6%	10.8%	11.0%	21%
Slovenia	338 265	16.5%	7.3%	20.0%	11.3%	12%
Spain	7 745 567	16.8%	2.0%	25.2%	19.5%	14%
Sweden	1 690 777	18.1%	6.3%	17.7%	13.3%	61%
UK	10 191 313	16.4%	8.5%	22.3%	17.3%	50%
EU-27	87 079 994	17.4%	4.7%	17.8%	16.3%	30%

Poverty risk: living on an income below 60% of their countries median household income.
Internet use ... in the last 12 months by those aged 65-74.

Data source: Eurostat. Data is 2010 except 2009 for Poverty.

EU actions to the challenges of ageing

Background

The 2000 Lisbon European Council, the European Employment Strategy and the EC's October 2006 Communication on Europe's Demographic Future said that governments should look to decrease early retirement and continue employment of older workers. This action would help create sustainable public finances.

The EC's 2008 '[Renewed Social Agenda](#)' said that the ageing society's challenges need to be addressed by a variety of actors and institutions.

The Treaty of Lisbon mentions solidarity between generations as one of the objectives of the European Union (Article 3.3).

Older persons have a higher risk of poverty and as such are one of the most important target groups of the Europe 2020 strategy in terms of reducing the risk of poverty.

2010 European Council on active ageing

"active ageing means creating opportunities for staying longer on the labour market, for contributing to society through unpaid work in the community as volunteers or passing on their skills to younger people, and in their extended families, and for living autonomously and in dignity for as much and as long as possible".

The cost challenge

An ageing population is resulting in increasing health care, long-term care and pension costs. For example, health care costs increase through having more elderly persons in society and using more intense and advanced healthcare treatments. At the same time, the number of working persons to produce economic growth and wealth is decreasing.

Age-related government expenditure: % of GDP (2007)

	Pension	Health Care	Long-Term Care	Unemployment	Education	Total
Cyprus	6.3	2.7	0.0	0.3	6.1	15.4
Czech Rep.	7.8	6.2	0.2	0.1	3.5	17.9
Denmark	9.1	5.9	1.7	1.0	7.1	24.8
Finland	10.0	5.5	1.8	1.2	5.7	24.2
Germany	10.4	7.4	0.9	0.9	3.9	23.6
Hungary	10.9	5.8	0.3	0.3	4.4	21.6
Malta	7.2	4.7	1.0	0.4	5.0	18.2
Romania	6.6	3.5	0.0	0.2	2.8	13.1
Spain	8.4	5.5	0.5	1.3	3.5	19.3
UK	11.7	5.0	1.4	0.3	3.7	22.1
EU-27	10.2	6.7	1.2	0.8	4.3	23.1

Source: European Commission.

The EU's role

This is to define common goals, working methods and give mutual support. The power of the European institutions concerning social policies (health, care and employment) is limited and policy responses generally fall within the responsibility of the MS.

However, EU budgetary surveillance, such as assessing the sustainability of public finances, is becoming more important.

Several EU policy areas are affected by demographic change and social inclusion. They are strongly related to public spending. The EC's long-term goals have been identified as expanding working lives and reforming public services such as pension, health and long-term care systems to limit public spending. The EC [Ageing](#)

[Report 2009](#) details ageing expenditure projections in the EU (2008–2060).

EU led actions

In Member States

MS have adopted objectives for their health and long-term care systems covering high-quality, universal access, fairness and financial sustainability along with recognising the challenges of demographic ageing. The EC White Paper [Together for Health: A Strategic Approach for the EU 2008–2013](#) covers these areas.

MS are also reforming their social protection systems (e.g. pension systems) to control future spending. The EC wants increased employment through the provision of effective incentives for people to retire later. A November 2000 Council Directive prohibits discrimination in employment on the grounds of age.

EU projects

1. [PROGRESS](#), the [EU's employment and social solidarity programme](#), includes EU support to MS in the area of social cohesion. The EC has announced that it will support MS to promote older people in voluntary work and to strengthen intergenerational solidarity. 2011 is the European Year of **Volunteering**, which will also promote older persons participation. Volunteering is extremely multifaceted and heterogeneous. Some MS have long volunteering traditions, whereas others do not.

2. Population ageing has become one of the ECs major research themes and this is reflected in the [research Framework Programmes](#). The [Community Research and Development Information Service](#) (Cordis) database contains over 300 projects on the topic. The [7th Framework Programme](#) (2007–13) covers:

- Major trends in society and their implications.
- The impact of demographic changes in Europe.

Funding of €6.5 billion covers, *inter alia*, resolving the specific health problems of

older people. There are also programmes ([Overview of the European strategy on ICT for Ageing Well](#)) for technological solutions relating to older persons independent living and mobility.

In July 2011 an EC [Recommendation](#) – which notes that MS have confirmed their participation – called on MS to coordinate research at EU level in the field of ageing, in particular the joint programming initiative '[More years, better lives — the potential and challenges of demographic change](#)'. Joint Programming is a new approach, being a MS driven activity.

3. The February 2011 European Council endorsed the [Active and Healthy Ageing Innovation Partnership](#). Its objective is to increase HLY. The starting objective is to increase HLY by 2 years before 2020 by:

- Encouraging prevention and improving treatments.
- Improving the sustainability and efficiency of social and healthcare systems by, for example, developing home-based care.
- Developing, promoting and deploying products, devices and services for older people.

This [innovation partnership](#) is the first pilot in this structure. With a high level [Steering Group](#), chaired by two EC commissioners, MS, regions, industry, health- and social care professionals, elderly and patient organisations and other interest groups are also included. The steering group should look at:

- Using innovation to improve quality of care.
- How the existing policies, instruments and programmes can better operate.
- The removal of barriers such as lack of finance, fragmented research systems and markets, under-use of public procurement for innovation and slow standard setting.

The more efficient use of public and private funds spent on research is also a target

along with the more rapid use of results and technologies.

4. Though the [European Social Fund](#) does not directly focus on older people, it does cover older workers and social inclusion. €1.01 billion is available for measures to promote active ageing and a longer working life.

2012 – EU year for active ageing

2012 has been designated the [European Year for Active Ageing 2012](#) and Solidarity between Generations. This is a partial response to the concern over possible tensions between the younger, working-age people and older generations, who may be considered burdensome.

Empowerment of older people to age in good mental and physical health and to contribute more actively to their communities at the national and European level is wanted. They should transfer their skills by work and in the community, helping combat social exclusion.

Objectives are:

- Bring greater cooperation and solidarity between generations.
- Raise awareness among the general public, policy makers and other stakeholders of the contribution to society of older people and the potential of using older workers.
- Mobilise policymakers and stakeholders to promote active ageing.
- Identify and disseminate good practice among stakeholders on how to implement active ageing strategies in employment.
- Encourage the development of specific measures to further reduce early exit from the labour force and allow people to stay at work longer.

And there are already the specific aims of:

- Remove barriers that prevent older people from working or being involved in the community.

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- Adopt a Memorandum of Understanding on Active Ageing and a Society for all Ages along with [WHO-Europe](#) and the [UN-Economic Commission for Europe](#).
- Use the 2011 Volunteering Year to support older persons volunteering.

The Committee of the Regions, [AGE Platform Europe](#) (representing people aged 50+) and the EC have issued "[How to promote active ageing in Europe](#)". This brochure gives details of what local and regional actors can do to promote active ageing in employment and society, along with promoting healthy ageing, independent living and solidarity between generations. It also gives details of EU funding instruments - structural and cohesion funds, rural development funds, education and culture funds, research funds and a small number of others - for projects. Example projects are often noted as 'co-funded' and some relate to older workers i.e. may or may not apply fully to over 65's.

The "[EY2012 Coalition](#)" members are partners in the activity. It consists of over 20 European organizations supporting a society for all ages.

Main references

1. [A good place to grow older](#), A.Hokema & C.Tesch-Roemer, German Gerontology Centre, Jan. 2011.
2. [Demography Report 2010](#), European Commission & Eurostat, 2011.
3. [European Year 2012 – Everyone has a role to play](#), AGE, 2011.
4. [ICT for Ageing Well](#), DG Information Society, EC.

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