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POPULATION AGEING AND POPULATION DECLINE: GOVERNMENT VIEWS AND POLICIES *

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INTRODUCTION

This background paper for the United Nations Expert Group Meeting "Policy Responses to Population Ageing and Population Decline" discusses Government views and policies on population growth, age-composition of the population, and levels of fertility, mortality, and international migration. The information is derived from a variety of sources: official replies of Governments to the United Nations Population Inquiries, national reports, official statements at population conferences, and material provided by government agencies as well as the world press. The data analyzed cover the period of the last quarter of a century, from 1974 to 1999. The paper focuses on the eight countries considered in the report on replacement migration, namely France, Germany, Italy, Japan, Republic of Korea, Russian Federation, United Kingdom, and the United States. Some general trends in Government views and policies are discussed for the whole world and especially for 57 countries where the total fertility rate (TFR) was below replacement level in 1995-2000, and where 44 per cent of the world population currently lives.

The group of eight selected countries represents different regions: Asia, Europe, and Northern America. It includes mostly developed countries, as well as a country in transition (Russian Federation), and a developing country (Republic of Korea). There is great diversity between these countries in many respects. They are different in terms of the way the labour market is regulated, employment, the size of labour force and size of elderly population, saving patterns, culture, and institutional arrangements. Demographic parameters of ageing differ in terms of speed and intensity. In half of these countries, Italy, Germany, Japan, and the Republic of Korea, ageing is proceeding particularly rapidly, while in the other half, the United States, France, United Kingdom and Russia, it is proceeding more slowly. The group includes countries with some of the lowest fertility (Italy), lowest mortality (Japan), and highest immigration (the United States of America and Germany) in the world.

1. GOVERNMENT VIEWS ON POPULATION GROWTH RATE, THE AGE-COMPOSITION OF THE POPULATION, AND LEVELS OF FERTILITY, MORTALITY AND INTERNATIONAL MIGRATION

In response to very low levels of fertility in a growing number of countries, and the social and economic consequences of resultant population ageing and the potential for population decline, more countries are expressing concern about low rates of population growth. The proportion of Governments perceiving their growth rate to be too low, which had fallen from 25 per cent in 1974 to 11 percent in 1993, increased to 15 per cent in 1999 (see table 1). These changes in Government views since 1993—with more countries expressing concern about low rates of population growth—correspond to the changing demographic situation. During the last decade, in more and more countries, first in the developed countries and lately extending to some of the developing countries in Eastern and Southeastern Asia, couples are having on average fewer births than are necessary for generations to replace themselves. Hence, more and more countries are experiencing below replacement level fertility. As a result, population growth has begun declining in many of these countries, both in relative and absolute terms.

Almost two thirds of countries, which viewed population growth as too low in 1999, have below replacement level fertility. They are primarily located in Europe: 9 countries in Eastern Europe, 4 in Southern Europe, 3 in Northern Europe and 1 country in Western Europe. The other third of the countries viewing the population growth as too low are scattered in Oceania (4 countries), Western Asia (3 countries), Africa (2 countries) and Latin America (1 country). In Europe, the Governments of Austria, Lithuania, the Russian Federation and Slovakia, which considered population growth to be satisfactory in 1993, shifted to a view of it as too low in 1999. The greatest shift in views with regard to population growth occurred among the countries of the former USSR and in Eastern Europe. Many of these countries

considered their population growth to be satisfactory in 1993 but, by 1999, all countries of Eastern Europe (except the Czech Republic) and two thirds of the countries of the former USSR considered it to be too low. Among the eight selected countries, the Government of Russia, where population size has been declining since the early 1990s, views population growth as too low; the Governments of Italy and the Republic of Korea view it as satisfactory, while the other five Governments express no official position.

During recent decades, in addition to Governments' growing dissatisfaction with declining population growth, an increasing number of countries are concerned with issues of population ageing. In the most recent Eighth United Nations Inquiry Among Governments on Perceptions and Policies in Reference to Population and Development, for the first time, a question was asked regarding Governments' views on population ageing. Of the 90 countries that responded to the Inquiry, 66 countries (81 per cent) were concerned with population ageing. Among them, 31 countries (38 per cent) considered the ageing of the population to be a major concern. The developed countries were most concerned with population ageing. Among them, Australia, Austria, Belarus, Belgium, Croatia, Estonia, Germany, Greece, Japan, Latvia, Lithuania, Poland, Romania, Russian Federation, Slovakia, and Yugoslavia (53 per cent) all indicated that population ageing was a major concern. All of these countries have below replacement fertility. Among the developing countries, eight countries with below replacement level fertility: Armenia, Bahamas, China, Cyprus, Mauritius, Thailand, Trinidad and Tobago, and the Republic of Korea, and seven countries with higher fertility: Bangladesh, Brazil, Dominica, Dominican Republic, Ghana, Iraq, and Kazakhstan (29 per cent) indicated that population ageing was of major concern.

Among the eight selected countries, there is great variety in how ageing is regarded. Germany, Japan, the Republic of Korea and Russia have significant concern, while Italy and the United Kingdom indicated minor concern. France and the United States expressed no official position. At the same time, France as well as Germany, Japan, Republic of Korea and Russia have a major concern with older age groups and their special needs. Half of the countries--Germany, Japan, Republic of Korea and Russia--had major concern with the working-age group (see table 8).

For the German Government, for example, the problem of population ageing presents a major political challenge, since changes in age structure will have repercussions in many areas. The Government considers it of critical importance that the number of years people work is increased, and early retirement restricted. The Government also considers that older workers must remain part of the labour force longer than today through life-long learning, greater flexibility and mobility, and options for gradual transition to retirement. Also, for the Japanese Government, population ageing is the first priority among population issues. Faced with a rapidly ageing population, Japan considers it essential to provide services for the elderly.

The Government of the United Kingdom is especially concerned with an anticipated steadily increasing demand for long-term care, related to the growth in number of the oldest old, and significant increases in costs in coming years, especially after 2020. There is considerable debate over whether future cohorts of elderly people will be more or less healthy than elderly people today. In Italy, while there is no special attention being paid to population growth and population size in relation to economic and social development, ageing has recently become an issue of Government concern, particularly in relation to a possible crisis of the social security system and health care system. Attention is paid to enhancing the ability of families to take care of elderly people according to Italian value systems.

In the United States, the Government has not sought to determine the most desirable balance among population age groups or to design policies to influence the balance. However, President Clinton in his State of the Union address in 1998 proposed a "dialogue" on the future of Social Security. The politics of social security are at the center of debate during this year's presidential campaigns in the United States as

well as in many European Parliaments. Some politicians in the United States want to address the low rate of personal savings and to encourage more private savings as well as private investing (within Social Security or outside of it).

In Russia, President Putin in his State of the Nation address to the Federal Assembly this year characterized the current demographic situation in the country as most alarming. He referred to the fact that many people find it difficult to bring up their children and ensure a befitting old age to their parents, and that the number of citizens of Russia is becoming smaller and smaller with every passing year. He concluded: "If the current trend persists, the nation's survival will be threatened. We are facing a real threat of becoming an ageing nation".

Regarding perceptions of fertility, the proportion of Governments that viewed their fertility as too low increased from 11 per cent in 1976 to 17 percent in 1999. In addition to 1 country in Africa (Gabon), 1 in South America (Uruguay), 1 in South-central Asia (Kazakhstan), 2 in South-eastern Asia (Japan and Singapore) and 4 in Western Asia (Armenia, Cyprus, Georgia and Israel), all of the other countries that viewed fertility level as too low were located in various sub-regions of Europe: Bulgaria, Belarus, Czech Republic, Hungary, Poland, Romania, the Russian Federation, Slovakia and Ukraine in Eastern Europe; Estonia, Latvia and Lithuania in Northern Europe; Croatia, Greece, Bosnia and Herzegovina, Italy, Portugal, Slovenia and Spain in Southern Europe; and Austria, France, Germany, Luxembourg and Switzerland in Western Europe. Some 54 per cent (29 countries) of the group with below replacement level fertility considers it to be too low. The other 4 countries, which have the same view, despite their higher fertility, are Gabon, Israel, Kazakhstan and Uruguay (see table 5). Five of the eight selected countries view their fertility level as too low, while the Republic of Korea, United Kingdom and the United States view it as satisfactory (see table 9).

The German Government does not, however, regard it necessary to adopt a target for future birth rates, and considers it important to maintain freedom of decision for parents about the number and spacing of their children, and to eliminate impediments to having additional children. The Japanese Government considers that the tendency of the young to delay marriage, related to difficulties of balancing work and child rearing, is the direct cause of the country's declining fertility rate. Therefore, the Government considers it necessary to make concerted efforts both to alleviate problems arising from the strains of balancing work and child care and to enhance society's support for raising children.

International migration was a topic of secondary concern for most Governments in 1976. However, with the economic recession that followed the first oil shock, Governments' concerns over the consequences of both immigration and emigration significantly increased. The proportion of Governments that viewed immigration as too high rose from 7 per cent in 1976 to 20 percent in 1986 and remained at this level in 1999. Migration concerns were strongest in the developed countries in which, by 1999, 27 per cent of Governments considered immigration levels to be too high, compared to 17 per cent in 1976. Thirty per cent (17 countries) of the group with below replacement fertility considered immigration to be too high and only 2 countries viewed it as too low (Republic of Moldova and Ukraine), while the remaining countries viewed it as satisfactory. Among the eight selected countries, France, Germany and the Russian Federation viewed immigration as too high; the United Kingdom for a long period considered immigration as too high and shifted to a view of it as satisfactory in 1999, joining the other 4 countries in this view.

The United Kingdom considered it to be important to have firm control over immigration and to make sure that all staff applying the Government immigration policy observe central principles of being fair, fast and firm. The German Government felt that, in light of the causes for increasing global migration, efforts should be made to control and limit immigration into the European Union and particularly into

Germany. This applied primarily to preventing foreigners from entering the country illegally in order to settle there permanently.

This view was shared by the European Union Commission. In 1994, a "Communication by the Commission and asylum law" highlighted the necessity of limiting the admission of foreigners. It said that in light of the economic situation and the situation on the labour market the admission of foreigners must continue to be restrictive. In the short term, quotas did not present a suitable measure. It also held that a longer-term strategy for employment-related immigration would have to take into account the economic development and the situation on the labour market. In the view of the EU Commission, there was at that time no demand for the admission of foreigners into the European Union States.

Immigration has not been considered in relation to population ageing. Only recently, Governments have started to consider immigration as an instrument to offset the fiscal burdens and to solve labour market problems associated with ageing populations. However, some Governments realize that immigration as a strategy to deal with population ageing will have to remain at high levels permanently in order to reduce the fiscal burden of ageing, because migrants will also retire. Moreover, large immigration flows will require social adjustments.

2. POLICY INTERVENTIONS IN RESPONSE TO POPULATION DECLINE AND POPULATION AGEING

a) Population growth policies

The proportion of Governments that have policies aimed at influencing population growth increased from 45 per cent in 1974 to 63 percent in 1993. By 1999, this proportion had declined to 58 per cent mainly due to the fact that the proportion of Governments of developed countries intervening to influence population growth declined between 1983 and 1999; a number of countries with policies to raise or maintain the rate of population growth shifted to a policy of non-intervention, for example France and Italy (see table 7). Five other countries of the group, Germany, Japan, the Republic of Korea, United Kingdom, and the United States do not have any explicit policy in relation to population growth.

In contrast, Russia and many other Governments, especially in Eastern Europe (Bulgaria, Poland, Republic of Moldova, Romania, and Slovakia) as well as some in Southern Europe (Slovenia) and Asia (Armenia and Kazakhstan) have recently inaugurated policies to modify the current demographic situation, increase population growth and reverse population decline—through measures to increase fertility, improve health services, reduce infant and maternal mortality and the mortality of the working age population, especially of men. All of these countries had below replacement fertility in 1995-2000, except Kazakhstan.

In 1999, 75 Governments (39 per cent) had policies aimed at lowering population growth, while 20 (11 per cent) had policies aimed at increasing population growth (see table 3). The proportion of Governments that had policies aimed at increasing population growth declined from 19 per cent in 1983 to 11 percent in 1999. However, in more developed regions, it increased from 16 per cent in 1993 to 23 percent in 1999 (see tables 3 and 4). Government policies do not always match their satisfaction with demographic parameters. For example, the proportion of Governments which had policies aimed at raising population growth was less than the proportion of those who viewed population growth as too low (see tables 1 and 3). Among the eight countries considered, there are no countries, with the exception of Russia, that have a pro-population growth policy. Many Governments with below replacement fertility, including France and the Republic of Korea, pointed out that the chief objective in modifying the fertility level was to improve family well-being but not to modify the rate of population growth.

b) Ageing policies

According to the Fourth United Nations Review and Appraisal of the implementation of the Plan of Action on Ageing, the majority of developed and an increasing number of developing countries have in place a range of policies and programmes that respond to population ageing. In addition, non-governmental organizations have increased efforts to address ageing issues in those countries. At the same time, there are still many countries that do not have effective policies to address ageing, especially in the areas of social security benefits, specific health needs and public recognition of life-long and continuing contributions of older people to the human, social and economic capital of countries. The observance of the International Year of Older Persons in 1999 has offered a further incentive for the application of such a policy framework. Therefore, many countries are currently re-examining their policies in light of the principle that elderly people constitute an important component of a society's human resources. They are also seeking to identify how best to assist elderly people with long-term support needs.

Employment and income security policies

In order to reduce the cost pressure associated with population ageing, and to slow the rate of growth in demand on public pension systems, some countries are gradually increasing the age at which workers become eligible for retirement benefits. In Japan, 1994 legislation increased in stages the age of eligibility for the full flat benefit (the "National Pension") from 60 to 65, by 2013 for men and by 2018 for women. In 1999, the Government announced its intention to institute a similar increase with respect to the other part of the retirement benefit—the earnings related pension, fully effective in 2025 for men and 2030 for women. Germany has raised the age for full benefits from age 60-63 (depending on the circumstances surrounding retirement) to age 65. The Government allows many people to collect reduced benefits at the earlier age. It intends to gradually raise the age for initial eligibility for retirement benefits to 62 by 2012, and only those with 35 years of service will be eligible for reduced benefits. In the United States, the 1983 amendments to the Social Security Act raised the age of eligibility for full Social Security benefits from 65 to 67. However, the increase will be phased in over a 27-year-period beginning with workers turning 62 in the year 2000.

Among other common adjustments to population ageing have been: equalizing retirement ages for men and women by raising the retirement age for women (United Kingdom), and restricting access to early retirement benefits (Germany, Italy). France has tightened eligibility requirements; the number of years of contributions required for full benefits is being increased from 37.5 to 40, fully effective in 2003.

A variety of benefit reductions have also been introduced to reduce costs. Germany and Japan have changed the index used to adjust benefits after retirement and switched from indexing benefits to the rate of growth of gross wages to indexing them to the rate of growth of net wages (earnings net of taxes and social insurance contributions). A demographic factor was added in 1997 (to be effective in 1999) that gradually reduced the replacement rates of newly retiring workers to reflect gains in life expectancy; however, that provision has since been suspended. In Italy, a demographic adjuster has been introduced upon which the benefit schedule is to be adjusted every ten years to fully offset projected changes in life expectancy after retirement. Also, benefits for the self-employed are reduced relative to those of employees to correspond more closely to the lower contribution rate paid by the self-employed.

To reduce the size of the benefit associated with retirement at the normal age, France and Italy have increased the number of years over which earnings are averaged. Japan intends to phase in a 5 per cent reduction. Germany has announced an increase in the retirement age from 63 to 65, while introducing permanently reduced benefits available at the previous ages. In the United Kingdom, benefits under the

state earnings-related scheme have begun to be based on lifetime earnings, rather than the 20 highest years.

One of the key elements of pension reforms in Italy and the United Kingdom is a shift from defined benefit (the computation rules produce a monthly benefit that is paid for the life of the retiree and the initial impact of rising life expectancies is an increase in the total cost of the pension programme) to defined contribution arrangement (the computation rules spread the available account balance over the expected remaining life of the retiree and the initial impact of rising life expectancies is a reduction in the monthly income of the retiree). The latter approach is likely to be more effective in constraining costs because it produces automatic benefit reductions.

To offset the impact of population ageing, some countries increase the amount of revenue going into the pension system. Japan increased combined employer-employee rates (to 17.35 per cent in 1994-1996) and intends to moderately increase them every five years until 2025 in order to finance scheduled benefits. In order to avoid or reduce the pension contribution increases, Germany has increased the budget subsidy for its pension programme from 20 per cent of outlays to 25 per cent of outlays. The 1999 reform package announced by the Japanese Government also includes an increase in the budget subsidy intended to support the flat benefit portion of its retirement income system.

Some countries move to a greater reliance on advance funding of the pension promises. This involves acquiring financial assets that generate investment returns and provide an ongoing source of revenue for covering pension payments. It allows a given level of future pensions to be financed with lower contribution rates. Many current reforms shift a portion of the responsibility for managing pension arrangements from the Government to private enterprises or to individuals. Greater use of advance funding is being encouraged in the private pension sectors of Germany and Japan that had previously relied heavily on book reserve financing. The Government of the United Kingdom also proposed to establish a "stakeholder pension scheme," which appears to be an advanced-funded, defined-contribution arrangement with low administrative costs.

In Russia, there has also been the reform of state pension system. It originally assumed a full replacement of the distributive system of pension provision with an accumulative system. However, in 1998, the Government adopted the programme of pension provision of mixed type: obligatory State pension provision and additional non-State pension provision. The later system appeared in the country in early 1990s and its successes have been very modest. A major concern in Russia has been over the low level of and delays in pension payments, high inflation and loss of tax-collecting capacity. In addition to the measures required in other developed countries, effective pension reform will require macroeconomic stabilization, renewed economic growth, and development of legal and administrative systems adapted to a market economy based on private enterprise. The implementation of the pension reform also requires a lot of preparatory, educational, informative work with the entire population on the part of the Government. Russia is currently preparing a policy to address the needs of senior citizens. The policy under consideration would focus on property, land and housing concerns, as well as improved social services for the elderly.

Many Governments try to increase incentives for people either to delay accepting retirement benefits or to continue working after they have started to receive them. For example, special reductions are introduced that apply only to workers who take benefits before the normal retirement age. In Italy, a schedule of adjustment factors is implemented that scales monthly benefits to the worker's expected remaining life span at the time benefits are first received. Some countries that limit the earnings of persons receiving retirement benefits have reduced the penalty on continued work to increase incentives to work and to make continued pension contributions after having started receiving benefits.

Despite Government efforts to encourage people to work longer, there is a trend toward ever-earlier retirement in Europe, as in the United States. Generous public pensions together with high unemployment in many European countries have increased the appeal of early retirement and expanding employment opportunities for younger people. In France, for example, during the 1970s, there was a large increase in the specific allowance for people aged 65 or over, which guaranteed a minimum level of income for older people. Many people around 60 have benefited from pre-retirement contracts with good financial conditions. In addition, the proportion of retired women who receive their own pension has increased. Currently, the mean income per capita is higher for retired persons than for people aged 20-59.

Some Governments and businesses already try to adapt to a labour market in which many new jobs will have to be filled with retrained older workers instead of newly trained young ones. They are considering introducing "lifelong learning" policies to help older workers keep up with the increasing demands of the economy. A lifelong learning approach would have an impact on the labour market. For example, the pattern of working throughout the life-cycle would be modified, since more time would be devoted to learning at all ages and workers would retire later. Some countries have already taken active measures in this direction. The United Kingdom has raised the maximum age of access to its "Training for Work" programme from 59 to 63 years. In Japan, different subsidies have been introduced to employers who extend the employment of workers until the age of 65, or who maintain a specified minimum proportion of older workers. In France and Germany, wage subsidies to encourage hiring older workers also exist.

A number of Governments are going further and trying to introduce greater flexibility and mobility. Workers over age 65 are healthier and more educated than, for example, 30 years ago, and can use their expertise and contribute intellectually. There are many people who do not want to retire but they would prefer a more flexible organization of work. Germany, for example, is moving in this direction and is looking for appropriate work organization and options for gradual transition to retirement. Other Governments have adopted a national policy of reducing the average work week. This measure will provide workers more time for the family, a healthier life, and may lead to longer working years. France, for example, has recently had a campaign to cap the work week at 35 hours. Given the large international disparity in work habits, there is ample room for change in many countries. Average manufacturing work hours in the United States are 20 per cent longer than in France; in Japan, they are 40 per cent longer than in Sweden. Time is worth a lot more than money to many workers. In a recent national survey (by Harris Poll that was commissioned by Fleet Boston Financial) of the United States, by margin of almost two to one, respondents said they would rather have more time off than be paid more money. According to the Bureau of Labor Statistics, the average employee works almost two more hours a week than in 1982. Over the same period, the percentage of married couples who both work has risen to 47 per cent from 39 per cent, putting even more time pressure on families.

Governments can change retirement ages as a strategy to cope with labour shortages, but the role of the state in deciding when people retire is declining, and what really matters are the employment policies of transnational corporations. Currently, in the United States, businesses have begun to discover the value of hiring or retraining older workers. Those placements have been for specialized high-income as well as low-income jobs. The tight labour market, which has created intense competition for qualified employees at every level is a new reality conditioned by intensive technological progress as well as shrinking number of young workers. On the contrary, the baby boom generation is approaching age 55 and soon will reach retirement age. They are healthier than their parents, and will live longer. Recent surveys by Fortune magazine and AARP found that 74 to 80 per cent of them expect to still be working in retirement. A Harris poll estimated that there are four million people over 65 in the United States who would like to be working. People over 65 could work at temporary jobs, or work at home, using the Internet; moreover,

companies would have a work force that did not require office space, fixed salaries, pensions, or health care insurance.

Traditional biases of the recent past against older workers—that they are slow, less motivated than younger people, and technologically deficient—are gradually disappearing. A survey by Louis Harris pollsters of the human resource directors at some 800 American companies showed that 80 per cent of them agreed that there was less turnover among older workers than younger ones; 74 per cent said that older workers had as much ability as younger workers to acquire new skills; 62 per cent agreed that younger workers were actually less creative and less innovative than older workers; and 80 per cent said that younger workers had more absenteeism. Still, as a cost saving mechanism, older workers are still being let go because they are paid more than younger ones.

Some countries, such as Italy, Germany and the Republic of Korea, are trying to get working-age people to work in greater numbers, especially young adults and women. The French Government in the last decade started to implement measures to provide temporary jobs and part time jobs, and to encourage enterprises to employ young people at lower salaries. The Italian Government also intends to alleviate increasing ageing costs without changing the social security system through a number of measures to increase employment of the youth. In the Republic of Korea, many highly educated women still become housewives instead of getting a job because of gender discrimination; the Government is working to create a more favorable working environment for women.

Korea has experienced labour shortages of production workers, and especially of unskilled workers. In response, the Government has followed a policy of gradually phasing out low value-added labour-intensive industries in favour of more capital intensive industries. Also, the Government adopted the Employment Insurance system in 1995 as a way of solving unemployment and on the job training through offering job placement services, vocational training, and employment promotion programmes to unemployed workers. To solve the issue of shortages of skilled workers, Korean economists have proposed building flexible production systems and increasing investment for training multi-skilled workers. They also have emphasized the importance of on the job training of workers, and especially of learning from older, more experienced workers.

Past efforts of the Government with respect to older persons' employment (focused mainly on introducing various laws and regulations) have had limited success. Some employers, for example, prefer to pay fines rather than to employ the stipulated number of the elderly. Therefore, the Government intends to initiate stronger measures to enable a greater portion of the healthy and active elderly population to continue working, and to retrain older workers so that they can take up new occupations and cope with rapid technological change. In addition, in order to augment the labour supply, the Government is making efforts to further increase female participation in the labour force, especially in higher skilled and better paid jobs; and to support and complement private efforts to provide child care facilities for female employees.

Health and long-term care policies

Policies to improve older people's health and well being vary according to the particular country's economic, epidemiological, demographic, infrastructural, and cultural conditions that influence the feasibility and effectiveness of public health interventions. Most developed countries are experimenting with home health benefits. The Italian Government is now increasing both home care and day hospital care, in order to avoid the institutionalization of older persons, particularly those with physical or mental problems. It also intends to allow deductions for nurses and home health workers. The German Government

has set up a separate agency with its own payroll tax revenue to provide long-term care benefits, and Japan intends to do something similar.

The United Kingdom published a Green paper "Our Healthier Nation" in 1998, setting out proposals for a new health strategy for England. It has two aims: to improve the health of the population as a whole by increasing the length of people's lives and the number of years free from the illness; to improve the health of the worst off and to narrow the health gap. To succeed, the strategy will need action at all levels—Government, local, and individual. The strategy proposes national targets on reducing deaths from particular causes. For each target, a national contract will suggest what each level can do to improve people's health. The strategy identifies three key settings for action: healthy schools, healthy workplaces, and healthy neighborhoods. Health Impact Assessments will monitor the effect on health of appropriate policies across levels of Government.

An important policy direction of many Governments is the promotion of community participation in older people's health care and social services. Some Governments encourage older persons to take responsibility for becoming the principal promoters of their own health. There is a rising tendency on the part of Governments to emphasize the role of the family in informal care over more formal and institutionalized care. The trend to shift responsibilities from public support systems back to the family has increased the demand put on informal caregivers. Women are often caught in the middle of the needs of their children and their ageing parents. Furthermore, since women are increasingly entering the labour market, they have to cope with the double or triple burdens of care giving, household work, and the needs of their families and the workplace.

In Germany, the family is regarded as the source of help of first recourse, and assistance is available from the welfare state only where that has failed. The responsibility of families, furthermore, is encoded in laws. In Austria, a "new old age policy" aims at a holistic intergenerational approach, which is to meet the need for social participation by the older as much as by the younger people. Priority is given to strengthening and extending intergenerational solidarity. Family members who provide long-term care to disabled or elderly family members and give up their job for this reason have the employer's share of the pension insurance paid from public funds, which reduces their pension insurance payments by about half. With the growing need for medical, social and nursing care, especially by the oldest old, and with the rise in the number of women holding full-time jobs, older people will have to make more use of professional services in the future. The long-term care benefit provides the financial basis that allows people to have an independent life for as long as possible. Special support given to those who provide long-term care to the oldest old within the family is crucial, both to ensure the well-being of women (and some men) who provide care, and to meet the needs of older persons who depend upon care.

Some other developed countries have also introduced care insurance schemes, which compensate caregivers for the work they do. Finland, France and Sweden are willing to see caring as a form of work, and possibly as a form of paid work. The Governments of Canada and the United Kingdom are promoting an equal sharing of care giving responsibilities between men and women and a better reconciliation of working and care giving responsibilities. The Australian Government has passed a number of amendments to existing legislation to address discrimination on the ground of family responsibilities, and to promote adoption of family-friendly employment practices which assist workers in successfully balancing their employment and family responsibilities. The amendments involve insertion of a provision for the Australian Industrial Relations Commission to determine standards for leave to care for sick family members. It allows employees to use their own sick leave to care for ill family members. It also allows employers and employees to negotiate more flexible access to up to one week's annual leave, to be taken in single days, make-up time arrangements, and unpaid leave. The Government has been working with care givers to improve assistance through such measures as the income-tested Careers Pension and the Domi-

ciliary Nursing Home Benefit, which provide assistance for people caring at home for those with nursing home level care needs.

Although almost all industrialized countries provide old-age pensions for their elderly populations, most countries have shown considerable reluctance to pay cash benefits to the relatives who care for elderly or handicapped family members through the social security system. Australia, Canada, and Sweden have cash payments for care providers, though the means or income tests applied to establish eligibility are tight. Germany is one of a few countries that has introduced a long-term care insurance programme targeted at the elderly and the chronically disabled. It provides to eligible persons medical and custodial care, either at home or in recognized institutions. For home care, the disabled person may choose to receive a cash benefit and to pay a family member for services provided, or alternatively to receive these services from a community-based system.

3. POLICY INTERVENTIONS ADDRESSING THE DETERMINANTS OF POPULATION DECLINE AND POPULATION AGEING

a) Fertility policies

The steepness of the fertility decline determines the speed of the ageing process; it has been occurring fastest in Eastern Asia and in Southern and Eastern Europe. The pace of change is critical to the development of appropriate responses. Some Governments make direct or indirect policy interventions aimed at increasing fertility, though the measures applied to increase fertility had often only temporary effects. Other Governments try only to ease adaptation to the new circumstances. Only recently, some Governments have started to take multiple and more comprehensive actions to increase fertility, although sometimes involving enormous costs. In addition, Governments have begun to realize the importance of removing existing obstacles to childbearing. This is certainly feasible, and there is considerable potential for it in many countries.

In 1999, two thirds of Governments worldwide had policies to modify the level of fertility. Thirteen per cent had policies aimed at raising fertility, 9 per cent had policies aimed at maintaining the current level of fertility, while 45 per cent still had policies aimed at lowering fertility. It is worth noting that a Government's view of its level of fertility as too low or too high does not necessarily mean that a policy has been formulated to alter the level. A number of Governments, for example, which consider their level of fertility to be too low (Bosnia and Herzegovina, Estonia, France, Germany, Greece, Italy, Japan, Portugal, Spain and Switzerland) do not intervene to affect the fertility level. Among the eight countries considered, France, which consistently had a policy to raise fertility, and the Republic of Korea, which had, in 1993, a policy to maintain fertility have both shifted to a policy of non-intervention, joining the other five countries in the group. In contrast, the Russian Federation has shifted its policy from no intervention to a policy to raise fertility (see table 10).

Some European countries have centered on helping families and working mothers by Government subsidized education and housing, and giving tax reductions according to the number of children. In the Scandinavian countries, for example, Sweden has been working for decades to identify and solidify policy interventions to reduce gender differences and enable both women and men to combine productive and reproductive lives, together or alone. Norway was one of the few developed countries not projected to experience fertility decline over the next 50 years. Over the past decade, the total fertility rate has remained close to replacement level. The Government's "family friendly" policies, aimed at both men and women, included: one year of parental leave-with pay-after each birth, at least one month of which had to be taken by the father: arrangements for reduced or flexible work hours for parents; and child allowances. It is not surprising, that Scandinavian fertility has risen to levels somewhat above those prevailing else-

where in Europe. However, even in these countries, more profound structural factors had contributed to restrain the rise of fertility to a higher level, including the persistence of gender inequalities that were entrenched in the overall social dynamics of a post-industrial, affluent society, and were not easy to change within democratic political systems. In Sweden, the educational campaign encouraging fathers to stay at home with their children was effective. Similarly to the Scandinavian countries, the Government of Netherlands has made many recent strides in the areas of family-formation policy and addressing the problem of ageing and gender. It considers that it is now important to move away from an exclusive focus on the role of women and include men, thus, emphasizing a more couple-oriented approach. In that regard, the Government has developed several policy measures to guarantee men's involvement in child care and rearing responsibilities.

The Government of France has had a family policy for several decades, more pro-natalist than many other developed countries (with allowances increasing with the number of children and decreasing with the age of the children). In 1997, the Government decided that the family allowances were to become means-tested, a decision that has brought the family policy once again to the center of social and political debate. There are many facilities for women to continue working when they become mothers (maternity leave, part-time jobs, and nursery schools). The labour participation rate in France for women aged 25-49 is one of the highest in Europe; indeed, it was already 76 per cent in 1988. However, the proportion of working women employed part-time in 1992 was 24 per cent, which was lower than in the United Kingdom (45 per cent) and Germany (31 per cent). However, temporary work is increasing in France, and 8 per cent of working women and 7 per cent of working men in 1994 had a temporary contract, a government-assisted job, a paid training or a "non-standard" contract.

At the same time, beginning in the 1980s, the relative economic situation of young adults has become more difficult. It is reflected in the higher unemployment rate of people aged 15-29 which was recently around 20 per cent, as against 10 per cent for the active population over age 30. Overall inequality has been on the increase, partially due to the emergence of under-employment, and of government-assisted jobs, often paid under the minimum legal level for wages. In France, as in a number of other European countries, the proportion of married people has decreased. Cohabitation without marriage has been becoming a lifestyle and a common type of union among young people. In addition, more and more young people live with their parents or relatives and remain unmarried.

The family policy of the German Government is devoted to creating a framework in which families enjoy the freedom to have and raise children as they see fit. The promotion of family planning activities is designed to enable young couples to determine for themselves when they want to have children. The Government introduced child-raising allowance and child-raising leave to enable the parents to reconcile their child raising duties with gainful employment. Since 1996, single parents bringing up at least one child and married couples with at least 2 children could deduct from their income, for tax purposes, the costs of household help. Since 1997, the monthly family allowance for the first and the second child and the annual tax abatement for dependent children were raised.

Recently, the family-related measures of tax law and transfer law have been supplemented and further developed. In the case of the equalization of family benefits and the promotion of home ownership, they have been basically reformed. In their entirety these measures constitute an essential and effective contribution to help families in raising. New regulations of the Reform Law of the Childhood Law came into effect in 1998, removing any legal differences between children born in and out of wedlock. To equalize the burdens of families, the child allowance for the first and second child was increased. The Supreme Constitutional Court instructed the legislature to introduce stronger fiscal relief measures for families, and in particular to grant all families additional tax-free allowances for raising children, to be implemented

not later than early 2000. Before 2002, married couples with children should receive the same tax-free allowance for household management, which is currently granted only to a non-married parent.

In Italy, the Government has not been able to keep pace with a rapid increase in jobs for women in terms of legislation, facilities, and the organization of work and services to cater to the new position of women. In addition, family allowances for children have practically disappeared, while the economic cost of children has become much higher. The structure of the Welfare State has provided strong incentives to couples with very few or no children, while families with children experienced an extra tax burden. Only recently, the Government has become concerned with the problems the country is facing due to the very low fertility rate. Currently, the Italian Government gives priority to the implementation of social transfers in favour of children and youth, and of interventions in favour of families.

Throughout Eastern Europe, with political collapse and economic uncertainty, many women almost immediately stopped having children or decided to delay motherhood. Real incomes have declined in the region and are only slowly recovering, with larger gaps between rich and poor. At the same time, governments have cut back support for families with children, while services such as daycare centers have been privatized or have become more expensive. The demographic behavior of the population in countries of Eastern Europe has experienced a marked change after 1990, due to major societal shifts. A big shock has been the emergence of unemployment, accompanied by a decline in social and family services. That contributed to a dramatic decrease in fertility rates in the mid-1990s. In response, some Governments have recently adopted a family policy aimed at consolidating women's role as mothers and workers.

In the Russian Federation, where the number of marriages has declined and the number of divorces has risen, the total fertility rate declined from 2.1 in 1985-1990 to 1.3 children per woman in 1995-2000. The Government has taken measures to strengthen the family as an institution as well as to protect mothers and children. Currently, Russia has a State policy that addresses the needs of women, children and families with a focus on replacing State paternalism with the principle of partnership and equal representation. The Government has created a national action plan for women. A Family Code was adopted in 1995, which established norms in the area of family life, marriage protection, and the rights of children and orphans, and also ensured access to basic educational tools and facilities. Maternity leave has been extended and the number of women examined early in pregnancy has been increasing. Grants given to children and to women who look after children have been increased.

Since the 1960s, the Korean Government has implemented a successful family-planning programme, with a view towards breaking the "vicious cycle" of poverty caused by high population growth and low economic development. In the 1980s, however, as population growth slowed and the economy blossomed, new problems appeared, such as the disintegration of the family and population ageing. In response, the Government established its "New Population Policy" in 1996. The main concerns of the national family planning programme were shifted from the past policy of fertility reduction to a qualitative approach—the enhancement of quality of life and welfare services for the people. Among the directions of the New Population Policy are the maintenance of a balanced sex ratio through improvement of women's social status and gender equality, and a reduction in induced abortion.

In Japan, although opportunities for women in the workplace continue to be limited, they have more freedom to hold careers and thus have become more economically independent. As a result, more are choosing careers over marriage and parenting. Since 1950, the unmarried share of all Japanese women aged 25 to 29 has increased from one third to two-thirds. Other factors such as the cost of education and the lack of daycare centers and small homes in the cities are problems discouraging many young couples from raising large families. The Government has adopted a number of measures in response to the trend

of the country's falling fertility rate. In Japan, at the same time, measures to cope with the two interrelated demographic trends (ageing and the trend towards fewer children) have become a policy agenda. The Gold Plan for the elderly and the Angel Plan for children were formulated several years ago. Among other steps taken were the enactment of the Basic Law for a Gender-Equal Society, the reinforcement of the Equal Employment Opportunity Law, and the improvement of public child-care support systems. Actions such as these contributed to securing equal treatment for women and men in the area of employment and ensured that women would be more fully able to realize their potential. In addition, many Japanese companies provide financial gifts for first and second children. Some companies have begun offering a much higher financial bonus to any employee celebrating the birth of their third or later child.

b) Mortality crisis in countries of Eastern Europe and the former USSR

Falling mortality is becoming increasingly important as a determinant of further population ageing. Life expectancy has improved greatly over the last half century in the countries examined, with the exception of the Russian Federation. For example, Japan, from 1950-1955 to 1995-2000, has experienced a 16-year increase of life expectancy at birth. Despite the considerable progress that humanity has made in combating morbidity and mortality, the percentage of countries worldwide that consider their level of mortality to be unacceptable has decreased very little during the last quarter of the century. Obviously, the target level of countries with regard to life expectancy is increasing. Among the eight countries considered, only half view their life expectancy as acceptable (France, Germany, Italy and Japan). The United States Government in 1976 and 1983 considered it acceptable, but later shifted its view to unacceptable. This view is shared by three other countries: the Republic of Korea, the Russian Federation and the United Kingdom (see table 11).

With fertility being near constant, the extent of ageing and population growth will be determined by mortality shifts. The future of mortality rates is unknown. Will the very large increases in expectations of life that have occurred in the past quarter of the century continue? Or will they reverse?

Recently, mortality rates have increased in large parts of the European region, which includes the Russian Federation and the European parts of the former Soviet Union. Russia's population is dropping by almost a million per year not just because of very low fertility, but also because of sharply higher levels of mortality. The low life expectancy in these countries is due to a number of factors such as stress, pollution, malnutrition, and the reappearance of epidemic diseases such as diphtheria and cholera. Among conditions currently of major concern from the standpoint of health policy are infectious and parasitic diseases, AIDS, syphilis, circulatory diseases, and high levels of morbidity related to accidents, injuries and poisoning. From the consumption of low-quality alcohol, thousands of persons die every day in Russia. Many food products have deteriorated as well.

The current health situation in these countries has been adversely affected by the complex economic situation. The material base of the health sector is obsolete and health-care services have deteriorated sharply. During the transition period these countries have come up against the problem of large-scale poverty and growing social stratification. Difficulties exist in providing adequate social protection and health care because of structural changes in those sectors and widespread disruption of supplies of medical equipment and medicine. Many medical research centers have been left without proper financial support. The Russian Government has attempted to reform the health-care sector through privatization and promoting the private medical sector. Since 1993, Russia has been undergoing a transition from universal free medical services to a public health system based on compulsory and voluntary insurance. One of the main goals of reform is to establish compulsory health insurance financed through taxes and operated by both the state and the private sector.

In Russia, as in some other countries of Eastern Europe and the former USSR, the Government is particularly concerned with rising mortality among males in the economically active ages, which in the case of the Russian Federation is four to five times higher than female mortality. Russia has the lowest life expectancy for males among developed countries and the largest disparity in the world between male and female life expectancy, which was recently 13.5 years.

In 1997, the Russian Government adopted a programme of action for overcoming the existing demographic crisis in the country. Policy on health, morbidity and mortality has been further developed in recent years in several Decisions of the Government: "Concept of improvement of the status of women in the Russian Federation"; "Plan of Action for the improvement of the status of children in the Russian Federation in 1995-1997"; "National plan of action for the improvement of the status of women and enhancement of their role in the society till 2000"; and the Decree of the President of the Russian Federation "On the extension of the President's Programme—Children of Russia".

c) Migration policies

Permanent migration policies

The current policies of most countries are not favorable towards permanent migration. Those countries that accept permanent migrants have become increasingly selective in deciding which types of immigrants to admit. A characteristic policy of many developed countries has been to restrain migration. Moreover, until recently, ageing has not triggered any change in restrictive policies. Among the 57 countries with below replacement level fertility, only three countries (Singapore, Republic of Moldova and the Russian Federation) reported that they had a policy to raise immigration, 46 per cent (26 countries) had a policy to maintain it and 32 per cent (18 countries) to lower immigration, while 18 per cent (10 countries) reported a policy of no intervention (see table 5). In 1999, of the eight selected countries, with the exception of the Russian Federation, which seeks to increase the inflow of former compatriots, emigrants, and migrant-investors, four countries—Italy, Japan, the Republic of Korea and the United States—had a policy to maintain and 3 other countries—France, Germany and the United Kingdom—to lower permanent immigration (see table 13).

The immigration policies in the traditional countries of immigration, Australia, Canada, New Zealand and the United States of America, have changed over the years and continue to evolve. Their policies have also a tendency towards greater selectivity and increased emphasis on economic needs and conditions in the receiving country. Higher priority is being given to skilled, educated immigrants; fewer slots are available for unskilled workers. Even in the family reunification category, employability is becoming a more important consideration.

In a number of countries, especially in Europe, foreigners have been permitted to bring family members to join them in the host country, and they have established communities and ethnic networks, but most are not allowed full participation in the social and political life of the host country. Another type of permanent migration consists of repatriation of certain foreign residents who emigrated at some earlier time. The descendants of these emigrants may qualify for admission. Among the countries that accept immigrants according to ethnic origin are Germany, Italy and Japan. A final category of permanent migrants consists of investors, or business immigrants, who bring capital to the country of destination. Programmes in most traditional countries of immigration seek to attract investors and entrepreneurs, provided that they meet financial requirements and establish businesses that create jobs for native workers.

In the 1990s, all the countries that traditionally receive immigrants have made adjustments in their immigration policies, often as a response to the popular perception that immigrants are a net cost to the

receiving society. Most of the changes have reinforced the tendency to limit immigrant intakes. Some countries have imposed more selective admissions criteria, others have addressed qualifications for family reunification, either by limiting the categories of eligible relatives or by requiring family sponsors to accept more responsibility for their immigrating relatives.

Very recently, some countries have come to realize the significance of attracting immigrants to offset the effects of an aging population, low birth rate and shrinking work force. Some Governments have introduced policies to increase the inflow of skilled workers. The French Government wishes to increase the inflow of qualified migrants, particularly in the scientific, cultural, or technological field. The German Government wishes to increase the inflow of students. The policy of the United Kingdom Government on immigration is also to welcome students and, in addition, to support family life by admitting the spouses and minor dependent children of those already settled in the United Kingdom.

To address the problem of ageing, the Canadian Government has set an ambitious target of 300,000 immigrants a year, a 50 per cent increase from the current level. The new legislation to make it easier for immigrants to enter Canada is expected to pass this year. It would drop the "occupations list" that awards points to immigrants with specific skills. The changes would put a higher premium on family reunification by increasing the dependent-children category to include youths as old as 22 (the current limit is age 19). The Government is also promoting a proposal that would give each Canadian a one-time "free pass" card to sponsor any blood relative, no matter how far removed on the family tree. Some Canadian provinces in particular need of workers are making use of the 1998 measures that let provinces accept immigrants based on local needs even if the applicants do not meet the federal test.

Germany, as many other European countries, does not pursue a policy aimed at the permanent settlement of foreigners. When the Federal Government started to recruit foreign workers in 1955, all persons concerned assumed that the workers would stay for a limited period of time. However, the Government realized that many foreigners intended to stay in the country permanently. In 1973 the Federation and Federal Lander decided that, as a rule, the recruitment of foreign workers was to be discontinued. In 1981, the Federal Cabinet decided to prevent the further immigration of non-EU nationals. When the asylum compromise was reached in 1992, the parliamentary groups agreed that ways of limiting and controlling immigration should be considered nationally and that negotiations regarding immigration should be continued on the European level.

German policy toward ethnic Germans has also changed significantly. Before 1990, their home Governments were urged to let ethnic Germans emigrate. In the 1990s, the ethnic Germans have been given assistance so they can remain where they are. Eligibility to return has been narrowed several times. In 1993, an annual quota of 220, 000 a year was introduced, and only ethnic Germans from the former USSR were presumed to have been persecuted because of their German heritage; ethnic Germans from other countries would have to prove persecution individually. In 1996, a German language test was introduced as a measure of German identity, with no possibility to repeat the test. One reason for tightening restrictions on the arrival of ethnic Germans is the perception that the 1990s arrivals were not sufficiently German and were likely to have difficulty integrating into Germany. Unemployment rates that were often as high as those of foreign guest workers led some Germans to consider ethnic Germans to be difficult to integrate foreigners.

Labour migration policies

In 1999, of the eight countries considered, only Italy had a policy to raise the entry of persons on non-permanent work permits; six others—France, Japan, the Republic of Korea, the Russian Federation, the United Kingdom, and the United States had a policy to maintain the flow, while Germany had a policy to

lower the entry of persons on work permits as well as their dependants. Six countries in the group had a policy to maintain the entry of dependants of persons on work permits, while the Russian Federation had a policy of non intervention (see table 16).

Major policy issues in the area of labour migration in the 1990s included controlling the number of immigrants admitted as foreign workers and ensuring that contract workers return to their home countries after the expiration of their contracts. Short of integration efforts, protecting the rights of migrant workers has also been a major policy concern. Policy considerations in countries of both origin and destination are weighed heavily against the cost-benefit analyses of importing and exporting labour. Recourse to temporary foreign workers is designed to meet immediate manpower shortages related to specific activities. In certain countries, this type of migration serves as a means of counteracting undocumented migration, with its accompanying integration costs.

For receiving countries, the benefits of unskilled and semi-skilled foreign labour that fills dirty, dangerous, demanding and low-paying jobs, often unwanted by the local population, are mitigated by some costs. In sending countries, the benefits—potential knowledge transfer and remittances—are weighed against the numerous costs—particularly the brain drain. Indeed, the drain of students and highly educated individuals may compromise the establishment of an intellectual and research pool in the sending country.

In the European Union, an immigration plan has been proposed that would open a labour migration channel with the goal of reducing the number of asylum seekers; countries could decide whether to accept labour migrants as workers or as immigrants. All labour migrants would have to have identity papers and work contracts with the European Union employers who paid taxes on their wages. It is believed that an active immigration policy could reduce the number of asylum-seekers and illegal refugees. The European Union has made an expansive family unification regulation that would recommend that member states permit spouses and minor children to join settled foreigners abroad after one year's residence, as well as grandparents and aunts and uncles in some cases.

In Germany, high illegal employment has disturbed the order in the labour market and thus has been an obstacle to the improvement of the employment situation of the unemployed. Therefore, apart from sanctions against illegal workers themselves, there are above all a wide range of sanctions against employers who illegally employ workers. Recently, an Immigration Commission has been established to introduce an active immigration policy in order to have greater control over those entering the country. Some politicians want to limit the number of foreigners arriving in Germany to current levels. The Government would like to give immigration a predictable form and favor those immigrants who can make a contribution to the economy rather than being a burden to the taxpayers.

Chancellor Schroeder announced this year that his Government intends to issue special work permits ("Green Cards") to computer specialists from Asia and Eastern Europe to ease the shortage of such specialists in German industry, while the country still had more than 4 million people unemployed. Business leaders claim that there are about 75,000 vacancies in the Information Technology (IT) sector which cannot be filled with specialists available on the German or the European Union labour markets. The Government intends to start by giving work permits to up to 30,000 foreign specialists from European Union countries, with contracts limited to a period between three to six years. The Government planned to issue five-year residence and work permits for foreign computer professionals arriving in Germany, so that a foreigner could change jobs and remain in Germany. However, some states announced that foreigner computer specialists there would receive "blue cards" that would link the duration of their residence permits to their work contracts.

In Italy, although the unemployment rate is 11 per cent, the Government believes that all conditions exist for the country to increase the quota of immigrants. This perception is based on the fact that the country needs a labour force and its population is growing old very rapidly. Italy granted legal status to 56,5000 unauthorized foreigners in 1999 after they found an employer to provide them with a formal sector job, or found a sponsor to provide them with housing and at least \$3,000 a month in support. The quota for 2000 is 63,000 regularizations, and it was reached already in June 2000. The Italian Parliament, under pressure from northern Italian businesses complaining of labour shortages is expected to increase that number by another 30,000. Some politicians assert that Italy needs immigration, and should accept immigrants via front-door legal immigration rather than legalizing some of the illegals in the country. Others assert that, if Italy does not open the door wider to legal immigrants, it will be strengthening the hand of smugglers and traffickers. Finally, rightist opposition parties oppose legal immigration and amnesties, referring to the amount of crime committed by immigrants.

The policy of the United Kingdom is to grant entry to persons on non-permanent work permits and their dependants who qualify for periods of work. Regarding entry of undocumented or illegal migrants, the Government aims to detect and remove those entering or remaining in the United Kingdom without authority and take firm action against those profiting from abuse of the immigration laws. The United Kingdom intends to resume "economic migration" this year for the first time since 1971. The immigration Minister declared that the United Kingdom and Europe must "be ready to think imaginatively about how migration can meet economic and social needs." The United Kingdom Department for Education and Employment's overseas labour division started advertising a fast-track entry to Britain for people with IT and other specialist skills.

The Government may also relax immigration rules for some immigrants. Under current rules, foreigners must buy a British company for at least L200, 000 that they will actively manage, or invest L1 million, to reside in Britain. The Government is considering implementing a limited version of the Canadian points system. The Canadian system awards points for occupation, education and knowledge of English and French; some foreigners can immigrate even if they do not have a job offer from a Canadian employer. The United Kingdom Government believes that the system is fairer than the American "greencard" system.

In the Republic of Korea, in 1994, the Government introduced an "industrial trainee system" to fill vacant 3D (dirty, dangerous and difficult) jobs, upon which foreigners come to Korea for three years as trainees. The ruling Millennium Party, over the objections of the Korea Federation of Small Businesses (KFSB), intends to convert the current system for foreign trainees into a migrant worker programme. The FSB argues that converting trainees, who are paid less than the minimum wage, into guest workers would increase labour costs and reduce their competitiveness. The Government has released a policy direction report intended to "lay an institutional groundwork to allow foreigners to work as regular employees." A Committee for Employment of Foreign Workers would be established to regulate the new programme.

In Japan, with respect to terms of entry and stay of migrant workers (and their dependants), the Government adopted the Eighth Employment Measures Basic Plan in 1995. According to this Plan, from the viewpoint of activating and internationalizing Japanese economy and society, the Government would give as much consideration as possible to accept foreign workers in professional or technical fields. Also, the examination criteria of qualifications for residence in Japan should be reviewed in accordance with changes in the economic and social situation.

On the other hand, concerning the acceptance of unskilled workers, there is anxiety that it could cause a wide range of effects on the Japanese economy and society such as pressure on older Japanese workers,

for whom employment opportunities are rather limited; a new dual structure in the labour market; unemployment as a result of business fluctuations; and new social expenses.

Based on these policies, the Government is making an effort to regulate enterprises employing foreign workers. The Government also tries to improve the system for accepting foreign workers by elaborating and improving systems of employment placement and counseling for foreign job seekers in Public Employment Offices and providing guidance and assistance to employers to improve employment management. For workers of Japanese descent, in particular, the Government tries to secure proper employment for them by improving public employment channels and employment management.

CONCLUSION

The analysis of Government views and policies shows that more and more countries are concerned with the potential consequences of population decline and the significant increase in the population of their older citizens. The recent report on replacement migration based on the United Nations estimates and projections has increased the awareness of Governments of the coming challenges in the near and long-term future: namely, that societies could suffer profound economic, social and political consequences. Governments are especially concerned with the current and growing potential issues of social security, health care costs, and labour shortages.

Past policies and measures related to population ageing show that demographics were not taken into consideration when economic and social policies were formulated, for example, in relation to pension payments or retirement age. Therefore, some measures taken in this regard have often been inconsistent and brought opposite results to the countries' interests. For example, many Governments desire to increase the retirement age, although the trend has been towards its decreasing. Many countries want to solve ageing issues, but at the same time experience high unemployment. In some countries, the existing tax burdens have been higher for families with children, in conditions with rapidly falling fertility.

Among the current common adjustments to population ageing have been: gradually increasing the age at which workers become eligible for retirement benefits (Japan, Germany); equalizing retirement ages for men and women by raising the retirement age for women (United Kingdom), restricting access to early retirement benefits (Germany, Italy); reducing benefits (Germany, Japan, Italy).

Many Governments try to increase incentives for people either to delay accepting retirement benefits or to continue working after they have started to receive them. To boost employment among older workers, Austria has taken a number of measures, including a bonus system to award firms for employing older workers. In addition, the development of a new culture of voluntary work plays a special part in new old age policies (the United States, Austria).

Some Governments and businesses already try to adapt to a labour market in which many new jobs will have to be filled with retrained older workers instead of newly trained young ones. They are considering introducing "lifelong learning" policies to help older workers keep up with the increasing demands of the economy. (Germany, the Republic of Korea).

More and more Governments are seeking a more comprehensive approach to the issues. They look at ageing as a lifelong process and try to solve the issues of youth as well. Governments try to introduce "life-long learning", training of multi-skilled workers, greater flexibility and mobility, changing job structures, building flexible production systems, appropriate work organization and options for gradual transition to retirement.

In the area of health and long-term care, most developed countries are experimenting with home health benefits. An important policy direction of many Governments is the promotion of community participation in older people's health care and social services. Others have also introduced care insurance schemes, which compensate caregivers for the work they do.

A number of Governments consider it preferable to raise fertility rather than to substantially increase the flow of immigrants. However, previous attempts in this direction were not effective and usually had only a temporary effect. Recently, Government policies are shifting to a more comprehensive approach. Among different types of Government interventions regarding the family and fertility are fiscal policy (child-raising allowances, tax incentives, bonuses), creating conditions, which allow parents to combine work with family life, and raising children, and providing services to assist parents in children's care.

Moreover, a number of Governments see it necessary to change the attitude of society towards children, to enhance their value and to help families more substantially in raising and educating children. They also see the importance of further changing gender relations both in the family and at work, and in particular stimulating participation of both parents in raising children. The trend is that the Governments are becoming more concerned not with population numbers but with the well-being of families, with enabling parents to have as many children they want, and with providing better education and training.

Some European countries have focused on helping families and working mothers by Government subsidized education and housing, and giving tax reductions according to the number of children, promoting an equal sharing of care giving responsibilities between men and women and a better reconciliation of working and care giving responsibilities (Norway, Sweden). The Russian Government has also taken measures to strengthen the family as an institution as well as to protect mothers and children.

A number of Governments turn to international migration to help stem both the overall declines and declines in population size, especially of the working-age population. A characteristic policy of many developed countries has been to restrain migration. Moreover, until recently, ageing has not triggered any change in restrictive policies. Some Governments and the European Union as a whole are shifting to more open borders, and, at the same time better regulation in order to get immigrants more suitable to their economies. In the European Union, an immigration plan has been proposed that would open a labour migration channel with the goal of reducing the number of asylum seekers and illegal migrants.

Governments have more and more a selective approach to accepting immigration. They are increasingly interested in certain types of immigrants, in young and skilled ones. The changing labour market is pushing Governments of the developed countries for such a change in policies. Recently, some countries have come to realize the significance of attracting immigrants to offset the effects of an ageing population, low birth rates and a shrinking work force and have introduced policies to increase the inflow of skilled workers. Some countries already have a comprehensive and coordinated approach towards immigration, including age-related selection criteria for some categories of immigrants. Immigration is seen by Governments sometimes as an easier solution because they can see the results quicker and with less cost. However, it is recognized by many Governments that, to ease the issues of ageing in developed countries, permanent large immigrant flows would be needed. This leads those Governments to temporary contract arrangements, what may lead, however, to permanent settlement. At the same time, the Governments are concerned with the issues of integrating large numbers of immigrants. In many cases, public perception of migration is a critical issue, which drives the Government policy.

Some Governments rely more on internal resources. First, the potential increase of work productivity in the future with a shrinking labour force. Another option considered by a number of Governments is

improving the use of existing labour resources and involving youth, women, and older persons in productive life. For this purpose, different types of interventions are used: the creation of certain types of jobs, introduction of flexibility in the organization and regime of work (including part time work) the introduction of a shorter working week. Such measures would encourage older persons as well to continue working.

Obviously, the number of measures is as multiple and complex as the issue of ageing itself, which affects all aspects of life in society and includes all stages of human life. Therefore, there cannot be one solution to the complex issue of population ageing. It is obvious, however, that in each case there should be a mix of comprehensive approaches and measures.

Table 1. Governments' views of population growth rate, 1974-1999 (PERCENTAGE OF COUNTRIES)

					Number of
Year	Too high	Satisfactory	Too low	Total	countries
World					
1974	27.6	47.4	25.0	100.0	156
1983	36.3	45.2	18.5	100.0	168
1993	43.7	45.3	11.0	100.0	190
1999	41.0	44.0	15.0	100.0	193

Table 2. Governments' views of population growth rate, by level of development, 1983-1999 (*PERCENTAGE OF COUNTRIES*)

					Number of
Year	Too high	Satisfactory	Too low	Total	Countries
More developed regions					
1983	0.0	69.2	30.8	100.0	39
1993	1.8	85.7	12.5	100.0	56
1999	2.1	62.5	35.4	100.0	48
Less developed regions					
1983	47.3	38.0	14.7	100.0	129
1993	61.2	28.4	10.4	100.0	134
1999	53.8	37.9	8.3	100.0	145

Table 3. Governments' policies on population growth rate, 1974-1999 (PERCENTAGE OF COUNTRIES)

				No		Number of
Year	Lower	Maintain	Raise	Intervention	Total	countries
World						
1974	25.0	0.0	19.9	55.1	100.0	156
1983	25.6	13.5	19.0	41.9	100.0	168
1993	37.9	13.1	11.6	37.4	100.0	190
1999	38.8	8.3	10.5	42.4	100.0	193

Table 4. Governments' policies on population growth rate, by level of development, 1983-1999 (PERCENTAGE OF COUNTRIES)

				No		Number of
Year	Lower	Maintain	Raise	Intervention	Total	Countries
More developed regions						
1983	0.0	28.2	30.8	41.0	100.0	39
1993	1.8	33.9	16.1	48.2	100.0	56
1999	2.1	10.4	22.9	64.6	100.0	48
Less developed regions						
1983	33.3	9.3	15.5	41.9	100.0	129
1993	53.0	4.5	9.7	32.8	100.0	134
1999	51.0	7.6	6.2	35.2	100.0	145

Table 5. population growth rates, total fertility rates, and government views and policies on population growth, fertility and immigration

	Annual	Total						
	growth	fertility						
	rate	rate	Popula	ation growth	Fe	rtility	Imm	igration
	(percentage)	(per woman)	View	Policy	View	Policy	View	Policy
Country	1995	-2000		1999		999	1999	
Africa								
Eastern Africa								
Mauritius	0.8	1.9	Satisfactory	Lower the rate	Satisfactory	No intervention	Satisfactory	No intervention
Asia								
Eastern Asia								
China	0.9	1.8	Too high	Lower the rate	Satisfactory	Maintain	Satisfactory	Maintain
Japan	0.2	1.4	Satisfactory	No intervention	Too low	No intervention	Satisfactory	Maintain
DPR of Korea	1.6	2.1	Satisfactory	No intervention	Satisfactory	Maintain	Satisfactory	Maintain
Republic of Korea	0.8	1.7	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain
Sri Lanka	1.0	2.1	Too high	Lower the rate	Satisfactory	Lower	Satisfactory	Lower
South-eastern Asia								
Singapore	1.4	1.7	Satisfactory	Maintain the rate	Too low	Raise	Satisfactory	Raise
Thailand	0.9	1.7	Satisfactory	No intervention	Satisfactory	Maintain	Too high	Lower
Western Asia								
Armenia	-0.3	1.7	Too low	Raise the rate	Too low	Raise	Too high	Lower
Azerbaijan	0.5	2.0	Satisfactory	No intervention	Satisfactory	Maintain	Satisfactory	No intervention
Cyprus	1.1	2.0	Too low	No intervention	Too low	Raise	Too high	Lower
Georgia	-1.1	1.9	Too low	No intervention	Too low	Raise	Satisfactory	No intervention
Europe								
Eastern Europe								
Belarus	-0.3	1.4	Too low	Raise the rate	Too low	Raise	Too high	Lower
Bulgaria	-0.7	1.2	Too low	Raise the rate	Too low	Raise	Satisfactory	Maintain
Czech Republic	-0.2	1.2	Satisfactory	No intervention	Too low	Raise	Too high	Maintain
Hungary	-0.4	1.4	Too low	Raise the rate	Too low	Raise	Too high	Maintain
Poland	0.1	1.5	Too low	Raise the rate	Too low	Raise	Satisfactory	Maintain

	Annual	Total						
	growth	fertility						
	rate	rate	Popula	ation growth	Fe	ertility	Imm	igration
	(percentage)	(per woman)	View	Policy	View	Policy	View	Policy
Country	1995	-2000		1999	1	1999	1	999
Republic of Moldova	0.0	1.8	Too low	Raise the rate	Satisfactory	No intervention	Too low	Raise
Romania	-0.4	1.2	Too low	Raise the rate	Too low	Raise	Satisfactory	Maintain
Russian Federation	-0.2	1.4	Too low	Raise the rate	Too low	Raise	Too high	Raise
Slovakia	0.1	1.4	Too low	Raise the rate	Too low	Raise	Satisfactory	Lower
Ukraine	-0.4	1.4	Too low	Raise the rate	Too low	Raise	Too low	Maintain
Northern Europe								
Denmark	0.3	1.7	Satisfactory	No intervention	Satisfactory	No intervention	Too high	Lower
Estonia	-1.2	1.3	Too low	No intervention	Too low	No intervention	Satisfactory	Maintain
Finland	0.3	1.7	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain
Iceland	0.9	2.1	Satisfactory	Maintain the rate	Satisfactory	Maintain	Satisfactory	No intervention
Ireland	0.7	1.9	Satisfactory	No intervention	Satisfactory	Maintain	Satisfactory	Maintain
Latvia	-1.5	1.3	Too low	No intervention	Too low	Raise	Too high	Maintain
Lithuania	-0.3	1.4	Too low	Raise the rate	Too low	Raise	Satisfactory	Maintain
Norway	0.5	1.9	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain
Sweden	0.3	1.6	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain
United Kingdom	0.2	1.7	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Lower
Southern Europe								
Bosnia & Herzegovina	3.0	1.4	Too low	No intervention	Too low	No intervention	Satisfactory	No intervention
Croatia	-0.1	1.6	Satisfactory	Raise the rate	Too low	Raise	Satisfactory	No intervention
Greece	0.3	1.3	Too low	No intervention	Too low	No intervention	Satisfactory	Lower
Italy	-0.0	1.2	Satisfactory	No intervention	Too low	No intervention	Satisfactory	Maintain
Malta	0.7	1.9	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Lower
Portugal	0.0	1.4	Too low	No intervention	Too low	No intervention	Satisfactory	Lower
Slovenia	-0.1	1.3	Too low	Raise the rate	Too low	Raise	Too high	Lower
Spain	0.0	1.2	Satisfactory	No intervention	Too low	No intervention	Satisfactory	Maintain
TFYR Macedonia	0.6	2.1	Too high	Lower the rate	Too high	Lower	Too high	Lower
Yugoslavia	0.1	1.8	Satisfactory	Maintain the rate	Satisfactory	Maintain	Too high	No intervention
Western Europe								
Austria	0.5	1.4	Too low	No intervention	Too low	Raise	Too high	Lower
Belgium	0.1	1.6	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain
France	0.4	1.7	Satisfactory	No intervention	Too low	No intervention	Too high	Lower

	Annual	Total						
	growth	fertility						
	rate	rate	Popula	ntion growth	Fe	rtility	Imm	igration
	(percentage)	(per woman)	View	Policy	View	Policy	View	Policy
Country	1995	-2000	1999		1999		1999	
Germany	0.1	1.3	Satisfactory	No intervention	Too low	No intervention	Too high	Lower
Luxembourg	1.1	1.7	Satisfactory	Maintain the rate	Too low	Raise	Too high	Lower
Netherlands	0.4	1.5	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	No intervention
Switzerland	0.7	1.5	Satisfactory	No intervention	Too low	No intervention	Too high	Lower
Latin America and the Carib	ahaan							
Caribbean	Jocan							
Bahamas	1.8	2.6	Satisfactory	No intervention	Too high	Lower	Satisfactory	No intervention
Barbados	0.5	1.5	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	No intervention
Cuba	0.4	1.6	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain
Trinidad and Tobago	0.5	1.7	Too high	Lower the rate	Too high	Lower	Satisfactory	Maintain
Northern America								
Canada	1.0	1.6	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain
United States of	0.8	2.0	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain
America								
Oceania								
Australia	1.0	1.8	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain
New Zealand	1.0	2.0	Satisfactory	No intervention	Satisfactory	No intervention	Satisfactory	Maintain

Table 6. Governments' views of population growth rate in eight countries, 1974-1999

Year	France	Germany	Italy	Japan	Republic of Korea	Russian Federation	United Kingdom	United States
1974	Too low	Satisfactory	Satisfactory	Satisfactory	Too high	Too low	Satisfactory	Satisfactory
1983	Too low	Too low	Satisfactory	Satisfactory	Too high	Too low	Satisfactory	Satisfactory
1993	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory
1999	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Too low	Satisfactory	Satisfactory

Table 7. Governments' policies on population growth in eight countries, 1974-1999

					Republic of	Russian	United	United
Year	France	Germany	Italy	Japan	Korea	Federation	Kingdom	States
1974	Raise	No intervention	No intervention	No intervention	Lower	Raise	No intervention	No intervention
1983	Raise	No intervention	Maintain	No intervention	Lower	Raise	No intervention	No intervention
1993	Raise	No intervention	No intervention	No intervention	Lower	No intervention	No intervention	No intervention
1999	No intervention	Raise	No intervention	No intervention				

Table 8. Governments' views on the age-composition and the ageing of the population in eight countries, 1999

Variable	France	Germany	Italy	Japan	Republic of Korea	Russian Federation	United Kingdom	United States
Age-groups:	Minor	Major	Not a	Major	Minor	Major	Minor	Not a
Toutif	concern	concern	concern	concern	concern	concern	concern	concern
Working-age population	Minor concern	Major concern	Not a concern	Major concern	Major concern	Major concern	Minor concern	Not a concern
Older persons	Major concern	Major concern	Minor concern	Major concern	Major concern	Major concern	Minor concern	Not a concern
Population ageing	No official position	Major concern	Minor concern	Major concern	Major concern	Major concern	Minor concern	No official position

Table 9. Governments' views on fertility level in eight countries, 1976-1999

Year	France	Germany	Italy	Japan	Republic of Korea	Russian Federation	United Kingdom	United States
1976 1983 1993	Too low Too low Too low	Too low Too low Too low	Satisfactory Satisfactory Satisfactory	Satisfactory Satisfactory Too low	Too high Too high Satisfactory	Satisfactory Satisfactory Too low	Satisfactory Satisfactory Satisfactory	Satisfactory Satisfactory Satisfactory
1999	Too low	Too low	Too low	Too low	Satisfactory	Too low	Satisfactory	Satisfactory

Table 10. Governments' policies on fertility in eight countries, 1976-1999

					Republic of	Russian	United	United
Year	France	Germany	Italy	Japan	Korea	Federation	Kingdom	States
1976	Raise	No intervention	No intervention	No intervention	Lower	Maintain	No intervention	No intervention
1983	Raise	No intervention	No intervention	No intervention	Lower	Raise	No intervention	No intervention
1993	Raise	No intervention	No intervention	No intervention	Maintain	No intervention	No intervention	No intervention
1999	No intervention	Raise	No intervention	No intervention				

Table 11. acceptability of life expectancy in eight countries, 1976-1999

					Republic of	Russian	United	United
Year	France	Germany	Italy	Japan	Korea	Federation	Kingdom	States
1976	Unacceptable	Acceptable	Unacceptable	Acceptable	Unacceptable	Unacceptable	Unacceptable	Acceptable
1983	Acceptable	Acceptable	Unacceptable	Acceptable	Unacceptable	Acceptable	Unacceptable	Acceptable
1993	Acceptable	Acceptable	Acceptable	Acceptable	Unacceptable	Unacceptable	Unacceptable	Unacceptable
1999	Acceptable	Acceptable	Acceptable	Acceptable	Unacceptable	Unacceptable	Unacceptable	Unacceptable

Table 12. Governments' views on immigration level in eight countries, 1976-1999

Year	France	Germany	Italy	Japan	Republic of Korea	Russian Federation	United Kingdom	United States
1976	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Too high	Satisfactory
1983	Too high	Too high	Too high	Satisfactory	Satisfactory	Satisfactory	Too high	Too high
1993	Too high	Too high	Satisfactory	Satisfactory	Satisfactory	Too high	Too high	Satisfactory
1999	Too high	Too high	Satisfactory	Satisfactory	Satisfactory	Too high	Satisfactory	Satisfactory

Table 13. Governments' policies on immigration in eight countries, 1976-1999

Year	France	Germany	Italy	Japan	Republic of Korea	Russian Federation	United Kingdom	United States
1976	Maintain	Maintain	Maintain	Maintain	Maintain	Maintain	Lower	Maintain
1983	Lower	Lower	Raise	Maintain	Maintain	Maintain	Lower	Maintain
1993	Lower	Lower	Maintain	Maintain	Lower	Lower	Lower	Maintain
1999	Lower	Lower	Maintain	Maintain	Maintain	Raise	Lower	Maintain

Table 14. Governments' views on emigration level in eight countries, 1976-1999

Year	France	Germany	Italy	Japan	Republic of Korea	Russian Federation	United Kingdom	United States
1976	Satisfactory	Satisfactory	Too high	Satisfactory	Too low	Satisfactory	Satisfactory	Satisfactory
1983	Satisfactory	Satisfactory	Satisfactory	Too low	Too low	Satisfactory	Satisfactory	Satisfactory
1993	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Too low	Too high	Satisfactory	Satisfactory
1999	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory

Table 15. Governments' policies on emigration in eight countries, 1976-1999

Year	France	Germany	Italy	Japan	Republic of Korea	Russian Federation	United Kingdom	United States
1976	Maintain	Maintain	Lower	Maintain	Raise	Maintain	Maintain	Maintain
1983	Maintain	Maintain	Lower	Raise	Raise	Maintain	Maintain	Maintain
1993	Maintain	No intervention	No intervention	No intervention	Raise	Lower	No intervention	No intervention
1999	Raise	No intervention	No intervention	No intervention	Maintain	No intervention	No intervention	No intervention

Table 16. Governments' views and policies on international migration in eight countries, 1999

					Republic of	Russian	United	United
Variable	France	Germany	Italy	Japan	Korea	Federation	Kingdom	States
Immigration								
View	Too high	Too high	Satisfactory	Satisfactory	Satisfactory	Too high	Satisfactory	Satisfactory
Policy								
Immigration for permanent settlement	Lower	Lower	Maintain	Maintain	Maintain	Raise	Maintain	Maintain
Entry of persons on non- permanent work permits	Maintain	Lower	Raise	Maintain	Maintain	Maintain	Maintain	Maintain
Entry of dependants of persons on work permits	Maintain	Lower	Maintain	Maintain	Maintain	No intervention	Maintain	Maintain
Entry of refugees	Maintain	Lower	Maintain	Maintain	Maintain	Lower	Maintain	Maintain
Entry of asylum-seekers	Maintain	Lower	Maintain	Maintain	Maintain	Halt	Maintain	Maintain
Entry of undocumented or illegal migrants	Halt							
Integration of non-nationals	Yes	Yes	Yes	No intervention	No intervention	Yes	Yes	Yes
Emigration								
View	Satisfactory							
Policy	Raise	No intervention	No intervention	No intervention	Maintain	No intervention	No intervention	No intervention
Encouraging the return of nationals	No intervention	Yes	No intervention	No intervention				