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QUESTIONNAIRE ON THE GREEN PAPER "CONFRONTING DE-MOGRAPHIC CHANGE: A NEW SOLIDARITY BETWEEN GENERA-<u>TIONS</u>"

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REPLY OF THE DANISH GOVERNMENT

Introduction

Do you take the view that the discussion of demographic trends and managing their impact should take place at European level?

"Discussions on the demographic challenges, the Lisbon criteria, employment rates, and the overall economic growth of Europe could and should be pursued at the European level. But it seems unlikely that the area needs an actual framework in addition to existing structures and fora.

The actual managing of the impact of demographic trends is a question of national competencies and a matter of national agreements between the social partners. However, demographic aspects should be integrated into the European activities aimed at employment, growth and social inclusion."

If so, what should be the objectives, and which policy areas are concerned?

"It is important to analyse the development in demographic trends especially concerning the impact on the labour market, the labour force and the groups outside the labour force (young in education, persons on early retirement, senior citizens etc.). The objectives should include breaking down the gender segregated labour market and advancing the availability of affordable childcare facilities to enhance the labour force and promote the mobility on the labour market.

Analytically it is important to compare the demographic development trends between the countries in EU. Furthermore it is important to analyse demographic development trends in the EU compared to USA.

The focus of such analyses could be development in different target groups in the labour market. For example, development in the different age groups of the labour force, the development in the share of women on the labour market, the development in the share of immigrants on the labour market, the development in the spread of different education groups (unskilled, skilled and higher educated) on the labour market and the development in the share of people that is not included in the labour force.

Furthermore it could be relevant to compare the different countries' policy solutions to demographic development trends. For example labour market, pension system etc."

1. The challenges of European demography.

1.1 The challenge of a low birth rate.

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

1.1.1 How can a better work/life balance help to tackle the problems associated with demographic ageing?

"At the moment, the main task is to obtain a better work/life balance for the older workforce. A better work/life balance for the older workforce will probably contribute to raise the retirement age, and thus help to answer the demographic challenge. A better work/life balance for older persons could perhaps be obtained by wider use of gradual retirement.

It is important to make it possible for people with reduced working capacity to work part time by giving enterprises financial support in order to make them to employ people with reduced working capacity.

The labour market should be more flexible to make the working force stay longer.

See also the answer to question 2.3.1"

1.1.2 How can a more balanced distribution of household and family tasks between men and women be encouraged?

"It is very important to secure a more equal distribution of household and family tasks. The public sector shall provide a frame that enables the family to make their own decisions about household and work. The frame to secure this are e.g. good day care, flexible workplaces (e.g. workplace at home), security in the families daily lives etc.

A more balanced distribution of household and family tasks between men and women could be conveyed through "parental funds", which most parts of the Danish labour market have recently negotiated. Employers now equally share the costs of people taking parental leave. These funds are a way to facilitate an equal division of the tasks between men and women by setting an adequate financial basis for the possibility of both maternal *and* paternal leave while maintaining contact with the labour market.

Statistics show that women in Denmark still take on much of the family tasks even though the rate of women on the labour market in Denmark is very high. Information and a change of attitude are therefore very important to secure equality between men and women." 1.1.3 Should the award of certain benefits or advantages (leave, etc.) be linked to an equal distribution of tasks between the sexes? How best to ensure an adequate income for both parents on parental leave?

"The Danish Government holds the opinion that parental leave should comply with the demands of the individual family. A flexible parental leave, which provides parents with a real option of both having time to spend with their children and being able to work, will encourage men to take advantage of their rights. The "parental funds" enable and encourage an equal distribution of family tasks, but it should not be mandatory.

People who meet the employment requirement in the Danish Maternity Act are entitled to maternity leave with daily cash benefit according to the Act on Daily Cash Benefit in the Event of Sickness or Birth. The Danish Government's Maternity Fund Committee has estimated that at least 70 pct. of wage earners have a right to have a wage during maternity leave. In most cases at least 4 weeks before and 14 weeks after giving birth.

For companies with few employees, the possibility of paying a wage to the employee during leave depends on funds created to equalize the expenses. During this year's agreement negotiation in the labour market, most of the labour market has made agreements about maternity-funds. The Government is currently preparing an Act on Maternity Funds for the rest of the labour market.

The goal is to promote equality between the male and female dominated areas of the labour market in the private sector. This will contribute to equalization between men and women because women will not be seen as a cost for the company in terms of leave."

1.1.4 How can the availability of child care structures (crèches, nursery schools, etc.) and elderly care structures be improved by the public and private sectors?

"The availably of child care is very important. In Denmark most children are in public or private day care. The availability of day care is regulated by the Danish legislation, and the Danish local municipalities shall by law make day-care available for all children.

The local communities can also provide after school care, for older children, where the children can stay until their parents leave work.

Danish elder care is founded on the principle of free, equal access to care. This means that all residents in Denmark have direct access to various services if they become unable to cope on their own because of temporary or permanent impairment of physical or mental capacities. Older people are allocated help and assistance on the basis of applications. Personal and practical assistance must be provided in the form of assistance in performing specific tasks, following an assessment of the individual's functional capacity. Permanent help is free, but citizens who receive temporary help have to pay a certain part of the help depending on their income."

1.1.5 Can a reduced rate of VAT contribute to the development of care services?

"Social care and assistance, including delivery of closely related goods and services, are exempt from VAT as stipulated in Article 13, paragraph A, sub-paragraph 1 of the sixth VAT directive. This means that care service providers only pay VAT of purchased goods and services. Such VAT receivable only accounts for a minor part of the total costs related to the service supply. Thus, in the Danish case a reduced rate of VAT will only a have a minor effect because most care services are financed by the public sector."

1.1.6 How can parents, in particular young parents, be encouraged to enter the labour market, have the career that they want and the number of children they want?

"In Denmark the labour market participation of parents, including young ones, is high and not seen as a problem. This is among other things due to sufficient day care institutions.

Good and relatively cheap public and private day care gives parents the opportunity to work and have children at the same time. In Denmark, children are given a place in a day care when they are from 6 to 12 months. 59,3 % of children between 0-2 years old and 94,3 % of children between 3-5 years old are in day care. The rate for children between 0-2 is low because the parents are on leave the first year. The rate for children in day care between 1-2 years are therefore higher. Two thirds of the price for day care is paid by the public sector, and people with low income can get day care with an extra contribution from the public sector."

1.2 The possible contribution of immigration.

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

1.2.1 To what extent can immigration mitigate certain negative effects of demographic ageing?

"The Danish Government is working actively to meet the demographic challenges currently facing the country. An increased immigration can reduce the expected fall in manpower, but even large scale immigration cannot prevent the labour force from decreasing in the first half of the century. Therefore, the labour market will need to adjust to the decreasing labour supply. These adjustments can be limited by an increased immigration provided that the growing share of immigrants in the total labour force do not lead to a bigger mismatch between the qualifications required and those offered.

Immigration could have a positive effect on the Danish economy and help overcome some of the negative effects of demographic ageing, for example shortage of labour. This requires however, that the employment rate for immigrants corresponds to that of Danes. Immigrants and their descendants have substantially fewer ties with the labour market than Danes. On 1 January 2004 the employment rate for immigrants and descendants aged 16-64 from non-Western countries was 46 per cent. Among Danes the employment rate was 76 per cent at the time. An increase in the number of immigrants will therefore most likely delay the effects of the Danish integration policies – the efforts to increase the level of labour market participation among immigrants and their descendants risk being undermined by an increasing number of immigrants.

Calculations show that an improved integration of immigrants who *already* reside in the country could have a substantial effect on the support burden and the public finances. Hence, in Denmark it is estimated that the solution to the labour shortage is not large scale immigration, but rather a managed migration model, which first and foremost provides for better integration of immigrants already residing in Denmark with a view to ensure their labour market participation, and secondly, facilitates highly skilled immigration into certain specific sectors where there is a shortage of labour.

It is the opinion of the Danish Government that it should be the needs of the labour market rather than the demographic development alone that should determine the level of labour immigration. This managed migration model requires that the Danish Government regularly considers the need to adjust the immigration rules or practice in order to attract the relevant foreign labour. In an EU context it is therefore essential that any measures adopted allows the individual Member State to determine the number of third-country nationals admitted to its territory to work."

1.2.2 What policies should be developed for better integrating these migrants, in particular young people?

"The integration process in Denmark - as for many other countries – has not been as successful as one could wish for. It is unacceptable that many immigrants and descendants of immigrants still live on the edges of society with only slight ties with the labour market and a considerably lower education rate that Danes. It is unacceptable that a large group of citizens are isolated – often in segregated residential areas – from the society. The Danish Government is therefore committed to making a targeted effort to ensure immigrants become an active resource to the Danish society.

It is clear to the Danish Government that immigrants and their descendants represent potential active resources to the Danish society. This is why the Danish Government is currently improving the integration efforts through the integration plan 'A new chance for everybody'. The plan contains several new initiatives that aim to increase the level of education among young people and to increase the level of employment among immigrants and their descendants.

In order for the long term integration to succeed, the Danish Government finds it essential that immigrant children and young people are given good schooling and training/education to improve their qualifications for employment. To highlight the importance of education and employment, the Government has launched a campaign which sheds light on a number of immigrant role models who successfully managed to find their dream-job or complete an education has been initiated. Integration efforts must start already at pre-school age and continue when the children start school. Bilingual children must be offered language stimulation, and their Danish language skills must be tested regularly. They shall be offered homework coaches, and the career counselling efforts made in the primary school sector must be strengthened."

1.2.3 How could Community instruments, in particular the legislative framework to combat discrimination, the structural funds and the Employment Strategy, contribute?

"There is a need for ensuring effective integration strategies. Legal protection against discrimination, including in the form of implementation of the EU directives against discrimination in national law, is a necessary part of an integration and justice policy, which contributes to this goal. We must send a clear signal that discrimination on the grounds of ethnic origin is not tolerated in the European Union and its member states. This could contribute to a more positive attitude from immigrants.

The structural funds and the Employment Strategy can play an important role in developing new ways of raising the level of education for people from the ethnic minorities – the new integrated guidelines already focus on "ensuring inclusive labour markets". Focus in Member States should be on breaking down barriers to the labour market by assisting with effective job searching, facilitating access to training and other active labour market measures and ensuring that work pays, as well as removing unemployment, poverty and inactivity traps."

2. A new solidarity between the generations.2.1 Better integration of young people.

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

2.1.1 How can initial training and adult training schemes be improved? What can non-formal education and voluntary activities contribute? How can the structural funds and the instruments for achieving better access to the knowledge society contribute?

"The Danish Government has set as an aim that 85 per cent of a youth cohort completes an upper secondary education programme by 2010, and that the figure increases to 95 per cent by 2015. The government has plans for a number of activities to reach these aims. Initial Vocational Education and Training (VET) is to play a central part in contributing towards this goal. Today, 78 per cent of an age cohort completes a youth education programme.

The Government Platform February 2005 emphasises the crucial role of VET. The Danish VET system is analysed in terms of its ability to live up to future professional requirements, offering guidance, access, good study facilities, teacher qualifications, and at the same time making them attractive and useful for the 'strong' as well as the more 'weak' or more practically gifted young people. Overall, there must be sufficient and adequate work placements to young people, and special subsidies to companies entering into apprenticeship contracts and offering work placements to young people in VET have been introduced. Dropout rates must be reduced. The government will charge a committee with the task of preparing a report on the future content, structure and management of initial VET by February 2006 – all

within the scope of the inter-ministerial committee on 'Denmark in the global economy' (2005).

In VET, vocational education and continuing training and adult vocational training, a unified institutional structure applies. A reform of adult vocational training (the mainly state financed training system for skilled and unskilled workers in employment, aiming at improvement of vocational skills) was implemented from January 2004 to increase demand management (demand-driven supply) and coherence in efforts related to initial and adult vocational education and training. The reform introduced a significant shift in focus from individual training programmes to job areas and labour market skills. This implies that, as from 2004, individual training programmes are grouped according to (approximately 150) competence descriptions common to adult vocational training and relevant VET single subjects, which are related to job areas at the labour market. Competence descriptions indicate skills that are required to fulfil a job in a certain job areas and list training programmes that provide such skills. The new competence descriptions, which give educational institutions improved tools and increased flexibility to meet the needs for new skills of employees and companies, considering also the need for further training of immigrants and refugees. The reform further enhances coherence between initial VET and adult vocational training so as to avoid parallel training programmes."

2.1.2 How can the bridges between school and working life and the quality of young people's employment be improved? What role should social dialogue play? What can dialogue with civil society, in particular youth organisations, contribute?

"The educational and the employment institutions should work together to support young people in collaboration with the social parties on the labour market.

Public vocational guidance to young people is very important and the government has implemented a guidance reform. The aim is to offer all young people relevant and independent guidance that provides an adequate basis for making vital choices and decisions on education and employment. Guidance on choice of education and occupation is now provided through a professional and coherent system, independent from sector or institution interests. The reform supports the aim of having a high employment rate, and at the same time qualifies the free choice of the individual.

Youth associations and youth clubs are covered by the act on financial support to 'Folkeoplysning' (liberal, or non-formal, education and other activities, which lays down guidelines for the allocation of financial support by local authorities. At the local level, a committee on 'Folkeoplysning' draws up more detailed regulations based on local needs. About 2/3 of all children and young people participate in an association or in another form of organised activity, almost solely run by voluntary staff.

In the present structure of initial VET, as well as adult vocational training, the social partners are heavily involved in defining the content of education and training programmes, and this close tri-partite cooperation will continue."

2.1.3 How can Community policies contribute more to combating child poverty and poverty among single-parent families and to reducing the risk of poverty and exclusion among young people?

"The reasons for poverty among children and young are manifold and may, for instance, be the result of the financial conditions children experience in their childhoods. Therefore, it is important to have social systems that give everyone access to resources and allow them to lead dignified lives. Thus, a relevant focus area is to offer support to disadvantaged parents in order to empower them with the resources they need to enable them efficiently to support their children in all phases of their adolescence. This model would offer parents greater opportunity for achieving an education while also reducing the risk of poverty among children. In this context, it is also important to develop policies that facilitate reconciliation and cohesion between working life and family life. Companies must be encouraged to show social responsibility.

In many instances, social exclusion becomes a consequence of poverty. A key issue in combating social exclusion could be a cross-sectoral coordination of the fight against social exclusion in all policy areas with a view to creating cohesive activities targeted at poverty, including poverty among children and young people."

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

"The Danish welfare model builds on solidarity between all age groups. Social security benefits and social services are chiefly financed through general taxation and the public sector is responsible for their provision.

One idea related to the labour market is to encourage a culture where younger and older learn from each other. The older could develop mentoring skills and the younger could contribute with knowledge about for instance technology."

2.2 A global approach to the 'working life cycle'

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

2.2.1 How can the organisation of work be modernised, to take into account the specific needs of each age group?

"In Denmark, this topic is mainly subject to agreements between the social partners.

Legislation is relevant to a certain extent, e.g. a new and more flexible law on maternity leave (including the possibility of postponing a part of the leave and the possibility of distributing a part of the leave between the parents). For the older workers there is a possibility of combining the voluntary early retirement benefit and part time work."

2.2.2 How can young couples' integration in working life be facilitated and how can we help them to find a balance between flexibility and security to bring up their children, to train and update

their skills to meet the demands of the labour market? How can we enable older people to work more?

"It is very important to create a frame to ensure a positive life for both parents and children. Making the lives of families easier by securing flexibility and security could be done by introducing more flexible day care, extended opening hours in stores, better public and private services, securing the possibility of working at home and taking the day off when children are sick etc.

In order to enable older people to work more it is necessary to start early in working life. The employer and the employee both have a responsibility to maintain the employability of the manpower. It is necessary to maintain and develop working qualifications. If thist is neglected, it could be difficult for anyone to stay at the labour market.

The working environment should be taken into account too, in order to prevent attrition of the labour force."

2.2.3 How can work organisation best be adapted to a new distribution between the generations, with fewer young people and more older workers?

"In Denmark, flexibility is crucial to work organisation. The starting point is that the employees are to be seen as individuals and not age stereotypes. Individuals have different problems, e.g. bad health is found in all age groups and is probably affected by level of education more than by age. Diversity is seen as positive. Flexibility may concern such issues as working hours, shift work, tasks and so on."

2.2.4 How can the various stakeholders in the Union contribute, in particular by way of social dialogue and civil society?

"Involvement of all relevant partners in the process is a key issue, which is used at the European level in the social area, where the open method of coordination (OMC) has revealed the importance of involving the social partners.

Therefore the Union stakeholders could possibly contribute by affecting the social partners to develop the dialogue in the member countries, according to the situation in the member countries. Moreover, they can contribute by exchanging information and inspiration between the member states."

2.3 A new place for the elderly people.

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

2.3.1 Should there be a statutory retirement age, or should flexible, gradual retirement be permitted?

"In Denmark, public old-age pension is payable from the age of 65. It is however not possible to receive public old age pension before the age of 65.

As of 2004, rules on deferred pension have been introduced. According to these rules, older people who have reached public old-age pension age may choose to

defer public old age pension and stay active in the labour market against receiving increased old-age pension benefits later. Thus, the public pension scheme pension-age has become somewhat more flexible.

The reasons for introducing this more flexible pension age were not just to prompt older workers to stay longer in the labour market by offering financial incentives. The scheme was also meant to soften attitudes among older people and their surroundings, e.g. colleagues, as to when to retire. This would make it more acceptable to work after the conventional retirement age and so ease the pressure on older people to retire. The scheme was also an acknowledgement of the fact that older people are very different and typically of better health compared to previous generations. Consequently our legislation should make room for these individual differences."

2.3.2 How can elderly people participate in economic and social life, e.g. through a combination of wages and pensions, new forms of employment (part-time, temporary) or other forms of financial incentive?

"The Danish Government will among other initiatives try to enhance the participation of the elderly by encouraging gradual retirement. Today there are possibilities, e.g. by combining work and the Voluntary Early Retirement Benefit. The existing possibilities are not widely used, and one major reason is lack of knowledge but also wide changes in the attitudes of older people, their colleagues at the work place and employers. The Danish Government plans to distribute better information on this subject.

See also the answer to question 2.3.1."

2.3.3 How can activities employing elderly people in the voluntary sector and the social economy be developed?

"The greater part of the responsibility for offering public services in the field of long-term care for older people lies with the local authorities. However, a strong voluntary sector can be a valuable supplement to the public services. The voluntary sector in Denmark takes on an important task in providing a wide range of services and activities for and involving older people, for example, network formation, home visits, telephone hotlines, different kinds of educational activities, sports and other physical activities.

The framework and fundamental values for the interaction between the authorities and the voluntary organisations are laid down in a "Charter for interaction between Volunteer Denmark/Associations Denmark and the public sector".

Voluntary work is not free of cost; therefore different kinds of funding are provided. The central government provides help through various programmes partly by giving basic grants to the organisations, partly by giving project grants earmarked to development of good practices and new activities. Local authorities are also obliged to cooperate with and provide financial support to locally based voluntary organisations. Local and regional authorities receive annual financial grants from the central government – payable via block grants – to solve this task."

2.3.4 What should be the response to pensioner mobility between Member States, in particular with regard to social protection and health care?

"Pensioners' options for moving to other Member States represent a major advantage and is a positive result of the EU cooperation. Wide freedom of movement between Member States may be a key element of overall senior policies aimed at offering pensioners improved possibilities of utilising their resources and participating actively in community life. However, such increased mobility should also be considered in the context of possible financial burdens being imposed on individual Member States, including their administrative systems. Thus, a need may exist for more detailed studies of pensioners' mobility and its impact. Additionally, a need exists to consider improved information to citizens, and simplification and clarification of current procedures and provisions."

2.3.5 How should we be investing in health promotion and prevention so that the people of Europe continue to benefit from longer healthy life expectancy?

"Besides individual personal and practical help in the home, the local authorities' general care services in Denmark are directed at promoting network formation and self-activation.

Each local authority decides the design and organisation of such services. The services may, for example, be provided by day centres or in the settings of senior citizens' centres and may include club work, courses, lectures and exercise.

Local authorities must provide physical rehabilitation to temporarily infirm older people with impaired functional capacity caused by a disease that did not require hospitalisation. In addition, local authorities must offer help and assistance for maintenance of physical and mental capacity. The assistance offered is based on individual assessments of needs and requirements and complies with the service level determined by the local authority.

At least twice a year, local authorities must offer preventive home visits to all citizens aged 75 or more. Local authorities may choose not to offer preventive home visits to citizens aged 75 or more, if the person is already receiving both personal and practical assistance. The idea of these visits is to encourage older people to utilise their own resources better and consequently allow them to preserve their functional capacities as long as possible."

2.4 Solidarity with the very elderly

The coordination of national social protection policies is due to be extended to long-term care for the elderly in 2006. How can this help to manage demographic change?

2.4.1 The coordination of national social protection policies is due to be extended to long-term care for the elderly in 2006. How can this help to manage demographic change?

"The extension of national social protection policies in 2006 to include long-term care for the elderly will result in a process where the EU member states to a higher degree will exchange information about best practice in the area and therefore get inspiration to develop relevant policies concerning demography on ageing in the future."

2.4.2 In particular, should a distinction be drawn between retirement pensions and dependency allowances?

"Denmark has no real experience in this area, as there are no dependency allowances in the Danish public pension scheme (old age pensions and disability pensions). Women are independently eligible for public pension on an equal footing with men."

2.4.3 How do we train the human resources needed and provide them with good quality jobs in a sector which is often characterised by low salaries and low qualifications?

"Denmark has a large public social and health sector as an integral part of the Danish welfare society, with well-defined jobs at various levels and in various social and health sectors. Job qualifications, with corresponding education and training, are matched by collective agreements between the public employers' and the employees' organisations. Wages are negotiated in collective bargaining.

The basic social and health education programmes have the main purpose of educating and training people for the social and health care. As from 2007, the basic social and health education programmes, which are currently the responsibility of the local and regional authorities, will become government responsibility, following a structural reform taking effect from January 2007."

2.4.4 How do we arrive at a balanced distribution of care for the very old between families, social services and institutions? What can be done to help families? What can be done to support local care networks?

"In Denmark, the public sector is responsible for provision of social security benefits and social services. The great majority of welfare tasks are realised by public employees, and not, for example, by private service companies, voluntary social organisations or families. However, in the spring of 2002, the Danish parliament adopted new legislation introducing free choice in elder care. The free choice of housing for older people and people with disabilities came into force on 1 July 2002, while the free choice of providers of personal and practical help and assistance has been effective as from 1 January 2003. With this new legislation, the Danish Government wishes to eliminate the public sector's monopoly on service provision. In connection with the introduction of free choice of service providers, local authorities must formulate and publicise quality and price requirements applying both to public and private service providers. This requires local authorities to make clear distinctions between their function as a local authority and their function as a service provider."

2.4.5 And what can be done to reduce inequality between men and women when they reach retirement age?

"There is no inequality between men and women as far as the Danish public pension scheme is concerned. Women are independently eligible for public pension on a par with men. The public pension is independent of previous attachment to the labour market and also of previous income.

However it is the policy of the Danish Government that the obligations to gender mainstream all policies and planning also applies to retired men and women. Gender equality is best promoted if the needs and demands of each sex are considered, in order to reach the same outcome for both sexes. In the long term it will probably be of great value to empower both elderly men and women to stay longer in the workforce instead of accommodating them."

2.4.6 How can new technologies support older people?

"New technologies can support older people in many different ways. Advanced home technology in nursing homes and housing for older people can be very functional and beneficial to groups of people, who are not mobile and/or are suffering from dementia."

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

3.1 Should the European Union be promoting exchanges and regular (e.g. annual) analysis of demographic change and its impact on societies and all the policies concerned?

"It is important to promote exchange of best practices and general knowledge concerning demographic change as well as its gender equality related aspects among European countries.

Denmark is already preparing annual demographic analyses in cooperation with the Council of Europe's Population Committee. Reports on impact on the society and on policy areas could be helpful, but should be prepared with intervals, e.g. every fifth year prior to the new Commission taking up its position. Even though such reports could become useful instruments for setting new priorities for the Commission's work, the Danish Government does not believe that demographic change needs to be turned into an integral part of all the Union's internal and external policies.

Study, analysis and dialogue on demographic change should build on and take advantage of existing frameworks and procedures, particularly the OMC and through the EU's Strategy for Growth and Jobs (Lisbon). This way, the EU can provide added value by bringing together experiences and best practices of Member States and allowing them to learn from each other."

3.2 Should the Union's financial instruments – particularly the structural funds – take better account of these changes? If so, how?

"It is the position of the Danish Government that the challenge of demographic change must be dealt with by Member States, primarily through debt reduction and reforms of the pensions system and labour market. This is in accordance with the BEPG recommendations."

3.3 How could European coordination of employment and social protection policies better take on board demographic change?

"The new integrated guidelines, including the guidelines for the Employment Policies of the Member States, already focus on demographic change by underlining that Member States should attract and retain more people in employment, increase labour supply and modernise social protection systems.

The Open Method of Coordination is particularly appropriate for the area (see the answer to question 2.2.4). Of course, also other aspects of EU cooperation could contribute to mitigate the demographic challenges."

3.4 How can European social dialogue contribute to the better management of demographic change? What role can civil society and civil dialogue with young people play?

"An important issue will be to convince the population of the necessity to stay longer on the labour market. Thus, the dialogue with the civil society should be prioritised highly in the efforts to handle demographic challenges."

3.5 How can demographic change be made an integral part of all the Union's internal and external policies?

"Discussions at European level on the demographic challenges ahead can raise awareness and contribute to the exchange of best practices and ideas and thereby add value to the deliberations in the various Member States. However, the Danish Government believes that the responsibility for dealing with the actual demographic change lies with each Member State as a matter of national policy."