THE IMPACT OF DEMOGRAPHIC CHANGE ON LOCAL AND REGIONAL GOVERNMENT - RESEARCH PROJECT
The Impact of Demographic Change on Local and Regional Government
- Research Project

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The Council of European Municipalities and Regions in a nutshell
All European countries are facing challenges from demographic change. These fundamental, serious developments have complex consequences for local and regional authorities. The impact of demographic changes will differ from city to city and from region to region. But they influence nearly every sphere of life: labour markets, housing markets, social security systems, infrastructure, urban/spatial planning, education, budgets and finances. Experience with the impact of demographic change has engendered strategies to face these developments in a number of countries and municipalities.

The study examines local authorities of different sizes in four countries, namely the Czech Republic, Finland, Germany and Spain. It gives a first impression by documenting and synthesising the challenges facing municipalities in different European countries, in different spatial contexts and the measures taking in response to demographic changes. Institutional settings in the four countries differ distinctly, e.g. in Finland all legislation is decided by Parliament, there are no local authorities that can pass their own laws, although municipalities in Finland have considerable independence in organising, e.g., local services. Germany, in contrast, has one of the politically and functionally strongest local government systems in Europe\(^{(1)}\) with a comparatively high degree of local autonomy.

The measures and case studies documented in this study should preferably cover the following categories of municipalities: a city with more than 500,000 inhabitants, a medium-sized city (around 50,000 inhabitants), a rural municipality and a small county, although it was quite difficult to maintain the differentiation throughout the study. This first approach focuses on four important policy fields:

- social services,
- spatial planning (especially housing and transport),
- employment and social inclusion,
- Local community activities.

The information basis for the study is mainly an Internet document search (search engines, list of keywords, links). One consequence of Internet-based information inquiry is that municipalities and projects not documented in the Internet are excluded from the survey. The second source was direct contacts with experts and officials in the selected countries. Gaps in the case study documentation regarding categories of municipalities or policy fields do not necessarily mean that there is no project at all. They merely indicate that the chosen methods and instruments under the given time constraints failed to capture any. All web-based documents quoted in this report were downloaded in November and December 2005.

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\(^{(1)}\) Wollmann, Hellmut, Organisational Forms and their Implication for Performance: A comparative European Perspective, Paper presented at the international colloquium on "Governance and performance; Organisational status, management capacity and public service performance" to be held at the School of Public Policy of the University of Birmingham on March 15-16, 2004.
2.1. TRENDS

Europeans are becoming older, fewer and more heterogeneous. Demographic changes are apparent in all European countries. They mean shrinkage and ageing of population as well as regional and international migration resulting in heterogeneity. These trends interact in different ways, shrinkage contributes to ageing, suburbanisation (migration) explains some degree of population decline in core cities(2).

Changes in population are initially determined by natural population development (fertility and mortality rates). The current fertility rate in Europe is not sufficient to keep the volume of population stable. Almost everywhere in Europe, the fertility rate has dropped well below the replacement level of 2.1 children per woman. However, life expectancy continues to rise, decelerating the decline of population (but at the same time leading to an ageing population). On the other hand, (international) migration also affects population development. Migration from non-European countries will give slight growth to the EU population presumably until around 2025(3). After 2025, the population will decrease significantly. On the European level, this trend is even greater when just the total working age population (15-64 years) is considered: between 2005 and 2030, it is due to fall by 20.8 million(4).

Problems are becoming more severe because, over the past few decades, most industrialized countries have experienced a substantial drop in the average age at which individuals retire from the labour market. Longer life expectancy and better health have not been accompanied by longer working lives(5). One consequence is that these countries are seriously worried about the viability of their social security systems.

The population structure will also be affected. The ratio of elderly and very elderly people will grow as well as the ratio of immigrants. In the EU25 the proportion of elderly people (aged 65 and more) will increase from 16.4% in 2004 to 29.9% in 2050, or from 75.3 million in 2004 to 134.5 million in 2050. The highest proportions of elderly people in 2050 are expected in Spain (35.6%), Italy (35.3%), and Greece (32.5%)(6). As far as the elderly dependency ratio is concerned (population aged 65 and more as a percentage of population aged between 15 and 64), this means that, whereas in 2004

(6) Eurostat, EU25 population rises until 2025, then falls, news release 462005 (http://epp.eurostat.cec.eu.int).
(7) Eurostat, EU25 population rises until 2025, then falls, news release 462005 (http://epp.eurostat.cec.eu.int).
there was one inactive person (young or elderly) for every two persons of working age, in 2050 there would be three inactive persons for every four of working age(7).

Ageing, shrinking and migration may cause inter-generational conflicts, problems with the care of elderly people and within social systems in general; the economy will be affected, problems of social inclusion and conflicts between culturally differentiated communities in cities may increase.

2.2 Consequences for the Regional and Local Levels

From the perspective of local and regional authorities, these changes and their consequences are especially complex. Apart from the above-mentioned national and transnational effects, these changes are leading to a patchwork of shrinking and growing communities on both the local and regional levels. Even within cities and metropolitan areas the phenomenon of depopulating city centres or inner-city areas can coincide with growth in suburban and peripheral areas or – more recently – suburban areas can begin to lose their attractiveness in favour of a renaissance of the inner city.

The impacts of demographic change will differ from community to community and region to region. But they influence nearly every sphere of life: labour markets, housing markets, social systems/security, infrastructure, urban and spatial planning, education, budgets and finance. "Local authorities are particularly affected: they bear responsibility for providing public services and are the locus of civil society engagement. Owing to demographic change, demand is falling in many areas, in some it is changing structurally, in others it is expanding[8]." Declining populations demand fewer private services and products, leading to economic problems for the private sector (e.g., retail, handicraft). Declining demand for public services also causes serious problems for municipalities. Fewer resources are available to finance the same fixed costs of network-related infrastructures like water and energy supply, public transport, or wastewater treatment, as well as (social) public infrastructures like schools, child care facilities (day nurseries, kindergartens), libraries and swimming pools.

As a result, the financial burden per capita is actually rising because municipalities find it difficult to reduce their services (especially as regards technical infrastructure facilities) at the same rate as that of population change, decline or ageing. And, of course, there are limits to reducing or even discontinuing public services, as they are services of general interest[9]. On the other hand, elderly care facilities will have greater demand for their services and will need to expand. These changing demands require high levels of investment to convert and modernise infrastructure and facilities for the elderly. Declining population also affects labour markets. Skilled labour, an important location factor, is becoming scarce. Moreover, declining attractiveness in a city or region may even accelerate population decline and migration[10].

In spatial planning, the growth-oriented land development policy of recent decades cannot continue. The growth paradigm in planning will need to be replaced by a new paradigm[11].

All in all, demographic changes strongly affect almost all politically relevant areas of municipal life. Even if demographic changes as meta-trends are nearly impossible to handle, local authorities cannot afford to remain inactive. Action needs to be taken in response to the impact and challenges of demographic change on the local and regional levels. To present measures that have already been taken in different countries and different institutional and spatial contexts is one of the main objectives of the research project and this paper.

2.3 Demographic Situation in the Czech Republic, Finland, Germany and Spain

All of the countries under study are experiencing rather similar demographic developments: shrinking and ageing populations as well as regional and international migration. In none of these countries is the current fertility rate sufficient to keep the volume of population stable. In this situation specific policy fields are gaining in importance, notably family-related

activities. Furthermore, senior citizens are playing a more salient role, and migration and integration policy are becoming the focus of attention.

Czech Republic

Demographic situation in brief

One of the key aspects of current demographic trends in the Czech Republic is the shrinking population, due to a natural decline and a sharp drop in the birth rate. In 2003 and 2004 the total fertility rate was about 1.2 children per woman which is one of the lowest birth rates in Europe. The population of the Czech Republic in 2000 was about 10.2 million. In a population development forecast for 2050, a total of between 7.9 and 9.9 million was predicted. Life expectancy is rather high with 76 years for the whole population (72.7 for men and 79.5 for women). The median age is about 38. It will rise to 47 by 2030.

The present age structure of the Czech population is characterised by a very low proportion of children (0-14 years of age), a large number of people of productive age and a relatively moderate share of people over 65. The number and proportion of children and the 15-64 age group is likely to decline in the decades to come. According to Czech Statistical Office forecasts, the number of people over 65 is expected to more than double by 2050 (from the present one seventh to nearly one third of the population). The most rapid increases are expected in the highest age category where the number of people over 85 is expected to reach five times the present total.

Due to the natural decline of population, immigration will become more important. Since the 1990s, the Czech Republic has evolved from an emigration state into an immigration and transit country. In the 1990s, the rate of foreigners was below 0.5%, nowadays it is about 2.3%. The main countries of origin are the Ukraine, Vietnam, Poland and Russia. One serious problem has been illegal migration. In the past years, the government has therefore adopted a coherent and more complex policy on integration. But the number of registered immigrants has not been enough to offset natural decline.

In intra-national migration, an estimated 180,000 people migrated between towns and cities each year over the last decade. A trend can be observed of migration from towns to the provinces (suburbanisation). The numbers of municipalities with fewer than 10,000 inhabitants have increased at the expense of municipalities with more than 10,000 inhabitants. Even in Prague, the Czech capital, the population is decreasing for the first time in census history. According to the population and housing census, the population has decreased from 1.21 million in 1991 to 1.16 million in 2003. Compared to the other countries under study, demographic change in the Czech Republic has been heavily influenced by the radical transformation from a socialist country to an EU member state since 1989/1990. For instance, social and cultural modernisation processes (e.g. changes in lifestyles and behaviour) have been very rapid. Radical modernisation in combination with economic insecurity was one reason for the collapse of the fertility rate in the 1990s.

Demography-related national policies

As in other countries, a „National Programme of Preparation for Ageing for 2003–2007 of the Czech Republic“ has been established – influenced not least of all by the 5th EU Framework Programme and a research project on active ageing. The programme proposes action in the following fields to deal with population ageing:

- support for equal rights and opportunities,
- eliminating discrimination for reasons of age,
- support for opportunities for individual development and greater independence,
- ensuring available and essential care and services for older persons,
- support for and extension of life-long learning,
- changing attitudes to ageing and older persons,
- ensuring the social integration of older persons,
- preventing exclusion from the labour market, maintaining and increasing employment for older workers,
- improving labour mobility,
- enhancing the significance of individual preparation for ageing and old age,
- ensuring full participation in political, economic and social life.

(12) Eurostat, EU25 population up by 0.5% in 2004, news release No. 1362005 (http://epp.eurostat.cse.eu.int).
(18) Hejná, Bela (Deputy Minister of Labour and Social Affair), Czech Republic, Statement at the Second World Assembly on Ageing, Madrid, Spain 8th-12th April 2002 (http://www.un.org/ageing/coverage/czechE.htm).
In July 2005, a ministerial advisory board for old age issues was also set up. In addition to the National Programme of Preparation for Ageing, the Czech Government adopted the “National Action Plan on Social Inclusion 2004-2006” (in cooperation with the EU Commission). The plan addresses the problems of poverty and social exclusion. It draws attention to the issue of social inclusion in other important areas like employment, social protection, health care, education, housing and the prevention of socially negative phenomena.

Demography-related national policies

In Finland, as in the other Nordic countries, society traditionally offers a variety of services to support children and families. Many services are provided by local authorities because they have statutory responsibility for social, health and educational services. According to a family barometer set up by the Finnish Population League, people who have completed their studies and have a steady job are willing to have an average 2.4 children in the family. Respondents gave credit to the day care systems and the housing facilities provided by society. In order to promote the family, the relevant services are free and thus affordable for all. This is considered one of the basic features in “Nordic welfare society”.

Voluntary welfare has a long tradition in Finland, and private organizations have started many programmes that have later been established as public social services, especially for children and families. Organizations still play a major role in supplementing official welfare for minors, old people and people with disabilities. Most of the services provided by private associations are organized by salaried employees. Organizations get a reasonable proportion of their funding from public resources.

The Finnish National Programme for Ageing Workers (FNPAW) is an integrated policy programme to promote the employability of older workers in Western Europe. The main goal of the FNPAW is to promote the employability of the over 45 age group, to reduce exclusion and premature retirement. The Ministry of Social Affairs and Health, the Ministry of Labour and the Ministry of Education, in cooperation with major labour market organizations, are responsible for its implementation. Regional pilot training projects are organized, to meet the need to update skills due to advances in information technology and to develop innovative methods for training older workers. Specific measures to prevent discrimination of older workers are also promoted.

References:

7. The “middle variant” is based on the following assumptions: constant birth rate of an average 1.4 children per woman, increase in the life expectancy of a new-born boy to 81.1 years and of a new-born girl to 86.6 years by 2050, and an annual net immigration of about 200,000 persons.
Demographic situation in brief

The German population is shrinking and ageing and will continue to do so in the future. According to the Federal Statistical Office, Germany has a current population of about 82 million. According to the population projection "middle variant"(23), the figure will, after a slight rise to 83 million, start declining from 2013 to reach the 1963 level (slightly more than 75 million) by 2050. On the assumption that the birth rate in Germany will continue to be low, the current annual rate of about 730,000 will fall to approximately 560,000 by 2050. While 17 million people are now under 20 (21%), only 12 million (16%) will be in this age group in 2050. The 60s and over age group will be more than twice as big (28 million, 37%). Besides, 9.1 million people, i.e. 12% of the population (2001: 3.2 million, 3.9%), will be 80 years or older in 2050.

The high migration balance of the 1990s will not persist, in spite of EU enlargement. The positive migration balance has so far exceeded and masked population decline. The total population is about stable (in 2005 there was a decline of 60,000). This will not continue. Probably between 2010 and 2020 the population of Germany will begin to fall continuously. Furthermore, owing to the net gain in international migration and the composition of immigration and emigration, society is becoming increasingly differentiated with regard to regional and ethnic origin, as well as cultural and religious background. In 2004 the foreign population was about 8.8% of the total (26).

A special phenomenon in Germany is extensive and concentrated intra-national migration from East to West (27). After net migration losses in East Germany had initially fallen after unification, they began to rise again from 1997, owing to inadequate economic development in the East. To date, the phenomenon of shrinking cities is most advanced in East Germany, and politicians as well as society as a whole are mostly concerned with developments in that part of the country. Nevertheless, many regions in West Germany are also currently affected (e.g. the Ruhr District) or will suffer considerable decline of population in the years to come. Apart from immigration, this is the most unpredictable trend.

Demography-related national policies

The "Alliance for the Family" initiative seeks to initiate a long-term economic and family policy (28). This policy will be upheld by the new government that came to power in November 2005. The alliance is based on consensus that (29):

- in the near future and in the long run Germany will need higher birth rates to counteract the negative economic and social side effects of population decline,
- human capital is an important factor of economic success in Germany, so the economy needs highly skilled workers and a higher female employment rate,
- in order to increase the quality of human capital, children need support and education particularly in their early years.

The partners in the alliance agreed on the need to create a family-friendly labour and employment culture, encompassing corporate culture, labour force organisation, working hours, human resources development and family-related services. The alliance is composed of a range of local actors, such as enterprises, politicians and family organisations. Its activities include a competition for family-friendly activities in companies under the title ‘Success Factor Family’.

Given the demographic facts, the positive and negative implications of ageing are being rethought. Ageing is no longer being discussed exclusively as a cost factor but also with respect to its potential for the economy, employment and society. Expert groups, enterprises, universities “of the Third Age” have started to develop concepts that give elderly people an important role in economic and social processes. The 5th National Report on the Situation of the Elderly in Germany (“Altenbericht”) drawn up by an expert group (forthcoming in late spring 2006) is entitled “Economic and Social Potentials of an Ageing Society”.

After many years of politically motivated denial that Germany is an immigration country, the former Federal government finally espoused integration policy. Under “nationality law” (Staatsbürgerschaftsrecht) there are now clear requirements for foreigners to attain German citizenship. One important measure to facilitate the integration of non-Germans into society is the assessment of German language skills. In Germany the immigrant unemployment rate is about 20%, double the average figure for Germans. Reasons are the economic situation in combination with a high rate of blue-collar workers, the lower education level, but also poor language skills (30).

Spain

Demographic situation in brief

The current population of Spain is about 40.3 million. The median age is some 39.5. Life expectancy is 79.5, 76.2 for men and 83.1 for women, and thus in the same range as the other countries under study. The total fertility rate of 1.28 children born per woman is one of the lowest in the EU (31). The Spanish population will decrease by 9.4 million over the coming 50 years, according to a report by the United Nations’ population division. This represents a 24% net loss in current population. In 2050, Spain will be the country with the highest percentage of old people in the world. Currently, the over 65 age group makes up 17% of the Spanish population. If current trends continue, this will rise to 37% by 2050, which represents a total increase of 117% for this age group by that year (32).

Spain has also evolved from being an emigration state into an immigration state, most strongly since the beginning of the 1990s. Accession to the EU in 1986 and a consequent economic growth have made Spain more attractive for re-migrants and also for immigrants from Africa, Asia and Latin America. The present proportion of foreigners in the country is about 3.2%. At the end of 2002 immigrants from African countries were the biggest group (27.7%), three quarters of them originating from Morocco. They were followed by people from Latin America. Main regions for immigrants to settle are Madrid, Catalonia and Andalusia, engendering problems of integration, housing, employment, etc (33).

Interregional migration between 1960 to 1973 was very intense due to the strong economic growth with substantial regional imbalances that prevailed at the time. People left rural and poor areas like Andalusia and Extremadura for wealthier and more industrial zones like Madrid, Catalonia or the Basque Country. However, since the early 1980s and well into the 1990s, net interregional flows declined substantially despite the persistence of regional differentials and sustained high unemployment (34).

Compared to Finland and Germany, demographic change in Spain has been influenced by rapid industrialisation and modernisation during the transition from the Franco era to EU membership.

Demography-related national policies

Recent developments in family policy (35) in Spain show that the country has entered a new era of explicit family policy. This was already the case under the former conservative government with its family programme (Plan Integral de Protección de La Familia) adopted in 2001 but also with the main opposition party (Socialist Party), now in power, which presented its own programme for the family. After an important reform of the fiscal system in 1998, a new income tax reform was adopted in 2002 and implemented in 2003. The reform has introduced many changes relating to families, especially children. The reform includes a financial compensation to mothers during the three years following birth which is not limited by the level of income, together with an increase in tax relief for childcare beginning with the second child instead of the third as before. The autonomous regions have also concentrated their new fiscal competence on economic support for the family.

In migration policy, the Spanish government enacted a new regulation in December 2004 on the legalisation of illegal immigrants in Spain. According to this regulation, migrants living illegally in Spain may receive a residence and a work permit if they have lived in Spain for at least one year and if they have a work contract for at least six months. Migrants who do not apply for legalisation within this period will have to apply according to the ordinary procedure to obtain legal papers for humanitarian reasons (36).

(33) Bundeszentrale politische Bildung, Länderprofil Spanien (http://www.migration-info.de/migration_und_bevoelkerung/artikel/031005.htm).
(34) Bover, Olympia; Velilla, Pilar, Migrations in Spain: Historical Background and current trends, December 2001 (http://rt001hfd.eresmas.net/Paper-graf.pdf).
3.1 SOCIAL SERVICES

Relationship between social services and demography

Social services are affected by demographic changes in many ways. Most obvious and comprehensible is the impact of demographic change on social security systems, mainly the pension system but also the nursing care and health insurance systems. Fewer people are now working and financing social insurance systems, while a growing number of people are dependent on the system and its benefits. So it is decisive for the viability of a pension system how many pensioners have to be maintained by each economically active person (37).

Not only the quality of social services but also the extent and accessibility of services are affected by an ageing and shrinking population. Social services include child care, care for the elderly and disabled, as well as health care institutions and educational services such as schools, which may have important functions as day care institutions.

The ageing of the population poses obvious challenges for the care of the elderly. The number of people needing nursing or health care is rising. The capacity of care institutions therefore needs to be increased. As far as quality is concerned, the growing percentage of very old people (over 80) requires programmes and adjusted services on a very specific level for this target group. These services will presumably increase in the years to come.

Lower fertility rates lead to fewer children demanding social services. This means that day care institutions (schools, kindergartens) are underutilized and will no longer function efficiently. Child care and educational facilities may consequently be reduced in size, and some may have to close. Schools and child care institutions are experiencing similar developments. In these sectors services will presumably be reduced in the coming years.

These opposing trends will develop even more dramatically in sparsely populated areas. In these often peripheral, rural areas, distances are already great. An ageing and shrinking population (for instance in some parts of eastern Germany or northern Finland) will exacerbate the problems involved in adjusting infrastructure to meet the changing demand of different groups.

General strategies under discussion for adjusting infrastructure supply in rural/peripheral regions experiencing strong population decline include:

- **Improving accessibility:** This enlarges the catchment area and makes the infrastructure available to more people. The efficiency of institutions can be enhanced even if the institution itself remains unchanged (e.g., optimized public transport networks, demand-adapted bus timetables).

- **Diminishment:** The supply of social infrastructure to residents or the institution itself is reduced to the size required by decreased demand. The catchment area of users remains the same or may decrease (e.g., reduced route system for buses).

- **Decentralisation:** Splitting infrastructure into smaller, better-organized units can improve the efficiency of distribution. Especially for technical infrastructure, decentralisation is an effective means of overcoming high network connection costs (e.g., local ecological sewage plants).

- **Centralisation:** Pooling inefficient and underutilized sections to connect with a centralized supply of infrastructure increases cost-effectiveness. This centralisation approach must be paired with accessibility improvements within the enlarged catchment area (e.g., the merging of schools in sparsely populated areas complemented by a school bus system ensuring accessibility).

- **Temporary-mobile approaches:** Periphery regions are often unable to maintain permanently stationed support of services. High costs are linked to inefficient use (e.g., mobile libraries, farmers markets and "local visiting hours").

- **Restructuring/substitution of infrastructure:** Tasks are completed in new ways and functions performed by different institutions (e.g., ordering products via Internet, the use of local taxis as an alternative to an extensive public transport system).

In adjusting the social services system to counter the impact of demographic change two financial aspects need to be addressed: reducing services to save money on the expenditure side (see above), and raising the statutory retirement age or of the public share of social service costs on the revenue side of the system.

Local and regional government are called upon to take action because providing, managing, and sometimes even funding social services is in different ways a municipal task in all countries under study. In the Czech Republic, most social service facilities and institutions are administered by regions and municipalities. In Finland, local authorities provide child day-care, welfare for the aged and the disabled, and a wide range of other social services as in Germany, where non-profit organisations also play an important role on behalf of the municipality. Thus, it is local and regional government that will have to adjust the quality and extent of social services. Furthermore, they may be obliged to find new modes for social services. For instance, since there are fewer children but more elderly and very old singles, traditional modes of family care (chiefly the responsibility of daughters or wives) will be replaced by institutionalised, professional forms of care, provided by either public or private (commercial and non-profit) facilities.

### Activities and reaction strategies: examples from the 4 countries

The challenges that demographic changes pose for social services can be illustrated by concrete projects from several municipalities.

The “all-day school experiment” in some Finnish municipalities (e.g. Jyväskylä, pop. 50,000) aims to supplement ordinary school activities by supervised hobby and leisure activities for schoolchildren. The programme is free of charge to the parents. The project will take two years and is being carried out in cooperation with the University of Jyväskylä. A special aim of the project is to reduce the threat that lonely evenings pose for pupils’ development. The changes in the structure of the

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(38) Even if the following strategies were developed for rural areas in eastern Germany they should be transferable to other regions with similar spatial and demographic contexts (cf. Bundesamt für Bauwesen und Raumordnung (BBR), Abspassungsstrategien für ländliche/periphere Regionen mit starkem Bevölkerungsrückgang in den neuen Ländern, (Heft 38) Bonn, 2005).


(40) Association of Finnish Local and Regional Authorities; http://www.kunnat.net.
school day envisaged in the project are expected to improve the general atmosphere at school and the pupils’ well-being. Six schools – in Jyväskylä, Kuopio, Sievi and Sipoo – are involved in the project. In these schools, the pupils’ working day is made more relaxed by inserting supervised hobby and outdoor activities between lessons and after school has finished. The pupils also enjoy a longer lunch break. In this way the time the pupils spend alone at home is reduced and they also have the opportunity to take part in different hobbies and sports regardless of their parents’ income. The all-day school project is being carried out as a part of the larger MUKAVA project, which includes various sub-projects designed to support young people’s growing up and their development in the school world. The MUKAVA project is being financed by leading Finnish companies.

The Heilbronn-Franken region (state of Baden-Wuerttemberg, Germany) has initiated a pilot project “Child-friendly Region” together with different partners. The region has developed measures to improve local and regional conditions for families that create a “pro-family climate” and facilitate the compatibility of family and work, with the goal of encouraging people to have children. Child-friendliness in a community includes a broad range of measures concerning housing and neighbourhoods, transport, leisure activities, education, childcare, meeting points, culture, and economic conditions. Activities include a model kindergarten in cooperation with the Academy for Information and Management (AIM). The focus is on education for very young children and adequate training for kindergarten teachers. Another project is child-friendly planning for a residential area, a third a “part-time education” project that offers women with children a better opportunity to re-enter the labour market. The project is financed by regional partners, the Federal Ministry of Transport and Spatial Planning and the Federal Ministry of Families, Seniors, Women and Youth.

The aim of the project “A City for All – Barrier-Free Environment” in Marjala, a neighbourhood of Joensuu (pop. 58,000, Finland), is to design all dwellings to meet the needs of the wheelchair-bound or otherwise disabled. All basic dimensions, such as the width of the doors, corridors and lifts, allow for wheelchair access, and any of the homes can be easily adapted to the individual needs of a disabled resident. Furthermore, the provision of different services in the area is based on innovative partnerships and use of modern technology put at the service of residents. A computerized Multiservice channel – PALVELUELLI – was developed to link all service providers. The Multiservice channel can be accessed from either home computers or the Multiservice Centre. Through the Multiservice channel, residents can seek expert advice (contact the family doctor), communicate with other residents, or discuss municipal affairs with political decision makers. An increasing number of the disabled will continue living at home. Therefore when the layout, infrastructure and buildings in Marjala were designed, much attention was paid to the needs of people returning to the “normal” living environment after long spells in care institutions and to the ways in which their return to the “ordinary” community could be facilitated(41).

The “Self-determined housing for elderly people” project in the German city of Brunswick (pop. 245,000) has a similar focus. Anticipating greater demand for in-patient infrastructure, the municipality supports the initiative of the ambet e.V. association to provide group homes for the elderly as an alternative to retirement homes. In general 3 to 5 senior citizens live together in a household, all with separate living and bedrooms. Each group is supervised by a qualified social education worker and is assisted by a home help. Even if residents require intensive geriatric care, they may remain in their housing group. Joint quality management by municipality and association guarantees standards. The residents pay for these services, but the costs are lower compared to retirement homes. Furthermore, nursing care insurance costs are below costs for “traditional” in-patient accommodation.

The project “TEL LAPPI – Telemedicine in Lapland” (Sodankylä, pop. less than 10,000, rural northern Finland) explicitly serves rural areas with sparse population. Health care services can be provided by means of modern information technology. The object of telemedicine is to transfer information about the patient instead of the patient himself, as well as to offer health care centres special health care services by means of information technology. Distance consultation and a training system based on videoconferencing technology aim to promote and develop co-operation between specialised and basic health care. Information technology makes it possible to alleviate problems caused by long distances.

The German project “Centralised Health Care Centres” in the state of Mecklenburg-Vorpommern (rural area, East Germany) also focuses on medical services in sparsely populated areas.

(41) Management of Social Transformation (MOST), Best practices for human settlements (http://www.unesco.org/most/westeur2.htm). See also chapter 3.2 Spatial Planning.
Spatial planning and local health authorities, doctors and local health insurance funds have set up working groups to develop “centralised health care centres for rural regions”. These centres are institutionalised to close a growing gap between the decreasing number of doctors in the region and the increasing number of elderly people. These (rural region) centres bring together ambulant medical services with different medical specialists working together. They are to be within 20 to 30 minutes travel time by public transport for every citizen. It is a model project of the Federal Ministry of Transport and Spatial Planning.

In the Czech Republic, e.g., in Trebon (pop. 8,900, South Bohemia), as in many regions and more than 50 municipalities, participatory processes of community planning in the field of social services have been initiated by a working group of representatives of the town, social services providers and users (42). The community plan for social services in Trebon focuses on the following target groups: the physically or mentally handicapped, pensioners, children and young people, the unemployed, persons in a temporary social crisis, and, as an element in crime prevention, persons addicted to drugs and other substances. The planning was supported by a grant from the South Bohemian Region.

Ostrava (pop. 309,000, North Moravia, Czech Republic) is also implementing a community planning process for social services. Moreover, a number of other steps has been taken in Ostrava in response to demographic changes, particularly ageing. Perhaps the most interesting is a municipal advisory board on ageing issues. It has 10 members and meets at least every two months. Among the topics it addresses are safety measures, quality of life in strategic urban development, and activities for the elderly. The special requirements of older people are taken into account in municipal educational policy. Older people have free access to the library and other special educational services like Internet courses. In theatres elderly are given a 50% discount on tickets. Another municipal project is the safe home programme, providing special support for elderly single households.

Estepona (pop. 47,000), a coastal town in the Spanish province of Malaga, has initiated a project entitled “Pensioners' Paradise – Best Facilities for Senior Citizens.” The town has the largest number of residences and support services for ‘third age’ residents in Malaga province. The facilities are used not only by locals but also attract people from all over Andalusia. The municipality also operates an emergency telephone assistance scheme for people aged 60 and over and for handicapped people. The help line operates 24 hours per day, 365 days per year. The users of the service have a team of specialist professionals at their disposal who know their identity, their requirements and medical data so that they can immediately react to any problem or emergencies. The service is totally free to the users.

Another project is a homesharing programme in different Spanish cities called “Alojamiento por compañía”. The programme enables older people to remain independent in their own home. At the same time, homesharing meets the accommodation needs of university students in places where housing is scarce or expensive. Homesharing provides mutual help and promotes solidarity between older and younger generations. The amount of help is tailored to both parties’ needs in mutual agreement. Householders must be older than 60 years while students must be enrolled at one of the universities running homeshare programmes. In both cases persons with low income have priority. The programme is run jointly by different organisations. Universities, non profit organisations as well as local and regional authorities (town halls, regional government departments) are partners in Homeshare International.

In 1994, the Basque Country (Spain) presented a gerontological plan. The report focuses on the needs of inhabitants over 65. It records a wide range of activities for this target group offered by a broad spectrum of actors. Activities include volunteering promotion and health programmes, recreational support programmes, home support, emergency telephone services, and special housing offers for elderly people.

### 3.2 Spatial Planning

**Relationship between Spatial Planning and Demography**

Spatial planning affects a wide range of different local and regional policy areas, including urban development planning, housing, transport, and technical as well as social infrastructure. The aim of spatial planning is to ensure and improve the socio-ecological and socio-economic functioning of spaces, taking into account the principles of sustainable development.

Demographic changes generate differing spatial planning requirements in prosperous or stable regions and in shrinking...
regions. Spatial planning in prosperous regions and cities, like the metropolitan areas of Helsinki, Frankfurt, Munich, Comunidad Valenciana or Madrid, may still function under the traditional premise of “growth allocation”. Spatial planning primarily deals with ageing and social heterogeneity (different ethnic groups, life styles, etc.). Socio-spatial segregation might be another concern, as in the case of children- and elderly-friendly neighbourhoods and housing.

In shrinking regions and cities, by contrast, urban density (both physical and social) needs to be sustained or reconfigured. Usually, shrinking implies a decrease in population density. A consequence of this development is the underutilization of infrastructure. Spatial planning has to employ tools to keep (social and technical) infrastructure functioning and (more or less) cost-efficient and to develop measures to increase the attractiveness of the city and region.

This section focuses on housing and transport. Demographic change will influence traffic volume and performance, trip purpose and modal choice, as well as the spatial distribution of traffic volume. Owing to building and maintenance costs and long-term inelasticity, transport infrastructure is strongly impacted by demographic change and evolving demand. With respect to private transport, basic infrastructure like roads and airports need to be considered. For public transport, a decreasing population means fewer passengers. Traditional modes of public transport, such as timetabled bus services using large vehicles, depend on certain population densities. In shrinking areas, especially in rural regions, shrinking population leads to thinned-out timetables and thus less attractive public transport.

In the field of housing, shrinking means empty buildings and shops, falling property prices and frequent vandalism in derelict areas. Ageing challenges municipalities as well as private investors and housing companies to offer housing options and neighbourhoods adapted to the requirements of an ageing society; e.g., lifts instead of stairways, neighbourhoods with services the day-to-day needs (health care, shopping facilities) of elderly and disabled people.

Measures to make cities child and family-friendly are becoming more important. Because “the suitability of the inner city as residential area for families and the wish to live there as a family, are, under certain preconditions, far greater than has generally been supposed. […] New inner-city housing, in particular, often fails to meet family requirements (forms of construction and living, types of building and dwelling)”. An integrated transport policy that includes speed-reduced streets or other traffic calming measures, or sufficient day care facilities should also be part of such strategies.

It will clearly take enormous financial and political efforts to adjust cities’ infrastructure to the future demands of a shrinking, ageing, more heterogeneous, and at the same time child-friendly society. Thus, in Germany the programmes “Stadtumbau Ost” and “Stadtumbau West” (conversion of cities in eastern and western Germany) have been initiated to support municipalities financially but also for knowledge transfer and exchange. Further suburbanisation will cause serious financial problems. “As the population shrinks, the price of suburban life looms larger as a cost factor (…). Underutilization of the technical infrastructure (water, sewage, energy) also increases the cost of living in suburbia and rural areas. Moreover, where social infrastructure is underutilized, the density of services is reduced.”

**Activities and reaction strategies: Examples from the 4 countries**

The following projects illustrate the challenges of demographic change for spatial planning.

In the German city of Ludwigsburg (Baden-Wuerttemberg, pop. 50,000) the municipality, in cooperation with citizens of all ages, is developing an “Integral Town Planning Strategy”. As the number of elderly people in Ludwigsburg increases (up to 35% of the population by 2050, today about 23%) measures are needed to meet the challenges of future developments. With the participatory Integral Town Planning Strategy, the specific needs of different age groups can be articulated. The aim is to achieve high quality levels in all areas (infrastructure, building land, etc.) to keep the town attractive. The result will be a masterplan (in 2006) laying down future municipal planning. A special feature of this process is the bottom-up approach in cooperation with citizens of all ages.

The Lausitz-Spreewald Region (a county in eastern Germany) has developed “Alternative Modes of Public Transport” to handle small und irregular numbers of passengers. The basis of an analysis of existing public transport services, options for optimizing service are developed. The analysis integrates school transport, “traditional” public transport and alternative services, as well as private transport and certain elements of recreational transport (e.g., boating). One objective is to maintain attractive public transport despite

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(43) E.g. in Germany, public transport in rural areas is often financed by a highly subsidised school transport.
(45) Just for eastern German municipalities from 2002 till 2009 a total of 2,500 million Euros are provided altogether by the Federal state, the Länder, and municipalities. The Federal Ministry of Transport, Building and Housing contributes about 1,000 million Euro (http://www.stadtumbau.com).
decreasing numbers of pupils for all citizens and tourists. It is an integrative concept, all means of public transport are included, additional costs will be met by savings in other fields. The project is financed by the Lausitz-Spreewald Region, the Federal Ministry of Transport and Spatial Planning, the IBA Fuerst-Pueckler-Land (International Exhibition on Planning and Building) and by EU Interreg IIIb.

The "Marbella Initiative" (pop. 116,000, Andalusia) focuses on the fact that the Costa del Sol is one of the largest and most important destinations in Europe for foreign retirement migrants. The new town planning ordinance being drawn up by the Marbella municipality will allocate land for a senior citizens’ residence to be built in conjunction with the regional government’s social services ministry. In addition, three new senior centres, four apartment complexes and two day care centres for the infirm and their families are planned.

Ostrava (pop. 309,000, North Moravia, Czech Republic) is implementing a municipal transport policy taking into account the particular needs of elderly people. Passengers over 70 use public transport without charge, and busses as well as bus stops are supposed to be barrier free.

3.3 Employment and Social Inclusion

Relationship between Employment/Social Inclusion and Demography

There is a close relationship between employment/social inclusion and demography. Despite the differences between EU member states, they have much in common in the future development of employment. Greater differences are apparent in the new member states, where migration behaviour is expected to differ from EU15.

Employment growth in the EU remains rather limited, and has now been low for several years in a row. Growth such as it has been driven by continued expansion of employment in the services sector. More flexible types of employment are also continuing to increase. As a result, the average employment rate for the EU grew by 0.4% to 63.3% in 2004, an improvement over 2002 and 2003 when total employment hardly rose at all. The rise in the employment rate was driven particularly by the ongoing increase in female employment, and also by a continued strong rise in employment for older people (aged 55-64). The unemployment rate remained unchanged, and the long-term rate even increased slightly to 4.1%.

Compared to the Lisbon and Stockholm objectives (and the re-launch of the Lisbon Strategy in 2005), rates remain below the target for 2010 and, because of the weak labour market performance in Europe, there will be only slow progress in the future.

Nevertheless, employment growth has been favourable in the majority of EU states. Only four countries experienced negative annual growth, most notably the Netherlands. In contrast, seven countries boosted employment by over 1%, with particularly strong growth in Cyprus, Greece, Ireland, Luxembourg and Spain. In Germany annual employment growth took a turn for the better in 2004 after negative average growth in the previous two years. The employment situation for older people continues to improve, with employment rates rising markedly since 2000. This has been a general feature almost throughout the EU. Pension system reform and stricter regulations on early retirement schemes are presumably having an impact on the labour market. In contrast to these improvements there has been a deterioration in the labour market situation for the young.

As far as social inclusion is concerned, 7% of the employed population of the EU25 (an estimated 14 million people) live in households with incomes below the national poverty line. This is due to labour market problems, but in-work poverty also exists. Especially single parents and sole earners with children are affected by this phenomenon. On average in the EU15, at least 20% of such workers are exposed to poverty. Depending on the country, the youngest workers (especially in Luxembourg, the Netherlands and in Finland) or older ones (especially in Greece, Portugal, Italy and Ireland) face a relatively high risk of poverty. There is, however, much variation in the patterns of this phenomenon.

In the medium term, forecasts of employment development anticipate at best a reduction in unemployment but no full employment. Nevertheless, there will be sectors and regions that will suffer from an increasing lack of skilled labour within the next few years. In Germany, for example, 2015 will mark a turning point: the supply of skilled labour will decrease significantly because of the declining population. Even an increase in the employment rate for women and older people, a migration rate of about 200,000 persons per year, and shorter periods of education would be unable to stop this development. On the contrary, these developments will enlarge the labour supply and may even increase unemployment rates in some regions.


There is a discussion about the correlation between productivity and ageing. A common hypothesis supposes that an ageing labour force is less productive because their education is not state-of-the-art. Another argument is the declining health of elderly people. On the other hand, in a society where service and knowledge play an increasing role, experience and social competence become more important which would favour older employees.

Migration plays an important role in the discussion about the future development of population and employment – and is a basic element in the debate on social inclusion. Without migration, the population in Germany, for example, would fall to 62 million by 2050 (now 82 millions). If 220,000 immigrants arrive per year, the population will still decrease, but only to 78 million \(^{(50)}\). Immigration cannot stop population decline but only diminish it. Developments are similar with regard to skilled labour. Migration reduces the labour scarcity but cannot prevent it. Ageing will also continue. The free flow of labour is postponed for the new EU member states. From 2010, migration is expected to intensify, and again from 2020 when domestic labour markets in the new member states face shortages \(^{(51)}\).

Migrant skills will become even more important than today. Integration and social inclusion will confront all tiers of public administration with new challenges, in kindergartens and schools, employment for younger people with an immigration background, in the “inter-cultural competence” among public servants, and in geriatric care, in taking cultural differences into account.

**Activities and reaction strategies:**

**Examples from the 4 countries**

With different focus, the following projects document the relationship between demographic change and employment or social inclusion.

The City of Espoo (pop. 224,231, Helsinki metropolitan area, Finland) has initiated a “Senior Model” as an age management tool. The municipality is one of the biggest employers in the area. The objective of the model is to maintain the motivation and working capacity of as many ageing persons as possible so that they will continue to be productive employees and able to work until the statutory retirement age. This also means creating a working culture that values the experience of an older workforce. The final stages of careers should also be planned as in the early years. Mentoring plays an essential role in the Senior Model context. Every person who holds a senior post is obliged to act as a mentor for another person working in the city organisation. The mentor (an older and experienced employee) is to participate in normal work, but the scope of his work will expand. He is to transfer the knowledge, networks and skills he has acquired during his working history to benefit the organisation. He will do this by acting as a guide and trainer for another employee. A lot of similar activities have been started, e.g., in Germany, often initiated by municipal economic development Authorities, by enterprises, and often in cooperation between the two.

The activities undertaken by Bielefeld (pop. 328,452, Germany) in the field of the so called “silver economy” are a model in two ways. The project brings benefits for elderly people by offering them a broad range of products and services. These services generate employment for an increasing number of health-care workers and others. In North Rhine Westfalia the health sector has been the fastest expanding economic sector in creating employment in recent years. The municipal association for economic development has identified the “silver economy” sector already several years ago as an important field of action and promotes growth and employment potentials in the field. Important sectors are building and housing, health and wellness, tourism and leisure. Activities include an association to promote age-adequate housing, an initiative of craftsmen that offer services to convert apartments and houses for elderly residents and tourism and wellness services for the 50-plus generation in the Teutoburger Wald region. At the moment about 25 partners in the region work together to develop special tourism services for this age group. Partners are hotels and guest houses, wellness providers and recreational and tourist information agencies. “Silver economy” is a cooperative project funded (from 2002 to 2004) by the North-Rhine-Westfalian Ministry of Economics within the “senior economy” initiative.

Spanish municipalities also offer a broad range of housing and care services for elderly people, generating increasing employment. The municipality of Aguaviva (pop. 700, rural area, lowest population density of all Spanish provinces, Region of Aragon) has taken the offensive on immigration, integration and employment. The mayor of Aguaviva placed an advertisement in the international press: “Spanish village is looking for immigration willing families”. He also founded the Spanish Association of Towns Against Depopulation, which currently has 120 members. The target group is married couples under 40 without university education who have work permits and at least two children under the age of 12 years. The village offers them the means to start a new life: low-rent

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\(^{(50)}\) There are some variations in the number, depending on the institute and the prognosis taken as a basis.

\(^{(51)}\) Schulz, Erika, presentation held at a Difu-Seminar in Berlin, 18.10.2005.
housing, jobs in agriculture, construction or services, free medical care and schooling. In return, the families agree to stay for at least five years. Since 2000, the population of Aguaviva has surged from 590 to 700, and the school roll has doubled. More than 30 new homes are springing up on the outskirts of the village. An Internet centre has opened, with a gym and a discotheque soon to follow. The village community benefits not only from a higher population but also from the different cultural backgrounds.

Another activity is the training plan for businesses in the social economy in the Region of Navarra (Spain). In focus is the idea of lifelong learning as a means of acquiring new occupational skills. The region of Navarra has formed an association (ANEL) for businesses in the social economy with a current membership of 169. A training plan designed to meet the specific needs of ANEL members has been implemented. The association has carried out detailed assessments of training needs and, responding to calls from business managers and staff, has designed a set of training modules that apply across all sectors.

An initiative to keep skilled migrants in contact with their region of origin and to support them if they wish to return is “Migrate and Return” (mv4you) in the East German state of Mecklenburg-Vorpommern (rural, sparsely populated). mv4you offers possibilities for job seekers, providing contact addresses and job offers. For enterprises they provide a database with information on skilled workers. 40% of clients are between 25 and 35, only 1% older than 55. People interested in re-migration are normally highly qualified. Since 2001 about 200 persons have returned with the assistance of the mv4you agency, and by the end of 2004 about 1500 were registered at the agency, with about 900 people being actively taken care of. The project is financed by the Mecklenburg-Vorpommern Ministry for Employment, Building and Spatial Development.

### 3.4 Local Community Activities

**Relationship between local community activities and demography**

Local community activities bring together different actors. Enterprises, citizens, organized groups are active in many different fields. The focus is on charitable and general socio-political activities, but the spectrum of local activities covers other fields, (in Germany, for instance, public involvement in urban/spatial planning has a long tradition). The willingness to work in this sector has increased in recent years. Elderly people play an important role in this field, and they have become even more involved in the past five years. A survey on volunteering showed that in Germany 40% of the people between 55 and 64 and 26% of those aged 65 and over engage in voluntary work. In the past, older people focused on supporting their own families, where they are very intensively involved. But civic engagement is becoming more and more popular. Voluntary civic engagement covers a broad range of activities: it supports families and neighbourhoods, volunteer activities in sport clubs, in the cultural sector, in churches and their organisations, in political groups. The survey mentioned above also shows that the elderly and old are profoundly eager to participate more intensively.

The extent of volunteering varies significantly in Europe, ranging from only about 8% in Russia to some 56% in Sweden. Germany has a 20% rate of volunteering, slightly below the European average of 28%; the rate in Spain is 17%, in Finland 38%, and in the Czech Republic 33% . In Finland voluntary welfare has a long tradition. Private organizations have started many programmes, especially for children and families, that have later been established as public social services. Private and non-profit-organizations still play a major role in supplementing official welfare for minors, old people and people with disabilities. Organizations receive a reasonable proportion of their funding from public resources.

Volunteering might become more important in the future, if nation-states are unable to provide the whole range of public services by their own entities. As a result of demographic changes, volunteering will become more important, for example, in tackling integration problems or in geriatric care. Volunteering is also an economic factor, especially for non-profit organisations, and contributes considerably to financing such institutions (commitment as monetary value) and thus to providing non profit products and services.

A special form of local community activity is corporate citizenship, a relatively new mode of cooperation between enterprises, citizens and government. Corporate citizenship is about the contribution a company makes to society through its core business activities, its social investment and philanthropy programmes, and its engagement in public policy. The basic idea is that the manner in which a company manages its economic, social and environmental relationships and how it engages with its stakeholders (such as shareholders,
employees, customers, business partners, governments and communities) has an impact on the company’s long-term success.

Local authorities and, in particular, small and medium sized enterprises, which usually have a closer relationship with the municipality where they are located and show stronger commitment, share an interest in safeguarding and improving competitiveness and the quality of life in their communities. Enterprises initiate dialogue with stakeholders and partnerships with non-profit organisations. For non-profit-organisations, corporate citizenship means entering into this dialogue and involving private companies in their activities. The role of the government and local authorities is to prepare the framework and enable activities (“the enabling state”) but not to become too involved. Some EU member states that have taken the lead in corporate citizenship have already established networks of enterprises, consulting organisations and application-oriented research institutes. Key institutions include “Business in the Community” (UK), the “Copenhagen Centre” (Denmark) and “Corporate Social Responsibility Europe/CSR Europe” in Brussels. CSR Europe is an EU-wide network of Commission and business actors set up largely on the initiative of the European Commission.

Activities and reaction strategies: examples from the 4 countries

There are very few examples of (documented) projects on local community activities in the countries under study.

The municipality of Arnsberg (pop. 76,985, North Rhine-Westfalia) has developed an integrated strategy “to organize demographic change” together with residents, especially a very active senior citizen network. It is a model local authority project involving the public in preparing for the changes to come, drawing on their ideas and competence. All future planning decisions taken by the administrative and political authorities are to take account of the anticipated development of supply and demand in the light of demographic changes. The planning process is aided by a “demographic guide” providing indicator-based forecasting methods and information on demographic changes. Other projects are designed, for example to improve the cultural infrastructure in order to enhance the attractiveness of the town. The extensive provision of all-day child care is another field of action.

A number of actors have launched a local educational campaign to promote children’s interests, improve municipal kindergartens and schools, and further networking among local institutions. A new integration concept aims to reduce the number of children leaving school without qualifications. Cooperation and the division of labour within the region will also be intensified in preparation for demographic change and its consequences. The project is financed by the municipality.

(53) Information Portal for Corporate Citizenship (http://www.corporate-citizen.info/).
(54) Bundeszentrale für politische Bildung (http://www.bpb.de/publikationen/E7NGH7,0,0,Corporate_Citizenship_im_deutschen_Sozialstaat.html).
All European countries are facing challenges engendered by demographic change. These developments have far-reaching, complex consequences for local and regional government. The impact of demographic changes differs from city to city and from region to region. But they influence nearly every sphere of life and affect almost every policy field. Demographic change is a topic addressed at the European level, in particular by institutions like the EU Commission and Eurostat (Statistical Office of the European Communities). In March 2005, the Commission of the European Communities published a Green paper “Confronting demographic change: a new solidarity between the generations”. In this paper the phenomena of demographic change (low birth rate, decline of population, ageing/longevity, migration) are discussed with regard to inter-generational solidarity. Eurostat data show that all European countries are affected by demographic change, to a varying extent and in differing time horizons. Demographic change and the discussion on how to deal with it is not only a complex issue but also a politically and emotionally highly charged subject. Although scientists have been providing demographic data for many years, it has only recently surfaced in public political debate — probably owing to the initially negative connotations of shrinkage and ageing. The political debate on ageing focuses more on its costs for the social insurance system rather than on its social and even economic potentials. This is the case in all the countries under study.

Shrinkage, in contrast, seems to be a topic particularly relevant in eastern Germany. Of course, the shrinking of cities is not a totally new phenomenon and in the countries under study is occurring in a number of regions. But in East Germany, a natural decline of population (collapse of the fertility rate after German unification) is compounded by a sustained and extensive outmigration to West Germany. Some cities have lost more than 20 to 25% of inhabitants since 1990.

On the local and regional government levels, most of the projects documented are in field of social services, especially infrastructure. Local authorities are attempting to adapt the social (and technical) infrastructure to changing demand in terms of the quality and extent of services. Many projects have already been implemented. In other areas, too, local authorities have started developing strategies for handling demographic change, covering a broad range of initiatives. But very few local authorities are proceeding systematically by adopting an integrative strategic approach taking account of all the different and interlocking elements of demographic change. Much remains for local and regional authorities to do, and it will become increasingly urgent to develop local and regional strategies adapted to the specific local situation.

[Summary and Conclusion]

Further Inquiry and Research Questions

The report gives a first impression on the impact of demographic changes on local and regional government. It primarily describes good practices, published in the Internet or the literature. These presentations of good practices generally omit problematic aspects of the projects and their implementation, as well as constraints and obstacles. Further and more detailed research, e.g., evaluation, impact assessment, and questionnaire based surveys, is necessary before conclusions can be drawn about the impact, effectiveness, efficiency, sustainability, etc., of projects. Future inquiry in the field of demographic change and impacts on local and regional government in Europe should focus on:

- Identifying conferrable approaches on the different tiers, especially the regional and local levels; they may be isolated projects in municipalities as well as more integrated, interdisciplinary and transsectoral approaches. A good practice data base – that thematizes problems and constraints, as well – could be helpful for administrative and political actors on all levels.
- The roles by different actors, e.g., EU, nation-states, regions, local authorities:
  - How can the EU and nation-states promote awareness of demographic change at all policy-making levels?
  - How can they promote exchanges of experience between national governments, regional and local authorities?
  - How can demographic change (with negatively connotated shrinkage and ageing) be placed on the political agenda in municipalities and regions?
  - How can the political dilemma of balancing long-term developments like demographic change against short-term political interests be resolved?
- Identifying specified cultural characteristics in accepting and managing demographic change.

Moreover, many projects had to do with demographic change but were rarely designed and initiated in explicit response to perceived demographic changes. They are concerned only indirectly with this issue. In principle, the existence of a project does not necessarily mean that the responsible actors are aware of demography as a meta-dimension. It could be interesting to investigate how extensively the subject is already being discussed and addressed. It is necessary to foster greater awareness of the importance of “demographic change” and an understanding of it as a cross-sectional issue.

Demographic change is a topic at the General Assembly of the CEMR in Innsbruck, Austria in May 2006. The Assembly could be a starting point for a “European network of municipalities experiencing demographic change”. This network should bring together experts (in particular practitioners from local authorities as well as from ministries, associations and scientific institutions) from different countries to initiate an exchange of experience and lead the discussion out of academic to the more general level where action has to be taken in response to the demographic changes all countries have to cope with. The time for procrastination is past.
The Council of European Municipalities and Regions (CEMR) is a non-profit association. It is the broadest association of local and regional government in Europe. Its members are national associations of local and regional governments from over thirty European countries.

The main aim of CEMR is to promote a strong, united Europe based on local and regional self-government and democracy; a Europe in which decisions are taken as closely as possible to its citizens, in line with the principle of subsidiarity.

CEMR'S ACTIVITIES

Influencing European legislation
CEMR works for a Europe that respects the principle of subsidiarity and local and regional self-governance, a Europe in which all spheres of government (local, regional, national, EU) work together as partners. CEMR has campaigned for a European Constitution that recognizes the role of municipalities, towns and regions; it has also helped local and regional governments from new EU member states to prepare for accession to the EU.

Shaping the future of Europe
CEMR’s role is to facilitate the flow of information on these experiences, to spread ideas and skills to all its members. To achieve this, CEMR organises working groups, seminars and conferences that enable its members to meet and discuss their concerns and ideas.

Supporting town twinning
CEMR has created the concept of European town twinning, which stems from the idea that a peaceful and successful Europe can be best built at its base, by its citizens. Today, there are over 30,000 town twinnings across Europe, and support for this unique movement remains one of CEMR’s priorities – in particular, by co-coordinating the work of twinning officers. CEMR works closely with the European Commission (DG Culture and Education) and the Parliament to ensure necessary financial and policy support for the twinning movement.

Strengthening local and regional government in the world
CEMR is the European section of the world organisation of towns and municipalities, United Cities and Local Governments (UCLG). Within UCLG, the Council of European Municipalities and Regions promotes democracy, local self-government and exchange of experience across the world. It also promotes North-South co-operation and capacity building.

Exchanging information and experience
Taken together, localities and regions constitute a well of experience in their domains of competences (social welfare, economic development, environment, transport…).