

Resolution 585 (1975)¹

Economic and social consequences of the ageing of the population in Europe

Parliamentary Assembly

The Assembly,

1. Considering that the fertility rate has recently fallen in several Council of Europe member states, which may lead to a decrease in the indigenous active population in fifteen to twenty years' time ;
2. Considering that, according to present trends, the elderly will in future form a higher proportion of the population, and that special measures are required in order to meet the needs of this large section of the population and finance appropriate social structures ;
3. Considering that a uniform lowering of the retirement age is liable to have an adverse effect on the relative proportions of the active and non-active population, and to affect overall production ;
4. Recalling its [Recommendation 502 \(1967\)](#) on persons wishing to engage in paid employment after retirement, and welcoming the studies undertaken in this field by the Council of Europe's Committee of Demographic Experts and its Committee of Experts on Social Security ;
5. Considering that the cost of social and medical protection has increased substantially over the last ten years and will probably rise considerably over the next twenty ;
6. Considering that social progress, which is essential to the population's well-being, can hardly be continued without a sound economy, and that the increase in social charges should as far as possible be matched by an increase in overall production and a more even distribution of incomes ;
7. Considering that tax systems and the apportionment of social charges should be modified so as to provide more effective help for the least fortunate sections of the population ;
8. Believing that every effort should be made to develop the full potential of the indigenous labour force, notably by encouraging and facilitating the employment of women ;
9. Believing that research should be continued and extended with a view to establishing a more humane working environment, which is not only desirable per se, but would also tend to augment individual productivity and thereby make the active population better able to support heavier social charges,
10. Invites the relevant parliamentary and government circles, employers' and employees' organisations in the member states, and those in charge of the mass media, paying particular attention to the wishes of the old-age population :

to educate public opinion concerning the combined effects of the variations already occurring or which may be foreseen in the pattern of the active and non-active population and of the increasing cost of social welfare and medical assistance, and about the financial implications of further measures in these fields ;

1. Assembly debate on 24 January 1975 (20th Sitting) (see [Doc. 3518](#), report of the Committee on Population and Refugees). Text adopted by the Assembly on 24 January 1975 (20th Sitting).



to promote a social and economic policy which takes into account the factors mentioned under i, and to support the implementation of the measures listed in the appendix to this resolution ;

to work out a policy for the elderly, taking into account Resolution (70) 16 of the Committee of Ministers of the Council of Europe on social and medico-social policy for old age, and aiming to provide as far as possible the conditions for a normal and independent life for old people.

Appendix APPENDIX

Measures to alleviate the combined effects of ageing of the population and the increasing costs of social and medical protection

I. Measures to help elderly people - 1. The lives of elderly people

- a. work out a policy and adopt measures that will take account of the growing percentage of the elderly population ;
- b. adapt local, regional and national budgets to structural changes in the population, by allocating to each age group amounts related to their number and their special requirements ;
- c. enable elderly people to remain independent as long as possible, in particular by providing them with suitable housing, at moderate rents, where home care welfare services are available ;
- d. encourage measures that will reduce elderly people's isolation and will integrate them in the social life of their place of residence ;
- e. inform elderly people regularly regarding special arrangements made for them in various spheres.

2. Work for elderly people

- a. work out an employment policy for the elderly, bearing in mind that suitable work often has a beneficial psychological effect ;
- b. make it easier for old or retired people to work by the following means :

allowing them to combine earnings with a pension up to a certain ceiling, having regard to [Recommendation 502 \(1967\)](#) on persons wishing to engage in paid employment after retirement ;

giving financial assistance to employers taking on older people, so that they can give them the necessary training for jobs appropriate to their capacities ;

offering all retired persons continuing to engage in gainful employment subject to compulsory insurance, and those who defer payment of their pension, the possibility of increasing their pension according to actuarial principles ;

ensuring that in medium-sized and large firms there should be a number of jobs suitable for older people ;

introducing flexible working hours for older people ;

ensuring that the taxation system does not discourage elderly and, especially, retired people from engaging in paid employment.

II. Measures to increase the working population

1. Part-time jobs

Create more part-time jobs, especially for the elderly, the disabled and young people who have not yet finished training for an occupation, at the same time ensuring that the wages paid for part-time work are calculated at least on the same basis as the wages for full-time work.

2. Women's employment

- a. promote the employment of women by providing more opportunities for further professional training, especially for women with families who begin work and whose children are no longer very young, and to give them such facilities as flexible working hours and the establishment of kindergartens in order to enable them to assume their double role ;
- b. organise retraining courses for women who have left work to look after their children ;
- c. apply strictly the principle of equal payment for men and women for work of equal value ;
- d. set the same retiring age for men and women.

3. Work for the disabled

Promote functional and occupational rehabilitation of the disabled, and require every firm employing more than 50 people to employ a certain number of disabled persons.

4. Work for elderly people

Give elderly people an opportunity of engaging in gainful employment as in paragraph 1.2.

5. Pensions

a. avoid lowering the pensionable age uniformly, but introduce a flexible system from the age of 60 onwards or else a system based on a foreseeable reduction of work after the age of 55 ;

b. vary the retiring age according to the occupation concerned, primarily on the basis of the physical demands of the type of work

III. Measures to introduce working conditions and methods which may help to increase the productivity of the labour force

1. Provide humane working conditions and environment, according to the principles expanded in [Resolution 565 \(1974\)](#) on the humanisation of working conditions in industrial society, which may help to increase the productivity of the labour force ;

2. Investigate ways of rationalising manufacturing and working methods, and promote broad technical training at all levels, in so far as such policies are compatible with the humanisation of work and respect for the individual.

IV. Measures to check rising costs in the sphere of social and medical protection, and to apportion the relevant contributions more satisfactorily

1. Work out long-term social security financing systems which will guarantee the maintenance of adequate collective funds, taking into account the future structure of the working population and its productivity, in order to achieve a better balance between the expenditure and receipts of the institutions concerned ;

2. Financing of social measures :

- a. adjust contributions in respect of social security and medical assistance to the income of individual and corporate contributors ;
- b. give more tax relief to persons with small incomes, and increase taxation for the more comfortably-off ;
- c. make provision in tax legislation for exempting from tax the proportion of a firm's net profits devoted to carrying out certain social projects for the benefit of its workers or the community ;

3. Grant supplementary social benefits primarily to persons really in need of them, and consider withdrawing them, except where based on specific contributions, where income exceeds a certain ceiling ;

4. Supplement the various forms of provision for old age by introducing savings schemes with special interest rates and carrying tax exemption up to a certain amount, on condition that withdrawals may not be made until the saver has reached the age of 60 ;

5. Rationalise hospital services, and develop regional structures, as advocated in [Recommendation 686 \(1972\)](#) on the improvement of the medical care of hospital patients ;

6. Create geriatric clinics to provide out-patient treatment for the elderly, and expand social and paramedical facilities, particularly for treatment in the home, ensuring the staff in question receive a more specialised training, and are given a status and remuneration appropriate to their responsibilities ;

7. Devise preventive medical examination systems in accordance with [Recommendation 607 \(1970\)](#) on preventive medicine and the institution of a European Health Card, bearing in mind economic factors so as to avoid expenditure out of proportion with results ;

8. Promote more research into medical care for the elderly ;

9. Recommend old people to undergo regular medical examination, to be reimbursed by the social security system, in order to facilitate the early diagnosis of serious diseases ;

10. Allow retired people to engage in paid employment with the social services, particularly so that they can help old people in their homes.

V. Socio-economic studies

Undertake thorough studies into the following subjects :

- a.* the long-term effects of social legislation already in force ;
- b.* the sectors where better social security provision is required ;
- c.* methods of financing the social security and medical protection schemes, paying particular attention to a system whereby the individual would pay a share, in order to increase his sense of responsibility with regard to public funds ;
- d.* the planning of long-term social legislation, having regard to the needs of the population and the possibility of financing new measures ;
- e.* measures designed to reduce the cost of pharmaceutical products by means of strict price control based on production costs.