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Ministerie van Volksgezondheid, Welzijn en Sport
Ministry of Health, Welfare and Sport



Policy for older persons in the perspective of an ageing population

When I get older, losing my hair
Many years from now
Will you still be sending me
a Valentine Birthday greetings bottle of wine
If I'd been out till quarter to three
Would you lock the door
Will you still need me
Will you still feed me
When I'm sixty four
You'll be older too
And if you say the word
I could stay with you
I could be handy, mending a fuse
When your lights have gone
You can knit a sweater
by the fire side
Sunday morning go for a walk
Doing the garden,
digging the weeds
Who could ask for more
Will you still need me
Will you still feed me
When I'm sixty four
Every summer we can rent a cottage
In the isle of Wight, if it's not too dear
We shall scrimp and save
Grandchildren on your knee
Vera Chuck and Dave
Send me a postcard drop me a line
stating point of view
indicate precisely
what you mean to say
Don't let your years sincerely wasting away
Give me an answer, fill in a form
Mine for evermore
Will you still need me
Will you still feed me
When I'm sixty four

634

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me ¶ Will you still feed me ¶ When I'm sixty four

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of an ageing population*

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1 Introduction

Netherlands rates tops

The Netherlands has much to be proud of when it comes to the quality of its care of older persons. It is instructive to look at how others judge Dutch elderly care. For example, the AARP, a US membership organisation for people aged 50 and over, with 35 million members, rated the Netherlands tops in a survey of 14 European countries, the United States, and Japan. 'What country takes the best care of its older citizens? The Netherlands rates tops in our exclusive survey of 16 nations,' AARP Magazine leads in its November/December 2004 issue. Of course, the survey, which is structured from a mainly American view of society, is not without its faults. Nevertheless, the Netherlands also does well in a European survey (European Study of Adult Well-Being, ESAW). This survey concludes, amongst other things, that people aged 50 to 90 in the Netherlands are the most content in Europe. That is certainly something to be proud of -and to hold on to. It should provide us with the incentive to make timely choices in order to ensure that we receive similarly positive reviews in 25 years time.

Queen's speech 2002

The Queen's speech at the opening of parliament in 2002 stated: 'Focusing on the growing group of older citizens, the government intends to take into account individual wishes and needs with regard to welfare, care, income and housing. To this end, it will present an integrated vision in 2003.' However, political developments at the time and the ensuing change of government meant that although a plan of action was presented to the Lower House in December 2003, it is only now that this government is able to offer its vision.

Broad debate

A great deal of research has been carried out over the last few decades into the effects of population ageing in the Netherlands. The government has, accordingly, made grateful use of the wealth of existing material to prepare this policy document. Various additional studies have also been carried out into a range of matters, such as how population ageing is perceived by citizens, developments in the provision of care, the consequences of an ageing population for housing policy and, finally, various future scenarios that can cast a light on the possible social effects of ageing. The government has conducted discussions with experts and representatives in various work meetings and made a series of working visits; in order see successful approaches to ageing in practice. Members of the government have also visited senior citizens and representatives of local authorities and parties in the field, to further discuss the changing consequences of growing old and the role of government policy in anticipation of an increasingly ageing population.

Over-emphasis on problem?

Both as this government's vision took shape and during the discussions with different partners, the view began to emerge that perhaps we are too inclined to see old age and population ageing as a problem, as a fate that will befall us: 'The *problem* of the labour participation rate of older people'; 'the *problem* of the costs of an ageing population for health care'; 'the *problem* of the social participation of older persons'; 'the *problem* of income for older people'; et cetera, et cetera. 'And population ageing will only increase the social consequences of the *problem*'. Viewed from this perspective, it does indeed seem that all senior citizens are no longer capable of working, are sick and lonely and have problems with their income. In essence, this view says that we do not expect much more from our senior citizens.

But nothing could be further from the truth. An ageing population equates with enrichment. People live longer and healthier lives, are able to stay in work longer due to changing practices and circumstances, and are increasingly likely to have a higher standard of education, supplement their state pension with other pensions and sources of wealth, and to be house-owners. If we make choices in good time, ageing will continue to represent enrichment. In view of these developments, it is certainly possible to make socially responsible choices. Our senior citizens are capable of very many things, and they want to do very many things.

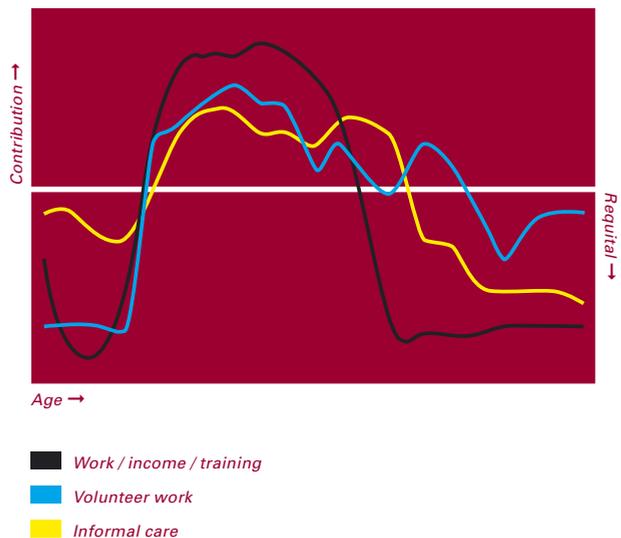
What is more, their valuable competencies and diversity make them a group that will not tolerate being universally labelled vulnerable and dependent. In order to respond to these changes and make responsible choices, we need to organize solidarity differently and focus effort on those that are most vulnerable. This shift requires us not just to respond to population ageing, but develop a different view of senior citizens, which sees them as a more differentiated group that cannot all be put in the same box.

This realization raised the question as to why it was considered necessary in the first place to have a policy for older citizens based on age categories. Different debates have shown that there is no such reason, or rather that there should be no such reason. Those participating in discussion with the government stated: *'Policies aimed at specific target groups encourage group egotism.'* And *'The government will have to focus its efforts on achieving a 'life-course policy' that is relevant to all generations'* was another comment. The government takes the danger of target group egotism seriously, particularly if a discrepancy arises between expectations and promises, on the one hand, and what can actually be achieved, on the other. A discrepancy of this nature is more likely to divide generations than it is to ensure they remain committed to one another, and may provoke parties into taking stances that are based on defending 'previously acquired rights'. One example is the discussion that arose in early 2005 following the recommendation of the SER (*Social and Economic Council*) that senior citizens should be required to contribute towards (i.e. also fund) the state retirement pension. In a survey conducted by 'Plusmagazine' (January 2005), 82 per cent of older persons said they were against this proposal. In the media, experts discussed the (im)balance of inter-generational solidarity. Such a discussion can be useful, but should not obscure the fact that a strong economy is needed now and in the future if we are to ensure sustainable prosperity and solidarity with vulnerable citizens. For this reason, the government places great value on promoting cohesion in policy and communicating this fact clearly.

Timely choices

The life course perspective, by contrast, reveals the solidarity between and inter-dependence of citizens. The figure below shows, by way of example, what a random citizen, during his or her life span, contributes to (contribution) and receives from (requit) society. The figure shows the balance of tax on

Figure 1: Contribution and requital during life course



earned income on the one hand and education and the provision of a basic income on the other. Furthermore it shows the balance of volunteer work performed against voluntary services received, and the balance of informal care given and informal care received. In this fictitious example, the balance shifts towards 'receiving' far later in the case of volunteer work and informal care than in the case of work/training and basic income. The amount of informal care received in very old age decreases as more use is made of professional care.

Life-course perspective

Policy must convey the importance of having respect for others, having a sense of solidarity, having consideration for each other and of showing interest in what others are thinking and how they live. The structure of society must challenge people to continue to participate and to carry responsibility. Creating a culture of reciprocity is a matter for all of society. Government can create the conditions, to structure and arrange the public space and provide a vision and direction for the functioning of important social institutions. But it is also important that older citizens should take a less non-committal view of their role in society. A more active role for citizens will contribute to a longer sense of well-being amongst older citizens and create a sense of inclusion by building a culture based on the values of respect and reciprocity. The abstract notion of solidarity must be rooted in concrete experiences of solidarity and mutual commitment, for example within the family, but also beyond it, in the neighbourhood and in society at large. An ageing population will not constitute a problem if politicians and society are able to take measures in good time. This government will assume its responsibility in this respect. An ageing population does not create an insurmountable fate. If population ageing becomes a problem then we have only ourselves to blame, since we will have failed to make choices in good time that take full advantage of the opportunities that present themselves.

Respect and a feeling of solidarity

Fair share

Dropping the idea of a policy for senior citizens based on age categories still means that some issues with regard to care, housing, welfare and income continue to relate mainly to older persons and as the population ages these issues will become especially relevant. The challenge of population ageing is to guarantee a fair share for all, both between the generations and within the generation of senior citizens. In order to guarantee everyone a fair share, we must balance prosperity and responsibility, rights and responsibilities. Prosperity can only be shared if it is achieved, whether it be through paid labour or volunteer work or informal care.

Life-course policy and investing in a support base

If one had to give one reason for having a policy directed at older persons then it would be the existence of disadvantages in areas mainly affecting older citizens or where they are particularly vulnerable – and especially disadvantages that are known to affect older persons cumulatively. The same arguments also apply to youth policy, for example, and led to the creation

of 'Operation Jong' (Operation Jong is a joint initiative of the Ministry of Health, Welfare and Sport, the Ministry of Education, Culture and Science, the Ministry of Justice, the Ministry of Social Affairs and Employment and the Ministry of the Interior and Kingdom Relations with a single aim: to achieve a strong and results-oriented youth policy). An ageing population may result in disadvantages in several areas, such as care, income, housing and welfare if we fail to react in good time. The importance of this government policy document is that it clearly specifies where choices must be made and what steps are needed to guarantee a fair share for all.

This government endorses the importance of a life-course policy. Addressing the social consequences of an ageing population need not affect those facilities which are frequently used by older persons, such as care, the state retirement pension and other pensions, houses for older persons – in brief, those things that we often associate with a policy for older persons. A pro-active ageing policy also invests in young people, in education and in encouraging innovation in order to strengthen the economic base to support an ageing population. This is a tremendous challenge, and the government is actively investing in these areas. In its policy document entitled 'Kiezen voor groei, welvaart voor nu en later' (TK 2003–2004, 29 696) (*The choice for growth, ensuring prosperity today and tomorrow*), the government sets out its agenda for sustainable growth. This agenda aims to create growth in order to enable future generations to enjoy a high and sustainable standard of living. There are three core elements in the government's agenda for growth: strengthening the country's competitive position, stimulating smarter ways of working and enhancing labour market participation. The agenda represents a challenge to citizens, companies and civil society organisations to make a choice for lasting prosperity and work towards this end. This perspective underscores the importance of reciprocity and solidarity between generations. As was announced in the Queen's speech in 2002, this policy document deals with policy for older citizens in the context of an ageing population, but is guided by the understanding that population ageing is only one side of the coin.

The above insights determine to an important degree the 'colour' of this policy document. Chapter 2 examines more closely the perspective from which the government views the issue of an increasingly ageing society. This chapter illustrates, amongst other things, the changing significance of 65 years as the generally accepted criterion for 'old age' and demonstrates how much has changed in the hundred years since the magic figure of 65 was first associated with old age. Chapter 3 analyses the ageing society in more detail, with particular reference to the cohesion in various policy areas and the social task which the government sees before it. Chapters 4 and 5 describe how this task is translated to policy for the coming years, presenting a broad longer term vision, followed by more concrete plans for the near future. These steps involve action in a number of areas (many of which span more than one ministry) such as income, labour, housing, welfare and care. Finally, chapter

6 looks at the government's roles in terms of coordinating activity and communicating ideas in response to an ageing population.

In the long term, policy must focus on enhancing participation and individual responsibility from the lowest possible level in society, creating a balance among the contributions made by different generations and, more generally, promoting social cohesion. The policy which this government has already set in motion offers a good basis in this regard. Consequently, no radical new measures are set out in chapter 5. The existing policy provides a basis for a longer-term agenda. This agenda deals both with the developments relating to ageing that are unavoidable, and outlines the areas where important choices will need to be made in the coming years.

These future choices span a number of areas. First, we need to approach the challenges created by the problems of unhealthy lifestyles. Factors such as obesity and lack of physical activity are well on the way to displacing smoking as one of the most significant health problems, creating major health risks for the future. Prevention policy was and remains the answer here since, but in failing to recognise how compelling the relationship is between health and lifestyle citizens are neglecting to assume personal responsibility. In the longer term then, there is a question as to whether prevention policy can continue to offer an adequate answer. Scientific research, for instance into medicines and medicine use, can also contribute to the health and well-being of elderly individuals.

Second, a different approach will have to be taken to the issue of participation. As our expectations about the life-course change, a new transitional fase between 65-80 may appear where citizens gradually move from activity to inactivity. A longer life must be accompanied by a longer period of activity, and perhaps different forms of activity. To achieve these goals, we must remove obstacles that prevent people from working after 65. As a result, the government will, amongst other things, examine which actions the Labour Foundation (*Stichting van de Arbeid*) has taken with regard to how demotion, age-related pay and collective bargaining agreements and pension schemes may obstruct paid work after the age of 65.

Third, a policy that is generation-conscious must also pay attention to the income ratios between the generations and the contributions each generation makes. A shrinking working population is increasingly asked to fund provisions for a growing population of retirees, and this imbalance is taking a heavy toll on the solidarity between the different generations.

Fourth, in the long term, the need for adequate housing can only be met by a combination of new developments and alterations to the existing housing stock. The responsibility for this lies primarily with citizens themselves, and with civil society organisations. The central government sees its role in this process as a supervisor rather than as an initiator. Moreover, attention must

Prevention policy

Participation

Adequate housing

Accessible living environment

also be paid to the living environment, such as the accessibility of public transport and the availability and nearness of facilities. This means that efforts must be made to avoid the development of enclaves offering safety and a good quality of life exclusively for those able to afford it.

Finally, both the ageing of the population and other factors will likely continue to increase the demand for both curative care and care in the form of nursing and treatment will continue to rise. These rising costs and advances in medical technology will force us to make choices. Once again, we will inevitably find ourselves balancing individual responsibility against collective responsibility, and differentiation against equal accessibility. The increasing demand for care in the form of nursing and treatment can also lead to problems where its availability, either as paid care or unpaid, mutual care, is restricted due to demographic conditions.

2 *Growing old is changing*

Three perspectives

There are three different perspectives in the discussion about old age, policy for senior citizens and population ageing. Firstly, there is the cultural-historical perspective: how do we view older persons and what place do they have in our society? Secondly, there is the individual perspective: what are older persons still able to do, what active contribution to society can we expect from them? And thirdly, there is the macro-economic perspective: what are the consequences of an ageing population for our society? These perspectives determine the 'lens' with which the government sees its social task and hence determine the policy task which the government sees before it. This chapter seeks firstly to illustrate how much the cultural, historical and economic context has changed in the last 50 years, building on perspectives and using snapshots from history. Second, it uses this analysis as the basis for distilling the main trends which future policy must take into account. Finally, it positions the Netherlands in macro-economic terms in an international context.

2.1 Half a century old

The meaning of old age and the position of older citizens have changed considerably over the last few decades, and will continue to change in future decades. Relevant events are given in broad outline below at 25 year intervals.

1955: old in a country undergoing (re-)construction

The 'fifties see a rapid succession of economic, cultural and political developments. The first Daf cars roll from the production line, the first satellite is launched, and rock and roll arrives. 1955 is a successful year. Haanstra wins an Oscar, Scholten wins the Eurovision Song Festival and a Dutch Miss World is crowned. The international stage is turbulent. Indonesia, Suez, Cuba. We are also in the middle of the baby boom. In contrast with other countries, this is more of an extended baby plateau in the Netherlands. The average number of children per family was 3.6; one and a half times the European average.

In 1955, there were 900,000 people aged 65 and above. This contrasts with 5.8 million people aged 20 to 64, producing a ratio of 1 to 6.6. Those aged 65 and above had worked mainly in the agricultural sector and in industry; 3.6% are still at work. The average working week in the 'fifties is still 48 hours. The average employee works about 50 years of his life. Wages are deliberately low. The leading paradigm is 'work hard for reconstruction'. Remaining life expectancy at 65 is an average of 14.6 years for women and 13.8 years for men. In the 'fifties, growing old often meant living in with relatives, partly due to the housing shortage. Older persons are dependent on those around them. Home ownership amongst older persons is still limited at roughly 20%. The state retirement pension is not introduced until 1957: NLG 1,440 per year. At today's prices, that corresponds to approximately one fifth of the current state retirement pension.

1980: old in a welfare state

Twenty-five years later, in 1980, the world looks quite different. Demonstrators take to the streets calling out 'Geen woning geen kroning' (No accommodation, no coronation). People have lived through two oil crises and a wave of terrorism, and are now faced with the highest unemployment rate since the 'thirties. The leading paradigm has shifted to sharing. The belief that growth would continue to be jobless, led to demands that even employment should be shared out. The migrants who so recently entered the labour market now swell the ranks of incapacity benefit claimants. Working hours are shortened and early retirement is introduced in order to create jobs for young people. The achievements of the welfare state, the basis of which was laid in the 'sixties, are utilised to the full: spending on a range of programs, the supplementary benefit, incapacity benefit (*WAO*), the benefits of the Exceptional Medical Expenses (Compensation) Act (*AWBZ*) and the benefits of the Residential Homes for Older Persons Act (*Wet op de bejaardenoorden*) increases. There is a growing realisation that the composition of the population is changing. Underprivileged groups are recognized, and ideas of decentralisation, privatisation, reviews and deregulation emerge. The average number of children per family has decreased sharply to 1.5, with the Netherlands now below the European average. The baby boom is clearly over. It's a woman's right to choose.

Old and dependent

Old and cared for

In 1980, there were more than 1.6 million people aged 65 and above. This contrasts with more than 8 million people aged 20 to 64, producing a ratio of 1 to 5. The average employee at the time worked roughly 43 years of his life. Remaining life expectancy at 65 is 17.6 years for women and 14 years for men. Women in particular have seen their life expectancy rise. Only 0.7% of people aged 65 and above are still in paid employment. Approximately two thirds of the over 65 population only had a primary education. The state retirement pension has been increased to the level of the minimum wage and is NLG 16,970 per year. At today's prices that corresponds to approximately four fifths of the current state retirement pension. Clearly, after 1980 sharing is not as important as it was before that date. Such supplementary pensions as are held by elderly individuals frequently only offer fragmented provision and are usually not full pensions. 12% of people aged 65 and above are in a nursing or old people's home. Homes for older persons reach their peak in the 'eighties with almost 150,000 places and there are approximately 45,000 nursing home places. Home ownership amongst those aged 65 and above has meanwhile risen to 31%.

2005: old in an individualised society

The position of the individual has become important. Controlling demand, customer focus and freedom of choice are the catchwords. Information and communication technology is commonplace. 25% of people aged 65 and above have a home PC. A recent survey (September 2004) entitled '*surfende senioren*' (*Senior citizens surfing the Web*) by Seniorweb, the Social and Cultural Planning Office of the Netherlands (*Sociaal en Cultureel Planbureau – SCP*) and Fontys Hogescholen found that amongst 55 to 64 year olds internet access had risen sharply (from 9% to 64%) between 1998 and 2003. In 2003, 31% of people aged 65 to 74 had an internet connection at home and 14% of people aged 75 and above. ICT bridges the movements of downsizing and upsizing: the movements towards individual and global level. We live in a networked society that is independent of time and place. Fewer and fewer veterans survive from the Second World War, with their place being taken by new veterans from peacekeeping operations and the 'war on terror'. Following the fall of the Berlin Wall, we have a new enemy: terrorism has reared its ugly head once again, this time in an international guise. A discussion has broken out about how successful the integration has been of ethnic minorities. 9/11, Bali, 11/3, Beslan. The world is in a state of confusion. In the wake of the murders of Pim Fortuyn and Theo van Gogh, the Netherlands is rapidly changing from a society where 'anything goes' into a society where 'security is paramount'. The Netherlands is searching for its standards and values.

Old and with cares

For more than 50 years we have known that an ageing population was imminent, but the realisation seems only now to have taken hold. The leading paradigm has shifted from sharing out to participation. There

are now 2.2 million people in this country aged 65 and above. This contrasts with approximately 10 million people aged 20 to 64, producing a ratio of 1 to 4.4. The average remaining life expectancy at 65 is now 18.1 years for women and 14.8 years for men. The average employee works 40 years of his life. The number of people still working after they reach 55 is still low and it is rare to come across someone still working for pay beyond the age of 65. But we reached the lowest point in labour participation more than 10 years ago. Since then, the labour market has seen a massive influx of women in the last few years and labour participation amongst people aged 55 and above is increasing, mainly due to cohort effects. The average educational level of those aged 65 and above has increased sharply, so that now, roughly a quarter of this group have only had a primary education. The state retirement pension is now (2004) more than € 15,600 per year for married couples and more than 11,500 for single people. Additionally, more than 95% of people drawing a state pension have one or more sources of supplementary income. Approximately 7.2% of people aged 65 and above are in a hospital or some sort of home, nursing or otherwise. Slowly but surely, we are also waking up to the fact that citizens with a non-western background also grow old. The future is uncertain. Older persons demand that their rights be retained, but the sustainability of our provisions is under extreme pressure. Choices have to be made.

2.2 Old?... but still going strong

Healthier

Three snapshots of old age, each separated by 25 years, show the changing significance of 65 years of age as the generally accepted criterion for 'old age'. Much has changed in the more than one hundred years since the magic figure of 65 has been associated with old age. When Bismarck determined at the end of the 19th century that the retirement age in Germany would be 65 and the Netherlands followed suit in the early 20th century, most people reaching that age were indeed old and burnt-out. Of the generation born between 1851 and 1855, only 35% lived to celebrate their 65th birthday. The biggest change in the past 100 years is that the likelihood of living into old age has increased enormously: of the generation born between 1921 and 1925, 70% lived to at least 65. The pattern of complaints has changed, but the overall physical shape of 65-year olds at that time is comparable with the physical shape of the average 85-year old today.

Recently, the improvement in health has exceeded even the advances in life expectancy. According to the joint survey carried out by the SCP and the National Institute for Public Health and the Environment (*Rijksinstituut voor Volksgezondheid en Milieu – RIVM*) entitled '*Ouderen nu en in de toekomst*' ('*older persons now and in the future*'), men saw their life expectancy rise by 1 year between 1989 and 2000. At the same time, however, their life expectancy without physical limitations rose by 2.6 years, and in good

mental health by 2 years. The health results for women were even more spectacular: 0.3 years increased life expectancy, but 3.8 years increased expectancy if they are in good physical shape and 2.2 years if they are in good mental shape. This improved shape, or condition, can be partly attributed to improved care that made some restrictions that come with age less debilitating.

There will be increasing differences in terms of health amongst people aged 65 and above. A second period of adolescence characterised by active old age has arisen between the end of the working life and the phase in which care is needed. This period is receiving a lot of attention in general, relatively speaking, since it is precisely this category of 'younger elderly' that will grow most strongly in the coming years.

More prosperous

There is also a tremendous improvement in the income and personal wealth of elderly individuals due to, amongst other things, the maturing of pension benefits, improved pension schemes and increased home ownership. It would appear that society is developing a regenerative capacity. The 'Swiss Life feeling' is spreading and elderly individuals are increasingly wealthy, mobile, internationally-oriented and 'sprightly'. Those taking retirement now can generally look back on a rather successful working life, although there are those who have been less successful and who will be disappointed by their pension benefits. However, the more elderly group amongst our senior citizens often did not profit from all these improvements and, as a consequence, their situation is less rosy.

Elderly are self-confident, aware they have a choice

Setting aside the average characteristics of individuals aged 65 and above, it is clear that the way in which people grow old differs from one person to the next. It is an individual development, influenced strongly by personal behaviour and temperament. It entails greater and earlier dependency for one person than for the other. Combined with the increased differentiation in lifestyles in society, this means that it is no longer possible to put all elderly individuals in the same box or to continue to take general measures on the basis of age alone. Age is becoming less and less a benchmark, and the significance of the magic figure of 65 is disappearing. Older persons are increasingly been seen as ordinary people, just like the rest of us.

Age not a benchmark

Increasingly individualistic

Society is greying in a culture in which the lifestyle of Dutch citizens is becoming increasingly individualistic and differentiated. This diversity in society will also increase amongst older citizens. Individual differences accumulate with age, not only materially but also in terms of the consequences of healthy and unhealthy behaviour. Specific lifestyles generate specific needs and wishes. New social ties are created; based more on conscious choices than on family ties. The question is what these new social ties will mean, and whether they will bind generations together or exist only within each generation. There is an increasing need for tailored approaches. At the

Vitality into later years

same time, the ability of large sections of citizens who are becoming older to pay for their lifestyles is improving, creating increased demands for improvements in the quality of services. To address this new culture and growing demands, government policy will have to allow greater differentiation in services and give citizens more freedom to choose for themselves.

For this policy document, the government commissioned a survey of perceptions amongst the population. This showed that 85% of the population sees old as being any age above 70. The survey also found that people's perception of what is really old moves up the age scale the older one is oneself. Individuals aged 60 and above are inclined to view 80 years of age as the limit for old age. The survey also revealed that future generations of older persons will be different from how we currently perceive them. 80% of those surveyed say that old age will be quite different for their generation. More active, more modern and more assertive are the catchwords in this regard. Everybody wants to live into old age, but no-one wants to be old. More than a quarter of the population has the idea that older persons are still considered second-class citizens. This figures rises to one third amongst the oldest group themselves.

The issue of age also translates to the shop floor. 37% of employers, for example, think that older workers have more difficulty adapting to new technology (meaning that two thirds don't think this way, therefore). And 57% of employees share this view. The inference is that they would prefer not to have an older work colleague. Only 16% would prefer a new work colleague to have more than 25 years' work experience. In actual fact, the chance of becoming unemployed is virtually the same for young and older people. However, once an older person has become unemployed, they have difficulty finding another job. Of course, there are wholly natural preferences underlying this – a preference for people of one's own age. The habit of younger generations to oppose their elders is also the source of change and progress. But stereotyping should be avoided and combated.

The picture that an elderly individual has of himself or herself and his or her capacities and possibilities is closely related to the (incorrect) picture of older persons that prevails in society. The baby boom 'masses', the protest generation, have ensured that a 'youth culture' has taken hold in the Netherlands. In this culture there is only limited space for age. The following are just some of the stereotypes that can still be heard: 'older persons are physically and mentally weak', 'older persons have lost their capacity for learning', 'older persons are less productive', 'older persons are less flexible'. But the reality is different. Whilst it is true that physical strength decreases – a process that starts around the age of 35, by the way – work is becoming increasingly less demanding from a physical perspective and competencies that are based on personal development continue to develop beyond the age of 70.

As noted in the 2005 Budget Memorandum, the changed nature of work means that, today, employees are most productive between the ages of 50 and 55. This contrasts with the situation more than ten years ago when employee were at their most productive between the ages of 40 and 45. Who says that senior citizens have lost their capacity to learn? Approximately 20% of people aged 65 and above are taking a course of one type or another. It is true, though, that investment in training via the shop floor decreases with age. Economic difficulties have meant the figures for training course participation amongst those aged 55 and above for the period 2000-2002 have fallen from 45% to 32%, a greater reduction than the average for all workers. A failure to invest in training and renewal inevitably leads to loss of productivity.

The government therefore believes that society as a whole is still doing too little about the picture that exists of older persons. Older persons are often certainly capable of making an important and active contribution until well into old age – indeed, it should be possible to ask them to do so. The government is of the opinion that issues of age and an ageing population should not be tackled with a 'pitying paradigm'.

The government concludes that it is extremely important to address the issue of perception on the shop floor and in the media.

This relates not just to views and preconceptions amongst employers, but also (and possibly more so) to the image that employees have of themselves and older work colleagues. There is a gap between what older workers wish and expect for the time they retire and what they think they are capable of. More highly educated people can continue working for a further 5.6 years than they want to; this difference is 'only' 3.1 years in the case of those with fewer skills or education (Van Dalen and Henkens). This gap must be utilised. The government, as an employer, should set an example in this respect.

2.3 How is the Netherlands positioned with regard to ageing

In comparison with other European countries, the Netherlands is only at the start of the ageing boom. At the moment, we have more than 2.2 million people aged 65 and above. That is 13% of the total population. By comparison: in Germany the figure is 16.9%, in France 16.2% and in Sweden 17.2%. For some time already, the consequences of population ageing have been a subject of discussion in international forums. At the World Assembly on Ageing held in Madrid in 2002, UN delegates formulated the Ageing Action Plan. Population ageing is rightly an issue that is moving up the political agenda. But is an ageing population also a problem in the Netherlands? In the 'ageing vulnerability index', issued by the Center for Strategic and International Studies (CSIS) in 2003, the Netherlands is described as an example of a state suffering from policy paralysis when it comes to

Old is 15 years older than yourself

Out-of-date stereotypes

Productive contribution ...

... requires investment

Address the issue of perception

The Netherlands at the start of the ageing boom

population ageing. The tax burden is described as high. Whilst this report praises the pension system, it raises concerns that the generosity of pensions, the low actual retirement age and weak family ties create dependence amongst older persons on public services, including welfare provisions.

Participation

There are three areas of concern – labour market participation, pensions, and care, which create pressure on the expenditure. In each of these areas the Dutch government has taken a number of steps. First, the government has taken a number of radical but necessary measures in relation to occupational disability, early retirement and pre-pension schemes in order to provide an incentive for boosting the labour participation rate of older workers. These new measures should make the labour participation targets achievable. At the European level, the Lisbon agreements on increasing the labour participation rate of older people are significant. Following on from these agreements, European countries agreed to a target that 50% of the population between 55 and 64 years of age should be doing paid work in 2010. In the Netherlands, this percentage is now 38.6% (2003). If the jobs of less than 12 hours a week are also included, this figure rises to 44.8%.

Pensions reform

Second, the government addresses the pension issue. The governments of most European countries fund old-age pensions with the help of pay-as-you-go contributions. In the Netherlands, only the state retirement pension is paid out of pay-as-you-go contributions. The Netherlands, Denmark, Sweden, the United Kingdom and Ireland have advance savings schemes and finance their supplementary pensions on a fully-funded basis. Everywhere the effects of population ageing are being felt in terms of increased pressure on the pension system. Thanks to its mixed system, the Netherlands is less vulnerable to population ageing than other countries, but is certainly not invulnerable. The crisis with the supplementary pensions has revealed the existence of shortcomings there too. The government believes that reform is desirable, but, within reformed statutory frameworks, leaves the initiative in this respect to employers' and workers' organisations. Many schemes are changed from defined benefit to average earnings, with conditional index-linking. This makes pension systems more resistant to shocks, although the communication to scheme members regarding the effects of such moves still leaves a lot to be desired. The government addresses this issue, amongst other things, in the Pensions Act (*Pensioenwet*), which is due to replace the old Pensions and Savings Funds Act (*Pensioen- en Spaarfondsenwet*).

Many countries are making new choices for the future. Several countries (Sweden, Italy, France) are linking the number of years that need to be worked to ensure a full pension or the amount of pension to the average remaining life expectancy, arguing that something has to give, be it in length of years or broadness of provision. The retirement age in Denmark

No obstacles to working after 65

is 67, and in 2008 Germany will review the possible need to follow suit. The Netherlands is also making new choices for the future. Top-up pension schemes generally already have a flexible retirement age. The government has introduced measures to increase the labour participation rate until the age of 65 and aims additionally to remove obstacles to working beyond the age of 65.

Care

Third, the Dutch government has introduced a number of measures in relation to health care that will ensure the sustainability of that care in the long term. On the initiative of the European Summit held in Nice, the accessibility, quality and financial sustainability of health care and care of older persons have been placed firmly on the European agenda since 2002. During its presidency of the Council of Ministers, the Netherlands organised an informal council of European ministers on 8 and 9 September 2004 to discuss the issue of the sustainability of our health care systems in an ageing society. The Dutch presidency concluded at this council that an ageing population is a sign of progress, a success which we should be proud of. Old people should be encouraged to participate in society, including in the labour process, and a new balance needs to be found between personal and collective responsibilities in order to guarantee affordable, accessible and sustainable health and welfare systems. Governments must allow people to take more responsibility themselves and more incentives are needed to encourage efficiency and productivity. At the same time there is a wish to retain a feeling of solidarity.

Only long-term care covered by the Exceptional Medical Expenses (Compensation) Act

With regard to long-term care also, many countries are about to make new choices. It is noticeable that these choices can vary considerably. Sweden, for example, emphasizes the need for higher personal contributions while France wishes to absorb increasing costs by doing away with a day's holiday. The Dutch government aims to reserve the benefits provided under the Exceptional Medical Expenses (Compensation) Act to provide care to senior citizens, the disabled and psychiatric patients who need intensive, long-term care that cannot be insured in the market. This is necessary, for example, to safeguard care in particular for old people with dementia (and the disabled).

Fundamental research

Much can still be gained from scientific research in the area of care of (and by) older citizens. There is increasing emphasis with regard to this around the globe. In the area of medicines, for example, the pharmaceutical industry is investing heavily in relation to diseases such as Alzheimer and Parkinson's. Fundamental research into the ageing process is also making it easier to understand clinical features and to identify ways of applying treatment. The World Health Organisation recently highlighted this very issue in its report 'Priority Medicines'.

Finally all of this must occur while pursuing economic growth. As a result, a sustainable financial policy is essential to be able to withstand the expenditure increases that result from an ageing population. Financial policy is geared towards improving our competitive position, increasing our 'earning capacity' and reducing public debt so that sufficient room and an adequate economic support base can be created to cope with the public spending that inevitably accompanies an ageing society.

3 *An ageing population*

The setting for 2030

No-one knows what the future holds. If, tomorrow, someone were to develop a pill against dementia, we would need about 125,000 fewer nursing home beds in 2030. The prospective pension benefits that we had so long taken for granted can be wiped out by a lasting shift in international relations or another stock market crash. The snapshots from history in paragraph 2.1 show how much things can change. Briefly put, looking far ahead can have only relative significance. Nevertheless, foresight is the essence of government. We will have to formulate policies on the basis of today's insights for a future that starts tomorrow. A number of issues are particularly important to older persons, including how we can continue to guarantee sufficient income for an independent life after a life of hard work; how we can continue to guarantee high-quality care that is also affordable; how we can offer an accessible living and housing environment; and how we can improve social participation, and prevent social isolation. But also how we manage to create smart combinations where various policy areas meet. The long-term scenarios which the Netherlands Bureau for Economic Policy Analysis (Centraal Planbureau – CPB) has drawn up and the population scenarios used in 'Four views on the Netherlands' provide insight into the choices which we must make now in order to avoid being left empty-handed in future.

Scenarios

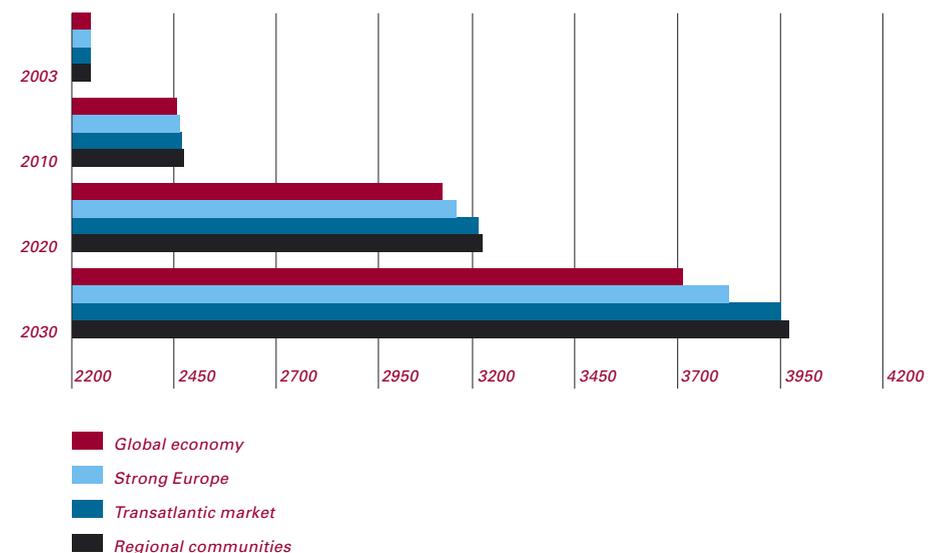
The CPB has set out four internally consistent and plausible developments for the future that differ primarily in the degree to which public and private

parties assume responsibility, and the degree to which these parties are oriented towards the national and the international market. These two factors are essential for the way in which our society will be structured in future. The combination of both factors, which is also influenced by the degree of co-operation within the European Union, leads to the scenarios entitled 'Global Economy', 'Transatlantic Market', 'Strong Europe' and 'Regional Communities'. The scenarios show that developments in these factors are extremely important for the degree to which economic growth can be achieved and hence also for the sustainability of the welfare state. Increasingly, these issues are becoming topics of discussion. In the Outline Agreement, the government explicitly emphasized the importance of 'participation' as against an attitude of expecting too much from government. But opinion polls following the publication of the 2005 Budget Memorandum show that participation cannot be taken for granted. The discussion about our international position, and particularly within Europe, is in full swing. What are the consequences of the free movement of persons in Europe and what will happen if Turkey possibly joins? How will migration flows develop? In describing the developments in the coming years, use is also made of the analyses prepared by the RIVM and the SCP alongside the CPB's scenarios. These analyses have been used by ABF-Research, who have further developed the CPB's scenarios. The main features of the CPB's scenarios are given in annex 1. In connection with population ageing, it is important that the demographic assumptions also vary per scenario so as to take into account the different assumptions concerning migration flows. The proportion and number of people aged 65 and above, and more generally the age structure of the population, differs from one scenario to the next, therefore. Such differences are not, or at best only partly, attributable to the dimensions along which the scenarios are constructed. In all scenarios we see more senior citizens, who have a better standard of education and more income. But this will lead to different developments for each scenario since the rise in incomes and the level of social security vary from one scenario to the next. These differences arise because a majority of citizens considers other things to be important, leading them to call for another policy. The consequences of this for welfare, care and housing are examined in the following section.

Participation

Interaction between citizen and policy

Figure 2 People aged 65 and above per scenario, 2003-2030



Source: Long-term population scenarios for the Netherlands, drawn up by CPB, RIVM, CBS, NiDi, RPB; February 2004

This policy memorandum examines only briefly the extensive statistical material available. Further information is given in annex 2. Annex 3, moreover, includes a list of the various reports that examine in closer detail the different aspects dealt with here.

3.1 Social participation

Varying and changing value systems ...

Lifestyles

There is no uncertainty regarding the numbers of elderly. What is uncertain, however, are their attitude, lifestyle and place in society. People's value systems are often anchored in the way they think, and accompany them though their life. As a result, different cohorts are likely to have different attitudes towards ageing. There are also factors in the social position though, that tend to affect older people, they do not work, have no children living at home, and organise their activities and relationships and responsibilities in different ways. This calls upon different values and standards and means, consequently, that the lifestyle will change. Moreover, the value systems themselves also change in line with society. The historical snapshots in paragraph 2.1 show that, over time, attitudes within society as a whole also change. Examples are provided by the changing views on divorce, unmarried partners living together, abortion and IVF, but also the relationship between rights and responsibilities, between distribution and earning. In the study carried out by ABF-Research, four lifestyles of our senior citizens are distinguished along two dimensions: orientation or focus on society or,

alternatively, one's own life; and the level of prosperity and the degree of conformity. How will these changes in lifestyle look? While new cohorts of elderly citizens suggest there will be changes in the values and actions of elderly, research by the ABF-research suggest this may take several forms. The identify four different 'idealtypes' of lifestyle. First, is the 'mentor.' The 'mentor' is prosperous and dedicates himself to society, pursuing goals that he has chosen himself and using his own means to do so. These people value cultural life, for example, they are likely to support artists who are just starting out, or provide for study grants to fund students of more limited means. For mentors, activity is more important than their own physical surroundings. The mentor partly continues his active, working life after retirement. This group accounts for only 9% of old people, most of whom have a higher standard of education.

Second is the 'recreationalist,' who is similarly prosperous, but focuses more on having a comfortable and relaxed retirement. If possible, he focuses on his own physical, protected surroundings and is less interested in his social surroundings. Recreationalists might include people who own a second home or travel around the world, but they can include caravan owners or allotment renters since prosperity is subjective.

Third, the 'volunteer worker,' focuses on the needs of others close to home. She offers her social and physical resources, and has ability to offer financial support. He does volunteer work as part of a club or association, or provides informal care within his own family. Communities often lean heavily on these people to sustain their social life. In various respects, the recreationalist and the volunteer worker occupy a middle-ranking position in terms of income, education, home ownership and personal wealth. Both groups largely comprise partners living together. Each group is estimated to make up roughly one quarter of all old people.

Finally, the 'dependant', is dependent on social welfare. Like the recreationalist, he focuses on his own immediate surroundings, although he lacks the means and possibilities of the recreationalist. He has a lower standard of education and has not been able to build up any personal wealth. The dependant often has to live off just the state retirement pension and lives alone. These backgrounds lead (often out of necessity) to a more passive attitude. The dependants currently make up the largest group of old people (38%).

... influence the use made of welfare services

There are major differences between the groups in terms of the use made of welfare services. The recreationalist and the dependant are more likely to rely on care through social welfare, and are more likely to live in housing provided specifically for older persons. The nature of the assistance also varies. The mentor is more likely to ask for help from private organisations whilst the dependant will in most cases contact home care. The volunteer worker and the recreationalist are less likely to rely on third parties. This is not really necessary since in many cases they have a partner. If necessary,

the recreationalist is more inclined to go to a home care provider, and the volunteer worker will seek help from a private organisation. As future generations of old people have already completed their education, there is little difference between the scenarios in terms of standard of education.

Rising educational level

The ageing of the population will not further increase in the number of old people with a low standard of education. Indeed, the number of old people with a secondary or higher level of education will almost treble by 2030.

Greater participation amongst women, but mainly part-time

Scenarios arise, therefore, in an interaction between citizens and policy. The Netherlands has made advances with regard to the labour participation rate in the last 15 years. These advances will mainly translate into a higher labour participation rate amongst older women. In the past, many women interrupted their career to care for children or the elderly, only to return to the labour market at a later date. This pattern is changing, however. In the future, there will be more room to combine work and care, and more frequently this combination will occur in individual careers. Today's 35-year old women will be the 60-year olds of 2030. According to the SCP's Emancipation monitor, 66% of women aged 35 to 44 had a job of some sort in 2003. In 57% of families with minors, both partners worked. However, of these couples, 45% combined full-time and part-time work and 16% of women at work in 2003 worked for fewer than 12 hours a week. Women are no longer at an educational disadvantage, indeed, girls from ethnic minorities in particular are doing considerably better than boys. The higher educational level of women increases their orientation towards professional employment. Nevertheless, the high level of part-time work amongst women will probably continue to dominate. In this respect, the Netherlands presents a distinctive and stable long-term picture in comparison with surrounding countries: Dutch women prefer to bring up their children themselves, making supplementary use of childcare, and are prepared to drop down a gear, temporarily or otherwise, to do so.

Stable volunteer work

The working document entitled '*ouderen en maatschappelijke inzet*' (*older persons and social commitment*) that was drafted by the SCP on behalf of the Council for Social Development (*Raad voor Maatschappelijke Ontwikkeling – RMO*) comments that in many international surveys our country (like the Scandinavian countries) is viewed as a broad '*civil society*', with an important role for organisations outside the sphere of government, market or family and friends. The Netherlands has the highest percentage of volunteer workers. An ageing population does not appear to challenge this. On the contrary, the working document points out that of all social categories to be analysed, older persons show the clearest increase in contribution to the various forms of social participation. Participation among older people has, been stable for many years, giving every reason to assume that this

participation will be stable in the future. Changes in the value systems also point to a shift from a family focus and towards an increased external focus amongst older citizens of the future: the like-minded are replacing neighbours and family. Volunteer work that older citizens conduct may include providing care, but usually focuses on forming communities and social networking. Most informal care is provided by (family) caregivers. More details are given in the section about care.

Specific disadvantaged groups

Participation can still improve in certain areas. Many older women will continue to be particularly vulnerable in the near future, particularly as this group of women is more likely to be divorced and therefore lack the umbrella of the traditional breadwinner household while, at the same time, they were born too early to belong to the new generation of 'superwomen'. One consequence of an ageing population will be a sharp rise in the number of elderly belonging to an ethnic minority. They are particularly vulnerable because they have never properly integrated into our society.

3.2 Income and personal wealth

Three pension pillars

The income of senior citizens accounts for something like 10% of gross domestic product. Roughly speaking, approximately half of the income of older citizens in 2000 consisted of the state retirement pension, with the other half coming from supplementary pensions (40%) and income from savings in the third pillar (10%). 82% of people aged 65 and above have a pension that supplements the state retirement pension; 55% have income from capital; 35% have income from owner-occupied dwelling; 26% have individual housing subsidy; 27% have a wage, enjoy profits or draw benefit. As the vast majority of employees today are making provision for one or more supplementary pensions, and it is expected that in 2030 the proportion of people without a top-up pension will have decreased further. Additionally, the increase in home ownership will improve the wealth position of old people. Any lack of pension in 2030 will be due to long periods of non-contribution, very low income (below the level of the state pension offset) and marginal entrepreneurship.

Rise in incomes

More supplementary pension ...

On average, old people have a lower income than young people. As more old people have a supplementary pension and the number of years of pension accrual continues to increase, it is possible that the average income position of old people will improve in the future. Furthermore, the increases in the number of supplemental pensions among women, suggests there will be a growing number of older couples where both partners have supplementary pensions.

Faster rise in the income of senior citizens

A study undertaken by the Ministry of Social Affairs and Employment in 2001 shows the average anticipated rise in incomes amongst old people in the period 2000-2020. The specific results of the study are highly sensitive to the assumptions made, and more importance should be attached to the trends revealed by the figures than to the exact results. These trends show, amongst other things, that the average disposable income of senior citizens is rising faster than that of households with only a minimum income, households comprising people under the age of 65 and households living on earned income.

Average disposable income of people aged 65 and above relative to households comprising people under the age of 65

	Relative to social minimum	Relative to 65-	Relative to active
2000	1.73	0.68	0.63
2005	1.85	0.75	0.69
2010	2.00	0.81	0.72
2015	2.19	0.88	0.77
2020	2.34	0.93	0.81

Source: Ministry of Social Affairs and Employment

But not for every senior citizen

Not everything is rosy, however. Supplementary old-age pension benefit for younger partners is due to be abolished in 2015. Most pension schemes are not yet attuned to the concept of double-income households and allow a pension deficit to arise owing to the way the state pension benefit is included in calculations of supplementary old-age pensions. It has become uncertain whether supplementary pensions will be index-linked, even in the active contribution phase. It is the aim of this government to raise the state retirement pension in line with the rises in prosperity, and the government is taking measures to ensure this aim can be realised in the long term also. However, no long-term guarantee can be given in this respect.

A shrinking workforce is being asked to generate the wealth to fund the provisions for a growing population of retirees. This imbalance is taking a heavy toll on the solidarity between the different generations. While, the SCP's most recent Social and Cultural report finds there is still support for inter-generational solidarity, in the future it will take a lot of effort to convince younger generations to make large sacrifices for services and provisions which they will probably benefit from less themselves. The inference is that a disproportionately heavy reliance is being made on younger generations.

From age 65 and above to age 70 and above

At the present time there are 3.2 workers for every person aged 65 and above. In 2030, according to the CPB's scenarios, this ratio will have dropped to between 2.4 and 2.8. This deterioration underlines the need to strengthen the support base for broader labour participation. Increasing labour force

participation is possible, since, at the present time, there is a potential labour force (between 15 and 64 years of age) of 4.5 people for every person aged 65 and above. This becomes even easier if we learn to accept that it is quite normal to carry on working after 65. In the 2005 Budget Memorandum, the government outlined the effects of moving the retirement age to 67, for example.

Rises in personal wealth

More personal wealth

Alongside the rise in income, personal wealth is also an important element in financial self-sufficiency. At the present time, approximately 40% of people aged 65 and above are homeowners. According to the WBO, the average debt held by homeowners over 65 years of age in 2002, was only 13% of the value of the properties. As a consequence, old people owning their own homes are, relatively speaking, far wealthier than others. Furthermore, wealth can also come through other assets.

In 2030, more old people are expected to be homeowners. This alone will ensure that a majority of pensioners can boast a degree of wealth. It is difficult to put a precise figure on that number of wealthy pensioners at such time since new mortgage types often no longer lead automatically to repayment and because changes in the value of property do not automatically lead to a true increase in the value of that property. If the same number of old people with the same background in terms of age, household composition, education and income are owner-occupiers as today, all scenarios predict an increase in their numbers in 2030, from 41% at present to 59% in the Global Economy scenario and to 49% in Regional Communities scenario. With the introduction of new mortgage types these assets can also be more easily released than previously.

Financially vulnerable old people

Less than full state pension

In spite of the fact that the overall picture is one of an improvement in the financial position of old people, there will still be a group that will have to get by on just the state retirement pension, or even on less than the full state pension. This will force some old people into the position of having to ask for income support. People who moved in later life to the Netherlands and consequently have lived in the country for fewer than 50 years accrue fewer state pension rights. At present this affects roughly 50,000 people aged 65 and above. As the migrant population is also ageing quickly, the proportion of people whose pension accrual is incomplete will also grow considerably. Almost all immigrants came to this country after 1960, with half coming after 1970. Young people came over later to re-join their family. There will not be a substantial number of immigrants have accrued full state pension rights until 2015 to 2020 at the earliest. The Social and Economic Council of the Netherlands (SER) expects an average cut back of 24% in the case of men and 35% in the case of women in 2015. Some of the immigrants will have arranged for supplementary pension provision and therefore have sufficient pension income. Family formation is still a significant force driving immigration, so there will

be people who moved to the Netherlands (long) after their fifteenth birthday, who have not been insured during periods of residence outside the Netherlands and as a consequence are without a full state pension even after 2020. But the size of the reduction will gradually decrease due to the low age of immigrants.

Income and wealth disparities accumulate during the course of life. Regardless of the levelling effect of the state pension, therefore, there will continue to be a large number of financially vulnerable old people. As a result, the issue of solidarity within the same generation of old people is just as relevant as the question of solidarity between generations. A study entitled 'Unequal Welfare States' undertaken by the SCP and the Italian-based Center for Research on Pensions and Welfare Policies (CeRP) concludes that in the period leading up to 2025, population ageing will lead to an increase in income inequality, poverty and income redistribution in the Netherlands. The same conclusions apply to virtually all countries surveyed (including Germany, France, Italy, the United Kingdom and Denmark). The study shows that an increase in the labour participation rate will improve the financial sustainability of social security system and at the same time reduce poverty. The researchers expect, nonetheless, that further measures are needed to absorb the costs of an ageing population, such as limiting access to various services or reducing benefits. This last measure in particular will lead to an increase in the number of people who can be labelled 'poor'. One of scenarios predicts that in that case, the percentage of people in the Netherlands officially living below the poverty line might rise to 14% (2000: 11%).

Inequality accumulates

Other lifestyles

The increase in personal wealth and better pensions means that it is likely that lifestyles will also differ from one scenario to the next. Both at the level of the individual and at the level of society as a whole there is an interaction between values and standards, on the one hand, and individual or social circumstances, on the other. Consequently, it is plausible that different scenarios show different consequences for different types of lifestyles. Those scenarios that predict greater emphasis on individual responsibility in the future, suggest that the 'mentor' and the 'recreationalist' from ABF-research's study are likely to benefit. By contrast, in scenarios where there are fewer market forces and less emphasis on individual responsibility, the 'volunteer worker' and the 'dependent' may benefit.

Changing lifestyles

3.3 The ability to live and move around in freedom and safety in the home and living environment

The freedom to move around one's own house, even if there are limitations; the freedom to move around one's neighbourhood, not obstructed by obstacles and high curbs; the feeling of safety in public spaces; the freedom

to get about even if one is no longer fully mobile. These are values which to an important degree determine the quality of life for old people. This paragraph explores the social task in this respect.

Adapted accommodation

It is quite normal for old people in the Netherlands to live at home. Residence in a nursing home or care home is the exception. Annex 2 shows the current (2002) housing situation for the 2.2 million old people in this country.

The vast majority of old people live at home: 92.8%. Tomorrow's old folk will undoubtedly continue to do the same. There will be an increase of special accommodation types, such as 'sun cities', in the Netherlands as well as in sunny destinations abroad. But the majority of old people in 2030 will still be living in ordinary houses in ordinary streets. Most of these houses have already been built.

Many houses will need to be adapted. Since the Services for the Disabled Act (*Wet voorzieningen gehandicapten – WVG*) was introduced in 1994, approximately 600,000 houses have been adapted for older persons or other facilities have been provided. While these are often permanent, some facilities, such as stairlifts, are usually removed once the occupier has moved. At present, there are in total 498,000 homes specifically designed or adapted for older persons in this country, of which approximately 415,000 (83%) are actually occupied by old people with varying degrees of limitation.

Studies of housing divide suitable homes for older people into six categories, expressing the level of need of care and dependency on care in ascending order (the 'labels' in the table):

- 1 *No-step homes*
Not specially intended for senior citizens, nor specially adapted; with no-step entrances nonetheless (e.g. many blocks of flats with an accessible lift);
- 2 *Housing for older persons without facilities (housing for older persons alone)*
Specially intended for older persons, although residents cannot use care or support services in the immediate environment (e.g. flats for older citizens without special facilities);
- 3 *Homes with major adaptations (adapted accommodation)*
Not specially intended for older citizens, although these homes do have special facilities for people with limitations (e.g. homes adapted to the standards set out in the Services for the Disabled Act);
- 4 *Serviced housing for older persons (serviced accommodation)*
Use of support services provided by a local service or assistance centre, or in the housing complex (e.g. serviced flats);
- 5 *Housing for older persons with care provision*
Use of nursing or care services provided by an institution on the same site as the housing (e.g. sheltered accommodation);

6 Secure accommodation

Permanent supervision and assistance available (e.g. small-scale housing for people suffering from a form of dementia).

Naturally, there are also hybrid forms of the above. For example old people who wish to live by themselves, in self-contained houses, but who nonetheless have access to support services and/or home care. Needs and dependency increase with age. From the age of 85, the incidence of people living in self-contained houses or in housing specially for senior citizens decreases as, from that age, relatively large numbers of old people move to homes or other intramural institutions. This pattern will change as the population ages. Figures have been drawn up for the demand for the different forms of housing for older persons in 2030. Using the different estimates about the development of composition of society from the CPB scenarios, we can project different housing needs for older citizens. There are currently roughly 100,000 self-contained houses in the category housing with care provision. Together with the dwellings in 'serviced housing' and 'other housing for older persons,' there are approximately half a million dwellings specifically for old people. There is a shortage of this type of suitable dwellings for the elderly, with more than 40% more needing to be built if supply is to match demand. Many old people are looking for a self-contained dwelling which is nonetheless adapted to their particular circumstances. Ensuring an adequate supply of these dwellings constitutes a significant challenge for the coming years for three reasons: an ageing population, the current shortage in such dwellings, and a gap in the expected and actual quality of homes since many care homes no longer satisfy current requirements. Care homes currently have a capacity of roughly 100,000 places. This type of places will need to be replaced in part by dwellings in 'housing with care provision', making the task for the coming years additionally difficult. The letter sent to the Lower House regarding the action plan 'Investing in the Future,' quotes a figure of 115,000 as the number of extra dwellings probably needed until 2015 in the category housing with care provision. At the present time, the government assumes that roughly 40% of these dwellings will have to be provided through new developments, with the remaining 60% being created through adaptations and the efficient allocating of housing.

Figure 3 shows that, in the medium term, all scenarios assume an equal pattern of development. These findings suggest the task for ensuring adequate housing with care provision is robust across different scenarios. Differences among the scenarios arise in the long term. Demand will rise from more than 140,000 dwellings (with supply at 100,000) to between 225,000 and 300,000 in 2030. On demographic grounds, demand for housing with care provision is greatest in the scenario Global Economy, which projects the largest increase in the number of single old people. When changing lifestyles are taken into account, the increase in demand is greatest in the

Normal to live independently

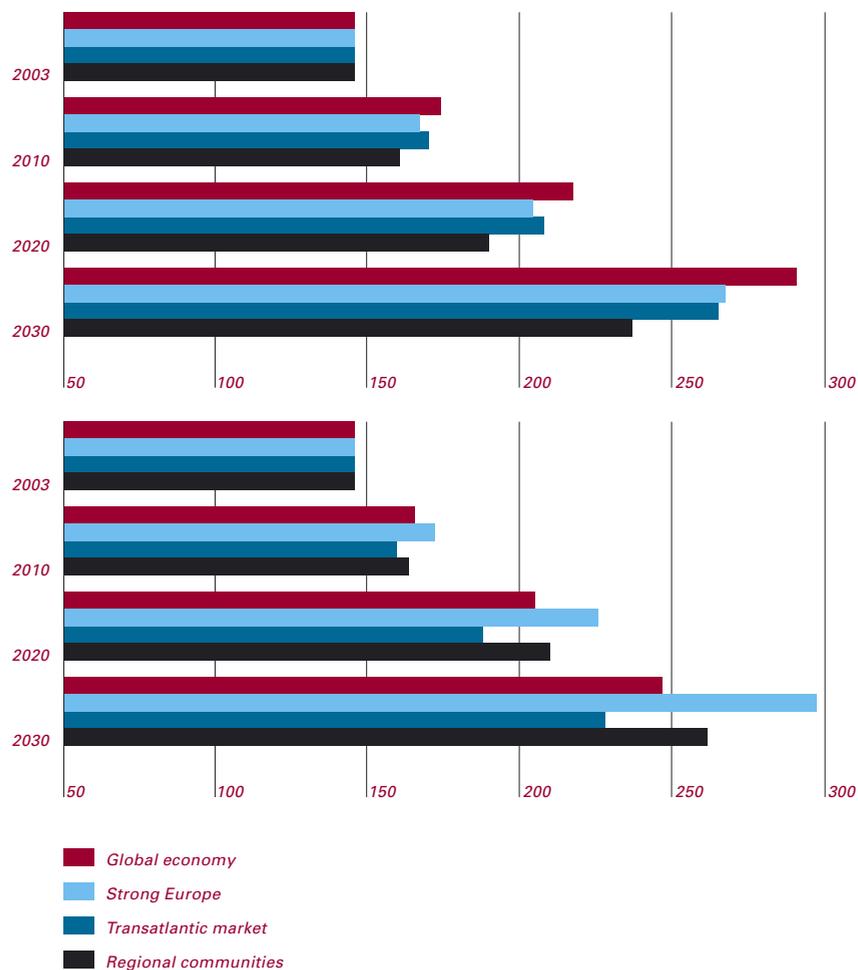
Six categories

Sizeable demand ...

... dependent on lifestyle

scenario Strong Europe. These differences illustrate that demography is not the only determining factor, and that changes in lifestyle have a significant influence on demand for housing.

Figure 3 Demand for housing with care provision per scenario, solely according to demography or including lifestyles



Source: ABF-Research

Housing costs

People living in housing for older citizens, and especially (rented) housing with care and service provision, often spend a relatively large part of their income on the costs of housing and care. Single pensioners are better off financially if they are admitted to a nursing or care home. According to the report entitled 'Costs and benefits of extramural care provision (*Kosten en Baten van extramuralisering*) (July 2004)' of SEO Amsterdam Economics (SEO) and the SCP, however, the social costs of providing an intramural

Old people today spend a high proportion of their income on rent

solution are greater than those of an extramural solution, delivering care in the individuals home. In the case of moderate limitations, the difference is almost € 16,000, and in the case of serious limitations almost € 6,000. In the current situation, the communalisation of care can create perverse incentives: for care-dependent old people, living in self-contained accommodation threatens to become too expensive, whilst the social costs of the alternative will ultimately be higher.

Precisely how housing costs will develop in the long term, as well as their affordability, differs from one scenario to the next. As has already been stated, the income position of old people will improve. The extent of this improvement will determine the relative amount the elderly spend on housing, and therefore, how much extra income they have for additional private expenditure on care.

A suitable living environment

The scene on our streets is changing: walkers (rollators) and scootmobiles are becoming an increasingly common site. As a consequence, pavements will have to be widened and shops and other facilities will have to offer more space inside. Attractive pavement displays are turning into unassailable obstacles. Older persons are also easily targeted by robbers and thieves, and their awareness of this fact increases their sense of fear in this regard. As a result, a sense of physical and social security will become an increasingly prominent issue. Despite the fact that the living environment is often not perfectly geared towards meeting the needs of older persons, they are on average, according to the SCP, more content with their living environment than young people.

Even today, the extent of attractiveness of the living environment for senior citizens varies widely from one municipality to the next. This attractiveness is determined by the availability of public transport, health, care and welfare facilities, as well as facilities for the necessities of life and the degree of satisfaction amongst older persons with these facilities in their own district. The overview in annex 2 rates each municipality. The results show that just below half of all districts currently offer old people an unsatisfactory or mediocre environment. Population ageing generally exacerbates this situation, making it a larger problem. The situation as regards population ageing differs from one municipality to the next. The population is becoming younger in the large cities but is greying in the countryside. The most vulnerable areas (see annex 2) are those that will experience much population ageing in the next few decades and which currently have too few, or only just enough, facilities for old people. These areas are mainly to be found in the districts and new housing estates located outside city centres and in rural living environments. Rural areas in particular will come under a lot of pressure from population ageing due to a lack of adequate care and welfare facilities. Addressing these issues represents a major task for the municipalities. It is difficult to calculate the full extent of the investments

Safety and accessibility

A greying countryside

associated with meeting this challenge. The dependency on the more urbanised centres, for example, will have to be met partly by local resources, particularly in relation to transport to and from facilities.

Mobility of our senior citizens

Old people are less likely to leave their homes than young people. In 2000, 60% of people aged 55 and above did not leave their homes on at least one of the two days of the study. Of those who did go out, 12% used public transport and 42% went by car, of whom a third were passengers. Others either walked or cycled. Old people are vulnerable road users and are more likely to be the victim of an accident (per kilometre driven) than young people.

Currently, ownership of a car and possession of a driving licence are still limiting factors. In 2000, 25% of men and 68% of women above the age of 65 did not have a driving licence. But this situation is changing rapidly. 15 years ago, for example, half of all men above the age of 65 did not hold a driving licence.

In 2030, car ownership and possession of a driving licence will no longer be significant limiting factors. Without limitations, old people will, wherever possible, take the car instead of public transport, as it offers the convenience of door-to-door transport. But when their sight begins to fail or they notice their reactions slowing down, or in poorer weather, old people are more likely to choose the greater safety of public transport, providing it is sufficiently accessible.

According to the SCP, one in five people aged 65 and above experience a limited degree of disability, and a further one in six experience serious disability. These disabilities may include having walking difficulties, or having poor sight or hearing. An ageing population will also lead to more people with a disability, and as a consequence, there will be more need for accessible public transport facilities and special transport for people whose disability means they are no longer able to use public transport at all.

The increasing the accessibility of public transportation for travellers with a disability is not just an urgent necessity for these travellers, it also offers the transport companies interesting commercial opportunities. Old people avoid the rush hour and travel during the day, thereby contributing to an efficient utilisation of workforce and equipment. Accessible public transport then, will benefit not just to old people, but to all of us. Young people, too, have prams, pushchairs and luggage, and will benefit from greater accessibility.

Vulnerable road users

Increasing numbers of travellers with a disability

3.4 Health care

Healthy life expectancy counts

Life expectancy without physical limitations has increased. Further improvement will depend, amongst other things, on changing lifestyles. Old age in 2030 will come with fewer ailments and, where these do arise, they will affect us at a later age. These changes will occur because medical

care and aids are better able to treat illnesses and conditions. But also follows from preventive health policy which is helping to reduce the incidence of smoking. Eating habits and physical activity will continue to require extra attention. Taking everything into consideration, demand for medical and long-term care will increase sharply from 2020 when the baby-boom generation reaches the age of 75.

Current life expectancy of people aged 65

	Man	Woman
Total life expectancy	15.3	19.2
Perceived good health	9.3	9.9
Without physical limitations	12.1	12.8
Good mental health	14	16.4

Geriatric giants

Health development

The five most common complex health problems, which are also referred to as the 'Geriatric Giants', are absent-mindedness, dementia, deafness and poor sight, incontinence and immobility. Dementia is the most serious problem. The Health Council of the Netherlands (*Gezondheidsraad*) has calculated that each year approximately 1,300 more sheltered places are needed to cope with the increasing numbers of people suffering from dementia.

Another 'giant,' mobility problems, can lead to falls. Roughly 30% of all old people fall at least once a year, and 15% fall twice or more. Each year, 1 in 25 people aged 75 or above end up in hospital following a fall. Annually, approximately 15,000 old people are admitted to hospital with a fractured hip. The cost of providing medical care to treat injuries sustained in falls is already 300 million euros. An increasingly elderly population will lead to sharp rises in these numbers and the costs of treating them.

But the demographic development as well as lifestyle will also result in a significant increase in complaints that are not strictly geriatric complaints. The sharp increase in obesity is worrying. The prevalence of cardiac and vascular diseases, cancer and diabetes mellitus in particular, are likely to increase sharply (see annex 2). Despite several successes, further scientific research is required to develop treatments for these problems, for example through the development of new medicines.

New technology

Accordingly, health care costs are increasing in relation to the provision of curative care as well as chronic care. For a long time, spending on care has been rising more sharply than would be expected solely from changing demographic factors. The cause for this increase in costs stems from the widespread availability of new technology, which makes it easier to treat complaints and hence improve the quality of life. The effect of these developments on the increase in the volume and the cost of treatment is more pronounced than the effect of technology on efficiency. This is the price of the increase in healthy life expectancy.

Young people with a handicap

The improvement in average life expectancy also applies to young people with a physical handicap. Their getting older will, in certain cases, have extra consequences in the sense that their need for care increases, they will have to stop working earlier (or will do other or less work), etc. For people who are handicapped or suffer from a chronic disease at an early age, the consequences of growing old will, in a number of cases, be different or more severe, meaning these people will make different demands on care provision and require specific arrangements.

Young people who are mentally disabled form a separate group. Their life expectancy is increasing due to improvements in the quality of the care provided to them. Nevertheless, they often experience problems associated with old age at an earlier age (from 50 onwards), introducing the phenomenon of double ageing. This issue is currently being examined by the Council for Public Health and Care (*Raad voor de Volksgezondheid*), amongst others.

Rise in long-term demand for care

The rise in the number of people suffering from dementia in particular will ensure that the long-term demand for care will increase. The Health Council of the Netherlands (*Gezondheidsraad*) drew attention to this in 2002. Using the current incidence of dementia and existing treatments as a baseline, the Health Council of the Netherlands estimates that the number of people suffering from dementia will rise from roughly 175,000 today to more than 280,000 in 2020, and approximately 320,000 in 2030, according to analyses carried out by the Health Council of the Netherlands. Long-term demand for care is met by both professional carers and voluntary carers. Both forms support one another, and also sometimes replace one another.

The SCP and RIVM point out in their joint analysis that the potential demand for care provided within the framework of the Exceptional Medical Expenses (Compensation) Act (*AWBZ*) is twice as high as the actual effective demand. This makes the consumer behaviour concerning long term care important. Many people seek their own solutions. Family caregivers perform an important role. The current system of care provision, which includes greater accessibility, insufficiently critical care assessment, generous benefits, and new personal budgets (PGBs) mean that people are often reliant on collective provisions rather than organising care themselves. This outcome is heightened because the organizations responsibility for assessing whether an individual needs care, the Regional Assessment Bodies (*RIOs*), do not have their own budgets and have few incentives to economize. This situation is exacerbated, where the personal budget offer the RIOs a way of extending care while coping with a shortage of capacity.

The different scenarios predict different demand for nursing and care for

older persons in the coming decades and the effects of this demand on the affordability of care provision.

Regional Communities

In the least favourable scenario, Regional Communities, the willingness to take individual responsibility is limited. Demand behaviour will therefore move towards making use of collective provisions. Informal care will gradually acquire a cash value through personal budgets (PGBs) or by a shift towards professional care provision. In this scenario, demand for chronic care provision might tend towards the maximum potential demand referred to in the SCP and RIVM analysis and might, therefore, increase much more than would be expected if one looked at demographic development alone. A reduction in smoking and (to a lesser degree) prevention policies targeting obesity would mainly decrease the amount of intramural care that needs to be provided. An unfavourable rise in incomes amongst older persons will push up demand for this care. The CPB foresees that in the Regional Communities scenario, limited economic growth will have a constrictive effect on care provision since the population will age at a faster rate (0.9% per year) than the economy will grow (0.7% per year). Consequently, there will, ultimately, be little scope for offering the care that is technically possible. The housing corporations also have an important role to play. As is the case with social security, it is expected that every effort will be made to retain a large pool of affordable public-sector rented accommodation. Quality is a problem here, too. Additional measures to encourage tenants to have control and ensure the maintenance and upkeep of properties are necessary then.

Global economy

In the most favourable CPB scenario, Global economy, there is more willingness to take individual responsibility. In that case, demand behaviour for chronic care provision might move in the direction outlined by the SCP and RIVM. The growth in demand for care induced by the demographic change is 49% between 2000 and 2020. Where great emphasis is placed on individual responsibility, the use made of AWBZ-care at home will grow far less rapidly (24%) than might be expected on the basis of demography. Demand for intramural care stays closer to the demographic component (care: 32%; nursing: 41%). The growth in care in the home can be largely attributed to personal care (31%).

Removing home help from the provisions offered under the Exceptional Medical Expenses (Compensation) Act carries with it the risk, given the current system of needs assessment, that demand will shift to personal care and intramural admission. It is clear, therefore, that promoting greater individual responsibility requires a change in policy. The CPB foresees that in the Global economy scenario, economic growth will be high enough (2.9% per year) that the volume of care required per head of the population can rise considerably, with the emphasis on privately-financed consumption. Shortages will, however, have the effect of pushing up the prices for care provision at more than average rates. As a result, the total (public and private) share of care will increase from 10.8% of the employed population in 2001 to 18.5% in 2040 and from 8.7% of GDP in 2001 to 14.6% in 2040. Any decrease in demand for publicly-funded care will be accompanied by an

Dementia

Potential demand greater than actual use

Behaviour and policy

Heavy demands on informal care

increase in reliance on (family) care givers. Care givers are usually partners and children. SCP studies show that most people consider it quite natural that they should provide informal help. The main determinant is that a member of the family or close acquaintance needs help, and physical proximity also counts towards determining their readiness to help. Supply is determined by demand, therefore. Whilst it is tempting to conclude from this that there will be no bottlenecks in the availability of informal care, it would probably be too hasty to do so. In 25 years' time, relationships will be totally different in many respects. In 2005, there are, on average, three 50-year old children willing and able to look after every eighty-year old requiring care. In 2030, their number will have dropped to one and a half. Moreover, at present, only a small proportion of women aged 50 and above are in paid employment. We anticipate that this proportion will be larger in 2030. The high divorce rate also undermines the number of partners providing care. Women from ethnic minorities also face particular vulnerabilities: 70% of Moroccan women and 50% of Turkish women are at least 6 years younger than their husbands. Accordingly, they are likely to have a long period of widowhood. It is debatable, therefore, whether supply can and will keep up with demand. If informal care proves to be inadequate and older citizens have sufficient income, it is likely that part of the care will be provided by privately-funded care providers.

Quality, innovation and the labour market

From 2010, many baby boomers will start to disappear from the labour market and there will be fewer young people to take their place. The working population will begin to decrease, rather than grow, as we are now accustomed to. Whilst a higher labour participation rate amongst old people will help to compensate for this somewhat, labour productivity will be an increasingly important determinant of economic growth. Moreover, a higher labour participation rate amongst old people will ensure even further that the average age of the working population will be higher than might be expected on the basis of demography alone.

Tight conditions on the labour market

Care provision may be at the expense of other production ...

One of the most important implications of the increasing number of old people is the greater demand for care. If the government assumes this task, demand for publicly-funded care will increase sharply. Future generations will not be satisfied with a minimum level of quality. High demand for high-quality care will attract a large proportion of productive capacity, crowding out other forms production. In the CPB's Regional Communities scenario there are particularly serious consequences, this scenario predicts that as the government creams off a significant proportion of income, the economy will only grow at a modest rate and the labour participation will stagnate at roughly at 2000 levels. We provide care, but produce too few other things. If greater emphasis is placed on individual responsibility, a greater amount

... unless labour is properly allocated

Growth must come from innovation

of the demand for care will be met through unpaid or privately-funded care. Should the labour market become overcharged, it will be mainly the better off who are able to purchase paid-for care. As older peoples resources for purchasing care shrink, their children will need to trade-off exiting the labour market and caring for their parents against purchasing care for them. We produce and provide care in between, or alternatively pay for care from lower educated carers. In the CPB's Global economy scenario, this outcome leads to both higher economic growth and an increased labour participation rate. This scenario predicts more people are employed in the care sector than in the Regional Communities scenario, both in absolute terms and as a percentage of the working population.

Whatever may be the case, the future (working) population will put a great deal of energy into care provision, be it paid or unpaid. Paid care through the government is not provided free of charge since the money to fund it must first be collected through taxes and contributions. Unpaid care work also creates prosperity, even though this is not included in the national accounts. Part of the extra growth in the Global Economy scenario can be attributed to the monetarisation of services, which means that the differences in the level of prosperity among the scenarios may be slightly less in fact than it appears. Irrespective of whether care work is provided at a cost or free of charge, productivity will have to increase in order to ensure there is sufficient time or money available to provide it. In order to make economic growth possible, the government's policy agenda is, accordingly, geared towards innovation. This ensures not just that there are mobile phones, but also that there is an increase in self-reliance, amongst other things through better medicines, improved technical resources (fitting a GPS device to a walker (rollator) ensures that the user cannot get lost). It also ensures a streamlining of professional care through ICT applications. The innovation agenda places high demands on the working population. Old people will also have to learn to be more innovative within this working population.

3.5 In summary: the setting for 2030

No one knows how 2030 will look. In order to get a sense of the setting for 2030, we have used the scenarios drawn up by the CPB and supplemented them with other analyses. It must be emphasized that no choice is being made for a single scenario. Indeed, that is not the significance of scenarios. Their significance lies in the fact that they allow us to explore possibilities that might arise in a variety of combinations. As the scenarios are internally consistent development pointers, we can conclude that *if* Europe fails to become a unified entity and *if*, at the same time, we are unable to give greater individual responsibility to citizens and market parties, we will have major problems in establishing and maintaining both the economic and

social support base for our collective welfare provisions for older citizens. But conversely, it is also true that if we are able to make a success of Europe, we will nonetheless maintain an international orientation and if we are able to ensure that citizens and market parties are in the position to take responsibility in a sound and proper manner, there is a greater chance that old people will be able to enjoy a good future and the positive effects of an ageing population will be considerably increased. This is precisely what this government is working to achieve by making timely choices now. In the longer term, these choices will be partly determined by the lifestyles of citizens. Government policy must, on the one hand, facilitate the lifestyles desired by citizens. But, on the other hand, it is accountable for the unwanted effects of such lifestyles. Different lifestyles have different implications for society and government. 'Mentors' will value a longer working life and are naturally inclined to hand over financial resources and transfer their experience, values and standards to young people. 'Recreationalists' have sufficient resources, but need an incentive to engage in behaviour that is geared towards society. 'Volunteer workers' will commit their time and effort when they are asked to do so and when they are offered a guiding framework. 'Dependants' have limited possibilities, but can be stimulated to achieve greater self-care in their own surroundings.

If current estimates prove correct, there will be approximately 4 million people aged 65 and above in this country in 2030. This is about one quarter of the population. There will be only 2.4 to 2.8 people in work for every old person in 2030. The economic support base has narrowed considerably. Significant investments will be needed in the labour participation rate amongst older workers. If the government's early retirement and pre-pension measures prove successful, it is expected that more people will have worked to the age of 65 in 2030 than is the case at present. The percentage of people aged 65 and above who are still at work will possibly also be rising again. It will be necessary to invest in education and innovation in order to improve labour productivity.

Only 13% of old people will have had no more than a primary school education, whilst 28% will have had a higher vocational or university education. These are the people currently in their forties and fifties now. These people are used to holidaying abroad, to getting around by car, and to using computers. Almost everyone will have a supplementary pension provision, but only in exceptional cases will these pensions reach today's standard level of 70% of the last earned income. 51% own their own homes and therefore have personal wealth. There will nonetheless also be a substantial group for whom this positive picture does not apply. This can result in a widening of the social divide. There are important implications to this widening, for example, when new forms of ICT are introduced in service provision we will need to take account of citizens who are, for whatever reason, less able to cope with the new situation. But this also means that the

income-related tax principle can be applied more vigorously and critically in the case of publicly-funded welfare provisions.

Approximately 7% of the population will rely on accommodation with care provision. The number of people suffering from dementia in particular has risen sharply. Given the rising levels of income and personal wealth amongst many old people, there will be a sizeable group who can pay for a larger share of their own health care costs. It will be necessary to invest heavily in increasing labour productivity if we are to provide sufficient staff for care provision and guarantee adequate levels of quality. The balance between care provision and labour on the part of family care givers will also have to be reviewed. Ultimately, the demand for social welfare provisions depends largely on the extent to which individuals can and do take responsibility for their care.

Personal responsibility counts

We have little scope for influencing the age composition of the population. However, the responsibility and power to make choices related to an ageing population and distribute the costs can be divided differently amongst various parties in society and in time between the generations.

Of primary importance is the division between (older) citizens, their social organisations and government. This government's opinion is that prime accountability lies with citizens themselves. A balance will always have to be made between the capacity and vitality of old people, on the one hand, and their vulnerability and the solidarity with this from society, on the other. Meeting the needs of vulnerable old people does not just require solidarity of young people, but also solidarity between old people.

Capacity to adapt

The mental exercises which the scenarios impart, make it clear that the challenge for society does not lie in changing the composition of the population per se, but principally with the capacity and willingness of citizens, market parties and other (government) organisations to in good time adapt to the challenges these changes present. It is important that as few obstacles as possible are put in the way of providing incentives to adaptation and innovation. For publicly-funded arrangements, the system will have to be capable of adapting at relevant levels and must offer scope for incentives to innovation.

4 Main aspects of a future policy for older persons

This chapter sets out the main features, in the longer term, of a policy for older persons, in the perspective of an increasingly ageing population. By making timely choices, we can guarantee a fair share for all and avoid citizens having unrealistic expectations of what the government is able to do. In a civilised society, provision will always be made for old people in need of care. The basic values associated with this, and which are broadly shared throughout society, are given in paragraph 4.1 and are defined in greater detail in chapter 5.

What and how

After the *what* comes the *how*. It is essential that care provision be structured in such a way that we make optimum use of the flexibility and inventiveness to be found precisely at the local level. The principles underlying this realisation are specified in paragraphs 4.2 to 4.5. The choices that this government is pursuing with regards to policy for ageing represent two sides of the same coin. First, the government will intervene selectively, calling on (older) people to make an active contribution and promoting individual responsibility. Second, where possible, it aims to create a broader framework for social responsibility, where actors across society are given the space and incentive to take initiative with respect to ageing and the challenges it poses.

4.1 Basic values of old people and society

The later stages of life are characterised above all by a diminution or loss of several resources: a diminution of the strength and health that enables work and the income it provides; a reduction of health and mobility that permits social participation and the personal fulfilment it offers; the loss of loved ones and the security and well-being they give. Whether this inevitability of life is a problem in any personal or social sense depends on the particular context. However, the context of growing old is changing, as has been explained above, and is set to change again as the average age of the population increases.

Sovereignty

Several basic values will remain unchanged, however, or may even need to be strengthened. The most important of these is the notion that old people are sovereign and full citizens, even if some of the important resources that allow an independent life disappear at a given moment. People are, essentially, themselves responsible for compensating for any loss of resources. We all grow old, so no one can say that they didn't see it coming. But not everyone is in a position to make individual provision for this during the course of his or her life. In such cases, society must display solidarity so as to ensure, with respect and dignity, that each elderly individual can retain his or her sovereignty. By doing so, we are, amongst other things, putting into effect the provisions in the European Constitution, which was signed by the European heads of government on 29 October 2004 and which was the subject of a referendum held in the Netherlands on 1 June 2005. The wording of the Constitution is as follows: *'the Union recognises and respects the rights of older persons to lead a life of dignity and independence and to participate in social and cultural life'* (Art. II-85).

Solidarity

The challenge for society is to maintain the above values even when it feels the weight of the sheer numbers and increasing proportion of older people. Formulated in more operational terms, the government believes that this means as follows:

Remain fit and healthy

- That activities should be stimulated in order to allow old people to remain fit and healthy for as long as possible;

Assume one's share of rights and responsibilities

- That old people must be enabled – for as long as they are able – to make an active contribution to society and to participate fully in society, having both rights and responsibilities. The labour participation rate amongst older workers must go up, age discrimination must disappear in all respects. Volunteer work and informal care represent essential contributions to society. And, finally, participation also means being allowed to have a say and to take initiatives;

Sufficient income

- That old people must have sufficient financial resources to continue to lead an independent life, even when work ceases to be a source of income;

Suitable housing

- That old people must have adequate housing facilities, matching their individual needs, and supported by tailored health care services;

Freedom of movement

- That ‘older persons’ should also be able to move around the living environment in which they live freely, both in a physical sense and in terms of safety. Even in the information age, where increasingly actions take place independently of time and place, mobility at any scale or level remains an important factor for development capabilities. Accessibility to transport must be improved to the maximum extent possible in the coming years;

Ensure care

- That ‘older persons’ who become vulnerable due to health problems, for example as a result of psycho-geriatric complaints, are assured of adequate and high-quality care provision, even if their numbers increase significantly due to population ageing. Specific attention should be paid to improving the quality of care of older persons. The scope of the public care of senior citizens can be narrowed, but its quality must go up.

Death with dignity

- That old people must be allowed to die with dignity.

These basic values determine to a large degree the social task facing us in the perspective of an increasingly ageing population. The quality of life in the later stages of life will be assessed against these values. The government’s policy may be assessed on the basis of how these values develop. Accordingly, these basic values are examined in greater detail in the following chapter. But before that, we must look at *how* the government policy is realised in practice.

4.2 Life-course policy

Care for older persons in the form of the state retirement pension, health care and social welfare is funded through pay-as-you-go contributions. Society invests in the human capital of the young working population which must bear the costs of supporting older citizens, but an increasingly ageing population is forcing these costs up. As a consequence, young people are faced with the prospect of having to pay for facilities which will not be available to the same extent when they themselves are old, or for many young people from an ethnic background, facilities for which their parents also have more limited access. Supplementary pensions are funded by saving. Investments are being made in production resources to allow young people to achieve the necessary production. In a greying population capital funding can have as a consequence that there are too few young people with too much capital, which is also leading to problems. The mix with pay-as-you-go contributions ensures that risks are spread. Solidarity between the generations can only be maintained when no generations are put at an unfair disadvantage. There is a limit to extent to which costs can be put off until a later date without losing the trust of the citizen and jeopardizing schemes. In the government’s view, life-course policy represents a new and additional concept for providing care to older persons. The measures which the government has taken in respect of early retirement and pre-pension

Enable citizens to look after themselves for longer

Combination of work and (informal) care and maintaining employability ...

... extend the working life

Demanding citizen, more complex rules and regulations

provisions enable young people to be sure that they will benefit to a greater degree from the efforts which they put in. This is at the expense of what the baby boom generation has come to consider as being their acquired right. Nevertheless, a fair sharing out of resources requires each generation to make a contribution to the costs of an ageing population. A life-course policy contributes to a longer productive period of human capital. This ensures that old people are able to look after themselves for longer, so reducing the imbalance in the length of the active and post-active stages of life despite the fact that people are living longer.

The lives of individual employees are developing less and less according to fixed patterns. Accordingly, a life-course policy must also be more tailored to the individual. The standard course of life in which periods of study, work and pension follow one another successively is becoming less common. Periods of work are alternated or combined with periods of retraining or caring for family members and other relatives, for example parents. Enabling people to combine training, caring and work will make it possible not only to retain employees who are currently active but will create new possibilities for attracting the still considerable potential of non-participating people to the labour market. This will help build a broader economic support base to absorb the costs associated with an ageing population. Moreover, this approach relieves the so-called rush hour of life, the period during which people have to bring up their children and at the same time develop their careers. This will avoid people becoming burnt out at an early stage. The economic support base will be further broadened as the ability to interrupt a career makes it possible to extend the period of the working life. When periods of inactivity become more the responsibility of the individual, there arises a strong incentive to maintain one’s level of employability and to limit the periods of inactivity to what is strictly necessary. This can boost the labour participation rate considerably, in particular amongst people between the ages of 55 and 65. In this way the system of work and income will offer citizens more room to balance different preferences, different choices and the different lives.

4.3 From a policy for older persons based on categories to a differentiated and selective policy

The government is caught in a dilemma. The welfare state has created a culture in which there are no limits to the expectations and demands that citizens may make of government. At the same time, however, citizens have become so assertive that they are increasingly critical of what the same government can offer them. It is precisely those citizens who least need the state that are most assertive when it comes to holding the state to account when things go wrong. In the report entitled ‘Verschil in de verzorgingsstaat’ (*Difference in the welfare state*) of the Netherlands Council for Social

Development (*RMO*), this situation is referred to as the real crisis in the welfare state – not the fact that it has become impossibly expensive but the fact that it is unable to fulfil its primary objective to protect the most vulnerable members of society.

The picture of the needy and meek old person who requires care is becoming increasingly differentiated. Although age may bring disability, age is increasingly losing its relevance as a criterion for differentiating people. The government is of the opinion, therefore, that old people should not be referred to as a general category but as individual citizens with possibilities or limitations. In its Action plan entitled ‘*Gelijke behandeling in de praktijk*’ (*Equal treatment in practice*), the government has elected for an inclusive policy in which, on the one hand, the living and housing environment is geared as far as possible towards providing accessibility to all people, including those with limitations, whilst, on the other hand, the state is not responsible for solving all problems. It is the state’s task to give its citizens the opportunity to solve their problems themselves.

If there is no change in policy, rising expenditure on old age provision as well as on care provision will place increasing pressure on public spending. Future governments will be faced with the dilemma of a broad welfare state performing inadequately for all, or a selective welfare state that performs well for those requiring care provision from the state. This government has opted for a selective welfare state that can act as a shield for the weaker members of society. This ambition does not sit easily with citizens’ current expectations or existing practice – both of which tend towards accepting universal, enforceable rights.

A universal right to home help or assistance is more than the state can offer. But help will have to be given where necessary. The income-related principle for public amenities for older citizens can be tightened up. The assessment of who needs care provided by the state can best be made at the local level. Central government provides municipal authorities with the means to realise this selective care provision.

The *RMO* rightly points out that assessment procedures are also subjective in nature and that administrators are under pressure from clients, which makes it difficult to say ‘no’. If the aspect of subjectivity is suppressed too much, formal legal certainty and equality before the law can, in practice, lead to inequality if there is insufficient consideration of the differences between people. Interestingly, the *SER* expects to see an increase in the diversity of future generations of old people. The government seeks to take greater account of these differences by delegating authority over assessment to the local level, allowing local authorities to make needs assessments on a case by case basis. This approach does not sit easily with rights that are based simply on pre-given categories, such as age. However, the government considers a just result to be more important than formal equality before the

law, and therefore opts for a transition to selectively provided services rather than universal insurance. This approach will mean there will not be a universal welfare state that performs inadequately, but a selective welfare state that performs at a high standard. The Social Support Act (*Wet maatschappelijke ondersteuning – WMO, further discussed on page 62.*) is an example of this.

4.4 Greater emphasis on individual responsibility

Citizenship and individual responsibility

Individual and social responsibility mean that old people may be asked to make a productive contribution to society by lengthening the active period of their life, either by a combination of paid employment, volunteer work, or informal care. Higher standards of education and prosperity also mean that old people can take more individual responsibility for their specific arrangements with regard to housing and care. Citizens are also primarily responsible for their income, and through investing in their human capital and savings invested in group pension schemes they can exercise this responsibility. The state also plays a role in supporting old people through the state retirement pension, but this is something that this government believes is provision that must be funded by everyone, including senior citizens. In order to broaden the support base the proportion of individual and employer contributions to the state retirement pension is capped at 18.25%, with remaining entitlements funded through general central government revenue. Additionally, the Old-Age Pension Savings Fund (*Spaarfonds AOW*) was introduced in 1998. From 2020, the Old-Age Fund (*Ouderdomfonds*) will be able to use the money from the Old-Age Pension Savings Fund in order to finance increased spending on state retirement pensions without the need for extra increases in pay-as-you-go contributions.

The government intends to structure publicly-funded schemes in such a way that they invite and challenge people to assume individual responsibility, but at the same time offer a safety net to those who are unable to do so. Citizens can and must first take initiatives themselves, either individually, in social organisations, and in the other social groups in which they organise themselves: the contribution from public funds is intended to supplement individual, private responsibility and not vice versa. The government believes that the emphasis must shift from ‘personal contributions’ that supplement publicly-insured provisions to ‘public contributions’ that supplement private and individual needs. The government has already taken the first steps in this respect with the introduction of the health care allowance for those who spend more on medical expenses than is acceptable. The allowance exists to help a person pay the nominal premium. Entitlement to the health care allowance depends on the income of a person and, if applicable, the income of his or her partner. In concrete terms this means that rights are only defined

Don't suffocate inventiveness and flexibility in a compulsory publicly-funded scheme

in a categorical sense when they relate to goods and services that are absolutely necessary to everyone. It is important that basic provisions offer a high standard of quality. Everyone is entitled to a sterile hypodermic needle. But in future, people will have to pay themselves for appliances and aids such as rollators, just as it is self-evident that young people will pay for their own bicycles. A publicly funded scheme of moderate quality must not be allowed to stifle inventiveness and flexibility at the micro level, but rather, it should stimulate these factors through policy that facilitates action at the local level. The government underscores that this policy is expressly committed to ensuring that vulnerable old people are cared for, and do not have to fend for themselves. What it also means is that the state will not intervene until it is clear that citizens themselves and their environment are unable to shoulder their responsibility. In the policy paper entitled 'Nieuwe accenten op het terrein van werk en inkomen' (*New emphases in the area of work and income*), the government has set out its vision of a future-proof welfare state. In this policy paper, caring for older persons and the weaker members of our society remains a central value in government policy.

4.5 From regulatory to framework-setting policy

Central government is restricted to setting general rules and regulations, whilst citizens now, and certainly in the future, demand tailor-made approaches. In the welfare state, the response to the multiplicity of wishes is often translated into increasingly complex legislation and regulations. The continual adaptation of arrangements has inevitably been accompanied by an expansion of such arrangements, bureaucracy, compartmentalisation and reconciliation problem, as well as increased costs. The limits of this have now been reached, or, at the very least, are within sight. There needs to be a quite radical move that allocates responsibilities to those levels who actually integrate the different policy areas. Often this equates to the citizen himself or herself, the companies and institutions and, in the case of public administration, to the local level. Coping with the consequences of a population that will age very quickly in the not too distant future is a responsibility for society as a whole. Employers, employees, older citizens themselves and their interest organisations, inhabitant or client housing corporations, health care institutions, welfare organisations, pension funds, health insurers, political parties and municipal authorities, provinces, central government, will all have to make their own, specific contribution to a greying society. The government sees the Social Support Act as a means of creating the scope for local policy. Increasingly, the task of public administration is to facilitate network relationships in society. Instead of further regulation, it needs to create the

scope for more active citizenship and individual responsibility, for entrepreneurship and market forces and for modern state management that reduces bureaucracy. Detailed orders passed down from above can damage the creativity, dynamism and individual input that are so necessary to make a successful enterprise and a society. Once called upon to assume their responsibility, people, companies and institutions must also be given the possibilities and opportunity to live up to this responsibility. Responsible entrepreneurship and market forces mean here that employers may be asked to make serious efforts to create conditions for a sustainable productive contribution by employees on the work floor; that housing corporations assume their responsibility for providing enough suitable housing; that health care institutions should operate in a demand-driven and efficient fashion; that research institutes and the pharmaceutical industry live up to their responsibility; that pension funds, mortgage and health insurers develop demand-driven innovative arrangements. Achieving modern state management and a reduction in bureaucracy means a changed role for government, a government that formulates and announces clear targets with regard to the different aspects of a policy for older citizens, restricts rules and regulations as far as possible to general frameworks, ensures that these are properly harmonised while also directly steering where the market inadequately provided, places administrative responsibility at the level where the processes take place, and makes the results of policy transparent and renders account in this respect. Creating the scope creativity and entrepreneurship means responding to and stimulating innovative local projects, for example by supporting them for a number of years so that they can prove their viability. Solidarity with vulnerable old people and assuring the quality of publicly-funded schemes are and will continue to be the substantive points of departure for policy in this regard.

Responsible entrepreneurship

Clear targets, creating space and transparent accountability

Responsibility at the level of the problems

Creating space

5 *Basic values in more practical terms*

Choices in the short and long term

In this chapter, the seven social values referred to in paragraph 4.1 are taken as the starting point for realising the practical, detailed application of policy, filling in the broad outline sketched in the previous chapter. Each paragraph begins with the longer term agenda in which the general outline is set out. This relates partly to choices still requiring discussion and which cannot therefore be completed in the present government's term of office. Nevertheless, it is important that we begin to plan for these choices now since clarity is needed regarding the direction of the policy and regarding transition periods during which the trust of the citizens must be obtained and held on to. As was announced at the time of the agreement between the government and the social partners in 2004, the government will also seek the advice of the SER regarding the knowledge economy, social innovation and the ways in which responsibilities can be borne and shared.

The paragraphs are followed by a description of how the broad outline is translated into operational measures. Here, the longer term melts into everyday policy problems at a detailed level. These details can be seen as the policy agenda for this government's term of office. Much policy already exists. The various ministries responsible have already made a start on addressing many issues.

The government seeks to achieve clear policy targets and is keen to monitor the results of policy. To this end, an indication will be given, where possible, on a scale of 1 to 10 of how far the target is from being achieved so enabling progress to be monitored. Suitable indicators are still being developed and their determination will be an important policy task going forward.

5.1 Staying fit and healthy

Longer-term agenda

For old people, being – and particularly staying – fit and healthy is the single most important condition for participating in society. Staying healthy is given as the first operational target in paragraph 4.1. A healthy old age begins with a healthy lifestyle at an earlier age. Healthy eating habits, exercise, smoking and alcohol consumption demand attention. Factors such as obesity, unhealthy eating habits and lack of physical activity are well on the way to displacing smoking as a health problem. This creates major health risks for the future.

Personal responsibility

Citizens will, essentially, have to choose a healthy lifestyle themselves. They can be helped in this respect by information on what constitutes a healthy lifestyle and by the offer of ways of achieving this. In the longer term, it may be necessary to open the discussion on the possibilities to confront citizens, more than is the case at present, with the consequences of an unhealthy lifestyle which oneself ought to bear. It is not the state, but the citizen himself or herself who will be the owner of the problem in the future. Citizens today are more likely to be assertive and well educated than in the past, and have access to information. This increasingly improves their ability to make responsible choices. A life-course policy offers possibilities to place greater personal responsibility in the hands of the citizen as it emphasizes personal responsibility for employability.

Prevention

The appeal to personal responsibility for health is curtailed, however, by the fact that there are also many people who are not sufficiently able to live up to their responsibility because they fail to adequately recognise how compelling the relationship is between behaviour and health. Because there are heavy costs associated with unhealthy behaviour for both the individual and society, the government considers that there is a task for it in the area of prevention. The Prevention policy document (*Preventienota*) issued by the Ministry of Health, Welfare and Sport (TK 2003–2004, 22 894) sets out a number of general measures. The government will continue to give prevention a prominent place in health care. In the light of these long-term problems, the following measures have already been initiated as a start.

Combating lack of physical activity

Playing sport and engaging in physical activity all your life

Research shows that old people who meet the so-called physical activity standard and engage in moderately intensive physical activity at least five times a week for 30 minutes each day feel fitter. According to the SCP's report Sport (2003), they are more easily able to participate in social life and do so for longer. Sufficient physical exercise contributes to the quality of life, physical health and mental resilience. The most recent Trend Report produced by TNO (the Dutch organisation for Applied Scientific Research) shows that in 2003, roughly 43% of people aged 65 and above met the physical activity standard. This means, therefore, that approximately 57% of

people aged 65 and above take too little exercise; no fewer than 20.6% of people older than 65 take no exercise at all – week in, week out.

The government is in favour of everyone playing sport and engaging in physical activity all their life and is committed to combating lack of exercise. Accordingly, the government has, amongst other things, started the nationwide, mass media campaign 'FLASH!' (an acronym for Fietsen, Lopen, Actiemomenten, Sporten en Huishoudelijke klussen (*Cycling, Walking, Action Moments, Playing Sport and Jobs around the House*)). The campaign, which is dedicated to promoting physical activity, focuses among others on people living in residential care centres and on professionals in the health care supply chain who work with people chronic conditions.

Tailored sport and physical activity

Sport is no longer the preserve of the young, sound in body and mind; sport is for all. Supported by the Ministry of Health, Welfare and Sport, more and more types of sport and physical activity are being developed and tailored to meet the specific wishes and capabilities of the different groups of old people. In this way, people who are used to playing sport have the opportunity to continue to do so as they grow old. In the associations and federations, many existing branches of sport have been adapted to make them suitable for older people to play and, increasingly, sports groups are being set up for senior citizens. The aim is for every club and association to create opportunities for its older members to play sports, enabling members to remain active not just in a voluntary capacity but also in a sporting role. Commercial sports centres are also seeing this trend and, increasingly, sports are being offered specifically for old people. Additionally, the Ministry of Health, Welfare and Sport has spent roughly 25 years investing in group exercise programmes for old people who experience physical limitations. The programme 'More Physical Activity for Old People' (*Meer Bewegen voor Ouderen – MBvO*) has been a success and offers a varied schedule of activities. It is estimated that more than 400,000 old people – mainly aged 70 and above – do physical exercises each week in MBvO groups (SCP report on older persons, 2002).

Task Force 50+ Sport and Physical Activity

In 2003, the Task Force 50+ Sport and Physical Activity (Task Force 50+ Sport en Bewegen) was set up on the initiative of the Netherlands Institute for Sport and Physical Activity (NISB) and the Netherlands Olympic Committee* Netherlands Sport Confederation (NOC*NSF). The Task Force brings together policy partners, sports and facilities providers and seniors' organisations in a combined effort to ensure that the range of sports resources on offer matches demand for such resources amongst future senior citizens. With the support of the Ministry of Health, Welfare and Sport, projects are implemented in three thematic areas:

- Active participation in sport by older citizens
- Maintaining, recruiting and training qualified personnel to instruct and supervise older persons

- The perception of sport and physical activity amongst people aged 50 and above

In this regard, the government urges municipalities to enter into the partnership. There is much benefit to be gained from the more efficient use of existing facilities close to where old people live. The interrelation with the basic value that citizens must be able to move around their living environment freely and in safety (paragraph 5.5) is evident. Where public spaces are pleasantly laid out, inviting their use, there is a positive effect on patterns of exercise in the later stages of life. This occurs when old people consider their immediate environment as a pleasant and attractive place to be and they feel safe – in both a physical and social sense – being there. This also increases the availability and accessibility of facilities.

Extending successful projects

But above all, it will take much activity to ensure older people who do not currently engage in much exercise integrate more activity into their daily routine.

The approach taken in the Groningen Active Life Model (*Groninger Actief Leven Model – GALM*) appears successful. After being approached personally and taking a fitness test, some 50,000 people aged 55 and above who do (too) little physical activity have been enticed into taking part in a varied sports programme each week. GALM has now been implemented in roughly 200 municipalities and is set to expand further. The largest group of people to take too little exercise on a daily basis are those who may be termed vulnerable. This includes old people with a limitation or chronic condition, old people from an ethnic background and people aged 75 and above. It may be possible to entice them to engage in more physical activity if the nature and intensity of this activity more closely match their needs and capabilities. The government intends to examine how successful pilot projects, such as the development and implementation of Fitness for Older Persons (*Ouderenfitness*) sessions in care homes can be expanded.

Physical activity and nutrition

The very old form a vulnerable group who can easily be affected by a shortage of certain nutrients, such as vitamins and minerals (Netherlands Food Council (*Voedingsraad*) 1995). A decrease in food intake due to changing tastes, social environment or too little physical exercise play an important role in this respect. The Ministry of Health, Welfare and Sport is examining how to provide incentives for implementing measures designed to promote good health, with a specific focus on *physical activity and healthy eating habits* amongst older persons. This should also include the hygienic preparation and storage of food. Every effort must be taken to tie in with existing programmes in this area. The actual implementation of these programmes lies in the hands of various institutes, such as Municipal Medical and Health Services (*GG&GD*), the Netherlands Heart Foundation (*Hartstichting*), the Netherlands Institute for Health Promotion and Disease

Sports facilities for senior citizens

Co-operation between various parties

Prevention (*NIGZ*), the Netherlands Nutrition Centre (*Voedingscentrum*) and the Netherlands Institute for Sport and Physical Activity (*NISB*). The interrelation with measures to combat obesity in groups with low Social Economic Status (SES) is also important.

Elderly women with an ethnic background

Following the results of the report entitled 'Health and Welfare amongst old people with an ethnic background' (*Gezondheid en Welzijn van allochtone ouderen*) (SCP, 2004), the Ministry of Health, Welfare and Sport is examining how to provide incentives for implementing health promotion measures, with a specific focus on *physical activity and healthy eating habits* amongst elderly women with an ethnic background. The policy designed to tackle obesity and the National Physical Activity Action Plan (*Nationaal Actieplan Bewegen*), which is under preparation, amongst other things, will serve as the background for a review of possibilities to intensify the attention paid to elderly women with an ethnic background. Before measures can be formulated, further insights are needed into the determinants influencing the behaviour of elderly women from an ethnic background, with regard to their physical activity and healthy eating habits. The efficiency of current measures and interventions, specifically targeting this group, will also have to be taken into account. Many different courses of action (including research and health promotion interventions) have already been initiated, each focusing on the behaviour of women with an ethnic background with regard to physical activity and eating habits. Policy actions seek to realise an exchange of resources at the international level.

Fall prevention

Osteoporosis significantly increases the risk of broken bones after the menopause. Falls resulting from motor problems are one of the 'geriatric giants' referred to previously. Each year, roughly 15,000 old people are admitted to hospital with a fractured hip, often with serious consequences. Prevention is possible, but requires more attention to the living environment and risk awareness by elderly citizens themselves. For instance, hip guards have been less effective than hoped in reducing injuries, in part because older people have chosen not to wear them. The individual health benefits of prevention are great, and it is important to encourage older people to take preventative measures. The government aims to improve prevention with several targeted campaigns, such as 'Stop, you're falling' (*'Halt u Valt'*).

Counselling centres for older persons

It is very important that geriatric complaints and social circumstances that can lead to serious loss of health or forms of social isolation are identified at an early stage. Various initiatives have arisen which we can classify as 'counselling centres' for older persons. The government intends to examine whether such counselling centres contribute to old people staying healthy for longer. In doing so, it will also look at the connection with the role of the

Public Health Services (GGD), GPs and family physician assistants, and other geriatric services. It may be possible, for example, to provide treatment for incontinence by training the pelvic base muscles. The government also sees a link here with the intended 'outreach' approach in the Social Support Act (WMO).

Assessing the effects of policy

The government intends to assess the policy measures being used to achieve the target – '*staying fit and healthy*' by studying changes in health and lifestyle among older people in the coming years. With regard to sport and physical activity, the government's benchmark is 30 minutes moderately intensive physical activity at least 5 times a week. At present, roughly 43% of people aged 65 and above meet this target. Of course, objective circumstances dictate that the full 100% can never be attained, but 70% is a reasonable goal, and therefore is the government's initial target. Accordingly, the government awards the current situation a mark of 6.1 (on a scale of 1 to 10). Just above pass level, therefore. The current target value is to move to a 'more than satisfactory' outcome. This corresponds to a 7, which means that approximately 50% of the people aged 65 and above meets the physical activity standard. In its 2001 policy document entitled 'Sport, Physical Activity and Health' (*Sport, Bewegen en Gezondheid (2001)*), the government cites as target values for 2005 that 45% of the population will satisfy the standard, and 50% in 2010.

With regard to fall prevention, the government is primarily concerned with the seriousness of the consequences of falls. Currently, approximately 40,000 old people end up in hospital each year as a result of falls. Of them, 15,000 are admitted with a fractured hip. Given the often serious consequences of a fractured hip, the government aims, in the short to medium term, to reduce by half the number of hospital admissions as a result of falls. This would mean that the current situation would receive a mark of 5 on a scale of 1 to 10. The estimated efficiency of fall prevention programmes is put at 10%. For 2010, the government has targeted a reduction by 1500 fractures, meaning that a mark of 6 can then be awarded.

5.2 An active social contribution in the later stages of life

Longer-term agenda

Paragraph 4.1 contains the second operational target of a policy for senior citizens: that older people have both responsibilities and rights, and should make an active contribution to society and fully participate in it for as long as they are able to.

Accordingly, the labour participation rate amongst old people must be increased further, age discrimination must be eliminated, possible obstacles to anyone wishing to work after 65 must be removed and there should be incentives for doing volunteer work. Given the vastly improved state of

Physical activity and nutrition

Too many hip fractures

Early identification

Fall prevention

A longer life also means a longer working life

New transition phase

health of old people, it is reasonable to ask them to make a productive contribution to society for longer. Relative to when the state retirement pension was introduced, healthy life expectancy at the age of 65 has increased at the same time as the length of a person's active life has decreased. Currently, the average remaining life expectancy without physical limitations at 65 is 12.1 years for men and 12.8 years for women. Longer lives should also be translated into longer active lives, in terms of work for pay as well as volunteer work and informal care. In what is currently accepted as the normal course of life, there is a sharply delineated transition from paid work to inactivity. Moreover, this transition has increasingly been brought forward ahead of the age of 65. The new life course policy expects individuals will continue to work in the paid labour force and perform care work until the state retirement age, after which there will be a more gradual transition to inactivity and, for some, also to a need for care. In the first years following retirement, this activity may often consist of (part-time) work in combination with a pension to provide the security of a basic income. The automatic termination of the working relationship at the retirement date is no longer appropriate in this new situation. It will be necessary to find alternatives for this. The right to a state pension without having to work should be viewed as a requital from society for the contribution made in the active stage of life. But this right does not exclude an ongoing contribution in an adjusted form during the transition phase. Once retirement age has been reached, the emphasis in respect of the contribution to society will increasingly shift towards volunteer work and informal care. Old people should be aware of the importance of the role they fulfil in transmitting culture, know-how, experience, standards and values to young people.

Reward activity

It is also important to assess how the social commitment and participation of retired individuals can be strengthened further in order to increase their contribution to society and prevent their social isolation. Following the advice of the RMO in 'Can old people join in, too?' (*Mogen ouderen ook meedoen*'), the government will assess the scope for stimulating participation. The RMO mentions, in this respect, making benefit payments conditional on social participation in the form of work (part-time or for lower pay), volunteer work or informal care.

Invitation to contribute

Anyone stopping paid work should be asked to take part in volunteer work. This calls for an inviting environment. The WMO offers municipalities a framework for realising their responsibility to support volunteer work. The State Secretary for Health, Welfare and Sport explores this in detail in a policy letter dated 19 October 2005 with regard to volunteer workers (*Beleidsbrief vrijwillige inzet*, Tweede Kamer, 2005 – 2006, 30 334, nr. 1).

Serial careers

A longer life in good health opens up the possibility of serial careers. The final career might be in a less demanding environment and might offer well-earned freedom and opportunities for personal development as well as supplementary income. Additionally, the activity itself would contribute to an extension of the good health already enjoyed.

In the light of this agenda for the medium and long term, the policy in the remaining term of this government's office will focus on making the extension of the working life, also after the age of 65, both possible and attractive, and stimulating volunteer work and informal care (see also paragraph 5.6). In practice, inactivity leads to alienation from the labour market regardless of whether one is young or old. The primary condition in the short term for a follow-on career, therefore, is activity until retirement.

Making it possible and attractive to work longer

According to the regular CBS statistics, the labour participation rate amongst 55 to 65 year-olds in 2003 was 38.6%. According to Eurostat statistics, which also measure jobs of fewer than 12 hours a week, the labour participation rate in the same period was 44.8%. The European target for 2010 is 50%. The government has taken measures to reduce the use made of early retirement and pre-pension facilities and to promote labour participation, for example by introducing the life-course savings scheme. This scheme invites people not just to find a better combination of work and care responsibilities, but also to invest more in themselves so that when they reach old age they are better equipped and more motivated to continue working. The measures will improve the balance between publicly-funded schemes and individual freedom of choice, making it less likely that people approaching retirement age will automatically choose early retirement. In designing the measures, the government has taken into account the special position of workers in jobs involving heavy manual labour who commenced their working life at an early age. The government strives to achieve a turnaround in thinking so that it is considered normal once again to work to the age of 65. This can have a positive effect on the willingness to continue working after reaching 65. The government aims to promote this by removing obstacles to working beyond the age of 65.

Personal responsibility for retirement date

Much has already been set in motion

The government has also initiated a large number of other measures. The government has set out a series of measures that have already been taken, or which are planned, in its positioning paper entitled 'stimulating old people to work longer' (*stimuleren langer werken van ouderen*). The government formulated this paper in response to the recommendations of the Task Force looking at older persons and work. The letter of the Minister for Social Affairs and Employment dated 14 September 2004 (TK 2003-2004, 27 046 no. 8) dealing with '*measures to promote labour participation amongst old people*' includes an up-to-date summary of measures designed to tackle a range of obstructing factors.

Entrepreneurship offers many old people a chance to develop. The government policy document entitled 'In action for entrepreneurs!' (*In actie voor ondernemers*) and the follow-up 'More action for entrepreneurs' (*Meer actie voor ondernemers*) lists 'promoting entrepreneurship amongst old people' as one of the actions. Within this framework, the Ministry of Economic Affairs is funding the 'Seniorstart' project, which is an initiative of the Dutch SME

Association (*MKB Nederland*) and under whose umbrella three networks for senior entrepreneurs have been set up.

Entrepreneurship is an option for older workers who are considering how to plan their further professional career, be this in conjunction with their employer or otherwise. The Equal project Midlife Resourcing deals with this issue, amongst other things. EQUAL is a European Union transnational programme aimed at the creation of equal opportunities and combating discrimination in the jobs market.

For some older people, entrepreneurship is the best option because, unfortunately, they still often have an uphill task when applying for jobs. The study entitled 'Old versus young business start-ups' (*Oudere versus jongere starters*) conducted by EIM (December 2004) shows that old people are more likely than young people to start up their own business from a position of unemployment. The issue of 'benefit claimants starting their own business' is a subject dealt with in the 'Entrepreneurship' project group of the Ministry of Social Affairs, with the involvement of the Ministry of Economic Affairs, amongst others.

When businesses change hands, the search for a senior candidate to take over the company is often, wrongly, a forgotten option.

The age limit of 65 years

Activity in the labor force is not the only area individuals experience many and significant changes upon reaching the age of 65. All manner of social insurances also recognise the age limit of 65, with benefits either ending or commencing at this age. The Expertise Centre LEEftijd (Age) organised a series of debates with politicians, policy makers and interest groups in early 2005 in order to discuss the effect of the age limit of 65 on the older's people's ability to perform and combine different activities, such as paid work, education, care provision and social life/leisure activities. The Minister of Social Affairs and Employment gave a reaction on the results of these debates in his letter dated 07-12-2005, TK 2004-2005, 28 170 no. 29).

Alongside age, handicap may also not be a source of discrimination in the labour market. In December 2003, the Equal Treatment (Handicapped and Chronically Ill People) Act (*Wet gelijke behandeling op grond van handicap of chronische ziekte – WGBH/CZ*) came into force. This Act prohibits discrimination on the basis of handicap, with regard to work amongst other things, and requires employers to make adaptations to accommodate workers with handicaps where this may be reasonably expected. It is important that people with a limitation or chronic illness should be enabled to continue working for as long as possible if this is their wish and if they are capable of doing so.

Greater degrees of freedom

Advice of SER and interest groups

Changes making it possible to work longer

Involving senior citizens

Combinability

In its advisory report 'Of all Ages' (*Van alle leeftijden*), the SER highlights the importance of there being possibilities for people to combine paid work with care responsibilities, both for small children and for next-of-kin. By providing childcare facilities and giving parents the possibility for taking leave, enabling more differentiation of working time and patterns, and ensuring the availability of respite care, people will have more possibilities to participate in paid work and meet their care responsibilities. And that is not all. The measures can also contribute to an increase in the degrees of freedom when making the personal choice of whether or not to have children.

Increasing the labour participation rate amongst those older than 65

The government also believes that people older than 65 should be stimulated to remain active in the labour force. The fact that only 19% of people aged 60 to 64 are part of the work force means that in the short term we should not expect much in this respect, but it is important that the obstacles are removed in anticipation of the changes that will follow from policy targeted at those below the age of 65.

In spring 2005, the government asked the SER and relevant interest groups, such as the senior citizens' association, for their advice on ways to remove obstacles to working after the age of 65. One theme that emerged is the automatic dismissal upon reaching the age of 65 that is a provision in many employment contracts. The government also asked the Labour Foundation (*Stichting van de Arbeid*) in the spring of 2005 what steps it has taken or plans to take with regard to the issues of demotion, age-related pay and investigating collective bargaining agreements and pension schemes that obstruct paid work after the age of 65. In autumn 2005, the government will give its response to the advisory reports it has received and will answer the question as to what changes and modifications are needed and desirable in order to remove the obstacles to longer working (letters of the Minister of Social Affairs and Employment dated 7 December 2004, TK 2004-2005, 28 170 no. 29 and dated 17 January 2005, TK 2004-2005, 29 760 no. 55).

Incentives for volunteer work

An active contribution to society need not always be provided in the form of paid work. Volunteer work is certainly as important for people in the later years of their life. At present, approximately 40% of people aged 65 and above do volunteer work of one type or another, either as part of an organisation or individually. The RMO/SCP working document entitled 'older persons and social commitment' (*ouderen en maatschappelijke inzet*) cites the Netherlands as one of the leading nations in terms of people who do volunteer work.

The main reason for people not doing volunteer work is that they are not asked to do so. Calls made from the local level are most effective at stimulating social participation and volunteer work, because they are closest to the citizen.

Effects of the age limit of 65 years

The volunteer work policy committee has already brought this to the attention of municipalities and provinces. The policy recommendations which the committee made at the beginning of 2005 are taken into account in the policy letter of the State Secretary Health, Welfare and Sport with regard to the policy on volunteer work. (*Beleidsbrief vrijwillige inzet*, Tweede Kamer, 2005 – 2006, 30 334, nr. 1).

The government intends to further promote social participation among those older citizens who have a lower standard of education. It will do this by means of education and training programs aimed at areas important for society as a whole, such as care and sport. The PGO Fund (Fund for Patients, Organisations for the Handicapped and Senior Citizens' Associations) (*Fonds voor Patiënten-, Gehandicaptenorganisaties en Ouderenbonden*) and the current support which central government gives sports associations offer basis for this action.

Increase possibilities

The government provides financial aid to the not-for-profit organisation CiviQ in order to provide information to young and old about the possibilities for engaging in volunteer work, to break down the negative image of older volunteers, develop new methodologies for volunteer organisations in order to provide support in recruiting and retaining (older) volunteers, and teach professional organisations how to work with volunteers.

Participation also requires senior citizens to have an active involvement, have a say in matters affecting them and take initiatives. Innovative local projects have an exemplary function beyond the local level. The government is considering the possibilities for providing support to promising initiatives in order to give them the opportunity to develop and prove their worth.

Technology

New technological developments can help old people stay healthy and lead an independent life for longer, continue to participate in society and maintain good contact with others. For several years now, the Ministry of Housing, Spatial Planning and the Environment and the Ministry of Health, Welfare and Sport have jointly stimulated the implementation of domotics; technology in the home that enables people to continue to live independently for longer. The living and care action plan that was sent to the Lower House in July 2004 states that housing corporations have a responsibility to invest in this technology. There are also types of domotics (home automation) for people demanding a great deal of care, such as technological facilities in small-scale housing for people suffering from dementia. The Ministry of Health, Welfare and Sport Studies is funding studies into the effects of this on the demand for care amongst residents and staffing levels in comparison with small-scale housing without domotics.

ICT is a perfect medium for establishing and maintaining contacts. But the dangers associated with ICT developments also call for our constant attention. Many physical and social barriers to handling new ICT do not occur until old age. Old people with poor eyes, for example, have difficulty reading

small letters on screens. A loss of social contacts may deprive them of a ready source of news about the latest developments. The SCP argues that old people who use technological applications run the risk of developing technology dependence (loss of function instead of a gain in function) and alienation. Issues with regard to safety and privacy will also have to be addressed.

Relieving the administrative burden

Next year will see the introduction of the personal public service number (BSN). This will make it easier to exchange citizens' details, the aim being to ensure a smooth and prompt provision of services. It will also mean less paperwork for people applying for products or services from the state. The target is to reduce by a quarter the administrative burden for old people, people with a handicap or chronic illness or benefits claimants, in 2007 relative to 2003. According to senior citizens' associations, the situations in which old people are most often confronted with an administrative burden relate to: changes in their need for care, particularly in combination with a low income; a death, admittance into a nursing home, inadequate state retirement pension rights accrual, the state retirement pension and persons together forming one household from a tax viewpoint.

Assessing the effects of policy

The government intends to measure the policy effects of the 'active social contribution' target by assessing the improvements against benchmarks: the labour participation rate amongst 55 to 64-year olds and the participation rate of people aged 65 and above in volunteer work.

Labour participation rate amongst 55 to 64-year olds

As regards the labour participation rate amongst 55 to 64-year olds, the government believes that the ideal target value in the longer term, and in conformity with European definitions, is a participation rate of 70%.

Accordingly, the government awards the current situation of a labour participation rate of 44.8% a mark of 6.4 on a scale of 1 to 10. In the shorter term, the government seeks to conform to the European target of 50% in 2010, corresponding to a mark of 7.1.

Volunteer work by people aged 65 and above

As regards volunteer work amongst people aged 65 and above, either as part of an organisation or otherwise, the government believes that the ideal target value, taking age and the nature of the activities into account, is a participation rate of 50%. Accordingly, the government awards the current situation of 40% participation a mark of 8. Policy is focused on retaining the relatively high participation rate in volunteer work.

5.3 Maintaining levels of income

Longer-term agenda

The third operational target from paragraph 4.1 is that senior citizens must have sufficient financial resources to lead their lives independently, even if their chief source of income is no longer derived from labour. The government

believes that the task of the government is to guarantee a minimum income. But the government also considers an honest sharing of the burden between the generations and avoiding an overly unequal distribution of income important. Additional schemes are mainly the responsibility of the social partners. These parties face a challenge here, particularly where supplementary pensions are concerned. In its recommendations on the supplementary pension system, the Social and Economic Council justifiably observes that despite significant advances, greater progress towards innovation and cost control are still necessary.

Better income position on average, increasing differences

In addition, many citizens will in future be able to supplement their income after their 65th birthday by doing work or continuing to work for longer, which will enable them to postpone eating into their pension reserves. The average income of senior citizens is anticipated to rise in absolute terms and in relation to that of younger members of society. At the same time, we see the emergence of wide differences in society between people with additional pension resources and their own capital, and people, including many women and people from ethnic minorities, who will have to survive only on a state pension. If the link of the public pension to contractual wages via the intermediary of the statutory minimum wage is applied, expenditure under the General Old Age Pensions Act of approximately 5% of the gross domestic product will consequently rise to approximately 9% when population ageing reaches its peak. The 2004 Budget Memorandum indicated that if the policy is implemented promptly, financing this increased expenditure can be safeguarded without the need to increase tax and social insurance contributions, i.e. without putting solidarity between the generations under pressure.

Secure support for increased spending

There are three components to this policy: increasing labour participation, adjusting state-funded facilities other than the state retirement pension and a sustainable budgetary policy geared to servicing debt. Debt servicing relieves interest charges, and the resulting savings can be used to help finance state pensions. By pursuing such a policy, the government aims to prevent the scenario outlined above in Section 3.2 of the SCP/CeRP in 'Unequal Welfare States' from becoming reality.

Attention to future-proofing

This government believes that the discussion about 'future-proofing' the General Old Age Pensions Act, including its financing, must be taken further with a view to enhancing both the effectiveness of the policy and the level of social support for it.

The Social and Economic Council claims that there is currently no need to increase the state retirement age, but notes in its advisory report entitled 'Of all ages' (*Van alle leeftijden*) (2005) that this age may at any time become subject to discussion, should there be a need for this in the light of new demographic developments, the social and financial/economic situation and the situation in the labour-market. In the case of a potential gradual increase in the state retirement age, the Social and Economic Council stresses the need for a prolonged transitional period.

With respect to financing the state retirement pensions, the Social and Economic Council believes the burden should not be placed unilaterally on younger generations; older people must also contribute.

The following measures are to be taken during this government's term of office.

Income

In 2001, 4.6% of people aged 65 and older (95,000 persons) were living in households with incomes less than 60% of the median income for all households. This is a long-term situation for only 1.1% of people aged 65 and older (22,000, with the same number of men as women). These percentages are considerably higher for the entire population (9.4% and 3.4% respectively) (CBS 2004). We can see, that the financial situation of older citizens has become increasingly solid over the past two decades. Thanks to the state retirement pension provided by the General Old Age Pensions Act, supplementary pensions and private facilities that many old people additionally arranged, the financial position of Dutch senior citizens compares very well to the situations abroad. The three pension mainstays offer a solid starting point for a sustainable income structure.

Maintaining the link

The government considers the state retirement pension to be a basic provision of the three-pillar system, and one that must be maintained. Over a longer period, this basic provision must rise, wherever possible, in line with the level of negotiated wages increases. However, circumstances may arise year on year that could make such growth unwarranted. According to the government, the Wage-Benefit Linkage and Exceptions Act (*Wet koppeling met afwijkingsmogelijkheden – WKA*) continues to be a sound basis for the policy. This act provides for a linkage to the developments in wages in collective labour agreements but also for possibilities to make exceptions if required by economic circumstances.

Certain components of income policy do require updating however.

Care allowance

One reason for the update is the financial burden of people with limitations. A care allowance is to be introduced for financial accessibility in connection with the intended modernisation of the national health insurance system. By doing this, the government intends to provide safeguards to ensure that nobody will be required to pay a larger share of his/her income for standardised medical insurance premiums than is established as acceptable. This premium-charge compensation for insured individuals will be available in addition to the tax facility for extraordinary expenditure that already exists. In so far as individuals are eligible for a rebate but there is insufficient income to cover this, payments may be made on the basis of the extraordinary expenditure allowance. A technical analysis will be conducted of the interconnection between the three facilities mentioned above, the results of which are expected to be published in 2006.

Another point of attention is the substantial proportion of their income that people aged 75 and older pay overall in housing costs. For 44% of all people aged 75 and older, the percentage of income spent on housing exceeds 30%. Of people aged 75 and older who live in housing for older citizens with care or other amenities, almost 60% spends more than 30% of the income on housing. Research has revealed that this is not really attributable to higher housing costs, but rather to a lower income level. If the proportion of income spent on rent is too high, the incidence of intramural care may increase as a consequence. To realise the desired level of independence in the housing situation, individual housing benefit must continue to offer adequate compensation. According to the government, this problem will decrease in the longer term owing to the improved income position of new cohorts of senior citizens.

Less than full state retirement pension

There is a growing group of people aged 65 and older with a less than full state retirement pension. A large proportion of these comprises retired former immigrant workers who have not lived in the Netherlands long enough to accrue full state retirement pensions. These will eventually be joined by the new groups of refugees admitted to the Netherlands in the 1980s and 1990s. The social minimum for these people will be guaranteed via income support. That is the final safety net, although not everyone makes full use of their rights to this benefits and services. However, the Work and Social Assistance Act (Wet werk en bijstand – WWB) contains provisions for municipal authorities to approach individuals (pro)actively who are in such social circumstances, or are in danger of falling into such circumstances, and who do not have the financial resources to meet the essential costs of living. Each municipal authority must have the correct information at its fingertips for this. That is why the WWB also stipulates that bodies such as the Social Insurance Bank (SVB) are obliged to inform the municipalities about this. Agreement has since been reached with the SVB concerning the exchange of data in order for municipalities to address this actively.

Assessing the effects of policy

By guaranteeing a minimum income, the government aims to prevent vulnerable groups of old people from becoming disconnected from society. Old people on a low income are a major focus group of this government's income policy. To prevent the development of unnoticed and unbalanced growth in the distribution of income between the generations, the government will continue to monitor the distribution of income. A balanced distribution of income is a major pre-condition for social cohesion. The government believes that the purchasing power of individuals with only a state retirement pension has a key role to play here. Compared to the purchasing power of a single income support claimant below the age of 65, the generic purchasing power of a single senior citizen only receiving a state retirement pension increased from 100 in 1994 to 105.9 in 2002 (index

1994=100) (National Pensions Action Plan (*Nationaal Actieplan Pensioenen Nederland*) 2002, Ministry of Social Affairs and Employment, p. 16). The government wishes to maintain this relative improvement and considers the present rating to be 8 out of 10, as opposed to a rating of 7 out of 10 in 1994.

5.4 Adequate housing facilities

Longer-term agenda

The fourth operational target from Section 4.1 is that old people should have adequate housing facilities geared to their individual needs, complemented with tailored care facilities. This is also important for the balanced development of the housing market. The demand for accommodation and living environments is changing. Opportunities for first-time buyers and people on a lower income wanting to move on to find suitable housing are diminished because many older persons want to remain in their current homes for as long as possible.

Old people have a critical attitude to moving house. They will only decide to move when they receive an offer that is a good qualitative match for their potential demand. The restructuring measures, of homes being demolished or renovated and new houses built, largely concern poor districts with an ageing population. A suitable solution will have to be found for these inhabitants. Such developments are important for future new housing developments and restructuring. The houses that are being built will have to be placed on the housing market, partly on the basis of the above perspective.

Many houses will be required until 2030 that are specifically suited to old people, and which affluent elderly individuals are willing to pay for. This does not mean that buildings should be developed specifically for senior citizens. Indeed, senior citizens are increasingly ordinary people who are capable of managing for themselves and who do not become dependent on care facilities until they are much older. Housing facilities must be designed for flexibility and the ability to live independently so that senior citizens can maintain their independence even when very old.

In the future, the prime accountability for housing facilities will lie with citizens themselves and social organisations, mainly housing corporations, more so than is currently the case. Many local factors also play a role in the housing market. Housing corporations, developers and municipal authorities are better placed to address these than national government. That is why the government foresees a supervisory role rather than the role of an initiator for national government in the longer term. Its tasks lie in exchanging information about long-term development so that market players can address them as well as reducing the barriers in the regulations to moving up the housing ladder. Moreover, this government is enabling municipalities to capitalise on local needs in the field of care and housing. However, national government also has a responsibility to co-ordinate

activity. Further to this, national government will need to monitor the activities of the parties involved, which may result in the introduction of stimuli in the set of tools used to steer the process to take advantage of changing developments.

In the light of this long-term agenda, the government has chosen to pursue the following policy in this term of office.

Build more suitable housing

There is a key planning task in the field of housing. On 15 September 2003, the Minister of Housing, Spatial Planning and the Environment and the State Secretary for Health, Welfare and Sport informed the Lower House about the quantitative task for housing with care and welfare until 2015. On 5 July 2004, they sent the 'Investment for the future' (*Investeren voor de toekomst*) (TK 2003-2004, 28 951) action plan to the Lower House. This plan sets out the programme for building suitable housing until the end of 2009. Two clearly defined categories will be introduced to replace the current diverse housing categories. The first is the so-called no-stairs homes, i.e. accommodation that is accessible both from outside and inside (without any stairs or possibly with a stairlift). Houses in this category have care available on-call, while other services can also be provided. This second category of housing is referred to as 'serviced housing'.

A total of 255,000 no-stairs homes must be built, which can be achieved in various ways. The government tentatively assumes the following distribution:

Housing	Total
	255,000
As new housing developments	104,000
From building conversions	29,000
Through care-support centres	35,000
From labelling and allocation	87,000

Of these 255,000 dwellings, 99,000 will belong to the 'serviced housing' category.

To meet the above-mentioned long-term growth in demand in the volume of suitable housing for senior citizens (Section 3.3), production will still need to rise considerably after 2015 as the population continues to age.

The Minister of Housing, Spatial Planning and the Environment is making agreements with housing corporations, municipalities, regions and provinces about building these houses. The subsidies available under the Location-related Subsidies Decree (Besluit Locatiegebonden Subsidies) will be used specifically and funds will be linked to actual performance. The government has reserved 650 million euros to reduce the regional housing shortage to between 1.5% and 2%. When negotiating the agreements, the Minister of

Housing, Spatial Planning and the Environment expressly called for attention to be paid to achieving the task related to care and housing.

Housing corporations

Adaptation of the housing stock to the ageing population by building suitable and affordable housing will be a major task of the housing corporations in the years to come. It is essential that the housing corporations collaborate with institutions in the field of care, welfare and safety. Housing corporations play a key role in building housing projects through their expertise in the development and management of real estate, among other things by means of combinations of housing and supportive services.

Where individual corporations have insufficient financial resources for necessary investments, other corporations will be required to assist. In those cases when this is unsuccessful, the Minister of Housing, Spatial Planning and the Environment will intervene where necessary. Under the new rental policy, corporations are required to invest more. The rental policy will contribute to the corporations having sufficient resources to continue to achieve this task for the medium to long term.

It is clear that investments in housing, possibly in combination with amenities for senior citizens, have a high priority here. Moreover, private providers will also play a greater role in this growing market.

Consumer pays for housing

The environment where old people citizens in need of care live is a key factor in how they experience quality. Requirements set by old people for this are very diverse. Higher income and capital among older citizens will increase the demand for higher quality housing. The need for differentiation in institutional arrangements is more likely to increase than to decrease in the coming years. A major step in achieving this greater differentiation geared to the wishes of old people who are also in a position to pay for this, is to ensure that the housing costs and associated services are paid for by old people starting now, through purchase or rental and linked to a wide or narrow package of services. In this way, more private resources can be directed towards care facilities, relieving public system resources from a certain level of demand. The Ministry of Health, Welfare and Sport/Ministry of Housing, Spatial Planning and the Environment set up a working group at the beginning of 2005 to study self payment for housing in intramural facilities. This group is surveying the effects of this far-reaching measure for existing and new intramural facilities for various policy areas of the Ministry of Housing, Spatial Planning and the Environment. This includes affordability for residents, the position of corporations, housing benefit, rental legislation and building regulations. Depending on the results of this working group, consideration will be given to how self-payment for housing in existing intramural facilities can be achieved wherever possible. In consultation with the relevant parties, the Ministry of Health, Welfare and Sport will establish how implementation of this policy can be sped up wherever possible.

Agreements with housing corporations, municipalities, regions and provinces

Separating housing and care

Building small-scale facilities for people suffering from dementia

Small-scale forms of housing are chiefly intended for individuals living in groups and, wherever possible, care and housing are approached as though people are living in a family situation. Demand for this kind of housing is increasing as good results are achieved in a number of ways. Although no general studies into the effects have been concluded, it is becoming clear from various examples that clients feel better and use less medication, and that employees benefit as well. For instance, sick leave amongst personnel is falling significantly thanks to this system. Currently only 10% of the housing capacity for people with dementia has been built following this concept. With the Minister of Housing, Spatial Planning and the Environment, the State Secretary for Health, Welfare and Sport has taken several initiatives to stimulate the building of small-scale forms of housing for people suffering from dementia. On the basis of the collective care and housing stimulation scheme, several small-scale forms of housing have been subsidised and a contribution was made to a successful 'week of action' that focused on small-scale care for people with dementia. To chart the effects of this more efficiently, the State Secretary for Health Welfare and Sport is contributing to a study conducted by the Trimbos Institute into the effects of small-scale housing for old people suffering from dementia, their family and carers. Several obstacles have been overcome in recent years through legislation and regulations, the most important result being that building small-scale forms of housing on the basis of the Hospital Provision Act (*Wet ziekenhuisvoorzieningen*) has become a realistic option. The Care Institutions Admissions Act (*Wet toelating zorginstellingen – WTZi*) that came into force on 1 January 2005 affords even greater leeway to institutions here. Small-scale housing facilities for people with dementia fall outside the building regime and can be constructed without permission. Indeed, permission will no longer be required for the 'building blocks' that are being transferred away from the provisions under the Exceptional Medical Expenses (Compensation) Act. This will make it possible to realise various arrangements: purchase and rental, profit and non-profit.

In the years to come, the State Secretary for Health, Welfare and Sport will make a financial and substantive contribution to a promotional programme of the umbrella organisations of the key players in this field such as the social housing organisations and organisations for nursing and care.

Implement the Social Support Act

Implementation of the Social Support Act is a key precondition for creating environments at local level in which people can actively participate in society and can themselves devise solutions to problems at a local level. The Act places the responsibility for a sound system of social support with the municipalities, in the form of a system of general and specific individual facilities for young and old. Together with the responsibilities for housing, transport, safety, work and social security which they already had, the municipal authorities are capable of pursuing a coherent policy.

The government has observed that creative opportunities are emerging in local situations in anticipation of the Act. This makes it possible to better counterbalance the socially and economically undesirable trend which we see of informal care and support in the circle of family and friends today becoming more professional care with collective funding.

The government will give the municipalities their own resources to implement the Social Support Act, and provide the scope for them to do so. As a result, the municipalities will be accountable for their actions to their own local populations, rather than the central government.

Details were set out to that end in the letter dated 23 April 2004 concerning the contours of the Social Support Act (TK 2003-2004, 29 538). The government aims to see the Social Support Act, which includes the Social Welfare Act (*Welzijnswet*), the Services for the Disabled Act (*Wet voorzieningen gehandicapten*) and home-based care from the Exceptional Medical Expenses (Compensation) Act, come into force on 1 January 2007. After experience has been gained, other components of the Exceptional Medical Expenses (Compensation) Act and possibly components of the Public Health (Preventive Measures) Act (*Wet collectieve preventie volksgezondheid*) could also be added.

An important feature of the Social Support Act is that it not just focuses on people who are adequately empowered to take the initiative themselves to use the facilities offered by the municipalities with a view to promoting social participation. The Social Support Act is also directed specifically at people who would not normally apply to their municipal authority for assistance. The government can well imagine that municipalities use the resources they receive to implement the former entitlements to the Exceptional Medical Expenses (Compensation) Act, to call upon the services of home help or other qualified organisations to assist with the social management of a neighbourhood or housing estate: ensuring that not a single elderly individual is neglected, becomes lonely, is unable to clean for themselves, arranging for home help where necessary, calling the housing corporations for a suitable dwelling, and referring individuals to their GP if necessary, etc.

Assessing the effects of policy

The government intends to measure the availability of adequate no-stairs homes as follows. In accordance with the Action plan of the Ministry of Housing, Spatial Planning and the Environment/Ministry of Health, Welfare and Sport, the challenge is to build 255,000 homes by 2009; this corresponds to the construction of 32,000 no-stairs homes per year. The government will review the rate of building in a new Action plan after 2009 with reference to demand measured at that time. Zero progress with respect to an ageing population means deterioration, as population ageing provides a moving target. In view of the ambition to achieve a balance between supply and demand in 2009, the objective of the Action plan should receive a rating of 'exceeding objectives' (7 out of 10).

The current deficit in the serviced housing category is approximately 41,000 units with an availability of 415,000 or 9%. That is unsatisfactory and is due to a deficit of no-stairs homes, unsatisfactory provision of care in the immediate surroundings or a combination of the two. We rate this situation as 5 out of 10. According to the Action plan, 99,000 homes with care facilities will become available between now and 2009, which therefore meets demand. That is 'exceeding objectives' (7 out of 10). We take the average of the rates 5 and 7, which results in a total mark of 6 out of 10 for serviced housing. A monitor has been designed to follow the realisation process; the Annual Reports of the Ministry of Housing, Spatial Planning and the Environment and the Ministry of Health, Welfare and Sport will contain information about the progress.

In the government's opinion, it is up to the municipalities to establish indicators in the field of the Social Support Act.

5.5 The ability to move around in freedom and safety

Longer term agenda

The fifth operational target from Section 4.1 is that old people must be able to move around their living environment in freedom and safety. Mobility is a major factor for development. To enable an expanded range of mobility so that individuals can safely leave their home environment, we need to develop more accessible public transport in a cost-effective manner.

This usually implies accessibility to 'rolling stock', making it not only important for old people, but for all in the community. Reports from such organisations as SCP reveal that approximately 15% of the population of the Netherlands is living with some form of limitation or chronic illness.

The lengthy depreciation periods for buildings and equipment demands a pro-active long-term policy focusing on making the system more accessible, if this can be achieved relatively inexpensively.

Tomorrow's elderly individuals will mainly want to travel around by car.

They are likely to maintain this for a longer period, as cars are more comfortable than public transport. A substantial proportion will still have to rely on public transport in the future, too. For old people with serious physical disabilities, the need for tailored local Collective Demand-Driven Transport or forms of specific target-group transport will increase. It is clear that the development in the need for each of the separate forms of transport discussed here is linked, among other things, to the availability and accessibility of the other forms. As regular public transport becomes more accessible, the need to deploy Collective Demand-Driven Transport and forms of specific target-group transport may diminish. The optimum deployment of limited resources is at the core of the government's policy. The government's point of departure is that old people will primarily use general facilities, also in the field of mobility. Access to specific transport facilities is geared to old people who cannot use accessible regular public

The 'ageing-proof' living environment

transport facilities. During the transition period in which regular public transport becomes more accessible, transparency of information on where and when facilities are accessible is a precondition.

The immediate housing and living environment are also important. They must be 'ageing-proof'. This implies that when planning and building housing estates, account has to be taken of the future (care) needs of old people and that extra attention needs to be paid to safety. This is a design criterion for new housing developments, which must be taken into account in a pro-active manner. In existing housing estates in the big cities, spatial planning is a component of urban policy. Having accommodations and living environments tailored to senior citizens is a major precondition for these citizens' ability to maintain an independent existence for as long as possible. As people grow older, their range of mobility often becomes more limited and they often have to rely more on local amenities. When there is an increasing need for care, a housing estate with advantageous home-help facilities where care and welfare amenities are concentrated, is essential to enable old people citizens to maximise their enjoyment of independent living. In practice, however, spatial planning can only be influenced centrally to a limited degree. Government initiatives are still very important with a view to the coherence between the housing and living environment, on the one hand, and (demand for) care, on the other. The pace at which parties in the field make housing estates ageing proof will be crucial to determining whether older citizens' needs are met. National government will closely monitor whether the parties in the field are capable of achieving their task. If it emerges that the condition-generating and stimulating policy is not achieving sufficient results, national government will face a dilemma whether or not to deploy more regulatory instruments.

In the light of these long-term goals, the government has opted for the following policy measures during this government's term of office.

Increasing the accessibility of public transport

Further to the Mobility Memorandum that the Minister of Transport, Public Works and Water Management submitted to the Lower House, the letter dated 23 November 2004 (TK 2004-2005, 23 645 No. 81) discussed the accessibility of public transport.

Progress is being made with respect to urban bus transport. The bus with a low wheelbase or a kneeling mechanism has become a standard feature on city streets. Approximately half the buses now have a low wheelbase. Of these, approximately half are wheelchair-accessible. Since February 2004, no new urban buses may venture onto the roads that are not (wheelchair) accessible, pursuant to the Motor Vehicle Regulations (*Voertuigreglement*) (following implementation of European Directive 2001/85/EC). It is the government's intention to extend the scope of this European Directive, making it applicable to buses in regional transport.

The adaptation of bus stops for wheelchair users constitutes a major obstacle. The costs can increase quite considerably, but if a bus stop is

Buses

Bus stops

Accessible public transport

adapted during regular maintenance work, the additional costs will be relatively low (between € 2,500 and € 8,000). The costs are considerably higher if adaptations have to be made at a forced rate. There are around 57,000 bus stops in the Netherlands. Responsibility for (local and regional) public transport policy, on the one hand, and for infrastructure, on the other, is not always in the same place. Local authorities have stated a willingness to consider which of the 57,000 bus stops can be made accessible by 2010, giving priority to bus stops at intersections in the public transport network. This should not be a voluntary process.

Trains

Certain activities must be undertaken to make rail transport accessible to old people (and others) with physical limitations. Owing to the lengthy depreciation period of equipment and infrastructure, this will take longer than is the case for bus transport. When the concession was awarded to NS (Dutch Railways) and ProRail (see below), the condition was made that both parties make their facilities more accessible.

Infrastructure

It is not enough simply to adapt the rolling stock. The infrastructure, in particular platform height, must also be adjusted. ProRail is responsible for this. The Minister of Transport, Public Works and Water Management has asked ProRail to work on a more accurate cost estimate. On the basis of this, program agreements will be reached with ProRail, and their implementation will be incorporated into the management plan.

Buildings and rolling stock have long depreciation periods. Substantial investments will be required for the gradual raising of all railway platforms and the construction of lifts, where they have not been installed. The work which will start at the stations at major railway intersections is to be completed by 2030.

On the basis of its transport concession, NS is obliged to provide assistance to travellers with physical disabilities at 107 stations. An agreement has been reached with NS that they will guarantee the presence of a qualified travel assistant at those stations.

Collective Demand-Driven Transport

In addition to the adaptation of general public transport facilities, specific forms of transport are still important for people with physical disabilities. A positive development is that approximately 80% of the municipalities currently have a form of Collective Demand-Driven Transport. That was only 46% in 1996. There are also numerous specific facilities at the present time: supra-regional transport with Valys; individual transport facilities under the Services for the Disabled Act; transport of seated patients pursuant to the Compulsory Health Insurance Act; transport to day-care facilities pursuant to the Exceptional Medical Expenses (Compensation) Act. As indicated in the letter dated 23 April 2004 (TK 2004-2005, 29 538 No. 1) regarding the contours of the Social Support Act, the government intends to determine whether it is possible to combine these forms of transport and group them together under one local regime, which will increase their efficiency and will make their role clearer for their clients.

Care infrastructure

Making the spatial planning of housing estates 'ageing-proof'

The world of the senior citizen does not end at his or her front door. On the contrary, participation means being able to take part in the normal everyday life of the neighbourhood, village or town. The living environment must also be physically accessible for senior citizens with disabilities, they are to remain independent. Sufficient facilities must be created on housing estates for care infrastructure. To that end, care-support centres are necessary on estates as well as sufficient buildings for primary health care. Population ageing makes this increasingly important. It is sometimes surprisingly simple to make an area ageing-proof: neighbourhood-level 'walks' with a sufficient number of resting places stimulate activity. In several new large-scale housing developments, such as IJburg in Amsterdam, account has been taken of such facilities in the neighbourhood from the design stage.

The 'design for all' concept that focuses on the 'life-course durability' of homes and other buildings is increasingly frequent in designs, for example in preparations for domotics applications. This 'design for all' not only results in the improved durability of ageing but also offers better preconditions for all with disabilities, providing them the opportunity to live more or less independently. Under the Action plan 'Equal treatment in practice', the government has set up a Task Force charged with pinpointing good examples of how people's social participation can improve.

Pro-active preparations

One method that can be used here is the concept of IFD construction (Industrial, Flexible and Detachable). But this is clearly a long way from becoming common property. Modifications at a later stage are generally more expensive and more difficult. And additional facilities will nonetheless have to be provided in existing areas.

The new Spatial Planning Act (*Wet ruimtelijke ordening*) will oblige municipalities to establish a zoning plan for their entire territory. Although not in common usage, the Act will have no objections if the municipality's zoning plan also reserves space for care facilities in view of the ageing population. The government would also like to see such a development.

Allocation policy

Another point of interest is that housing estates may, in principle, be 'ageing-proof', but that the homes are allocated to others than (older) people with a handicap. In that case the efficiency of the facilities will decline. Housing allocation is the responsibility of each municipality. This is logical since the composition of the population and the consequences of ageing on the population structure differ markedly across municipalities and housing areas. Many municipalities already facing an increasing ageing of the population do make adequate use of the facilities offered by the Housing Allocation Act (*Huisvestingswet*) to take account of the use of suitable allocation when allocating homes, particularly near by care facilities and care-support centres. Municipalities that are not doing this to an adequate degree, while the composition of their population might warrant them to do so, will be urged to adjust the system of allocation in their Housing Regulations. The Explanatory Memorandum to the new Housing Allocation Act will

explicitly state the possibility for allocation on the basis of age-related criteria. The Ministry of Housing, Spatial Planning and the Environment will urge municipalities to take advantage of this possibility.

Non-urban areas

Spatial planning in non-urban areas requires extra attention as the level of amenities diminishes owing to a lack of demand. This calls for the shrewd combination of functions such as farms for people with special needs and multifunctional types of accommodation. Consideration could also be given to sheltered housing for senior citizens near existing housing. To that end, the set of spatial planning tools will need to be significantly adapted, as they are often insufficiently flexible to address these new needs.

Improving safety

Neighbourhood safety

In connection with limitations linked to their age, old people and their carers often set stricter criteria for the safety of their homes and living environment than other citizens. This finding emerged from studies into the living conditions of senior citizens, and primarily concerns safety in the living environment, but also in the home. The need for safety often plays a role in determining senior citizens' desire to move house.

Of course, safety in and of the living environment is not only important for old people. Within the framework of urban policy (*GSB*), but also beyond, neighbourhood safety has for many years been a key issue (prevention, more policemen on the beat, reintroduction of the community police officer, policy of imposing on-the-spot fines, Justice in the Neighbourhood, community elders, etc.).

Abuse of senior citizens

Of older citizens (aged 65 and older) who live independently, studies have revealed that more than 5% are the victims of abuse. Here we use the term abuse of older persons, if this occurs within a professional or personal relationship of dependence. Abuse of older persons may take the form, for example, of physical and/or mental abuse, neglect, financial exploitation or violation of the right to self-determination. In consultation with the executive organisations – represented in the National Platform for Abuse of Older Persons (Landelijk Platform Ouderenmishandeling) – the government commissioned an investigation into the examples of good practice in municipalities that give a high priority to the issue of abuse of older persons. This relates to a close network of organisations that identify and treat cases of abuse of older persons. This investigation is prompting municipalities and local/regional bodies to proceed to formulate policies in this field.

Assessing the effects of policy

Bus transport

In 2005, the Ministry of Transport, Public Works and Water Management is collaborating with NS/ProRail and the decentralised public transport authorities for urban and regional transport to develop phased plans focused on improving the accessibility of public transport. The development of a monitoring instrument is part of this. For a subsequent edition of the monitor

of a policy for senior citizens and population ageing, consideration will be given to whether the results of the monitor of accessibility in public transport can be included in addition to, or instead of, the assessment method presented below.

The government intends to assess the accessibility of public transport as follows, for the time being. The Lower House was informed in July 1999 (TK 1998-1999, 26 200 XII No. 43) that the aim is to make bus transport as accessible as possible in 2010 and rail transport as accessible as possible in 2030. This goal was repeated in the Mobility Policy Document. On the basis of this objective, it may be expected that in the case of a linear progression from 1999, 50% of the buses and 16% of railway transport would be accessible in 2004. Of the buses, 22% are currently wheelchair-accessible. Relative to the 50% that we might have expected, this will attract a rating of 4.4. There are, however, substantial orders in the pipeline (approx. 300 buses) that may improve accessibility by 6 to 7%. Taking account of the objective that increases with time, this will bring the score to 5.5 in 2007.

Rail transport

The government intends to measure accessibility of trains against 1. the accessibility of stations (lifts, public conveniences, automatic doors, assistance, etc.) and 2. a combination of rolling stock and correct platform height at the 107 stations where assistance is currently provided (both attracting a maximum 5 points).

Qualified assistants are present at these busy railway stations, the conveniences are accessible and automatic doors are in place. There is room for improvement in the area of lifts and waiting rooms. The rating for stations is however currently 3.5 (out of a maximum of 5). ProRail is conducting a further inventory. On the basis of a linear progression from 1999 with a target level of 100% in 2030, there should currently be 16 accessible train/platform combinations. But the complex approach by the railways and the capital-intensive character means progress is far from linear. Adaptations are being implemented at different moments for reasons of efficiency. When viewed objectively, the current lack of accessible train/platform combinations means this area should receive a rating of 0. In combination with the rating for accessible stations, the overall rating for the accessibility of rail transport is 3.5.

Collective Demand-Driven Transport

As far as collective demand-driven transport is concerned, 80% of municipalities currently have such a facility. This could be 100%. The rating is therefore 8 out of 10. The government aims to achieve a score of 8.5 in 2010, but states that this task is to be taken up by the municipalities and the decentralised public transport authorities.

This brings the overall rating for bus and rail transport and collective demand-driven transport to 5.3. The government aims for an overall rating of 7.2 out of 10 in 2010.

5.6 Ensuring care

Longer term agenda

The government's sixth operational target within the framework of a policy for older citizens is to ensure that adequate good-quality care can continue to be provided for those vulnerable old people in real need of this care.

Expenditure on care has increased considerably in recent years. This is not only attributable to ageing, but it is also due to a significant extent to supply factors and to a higher level of expectation among citizens. This will not change in the future, which means that strict requirements will be set for the care sector. A level of tension will continue to exist between the factors that increase expenditure and the need to keep public spending under control.

This may make certain choices unavoidable in the longer term.

The government considers it encouraging that citizens are willing to spend more on care as their level of prosperity increases, but does not automatically think this should imply that all forms of care should continue to be financed with public funds in the future. Whereas medical and technical limitations have often restricted choice, in the future the government will face an increasing number of choices in the insurance of curative care.

Providing care that extends to the limits of what is technically possible for all may lead to uncontrollable public spending; but the alternatives of either unequal access or equal access to a limited package is equally unattractive. We will need to steer a middle course between these seemingly insurmountable problems.

The chief task for the government is to guarantee access to a high-quality basic package of curative care and to guarantee care for those senior citizens unable to make adequate appropriate provision for themselves. When the assertive and self-supporting citizens bear more responsibility for their own everyday care needs, the care provided by the state can be concentrated on those who really need the protection of the state. Greater scope will be created for citizens who are able to, to pursue their own needs and wishes, while care facilities are put to more effective use.

The government foresees that the availability of care for older persons may become a bottleneck due to the growing need for care workers and the diminishing room in the labour market. More than the demand for curative care, the demand for nursing care will be determined by demographic factors, but not entirely: a raft of new medical developments and increasing self-reliance can work miracles. But without miracles the changing demographic situation will mean the demand for care workers is increasing while the supply of labour will come under pressure. Increasing participation in paid labour increases the supply of salaried jobs but at the same time limits the availability of informal care. That is why it is very important to stimulate and support informal care.

In the light of this long-term agenda, the government has opted for the following measures during this government's term of office.

Not all care should be automatically publicly-funded

Care bottleneck

Providing sufficient care

Whatever the situation, considerably more care will need to be provided over the coming decades, and this care will need to be of a high quality.

Accordingly, there is a major planning task in the field of care. The growing number of old people with psycho-geriatric disorders is an exceedingly vulnerable group in our society. The quality of the care itself and the harmonisation of various geriatric disciplines must improve to address the needs of these citizens. Moreover, suitable opportunities must be created for this group, both in a more protected institutional setting and in independent units.

The government is giving high priority to care for old people with psycho-geriatric disorders. People with a mental disability are a separate group. They are growing older thanks to quality improvements in the care sector, but they still start to experience ageing problems at a younger age. We must ensure the care provided to these groups does not deteriorate because ageing is putting great pressure on resources and manpower.

This demands a clearer definition of the precise purpose of the Exceptional Medical Expenses (Compensation) Act, as well as an effective implementation of the Act. The government is opting to define this as high-quality care for those truly in need, in preference to mediocre care for all and will continue to devote adequate resources to that end. More selective criteria will guide how claims are given, how claims will be assessed by the Centre for Care Assessment (CIZ) as an independent, objective gatekeeper and the requirements of operative personnel at the lowest level to form a judgement. From 1st January 2005, the CIZ has taken national responsibility for formulating indications for care pursuant to the Exceptional Medical Expenses (Compensation) Act. The CIZ must ensure that it is clear for those making the assessments, and their clients, who has a right to what and when. The operations of the old – decentralised – RIOs were sometimes very diverse.

In addition, labour and care must be combined appropriately both at the level of the economy and society as a whole, and at the level of individual citizens. This government and those in the future are facing important choices due to the growing need for care workers and the diminishing room in the labour market. The government plans to pursue three tracks in this respect: innovation and increasing labour productivity; training and a reorganisation of tasks; strengthening the position of informal care.

Improving innovative capacity and productivity of labour

The key preconditions for addressing the future need for care appropriately, are an increase of the innovative capacity of care providers and an increase in labour productivity. An initial step for the short term has been taken by entering into an agreement with the professional umbrella organisations of the care providers. In this agreement, care will be provided to 1.25% more people while the budget remains the same from 2005 to 2007, inclusive. Agreements have also been made regarding extra resources for innovation,

Priority for senior citizens with psychogeriatric disorders

Clearer definition of the Exceptional Medical Expenses (Compensation) Act

Market forces, innovation, labour productivity, flexibility

ICT and about the reduction of the administrative burden. These agreements are currently being implemented. Deeper structural changes in the manner of implementation are unavoidable in the long term. Greater use of market forces will be required to stimulate greater productivity. Care provision will need to become more flexible to address the sometimes unpredictable care of old people living independently, but who are no longer entirely self-sufficient. Technical innovations in the field of telecommunications may increase the self-sufficiency of elderly individuals, but in order for them to be effective, they will require even greater integration into the logistics of care. Telecare facilities are currently in use in several regions and make it possible not only to provide bedside care, but also to provide other types of care via audiovisual communications. This makes it possible for the client requiring care and/or his/her informal carer to be supported to live at home independently. Such facilities will be introduced in more locations, increasing productivity and enabling people to continue to live independently for longer. To broaden technical innovation in care facilities, attention should be paid to incentive initiatives in the care sector. Experience in Sweden and Wales has demonstrated that private, commercial providers have a better eye for productivity improvements than governmental organisations. Also when the government, as is the case in Sweden, Denmark and Belgium, takes self-sufficiency as the even more prominent starting point, this promotes the use of ICT and other technologies to support 'extramuralisation', as revealed by the report entitled *Labour market, labour productivity and population ageing (Arbeidsmarkt, arbeidsproductiviteit en vergrijzing)* (APE, 2005). The Ministry of Economic Affairs-instituted Interdepartmental Market Forces Committee has tasked a working group with a study of productivity and innovative power in the care sector.

Training and a restructuring of tasks

A restructuring of tasks involves organising the care sector differently. In particular, there is a need to streamline logistical processes in ways that improve service to the patient and prevent excessive bureaucracy. An inadequate proportion of the available time and manpower is still devoted directly to the patient/client. In the care of older citizens, this mainly concerns the transfer of tasks and responsibilities from the nursing home GP to the nurse and making better use of the specific competencies of both professions. The first step that must be taken here is for the nursing home to take on the nurse again. To make this possible, the professional organisation Arcares, the Council for Higher Professional Education and the colleges of higher education are together developing a competence profile for a level-5 nurse in nursing homes. The State Secretary for Health, Welfare and Sport is financing the preparatory study and the administrative implementation. Training places for 'nurse practitioners' are currently available on a limited scale and 'nurse practitioners' have since also started work in nursing homes. The deployment of the nurse practitioner in nursing homes is one application

Streamlining, bedside care

Research priorities

Progressive knowledge accumulation

Innovation in medication

of the restructuring of tasks and at the same time represents an improvement in the quality of care.

The professional medical groups in care for senior citizens: nursing home GPs, social geriatricians, clinical geriatricians and psychiatrists for older citizens all have their own field of work relating to the medical care of older persons. To make a coherent package of geriatric medical care possible in the future, it is necessary for the professional medical groups involved to collectively develop a vision of this geriatric medical care. The State Secretary for Health, Welfare and Sport has taken the initiative to invite the professional groups to a collective discussion of how the tasks are to be fulfilled. The professional medical groups are being asked to devise a plan for realising a coherent package of medical geriatric care. In addition, the State Secretary has asked the Health Research Council to advise her on the scientific infrastructure of geriatric care in the Netherlands. The advisory report will also focus on research priorities, taking account of demographic development. Besides demographic development, the priority advisory report will also pay attention to the fact that a great deal of medical research focuses on the health problems of middle-aged people instead of those experienced by older citizens.

Science

It is very likely that scientific developments will make it possible on the one hand for people to live longer in the future, and on the other hand, that more remedies will be available than now for several conditions connected with old age. In its advisory report entitled *Ageing with ambition (Vergrijzen met ambitie)*, which the Health Council recently submitted to the Lower House, and which it had prepared on its behalf, it appears that too little is known about suitable care for older persons. The Health Council observed that thanks to the progressive development of knowledge and other factors, numerous opportunities are available for improving health. Innovation in prevention is key here – with respect to illness and physical limitations. The Health Council talks about such important issues as the development of new vaccines and new ways to prevent some of the growing number of cases of dementia, but also about the deepening of insights into co morbidity and suitable treatment of the same. This also applies to the effective promotion of healthy behaviour, and the recognition that depressions and anxiety neuroses that have a severe and detrimental affect on the quality of life of old people and their participation in social life and on their risk of death and need to be combated.

The development of medication and closing that gaps that exist in treating elderly citizens are also important, according to the Health Council. In its report entitled 'Priority medicines' the WHO says that the development of medications for senior citizens must be stimulated. Suitable dosages and forms of administration are an Achilles heel of innovation in medication. The proper provision and usage of medication is central to the tenability of our care system. These insights have led to preparations being made to

establish a top pharmaceutical institute, a partnership between the pharmaceutical industry and research institutes. This institute will focus on, amongst other things, pharmaceutical research into the priority disorders specified by the WHO.

Within the context of budget preparations for 2006, a study will determine which of the priority areas for special attention are eligible for subsidies via a research programme at the Netherlands Organisation for Health Research and Development (*ZonMw*). This will involve aspects of prevention and care for older persons and specific medication for senior citizens. Furthermore, the Minister of Health, Welfare and Sport is considering the possibility of submitting a Request for Advice to the Health Council concerning medication and older citizens.

Enhancing support for informal care

The growing need for care and support will have to be provided to a certain extent by informal care. Informal care greatly benefits our society: the commitment, flexibility and dedication of informal (family) caregivers are difficult to match by paid carers. It is gratifying that there are many who are willing to take on the role of carer for a partner, parents or next-of-kin, even though this is not always seen as a voluntary choice but as a moral duty. These valuable sentiments must be maintained. Far-reaching monetarisation of the care sector is not an option from the perspective of flexibility, and given the foreseeable tightness in the labour market and concerns about managing public spending. It will not be possible for the supply of publicly-funded care under the provisions of the Exceptional Medical Expenses (Compensation) Act to keep pace with demographic demand. This is why it is vitally important that the substantial role of informal care be maintained. In 2001, the government at the time published its vision regarding informal care. Partly in view of recently initiated developments such as the Social Support Act and the modernisation of the Exceptional Medical Expenses (Compensation) Act, it is healthy to review and evaluate that vision. The Lower House received a memorandum to that end on 29-6-2005 (Tweede Kamer 2004- 2005 30169, nr. 1).

Informal care requires support to combat stress. According to the research entitled *Mantelzorg* (2003) (Informal care 2003) by the SCP, a quarter of informal carers were found to be overworked to some degree. It has also been found that provision for taking over care activities temporarily, known as respite care, can reduce the overworked feeling of informal carers by half or even two-thirds. That is why the government will initially include support for informal care as a 'performance field' in the Social Support Act. This will be the first time this important form of support is given a legal basis. Furthermore, the State Secretary for Health, Welfare and Sport, in consultation with the CIZ and the professional organisations of (home) care institutions, will examine how a simple assessment practice for respite care can be achieved.

Informal care for people with an ethnic background

Many people with an ethnic background look after their next-of-kin, providing informal care. Some experience the same problems as the indigenous population of the Netherlands. They are also prone to a potential risk of overwork. This risk is augmented in the case of people with an ethnic background, because they are often unfamiliar with the paths through the Dutch health care system. Furthermore, they do not always have an adequate command of the language for a successful request for support. This problem is acknowledged by institutions that support informal carers, such as the informal care support centres. They are engaged in connecting with this group of informal carers. Together with the LOT (the Dutch (informal) carers association) and Xzorg (national association of carer support centres and home care volunteers), methods are being examined to enable their member organisations to give more focused attention to these informal carers.

Find a better match of care and the job-search requirement

Since 1 January 2004, workers who lose their jobs and who are aged 57½ or older have the same obligations as other unemployed people. This means, amongst other things, that they also have a job-search requirement. On the basis of the Work and Social Assistance Act (*Wet werk en bijstand*), the same rules apply to a supplementary benefit claimants aged 57½ years and older as other claimants.

The Minister of Social Affairs and Employment is preparing a scheme based on the Unemployment Insurance Act, in which employees who were at least 57½ years of age on 31 December 2003 can be exempted from the job-search requirement if they have been searching for work to no avail for longer than one year, and carry out volunteer work and/or provide volunteer care for at least 20 hours a week for at least three months.

Reserving the benefits provided under the Exceptional Medical Expenses (Compensation) Act for what they are intended

In a letter dated 23 April 2004, the government indicated that choices would inevitably have to be made with regard to the Exceptional Medical Expenses (Compensation) Act in view of the increasing numbers of old people. If no measures are taken, there may well be an explosion in spending that is no longer sustainable within the perspective of these increasing numbers. This is why the government plans to transfer various components of the Exceptional Medical Expenses (Compensation) Act to other provisions.

It is necessary to reserve the benefits provided under the Exceptional Medical Expenses (Compensation) Act to provide care to senior citizens, the disabled and psychiatric patients who need intensive, long-term care that cannot be insured in the market. This is necessary, for example, to safeguard care in particular for old people with dementia (and the disabled).

In accordance with the outline coalition agreement, the government is transferring care aimed at recovery from Exceptional Medical Expenses

Fostering informal care

*Job-search requirement:
57½ years of age*

Respite care

*Only long-term care
covered by the
Exceptional Medical
Expenses (Compensation)
Act*

(Compensation) Act to the base-level insurance for medical expenses. In addition, the government is removing the support-oriented tasks that could hitherto be claimed under the provisions of the Exceptional Medical Expenses Act, from the Act. Such claims will henceforth have to be made pursuant to the above-mentioned Social Support Act. This will make municipalities responsible for home care (gradually, starting in 2006) and for support and activational assistance (from 2008). To that end, the Social Support Act is submitted to the Lower House in the spring of 2005. As this Act does not recognise the nature of insured claims, it will be possible to make better use of the growing financial capacity of elderly individuals. This will make it possible to safeguard solidarity in the perspective of an increasingly ageing population, for people who are truly unable to arrange for and pay for the care they need.

Improving quality

Quality of care is determined primarily by 1) how clients are treated by professionals; 2) the environment in which care is provided; 3) the quality of the content and the interrelation of the care activities themselves. The first two factors are very subjective in nature. The client's judgement of them is the decisive factor. This is why the State Secretary for Health, Welfare and Sport will provide financial support for client surveys by the Client & Quality Foundation (*Stichting Cliënt & Kwaliteit*). To that end, a total of 2.6 million euros will be made available to the PGO fund for 2005 and 2006. Client surveys have been conducted in roughly half of the country's nursing and care homes since 2000. The aim is to assess the institutions in this way once every three years.

The government has identified two key tasks with respect to the quality of the environment: phasing out multi-bed rooms in the nursing homes and promoting small-scale homes for older persons. Work is ongoing to actively phase out the number of multi-bed rooms in nursing homes. At the present time, there are still 10,600 beds of the total approx. 61,000 places in rooms accommodating more than one person. The Lower House has previously urged that this problem be resolved before 2006 (motion by members Vietsch/Lambrechts/van Miltenburg TK 2003-2004, 29 200 XVI). It is, however, realistic to admit that this will not be the case until 2010. It is expected that an additional 25 million euros will be needed in additional structural costs to help resolve this problem. Small-scale housing for individuals with dementia was already discussed in Section 5.4.

In January 2005, the State Secretary for Health, Welfare and Sport launched the national programme for quality in the care sector under the title 'Care for better' (*Zorg voor Beter*). The aim of the plan is to achieve quality improvements by providing greater transparency about what goes on in care institutions, through both improved supervision using mutually agreed criteria and pursuing concrete paths for improvement. From 2006, greater transparency will be realised as institutions covered by the provisions of the

Exceptional Medical Expenses Act have to justify their activities to society in their annual reports by a coherent assessment of their performance in the fields of quality, finance, personnel policy and operations, etc. Supervision by the Health Care Inspectorate (*IGZ*) will be intensified. The Health Care Inspectorate bases its supervision on guidelines for professional treatment and standards for reliable care that have been developed by the field itself. The parties in the field ARCARES, the National Organisation of Client Councils (*LOC*), the General Conference for Nurses and Carers (*AVVV*) and the Dutch Association for Nursing Doctors (*NVVA*) are collaborating with the Health Care Inspectorate to develop a new set of field standards. This is not a voluntary move. The State Secretary for Health, Welfare and Sport has set a requirement for the Health Care Inspectorate that it is to assess nursing homes on the basis of new standards no later than 1 June 2005. Moreover, the introduction of mandatory registration for private institutions is being examined in order to fully involve the private sector in the inspections by the Health Care Inspectorate. Various steps are being taken to promote improvement measures. A team of consultants will give advice to the management of care providers on specific care plans and about organisational and management issues. A representative of the State Secretary for Health, Welfare and Sport will address the issue of how institutions have organised their care activities. Improvement measures also focus on the control and commitment of the clients to whom care is being provided within the context of demand-driven care. Other measures focus on patient safety, in particular the prevention and treatment of decubitus ulcers (bedsores). Improvement measures focus on learning from and implementing good examples. Use is made here of the 'breakthrough method' developed by the Dutch Institute for Healthcare Improvement (*CBO*). This method has been adapted to the care sector. According to this method several teams from different institutions at the same time work towards the same goals on the basis of state-of-the-art knowledge and best practices.

It was stated above that the government is giving priority to the growing group of individuals with dementia. People with dementia frequently face difficulties caused by the poor availability of housing, support, care and treatment as well as a lack of co-ordination between these facilities. The Health Council pinpointed this set of problems in its advisory report of March 2002 and advised the government to take the initiative to promote co-operation. In response, the State Secretary for Health, Welfare and Sport ordered that a National Dementia Plan (*LDP*) be developed (TK 2004-2005, 25 424 No. 59). The National Dementia Plan addresses the fourteen key problems experienced by people with dementia and their volunteer carers on a day-to-day basis. The National Dementia Plan contains potential solutions that best address the wishes of the clients and which have also proved to be efficient and effective. The programme implements many aspects of the government's vision of a policy for older persons – including prevention, professional care, services, quality of life, informal care, innovation and

housing – in a concrete way specifically for people with dementia. ICT can contribute to helping this group of senior citizens to continue living independently for longer.

The programme makes provision for, amongst other things, financing research and promoting a close network of high-quality memory clinics and meeting centres. The availability of and interrelation between the appropriate range of facilities on offer must be realised within a regional context. But that is not a natural assumption right now. That is why the State Secretary for Health, Welfare and Sport has taken the initiative in close collaboration with the Netherlands Alzheimer Foundation to assist the regions to set up a Regional Dementia Plan. This is being implemented over a period of four years. The regional organisations of the Netherlands Alzheimer Foundation receive development support to become advocates in the regional administrative field of influence. ZonMw has asked NIZW and CBO to put forward proposals to support the formulation of these plans. TNO is devising a regional demographic model that will help to supply the necessary statistics to contribute to the discussion about the future of the region in question.

Assessing the effects of policy

To measure the policy effects of measures for the target ‘adequate, good-quality care’, the government first looks at assessing the availability of care relative to the need for care. Of the total number of approximately 55,000 old people citizens on the waiting list for nursing and care, approximately 20,000 are currently not receiving any care at all. Since 2000, there has been a specific policy aimed at reducing the waiting lists. A great deal of additional funds was reserved for this end. The waiting lists have since been shortened substantially. The initial survey in May 2000 indicated there were in total approximately 102,000 people on the waiting lists, of whom around 50,000 were not receiving any form of intermediate care. Assuming that waiting lists (i.e. people who have been waiting longer than the accepted Treck standards, a norm system compiled by the umbrella organisations of care insurers and care offerers that comprises socially acceptable waiting times) should not exist at all, then the rise in waiting lists since 2000 is at 54% of the backlog to be recovered, whilst the waiting lists for people not receiving any care at all are at 60% of the same backlog. This results in an average rating for both measurements of 5.7 out of 10. The government intends to see the backlog recovered further to an average 6.5 out of 10 by 2010.

A second component against which the government aims to measure the target is the quality of care. This quality is measured in three measuring points: client satisfaction, quality of the environment and professional quality. With respect to client satisfaction, measured through client surveys, the government would be satisfied if, by 2007, at least one survey had been conducted at every institution. If the pace had remained unchanged since

... quality of the environment, ...

... and professional quality

2000, around 70% should have been surveyed by now. This figure is 50%. Consequently, the rating for the first measuring point is 7.1 out of 10. The government determines the second aspect of quality, the quality of the environment, be measured by looking at progress made in phasing out multi-bed rooms in nursing homes and at the number of small-scale forms of housing available for individuals with dementia. The policy to phase out multi-bed rooms was introduced in 1995. There were 22,000 such rooms at that time. If the wishes of the Lower House are heeded, all rooms with more than two beds should have disappeared by 2006. At an even pace, the reduction should have amounted to almost 20,000 beds since 1995. The true figure is actually around 11,500, which results in a rating for the current situation of 5.8 out of 10. As far as the development of small-scale housing for individuals with dementia, the government aims to realise a share of 20% of overall capacity in 2010. The current figure of 10% results in a rating of 5 out of 10. This means the average rating for the second measuring point – the quality of the environment – is 5.4 out of 10.

The third component of the quality concerns the (professional) quality of the care itself. To measure this aspect of quality, the government looks mainly at the quality of heavy-duty care. The report of the Health Care Inspectorate (IGZ) dated September 2004 regarding the quality of care in nursing homes still sets the criterion in this respect. New standards are being developed. The report of the Health Care Inspectorate revealed that, on average, institutions comply with 67% of the standards. Only 22% of nursing homes comply with all the standards. To give full weight to the importance of all standards, the government takes the average of these percentages as the measuring point, which brings the professional quality rating for this measuring point to 4.5 out of 10.

Taking stock of the situation, the average rating for the three quality measuring points is 5.7 out of 10. The government wants to see this rating improve further in 2010 to an average of 6.5 out of 10.

5.7 The right to die with dignity

Longer-term agenda

Death is the one great certainty in life. In many cultures, death is accompanied by much ceremony. In our western culture, death is an event that we prefer to couch in relative modesty and dignity. We accept the basic principle of sovereignty. The right to die with dignity is the seventh target of this government’s policy for older persons as set out in paragraph 4.1.

The government believes that we should act with care and sensitivity in all matters relating to the end of life, consistent with the prevailing views in

Policy that follows rather than sets an agenda

Waiting lists

Three progress checks for quality: client satisfaction, ...

society in this regard. In the longer term, these views might change and this may lead to an adjustment of policy. In this respect, the government intends to implement a policy that allows it to follow rather than set an agenda. In the government's view, the emphasis should lie on facilitating possibilities and assessing decisions.

Palliative care

More than 140,000 people die each year in the Netherlands (CBS, 2001). Approximately one third of them die from non-acute incurable conditions (Francke and Willems, 2000). These conditions, such as cancer and COPD (pulmonary emphysema and chronic bronchitis), mainly affect older citizens. As the population ages, these conditions will become more common and demand for care for the terminally ill will increase. This care is also referred to as comfort care or palliative care.

Improve knowledge of palliative care

Palliative care is directed primarily at providing relief from the physical symptoms of a terminal illness, but it also addresses the psycho-social, emotional and spiritual aspects of dying. There is a recognition within society that the most important thing is not the length of life, but the quality of that life. In this light, death with dignity means that the focus is on the wishes and needs of the terminally ill person and his or her next-of-kin. This is also the point of departure for government policy with regard to palliative care. Once all possible forms of palliative care have been applied, euthanasia can form a dignified ending to the progress of a disease.

In 2002, the Minister of Health, Welfare and Sport initiated several policy measures with the aim of further developing and improving knowledge and the range of possibilities with regard to the requirement for palliative care.

Conditions for palliative care have been improved

Most terminally ill people wish to die in their own, familiar surroundings. This means in their own home or in the nursing or care home where they are resident. The effort and commitment of volunteers can enable terminally ill people to continue living in their familiar surrounds for longer. Consequently, the Minister of Health, Welfare and Sport has earmarked an additional € 2.25 million annually from 2002 for the co-ordination of voluntary home care and informal care (this is also referred to as the CVTM (*Coördinatie vrijwillige thuiszorg en mantelzorg* – co-ordination of voluntary home care and informal care) scheme). From 2002, an additional € 0.25 million will be set aside each year for the National Organisation for Voluntary Care of the Terminally Ill (*Landelijk Steunpunt Vrijwilligers Terminale Zorg* – VTZ).

A sum of € 4.8 million has been reserved annually for the additional costs of nursing and caring for terminally ill people in palliative units of nursing and care homes. The government furthermore considers it important that flexible and continuous care be provided for the terminally ill. Consequently, it is essential that there be a comprehensive network of caregivers and institutions providing palliative care. More than € 1.6 million is available

each year to stimulate the formation of networks. The quality of palliative care can be improved and developed if know-how, insights and experience are shared and disseminated. The State Secretary for Health, Welfare and Sport would like to see palliative terminal provisions and provisions in the regular health care system (e.g. hospitals, home care agencies and family doctors (GPs)) coming together in palliative care networks. Since 2002, the Ministry of Health, Welfare and Sport has sought to stimulate this co-operation by funding network co-ordinators.

The government does not view palliative care as a separate element in the health care system but believes that non-specialised, or general, health care providers, such as GPs and district nurses, should be able to provide good palliative care. If necessary, they can be supported in this regard by palliative care counselling centres. Every carer in the Netherlands should have access to such centres. From 1 January 2004, this function has been available at the nine Comprehensive Cancer Centres. Through the policy regulations of the Comprehensive Cancer Centres (CCCs), € 2.6 million has been made available each year, from 2004 onwards, for this initiative.

A sum of € 3 million is available in the form of regional support to carers and networks seeking to improve palliative care. These funds are channelled through the Comprehensive Cancer Centres and are used to improve levels of expertise amongst carers, to enable continuous quality improvement and to provide counselling support to carers, amongst other things. Additionally, an independent and national information centre/support organisation for palliative terminal care has been set up under the name Agora. This support organisation functions as a knowledge, information, meeting and exchange centre for all. Agora receives more than € 0.3 million annually from public funds.

Care and transparency

Medical decisions regarding the end of life

The right to die with dignity also implies that medical decisions at this stage of life are taken with the greatest care and sensitivity. Patients' rights are set out in the Medical Treatment Contracts Act (*Wet op de geneeskundige behandelingsovereenkomst*). Furthermore, the Termination of Life on Request and Assisted Suicide (Review Procedures) Act (*Wet Toetsing levensbeëindiging op verzoek en hulp bij zelfdoding*), also known as the Euthanasia Act, entered into force in 2002.

In the final stage of life, it is sometimes justifiable to ask whether preventive measures, such as vaccination against influenza or medical intervention such as resuscitation, are in the best interests of the person involved. According to the Medical Treatment Contracts Act, a doctor is not required to give treatment that can serve no medical purpose. When doctors are of the opinion that resuscitation or further treatment would not be in the patient's interest, this must, naturally, be discussed with the patient whilst this is still possible.

People may lay down their wishes in respect of medical decisions in a living will, also known as an advance directive. The Ministry of Health, Welfare and Sport is commissioning a study of the effects of a living will in actual practice.

Assessing the effects of policy

Most policy measures for palliative care which the Ministry of Health, Welfare and Sport has introduced are tracked by the Palliative Care Monitor of the Netherlands Institute for Health Services Research (NIVEL). The first report in this respect was published in December 2004 and focused on palliative terminal care provisions, regional and local counselling support for palliative care provided by the CCCs and the regional palliative care support centres or departments of the CCCs.

The policy target with regard to the palliative terminal care provisions included the integration of the palliative terminal care provisions in networks of palliative carers. This target has been largely met: 89% of the palliative terminal care provisions have now been incorporated into a palliative care network. It is therefore possible to give this particular aspect of policy a rating of 8.9. As many other palliative terminal care provisions are still in the process of being set up, this percentage is expected to rise further.

In early 2004, 36 counselling centres were operational with a further 7 still being set up. This means that there is nationwide cover for palliative care counselling services, something which should rightly be given a rating at 10. It is more difficult to measure the extent to which the need for counselling services is also being met. Working visits to the CCCs reveal that many carers are unknowingly ignorant of existing provisions (i.e. not knowing what they don't know). Three CCCs estimate that the need for care is largely being met. Three other CCCs believe that the need is only being met to a moderate degree.

All nine CCCs have set up a palliative care department and have a department-specific policy and/or action plan. This aspect is also given a rating of 10. Four CCCs state that they are fulfilling their new role to the full or to a large degree. The other five are fulfilling their role to a reasonable or fairly reasonable degree, so that, overall, a mark of 6.7 can be awarded. Finally, the Monitor reports that the available budget for the palliative care departments (€ 3 million via the policy regulations of the CCCs) is considered to be insufficient. Four CCCs expect that the budget might prove to be insufficient if the palliative care departments expand their activities. Accordingly, the average rating given to this area of policy is 8.9.

6 *Co-ordination and communication*

6.1 Co-ordination

Personal responsibility and fair share

Cohesion in policy

Formulating a long-term policy for senior citizens calls for vision and cohesion among the elements of this seniors policy. It is too simple to suppose that, in future, old people will be affluent and well educated and therefore able automatically to fend for themselves. In future, old people will have been better equipped to cope with their advancing years than is the case now and, as a consequence, will be more self-reliant. But at the same time the bar is being raised. We also expect tomorrow's old people to pay a lot more than today's generation of senior citizens for their own facilities and provisions, in correspondence with their ability to pay. This ability to pay extra costs will decrease as more and more responsibilities are handed back to our citizens. This accumulates with possible losses that old people will incur as they see their pension provisions stripped of their more luxurious components because of the ageing of the population. Tomorrow's old people will measure their position not just against their past, but also against what they see around them. From today's perspective, we consider the prosperity of 1955 to be relative poverty. This will be no different in future. Therefore next to personal responsibility fair sharing of resources is also an important policy aspect.

Greater differentiation In choosing to follow a course of differentiation and personal responsibility, the government was not so much driven by the ideal of distribution as by organisational imperatives. Every civilised society will make sure it looks after its senior citizens, either through state-organised care provision or by individuals themselves. The more complex and differentiated this society is, the less satisfactory will be 'one size fits all' products furnished by the state. Government policy must be directed at facilitating individual initiative, since individuals by being at the lowest level, are best able to solve problems. But it also must not leave those people truly needing state-provided care out in the cold.

All generations must make a contribution No generation will be able to fill their additional life expectancy with leisure time and paying taxes alone. Where old people become dependent on informal care provided by their children, this reliance on informal care will interfere with their children's availability for the labour market. Instead of an increasing tax burden for publicly-funded care, these children will be confronted with an increasing burden in terms of informal care provision.

Implementation at the lowest possible level The government intends to place responsibility for implementation at the lowest possible level. In order to facilitate responsibility at the lowest level the government will also assign responsibility for co-ordinating care to the lowest level of government – the municipalities. They will have to ensure that all players work together and meet their responsibilities towards society. The government will provide the municipalities with the means to do this.

Mild form of co-ordination

Co-ordination on right track Given that much of this course has already been set in motion, and that there is sufficient co-ordination of policy within the government and between the ministries, the government does not advocate any increase of the administrative and political control of specific policy for older citizens. All ministries and their political leadership must ensure that their policy reflects fully an awareness of the issue of 'population ageing'. Consequently, this government is content with a mild form of co-ordination, directed at monitoring the policy set out here and the organising of regular inter-ministerial meetings. This co-ordination point is also the first point of contact for the government for external partners.

International comparison and treaty obligations

UN Ageing Action Plan In the UN Ageing Action Plan that was drawn up in 2002 in Madrid, 35 priorities are identified across three groups, with actions being linked to each priority. The following is a selection of issues which are of particular importance for the Netherlands: 1. 'development', including participation of old people in various areas of society, the removal of obstacles such as age discrimination, the integration of older migrants and combating poverty; 2. 'care and welfare', including prevention policy, equal access to health care and improvements in the quality of physical and mental care in order to meet the needs of old people; 3. 'living environment', including housing specifically

designed for older persons, preferably within the community where old people have their roots, the availability of services and care and the elimination of all forms of abuse of older persons. The government will compare its policy for older citizens against the actions and will assess the position of the Netherlands in the international environment.

6.2 Monitoring

Further develop monitor The government will monitor and regularly report the results of the policy for older persons with regard to the specific areas of health, care, participation, income and housing, as well as the effects of the same. This policy document has seen a start made on the development of indicators and target values. This provisional monitor currently appears as follows:

Target	Rating / target value		
	2005	2007	2010
Being healthy and remaining healthy	5.6	6.0	6.5
<i>Physical activity and sport</i>	6.1	6.5	7
<i>Fall prevention</i>	5.0	5.5	6
Active social contribution	7.2	7.4	7.6
<i>Labour participation rate</i>	6.4	6.7	7.1
<i>Volunteer work</i>	8.0	8.0	8.0
Maintaining income levels	8.0	8.0	8.0
Housing facilities	6.5	7.0	7.5
<i>Suitable housing</i>	7.0	7.0	7.5
<i>Sheltered accommodation</i>	6.0	7.0	7.5
Move around in freedom and safety	5.3	5.8	7.2
<i>Bus transport*</i>	4.4	5.5	8.0
<i>Rail transport*</i>	3.5	4.0	5.0
<i>CDDT</i>	8.0	8.0	8.5
Ensuring care for vulnerable old people	5.7	6.0	6.5
<i>Adequate care provision</i>	5.7	6.0	6.5
<i>Quality</i>	5.7	6.0	6.5
Right to die with dignity	8.9	9.0	9.5
Overall rating	6.7	7.0	7.5

* The rating for the accessibility of public transport in particular is for guidance only and is provisional in nature. The Ministry of Transport, Public Works and Water Management has joined forces with the respective partners to develop a monitoring instrument as part of the phased plan, which will be developed in 2005, to improve the accessibility of public transport. The results of this effort can serve to supplement or replace the measurement methodology used in the above table.

The government views the rating for 2005 as a baseline measurement. The results of the monitor will be published, with notes, once every two years in the 'Senior Citizens Report' (*Rapportage Ouderen*) of the SCP. In this report the SCP will pay attention to the further development of the monitor and to

evaluating its use. The government will continue to measure developments in the field to assess progress against its targets, as well as to remain alert to unintended consequences of policies. These might include a selective focus on measurable targets at a cost to other goals.

These reports will always be accompanied by a government position when sent to the Lower House.

6.3 Communication

Linking micro and macro, today and tomorrow

There are two important dimensions to the social task for a policy for older persons seen in the perspective of an ageing population. The first dimension is one of scale: is it a task at micro level, at the level of the citizen himself or herself, or is it an issue at macro level, at the level of society and the economy as a whole. The second dimension is one of time: does the issue affect the individual citizen or society as a whole here and now, or is it an issue whose effects will not be felt, and have to be dealt with, until some time in the future. Understandably, the individual citizen is mainly interested in the significance of policy measures for his or her position here and now. Nevertheless, he/she is also concerned about the future.

This administration believes the essence of government lies in foresight regarding matters of general importance that affect society and the economy as whole.

In developing this foresight, the government also wishes to make clear to citizens, as far as possible at the present time, what their situation will be in future and to what extent the state expects each citizen to make provision for him or herself starting now. Where citizens' expectations are too high, it will be necessary to temper them in advance. The longer term agenda is an important instrument for communicating with citizens in order to strengthen confidence in the role of government. This agenda focuses both on flexibility in the light of the new situation and on the trustworthiness of the government.

Ensuring realistic expectations

It is important that citizens have the correct level of expectations with regard to the future. If they expect too much of government, problems will arise in due course with the inevitable consequence that citizens will become disillusioned with government's performance. If they expect too little of government, they will worry themselves needlessly about problems that do not exist. This is not just unpleasant for the citizen, but can also lead to a loss of consumer confidence, with the economy stagnating as a result. Communication must contribute to the degree of realism in citizens' expectations with regard to their own possibilities, those of other citizens, of society and those of government.

Confidence and support

In order to ensure that there is confidence in government and broad support in society for measures to be taken, it is extremely important that communication is used to bring together the two worlds of the economy and

society of the future, on the one hand, and of the individual citizen here and now, on the other. A few examples of questions will help to illustrate this:

		Future / Long term	
Micro / Individual citizen	Will I take early retirement or stay working? Will there still be an early retirement scheme for me? Will we have to move in future? Maybe I should put some money aside now! No way am I going into a care home! I want to return to my country of birth when I get old!	There will be too few workers in future to carry the load! We're set to become the world's rest home! Will pensions stay at the same relative level? Are we innovative enough for our economy to remain competitive? This way, the costs of care are getting out of control! There won't be enough staff in the care sector in future! We are facing a serious shortage of suitable housing! How do we maintain solidarity?	Macro / Society and economy
	Can I take early retirement next year? Can my home be adapted? How much premium do I have to pay? Can I take my wheelchair in the train? I can't live off the state pension alone! Do I have to go into a care home now? I have to care for my mother and my children are off school today!	How do we cover the overspend in the care sector? How can we get employers to invest in older workers? How do we organise social support at the local level? How do we stimulate house-building again? How do we keep the purchasing power of old people at the same relative level?	
		Today / Short term	

Gulf between wish and expectation

In the public perception there can be a major gulf between the analyses and the necessary measures for tomorrow's society and the economy, on the one hand, and the significance for each citizen's individual position today, on the other. The latest social and cultural report to be produced by the SCP (2004) highlighted the existence of a gulf between what people expect of the future and what they want in the present. Although the way in which the problem is defined in this report goes some way to determining the outcome, it cannot be denied that this gulf is very real. It is significant that we can state that people are aware of the (necessary) changes in the relationship between civil responsibilities and collective (or publicly-funded) (state) provisions. There is sufficient basis in society, therefore, to hold a social debate.

Campaign directed at the general public

The precise definition of the social task calls for a discussion in society and extensive communication between the political parties and society. The Ministry of Health, Welfare and Sport will, in close consultation with the other ministries most closely involved, enter into a social debate on important aspects of the long-term agenda. As a basis for this debate, the complex issues relating to the future of our society will be translated to the daily lives and perceptions of individual citizens.

Annex 1 Features of CPB scenarios

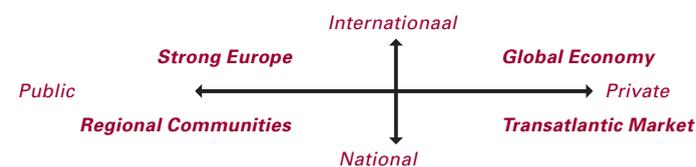
Source: CPB

Two key uncertainties

Like Four Futures of Europe, the study entitled Four views on the Netherlands (*Vier vergezichten op Nederland*) is arranged around two key uncertainties.

The first relates to the extent to which countries are willing and able to co-operate internationally. At the European level, the challenge is how to continue to act decisively while maintaining legitimacy. Will Europe opt for a common approach to cross-border problems, or will member states attach more importance to their own sovereignty and identity? A willingness and ability to co-operate internationally are vitally important also at the global level, in areas such as the environment and trade liberalisation. The second key uncertainty for Europe concerns the reform of the public sector. In the coming decades, all European countries will have to deal with an ageing population, ongoing individualisation and, probably, increasing wage differences between higher and lower skilled workers. These trends increase the pressure on the public sector. Which level of social services and welfare provisions will member states choose? Which tasks will be performed by the public sector and which will be left to the private sector?

Key uncertainties and the four scenarios



Four scenarios

The two key uncertainties form the basis for the four scenarios. The link between the uncertainties and the scenarios is depicted in figure 2.1. Each quadrant in this figure represents a scenario. In *Regional Communities*, where countries attach much value to their sovereignty and identity, there is little reform of the public sector. In *Strong Europe*, some reform of social security does take place. In *Transatlantic Market*, reform of the public sector does take place, but the European countries are not willing to give up part of their sovereignty. In *Global Economy*, international co-operation is combined with a thorough reform of the public sector. These four scenarios lead to

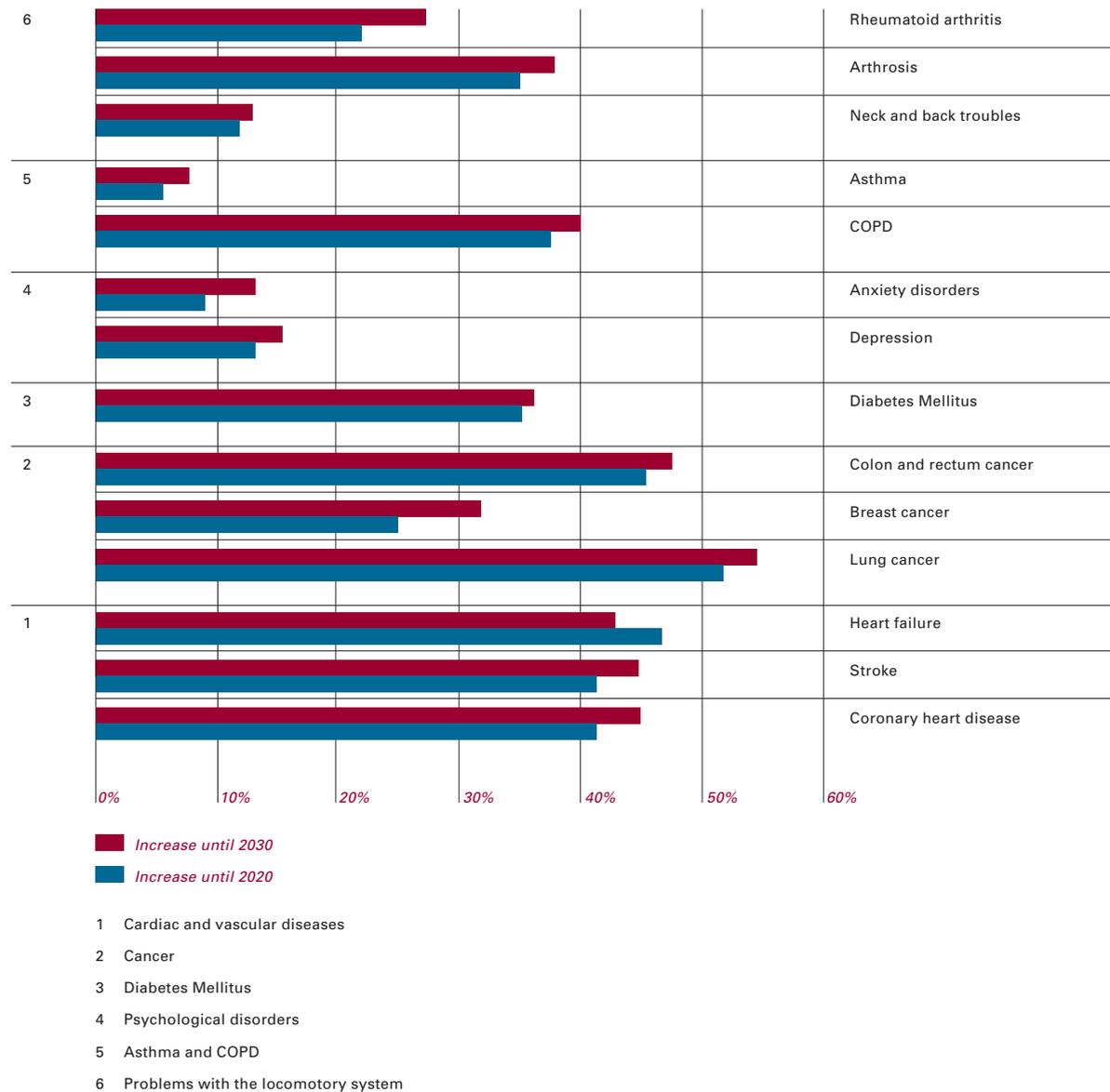
large differences in economic growth. This growth is highest in the *Global Economy* scenario, in which international co-operation and market orientation are combined. Yet, economic growth is only one side of the coin. Whilst it is true that market orientation leads to higher economic growth, it also leads to higher income differences between higher and lower skilled workers and between the employed and the unemployed. Additionally, in a market-oriented society, less attention is paid to cross-border environmental concerns and the problems in this respect are not addressed effectively. International co-operation may offer advantages with respect to the economy and the environment, but it also comes at the expense of the sovereignty and identity of individual countries.

Summary table of CPB scenarios

	Regional Communities	Strong Europe	Transatlantic Market	Global Economy
Changes annually %				
Population	0	0.4	0.2	0.5
Labour supply	-0.4	0.1	0	0.4
Employment	-0.5	0.1	0	0.4
Labour productivity in economy	1.2	1.5	1.9	2.1
Labour productivity in care sector	0.5	0.6	0.7	1.0
GDP Volume	0.7	1.6	1.9	2.6
GDP per capita	0.7	1.2	1.7	2.1
Cost of GDP	1.5	1.6	1.1	1.4
Cost of care services	2.1	2.3	2.2	2.5
End-of-year levels (%GDP)				
Public sector spending	51	47	38	36
Income equality	+	0	-	-

Annex 2 Key figures

Change in the number of people suffering from the six main diseases (clusters) as a result of demographic developments.



Source: RIVM (2000-2020)

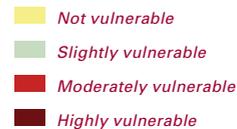
	Care home	Nursing home	Psychiatric hospital	Institution for mentally disabled persons	Other institutions	Total institutions	Total independent
Total 65+	99,508	25,529	3,427	2,372	7,294	138,130 (6.3%)	2,060,584 (93.7%)
Total 75+	93,046	21,938	1,760	873	3,811	121,428 (12.3%)	865,733 (87.7%)
Total 85+	56,522	11,622	516	230	1,225	70,115 (30.4%)	160,906 (69.6%)
Total 95+	6,022	1,123	35	25	85	7,290 (55.3%)	5,886 (44.7%)

Source: SCP; zorg en wonen voor kwetsbare ouderen; rapportage ouderen 2004 (care and housing for vulnerable old people; senior citizens report, 2004)

Rating for communities providing good levels of care, 2002



Source: ABF Research



Source: ABF Research

Annex 3 *The main reports used as reference*

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