

Joint Programming Initiative

More Years, Better Lives
The Potential and Challenges of Demographic Change

Policy Brief

Denmark

- → The Danish population is growing due to the increases in life expectancy and modest inward migration.
- → Denmark is very rich in terms of empirical data, especially in terms of register data. Yet, these do not cover more subjective factors such as attitudes and values.
- → Some data gaps exist in the fields of education and learning among seniors, public attitudes towards old age, and social engagement.



1. Demographic context

The current population of Denmark is 5.6 million. The population is increasing as a result of rising life expectancy and modest inward migration. The population has increased by eight per cent over the past 20 years. By 2040, the population is expected to have increased by an additional eight per cent, and, for the first time, the population of Denmark will exceed six million. However, the fertility rate in Denmark has generally declined, from 1.89 in 2008 to 1.73 in 2012. With a total fertility rate of 1.60, Copenhagen had the lowest fertility rate in 2012, yet more children were born than in the rest of the country.

As in other countries, life expectancy in Denmark has been on the rise. Yet, life expectancy in Denmark is still lower than in the countries to which Denmark is usually compared, like Sweden and Norway. Currently, life expectancy at birth stands at 81.9 years for women and 77.9 for men.

During the 20th century, the share of elderly people aged 65 and above doubled. Since 2010, growth in this has accelerated, and, around the same time, the large birth cohorts from the 1940s began to retire from the labour market. Currently, about 18 per cent of the Danish population is aged 65 and above. From 2040, it is

estimated that the share of the population aged 65 and above will make up a little more than one fourth of the population.

In 2009, the average retirement age was 61.7 among men and 61.2 among men. The statutory retirement age has recently been changed, and in 2013 it varied between 65 and 67 years according to the year of a person's birth. For example, the retirement age is 65 for people born before 1 January 1954, but it is 67 for people born after 30 June 1955. Everyone is guaranteed a state pension from the age of 65. The state pension consists of a basic allowance, with additional supplements for pensioners with special needs. Additional labour market pensions based on individual earnings are widespread. Finally, it is possible to supplement retirement income with payments from individual savings plans.

The employment rate among the population aged 45-54 is 84 per cent, with small variations across gender. In the age group 55-64 years, an average of 61 per cent of people is employed. Between 2001 and 2011, there was an increase in the employment rate of older people aged 65 and above: 7.2 per cent of those aged 65 and above were employed in 2001, compared to 10.4 per cent in 2011. Numerically, twice as many men as women aged 65 and above are employed. Generally, people with higher education are more likely to be employed later in life.



2. Demographic change and policy concerns

Like in many countries facing an ageing of the population, the future age dependency ratio is a concern in Denmark, as it may become difficult for pension and social security systems to provide for a significantly older, non-working population. Based on statistics from Statistic Denmark, the age dependency ratio was 27.6 per cent by the beginning of 2013. The age dependency ratio tells us how many people aged 65 and above depend on the working-age population.

As the shift in this ratio places a strain on the welfare system, the political debate is heavily focused on extending working life. There are currently several public types of pension schemes, and these have recently been reformed. First, there is the old age state pension, which is granted to all people who have Danish citizenship and a permanent address in Denmark, and who have had a permanent address in Denmark for at least three years since age 15. Second, there is the social or disability pension, which is granted to citizens with a significantly and permanently reduced ability to work. The same conditions as for the state pension apply. Third, since 1979, Denmark has had an early retirement scheme, which was first proposed by the trade union SiD. The scheme was in principle an early retirement benefit intended for workers employed in physically or mentally strenuous positions, allowing them to retire early. It was one of the main drivers of the decreasing retirement age through the 1990s and 2000s.

In 2011, the Danish parliament introduced a new retirement reform. The reform included three key elements aimed at securing the sustainability of the welfare system. A decision was reached in 2006 to increase the retirement age for old age state pensions and the early retirement scheme, and in 2011, the gradual implementation of this increase was brought forward by five years. The age for collecting an old age state pension will gradually become 67, whereas the age for taking advantage of the early retirement scheme will gradually become 62, and eventually 64. Finally, the reform introduced a slightly different senior early retirement scheme aimed at workers who have less than five years left before retiring, and who have had a long and physically demanding work life. The senior early retirement scheme made it easier for people in this group to qualify for a disability pension.

Senior care is under the control of the Ministry of Social Affairs and Integration, but it is provided by the municipalities. In 2011, the ministry appointed a commission

for the elderly, which was given the task of investigating opportunities for supporting quality of life and self-determination in assisted living facilities and nursing homes. The commission's report was published in 2012 and gave 43 recommendations in seven domains: (1) the transition from living at home to living in a nursing home, (2) ensuring a healthy and active life for seniors, (3) daily care, (4) people who have contact with the elderly in the nursing home, (5) the voluntary sector, (6) health care and (7) managing the end of life.

Another key actor is the DaneAge Association, which campaigns for a society in which all people can live long and good lives, people are not judged on their age, and support and care are available for those who need it. In 2012, DaneAge had 610,000 members, which corresponds to approximately 10 per cent of the population.

3. Data sources

General issues

Statistics Denmark (SD) collects, processes and publishes statistical information on the population's social and economic conditions. Different types of statistics are available free of charge via the database. SD's extensive register data is an important source of data for researchers. Registers include the entire Danish population from 1980 onwards. The Danish Data Archive (DDA) is a part of the State Archives and provides access and documentation for a range of survey data collected by other institutions. Another portal to Danish data is the Centre for Survey and Survey/ Register Data (CSSR). It promotes the quality and comparability of Danish questionnaire surveys and register data, and the combining of survey and register data.

Since 1997, the Danish Research Council and the Ministry of Social Affairs and Integration, together with the SFI (The Danish National Centre for Social Research), have financed the Danish Longitudinal Study of Ageing. So far, the database includes four rounds (1997, 2002, 2007 and 2012) on people born between 1920-1960. The overall objective of the study is to contribute to the performance of different types of analyses, including those that look at age-related changes, generational differences, cross-sectional differences, and questions such as when certain events or certain behaviours occur, and why.

Health and Performance

As health is an important determinant in both the medical and social sciences, this topic is very well covered. The Danish sources provide information about somatic and mental disorders, the use of health care services and the medications that are prescribed. Individual-lev-

el data are available for all Danish citizens and can be linked to different socio-demographic data. Furthermore, it is possible to link data about the older persons' partners and children, and hence to perform analyses on whole families.

Other types of accessible health data include that from hospitals and the national database for geriatrics. In addition, the so-called "Østerbro Examinations" (established in 1976) and the "Glostrup Examinations" (established among the 1914 cohort) cover different cohorts of citizens in the areas of Copenhagen.

Social systems and welfare

Statistics Denmark and the Ministry of Social Affairs and Integration participate in a common project, "The National Documentation Project Regarding the Elderly", which covers 23 different indicators based on survey and register data. Other surveys cover different aspects of pensions and quality of the care and assistance elderly people receive, e.g. New possibilities and challenges for individuals in the pensions system (SFI) and Quality in the care of the elderly (SFI).

Work and productivity

An important register regarding work and productivity is the Integrated Database for Labour Market Research, which provides access to individual-level data that can be linked to data at the company level over time. One of the important surveys regarding work and productivity is Working Environment and Health (National Research Centre for the Working Environment). The survey covers a range of work and work environment-related topics, such as working hours, safety, the physical demands of the job, support from colleagues and supervisor, worklife balance, job uncertainty and self-evaluated mental and physical health. Furthermore, the survey Companies and Retirement (SFI) covers different aspects of the retirement and the hiring of employees aged 50 and over, including the most important reasons for hiring new employees aged 50 and over.

Education and learning

The topic of education and learning is well covered from a labour market perspective. In the register Organizational Affiliation, it is possible to see who has participated in different labour market training courses, and when they participated. This information can be linked to other information on individuals, such as a person's social background and educational level, labour market participation, earnings and employment sector. Denmark is also participating in the OECD Programme for the International Assessment of Adult Competencies (PIAAC), which covers adults aged 16-65.

Housing, urban development and mobility

The main data source regarding older people's mobility are registers. Using these registers, it is possible to follow older people's geographical mobility, and to analyse how often they change residence, where they move to and from geographically, the sizes of their residences, and whether they own their house. This information can also be linked to where their children live and to whether members of more than one generation live at the same address. The housing conditions and preferences of the Danes are best covered in the general survey Housing Preferences (Danish Building Research Institute). More specific data about housing among older people are found in the Danish Longitudinal Study of Ageing (SFI), which provides information on current living conditions, housing costs and considerations when moving.

Public attitudes towards old age

The topic of public attitudes towards old age is only covered by survey data, and only by some questions in more general surveys. Future Study (DaneAge) includes some questions about whether the respondent has experienced age discrimination in the workplace, health care sector or as a consumer. Two different studies include questions about attitudes towards older people in the workplace: Work, Unemployment and Early Retirement (SFI) and Companies and Retirement (SFI).

Social, civic and cultural engagement

Social, civic and cultural engagement is primarily described in the Danish Volunteer Survey (SFI). The Danish data have been collected in 2004 and 2012. The survey results can be used to analyse voluntary participation in different areas, and how it varies between men and women and throughout the lifecycle. The Future Study (DaneAge) includes questions about voluntary work, particularly among older people. The Danish Longitudinal Study of Ageing (SFI) covers older people's leisure time activities and how participation in leisure time activities changes with age.

Uses of technology

The topic of uses of technology is covered in the survey Uses of IT in the Population by Statistics Denmark. The survey covers the population's use of IT and the internet under topics such as e-trade, the use of public services online and the purpose of using IT. Another survey is the Future Study (DaneAge), which covers older peoples' attitudes towards new technology. The Survey on Health, Impairment and Living Conditions in Denmark (SFI) also covers uses of IT and includes topics like the use of public services, gambling, and the use of social media.

Wellbeing

Wellbeing is covered by a wide range of questions in different surveys, including the Health and Sickliness Database by the National Institute of Public Health. It covers health-related variables and the consequences of limitations. The study Help Provided to Elderly People on Different Tasks (SFI) addressed the issue of whom should be responsible for helping older people in coping with daily tasks. This topic is also covered in the study Care and Life Quality in Care Homes (SFI) and in Care, Life Quality and Home Help (Aalborg University). These studies use the Adult Social Care Outcomes Toolkit (ASCOT), which is a well-documented method of data collection based on interviews and observational studies. In the studies, care and life quality is operationalised in eight domains, including control over daily life, personal care and wellbeing, food and drink, housing, safety, activities, social contacts and dignity.

Intergenerational relationships

The Future Study (DaneAge) covers intergenerational relationships in different ways. The relationship is covered in terms of contact: i.e. how often older people see their family and how often they are in electronic contact (telephone or computer) with their family, and what they think about the frequency and type of contact. Moreover, information about economic help between the generations is covered. The Danish Longitudinal Study of Ageing (SFI) also includes several questions about older peoples' relationships with their children and grandchildren, e.g. how far apart they live and how often they see each other or are in electronic contact.

4. The data and the policy agenda: gaps and challenges

Denmark is very rich in terms of empirical data, and especially in terms of register data. The Danish registers cover a wide range of topics, and make it possible to follow individuals over time and to link to information on family members such as spouses, children and parents. This means that it is easy to predict the demographic changes in the future. The registers have certain limitations. For example, they do not cover more subjective factors such as attitudes and values, but these factors

are typically covered in surveys, and are generally not comparable across different countries. Denmark is involved in international surveys and performs its own surveys on different matters, but because there is so much register data, the amount of survey data is limited.

Most of the main topics are well covered by both survey and register data. This applies to health and performance, social systems and welfare, work and productivity, and housing, urban development and mobility. Education and learning is partly covered in the registers, which contain information about participation in different labour market courses, which can in turn be linked to information about labour market participation and earnings. Yet, there is a gap in knowledge regarding education and learning among seniors which is not related to the labour market. Because of this gap, research fields such as creative ageing and educational gerontology have never been developed in the Danish context.

Regarding the cross-cutting topics, they are primarily covered by survey data. Some of the surveys are not aimed at older people in particular, but they include older people. Public attitudes towards old age is not very well covered, and the coverage that does exist consists of questions from general labour market surveys, which include some questions about employers' and employees' perspectives on hiring older people and older people's own experiences of age discrimination. But no surveys cover attitudes towards old age among the general population.

Social, civic and cultural engagement is partly covered by the general volunteer survey, but there is not much knowledge about how the collaboration between the public and the voluntary sectors can be optimised. The topic of uses of technology is covered by a survey about the population's access to and use of IT and the internet, which makes it possible to follow developments over time. Since wellbeing is a rather broad topic, it is rather well covered in different respects and by different data sources. Finally, intergenerational relationships are partly covered by questions included in some of the broader surveys. The registers make it possible to analyse the distance between older people and their children, and whether more than one generation are living at the same address.

This policy brief summarises the major data sources for the ten policy fields identified by the working group of the Data Mapping Project of the Joint Programming Initiative "More Years, Better Lives". An extended version of the original text and more information on the described sources are available at http://www.jpi-dataproject.eu/.

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