

Living longer, working better – Demographic change



Europeans are living longer than ever before, nearly ten years more than in 1960. The increased lifespan is great news but also poses many questions for individuals, their families and social systems. Other demographic developments reinforce the challenges: fewer children are being born, which means fewer people are paying into state pension and healthcare systems, and there is a smaller pool of potential carers.

Europe is getting older

The main driver behind population ageing is the increase in life expectancy in an almost continuous and uniform trend at a rate of two to three months every year. The median age of the population is expected to rise from 41 years in 2009 to 48 years by 2060.

Fewer babies born

The second major factor leading to population ageing in Europe is the low fertility rate. According to Eurostat data (2011), not a single country in the EU27 reached the replacement fertility rate of 2.1, although France and Ireland came close. (The replacement fertility rate is the average number of children per woman required to keep the population size constant in the absence of inward or outward migration.) Many countries, including Germany, Hungary, Italy, Latvia, Malta and Portugal, had fertility rates of less than 1.5%.

Europe's population growth is still fuelled mainly by immigration. Non-EU citizens have been joining EU countries at a rate of one to two million per year and intra-EU mobility has also increased. By 2060 the proportion of migrants and their descendants will have doubled.

Eurostat, 2011



Impact of migration

Migration of young people to the EU can provide some relief to labour markets that need younger workers. Since the 1990s, migration has been the most important factor influencing the size of the population in the EU27 – much more than natural population growth. Whereas, in 2007, natural population growth in the EU27 accounted for a rise in the population of around 480,000 people, net immigration led to a population growth of 2.1 million people – that is more than four times greater than the natural population change. In March 2008, Eurostat published population projections for 2008 to 2060 for EU Member States. Its main finding was that ‘without the assumed net migration inflow, Europe’s population would start shrinking from 2012 onwards’.

A new Eurobarometer survey shows that one in five of EU27 respondents has either worked or studied in another country, lived with a partner from another country, or owns property abroad.

Eurobarometer, April 2011

Demographics of the workplace

In spite of migration inflows helping to offset low birth rates and the ageing of the population, labour market projections predict that there will be a decline in the working-age population after 2018. Until 2011, labour market supply increased as both the working-age population and labour market participation rates rose, mostly through more women entering the workforce and older workers staying in work for longer; between 2012 and 2017, the rise in employment rates is expected to overcompensate for the decline in the size of the working-age population and, therefore, the European workforce will still grow during this period.

Further information

This fact sheet forms part of the Eurofound resource pack on *Living longer, working better – Active ageing in Europe*. The pack explores the impact of an ageing society and workforce, providing insights into developments at EU, national and company level.

For a copy of the pack or for further information on this area of activity, please send an email to: active-ageing@eurofound.europa.eu

To view the resource pack online and all other Eurofound materials on this topic, please visit: www.eurofound.europa.eu/resourcepacks/activeageing.htm

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