



REPUBLIC OF SLOVENIA
GOVERNMENT OF THE
REPUBLIC OF SLOVENIA



REPUBLIC OF SLOVENIA
MINISTRY OF LABOUR, FAMILY
SOCIAL AFFAIRS AND EQUAL OPPORTUNITIES



REPUBLIC OF SLOVENIA
INSTITUTE OF MACROECONOMIC
ANALYSIS AND DEVELOPMENT



Active Ageing Strategy

Active Ageing Strategy

CONTENTS

INTRODUCTION	5
1 WHY AN ACTIVE AGEING STRATEGY	9
2 CURRENT SITUATION AND FINDINGS	15
3 ACTIVE AGEING STRATEGY	23
3.1 Vision of the Strategy	26
3.2 Development goals of the Strategy	26
3.3 Trends in the broader environment contributing to the Strategy	28
3.4 Strategy pillars	33
3.5 Active ageing Strategy guidelines	35
3.5.1 Labour market (employment) and education	35
3.5.2 Independent, healthy and safe living for all generations	41
3.5.3 Participation in society	50
3.5.4 Creating an environment for active ageing	56
3.6 Participation of all stakeholders and awareness raising	61
3.7 Action plans and monitoring implementation of the Strategy	62
BIBLIOGRAPHY AND SOURCES	64

INTRODUCTION

The age structure of the Slovenian population has been changing. Society is becoming long-lived: life expectancy has been increasing and the share of over 65-year-olds has been growing rapidly. In the years ahead, these trends will be even more pronounced.

Demographic change is a fact that requires existing systems and arrangements to be adapted to leverage the capabilities of the altered age structure. We need to create possibilities and opportunities for quality living for all generations, and for dignified ageing. To achieve that, adjustments in many areas will be required: the labour market, education and training, systems of social protection, the living and working environment, and civil and political participation.

To comprehensively address these challenges, the Government of the Republic of Slovenia has adopted the Active Ageing Strategy, which represents the substantive framework for the implementation of the necessary change. The document includes starting points for development, key highlights of the new paradigm, the vision and objectives, and proposals for guidelines. The strategy is in line with international documents and initiatives responding to demographic change which Slovenia has joined, key among them the Madrid International Plan of Action on Ageing, which serves as the fundamental United Nations document dealing with this topic.

Underpinning the Active Ageing Strategy is the concept of active ageing, which emphasises activity and creativity in all periods of life, concern for health, and intergenerational cooperation and solidarity. This will provide for the population's well-being and quality of life, with an emphasis on intergenerational cooperation and awareness of the importance of high-quality ageing. The guidelines also take into consideration that human rights apply equally to all, regardless of age.

Indicating the direction of the necessary adjustments and change, the guidelines are divided into four segments (pillars):

- i) *Employment* (adjustments on the labour market, including education and training, and provision of sufficient labour through net immigration);
- ii) *Independent, healthy and safe living for all generations* (systems of social protection, accessibility of healthcare and long-term care services, concern for health, reducing inequalities in healthcare);
- iii) *Participation in society* (intergenerational cooperation, volunteering, use of ICT in communication, prevention of discrimination and violence in society, political activity);
- iv) *Environment enabling an active life throughout the life course* (adjustments to the economy, dwelling conditions and transport systems with the support of ICT and technological solutions).

Implementation of the guidelines will depend crucially on the awareness of the general public, and each individual, of the importance of the proposed changes, and on an underlying consensus and commitment from stakeholders in society to fulfil the strategy. In framing and implementing the measures based on the proposed guidelines, it will therefore be essential to inform and involve the general public, put in place a permanent system of information dissemination and public awareness raising, and establish regular formalised dialogue with all stakeholders.

After the adoption of the Active Ageing Strategy, the individual ministries will draw up action plans and propose specific solutions to implement the guidelines. These action plans must be consistent in order to facilitate accomplishment of the objectives. The Active Ageing Strategy may focus predominantly on measures for quality ageing, but in conceiving responses to the challenges brought about by demographic change, measures in many other areas, and not just the guidelines in this strategy, will have a significant impact, among them: promotion of sustainable economic growth and strengthening of economic development, family policy, and a migration policy promoting the immigration of labour from abroad and its integration. Adjustment of budget planning towards a targeted programme budget that ensures coordination of the planned activities within the set fiscal frameworks will be particularly important.

Through regular and systematic monitoring of its implementation and ongoing adjustments in the dynamic economic and social environment, the strategy will remain current and facilitate appropriate responses to society's actual challenges. Implementation of action programmes and the achievement of objectives will be regularly monitored through indicators, with emphasis on an internationally comparable system of indicators of the Active Ageing Index.

1

WHY AN ACTIVE AGEING STRATEGY

Increasing life expectancy, a result of social and economic development and progress, has been driving significant changes in the age structure of the population.

Figure 1: Changes in the age structure of the population from 2016 to 2060

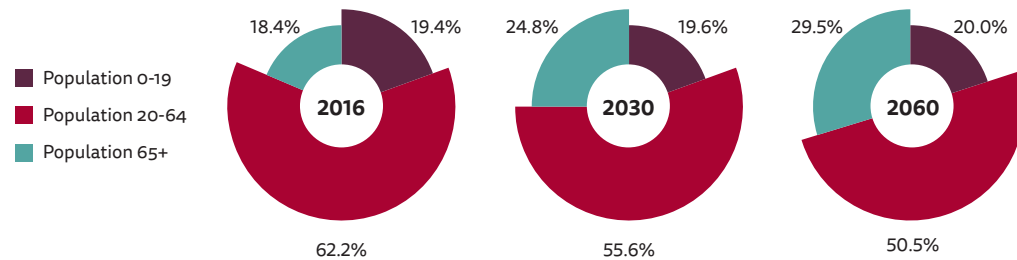
Source: SURS for 2016, EUROPOP2013 for 2060.



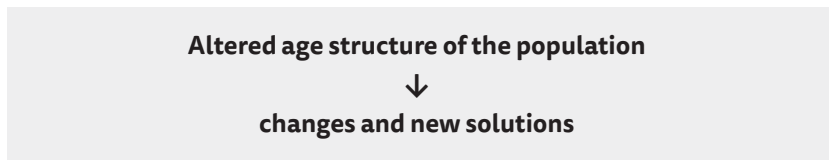
Taking into account life expectancy and fertility trends (see Appendix 1), in Slovenia these changes will be reflected primarily in the contraction of the size of the population aged 20-64 and an increase in the size of the population over 65. These changes will already be quite pronounced in the period up to 2030.

Figure 2: Changes in population size by age group

Source: SURS for 2016, EUROPOP2013 for 2030 and 2060.



Increasing longevity and the new (altered) proportions between the young, middle-aged and older generations will have a significant impact on individuals, families and society, and they will require changes in many fields.



Successfully adjusting society and social protection systems to demographic change will require:

- Awareness of the altered intergenerational relationships in society;
- Change in the perception of the life course – the traditional life course (education, active employment period, retirement) is increasingly being replaced by a more adaptable and fluid concept which emphasises lifelong learning and longer employment, and may entail multiple careers;
- Adjustment of the conventional notion that ageing is merely a burden due to the risk of lower productivity and higher general government expenditure;
- Change of the perception that after retirement the older generation is mostly a passive recipient of various forms of “aid and support by the welfare state”.

The current systems on the labour market, in education and in systems of social protection were predominantly produced in different demographic circumstances.

In the absence of changes on the labour market, the working age population would contract and the systems of social protection would grapple with dwindling financing sources and growing expenditure. Given the shrinking share of the population in the 20-64 age group, it is necessary to create conditions for and promote employment in all periods of life; a new migration policy will also have to be formulated and labour immigration encouraged. Such immigration would cushion the deteriorating ratio between the working age population and the economically inactive population, but it would still not arrest the deterioration.¹

The well-being of all generations will depend crucially on a social policy that is adopted by consensus, on the basis of intergenerational cooperation and solidarity among all generations. Slovenia’s current welfare state model is underpinned by a system of mandatory social insurance; by paying contributions, the working age population supplies the bulk of the relatively stable financing of key social insurance funds and the coverage of social risks. However, the present system no longer satisfies all needs, as the financing of pension insurance requires transfers from the national budget (EUR 1.3 bn in 2016). Given the changing age structure of the population and the growing expenditure on pensions, healthcare and long-term care, coupled with the expanding scope of non-standard forms of employment, the demand for funds will rise further, and it will not be possible to finance pensions sustainably without reform of the system. The altered ratio between the working age population and the economically inactive population will thus require changes in the division of burdens if the well-being of all generations is to be ensured.

¹ Even assuming relatively high and stable net immigration flows (4,000 persons per year), population projections up to 2060 indicate a declining ratio between the working age population and the economically inactive population.

The existing transport infrastructure is likewise insufficient to satisfy the needs arising from the altered age structure of society, in particular with regard to public transport and the design of public space.

The changed age structure of the population will affect alignment of the interests of the different generations; the active participation of all generations in economic and social life and in political decision-making processes will be of the utmost importance.

Adjustment to demographic change will be taking place in a dynamic environment which, driven by technological development, is fast changing and transforming. The accelerating and intensifying introduction of digital and technological solutions in all fields is upending the environment that we live and work in. New technological products and services create new solutions which, in the context of a long-lived society, provide better opportunities in healthcare, long-term care, transportation and housing. In framing responses to the challenges of a long-lived society, effective use of these achievements will be considered along with achievements in the life sciences (neuroscience, genetics, precision medicine, biotechnology, pharmaceuticals) and other complementary sciences.

Digitisation and the development of information-communication technologies are also creating new professions (with some older ones disappearing) and transforming the modes of providing information and communicating. This will require an adaptation of educational systems and the strengthening of lifelong learning and training.

The key challenges of a long-lived society:

- Provision of conditions for active and healthy living across the entire life course;
- Extension of the years of employment (with earlier entry into and later exit from the workforce), which indirectly improves income security in old age;
- Creation of conditions for financial security throughout the life course;
- Creation of opportunities and promotion of education and creativity throughout the life course;
- Adjustment of the working and living environment to the needs of all age groups;

- Effective use of the potential of state-of-the-art technologies;
- Social participation and active citizenship of all generations.

These challenges require systemic solutions and adjustments, and a new alignment of needs and expectations at the levels of individuals and the entire society.

In conceiving responses to the challenges brought about by demographic change, measures in many other areas, not just the guidelines in the Active Ageing Strategy, will be important, among them: promotion of sustainable economic growth and strengthening of economic development, family policy, and a migration policy promoting the immigration of labour from abroad and its integration, along with promotion of the return of Slovenian citizens who have emigrated. We will need to create conditions making it easier for young people to decide on starting a family; easier access to housing and the labour market are among the key requirements. The Active Ageing Strategy may focus on measures for high-quality ageing, but it will be harmonised with developmental documents dealing with these other areas.

The intensity of the adjustment to demographic change will differ depending on the specific group, since the measures and guidelines will not apply equally to all generations, and a phase-in approach will mitigate the transitions.

The answer to the question “Why the Active Ageing Strategy?” may be condensed into a few key highlights:

- In order to secure income and material security for the younger and middle generation once they transition to being old themselves, and equip them with the knowledge and skills for this transition;
- To ensure high-quality ageing for older people, who should be independent for as long as possible;
- To apply intergenerational cooperation in order to leverage the huge potential of the knowledge and experience of all generations.

In April 2016 the IMAD conducted the analysis Demographic change and its economic and social consequences, which is briefly summarised below (more in Appendix 1: Demographic change and its economic and social consequences, IMAD, 2016).² The analysis has been supplemented with additional indicators: in addition to the synthetic Active Ageing Index for Slovenia, it includes several additional indicators which show that Slovenia diverges from the EU and OECD averages (more in Appendix 2).

In Slovenia the process of population ageing will be more intensive than in other EU countries. EUROPOP2013 projections indicating that almost 30% of the population will be above 65 by 2060 may be contingent on the fulfilment of their key assumptions (change in the number of births, deaths and net migration), but all demographic scenarios show that the ageing of the population is inevitable.

These trends will affect:

- i) the labour market and education,
- ii) public expenditure on social protection systems,
- iii) participation of the elderly in society, and
- iv) the quality of life of older people.

The overview by area is supplemented by a brief overview of Slovenia's ranking on the Active Ageing Index.

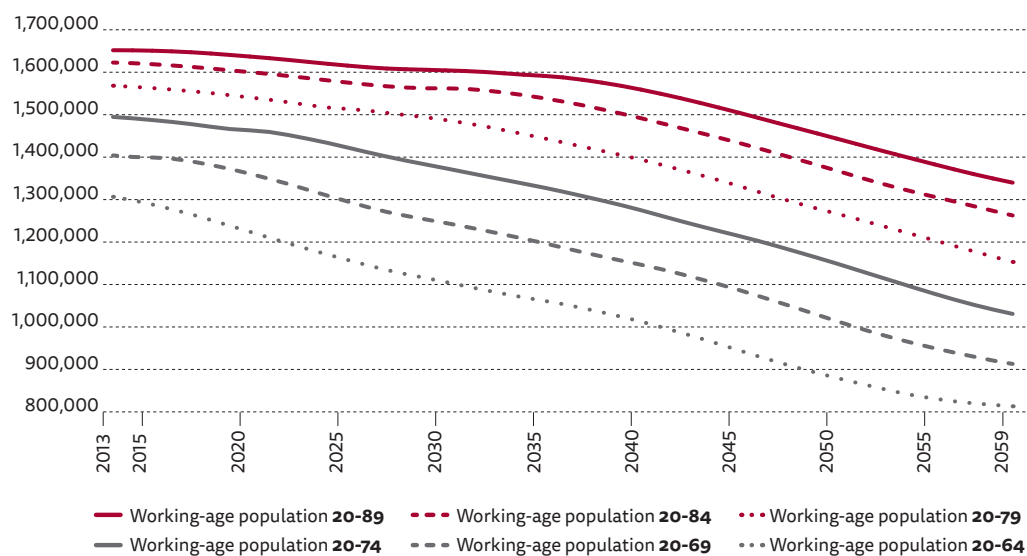
² The entire document is in Appendix 1. Appendix 2 provides an additional range of indicators: in addition to the synthetic Active Ageing Index for Slovenia, it includes several additional indicators which show that Slovenia diverges from the EU and OECD averages.

2.1 Labour market and education

Assuming an unchanged age structure of employment, labour market regulations and retirement conditions, the contraction of the population in the age group 20-64 will become a limiting factor for economic growth in the next ten years. Simulations of the assumptions of demographic trends show that absent a net migration of foreign labour, the working age population, currently defined as the 20-64 age group, would contract even if it was defined as the age group 20-85.

Figure 3: Change in the number of people of working age by definition of upper age limit (without migrations)

Source: SURS, Eurostat.



Slovenia's adult activity rate (in the 30-54 age group) is among the highest in the EU, but among youths and older people it is below-average. Among youths (20-29 years) this is the result of their above-average participation in education and late transition to employment. In the 55-64 age group, it is a reflection of early retirement due to the low statutory retirement age for full pensionable service and:

- i) undeveloped age management at companies,
- ii) insufficient adjustment of working conditions to an older workforce,

- iii) lacklustre promotion of lifelong learning among the older population,
- iv) insufficient incentives for retention of older workers.

Demographic change, which requires extending the working life, also creates the need for participation in education and training across the entire life course; in Slovenia at present the participation rate in lifelong learning programmes drops faster with age than it does in the EU on average (see Appendix 2).³

2.2 Public expenditure on social protection systems

The European Commission's long-term projections of age-related expenditure⁴ show that Slovenia's public expenditure on the financing of social protection systems will rise to a quarter of GDP by 2060 assuming a no policy change scenario. These projections indicate that expenditure on pensions will increase at the fastest rate among all EU countries. This is a consequence of the early exiting from the labour force, itself largely a result of pension legislation in the past and the retirement of the most sizeable generations, which will also enjoy retirement longer due to increased longevity. The last pension reform managed to only defer the increase in pension expenditure as a share of GDP, as spending will start to rise no later than ten years after the reform was adopted. The increase in expenditure on healthcare and long-term care services will be slightly more moderate. Nevertheless, the healthcare and long-term care systems will require increasing expenditure as a share of GDP in the future. In Slovenia long-term care is not yet organised as a single system, with funding opaque and use of resources inefficient due to fragmentation. Experience from other countries shows that a single, regulated system is more efficient.

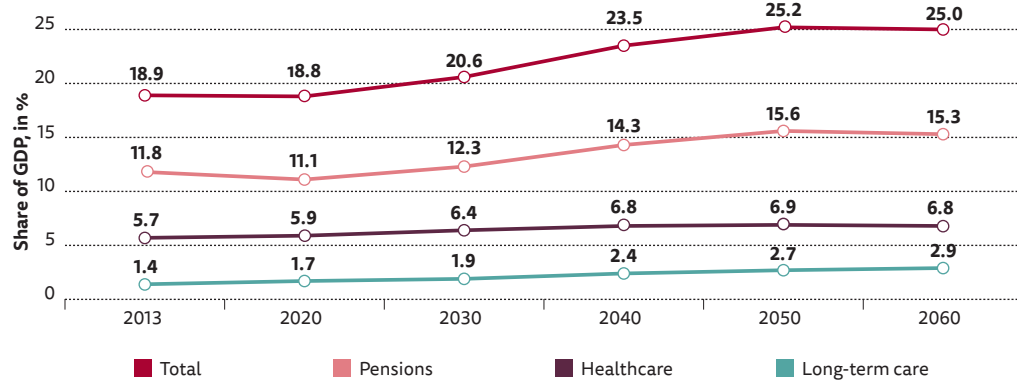
³ www.umar.gov.si/fileadmin/user_upload/publikacije/kratke_analize/Strategija_dolgozive_druzbe/SDD_Priloga_2_dodatni_kazalniki__posebnosti_Slovenije.pdf

⁴ EC – European Commission. (2015). The Ageing Report: Economic and budgetary projections for the EU Member States (2013–2060). European economy 3|2015.

Figure 4: Long-term projections of public expenditure on social protection systems, baseline scenario, Slovenia

Source: EC (2015).

Note: Projections based on baseline scenario of the Ageing Working Group (AWG). Public expenditure on healthcare is shown based on the methodology of the system of health accounts (SHA) but excluding expenditure on long-term healthcare (0.86% of GDP). Expenditure on long-term care (health and social portion according to SHA methodology of 0.98% of GDP) includes disability benefits according to ESPROSS methodology (0.4% of GDP). The baseline year of the projections is 2012.



2.3 Participation of the older population in society

In 2015 the at-risk-of-poverty rate of those over 65 was 17.2%: it was at slightly over 10% for men and over 22% for women (this gap widens with age). The share of those at risk of social exclusion is also above-average among the older population.⁵ Considering the demographic trends, this issue could become more acute. One area where greater participation of the older population in society is possible is evident from data on the share of the population (over 50) who regularly volunteer, which is below the EU average.⁶ The SHARE study shows that the proportion of those over 50 who do not participate in any activities in associations is significantly above the average of the countries included in the study, indicating weak social engagement (Börsch-Supan, 2016).⁷

5 The social exclusion rate is a compound indicator of three indicators: at-risk-of-poverty rate, rate of severe material deprivation, and the share of people living in households with very low labour intensity.
 6 Source of data: European Quality of Life Survey (2012), see Appendix 2.
 7 Source of data: SHARE waves 1, 2, 3 (SHARELIFE), 4 and 5 (DOIs: 10.6103/SHARE.w1.500, 10.6103/SHARE.w2.500, 10.6103/SHARE.w3.500, 10.6103/SHARE.w4.500, 10.6103/SHARE.w5.500); for methodology see Börsch-Supan et al. (2013); see also www.share-project.org.

Compared to other countries, Slovenia does not stand out in terms of the frequency of age discrimination.⁸ Nevertheless, in some environments the older population may be more exposed to certain forms of violence (physical and psychological).

2.4 Conditions for independent living of the older population (quality of life of the older population)

Dwelling conditions are not sufficiently adapted to the needs of older people, and the scope of ongoing adjustments is modest.⁹ Among the older population there is a high share of owner-occupied housing and an above-average share of them live on farms or in detached houses. The number of older people living alone has also been increasing. This may result in high housing maintenance costs, which undermines the ability of the older population to satisfy their other urgent needs. Moreover, Slovenia has not been developing a method for using owner-occupied apartments to provide social security and long-term care. The housing mobility of the population is low.¹⁰

As longevity increases, so does the scope of health issues characteristic of old age (physical frailty and falls, dementia¹¹, incontinence, dental diseases). Not only does this affect healthcare expenditure, it can also significantly impact the ability to live independently.

8 Data from the Active Ageing Eurobarometer study (2012) show that 21% of respondents have experienced age discrimination at work (EU average: 20%), 9% have experienced it in education (EU: 11%) and 14% in healthcare (EU: 14%).
 9 There are still many multi-storey buildings without lifts, while accessibility is hampered and quality of life undermined by many other obstacles in the narrower and broader living space of the older population. In this segment, Slovenia has one of the lowest rankings in the SHARE study (Börsch-Supan, 2016). For example, there are many buildings with a ground floor and four upper floors without a lift, which can be a major obstacle for the older population.
 10 The older population in Slovenia live in the same apartment (shared household) the longest, for example twice as long (15 years) as Scandinavians.
 11 Dementia has health, social and broader societal dimensions, for it affects not just the sufferers but also their families.

BOX 1 Age profile of labour income and consumption

The life period in which people on average produce more than they consume and which coincides with employment is relatively short in Slovenia. In 2012 it amounted to 31 years and was a full seven years shorter than in 1983. By 2012 young people started employment significantly later in life, whereas the age upon exiting the labour force remained roughly the same even as life expectancy increased by over eight years. In the remaining periods of life consumption is covered by the reallocation of these surpluses (public and private) and assets. As the age structure of the population changes, the scope of the requisite intergenerational reallocations will increase further – assuming the current systems and solutions remain unchanged.

Figure 5: Age profile of labour income and consumption

Source: Istenič and Sambt, 2017 (AGENTA FP7 Project), Eurostat

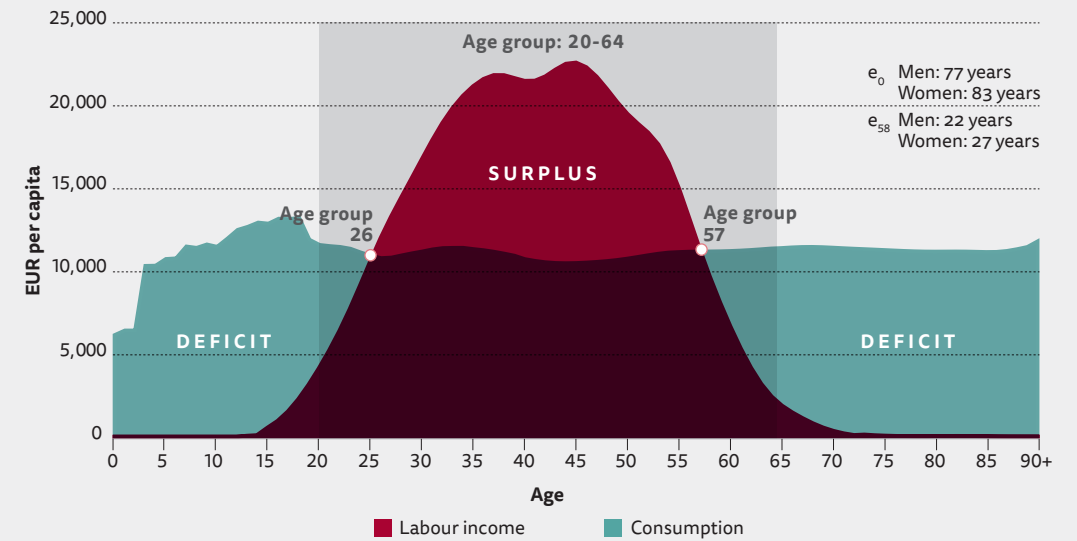
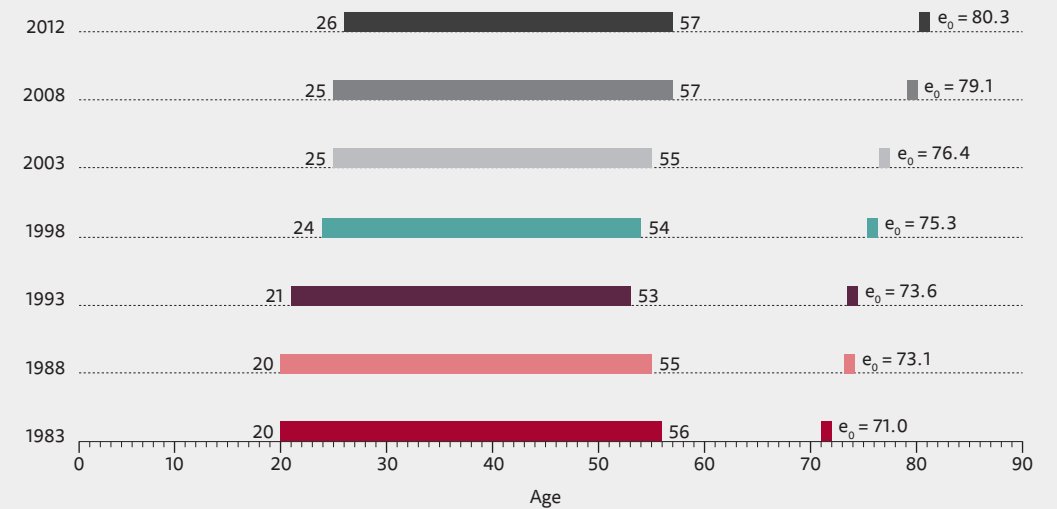


Figure 6: Span of ages at which Slovenians sustain themselves, and life expectancy at birth (e_0) in selected years 1983-2012

Source: Istenič and Sambt, 2017 (AGENTA FP7 Project), Eurostat



2.5 Active Ageing Index

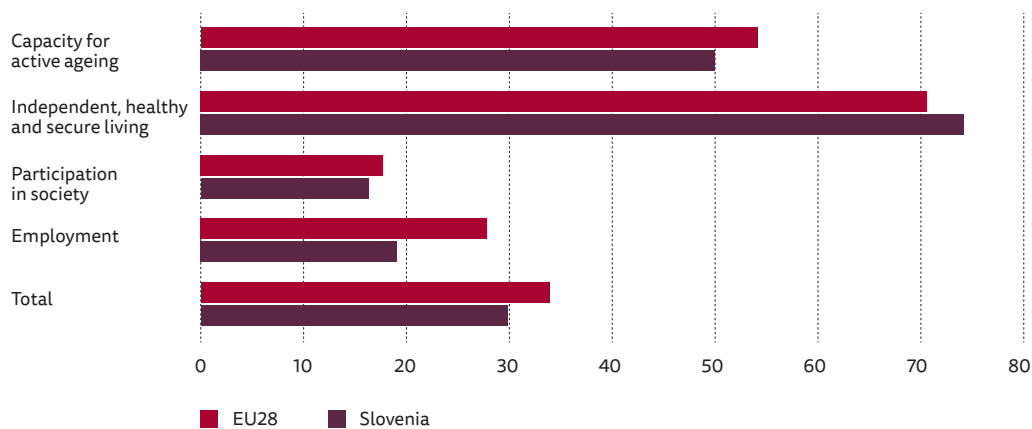
The Active Ageing Index shows how much the capacity of older people is exploited and to what extent older people can, or are encouraged to, participate in society. It covers four domains:

- i) employment,
- ii) participation in society,
- iii) capacity and enabling environment for active ageing, and
- iv) independent, healthy and secure living.

Slovenia ranks below the EU average, in 23rd place, mostly due to the low value of the indicator *employment* (the last, 28th place). Given the low employment rate of older people, the ranking is expected, and Slovenia is last on all sub-indicators. In other indicators Slovenia ranks higher. Its highest ranking is in the indicator *independent, healthy and secure living* (9th), where the value of the indicator is above the EU average. This is the result of the high values of the sub-indicators physical safety (1st place) and access to health services (2nd place), whereas Slovenia's ranking measured by the sub-indicators physical activity (18th place) and in particular poverty risk (25th place) is significantly lower. In the remaining two of the four main indicators Slovenia's ranking is significantly lower and the values of the indicators are below the EU average (see Appendix 2).

Figure 7: Active Ageing Index (2014), Slovenia and EU28

Source: Unece and EC.



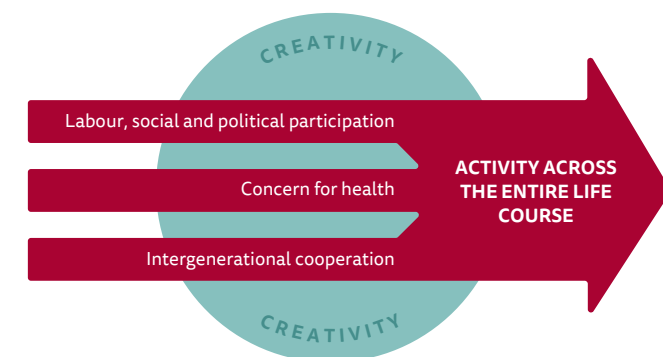
3

ACTIVE AGEING STRATEGY

The Active Ageing Strategy lays out the vision and principal objectives in the formulation of responses to challenges brought about by the altered age structure of the population in Slovenia. It provides strategic guidelines and actionable goals in four areas.

The strategy draws on a new conceptual framework for development guidelines in a long-lived society. It is based on the concept of active ageing, which is a fundamental objective aimed at creating an environment in which individuals across their life course, old age included, can live active, healthy, independent and safe lives, in intergenerational harmony and in full enjoyment of their rights. The concept of active ageing involves:

- *Activity across the life course*, which includes especially greater societal, economic, social and cultural activity of older people; the increasing share of older people is an opportunity that must be leveraged with more active participation in work processes and greater engagement in social and political life;
- *Concern for health*, which includes concern for health and a healthy lifestyle across the life course; this makes it possible to extend working life and lengthen health expectancy and reduces expenditure on health and absenteeism;
- *Intergenerational cooperation* with mutual support, transfer of knowledge and experience, and a contribution by all participants.



BOX 2 Creativity in a long-lived society¹²

One of the key factors contributing to fruitful activity across the life course is creativity in the sense of the integration of diverse ideas into new solutions and their realisation. This applies not only in youth and the period of full employment, it is also and particularly true later in life. With some people creativity resurfaces after they retire, the many restrictions imposed by the daily rhythm of a busy person now relaxed. We can find such examples in history among scientists and artists who produced their best works at an advanced age.

The result of such creative thinking and work are innovations that contribute to progress and development, and improve the quality of life. Every person is creative; whether creativity is expressed or not depends on the environment and the circumstances in which they live and work. Encouraging creativity is therefore one of the foundations of the society of the future, in particular a long-lived society, and it must be the guiding light in the creation of social systems. Aside from contributing to the development of society as a whole, it can also significantly improve the quality of ageing and promote the participation of older people in everyday activities.

There are three factors which have a strong impact on creativity: a creative culture, openness to diversity, and knowledge. Creative culture means society's attitude to creators: it is a society that appreciates and encourages creativity and innovation in all areas of human endeavour, a society that can identify creators and support their work. Openness refers to society's attitude to diversity, openness to different opinions and acceptance of differences. A new idea always takes shape in the process of a comparison of multiple ideas; its realisation is possible in a society that is open to communication and cooperation in diversity. And knowledge represents

the potential for creativity – more knowledge generates more development opportunities. When all three factors are in harmony and balanced, people become inspired, which is the germ of any creative process. If individuals are to be active in all periods of life, it is therefore important to create an environment for their creative endeavour in all fields because some systems stifle creativity by being overly regulated and rigid. Creativity can also be stifled by poor socio-economic conditions.

A long-lived society provides stronger opportunities for the promotion of creativity with intergenerational transfer of knowledge. One such example of good practice are fabrication labs (FabLabs), a creative prototyping environment for the acceleration of innovations in cutting-edge digital technologies, information and communication technologies, and applications of the Internet of Things. They are based on the principle of involving the public in educational institutions (universities and schools) and the expansion of creative and developmental activities into society. At the same time, they are a platform for learning and innovation: a sandbox for creativity, learning, mentorship, innovation. It is therefore of extraordinary importance to encourage all generations, in particular older people, to get actively involved in culture and the arts, which has a positive impact on the retention and development of the capacity for imagination and the exploration of new dimensions of life, facilitates greater participation in society and social life in the immediate and broader environment, and encourages individuals to take an active attitude to themselves and to the world.

¹² We would like to thank Jadran Lenarčič, PhD, the director of the Jožef Stefan Institute, Andrej Kos, PhD, associate professor at the Faculty of Electrical Engineering at the University of Ljubljana, and Tone Peršak, the Minister of Culture, for their deliberation on creativity in a long-lived society.

3.1 VISION OF THE STRATEGY

A society and systems that will provide well-being and quality of life for all in the altered demographic circumstances. The emphasis is on intergenerational cooperation, the involvement of all generations in society, and awareness of the importance of high-quality ageing.

3.2 DEVELOPMENT GOALS OF THE STRATEGY

Strategic goals for the implementation of the vision, based on the present situation and changes in the demographic structure of the population:

1. Well-being for all generations, dignified and safe living in the home environment with a high level of human rights.
2. Participation of all generations in economic, societal, social and cultural life in accordance with their wishes and needs, intergenerational symbiosis.
3. Preservation and improvement of the physical and mental health of people of all ages.

By implementing these development goals, Slovenia will improve its Active Ageing Index ranking.

BOX 3 Well-being and economic development

A well-performing economy is a key pillar of prosperity. Comparison of per capita gross domestic product (GDP) in purchasing power standards and the Better Life Index, which was developed by the OECD and spans 11 indicators of well-being, shows that the Better Life Index is higher in more economically developed countries. Economic development is thus an important factor in crafting responses to the challenges of a long-lived society. Economic growth will increase employment and reduce unemployment, and foster the growth of income, which is a source of contributions financing the systems of social protection. Combined with policies that provide for equal distribution of income, social security and environmentally sustainable development, the strengthening of economic growth will improve standards of living and the well-being of the population.

Figure 8: Per capita gross domestic product and Better Life Index

Source: OECD, Calculations by IMAD.

Note: PPS – purchasing power standard; data for 2015.



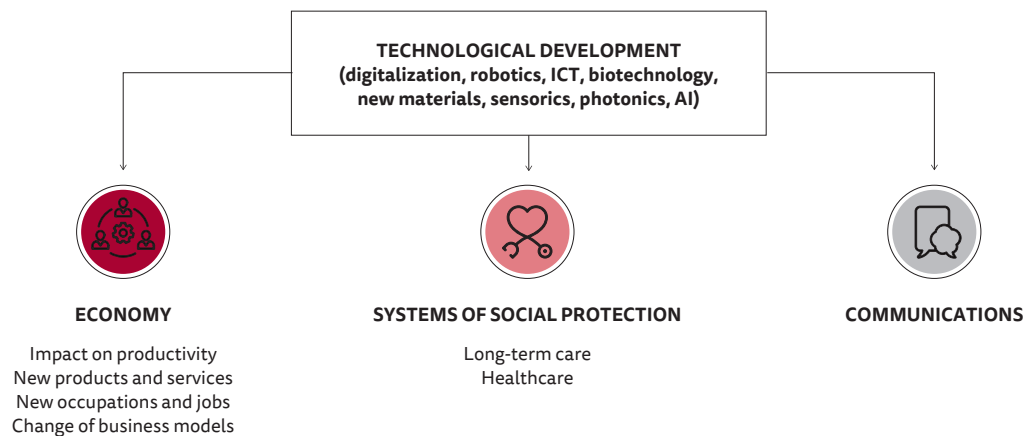
3.3 TRENDS IN THE BROADER ENVIRONMENT CONTRIBUTING TO THE STRATEGY

The strategy has been drawn up bearing in mind the prevailing trends underpinning economic and social development that will have a key impact on the society of the future and the responses to the ageing of society. The changing age structure (see Appendix 1) in developed countries is one such “megatrend”¹³; it is also what induced the preparation of this strategy.

A) Key among other megatrends are *technological development and the digitalisation of society*.

Technological development has accelerated changes in the economy and society, altering the nature and organisation of work

Figure 9: The multi-faceted impact of technological development



¹³ Change at the global level which redefines what society will be like in the future and has a far-reaching impact on the lives of individuals, the economy, society and culture.

Technological development has accelerated changes in the economy by transforming production processes and business models, and creating new products and services. Some traditional professions have been disappearing, superseded by new professions and new jobs that require new knowledge and skills.¹⁴ This requires lifelong education and training, and adaptation to the altered business environment – for businesses as well as individuals: it is a way of better utilising the benefits of technological development and digitalisation. Technological progress has also been driving profound change in healthcare and long-term care; and while this has been improving the quality of service and quality of life and as such reduced certain types of expenditure, it has also increased expenditure (i.e. non-demographic factors in healthcare). At the same time, integrated care, which blurs the boundary between healthcare and social services, has been gaining in importance. The social and healthcare systems will be sustainable in the long term only if a portion of traditional services is replaced by e-health and e-care services. This will also allow older people to live in their home environment longer.

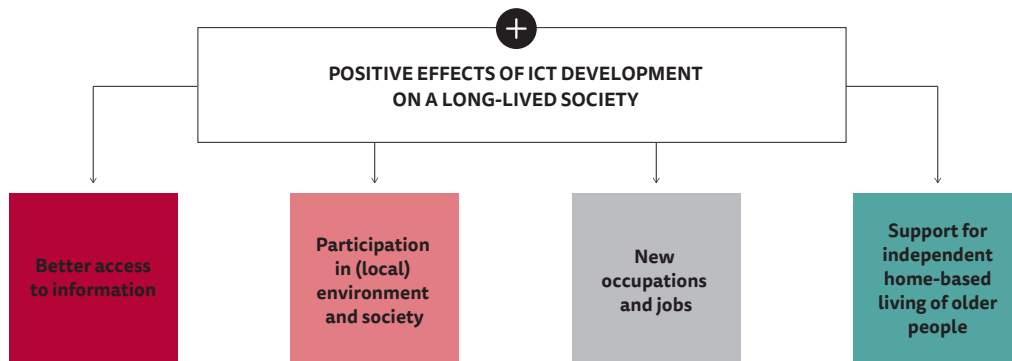
Figure 10: Selected technological achievements of key importance in a long-lived society

Source: WEF, 2016, Kai Leichsenring, European Centre for Welfare Policy and Research, 2016.

TECHNOLOGICAL ACHIEVEMENT	AREA OF USE	WHAT IT OFFERS
Nanosenzorji Internet of Things	Security and protection	Home, work place
Autonomous vehicles	Better mobility	Long-term care
Organs on a chip Optogenetics Bio-nanosensors	Treatment of neurological and other conditions Diagnostics of neurodegenerative diseases	Healthcare
ICT and robotics	Work and home assistance, communication	Long-term care
Geolocation	Security and protection	Long-term care

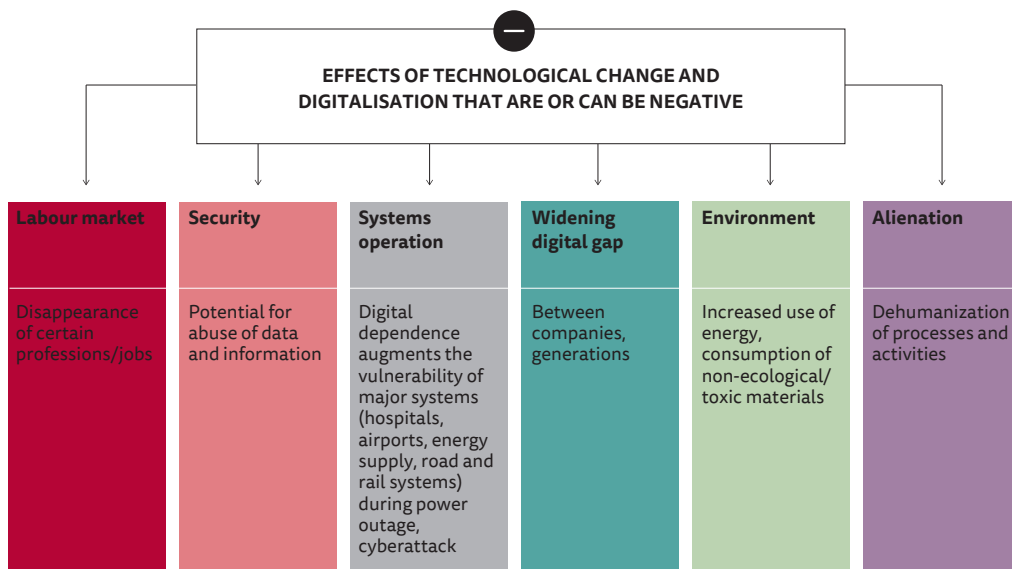
¹⁴ Brynjolfsson, McAfee: The Second Machine Age: Work, Progress and Prosperity in a time of Brilliant Technologies, 2014.

Figure 11: Positive effects of ICT development on a long-lived society



Technological development and digitalisation also create certain risks. Most notable from the vantage point of a long-lived society are changes that may have a negative impact on the labour market, security, the performance of large systems, communications and the ability to use the latest technologies. These effects are present at the social and individual level.

Figure 12: Technological change and digitalisation entail certain risks



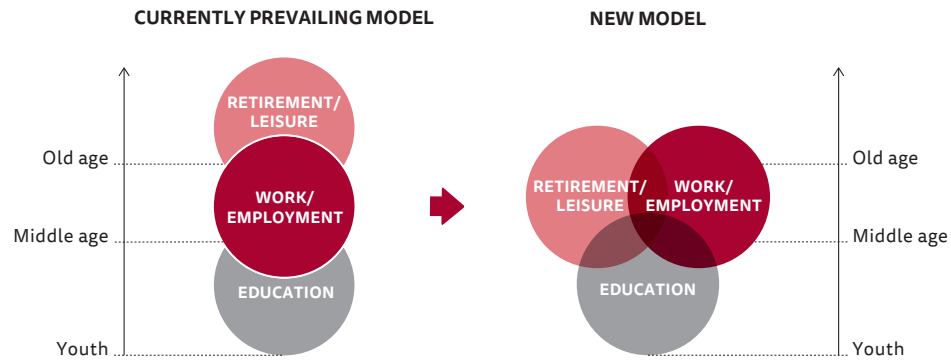
Society will have to adapt to digitalisation and rapid technological changes, which will in many ways improve the existing models of living, communication and transportation but which will also be challenging for users. Digitalisation will make communication easier, but it also risks widening the generational gap due to the transformation of established modes of communication, which tends to be easier for younger generations to adjust to. Digitalisation has also been changing the imaginary world of younger generations, which may affect communication and interpersonal relations. The widening of the digital gap between the “digitally literate” and the “digitally illiterate” therefore requires a reform of education and the creation of new support and advisory professions.

The development of ICT and the possibility of direct communication on social networks will drive the growth of the “**collaborative economy**”. This will affect the labour market (new employment opportunities, mostly nonstandard forms of work) and the operations of the providers of products and services that are well represented in the collaborative economy, while reducing costs for individuals and creating new sources of income for them.

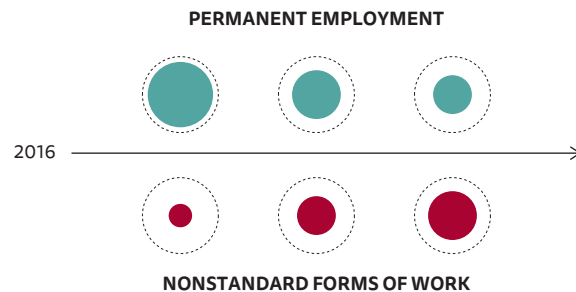
B) As longevity increases and the pace of introduction of technological change in society and the economy accelerates, the *notion of the life course* is likely¹⁵ to be transformed at an accelerating pace. Increasing life expectancy, the transformation of professions and the growing need for lifelong learning will replace the traditional life course (education, employment, retirement) with a more adjustable and dynamic cycle (Figure 13): individuals are likely to have multiple careers and will have to learn and train throughout their lives (not least because of technological development, the transformation of professions and the need for new knowledge and skills); after formal retirement they will remain active and contribute to the community (part-time work, mentorship, volunteering, social entrepreneurship, hobbies).

15 Ages, Generations and the Social Contract: The Demographic Challenges Facing the Welfare State; Eds: Véron, Jacques, Pennec, Sophie, Légaré, Jacques.

Figure 13: Life course changes



C) Another major, and strengthening, 21st century trend is the increasing labour market flexibility, as evident in the widening share of flexible (nonstandard) forms of work, which will increasingly affect the labour market, the financing of social protection systems, and the social security of individuals. Much like other countries, Slovenia has been facing an expansion of precarious forms of work, which will affect the social protection systems and individuals' social security. Aside from demographic change, greater uncertainty on the labour market and the spread of nonstandard (including precarious) forms of work are important factors requiring that the systems of social protection change to ensure a sustainable transition between life periods. The existing system of the collection of funds to finance social protection systems is based on contributions paid on full-time permanent employment contracts. The decision by employers or individuals to pay minimum contributions, which is a frequent practice with nonstandard precarious forms of work, affects the amount of the collected funds as well as the income that social protection systems can provide.



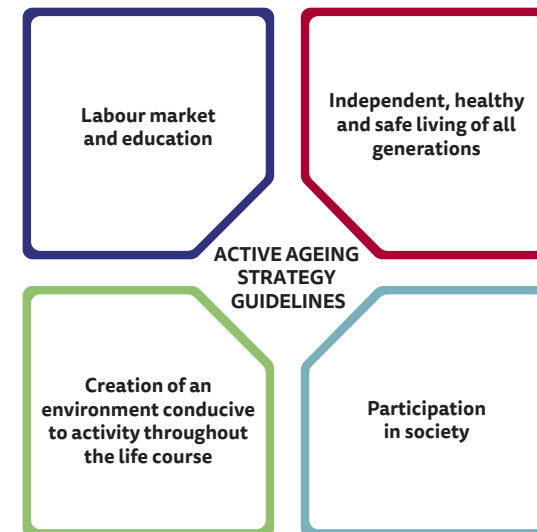
3.4 STRATEGY PILLARS

The guidelines for implementation of the development goals of the Active Ageing Strategy are divided into four pillars:

1. **Labour market and education** (adjustments on the labour market, including education and training, promotion of the immigration of foreign labour).
2. **Independent, healthy and safe living for all generations** (systems of social protection, accessibility of healthcare and long-term care services, concern for health, reducing inequalities in healthcare).
3. **Participation in society** (intergenerational cooperation, volunteering, use of ICT in communication, prevention of discrimination and violence in society, political participation).
4. **Creation of an environment conducive to activity throughout the life course** (adjustments of the economy, dwelling conditions and transport systems with the support of ICT and technological solutions).

Figure 14: Activity across the entire life course – four pillars

Source: Active Ageing Index 2014. Analytical Report
<https://statswiki.unece.org/display/AAI/Active+Ageing+Index+Home>



Description of the situation to be achieved

Desired result

Areas in which specific goals are set

VISION

A society and systems that will ensure prosperity and quality of life for all in the altered demographic conditions. The focus is on intergenerational cooperation, participation of all generations in society and awareness of the importance of high-quality ageing.

NEW PRODUCTS AND SERVICES,
NEW JOBS/OCCUPATIONS

Concept of creativity and activity in all periods of life and concern for health

GOALS

Prosperity of all generations and safe living in the home environment with a high level of human rights.	Participation of all generations in economic, societal, social and cultural life according to their desires and needs, and intergenerational harmony.	Preservation and improvement of physical and mental health of people of all ages.
--	---	---

PILLARS

LABOUR MARKET (EMPLOYMENT) AND EDUCATION Sufficient labour supply Adjustment of work places and working time Intergenerational transfer of knowledge and promotion of creativity at work Access to education and training New opportunities for the development of jobs	INDEPENDENT, HEALTHY AND SAFE LIVING FOR ALL GENERATIONS Promotion of healthy lifestyles Narrowing of inequalities in health Prevention of functional limitations Systems of social protection – tasks and financing Pension system and decent income in old age Healthcare and long-term care systems	PARTICIPATION IN SOCIETY Intergenerational ties and cooperation Use of ICT – social networks Prevention of age discrimination Personal safety of older people Volunteering Amateur and cultural activities Political and civil participation	CREATING AN ENVIRONMENT FOR ACTIVE AGEING Adjustment to consumption changes Adjustment of living conditions Adjustments in transport and infrastructure Regional adjustments Education of older people for independent living
---	---	--	---

DIGITALISATION AND NEW TECHNOLOGICAL SOLUTIONS (ROBOTICS, SENSORS, COLLABORATIVE ECONOMY)

Prosperity provided by successfully functioning economy

3.5

ACTIVE AGEING STRATEGY GUIDELINES¹⁶

The Active Ageing Strategy guidelines form the foundations of measures to be adopted in individual pillars, and these will be tailored to individual age groups, taking into account the impact of demographic change.

3.5.1

Labour market (employment) and education

Assuming that the current labour market regulations and pension system remain unchanged, the transformed age structure of the population and the consequent decline in labour supply would gradually reduce the potential for economic growth, which requires adjustments on the labour market and in education that will extend active years and efficiently leverage the capabilities of all generations. Individuals' employment prospects hinge to a large extent on labour demand, which in turn depends on economic conditions. One of the guidelines in devising labour market and education policy measures is to dispel myths about the working abilities of older people, such as:¹⁷

- i) ageing worker health is insufficient (the SHARE¹⁸ study shows that in present generations mental and physical health, which is important for work, starts to significantly deteriorate after age 73);
- ii) productivity decreases with age (older people's abilities, their experience especially, can be better utilised through the adjustment of jobs and work tasks);
- iii) ageing workers reduce job chances for young workers (the lump of labour fallacy). Ageing of the population is also an opportunity to develop new services and products – and hence jobs.

¹⁶ The introductory paragraphs of the majority of the proposed guidelines lay out the key findings of the analysis Demographic change and its economic and social consequences (IMAD, 2016; appendix 1), while some guidelines also summarise analyses by other domestic and foreign institutions.

¹⁷ The Silver Economy as a Pathway for Growth (OECD, 2014).

¹⁸ Börsch-Supan, A. (2016). Survey of Health, Ageing and Retirement in Europe (SHARE) Wave 5. Release version: 5.0.0. SHARE-ERIC. Data set. DOI: 10.6103/SHARE.w5.500.

Ensuring sufficient labour supply

Due to demographic change the share of the population aged 20–46 has been contracting, which will reduce the supply of labour under the current labour market and pension system regulation, and constrain the potential for securing and improving the well-being of the population. Increased longevity therefore requires an extension of working life (earlier entry into employment and later retirement). Experience from other countries shows that partial retirement may contribute to the extension of working life.¹⁹ Compared to other countries, Slovenia has significantly lower employment rates among youths and older people (see Appendix 1). Net migration has also been modest in recent years.²⁰ This requires policies targeted towards securing a sufficient supply of labour.

Guidelines:

- Promote extension of working life (including by supporting multiple careers over the course of the working life, facilitating lifelong learning and training, and introducing more flexible forms of work for older people and pensioners) with the aim of raising the employment rate among older people;
- Provide opportunities for the income security of youths and their independence;
- Provide opportunities for greater participation in the labour market, in particular of older people and youths;
- Reduce the mismatch between supply and demand on the labour market, promote labour migration and reduction of the skills mismatch on the labour market;
- Create conditions to reduce the emigration of Slovenian citizens;
- Promote the repatriation of emigrated Slovenian citizens;
- Provide opportunities for the integration of foreigners.

¹⁹ For more, see: Eurofound (2016).

²⁰ SURS data show net immigration averaged 450 persons per year in 2010–2015.

Adjustment of jobs and working time

A shortage of flexible forms of working time may represent an obstacle to extended working life and labour market participation. Employees have other responsibilities aside from their jobs (for example taking care of their children, grandchildren or relatives), which makes it difficult to maintain a work-life balance if work is inflexible. Such inflexibility may also induce older people to exit the labour market earlier and younger people to defer their decision to start a family. On the other hand, employer investments in safety at work and the adjustment of work places to the needs of older people may contribute to extended work life²¹ and reduce the extent of absence from work (absenteeism).

Guidelines:

- Introduce flexible working time and places of work;
- Create suitable working conditions (provide for safety and health at work);
- Make it possible for employees who take care of their relatives or neighbours to work flexible hours (employed informal caregivers; see also 5.2 Independent, healthy and safe living for all generations and 5.4 Creating an environment for active ageing);
- Adjust jobs and processes to the ageing workforce;
- Adjust jobs and processes to technological progress and digitalisation.

Intergenerational transfer of knowledge and promotion of creativity at work

Employment plays an important role in determining the social status and inclusion of individuals, and affects intergenerational cooperation at work and in society. The current perception of the contribution of older people to society is more negative than in other EU countries, as Slovenia has the lowest share of respondents who think those older than 55 can contribute to society as employees.²² Discrimination at work is frequent as well.²³

²¹ Kavaš et al. (2015). Podaljšano zaposlovanje in odloženo upokojevanje, Projekt aktivno in zdravo staranje v Sloveniji (AHA.si). (Extended employment and deferred retirement, Project of active and healthy ageing in Slovenia (AHA.si)).

²² Active Ageing (2012). Special Eurobarometer no. 378.

²³ According to the Active Ageing Eurobarometer (2012) data, 21% have been discriminated against or have witnessed age discrimination in the work place.

Recognising and accommodating the diverse traits of generations working together in a company improves the efficiency of the use of human resources. Working in a multigenerational environment also offers opportunities to intertwine the knowledge of different generations and promote the intergenerational transfer of knowledge, which can improve productivity at the company. The MEET Change²⁴ study shows that age management is insufficiently developed.

Guidelines:

- Promote and support a positive attitude towards ageing, older people and their contribution to society, including their contribution through work;
- Prevent age discrimination at work;
- Strengthen age management (adjust human resources plans, enhance intergenerational transfer of knowledge in companies);
- Promote the transfer of knowledge between generations (e.g. mentorship schemes, creative laboratories);
- Promote creativity of all generations at work.

Access to education and training

Longer working life and technological changes require the constant development of skills to improve individuals' flexibility in the work place and their employability prospects. In Slovenia the rate of participation in lifelong learning declines with age faster than in other countries. Involvement of older persons in lifelong learning and training is important for their employment and productivity as well as their participation in society. To adjust to changes in jobs brought about by digitalisation, it will be necessary to acquire new skills. The PIAAC study has shown that in Slovenia the ability of older persons to solve problems in technology-rich environments is low.

²⁴ Ackermann, G. et al (2014).

Guidelines:

- Create systemic opportunities for continuing education and on-the-job training, and opportunities for second-career training (with clear determination of the tasks of the state, individuals and employers);
- Adapt the educational system to the need for continuing education and training;
- Strengthen (the culture of) lifelong learning of individuals in society and in companies;
- Adapt educational systems to better promote creativity and entrepreneurship;
- Improve the participation of older people in lifelong learning to improve their employability and facilitate a lifelong career focus on development and change;
- Invest in improving the employability of poorly educated and older people by strengthening the active employment policy;
- Adapt educational programmes to digitalisation-driven change;
- Create programmes for preparation for retirement that promote participation in society and activity beyond retirement.

New opportunities for the development of jobs

Slovenia lags behind in rankings measuring the share of employees working in social protection and healthcare, which is largely attributed to insufficient development of community-based long-term care. Healthcare and social protection therefore offer an opportunity for the development of new jobs. In the provision of social protection services in other countries, flexible forms adjusted to local conditions have been gaining in importance, and these are frequently based on public-private partnerships. Social entrepreneurship can also play an important role in the provision of such services. Social enterprises provide products and services that are in the public interest, and they develop innovative solutions for addressing social, economic, environmental and other issues. Such firms can be market-oriented and they generate revenue, channelling any surplus of revenue over expenditure back to their core activity; they offer employment opportunities as well as social and professional integration of vulnerable groups. Educational programmes, too, will have to adapt to meet the increasing demand for long-term care and the demand for professions involving working with older people.

Aside from social protection and healthcare services, where demand is driven by population ageing, there are opportunities to develop new jobs in areas (e.g. green jobs) associated with the development of a circular economy.

Guidelines:

- Bolster support for public-private partnerships and private enterprise which can successfully satisfy the increasing demand for healthcare and long-term care, provided there is appropriate regulation and supervision;
- Increase support for non-governmental organisations and associations working in healthcare and long-term care which are already partially financed through public and EU funds;
- Strengthen social entrepreneurship, which promotes intergenerational cooperation and whose primary aim is to benefit society;
- Develop formal and non-formal educational programmes for the provision of social protection services and for working with older people;
- Promote the creation of new jobs in the green economy and the circular economy.

3.5.2 Independent, healthy and safe living for all generations

There are several factors instrumental to the creation of conditions in which all generations can live independent, safe and healthy lives:

- i) economic activity, which provides income security (see the chapter Employment);
- ii) health of the population; and
- iii) systems of social protection, which contribute to the quality of life of all generations by securing appropriate income and facilitating accessibility of healthcare and long-term care services.

Improving health, reducing inequality in health and preventing functional limitations

Health is an important factor of societal development and strongly affects an individual's status in society. Increasing the number of healthy life years can reduce healthcare expenditure and improve the well-being of all generations. Experience from other countries shows that measures promoting a healthy lifestyle and preventive health programmes can significantly affect the quality of life and improve the long-term sustainability of social protection systems.

Health inequalities are primarily a consequence of socio-economic differences; they start in early childhood and gradually widen, affecting an individual's entire life, their employment, material well-being, healthy life years and life expectancy.²⁵

Promotion of healthy lifestyles

Slovenia ranks among those countries in which an above-average share of the population is exposed to health risk factors: the share of regular smokers among adults and alcohol consumption per adult are above the averages of developed countries. The share of overweight adults is also above the EU average, and inequalities in adult obesity by education are the highest in the EU. Obesity is the cause of many diseases and a major driver

²⁵ Summarised from OECD (2016): Generation Next: How to Prevent Ageing Unequally.

of high healthcare and long-term care costs. These factors are part of the reason why Slovenians live on average only 59 years (or 72% of life) without disability or the assistance of another person (i.e. healthy life years), which is significantly below the EU average. These factors also affect absenteeism, which is more prevalent than in the OECD on average. Slovenia also ranks among OECD countries with the highest suicide rate. The OECD (2015) emphasises that the suicide rate is determined by multiple factors which often reflect the deterioration of an individual's social circumstances.²⁶ Unhealthy lifestyles start taking shape in the earliest period of life and are more prevalent in socio-economically more vulnerable groups.

Guidelines:²⁷

- Adopt structural measures for the provision and promotion of a health-friendly environment;
- Strengthen policies for the promotion of healthy lifestyles and management of risk behaviour, and raise awareness about healthy lifestyles from early childhood;
- Strengthen disease prevention programmes through early detection of factors of risky behaviour at primary level and through cancer screening programmes;
- Create programmes to increase employer investments in the health of their employees;
- Strengthen programmes for the promotion of health and healthy lifestyles (in particular healthy nutrition and exercise);
- Promote the strengthening of physical and mental health;
- Strengthen mental health policies.

²⁶ The important factors listed include problems in personal relations, excessive consumption of alcohol (or drugs), unemployment, clinical depression and other mental illnesses.

²⁷ Some of the guidelines are already partially included in adopted documents (e.g. Resolution on the national healthcare plan 2016–2025 "Together for a society of health", the National programme on nutrition and exercise for health 2015–2025, and new measures for a sustainable future of Europe COM(2016).

Reducing inequalities in health

In Slovenia inequalities in health based on level of education are above the OECD average. The difference between men with high and those with low education is particularly obvious. These inequalities in health are also causing inequalities in terms of limitations in day-to-day activities and are the main contributing factor to the low number of healthy life years. Poorer health also affects material well-being, which widens inequalities in society, in particular among older people.

Guidelines:

- Create measures to improve health across the entire life course and raise awareness among all citizens of the need to look after their health;
- Create an interdepartmental policy to reduce inequalities in health, which includes the provision of quality pre-school and school education for socially disadvantaged children;
- Reduce material deprivation, which must become a key goal of all policies;
- Create programmes to enrol the socially underprivileged in physical exercise programmes;
- Create programmes to raise awareness about healthy food and to provide access to healthy food for socially and economically vulnerable groups;
- Special concern for the mental health of economically vulnerable groups and special programmes for the strengthening of other lifestyle factors for these groups.

Preventing functional limitations

Ageing increases the risk of certain illnesses and conditions affecting not only healthcare and long-term care expenditure, but also people's ability to live independently. In Slovenia, persons with severe limitations²⁸ account for about 10% of the total population; this share rises with age, but it is above the EU average across all age groups.²⁹ As the share of the

²⁸ The share of persons with "severe limitations" is used in EC projections to estimate the share of the population that is dependent on the assistance of other persons in basic activities of daily living.

²⁹ Voljč (2016) highlights the following public health challenges associated with demographic change: falls, incontinence, dementia.

population over 85 increases, the issue of dementia in particular will become very acute.³⁰

Guidelines:

- Create programmes to prevent the functional limitations of older people: programmes for the prevention of falls, physical exercise programmes, the development of early rehabilitation and long-term care in the home environment;
- Tackle the most common age-related diseases (dementia, incontinence, diabetes and chronic wounds, oral health), including by creating welcoming communities and services which will improve the quality of life of patients and their relatives;
- Early diagnosing of neurodegenerative diseases;
- Develop and use cutting-edge biosensor, robotics, photonics, satellite navigation and telecommunications technologies to monitor older people and assist in their holistic and long-term home care;
- Create measures and programmes to nurture the independence of older people and older disabled persons and allow them to fully participate in all areas of life.

Social protection systems

Mission of social protection systems

Demographic change, widening income inequalities and the spread of nonstandard forms of work, in particular precarious work, may exacerbate inequalities in society. Social protection systems must ensure the social and income security of individuals in all circumstances in life and throughout the life course, making allowance for changes in the perception of the life course and the proliferation of nonstandard forms of work.

³⁰ According to the OECD (2013) the economic and social consequences of chronic brain disease such as dementia and Alzheimer's disease will become the biggest health problem in the future. It is estimated that in Slovenia the number of dementia sufferers will rise by almost 60% by 2035 as the population ages rapidly.

Guidelines:

- Create a social protection system that facilitates and eases individuals' transitions between periods in life, and supports independence and the decision to start a family;
- Create a social protection system that contributes to the provision of adequate income for the socially disadvantaged yet supports their employment.

Financing of social protection systems

The ageing of the population has disrupted the balance between the economically active and economically inactive population, which has undermined the accessibility of services provided by social protection systems and their fiscal sustainability. This applies in particular to pension and health insurance, the financing of which largely hinges on employee contributions. The European Commission's long-term projections show that Slovenia's expenditure on the financing of systems of social protection will rise to a quarter of GDP³¹ by 2060 assuming a no policy change scenario (see Figure 2). In Slovenia the effect of ageing on public expenditure is particularly acute with regard to pensions, which represent the bulk of age-related expenditure. Increasing longevity also requires longer working life, but simulations of the raising of the retirement age or extension of years of service show that these measures will not be enough to improve the long-term sustainability of the pension system in Slovenia; other measures will also be required.³²

Guidelines:

- Adjust social protection systems (pension and health insurance, long-term care) to demographic change with a more balanced distribution of the burdens of financing among generations and between the economically active and inactive population;
- Determine new proportions among sources of financing to secure the population's well-being in terms of pensions, healthcare and long-term

³¹ Including expenditure on education, the share of public expenditure associated with demographic change will reach 31.5% by 2060 according to EC projections (EC, 2015).

³² IMAD (2016) Economic Issues.

care, the goal being to ensure an agreed level of well-being in all these areas;

- Secure the stability and long-term sustainability of all social protection systems by increasing the diversity of public sources and using procyclical mechanisms;
- Supplement public sources of financing of social protection systems with private insurance.

Pension system and decent income in old age

The at-risk-of-poverty rate among the over 65-year-olds in Slovenia is relatively high, to a significant extent due to relatively low pensions, which are the principal source of income for older people; older women in particular are at higher risk of poverty. Since the share of the population at greater risk of poverty (e.g. single pensioner households) rises as the population ages, social protection systems must be designed to provide decent income in all periods of life, including decent pensions. At present pensions relative to income before retirement are significantly below the EU average.³³ Slovenia also ranks among the countries where saving for old age is modest,³⁴ even as total household savings are high compared to other EU countries.

Guidelines:

- Structural reform of the pension system that preserves high coverage and includes public and private sources;
- Create a pension system that promotes extended working life, facilitates a phased transition into retirement, and provides decent income in old age;
- Create a mechanism to convert other forms of individuals' assets into income in old age (e.g. reverse mortgage that pays annuity if home owners rescind their occupancy right);
- Promote savings for old age, i.e. a combination of public and private pension savings – financial planning from the start of employment combined with financial literacy courses in school.

³³ As evident from OECD data for 2014; see Appendix 2.

³⁴ See Appendix 2.

Healthcare and long-term care systems

An investment in health is an investment in human resources which supports the well-being of the population and fosters economic growth. Public financing of healthcare and long-term care ensures that a broad basket of services is available to all population groups, which also contributes to the alleviation of poverty and inequality, in particular among older people. In the future it will no longer be possible to provide quality services in the current scope financed mainly with public funds; private insurance will gain importance in terms of healthcare financing, just as is the case in the pension system. Private insurance can mitigate the pressure on the growth of out-of-pocket expenditure, which is a risk in particular for older people and the chronically ill. Since it is often difficult for patients outside urban areas, older persons and persons with reduced mobility to get medical care and rehabilitation, it makes sense to promote the use of telemedicine and tele-therapeutics.

Guidelines:

- Preserve and improve access to healthcare and long-term care services through an appropriate combination of public and private sources;
- Broad inclusion of the population in universal health coverage and greater solidarity in the financing of healthcare;
- Develop and operationalise a multimedia platform for telemedicine and tele-therapeutics (e.g. distance diagnostics and treatment, support for relatives so they can assist patients remotely);
- Put in place a single public funding source for the system of long-term care that will be based on solidarity and, supplemented with private funds (insurance), provide sustainable financing in accordance with demand and demographic trends.

Demographic and technological change are driving a rapid increase in demand for healthcare and long-term care, which is putting pressure on general government expenditure. To maintain the accessibility of healthcare and long-term care services, and to improve the long-term sustainability of the systems, the continuous implementation of measures to improve the efficiency and effectiveness of both systems will be needed.

The financing of long-term care is currently dispersed, but it makes sense to create a single financing system. A crucial part of the long-term care system is informal caregivers, the backbone of any long-term care system according to the OECD.³⁵

Guidelines:

- Optimise healthcare, in particular through the promotion of health and the strengthening of the primary level of care, greater emphasis on prevention and management of chronic disease, and the development of new methods for monitoring the condition of patients with the help of ICT;
- Create an efficient system of long-term care that will promote independent (community-based) living at home even for the socially disadvantaged, and prevent deterioration of health and functional limitations of recipients or their premature institutionalisation; an efficient system will also integrate diverse systems in the provision of healthcare and psychosocial care;
- Improve support for informal caregivers and their integration into the system of long-term care;
- Encourage self-governing local communities to provide programmes and services satisfying the demand for home-based long-term care;
- Provide a sufficient supply of staff for long-term care and ensure a better gender balance (migrations and activation of older people).

Providing for quality of life for families

In the long term, the negative effects of the changed proportions of individual age cohorts can be mitigated by systematic measures in family policy and other policies that create favourable conditions for quality of life for families and facilitate the decision to start a family. Family life has undergone profound and significant change over the past decade, which requires that family policy be planned accordingly. It is essential that the

³⁵ Drole and Lebar (eds.) (2014): Podpora samostojnemu bivanju v domačem okolju in dolgotrajne oskrbe (Support for independent living in the home environment and long-term care). Analytical report of WP5 of the project AHA.SI.

state create conditions for the attainment of a high level of quality of life for families, provide for their protection (especially of children), facilitate the healthy development of all family members, and create an environment conducive to starting a family. Family policy in Slovenia must remain rooted in an integral and inclusive approach, which means it must involve all types of families, make allowance for a plurality of family types and needs, respect the autonomy of the family and individuality of its members, protect children's rights within the family and more broadly, and prioritise protection and quality of life for families and children. Other integral aspects of family policy are the provision of equal opportunities for both genders, the creation of a broad scope of programmes and services for families, material support for the maintenance of children, and protection of families in special life circumstances.

Guidelines:

- Improve quality of life for families in all circumstances of life;
- Create favourable conditions facilitating the decision to start a family;
- Consider the effect on fertility behaviour of all measures directly affecting the position of families;
- Improve opportunities for a better work-life balance;
- Provide for the protection of families and individual family members;
- Encourage self-governing local communities to adopt measures improving the position of families;
- Promote the development of quality and diverse family support programmes.

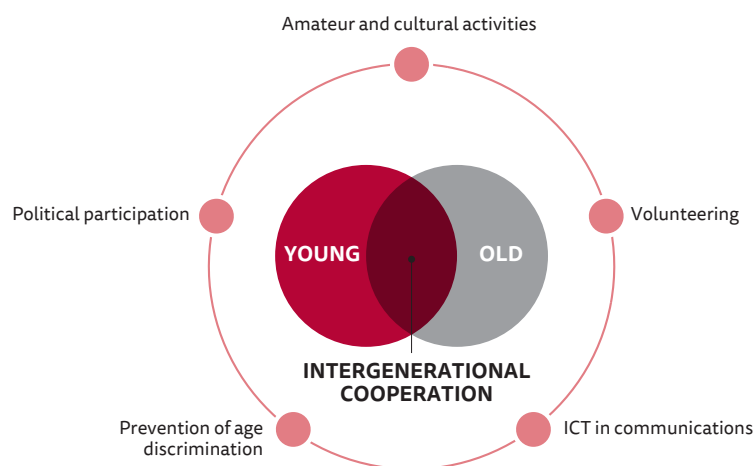
3.5.3 Participation in society

Participation in society (in societal, social, economic and cultural life) is instrumental for the dignified and high-quality living of all generations. The precondition for participation in society is individuals' income security throughout the life course.

Guidelines:

- Alleviating material deprivation is a key objective of the state's broader policy toolbox and the agreed priorities in the development of all policies based on the principle of fairness and equal access;
- Active collaboration in the designing and implementing of all ageing-related policies.

In a long-lived society, participation in society hinges on intergenerational cooperation, accessibility and use of cutting-edge information and communication tools, political participation, volunteering and involvement in hobbies and cultural activities. It is important that individuals feel safe in society. This requires a zero-tolerance approach to age discrimination, ageism (in particular neglect) and all forms of violence (psychological, physical, economic), an approach that must in any case apply with regard to all vulnerable population groups (children, persons with disabilities, frail older people).



Forging of ties and cooperation between generations

The forging of ties and cooperation between and within generations enhances intergenerational harmony and mutual understanding. It mainly involves the exchange and transfer of experience and knowledge, mutual assistance, socialising, learning and expansion of the social network. In a long-lived society, this is an important factor improving the social participation of older people and alleviating loneliness. In order for intergenerational cooperation to succeed, people need to be aware of the necessity of this cooperation for the benefit of the entire society.

Guidelines:

- Develop opportunities and encourage young and old people to engage in intergenerational transfer of knowledge in many fields, and promote examples of best practice (for example the project Symbiosis, the creation of intergenerational centres and new structures that facilitate cooperation and the forging of ties – related to the guidelines in the chapter Employment);
- Foster mutual assistance within and outside the family circle: grandparents – grandchildren, concern for older people and disabled relatives (related to the guidelines in the subchapter Healthcare and long-term care systems);
- Raise awareness about the importance of intergenerational cooperation (including through participation in educational programmes).

Use of information and communication technologies to improve participation of older people in society

Progress in cutting-edge information and communication technologies (ICT) has been creating substantial benefits in all areas of life and work, but from a user standpoint it is a major challenge for older people. There is a widening gap between the digitally literate and the digitally illiterate individuals, and there is a risk of a widening intergenerational gulf. However, the use of information technology has the potential to improve the social participation of the older population (access to information and services, communication with friends and family, participation in social networks, learning and education opportunities, telecommuting). It can significantly improve their independence, give them more and better

control over their lives, and facilitate social contacts. It is therefore necessary to provide older people with access to ICT and train them so they can use it.

Guidelines:

- Expand geographic availability of ICT and broadband coverage;
- Improve digital literacy and e-knowledge of the older population;
- Improve affordability and usefulness of devices and services.

Prevention of age discrimination

Ageism or age discrimination is the systematic discrimination of persons based on age. It comes in many shapes, from stereotypes and prejudice to various kinds of abuse, in particular neglect and favouritism. Age discrimination appears in all age groups, but younger and older people are at greater risk, especially those over 80. Age discrimination significantly affects the enjoyment of human rights, and among the older population it may take the form of restricted access to employment, healthcare, education/training and social services; being ignored or excluded from the decision-making process, derision owing to age.

Guidelines:

- Active awareness-raising about age discrimination and the promotion of a positive image of older people;
- Better provision of information to the older population (and all vulnerable groups) on possible forms of help in the event of discrimination;
- Educate the competent agencies to recognise discriminatory practices;
- Ensure systematic collection of data and interdepartmental coordination concerning violence and discrimination.

Personal safety of older people

Due to frailty and other reasons, older people may be at greater risk of becoming victims of crime in private and public spaces, including burglaries, muggings and petty theft. Older people, especially those in need of permanent or occasional assistance, may become the victims of psychological, physical and economic violence. Not only does violence have seri-

ous health and social consequences for the individual and society, it also remains poorly investigated, frequently unrecognised, and rarely reported.

Guidelines:

- Raise awareness among the older population and the general public about violence and other unlawful acts targeting older people;
- Systematically train healthcare and social workers, police and others that come into contact with violence to recognize, prevent and report abuse and violence against older people;
- Strengthen inter-institutional cooperation in tackling abuse, violence and other illicit acts against older people;
- Create favourable conditions to assist victims of violence and other unlawful acts (legal and psychological counselling, safe houses);
- Education on safe use of the internet in communication and shopping.

Safeguarding and exercise of the rights of older people

The human rights of older people and the exercise thereof are a particular challenge for policies concerned with population ageing. Age and potential dependence do not in themselves justify restricting any of the inalienable human rights that others enjoy.³⁶ Regarding the human rights of older people, particular attention must be paid to those who need the assistance of others. Despite their frailty and dependence, they have the right to dignity, self-determination, autonomy and support in taking decisions if they cannot make decisions themselves. Even older people who need the help of others must have the right to privacy, and in particular the right to adapted, high-quality and individualised care, and the right to die in dignity and with respect.

Notwithstanding the pressing issue of the exercise of the rights of older people, the older generation is justified in its concern for its future but it must also responsibly consider the rights and needs of other generations.

³⁶ For all generations, rights in employment, education/training, social protection, access to services and housing are particularly important.

Guidelines:

- Raise awareness among all population groups, in particular older people, of the importance of human rights, which are universal, indivisible, inalienable and interdependent;
- Create favourable conditions for the effective elimination and prevention of any indirect or direct age-related discrimination;
- Strive to formulate international standards on the protection and exercise of the human rights of older people;
- Appoint a special formal group comprising representatives of the competent government departments, the Human Rights Ombudsman and non-governmental organisations to deal with the human rights of older people.

Volunteering

Volunteering fosters the participation of older people in society and improves the functioning of the broader community. It allows older people to use their skills, develop new knowledge, expand their social network, and strengthen their social status; it prevents loneliness and isolation, and it enhances intergenerational ties. At the same time, it allows individuals to express their creativity.

Guidelines:

- Promote the volunteering of older persons (accessibility, provision of information, enhance the image of volunteering in society);
- Promote quality volunteering programmes for the provision of care and support for the independent living of older people;
- Promote quality volunteering programmes wherever older people live;
- Provide regular training for volunteers, mentors and organisers of volunteering.

Amateur, cultural and sports activities

Amateur and cultural activities provide individuals with the opportunity to express their creativity. Participation in cultural, sports and recreational activities improves the quality of life and strengthens intergenerational cooperation in a long-lived society. Older people are less likely than younger and middle-aged people to visit cultural sites and events, or go to the cinema, and they are less likely to do sports or exercise.

Guidelines:

- Provide opportunities for older people to participate in cultural activities;
- Improve accessibility of cultural services;
- Improve accessibility of sports and recreation tailored to older people, and encourage older people to participate;
- Expand programmes of lifelong cultural education;
- Expand programmes promoting the creativity of all generations.

Political and civil participation

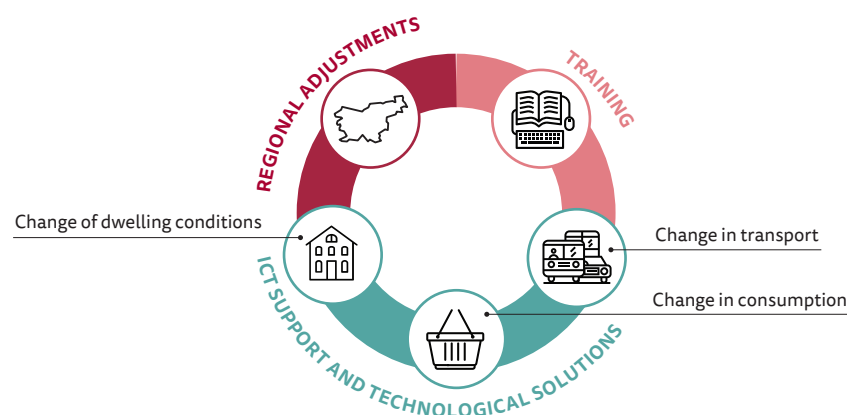
Political and civil participation are mechanisms through which citizens get involved in the crafting of political and civil initiatives, and where they represent their interests, desires and needs. The changing proportions of older and younger people in political decision-making processes will transform intergenerational relations, which will affect the balancing of the interests of different generations.

Guideline:

- Create conditions for the development of dialogue and political and civil participation of the population at all levels of political decision-making (access to information, tools to comment on legislative proposals, mechanisms for independent proposals and initiatives); give older people rights and access to advocates who represent and safeguard their interests.

3.5.4 Creating an environment for active ageing

One of the main ways of addressing the altered age structure of the population is to create an economic and social environment that accommodates the needs of all generations and ensures that older people can live independent and active lives. Aside from making adjustments in the economy (see chapter Employment), it is essential to adapt dwelling conditions and transport infrastructure, a process which increasingly involves advanced technological solutions. A system of long-term care that involves informal caregivers is also an important part of the conditions for quality ageing in the home environment.



Care and support in everyday activities (informal caregivers)

The majority of older persons want to spend old age in the home environment and age with dignity while maintaining a high quality of life. Compared to other countries, Slovenia's home-based care is underdeveloped.³⁷ Older people living at home may be in the care of formal and informal caregivers. The latter care for people with a chronic condition, disability or other long-term health or care requirement but do not have any formal professional or employment status. They are typically not paid for their work.

³⁷ The share of those receiving home care in Slovenia was 6.5% in 2014 (OECD21 in 2013: 8.9%).

Guidelines:

- Promote the integration of different types of support for informal caregivers (e.g. the Forget-Me-Not Society) through the establishment of a national coordinating system;
- Organise education and informal training for informal caregivers;
- Secure rights for informal caregivers (e.g. the right to rest and payment).

Adjustment to altered consumption patterns

Older people are becoming an increasingly important segment of consumers, in terms of size and total purchasing power, and they are triggering new consumption trends. Supply has already partially adapted to the altered structure of consumption, while technological achievements pave the way for new products, services and solutions that significantly contribute to satisfying the needs of a long-lived society. However, additional initiatives and media campaigns will be needed to accelerate these adjustments. The international project Age-Friendly Cities³⁸ defines an age-friendly city as an "inclusive and accessible urban environment and social harmony that promotes active and healthy ageing."³⁹ The researchers have found that solutions friendly to older people are friendly to all generations.

Guideline:

- Create a business environment and incentives for the development of new products and in particular services that reflect the demand of a long-lived society (guidelines with regard to consumption adjustments have been included in other areas as well: new occupations such as counselling and support of older persons, long-term care, education, transport, online shopping security).

³⁸ Ramovš, J., et al. (eds.) (2013): Staranje v Sloveniji. Raziskava o potrebah, zmožnostih in stališčih nad 50 let starih prebivalcev Slovenije (Ageing in Slovenia. Study on the needs, capabilities and views of the Slovenian population over 50). Anton Trstenjak Institute, Ljubljana.

³⁹ WHO, (2007): Global Age-friendly cities. A Guide. Geneva: WHO; Age-Friendly Rural and Remote Communities: A Guide. (2006). Federal/Provincial/Territorial Ministers Responsible for Seniors. Canada.

Adaptation of dwelling conditions

A high share of the older population lives in owner-occupied residential buildings, they often reside in homes that are too big or ill-suited to their needs, their housing mobility is low⁴⁰, and the provision of certain long-term care services is hampered. Additionally, there is a lack of non-profit rental housing, and the market value of the “housing assets” of older people is often low. Extension of independent living in the home environment requires adaptations of living space and care services, and different institutional and community housing.

Guidelines:

- Adaptation of the living environment for (extended) independent living of older people in the home environment, which needs to be integrated into multiple policies (housing, social, planning). These adaptations and new living arrangements include:
 - i) *Adjustments of the living environment* to extend independent life in the home environment: homes for the entire life adapted to all ages, smart homes, remote surveillance, other mobile services and home services;
 - ii) *Different institutional and communal living arrangements*: sheltered housing for those who can no longer fully take care of themselves but can still live fairly independent lives; housing cooperatives and residential communities; caretaker families for older people; day centres; flats specifically designed for older people;
- Facilitate the swap or sale of housing assets for the purchase or lease of sheltered or smaller homes;
- Develop age-friendly cities and communities (according to WHO methodology) which provide opportunities for permanent participation of older people in all segments of social life in their communities commensurate with their needs, desires and abilities; facilitate access to housing for young people and promote intergenerational cooperation with alternative housing arrangements and other planning solutions;
- Improve housing mobility so that all generations may live in suitable homes;

⁴⁰ The housing fund of older households has seen very few adaptations specifically for older people; the share of specifically adapted homes in Slovenia is the fourth lowest among the SHARE countries (Mandič, 2015).

- Promote housing renovations to improve quality of life at home (e.g. energy retrofit, functional adaptations of homes).

Adjustments of transport and transport infrastructure

Older people have greater demand for public transportation, they often have reduced mobility, and in advanced age the ability to independently operate a vehicle is seriously limited. In urban areas the requisite adjustments will be different from those in rural areas, where the share of older people will rise at a faster pace.

Guidelines:

- Improve accessibility (for older people) of public transportation and, in the future, of autonomous vehicles.
- Provide safe access to structures with well-designed public spaces and built environment;
- Regularly refresh the traffic-safety knowledge of older drivers and adjust car design to accommodate older people;
- Provide equal opportunities for access to transport services in rural and marginal areas.

Regional adjustments

The pace of population ageing is not uniform across all regions and these differences will widen further. The population will coalesce in urbanised areas, mostly in the central part of the country. Accordingly, the populations of all other regions will decline, the sharpest contraction projected in Zasavska, where the share of those over 65 will increase the most.

Guideline:

- Strengthen regional economies based on their developmental strengths while preserving a polycentric structure of the urban system.

Education and training of older persons for independent living

Older people need a variety of new knowledge to live quality lives independently, in areas ranging from healthy lifestyles to concern for mental and physical health and the use of ICT. It is therefore necessary to develop educational programmes adapted for older people and to facilitate their participation therein.

Guideline:

- Develop and make accessible (in financial, planning and physical terms) educational programmes for older people with content improving their quality of life.

3.6

PARTICIPATION OF ALL STAKEHOLDERS AND AWARENESS RAISING

Changes in the age structure of the population require that the entire society adjust, that public awareness be raised regarding the consequences of demographic change, that the entire society and all individuals realise the importance and urgency of actively responding to demographic change, and that ongoing dialogue be conducted between all stakeholders about these adjustments. Participation of the general public and the dissemination of information will therefore be instrumental in the crafting of actionable measures on the basis of the proposed guidelines, and also in their execution. A permanent system of information dissemination and the raising of public awareness will be put in place, and regular formalised dialogue with all stakeholders will be established.

Activities associated with the participation of stakeholders and the raising of public awareness:

- The Slovenian Government to adopt a communication strategy for the Active Ageing Strategy based on an understanding of the positions, values and needs of individual groups of stakeholders and citizens;
- The Slovenian Government to establish a formal framework for permanent dialogue among all stakeholders and their active participation in the crafting of measures and changes across the applicable areas;
- The Slovenian Government to create a system for the ongoing dissemination of information to the public.

ACTION PLANS AND MONITORING IMPLEMENTATION OF THE STRATEGY

After the adoption of the Active Ageing Strategy, the Slovenian Government will draw up action plans with specific solutions to implement the guidelines. These action plans must be consistent to facilitate accomplishment of the objectives. They must be harmonised and consistent with the strategy's guidelines at the national, regional and local levels. Since some policy changes fall under the purview of multiple departments, the measures will be formulated through a process of inter-ministerial coordination and cooperation.

In conceiving responses to the challenges of a long-lived society, measures in many other areas, and not just the guidelines in the Active Ageing Strategy, will have a significant impact, among them: promotion of sustainable economic growth and strengthening of economic development, family policy and a migration policy promoting the immigration of foreign labour and its integration. The Active Ageing Strategy may focus on measures for high-quality ageing, but it will be harmonised with developmental documents dealing with these other areas. Adjustment of budget planning for a targeted programme budget that ensures coordination of the planned activities within the accepted fiscal frameworks will be particularly important.

Activities concerning the implementation and monitoring of the strategy:

- Based on the guidelines, ministries to prepare two-year action plans (or four-year or longer depending on the duration of the processes in question) complete with implementing measures;
- Implementation to be monitored through Active Ageing Index indicators;
- A body in charge and a method of monitoring to be designated (roadmap and use of indicators, checking compliance with strategy guidelines);
- A procedure to be put in place to verify and supplement the strategy based on changes in the economic and social environment.

BIBLIOGRAPHY AND SOURCES

Active ageing (2012). Special Eurobarometer no. 378. Accessed in March 2017 at: https://ec.europa.eu/eip/ageing/library/special-eurobarometer-378-active-ageing_en.

Active Ageing Index 2014. Analytical Report. Dosegljivo marca 2017 na spletni strani: <http://www1.unece.org/stat/platform/display/AAI/Active+Ageing+Index+Home>.

Börsch-Supan, A. (2016). Survey of Health, Ageing and Retirement in Europe (SHARE) Wave 5. Release version: 5.0.0. SHARE-ERIC. Data set. DOI: 10.6103/SHARE.w5.500.

Börsch-Supan, A., Kneip, T., Litwin, H., Myck, M., Weber, G. (Ur.) (2015). Ageing in Europe – Supporting Policies for an Inclusive Society. Berlin: De Gruyter.

Börsch-Supan, A., Brandt, M., Hunkler, C., Kneip, T., Korbmacher, J., Malter, F., Schaan, B., Stuck, S. and Zuber, S. (2013). Data Resource Profile: The Survey of Health, Ageing and Retirement in Europe (SHARE). *International Journal of Epidemiology* DOI: 10.1093/ije/dyt088.

Brynjolfsson, E., McAfee, A. (2014). *The Second Machine Age: Work, Progress and Prosperity in a time of Brilliant Technologies*. W. W. Norton & Company.

Drole, J., and Lebar, L. (eds.) (2014). Podpora samostojnemu bivanju v domačem okolju in dolgotrajne oskrbe. Analitsko poročilo DP5 projekta AHA.SI. (Support for independent living in the home environment and long-term care. Analytical report of WP5 project AHA.SI)

Eurofound (2016). Extending working lives through flexible retirement schemes: partial retirement. Dosegljivo na spletni strani: <https://www.eurofound.europa.eu/.../extending-working-lives-through-flexible-retire>.

Istenič, T., and Sambt, J. (2015). Slovenia from socialism to market economy: rapidlay increasing dpendence on intergeneration (public) transfers.

Kavaš et al. (2015). Podaljšano zaposlovanje in odloženo upokojevanje. Projekt aktivno in zdravo staranje v Sloveniji (AHA.si). (Extended employment and deferred retirement, Project of active and healthy ageing in Slovenia (AHA.si))

Malter, F., and Börsch-Supan, A. (Eds.) (2015). *SHARE Wave 5: Innovations & Methodology*. München: MEA, Max Planck Institute for Social Law and Social Policy.

OECD (2016). *Generation Next: How to Prevent Ageing Unequally*.

OECD (2014). *The silver economy as a pathway for growth*.

Resolucija o nacionalnem planu zdravstvenega varstva 2016–2025 »Skupaj za družbo zdravja« (ReNPZV16-25). (Resolution on the national healthcare plan 2016–2025 "Together for a society of health" (ReNPZV16-25). Official Gazette RS, No. 25/16.

Resolucija o nacionalnem programu socialnega varstva za obdobje 2013–2020 (ReNPSV13-20). (Resolution on the national programme of social protection for the period 2013–2020). Official Gazette RS, No. 39/13.

Véron, J., Pennec, S., Légaré, J. (Eds.) (2007). *Ages, Generations and the Social Contract: The Demographic Challenges Facing the Welfare State*. Springer.

Voljč (2016). Javno-zdravstveni pomen padcev med starejšimi in preventivne usmeritve. Analitsko poročilo v okviru Delovnega sklopa 4. projekta AHA.SI. (The impact on falls among the elderly on public health and prevention guidelines. Analytical report in the framework of workpackage 4 of the project AHA.SI).

WEF (2016). Kai Leichsenring, European Centre for Welfare Policy and Research, 2016.

Active ageing strategy

Published by: Institute of Macroeconomic Analysis and Development of the Republic of Slovenia and Ministry of Labour, Family, Social Affairs and Equal Opportunities

Editors: Marijana Bednaš, MSc, Alenka Kajzer, PhD

Members of the core working group for the preparation of the Active Ageing Strategy:

Marija Pukl, Head, Boštjan Vasle, MSc, Davor Dominkuš, MSc, Alenka Kajzer, PhD, Marijana Bednaš, MSc

Translated by: Sebastijan Razboršek Maček

Language editing: Amidas d. o. o.

Design: Mojca Bizjak, IMAD

Print: Eurograf d. o. o.

Circulation: 500 copies

Ljubljana, January 2018

CIP - Kataložni zapis o publikaciji
Narodna in univerzitetna knjižnica, Ljubljana

314(497.4)

ACTIVE ageing strategy / [editors Marijana Bednaš, Alenka Kajzer]. - Ljubljana :
Institute of Macroeconomic Analysis and Development of the Republic of Slovenia :
Ministry of Labour, Family, Social Affairs and Equal Opportunities, 2018

ISBN 978-961-6839-37-2 (Institute of Macroeconomic Analysis and Development
of the Republic of Slovenia)

1. Bednaš, Marijana
293293056