

Older citizens and Demographic Change in the Baltic Sea Region – What does the future hold?

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Outline

- Demographic Change (DC): Definition and assessment
- DC in the BSR: Development of total population
- DC in the BSR: Development of the working-age subgroup
- Labour supply of Best Agers (55+)
- Conclusions



DC = Population ageing, with the perspective of shrinking

- Population ageing
 - low (or decreasing) fertility rates
 - increasing life expectancy (individual ageing)
- Population shrinking = decrease in the number of inhabitants
 - fertility rates lower than mortality
 - migration does not fill the gap
- There are different measures of ageing, such as
 - change in mean or median age
 - changes in particular age groups
- The *perspective* of shrinking is measured by the Net Reproduction Rate (NRR <1)



Demographic change: An assessment

Individuel Level

... story of success

Business Level

... engine of growth?

Macro Level

... challenge / chance



Past Trend in the BSR: Sustained ageing

- in DE since 1970
- in FI, DK and SE since the early 1950ies, with episodes of decreasing mean age in the 1990ies in DK and SE
- for the Baltic States data since 1970: sustained ageing with episodes of decreasing mean age in the 1980ies
- for PL data since 1990 (sporadic data before): always ageing
... in terms of an increase in mean age



Past Trend in the BSR: Divergent population development

- in DE population decrease since 2003
- in SE, FI and DK population growth since 1950, with episodes of shrinking in FI in the 1970ies and in DK in the 1980ies
- in the Baltic States population growth through the early 1990ies, shrinking thereafter
- in PL population growth until 1999, then 10 years of decrease; recently growth again



The future of total BSR population 2008-2030

Sweden

Ageing: 1.9 years
Growth: + 11.8%

Finland

Ageing: 3.3 years
Growth: + 5.1%

Estonia

Ageing: 3.2 years
Growth: - 5.3%

Latvia

Ageing: 3.9 years
Growth: - 10.4%

Denmark

Ageing: 2.9 years
Growth: + 6.1%

Lithuania

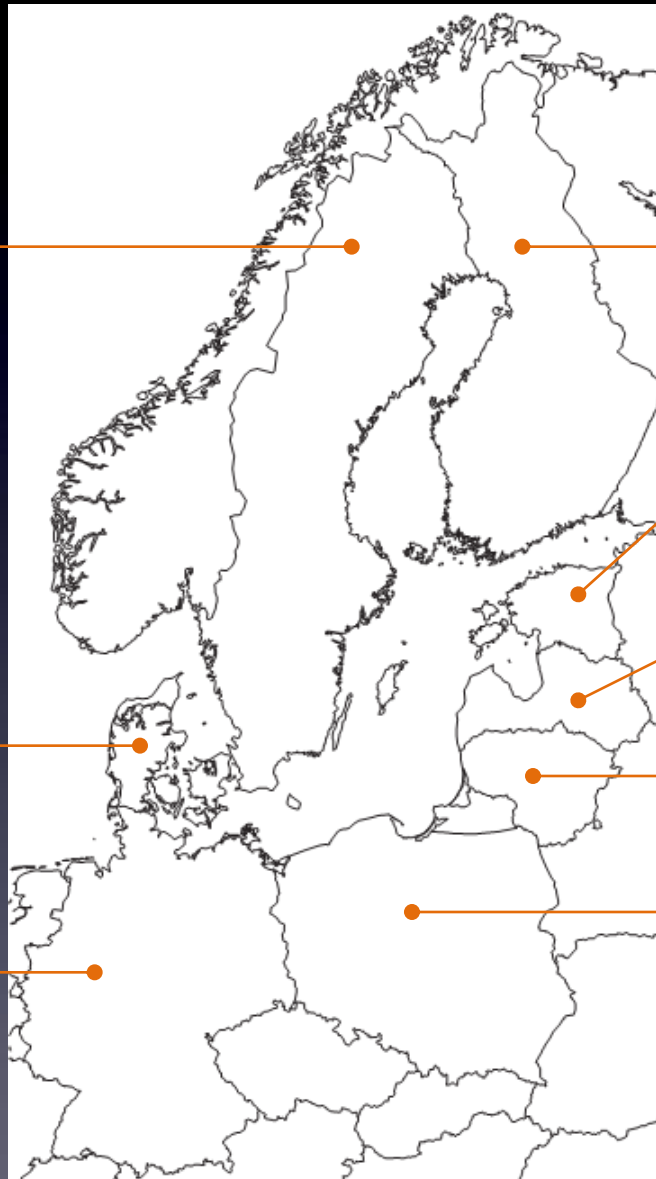
Ageing: 4.8 years
Growth: - 8.4%

Germany

Ageing: 4.1 years
Growth: - 2.5%

Poland

Ageing: 6.1 years
Growth: - 3.0%



Eurostat 2008 projection

Summary: Past and Future DC in BSR total population

Eurostat 2008 projection

	1990-2008		2008-2030	
	Ageing	Growth	Ageing	Growth
DE	3.7 years	3.9%	4.1 years	- 2.5%
DK	1.4 years	6.6%	2.9 years	6.1%
EE	4.3 years	- 14.6%	3.2 years	-5.3%
FI	3.6 years	6.6%	3.3 years	5.1%
LT	4.4 years	- 8.9%	4.8 years	- 8.4%
LV	4.2 years	- 14.9%	3.9 years	-10.4%
PL	5.0 years	0.2%	6.1 years	- 3.0%
SE	1.5 years	7.7%	1.9 years	11.8%



The future of working-age BSR population (age group 55-64)

Sweden

Ageing: 0.2 years
Growth: + 2.4 % (+ 3.0%)

Finland

Ageing: - 0.5 years
Growth: - 8.2% (-15.5%)

Estonia

Ageing: 2.1 years
Growth: - 12.1% (+ 4.9%)

Latvia

Ageing: 2.9 years
Growth: - 16.7% (+ 6.4%)

Denmark

Ageing: - 0.4 years
Growth: - 3.1 % (+ 2.2%)

Lithuania

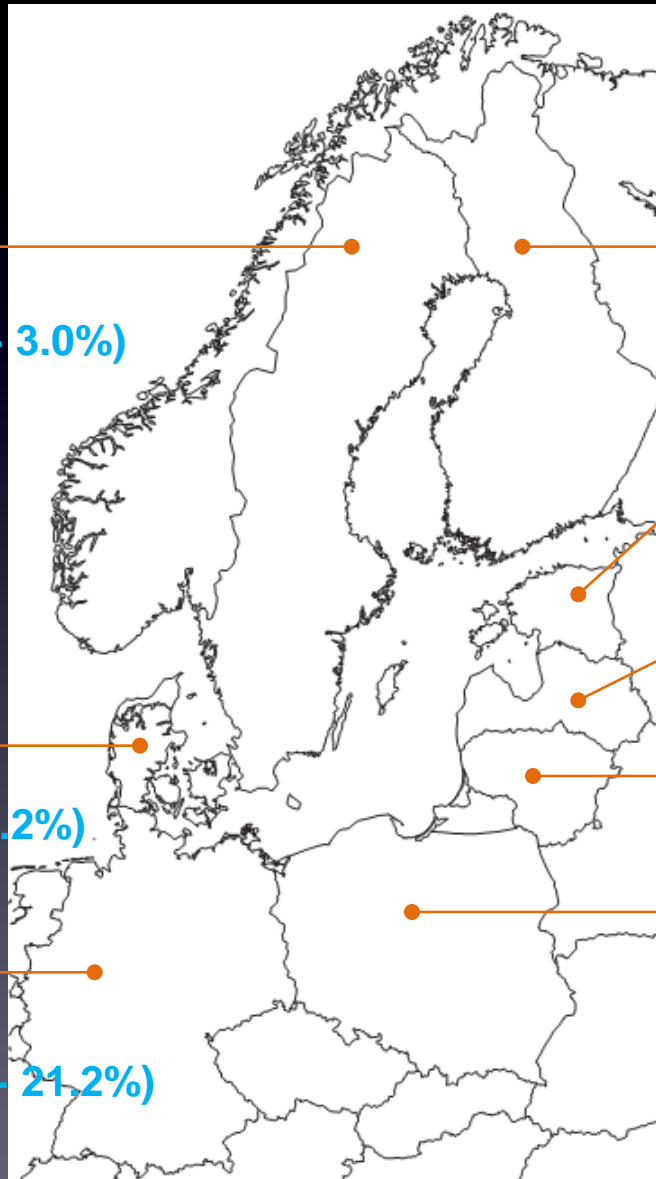
Ageing: 3.2 years
Growth: - 15.1% (+ 19.7%)

Germany

Ageing: 1.6 years
Growth: - 12.0% (+ 21.2%)

Poland

Ageing: 2.8 years
Growth: - 12.8% (+ 1.5%)



Eurostat 2008 projection

Summary: Future DC in BSR total and working-age population
Eurostat 2008 projection **2008-2030**

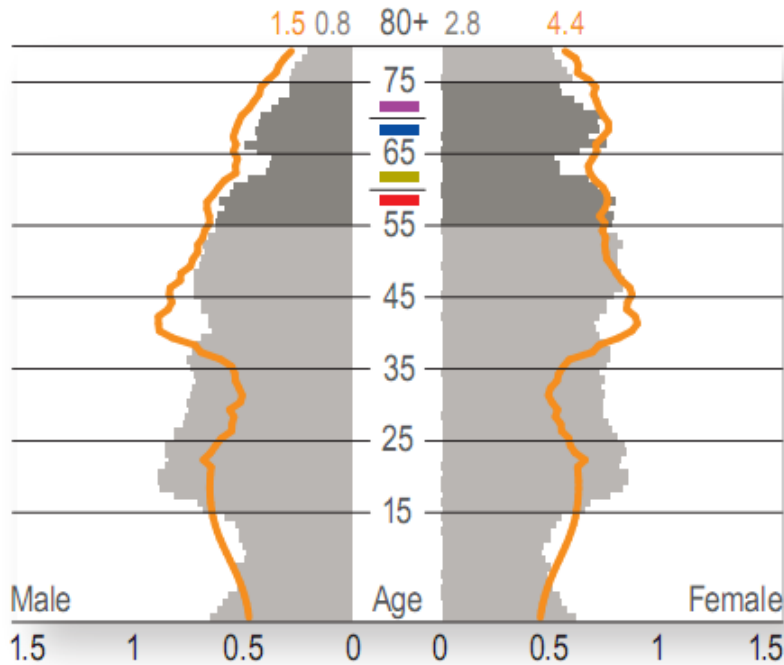
	Total population		Working-age subgroup	
	Ageing	Growth	Ageing	Growth
DE	4.1 years	- 2.5%	1.6 years	- 12.0%
DK	2.9 years	6.1%	-0.4 years	- 3.1%
EE	3.2 years	- 5.3%	2.1 years	- 12.1%
FI	3.3 years	5.1%	-0.5 years	- 8.2%
LT	4.8 years	- 8.4%	3.2 years	- 15.1%
LV	3.9 years	- 10.4%	2.9 years	- 16.7%
PL	6.1 years	- 3.0%	2.8 years	- 12.8%
SE	1.9 years	11.8%	0.2 years	2.4%



Estonia

Age Structure

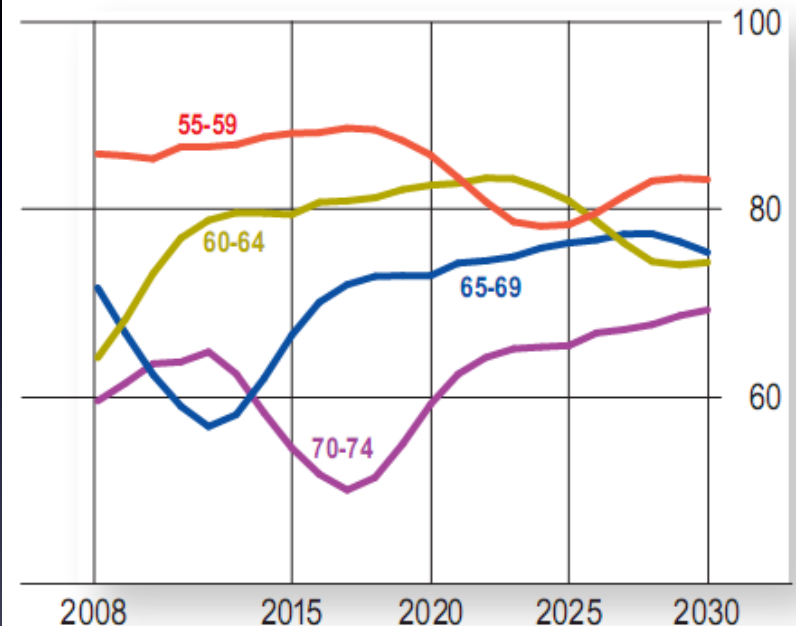
Age Groups (% of Total Population) 2008 and 2030



Change in Active Best Agers

2008 – 2030, by Age Groups

Thousand



Labour force participation rates, 2008

15 – 24	41%
25 – 49	89%
50 – 54	86%
55 – 64	65%
65 – 74	18%

Growth rate of working-age population 2008-2030

55-59	- 25.8%
60-64	- 12.7%
65-69	- 6.3%
70-74	4.9%
80+	10.2%

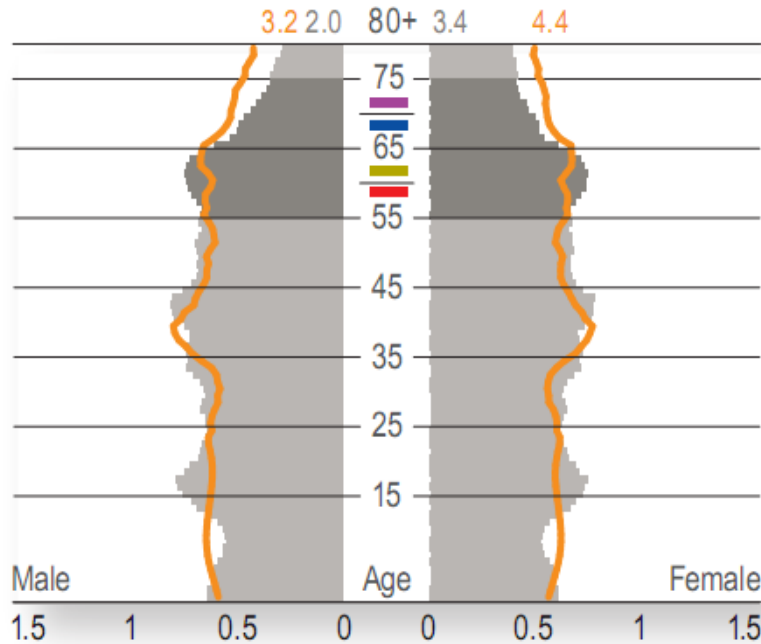
*Eurostat 2008 projection
LFS 2008*



Sweden

Age Structure

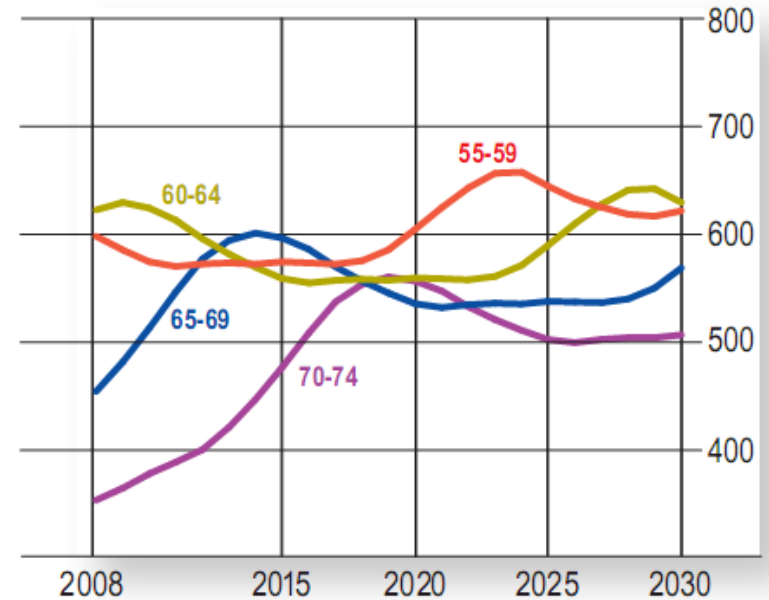
Age Groups (% of Total Population) 2008 and 2030



Change in Active Best Agers

2008 – 2030, by Age Groups

Thousand



Labour force participation rates, 2008

15 – 24	53%
25 – 49	91%
50 – 54	88%
55 – 64	73%
65 – 74	12%

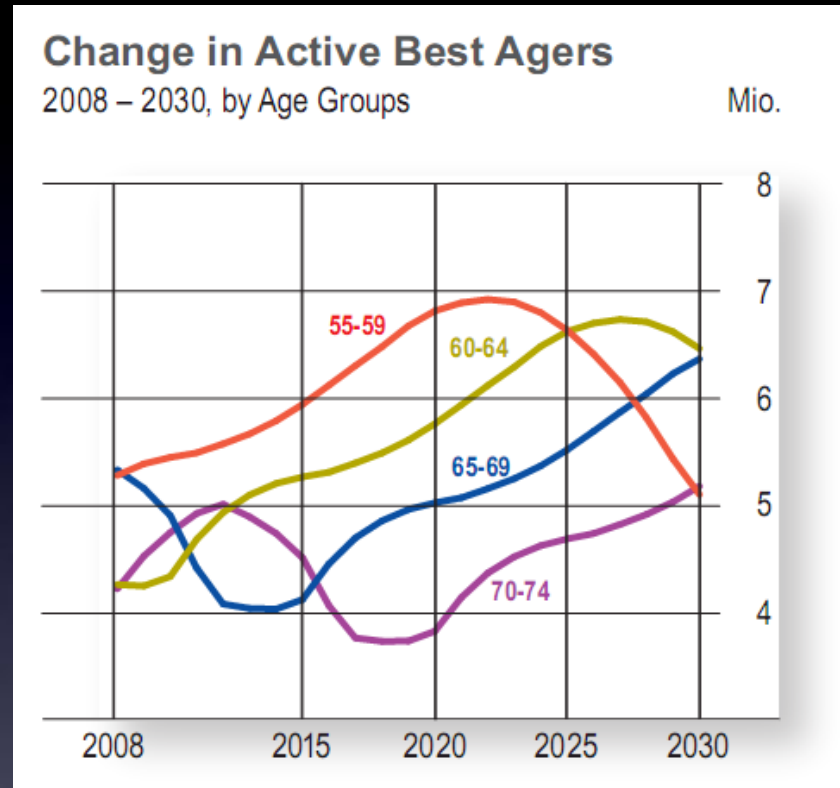
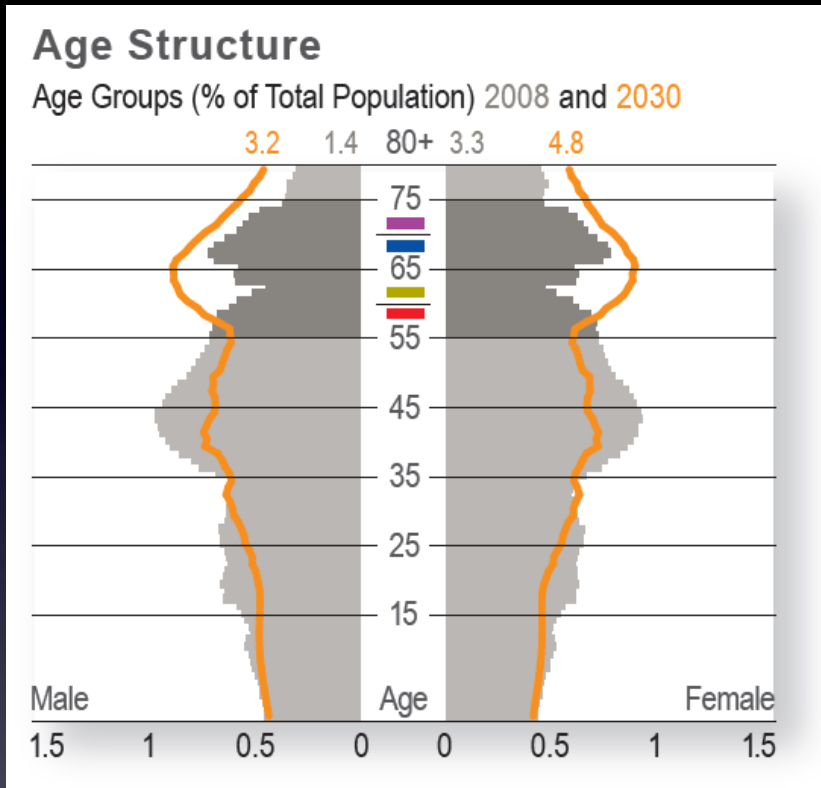
Growth rate of working-age population 2008-2030

- 1.3%
4.1%
1.3%
3.0%
33.1%

*Eurostat 2008 projection
LFS 2008*



Germany



Labour force participation rates, 2008

15 – 24	53%
25 – 49	88%
50 – 54	85%
55 – 64	59%
65 – 74	6%

Growth rate of working-age population 2008-2030

- 23.3%
- 17.9%
- 18.2%
21.2%
20.9%

*Eurostat 2008 projection
LFS 2008*



Conclusions

- High regional demographic diversity in the BSR
Projected ageing varies between roughly 2 and 6 years
Projected population growth varies between roughly -10% to +12%
- DC in the working-age subgroup differs from DC in total population
Projected ageing varies between -0.2 and 3.2 years
Projected population growth varies between roughly -17% and +2%
- Generally, the working-age population is shrinking even where the total population is still growing. In DK and FI the working-age population shrinks but gets younger
- The age-groups with currently high labour participation rates generally shrink (or grow only slowly)
- Best Ager groups with currently low labour participation rates generally grow fast



Thanks for your attention!