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The demographic development in Germany will essentially be characterised by a decreasing total population number in the course of the next decades and a markedly changing age structure of its population. Such demographic change will also result in changes in the decades ahead and confront German politics, its economy and society with a great challenge. Such demographic ageing process of the society is not, however, found in Germany only but in all industrialised countries and to an increasing extent in developing countries as well. In view of the increasing share of older people and the decreasing share of younger persons it is an overriding political task of the federal government and a task of the economy and society to contribute to a well-balanced structure of the interests of the young and the old.

(1) Perception and policy related to the family, fertility and reproductive health

Under Article 6 of the Basic Law of the Federal Republic of Germany, marriage and family enjoy the special protection by the state. As before, family and marriage still enjoy a high social reputation in the Federal Republic of Germany and are still, for a large majority of young people, objectives worth striving for. Although the average number of children has been on the decrease over the long run in Germany, the federal government does not consider it as its task to provide a future target in terms of birth numbers. In its view, parents must be free in determining the number and date of births of their children. So as to ensure this freedom of discretion, obstacles to the wish to have children, must however be removed as far as possible.

Social changes sometimes also affect families and impose a heavy burden on them. The divorce rate of marriages has risen considerably since the mid-60ies, related to the number of weddings performed since the early 80ies, one third of such marriages has been divorced against an even rising trend. There is also an increase, among young people, in the number of one-person households and the number of unmarried the number of weddings performed since the early 80ies, one third of such marriages has been divorced against an even rising trend. There is also an increase, among young people, in the number of one-person households and the number of unmarried couples living together. However, the vast majority of unmarried couples marries some time, especially when children are born. The vast majority of minors live with both their parents.

The general conditions for **reconciliation of family life and economic activity** have been improved in the last years. To this end, the federal government has introduced or further developed important legal measures such as the child-raising benefit and child-raising leave regulation, counting of child-raising and nursing times for relatives towards the pension insurance, enhanced release from work when a child has fallen ill, the Second Equal Rights Act,

improvement of the Maternity Protection Act as well as the reform of employment promotion. In this context efforts made with a view to implementing the legal right of a child to a place in a kindergarten and the protection against dismissal by the employer, introduced for the period of child-raising leave, should be highlighted.

In an effort to further approximate family work and economic activity, important progress was made last year by gradually raising the evaluation of three insurance years per child in the calculation of the relevant pension (for births before 1992 one year per child), as from 1 July 1998, from 75% of the average income of all persons covered by a pension insurance, to 100%.

In the last years the federal government has raised the benefits in order to improve the **economic situation of families**. It has established a new structure of and increased the equalization of family burdens, with the result that its total volume has been increased by some 30% from OM 37 billion (1995) to almost DM 50 billion (1997).

The subsistence level of children is included in income taxation by a standardized child-raising benefit rising with the number of children for every child. The effect on the one hand is tax-exemption of the subsistence level of children required by the German constitution and on the other a decreasing benefit given a rising household income. In addition, costs of children are also accommodated in other transfer and tax regulations.

In Germany, every person who cannot, or can only insufficiently, earn his own living with individual forces and means, above all through his income or property, receives subsistence benefits under the Federal Social Welfare Act, Hence every child is also entitled, in case of need, to own benefits granted under this Act. The level of benefits is based on a socio-cultural minimum standard providing for the possibility to participate in social life. The average amount needed for a child is currently DM 640 per month, At the end of 1996, some 2.69 million persons in 1.38 million households received subsistence benefits, Whereas the share of older people in the overall number of persons receiving subsistence benefits is far below average, especially the number of single female parents and hence the share of children is high. One cause for having to apply for subsistence benefits is unemployment.

In compliance with the programme of action of Cairo (8.25) the federal government holds the view that terminations of pregnancies are not a method to plan a family. Accordingly, terminations of pregnancies must strictly comply with legal provisions. The Act Amending the Act on Pregnant Women and Family Benefits which entered into force in 1995 was the last step to a new regulation of the law on terminations of pregnancies in Germany. Under it, terminations of pregnancies are allowed if a doctor establishes that there are medical or criminological reasons justifying such a termination or if the pregnant woman has requested such termination and has furnished proof, with the help of a certificate issued by a recognized counselling centre for pregnancy conflicts, that she has been given counselling at least three days prior to such termination and that no more than 12 weeks have passed since conception. The pregnancy may basically only be terminated by a medical doctor, upon the pregnant woman's consent.

The supporting measures laid down in the Act on Pregnant Women and Family Benefits of 1992 with the aim of preventing terminations of pregnancies largely remain unchanged. This Act inter alia provides for comprehensive social assistance and entitlements to counselling as well as for the

funding of contraceptives prescribed by doctors, by the statutory health insurance funds up to the age of 20.

In important areas, the results of the International Conference on Population and Development on the topic „**Women and Health**“ were confirmed and further developed by the 4th World Conference on Women. For the first time, the concept of the women's own responsibility for their sexuality has been laid down and defined. The **women's human rights** include their right to sexual self-determination. Such right includes the right to make decisions, free of constraints, discrimination and violence, as regards family planning. Another success was the adoption of far-reaching formulations on sexual education of young people and in view of the prevention of sexually transmitted diseases, including AIDS. The Copenhagen decisions on the importance of health-care services and general access of women and girls to necessary and adequate services and institutions was confirmed.

The Federal Republic of Germany has a **health-care system** ensuring equal access to all health services and institutions for women and men. The network of counselling centres for sexuality, family and life conflicts has become more open and established in our society. Also, the needs of women concerning preventive and women-specific counselling are more and more accommodated in the counselling offer for health matters. The offers of the Federal Centre for Health Education have made a substantial contribution to this development. The measures combating the immune deficiency disease AIDS and other educational measures of state health services accommodate women and men to the same extent.

The Federal Centre for Health Education has the legal mandate to distribute federally standardized information material describing contraception methods and contraceptives geared to the needs of the relevant target groups. To this end, it refers to findings of scientific research. Such information material is given free of charge to individuals at their own request and also as teaching material to schools and institutes for vocational training, to advisory bureaux and all institutions for youth and educational work. Since sexuality is an integral part of physical and psychological health, sexual education and family planning/contraception are also parts of health education.

The measures are based on principles of health promotion and underline the importance of strengthening individual competence and responsibility.

The most-used contraceptives in Germany are the pill and the condom. The AIDS information campaign in the last years has been successful in creating and strengthening the citizens' readiness to protect themselves against AIDS. The use of contraceptives and sterilisation measures are subject to every individual's discretion. Legal measures in this regard are not planned in the future either.

(2) Perception and policy concerning mortality and health

The aim of **health policy** is to maintain, promote and, in the case of illness, restore the citizens' health. Some 90% of the German population, that is 74 million citizens, are covered by the statutory health insurance scheme, a comprehensive system of measures safeguarding health which is available to all citizens without hindrance and which is efficient. The remaining 10% of

the German population are covered, with very few exceptions, by private health insurance funds or in free health-care schemes for soldiers and police officers.

As is the case with other Western industrialized countries, the German health service and its statutory health insurance scheme are confronted with great challenges. Against the background of an increasing number of older people, rising life expectancy of the general population and medical as well as technical progress, it will be essential to further develop the health-care system while maintaining the existing high-quality level. At the same time, prerequisites must be created that ensure that expenditures of statutory health insurance funds can further be financed, making the burden for contributors (employees and employers) affordable and clearly comprehensible. The federal government has accommodated these objectives with the health-service reform extending the personal responsibility of both the self-administration itself and of the insured in the statutory health insurance scheme.

The overall group of the people over 60 years of age cannot generally be classified as a high risk group in terms of health. **Impairments in high age** are often chronic consequences of diseases and harm acquired at the medium age of adults which are harder and harder to compensate for. Effects of the natural ageing process (decrease in vitality, restrictions in the function of the senses, decrease in resources, increasing fragility of personal health) can lead to complications which then result in disease patterns that are typical of senior citizens. The results of the Berlin study on old-age, however, show that people over 80 years of age have to face a substantial risk of health deficits. By supporting appropriate model projects, qualification of staff in the health-care service and the development of appropriate structures in individual federal states, the federal government contributes to Improving the health and quality of life of older people.

As in other highly industrialized countries with a high life expectancy, heart and cardiovascular diseases and cancer diseases are the most frequent **causes of death**. The federal government supports medical research with substantial resources. In the "Comprehensive Programme on Cancer Control" all relevant partners co-operate so as to bundle 2nd implement findings and options as swiftly as possible. The major risk factors for both cancer, heart and cardiovascular diseases such as smoking, excessive alcohol consumption and false nutrition are inter alia addressed by the Federal Centre for Health Education by appropriate measures such as information, education and supporting measures for changes of one's own life style.

For many years, representative surveys have been conducted in Germany on the **consumption behaviour** of young people and adults relating to **psycho-active substances** (alcohol, tobacco, medicines, illegal drugs), the most recent one in 1997. Hence it has become possible to follow, in the form of trend analyses, the abuse situation in Germany and to identify new consumption patterns and groups. In addition, a national documentation system has been maintained in advisory bureaux for drug addicts and their families and in relevant treatment institutions since 1998, a system providing information on the need for assistance, the use of these institutions, aid offers and changes relating to drug consumption. These representative surveys and national documentation systems serve as a planning basis for measures on the prevention of habit formation and the development and further development of the aid system. In 1990, the National Programme on Drug Abuse Control was adopted. In subsequent years, the federal government also submitted programmes of action to promote non-smoking and combat alcohol abuse.

A prerequisite for a successful health policy is the availability of sound statistical data. Apart from recording specific infectious diseases subject to a registration requirement and apart from cancer registers at L^onder level, the Federal Statistics Office also maintains an age-specific register for

causes of death. A further data pool represents accounting and prescription data of registered doctors, ie data filed with health insurance funds, and also diagnosis statistics of hospitals. The latter also provide information on lengths of stay in hospitals, gender and age in connection with ICP diagnosis keys.

Upon completion and evaluation of a representative health survey carried out throughout the Federal Republic of Germany in 1997/1998, data will soon also be available on the occurrence of selected diseases and their risk factors for the German population aged between 18 and 79.

(3) Perception and policy related to population ageing

The federal government considers the shifts in the age structure of Germany's population caused by the fall in the birth rate and the increase in life expectancy, as a central challenge. Society, politics, the economy and social security systems must be focused on these facts.

The federal government's policy is aimed at ensuring appropriate participation of older people in working life. Older employees are experienced, motivated and efficient. Politics and companies must work together so as to enable the working world to use their potential.

The legislator has already, with the Act to Promote the Gradual Transition of Elderly Workers into Retirement which entered into force on 1 August 1996, created the prerequisites for older people to be economically active for a longer period, by providing the opportunity to reduce one's working time as a full-time employee by 50%, upon completion of the 55th year of age, instead of early retirement. Under this scheme, these people receive, as a rule, 70% of the net remuneration estimated at a flat rate if they were full-time employees. Working time may especially be reduced in one block in the release from work in the last years before retirement.

In Germany, the share of persons over 60 in the total population has been rising continuously (from 1950 to 1995 from 15% to 21%). The share of old people will also in the future continue to rise to 36.8% in 2040. The share of younger age groups up to 20 years amounted to 21.5% in 1995 and will decrease to 15.1% in 2040. The ratio of old people (people over 60 compared with people between 20 and 60 years of age) will more than double from 36.6 in 1995 to 76.4 in 2040.

During the last years, strong younger birth cohorts in terms of numbers - the children of the babyboomers in the late fifties and early sixties - have entered **the training and labour market**. In addition, there has been a constant and strong influx of new labour as a result of the immigration of repatriates and foreigners. In total, net immigration has amounted to 4.6 million persons from 1988 to 1996.

The increasing number of young people which will initially continue to rise for demographic reasons until 2007, ie young people looking for training or a job, will continue to require considerable efforts by the economy and politics.

From approximately 2010, the labour force potential will decrease and have ever more older birth cohorts. There will be a marked shift in the ratio between the economically active and those who are no longer economically active up to 2010; ageing of the population will then even accelerate dramatically.

In the economically active population, above all the group of persons between 50 and 65 years of age will have a substantially larger share while the share of persons between 15 and 30 years of

age will decrease. Companies will then have to fare substantial changes in the make-up of their employee structure.

Infrastructure and social services must be based on an **older population** whose number will increase in the long run. People in need of care receive assistance for their necessary help and care under the **long-term care insurance scheme** established in 1995; the efforts of family members nursing these people, however, remain necessary.

The **number of geriatric institutions and services** in the Federal Republic of Germany has risen considerably from 97 in 1993 to 316 in 1997.

The fact that the demographic development has sweeping repercussions **on old-age security** is not contested. The German social policy has already made considerable efforts so as to stabilise total social insurance contributions and hence the rate of social contributions on the whole in the medium term and to keep it within tolerable limits in the long run.

The Pension Reforms since 1988 contain measures which, against the background of market globalisation, contribute to easing the burden "On the factor labour" and hence to preserving the competitiveness of Germany as a place to do business and to safeguarding existing and creating new productive jobs and which adapt to a large extent the statutory pension insurance to demographic changes that have already taken place or that are to be expected in the future. Such reforms aim at a balanced distribution of burdens.

These lows have markedly dampened the foreseeable trend in contribution rates. Hence the options for early claiming an old-age pension before the age of 65 have been reduced substantially. Those who claim their old age pension early, ie before reaching the age of 65 (for severely disabled persons: before the age of 63), must accept a deduction of 3.6% for every year in which this pension has been claimed early. In addition, the rise in pensions has been slowed down by different measures.

The „Three-Pillar-Model" in principle applies to old-age security in Germany. The basis of old age security for almost everyone is the statutory pension scheme, benefits relating to public officials, the farmer's old-age assistance and the pension funds for the free professions, which for their different target groups form the first pillar. The statutory pension scheme has never aimed at full insurance for old age. In addition to it, supplementing benefits for old age are necessary, if an undesired extent of lower incomes is to be prevented at pensionable age. This function for a considerable share of older people is performed by the supplementary old-age pension insurance for employees (second pillar) and individual provision (third pillar). These supplementary insurance schemes include the old-age pension benefits of the private sector and the supplementary scheme for the public service.

Provisions made by companies and individuals are playing an ever more important role in supplementing the statutory old age insurance scheme in Germany. New forms of investment funds already extend the options for individual provision. From 1999, employees with a low or medium income will obtain considerably improved incentives, especially for the acquisition of shares in companies. The promotion of capital formation by employees is not, however, especially geared towards long-term investment for one's old age.

(4) Perception and policy concerning international migration

In the years from 1988 to 1996, Germany admitted some 10,4 million persons from other countries (immigrants). This number includes some 2.3 million ethnic Germans from the states of the former Eastern bloc. Taking outmigration to foreign countries into account, the balance of immigration is 4.6 million, 1.7 million Germans and 2.8 million foreigners. The federal government's policy is aimed at the integration of foreigners staying in Germany on a legal and long-term basis. The integration policy is the response to our responsibility towards foreigners attracted from 1955 and 1973 and the permission of subsequent immigration of dependants. Some 4.8 million of a total of 7.3 million foreigners come from former recruitment countries.

The federal government believes that the majority of these persons will stay in Germany on a long-term basis. This applies above all to foreigners born and grown up in Germany (so-called second and following generation). There is no alternative to integration for this group of persons (integration into the economic, social and cultural life in the Federal Republic of Germany).

The political aim is to allow foreigners to lead a life in Germany with equal chances through compensation for disadvantages, equal opportunities - especially access to employment - and strengthening of their self-esteem. In this process, foreign citizens should not be required to fully adapt to the German way of living. Foreign families are entitled to tolerance and understanding on the part of the German population and to maintain their cultural identity, Integration imposes requirements on Germans and foreigners. Its success also largely depends on the willingness of foreign families to accept basic values of the German constitution (separation of state and church, the position of women, religious tolerance) and to comply with laws (such as the obligation to go to school) and on their interest in learning the German language.

The integration measures contribute to a better understanding and living together of Germans and foreigners. The promotion of integration by the Federal Republic of Germany which is based on a long-term development has hence a preventive effect against discrimination and xenophobia.

Integration is facilitated by legal frameworks enabling a safeguarded stay and labour market status. Together with the Länder, local authorities and social groups the federal government offers manifold aids for integration - especially to children and young people.

The task of integration is performed by the Federation, the federal states and local authorities but also by social groups (churches, trade unions, employers, welfare institutions, clubs) and by many individual initiatives.

So as to achieve integration of foreigners living on a legal and long-term basis in Germany, it is necessary to strictly limit further immigration of foreigners from states outside the European Union and the European Economic Area (non-EU-states) and to prevent illegal immigration.

From so-called non-EU-states, Germany only admits family members in the framework of subsequent immigration of dependants to join family members living in Germany (basically only spouses and children under the age of 16 years) and those who suffer from political persecution. So as to limit undesired immigration, Germany has also adopted measures to prevent an abuse of the asylum law. With effect from 1 July 1993, Germany has substantially amended its asylum law. Under the new law, persons are no longer admitted to the asylum procedure who have stayed in a

safe third country applying the Geneva Convention relating to the Status of Refugees and the European Convention on Human Rights. The new regulations have considerably reduced the number of asylum-seekers (in 1992: some 438000; in 1997: 104000). As higher burdens were expected, with this regulation relating to third countries, for the Eastern neighbouring states of Germany, agreements were concluded with the Republic of Poland and the Czech Republic in May 1993 and November 1994 on how to address migratory movements. Financial assistance has also been agreed in this context to cope with refugee problems.

Currently high unemployment makes it necessary to effectively restrict further inflow of foreigners to Germany and to the German labour market. The same applies to burdens on the social systems not least imposed by foreigners who are required to leave the country and hence stay illegally in Germany. Consistent repatriation of rejected asylum-seekers and other foreigners staying illegally in Germany is a central issue for the solution of the general migration problem.

In order to terminate illegal stays in one country, the help of another country is always necessary. A foreigner's requirement to leave the country can solely be met and his stay ended in Germany if he travels to another country. Generally all states require border documents for entry into that state, especially a valid passport from own nationals. This is the reason why foreigners delay and in some cases completely avoid the termination of their stay by not producing or by destroying their passport.

With a view to tackling these problems more efficiently than before, the aim is to conclude readmission agreements with all major countries of origin and with all neighbouring states; such agreements must include an obligation to even readmit those nationals who do not hold a valid passport, whose nationality is, however, clear or for whose nationality prima facie evidence can be furnished. A large number of readmission agreements has already been concluded. Agreements with Romania (1992), Bulgaria (1994), Croatia (1994), Vietnam (1995), Bosnia and Herzegovina (1996), Yugoslavia (1996) and Morocco (1998) can be highlighted,

With the entry into force of the Treaty on European Union (TEU - "Maastricht Treaty") on 1 November 1993, co-operation among the member states of the European Union in the areas of aliens and asylum policy, ie a form of co-operation so far solely established under international law, has found a new institutional level. The member states' co-operation in the areas of justice and interior policy is now laid down in title VI in Articles K ff TEU (so-called "third pillar"). In the years since 1993 a number of important ministerial decisions has been adopted addressing the processing of applications for asylum and the admission and legal position of non-EU-nationals.

Due to the existing disparities in the labour markets and social systems and the entire economic environment, the imminent eastward expansion of the EU will impose a heavy burden on Germany. In particular, some parts of the German labour market will face a substantial burden. In the event of the admission of Poland and the Czech Republic, it will therefore be crucial to provide for sufficient transitional periods before freedom of movement can fully be introduced.

(5) Perception of the government regarding the need for policy-related collection of data and research

25 years ago, the federal government founded the Federal Institute for Population Research, because the need for information on the causes and effects of the demographic development

became evident and rose steadily, not least owing to the decreasing number of births and the increase in immigration. As policy consulting must be based on safe data, close co-operation between the Federal Institute for Population Research and the Federal Statistics Office was provided for and the Institute was given the possibility to carry out own data surveys.

The federal government is firmly convinced that developments in population and family structures do not make a halt at borders and therefore it considers it indispensable to perform research work co-ordinated with other countries, since only with the help of internationally comparable data, a competent analysis and hence a better understanding is possible as regards demographic processes and their causes and effects.

It is particularly commendable that the initiative and co-ordinating activities of the Population Activity Unit (PAU) of the ECE made it possible to observe and analyse these transboundary trends (eg Family and Fertility Survey (FFS); Population Policy Acceptance Survey (PPA)). Comparative evaluation of such co-ordinated surveys opens up the opportunity to separate general trends occurring in every country, irrespective of country-specific particularities, from developments occurring in one country only and which can hence also rather be influenced, it is supposed, by political measures. Finally, close co-operation also results in efficiency gains by avoiding double research and by economic use of resources.