



# GOVERNMENT OF THE REPUBLIC OF LITHUANIA

## RESOLUTION No 737

of 14 June 2004

### ON THE APPROVAL OF THE NATIONAL STRATEGY OF OVERCOMING THE CONSEQUENCES OF AGEING

Vilnius

Implementing the 2002 United Nations Madrid International Plan of Action on Ageing and the Regional Implementation Strategy of the Madrid International Plan of Action on Ageing (Berlin), the Government of the Republic of Lithuania **h a s r e s o l v e d**:

1. To approve the National Strategy of Overcoming the Consequences of Ageing (as appended).

2. To charge the Ministry of Social Security and Labour:

2.1. to coordinate the implementation of the National Strategy of Overcoming the Consequences of Ageing;

2.2. to draft, within 3 months from the entry into force of this Resolution, together with the Ministry of Finance, the Ministry of Culture, the Ministry of Transport and Communications, the Ministry of Health, the Ministry of Education and Science and the Ministry of the Interior, the project of the Implementation Measures of the National Strategy of Overcoming the Consequences of Ageing 2005–2013 and submit it to the Government of the Republic of Lithuania.

Prime Minister

Algirdas Brazauskas

Minister of Health, acting on behalf of  
the Minister of Social Security and Labour

Juozas Olekas

APPROVED  
by Resolution No 737 of the Government of  
the Republic of Lithuania of 14 June 2004

## **THE NATIONAL STRATEGY OF OVERCOMING THE CONSEQUENCES OF AGEING**

### **I. GENERAL PROVISIONS**

1. Population ageing is a complex phenomenon that causes various social and economic consequences. The world is searching for the ways how to avoid problems arising due to population ageing and to use new opportunities created by the extended working age.

2. The increasing life expectancy is a major achievement but this phenomenon must be taken notice of in shaping the future economic, social and employment policies. The problem of ageing must be solved not only by special measures but also by those that would help to build a society fit for all people of all ages and that would strengthen solidarity between generations.

3. With a view to solving these issues, the Second World Assembly on Ageing met in Madrid in April 2002 and adopted 2 important documents, obliging Lithuania as well: the Political Declaration and the Madrid International Plan of Action on Ageing. Those world countries that adopt the Political Declaration are resolved to act in 3 priority directions:

3.1. to secure that older persons are active participants and implementers of the process of economic and social development, and have equal access to the provided opportunities. Full conditions have to be created for older persons to take part in political, social, economic and cultural activities. They have to be given the opportunities to work productively, learn and improve, as long as they wish and are able to;

3.2. to ensure health and well-being of older persons, the number whereof will grow, and provide them with necessary social services. Older persons, like all members of the society, must be ensured the right to healthy lifestyle and health care services;

3.3. to create an enabling and supportive environment for older persons – necessary conditions of housing, environmental design and other conditions so that even very old persons live independently, discrimination and violence against old persons is prevented, and particular notice has to be taken of specific problems of older women.

4. The Political Declaration stresses the necessity to strengthen social solidarity and cooperation between generations, mutual responsibility of the older and younger generations, encourages taking action to create a society that would better join all generations.

5. The problem of ageing is more manifest in Europe than in the rest of the world. The United Nations Economic Commission for Europe, gathered at the UNECE Ministerial Conference in Berlin in September 2002, adopted the Regional Implementation Strategy of the Madrid International Plan of Action on Ageing 2002 (hereinafter referred to as the Berlin Regional Strategy).

6. The Berlin Regional Strategy highlights the necessity to expand participation of older persons in the society, foster their social inclusion and independent living, promote equitable and sustainable economic growth in addressing the implications of population ageing, strengthen adequate and sustainable social protection for present and future generations, encourage labour markets to respond to ageing and take advantage of the potential of older persons, promote life-long learning, ensure equal access to high quality health and social care, mainstream a gender perspective in all ageing policies, support older persons, their families and communities in their care-giving roles, and promote intergenerational solidarity.

7. In implementing the Madrid International Plan of Action on Ageing and the Berlin Regional Strategy, efforts of the government and municipal institutions and agencies, and non-governmental organisations have to be coordinated, and joint coordinated actions of social partners of the public and private sectors have to be taken.

8. The problems relating to population ageing are sensitive in Lithuania to the same extent as in other countries. Lithuania, taking active participation in the Madrid Assembly and the Berlin Ministerial Conference, has committed itself to take measures to solve the ageing problem at the country level. This National Strategy of Overcoming the Consequences of Ageing defines national priorities and actions of Lithuania coordinated with the strategies approved at the international level.

## **II. AGEING TRENDS, ESSENTIAL CHANGES AND CHALLENGES CAUSED THEREBY, AND THE STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT) ANALYSIS**

9. Rising life expectancy is the major humanity's achievement predetermined by a lot of positive changes in the most important fields of human activity. The positive changes include the occurring opportunities for families to make a conscious decision about the number of children. Both these processes rapidly change the demographic structure of many countries, thus significantly increasing the number of older persons in the society.

10. Population ageing in Lithuania, like in other states, causes complex social and economic changes of many fields, which have to be correctly assessed and foreseen so that it is possible to timely take actions with short-term, medium-term and long-term impact. The aim of these actions is to use as better as possible the positive consequences of ageing and overcome or mitigate its negative consequences in order to rationally use the country's human capital and form the concept of ageing of the entire society and a separate individual corresponding to new realia.

11. The problem of population ageing is complex – it includes various fields of activity. The new proportion of young and older persons in a society necessitates to adapt the society's available economic (possibilities to take part in the labour market, income level), social security (social guarantees), health care (development of services meeting the needs), full individual's life (housing and environment, infrastructure of settlements, communication,

etc. meeting the needs), policy (power of political and non-governmental organisations) and other resources to the new needs.

12. Social security, employment, environmental protection, housing, education, transport, agriculture, finance, tax, consumer protection policies and policies of many other fields must be adjusted to social development of people of all ages – well-being, health, life quality.

### **Demographic Situation and Changes**

13. Measure of ageing. The main demographical indicator defining the ageing process is the share of older population in the society. According to the resolution of the World Assembly on Ageing 1982, population ageing is described by a share of persons of 60 years of age and older.

14. Ageing. At the beginning of 2003, 693 thousand persons of 60 years of age and older lived in Lithuania, i.e. 20 per cent of the country's population; in 1990, the number of persons of this age was smaller by 100 thousand, and they constituted 16 per cent of the population. Population ageing is essentially predetermined by decrease in births and rising average life expectancy. Lately, the average life expectancy has changed slightly. After decrease in births during the previous decade (1991–2002), in 2003, 30.5 thousand newborns were recorded, i.e. 500 more than in 2002. Decrease in births essentially predetermines population ageing. If the current trends remain, it is forecasted that by 2030 (forecast of the Department of Statistics under the Government of the Republic of Lithuania) there will be about 27 per cent of persons over 60 years of age in Lithuania.

15. Decrease in the number of population. According to the same forecast, by 2030 the number of population in Lithuania will drop by 9 per cent and will reach 3.1 million. This decrease in the number of population could be subdued by immigration; however, the extent of immigration and social-economic consequences are the issues that are difficult to forecast.

16. Population ageing in urban and rural areas. Ageing is particularly felt in rural areas – 24 per cent of persons are 60 years of age and older, in urban areas – 18 per cent. Although births rate is bigger in rural areas, more rapid ageing was predetermined by long lasting migration of population of the rural areas, especially young people, to the cities.

17. Unevenness of ageing. The process of ageing is uneven in various municipalities of the country. The biggest number of old persons is in the municipalities of Eastern Lithuania and Southern Lithuania, e.g. Alytus and Lazdijai, where about 29 per cent of population is 60 years of age and older; the share of population of this age in Ignalina District is 30 per cent, in Anykšciai District – 29 per cent, in Moletai and Zarasai Districts – 27 per cent each. A more favourable age structure is in Samogitia (Western Lithuania), e.g. the share of older persons in Taurage County is 21 per cent, in Telšiai County – 19 per cent.

18. Structure of older persons by gender and age. Demographic ageing is characteristic of men and even more of women. At the beginning of 2003, 252 thousand men and 441

thousand women over 60 years of age lived in Lithuania. Among persons of 60 years of age and older, men constitute only 36 per cent, and among persons of 80 years of age and older still less – 27 per cent. At the beginning of 2003, the indicator of men's demographic old age (60 years of age and older) was 16 per cent, women's – 24 per cent. It is forecasted that by 2030 the indicator of men's demographic old age will be 23 per cent, women's – 31 per cent. It can be stated that one of the fundamental features of population ageing is that most old persons are women. In terms of demographics, a particularly bad age structure is of women in rural areas – currently every third woman is 60 years of age or older.

19. The difference between the number of older men and older women occurred not due to different mortality rate of older persons, but rather due to a high mortality rate of young men. A lot of men of the current older generation lost their lives at war or after the war. If men's mortality rate remains, the proportion of men and women should stabilize in the future.

20. Persons of 80 years of age and older. In modern societies where the average life expectancy is rather long, it is relevant to separate the subgroup of persons of 80 years of age and older. The threshold of 60 years separates persons of the so-called "third age", most of whom have already left the labour market but are still rather active. The threshold of 80 years separates persons of the so-called "fourth age" whose possibilities to ensure physical, psychical and social security are more limited.

21. At the beginning of 2003, 92 thousand persons of 80 years of age and older (2.7 per cent of the population) lived in Lithuania. There were 2.7 times more women of 80 years of age and older than men of the same age. The number of persons of 80 years of age and older has been increasing since 1990, and in 1993 it reached about 100 thousand. In 1994–1999, the number of persons of this age decreased by 18 per cent, and within the recent three years it increased by about 10 thousand.

22. The indicator of dependants, i.e. the number of children and older persons falling per 100 inhabitants of 15–59 years of age, will also increase and its structure will change. In 2030, it should reach 77 (29 children and 48 older persons), as compared to the current indicator, which is 62 (30 children and 32 older persons).

23. The average life expectancy is the number of years lived by a certain generation if the mortality of persons of all age groups did not change. The average life expectancy is the indirect reflection of material and cultural level of living and healthiness. The longest average life expectancy in Lithuania – 72.5 years – was in 1987. At the beginning of last decade, the average life expectancy shortened, and later, with mortality rates decreasing it started extending, and in 2002 reached 72 years of age. The average life expectancy of older persons has changed insignificantly since 1990. Currently, the society ages essentially due to decreasing birth rates rather than due to expanding life expectancy.

24. Lithuania retains a very big difference of the average life expectancy of men and women, but this is mostly due to mortality of younger men. In 2002, the average life expectancy of women was 11.4 years longer than that of men. This difference is particularly

big in rural areas – even 13 years. The difference of the average life expectancy of 60-year old men and women is smaller: women’s average life expectancy is longer by 5.7 years, and the same of 70-year old women – by 3.3 years.

25. The main changes and challenges are the following:

25.1. Lithuanian population is ageing: the number of older persons is increasing. If the current births and mortality rates remain the same, Lithuanian population will continue to age rapidly, and the number of population will significantly drop. This decrease may be partially mitigated by the increased migration. The National Strategy of Demographic (Population) Policy that is being drafted will analyse the country’s demographic problems, determine the aims of priority composite parts of the demographic (population) policy (family well-being, society health and population migration), present a vision, discuss the state’s mission and action directions by 2015.

25.2. Population ageing is currently more predetermined by decreased birth rates rather than by expanding life expectancy.

25.3. Rural population has assumed more rapid ageing rates than urban population. Different ageing rates may be observed in different municipalities.

25.4. The share of women is increasing among older population, their life expectancy is longer than that of men, and this process is particularly evident in rural areas.

25.5. Increase in dependants and changes of their structure are expected: less children and more older persons.

### **Income and Income Guarantees for Older Persons**

26. Households of older persons. According to the data of 2002 survey of household budgets, the head of 32 per cent of households was a person of 60 years of age and older. In urban areas there were 29 per cent of households where the main income earner was a person of 60 years of age and older, in rural areas – 39 per cent. Households of older persons are smaller: 1.8 persons on the average in a household (as compared to the average proportion of 2.6 persons in a household); 90 per cent of such households are the households of pensioners.

27. Income of older persons. The main source of income of older persons is a pension (65 per cent of their monetary income). Pension as the main income source was indicated by 91 per cent of persons of 60 years of age and older, income from employment – by 6 per cent. Although almost 40 per cent of older persons lived in rural areas, only 1.3 per cent of them indicated their household farm as the main source of income; however, about a half considers work in a household farm an additional source of income.

28. In 2002, household income of older persons was slightly lower than medium – LTL 416 per capita per month, i.e. 99 per cent of the average national disposable income, of them monetary disposable income – LTL 350, i.e. 97 per cent of the average national disposable income. Thus, according to the data of household surveys, currently the standard of living of older persons does not differ much from the average national standard of living.

29. Income derived from work of older persons. The number of older persons who derive income from work has stabilized lately – about 60 thousand, or about 10 per cent of all recipients of old-age pensions.

30. Pensions. The main role in ensuring social security of persons of retirement age in the old age is currently performed by state social insurance old-age pensions. A share of persons of retirement age receives state social insurance disability pensions. Beside social insurance pensions, social assistance and state pensions are also paid in the Republic of Lithuania. Thus the current Lithuanian pension system consists of three separate parts of the pension system: social insurance pensions, state pensions and social assistance pensions. After adoption of the laws on the accumulation of pensions in July 2003, since 2004 the pension system of current financing will be complemented by the system based on the accumulation principle. Persons who have decided to participate in this system may, starting with 2004, accumulate a part of the state social pension insurance contribution in private pension funds and receive an additional benefit from the accumulated funds together with their social insurance pension in their old age.

31. Social insurance pensions. According to the data of the State Social Insurance Fund Board of September 2003, about 608 thousand persons, or 17.4 per cent of the population, received state social insurance old-age pensions. The bigger share of them was women – 68.1 per cent of pension recipients.

32. In 2003, LTL 3528 million was allocated for the state social insurance pensions, or 6.4 per cent of the gross domestic product of that year (hereinafter referred to as GDP) – LTL 54846 million, according to preliminary data. If expenditure on social assistance and state pensions was added to this expenditure, we would see that the country allocates more than 7 per cent of the GDP for pensions. Furthermore, it is necessary to take notice of the fact that pensioners receive compensations for heating, hot and cold water, and transportation. If these benefits are also included, a bigger share of GDP would fall on pensioners.

33. In 2003, 87.8 per cent of persons of retirement age received old-age pensions. A big share of other persons received disability pensions. In total, 97.4 per cent of the country's population of retirement age received social insurance old-age or disability pensions (about 686 thousand).

34. At the end of 2003, the average old-age pension was LTL 345, or 40.8 per cent of the average wage (neto), whereas in Belgium – 66 per cent of the average wage, in Ireland – 81 per cent, in Portugal – 89 per cent. During 2000–2003, the average old-age pension increased by 9.2 per cent. Actually, the average amount of pensions received by a person of old age is larger (the norm of change also bigger) because not a few (33.4 per cent) persons of old age receive other state social insurance and state pensions beside old-age or disability pensions. However, it must be admitted that the pensions are too small, and the share of GDP that falls on pensions is smaller than in European Union Member States (in Spain – 9.4 per cent, in Denmark – 10.5 per cent, in France – 12.1 per cent, in Austria – 14.5 per cent). One of the important reasons, due to which the share of GDP for pensions cannot be increased, is a

particularly unfavourable and one of the smallest in Europe proportion of the insured and pensioners.

35. Since the introduction of the independent social insurance system, the share of the insured falling per one pensioner (one paid social insurance pension) has been decreasing. In 1991, one paid pension fell per 2.1 working persons, in 1995 – 1.56, in 2000 – 1.23, in 2001 – 1.19. The situation partially stabilized in 2002, and in January 2003 one paid social insurance pension fell per 1.23 insured persons. After 1 January 1995, the old-age retirement age was gradually increased, and the number of recipients of old-age pensions decreased by 12 per cent, but the number of recipients of disability and widow's/widower's pensions has been growing (15 per cent).

36. Early old-age pensions. Since 1 July 2004, early social insurance old-age pensions shall be awarded and paid to persons registered as unemployed for not less than one year who have the period of pensionable service of at least 30 years and for whom not more than 5 years are left until attaining the old-age retirement age. Pensions shall be reduced by 0.4 per cent for a person for every full month until a person attains the old-age retirement age. Early old-age pensions are considered a provisional measure that allows supporting the above mentioned persons until the possibilities of the labour market are such that employment possibilities of persons of pre-pension age do not differ from other age groups.

37. Social assistance pensions. Such pensions may also be awarded to the persons who have attained old-age retirement age. Social assistance pensions are attributed to social assistance benefits. Their recipients are persons who, due to objective reasons, have not acquired the period of pensionable service and thus are not entitled to social insurance or disability pensions. In January 2003, about 60 thousand persons received social assistance pensions; most of them not due to old age but rather due to disability. Persons, who have attained the old-age retirement age, are awarded social assistance pensions in the amount of the state social insurance basic pension (according to the data of the end of 2003, LTL 152).

38. State pensions are awarded to persons who have rendered outstanding merits to the Republic of Lithuania, victims of the occupations of 1939–1990, scientists, servicemen and officials, judges and other persons. Award of these pensions is related not to social insurance risk (old age, disability) but to other reasons (merits to the state, work under certain occupations, etc.). Since recipients of state pensions usually have acquired social insurance rights, such pensions are paid together with social insurance old-age and disability pensions. In total, in 2002, state pensions were received by about 109 thousand persons, of them about 93.5 thousand persons received victims' state pensions. These pensions guarantee to their recipients an additional source of living in the old age because they are paid together with social insurance old-age or disability pensions.

39. Prospects of the accumulation of pensions. Accumulation of pensions means accumulation of a portion of the state social insurance contribution in private pension funds. Since participants of the accumulation of pensions pay a smaller contribution to the State Social Insurance Fund budget, the additional portion of their social insurance old-age pension,

which depends on the amount of social insurance contributions, will be smaller for the period during which a person participated in the accumulation of pensions. Such reduction of a social insurance old-age pension paid from the State Social Insurance Fund budget is expected to be compensated by a pension (annuity) from the funds accumulated in the pension fund.

40. Introduction of the accumulation of pensions is an important measure which not only ensures bigger income to Lithuanian residents in their old age but also softens the consequences of population ageing. If part of the funds of provisional surplus from the State Social Insurance Fund budget is allocated for accumulation, no possibilities are left to unreasonably increase the future obligations of the fund, and the withdrawn funds are deferred for hard times.

41. Scope of pensions. The problem of long-term perspective is that every year the number of persons who are not entitled to pensions is increasing. According to the data of social assistance divisions of municipality administrations, during the III quarter of 2001, there were about 3 thousand (2959) persons who were not entitled to social insurance old-age or disability pensions, although they had attained old-age retirement age or were rated as disabled. In 2002, there were already 4346 such persons. They all need social support. Currently, the problem of such persons' pensions (old-age or disability) is not very delicate, because after the reform of the pension system of 1994–1995 a person's period-of-service acquired before 1 June 1991 was held equivalent to the period of social pension insurance. After 10–15 years Lithuania will encounter serious problems because not a few persons of retirement age will not have paid social insurance contributions in their life (or will have paid for a very short period). These are persons beyond the limits of official employment, also those who have worked only according to copyright or other agreements, according to which pension insurance contributions are not calculated, a share of those who have worked abroad, a share of farmers and their partners exempt by laws from payment of social insurance contributions. All these persons will not be entitled to receive social insurance pensions, thus they will have to be supported by social assistance measures.

42. Financial perspectives and forecasts of the pension system. Due to demographic structure of population (decreased births rate, expected increase in life expectancy) the proportion of the number of payers of social insurance contributions and pensioners will significantly decrease. It should be noted that even according to the optimistic forecasts (increasing births rates), the proportion of the number of payers of contributions and pensioners may be 1, i.e. the number of payers of social insurance contributions will be approximately the same as the number of pensioners. If the births rates remain the same, 12.5 pensioners will fall per 10 payers of contributions.

43. Since 2005 the labour market will be recruited by persons born in 1985–1990, when births rates were higher, thus this demographic wave will determine the surplus of the social insurance budget in 2005–2030. Then the low births rate wave and expanding of the average life expectancy may cause deficit of the State Social Insurance Fund budget in 2040–2100. These indicators may get worse, if 2005–2015 sees intensive emigration of young

people. In such a case the surplus of the mentioned budget is smaller and the later deficit remains the same or even increases.

44. Other types of social insurance: situation and the prospects. The process of ageing will affect other types of social insurance as well, mainly – sickness and occupational accident, occupational disease insurance. Prolonging working age of the population may be supposed to affect the paid amounts of sickness benefits because older employees have weaker health; however, such effect is not expected to be very big.

45. In terms of occupational accident and occupational disease social insurance the largest risk group includes persons from 51 to 55 years of age (17 per cent of the events), from 41 to 45 years of age (16 per cent of the events) and from 56 to 60 years of age (12 per cent of the events). Persons of 56–60 years of age are most vulnerable for occupational diseases. With the number of occupational accidents and occupational diseases increasing each year, and the paid amounts of annuities increasing, the overall expenditure of occupational accidents and occupational diseases social insurance will go up as well. Population ageing may cause the increase in insured events, because the largest risk group is persons of 50–60 years of age. Thus in the future the tariff of occupational accidents and occupational diseases social insurance may have to be specified or the conditions of awarding these benefits changed.

46. Cash social assistance. Families of older persons, whose income per one member is lower than the state supported income (LTL 135 per month), and persons of retirement age living alone and not earning income from other sources, are awarded social benefit. In 2003, social benefit was received by 3.5 per cent of all permanent residents of Lithuania per month on the average. The average amount of social benefit for one family member was LTL 66.

47. Persons who earn low income and who are not able to pay for dwelling maintenance are awarded compensations for the most necessary services (heating, cold and hot water). A family pays not more than 25 per cent of the difference of its income and minimum income for the heating of the normative area of dwelling. The expenses for obtaining solid and other fuels are compensated at the same procedure. Families (persons) pay not more than 5 per cent of their income for the used hot water, but not exceeding the established norm, and not more than 2 per cent of their income – for cold water. Averagely 15 per cent of the country's population is awarded compensations for the expenses of heating and water per month of the heating season. With prices of dwelling maintenance being high, compensations are a strong and very necessary support for persons of retirement age.

48. Since April 2004, after the new Law on Cash Social Assistance for Low-Income Families (Single Residents) came into force (Valstybes Žinios (*Official Gazette*), 2003, No 73-3352), socially more just system of monetary support will be created. Having regard not only to family (person's) income but also to the property owned, support will reach those persons who are mostly in need of it.

49. Consumption expenditure. Consumption expenditure of households of older persons in 2002 was LTL 419 for a person per month, i.e. 0.7 per cent more than the country's

average. This was influenced by the composition of such households: there were nearly no children. Less persons of retirement age own a car, they are applied transport privileges, thus transportation expenditure made only 59 per cent of the average national expenditure in households of older persons. In 2002, health care expenditure was 2.3 times bigger than the national average in households of older persons (for a person).

50. The structure of consumption expenditure of older persons differs significantly from the structure of expenditure of all households. Comparable share of food expenditure of all consumption expenditure reaches 47 per cent in the households of such persons (41 per cent in all households). The comparable share of expenditure on housing and public utilities, health care and communications is increasing.

51. Households of older persons have less devices of cultural and domestic purpose.

52. Poverty rate of older persons. Households of older persons more often than average households fall below the relative poverty rate. In 2002, poverty rate among the households of older persons was 18.8 per cent (16.6 per cent on the average in the country). Among the households of older persons in urban areas the number of those below the poverty rate was bigger than among all households in urban areas, and smaller in rural areas.

53. If comparing the poverty rate in the groups of persons of a certain age, the number of older persons below poverty rate was smaller than the country's average. This means that those older persons who lived with children or other younger persons and who were not the main income earners in a household lived slightly better on the average than those who were the main income earners in their household.

54. The main changes and challenges are the following:

54.1. Social insurance old-age pensions are and will be the main income source in the old age. A big share of recipients receive too small old-age or disability pensions, and they have been growing too slowly so far. This hinders a part of older persons from living a full life.

54.2. After 10–15 years, Lithuania will have not a few residents of retirement age who will not have the rights of social insurance. Such persons will have to be supported by social assistance measures. The current system of social assistance pensions will have to be expanded so that such measures can be applied.

54.3. Although the proportion of payers of contributions and recipients of benefits may improve for a short period of time, eventually this proportion will significantly worsen and pose menace for financial stability of the system of social insurance pensions. This problem is sharpened still more by a recently legitimated possibility to receive early social insurance old-age pensions.

54.4. The accumulation system, although it is more resistant to financial consequences of ageing, may also encounter the problem of financial stability because more and more persons will wish to use the funds accumulated in pension funds, and the number of new accumulation participants will relatively drop.

54.5. A certain gender inequality remains in the pension system: unequal age of retirement, disputable problem of the annuity of accumulated pensions.

54.6. Ageing will increase a load on sickness insurance and even more – on occupational accidents and occupational diseases insurance.

54.7. Although, according to statistical data, older persons fall below the poverty rate only slightly more than the rest part of the society, monetary social benefits – social insurance and social assistance pensions, benefits and compensations are too small. In the future they should increase, and legitimacy of their awarding should improve. Contradictory trends may occur – the number of recipients will decrease due to the improving standard of living, but also increase due to non-acquired rights of social insurance.

### **Employment**

55. Employment of persons of pre-pension age and older and their situation in the labour market. Rapid general changes of population employment especially affect the situation of older persons in the labour market. According to the data of employment surveys of the Department of Statistics under the Government of the Republic of Lithuania, in 2003 (during 9 months on the average), the employment rate of 55–59 years old persons was 62.3 per cent in the country (15–64 years old persons – 61 per cent). With the age increasing, employment starts decreasing rapidly: according to the same data, employment of 60–64 years old persons – 27.8 per cent, and 65 years and older persons – only 5 per cent.

56. During 2000–2002, employment of persons older than 60 years of age decreased; however, in the first half of 2003, their employment rate increased.

57. Differences in employment of men and women are more noticeable from 60 years of age. Employment rate of men of 60–64 years of age is almost 2 times bigger than that of women. It has been noted that activity of Lithuanian residents of 55–64 years of age of both genders in the labour market exceeds the average indicators of the European Union Member States.

58. Employment of persons of pre-pension age in rural areas was bigger than in urban areas (66.4 and 60.3 per cent respectively) in 2003 (during 9 months on the average). In 2002, the biggest part of population of this age worked in agriculture, hunting and forestry (26 thousand, or 25 per cent), enterprises of manufacturing industry (16 thousand, or 15 per cent), educational establishments (14 thousand, or 13 per cent), commercial enterprises (8 thousand, or 7 per cent). Most men of pre-pension age worked in agriculture (15 thousand) and manufacturing enterprises (8 thousand), women – agriculture and educational establishments (11 thousand each). Persons over 60–64 years of age, of 65 years of age and older also mainly work in agriculture (12 thousand and 10 thousand respectively).

59. Participation of older persons in the labour market is mainly predetermined by changed employment conditions. There is less demand for unqualified or less qualified labour. Older persons who do not acquire the necessary qualification in time are more often

dismissed from office as not able to work in a new environment; however, increasing the retirement age does not allow them becoming pensioners yet.

60. A part of persons of pre-pension or retirement age is not able or does not wish to work full time (unfortunately, their number is unknown), but that does not mean that they do not wish to work at all. They could be offered a flexibly organised job (division of a position by introducing part-time work and refusing overtime, more flexible organisation of shifts, fixed-term, home, agency, distance work, independent employment, services, seasonal work, etc.). So far such work has been developed poorly. Less than 10 per cent of all Lithuanian employees work part-time (in European Union Member States – more than 17 per cent). Employment of older persons is limited by workplaces not adjusted to them, non-observance of industrial health and safety requirements.

61. It is particularly difficult for women of pre-pension and retirement age to find employment. According to the data of the sample survey of population employment conducted in May 2000 by the Department of Statistics under the Government of the Republic of Lithuania, there were almost 31.8 per cent of employed men of 55 years of age and older, whereas the share of such women was only 17.5 per cent. Furthermore, the situation in the labour market is worse for most women: their salary is smaller than that of men, and a small number of women take managing posts. Older women assume a bigger burden of taking care of family members (grandchildren, the sick, etc.) and of doing housework.

62. Unemployment among persons of pre-pension age. According to the data of the survey of population employment, in 2003 (during 9 months on the average), there were 14.7 thousand of unemployed of pre-pension age (55–59 years of age), 6.2 thousand men and 8.5 thousand women. 12 thousand unemployed of such age lived in the urban area, and 2.4 thousand – in the rural area. According to the survey of labour force, unemployment rate of persons of pre-pension age is smaller than the average in the country: in 2003 (during 9 months on the average) – 12.1 per cent (men – 10.4 per cent, women – 13.7 per cent; 6.2 per cent – in rural area, 14.9 per cent – in urban area).

63. At the beginning of 2004, 42.8 thousand of the unemployed over 50 years of age were recorded in the Lithuanian Labour Exchange; a year ago – 48.1 thousand, or 12 per cent more. With the number of the unemployed decreasing, the number of the unemployed of such age is constantly growing: at the beginning of 2002, there were 23.5 per cent of them, in 2003 – 25.2 per cent, on 1 January 2004 – 27 per cent of all unemployed.

64. At the beginning of 2004, there were 14.1 thousand of unemployed of pre-pension age for whom not more than 5 years were left until attaining old-age retirement age, or every third unemployed over 50 years of age. During 2003, the number of persons of pre-pension age decreased by 0.4 thousand. The main reason of their unemployment (about 4/5) was dismissal from office on the employer's initiative. Every fifth of them has higher or post-secondary education, every third – without a vocational training, and almost 40 per cent – unqualified. Even 38 per cent of these persons are unemployed for more than one year.

65. It is rather difficult for the unemployed of pre-pension age to get involved into active working life, thus it is necessary to develop their possibilities of lifelong learning and encourage professional mobility. Persons of this age, who are dismissed from office, find it more difficult to find employment than younger unemployed, thus more than a half of the unemployed over 50 years of age become inactive, apply to territorial labour exchanges only to obtain certificates enabling them to receive social benefits, health insurance and other social privileges, and only about 42 per cent of them try to find a job.

66. Training. The changed conditions of manufacturing, new technologies depreciate education diplomas and force to acquire new profession or qualification. In autumn 2002, as compared to 2000, the number of students of 40 years of age and older increased in bachelor studies by 3.5 times. The same increase could be observed in the number of persons of such age studying in master or equivalent studies, and there is an increase in the number of persons who seek for one more diploma of higher education.

67. The Lithuanian Labour Market Training Authority established in 1992 under the Ministry of Social Security and Labour, 6 subordinate regional training organisation and consultation services and 14 labour market training centres help the persons of pre-pension age to acquire a new and marketable qualification. The number of private enterprises that provide vocational training services is also increasing. There are about 500 licensed providers of training services of various profiles in Lithuania. Every year about 25 thousand persons participate in the programmes of labour market training centres; however, there is no official statistics what share of them is of pre-pension age (e.g. over 50 years of age). Separate surveys show that lifelong vocational training of adults is poorly developed in Lithuania. About 5–10 per cent of adult Lithuanian residents participate in the programmes of adult training and education, and more than 40 per cent – in more developed European Union Member States (e.g. Sweden and Germany).

68. Only 6.1 per cent of the unemployed of pre-pension age participated in the programmes of active labour market policies implemented in 2003, mainly in labour clubs, were employed in subsidized workplaces, did public works. 3.4 per cent of the unemployed of pre-pension age took part in a vocational training programme and measures of renewal of professional knowledge and practical skills of long-term unemployed. At the end of 2003, the Lithuanian Labour Exchange started implementing the programme supporting employment of older unemployed 55+, the aims whereof are to help the persons of pre-pension age to stay as long as possible in the labour market, reduce the number of such unemployed and increase their employment rate. In the same year, 2.9 thousand persons of 50 years of age and older participated in various programmes of vocational training and measures of renewal of professional knowledge and practical skills of long-term unemployed in the institutions of the Lithuanian Labour Market Authority.

69. Vocational training and other active measures of the labour market are applied for people of pre-pension age too poorly. An old-fashioned attitude of the society towards the necessity of training of persons of pre-pension age prevails, there is an attitude that it is

irrational to invest into their training and adjustment to the labour market when the number of unemployed youth is so big. Moreover, even the measures applied do not basically guarantee them employment due to a difficult situation in the labour market and negative attitude towards them by some employers (older persons are not so energetic, productive, they are ill more often, they are more passive, their skills do not correspond to the current needs, and it is expensive to invest into their training). On the other hand, a part of persons of pre-pension age do not wish or feel incapable to change their speciality, profession or work style.

70. Most often the clients themselves have to pay for various adult training courses, thus lifelong learning is inaccessible for many. The Law on Vocational Education and Training (Valstybes Žinios (*Official Gazette*), 1997, No 98-2478) provides for establishing a vocational training fund, the funds whereof have to be used for vocational training and qualification upgrading; however, such a fund has not been established.

71. Support of employment of persons of pre-pension age. Persons of pre-pension age are one of the most vulnerable groups in the labour market, thus the Labour Code (Valstybes Žinios (*Official Gazette*), 2002, No 64-2569) and other legal acts provide for additional guarantees of their employment. A respective network of institutions and legal framework regulating labour market relations have been developed, and subordinate legal documents have been drafted in the Republic of Lithuania. All these laws and documents regulate the employment issues of older persons in the general procedure. The Law on Support of the Unemployed (Valstybes Žinios (*Official Gazette*), 1991, No 2-25) is mostly related to persons of this age group, and it provides for legal employment guarantees for the unemployed of pre-pension age. With a view to improving social security of the unemployed of pre-pension age, the measures to improve employment and social security of these persons are implemented.

72. Pursuant to the Law on Support of the Unemployed, the benefit shall be paid for the unemployed for whom not more than 5 years are left until attaining old-age retirement age for 2 months longer than usually. In order to help find employment for additionally supported groups of the unemployed, among whom, as already mentioned, there are persons of pre-pension age, subsidized workplaces are established (adjusted).

73. Municipalities with high rate of unemployment implement the projects of local employment initiatives. During 2001–2003, while implementing the projects of local employment initiatives, only 23 unemployed persons of pre-pension age were employed in newly established workplaces.

74. Negative consequences of population ageing for the labour market and the main provisions of overcoming them. With the number of older persons increasing, natural staff turnover may not be guaranteed. The situation may be worsened by many pupils who do not acquire any profession. Furthermore, with rapid progress of technologies young persons under 25 cannot acquire skills and qualification that would ensure their working life for ever. In this way, the number of qualified workers may be reduced and this will slow down development of the country's economy and further social development of the society.

75. Having regard to the peculiarities of the country's demographic and economic development, national measures have to be better harmonised with the aims set in the European Union. Thus it is purposeful to implement employment and social policies that would create possibilities for older population capable to work to remain in the labour market as long as possible.

76. The main changes and challenges are the following:

76.1. Persons of pre-pension and older age find it more difficult to adjust to the changes of the labour market. Earlier acquired professional qualification and work experience become unmarketable with the rapid development of the market. A common obstacle to find a job is inaptitude of persons to use modern information technologies, first of all, a computer. Not knowing foreign languages (especially the English language) does also prevent solving unemployment problems. Thus, unemployment rate of older persons is bigger.

76.2. With high unemployment rates and big supply of labour force, employers choose young employees. On the other hand, persons of pre-pension and older age do not trust their abilities, do not search for a job persistently, do not wish to improve or change their speciality.

76.3. Persons of pre-pension and older age are rarely included in the measures of employment support and active labour market policies, especially vocational training. Often the actions are restricted to award of a benefit or public works.

76.4. Employees of the private sector, particularly persons of pre-pension age, have difficult access to lifelong vocational training, qualification upgrading and re-training. The problem of qualification is solved in the cheapest and easiest way – the current employees are dismissed and the younger and more qualified ones are accepted.

76.5. Persons of pre-pension and older age are poorly encouraged to participate in the labour market.

76.6. Because of non-developed flexibly organised work and not guaranteed protection of social and labour rights of persons doing such a work, a part of persons of pre-pension and retirement age lose an opportunity to choose a job according to their health status, qualification and other possibilities.

76.7. Requirements of workplace quality, industrial safety and health are not properly observed in the Republic of Lithuania, and this affects in particular older employees of poorer health status.

76.8. Weak social partnership does not ensure representation of the interests and the rights of older persons both at the level of the enterprise and the state.

76.9. Demographic changes pose menace to natural staff turnover of certain professions.

## **Health and Social Services**

77. The situation of health promotion of older persons in Lithuania. Ageing people get ill with chronic and long-term diseases – cardiovascular diseases, insult, diabetes, osteoporosis, oncological, chronic respiratory system diseases, cataract, glaucoma, deafness, cognitive and linguistic dysfunctions, injuries. The main causes of death of both men and women of 65 years of age and older are cardiovascular diseases, malignant tumours and respiratory diseases.

78. Statistical data on hospitalisation by age groups show that most ill persons are over 65 years of age.

79. According to the data of the Lithuanian Health Information Centre, in 2002, hospital morbidity of persons over 65 years of age was 428 cases per 1000 residents. The average period of stationary treatment from 18 days in 1998 shortened to 14 days in 2002. Such patients were mainly diagnosed blood circulation diseases (40 per cent of hospitalisation cases), tumours (10 per cent) and respiratory diseases (9 per cent).

80. Geriatric assistance. Having regard to population ageing, within the recent several years, geriatric assistance has been developed in Lithuania: Order No 453 of the Minister of Health of 18 October 1999 (Valstybės Žinios (*Official Gazette*), 1999, No 89-2633) approved of the Lithuanian Medical Norm MN 71:1999 *Doctor Geriatrician. The Rights, Duties, Competence and Responsibility*, the geriatric courses were included in the medicine study programmes, tertiary residency of treatment profile started training doctors geriatricians, and nurses who are specialised in working with older persons. According to the data of the Lithuanian Health Information Centre, at the end of 2002, 7 doctors geriatricians worked in Lithuania, although according to the demographic situation and experience of European countries, Lithuania needs about 100 doctors geriatricians. Team work has been introduced into the geriatric care system, taking into account multiple needs of older persons.

81. Older person cares both of spiritual and physical health. Since dementia, and in particular Alzheimer's disease, is very frequent among older persons, the importance of long-term care is increasing. In order that those ill with dementia can live at home as long as possible, it is necessary to satisfy their specific needs and provide proper both social and health care services at home. Social and geriatric evaluation of the person's condition is an efficient way to establish whether care is necessary in health care or social care institutions. Health care and social fields should cooperate more closely, and this could help better organise long-term care for those who are ill with dementia.

82. Need for social services. Older persons who constitute about one-fifth of our society are one of the most numerous groups of consumers of social services. Persons over 75 years of age need social services rather often (e.g. services of assistance at home). Population is ageing, thus the need for such services will increase.

83. The need for social services is increasing due to the variation of family structure. During the recent decade, in Lithuania, like in many European countries, the family lifestyle has changed, people get married at older age, births rates are decreasing, the number of single persons and not full families is increasing. Family structure is also changing – the number of

families of several generations living in one household is rapidly decreasing. Thus at their older age, after losing independence, members of such families may search for help only at official assistance institutions. According to the data of population census of 2001, there were about 145 thousand of single (living alone) persons over 65 years of age, or almost 30 per cent of all residents of this age.

84. According to the data of the Department of Statistics under the Government of the Republic of Lithuania, in 2002, social services were provided for about 9 thousand older persons: 4.2 thousand – assistance at home and 4.7 thousand – at stationary care institutions (1.8 per cent of all residents of 65 years of age and older). It may be presupposed that this number would be slightly bigger if calculations were made of the number of older persons using the services of day and community centres.

85. Need for long-term social care. In 2002, stationary care services for older persons were provided in 94 old people's home of various types (state, municipal, parish). During 1995–2002, their number increased by more than 40 per cent, mainly due to development of services of municipal and non-governmental organisations (parish). The number of persons receiving services at home changed slightly during 1995–2002 – it reached about 4 thousand. At the end of 2002, 4044 persons of 60 years of age and older and 693 disabled persons under 60 years of age lived in old people's home.

86. Both stationary care and assistance at home services are received in Lithuania by considerably less people than in European countries; however, their number has increased during the recent 5 years, although slightly.

87. In 2000, there were 6–10 per cent of persons over 65 years of age in the stationary institutions of Northern European countries (care home, serviced dwelling, services centres, etc., which provide special care services), whereas in Lithuania – only 0.9 per cent; assistance at home was received by 8–24 per cent in Northern European countries and 0.8 per cent in Lithuania. Such big differences are related to one more important circumstance – factually there are no social services of intermediate type in Lithuania (between the stationary care and assistance at home): partial independent life, group lodging home for older persons. So far older persons with partial independence may choose only old people's home or the services of assistance at home.

88. Basically, older persons need more diverse services. Day and community centres are open for such persons only in several municipalities.

89. The need for long-term social care remains in Lithuania at present. Often older persons request to be placed in old people's home due to their difficult material condition, disability, singleness. Furthermore, the need for services is not always established exactly, and municipalities not always search for possibilities to provide social services alternative to stationary care. Thus the structure of social services according to the number of clients (the proportion between recipients of stationary and other services) is irrational in Lithuania, since there are too many (about 47 per cent) recipients of stationary services and about 90 per cent of all funds are used for these services.

90. Differences of the need for social services and their provision in municipalities. Since 1998, the main policy direction of social services has been decentralising of services and developing of non-stationary services. These processes are undergoing slowly. The Regulations of Development Directions of Social Services at Home and Increasing Work Efficiency of Stationary Care Institutions approved by Order No 137 of the Ministry of Social Security and Labour of 4 September 1998 (Valstybes Žinios (*Official Gazette*), 1998, No 94-2621) provide that one of the priority development directions of social services is provision of assistance at home and non-stationary social services.

91. Today there are great differences of infrastructure of social services in municipalities, because their possibilities to provide social services are very different: social services may be provided for about 50 persons out of 10 thousand residents on the average in the country. Fewest services may be provided by Vilnius District (12), Kaunas City (20), Šiauliai District (26) municipalities. Kazlu Ruda (190 persons out of 10 thousand residents), Akmenė District (178), Druskininkai (148) municipalities are best prepared to provide social services. Great differences of municipalities do not ensure equal accessibility of social services in the entire Lithuania, thus first of all the state financial support should be rendered for those municipalities that provide fewest social services. Still, there is a huge difference of supply of services of assistance at home in rural and urban areas.

92. Integrated care and nursing care. The systems of social services for older persons are to be organised keeping to the main principle – a person has to live at home as long as possible. With a view to applying this principle, services of assistance at home should be particularly developed that would be provided 24 hours and 7 days per week, if necessary. Such a principle is only started to be followed in Lithuania. Services of assistance at home usually provide services during the usual working time.

93. In 2002, services of assistance at home were received by 4251 older persons (2443 in urban area, 1808 – in rural area), and 854 persons received care money to buy these services (184 in urban area, 670 – in rural area). Services of assistance at home are provided for 8 out of 1000 persons of 65 years of age and older (or 6 out of 1000 persons of 60 years and older) and 10 out of 1000 adult disabled. Development of the network of social services at home reduces the need for rather expensive stationary social services in municipalities. Lack of the common system of social and health services at home will be further compensated by expensive social services in stationary care institutions because older persons do not have a possibility to choose the form of long-term care.

94. Various services of assistance at home are provided in Lithuania; however, there is a delicate problem – too small integrity of services provided in care and nursing care homes. Those older persons who need not only care but also nursing care services (and there is quite a big number of such services) often find it difficult to get them because there is no well-established procedure and mechanism of organisation of providing these services. Social security and health institutions poorly coordinate the activities of this field, thus these issues in some municipalities are solved rather successfully, while in others – not so successfully.

95. As experience of the European Union Member States shows, with the view of ensuring the conditions for older persons to live in their homes as long as possible, services of assistance at home have to provide complex assistance – assistance at home, nursing care at home, delivery of hot food at home, medical services. There has to be an office of service coordination.

96. For older persons with major disability (e.g. ill with senile dementia, Alzheimer's disease, etc.) who need intensive care or nursing care, the services are necessary, which, according to the experience of other countries, are provided in nursing care homes or nursing care hospitals. During 1995–2001, the number of nursing care places in institutions in Lithuania has tripled, however, as practice shows, the network of nursing care services has not been developed in the community, and the number of such provided services is definitely too small. Persons who need intensive care or nursing care are sent to county boarding houses of the disabled. If a family does not want to place its member in the county boarding house of the disabled, organisation of nursing care remains its problem.

97. With population ageing, the need for care and nursing care is increasing, long-term care and nursing care become a bigger and bigger part of social policy of modern states. Long-term care and nursing care services are understood as rehabilitation, medical, social services for persons with dysfunctions or ill with chronic diseases, particularly older than 75 years of age because they cannot independently perform many daily life functions. These people usually are not ill and they do not need intensive treatment.

98. In implementing the state social policy, notice has to be taken of the concrete increasing extent of need for long-term care and the ways to meet it, as well as the necessary resources. The costs of long-term care and nursing care are currently one of the biggest (taking into account subordination of institutions, the costs of long-term care are from LTL 600 to LTL 1200 per month), as compared to the costs of other social services, and the client himself most often cannot afford paying for these services. For instance, it is forecasted in the USA that the number of residents in nursing care homes will, with the current trends determining the need for social care, increase by 1.5 times, as compared to 1990, double in 2030 and triple in 2050.

99. A rather big role in providing long-term care is assumed in Lithuania by an informal sector (family, close people, neighbours). One of the modern ways of promoting and formalising informal care could be supporting informal caregivers by monetary benefits. Persons who take care of and nurse the disabled family members (children) in Lithuania are entitled to social assistance pensions in their old age; however, such pension is not provided for those who take care of older persons who need long-term nursing care.

100. Currently, older persons are not yet provided with favourable conditions to independently live in the community while ensuring their proper care at home. Persons who provide services of both formal and informal care should be supported and encouraged. Today, community organisations of older persons that could organise self-help groups and provide community services are supported too poorly. Too little attention is paid so far to a

family that takes care of an older or disabled person. With population ageing and this problem deepening, the regulations of providing long-term social care services should be improved – the so-called respite service should be legalised for a family where an older or disabled person is temporarily taken care of when a family is on holidays or business trip or in other cases. The number of municipalities, where social care problems of older persons are solved by establishing social services institutions alternative to stationary care – day centres, community centres or social services centres on the basis of stationary care institutions that would provide non-stationary services as well, is increasing already now. This trend should be encouraged.

101. The main changes and challenges are the following:

101.1. Medical aid for older persons at home, in the clinics or stationary establishments is not properly organised.

101.2. Older persons more than others are in need of health services, thus with population ageing there will be greater demand for them, in particular for stationary services.

101.3. There is lack of health promotion programmes for older persons.

101.4. Older persons are poorly provided with specialised geriatric services in health care institutions (there are no specialised consulting-rooms and departments, among them – Alzheimer's disease departments, lack of interdisciplinary cooperation, e.g. poor cooperation with general practitioners and social workers).

101.5. Geriatric care services are coordinated and funded according to different models.

101.6. There is no common system of evaluating the health status of older persons and the need for social services.

101.7. There are no special registries or projects for conducting the health status analysis of older persons and implementing health promotion programmes.

101.8. There is lack of social services, and their quality is rather poor, their provision infrastructure has not been developed, and there are great differences in municipalities. If the current trends remain, social services will be more and more inaccessible with population ageing.

101.9. The need for the services of assistance at home cannot be fully met. Since there is a lack of resources, priority is given to single persons, while for others such services are hardly accessible.

101.10. Other social services for older persons are very poorly developed (independent life dwellings, operative telephone connection, hot food delivery at home, day care).

101.11. Health, care and nursing care services are badly integrated at the political and organisational level. There are actually no social services for those ill with senile dementia and similar diseases.

101.12. The need for stationary care services is inadequately (in terms of person's independence level) big due to insufficient subsistence income and low pensions. With a view to solving these problems, many older persons who are quite independent physically and psychically search for possibilities to get accommodation in stationary care institutions.

101.13. Already now assistance for a family that takes care of an older person at home receives little support, and this problem will be much deeper in the future.

101.14. Services of assistance at home are often provided by low-qualified and unprepared persons (e.g. unemployed persons employed temporarily or according to the public works programme).

101.15. The noticed positive trend is that stationary services are replaced by alternative ones according to the possibilities (day centres, community centres, etc.), and the communities are involved into the provision of social services.

## **Possibilities of Full Life**

### **Education and Integration in the Information Society**

102. Attention of the Lithuanian state to education and training of older persons first of all reflects in the State Long-Term Development Strategy approved by Resolution No IX-1187 of the Seimas of the Republic of Lithuania of 12 November 2002 (Valstybes Žinios (*Official Gazette*), 2002, No 113-5029), which establishes the provision of lifelong learning. The Regulations of the State Education Strategy 2003–2012 approved by Resolution No IX-1700 of the Seimas of the Republic of Lithuania of 4 July 2003 (Valstybes Žinios (*Official Gazette*), 2003, No 71-3216) provide that it is necessary to develop a continuous education system that would ensure lifelong learning, be accessible and socially just. The Law on Education (Valstybes Žinios (*Official Gazette*), 1991, No 23-593; 2003, No 63-2853) stipulates responsibility of municipalities to initiate the formation of the network of providers of vocational training and adult education meeting local needs.

103. Education of older persons. During 1989–2001, the structure of education of Lithuanian older persons has changed, and the number of those with post-secondary education has increased. After another 5–10 years, the number of persons with post-secondary or higher education will significantly grow. This trend is mainly predetermined by an increase in more educated urban residents (in 1989, 126 persons with higher education fell per 1000 urban residents of 10 years of age and older, in 2001, the indicator was 161; concerning rural residents with higher education, in 1989, the indicator was 54 and in 2001 – 55), i.e. territorial differentiation of the education structure of population. Rural areas are characteristic of more persons of older age, thus more poorly educated.

104. Adult education. The Law on Non-formal Adult Education (Valstybes Žinios (*Official Gazette*), 1998, No 66-1909) provides that municipalities must have an adequate network of providers of non-formal education programmes, initiate the formation of the network of providers of vocational training and adult education meeting local needs. This Law lays down the provision that the purpose of non-formal adult education is to create the conditions for a person's lifelong learning, satisfy cognitive needs, upgrade qualification or acquire additional qualification.

105. Currently, there are 27 adult secondary schools and adult training centres in Lithuania, and adult forms have been set up in 43 secondary general education schools. At the beginning of the school year of 2002–2003, about 17.3 thousand students studied in these institutions.

106. The number of older persons in adult secondary schools and adult training centres is the most numerous – 3299 students. As compared to the school year of 2001–2002, the number of such persons increased by 1000, and to 1999–2000 – by even 5 times. The conclusion may be drawn that more and more older persons study at adult training institutions.

107. All adult training institutions are located in bigger cities and district centres, thus the services are hardly accessible to the residents of rural areas. Almost all financing is allocated for the education of young persons, and the funds for adult training are allocated following the principle of the residual. On the other hand, adults themselves, especially older persons, are not tend to seek for post-secondary education. Thus it can be stated that the education conception of the last century is still present in the minds of the society – the idea was that knowledge acquired in one's youth should suffice for the entire life. Under the conditions of market economy and particularly in the modern information society, education acquired in one's youth does not suffice to ensure employment for the whole period of working activity. Upgrading qualification, with current requirements of the labour market, helps not only to get employment but also retain the workplace.

108. Education of persons of retirement age. Information on such education is only of general nature in Lithuania. There is an impression that such activities are mainly developed by the Third Age University (institutions of non-formal adult education) operating for 5 years already and having branches in Kaunas, other bigger cities and districts. Currently, there are 2000 students, about 80 per cent have completed their studies, not a few have degrees and titles. Most of these persons study some subjects and instruct on the other subjects. They claim that after they start going to university, employment increases, their health status improves, because attending lectures and meeting with congenials is a great pleasure.

109. Persons of retirement age study in formal adult education institutions as well (e.g. colleges, higher schools); however, there is no exact data on this. It could be stated that most older persons take part in non-formal adult education programmes, i.e. improve general abilities, educate in art groups.

110. Recently, distance education has been developed in Lithuania, which may be one of the possibilities for older persons to study. According to the data of the Department of Statistics under the Government of the Republic of Lithuania, in the school year of 2001–2002, 3 colleges and 8 universities established 21 distance education centres or forms with 1658 students, 217 lecturers on qualification upgrading and 1259 economy employees. It is difficult to say how many of them are older persons; however, the level of computer literacy of the country's population allows to assume that the number is rather small. Computer literacy of older persons, especially in rural areas and smaller cities is poor. Possibilities and

incentives of older persons to use computer technologies to increase their competitiveness in the labour market and improve general life quality are not big.

111. Adjusting the abilities of older persons in the education system. The education system should use the skills of older persons, and teach them for this purpose as it is done in the Third Age University and its branches. They could convey their experience for their children and young persons in non-formal education institutions; however, the necessary legal base should be developed in order older persons, who wish to organise education, have privileges.

112. The main changes and challenges are the following:

112.1. Not enough attention is paid to the learning problems of older persons in the education policy; the society hardly understands the importance of lifelong learning.

112.2. There are no conditions for proper education of older persons.

112.3. There is a lack of information about such education.

112.4. There is a lack of specialists who work with older persons in education institutions.

112.5. The network of educational institutions that provides services for older persons has not been developed, there are huge regional differences.

112.6. There is a lack of teaching and learning programmes, projects, where older persons could participate.

112.7. There is a lack of incentives for older persons to learn for their whole life.

112.8. There is an insufficient legal framework encouraging older persons to adjust their abilities in the education system.

112.9. There is a lack of surveys and statistical information on these issues.

### **Housing and Adaptation of the Environment**

113. Current situation. About 40 per cent of households in Lithuania have very limited possibilities of choosing housing, they are not mobile, the current housing fund is impoverished because too few funds are allocated to take care of and renovate dwelling houses, too few new dwelling houses are constructed, although the state supports the acquisition of the first housing through granting house credits.

114. In the nearest future and within the medium-term period demand for housing will be mostly predetermined by the residents of 20–40 years of age, and the increasing number of persons living without families.

115. Provision of housing. According to the data of the Department of Statistics under the Government of the Republic of Lithuania, in 2002, 374 dwellings fell per 1000 residents in Lithuania, and 23 square metres of useful floor space per capita. If compared to the European Union Member States, the indicators of provision of housing are by one-fourth lower in Lithuania. In European Union Member States, about 450 dwellings fall per 1000 residents, and about 30 square metres of useful floor space per capita. Thus in Lithuania there

is greater physical shortage of dwellings and bigger accommodation density. According to the data of the population census conducted by the Department of Statistics under the Government of the Republic of Lithuania, out of 1250 homeless in the country, even 293 are 55 years of age or older.

116. According to the data of the 2001 census of population and dwelling, most households (84.9 per cent) lived in their own dwellings; and 3.3 per cent of households lived in the dwellings owned by the state or municipalities. Lack of rented housing increases rentals and limits the possibilities of dwelling choice, in particular for older persons with low income.

117. The survey of households showed that within the recent 5 years, housing conditions worsened for 20 per cent of households, mainly for households of persons over 50 years of age, pensioners, the disabled and other low-income households.

118. Suitability of housing for older persons. In cities, about 80 per cent of persons live in multi-apartment buildings that are not adapted for older persons, especially the ones with movement disorders. Lifts are installed in higher than 5-storey buildings, door spaces, sanitary and hygiene facilities are too small for persons with movement disability. Public surroundings, the territory around the building, social infrastructure are not adapted to older persons.

119. The problem of adapting housing is especially urgent for older residents in rural areas. Only a few rural residents have public utilities in their houses, often the rooms are heated by stoves, moreover, most of them have their personal farms thus they need additional help and various economy services so that they could live as long as possible in their own homes.

120. Housing needs of older persons. The current generation of older persons usually have their own dwellings. Due to various reasons (changing of family composition and interests, health, reduced income, irrational expenditure of dwelling maintenance) they want to change their dwelling to cheaper one with smaller area, and in a more convenient location. Social dwelling or dwelling with social and medical services become relevant.

121. The main changes and challenges are the following:

121.1. The rising number of older persons will increase the demand for a smaller, but with more services, dwelling, as well as social dwelling.

121.2. The constructed dwellings and their surroundings should be better adapted to older persons and designed according to the principle – surroundings for all.

121.3. Seeking that there were no older homeless people a well-functioning system of granting social dwelling should be created, and older persons with low income should be awarded necessary monetary support for maintaining their dwelling.

### **Accessibility of Cultural Life**

122. One of the aims of the state cultural policy is to create the conditions for the society and each member, as well as older persons, to participate in cultural life, choose a

preferable form of leisure and give a chance to express oneself. In implementing this provision, the state and municipal institutions and agencies apply measures that create the conditions for persons of different age to participate in cultural life.

123. Cultural expenditure of older persons. According to the data of surveys on household budgets, leisure and cultural expenditure of older persons' (the head of household is older than 60 years of age) households in 2002 was 36 per cent lower than the average in the households. Leisure, culture and education expenditure of older persons in rural areas are significantly smaller than the same in urban areas, and these differences are growing each year.

124. Households of older persons have less devices of cultural and leisure purposes: in 2002, 83 per cent of households of older persons had coloured TV sets (89 per cent of all households), 5 per cent – a video recorder (21 per cent of all households), 2 per cent – a personal computer (12 per cent of all households).

125. Culture projects. Each year the budget of the Republic of Lithuania funds culture and art projects, programmes, the aim whereof is to encourage participation of the society, as well as older persons, in creative activities, support cultural initiatives of older persons' non-governmental organisations, culture projects of the regions increasing accessibility of cultural services and improving the quality in the periphery. Municipalities take care of the dissemination of amateur activities, self-expression of people of local community. Culture institutions take care of cultural needs of older persons.

126. Cultural centres are the main institution, which concentrates the amateur creative activities. Cultural centres create the conditions for older persons to participate in various amateur art groups free-of-charge: choirs, orchestras, drama groups, dance and folklore ensembles; in ethnical cultural activities, and use various cultural services.

127. Public libraries, in implementing the principle of publicity and accessibility and being open to community members of any age, any education, any social status and physical abilities, participate in solving older persons' problems of social exclusion, employment, education and lifelong learning, create the conditions for them to live full cultural life. Public libraries serve the disabled and older persons at home (bring publications in bookmobiles), establish non-stationary points (small libraries) in remote villages, centres of disabled communities and societies, create the conditions to serve the disabled and older visitors in the libraries, organise computer literacy and language courses, events, exhibitions, establish various clubs.

128. Museums today are not only guardians of heritage, they perform more and more new functions – they are both an education institution and the place of entertainment and leisure. Educative programmes and various projects with active participation of older persons are becoming popular in museums. The museum finds itself in the services market and pays most attention to a visitor and his needs.

129. Privileges applied by cultural institutions. The contemporary art centre, national and other museums have the right to determine the price of an excursion, as well as the price

for a single visit, apply the discount of 50 per cent to pensioners, allow single visitors visit museum exhibitions free-of-charge from 1 September until 1 May on Wednesdays (without an excursion service). Lithuanian museums independently make decisions on establishing additional discounts (family tickets, etc.) for certain groups of visitors, organise various actions, apply discounts, found the clubs of permanent visitors, sponsors. Orders of the heads of theatres and concert organisations provide privileges for older persons who wish to hear a concert programme or see a music performance (e.g. the concert hall of the National Philharmonic Society of Lithuania has 2 rows where, if the pensioners' society makes an application, the ticket price is LTL 5; the Lithuanian National Opera and Ballet Theatre admits seniors (former theatre soloists, artists) to the opening performances free-of-charge, actions for older persons are organised 2 times a year when the ticket price to the performance is symbolic – LTL 1, and discounts are applied for older persons' organisations and societies). Visiting the exhibitions of fine arts and photography art galleries is free of charge.

130. The main changes and challenges are the following:

130.1. Surveys of older persons' cultural needs are not carried out systematically, thus in the future it will be difficult to provide cultural services of good quality and necessary for them.

130.2. With population ageing, there will appear completely new cultural, educational and information needs posing new requirements for the providers of cultural services. The problem of qualification of cultural employees will arise.

130.3. Older persons' low income prevents them from getting more diverse cultural services of good quality. The number of older persons with higher education is increasing, thus increases the need for a more intellectual leisure or participation in cultural life. With population ageing, this problem will increase.

130.4. Currently, not all cultural institutions apply privileges for pensioners, therefore the possibility for older persons to use cultural services is reduced. With population ageing, this problem will increase.

130.5. In reorganising the network of cultural institutions, the needs of older persons are not always taken into account. The number of older persons will increase, thus inevitably this problem will also deepen.

### **Transportation**

131. Accessibility and adaptation of transportation for older persons. In order older persons are more active, it is essential to guarantee the accessibility of communications and transport for them. The problems of older persons are similar to the problems of the disabled persons because most of them have movement difficulties. According to certain surveys and specialists' evaluations, 8.5–9 per cent of the population need special transport and its infrastructure adapted to people with movement disability. Transport mobility surveys show that about 20–30 per cent of those travelling in Europe have movement difficulties.

132. Public road, railway, air and water vehicles in Lithuania are almost not adapted for older persons and do not meet contemporary requirements. Approaches, stations, toilets, grounds in stations and bus stops, structural elements of automobile roads (covering of crossings, pavements, the requirements of using buildings and vehicles, hygienic, ergonomic and safety requirements) are also not adapted, thus it is difficult to use them. Even the environment of the constructed new, reconstructed and used current transport infrastructure objects are not always adapted for persons with movement disability or older persons.

133. The main changes and challenges are the following:

133.1. With the number of older persons increasing, more attention has to be paid and more funds allocated for the adaptation of both vehicles and environment infrastructure.

133.2. It should be analysed how transport infrastructure has to change with the number of persons with special needs increasing.

### **Personal Security**

134. Crimes against older persons. Crime in Lithuania is still a serious social problem. The number of recorded crimes has rose more than twice in the Republic of Lithuania since the Restitution of Independence and in 2002 the number was 208.6 crimes per 10 thousand residents. Persons of retirement age suffered from 2394 crimes, or 3.3 per cent of all crimes recorded in Lithuania (in 2001, 2948, or 3.7 per cent respectively).

135. The problem of recent years is the crimes committed in steadings related to violence against older persons. According to the data of the Ministry of the Interior, in 2002, 263 serious crimes were committed in Lithuanian steadings (in 2000 – 286, in 2001 – 220). There is concern over abundance of premeditated murders in steadings (in 2000 – 19, in 2001 – 15).

136. Older persons mostly suffer from traditional crimes – they usually become victims of thefts, robberies, fraud, premeditated bodily injuries, murders. In terms of criminal acts older persons are attributed to the increased risk group.

137. There are cases of violence against older persons in families as well.

138. Insufficiency of preventive actions and the necessity of their development. So far it is mainly the task of the police and other law enforcement institutions to curb crime and ensure security of an individual and the society; too little attention is paid to the elimination of the causes and preconditions of criminal acts through economic, social, educational and other measures. Thus, usually the reaction to sensitive problems is belated and what is left is the fight against the consequences, although often there are opportunities to prevent the problems. It is necessary to formulate and implement basically new principles of ensuring public security. Over the recent years, more emphasis is put on the importance of prevention, more active participation of local self-governance in ensuring public security, and civil self-defence.

139. Civil self-defence is a very important element of the mechanism of prevention and control of criminal acts. Prevention and control of criminal acts may be effective only

when all members of the society contribute to it. It is important to help every person realize their own worth and the right to defend oneself and others, develop the conviction that activity of every persons may help better organise control and prevention of crimes, promote and support residents' and businessmen's initiatives to protect their property, dwelling and ensure personal security.

140. The main changes and challenges are the following:

140.1. There is no reliable protection from crimes against older persons living in steadings; financing of the police in these areas is insufficient.

140.2. There are no special measures of prevention and control developed taking into account peculiarities of older persons and criminal acts against them.

140.3. Too little attention is paid to the elimination of the causes and preconditions of criminal acts through economic, social, educational and other measures.

### **Participation and Creation of the Image of Older Persons**

141. Participation of older persons in solving the issues related with them is a necessary condition, with the absence of which pursuing of the policy meeting the interests of all society groups is impossible. One of the most important mouthpieces of the interests of older persons is their non-governmental organisations.

142. Non-governmental organisations are already rather actively working in various fields important in implementation of the ageing strategy: provide social services, advocate healthy lifestyle, inform, teach, consult older persons, organise cultural events, strengthen communication between generations, transfer experience and traditions to the youth, thus expanding social inclusion.

143. Non-governmental organisations differ in their nature from governmental institutions. The former are established on the citizens' initiative without strong coordination and funding; however, they are well aware of the society's sores and actively use voluntary work to eliminate these sores. In order to efficiently use the potential of non-governmental organisations, their nature and possibilities should be taken into consideration, and some disrupting factors should be eliminated.

144. The main changes and challenges. Weight and significance of non-governmental organisations representing the interests of older persons have to increase.

### **SWOT Analysis**

145. When conducting SWOT analysis, overcoming the consequences of population ageing has been regarded as a complex problem encompassing various activities. In the view of population ageing strengths and weaknesses have been analysed, and opportunities and threats arising with ageing have been indicated.

146. Strengths:

146.1. At present, the functioning system of the current financing pensions is able to ensure although small but guaranteed income in the old age. In the coming years this system will be able to increase the purchasing power of pensions in proportion to the increase in the purchasing power of pensions, and even increase the proportion of pensions to the average wages due to the improving proportion of the insured and pension recipients for some time.

146.2. Introduction of the accumulation element facilitates solving of tasks of ensuring financial stability of the pension system and of increasing pensions in the future.

146.3. There is a strong system of implementing active measures of the labour market policies, which provides vocational training, qualification upgrading and employment services for older persons as well. It gives the grounds for significant intensification of the impact of active measures of the labour market policies on older persons.

146.4. The health care system develops geriatric assistance; its initial infrastructure able to become the basis of the development of further geriatric assistance services has already been created.

146.5. The system of social assistance and social services has been developed, which already now encompasses the increasing needs of older persons and gives the grounds for further development of assistance and services. A proper direction of reformation of social services has been chosen – stationary services replaced by alternative services according to the possibilities (day centres, community centres, etc.).

146.6. The implemented educational, cultural, housing and environment adaptation, transport infrastructure development, personal security improvement measures will help to meet the specific needs of older persons. The conception of future development in this direction is appearing.

147. Weaknesses:

147.1. Social insurance covers not all economically active persons of working age (both due to the exceptions provided in laws and avoidance to take part in social insurance).

147.2. Older persons and persons of pre-pension age are too weakly encouraged to stay longer in the labour market; there is elusion to include them into the measures of employment support and active labour market policies, vocational training and qualification upgrading. Flexibly organised work is developed insufficiently, in particular in terms of needs and possibilities of older persons.

147.3. Many older persons leave the labour market too early and live on their pensions, although they are capable of working and earning a bigger pension for themselves and others. As a consequence, too early age of retirement remains, and it partly determines small pension.

147.4. A positive image of older persons as of employees and society members is not created. Employers are not prompted to evaluate advantages of older employees.

147.5. Medical aid for older persons is still poorly accessible and insufficiently organised at homes, in clinics or stationary establishments; there is quite a small number of

health promotion and geriatric services. At the political and organisational level, health, care and nursing care services are weakly integrated.

147.6. Currently provided social services are too poorly accessible, their quality is not always acceptable, infrastructure is not developed, and there are great differences in municipalities. There are actually no social services for those persons who are ill with senile dementia and similar diseases. More help should be provided to a family that takes care of an old person at home.

147.7. Part of older persons who are rather independent physically and psychically look for the possibilities to move to stationary care institutions, since their pensions are too small and too little attention is paid to assistance at home and other services that would help them live in their usual environment as long as possible.

147.8. Full life of older persons is not guaranteed. Due to small income and lack of relevant infrastructure, they do not have enough opportunities for education, participation in cultural and public life.

147.9. There is insufficient protection from crimes against older persons, there are no special prevention and control measures developed having regard to the peculiarities of older persons and criminal acts committed against them.

148. Opportunities: the increasing life expectancy, which is a major achievement nowadays, allows a big part of people enjoying full professional, public and personal life for longer, the society – making use of the professional and life experience of older persons for longer and more fruitfully. With increased life expectancy and being of working age for longer, older persons will be able to stay longer in the labour market and work after proper adaptation of workplaces and regulation of employment relations to their needs. Thus possible disproportions between persons of working age and those who have finished their working career could be reduced.

149. Threats:

149.1. If the current trends of births and deaths remain, Lithuanian residents will further age, and much more older persons will fall per one person of working age. The number of population will decrease. Disproportion of the number of men and women will appear.

149.2. The threat of financial stability of the pension system (both current financing and accumulation) may appear in the future due to the worsening proportion of contribution payers and pension recipients.

149.3. Due to insufficient coverage of the social insurance pension system, part of future older persons will have to be content only with social assistance benefits that will inevitably be much smaller than social insurance pensions.

149.4. With worse adjustment of older persons to changing labour market needs, a possibility of their greater unemployment rate remains.

149.5. With the number of older persons in the labour market increasing, there may occur a situation where natural staff turnover and profession change will not be ensured.

149.6. There may arise financing problems of health care and social services system due to the increased demand of health and social care services for older persons. There may also be financial difficulties in other fields related to the needs of older persons (housing services, transportation, etc.).

149.7. Without solving the problems of ensuring older persons' employment and respective income, accessibility of health care and social services, there will occur a threat of bigger social exclusion of older persons.

### **III. VISION**

150. Lithuania is implementing the EU social-economic model of a welfare state that is characterised by low unemployment rate, high cost of labour force, strong social guarantees, minimal number of destitute families, high level of social cohesion and marginal regional differences.

151. Older persons are respected, their experience is acknowledged as being significant for the entire society. Following the principle of active ageing, such persons are provided with the conditions for their constant improvement and full professional, social and cultural life. They actively take part in national and community life, choosing such ways of their participation under no restrictions. Their choice opportunities are of slight difference in regions, urban and rural areas.

152. The national economy structure ensures relatively high employment rate of older persons. Their unemployment rate is not higher than that prevailing in all the country. Personal professional abilities of older persons are used in a rational way. Employers and society positively view the older person working according to one's power and abilities. Considering the group of older persons, flexible employment is applied, workplaces are tailored to their needs, specific safety and health requirement are unconditionally observed at the workplace of the persons within this age group, and their partial retirement is promoted. Abilities and experience of older persons are actively used for the education of the young people.

153. There is an effective functioning of lifelong learning system that also includes older persons. Their endeavours to constantly adapt to the changing labour market needs and obtain the required qualifications are being promoted. Conditions are established allowing all older persons use the possibilities provided by information technologies.

154. The principle of equal opportunities is implemented consistently. Older persons are competing with younger ones within labour market for their equal opportunities, their salaries are predetermined by their professional abilities, but not the age; they are granted equal opportunities within public life, irrespective of their gender, religion, beliefs and other factors.

155. Income of older persons, as required for their full life, is ensured by well-coordinated systems of social insurance and social assistance, including all the residents and

covering all social risk. In the old age income is steady, which is guaranteed by the combination of the current financing and accumulation mechanism. The purchasing power of pensions of the current financing is increasing approximately at the same rate as the purchasing power of the average wage.

156. Cash social assistance is received by all older persons, being in the actual need of such assistance. More focus is given on disability, poverty and social exclusion prevention. Extremely huge poverty rate among older persons has been eliminated.

157. The system of social services for older persons has been expanded and made accessible to everyone, and it renders the most essential services at home for older persons, as they are in need of them, and only those older persons who are incapable of living independently receive stationary care.

158. Health care services are available to all older persons. Specialised prevention and help system has been created. Health policy is based on maintenance of wellness throughout life, having regard to physical, psychological, social, spiritual and environmental factors. Healthy lifestyle of older persons and disease prevention are promoted, the set of inexpensive, accessible and high quality health care services is guaranteed.

159. Every older person has access to dwelling, have possibilities to renovate it and tailor it to his needs. The environment is adapted to older persons as well.

160. Transportation and means of communication do not restrict any possibility of the older person to move and live full life.

161. Safer environment for older persons and more effective legal protection system have been created. The number of criminal acts committed against older persons has been reduced.

162. The policy for older persons is pursued by coordinating the efforts of the state, municipal and non-governmental organisations. Older persons are actively participating in tackling community problems, as well as in decision-making process at state or municipal levels.

#### **IV. AIMS, OBJECTIVES AND THEIR IMPLEMENTING ACTIONS**

163. The key aim is to create and solidify society with equal opportunities for people of all generations; following the principle of active ageing, to create the conditions to empower older persons live full personal, public, professional and cultural life at present and in the future, seeking for their experience to be valued and applied, at the same time making them be respected and certain of their future.

##### **Income Guarantees**

164. The aim is to ensure for every older person steady income not degrading their dignity with guarantees to retain huge part of the former standard of living and allowing to live full life.

165. The objectives are the following:

165.1. to ensure that social security includes all residents – to combine social insurance and social assistance measures. It is necessary to take the following actions:

165.1.1. to ensure that all older persons have earnings, as required to satisfy their integral needs, as well as possibility to receive social assistance benefits for those who attain old-age retirement age, become disabled, or are not entitled to receive state social insurance pensions or social assistance benefits;

165.1.2. to improve the discipline and accounting of social insurance contributions and tax payment, to develop the methods of determining the need for social assistance by applying modern information technologies thereto;

165.1.3. to encourage farmers and self-employed persons more actively take out state or private pension insurance, improve the terms of their social insurance;

165.2. to increase income replacement rate guaranteed by social insurance benefits, primarily by pensions. It is necessary to take the following actions:

165.2.1. to index social insurance benefits, primarily pensions, so that their purchasing power increases by the same amount as that of the employees' wages;

165.2.2. to improve the coverage of compulsory social insurance and the discipline of contribution payments, to allocate more funds to finance social security measures for older persons – to increase the share of GDP allocated for this purpose and, in accordance with this indicator, gradually approximate the average value of the European Union Member States;

165.3. to modernise the pension system ensuring its financial stability as society is ageing. It is necessary to take the following actions:

165.3.1. to create partial (gradual) retirement schemes, pursuant to which older persons would be able to choose part-time employment and partial retirement; to develop incentives and possibilities to introduce such employment model for older persons;

165.3.2. to eventually achieve that men and women are able to realise their abilities within the labour market and retire at a later age;

165.3.3. to consistently implement the initiated pension reform – to create the system grounded on the combination of current financing and accumulation principles;

165.4. to ensure that the measures of cash social assistance are applied to those persons, namely older persons who are in actual need of it, and the amount helps the beneficiary have the income not degrading his dignity. It is necessary to take the following actions:

165.4.1. to include into the system of compensation of dwelling maintenance expenditure for low-income persons other indispensable expenditure related with the maintenance of the dwelling;

165.4.2. to improve the accurateness of cash social assistance measures seeking to guarantee assistance to those persons who are in actual need of it;

165.5. to reduce poverty and social exclusion, to overcome extremely huge poverty. It is necessary to take the following actions:

165.5.1. to envisage the measures to improve welfare of older persons;

165.5.2. to investigate the sources of huge poverty in pursuance of reliable information about poverty of older persons;

165.5.3. seeking to ensure welfare for older persons, to diminish poverty and social exclusion, fully coordinate the objectives and actions taken by state, municipal institutions, authorities and non-governmental organisations.

### **Employment**

166. The aim is to keep older persons active within the labour market as long as possible by reducing their unemployment and increasing their participation in the labour market.

167. The objectives are the following:

167.1. to establish legal conditions and financial incentives for older persons to seek employment and for the employers to engage and retain them at work; to diminish the obstacles for their participation within the labour market. It is necessary to take the following actions:

167.1.1. to improve legal acts that motivate the employers to engage older persons and create the conditions for them to upgrade their qualification at work;

167.1.2. to increase the entrepreneurship of older persons, especially women, stimulate them to set up their business, create the conditions for them to get access to the required information necessary for business development, ensure the required vocational training;

167.1.3. to eliminate the causes of early retirement of older persons from the labour market; to motivate employees to work for the longest possible period;

167.1.4. to disseminate information on employment possibilities for older persons;

167.1.5. to prepare and disseminate information allowing to create positive opinion of the society and employers about employment of older persons;

167.1.6. to support the initiatives by non-governmental organisations that would help to raise employment of older persons;

167.1.7 to increase the role of social partners seeking to motivate the employers to keep older employees within their enterprises for the longest possible period;

167.2. to amplify the participation of older persons in vocational training process. It is necessary to take the following actions:

167.2.1. to stimulate the economic activity of older persons, considering the changes of labour market requirements, upgrade current qualification, re-train or gain new skills and create proper conditions for that;

167.2.2. to develop incentives for lifelong learning and involve older persons in this process;

167.2.3. to increase the role of social partners in pursuance of vocational training promotion for older persons;

167.2.4. to motivate older persons to acquire new qualification in conformity with labour market needs;

167.2.5. to ensure that every older unemployed person, who has registered with a local labour exchange office, is involved in the measures of active labour market policies;

167.2.6. to create and implement continuous vocational training programmes for older persons to mould their general aptitudes also;

167.2.7. to prepare specialised learning programmes for older persons;

167.2.8. to ensure the so-called second chance to all older persons who have not graduated from the basic or secondary school;

167.2.9. to create favourable conditions for older persons to acquire a profession marketable in the labour market and upgrade their qualification;

167.2.10. to create legal conditions for persons of retirement age to apply their abilities within the education system;

167.2.11. to develop vocational information, orientation and counselling services for older persons;

167.2.12. to create the conditions for the education related employees to gain competencies required for a pedagogue, as it is necessary for the work with older persons;

167.2.13. to inform the society on the possibilities for lifelong learning and disseminate good practice;

167.3. to create favourable working conditions for older persons in order to guarantee the quality of their work. It is necessary to take the following actions:

167.3.1. to create better working conditions for older persons, improve health protection and safety at workplace;

167.3.2. to develop flexibly organised work for the employees to manage to combine their responsibilities to the family with work, and work according to their health status;

167.3.3. to prepare recommendations on how to apply work experience of elderly employees by combining it with the training of new employees;

167.3.4. to develop transport and road infrastructure so that older persons from remote places and villages are not isolated, are able to reach the workplace located in a different location in time;

167.3.5. to adapt workplaces and adjust the conditions for older persons;

167.3.6. to legitimate special safety and health requirements at work for older persons;

167.3.7. to ensure that older persons are not discriminated at their workplace (amount of salary, engagement in work and dismissal, etc.);

167.4. to reduce the differences between unemployment and employment by territory.

It is necessary to take the following actions:

167.4.1. to develop measures for the reduction of unemployment among older persons and for the increase in their employment in problematic territories;

167.4.2. to make use of implementation projects of local initiatives, promote cooperation of local partners and local economy development, thus increasing employment of older persons and combating unemployment, poverty and other problems encountered by them;

167.4.3. to motivate members of local communities to draft projects related to the increasing of employment abilities of older persons, and use resources of the EU structural funds;

167.4.4. to expand the network of education institutions for older persons by reasonably making use of school premises under reconstruction and available personnel;

167.4.5. to develop the regional structure of lifelong learning, consequently reducing the differences of accessibility of learning services to the residents in urban and rural areas;

167.4.6. to organise education in accordance with market and regional needs;

167.4.7. to create the conditions all over the territory of the state for older persons to exercise the possibilities provided by modern communication and information technologies.

### **Health and Social Services**

168. The aim is to achieve the best possible health among older persons and guarantee health care services of good quality for the sick people; to procure by the measures of health care and social services that older persons live at home, with their family and within their

community for the longest possible period; to ensure that health care and social services are easily accessible to all people in need of them.

169. The objectives are the following:

169.1. to guarantee for older persons healthy and good-quality life and, in pursuance thereof, include their health issues into every policy instrument. It is necessary to take the following actions:

169.1.1 to apply the method of sectoral cooperation, which would be developed in accordance with the opinions and needs of older persons, maintenance, support and promotion of their independence. Close cooperation of health care services and institutions rendering social services will guarantee good quality of services;

169.1.2. to ensure that all the sectors bear responsibility for the impact of their policy and activities on human health. Sectoral activities should be based on the assessment of impact on health and functional capacity, which would not only determine the current impact of governmental decisions on human health, but also envisage the potential impact of future decisions;

169.1.3. to consider the impact of social, economic and environmental factors on human health within the framework of policy formation in different spheres;

169.1.4. to draw especially great focus throughout the whole human life on gender aspect and gender inequality, as well as larger mortality rate of men. All health care activities should be improved and the impact of such activities on persons of different gender should be assessed. To assess the mentioned impact and to take appropriate measures, it is necessary to collect data and statistical material in terms of age and gender by applying a single assessment system;

169.2. to guarantee the quality of social, health promotion and health care services, their availability, sufficiency, irrespective of social status, age, gender and race. It is necessary to take the following actions:

169.2.1. to ensure equal terms to obtain effective health care and social services, irrespective of age and gender; to expediently diminish gender, age inequality and differences of financial status by rendering health care and social services;

169.2.2. to guarantee accessibility of services for rural population;

169.2.3. to promote independence of persons and support them, as well as help older persons fully integrate in every life sphere of the community;

169.2.4. to support the efforts of non-formal caregivers within the families and communities; to second correspondent community programmes, acknowledge and support efforts of older persons to take care of family members;

169.2.5. to improve the training of the specialists rendering social and health care services to older persons;

169.2.6. to better coordinate and integrate health care and social services rendered by state authorities and private institutions;

169.2.7. to apply appropriate sickness administration systems guaranteeing the accessibility of required combined services, namely medical, home care services and psychological assistance, to in-patients and outpatients;

169.2.8. to regularly evaluate the need for social, health promotion and health care services when such services are being planned;

169.2.9. to create the conditions for suitable environment for older persons so that they live independently for the longest possible period;

169.3. to guarantee the required financing of social and health care services seeking that resources allocated for health care and social services are distributed effectively, evenly and in a well-balanced way. Older persons should have equal opportunities in receiving the necessary health care and feel no discrimination in terms of age. Upon rendering the mentioned services, priority should be determined transparently, whereas sufficient financial resources should be allocated for the implementation of the established priorities, in pursuance of more significant benefit to health. Upon the necessity, social security systems, which offer types of sickness, health, long-term care and disability insurance, may considerably contribute to the provision of these services. In the course of the creation of the expanded policy on rendering health services, appropriate financing of health care and services will reduce physical dependence of older persons. It is necessary to take the following actions:

169.3.1. to constantly monitor health status of the population and the impact made by the funds and resources allocated for the health services rendered;

169.3.2. to develop the measures of specialised geriatric assistance;

169.4. to motivate people to choose what is beneficial to health. Seeking to fight the challenges related to the provision of social and health care services for older persons and the disabled, great focus should be drawn on healthy lifestyle, prevention of illnesses, physical and psychological rehabilitation, following a principle that it is necessary to take care of health all the life. It is necessary to take the following actions:

169.4.1. to motivate people of every age group to take up proper physical activity, pursue right nourishment, avoid smoking, abstain from using much alcohol, choose other healthy lifestyle measures, which could help to avoid illnesses and functional disorders, prolong life and improve its quality;

169.4.2. to educate the public, especially young people, organise various actions that motivate people to choose healthy way of life;

169.5. to improve social services – to tailor them to the needs of the ageing society and increase their accessibility. It is necessary to take:

169.5.1. the following short-term actions:

169.5.1.1. to create a common system of determining individual need for social services, legitimate responsibility for this. Consequently, the conditions will be created allowing to precisely define the need of services for an individual, thus older persons who are independent and are able to receive non-stationary services shall not be sent to stationary care institutions for older persons in the future. This should promote the development of non-stationary services, especially care at home;

169.5.1.2. to differentiate the payment for the social services by retaining the principle of social solidarity – on the basis of the funds received from state (municipal) budget social services are paid for persons in the greatest necessity for them, but who have insufficient income and property to pay for the mentioned services. Differentiation of payment for the social services will grant the possibilities to determine the payment amount having regard to available personal property, income, composition and type of social services received;

169.5.1.3. in municipalities, to develop primarily care at home services: to improve their financing, enlarge the scope, improve the quality and increase the range of services;

169.5.1.4. to improve the activities of the services providing care at home – to grant the clients the possibility to receive assistance at home upon necessity at any time of the day or at weekends;

169.5.1.5. to improve the information system with reference to services, including one also for older persons, and envisage the directions, forms and ways of information dissemination;

169.5.1.6. to improve the training of social workers – to tailor their qualification to the needs of the ageing society;

169.5.2. the following long-term actions:

169.5.2.1. to introduce the model of social service purchase; to create the conditions for the development of private initiative, thus incorporating more non-governmental organisations rendering services to older persons; to promote the competition of social service providers;

169.5.2.2. to create a common system of minimum requirements for social services, the mechanism of social service quality assessment and supervision and include social service recipients into this process. Introduction of the system of requirements together with the

mechanism of institutional licensing should ensure the quality of minimum services for older persons;

169.5.2.3. seeking for the reduction of the need for the stationary care and expansion of the choice of services, to motivate municipalities to establish institutions of independent life (group lodging) for older persons;

169.5.2.4. to expand the variety of forms of organising care and nursing care services (e.g. to establish day centres of intensive care and nursing care, mobile teams, which provide services at home for the dependent persons, etc.);

169.5.2.5. to seek for the formation of an integral system of social services for older persons in municipalities;

169.5.2.6. to develop social services rendered to older persons and diminish the differences between their organisation and provision in regions.

### **Possibilities of Full Life**

170. The aim is to create the conditions for older persons to safely live full social, cultural and personal life and constantly improve oneself, use cultural values, opportunities provided by information technologies and move without restrictions.

171. The objectives are the following:

171.1. to achieve that all older persons have access to the dwelling accommodated according to their needs; to widen the possibilities of choosing the dwelling. It is necessary to take the following actions:

171.1.1. to consolidate the abilities of older persons to participate in the housing market – to provide assistance in housing purchase, selling or exchanging process;

171.1.2. to support low-income older persons – to compensate them part of the dwelling maintenance expenditure or to help them in choosing a more rational dwelling;

171.1.3. to provide assistance to older persons so that their dwellings are accommodated to their needs and, consequently, ensuring their greater independence and ability to live longer at home;

171.2. to guarantee productive use, maintenance, renovation and modernisation of the current dwelling, as well as rational use of energy resources;

171.3. to adapt the living environment for older persons and, in pursuance thereof, try to achieve that the infrastructure of residential localities satisfies the needs of older persons (institutional accessibility of different services, creation of resting areas, proper street lighting, etc.);

171.4. to create the conditions for older persons to live full cultural life and to guarantee accessibility of cultural values. It is necessary to take the following actions:

171.4.1. to conduct the research of the cultural needs of older persons;

171.4.2. to pursue the training of cultural employees with respect to the ageing problems within the society;

171.4.3. to constantly support the initiative shown by cultural employees, which motivates older persons to take part in cultural activities;

171.4.4. to recommend the providers of cultural services envisage the privileges for older persons in the course of planning their activities;

171.4.5. to consider the needs of older persons when optimising the network of cultural institutions;

171.5. to create the conditions for older persons to use means of transport and communication without any restrictions helping them to live full life. It is necessary to take the following actions:

171.5.1. to shape the system of public transport adaptation and accessibility for older persons;

171.5.2. to personalise transport infrastructure for older persons;

171.5.3. to stimulate the society and transport staff to pay greater focus on older persons and meeting their needs for transport services;

171.6. to seek that in Lithuania older persons feel safe – to ensure their protection against violence and coercion in families, work, care or other institutions, and other forcible and violent actions; to improve prevention and supervision of criminal acts against property and criminal acts committed in public places, remote rural areas or steadings against older persons and ensure proper social and legal protection of older persons victims of a criminal act. It is necessary to take the following actions:

171.6.1. to motivate local police authorities, municipal institutions and authorities develop and implement special measures (economic, social, educational and other) for the protection of older persons against criminal acts, especially violence and coercion;

171.6.2. to implement special measures required to inform on self-defence, stimulate the potential victims of criminal acts to take all possible measures to protect one's life, health and property according to one's possibilities;

171.6.3. to improve physical supervision of public order in high risk areas, ensure police patrol, promote voluntary aid of public and specialised organisations;

171.6.4. to improve the activities of district police inspectors working in rural settlements;

171.6.5. to ensure accessibility and quality of services provided by the police, fundamentally improve the possibilities for immediate reporting to the police and receiving immediate aid from it;

171.6.6. to develop and strengthen cooperation between the police, social security and health care services and the community within the framework of the prevention of criminal acts;

171.6.7. to guarantee accessibility of information on the services rendered by law enforcement institutions and authorities;

171.6.8. to organise accessible social-psychological and legal assistance for the victims of criminal acts;

171.6.9. to periodically conduct special victimology research seeking to determine the safety status of older persons.

### **Participation and Creation of the Image of Older Persons**

172. The aim is to ensure participation of older persons in public and community life and in implementing the initiatives on self-help; to make decisions related to older persons only upon their knowledge about them and upon their participation; to promote the development of non-governmental organisations and consolidate their influence.

173. The objectives are the following:

173.1. to create and introduce an effective model of cooperation of state administrative institutions and non-governmental organisations representing the interests of older persons. It is necessary to take the following actions:

173.1.1. to motivate older persons to more actively join non-governmental organisations, participate in cultural and political life, familiarise them via mass media with the possibilities of such participation for self-expression, formation of positive, active, development-oriented ageing process image within the society;

173.1.2. to ensure participation of older persons in various consultancy services at state, municipal levels, which focus on the discussions of projects submitted by state and municipal institutions and authorities with respect to the issues related to older persons;

173.1.3. to support and promote establishment and maintenance of non-governmental organisations, community centres, older persons' clubs at municipalities. These centres and clubs should provide possibilities to communicate, share information and experience not only among themselves, but also between people of different generations, with similar interests, as well as satisfy their cultural needs. Special care should be taken of the activeness of older

persons within rural communities and their participation in public life. Rural subdistricts and social work organisers within the communities should undertake such activities;

173.1.4. to analyse and, upon necessity, improve financing of non-governmental organisations, which take part in implementing strategic aims of the state; such financing comes from the state budget, municipal budgets of the Republic of Lithuania, structural funds of the European Union, as well as charity funds; furthermore, to determine minimum standards for the services rendered by non-governmental organisations, liability, transparent and uncomplicated payment for the rendered services, their quality and received financing;

173.1.5. to promote the creation of network structures of non-governmental organisations, which would specialise in solving specific tasks;

173.1.6. to support the activities of non-governmental organisations of older persons, development of voluntary activeness, so that these people are able to help each other and engage themselves into attractive activities conforming to their abilities and likes;

173.2. to achieve that both employers and the society treat older persons more approvingly. It is necessary to take the following actions:

173.2.1. to organise mass media actions, targeted motivating measures for the employers, local communities and other members of the society so that the society is better familiarised with the advantages of involving older persons into the labour market and public life;

173.2.2. to explain the advantages of the labour force of different age;

173.2.3. to develop public attitude that increasing general education level of older persons, vocational re-training and training appears to be a productive investment;

173.2.4. to constantly arrange broadcasts at Lithuanian National Radio and Television on the activities, achievements and merits of older persons;

173.2.5. to stimulate older persons to more actively join trade unions, participate when dealing with the issues of work organisation, qualification upgrading, wages and salaries;

173.3. to form a positive image of older persons and ageing; to envisage the measures to raise awareness of the public, especially children and young people, that contribution of older persons to the public life is extremely essential. It is necessary to take the following actions:

173.3.1. to raise public awareness on the positive aspects of ageing, demonstrate the wisdom and advantages of older persons and their contribution to the public life;

173.3.2. to develop perception that older persons and their experience is a great value, irrespective of differences in their education, economic activity or level of independence;

173.3.3. to better use the possibilities of mass media for the creation of a positive image of older persons; to promote publications, prepare articles and programmes on this issue;

173.4. to constantly conduct scientific research, in pursuance of objective analysis of the problems caused by ageing, arising new needs thereupon, and search for the most suitable solutions within the framework of the relevant policy;

173.5. to use the possibilities of non-governmental organisations to contribute to solving the tasks defined in this strategy. Non-governmental organisations would be able:

173.5.1. to render social services at home, especially to single persons and families taking care of sick or aged persons;

173.5.2. to inform and consult people in risk situations on legal, psychological and other issues, grant them the skills for the use of new technologies, as well as the required knowledge;

173.5.3. to teach healthy lifestyle and create the conditions for such lifestyle;

173.5.4. to involve older persons into active life with the help of cultural events, encourage their communication and mutual assistance, relation between generations;

173.5.5. to increase the income of older persons – to partially compensate for the services rendered to others or to provide these services free-of-charge to the low-income persons;

173.5.6. to analyse the negative public life phenomena and draft the action plans for their reduction;

173.5.7. to familiarise the society with this strategy and contribute to its implementation.

## **V. FINAL PROVISIONS**

174. Having regard to the provisions of this strategy and financial possibilities of the country, the Implementation Measures of the National Strategy of Overcoming the Consequences of Ageing will be drafted. These measures will be prepared by the Ministry of Social Security and Labour together with the Ministry of Finance, the Ministry of Culture, the Ministry of Transport and Communications, the Ministry of Health, the Ministry of Education and Science, the Ministry of the Interior and other concerned institutions.

175. Seeking to ensure the possibility to assess the progress achieved, to determine the obstacles and the problems, the monitoring system for the implementation of this strategy must be created. Consequently, the working group will be formed from the representatives of institutions concerned, which will monitor the implementation of the measures. Taking into

account the monitoring results and seeking to ensure achievement of the aims of the mentioned strategy, the working group will put forward the proposals to the Government of the Republic of Lithuania regarding the improvement of measures.

176. The criteria of assessing the implementation of this strategy, which are directly related to the provided aims and objectives allowing to assess the progress made, have been determined:

176.1. income replacement rate (percentage);

176.2. expenses for pensions, share of GDP (percentage);

176.3. at risk of poverty rate for older persons before social transfers (by gender, percentage);

176.4. at risk of poverty rate for older persons before social transfers, excluding pensions (by gender, percentage);

176.5. the employment rate of older persons (by gender, percentage);

176.6. total lifelong learning indicator (percentage);

176.7. average life expectancy of residents of 60 years of age (by gender);

176.8. the number of older persons receiving social services at home.

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