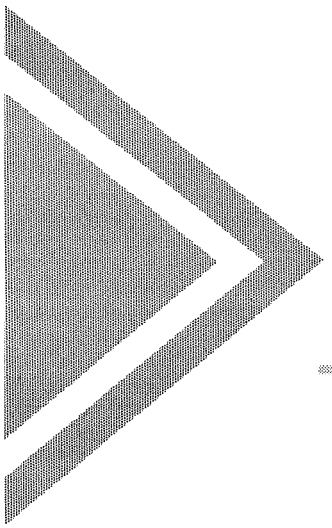
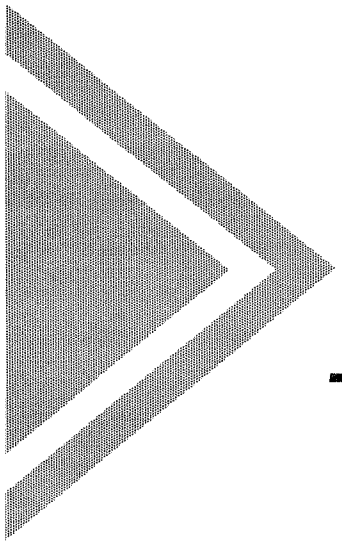


Caring for Children and Older People – A Comparison of European Policies and Practices



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Tine Rostgaard
Torben Fridberg

Social Security in Europe 6

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The Danish National Institute of Social Research
Herluf Trolles Gade 11
DK-1052 København K
Phone +45 33 48 08 00
Fax +45 33 48 08 33
E-mail sfi@sfi.dk
www.sfi.dk

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Preface

This report on social care for older people and children in Europe is part of a comparative project, 'Social Protection in Europe', initiated by the Danish National Institute of Social Research in 1992. The purpose of the project is to illustrate central social and labour market topics by comparing Denmark and other European countries. A comparison of several countries amongst other offers inspiration for new ways of organising welfare which national studies may not do to the same degree.

The first four volumes in the project by Research Director Niels Ploug and Researcher Jon Kvist, 'Social Tryghed i Europa – Udvikling eller afvikling', Overførselsindkomster i Europa – Systemerne i grundtræk', 'Overførselsindkomster i Europa – Systemerne i tal', and 'Recent Trends in Cash Benefits in Europe', dealt with cash benefits. The topic for this part of the project is the organisation, financing and provision of social care services and cash benefits, in all, two volumes are published on these issues. In this volume, the social care system for each country is described in detail in relation to the development in expenditure and in number of recipients from 1982-1996. A volume on local case studies of social care policies in Europe, is published along side in Danish, providing an illustration of how social care policies may be implemented locally.

The seven countries included in the study are Denmark, Sweden, Finland, The Netherlands, England, France and Germany, and benefits included are social services as well as some cash benefits which relate to the need for day care for children and the need for social care and support for older people. Although the main focus is thus on social care services, the inclusion of cash benefits is essential in order to understand how different benefits may serve the same function in different countries. The overall intention is to provide a description of the social care systems as they have developed from 1982-1996 as well as outlining how resources are used – a topic which has gained increasing attention not least with the changing demographics and the increasing female labour market participation experienced by all seven countries in this study.

A number of national experts have provided invaluable help in finding data and in commenting the report. This includes from Denmark, Eske Groes, Kommunernes Landsforening, Jytte Juul Jensen, Jysk Pædagog Seminarium, Merete Platz og Vita Pruzan, The Danish National Institute of Social Research, Jens Qvortrup, Sydjysk Universitetscenter; from the Netherlands, Jack B.F. Hutten, NIVEL, Jan Peter Dopheide, Ministry of VWS, Sylvia Weekers, Lisbeth Pot and Liesbeth

Schreuder, NIZW, Marja Pijl, Rick Kwekkeboomm, Sociaal en Cultureel Planbureau, Ellen Siegler and Hans Metz, Ministry of Social Affairs and Employment; from France, Denis Bouget, Université Nantes; from Germany, Martin Schölkopf, Universität Konstantz, Karl Hinrichs, Universität Bremen, Thomas Bahle and Beatrix Holzer, University of Mannheim; from England, John Baldock and Brian Munday, EISS at University of Kent at Canterbury, Ann Robinson, National Childrens Bureau, Jo Moriarty and Roisin Joel, National Institute for Social Work, Raphael Wittenberg, Department of Social Security, Peter Dunn and David Matthiews, Department of Health and Francis McGlone, Family Policy Studies Centre; from Sweden, Gerdt Sundtström, Gerontologiska Instituten, Lennart Johansson, Socialstyrelsen, Bengt-Erik Andersson, Lärerhøjskolen, Birgitta Lidhålt, Ulla Nordenstam and Eva Britt Östblom, Skolverket; from Finland, Juhani Lehto and Timo Karjalainen, STAKES, Tiina Heino, Martti Lähteinen and Anne Metsola, Ministry of Social Affairs and Health and Leena Piekkola, The Association of Finnish Local Authorities.

We would also like to thank the following local authorities for participating in the project and for their kind assistance in the case studies: Aachen in Germany, Malmö in Sweden, Montpellier in France, Southampton in England, Tampere in Finland, Utrecht in the Netherlands and Aahus in Denmark.

Researcher Tine Rostgaard has co-ordinated the project and written chapters 1-7, while International Consultant Torben Fridberg has written chapters 8 and 9. Student in Economics Christian Graff Byrgesen has co-ordinated the data collection, while Students in Public Administration Dorthe T. Jensen and Tine Holm (now Master of Science) together with Christian Graff Byrgesen have been responsible for the case studies. Student in Social Science Martin Bach and Student in Sociology Mette Bastholm have contributed to the case studies. Sue Morris together with Student of Arts Ulla I. Andersen have edited the English language.

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Copenhagen, December 1998

Jørgen Søndergaard

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CHAPTER 1

Some Methodological and Theoretical Considerations

1.1. Introduction

This report on social care for older people and children in Europe is part of a comparative project, 'Social Security in Europe'. The first four volumes in the project deal with cash benefits. As the aim of the project is amongst other to provide a broad picture of the social systems in Europe focus for this last volume has been social care for children and older people in Europe. Included benefits are social services as well as some cash benefits which relate to the need for day care for children and the need for social care and support for older people. Although the main focus has thus been on social care services, the inclusion of cash benefits is necessary in order to understand how different benefits may serve the same function in different countries. The overall intention has been to provide a description of social care systems as they have developed from 1982-1996 as well as outlining how resources are used – a topic which has gained increasing attention not least with the changing demographics and the increasing female labour market participation experienced by all seven countries in this study.

1.2. Theoretical considerations

Systemic analysis' of the welfare state has traditionally been based on cash benefits, and the conceptualization of welfare models has thus tended to neglect social services. There are many understandable explanations for this, the most obvious one being the lack of comparable data on social services. Apart from the pioneer work made by the Observatory on Older People, The Observatory on Family Policies and the Child Care Network, all under the European Commission, there have been no consistent attempts to follow the development of social services for children and old people over time. Also influential for the focus on cash benefits is the tradition of looking at cash benefits included in international conventions like ILO's Convention no.102 and EU Regulation 1408/71. Included here are income replacing or supplementary benefits like pensions, unemployment benefits and family benefits, but not social services, nor benefits in cash

related to what has traditionally been women's work, like caring for children and older people.

The study of social services is furthermore inhibited by the often varying definitions of benefits across countries, and the vague boundaries between benefits. The term social services is thus not a straightforward concept which is universally understood. In this report, services are to be understood as Knapp (1984, orig. quoted in Munday & Ely, 1996) was among the first to phrase, as social care services which include but go beyond statutory arrangements. Thus social care services may include the help provided through, e.g. informal sources as long as these are funded over a public scheme.

Also, in contrast to cash benefits, social services are characterised by having weak social rights attached, a complex financial structure, and an intricate assessment of need based on health, gender and family situation rather than being based on definable and accountable affiliation to labour market or contribution records. The high degree of decentralisation including large local variations in policies and provision does not further the task of comparability either.

Thus, it is understandable that comparative analysis' has mainly been based on cash benefits. By focussing almost excessively on cash benefits, the dominant analytical model used when analysing welfare states, has been one concentrating on the relationship between market and state. One of the pioneers in this field, Richard Titmuss, classified in his classical division of welfare, this relationship as 'social', 'fiscal' or 'occupational' welfare, where welfare is publicly provided through benefits or taxes or stems from the individual's labour market relations (Titmuss, 1974). Likewise, another influential approach has been Esping-Andersen's de-commodification concept which analyses the degree of autonomy from the market and the extent to which this is safe-guarded by the state (Esping-Andersen, 1990).

The question is then if these analytical models which have served as great inspiration for comparative welfare theorists are transferable to the study of social services? In one of the first endeavours to conceptualize social services as a component of the welfare regimes, Antonnen and Sipilä have incorporated Esping-Andersen's concept of autonomy (Antonnen & Sipilä, 1996). They understand social care services to children and older people as services which can be categorized according to how they strengthen the autonomy of especially women. This overcomes the criticism of Esping-Andersen's work from especially feminists, who argue that the de-commodification concept focusses primarily on

the male liberation from the market through the abolition of dependency between labour market affiliation and income. Thus, the independency from the market may for women result in another dependency relationship created by unequal division of household work, i.e. that of the unpaid 'provider' of services in the household.

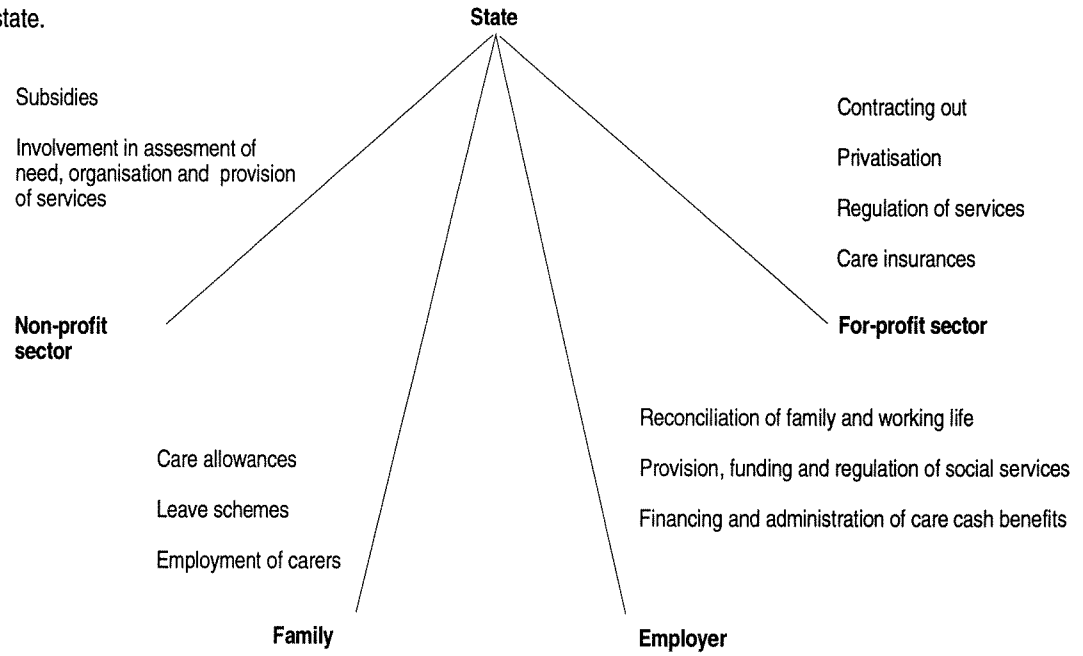
Antonnen and Sipilä choose to focus on statutory services and exclude care provided by the family, the market or the voluntary sector, whereas it could be argued that autonomy must also be seen in the light of how the actual responsibility for social services is shared in the so-called welfare mix. The analysis in this report is thus based on the assumption that the combination of statutory and non-statutory welfare constitutes the turning-point for an understanding of the principles behind the social services. Especially, since social services to a higher degree than cash benefits are affected by welfare pluralism where a strengthened involvement of, e.g. the family, suggests which routes to welfare are pursued. Often the scope, quality and individual rights to social services are affected depending upon where the responsibility is situated – in a statutory or non-statutory sector. Further, as statutory services are needs-based, they operate in close conjunction with and not separate from what is provided from other sectors. So an, e.g. well functioning informal provision of help in the home for an old person may not induce to strengthen statutory provision unless an unmet need arises or political preferences change.

In contrast to cash benefits, the involvement of the non-statutory sectors in the social services is thus often extensive and the means to institutionalize these in the welfare society equally developed – either overtly through policies incorporating other sectors in the welfare mix, e.g. when services are contracted out to the market, or when the family receives a payment for care benefit. Or it can be more covertly, such as providing home help only for old people without a strong family network. Another covert change of responsibility takes place when standards in social services are lowered. This offers an incentive to use private, for-profit services if these are better, or to set up private care insurances – that is for those persons who can afford it. In the same way, it will put pressure on the family to step in and offer help when public services are considered to be insufficient.

A beneficial analytical approach can then be to analyse the way statutory welfare arrangements support the incorporation of other sectors, or as it is sometimes termed, the way the state enables other sectors to obtain responsibility in the

welfare mix[1)], whether this is in relation to organization, financing or provision of social services. Thus, the social services may be contracted out to private profit-making organizations, others are performed by the family and supported by public means through care allowances or leave benefits, and yet others are provided and organized by voluntary organizations in agreement with and financed by the state. Likewise, the employer may serve a function in both providing and financing social services and cash benefits (Figure 1.1).

Figure 1.1.
The enabling state.



1.3.
Methodological considerations

The advantage of comparative analysis' of welfare is that strong and weak sides of the individual countries' welfare models are put in perspective. So is the intention with this comparative analysis of social care policies. This may include helping in characterising new developments as country specific or general and thereby overcoming the issue of ethnocentrism (Dogan and Pelassy, 1990). To strengthen the comparability, a certain similarity in dimensions of analysis and benefits has been chosen in the analysis. Central for the analysis is therefore the

1) Orig. phrased by Gilbert & Gilbert, 1989.

institutional design of the social service system, i.e. the way social services are organised, financed and provided. The study does not attempt to present models of best practice but to describe how the same need may be met in different ways. The emphasis is placed on characterising how the need for day care for children and need for care and support for older people is met in the individual countries.

In this sense, the assumption for the analysis is that the services and cash benefits serve a functional equivalence in two ways. What may be provided as one kind of service in one country, the same function could thus be served through another service in another county, e.g. nursing homes and home help services may take the same function. Likewise, the function of a social service in one country may be met by a cash benefit in another, e.g. the provision of kindergartens compared to parental leaves. In accordance, a high provision of a benefit in one country cannot be interpreted solely as being better than the low provision of the same benefit in another country. It is the composition of social services and cash benefits which determine the total provision. Also, the provision of services and cash benefits should be viewed in relation to the care policies in specific countries, e.g. low institutional care coverage must be seen in relation to the dominant policy to provide for older people in their own home.

Apart from the comparative method, the dominant methodology adopted in this report is the historical and documentary. In the beginning of each country chapter, a short historical description of the development of main social care services and cash benefits is presented to provide understanding for the cultural and economic importance of the benefits and the political agenda. In the remains of the country chapters, the social care systems are described. For this purpose, the working process has included carefully studying previous comparative and country studies of social care policies, additionally followed by visits to the individual countries where we have benefited from the kind help of scholars and government officials to provide updated description of recent changes. Following this, we have drafted an outline of the country chapter which has been sent to the national experts to comment. This has given us the advantage that there is a certain consistency and uniformity in the structure of the chapters and in the chosen topics. The descriptions thus rely fully our interpretations.

The object of the study has been the social care systems in the particular countries for two groups of users; children and older people. These have been selected because a great part of social services are provided for these two groups and because they as users have needs which occur over the life course rather than being needs that arise due to marginalisation. In this sense, we avoid including services to which norms of deserving/undeserving are attached.

Introduction

The report follows the development of the social care services and cash benefits over a period of 15 years, from 1982 to 1996. In this sense, there is a possibility with the previous reports on cash benefits to follow the development of the welfare states over a long period of time which has included years of expansion as well as contraction.

It has not been attempted here to analyse how social service systems are regarded from the point of view of the individual user, and what effect provision – or lack of provision – of services may have for the individual and her life course. Neither has it been the objective to investigate the effects of different care cultures, e.g. the advantages of special pedagogical traditions in day care for children or advantages of special care programmes there may be for groups such as Alzheimer patients.

Instead it has been attempted to describe the specificities of the social care systems in the individual country in regards to institutional design. The system analysis is therefore based on the nation state. The drawback of such an approach is that this disregards the local political and cultural specificities which are so significant for the elaboration of the social care policies, especially since the social services are the most de-centralised benefits of all. This has been decisive for the framing of the analysis. First of all, it has been endeavoured in this study to include only countries with a certain homogeneous cultural and political structure, which are furthermore similar in having well developed welfare systems. A the same time, the countries are interesting in having variated compositions of social care services and cash benefits: According to Antonnen & Sipilä (1996) the Scandinavian countries are thus characterised by having abundant service systems, the Netherlands and England has abundant provision of services for older people but scarce provision for children, France has abundant service provision for children but scarce provision for older people, and lastly, Germany has scarce social service provision for both groups. The analysis in this report fully supports this argumentation.

Secondly, the analysis of the social care systems has been complemented with local case studies. Case studies are in general problematic because they may represent a deviant case rather than illustrate the general picture but this does not limit their usefulness and purpose, rather this underlines that local diversity is especially profound within social service systems. In this report, the case studies are presented as boxes in the individual country chapter. A separate report has been published, in Danish, with the full length of the seven case studies. The case studies contain a descriptive analysis of the social care policies in a local authority chosen on behalf of number of inhabitants, around 250,000

persons. Key persons among local authority officials have been interviewed, and in addition we have visited local service institutions. From the request to see mainly representative institutions, the local authority has been the one to arrange the visits, and has afterwards assisted in commenting on the draft of the case study.

1.4. Delimitation

In order to obtain certain comparability, the study concentrates on how needs are met for children and old people. The definition of the two groups has been set according to age, and include services for older people above 65 years, except for Denmark where statistical data is available for the 67+ only. Defining the group of children proved to be more complicated. Our initial definition was the 0-5 years olds, but the availability of statistical data did not allow such a range as data is mainly available up to school age. Children are therefore defined as 0-school age, which differs from 5-7 years in the various countries.

The focus is on core benefits such as day care institutions for children, family day care, and leave benefits, and for the old, home help, institutional care and care allowances. Some more periphery benefits are however included, when these are important for the implementation of care policies, e.g. auxiliary care for older people to help them stay in their own home.

Care services and cash benefits often get across the organisational structure and may belong to very diverse policy areas such as education, health, social security, social affairs or employment. Health care services are in the report generally not included but due to the vague borderlines between health and social care it has in certain cases not been possible to exclude such data, e.g. the development towards co-ordinated home nursing and home care makes it difficult to define how many users receive home help only and the recorded number may therefore be higher. Likewise, the definition of the limits between health and social care may affect the recorded provision of services negatively. The Finnish figures on institutional care for the old is thus lower than normally presented since the geriatric hospital care is not included. On the other hand, it has been possible for most of the countries, except for France and Germany, to exclude from the data the number of recipients who are under 65 years and receive services due to disability.

Especially in regards to social services, local differences within a country are often profound. The differences between urban and rural areas may thus be

higher than the average difference between two countries. The national data which is presented in the report are therefore average data and as such not representative.

The comparability of data is further complicated due to the different tradition for reporting. Some countries may report once a year during a certain month which gives a lower number than reporting the total number of recipient over the year. Denmark has thus practised the former for a number of years, whereas since 1990 Sweden has adopted this practise also. Or countries may count the number of recipients based on different definitions. Denmark again uses household when counting the number of recipients of home help while Sweden counts the individual number of recipients.

Reporting on social services has proved especially difficult in countries with a strong decentralised structure, such as Germany. Here, data is not always available for the full range of years, or may only be available for the former West Germany. The strong local element has also determined the use of English data rather than data for the whole of United Kingdom, which is collected in three different statistical organisations. However, in a few places data has not been available for England, for which reason UK data is used. Within day care, there has been special problems counting the provision of day care places as the different day care services have different opening hours. While Swedish children in day care centres therefore spend on average 8 hours a day five times a week in care, Dutch children may only spend 8 hours twice a week in the same kind of day care institution. To overcome this, provision is calculated as full-time equivalents, using national estimations of the number of hours (see Appendix on Comparability for table of conversion).

Overall, it is, therefore, important to bear in mind that data may not be directly comparable across countries. However, data may support the understanding of the development within an individual country and the implications of changes of e.g. entitlement, standards and user payment.

1.5.
Sources of data

The data on social expenditure and number of recipients mainly stem from national statistical data in order to be more precise in the choice of benefits to include. Aggregate data which is available e.g. from the OECD may have an advantage in being comparable but the level of aggregation often proved to high for the purpose of this report. When national data has been unavailable, OECD's

'Social Expenditure' has been used and for general data on demographics and labour market especially Eurostat and European Commission data have been used. A useful source of information on the organization of day care is the Eurydice and the data base which is available on the Internet. In a few cases, survey data have been incorporated.

1.6. Statistical symbols

Throughout the book, different statistical symbols are used:

.. Data not available
– Nil or less than half of the last digit used
: Included elsewhere
<> Not applicable
. Decimal point
, Thousand separator

1.7. Main questions

The focus of the report is concentrating on four main questions:

1. What is the *policy objective* of social care services and cash benefits in regards to the formulation of the target groups, criteria of eligibility, standard, and in general, the policy preferences.

2. The *organization* of the benefit is studied in relation to the competence for providing and regulating a service whether this lies with a public institution or eg. a voluntary organization. Similarly, whether the benefit is governed centrally, regionally or locally.

3. The *financing* of the benefits will be analysed in relation to whether they are financed via labour market contributions, voluntary or compulsory insurance schemes or general taxes and user payment. The analysis will also look at the different fiscal subsidies and cash benefits which may prompt e.g. informal care for children and older people, or the use of private profit-making organisations.

4. The *provision* of the benefits in kind is the final element in the analysis of social care benefit in regard to the division between voluntary and church organizations, employers, market, family and state/local authorities.

1.8.
Outline of report

After the comparative chapter outlining the developments in all seven countries, a chapter for each country follows. Each country chapter consists of an introduction, a historical outline, descriptions of the main financing, provision and organisation principles, and two specific parts, one on day-care for children and one on care for older people. These are based on the same structure: The general principles of social care policies are outlined, followed by a description of certain demographic, household and labour market issues which affect the need for care. After this, a description of different social care services and cash benefits include issues such as assessment of need, provision, coverage, user fees, standards and regulation. A chapter on changes will then give the reader an overview of some of the most important changes in regards to the coverage of social care services and cash. As the formulation and implementation of social care policies are generally de-centralised, each country chapter contains a case-study from a local authority, presented in a box. A separate report has been published in Danish, with the full length of all seven case-studies. Finally, an appendix at the back of the book provides more detailed tables of expenditure and number of recipients.

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CHAPTER 2

Caring for Children and Older People – A Comparison of European Policies and Practices

2.1. Introduction

Studying the development of care policies from 1982 to 1996, for not one but two broad groups of service users, pre-school children and older people, will invariably leave an impression of numerous diverging trends and developments, not least because this report focuses on seven countries, Denmark, Sweden, Finland, the Netherlands, England, France, and Germany.

Varied as the social care systems have been from the beginning of the period under study, by the turn of the millennium they are still characterised by their individual specificities, resembling their own particular welfare system in relation to the principles of organisation, financing and service provision. Countries, however, share several common elements arising from structural and ideological influences. The social care systems in the seven countries in this study have been developed during a period of increased female labour force participation, with more focus on equal gender distribution of care work, and of changing family forms and demographic pressure from an ageing population. The last 15 years has also been a period of increased focus on the welfare state. While recognising the conception of roles and responsibilities of various agents in the welfare state are deeply embedded in cultural and ideological differences among the countries, certain similar trends can, however, be observed in the development of service policies which have allowed more plurality in ways of providing social care for children and older people: Social services currently reach more users than ever before and provision is supposed to be tuned into meeting individual needs and to be more flexible. Rights for provision have been introduced for some services while for others stricter admission criteria have been introduced. Individual responsibility has generally been increasingly emphasised through fees and levying financial encouragement through carers allowances, leave schemes and subsidies for private provision. Increasing reconciliation of work and family life and the creation of partnerships between social partners has at the same time given employers a heightened new role in the provision and financing of services.

Finally, user empowerment and consumerism has been strengthened. These trends of course vary across different forms of services and vary between children and older people but underlying them all is a development towards a mixed system of welfare, with the state increasingly functioning in an enabling role, giving other actors in the welfare mix more scope.

This chapter provides a presentation of the various schemes which exist in the seven countries, all with the same functional purpose of offering social care for older people and children. It also offers an overview of the development of the schemes and the impetus behind the changes. At the end of the report, an appendix outlines various characteristics of the most important benefits, such as entitlement criteria, standards and coverage rate.

This report does not attempt to evaluate the reasons behind the development of social care policies. However, as demography, labour market developments, economics and politics are obvious co-determinants of welfare decisions, the chapter sets out by an examination of these factors.

The remainder of the chapter offers a description of the social care systems and their developments, with emphasis on the comparative perspective.

Finally, the chapter considers the number of trends in social care services in the seven countries covered by this study.

2.2.
Labour market participation and demography

Labour market participation

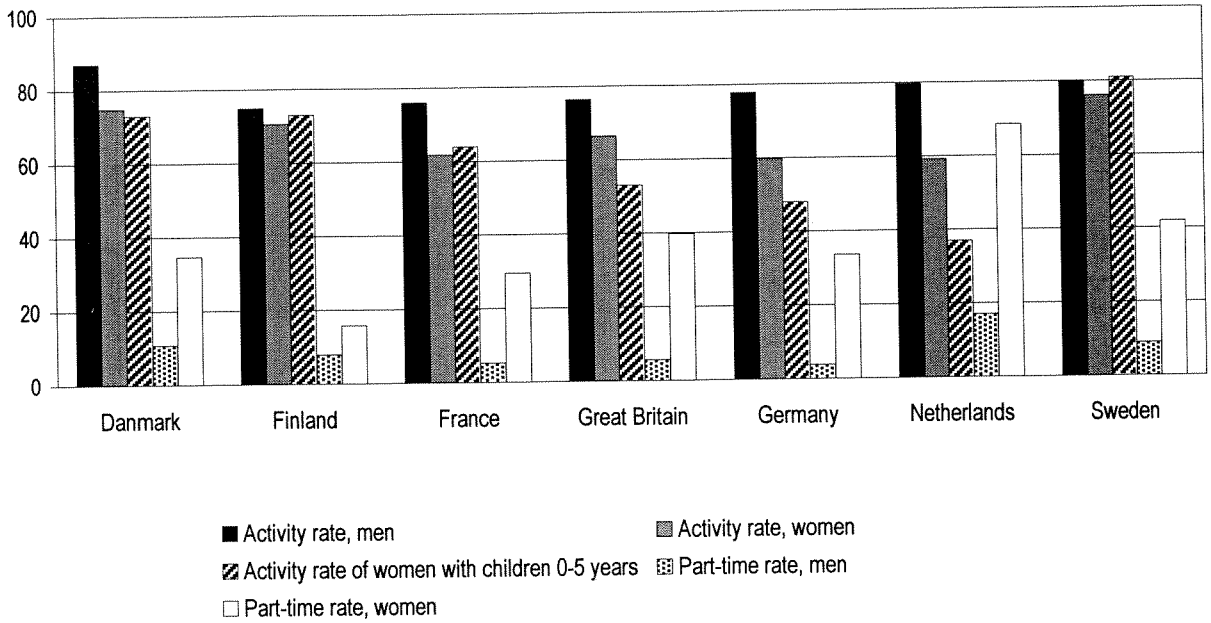
Female participation in the labour market has been one of the most outstanding developments and has without doubt been the major factor in stimulating the setting of a new agenda for the care of children and older people the most. The feminisation of the labour market is a general development although most marked in the Nordic countries where women had already entered the labour market in the 1950s and 1960s. Although Sweden and Finland did experience a major rise in unemployment in the beginning of the 1990s leading to a fall in women's employment, the Nordic countries still have the highest percentages of female labour force activity rates today, with Swedish figures of around 76.1% being the highest (Figure 2.1). Reflecting the high participation rate, a great deal of Swedish women do however work part-time whereas in Finland the high activity rate is not coupled with similar high part-time rates. The activity rate among women is also relatively high in Denmark, where 1/3 of women work part-time. The majority of Nordic men are active in the labour market too, but unlike men

in the other countries, around one in ten work part-time – a percentage only surpassed in the Netherlands.

England[1)] as part of Great Britain, also belongs to the countries with high female labour force activity rates; more than 2/3 of British women are active in the labour market.

France, Germany and the Netherlands share a somewhat lower female labour force participation rate at around 60% and, especially in the Netherlands, the increase in women working outside the household is a more recent phenomenon. Most Dutch women in employment work part-time, more than 2/3 of active women, while women working in Germany and France tend to work full-time, less than 1/3 of German and French women in employment work part-time.

Figure 2.1.
Labour market activity, men and women, 1996, and women with children, aged 0-5, 1993.



Source: See appendix (p. 76).

In Sweden, Finland and France activity rates are even higher among women with younger children than women generally, while Danish participation rates are only slightly lower (Figure 2.1).

1) Here figures from Great Britain.

The reason might be that the relatively good provision of day care – in France for children from 3 years and in the Nordic countries also for younger children – allows women to continue working during the child's pre-school years. However, norms and culture differences surrounding obligations, of the family in general and women in particular, prevail. Germany and the Netherlands have traditionally attached great importance to family obligations and women are generally expected to look after their children themselves in the early years. German mothers often leave paid employment after the birth. Only one in three mothers continue to work, while 28% take breaks of at least 6 years, 13% take longer breaks and 5% choose to quit working altogether (Willemson et al., 1996). Dutch women have traditionally been expected to stop working when they have children. However, following increasing labour shortages, Dutch family ideology has changed in recent years in favour of more shared parental responsibility as more women are needed in the labour market. As women's educational level has increased in the Netherlands in latter years, female employees now also constitute a highly qualified labour market resource. Nevertheless, 41% of women still leave the labour market for long periods after child birth (Statistics Netherlands, 1995). In England, good parenting often implies looking after children at home, and although the increase in British female labour market participation since the early 1980s has been made up entirely by working mothers, most children are still cared for at home by their mothers.

Not only do mothers and fathers work. Grandmothers, who have traditionally shouldered some of the child care burden, are also more and more likely to be in paid employment as they continue to work or take up employment in their mid-life. Here again, labour market participation is highest in Sweden among women from 55-65 years where two in three participate in the labour market. In Denmark, England[2)] and Finland around two in five women in this age group are active, with slightly lower activity rates in Germany, France and the Netherlands, from 20-30% of women in this age group (OECD, 1997). Although a number of these women are working part-time grandmothers are now presumably less available for providing child care than they used to be.

Family structure

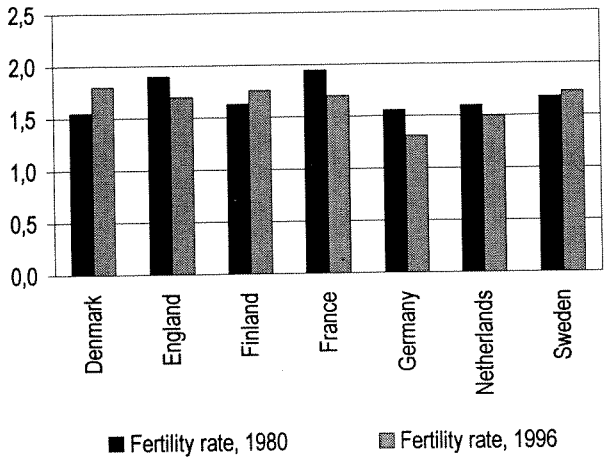
The increases in take up of paid employment and further education have been contributing factors to decisions by women to postpone or refrain from having children; likewise the contraceptive pill and the availability of abortion has allowed more planning of child giving and career decisions. The mean age of EU women's first childbearing has accordingly risen from 27.1 years in 1980 to 28.9

2) Data from United Kingdom.

years in 1996 (Eurostat, 1997). As Figure 2.2 shows, the fertility rates for the seven countries are well below replacement level at 2.1 children per woman. However, in the Nordic countries, where activity rates among women are high, fertility rates have been increasing since the early 1980s and Denmark presently has the highest rate at 1.8. The increase in birth rates in the Nordic countries may, however, also reflect delay in child birth since a generation of women has already chosen to give birth in their thirties rather than in their twenties.

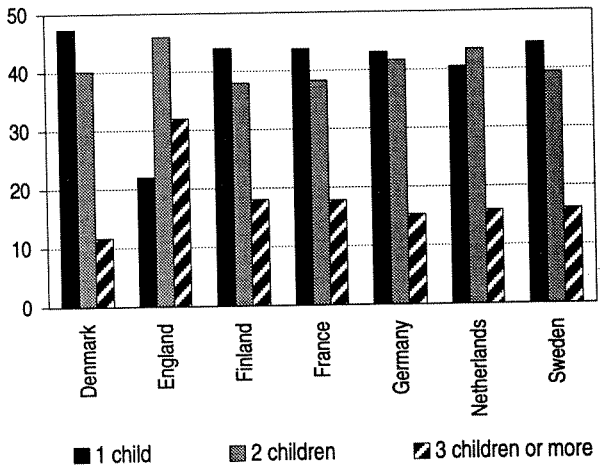
With falling fertility rates, family structure has changed accordingly, and most families with children now have one or two children at most; families with thus three children or more are a more rare sight (Figure 2.3.). There are thus fewer children to take care of than earlier – but also fewer parents and grandparents outside the labour market to take care of them.

Figure 2.2.
Fertility rate, 1980 & 1996.



Source: See appendix (p. 76).
Note: France and Germany: 1995 figures.

Figure 2.3.
Family composition, latest available data.



Source: See appendix (p. 76).

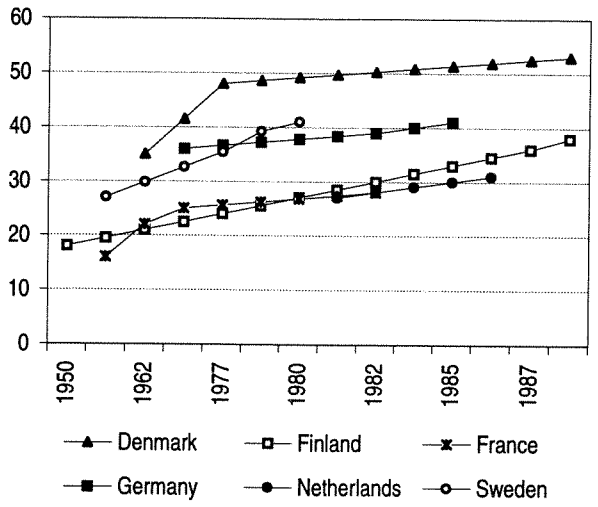
Household composition

For older people, the need for care is especially influenced by changes in household composition as older people today are more likely to live on their own. Data about independent living for older people are not regularly produced but the most recent data clearly demonstrate that there has been a decline in co-resi-

dence among older people over the last 50 years. This development is a common European phenomenon although the countries started from different positions, with Denmark and Sweden having the highest proportion of older people living alone in the 1950s and 1960s. Along with Finland, these two countries also currently have the highest proportion of older people living alone (Figure 2.4.).

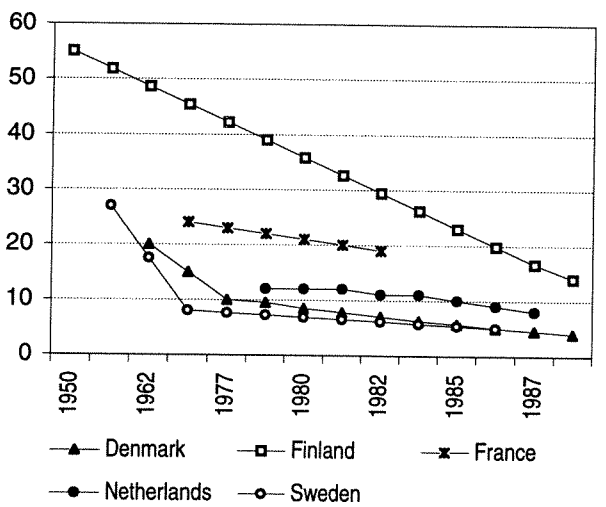
It is mainly among the very old that living alone is most common, mainly because of loss of spouse or partner, and consequently is mainly a female phenomenon due to the gender differences in life expectancies (Sundström, 1994). The increase in older people living alone is, however, also a reflection of community care policies providing care in the home instead of institutional care. The changes in household composition are furthermore affected by an increasing tendency among older people to live independently of their families. Today, it is less common for older people to live with their children, both because of increased mobility as family networks are changing and people are less fixed in their family relationships, but also due to general developments in the housing stock – and not least – preferences among both younger and older generations for independent living (Figure 2.5). When more older people live alone, the possibility of informal help from others in the household is reduced, and the need for help from others increases.

Figure 2.4.
Older people living on their own, % 65+, 1950-1988.



Source: See appendix (p. 76).

Figure 2.5.
Older people living with adult children, % 65+, 1950-1988.



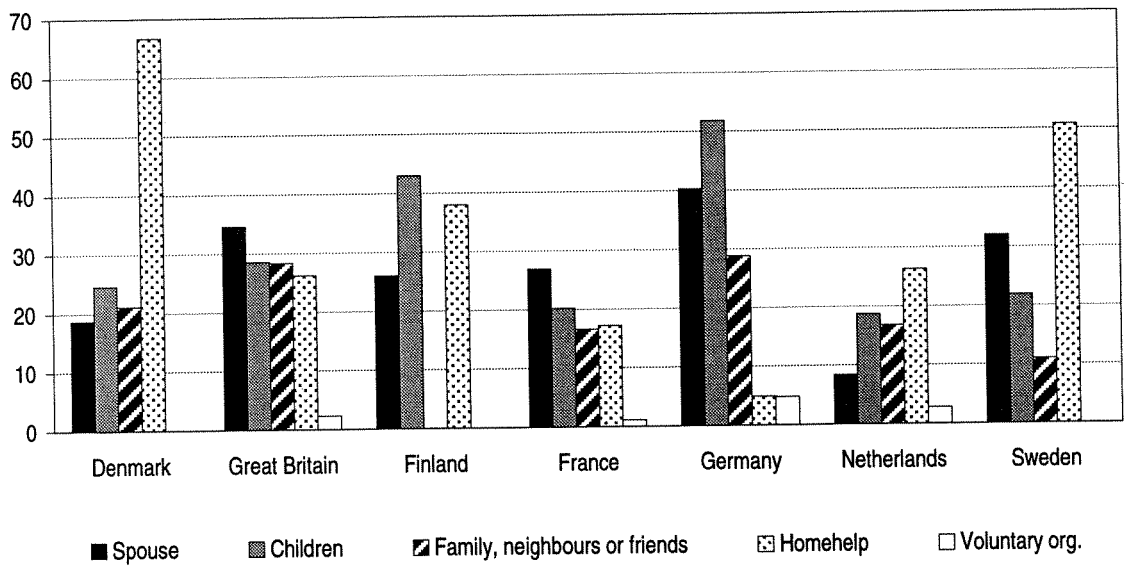
Source: See appendix (p. 76).

Informal care and support

A common feature of all seven countries, however, is that most older people do have close relationship with their next in kin and often talk by phone or are visited by family members who often live close by (Walker, 1993; Andersson, 1993). Generally, for all countries is that informal care has traditionally been the main source of care for older people and in most countries continues to be so, although the provision of formal care extends to more older people, and in most countries especially to those who live alone.

Care provided by family members and social networks is thus not insignificant, and informal care has traditionally provided the bulk of assistance and care for older people who are in need of help, even in countries with relatively high levels of provision of formal care. When asked who provides regular help with personal care or domestic tasks, older people often give their spouse and children as their main sources of assistance. In Sweden and Denmark, however, the home help is the main source of care. In Germany especially, many older people receive care from spouses and children. Two in five thus report receiving help from a spouse, while one in two receive assistance from adult children. This can include everything from lighter household chores to intense personal care and care may come from both spouses and children at the same time (Figure 2.6).

Figure 2.6.
Who provides help for older people aged 65+ with domestic and personal care, in percent, 1993/94.



Source: See appendix (p. 76).
Note: Respondents are older people in need of daily help for personal care and for domiciliary tasks. Figures do not add to 100.

Informal care may, however, be less available or, alternately, may need to come from other sources in the future. Since it has been mainly women who have traditionally provided informal care, the marked rise in female labour market participation rate since the 1960s invariably influences informal care potential, especially, since what has traditionally been the main care taker pool – women aged 45-64 years – is shrinking. Declining birth rates coupled with longer life expectancies lead to fewer middle-aged women compared to older people; and as noted earlier, women in this age group often participate in the labour market.

An equally influential development, is the changes in family structure. As Finch (1989) has pointed out, bonds of family obligation do not operate from premises of ready made moral rules. The character of kinship relations is highly affected by family circumstances. Interruptions in family life caused by divorce/end of co-habitation and new family settlements accordingly affect the development of kinship relations, not only between adults but also between older people and their adult children. It is therefore not only the actual availability of next of kin which determines the provision of informal care, but rather the nature of the relationship. Finally, older people – and family members – may prefer formal provision of help as an alternative to dependency on the family. Especially, because women who do most of the informal work seldom are compensated or acknowledged for the work done (See e.g. Ungerson, 1987; O'Connor, 1993; Lewis, 1992).

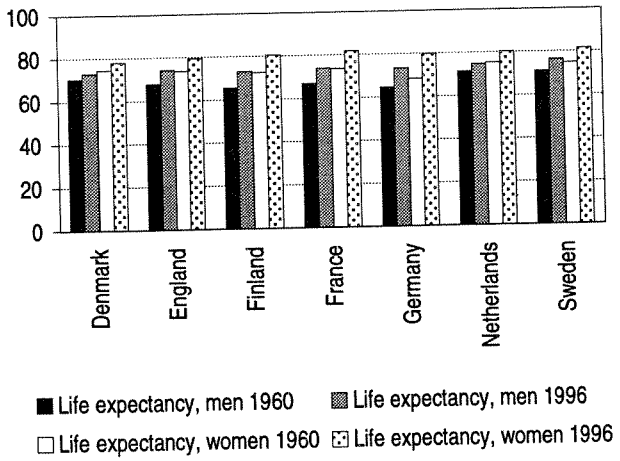
Ageing

The care burden has increased with population ageing whereby the population over 65+ has increased in number and proportion alongside increases in average life spans. Since the 1960s, life expectancies have increased for both men and women, most markedly in Finland and France where the average life expectancies improved by around 11% for both men and women from 1960 to 1996. Average life spans have, however, remained static in Denmark, especially for women (Figure 2.7). Older people are thus getting older which leads to a significant increase in their number.

Coupled with falling fertility rates, the proportion of older people to the rest of the population has increased in all seven countries. Especially the so-called younger older age group, the 65-70 year old, has increased as a proportion of all older people. This demographic development has, however, taken place at different times with Germany being the first country to experience a growth in the older population, although Sweden now has the greatest proportion of older people in the population, with 17% aged 65 over. With the 1960s babyboom generation reaching pensionable age around 2020, the proportion of those aged 65+ is projected to increase most markedly in Germany, the Netherlands, Finland and France (Figure 2.8). In Finland, however, this will be followed by a decrease in

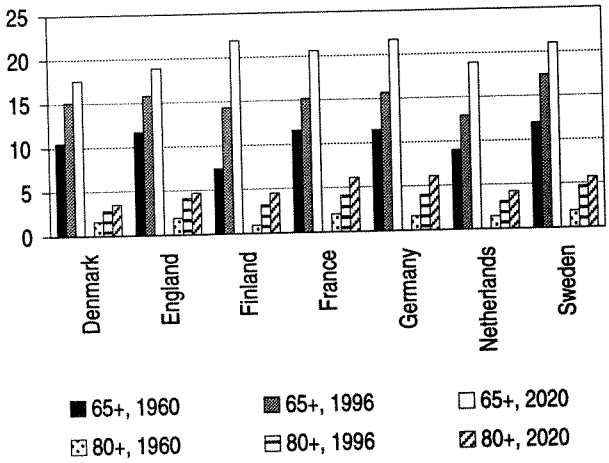
the number of children aged 0-14 so that the dependency ratio, those aged under and over working age as a proportion of the rest of the population, will remain more or less the same.

Figure 2.7.
Life expectancy, men and women, 1960 & 1996.



Source: See appendix (p. 77).
Note: Germany: 1950 instead of 1960 and West Germany only, also 1995 instead of 1996. England: 1960 for UK. France: 1995 instead of 1996.

Figure 2.8.
Older people aged 65+ and 80+ as a percentage of the population, 1960, 1996 and 2020.



Source: See appendix (p. 77).
Note: UK instead of England except for 65+ and 80+ in 1996.

For the oldest age group among the older people, those over 80 years, all countries have experienced growth since the 1960s. Sweden, Germany, France and England stand out as having the highest proportion today, with between 4-5% of their total population being 80 years or older, increasing by 2020 most dramatically in Germany and France, by 40%. In all seven countries, women make up larger proportions of the very elderly as life expectancy rates are higher for women than men in all countries.

Generally, longer average life expectancies are regarded as the result of reductions in child and adult mortality, increases in prosperity, improved living standards and well-being – and is thus a positive development. At the same time, the two elements of the ageing process pose a challenge to the care systems in expansion of the population group typically requiring high levels of help and care. Whether increase in life expectancies per se will increase the need for care is a

controversial issue. Some theories predict that the need for care will only be postponed to later ages so that the overall care need will remain the same. Other theories predict a compressed care need meaning that older people will tend to remain healthy to later in life than previously and then die quickly of ill-health. The third and most empirically supported theory predicts that the need for care will be extended to more years of life thus older people of the future will need more care and help due to prolonged life spans, perhaps for some groups more than others in the population, creating a polarisation of need (Socialstyrelsen, 1996). Yet, studies of mobility and ability to carry out daily tasks in the Nordic countries show that the proportion of older people who manage on their own has increased (Szebehely, Lingsom & Platz, 1997).

2.3.
Economic constraints and the introduction of efficiency criteria

Along with changes in labour market participation, family structure, household composition and demography, all our seven countries in the study have in recent decades experienced significant political and economic pressure on the welfare state. Rising costs have accompanied development of the welfare systems and the proportion of GDP used for social expenditure has risen to current unmatched levels, comprising between 28-40% of GDP, with the highest in Sweden and the lowest in England (see National Chapters). Expenditure on social services as part of GDP has risen equally in all countries.

In all seven countries, cost implications of an ageing population have meant that for some years policies for older people have mainly focused on the development of domiciliary care as an alternative to more costly institutional care, whereas care for children has mainly been developed within institutional settings. The rising levels of expenditure have given impetus to evaluation of welfare principles especially in the 1980s and 1990s. The lack of user influence and the possessive nature of welfare systems have been part of the criticism mainly from the left, whereas criticism from the right has mainly concerned the lack of value for money, the rigidity and the inherent expansive nature of welfare systems. Both sides agreed on that there were disadvantages associated with the welfare provision to the highly bureaucratised administration and lack of choice.

Furthermore, with growing tax opposition expansion of social care has generally taken place with the primacy of a cost-efficiency ethos, searching for cheaper forms of care and alternative providers. Support for non-state provision as a cheaper alternative to public support has increased, in some countries more than

others. England, especially during the Thatcher years, reduced state provision for older people and created what has been termed quasi-markets of welfare, by contracting-out provision to private profit-making providers, partly due to ideological support for private provision, and partly to reduce costs. In Sweden in particular among the Nordic countries, economic constraint in the 90s also helped fuel increases in provision by cheaper profit-making providers, while in the Netherlands, former open-ended provision for older people has become cost-controlled, providing services within strict financial limits. Provision has been circumscribed by cuts in cash benefits in Sweden, Finland and France. In Germany, where care for dependant older people put the social assistance scheme under pressure, creation of the new care insurance scheme has relieved the state financing at the same time as the financing of care has been greatly improved. Also in the Netherlands, the inclusion of long-term care under the new health insurance system should improve the financing of future care needs. At the same time, demand has increased in all countries, primarily due to demographic, family and labour market changes outlined above, but also due to criticism and increasing expectations from users.

Figures 2.9. and 2.10 give an indication of how much is spent per capita (calculated in DKK) and how expenditure is distributed[3]. For services for older people, in four of the countries, Denmark, Sweden, the Netherlands and France, the distribution of expenditure is mainly divided between home help and institutional care. For Germany and England, costs are mainly divided between care allowances and institutional care, while costs in Finland spreads over institutional care, home help as well as care allowances.

Sweden, Denmark and the Netherlands spend proportionally more per capita than the remaining countries. Sweden and the Netherlands spend far more on institutional care. Swedish figures do, however, include cost for sheltered housing also. The second group of countries spending higher amounts on institutional care is made up of Denmark, Finland and France while England and Germany spend relatively little on this form of care. Care allowances given to the older person to purchase care or to compensate carers take up the greatest proportion of expenditure in England, even when these only include the care allowances directly given to older people[4]. Two thirds of the costs for care allowances are,

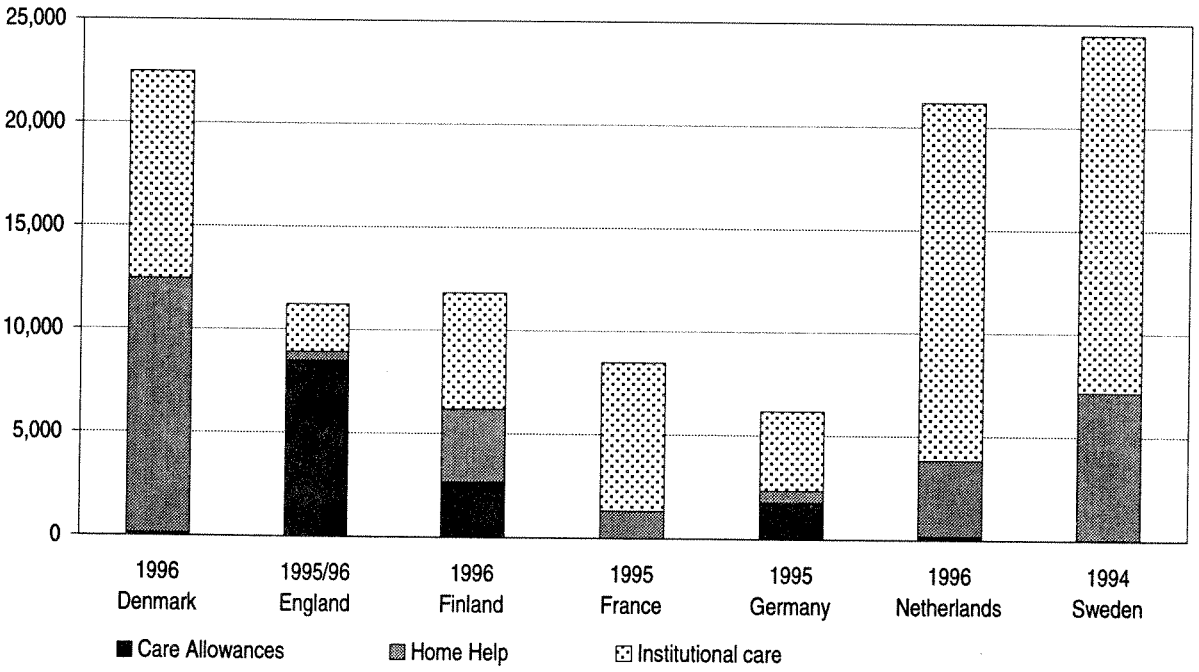
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3) See Appendix C for description of PPP calculations.

4) Care allowances here only include what is given directly to older people as it is not possible to calculate the per capita costs for the care allowances given to carers.

however, for Income Support benefits which are used to finance institutional care. Care allowances also take up a proportionally high share of costs per capita in Finland and in Germany. Care allowances are part of general expenditure on home help services in Sweden, thus it is not possible to calculate how great a proportion of total expenditure this makes up. Denmark spends far more on home help per capita than the other countries, especially as the Dutch figures cover total home care, including home nursing also.

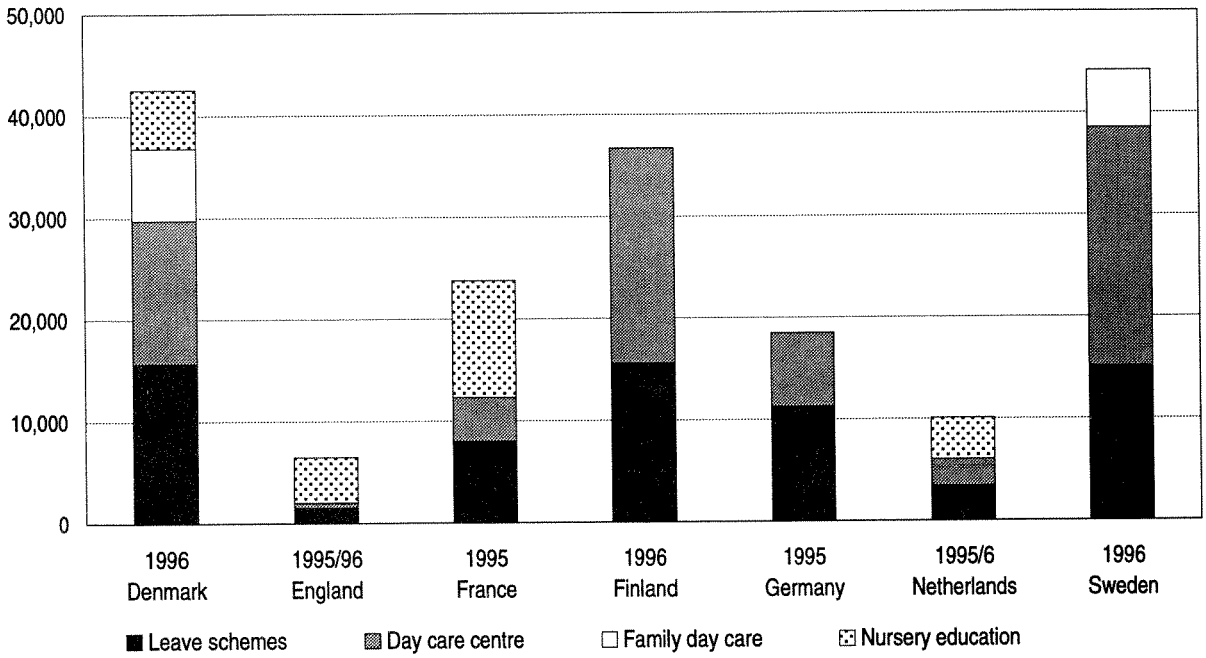
Figure 2.9.
Net expenditure for main social services and cash benefits in DKK (Purchasing Power Parities, PPP) per capita, older people aged 65+, 1995/96.



Source: See appendix (p. 77).
Note: Expenditure for cash benefits as gross expenditure before tax, expenditure for social services as net expenditure excluding user fees. Denmark: Expenditure for home help from 1994, based on 67+. England: Home help for 1993. Sweden: Institutional care for 1994, and including expenditure for sheltered housing, and home help for 1994, including expenditure for care allowances. The Netherlands: Expenditure for home help including home nursing. See Appendix C for calculation of PPP.

For social care for children, Sweden has the highest costs per capita, with the greatest part of expenditure on day care centres, partly because of a higher rate of qualified staff than in the other countries which increases wage costs (Figure 2.10).

Figure 2.10.
Net expenditure for main social services and cash benefits in DKK (Purchasing Power Parities, PPP) per capita, children 0 to school age, 1995/96.



Source: See appendix (p. 77).
Note: Expenditure for cash benefits as gross expenditure before tax, expenditure for social services as net expenditure excluding user fees. The Netherlands and Finland: Expenditure for day care centres incl. family day care. The Netherlands, Denmark, Finland and England: Expenditure for nursery education calculated on basis of average costs per pupil in nursery education and primary schools. England: Per capita expenditure for leave allowances from Great Britain. Germany: Expenditure for day care services including all formal schemes for children. Sweden: Expenditure for day care centres including nursery education. See Appendix C for calculation of PPP.

Closely following Sweden, Danish expenditure is spread over leave schemes, day care, family day care and nursery education[1]. The Finnish figures on day care centres include expenditure on family day care, which is likely to be as high or even higher than in Denmark and Sweden, due to the relatively greater proportion of children within family day care in Finland. A middle group is made up by Germany which spends two thirds of costs on day care provision and France where main costs are for nursery education and leave schemes. The third group of countries is made up by England and the Netherlands. In comparison to the other countries, these two countries spend far less on day care, reflecting a lower provision of day care but also a priority for provision within the education system. Thus, cost per capita in England for nursery education far exceeds costs for day

care. The Netherlands spends approximately the same amount on nursery education as England. Play groups, which are part-time provision of play activities rather than day care make up only very little of total costs, and are therefore not included here.

High expenditure for day care and nursery education do not rule out equal high spending on leave schemes. Thus, leave schemes take up a great proportion of expenditure in Finland, Denmark, Sweden. The cash/service relation does however seem to influence per capita spending in France, where high spending in nursery education is followed by low expenditure for leave schemes. Likewise, high per capita spending on leave schemes in Germany is followed by low spending on day care. England and the Netherlands spend proportionally less on leave schemes as well as on day care.

2.4. Policy objectives

While the social care systems have come under increasing focus and levels of expenditure have continued rising, increasing need has made it imperative to evaluate policy objectives with reference to the organisation of care, the need for introduction of new schemes and whether private provision should complement the public one.

Caring for older people in the home

Care policies for older people today thus mainly aim to provide in-home services to allow older people to remain in their own home, postponing institutional care for as long as possible. Normalisation and independence are values characterising most policies for service delivery to older people, as is the wish to strengthen individual choice (Box 2.1). Long-term care for the most frail is no longer mainly provided in institutions, and often nursing homes are being transformed into sheltered housing, often with similar access to services as are available in the traditional nursing homes.

A common strategy for all seven countries has been to strengthen community care, although this term has different meanings across countries: In some countries, community care is used to describe the de-institutionalisation process, i.e. domiciliary care as an alternative to institutional care and to support independence, whereas in others it means involvement by social networks and other actors in the provision of care. Common to the seven countries, however, is that the division of responsibility for care tasks has been brought to the political agenda during the 1980s and 1990s, e.g. in Finland where the tradition of institutional care has changed in favour of domiciliary care at the same time as

Box 2.1.
Objectives of care provision for older people.

Denmark	Should enable older people to remain in their own home, and should be provided regardless of accommodation type, contributing to strengthening self-reliance, improvement of social and personal functional ability and self-realisation. Social services are part of a preventive effort and should be adapted to individual needs, coordinating services whenever necessary. Continuity, the ability to use own resources and rights to self-determination, including choice of home help provider, should be furthered through social service provision. Pensioner councils and complaint boards must be set up.
England	Should further normalisation, independence and greater individual choice by providing care for older people in their own homes or in a homelike environment in the local community and to help people achieve their full potential. Also, services should achieve efficiency in resource use, using whenever possible services from voluntary, 'not-profit-making' and private providers insofar as this represents a cost effective care choice. Delivery of services should reflect users' needs and service providers must make practical support for carers a high priority. Health and social services must be developed, purchased and commissioned jointly. As the principal guarantee of a common approach, care managers are given responsibility for assessing need and designing individual care packages.
Finland	Should be provided at home rather than in institutional setting. Delivery of services should be needs-led, maintaining health and working ability and work for the integration of older people in society. Freedom of choice, normality, quality, and a voice in decision making must be achieved, and individual treatment must be in focus.
France	Since the beginning of the 1980s, care provision for older people enabling them to stay in their own homes has had a high priority. The development of publicly regulated home help service is still sparse though increasing. Home help assistance is still mainly earnings related social assistance benefits.
Germany	Older people in need of help and care should be able to stay as long as possible in their own homes in order to reduce the need for residential care and stimulate and activate social networks around the person in need of care. Payment for care benefits are supplemented by social security insurance contributions, training of care givers and, holiday-relief, and by some professional help.
The Netherlands	Intramural care should be replaced by extramural while retaining quality, facilitating individual choices of users, producing more effective service provision and at the same time avoiding unnecessary use of services. A more integrated approach should be used, and delivery of services should change from a facility to a functional approach, tailored to individual need. Development of client empowerment is essential and social services should be provided in a spirit of equal relationship between care provider and care-recipient, promoting privacy and strengthening integration, independence and participation by older people.
Sweden	Should enable older people to stay at home and remain in contact with other people by means of help in the home, transport services or other services and resources like day centres. Services should be needs-led and tailored to match individual resources and provision of welfare should take place within a holistic framework allowing continuity, flexibility and a local focus. Older people should be able to live an active and meaningful life and care services should be characterised by self-determination, integrity, security and freedom of choice. User influence is recommended and pensioner councils must be set up.

Source: Government objectives, see national chapters.

the role of civil society has been subject to debate. Family members, relatives and the neighbouring community have been encouraged to help and provide care for older people in particular and this has been also spurred by the recession and local financial crisis in Finland.

Caring for the carers

Most countries have placed special attention on carers' needs realising the valuable contribution of informal care, and support for carers includes various forms of economic compensation and respite care to relieve some of the care burden. In Denmark and Sweden for example, leave for care of a terminally ill relative has been introduced. Also in England, much attention has focussed on the informal sector and the potential economic value it holds. In Germany, this is financed through the new care insurance.

Improving leave entitlement and expanding day care provision for children

Developments in policies for pre-school children reflect the increase in female labour force activity in most countries, by expanding the number of day care places available and by improving leave entitlement for parents.

In some countries, the underlying objective of improved leave entitlement has been mainly to reconcile family and working life and in others mainly to ensure that children are cared for in their family during early childhood. This has been achieved in Sweden, Denmark and the Netherlands by extending the period of maternity leave[5], or those eligible as in England, while fathers in the Nordic countries, and France have statutory rights to paternity leave after birth also.

Parental leave benefits have been introduced in Denmark, Finland, Sweden, Germany and the Netherlands. Due to the economic difficulties, however, the benefit has been reduced in Sweden and Finland and the leave period has also been cut in Finland. In Denmark, the benefit has been cut by 25% to prevent a shortfall in staff as child care leave turned out to be very popular, especially for certain sectors in the labour market. In the Netherlands, parents outside the public sector have so far not been compensated if they choose to stay at home to look after their children. From mid-1998, however, a new leave was introduced. France has chosen to expand the existing leave scheme for families with three children to include families with two children also.

At the same time as improving leave entitlements for parents, most countries have introduced day care guarantees or have expanded provision of day care. In Denmark, Sweden, Finland, England and Germany, the principle of a day care

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5) In Sweden, there is no seperate maternity leave as this is part of the parental leave period.

guarantee has been introduced and followed by expansion in the number of places available; in Germany, the day care guarantee covers 3½-6 year olds, in England the day care guarantee comes under the new National Child Care Strategy for 4 year olds which will later expand coverage to 3 year olds also, and in the Nordic countries the guarantee includes younger children too. These day care guarantees should be regarded as statements in principle depending on available resources; only in Finland are parents able to take the municipality to court if day care is not provided.

In countries without such guarantees, provision has instead been expanded. In the Netherlands, where the provision of day care for children has been very low, a Stimulative Measure, Stimuleringsmaatregel Kinderopvang, was introduced in the late 1980s to expand the number of day care places; yet provision is based on employers' co-financing. French children are also better able to obtain day care places after the signing of the Contrats Enfants between the Family Allowance Fund and the local authorities which resulted in expansion of day care provision. Finally, special policies providing day care for single mothers have been introduced in England and the Netherlands in order to strengthen their abilities to take up work and thus to support themselves.

The scope of the guarantees and the expansion in places clearly reflect general norms as to how children should be cared for. As care for younger children is generally viewed as mainly suitable to take place within the family in England, public provision of day care for the under 3's is therefore mainly for children in need and for socially deprived families. This is why parents (and employers) in England have primary responsibility for organising and funding day care for younger children. When English children turn 2-3 years old, they can participate in nursery education which is provided universally. Also in the Netherlands, France and Germany, public day care is universally provided only for older children in nursery education, mainly in order to further the children intellectually and prepare them for school. In the Nordic countries, day care is generally provided for the benefit of the children, in the sense that in day care they meet with other children and become emotionally and intellectually stimulated, but also to benefit working parents.

The objective of public provision of day care in the seven countries thus focuses mainly on younger children – when it is provided – to provide a safe environment while parents are working. For older children, emphasis is more and more on offering children the opportunity to part-take in stimulating and intellectually challenging activities, preparing them for the education system by developing basic cognitive skills, such as learning and reading. However, for both younger

Box 2.2.

Objectives of day care provision for children.

Denmark	Day care provision for the 0-6 year olds should give priority to individual needs and to the development of the child, in cooperation with parents; it should contribute to a safe and good childhood and the acquisition of social and general skills. Activities should promote creativity, and linguistic development, and give the child ample opportunities for playing, learning and physical development, socialising and exploiting their surroundings. Children should have a voice in the daily decision making and be able to partake in binding communities. Day care provision should accustom children to Danish culture as well as to other cultures, and should provide children with basic knowledge of nature and environment. Children aged 1-5 years are encompassed by the day care guarantee.
England	Younger children aged 0-2 years are generally to be cared for in home like setting and provision of public day care is mainly for children in need, suffering from actual or potential health, development or disability problems; or as provision for children of single parents in order to enable parents to work; or as provision for the whole family, in order to develop parental skills. For children aged 3-4 day care activities should stimulate basic knowledge and reading skills. Playgroups, which provide for children aged mainly 3-5, aim to provide learning experiences through structured play opportunities, with the involvement of parents in all aspects of activities. For children aged 4 years, a place in early education should be available from mid-1998, with later extension of this offer to 3 year olds also. Provision for these children should further their emotional, social physical and cognitive development, complementing the learning which takes place in the home.
Finland	Day care guarantee for 0-6 year olds has been introduced. Day care should support the child in developing into a responsible, peaceful and caring individual. Public provision should provide parents with alternative day care solutions to choose what is considered to be the best individual solution. Day care for children under school age must be provided in the child's mother tongue.
France	Day care provision should develop children's full potential in order to develop their own personality and prepare for further studies.
Germany	For younger children, day care should include physical care as well as social interaction with other children, with some institutions paying special attention to educating parents in good child rearing skills. For older children aged 3½-6, for whom a day care guarantee has been introduced, day care should prepare children for school, compensating for social disadvantages and ensure that all children start school with the same opportunities but also to ensure that children develop social and cognitive skills.
The Netherlands	In the social system, children of socially deprived families have priority in allocation of public financed day care places. Privately financed places are distributed according to ability to pay. The universal provision of day care provided within the education system for children aged 4 should be oriented towards emotional, creative and intellectual development of the child and the acquisition of essential knowledge and social, cultural and physical skills. In both forms of day care, the child should be accustomed to multi-cultural aspects. Parents and staff should agree on principles of day care, which should stimulate the cognitive, social and emotional development of children.
Sweden	Day care should be reserved for children of working or studying parents, thus the day care guarantee was extended so municipalities would be obliged to offer a place to all children aged 1-12 years, whose parents are gainfully employed or studying. In cooperation with parents, day care provision should ensure that children develop their emotional and intellectual potential, become open and considerate individuals, capable of empathy and cooperation with others, and of learning to seek knowledge for themselves and forming their own opinions.

Source: Governmental objectives, see national chapters.

and older children an important element is to integrate children in society and to teach them to be tolerant and responsible human beings. In Germany and England in particular, state day care provision also aims to teach parents good child rearing skills (Box 2.2).

Leave schemes for families with children

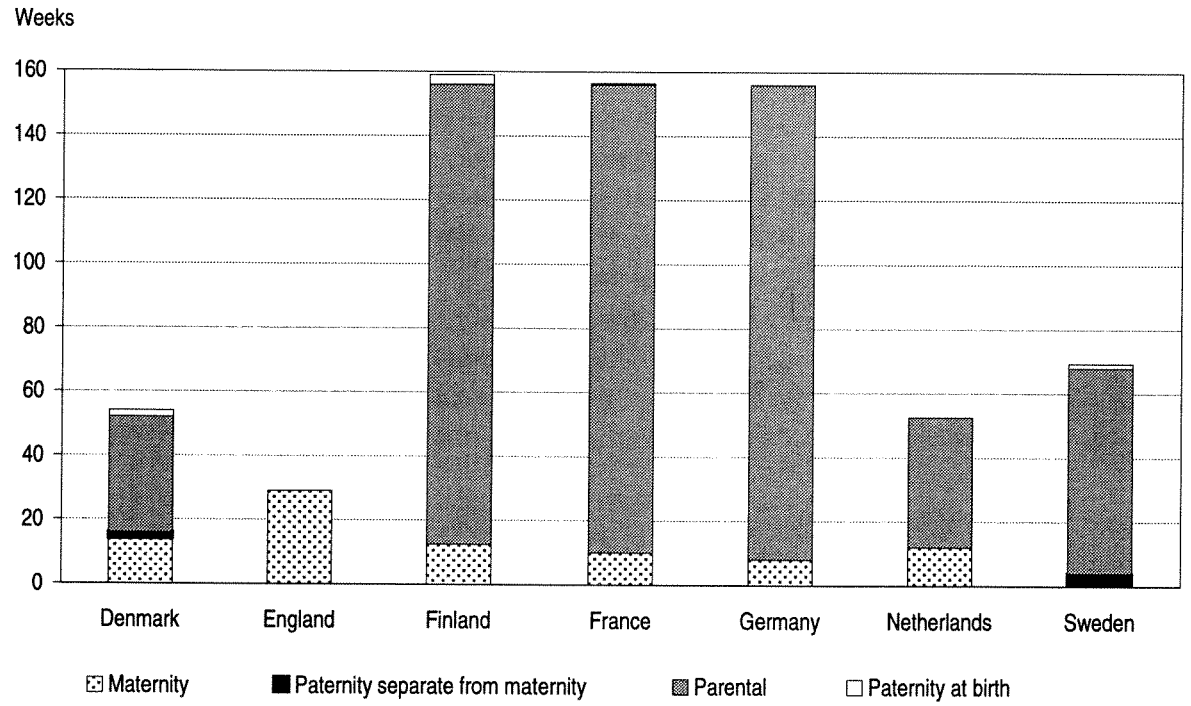
2.5. Main social services and care benefits

Public support for families with children begins with the provision of maternity leave, to the mother. All countries have a specific period of parental leave reserved for the mothers, except for Sweden, where there is no formal maternity leave but where parental leave can be shared between the parents as they choose (see below under parental leave). Mothers are generally expected to take part of their maternity leave before the expected date of birth in order to receive some rest, again except in Sweden, since Swedish women can choose whether to take leave prior to the expected date of birth. In all seven countries, women are entitled to the right to receive an allowance during maternity leave, ranging from 33-100% of their previous average gross wage. The highest levels are provided in France, Germany and the Netherlands. In Germany, the period of leave after birth is also the shortest, at 8 weeks. England has the longest period of maternity leave after birth at 29 weeks, however, only part of this is covered by maternity allowance and therefore women only receive 33% of previous average if they take the whole leave period. In Finland, maternity leave covers 12.5 weeks after the birth and Danish women can in general stay at home for 14 weeks after the birth. In France, the 10-week leave period after birth is extended by 10 weeks for the birth of the 3rd and subsequent children (Figure 2.11). (See also Appendix B for further details.)

Most of the seven countries in this study provide separate statutory leave for fathers (Figure 2.11), including Denmark where fathers were recently granted an extra fortnight following the maternity leave, in addition to the existing 14 days. In Sweden, fathers are entitled to 10 days paternity leave, which can be supplemented by 30 days of general parental leave which must be offset by the leave for the mother. Sweden and Denmark are the only countries to provide that some of the paternity leave for the father can be taken at the end of the maternity period, thus principally postponing the need for day care. In Finland, statutory paternity leave allows fathers to take 12 days if taken in conjunction with the birth, followed by 6 days at a later stage during the maternity leave, while fathers in France have 3 days which must be taken 15 days before or after the birth. Benefit levels are similar to maternity benefit, and are highest in France (see Appendix B for further details). There is no statutory paternity leave in England,

Germany and the Netherlands, however, most working fathers are entitled to some leave after the birth under collective agreements, on average 2-10 days in the Netherlands and 10 days in England, mostly with full pay. From 1999 or later, English fathers may become entitled to leave as part of the introduction of parental leave (see below). Also, many companies in Germany provide male employees with one or two days paternity leave as part of company benefits.

Figure 2.11.
Length of leave in weeks after birth, 1996.



Source: See appendix (p. 78).

Following maternity and paternity leave, parents can choose to take parental leave, which now is available in all seven countries, except for England (Figure 2.11). France, Finland and Germany offer the longest leave periods, up until the child is 3 years old. In France, this is for parents with two children only. In the Netherlands, parental leave schemes have so far been restricted to very short periods which has certainly contributed to the Dutch labour market pattern of low female labour market participation and high part-time ratios for both men and women. So far, Dutch parents have thus been provided with the shortest parental

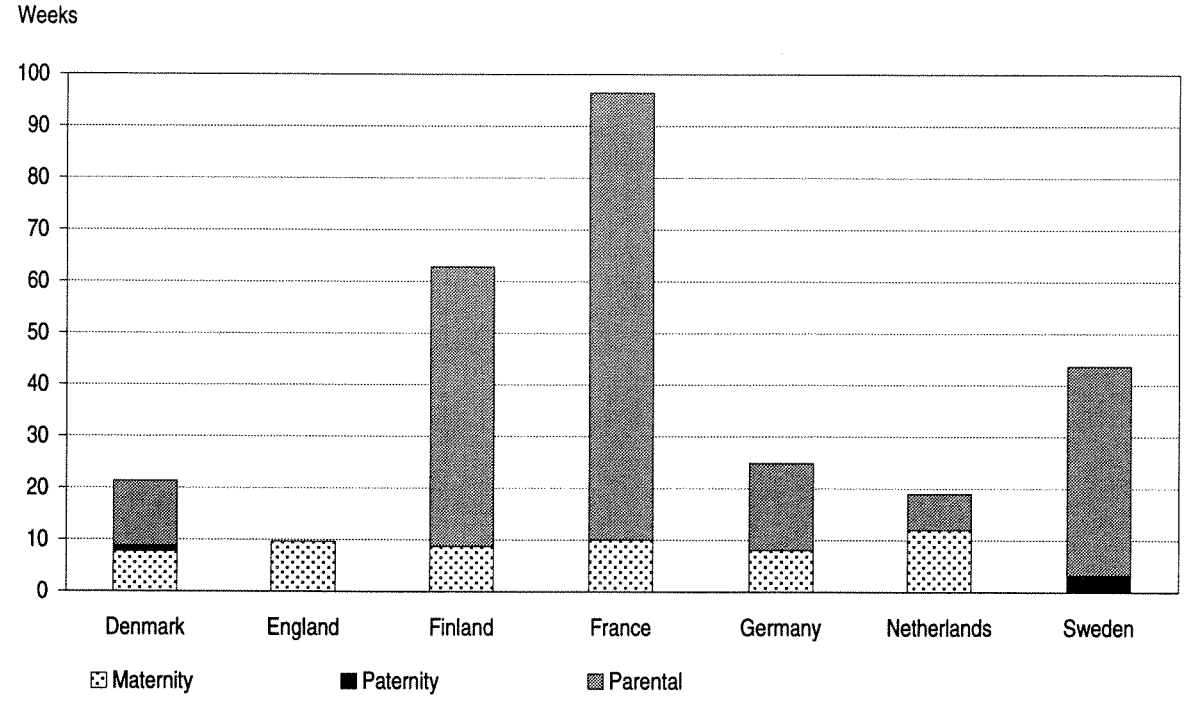
leave, 13.5 weeks, which is also unpaid, however from mid-1998 the Netherlands has provided career breaks to care for children at a maximum period of 27 weeks at low, flat-rate benefit. Furthermore, the recent introduction of an emergency leave gives parents the opportunity to stay at home and look after their children, with the number of days and benefit level to be agreed with the employer. In all, the individual employee is entitled to the right to 40.5 weeks, and any additional period that can be negotiated with the employer under emergency leave. The Swedish parental leave of 64 weeks starts from the day the child is born and can be divided freely between the mother and the father. A minimum of 30 days must however be taken by the other parent. Swedish fathers on average take 11% of the available days, perhaps because the leave conditions are especially flexible, allowing parents to switch from full-time leave arrangements to part-time or even quarter time leave arrangements as they choose with the ability to change the leave arrangements three times a year. The Danish parental leave period consists of two schemes; 10 weeks following maternity leave and a general child care leave which can, as in Sweden, be taken up until the child is 8 years old, but without the same flexibility. Parents in England are not currently entitled to parental leave. However, as a consequence of the UK signing the EU Social Charter, England is now committed to adopting the Parental Leave Directive, and is thus required to provide a minimum of three months parental leave for each working parent up to the child's eighth birthday. Parental leave will probably be implemented in late 1999, giving parents a non-transferable right to parental leave with benefit levels to be negotiated with the employer (see Appendix B for further details).

Looking at the overall entitlement to leave, i.e. the number of weeks in the child's first years during which parents can stay at home, multiplied by the benefit rate (Figure 2.12), France stands out, with its long leave period throughout which compensation of 59% of a female Average Production Worker (APW) gross income is provided[6]. However, only families with two children are entitled to the benefit. Finland also stands out with its long leave period but with lower compensation. The total leave entitlements are good also in Sweden which offers a somewhat long period but with higher compensation rates than Finland. Sweden along with Denmark, has most entitlement to leave for fathers, whereas the Netherlands has the best provision for mothers, through the high compensation rate during the maternity leave.

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6) French Average Production Worker (APW) base is relatively low in comparison with the other countries, because of a high proportion of unskilled workers in the manufactoring industries.

Figure 2.12.
Total leave entitlement, maximum weeks multiplied by compensation rates, 1996.



Source: See appendix (p. 78).
Note: Paternity leave is stated here as weeks that can be taken independently of maternity leave. Calculations presume that the mother makes use of the parental leave. Compensation rates as of 1996 for an APW woman working part-time. See Appendix B for further details.

Day care for families with children

Day care for pre-school children is generally provided within welfare or education systems. In Finland and Denmark, all day care for children is the responsibility of the Ministry of Social Affairs except for some provision for 6 years olds in the education system, whereas in Germany, France, the Netherlands and England, only responsibility for day care for the younger children belongs here, with the education authorities responsible for providing nursery education for older children. In Sweden, responsibility for day care has recently been transferred to the National Agency for Education in order to provide more co-ordinated provision of day care and education – the underlying principle being that children should have opportunities to learn all through their life, not only when they start in school. Children will thus from earlier ages be able to partake in educational activities. In England, where the expansion of places has taken place particular within the education system, some commentators are concerned that provision under the education system may not be geared to the needs of younger children and the previous strictly defined curriculum has accordingly been made more flexible.

Whereas day care provided by social welfare systems often charges fees, provision for children in pre-school age within education systems is free. Most nursery education is, however, part-time or with substantial breaks during the day, and is only provided during school term-time. Day care provision within social welfare systems is often full-time if the parents choose this, and therefore suits working parents better. Day care under social welfare systems is mainly provided in day care centres and family day care, while nursery education comes under the education system and play groups may be in either category (Box 2.3).

Box 2.3.
Provision from 0-school age.

	Full-time care			***Part-time care***		
	Category 1. Day care centre 2. Family day care	*Age*	*System*	*Category* 1. Play groups 2. Nursery education	*Age*	*System*
Denmark	1. Vuggestue 1. Børnehave 1. Aldersintegreret 2. Familiedagpleje	0-2 3-6 0-10 0-6	Welfare Welfare Welfare Welfare	2. Børnehaveklasse	6	Education
England	1. Day nursery 2. Family day care	0-4 0-4 (8)	Welfare Welfare	1. Play groups 2. Nursery school and classes 2. Reception classes	3-4 3-4 3-4	Welfare Education Education
Finland	1. Päiväkoti 2. Perhepäirähoito	0-6 0-6	Welfare Welfare	1. Leikkitominta 1. Päiväkerho 1. Avoin päiväkoti 2. Peruskoulo	4-7 6	Welfare Welfare Welfare Education
France	1. Crèches	0-2	Welfare	1. Haltes gardéries 2. École maternelle	0-2 (2) 3-5	Welfare Welfare/Education
Germany	1. Krippen 2. Kindergarten	0-2 3-6	Welfare Welfare/ Education	1. Kindergarten	3-6	Welfare/ Education
The Netherlands	1. Kinderdagverblijven 2. Gastouderopvang	0-4 0-12	Welfare Welfare	1. Peuterspeelzaal	3-4	Welfare
Sweden	1. Daghem 2. Familjedaghem	1-6 1-12	Education Education	1. Oppnä förskölar 2. Deltidsgruppe	1-6 6	Education Education

Compulsory school age differs across the seven countries from five years in the Netherlands and England, although in fact nearly all Dutch children attend school from the age of four, to six years in France and Germany, while Swedish, Finnish and Danish children can attend school either from the age of six or seven. The need for day care therefore differs among the countries according to age but when comparing the services provided for pre-school age children it is clear that parents in some countries face more problems than others in finding day care provision.

When comparing the proportion of pre-school children in full-time day care places[7], Denmark provides for the greatest proportion of children; for nearly 70% of pre-school children, mainly in day care centres and family day care. Following Denmark, around 60% of children in Sweden and France are in day care. In Sweden, most day care is provided in day care centres while in France the majority of children attend nursery education. Around 40% attend day care or nursery education in Finland, England and Germany when measured in full-time provision. In England, most of this provision is in what is termed early years education under the education system, while family day care, day care centres and some work place day care centres make up the remaining provision. All day care services provided outside the education system are on a profit-making basis, with relatively high fees. In the Netherlands, most provision is found in nursery education as 11% of pre-school children attend primary school, mainly four years olds of whom 98% are in primary schools. Some provision is also in playgroups (Figure 2.13).

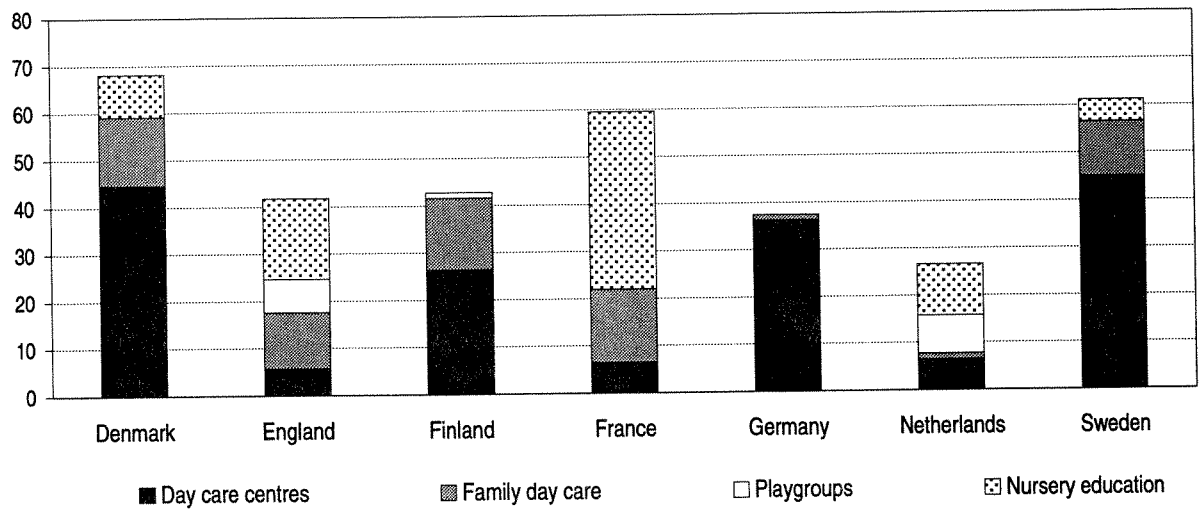
The highest levels of provision are however found among the oldest children, from age 3 to school age where Denmark provides for the greatest proportion of children (Figure 2.14). Here, as many as 79.5% of 3-6 year olds in Denmark are cared for when measured in full-time provision, mainly in day centres, followed closely by France, where three out of four children are in nursery education. Also nearly three out of four Swedish children are in day care. England also has relatively high provision for this age group, mainly as a result of early years education, whereby 59% of children aged 3-4 years are in nursery school, nursery class or reception class when measured in full-time places. Two out of three German children are in day care, mainly kindergarten. Two in three Finnish

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7) Calculated as the number of full-time places available per pre-school child, not the proportion of children attending day care, which would give higher figures. (See Appendix C for further details.)

children aged 3-6 are in public provision, of which relatively many are in family day care, and in the Netherlands nearly one in two also.

Figure 2.13.
Provision of day care arrangements in full-time places, % of pre-school children, 1996.

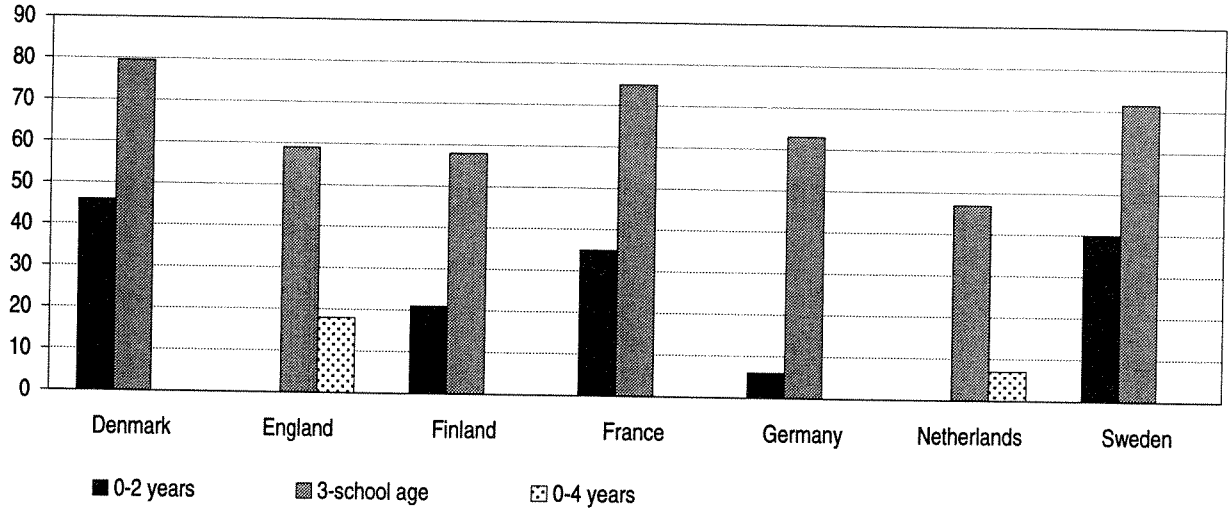


Source: See appendix (p. 78).

Note: Figures based on full-time equivalent places. The absolute number of children in day care arrangements is therefore higher. The Netherlands: 1995 for playgroups. Denmark: 1995 for day care and 1990 for family day care.

Provision for younger children aged 0-2 years differs by being markedly lower, partly because of parental leave schemes which obviously affect the need for day care, and partly because of the general view that younger children are better cared for in the home. Denmark has most provision with 46% of children aged 0-2 years covered, again closely followed by Sweden, with 40%. In Denmark, most provision is in the form of family day care, while in Sweden younger children are mainly cared for in institutional settings. In Finland, fewer younger children are in day care (21%) than older children. French provision of day care is relatively extended for both age groups. German provision is only very low for younger children. In England and the Netherlands, children participating in day nurseries are not separated into age groups for statistical purposes, however, provision for 3-4 year olds in the education system far exceeds provision for 0-4 year olds in day nurseries.

Figure 2.14.
Provision of day care arrangements by age, 1996.



Source: See appendix (p. 79).
Note: The Netherlands: 1995 for playgroups. Germany: 1995. Figures based on full-time equivalents.

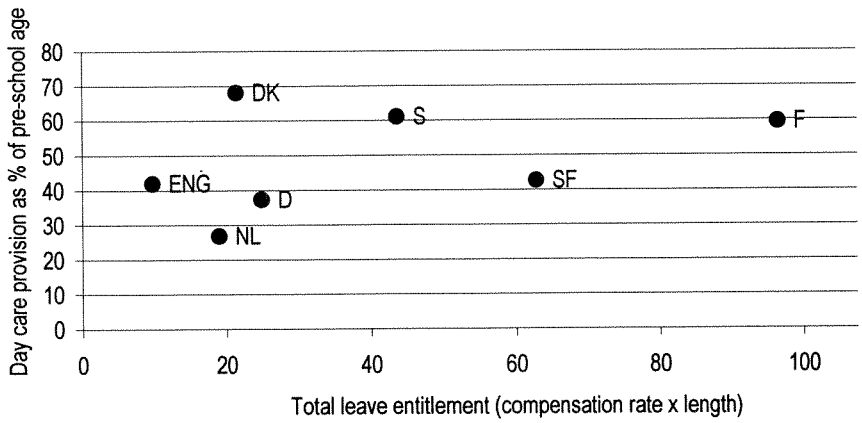
The need for day care is, as already noted determined by what other arrangements there may be for child care, such as maternity, paternity and parental leave. As the length of leave and compensation rates during leave obviously have influence over whether parents are able to stay at home to look after their children, a comparison is made between leave entitlements and provision of day care (Figure 2.15). Here, Denmark, Sweden and France stand out with relatively high provision of day care; in Sweden alongside with generous leave entitlements. Leave entitlements are however far exceeded by France where day care provision is still relatively high, and Finland where day care provision is somewhat smaller. England, Germany and the Netherlands provide both relatively less generous leave entitlements and less day care provision than the rest of the countries.

Provision of care for older people

Given the general policy to support older people in their own homes instead of in institutional settings, home help services are obviously one of the most important elements of care and assistance. Help in all countries generally includes both domiciliary tasks such as cleaning and shopping, and more personal care, including bathing and dressing. In most countries, the policy has been to concentrate on the personal care tasks in order to make services more

cost-effective, sometimes establishing separate, less expensive, arrangements for the cleaning element, as in the Netherlands, or encouraging well-off older people to use private cleaning services, as in Finland, the Netherlands and some municipalities in Denmark.

Figure 2.15.
Leave and day care provision, 1996.



Source: See appendix (p. 79).
Note: See previous figure.

Care in institutional accommodation is still an important service. Institutional care is currently mainly provided in nursing homes, and those countries which previously also provided what could be termed rest homes mainly for younger members of this age group, residential homes, have integrated these two forms of institutional care, which now provide mainly for very frail elderly people. Often the two forms of care, domiciliary and institutional, are integrated, however, providing the same service regardless of where the older person lives; another general development is to co-ordinate home help and home nursing services, creating instead home care provision in order to provide better services and cut costs, e.g. in the Netherlands most organisations providing home care or home help have now amalgamated their services.

Auxiliary care is provided in all seven countries, ranging from meals-on-wheels services, and day care centres to respite care and transport – all provided in the spirit of de-institutionalisation and aimed at helping the older people to lead an

Box 2.4.

Provision of care and assistance for older people[1].

	Domiciliary care 1. Home help	**Institutional care** 1. Nursing home 2. Residential home	**Auxiliary care** 1. Meals-on-wheels 2. Transport 3. Day centre 4. Respite care	**Housing for older people:** 1. Sheltered housing 2. Pensioner flats	**Support for informa care** 1. Care allowance pa carer 2. Care allowance pa older people to co care costs 3. Care leave 4. Employment of ca
Denmark	1. Hjemmehjælp	1. Plejehjem	1. Madudbringning 2. Kørselsordninger 3. Ældrecenter 4. Aflastningsordning	1. Beskyttede boliger/Kollektivboliger/Ældreboliger 2. Pensionistboliger	2. Tilskud til hjælp sc modtageren selv a tager 3. Plejevederlag 4. Eget valg af hjemmehjælper
England	1. Home help	1. Nursing home 2. Residential home	1. Meals-on-wheels 2. Transport 3. Day centre 4. Care attendance and sitting services	1. Sheltered housing 1. Granny annexes 1. Hostel and group living	1. Invalid Care Allow 2. Attendance Allowa
Finland	1. Kotipalvelu	2. Vanhainkoti	1., 2. & 3. Tukipalvelut 3. Palvelukeskukset	1. Palveluasunto 2. Vanhusten asunnot	1. Omaisloidon tuki 2. Eläkkeensaajien h tuki
France	1. Aide ménagère 2. Aide de soins à domicile	1. Maison de retraite – section de cure médicale 2. Maison de retraite	1. Repas à domicile 3. Clubs du trosième âge	1. Logement-foyer	1. Allocation compens ce pour tierce pers ne ACTP. Prestation spécifiq dépendence PSD. Reduction d'impôt pour l'emploi d'un salarié à domicile 4. Service mandataire
Germany	1. Hauswirtschaftliche versorgung 2. Grundpflege	1. Pflegenheime 2. Altenheime	1. Essen auf Rädern 2. Fahr- und Begleitdienste 3. Tagespflege 4. Ersatzpflege	1. Altenwohnheim	1. Pflegesachleisunge 2. Pflegegeld 4. Pflegeperson (nach eigener wahl)
The Netherlands	1. Gezinsverzorging	1. Verpleeghuizen 2. Verzorgingshuizen	1. Maaltijdsverstrekking 2. Mobiliteit 3. Dienstencentra	1. Aanleunwoningen 1. Woon-zorg-complexen	2. Persoonsgebonden budget 3. Loopbaanonderbrel 3. Calamiteteitenverlo
Sweden	1. Hemtjenst	1. & 2. Särskilda boende[2]	1. Matdistribution 2. Färdtjenst 3. Dagverksomhet 4. Växelvårds och avlösningsplatser	1. Särskilda boende 2. Seniorboende	2. Anhörigbidrag 3. Närståendepenning 4. Anhöriganställning

1) Excluding home nursing and long-term hospital care (see chapter on methodology for further comments).

2) Includes sheltered housing.

active life while receiving the services they would normally expect in an institutional setting.

Sheltered housing has also been developed as an alternative to institutional accommodation, giving older people who may be able to carry out most household and personal care tasks on their own the opportunity to continue to independent living. Finally, alternative care arrangements are supported through a variety of schemes for informal care, such as leave arrangements and care allowances (Box 2.4.).

Home help

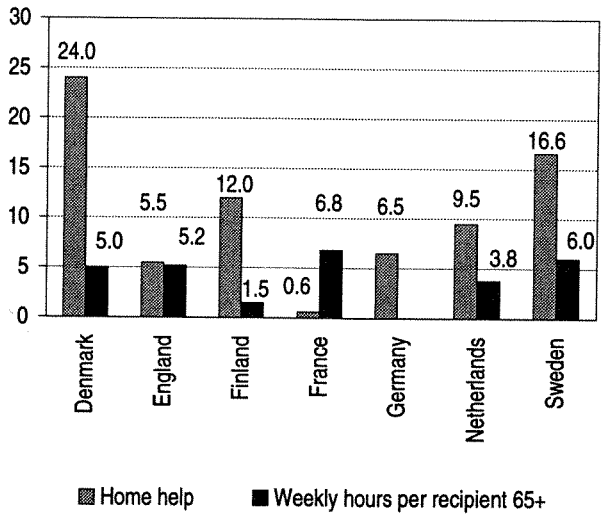
Given the emphasis on domiciliary care as an alternative to institutional living, home help provision in particular has come to be an invaluable source of support for a great number of older people. In Denmark, in particular the number or recipients is relatively high, one in four of those aged 65+ receive home help (Figure 2.16). Still, the number of hours per recipient is among the highest of the seven countries. Next to Denmark, provision is highest in Sweden (17%) where older people on average receive 6 hours per week, and Finland (11%) where the average hours of home help is relatively lower, 1.5 hours. In the Netherlands, one in ten of those aged 65+ receive home help for an average of 3.8 hours weekly. In England, one in twenty of those aged 65+ are provided with home help, here the average hours per week are 5.2 hours. In Germany, also one in twenty older people receive home help. Only very few older people receive home help services in France (0.6%). However, those who do, receive the highest number of hours among the recipients in the seven countries, 6.8 hours per week. The average number of hours does, however, conceal the great diversity of provision of hours, e.g. in England one in four recipients receive more than 5 hours a week while the rest receive fewer hours per week; while in Sweden 2/3 of recipients aged 65+ receive less than 7 hours home help per week and nearly one in four get more than 12 hours per week. Sweden is the only county, where this is calculated as actual time spent with recipients, and not including time spent on administrative matters and transport. These variations within countries, however, also reflect decentralized organisation of home help which makes room for local discretion.

Figure 2.17 gives an indication of how much home help is in fact provided as a whole in hours available per older person aged 65+ in the population, thus taking into account demographic differences. In number of hours, Denmark is clearly providing more help in total – 1.19 weekly hours – followed by Sweden at 0.65 hours and the Netherlands, Finland and England at around 30 minutes. The comparison does presume that need for care is identical across countries, but nevertheless provides an indication of relative resources spent per person aged

65+. Compared with figure 2.16 above, it also underlines how for example Danish help is fairly intensive as well as being spread over a larger number of recipients, while Swedish home help provision is more targeted on those with more intensive care needs.

Figure 2.16.

Home help, recipients as a percentage of older people aged 65+, 1996, and average weekly hours, latest years (see note).

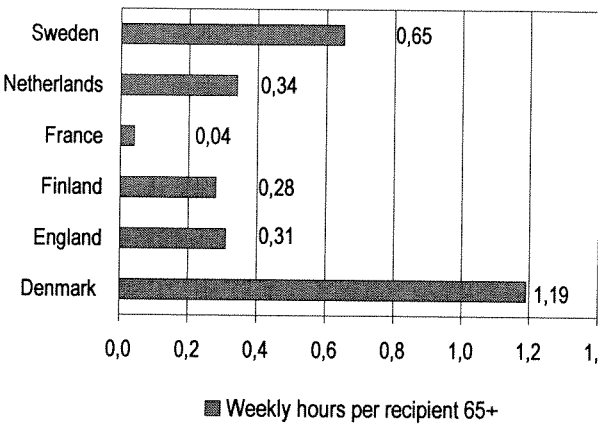


Source: See appendix (p. 80).

Note: Home help recipients: Germany: figures from 1995. France: figures for home nursing from 1996.
Average weekly hours: Denmark: 1996 for 67+. Sweden: 1996. Finland: 1990. The Netherlands: 1994. England: 1995. France: survey data from 1995. Germany: data not available.

Figure 2.17.

Average weekly hours of home help, total number of older people aged 65+ in the population, latest years (see note).



Source: See appendix (p. 80).

Note: See figure 2.16.

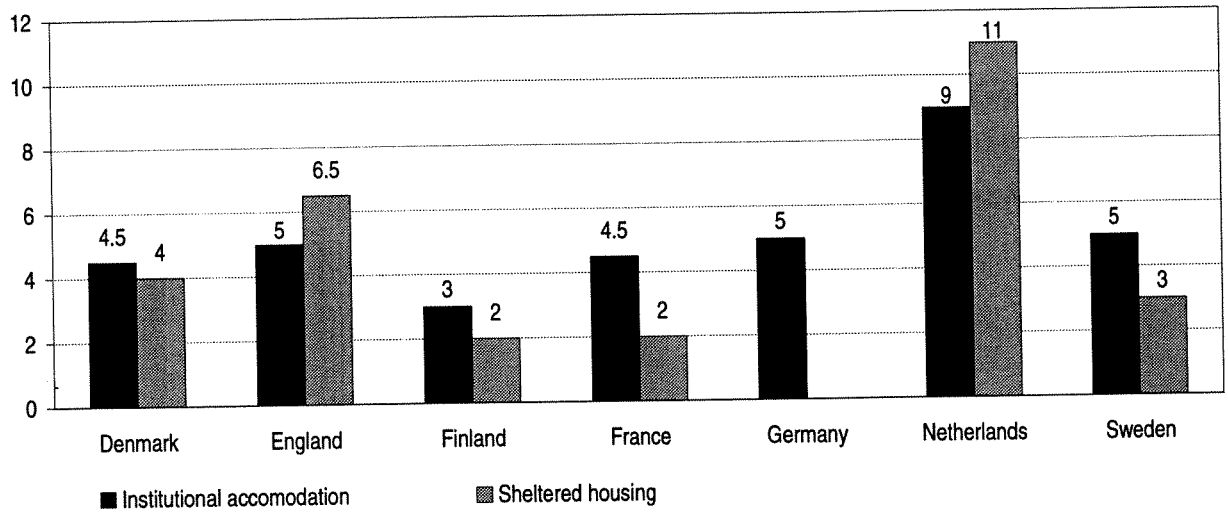
Institutional care and sheltered housing

The Netherlands has the greatest proportion of older people living in institutional care; around 9% of those aged 65+ thus live in either a nursing or residential home, which reflects the Dutch tradition of residential provision (Figure 2.18). Most current provision is in nursing homes. The residential homes which often

catered for relatively healthy older people have been turned into nursing homes or into care complexes providing services for independently living residents. Most of the other countries provide for between 3-5% of older people in institutional care, Finland's share being low partly because the 2% of older people cared for in geriatric wards in the hospital sector are not included in the figures.

As an alternative to relatively costly institutional accommodation, all seven countries, except Germany, have developed a form of sheltered accommodations for independent living for older people who are mainly cable to perform basic tasks, but who may still need some regular help or security, e.g. by being linked to an alarm system. The Netherlands also provides for the greatest proportion of older people (11%) in such accommodation, while the remaining countries provide for relatively lower proportions of older people in sheltered accommodation, ranging between 2-6.5%.

Figure 2.18.
Institutional accomodation and sheltered housing, residents as a percentage of older people aged 65+, 1996.



Source: See appendix (p. 80).
Note: (Institutional accomodation): Sweden: residential homes – figures from 1991; nursing homes – figures from 1995. Finland: institutional accomodation not including the 2% in hospital care. Germany: figures from 1994.
Note: (Sheltered housing): Sweden: figures from 1991. Germany: data not available.

Support for informal care

Support for informal care broadly operates within four categories; firstly, care allowances paid to carers to compensate for loss of earnings. Secondly, care allowances given to older people to compensate for the extra costs arising from the need for care. This allowance can in principle be used to compensate a carer or to purchase privately-provided help. Thirdly, care leave is available often giving the carer the right to be re-employed in the same job position and maintaining pension and general labour market rights. Finally, some carers may be employed by the municipality to provide care and support for the older people. This may sometimes entitle the carer to basic labour market rights.

Only England and Finland provide the first type of support for carers, DKK 469[8)] per week in England, while in Finland carers receive DKK 481 per week as part of the Carers Allowance.

Care allowances for older person, the second category, is provided in all countries. In England, 13.6% of those aged 65+ receive Attendance Allowance at a maximum of DKK 635 weekly. In Denmark, the scheme is seldom used, and the allowance has mainly been provided when the older person has needs which cannot be met through the municipal home help schemes and cash benefits are then given to the older person in order to employ a carer; the amount calculated according to costs. Dutch care arrangements include what is called a Personal Budget which entitles older persons an amount for the purchase of private help or to compensate informal carers. Only 3-5% of the amount is directly available to the older person, the rest being administrated by a care organisation. The average weekly amount is DKK 1,333. In Finland, older people receive a maximum of DKK 424 a week. The amount paid to Swedish recipients as part of the Anhörigbidrag depends on the extent of the need for care and varies greatly across municipalities, from DKK 179-349 per week. In Germany by far most benefits granted by the new social care insurance scheme are payment-for-care benefits which the receipient pay to a family member, neighbour or another person who has been approved as a carer. The benefit vary according to need for care and assistance.

Leave to care for a relative is available in Sweden, Denmark and the Netherlands, although in the first two leave must be provided for care of a terminally ill relative. In Sweden, the maximum weekly payment corresponds to the sickness benefit at a maximum DKK 2,436 per week as of 1996, though average weekly payments were DKK 132 weekly in 1994. In Denmark, a carer receives a maximum of 1.5 times sickness benefit, or DKK 4,032 in 1998. In the Netherlands, carers receive

8) All amounts calculated in Purchasing Power Parities in DKK, before taxes.

a maximum of DKK 1,000 per week in 1998 during care leave, which is 20% lower than the national social assistance benefit. Also, Dutch carers can negotiate short-term leave with the employer as part of emergency leave, which does not give direct entitlement to an allowance but some collective agreements include cash benefits.

Finally, Sweden practises the employment of carers and Denmark has recently introduced a similar arrangement so that home help recipients can now choose who is to undertake the practical part of the home help service; this person will then be employed by the municipality. In Sweden, the number of carers employed has been low for a number of years. In both countries, wages are set according to collective agreements for home helps.

In addition, tax deductions for carers are available in the Netherlands and France. Also, the provision of respite care functions as an important relief service for many carers.

2.6.
Development in the main social care services, 1982-1996

From the period 1982-1996, most of the seven countries have changed their levels of provision, in many cases followed by amendments to entitlements criteria.

Day care for children

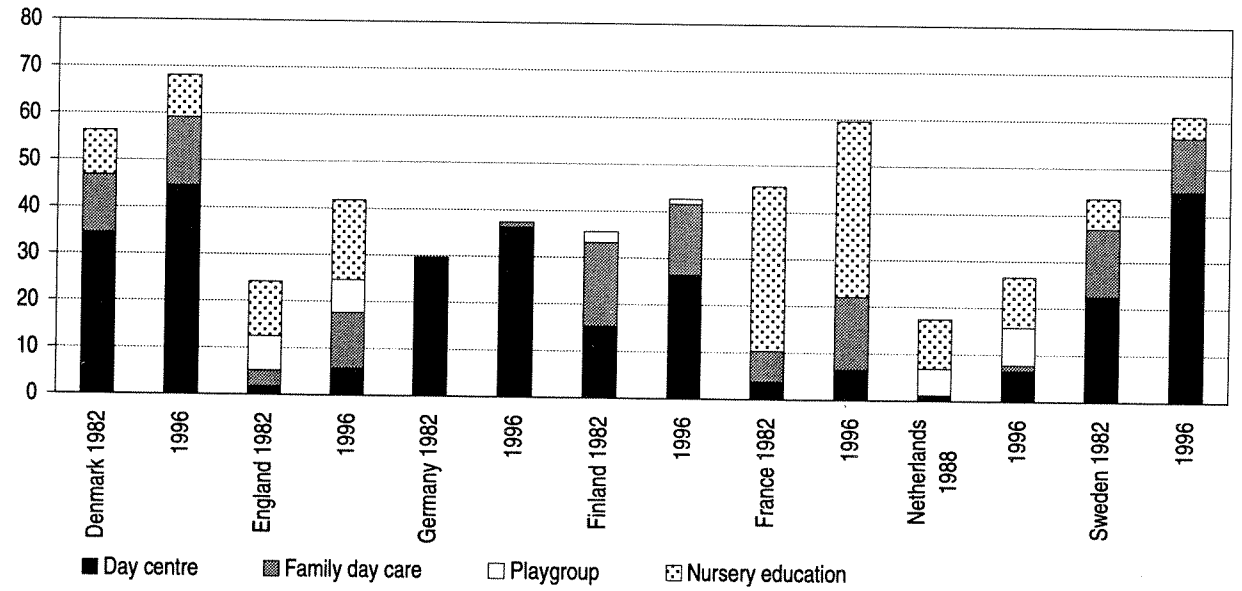
The provision of day care for children has thus expanded in most countries; most markedly in England, where total provision has increased from 23% to 42% of the pre-school children, mainly as a result of expansion within nursery education places. Denmark and Sweden have both expanded the day care coverage, mainly in day care centres. The number of Finnish children attending day care centres has increased also in the period from 1982 and there is even a rise during the economic crisis years of 1990-94. In contrast, the number of children in family day care has declined alongside rising unemployment rates. The provision has started increasing again, however (Figure 2.19). Finland also provides part-time playgroups, but provision has decreased also here, and most use this as a drop in activity. Dutch provision has increased, mainly as a result of the financial stimulus, which was introduced in the early-1990s. German and French provision has increased too, especially for older children. In France, the expansion has been followed by a targeting of day care in recent years for the better-off parents in employment.

Care for older people

In relation to older people, most countries have intensified the home help so that recipients today receive more hours per week. This development is closely related to de-institutionalisation policies whereby those who would previously have been cared for in an institutional setting are now more likely to be living in their own homes, often with more intensive care needs. In England, Sweden and Finland, however, fewer older people receive home help services than previously – both as a proportion of population and in absolute numbers – and help is thus targeted more on those with greatest needs (Figure 2.20). In Denmark, the number of recipients of home help has increased. The same development is found in France, although the starting point was somewhat different, and in Germany. However, German figures are estimates only as there are no sufficient national data available.

Figure 2.19.

Day care provision, percentage of pre-school children, 1982 and 1996.

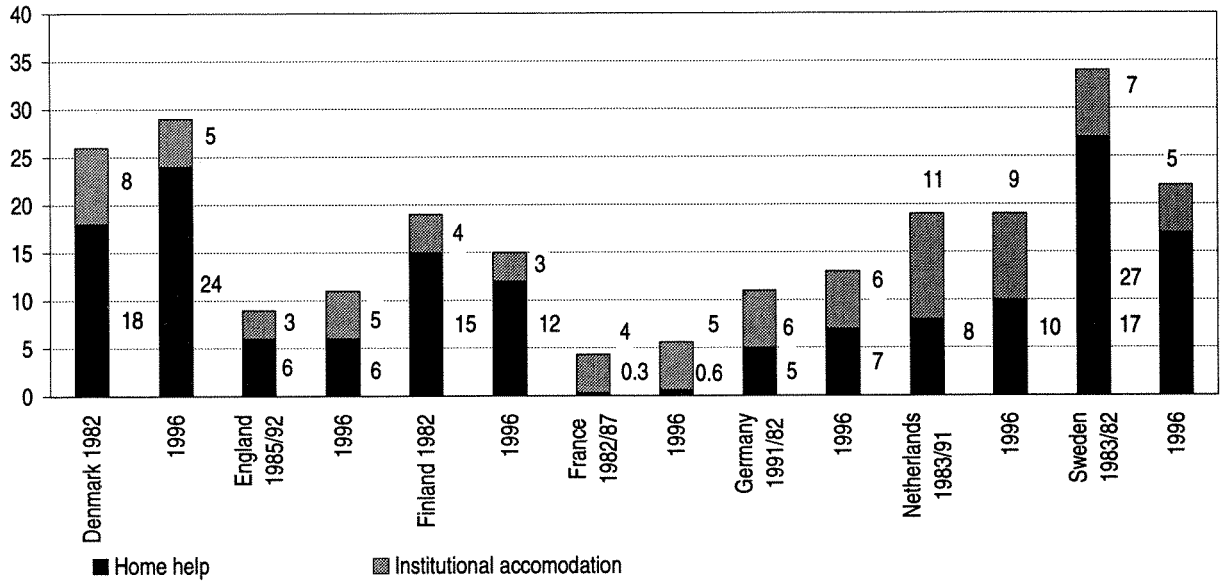


Source: See appendix (p. 81).

Note: Based on full-time places; the absolute proportion of children in day care provision is higher. See Appendix C for table of conversion into full-time places. The Netherlands: part-time groups from 1986, age-integrated from 1990, and playgroups from 1995. Germany: family day care from 1990 only.

Figure 2.20.

Institutional accomodation and home help, recipients and residents as a percentage of older people aged 65+, 1982 and 1996.



Source: See appendix (p. 81).

Note: (Institutional care): Denmark: older people aged 67+. Sweden: residential homes – figures from 1991. Nursing homes – figures from 1995 instead of 1996. Finland: institutional accomodation not including the 2% in hospital care. England: figures from 1985 instead of 1982. Germany: figures from 1994 instead of 1996.

Note: (Home help): Denmark: older people aged 67+. Sweden: figures from 1983 instead of 1982. The Netherlands: figures from 1983 instead of 1982. England: figures from 1992 instead of 1982. Germany: figures from 1995 instead of 1996. France: figures are including home nursing 1996.

In relation to institutional care, this form of care has decreased as a proportion in most countries (Figure 2.20). Despite de-institutionalisation policies, the proportion of older people living in independent sector nursing homes has, however, increased in England, partly because of financial incentives to accommodate older people in private profit-making homes. More older Dutch people live currently in nursing homes, although on the other hand, fewer live in residential homes. In Denmark, Finland and Sweden, a smaller proportion of older people now live in nursing homes than in 1982. In Germany and France, approximately the same proportion of older people live in institutions today. Institutional accommodation now mainly caters for the very frail elderly and admission criteria

are thus more strict, e.g. in the Netherlands where the traditionally high provision of institutional care allowed even hale and hearty older people to move into residential homes, today's provision in nursing homes is intended for frail elderly people only.

Looking at total provision from 1982-1996, the greatest change has taken place in Sweden, where the overall proportion of older people with help has decreased from 28% to 22%, mainly due to cuts in home help services. The second greatest change is found in Denmark, but with the reverse result. Total Danish provision has in fact increased from nearly 25% to 28.5%. Although prolonged life expectancies may have increased the number of years during which care and support is needed, Finland has also cut services so that fewer older people receive help today, although this may be more intensive in form and adapted to individual needs. Total provision is unchanged in France and the Netherlands only, while a proportionally higher share of older Germans receive services today, as home help provision has increased slightly.

Most countries report the introduction of stricter admission criteria for both home help services and institutional care, targeting services at the very frail. Another tendency which is not evident in the statistics is the changing content of the services, e.g. redefinition of some practical tasks, such as shopping and cleaning previously undertaken by home helps and concentrating on the provision of personal care instead. A number of older people who previously received home help with domiciliary tasks therefore must seek help from other sources. The availability of informal carers seems to an increasing degree also to be taken into account in the needs assessments, especially for the provision of home help. Also, the introduction of carers' allowances and other forms of compensation for informal care suggest that alternative forms of provision are developing, and these seem to becoming more consolidated, now often providing pension credits and general labour market rights for carers.

2.7.
Trend I: standards

Changes in service provision have influenced standards of service delivery in a number of ways. Policies to replace services, e.g. the move from institutional to domiciliary care, and from child care provided in the welfare system to providing more services within the education system, influence standards of service provided in both negative and positive directions.

Standards in day care children

Standards within educational services for children are at some points lower than in the welfare system: staff:child ratios are generally lower; group sizes are higher; and services are often only provided during term-time and may not be available all week, or during lunch breaks. For example, in the Netherlands, parents must specifically request provision of lunch hour care and often have to partake in child care themselves during these hours.

In the services provided within the education system in e.g. the Netherlands and England, group sizes thus vary from 22-30, while average group sizes for the same age groups in play groups are 12-24. The recommended staff ratio differs in the same way, with one adult per 10-13 children in the education system in England compared to one adult for nine children in play groups, not including parents (Box 2.5.). The actual staff:child ratios may, however, be considerably lower than recommended. Staff ratios in family day care are generally around 4-5 children per family day carer. Also, the educational level among staff is generally higher in the educational services as more staff members hold formal qualifications than in the welfare system. Training of staff has, however, improved within the welfare system in nearly all countries, e.g. in Finland the training of the kindergarten teacher is now a university degree, and in Sweden as many as 98% of staff members hold formal qualifications – to some degree due to the practice of dismissing unqualified staff during the crisis years, and also because of the number of young people taking care education in upper secondary school. The replacement of services may, however, also lead to improvements in the welfare system. In England, the expansion of early years education is expected to change the content of day care provided within the welfare system to correspond more to the demands of the education system.

A feature of the standard of services is also the length of waiting lists. It is less likely that parents will have to wait for a place within the education system whereas waiting lists can be quite long within the welfare system. However, great caution should be exercised when comparing waiting lists as these do not incorporate the different entitlement criteria. Also, the likelihood that parents will place their child on a waiting list is far greater when there is an expectation of provision in the near future. This said, waiting lists can provide indications of excess care needs compared to total provision in a country, especially in those which have committed themselves to providing full day care coverage for certain age groups. In the Netherlands, nearly 2% of children aged 0-4 years are on waiting lists, while 8.4% of Swedish pre-school children are registered as waiting for a place, although some of these may be children who are not presently entitled as their parents are registered as being unemployed. In England, less

than 1% of 0-4-year-olds are reported to be waiting for a place while in Denmark around 2% of children aged 0-6 years are registered on waiting lists.

Box 2.5.

Staff ratios and group sizes.

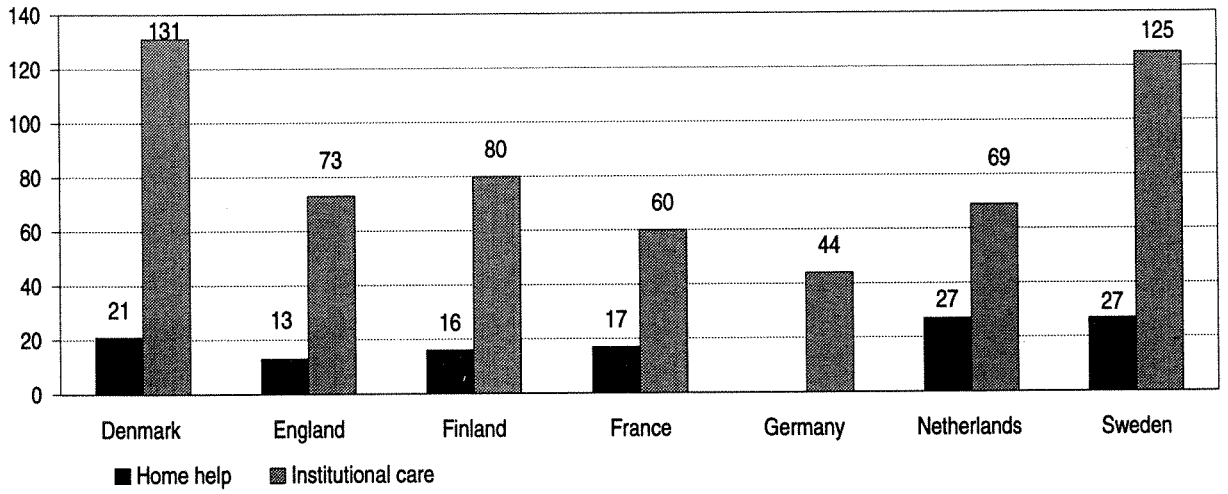
	Day care centres *Recommended staff ratio*	**Group size**	**Playgroups** *Recommended staff ratio*	**Group size**	**Family day care** *Maximum recommended children per staff*	**Nursery education** *Recommended staff ratio*	**Group size**
Denmark	1:3 0-2 years 1:6 3-6 years	10-12 15-20	◊	◊	5 children	1-2:28	Maximum 28 children Average 19 children
England	1:3 0-2 years 1:4 2-3 years 1:8 4-5 years	Average 19 children	1:9 children, not including parents	Average 24 children	3 children under 5 years/6 children if only 3 children are under 5 years	Nursery school 1:10 Nursery class 1:13 Reception class 1:20/30 (excluding parents and volunteers)	Average: nursery class: 24 children Nursery school: 22 children
Finland	1:4 0-3 years 1:7 3-8 years In part-time care: 1:13	..	..	20 children	1:4 including own child	..	..
France	1:5 0-3 years 1:8 0-3 years	..	..	..	1:3	1:27 + assistants	..
Germany	1:5-7.5 0-2 years 1:10-14 3-6 years	.. ..	..	..	..	◊	◊
The Netherlands	1:4 0-2 years 1:6 2-3 years 1:8 3-4 years	9-10 children	1:9 children	12-14 children	1:4, including own child	1:22 (or more)	22-24 children
Sweden	2:5 2-3 years 1:5 3-6 years	Average 16.9 children	1:10 children	..	1:4, including own child	1:10	20:25 children

Note: ◊ scheme not existing.
.. data not available.

Standards in services for older people

Within services for older people, staff ratios differ according to need for specialized care and attention, and are thus higher in institutional than in domiciliary care[2]. Staff ratios per 100 recipients of home help are highest in Sweden and the Netherlands, 27 home helps per 100 recipients, while ratios in institutional care are highest in Denmark, where 131 staff members are employed per 100 residents, and in Sweden, with 125. English figures for institutional care, however, do not include nursery care staff, which – if included – would enhance the ratios. Data for nursing care are, however, unavailable. Staff ratios for the remaining countries vary from 13-21 full-time home helps per 100 recipients of home help and from 44-80 full-time employees in institutional care per 100 residents (Figure 2.21). Again, caution should be used, as available figures do not exclude administrative staff. Staff ratios may, therefore, be lower if only care staff are included.

Figure 2.21.
Full-time staff per 100 recipients of home help and residents in institutional care, latest available years (see note).



Source: See appendix (p. 82).

Note: (Institutional care): Denmark: figures from 1992. Sweden: 1994. Finland: 1996. The Netherlands: 1996. England: 1995; figures for institutional care only includes municipal nursing homes. France: 1996. Germany: 1994.

Note: (Home help): Denmark: figures from 1992. Sweden: 1989. Finland: 1996. The Netherlands: 1995. England: 1995. France: figures are from home nursing 1996.

The level of education staff differs greatly. Home help staff have seldom received any formal training, whereas staff members employed within institutional care for all countries are more likely to hold formal qualifications as most residents are in need of specialized care. Recent policy changes have resulted in improved standards for older people in certain ways. Most of the seven countries thus place more emphasis on standards now, e.g. providing single rooms in institutional accommodation, and home help services are currently more geared to individual needs. Again, however, these improvements have taken place alongside the targeting of resources and admission to services has become more difficult.

2.8.
Trend II: principles of financing

Along with expansion in provision, changes in some countries point towards more individual responsibility for financing of services, at least in relation to day care for children, but the proportions of expenditure from parental payments vary greatly according to whether the provision of day care is considered to be the responsibility of the state. However, the expansion of the leave schemes in all countries points in the direction of more collective responsibility for day care for children also. For older people, collective responsibility for long-term care has been strengthened.

Parental payment for day care

The proportion of expenditure from users of services has increased especially for day care for children, e.g. from 9% of total expenditure to 14% between 1988-96 in Sweden. Fees for day care, however, were reduced in Denmark in the early 1990s. In Finland, fees for day care services have also been reduced from 16% to 15% of total expenditure, but the proportion of expenditure from parental payments varies greatly (Box 2.6). In the Nordic countries, payments for day care covers between one sixth to one fourth of costs, highest in Denmark, whereas day care for children in England and the Netherlands is primarily financed by parental payments. Parents in the Netherlands pay the highest fees for subsidized day care as a proportion of expenditure, 33.3% in 1995 from 21.9% in 1993 – but as much as 68.1% for non-subsidized day care for which employers pay most of the remaining amount. On average, parents pay 42% of total costs. Only a few subsidized places are provided for English children and parents pay the bulk of expenses when they use privately-provided day care. Some tendency towards more collective responsibility for service costs is, however, also evident,

e.g. in the Netherlands the state has boosted private provision of day care through the Stimulative Measure. Provision of day care under the education system is free in the Netherlands and England, and the inclusion of more children in nursery and primary school will help reduce the financial burden for parents. In France, child day care for the older children is also free.

Subsidies for services in some countries have also become more indirect; in England, tax credits for the use of day care (especially for low income families and single parents) have been introduced along with child care disregards for social security recipients, and in Denmark the income threshold for calculating fees has recently been raised in order to improve work incentives.

Box 2.6.
Fees as a proportion of total costs, 1996.

	Older people: Home help	**Ældre:** Institutional accomodation	**Children:** Day care centres	**Children:** Family day care	**Children:** Playgroups	**Children:** Education system
Denmark	No fees	5%	25%	27%	◊	No fees
England	6.8%	27%	£55-160 per week in private centres; public day care fees mostly waived	£1.30 per hour	◊	No fees
Finland	14%	20%	15%	15%	No fees	No fees
France	..	..	23%	28%	◊	No fees
Germany	..	<25%	16-20%	..	◊	◊
The Nether-lands	10%	Nursing homes: 10% Residential homes: 39%	42%	NLG 3-5 per hour	56%	No fees
Sweden	6%	8%	13%	18%	15%	No fees

Note: ◊ scheme not existing.
.. data not available.

Paying for services for older people

In five of the seven countries, there is no formal obligation for adult children to care for older parents or to pay for any state care the parents may receive. In France and Germany, however, children are obliged to contribute to the cost of domiciliary and residential services on a means-tested basis, or the costs may later be recouped from inheritance or through mortgaging the older person's estate.

In England, strictly speaking, there is no formal obligation for children to contribute to the costs of care, but the family can opt to top-up amount for residential care provided by the local authorities, in this sense creating an implicit expectation for families to co-finance care for their elderly relatives. If a married resident in a home receives funding from the local authority, his or her spouse can be asked to contribute to costs. The local authority can assess a married couple according to their joint resources but cannot force a spouse to pay, nor refuse or delay the provision of services. Unmarried couples and other relatives have no liability. Owner occupied housing is regarded as a resource for payment of private residential and nursing home fees, and the local authority can regard the value of the house as a capital asset when means-testing. The property is ignored, however, if a spouse or close relative lives in the house.

In the Nordic countries and the Netherlands, care for older people is provided regardless of their children's economic situation, nor are spouses required to contribute to costs either. These countries, however, also report increasing pressure on the resources and assessment for care often implicitly takes into account what care family members may be able to provide of practical help and support.

Generally for all countries, access to home help provision may also be means-tested, so if older persons have means beyond a minimum income they are referred to a private service, especially for the cleaning element of the home help service. Although this may not be part of overall policy, such practices are more and more used in all seven countries when local resources cannot meet demand.

Fees for home help services vary from 6-14% of total expenditure, only Denmark, provides home help services free of charge. Here, an attempt to introduce client fees for home help services quickly fell apart in 1994, but future care needs and a differentiated income base among pensioners may work in favour of re-introducing fees. Also in Germany, the recently introduced care insurance will for most people cover the costs for home help. A maximum payment does, however, apply.

The concern about future care burdens in terms of financial costs has led to discussion about individual insurances to cover costs for older people. In England and Sweden, private care insurance has been discussed; in Sweden the debate has centred on the poverty risk for individuals in the financing of services, whereas in England the debate has taken more of an ideological start associated with the wish to strengthen individual responsibility. At the same time, individual means-testing for entitlement to receive financial support has been made more stringent in England and funding for long-term care is now from the same overall budget as most other forms of care. France has on the other hand loosened the conditions for receiving financial support for long-term care. In Denmark, a private insurance company has recently launched a scheme which insures against the risk of needing care in old age. In two countries, Germany and the Netherlands, anxiety about future care needs has sparked the introduction of a new universal care financing system, as a replacement for dependency on social assistance. Contrary to the increasing individual responsibility for financing outlined above, the Netherlands has thus introduced a universal insurance system, AWBZ, which was introduced partly in response to the relatively high number of older people living below the poverty line, and now encompasses long-term institutional as well as domiciliary care.

2.9.

Trend III: from standardised to flexible and coordinated systems

With increasing needs and limited financial resources, an important aim of service provision today in all countries is to make the most of the available resources. This implies that services should be tailored to individual needs in order to strengthen effective use of resources. Beyond being attempts to provide more cost-efficient services, flexibility and coordination of services have also been introduced in response to criticisms made of the rigid and bureaucratised character of welfare services. Yet, for individual users, flexibility and coordination of services may mean less choice of services, and may lead to greater local variation in service provision.

Providing according to need

In relation to care for older people especially, most countries provide tailor-made rather than standardised services, thus responding to individual need rather than providing identical care packages for every recipient. This is currently an even more important objective since most older recipients of care live in their own homes. Service provision is developing in accordance, becoming more needs-led,

and providing services at times when they are needed, rather than when provision is convenient for the provider. For example, whereas the former home help services were mainly provided during the day, 1/3 of home help recipients in Sweden and Denmark now make the use of services during evenings and nights.

Providing across professional and systemic boundaries

Coordination of services is seen in most countries as a way to improve both cost-efficiency and quality of services, by minimising wastage of resources while at the same time also delivering services according to need. In relation to care of older people, this includes working across professional boundaries, providing, for example, home help and home nursing as one integrated service or working across institutional boundaries, such as providing a service which was previously the responsibility of another service sector, e.g. the Dutch experience of providing domiciliary care via old age homes. Also, administrative changes have been made in the organization of services, in order to achieve better quality of care for older people. This includes coordination of registration and inspection procedures of services, both publically and privately provided services, as in England, or the introduction of a single point of access for assessment for care, as in the Netherlands.

Coordination of services, however, may work against increasing individual user choice, if alternatives are not available. In relation to child care, coordination of services has been achieved mainly by replacing one form of service with another; e.g. replacing services within the welfare system with services within the education system, where group sizes are higher and staff ratios smaller. In Sweden and Finland, children are now able to begin school one year earlier, when they are aged 6 years, and in England early years education should eventually include all 3-year-olds in addition to the currently coverage of 4-year-olds. Sweden has also adopted a life long learning approach, with day care for pre-school children becoming part of general education, whereas Dutch 4-5-year-olds who previously attended pre-school day care, have for a number of years been provided for in primary schools.

Service innovations

Services are also becoming more flexible with innovations being made to meet new demands. De-institutionalisation policies for older people have spurred the development of auxiliary care, and a wide range of services such as transport, day care centres, meals-on-wheels, which were previously met within institutional settings are now provided through supplementary services for older people who continue to live in their own homes. Short-term residential care offers an invaluable service for older people and their carers in allowing older people to

receive institutional care for shorter periods. Likewise, the development of different care allowances, e.g. the terminal care leave schemes in Denmark and Sweden, offers those who take leave from work to take care of older and terminally ill people partial economic compensation. Innovations within child care include three family day care, where three families can employ a family day carer to look after their children as e.g. in Denmark, and the introduction of vouchers for day care in Finland and Denmark. Also, support for parent initiated day care centres in Sweden and Denmark enables parents to set up day care centres to match their specific needs.

The degree of flexibility does, however, vary according to whether there are real possibilities for individual users to choose from among these arrangements, and local variation in provision is widespread. In addition, the introduction of new innovative services may not replace the need for traditional services and insufficient provision of the latter can create problems. For example, care for older people is now today geared towards provision in their own homes and this can create problems if the need for more intensive care arises, e.g. the need for special care for older people suffering from senile dementia.

2.10.
Trend IV: from client to consumer

New strategies also include the wish to strengthen individual choice and most countries have adopted a client-oriented approach to service provision in which individual voice is valued highly.

Choosing the provider

Most countries strive to increase individual choice in the delivery of services, e.g. older people being able to choose the service provider in German care insurance or the Dutch Personal Budget, giving older people a cash benefit rather than provision in kind. Also in Denmark, older people can now choose who will deliver cleaning services in the home help system. In the Netherlands, consumerism is an important part of the new subsidy for day care provision for children. Here, the privatisation of day care is intended to eventually sort poor quality provision from good, by letting regulation work through allowing parents to choose institutions, which will be the ones with the best reputation. In reality, however, there may be no real choice between providers and individual users of services seldom possess real exit choice.

Participating in decision making

Recipients of services to some degree thus seem to participate in aspects of service delivery, and in many instancies have also achieved some influence over daily decisions about the organisation and provision of services, e.g. in day care for children through user involvement in parent boards and through older people participating in local pensioner councils which function as advisory groups for local policy making.

Performance indicators and service information

Some attempts have been made to make users more aware of what exactly they can expect when they receive services in order to avoid misunderstandings and dissatisfaction with lack of or insufficient services. For example Danish municipalities have started to make explicit the content of home help services provided, through service contracts. The care manager system, which is widely spread in England, the Netherlands and Finland in particular, as well as tailoring services to individual needs, also functions as a way to inform older people and family members of the exact content of services. In England in particular, local authorities are now obliged to produce annual community care plans and care charters, informing local citizens of the aims and objectives of service policies.

2.11.
Trend V: from discretion to entitlement

Guaranteeing provision of day care ...

The changes in the care policies include the introduction of rights to services. Local authorities hold overall responsibility for assessing needs for services and ultimately, for allocating services. However, some services are now subject to provision guarantees, often introduced by central governments. Guarantees of provision have been introduced especially within day care for pre-school children. Since 1992, German children have thus been in principle guaranteed a place in a nursery school from the age of 3½ years, and a further undertaking to work towards improvement in the number of places for under 3-year-olds has been made. Likewise, in England from September 1998, all 4-year-olds have been in principle guaranteed a place in early years education, with later expansion to 3-year-olds also. In Finland, Denmark and Sweden, there is a similar guarantee within the welfare system for child care provision in day care institutions or family day care. The Finnish day care guarantee is, however, the only one with legal rights for parents, who can take the municipality to court if a place is not available. The introduction of service guarantees may, therefore, resemble a rights-based system, such as rights to receive cash benefits, but first users have to be accepted for provision, and often services will not be immediately available.

... but restricting access

In certain instances, introducing rights to services may also lead to stricter conditions for entitlement or the right to services may be limited because of insufficient provision. The Finnish system thus allows parents to choose between vouchers for day care or places in day care centres and parents often choose the former because of lack of day care provision. In Denmark and Sweden, the day care guarantee must be accompanied by increases in the number of places available, but in Denmark local financial difficulties mean that provision of day care is only guaranteed in 3/4 of municipalities, and often with long waiting lists. The expansion in Sweden has, however, also been accompanied by the favouring of children of employed or studying parents in the allocation of places. As a consequence of the harsh economic situation and the increasing number of children in need of day care, 80% of Swedish municipalities have restricted rights to day care for children of unemployed parents.

Guaranteeing less for older people but increasing expectations

Services for older people are less likely to be subject to provision guarantee, often because the need for services is viewed as far more individualised than day care for children, which generally arises from their parents' working situations. However, the explicit content of services and care charters (noted above) may to some degree create expectations of legal right to services. The introduction of care allowances also point in this direction, as they share certain characteristics with cash benefits, often providing recipients with a set rate and by having labour market rights attached. The inclusion of social services in insurance systems in the Netherlands and Germany may also create some expectations of rights to receive help and support.

Yet, needs criteria in all countries are becoming more strict and services are mainly provided for older people aged 75+. Domiciliary services are often targeted at those living alone who have no spouse or other family members living with them to provide help. Also services may not be provided when need arises; e.g. in the Netherlands the average waiting period for home help services is 45 days – in addition to the 12 days waiting period before assessment.

Local differentiation in provision prevail

The discussion about rights to services is further limited by huge local differences in provision which prevail in all countries. Provision in urban areas tends to be higher than in rural areas, partly due to servicing greater numbers of people, and partly due to different household compositions and social networks. The urban/rural divide is further differentiated by differences based on political and cultural climate, and provision is often largely determined by the policy adopted within each single municipality.

2.12.
Pluralism in the organisation of care

Generally, the welfare mix in each individual country reflects their specific cultural and political traits. The Nordic countries have thus traditionally been regarded as archetypes for a welfare model where public responsibility for organisation, financing and provision of cash benefits as well as social services has been predominant, whereas voluntary involvement is a more intrinsic feature of the German and Dutch welfare model. Germany is furthermore often emphasised as a country where occupational welfare is widespread. The family has also played a significant role in these two countries, as well as in England and France, while market forces have been especially emphasised in England. Generally, however, for all countries developments have encouraged provision from non-public providers – the market, the family and voluntary organisations – partly because of financial concern, and partly, for ideological reasons.

State/local authorities

Despite this, there is no one-dimensional move away from public responsibility for welfare, but rather a move towards increasing plurality of welfare provision. State involvement has thus increased in some countries too, especially in countries which previously had relatively limited state involvement in provision or funding of services. In the Netherlands and Germany, the inclusion of long-term care for older people under social insurance schemes reflects public concern about the financial burden which older people often face when they have to bear the cost of provision of services. Also, the Dutch stimulation of private child care has increased the role of the state in the delivery of day care which was previously limited to sporadic regulation and inspection procedures. Increasing state involvement also has similar characteristics across the seven countries in being mainly central government initiatives, which are subsequently followed up by local initiatives. Central government policy making often reflects concerns about variation in standards and range of provision. Local authorities in general continue to have an overriding role in the organisation of services and assessment of needs, however, although central government involvement differs greatly from country to country, the state seems to be playing an increasing role in providing stimulation through funding and setting delivery goals across all seven countries.

Market

Increasing institutionalisation of non-public sectors is, however, taking place at the same time through the refocusing of public service systems on subsidizing, regulating and coordinating services from non-state providers. In particular, market orientation has become an intrinsic part of general policy making in many countries, in England and the Netherlands especially for ideological reasons, and

slightly more as a result of financial concerns in Sweden and Finland, while privatisation has so far been limited in Denmark. The effects of privatisation have thus been varied, with England representing one end of the spectrum where market orientation has included privatisation and withdrawal of public services, to the Netherlands where some market principles have been implemented, but scaled out – to Sweden and Finland where local authorities have been encouraged to contract out services when profitable, and finally to Denmark where the cost-efficiency ethos has resulted mainly in modernisation of the public sector. Quasi-market solutions have, however, been part of general policy making in most countries, where public financing stimulates privately provided services, ranging from English financing of private provision in nursing homes to more indirect Danish subsidies for private provision of services and recently introduced consumer choice of home help provider, although this only covers the cleaning element of home help. The proportion of private provision, therefore, also varies greatly, from 70% of institutional care provision in England to 4% of home help services in Sweden, which is the Nordic country with the greatest proportion of for-profit provision. In England, the preference for private provision of services for older people is evident in the requirement that local authorities spend 85% of the Department of Social Security funding – which previously covered most institutional care – in the private for-profit sector. In the Netherlands, support for entrepreneurship is part of present governmental strategies to increase the proportion of provision from the for-profit sector. From 1998, subsidies have been introduced for businesses offering domestic services. In Sweden, private for-profit provision for children makes up only 2% of all child care arrangements. In contrast, in the Netherlands and England, most provision for children is private, at 88% in England, although in the Netherlands many for-profit institutions now receive public funding from the recent measure introduced to stimulate provision of day care.

Employer

Not only do developments in some countries support more market orientation, but these also promote the responsibility of employers, especially in countries where public provision is very limited. Dutch developments in day care for children provide the most marked example. Dutch employers previously provided some degree of day care for their employees, however, under the Stimulative Measure employers are now expected to co-finance provision of day care, which is thus increasingly a labour market issue since the employee's labour market position determines the provision of day care. An estimated 70% of new places were intended to be reserved for employers who could in this way use day care provision to attract potential employees. In England, employers are also expected to play a part, although more indirectly, in the development of day care through partnerships for early years education, and more and more of the mainly larger

enterprises are providing day care for their employees. In Denmark, the role of employers has been frequently debated, not in relation to responsibility for provision of care services, but as for other Nordic countries in that reconciliation of work and family life is gaining more emphasis. Leave or care days to meet family obligations are thus increasingly being provided as part of collective agreements and labour market rights are often maintained in the general leave schemes.

Voluntary sector

Voluntary sector provision has traditionally made up a large proportion of overall service provision in the Netherlands and Germany where voluntary organisations are well established and consist of large institutions, often covering a whole region. Voluntary sector provision in the Netherlands is mainly financed through the public sector, making it difficult to draw a demarcation line between public and voluntary provision. In other countries also, voluntary provision is an important element in the provision of services, e.g. play groups for children or day centres for older people in England, while in yet others the voluntary sector mainly provides supplementary services, such as home-visiting for older people in Denmark. The growing importance of the voluntary sector has thus begun from very different starting points, but overall voluntary provision has become a more consolidated element in overall provision, often through public contracts for service provision. In England, the voluntary sector now provides 4% of home help services, while in Finland where voluntary services have traditionally made an important contribution to overall service provision, 6% of services are provided by voluntary organisations. In relation to day care for children, provision in the Nordic countries has mainly been public, or semi-public since a number of voluntary based institutions receive public subsidies. In Denmark, many day care centres are thus run by non-profit agents but these generally function as public institutions. In Sweden, there has been an increase in non-profit sector provision and parental cooperatives are the form of day care which has expanded most in recent years, now covering 6% of children in day care centres. In all, private non-profit day care covers 9.5% of children in day care centres in Sweden.

Informal sector

Finally, provision from family carers has also become a more institutionalised element of the service systems, with both improvements to and introduction of leave schemes and care allowances, financially supporting carers when they reduce their working hours or leave the labour market for a period in order to care for children or older relatives. The availability of informal care has become an important criterion when assessing the need for services. Home help for older people is rarely provided if there is a spouse who can provide care. In some countries the availability of adult children also determines the provision of care,

since they are expected to provide care and support as an alternative to formal help. Respite for informal carers of older people has become an important part of public services, providing short-term stays in institutional care or sitting services. For pre-school children, the improvements to the child care leave schemes are the most fundamental changes to the support for informal care. Here, the availability of informal care is sometimes also included in assessments of need, e.g. in Sweden, where children of unemployed parents are as mentioned rarely entitled to day care places. The development of social services has expanded provision for both children and older people but the family continues to provide the bulk of care, and the welfare systems are adapting to this. Increasing emphasis on the informal sector, however, will be inhibited by socio-demographic developments towards older people becoming an increasing proportion of total population. The increasing labour market participation of women does not favour informal caring either. The introduction of leave schemes, respite care and the improved care allowances is a signal that informal care should be supported. Generally, however, the compensation of informal carers is still relatively low and, in comparison to the costs of formal care, negligible, and few leave schemes and care allowances, therefore, offer real alternatives to employment.

2.13.
Conclusion

Looking at services for children and older people over a 15-year period is little more than a glimpse of the whole story. Yet, the years from 1982-1996 have been challenging for social care systems in the seven countries in the study, and developments have reflected this. Overall, it is true to say that the systems still are, and probably will remain, intrinsically different. The fundamental principles of organisation, financing and provision vary immensely as do conceptions of the roles of the state, family, market, employers and voluntary organizations. Despite this, comparing the development of services has revealed some common trends – with some trends more visible within certain welfare models than others – but these suggest the existence of similar answers to similar problems. Female labour force participation has continued increasing with more focus on equal distribution of care work, and social services have been developed in the context of changing family forms and demographic pressure from ageing populations. Economic problems have affected some countries more than others (and at different periods also) but have generally forced the seven countries to re-evaluate their service systems and principles of service organisation, financing and provision. Cost-efficiency has become increasingly emphasised, associated with

private sector management and market-type mechanisms, and as a result quasi-markets are emerging. Stricter criteria for admission to services has in many countries been the result of expanding provision to more users. Standards have sometimes suffered from expansion also; on the other hand, individual needs should receive far more consideration than previously, and the new welfare paradigm is strongly emphasising the role of the consumer. The introduction of guarantees in certain services and the inclusion of some services in health insurance schemes will perhaps move conceptions of service delivery towards more rights based provision – and will invariably create expectations of delivery which will perhaps work towards the same direction.

Non-state provision is becoming increasingly institutionalised and the state functions increasingly in an enabling role, governing the financing and regulation of non-state provision. This invariably changes the basic structure and content of services provided but may work in a positive direction in providing alternatives to public sector provision; on the other hand, real choice of provider is seldom available.

So, where are the countries heading? Far from heading into one direction, each country seems to be developing its social services according to its particular tradition of welfare provision and the needs of its own welfare system – often varying considerably within the countries also. Thus the Scandinavian countries which are often attributed by having abundant welfare provision resemble each other in welfare systems but vary in regards to the emphasis on cash vs service benefits. All three countries, however, provide services and cash benefits for a relatively high proportion of children and older people. The Netherlands and England resemble each other in the widespread public responsibility of care for older people whereas day care provision for children is less developed and both have a mixture of cash and service benefits. Provision for children is widespread in France, at least for the older children, whereas services are less abundant for older people. Provision is mainly provided as services. In Germany, the importance of cash benefits is growing, especially since the introduction of the care insurance but provision is scarce for both children and older people.

Yet, the development of policies in the seven countries is not blind to surrounding changes and adaptations, which is why trends in social service systems to some degree appear similar across all seven countries in the study. In some senses, paradigms of efficiency, marketisation and consumerism have challenged former paradigms of equity and professionalism. Over the years, social care systems in

each country have thus become more pluralised, with a greater mix of providers, sources of financing and mixture of cash and service benefits.

Appendix

Sources and notes for figures

Figure 2.1.
Labour market activity, men and women, 1996, and women with children, aged 0-5, 1993.

Source: England: ONS, 1997. Other countries: Eurostat, 1997; Christoffersen, 1993.

Figure 2.2.
Fertility rate, 1980 & 1996.

Source: Eurostat, 1997.

Figure 2.3.
Family composition, latest available data.

Source: France and Germany: Ditch et al., 1996. England: ONS, 1997. The Netherlands: CBS, 1997. Finland: STAKES, 1998. Sweden: Nordic Council, 1996. Denmark: Danmarks Statistik, 1997b.

Figure 2.4.
Older people living on their own, % 65+, 1950-1988.

Source: Sundström, 1994.

Figure 2.5.
Older people living with adult children, % 65+, 1950-1988.

Source: Sundström, 1994.

Figure 2.6.
Who provides help for older people aged 65+ with domestic and personal care, in percent, 1993/94.

Source: Finland: (The) Finnish Old-Age Barometer, 1994; older people 65+; no information about care provided by family members, neighbours and friends or

about care provided by voluntary organisations. Other countries: Andersson, 1993: Older people are aged 65+.

Figure 2.7.
Life expectancy, men and women, 1960 & 1996.

Source: Eurostat, 1997.

Figure 2.8.
Older people aged 65+ and 80+ as a percentage of the population, 1960, 1996 and 2020.

Source: Eurostat, 1997; OECD, 1996.

Figure 2.9.
Net expenditure for main social services and cash benefits in DKK (Purchasing Power Parities, PPP) per capita, older people aged 65+, 1995/96.

Source: Denmark: DS (1996-97) Udgifter til sociale ydelser. SE (1996-97): Social sikring og retsvæsen. DS (1998) Statistical yearbook. Sweden: SCB (1997) Statistical yearbook. SCB (1996): Kommunernas finanser; Socialstyrelsen (1996): Nya förutsättningar, bättre incitament; Socialstyrelsen (1996): Socialutgifterna och socialutgifternas finansiering, Socialstatistik; RFV (1995) & (1996): Socialförsäkring. Finland: Statistics Finland (1997) Statistical yearbook; KELA (1996) Statistical yearbook of the Social Insurance Institution. Ministry of Social Affairs and Health (1996): Social protection in Finland database. STAKES (1996-97) Facts about Finnish Social Welfare and Health Care. The Netherlands: CBS (1997): Kosten en financiering van de gezondheidszorg; VWS (1998): Personal communication; CBS (1996): Statistiek van de bejaardenoorden. England: DoH (1997): Personal social services Current and capital expenditure in England 1995-96, Statistical bulletin 1997/16. France: OECD (1998) Social expenditure database. Germany: OECD (1998) Social expenditure database.

Figure 2.10.
Net expenditure for main social services and cash benefits in DKK (Purchasing Power Parities, PPP) per capita, children 0 to school age, 1995/96.

Source: Denmark: DS (1996-97) Udgifter til social ydelser. SE (1996-97): Social sikring og retsvæsen. DS (1998) Statistical yearbook. Sweden: Socialstyrelsen (1996): Socialutgifterna och socialutgifternas finansiering, Socialstatistik; RFV (1995) & (1996): Socialförsäkring. Finland: Statistics Finland (1997) Statistical yearbook; KELA (1996) Statistical yearbook of the Social Insurance Institution. Ministry of Social Affairs and Health (1996): Social protection in Finland database. STAKES

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Figure 2.11.

Length of leave in weeks after birth, 1996.

Source: Denmark: DS (1997) Statistisk tiårsoversigt. DS (1997): Arbejdsmarkedspolitiske foranstaltninger. SE (1997) Arbejdsmarked. DS (1997) Dagpenge ved graviditet, fødsel og adoption. Sweden: RFV (1996): Socialförsäkring. Finland: KELA (1996) Statistical yearbook of the Social Insurance Institution. The Netherlands: LISV (1998) Personal communication. The Netherlands: CBS (1997) Kindercentra. CBC (1998) Personal communication. England: DSS (1997) Social Security Statistics. DSS (1997) The Governments Expenditure Plans. France: Fagnani & Strobel (1998). Germany: Bundesministerium für Familie, Senioren, Frauen und Jugend (1997) Erziehungsurlaub und Erziehungsgeld.

Figure 2.12.

Total leave entitlement, maximum weeks multiplied by compensation rates, 1996.

Source: Denmark: DS (1997) Statistisk tiårsoversigt. DS (1997): Arbejdsmarkedspolitiske foranstaltninger. SE (1997) Arbejdsmarked. DS (1997) Dagpenge ved graviditet, fødsel og adoption. Sweden: RFV (1996): Socialförsäkring. Finland: KELA (1996) Statistical yearbook of the Social Insurance Institution. The Netherlands: LISV (1998) Personal communication. England: DSS (1997) Social Security Statistics. DSS (1997) The Governments Expenditure Plans. France: Fagnani & Strobel (1998). Bundesministerium für Familie, Senioren, Frauen und Jugend (1997) Erziehungsurlaub und Erziehungsgeld.

Figure 2.13.

Provision of day care arrangements in full-time places, % of pre-school children, 1996.

Source: Source: Denmark: DS (1997) Den sociale ressourceopgørelse. Social sikring og retsvæsen: Statistiske efterretninger. DS (1997) Elever i grundskolen, gymnasiet og Hf-/studenterkurser. SE: Uddannelse og kultur. Sweden: Socialstyrelsen (1996) Barnomsorg. SCB (1998) Personal communication. Finland: Ministry of Social Affairs and Health (1996): Social protection in Finland database. STAKES (1996-97) Facts about Finnish Social Welfare and Health Care. The Netherlands: CBS (1997) Kindercentra. CBC(1998) Personal communication. England: DoH (1997) Children's Day Care Facilities. DfEE (1997) Pupils under 5 years in each LEA authority in England. Statistical bulletin. DfEE (1997) Pupils under 5 years

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Figure 2.14.

Provision of day care arrangements by age, 1996.

Source: Denmark: DS (1997) Den sociale ressourceopgørelse. Social sikring og retsvæsen: Statistiske efterretninger. Sweden: Socialstyrelsen (1996) Barnomsorg. SCB (1998) Personal communication. Finland: Ministry of Social Affairs and Health (1996): Social protection in Finland database. STAKES (1996-97) Facts about Finnish Social Welfare and Health Care. The Netherlands: CBS (1997) Kindercentra. CBC (1998) Personal communication. England: DoH (1997) Children's Day Care Facilities. France: SESI (1997): Annuaire des statistiques sanitaires et sociales. MENRT-DEP (1997): Repères et références statistiques sur les enseignements et la formation. Germany: StBA (1995) Sozialleistungen, Fachserie 13, Reihe 6.3. Bundesministerium für Familie, Senioren, Frauen und Jugend (1998) Statistische Angaben zur Tagesbetreuung von Kindern in der Bundesrepublik Deutschland.

Figure 2.15.

Leave and day care provision, 1996.

Source: Denmark: Day care: DS (1997) Den sociale ressourceopgørelse. Social sikring og retsvæsen: Statistiske efterretninger. DS (1997) Elever i grundskolen, gymnasiet og Hf-/studenterkurser. SE: Uddannelse og kultur. DS (1997) Statistisk tiårsoversigt. Leave: DS (1997): Arbejdsmarkedspolitiske foranstaltninger. SE (1997) Arbejdsmarked; DS (1997) Dagpenge ved graviditet, fødsel og adoption. Sweden: Leave: RFV (1996): Socialförsäkring; Socialstyrelsen (1996). Day care: Barnomsorg. SCB (1998) Personal communication. Finland: Leave: KELA (1996) Statistical yearbook of the Social Insurance Institution. Day care: Ministry of Social Affairs and Health (1996): Social protection in Finland database. STAKES (1996-97) Facts about Finnish Social Welfare and Health Care. The Netherlands: Leave: LISV (1998) Personal communication. Day care: CBS (1997) Kindercentra. CBC (1998) Personal communication. England: Leave: DSS (1997) Social Security Statistics. DSS (1997) The Governments Expenditure Plans. Day care: DoH (1997) Children's Day Care Facilities. DfEE (1997) Pupils uder 5 years in each LEA authority in England. Statistical bulletin. DfEE (1997) Pupils under 5 years in independent schools in England. Statistical bulletin. France: Day care: SESI (1997): Annuaire des statistiques sanitaires et sociales. MENRT-DEP (1997): Repères et références statistiques sur les enseignements et la formation. Orlov. Fagnani & Strobel (1998). Tyskland: Orlov:

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Figure 2.16.

Home help, recipients as a percentage of older people aged 65+, 1996, and average weekly ours, latest available years.

Source: (Average weekly hours): Denmark: DS (1996) Hjemmehjælp. Statistikservice: Socialstatistik. Sweden: Socialdepartementet (1997): Välfärdsfakta. Finland: National Agency for Welfare and Health (1992): Home help, Social Security 1992:2, Helsinki. The Netherlands: VWS (1998): Personal communication. England: DoH (1996) Community Care Statistics: Day and Domiciliary Personal Social Services for Adults. Statistical Bulletin. France: Lebeaupin (1996).

Source: (Home help): Denmark: DS (1996) Hjemmehjælp. Statistikservice: Socialstatistik. Sweden: Socialdepartementet (1997) Välfärdsfakta; SCB (1997) Social Hemtjänst. Statistiska Meddelanden Serie S21. Finland: KELA (1996) Statistical Yearbook, Helsinki; Ministry of Social Affairs and Health (1996) Social Protection Database. The Netherlands: CBS (1997) Maandbericht gezondheitsstatistiek; CBS (1997) Vademecum gezondheitsstatistiek. VWS (1998) Personal communication. England: DoH (1996) Community Care Statistics: Day and Domiciliary Personal Social Services for Adults. Statistical Bulletin. France: SESI (1996) Annuaire des Statistique sanitaires et sociales. Germany: StBA (1998) Personal communication: Deutscher Bundestag: Drucksache 13/9528.

Figure 2.17.

Average weekly hours of home help, total number of older people aged 65+ in the population, latest available years.

Source: See **Figure 2.16.**

Figure 2.18.

Institutional accomodation and sheltered housing, residents as a percentage of older people aged 65+, 1996.

Source: (Residential and nursing homes): Denmark: DS (1996) Den sociale ressourceopgørelse, SE: Social sikring og retsvæsen. Sweden: Socialdepartementet (1997) Välfärdsfakta. Finland: Ministry of Social Affairs and Health (1996) Social Protection Database, Helsinki. STAKES (1997) Facts about Finnish Social Welfare and Health Care. The Netherlands: CBS (1997) Statistiek van de bejaardenoorden; CBS (1997) Vademecum gezondheitsstatistiek Nederland. CBS

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Source: (Sheltered housing): Denmark: DS, 1996: Den sociale ressourceopgørelse, SE: Social sikring og retsvæsen. Sweden: Socialdepartementet (1997): Välfärdsfakta. Finland: STAKES (1997): Facts about Finnish Social Welfare and Health Care. The Netherlands: Timmermans (1997); Tester (1996). England: DoH (1996): Residential accommodation, Statistics: Personal Social Services - residential care homes and supported residents in England, table e17. DoH, 1998: Personal communication. France: SESI (1997): Documents Statistique NO 259 and NO 297. Les Établissement d'hébergement pour personne agées.

Figure 2.19.

Day care provision, percentage of pre-school children, 1982 and 1996.

Source: Denmark: DS (1983) & (1997) Den sociale ressourceopgørelse. Social sikring og retsvæsen: Statistiske efterretninger. DS (1983) & (1997) Elever i grundskolen, gymnasiet og Hf-/studenterkurser. SE: Uddannelse og kultur. Sweden: Socialstyrelsen (1996) Barnomsorg. SCB (1998) Personal communication. Finland: Ministry of Social Affairs and Health (1983) & (1996): Social protection in Finland database. STAKES (1983) & (1997) Facts about Finnish Social Welfare and Health Care. The Netherlands: CBS (1983) & (1997) Kindercentra. CBC (1998) Personal communication. England: DoH (1983) & (1997) Children's Day Care Facilities. DfEE (1983) & (1997) Pupils under 5 years in each LEA authority in England. Statistical bulletin. DfEE (1997) Pupils under 5 years in independent schools in England. Statistical bulletin. France: SESI (1983) & (1997): Annuaire des statistiques sanitaires et sociales. MENRT-DEP (1997): Repères et références statistiques sur les enseignements et la formation. Germany: StBA (1983) & (1995) Sozialleistungen, Fachserie 13, Reihe 6.3. Bundesministerium für Familie, Senioren, Frauen und Jugend (1998) Statistische Angaben zur Tagesbetreuung von Kindern in der Bundesrepublik Deutschland.

Figure 2.20.

Institutional accomodation and home help, recipients and residents as a percentage of older people aged 65+, 1982 and 1996.

Source: (Institutional care): Denmark: DS (1982) & (1996): Den sociale ressourceopgørelse, SE: Social sikring og retsvæsen. Sweden: Socialdepartementet (1997): Välfärdsfakta. Finland: Ministry of Social Affairs and Health (1982) & (1996): Social Protection Database, Helsinki. STAKES (1982) & (1996): Facts about Finnish Social Welfare and Health Care. The Netherlands: CBS (1997): Statistiek

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Source: (Home help): Denmark: DS (1982) Kontanthjælp og hjemmehjælp. SE: Social sikring og retsvæsen. DS (1996) Hjemmehjælp. Statistikservice: Socialstatistik. Sweden: Socialdepartementet (1997) Välfärdsfakta; SCB (1997) Social Hemtjänst. Statistiska Meddelanden Serie S21. Finland: KELA (1982) & (1996): Statistical Yearbook. Helsinki; Ministry of Social Affairs and Health (1982) & (1996): Social Protection Database, Helsinki. The Netherlands: CBS (1984) & (1997): Maandbericht gezondheitsstatistiek; CBS (1984) & (1997): Vademecum gezondheitsstatistiek. VWS (1998): Personal communication. England: DoH (1996): Community Care Statistics: Day and Domiciliary Personal Social Services for Adults. Statistical Bulletin. France: SESI (1983) & (1996): Annuaire des Statistique sanitaires et sociales. Germany: StBA (1998) Personal communication: Deutscher Bundestag: Drucksache 13/9528.

Figure 2.21.

Full-time staff per 100 recipients of home help and residents in institutional care, latest available years.

Source: (Institutional care): Denmark: DS (1996): Den sociale ressourceopgørelse, SE: Social sikring og retsvæsen. Sweden: Socialstyrelsen (1997a). Finland: Ministry of Social Affairs and Health (1996): Social Protection Database, Helsinki. STAKES (1997): Facts about Finnish Social Welfare and Health Care. The Netherlands: CBS (1997): Statistiek van de bejaardenoorden; CBS (1997): Vademecum gezondheitsstatistiek Nederland. CBS (1997): Intramurale gezondheitszorg. England: DoH (1995): Local Authority Social Services Statistics? Staff of Local Authority Social Services Departments. France: SESI (1996) & (1998): Documents Statistique NO 259 and NO 297. Les Établissement d'hébergement pour personne agées. Germany: Alber & Schölkopf (1998).

Source: (Home help): Denmark: DS (1996): Hjemmehjælp. Statistikservice: Socialstatistik. Sweden: Socialdepartementet (1997): Välfärdsfakta. SCB: Social hemtjänst, statistiska meddelanden, Serie S21. Daatland (1995): De sidste årene – eldreomsorgen i Skandinavia 1960-1995. Finland: KELA (1996): Statistical yearbook; Ministry of Social Affairs and Health (1996): Social Protection Database. The Netherlands: Kerkstra (1996).

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CHAPTER 3

Denmark

Box 3.1.
General characteristics of Denmark

- Covering an area of 40,000 square kilometres, Denmark is divided into 275 municipalities and 14 counties. 5.3 million people live in Denmark, of which 4% hold a foreign citizenship, mainly from another European country. Around half the municipalities have a population of less than 10,000, and one third have between 10,000-20,000 inhabitants.
- Most people are active in the labour market, with a general participation rate of 81.1% in 1996. 3.9% of the workforce is employed in the agricultural sector, while 26.4% work in industry and 69.7% in services. Unemployment rates are currently at a record low, at 6.9%, slightly higher for women (8.5%) than for men (5.6%).
- Denmark spends 30.5% of GDP on social expenditure, with central government contributing 35.1%, municipalities 31.8%, employers 10.3% and insurance payments 17.4% of this amount while the remaining 5.5% coming mainly by interest rates.
- Old age pension is available to all citizens in Denmark, presently from 67, but from 2004 already from the age of 65. Annual disposable income for an Average Production Worker (APW) over 67 years with the maximum period of previous employment would amount to DKK 75,219 and for a couple DKK 152,904 (Hansen, 1998). One in four recipients of old age pension do, however, have an annual disposable income of less than DKK 57,000 (Bonke, 1998). Including family allowance, an APW family with 2 children would have an annual disposable income of DKK 230,288 (Hansen, 1998).
- Average life span for women is 78 years, and 72.9 for men, among the lowest in Europe. Ageing of the population is, however, also a Danish phenomenon; from 1960 to 1996, the proportion of the population aged 65 years and over has increased from 10.6% to 15%, and although slowing down markedly, this development is going to continue. By 2020, the same age group will constitute 17.6% of the Danish population. The fertility rate has been on the increase at 1.76 in 1996, but the dependency ratio, i.e. those aged over 60 years as a percentage of those of working age, is projected to rise nevertheless, from 42% in 1996 to 48% in 2020 and to 51% 20 years later. Since 1983 when children aged between 0-6 years made up 7.4% of the population there has been a rise in the fertility rate and this age group currently makes up 9%.

3.1.
Introduction

Provision of care for children and older people in Denmark is generally abundant, ensuring that parents can participate in the labour market and that older people receive the necessary help independently of their family. Having expanded in both volume and relevance as part of the consensus policies which have been the common model for policy making for a number of years, social services now constitute an important element of the Danish welfare model. Because they are mainly tax-financed, expectations as to rights to receive services are high and much public attention is given to cutbacks and cases of insufficient service

provision. Denmark resembles the other Nordic countries in basing social services on the principles of universalism and high standards, meaning that a relatively large proportion of children and older people receive services which are provided within a highly professionalized setting, and there is general support for continuation along these lines among politicians as well as voters. A local approach to service delivery is fundamental to the principle of providing according to need, and municipalities have responsibility for all social care services. In contrast to the other Nordic countries, development has, however, in Denmark favoured services rather than cash benefits, which is why support for informal care has played a minor role in formally integrating the family as a source of help in the care system. Denmark is often considered to be the liberal outlier among the Nordic countries, but care services such as basic care for older people and provision of day care for children are regarded as the public domain. With the introduction of child care leave and various other provisions, e.g. the opportunity to employ a family member to carry out some of the home help service, a gradual opening up of alternative care provision seems to be developing.

3.2.
A history of care

Public assistance for the poor, the orphans and the disabled

Initially, however, the development of social services for children and older people had its starting point in state intervention in what had hitherto been private provision of care. The steps to replace private poor relief with public assistance in 1708 marked the birth of social policy in Denmark and thus the beginning of public intervention for older people and children. Prior to this the Catholic church, and later local parishes, provided help for poor people but the introduction of the poor box system was the first indication of public responsibility towards those in need. Applicants for help were now divided into three classes, the higher the class the more help was provided. These classes were: 1) the blind, bedridden, crippled and very old 2) orphans and 3) unemployed and poor people. This classification was revised in the poor law reforms in 1799 and 1803 when stricter definitions of local obligations to provide for people who were born or raised in the parish were introduced. Obligatory contributions from wealthy parishioners were to finance the assistance to which conditions were often attached, such as a ban on marriage, loss of civil rights or forced accommodation in a poorhouse or workhouse. In rural areas, a typical arrangement was to provide food and shelter for orphans, destitute and old people by inviting annual tenders from affluent farmers with those offering the lowest price responsible for looking after them. In the mid-1800s, a new concept of need arose, dividing people into deserving and undeserving poor, with the former including older people, who were no longer to be deprived of their civil and political rights (Jonasen, 1994; Bundesen, 1996).

Old age assistance

A specific policy for older people, however, was not formulated until the introduction of Old Age Assistance *(Alderdomsunderstøttelse)* in 1889. From this year onwards, those aged over 60 years, who had not in previous years received poor relief and who had no criminal record, were for the first time guaranteed an income which could also be paid through services in kind. Municipalities were thus obliged to establish asylums for older people without financial means, but these asylums remained few in number and were often set up in existing poor houses, and only later housed in separated buildings. Although the new policy represented a great improvement in social standards, the rather harsh conditions for providing relief in poor-houses and work-houses were thus maintained and residents generally had to give up most of their independence and conform to institutional rules of living, including the principle that they should earn their living through work, even the very old. But older people who were able to remain in their own homes could receive rent support, hot meals, fuel or cash instead of being institutionalized (Møller, 1996; Svendrup, 1991).

Asylums for children

Simultaneously, with urban growth, came growing concerns about the number of children who were left by themselves while their parents were working. These concerns led to the establishment of day care institutions. However, the first asylums for children had already been set up as shelters for poor children from the beginning of the century. Largely due to the 'mother of asylums', Princess Caroline Amalie, the first asylum for children of poor workers was set up in 1824 by charitable organizations. The purpose was to provide the children with shelter, food and clothes while also teaching them discipline, cleanliness and obedience. The asylums functioned mainly as emergency measures for children who were more or less abandoned during the day while their parents were working and the asylums were quickly filled with often more than 80-100 children, crammed together in dark rooms (Grønhøj, 1981).

Kindergartens also for working class children

Partly because of the risk of spreading disease, the asylums were gradually replaced by more pedagogically-based institutions. These institutions were inspired by the German pedagogue Fröbel's ideas of development through play. From the mid-1800s, these kindergartens were established in Denmark, mainly for children from the better-off classes, but from the beginning of the 20th century kindergartens gradually took on the role of asylums in the establishment of folk-kindergartens. Initially, places in kindergartens were only part-time, but opening hours were extended when working-class children began to attend. The image of poor help and charity associated with the old asylums deterred many working-class people from making use of them; by introducing fees which were payable, however, the new folk-kindergartens provided the impetus for more general use of day care. Growth in the number of institutions followed (Grønhøj, 1981; Jonassen, 1994). Standards were relatively high in the number of trained

staff and limited numbers of children per institution, and, therefore, costly to run on a private basis. Consequently, in 1919 for the first time an Act was passed allowing public subsidies for institutions taking poor children. The Act provided that such institutions had to obtain licences to operate and were to be regularly inspected (Grønhøj, 1981).

Expanding public provision

In 1922, old age assistance was reformed and a regular old age pension was introduced for the 65-year-olds, modelled mainly on the German and French systems. New types of old age homes were built at this time, with no strict work conditions attached to residence as the conception that older people should be left in peace in their old age was now widely asserted. The decade was also marked by a change in government when a Social Democratic and Social-Liberal coalition government replaced the Radical Liberals in 1929. Although the Social-Democratic Party did not remain in power for as long as its Swedish sister-party did, the coalition held power until 1940 and managed to break with previous periods of non-intervention by establishing a tradition of public welfare provision (Christoffersen, 1984). The Social-Democrats also took a critical attitude to the structure of the welfare system. A later minister for Social Affairs, K.K. Steincke, in particular was very critical stressing the complexity, inefficiency and lack of clarity which characterized the Danish social system. Consequently, a reform in 1933 introduced a more homogenous system with unified access to benefits, and the proportion for public subsidies of financing was increased. State subsidies for day care now appeared on the budget as an annual item and licenced institutions received 50% of establishment costs. The state could now require that municipalities with more than 4,000 inhabitants build residential homes, and state subsidies were available for the establishment of individual old age housing *(Aldersrenteboliger)* intended mainly for self-reliant older people who had retired from the labour market. In the bigger cities, old age homes were built as special town areas, such as 'The Old People's Town' in Copenhagen and Aarhus, serving mainly very old people who needed more medical care (Svendrup, 1991).

The war years

During the 1930s, concerns grew about the drastically falling fertility rate. Subsequently, a committee working for the encouragement of birth giving was set up inspired by the Myrdal's in Sweden, and various benefits were introduced in the years to come, including the 'substitute housewife' for families with children, to provide help in the home. The increasing need for women in the labour market during and immediately after the second world war – from 1930 to 1950 the number of working women had increased from 40,00 to 144,000 – also created a need to ensure that these women had safe and high quality day care for their children. This resulted in a strengthening of public support for day care in 1945, with the state now financing 40% of total running costs, provided that the munici-

pality contributed 30%. Public financing was, however, still only available for institutions taking in poor children also (Grønhøj, 1981; Socialt Tidskrift, 1954).

Medicalising institutional care

Following the war, policies for older people changed, reflecting the need for a more diversified care system, mainly because of increasing longevity which meant that old age lasted for longer than previously. At the same time, more older people aged 65+ were able to manage on their own. Age, therefore, was no longer the main criteria for admittance to old age homes, and these began to take on more and more the role of a nursing home, providing mainly medical care for frail elderly residents. Institutional care has, however, always been part of the welfare system, not the health care system. During the 1950s and 1960s, nursing homes expanded in number. The standards of the homes were generally high, often providing single rooms and inviting residents to participate in daily decision-making (Svendrup, 1991). In 1961, the Public Assistance Act finally abolished the reductions in civil and political rights as conditions of public support. The 1949 act on home help for families with children provided by so-called 'substitute housewives' did not initially include assistance for older people but in 1963 municipalities were required to set up home help for both children and older people, by 1968 at the latest. 80% of costs for this service were covered by the state until 1970, and from then 50% were state financed (Holstein et al, 1991).

Rise in female labour market participation

The number of institutions for children followed similar expansion as nursing homes during the 1950s and 1960s. Institutions for 3 to 6-year-olds had increased from 219 in 1938 to 507 in 1953, while the number of day care institutions for younger children, the day nurseries, had increased from 34 to 104 during the same period. By the early 1950s, nearly 30,000 children attended either form of day care institution (Socialt Tidskrift, 1954). The increase in places was greatly anticipated since the development of the welfare state during the 1960s created new jobs which were for a large part filled by women. And although a number of these women worked part-time, the need for day care arrangements outside the home rose as a consequence of female labour force participation and the building of day care institutions intensified; by the end of the 1960s more than 175 day nurseries and 700 kindergartens were established with a total of 64,000 places (Grønhøj, 1981; Christoffersen, 1984).

The affluent 1960s

The mid-1960s marked the period of the second stage of the welfare state during a time of economic boom and almost full employment. This led to an increase in public involvement in the production of services, especially for children and older people – and paved the way for what has been seen as a new contract between women and the state, whereby the concept of motherhood was renewed, legitimizing women's take up of paid employment (Siim, 1993). Care for children

outside the home gradually became more accepted, as it became a natural part of the day for many children, and in 1964 a Social Democratic government passed an amendment to the subsidy system making available to all institutions – and not exclusively those caring for poor children or children of single mothers – financial support. Public subsidy also became available for family day care schemes (Grønhøj, 1981; Christoffersen, 1984). In 1975, a new act on the primary school was adopted, introducing optional reception class provision for the 5 and 6 year olds.

Modernising the welfare state

Decentralization of government administration was implemented in 1970, reducing the number of local authorities to 275 municipalities and 14 counties; a reorganisation which was intended to favour more local responsibility for social need. For older people in particular, municipalities were given responsibility for domestic care, while counties were in charge of nursing homes. Further changes were made after publication of the Social Reform Committee reports in 1969 and 1970, recommending a more preventive and integrated approach and underlining public responsibility for individual welfare. One stop approaches should be developed, making municipalities the central point for applications for benefits in both kind and cash. In 1976, the implementation of the Social Assistance Act *(Bistandsloven)* finally confirmed municipal responsibility for provision of services to local inhabitants (Plovsing, 1994; Møller, 1996).

The oil crisis

In 1973, the combination of economic problems following the oil crisis and general legitimacy problems sent shock waves through the political system. There was no longer full employment and the landslide election victory by the Progress Party hailed the end of former solidaristic welfare policies. A number of cuts were made, including cuts in day care for children, but it took the second oil crisis of 1979/80 to bring major savings in social expenditure to the table. Old ideologies were, if not replaced, then given a good shake. As formulated in 1980 by the then Minister for Social Affairs, Ritt Bjerregaard, it was acceptable to question whether the supply of endlessly more resources was the solution to welfare problems; likewise the political climate favoured more self-financing, but also the sharing of responsibility for welfare provision. Rather than being solely a public responsibility it was felt that older people should be able to receive help from their families even when they grew frail, while parents – and especially fathers – should be able to stay at home and look after the children (Plovsing, 1994).

Making the welfare state more efficient

Not long after, a minority non-socialist government took over, introducing a new era for the welfare state. Innovations included not so much new cuts in expenditure as major changes in welfare ideology. The welfare state was seen to be too costly and ineffective and in general need of modernization. Privatization was included in the new ideas, but not in the provision of services. Privatization was

seen rather as increased individual participation in financing services. Empowerment of users and encouragement of social networking were some of the new themes put forward. The de-institutionalisation of older people and handicapped people which had in fact been initiated in the early 1970s should be continued, and family day care for children was upgraded to become the preferred alternative to institutional care in day nurseries and kindergartens. Based on reports produced by the National Commission on Ageing, policies for older people were to encourage the use of private resources and ensure continuity and self-determination in old age. In the search for more effective and cost-efficient solutions, non-public provision in day care was encouraged; the number of children per staff member increased and construction of institutions was halted. Between 1984-1985, maternity leave was extended by 10 weeks, which could be shared between the father and the mother, with 2 additional weeks leave for the father following birth (Plovsing, 1994; Boll Hansen et al, 1991; Leira, 1987).

A new act on housing for older and disabled persons

A halt to construction of new nursing homes for older people was also introduced as part of the 1987 Act on Housing for Older and Disabled Persons. Older people were now able to receive the same kind of care regardless of whether they lived in nursing homes, ordinary housing or in the newly-established service housing for older people. As a consequence, home help services were expanded and with new technological improvements provision of acute assistance both day and night care was now possible. To facilitate self-determination, older people in nursing homes kept their pensions and, apart from rent, only pay for the services they make use of; from 1992 older people were able to choose to live in a nursing home in another municipality (Bool Hansen et al, 1991; Møller, 1996).

Cutting user fees

While service charges for permanent home help had been abolished in 1989, they were reintroduced in 1992, only to be withdrawn 5 months later after much criticism. As part of an amendment to general policy for children, fees for day care for children were reduced also, from 35% of total costs to 30%, and municipalities were obliged to introduce a rebate for siblings. Private provision of day care, e.g. set up by a group of parents or by an employer, could from 1990 receive public financing, although for-profit providers were not included and were generally excluded from service provisions.

Improving leave entitlements

A new parental leave was introduced in 1992, giving parents the right to leave from work with an allowance for up to 36 weeks; this was mainly an employment policy to reduce unemployment. Informal care was further addressed in the care leave introduced in 1990, providing that those who cared for a terminally ill person could receive an allowance equivalent to the maximum home help wage (Plovsing, 1994).

Cutting the leave benefit but introducing a day care guarantee

With the election of a majority coalition government in 1993, including the Social Democratic Party, parental leave became known as child care leave and was extended to 1 year for each parent, of which 6 months were granted only at the employer's discretion. The new government followed up the previous government's intentions to increase social rights to welfare benefits, not by awarding citizens a judicial right to use of social services but through provision of information about the content of the service and what the user could expect to receive. However, a more rights-based provision was to abolish waiting lists for day care and ensure for every child aged 1-5 years a place in day care by 1995 (Plovsing, 1994). Take up of child care leave was beyond all expectations and for some employment groups, such as nurses, soon created a shortfall in staff. The allowance was subsequently reduced from the initial 80% of unemployment benefit to 70%, and from 1998 it was further reduced to 60%.

Opening up for private provision

The principles of prevention and strengthening user choice continued, including the introduction from mid-1997 of a preventive in-home consultation for older people over 80 and from mid-1998 including those aged 75+. Under the new Social Service Act implemented from July 1998, older people can now choose a family member or another person to carry out the domestic part of the home help service, as long as this person is accepted by the municipality. Parental choice in day care was improved also by the introduction of a free choice of day care arrangements in some municipalities, where parents who have already been awarded a place can now choose between a place in an institution or receipt of a sum of money instead for the purchase of private day care. In general, families with children have been a focus for debate in recent years with the Prime Minister setting the scene in his 1998 New Year Speech advocating more family-friendly work policies, and thus underlining the employers' role. Following a general strike in April 1998, families with children have been entitled to 2 extra care days, financed by employers.

On the edge of a new millennium

Denmark has made the same adaptations to a tighter economic situation as its Nordic sister countries, but over a longer period and thus with more time to make the necessary adaptions. Although the 1980s was the decade when the financial crisis was at its height and old welfare ideologies were renewed, the modernisation of the welfare state did not result in major cuts in provision of services; but rather in some gradual adaptations. Characteristic of Denmark, the expansion in services continued and new benefits were introduced. During the 1990s, reconsideration of the changes has even resulted in upgrading of institution-like care, whereas institutional day care for children has expanded unaffected by the ideology that family day care should provide more flexible and thus cheaper forms of day care arrangements. As the expansion of provision took place against a backdrop of tighter economic means, targeting of resources and in-

creases in the number of children in day care groups has led to increased concern about quality of services. The National Association of Local Authorities in Denmark have in light of this launched a new welfare program which focuses attention on development of quality, taking into consideration the limited financial resources available (KL, 1998). This is in line with the new Social Service Act where, along with more individual responsibility, user empowerment has been encouraged and individual choice of service improved. On the other hand, the Association has also warned that services may have to be targeted and fees increased for child care, and fees may also have to be introduced for the otherwise free home help service in order to keep up with demand (Jyllandsposten, 1998) – thus perhaps gradually departing from the principle of universal access and free or moderate fees for services.

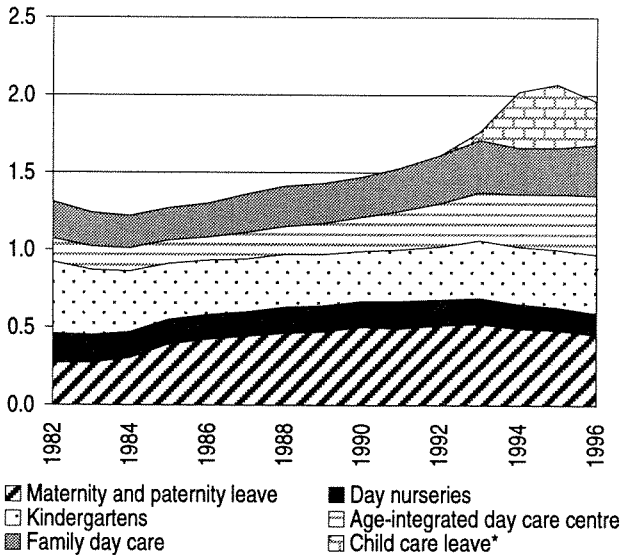
3.3. Financing

3.3.1. Social expenditure

In recent years, Denmark has experienced real growth in GDP, especially since 1993 when annual growth has averaged 4%. The deficit on the balance of payments from the beginning of the 1990s has thus been turned into surplus at the same time as unemployment rates have fallen – from a peak of nearly 400,000 (12.2%) in 1994 to nearly 200,000 (6.9%) in 1997. Peaking at 30% of GDP in 1982 social expenditure fell to 26% of GDP in 1986. Since then social expenditure as a proportion of GDP has risen – to 32.9% in 1996 (Danmarks Statistik, 1997b).

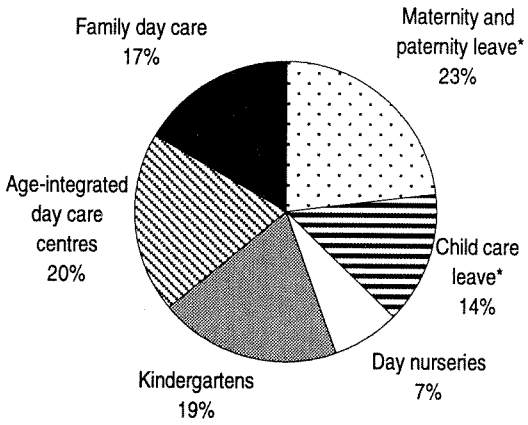
For children, total expenditure for children's day care and maternity leave has risen from DKK 8,778 m in 1982 to DKK 14,301 m in 1996 in fixed 1990 prices. As a percentage of GDP, expenditure for children rose from 1.31% in 1982 to 1.96% in 1996. Despite the large expansion in provision of day care, the real increase in costs is not to be found here. Net costs for a place in day care have in fact declined from DKK 40,800 annually in 1994 to DKK 37,400 in 1998 (KL, 1998). The increase is mainly due to the rise in expenditure for various parental leaves – the costs of which nearly doubled as a proportion of GDP from the early 1980s, reflecting the extension in the number of maternity leave weeks in 1984-85 and the introduction of child care leave in 1992 (Figure 3.1). Expenditure is currently mainly divided between maternity and paternity leave (23%), age-integrated day care (20%), family day care (17%) and kindergartens (19%) while child care leaves (14%) and day nurseries (7%) play a smaller part (Figure 3.2).

Figure 3.1.
Development of the net-expenditures for main social services and cash benefits for children (aged 0-6), as a percentage of GDP, 1982-1996.



Source: Danmarks Statistik (DS): Udgifter til sociale ydelser. Danmarks Statistik, Statistiske Efterretninger (SE): Social sikring og retsvæsen (annual publication).
Note: * Gross expenditures.

Figure 3.2.
Division of the net-expenditures of main social services and cash benefits for children (aged 0-6), 1996.

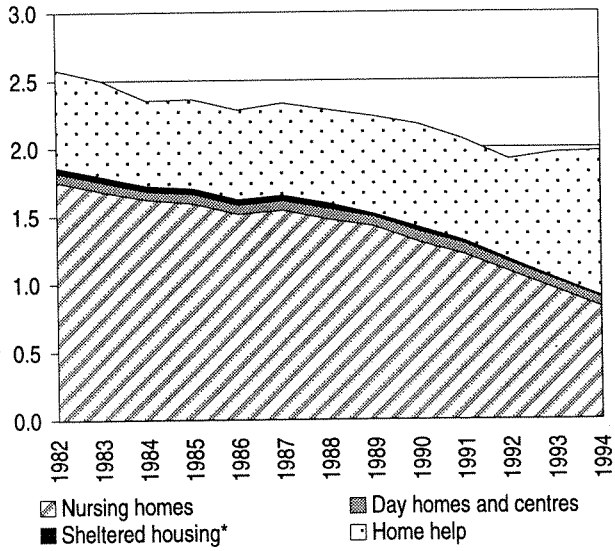


Source: DS: Udgifter til sociale ydelser 1996. SE: Social sikring og retsvæsen.
Note: * Gross expenditures.

Expenditure for older people is the most costly of the services, and has increased from DKK 18,248 m in 1982 to DKK 19,402 m in 1994 in fixed 1990 prices. In the same period, expenditure has, however, decreased as a proportion of GDP from 2.58% to 1.97%. Most of the increase in expenditure is found in home help reflecting the upgrading of domiciliary help as an alternative to institutional care. Costs for home help increased from 0.72% to 1.07% of GDP, whereas expenditure for nursing homes dropped from 1.75% to 0.82% of GDP (Figure 3.3). Most expenditure for older people thus goes on home help (55.2%) and nursing homes (42.2%), while day homes (0.4%), day centres (1.5%), sheltered housing (0.5%) and informal care leave (0.2%) play a smaller part[1)] (Figure 3.4).

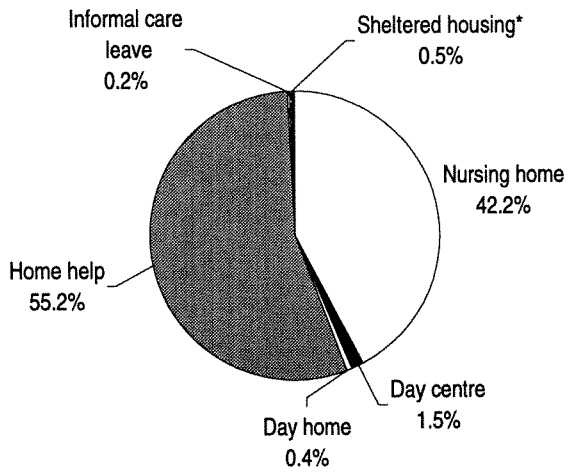
1) Breakdowns of expenditure are available only until 1994.

Figure 3.3.
Development of the net-expenditures for main social services and cash benefits for older people (67+), as a percentage of GDP, 1982-1994.



Source: DS: Udgifter til sociale ydelser. SE: Social sikring og retsvæsen (annual publication).
Note: * Expenditures exclude 'ældreboliger'.

Figure 3.4.
Division of the net-expenditures of main social services and cash benefits for older people (67+), 1994.



Source: DS: Udgifter til sociale ydelser 1994. SE: Social sikring og retsvæsen.
Note: * Expenditures exclude 'ældreboliger'.

3.3.2. Division of financial responsibility between state and municipalities

Cash benefits are funded mainly by the state, employers and insured employees, including maternity leave where the state covers 54% of costs, and child care leave, where 9% is financed by the state. Where social services are concerned, municipalities have the main role in financing due to the tradition of local provision, and social services for children and older people are, therefore, mainly financed by municipalities with the state only contributing a minor share. Municipalities cover almost the full public costs of day care for children. The state may, however, in some cases provide a supplement to municipalities to cover additional expenses. Municipalities cover also more than 99% of public expenditure for home help and nursing homes for the those aged over 67 years, whereas expenditure on those aged under 67 years living in nursing homes are divided between county and municipality. Municipalities do, however, receive reimbursement for 12% of expenditure though *various subsidies, block grants* and *equalization*

grants (KL, 1998). The remainder is mainly funded through *local taxes* which municipalities are free to levy at a rate which must be negotiated with central government. In 1997, the average municipal tax rate was 21.7% of income.

Table 3.1.
Sources of financing (%) and gross expenditures (m DKK) for main social services and cash benefits for children (aged 0-6) and older people (67+), latest available year.

	Year	Gross expenditures (m DKK)	Sources of financing (%)					
			State	Local authorities	Employers	Insured	Clients	Total receipts (m DKK)
Children (0-6)								
Maternity and paternity leave*	1996	45,95	54.02	..	1.25	44.72	..	92,57
Child care leave*	1996	28,03	8.94	..	..	91.06	..	27,62
Day nurseries**	1997	20,09	..	..	..	..	28.87	..
Kindergartens	1997	54,24	..	..	..	..	29.54	..
Age-integrated day care centres	1997	56,44	..	..	..	..	29.61	..
Family day care	1997	47,46	..	..	..	..	30.03	..
Older people (67+)								
Nursing homes	1994	79,79	..	95.40	..	..	4.60	..
Home help	1994	98,69	..	100.00	..	..	..	..
Day centres and homes	1994	643,00	..	76.52	..	..	23.48	..
Sheltered housing***	1994	143,00	..	79.72	..	..	20.28	..
Home care allowance	1994	70,00	100.00	..	..	..	..	..

Source: DS: Udgifter til sociale ydelser. SE: Social sikring og retsvæsen (annual publication). DS: Statistical yearbook 1998.
Note: * Sources of financing based on the total receipts and not on gross expenditures.
** Running costs. *** Excluding 'ældreboliger'.

The purpose of the equalisation grant is to even out local differences in need and tax base. Also variations in demographic and social structure necessitate some equalisation among municipalities. Apart from tax base and demography, the equalization grant takes into consideration numbers of single parents, housing standards, unemployment rates, numbers of foreign citizens, numbers in the local population without educational qualifications, numbers of inhabitants in socially deprived areas and numbers of single older people aged 65+ (Indenrigsministeriet, 1998).

The block grant, which is calculated as part of the general municipal budget, does not aim to even out municipal differences. Calculation of the block grant mainly takes into consideration population, demography, numbers of single par-

ents and socially deprived areas. Funds are not earmarked for special purposes and can be allocated according to local need and policies. For 1998, total block grants and equalisation grants awarded to municipalities were estimated at DKK 20.5 billion (KL, 1998).

The subsidies are mainly used to guide local policy and to finance extra costs for expansion of services. For example in 1993 and 1994, the state financed 50% of the increase in municipal costs for services for older people and 30% for day care for children, mainly in order to give municipalities an incentive to employ more staff so unemployment rates and waiting lists are reduced (Plovsing, 1994) (Table 3.1).

3.3.3. Employer and employee contributions

Employers finance only a minor part of social expenditure and then only care-related cash benefits, where employers contribute 1.25% for maternity and paternity leave. Private employers bear the costs for the first two weeks of leave where after the municipality takes over financing, which is later reimbursed by the state. Public employers finance the whole period of leave. Care days for families with children are also indirectly financed by employers. Employees contribute to the costs of maternity leave (45%) and for child care leave (91%) (Table 3.1).

3.3.4. User fees

Fees from users constitute the final source of funding. Central government determines the maximum level of fees for day care which must not exceed 30% of running costs. Previously, fees could make up 35%. However, municipal subsidies reduce the proportion paid by parents to an average of around 25% of running costs. For low-income families, parental fees are income-related and calculated according to several points on an income scale, by the number of children in day care and by time spent in day care. Fees can also be reduced or waived for low-income families or for families with special social needs. Other parents pay a set fee. Some municipalities have introduced time-related parental fees but most only have part- and full-time division. Older people pay rent for institutional care and pay fees for the services they make use of except for home help; fees cannot exceed real costs. For institutional care, fees made up 4.6% of expenditure in 1994 (Table 3.1).

3.3.5. Funding of voluntary provision

Most public support for voluntary provision has previously come mainly from the State via different mechanisms such as lotteries and receipts from the state football pools, in all 32% of financing. Municipalities have supported around 1% of voluntary provision, while the organizations themselves have financed the

remaining costs through fund-raising. However, under the Social Service Act 1998, municipalities are obliged to cooperate and co-fund voluntary organizations. By agreement between State and municipalities, an annual amount of DKK 100 m will be awarded to support voluntary provision.

3.3.6. Private funding and fiscal subsidies

Private provision of services is mainly from non-profit providers who operate under contract to the municipalities. These so-called independent *(selvejende)* institutions negotiate with one or several municipalities to provide certain services for the public in return for payment of net running costs.

Other funding of private provision is through the newly introduced *Free choice of day care scheme* where parents receive a public supplement for the use of private day care. This functions as indirect state financial support to private provision, as does the introduction of funding for alternative providers in home help.

Until recently, there were no private insurance schemes for the provision of social services. A private insurance company, PFA, has now introduced a care insurance, insuring against the risk of needing care in old age.

There are no subsidies such as tax deductions available for the use of private day care or care services for older people. An arrangement, however, of public support for businesses who perform tasks such as cleaning and shopping in the purchaser's home has now been made permanent. At present, the scheme can not be used in relation to care services such as personal care for older people or day care for children, but The National Association of Local Authorities in Denmark has expressed hope for the home service arrangement *(Hjemmeserviceordning)* to develop into a possibility for families with children to supplement public services (KL, 1996b). The supplement consists of a 50% reimbursement of the payment to businesses registered under the home service arrangement, with a quarterly maximum of DKK 10,000.

3.4. Provision

3.4.1. Public provision

The municipality bears responsibility for organising the provision of social services, but there are no conditions as to who provides services. However, the tradition of public provision is remarkably strong in Denmark and most services are provided by public providers; 63% of day care institutions are public and 78% of nursing homes. Priority for public provision is often underlined and generally

public provision is considered to constitute the cornerstone of the welfare state in relation to basic problems.

3.4.2. Private for-profit provision

Ideological opposition to private for-profit organisations providing core social services has been and still is strong, and this is despite being part of the modernisation strategies introduced in the 1980s. Contracting out was seen here by the non-socialist government as one of the ways to make the welfare state more effective and cost-efficient. Private provision was presented as being an economic, effective, flexible and human care solution, whereas public sector provision was considered as generally wasteful, ineffective, bureaucratic and possessive. Ideological conflict arose around the issue of privatisation, with the Social Democratic Party being identified with uncontrolled growth in public budgets while the non-socialist parties on the other hand were accused of tampering with the quality of the social services with social inequality as a result. The concepts of contracting out and privatisation of social service provision, therefore, disappeared from the political debate for a number of years, until the end of the 1980s when it again became more legitimate to discuss the advantages of contracting-out (Andersen, 1997). However, except for a more or less unsuccessful attempt within the Social Democratic Party in 1996 and again in 1998 to de-ideologize the matter, there has traditionally been strong ideological opposition in the Social Democratic Party (who form the present government together with the Social Liberal) to letting market forces take over provision of social services for children and older people.

In one of the only municipalities in Denmark with the explicit aim to contract out as many services as possible, Græsted-Gilleleje, a Swedish/Danish private for-profit organisation took over provision of the service sector for older people in 1996, including simple personal care. However, most municipalities have maintained public provision of, especially, the home help service, whereas a number of institutions for children and older people are provided by a non-public yet non-profit provider, the so-called independent institutions mentioned above.

With the passing of the 1998 Social Service Act, however, an opening for private for-profit providers has been created. Older people can now choose to have the cleaning part of the home help service provided by a non-public provider. This has been tested in a number of municipalities, including Birkerød, and has according to the early reports been popular with users. Most users, however, choose a family member.

In the field of child care, the resistance to contracting out has been less profound, partly because of the traditional predominance of independent day care

institutions which provide approximately 40% of public day care and various new schemes have been introduced, indirectly supporting private provision. For example in 1990, under the non-socialist government, private provision of day care with public support was made possible through 'pool' arrangements typically set up by parents or employers with financial support from the municipality. The pool schemes are considered to be part of public provision but can negotiate to set aside a number of reserved places e.g. for employees. For-profit provision of day care outside the public sector has so far not been introduced in Denmark, however, recently the cleaning company ISS entered a contract to establish a for-profit kindergarten. Other ways of supporting private provision is a new scheme of free-choice of day care where parents may choose to receive a subsidy for alternative day care instead of using municipal day care services.

3.4.3. Informal care

Because of the extensive scale of provision of formal care, care provided by family members and relatives is of supplementary nature, especially the care provided for older people by adult children, whereas spouses more often provide care for each other. Consequently, this form of care has received relatively little attention and it is only within the last couple of years that debate has been concerned with the number of spouses caring for partners with senile dementia or other mental illness. Although other Scandinavian countries provided cash benefits for carers at an early stage and later developed support schemes for carers, until few years ago Danish initiatives mainly developed within the formal sector.

The informal care burden is now increasingly recognised, at least in relation to spouses. A number of support schemes have been established with support groups, respite care and contact telephone lines, but until recently there has not been any financial compensation for carers for loss of earnings – mainly because it is already pensioned older people, the spouses, who carry most of the care burden. In 1990, however, care leave was introduced, mainly intended to compensate informal carers of HIV-positive patients but care leave can also be used for caring for an older person. As in the other Scandinavian countries, municipalities have been able to employ family members as staff in the home help service but only a few municipalities practise this. Under the amendment to the Social Act in 1998 (Social Service Act 1998), recipients assessed for domestic help can now as mentioned choose who ever they like to carry out the practical assistance following municipal approval, and this can include a family member also.

Informal care for children is supported through maternity, parental, and paternity leaves and the introduction of child care leave. Although formal day care is often the preferred form of care, some children are cared for in informally organized

day care, such as care by family members, or other privately organised day care. In the latest Danish survey on how children are cared for in 1989 (and thus before the introduction of parental leave and the expansion in formal day care), one in four children under 7 years were cared for by parents on maternity leave, one in five by parents or other family members, and three in five in public day care (European Commission, 1996).

3.4.4. Voluntary organisations

Voluntary provision has mainly taken place within peripheral services and has generally been considered as a supplement only to public support. However, within the last couple of years voluntary support has become more integrated into total provision, and this is expected to increase after the implementation of the 1998 Social Service Act.

Assistance provided through voluntary sources comes from individual volunteers, local associations and country-wide organisations. There are more than 300 voluntary organisations who amongst other things run the independent institutions for children and older people. Around 35% of the national organisations provide institutional care, and 70% offer counselling, guidance, therapy, support for established user groups and visiting services. One organisation, '*Selvejende Omsorgsorganisationers Sammenslutning*', alone owns 1/3 of all nursing homes and service housing in Denmark, often those set up along Christian or other ideological lines. Visiting services are mainly provided by organisations such as the Danish Red Cross and Age Concern. Around 20% of organisations run cafes, meeting places and lunch clubs. Most organisations (65%) target their services on families with children and young people while around a third work with older people. Older people themselves contribute to voluntary provision through parish work, and pensioners organisations, e.g. the Elder Mobilisation project for the encouragement of mutual assistance among older people (Socialministeriet, 1998). To support and encourage voluntary work, a Contact Committee for Voluntary Work was established in 1983, the Social Development Programme was initiated in 1998 to promote local initiatives and the voluntary sector, and an independent national support and development centre, Centre for Voluntary Work, was set up in 1992 with the purpose of furthering cooperation between public and private work.

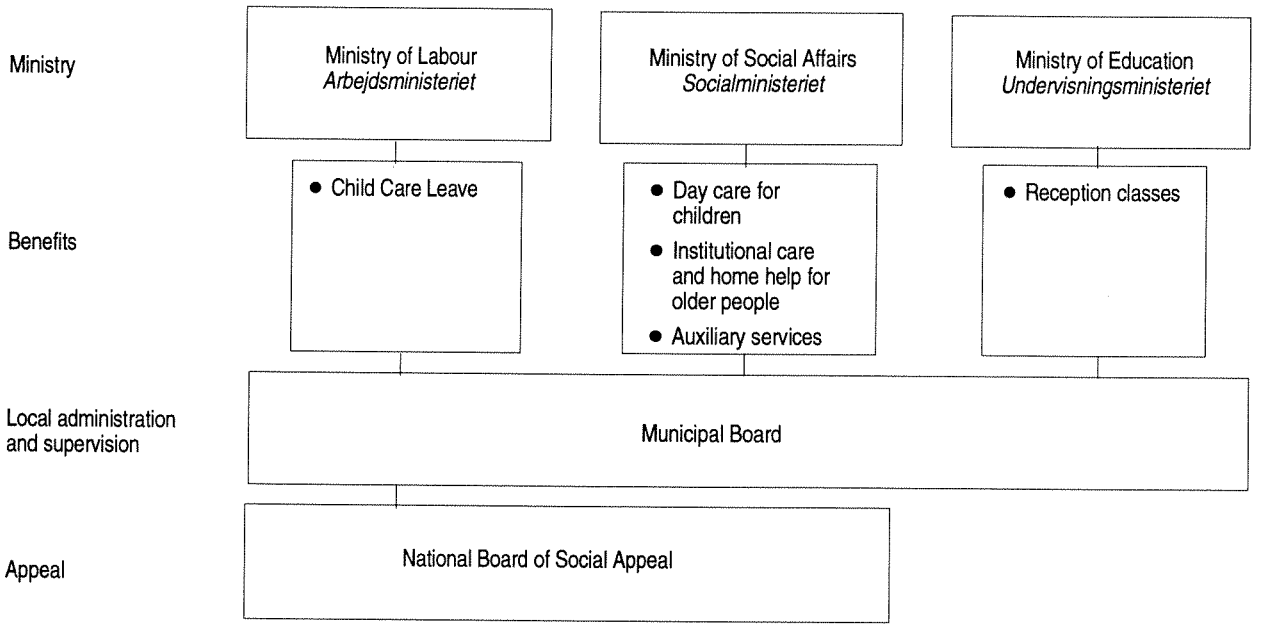
3.5. Organisation

3.5.1. Central government bodies

The *Ministry of Social Affairs* has overall responsibility for cash benefits and social services for children and older people. The Ministry draws up detailed

instructions, circulars or recommendations but the overall principle is that municipalities function as independent and integral units. The Ministry supervises local administration of social affairs; it cannot alter municipal decisions but can refer to the law in force. If a municipality decides to implement a decision in spite of this, the Ministry can bring the case before the municipal supervisory authority. Municipalities and counties have to make available yearly plans and projections for development of social policies, to be submitted to the Ministry. In addition, the Minister can initiate new agendas for planning and can set up municipal panels to generate new knowledge about development within special social areas. Regulation and inspection is carried out by different boards of appeal and through supervision by central government agencies *(styrelser)* and ministries. The independent National Board of Social Appeal *(Den Sociale Ankestyrelse)* is the highest appeal courts in the social field. The *Ministry of Labour* is responsible for the Child Care Leave scheme whereas the *Ministry of Education* holds responsibility for the reception schools for the 6 year olds in primary school.

Figure 3.5.
Organisational diagram.



3.5.2. Regional bodies

On a regional basis, the 14 counties, together with Copenhagen and Frederiksberg municipalities which are considered to be counties, are in charge of

provision of a number of social services. Elected county councils decide the allocation of resources, including those for 24-hour institutional care for children, but not for social services such as day care and care for older people, which lies with the municipalities. In regard to these services, the most important institution at county level is the regional *Social Board of Appeal* and there is one in each supreme administrative authority of a county *(statsamt)*, including Copenhagen and Frederiksberg. Complaints about allocation of most social provision can be heard here, such as allocation of maternity, parental, and paternity leave. However, for social services for children and older people it is only decisions about admittance to nursing homes which can be heard here. The Board does not handle complaints about allocation of home help services, admittance to day centres for older people, admittance to day care for children or informal care leave.

3.5.3. Local bodies

For social services the most important administrative level is the municipal. The legal basis of the public social services is in the Social Service Act which requires municipalities to provide the necessary number of services. However, each individual municipality can make its own policy in regard to provision, and it is largely up to municipalities or counties to assess the number of places necessary or sufficient. Also the financing of social services is in general decentralized. Implementation of policies is, however, closely following the results from the annual economic negotiations between the National Association of Local Authorities with the Ministry of Finance. The appointed Social Welfare Committee supervises provision of social services and decides on such issues as the number and the type of institutions to be established, the ratio of trained to untrained personnel and the number of users to staff members, the content of the home help service and, for day care for children, the hours of opening in day care centres. The Social Welfare Committee also supervises local social provision. As a new initiative, a Senior Citizens' Council is to be established in order to advise on local policy-making and to act as an intermediary between citizens and the municipality. The municipal board must consult the Senior Citizens' Council on all proposals which concern older citizens.

3.6.
Children

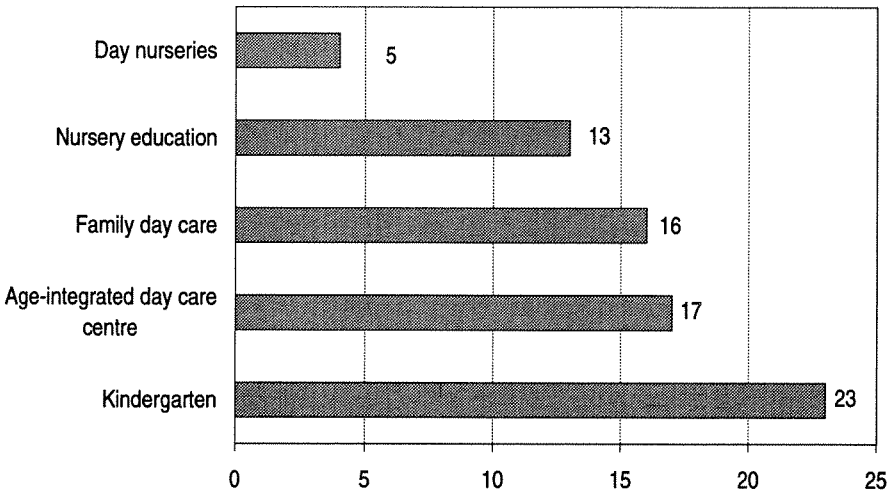
3.6.1. Introduction

- Main services and cash benefits for care of children

Nearly all working Danish mothers take advantage of their right to stay at home for 14 weeks following birth as part of *Maternity leave.* In addition, most mothers also take the subsequent 10 weeks of *Parental leave* although this leave can be

taken by the father also. Fathers, however, have an individual, statutory right to 14 days of *Paternity leave* following birth and recently another 14 days were extended to the end of maternity and parental leave.

Figure 3.6.
Day care arrangements, enrolled children (aged 0-6) as a percentage of the age-group, 1996.



Source: DS: Elever i grundskolen, gymnasiet og hf-/studenterkurser 1997. SE: Uddannelse og kultur. DS: Den social ressourceopgørelse 1997. SE: Social sikring og retsvæsen.

Following maternity and parental leave, parents can opt to take an additional leave, *Child care leave*, which gives the right to 6 months paid leave. An additional 6-month period with payment can be negotiated with the employer. Alternatively, parents can make use of public day care facilities when these are available. Local authorities are obliged to provide the necessary number of child care facilities; however, need is locally determined and provision depends on local fiscal situations. Children aged 1-8 years are covered by the day care guarantee for children which came into force in 1995, however, only for those living in a local authority which adheres to the guarantee.

Public provision of day care for younger children is mainly provided in *Subsidized family day care* and *Day nurseries* while older children aged 3-6 mainly attend *Kindergarten*. Most day care is provided on a full-time basis all year round. Some institutions provide *Age-integrated day care* where age groups are mixed, often in order to accommodate sibling groups. Except for family day care, nearly all

day care provision is provided in institutions specifically set up for this purpose, either owned by local authorities or by an independent provider. As a recent initiative, parents and business who wish to set up day care facilities can receive funding for this under the *Pool arrangement* and day care can thus be provided, for example in facilities at business premises; only a few, however, have made use of this possibility so far. As of 1998, parents may choose to receive a sum of money instead of making use of public day care as part of the *Free-Choice Arrangement.*

3.6.2. General principles for child care

Most family policies are in Denmark directed towards the individual rather than the family unit. The individual focus underpins the aim of providing day care in order to enable parental employment but also to provide children with daily experiences and challenges. A place in public day care long ago ceased to be promised on parental employment only; child care is considered to be an integral part of a child's personal development. Public day care has become widely accepted in Denmark as the main day care arrangement for children, an acceptance which the introduction of the day care guarantee in 1995 only confirmed.

The formal objectives of child care provision therefore emphasize its pedagogical impact as being of equal importance to the actual care of the child. Day care should be provided in accordance with each child's individual needs and developmental stage, and should be provided in cooperation with parents. Day care should contribute to ensuring a safe and high quality childhood, and should support the child in the acquisition of social and general skills. Creativity, linguistic development, engagement in play and physical activities and interest in surroundings should be furthered through day care provision. Children should be taken seriously and should have the opportunity to participate in decision-making in order to develop independence and the ability to take on responsibility. The child should gain an understanding of Danish culture as well as other cultures which may be part of the child's daily life, just as the child should gain some knowledge about basic aspects of nature and the environment. These principles adhere to all forms of day care provision, whether the child is cared for in an institution or in family day care. For children in reception classes, teaching should be based on play and other developing activities. Here, children are thus trained to sit, concentrate, remember and make drawings. Social processes are an important part of teaching also - children learn to listen to each other and tell stories and learn basic rules of rhythmic.

Public child care for children up until the school age of 6-7 years is characterized by being outside the education system and care for pre-school children functions as a single, integrated system under the jurisdiction of the social welfare authori-

ties. The day care system has an important function as a social and preventive element in the integration of social and ethnic groupings in Danish society and does not differentiate between children from low and high income families. Provision of reception classes under the local educational authorities is universal but optional.

As to the actual provision of day care, the Social Service Act *(Serviceloven)* stipulates that in order to facilitate as flexible and needs-oriented a day care system as possible, municipalities are responsible for making the necessary number of local day care facilities available for the children living in the municipality. This means that each district council and municipal board is to determine the level of local provision according to local labour market participation rates, population composition, changes in the housing stock, etc. There is thus no established universal right in practice. The government did, however, announce in 1993 that from the beginning of 1996 all children aged between 1 and 5 years would be guaranteed a place in public day care, either in centre-based care or other forms of day care. After negotiations in 1994, which among other things led to cuts in the rebate for siblings attending the same institution, most municipalities agreed to pursue this policy. The individual municipality is entitled to decide whether it will introduce the day care guarantee. In practice waiting lists in participating municipalities determine the age at which each child is encompassed by the guarantee.

Priorities in providing day care have previously specified that particular attention should be paid to children with distinctive pedagogical or social needs; children of single parents; children referred from another social service or medical specialist; children with two working parents, and siblings of children already admitted to the day care arrangement. Regulations on waiting lists have recently been changed so that children are now mainly being accepted according to number on waiting list or according to the age of the child.

As basic principles acknowledge the child's individual needs on a par with parents' needs, children of unemployed parents should be guaranteed a place in day care also. Where parents become unemployed, a child who has already obtained a place in day care will, therefore, not lose this; in practice children of unemployed parents may remain low on the waiting list. Around 100 municipalities have already adopted a policy of admitting mainly children of employed parents in order to fulfil the day care guarantee (Bureau 2000, 1998). Changes in admission procedures, however, may mean that children of unemployed parents no longer can be placed at the end of the queue when waiting for a day care place.

3.6.3. The need for day care

The major factor behind the development of day care provision has, as in most other countries, been the response to female labour market participation which has been on the increase since the 1940s, and which boomed in particular during the 1960s and 1970s. Since the early 1990s, the increase has flattened out to the present 68.6% of females in the working-age population. Male employment rates have started increasing again after steady decline since the 1970s and currently stand at 82.3% (European Commission, 1997).

Previous labour market patterns of women leaving when they became mothers have now been replaced by a pattern of work and family life with women only leaving the labour market during maternity, parental and perhaps child care leave periods. Indirectly contributing to the need for day care, increasing levels of educational qualification for women have heightened women's expectations of having an active working life while changing norms about child care responsibility have also contributed; men are now considered equally capable of caring for even very young children and in the majority of couples child care is a common responsibility (Bonke, 1997).

Facilitation of female employment means that not only do most women now work, they also mainly work full-time; whereas nearly one in two women at the end of the 1970s was working part-time, only one in three are employed as part-timers today, while one in ten men now work part-time (European Commission, 1997).

Full-time working hours have been reduced to the present 37 hours per week. Even so, the working week seems long for families with children; including the number of women working part-time, women with one young child on average work 35 hours per week while fathers work 39 hours. This has contributed to the near extinction of the traditional housewife; in 1965, 66% of mothers with small children stayed at home, in 1974 this had reduced to 43% and by 1991 only 3% stayed at home to look after the children and keep house (Christoffersen, 1993). In contrast to what is found in other Nordic countries, women are more active in the labour market the younger their child. Women with more than one young child, however, do tend to work fewer hours, on average 33 hours per week, while men increase their working hours, to an average of 41 hours per week (Ibid). Work hours for some parents can be adapted to suit family needs; 27% of public employees with children thus work flexible hours (Thaulow, 1993).

The introduction of child care leave took some of the pressure from public day care provision, but since reductions in benefit were introduced the use of the child care leave has fallen. The day care guarantee which a relatively high

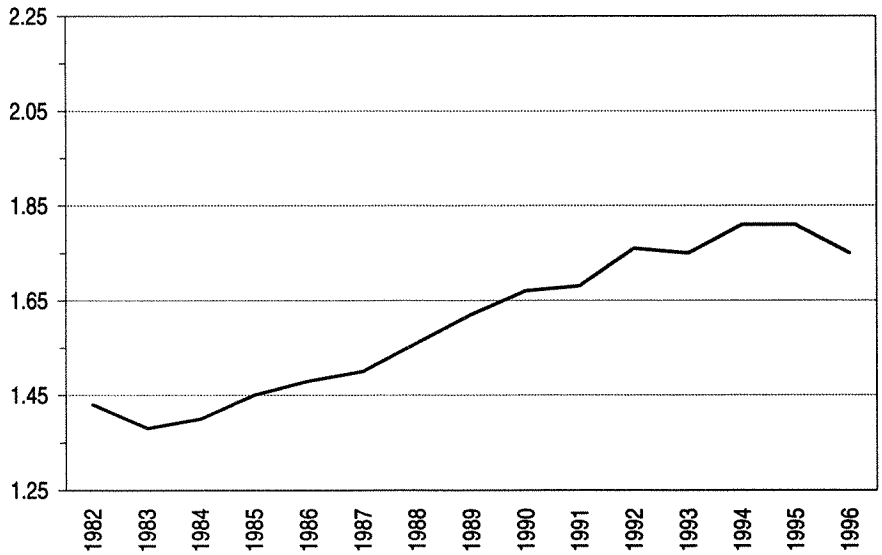
number of municipalities initially adhered to has subsequently come under heavy pressure. Today, 70% of municipalities offer full day care guarantee for the children aged 0-9 years, and there is partial coverage for certain age groups in 11%, while 13% offer a supplement to child care leave benefit to increase incentives to use the leave scheme (KL, 1998). There is a high correlation between the policies used by the municipalities to cover the need for day care. Municipalities with a high number of children waiting for places in day care are more likely to offer supplements to parents on child care leave. Likewise, municipalities which have implemented the care guarantee are less likely to offer supplements to child care leave (Andersen, Appeldorn & Weise, 1996).

Following the objective to increase provision, the number of children on waiting lists has accordingly been reduced since 1990. From 33,500 children in 1992, the number of children aged 6 months to 6 years waiting for a place has reduced to 10,500 at the beginning of 1998. While this has reduced in particular the number of older children waiting for a place, the number of 0-2-year-old children on waiting lists has risen. Today, around 7,500 children aged 6 months to 2 years and 3,000 children aged 3-6 years are waiting for a place in day care (Bureau 2000, 1998). Demand seems, however, to be spurred by provision since demand increases when the waiting lists are shorter and thus reflect a real possibility of obtaining a place. The growing number of children cared for in institutions also creates further need since it thus is becoming necessary for a child to be in public care in order to meet other children. A survey by the Ministry of Finance of 1,004 parents recognised this, since 23% of parents with children in public day care said children needed to be in day care in order to be with other children (Ditch, Barnes & Bradshaw, 1996). In recent years, the increase in demand for day care should also be seen in light of reductions in the supplement for child care leave which has made it less economically viable for parents to take this leave.

Need seems also to vary; children living in urban areas tend to be cared for in public day care more often than children in rural areas. This is caused by lower coverage of public day care in rural areas but to some extent also by differences in attitude towards child care. While 78% of people living in rural areas in a survey stated that 3-5-year-old children benefited from being cared for in an institution, this was held by approximately 88% of respondents in major provincial towns and metropolitan areas. When asked if 1-2-year-old children should be cared for by the mother, approximately 46% from rural areas agreed compared to 37% in major provincial towns and metropolitan areas (Ventelisteudvalget, 1995).

The predominant form of day care outside the family is accordingly public day care; even at the peak of child care leave more children aged 6 months to 2 years were in day care than were cared for at home. Help from family members to look after children mainly serves as an emergency solution when a child is ill, not least because the care potential among grandmothers has been decreasing with the expansion of labour market participation in this age group. Denmark, with the exception of Sweden, has the highest labour market participation rate among women aged 50+, at 27.8% (European Commission, 1997).

Figure 3.7.
Total fertility rate, 1982-1996.



Source: DS: Befolkningens bevægelser, 1996.

On the other hand, men and women start their families later in life - which is why the average age of first child-bearing is now around 28 years for women - and grandmothers (and grandfathers) are now generally older than in previous generations and perhaps consequently less capable of providing full-time child care. Partly as a consequence of this postponement of child-bearing, fertility rates have been falling since their peak at nearly 2.0 children per woman in 1971. Since the early 1980s, an increase has taken place, bringing the fertility rate up to 1.76 in 1996 (Figure 3.7). Fertility outside marriage has especially increased; around half the children born in 1995 were born outside marriage. Nevertheless, most families with children still consist of two parents; one in five (18.5%) fami-

lies with children is a single parent family, an increase from one in ten (11%) in 1980. Families with one child are most common (46.5%) followed by families with two children (40.5%) while only one in seven (13%) families with children have three or more children, although this proportion has been on the increase during the 1990s (Danmarks Statistik, 1997b).

3.6.4. Support for child care in the home

Public child care in Denmark is mainly intended to be used when the child is 6 months old or older, at the end of the maternity, paternity and parental leaves. Public support for families following birth is now extensive, giving both mother and father individual rights to leave for a relatively long period. The majority of the Danish population is thus covered in case of pregnancy, child birth and adoption by the Act on Sick Pay and Maternity Benefits. This entitles parents to a benefit which covers periods of maternity, paternity and parental leave. The benefit is available to private or public employees, self-employed workers, and spouses assisting self-employed and unemployed partners. Entitlement as a general rule is premised on paying income taxes and residing in Denmark. In general, both parents are by law guaranteed the same job function after maternity, paternity and parental leave periods have expired and keep their seniority, but not pension rights, during leave.

Employees must also have been affiliated to the labour market in the 13 weeks immediately preceding the benefit application and must have worked at least 120 hours during this period. In contrast to other Nordic countries, house-wives in Denmark are not entitled to maternity allowance. However, they can take out separate insurance for this in the Benefit Fund *(Dagpengefonden)*. The local authority is responsible for assessing entitlement and payment of the benefit, and receives 75% reimbursement from the State.

Maternity leave (Barselsorlov)

Mothers are entitled to maternity leave and maternity allowance for 4 weeks before the expected confinement or up to 8 weeks if she is exposed to a hazardous working environment or is considered to need extra rest. After child birth, maternity leave and benefit covers the first 14 weeks. This leave and benefit is available only to the mother and the first 2 weeks are compulsory. If the mother resumes work before the 14 weeks are up she loses entitlement to the remaining maternity benefit. If the child is adopted the parents can share the benefit and leave period between them.

Most women make use of maternity leave; of the children born in 1995, 73% of their mothers took shorter or longer periods of leave[2]. After birth, the average number of leave weeks for employed women was 23.8 as most women (88%) used both maternity and parental leave (see below) and were on leave for 21-24 weeks following birth, while 6% took 20 weeks or less (Danmarks Statistik, 1997c). The number of women on leave has steadily increased since the mid-1980s with the improvements in the leave period, from around 100,000 in 1984 to around 140,000 in 1996 (Figure 3.8).

Amount

Denmark, together with the United Kingdom, is one of two countries in the EU which do not pay a high proportion of earnings in maternity leave benefits. However, public employees in Denmark are entitled to full wage compensation from their employer and an extra 4 weeks leave for the woman before birth in accordance with collective agreements. For private employees, self-employed workers and spouses assisting self-employed partners, the benefit rate is settled according to previous income. As a general rule, benefit amounts to 100% of the previous hourly wage with a maximum of DKK 2,688 per week as of 1998 or a replacement rate of 55,2% of an Average Production Worker net income for a woman working part-time. For self-employed mothers, the amount is mostly set according to the previous 4 weeks income up to the maximum amount. Unemployed mothers receive an amount similar to unemployment benefit. The benefit is taxable but exempt from the Labour Market Contribution *(Arbejdsmarkedsbidrag).* The benefit is adjusted yearly according to a set rate formula *(Satsreguleringsprocent).* The same benefit formula applies to paternity and parental leave described below.

Parental leave (Fødselsorlov)

Following the 14 weeks of maternity leave, a further 10 weeks are available for either the mother or the father. The parents cannot be on leave at the same time but can otherwise dispose of the leave as they wish. During these 10 weeks, the father or mother, according to who has chosen to use the leave, can resume working a few hours a day without losing the entitlement. Should the parent chose to work part-time the benefit will be reduced accordingly. The leave period, however, will not exceed the 10 weeks. Should the father want to make use of the 10 weeks leave he must notify his employer 8 weeks after the birth at the latest. Only 4% of fathers took advantage of some of the 10 weeks of parental leave in 1996[3] and although the number of fathers taking the 10 weeks has increased, it

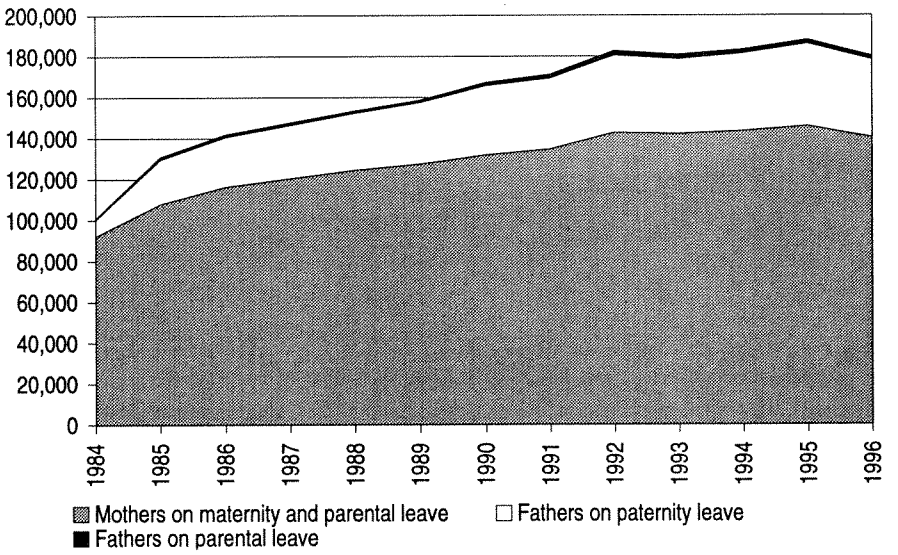
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2) Not taking account of the number of multiple births so the actual take up rate is higher.

3) Not including the number of multiple births.

is still only around 2,000. Of these, 2/5 used 1-4 weeks and 1/3 took 9-10 weeks, i.e. almost the entire available period (Danmarks Statistik, 1997c) (Figure 3.8).

Figure 3.8.
Child-birth leave, number of persons taking leave according to benefit and gender, 1984-1996.



Source: DS: Dagpenge ved graviditet, fødsel og adoption. SE: Social sikring og retsvæsen (annual publication).

Paternity leave (Fædreorlov)

The father has a separate right to 2 weeks paid leave within the first 3½ months after the child is born. Most fathers use this in connection with the birth. The father loses entitlement to the benefit if he starts working before the two-week period has ended. 64% of fathers made use of paternity leave in 1996, around 38,000 (Danmarks Statistik, 1997c) (Figure 3.8). In 1998, an extra 14 days were introduced to the end of the maternity and parental leave periods, i.e. when the child is 6 months old.

Child care leave (Børnepasningsorlov)[4)]

As part of a Labour Market Reform Bill passed in 1993, conditions for obtaining leave to take care of a child have been improved for both parents. The idea behind the leave scheme is to make opportunities for presently unemployed people in the

4) Previously *Forældreorlov*.

labour market for shorter or longer periods. Besides the leave designed for taking care of children, the reform introduced leave for sabbatical or educational purposes.

Parents with custody of a child and affiliated to the labour market are included under the Child Care Leave Scheme. Included here are public and private employees, unemployed and self-employed workers, spouses assisting self-employed partners and, in contrast to maternity benefit, recipients of social assistance, i.e. non-members of the unemployment fund. Graduates and employees who have resigned have a waiting period of 4 weeks before they become entitled to leave. Beyond this, the right to obtain leave is based on the age of the child. The child must be between 0-8 years old and for each child there is a right to a leave period of at least 13 weeks. If the child is under 1 year old, or recently adopted, the right to leave is extended to 26 weeks. This period can, however, be extended by up to 52 weeks with the employer's permission. The leave period must cover a minimum of 13 consecutive weeks and cannot be split within this period. Both parents are entitled to leave and can be on leave at the same time or separately. The leave may be spent abroad.

To obtain leave employees must notify their employer at least 4 weeks beforehand, and must have been employed by the same employer for at least 3 months. If the leave period is to follow immediately after maternity leave, the employer must be notified 16 weeks in advance. Employees are ensured against dismissal when applying for leave and during and after the leave period. Should the employee be made redundant, responsibility rests with the employer to prove that dismissal was due to other reasons. The employer has the right to postpone leave for up to 26 weeks if it is considered impossible to find a replacement, but not if the leave is taken immediately following maternity leave. If the replacement is registered as unemployed, the employer can receive a wage supplement from the Job Placement Services. There is no longer an obligation for employers to find replacements. The employee keeps their seniority during leave, but not their pension rights when they are affiliated to a supplementary private pension fund.

The right to receive benefit during the leave period is conditional upon the parent spending the leave with the child. The parent is, however, allowed to participate in educational activities up to a maximum of 20 hours per week. If the child is aged 0-2 years old it is a prerequisite of leave that the child is taken out of the public day care institution, whereas children between 3-8 years retain entitlement to a part-time place in public day care, such as kindergarten, family day care, public and private school activities. Children who are considered by the local authorities to be at risk and therefore in need of special support can be allowed to make use of full-time public day care during child care leave. Many municipali-

ties have introduced a guarantee that the child can retain a place in the day care institution for parents using child care leave.

Amount

The benefit covering leave for child care reasons was initially set at a rate of 80% of the maximum unemployment benefit rate, which is DKK 2,690 weekly (1998). The rate was reduced with effect from January 1995 to 70% and again to 60% from April 1997. For a women with an APW part-time wage, the leave benefit would make up 26.85% of her former wages. The benefit can be paid to employers if employees receive their usual wage during leave, and this exceeds the benefit. As of December 1995, local authorities have been permitted to supplement leave benefit up to a maximum of DKK 35,000 yearly. The benefit and the supplement may not exceed 80% of previous income and both are taxable. In 1996, 11,379 parents on leave received the supplement, or 37% of recipients of child care leave benefit. The number of local authorities supplementing the benefit has decreased from 60% of local authorities in 1994 during the first experimental phase of the supplement to 23% of municipalities at the beginning of 1996 and to 13.5% by 1998. The average yearly supplement is currently DKK 23,135 (KL, 1996a & 1998).

Municipalities may reduce the supplement over time and differentiate payments according to the age of the child. The supplement is mainly given to parents who care for younger children for whom public day care is also most expensive. The geographical variation is extensive, with municipalities in metropolitan areas being more likely to supplement parents taking child care leave (Andersen, Appeldorn & Weise, 1996).

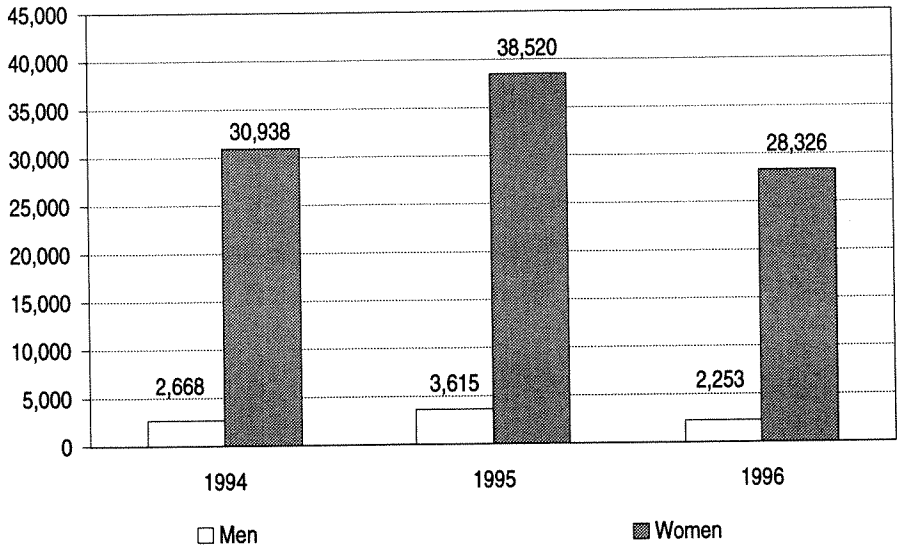
Coverage

Child care leave was granted to a total of 30,579 parents as measured in full-time leave in 1996, a 27% decline from the 42,135 parents who made use of the leave in 1995, when the leave benefit stood at 70% of unemployment benefit (Figure 3.9). The fall in full-time recipients reflects an actual fall in the number of recipients as well as a fall in the length of leave periods taken. It is mainly women who make use of child care leave as this represents a less drastic loss of income for them. Only 10% of the leave benefit is awarded to fathers. The average leave period varies according to occupational status; for employees, the average number of days spent on child care leave is 190 and for unemployed workers 250 days. Most parents take child care leave following maternity leave when the child is 6 months, often because of problems in finding alternative day care (Arbejdsmarkedsstyrelsen, 1998).

In 1994, 53% of child care leave users were employed in the public sector. Leave was especially popular in sectors employing female labour, such as nursing. Of the female leave users (91%), almost 50% were on child care leave following maternity leave while the child was under 1 year old, another 25% of all female leave users

took care of children aged 1-2 year. The proportion of men taking leave was highest among those taking care of children aged 3-5 years and lowest for children under 1 year. Almost half of those who obtained child care leave in 1994 were on leave for the maximum period of 52 weeks (Kampmann & von Nordheim Nielsen, 1995).

Figure 3.9.
Child care leave, number of FTE persons taking leave according to gender, 1994-1996.



Source: DS: Arbejdsmarkedspolitiske foranstaltninger. SE: Arbejdsmarked (annual publication).

Care days (Omsorgsdage)

Public employees have the right to 10 care days with full pay, in relation to maternity and paternity, or following child care leave. The mother may also use her care days in the period prior to the expected confinement. Care days can also be taken when the child is ill, or in connection with visits to the doctor. In 1998, an additional 14 days was added for some groups in the labour market.

3.6.5. Child day care outside the home under the social system

From the mid-1980s, day care capacity has expanded via building of new day care facilities. The overall number of pre-school day care places has risen from 190,000 in 1985 to 267,000 in 1996, an increase of 71%. Expansions have typically taken place in the more flexible and thus less expensive arrangements, such as age-integrated institutions. Special attention has also been paid to the expansion of family day care places for children aged 0-2 rather than the more

expensive day nurseries. General coverage rates within the social system hav accordingly increased to 46% for 0-2-year-olds and 63.5% of the 3-6-year-old when measured in full-time places. Other means to increase capacity has bee to attempt to lower demand for care; some municipalities have introduced par time care where opening hours have been divided into several modules whic parents can then buy individually according to their need for day care.

Day nursery (Vuggestue)

Public day care consists of group day care in institutional settings or family form of day care which differ according to age and number of children and may be fo different age groups or age-integrated. Group centre-based care for the younges children of 6 months to 2 years takes place in full-time nurseries. Nurserie accommodate between 30-100 children, generally divided into groups of 10-1

Admission

children and 3 adults, often according to age, with the youngest age group (1 months) kept together. Admission depends on age and availability of places Most institutions are open daily for 10-12 hours, generally from around 7 a.m. t 6 p.m. all year round. Admission to day nurseries depends on local provision The municipality is responsible for referrals to nurseries as well as other publi day care arrangements.

Provision

Institutional facilities are in general owned by the municipality or by independen agents, with whom the municipality enters into an operational agreement. Onl a very few institutions are run on a for-profit basis, and only in local authorities that specifically support contracting out of care services. Independent, private institutions thus operate mainly as non-profit agencies and in reality are no different from municipal institutions in their daily running, nor in parental payments. When setting up operational agreements with independent institutions, the municipality is obliged to fund running costs and facilities in independent institutions must be available for public use. By 1996, there were a total of 594 day nurseries providing for younger children in particular - a fall from 693 in 1982, the peak year.

Coverage

Although day nurseries admit children from the age of 6 months, because of excess demand most children are older on admission, around 10 months and often older. The number of children in day nurseries increased in the late 1980s but has since fallen to the early 1980s level. Day nurseries currently accommodate 21,000 children, mainly in the 1-2 year age group. By 1996, 9% of children aged 0-2 years were cared for in day nurseries, a drop from 12% in 1982. At the age of 3 years, children are mainly in other day care arrangements, such as kindergartens and less than 1% of children aged 3-6 years are in day nurseries. In all, 4.5% of children aged from 0-6 years are cared for in day nurseries (Table 3.2).

Table 3.2.
Day nurseries, number and per cent of FTE children (aged 0-6) according to age and FTE children per 1 FTE staff, 1982-1996.

Year	Number of FTE children (0-6)		%		Staff ratio
		% of children aged 0-6	0-2	3-6	
1982	21,337	4.94	11.88	0.31	2.59
1983	21,000	5.09	12.43	0.29	2.60
1984	21,341	5.37	13.04	0.26	2.64
1985	21,606	5.57	13.44	0.30	2.65
1986	21,615	5.68	13.27	0.35	2.63
1987	22,010	5.83	13.04	0.42	2.55
1988	22,946	6.08	13.25	0.43	2.56
1989	23,596	6.16	13.07	0.54	2.57
1990	24,331	6.22	13.06	0.60	2.53
1991	24,520	6.07	12.45	0.73	2.51
1992	23,647	5.67	11.38	0.90	2.54
1993	22,952	5.32	10.59	0.93	2.49
1994	22,749	5.13	10.10	1.04	2.52
1995	21,400	4.68	9.66	0.61	2.51
1996	21,142	4.49	9.12	0.80	2.60

Source: DS: Den social ressourceopgørelse. SE: Social sikring og retsvæsen (annual publication).
Note: 1 enrolled child = 1 FTE child.

Fees

For nurseries as well as kindergartens and other day care arrangements for pre-school children, parents contribute to the cost of services up to a maximum level set by central government. This level was reduced from 35% to 32% of running costs in 1991 and again to 30% in 1993. Contributions for children in institutional care are set in lin with total running costs of the service, excluding housing and maintenance costs, but including value added tax. The remaining costs are covered by the municipality. A child cannot be removed from day care arrangements if their parents fail to pay.

Parental payment is often reduced by municipalities subsidizing running costs, and the costly nurseries in particular are often subsidised. Approximately 1/3 of municipalities, representing 50% of children in public day care, subsidize day care arrangements. Average municipal subsidy in 1998 was DKK 504 per child aged 0-10 years old (Indenrigsministeriet, 1998).

Most parents pay a set fee. For low-income parents, fees are related to income so that these pay proportionately less, according to a sliding scale which is set by central government. In 1998, families with annual incomes of less than DKK 103,001 are exempt from paying for day care, whereas families with incomes between DKK 103,001-104,139 pay 5% of the full rate. For families with incomes of DKK 104,140-211,200, the 5% payment is increased by 1% for every additional DKK 1,139 in annual income. Families with incomes above DKK 211,201 pay the full parental payment rate which is set at a maximum at 30% of the total running costs. If there is more than one child in the family, these income scales are increased by 7,000 DKK for every child aged under 18 years, starting with the second child. Municipalities may offer rebates or waive fees where the child is considered to have an imperative need for day care for specific social or pedagogical reasons.

On top of the municipal subsidy and rebates for low-income families, a siblings rebate is available for families with more than 1 child in public day care. Parents pay the full amount for the most expensive day care places and 50% of the amount for other day care places. The rebates apply for both institutional and family day care arrangements. Municipal expenses for rebates for low-income families and siblings rebate were on average DKK 1,913 per child aged 0-10 years in 1996. But in contrast to the rules on siblings rebate and reductions for low-income families which are set centrally, amount of municipal subsidies depend on discretionary rulings. Parental payments, therefore, vary from municipality to municipality, being highest in urban areas and lowest in rural areas.

Due to municipal subsidies, income-related payment and reductions for siblings, the real value of parental payments is lower than the centrally set maximum, on average around 20% of running costs. The average parental payment for full-time care is highest for nurseries, at DKK 2,075 or approximately 11% of disposable income for an Average Production Worker family with two children. Of total expenditure, payments from parents cover 28,87% in day nurseries[5].

Standards

Staff members in day nurseries consist of trained *pædagoger* and untrained assistants *(pædagogmedhjælper)*, and at least one staff member per group must be formally educated in pre-school care. Trained staff have normally completed 3½ years of training while untrained staff have no formal training or have taken only shorter courses. The ratio of untrained to trained staff is almost equal 49.5% of staff in day nurseries have received formal training. From 1997, a new training scheme was introduced for assistants, of 1½ years formal training.

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5) Including municipal supplements and free places, but excluding sibling rebates.

For very young children, the recommended staff ratio is 1 adult per 3 children. The number of full-time staff members has followed fluctuations in the number of children enrolled and is at the same level today as in the early 1980s, at 2.6 children per full-time staff member (Table 3.2). More than 8,000 full-time staff members work in day nurseries. On average each institution cares for 36 children.

Activities include outdoor play, storytelling, singing, painting, sensitivity training and general motor functional play, besides time for children to sleep. As most children attend on a full-time basis, meals are provided, including breakfast, lunch and an afternoon snack.

Daily decision making

A board of parents and employees along with a director is responsible for daily management of the day care institution. Each individual day care institution negotiates how parents should participate in the decision-making process but it is recommended that parents contribute to the teaching and economic planning. Parents are also encouraged to participate in day care and promote their children's well-being.

Regulation

Guidelines for management and operation of day nurseries and other forms of public day care are laid down in the Social Service Act. The social welfare committees supervise the provision of day care. The number and type of institutions, ratio of trained to untrained staff, hours of opening, staff working hours, staff-child ratios and size of children's groups are subject to decisions made by municipal councils regardless of whether the child is cared for in municipal institutions or private institutions under operational agreements.

Kindergarten (Børnehave)

Admission

Kindergartens are available full-time for children aged from 2-3 years up until school age, i.e. 6-7 years. They typically care for 20-80 children divided into groups of 15-20, each with 2 adults supervising. The municipality is responsible for referral to public day care, decisions regarding parental payment discounts and approval of day care premisses. Opening hours are generally 10-12 hours daily all year around, although a few part-time kindergartens exist. Nearly all places are used on a full-time basis. Children on average spend 7 hours a day in this form of day care, with 44% of children spending 8 hours or more in kindergartens (Bertelsen, 1991).

Provision

Like day nurseries, kindergartens are mainly run by local authorities or independent agents operating under agreements with local authorities, mainly on a non-profit basis. The number of kindergarten facilities has been decreasing with 17

fewer facilities today than in 1982. There are a total of 2,500 kindergartens in Denmark.

Coverage

The increase in capacity of kindergartens has been achieved following the introduction of the child care guarantee. The number of places in kindergartens has increased by 4,500 since the beginning of the 1980s. Some expansion became possible due to greater numbers of children per kindergarten; the average number of children per kindergarten has increased from 45.6 children in 1994 to 46.9 children in 1997. Today, nearly 110,000 places are available for children aged 3-6 years, and of these only a very few are part-time places. Most children are aged between 3-6 years, only 2% are younger. In all, kindergartens care for 41% of children in day care arrangements aged 3-6 years, a slight increase of 3% since 1983. Due to the increase in the fertility rate, the overall proportion of children aged 0-6 years in kindergartens has, however, dropped slightly, from 24.3% of children to 23.3% (Table 3.3).

Fees

The same payment formula applies to kindergartens as for day nurseries. On average, parental payments for kindergarten day care was DKK 1,159 in 1997, or 6% of disposable income for an Average Production Worker family with two children. Of total expenditure, parents pay 29,61%[6)].

Standard

As for other institutional day care, there is a generally recommended ratio of 1 adult per 3 children aged 0-2 years and 1 adult per 6 children aged 3-6 years. Even with the greater intake of children, the number of enrolled children per staff members measured in full-time positions has fluctuated from 5 to 5.5 children since 1982, and is presently at 5.3 children per staff member. Trained staff in kindergartens have received the same training as staff in day nurseries and age-integrated day care, 3½ years of training. There is slightly more trained than untrained staff in kindergartens compared to nurseries; 58.7% of staff members have received formal training. Activities include outdoor play, creative activities and outings. As most children spend most of the day in kindergarten, many kindergartens provide breakfast, lunch and afternoon snack.

Daily decision-making

Kindergartens are managed by a director with advice from a board consisting of parents and representatives from local social services departments. Each individual day care arrangement negotiates how parents participate in the teaching and economic planning but in general all encourage parents to take part in daily activities and promote their child's welfare.

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6) Including municipal supplements and free places, but excluding sibling rebates.

Table 3.3.
Kindergarten, number and proportion of FTE children (aged 0-6) according to age and FTE children per 1 FTE staff, 1982-1996.

Year	Number of FTE children (0-6)		%		Staff ratio
		% of children aged 0-6	0-2	3-6	
1982	105,023	24.33	2.35	38	5.32
1983	100,376	24.35	2.42	38.71	5.28
1984	96,553	24.27	2.34	38.86	5.42
1985	95,146	24.54	2.68	39.19	5.4
1986	93,044	24.46	2.36	40.00	5.39
1987	91,684	24.28	2.26	40.80	5.25
1988	90,040	23.86	2.17	40.95	5.2
1989	89,807	23.45	2.12	40.81	5.19
1990	88,954	22.72	1.81	39.89	5.16
1991	92,351	22.55	1.74	39.94	5.05
1992	92,497	22.14	1.52	39.34	5.09
1993	96,909	22.47	1.47	40.02	5.02
1994	101,387	22.86	1.18	40.72	5.06
1995	104,799	22.91	1.87	40.11	5.26
1996	109,487	23.25	0.91	41.02	5.27

Source: DS: Den sociale ressourceopgørelse. SE: Social sikring og retsvæsen (annual publication).
Note: 1 enrolled child = 1 FTE children.

Regulation

As for other day care arrangements, the municipality is responsible for regulation of kindergartens, public as well as private.

Age-integrated day care (Aldersintegreret institution)

Some institutions provide full-time age-integrated day care where children aged between 1-6 years, or 1-10 years can attend. Age-integrated day care has gained ground especially since the introduction of the day care guarantee as it provides a flexible and cheaper day care arrangement. By providing for a greater age range, age-integrated day care is especially useful in overcoming bottleneck situations where children have to move from one institution to another due to age, and also allows siblings to attend the same day care institution. Opening hours in age-integrated day care are similar to other institutional day care arrangements, from approximately 7 a.m. to 6 p.m. all year round.

Provision and coverage

The number of institutions providing age-integrated day care has tripled since 1982, with particularly high growth since 1993. Currently, 1,600 institutions offer

age-integrated day care compared to 540 in 1982. The number of children in age-integrated day care has exploded accordingly, from 22,000 in 1982 to nearly 80,000 by 1996. Age-integrated day care arrangements have been used especially to reduce the number of younger children on waiting lists. Far more younger children are now in age-integrated day care; 22% of children now in age-integrated day care aged 0-2 years old. In 1982, only 16% were younger children. Nearly one in ten (8.5%) children aged 0-2 years are thus now in age-integrated day care, compared to slightly more than one in fifty (2.0%) in 1982. Of older children, the proportion of 3-6-year-olds in age-integrated day care has also increased, so that nearly one in four (23.5%) is now in age-integrated day care compared with less than one in ten (7%) in 1982 (Table 3.4). As with kindergartens, the increase in places was made possible through larger intakes of children per institution; in 1997, age-integrated institutions on average cared for 63.7 children, compared to 58.2 children in 1994. Age-integrated institutions are thus also the form of day care with the highest average number of children per institution.

Fees

Fees are calculated according to the same formula as for other institutional day care arrangements. For age-integrated day care the average standard payment charged by municipalities was DKK 1,158 in 1997, or 6% of disposable income for a Average Production Worker family with 2 children. Parental contributions make up 29,61% of total expenditure, the second highest proportion of day care expenditure paid by parents in institutional day care.

Standard

The number of full-time children per full-time staff member has increased only slightly. In 1996, there were on average 4.8 children per staff member, compared to 4.7 in 1982 (Table 3.4). More than half the staff (56%) have received formal training, generally of 3½ years. Activities in age-integrated institutions are similar to those in other institutional day care arrangements and include different forms of creative activities, such as painting or singing, and children spend a lot of time on outdoor play. Most institutions provide meals during the day.

Daily decision-making

Parents are also encouraged to participate in the planning of their children's day care in age-integrated day care through parental boards.

Regulation

As for other day care arrangements, the municipality is responsible for regulation.

Family day care (Kommunal dagpleje)

Public day care in a family environment takes place in approved family day care provided by carers, either in their own home or the children's home. Each carer, who is most often recruited, paid and supervised by municipalities, can care for

a maximum of 5 children, or 10 children where there is more than one carer. A few family day carers work independently of local authorities. Family day care is a particularly widespread arrangement in rural areas and smaller towns where the demand for day care is too low to set up institutions. Most children are pre-school age, although some family day carers continue to care for a child once they start school. Opening hours may be from 5.30 a.m. to 6.00 p.m. Most children are in family day care for the full day; on average, children spend 7.25 hours a day in family day care; 20%, however, spend 9-10 hours daily (Bertelsen, 1992).

Table 3.4.
Age-integrated day care centre, number and proportion of FTE children (aged 0-6) according to age and FTE children per 1 FTE staff, 1982-1996.

Year	Number of FTE children (0-6)		%		Staff ratio
		% of children aged 0-6	0-2	3-6	
1982	22143	5.13	2.11	7.08	4.70
1983	24,204	5.87	2.34	8.18	4.79
1984	26,913	6.77	2.54	9.57	5.01
1985	27,172	7.01	2.58	9.98	5.12
1986	28,741	7.56	2.71	10.97	5.04
1987	30,311	8.03	2.87	11.90	4.96
1988	33,173	8.79	3.11	13.26	4.92
1989	36,831	9.62	3.64	14.48	4.86
1990	42,842	10.94	4.32	16.38	4.85
1991	47,074	11.64	5.06	17.51	..
1992	53,843	12.91	5.90	18.76	4.70
1993	55,695	12.92	6.27	18.47	4.63
1994	68,921	15.54	7.58	22.10	4.67
1995	73,444	16.06	8.33	22.37	4.73
1996	79,333	16.84	8.43	23.54	4.80

Source: DS: Den social ressourceopgørelse. SE: Social sikring og retsvæsen (annual publication).
Note: 1 enrolled child = 1 FTE child. The staff ratio is calculated with the FTE children aged 0-14.

Most family day carers are organised in groups of 8-10, which meet regularly and arrange substitute care for each other in case of sickness and during holidays. Some family day carers work in a 'three-family model', where they care for the children of up to three families in the home of each child on a rotating basis. Many municipalities have set up play centres where children in family day care schemes can meet and play together. These play centres are open for other children also, and parents on child care leave often use these centres. Play centres are considerably cheaper than ordinary day care facilities because of their shorter opening hours, and no direct child care staffing needs. Each play group has its own budget for purposes such as excursions and other activities.

Provision and coverage

The number of family day carers has increased only slightly since 1982, from 19,400 to the present 22,600 as measured in full-time equivalent positions. During the same time the number of full-time places in family day care increased from 53,500 to 68,600. The increase is largely due to the number of younger children in family day care, this has nearly doubled since 1982. Most pre-school children (83%) currently in family day care are thus aged between 0-2 years. Nearly one in three (27%) children aged 0-2 years were cared for in family day care in 1996, compared to one in five (21%) in 1982. The number has fluctuated somewhat, and is especially sensitive to the number of parents taking child care leave; from 1994 to 1995 when child care leave really gained ground, the number of younger smaller children in family day care thus dropped by nearly 7,000 (Table 3.5). However, for younger children, family day care still makes up the bulk of day care; three out of four younger children in day care are in family day care.

Family day care arrangements offer day care particularly suited for younger children, whereas older children are often considered to be more stimulated in institutional day care, such as kindergartens. With the increase in places in kindergartens and age-integrated day care, the number of older children in family day care has fallen, and nearly 7,000 fewer children aged 3-6 years are now in family day care than were in 1982, a drop from 7% to 4.5% of this age group since 1982. In total, 15% of children aged 0-6 years were in family day care in 1996, an increase from 12.5% in 1982 (Table 3.5).

Fees

Contributions for children cared for in family day care are calculated according to estimates of average expenses in municipal family day care. The same payment formula applies as for other public day care arrangements. On average, municipalities charge DKK 1,580 for a full-time place, or approximately 8% of disposable income for a family with two children. In all, parent contributions cover 30% of total expenditure for family day care, the highest proportion paid by parental

fees, mainly because the running costs are lower here compared to institutional care, and overall expenditure is thus lower[7].

Table 3.5.
Family day care centre, number and proportion of FTE children (aged 0-6) according to age and FTE children per 1 FTE staff, 1982-1996.

Year	Number of FTE children (0-6)		%		Staff ratio
		% of children aged 0-6	0-2	3-6	
1982	53,590	12.42	21.25	6.69	2.77
1983	51,238	12.43	21.69	6.37	2.84
1984	48,503	12.19	21.15	6.24	2.88
1985	49,798	12.84	21.81	6.83	2.95
1986	53,182	13.98	23.07	7.59	2.97
1987	53,441	14.15	22.22	8.10	2.76
1988	60,334	15.99	25.84	8.23	2.98
1989	60,107	15.69	25.79	7.47	2.99
1990	59,519	15.20	25.71	6.58	2.98
1991	60,205	14.89	25.95	5.65	2.84
1992	65,113	15.61	27.41	5.76	3.07
1993	69,995	16.23	28.82	5.72	3.11
1994	69,526	15.68	28.73	4.93	3.03
1995	62,643	13.70	25.50	4.05	3.00
1996	68,649	14.58	27.33	4.43	3.03

Source: DS: Den sociale ressourceopgørelse. SE: Social sikring og retsvæsen (annual publication).
Note: 1 enrolled child = 0.92 FTE child.

Standard

Carers in public family day care schemes are offered a 38 hour introductory course. After 6 months of work, carers are often offered a 74 hour course, followed by more courses. There are, however, no fixed standards for procedure and the amount of training varies from municipality to municipality. The new training scheme introduced in 1997 for assistants in day care institutions can also be used by family day carers. Some times an age criteria applies, e.g. in Copenhagen family day carers should be 23 years or over, and also have no previous criminal record.

7) Including municipal supplements and free places, but excluding sibling rebates.

A family day carer may care for 5 children, and 10 children if there is more than one carer. If a family day carer looks after less than 3 children she does not need to be registered with the local authorities. Increases in the number of children in family day care have been accompanied by more or less the same increases in the number of family day carers. In the early years after the introduction of child care leave, the popularity of the scheme resulted in the loss of many family day care positions, and it proved difficult to find carers, especially after the number of parents on child care leave again declined. The number of children per family day carer has therefore increased slightly from 3.23 children in 1982 to 3.3 in 1996[8] (Table 3.5).

Children's activities and educational opportunities are similar to those in nurseries and may include walks and creative activities. As the family day care arrangement takes place in a home-like setting, children in family day care are more likely to take part in daily home tasks such as shopping, cooking and cleaning (Bertelsen, 1992).

Daily decision-making

As for other forms of public day care, parents using family day care should also participate in daily decision-making. If half the parents using an organised family day care scheme request it, a board of parents can be established. Most local authorities have established these boards.

Regulation

Family day care homes are supervised by local social services if more than 2 children are cared for on the premises. Supervisors who approve the family day carer, decide with whom the child should be placed and support family day carers, are employed by local authorities. Supervisors are supposed to visit each family day carer once or twice per month and should arrange monthly meetings for local family day carers. Until 1990, it was recommended by central government that there should be 1 full-time supervisor per 50 children; since then local authorities have discretion to decide numbers of supervisors (Karlsson, 1995).

3.6.6. Nursery education

Reception class (Børnehaveklasse)

For the 5/6 year olds, part-time nursery education is available in reception classes, provided by the local educational authorities. Classes are attached to a primary school and are open 3-4 hours a day. The aim of the class is to prepare the children for starting school. Participation is optional. Teaching is provided during school

8) Calculated as the number of family day carers to the number of all children aged between 0-14 years in family day care.

terms which comprise 200 school days. Generally, 20 weekly hours are provided in the reception classes, 5 hours per day.

Table 3.6.
Nursery education, number and proportion of FTE children (aged 0-6) according to age, 1982-1996.

Year	Number of FTE children (0-6)	% of children aged 0-6
1982	40,985	9.50
1983	39,557	9.60
1984	..	..
1985	..	..
1986	37,491	9.86
1987	34,753	9.20
1988	34,543	9.15
1989	33,973	8.87
1990	34,389	8.78
1991	35,795	8.86
1992	35,401	8.49
1993	..	..
1994	39,177	8.83
1995	40,823	8.92
1996	42,251	8.97

Source: DS: Elever i grundskolen, gymnasiet og hf-/studenterkurser. SE: Uddannelse og kultur (annual publication).
Note: 1 enrolled child = 0.67 FTE child.

Provision and coverage

In 1996, there were in all 2,813 reception classes, providing 42,250 full-time places, or for 9% of pre-school children. The number of children has remained stable since the early 1980s (Table 3.6). It is mainly the 6 years olds who attend reception classes. As provision is part-time, 49% of these children also attended other day care arrangements, mainly in so-called *Skolefritidsordninger.*

Standards

Staff mainly consist of kindergarten teachers. There are no rules regarding the number of enrolled children per staff members, but there may be one or two kindergarten teachers per group. In 1996, the average teacher:pupil ratio was 1

teacher per 10.4 pupil. The maximum class size is 28 children but most classes are smaller. In 1996, the average class size was 18.9 children (Eurydice, 1998).

Fees

Participation in reception classes is free.

Regulation

The municipal board has the overall responsibility for the institutions and set up objectives and framework for the activities.

3.6.7. Public facilitation of private day care

Pool arrangements (Puljeordning)

A semi-private form of public day care has been made available via the introduction of 'pool arrangements' where municipal councils can subsidize private day care arrangements. The objective is to ensure maximum flexibility for municipalities and to give parents the opportunity to participate in arranging their children's day care. Pool arrangements can take place either in a family setting as parent-initiated day care or as group day care, typically in the form of an employer-initiated day care institution. Both forms of pooled care are considered to be part of the public day care system as they receive public funding. Each municipality is free to decide whether and how much they will subsidize pool arrangements.

All aspects of pool arrangements can, however, be negotiated with the municipality. Employer-initiated day care arrangements may thus give priority to children of employees. The municipality may take a number of places in the pool arrangements which they can then allocate according to the guiding principles of public day care. Just as two or more municipalities can agree to share day care facilities, children of employees living outside municipal borders may also be offered a place in the pool care arrangement. This does, however, depend on the municipality where they reside reimbursing expenses incurred by the providing municipality.

Where a parent with a child in employer-initiated pooled day care be made redundant or cease working, the child comes under the same rules as in public day care arrangements. If the child resides in another municipality the providing municipality is permitted, but not obliged, to let the child keep their place for up to 6 months.

Provision and coverage

Pool arrangements have been most popular in relation to age-integrated day care and kindergartens, where around 160 institutions have been set up. The number of pool arrangements, however, has been decreasing and pool arrangements have never really gained ground among the nurseries, with only 8 nurseries having been set up under pool arrangements (Table 3.7).

Fees

Regulations regarding siblings rebate and income-tested payments apply to pool

arrangements. Municipal subsidy of running costs is normally somewhat lower than that given to other municipal day care arrangements, around 40% lower, and may vary from one arrangement to another. However, actual parental payments towards running costs in pool arrangements is often slightly lower, as pool arrangements often receive other funding, e.g. from the employer, and rely on help and assistance from parents (Bureau 2000, 1993).

Table 3.7.
Pool arrangements, number of supported day care arrangements, 1994-1996.

Year	Day nurseries	Kindergartens	Age-integrated day care centres
1994	6	66	105
1995	8	63	90
1996	8	76	87

Source: Ministry of Social Affairs (1998): Internet

Free choice of day care-scheme (Frit valg-ordning)

Public economic support to informal care takes different forms. Child care leave and municipal leave supplements have enabled many parents to care for their own children themselves for short periods. Other means of support include an experimental arrangement *(Forsøgsordning med frit valg på dagpasningsområdet)* implemented in 1996 to support alternative day care for children who are in need of a day care place. From 1998, this has been implemented as a permanent alternative to public day care. The municipality decides whether the scheme should be implemented and only parents of children already offered a place can use the scheme.

Parents must employ someone to care for their child – and cannot keep the money themselves – but otherwise the conditions for receiving cash supplements are relatively relaxed, enabling a grandparent or other family member to care for the child, or can be used to pay for other carers, e.g. family day care where two or more families may set up a private care arrangement together for their children.

Amount

Initially, families received a supplement consisting of a tax-free annual maximum of DKK 45,000 for each 0-2 year old child and DKK 35,000 for each 3-5 year old child. In comparison, the average net cost for a day care place is DKK 37,400. The supplement is calculated so that parents must cover 30% of the actual costs of the day care arrangement themselves, as they would have had they used municipal day care. Also, the supplement cannot exceed 85% of the lowest expenditure per unit for the same age groups in municipal day care, but munici-

palities are free to give less in supplements. During the experimental phase, the state reimbursed 50% of municipal supplements as compensation for any additional expenses the municipality may incur, but as of 1998 there is no longer any state reimbursement. In the experimental phase, the average supplement paid by municipalities was DKK 3,052 monthly, while parents on average contributed DKK 382 themselves. The average yearly amount paid by municipalities was DKK 36,624, covering 89% of costs for families hiring a private day carer (Andersen, 1998).

Coverage

In 1997, 32% of municipalities participated in the scheme and around 1,400 children aged 6 months to 2 years and 400 children aged 3-6 years took part in the scheme. In all, more than 3,300 children made use of the scheme in 1996-1997. In 1998, 36% of municipalities plan to participate in the scheme. Some indications suggest that parents made use of the scheme because no other day care was available; parents mainly stopped using the scheme when a place in formal day care was available, or if they took on child care leave (Andersen, 1998). Parents working unsocial hours in particular have participated in the scheme, but most municipalities that participated in the experimental phase reported that interest in the scheme was lower than expected (Siegumfeldt & Kehlet, 1996).

Regulation

The municipality must approve those persons employed by parents and the care facilities in order to ensure that carers have the necessary competence and that the care environment is adequate. Municipal obligations to regulate are similar to those for other formal day care arrangements.

3.7. Older people

3.7.1. Introduction

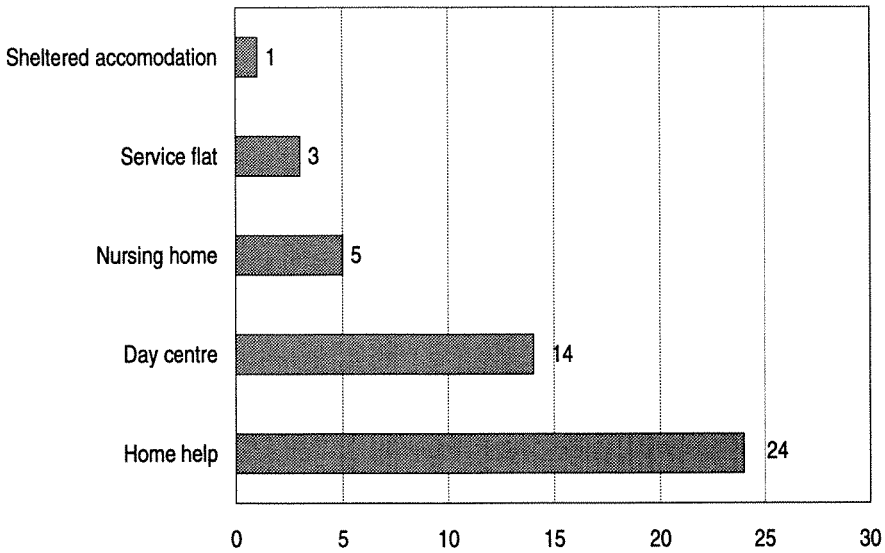
- Main social services and cash benefits for care of older people

Social services for older people in Denmark consist of domiciliary care, residential care, sheltered housing and other welfare measures. Denmark was one of the first countries to adopt a community care policy and with de-institutionalisation priority is now given to domiciliary care. This is in order to fulfill the preferences of many older people who wish to stay in their own homes, as well as providing a more cost-efficient alternative to residential care.

The most important source of domiciliary care is the municipal *Home help*, which provides care on a permanent or short-term basis to older people who need personal care and practical assistance. Most municipalities offer a 24-hour domiciliary care service which integrates the functions of a home nurse and a home help

service. In addition, to strengthen their ability to stay at home, older people are offered a *Preventive visit* as part of domiciliary care, and are also able to use subsidised *Transport schemes*. Older people who need intensive care and attention can be offered a place in a *Nursing home* (Figure 3.10). Informal care is supported through an *Allowance for caring in the home* which supports family members or close friends who take leave from work to care for a terminally ill person. *Respite care and Provisional home help* is available to relieve an informal carer, as well as *Financial help to cover expenses for caring*. Family member can obtain *Employment as a home help* and provide the practical part of the home help service.

Figure 3.10.
Use of main social services, older people (67+) as a percentage of age-group, 1996.



Source: DS: Den social ressourceopgørelse 1997. SE: Social sikring og retsvæsen. DS: Hjemmehjælp 1997. Statistikservice: Socialstatistk.

Beyond the core services, other peripheral services are provided by municipalities, or in some cases by private or voluntary providers. These welfare measures include *Day homes* which are available for older people who prefer to live at home but whose need for care is beyond the capacities to the home help. In such circumstances, older people living at home can receive the same services as are available for residents in a nursing home. Along with the provision of *Meals-on-wheels*, *Snow clearing*, *Gardening* and *Extra house cleaning*, the provision of welfare measures ensure that older people can continue to live in their own homes. *Day centres* are part of the welfare measures functioning as more

recreational centres, where older people can take language courses etc; some also provide care and rehabilitation. Many municipalities also consider the organisation of a *Visiting service* to be an important welfare measure, often provided by voluntary organisations.

Other measures for older people include different sheltered housing forms suited or adapted for them. These enable older people to live independently. The most significant housing forms are the *Service housing flats* whereas fewer older people live in *Sheltered accommodation.*

3.7.2. Main objectives of care policies for older people

Since the 1970's, care policies for older people have mainly aimed to provide care in the home instead of in an institution. Organisational changes have facilitated this through the implementation of the Social Assistance Act 1972 which underlined municipal obligation to organise permanent home help service and simultaneously meant that institutional care became reserved for those with the most pronounced needs. Prior to 1973, institutional care for older people was provided in residential homes, and homes for older and sick people which also provide nursing care. However, the Social Assistance Act embodied a changed priority for nursing homes by exclusively giving state subsidies for these.

Following great concern about the quality of care services, especially in nursing homes, a National Commision on Ageing was established in the late 1970's. Since the publication of the Commission Report in 1982, recommendation on care provision have supported continuity in living conditions and the avoidance of abrupt disruptions to older persons normal lifestyle. The main objective is thus to provide domiciliary care which enables older people to remain in their own homes for as long as possible. This was strengthened even further with the 1987 Act on Housing for Older and Disabled People which prohibited the building of new nursing homes. From 1988, nursing homes have gradually been replaced by special housing for older people, either in converted nursing homes or in new buildings.

Since the introduction of de-institutionalisation policies, the aim has been to provide care around the clock, and the 1980's witnessed increasing efforts to offer coordinated care, combining home help and home nursing. Thus of the 275 municipalities, 236 have set up integrated staff units with both nurses and home help. In the remaining 39 municipalities, staff may also work in integrated teams, but formally they still belong to each their professional group. Following this, staff now provide care regardless of where the older person lives, whether this is at home or in an institution.

The National Commission on Ageing further stressed that self-determination should be a natural element of growing old, and that older people themselves should be able to choose the services they would like to receive instead of being provided with a fixed package of services. Following this, older people living in nursing homes now receive the full amount of their pension and choose the services the want to make use of.

The final main conclusion from the report dealt with the social resources of older people themselves and the help they are able to offer. Public support should encourage initiatives which adhered to the principle of mutual self-help'. The introduction of the Social Development Program in 1998 followed this recommendation by making subsidies available including subsidies for older people and their associations to carry out local initiatives.

Also, the recommendations from the National Commission on Ageing has been underlined with the new Social Service Act, stressing the importance of enforcing the individual influence on the social service, and the necessity to create coherence and use early preventive measures. Some of these principles have already informed new initiatives such as the preventive visit which older people are offered annually and the establishment of Senior Citizens Councils.

3.7.3. The need for care services

The policy of enabling older people to remain in their own homes has been favoured not only by the extensive building of sheltered housing but also by the general housing boom at the 1960's and 1970's. Most older people live in relatively large houses, often with three rooms and more, excluding kitchen and bathroom (Socialkommissionen, 1993) and general housing standards are high. Nearly all housing has central heating and most have a bath (Bonke, 1998). Today, 97% of people aged 67-79 years live in their own homes while as many as 81% of the 80+ age group live on their own (Ibid). Fewer older people thus live with family members; in 1962, 28% of older people aged 65+ were living with family members, only 7% did so in 1988 (Platz, 1989). The decrease in cohabitation, however, does not imply that older people are without contact with family members and relatives. Of older people aged over 60 with children, 38% of single men and 43% of single women confirm that they had contact with their children the previous weeks. The percentage is slightly higher among cohabitating men (41%) and lower among cohabitating women (36%) (Bonke, 1998). Compared to the EU average of older people having daily contact being 44% (Walker, 1993), older Danes thus seem to have less frequent contact with relatives. However, the same EU survey found older Danes to be least lonely, less than 5% of older people in Denmark said that they often felt lonely. Help from

family members is however less easily available and has become more episodic and more advisory in nature, mainly in relation to organising care from formal sources. This development has taken place at the same time as female participation in paid employment has increased. However, spouses, and especially spouses of older people suffering from senile dementia, often carry the main care burden. Although most older people - and especially the very frail older people - receive help for personal care and practical care from a public source, a number of older people thus receive help from informal carers. A survey of who performs the tasks shows that older people themselves carry out most, then the spouse and public home help, while only a few older people receive help from children and when they do it is mainly for the more practical tasks, such as laundry or minor repairs (Table 3.8).

Table 3.8.
Who provides help with domestic task and personal care in per cent, care for older people (70+), 1989.

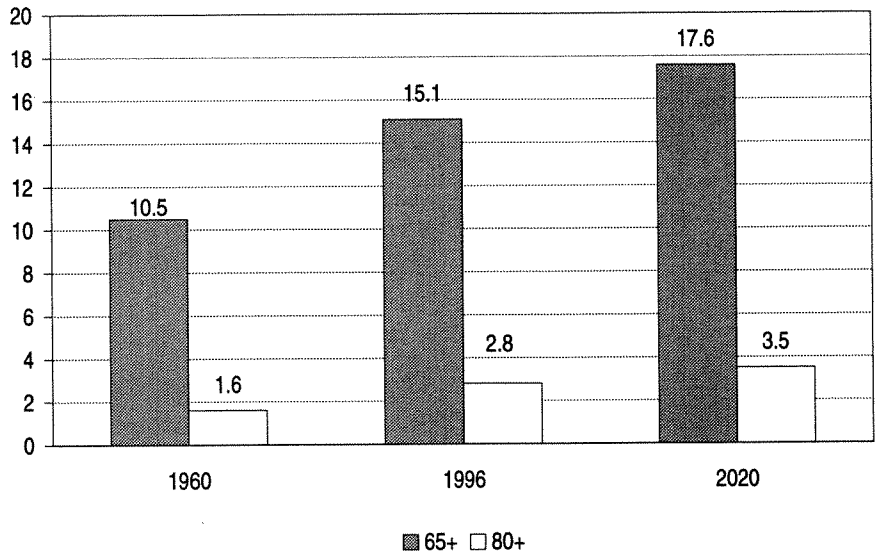
Performed by:	Cleaning	Cooking	Laundry	Shopping	Personal care	Minor repairs
The older person himself/herself	61	67	51	71	94	46
Spouse	30	29	27	30	3	20
Children/family	4	3	9	7	1	23
Friends/neighbours	2	1	2	3	0	8
Home helper	25	3	10	12	5	--
Others	..	5	10	..	..	15

Source: Holstein (1993): Formal and Informal Care for the Older people: Lessons from Denmark'. In: Evers & van der Zanden (Eds.) (1993) *Better care for dependent people living at home.* Netherlands Institute of Gerontology. Bunnik.

Today, between 10-15% of older people aged 65+ are considered to suffer from various degrees of senile dementia and with the increase in the number of older people, a related increase in senile dementia is expected (KL, 1996a). Older people aged 65+ have increased as a proportion of total population from 10.5% in 1960 to 15% in 1996 and this group is projected to increase to 17.6% by 2020. The increase has taken place particularly in the oldest age group, among the 80+. Their proportion of total population is projected to increase from 1.6% to 3.5% in the same period (Eurostat, 1997a; Bonke, 1998; Danmarks Statistik, 1995) (Figure 3.11). Subsequently the dependency burden, i.e. those over 60 years old as a percentage of those of working age, is projected to increase, from 42% in 1996 to 48% in 2020, and even to 51% 20 years later (Eurostat, 1997a). Looking at the age group as a whole, the oldest are forming increasing propor-

tion even in a comparatively short time span - of the 65+ age group, 26% are currently aged 80 years and over, compared to 20% in 1980 (Bonke, 1998).

Figure 3.11.
Older people (67+ and 80+) as a percentage of the population, 1960-2020.

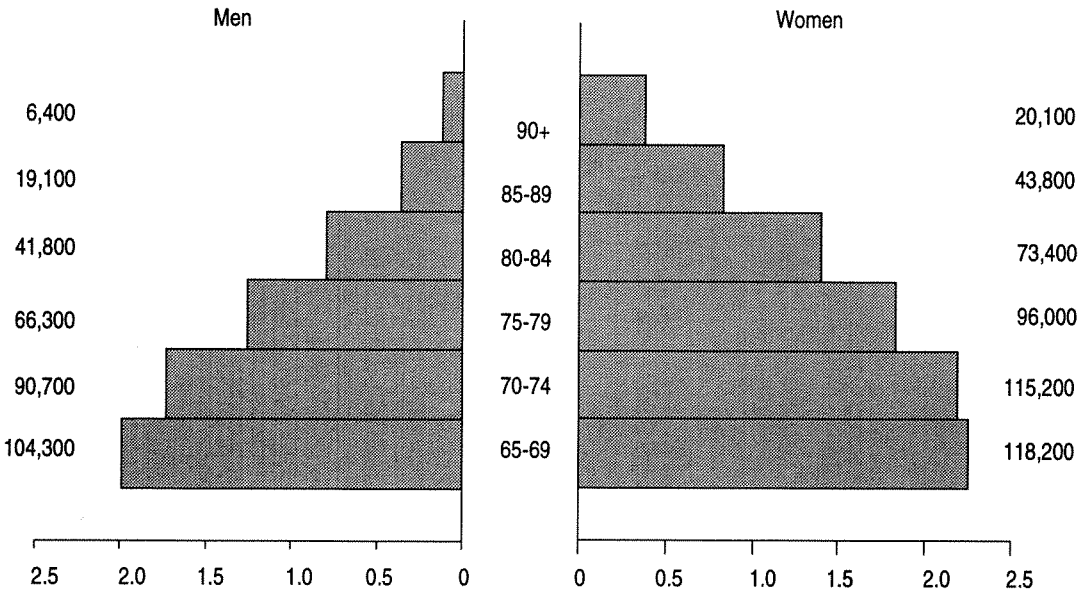


Source: EUROSTAT: Demographic statistics 1997.

Women constitute the major part of the 65+ age group (59 %) as they tend to live longer; 78 years compared to 72.9 years for men (Figure 3.12). Women therefore tend to live alone more than men; of women aged 70+ nearly three in four (71%) live alone compared to just over a third (35%) of men in that age group (Bonke, 1998). Most older people aged over 65, however, are married (49%), while around a third (36.4%) are widowed, 6.8% have never married and 7.8% are divorced (Danmarks Statistik, 1997a).

As women live longer than men, they are also more likely to suffer from disabilities. However, even within the same age groups women have more difficulties carrying out daily tasks. Thus more than one in three (38%) women aged 70-79 years report that they are unable to climb stairs, compared to one in four (22%) of the men. Women are also less likely to be able to carry heavy items; nearly half (44%) the women have problems carrying weights of over 5 kilos, compared to one in five (18%) of the men (Bonke, 1998). Earlier surveys have shown that 58% of those aged over 80 need help with cleaning, 44% need help with shopping and 4% need help with dressing (Platz, 1989).

Figure 3.12.
Age pyramid of the older people (67+) as a percentage of the population, 1996.



EUROSTAT: Demographic statistics 1997.

3.7.4. Domiciliary care

Home help (Hjemmehjælp)

The provision of home help is intended to ensure that older people who wish to remain in their own homes can do so. This includes not only people living in normal housing but also people living in service housing flats and sheltered accommodation. The policy is to provide the necessary service regardless of where the applicant lives. Home help can be given on a short term or permanent basis. Most of those among the old who receive home help services, however, do so on a permanent basis.

Home help includes help with housekeeping and personal care, i.e. shopping, bed making, assistance with toileting, dressing, bathing and hair combing. Although first priority goes to personal care, some municipalities also include help with cooking, laundering and shopping. House cleaning is in most municipalities an essential part of the home help's tasks, and is provided once or twice a fortnight. It consists mainly of more strenuous cleaning tasks such as washing floors, hoovering, etc.

Admission

By law, home help must be provided to everyone who is unable to perform regular daily activities because of a permanent disease, disability, or impairment. Municipalities are obliged to organise provision of home help on the basis of need for assistance regardless of economic means. Help in the home includes personal care and practical assistance for those who need this on a permanent or short term basis. The range of services, entitlement criteria, and the number of service hours are decided at local level according to local financial means and political preferences. A nurse, a home help or the local home help manager assess an applicants' need for home help and decides the amount of help to be provided. The applicant is entitled to an individual evaluation of their need for care and practical assistance, and the home help service must comply with this. However, it is also specified that home help should be provided on the basis of household situation. This mostly involves evaluation of the capacity and resources of the spouse, in principle not including resources of adult children or other family members outside the household. The municipality is obliged to give a written statement describing the content of the help to be provided and when the need for care will be reassessed. Also, the individual home help must evaluate the sufficiency of home help provision on a daily basis. Since July 1st, 1996, a home help contract must be completed which allows the home help recipient to see which services are included, and how many hours service are provided.

Provision

Most home help services are provided by the municipality. A few municipalities apply a model within divides the organisation of home help into a provider-purchasing model *(kundevalgsmodel)* where the older person can choose among alternative providers. However, scepticism generally prevails towards private for-profit provision, both among older people and their relatives and the municipally-employed home helps. With time, previous scepticism may be swayed and for-profit provision may gain more importance; in the new Social Service Act it is specified that the municipality can choose to organise provision through for-profit companies, including home service companies that receive subsidies from the state. Included in the Act is also the possibility that the recipient of home help may choose who should perform practical assistance and family members can thus be employed to carry out this part of the home help service. By September 1998, 86 of the 275 municipalities had introduced this free choice of provider of practical assistance, and nearly 10% of older people had made use of it. In municipalities which have been in the forefront in introducing private provision as many as 30-50% of older people have said yes to private provision (Politiken 15 September, 1998).

Coverage

The number of households with older people receiving home help has grown to 169,500 in 1996, a 42% growth since 1982. In all, 24% of older people aged 67+

received home help in 1996 compared to 18% in 1982 (Table 3.9). Today, two in three older home help recipients are aged over 80 and among this age group as many as 49% receive home help, with 14% among the 67-79 age group. The increase in recipients has mainly taken place among the over 80, where the number has nearly doubled since 1982 when 36% received home help.

Table 3.9.
Home help, number and per cent of households (67+) receiving home help according to age and staff (FTE) per 100 recipients, 1982-1996.

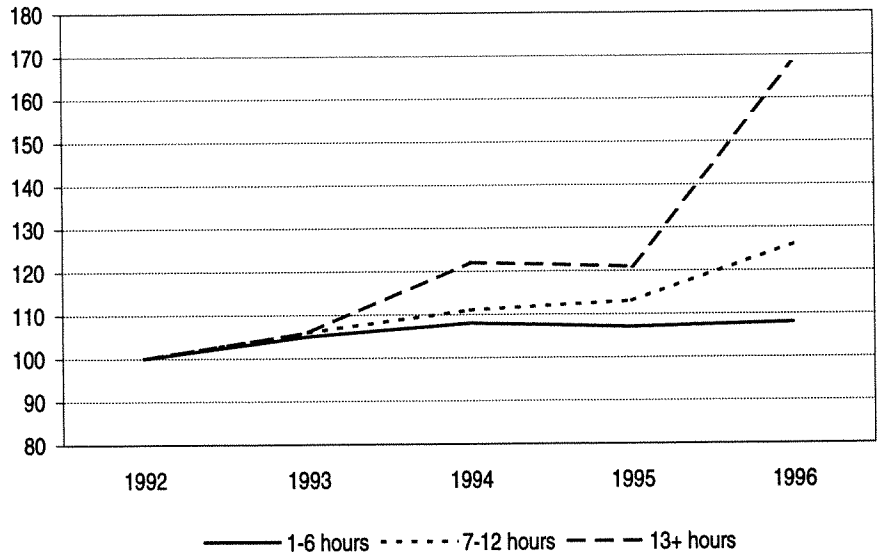
Year	Number of households (67+)	%		Staff ratio
		67+	80+	
1982	118,634	18.20	35.91	19.10
1983	122,764	18.63	36.63	18.55
1984	124,504	18.73	36.99	18.44
1985	128,278	19.14	37.23	18.78
1986	133,525	19.77	38.38	19.12
1987	134,809	19.84	38.43	19.71
1988	133,905	19.40	38.07	20.19
1989	141,962	20.35	39.20	18.81
1990	147,661	21.05	40.74	19.13
1991	148,784	21.11	41.67	20.41
1992	151,977	21.45	43.28	21.11
1993	157,765	22.23	44.94	..
1994	160,685	22.68	45.66	..
1995	159,692	22.58	45.63	..
1996	169,095	23.98	49.13	..

Source: DS: Kontanthjælp og hjemmehjælp. SE: Social sikring og retsvæsen (annual publication 1982-1989). DS: Hjemmehjælp. Statistikservice: Socialstatistik (annual publication 1990-1996).

Recipients are generally those living alone and those with reduced functional ability or in poor health. Of those, living alone, more men than women receive home help and of those living with a spouse, women more often than men receive help (Holstein,1986; Platz, 1990). The reason for this distribution of help is mainly due to the assumption that older women tend to cope better than older men with daily tasks and this is why help is targeted towards single men and to couples where the woman is frail. Studies of home help recipients further suggest that formal and informal help seem to complement each other so that older people with most help from family and friends are also most likely to receive public home help (Holstein, 1986).

There has been a marked increase in the number of recipients receiving 13 hours or more a week of home help. Some of the increase reflects the general increase in the number of recipients but the proportion of recipients receiving 13 or more hours per week has risen partly independently of this. Since 1992[9], the number of recipients aged 67+ with 13+ hours per week has increased by 68%, so that in 1996, 10.2% of recipients aged over 67 years received such weekly hours compared to 6.7% in 1992. The increase has mainly taken place among the 80+ group where 12.2% of recipients currently receive 13 hours or more per week compared to 8.2% in 1992. Maximum hours are thus provided to a relatively high proportion of recipients, while at the same time the number of recipients receiving 1-6 and 7-12 hours has also increased, indicating that Denmark has continued to follow the strategy of both spreading resources among as many recipients as possible while at the same time providing intensive care and support for the most needy (Figure 3.13).

Figure 3.13.
Home help, distribution of weekly hours per recipient per week (67+), 1992-1996.



Source: DS: Hjemmehjælp. Statistikservice: Socialstatistik 1992-1996.

This is a strategy which is different from that applied in the other countries in this study where resources have been increasingly targeted at the very frail. The

9) Age differentiated data only available from 1992 onwards.

indexation is, however, unable to show that more older people today receive 1 hour instead of 6 hours weekly help.

General satisfaction among users seems to be relatively high; 73% of users aged over 67 thus express satisfaction with the service, whereas 15% are not satisfied; satisfaction in the number of hours provided is however lower, 57% are satisfied, compared to 31% who are not (Finansministeriet, 1997).

The average number of weekly hours allocated to older people aged over 67 are 5 hours per client (Danmarks Statistik, 1997a and own calculations). Local variation does however prevail; the 10 municipalities offering the lowest number of home help hours offer only 3 hours on average per client. The 10 municipalities which offer the highest number of home help hours have an average of 7.5 hours per client (Finansministeriet, 1997).

Fees

Since the introduction of the home help service in 1973, the provision of home help has been free for those with low incomes, i.e. older people receiving the regular old age pension plus minor supplements only. For those with higher incomes there was a certain co-payment, although any home help services exceeding 6 hours weekly were free regardless of income. Apart from a short period when payment was introduced again, permanent home help has been free for all since July 1989 and the lack of fees is generally considered to be one of the virtues of the system. However, economic pressure may lead to a reintroduction of fees according to the Association of Municipalities. Whether this will lead to a break in service use by the most fit older people is difficult to foresee, however, the majority of older people say that they may accept some charges. 71% of older people questioned in a survey would thus continue receiving services if the hourly charge was DKK 25 and 54% would continue so if hourly charges were as high as DKK 50 (Finansministeriet, 1997).

Standards

There are no strict guidelines for the content of the home help provided, and this may therefore vary from municipality to municipality. Most provide assistance with cleaning and laundry and sometimes with cooking and shopping also. In a survey among the home help recipients aged 80+, 94% received help with cleaning while one in three (34%) received help with shopping and a further third (39%) received help with laundry. Help with personal care such as dressing and rising from bed was provided for 15% of recipients and help with bathing for 32%. Only 2% of these recipients received help with cooking (Boll Hansen & Platz, 1995).

The number of clients who receive help with practical tasks only such as cleaning and shopping does however vary from 0% to 80% from municipality to municipality (Finansministeriet, 1997). One in six municipalities offers help with cooking while laundry services are less frequently provided, especially in rural municipalities (Boll Hansen & Platz, 1995).

Care functions generally take up more time today as many older people continue to live in their own home when they become frail and in need of help. The home help spend more than half their time on care functions, whereas 26% of their time is spent on cleaning. Help with shopping and laundering amounts to 8% of home help time. However, local differences prevail also in the allocation of care hours. The proportion of time spent on care functions ranges from 12% to 85% across municipalities while cleaning occupies 10% to 50% of the total time spent on clients (Finansministeriet, 1997).

Since there are no requirements regarding the content and extent of education of staff, municipal boards decide which qualifications are necessary for performing home help tasks. Nearly half the staff (48%) are social and health assistants who receive 1 year of training consisting mainly of practical work and some theory, while one in four (23%) are trained nursing aids. Only 10% are without any formal education. The level of professionalisation among staff has increased with the introduction of the social and health assistance training, but also in regard to working hours. The proportion of full-time staff members has increased from 22% in 1980 to 31% in 1994 (KL, 1996b).

It is emphasized that staff must be able to work both individually and in interdisciplinary teams in the integrated schemes and staff working in care for older people therefore often work in integrated teams, often of 8-10 persons (Danmarks Statistik, 1997b). Because of the integration of staff, the number of staff members working solely in home help has decreased from 22,657 in full-time equivalents in 1982 to 9,170 in 1997, whereas total staff numbers have increased from 70,019 to 92,945 between 1982 and 1996 (KL, 1996b; Danmarks Statistik, 1997b). Today, the number of staff working within the home help sector therefore exceeds the number of registered home helps and estimations of staff ratios are not precise. However, in 1992 the number of staff working in home help was 21 per 100 recipients (Table 3.9).

Home help is provided predominantly during the day, but municipal boards must ensure that home help is available also during the night, at weekends and during holidays. The service often combines home nursing and home help, which ensures that older people can remain in their own home even if they need help

around-the-clock with medicine, injections or general care tasks. An average of approximately 75 older people out of every 1,000 aged 70 and over receive help in the evening, and 32 out of 1,000 receive assistance during the night (Boll Hansen & Platz, 1995).

If municipal boards are unable to provide necessary help for a person who is considered to be entitled to home help, the municipality can cover the expenses of hiring a private helper. This is mainly used in cases where an older person needs care around-the-clock, or in cases where the home help recipient and home help staff are unable to cooperate. Municipal boards can in special cases employ a spouse or close relative as a home help to perform the home help tasks, and they are at paid home help rates.

Daily administration

Daily regulation and administration of the home help service is the responsibility of the manager of the home help scheme who also establishes general policy for the provision of home help series.

Preventive home visits (Forebyggende hjemmebesøg)

Since 1 July 1996, municipalities have been obliged to conduct a preventive home visit for older people 80+, and from 1 July 1998 this has included older people aged 75+. The visits are to be offered according to need, although at least twice a year. The visit is made on acceptance by the older person. It should allow the older person and the visitor to evaluate the need for help and care in order that older persons can make use of their own resources, maintain full functional abilities as long as possible, and enhance their social network. Visits may also be made to older people living in nursing homes if the municipal board decides so. The municipal board may also decide to make exceptional visits in relation to the death of a spouse, serious illness or discharge from hospital. The person making the visit must have thorough knowledge of general social as well as health issues.

3.7.5. Welfare measures

Beyond the provision of home help, other welfare measures for older people are considered to increase the possibility of remaining at home as long as possible. Following this, the municipality must ensure that older people are provided with an option to partake in activities and receive services with a preventive and self-reliant purpose. The municipal board can decide to take full responsibility for the provision of welfare measures or leave it to private organisations or associations which can receive economic support. Measures can include care services such as physiotherapy, rehabilitation and occupational therapy, socialisational and educational activities like language courses, excursions, and general creative

activities, or include the provision of additional services like meals-on-wheels, snow clearing, gardening, or extra home cleaning.

In general, older people pay the actual costs of welfare measures, including expenses for staff, materials, electricity and heating. However, staff costs cannot be included if the older person receives a service after referral by the municipality. User payments are therefeor waived if the recipient is considered to be in need for these services and has been referred to the service. One exception is the meals-on-wheels where all costs are included in the fee. In general, the municipality can, however, decide to reduce the user payment, or refrain from charging.

Day home (Daghjem)

Many care services have traditionally taken place in day homes which substitute to some extent for nursing homes insofar as the older person can make use of the same professional care and service as in a nursing home during the day. In this way, day homes enable many older people to remain in their own homes. Day homes can be publicly or privately provided, and can be individual institutions or day places in a nursing home. Private day homes no longer need to be self-governing which means that they do not have to engage in contractual agreements with municipalities. Municipalities are in charge of admission to care services in day homes according to the need for care. The recipients pay for food and for the use of services, such as pediatry and hairdressing.

Activities, however, no longer have to take place in institutions. Municipalities can decide to use individual non-institutional care providers or can place care services in day centres which have traditionally offered socialising and educational services only.

In 1996, there were 4,070 day home places which were used by 6,242 older people, less than 1% of the populaton aged 67 and over. The very old 80+ are well represented and make up nearly half the users. Of the total number of places, 85% were placed in nursing homes and 27.6% of total places were provided by private or self-governing agents (Danmarks Statistik, 1997b).

Day centre (Dagcenter)

Day centres concentrate on the more social aspects of life. Here, older people can take part in sociable and educational activities such as language courses, day trips etc. Like day homes, day centres can be public or private, and the private centres no longer need to be self-governing. There are no admission criteria. Older people contribute a small amount towards costs monthly; in Co-

penhagen the fee is DKK 53 per month. Some day centres also provide rehabilitation and care services.

In 1996, there were 597 centres providing 46,796 places for a total of 100,820 older people, or 14% of the population over 67 years. One third of centres were providing leisure activities only while another third offered care and a further third offered a combination of both. Centres are normally open between 35 and 40 hours per week on week days (Danmarks Statistik, 1997b).

Meals-on-wheels (Madudbringning) are offered in most municipalities. In 1991, 45,000 pensioners made use of the meals-on-wheels service. In the same year, 97% of municipalities reported offering meals-on-wheels services (Platz, 1992). The delivery of meals has until recently been a public matter but in some municipalities is now contracted out to private providers. In Copenhagen, the daily fee for meals is DKK 35,50.

Transportation (Befordring)

Older people who receive a social old age pension are entitled to a subsidy for the use of public transportation. The subsidy is tax-free and paid by the municipality on the basis of economic means and the need for public transportation. Public bus transportation companies have an obligation to provide individual transportation for persons with impairment of the motor functions. This is organised in cooperation with the organisations for people with a handicap, and open for use by older people. The payment for transportation must not exceed what non-handicapped persons pay. Individual bus companies normally also offer rebates for older people and persons receiving a social pension for use of the general bus system. In 1991, 74% of municipalities reported to have such transport arrangements (Platz, 1992).

3.7.6. Support for informal care

Allowance for care in the home (Plejevederlag)

Persons caring for a close relative or friend who is terminally ill and wishes to remain at home, are entitled to receive compensation for loss of earnings. Payment of the benefit is conditional on the recipient of care being terminally ill and not using hospital facilities. Furthermore, the recipient of care must consent to the care arrangement. The carer must also receive consent from their employer to take the necessary leave. All public employers supposedly comply with the aim of the scheme and should grant permission to take leave. In general, the allowance is only paid on loss of earnings. Employees and self-employed, however, are covered by the scheme, but pensioners, recipients of social assistance and students are not included.

Entitlement

Coverage

The scheme was introduced in 1990 and so far only a few people have made use of it but this is increasing. Of the 3,779 receiving informal care allowance in 1996, 33.5% were aged over 67. The average duration of receipt was 10 weeks for the under 67 and 7.9 weeks for recipients aged over 67 (Danmarks Statistik, 1997b). The Ministry of Finance has addressed the relatively little use of the scheme by appealing to state employers to ensure that employees can obtain unpaid leave from work or reduced working hours for this purpose. State employees who make use of care compensation also keep their seniority and earn pension credits during the care period. Municipal employees and private employees are not automatically ensured the same rights but have to apply to their employers.

Amount

The rate of care compensation is set by the Ministry of Social Affairs and is 1.5 times the amount of sickness benefit the carer would be entitled to, estimated according to average income of the carer within the previous 12 months period, or 1.5 times DKK 2,688 per week in 1998. Self-employed workers are guaranteed compensation of at least 2/3 of unemployment benefit. The amount must not exceed that which is paid to formal home help. Entitlement to care compensation ceases when the care arrangement ends but a supplement of 12.5% of compensation is given to cover costs until the carer returns to the labour market. However, if the care arrangement ceases because the recipient of care dies, carers receive the compensation for an additional 14 days, or until they resume working. The carer maintains entitlement to compensation should the recipient of care need to go to hospital or a nursing home for a short period.

Care compensation is also available to those who choose to work part-time in order to care. The compensation amount corresponds to the difference between working full-time and part-time. The maximum compensation must not exceed the amount paid to home help, if more than one person becomes engaged in caring. In addition to being a payment for informal care, care compensation can be paid to the family to cover expenses for care in a hospice, or to hire a private helper.

The local municipality pays the compensation and the municipal board can decide to stop the payment if the care provided is not considered sufficient.

Employment of carers (Ansættelse/Frit valg af hjemmehjælper)

The municipal board can in special cases decide to employ a spouse or close relative as a home help. The carer then becomes employed in the municipal home help arrangement for an agreed period of time with the purpose of caring

for an older person. The carer is paid the same hourly rate as public home helps, at a maximum of DKK 84 per hour, and is covered by the same social rights. This means that the carer is entitled to sickness benefit, and earns credits for any supplementary pension and labour market pension.

In addition, the new Social Service Act now as mentioned gives the recipient of home help the choice of who should assist with the practical part of the home help service, i.e. the cleaning, shopping etc. This person must be approved by the municipality which functions as the employer and is paid according to general labour market agreements.

Relief for carers (Aflastning af pårørende)

The municipality must inform carers and recipients of care about the possibilities of receiving supplementary help from a home help, home nurse or around-the-clock domiciliary care. Help can also be obtained if it becomes necessary to adapt the home. For the relief of the carer, an older recipient of care can stay for a short term period in a nursing home or a day home.

In order to ensure that older people or carers do not have any extra expenses due to caring at home, help can be obtained to cover expenses for prescribed medicine, nursing supplies and such items. Relief measures apply whether or not the carer is entitled to care compensation and are provided without account of either the earnings of the carer or recipient of care.

The municipality defrays all expenses in connection with relief measures. Decisions about relief measures are taken by the municipal board and can not be appealed to any other administrative authority.

Telephone service line (Demenslinie)

A telephone service line has been established where carers can ask questions about the care of people suffering from senile dementia.

3.7.7. Institutional care

Nursing home (Plejehjem)

Nursing homes are designed for older people who are unable to manage on their own. The municipality is obliged to ensure that those who cannot remain at home, can be admitted to a nursing home or another care place. The local municipal board makes decisions about admission to nursing homes, in most cases in conjunction with the general practitioner, home nurse, home help or other relevant persons, such as a representative of the home. There are no central regulations regarding admission criteria. Decisions are taken on the basis

Admission

of evaluation of individual need but also take into consideration the overall economic and social situation of the municipality. The municipality in most cases establishes an admission board which decides whether an older person should be admitted to a nursing home or should be offered other forms of care, e.g. home help, a place in a day home, adaptions of their home, more support for a spouse or other relative etc. The admission board should also take into consideration other forms of care places *(Plejeboliger)* such as service housing flats or sheltered accommodation which could be offered as alternatives to nursing homes. Older people can apply for admission to a nursing home in another municipality under certain conditions, e.g. if they have close relatives in this municipality.

Provision

Nursing homes can be municipally or privately provided. Private providers must enter into a contractual agreement with the municipality Of the 922 institutions offering nursing care in 1996, one in four was owned and run by a private or self-governing agent, mainly on a non-profit making basis. If a nursing home has been established on certain religious or political lines, the municipality can provide that certain groups receive first priority but only if they are entitled to a place in a nursing home. With the implementation of the 1987 Act on Housing for Older People and Handicapped, no new nursing homes have been built. Existant institutions are still in use, but with a priority to accommodate old people in sheltered housing as an alternative to nursing homes, the number of nursing homes has decreased from 1,327 in 1982 to 922 in 1996.

Coverage

The number of places in nursing homes has decreased likewise, from nearly 50,000 in 1982 to 36,500 in 1996, and the number of residents declined from 43,500 to 32,000 (Table 3.10). These places, mainly situated in more or less outdated nursing homes, have been replaced by more than 22,000 new service housing flats (see below).

The proportion of residents has changed in favour of the very old; those aged 80+ thus make up 76% of all residents aged over 67. Overall, however, the number and proportion of older people accommodated in institutional settings has fallen. In 1982, 2.6% of older people aged 67-79 were living in nursing homes compared to 1.5% in 1996. In the same period, the proportion of those aged 80+ has fallen from 20.1% to 11.9%. Some places in nursing homes are used as short-term places for older people where they can spend a single night or a longer period if in need of extra care or their family needs relief. There are no charges for short term places. Waiting periods were generally around 4 months in 1996; in 1998 the municipalities plan to reduce maximum waiting periods to 3-4 months.

Standard

Older people living in nursing homes must be offered meals, cleaning and laundry services and hiring of linen. In addition, other services such as hair-dressing, chiropody, medicine, therapy and leisure activities are available. Residents in nursing homes choose whether they want to make use of these services. No medical treatment is available as residents are supposed to make use of the municipal health service. However, in most cases a special ward for residents with long-term care needs will be available.

Services in nursing homes are generally available for older people living in sheltered housing and can be offered to those living in other forms of housing for older people, or to those still living in their own home.

Table 3.10.
Nursing homes, number and per cent of residents (aged 67+) according to age and provider and staff (FTE) per 100 resident, 1982-1996.

Year	Number of residents (67+)	%		%		Staff ratio
		67+	80+	Public	Private	
1982	43,463	6.67	20.11	73.04	26.96	99.84
1983	43,729	6.64	19.72	73.04	26.96	101.30
1984	43,656	6.57	19.35	73.28	26.72	113.13
1985	46,642	6.96	19.83	..	..	107.63
1986	43,435	6.43	18.66	74.26	25.74	117.08
1987	41,387	6.09	18.04	..	..	125.03
1988	40,729	5.90	17.38	..	..	125.68
1989	41,104	5.89	16.59	74.38	25.62	122.90
1990	39,103	5.57	15.49	73.73	26.27	125.23
1991	36,964	5.25	14.42	26.19	73.81	127.47
1992	34,708	4.90	13.65	29.42	70.58	131.31
1993	34,642	4.88	13.03	73.37	26.63	..
1994	33,362	4.71	12.47	73.62	26.38	..
1995	32,542	4.60	12.10	72.53	27.47	..
1996	32,076	4.55	11.94	72.82	27.18	..

Source: DS: Den sociale ressourceopgørelse. SE: Social sikring og retsvæsen (annual publication).

Residents in nursing homes should be kept informed of daily decisions and residents councils be established in nursing homes and sheltered housing. The

residents council should be kept informed about budget proposals, administration of funds, weekly menus, employment of staff, guidelines for daily management, activities, etc. As a high number of the residents in nursing homes suffer from senile dementia, it may prove difficult to establish these councils. Relatives are therefore allowed to partake in the resident council. The residents councils role is merely advisory.

Most rooms in nursing home (73%) are larger than 15 square metres while 6% are smaller than 12 square metres. 22% are without toilet and bath, 7% have a toilet but no bath and 75% have a bath. In the modernised nursing homes, residents have their own private units with 2 rooms and a kitchen. Staff normally have a nursing degree of 4 year or the social assistant training. The ratio of staff to resident is normally 1:1, including administrative staff, cleaning and kitchen aides (Gottschalk, 1995). In 1992, before the integration of staff in the care sector, the ratio was 131 full-time staff members per 100 residents (Table 3.10).

Fees

The general rules about user payments are set by the Ministry of Social Affairs. Older people do not pay for care services or cleaning of premises, except for early retirement pensioners who pay a care supplement. As a new rule, older people upkeep their pension and must pay for electricity, heating and rent but apart from this they pay only for the services they use. Rent payments are 10% of estimated running costs for the individual dwelling which includes an estimate of the value of the estate, and 10% of income of the older person. A maximum ceiling applies to those with an income above DKK 139,099, who must pay 20% of income. The payment, however, must, not exceed the total costs of the individual dwelling.

User charges for the use of individual services are decided locally in the municipality. When setting payments for services the fact that a number of older people have no other income than the public old-age pension must be taken into consideration. Payments for services are set at a level which ensures that residents, who are dependant on help and therefore make use of most services, have a reasonable amount of money left after payment. A 25% rebate of rent and other services is available for spouses who live in the same nursing home. Where the couple has an income which exceeds the public old-age pension, the rebate decreases by 1% for every DKK 3,072 above this rate. Residents who have a duty to maintain a spouse or children who live outside the institution can also receive a rebate.

Although expenditure for nursing homes has fallen as a result of its reorganisation into service housing, fees as a proportion of total expenditure have increased, from 3.6% in 1982 to 4.6% in 1994.

Daily administration

The daily manager has responsibility for professional direction, quality of service and staff.

Regulation

The municipality supervises nursing homes, preferably in cooperation with the residents' council.

3.7.8. Sheltered housing

Other measures for older people include different housing forms suited or adapted for them. These enable older people to live independently but often have no particular services attached. From 1988, all new building of housing for older people must comply with the 1987 Act. This provides that no new nursing homes, collective housing, or municipal pensioners' flats can be built after this date. Instead, service housing flats and sheltered accommodation for older people are to replace these housing forms.

Service housing flats (Ældreboliger)

The housing form which has gained most importance is service housing flats for older people. This is supposed to suit the needs of older people without being institutional housing. Admission criteria are similar to those for nursing homes, i.e. a local admission board grants access to service housing flats according to individual need taking into account local provision of other services, such as home help services, nursing homes, etc. Every dwelling must include a toilet, bath and kitchen and must be suited for older and handicapped people, e.g. have a lift and an alarm attached. Such accommodation is supposed to provide access for people in wheel-chairs, to include lifts and to ensure that home helps have easy access to beds. Along with all other older people residing in the municipality, residents in such accommodation can receive the same services as is available in nursing homes. Built-in services in accommodation for older people, however, mainly consist of means to call for a day or night warden, and sometimes also include facilities such as communal rooms. Residents pay rent similar to general housing rents. In 1996, there were 23,914 residents aged 67+, or 3% of older people. Of these, nearly two thirds were aged 80 and over.

Sheltered accommodation (Beskyttet bolig)

Sheltered accommodation is housing for older people who are unable to manage in their own home but who do not need to be admitted to a nursing home. Sheltered accommodations are supposed to suit the needs of older people without being institutional housing. Every dwelling must include a toilet, bath and kitchen and must be suitable for older and handicapped people.

Older people pay fees according to the same rules as apply for nursing homes, i.e. they do not pay for care services and cleaning whereas electricity, heating and practical assistance is paid for separately. Payment for services used in sheltered accomodation is according to the same rules as for residents in nursing homes.

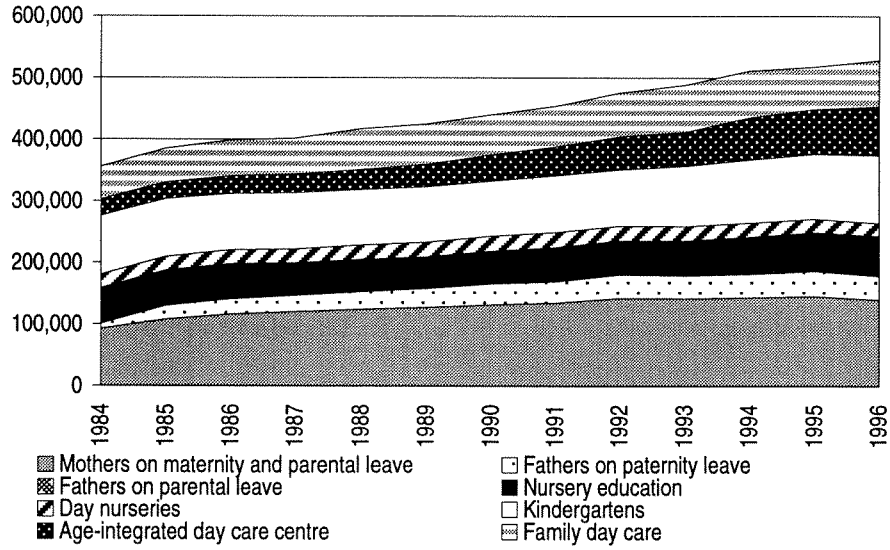
Sheltered accommodation is often situated near nursing homes in order to make use of the same personnel and facilities. Sheltered accomodation must be in one building, and should offer older people the means to call for a day or night warden. Common facilities and services such as meals, laundering and recreation common rooms must be available. Facilities in nursing homes are generally available for older people living in sheltered housing. As in nursing homes, a residents' council should be established and should advise the municipality and management in their daily decision-making and administration of funds. By 1996, 5,310 older people aged 67+ were accommodated in sheltered accommodations, 0.75% of 67+, with the 80+age group making up 70.5% of residents.

3.8.
Developments and changes 1984-1996

Denmark has made the same adaptations to a tighter economic situation as its Nordic sister countries, but over a longer period and thus with more time to make the necessary adaptions. Although the 1980s was the decade when the financial crisis was at its height and old welfare ideologies were renewed, the modernisation of the welfare state did not result in major cuts in provision of services; but rather in some gradual adaptations and even introduction of new schemes. In contrast to Sweden and Finland, Denmark has therefore expanded services and cash benefits in the last 15 years so during the 1990s, nursing homes were upgraded and institutional day care for children has expanded.

For children, the changes have thus resulted in an expansion of day care places within institutional day care, mainly in the age-integrated day care places (Figure 3.14) as they offer a very flexible solution in contrast to the day nurseries and kindergartens where age groups are divided. Expansion has also taken place in family day care which offers a cheaper alternative to the institutional day care provisions. Total provision of places actually overtook the demographic changes; from 1990-97, provision grew by 60% whereas the number of children born only grew 1.8%. Expansion has since then continued in both forms of day care, and has often been achieved through a greater intake of children in the institutions. In accordance, the costs per place has fallen, from DKK 40,800 in 1994 to DKK 37,400 in 1998 - even though expenditure for day care has nearly doubled from

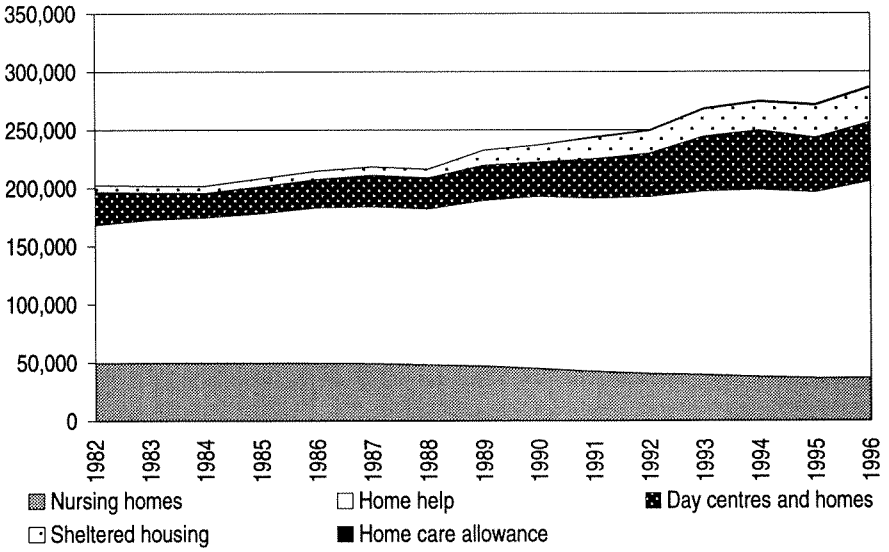
Figure 3.14.
Development in the number of recipients and enrolled children in main social services and cash benefits for children (0-6), 1984-1996.



Source: DS: Den social ressourceopgørelse. SE: Social sikring og retsvæsen (annual publication). DS: Elever i grundskolen, gymnasiet og hf-/studenterkurser. SE: Uddannelse og kultur (annual publication). DS: Arbejdsmarkedspolitiske foranstaltninger. SE: Arbejdsmarked (annual publication).

1982-1996. The coverage of day care is therefore as high as ever, and exceeds day care provision in the other six countries in this study. Nearly 80% of the 3-6 year olds are in some day care provision, even when these are measured as full-time provision. For the younger children, the 0-2 year olds, full-time provision is also relatively high, at 46%. With the introduction of the day care guarantee, however, the expectations to provision of day care have also increased accordingly and waiting lists are not getting shorter. Especially, since the compensation rate for the parental leave has been cut and the number of parents taking leave has dropped. In early 1997, 16,000 children were waiting for a day care place. The expansion of day care places has not lead to an increase in parental fees as proportion of total costs when including the municipal subsidies for parental fees. This actually fell from 1990-93 and with the introduction of max. parental fees of 30% of total costs, fees are not expected to increase. However, as the expansion of provision took place against a backdrop of tighter economic means, targeting of resources and increases in the number of children in day care groups have led to increased concern about quality of services.

Figure 3.15.
Development in the number of residents and recipients of main social services and cash benefits for older people (67+), 1982-1996.



Source: DS: Den sociale ressourceopgørelse. SE: Social sikring og retsvæsen (annual publication). DS: Hjemmehjælp. Socialstatistik: Statistikservice (annual publication)

For older people, expansion has taken place especially within home help services; a development which reflects the de-institutionalisation policy. Since 1987, no new nursing homes have been built and the number of older people residing in institutional care homes has dropped (Figure 3.15). The home help provision thus seem to have taken over some of the need for care. In 1996, 23% of older people received home help provision during the week, and Danish provision of domiciliary care is the highest among the seven countries - and as the only country, home help is provided for free. However, as in the other countries, Danish provision is now targeted on the very frail. Average hours per recipient has increased, and provision of help is more focused on personal care for the eldest. While the proportion of older people aged 67+ with home help has increased from 18% to 24%, the proportion with help among the 80+ has increased from 36% to 49%. However, as the proportion of older people receiving help indicates, a great number of older people still receive help with cleaning while services such as cooking and shopping is today mainly offered as part of general welfare measures or the older person must use private home service schemes. And gardening and spring cleaning are often provided by people in active labour market programs. Standards in relation to the content of services provided have thus declined, whereas the educational level among staff in the home help

services has increased with the introduction of a new care education. As an alternative to the residential homes, provision of sheltered housing has expanded since 1982 and more older people now use the day centres and homes.

Box 3.2.
Aarhus, Denmark

1. Introduction

Aarhus municipality is situated in mid-Jutland. With 280,000 inhabitants it is the second biggest city of Denmark. In recent years, Aarhus has experienced a population growth of 4%, compared to the national average of 1.7%. This growth is mainly due to an increase in number of children. In 1996, children 0-6 years constituted 9.2% of Aarhus' population whereas the proportion of older people was 10.8%. It is projected that the increase in the children's population will continue. Besides an increasing population rate, the proportion of ethnic minorities is quite high - 9.6% of the population in Aarhus.

Social services for children and older people in Aarhus are mainly organised, financed and provided by the municipality. In the child care area, municipal and independent institutions provide day care, mainly with subsidies from the municipality. The Department for Children and Youth decides the admission criteria and assessment of who is eligible for child care, which service will be provided and in which area the child will be offered a place. For older people, the overall admission criteria are decided by the Department for Older people, and one of the 37 local centres access the need of the older people in their area.

2. Children

Aarhus municipality expects to provide day care for all children below the age of seven before year 2000 and thus implement the day care guarantee which Aarhus has chosen to adhere to. In numbers, it corresponds to 25,500 children. The number of day care places in Aarhus will be increased by three thousand places in the period 1996-2000. Here, the day care guarantee is interpreted as a guarantee that children will have a day care place in the municipal day care system.

Day care policies in Aarhus municipality can be divided into two categories: First, the Child Care Leave, implemented in national legislation. Both parents can apply for this benefit and stay home to take care of their own children. Second, the day care policy of Aarhus is to provide municipal day care arrangements. In Aarhus, the child care leave allowance is supplemented by a municipal subsidy of DKK 20,000 before tax, if parents care for a child under the age of three. In 1996, 1,100 parents received the municipal subsidy. If the child already is enrolled in a day care institution, the parents can apply for a stand by place. In this way, the child is guaranteed a day care place following the parental leave. For a place in municipal day care, the child must be aged zero to six years, but most children do not obtain a place before the age of one. Children may be offered a place in a nursery, kindergarten, age integrated institution, or family day care. The institutions are organised very differently, and it may be possible for children to be attending a so-called outdoor kindergarten'. Furthermore, there is a free-choice arrangement, where the parents can employ an au-pair or a family member. Finally, Aarhus offers parents a subsidy if they want to set up their own day care arrangement. In 1995, only eight parents used this type of day care arrangement. For these, Aarhus municipality paid DKK 912 weekly per child. Also, there are parent initiated playgroups where children can come four hours twice a week. In Aarhus, 20 institutions receive this type of subsidy. In 1995, 29.2% of the zero to two-year-olds were taken care of in a day nursery. The percentage of three to six year old children cared for in kindergarten was 38.1. Furthermore, a 16.7% of the children aged six months to six years were in age integrated day care. Not to forget is family day care, where 9.9% of children aged six months to six years were taken care of.

A last day care arrangement is the reception school, where the children can start at the age of five. Reception school is offered by public and private schools. Among the children aged 5-7 years, 29% attended public and 3% attended private schools.

The main parts of the day care institutions are municipal, although there is a large proportion of independent institutions. It is the city council of Aarhus which decides the framework and objectives for day care, subsidy schemes, number of institutions, etc. In practice, the individual institution is allocated a budget by the city council.

Visit to the day nursery "Ankersgade"

Ankersgade day nursery is situated in the fashionable neighbourhood Frederiksberg in the middle of Aarhus. The day nursery has 39 children, who are divided into three groups: red, blue and green. There are 13 children in each group and three pedagogues or assistants. Every group has a big play room, a room for drying clothes and a washing room with two small toilets for children. The groups have common facilities such as a kitchen, a laundry room, a cave, and a pillow corner. Furthermore, there is a common room with toys, where we also find music instruments and dolls for playing. The colourful artwork on the walls is designed by the children themselves.

Ankersgade day nursery has not committed to certain pedagogical methods, and as a principle pedagogues have to act according to individual judgements. All pedagogues must, however, see to the development of each child.

A normal day for a child in Ankersgade institution is eight hours long. The day nursery opens at 6.30 in the morning. However, most children do not arrive before 7:30 a.m. The opening hours of Ankersgade are standard hours in Aarhus, however, the nursery board has the possibility of changing the opening hours if parents and staff wish so, and if the economy allows it.

The day starts with breakfast for the early children. At the day of the visit, the children were having porridge or yoghurt. Thereafter, it is time for playing, reading, singing or drawing together with the pedagogues. The other children arriving later join the activities. In the morning, all children play together. When we arrived at the day nursery at 9:30 a.m. some children were playing outside, and others were baking rolls in the kitchen. In addition, four children and two pedagogues were at a birthday party at one of the other nursery children.

At 10:30 a.m., the children have lunch. The board of parents have decided that the children should have a warm organic meal at lunch time. This day, the menu consisted of meatballs with onions and orange sauce. This is not a typical Danish dish, but it is served thanks to the trained cook at the day nursery. In other day nurseries in Aarhus, the food is found to be more traditional Danish food. From 11:00 to 13:00, the children sleep, if they need to. The children sleep outside in special designed trolleys. When they wake up at 13-14:00, it is time for afternoon tea, which on that day was apple porridge. Then nappies are changed and children can play outdoor. At 16:00, most children are collected by their parents, although the nursery does not close until 17:00.

3. Older people

The policy of Aarhus municipality is in line with the national policy, to enable older person to stay in their own homes, as long as they wish so. In Aarhus, the municipality has the overall responsibility for the supply of services for older people. The actual responsibility has been decentralised to 37 local centres, which are in charge of planning and supply of care and help to older people. The local centres assess the need and offer services both to older people, disabled and other people, who are in need of help in the area. The local centres also offer transportation arrangements, meals-on-wheels, aids, and home help. The need for home help in Aarhus is increasing, as older people are discharged much sooner from hospital than previously. To counteract this, Aarhus municipality has introduced an integration of home help and district nurses in the local centres. Besides the home help, Aarhus municipality provides all in all about 4,000 service housing flats for older people, which are allocated through the local centres. For older people of an ethnic background, special communities have been set up and the municipality has initiated training for bilingual home helpers.

Among older people 10,500 receive permanent home help, of whom one fourth receive cleaning service. In all, an estimated 35% of older people 67+ receive home help. The services to older people are financed by the municipality, however, a user fee is attached to most of the services offered, with the exception of a few services, such as home help, which is financed 100 per cent by the municipality.

Aarhus municipality's net operating budget on the area of older people was DKK 1,296 m in 1996. It covers amongst other expenditure for 5,300 employees, subsidies to home help and nursing, and subsidies to senior residents, service housing, meals on wheels etc.

Visit to the local centre "Marselis"

Marselis is one of the 37 local centres and is situated in the periphery of Aarhus. It comprehends an assembly hall and a cafe. The older people's board at Marselis plays a central role in the organisation of activities, they run the café and arrange excursions, bingo, Halloween party, Easter party, jumbles sale etc. Furthermore, they are planning to build a 'garden of senses'. All in all, 1,480 older people use the centre on a monthly basis. Marselis evaluates the need of care for the older person on the basis of a priority list, where the possibility of family support is considered in the evaluation.

Marselis has four home help teams and one cleaning team which are in charge of the care and cleaning for the older people affiliated with the local centre Marselis.

A typical day of a home helper at Marselis

The day typically starts at 7:00 a.m. There is just time for a cup of coffee, while the tasks of the day are divided amongst the home helpers. First visit of the day is at 7:30 at Mrs. M, who has water on the knee and she therefore needs a leg massage. She receives help to get on her stockings and other clothes. It is her birthday today so the home helper drinks a cup of coffee and chats with her. It is now 9:00 a.m. and Mr. B, who manages on his own, receives a visit. He does not need personal care, but only help with cleaning. Today, the kitchen is cleaned and the home helper takes out the garbage on her way out. Next on the schedule is Mrs O, who is escorted to the day centre.

It is now 9:45 and the home helper has an hour to clean at Mr. H. The flat needs vacuuming and the toilet is cleaned. At 10:45 the home helper brings out meals for six older people. At last, the home helper can take her lunchbreak. After half an hour lunchbreak the home helper picks up money for Mr. H in the bank.

Now Mrs. J needs a visit; the time is 12:30. She needs help for taking her prescripted medicine. Furthermore, she has her afternoon tea served and dinner prepared. Mrs. J has terrible pains in her knees and a nurse is therefore called in to help her. Then Mrs. J is helped to the toilet and hereafter she is helped to bed for an afternoon nap. Before the day is over, the home helper picks up Mrs. A's clothing from the dry cleaner and new clothes to be washed is delivered at the local centre. Finally, the home helper has time for a cup of coffee before she heads back home.

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CHAPTER 4

Sweden

Box 4.1.
General characteristics of Sweden

- Sweden is the fourth largest country in Europe covering an area of 450,000 square kilometres. 85% of the population of 8.8 million people live in the southern part of Sweden. The 288 independent municipalities and the 21 county councils are responsible for social services for children and older people. Most municipalities have a population of less than 1,000-2,000 people and one in seven Swedes live in rural areas.

- Besides Swedes, group of Finns live in the north-eastern part of the country and Sami people live in the northern part. Sweden has a high percentage of foreign citizens; around 6% of inhabitants have foreign citizenship, although more than 2/3 of these are from the other Nordic countries. More than 140 language groups are represented in Sweden.

- At the beginning of the 1990s, the number of children born was relatively high but has since declined and although the Swedish fertility rate is still among the highest in Europe it is the lowest of the Nordic countries, at 1.6 in 1996. Children aged 0-6 years have increased as a proportion of the total population and currently constitute 9%. Life expectancy in Sweden is among the highest in the world - 76.5 years for men and 81.5 years for women in 1996. Older people aged over 65 comprise 17.4% of the total population.

- 3% of the labour force is employed in agriculture, 26% in the industrial sector and 71% in service industries. The general activity rate is 78% with an unemployment rate of 11% in 1996, and - an unusual trend - is slightly higher for men (11.5%) than women (10%).

- Old age pensions provide a high replacement rate, around 65% of earnings which is only surpassed in Germany. An Average Production Worker (APW) pensioner couple will typically have a disposable income of SEK 136,555 per year and a single pensioner SEK 87,172 per year after taxes. The APW disposable annual income for a family with 2 children including family benefits is SEK 218,261.

- A relatively high proportion of GDP is spent on social expenditure (40%). Of this the state funds 22.2%, the municipalities and the counties 33.9%, while contributions from individuals and employers cover 43.9%.

4.1.
Introduction

Sweden is renowned for its almost uninterrupted Social Democratic rule since WWII which has helped create a welfare state in which universal coverage and high levels of social protection prevail. Social services for children and older people have for a long time constituted core benefits in the Swedish welfare state, with high quality services provided. Public services also have an important

employment function in providing job opportunities for a high number of particularly female employees. Acknowledging the important position of these benefits, the governmental response to recent economic restraints has thus been to cut cash benefits rather than services. Provision of services should ensure that older people receive the care and attention needed for them to participate in society and that children are cared for in a stimulating and supporting environment while parents are working or studying.

4.2.
A history of care

The Poor Laws

As is found in many other countries, the Swedish social services developed from local initiatives for needy older people where individual parishes were responsible for local assistance. The Poor Laws of 1847 and 1871 required municipalities to set up local poor assistance boards and later reforms supplemented assistance for the poor with laws on alcoholism and residential care for children. As part of the policy to deter people from accepting public support people sometimes lost certain civil rights, e.g. people permanently provided for under the poor laws were denied the right to vote. A general characteristic for public intervention at that time was that assistance was not differentiated according to need and poor houses sheltered all sorts of people abandoned children, older people without means and people who were physically disabled. Under the 1918 Poor Law, municipalities were for the first time required to provide separate homes for older people but only a few were set up in subsequent decades. Although the main form of assistance focussed on expansion of institutional care, not all policies for older people aimed at institutional care. At a relatively early stage compared to other countries, generous state grants were provided for the establishment of pensioner apartments in the general housing stock (Antman, 1996).

Providing for the poor, and the middle-class children

For children, privately-initiated creches for children of the poor had been set up from the mid-1800s, offering elementary learning and a place to stay while their parents were working. Around 4,000 children participated in these charity activities. A more pedagogical approach was established at the turn of the century when the first Fröebel inspired part-time day care centre was set up mainly for middle-class families, allowing mothers a break for a few hours while the children received some education. Around the same time, day care centres for children of workers was set up by the Moberg sisters, who had also been inspired by the German Volkskindergarten and by 1912 state support was available for this kind of day care (Antman, 1996).

The People's Home

With the Social Democratic Party in power from 1932 and the subsequent 44 years, the building of the Swedish 'Peoples' Home' became a high priority area

and the development of social policies during this period strongly reflects the welfare ideology of the leading political party. Supported by prominent scientists such as the Myrdals, the new government of 1932 established a committee to look into the declining birth rate and mothers' problems in combining employment and child rearing. Women's employment rights were at this time limited; employers were forbidden by law from employing women during the weeks preceding and following birth. The situation improved somewhat in 1937 when women gained 3 months of unpaid maternity leave. Improvements also involved day care which was for the first time acknowledged as a public policy concern. Full-time day care in centres was seen as a prerogative for female participation in employment and thus as a support for low income groups, whereas part-time groups were to provide for children's needs for play and socialising with other children and also to relieve mothers. From 1944, municipalities were encouraged through help from state subsidies to build new facilities. Day care provision expanded in the period following WWII, mainly in the part-time groups where more than 90% of children had a non-working mother. In addition, subsidized domestic care was provided by home help, the so-called hemvårdarinnor, for families with children when the mother was giving birth or during illness (Antman, 1996; Knutsen, 1989).

Expanding public provision

In 1950, modernisation of social legislation was undertaken. Together with the reform of the People's Pension in 1948 and the subsequent establishment of the superannuation system, this meant that care for older people was finally separated from the poor assistance. Domestic help for older people who did not live in an old age home was available on a more informal basis through parish sisters, district nurses and so-called hemsamariter but this had so far not been regulated, nor established on a large scale. During the 1950s, however, when institutional care for older people was proving expensive, public domestic help for older people was introduced as an alternative to old age institutions. In time, the home help developed into a full-time professional worker for both children and older people.

Overall, the state continued taking responsibility for supporting people during childhood and old age; public provision of day care increased from 7% to 36% of total provision in 10 years and in 1956, women became entitled to payment during 3 of the 6 months of maternity leave. In the same year, it was decided that children were no longer legally obliged to support or provide care for their aged parents (Socialstyrelsen, 1988). During the following 15 years, social services continued developing in scope and scale. In particular, social services for older people expanded drastically and still within the institutional frame work. Generous state grants for municipal establishment of old age homes resulted in

a boom in the number of old age homes for older people. Increasing longevity had, however, created a need for more medical care and attention so in building homes, differentiation was made between residential homes for relatively healthy older people and nursing homes for frail, older people needing medical care. During these years, easier access to social services was also facilitated by reform of social legislation resulting in centralisation of social administration through which the principle of unified access gained influence. Following an intense public debate in the 1960s, which was partly initiated by the newly established pensioners' organisations, modernisation of out-dated old age homes began and the home help service was both extended to more clients and improved in quality.

Feminisation of the labour market

The 1960s was also the decade when women gained access to the labour market, and more married women than ever before started working. The feminisation of the labour market was particularly marked within the public service sector which expanded in these years. Supported by the law on maternity leave in 1974, women were now able to maintain their position in the labour market after birth. With women in paid employment, the need for day care grew and in 1963 a statutory subsidy for child day care centres for also younger children was introduced. The centres were obliged to follow strict norms and guidelines developed by a supervisory public authority. Basic education for nursery teachers became part of the general education system in upper secondary schools in 1971 and in 1975 the municipalities agreed to extend day care services further (Antman, 1996; Gunnersson, 1994).

De-institutionalisation

A non-socialist government took power in 1976 but continued the emphasis on improving women's employment rights. While institutional care for children developed, the general policy for older people was however now based on care in the home. From 1970 onwards, many institutions were closed down and re-modelled as independent accommodation, such as sheltered housing. Home help gradually became the prime method of public support and the expansion of services to older people continued until it peaked in 1978.

Social Act of 1982

In 1982, a new Social Act was passed, finally establishing the municipal obligation to provide social services for children and older people. The act laid down the principle of individual rights to services but municipalities maintained a discretionary right to determine which services should be provided and when. Services were to be needs-led and tailored to match individual resources and provision of welfare was to take place on a holistic basis and to allow continuity, flexibility and a local focus.

Day Care Guarantee

After having won the 1982 election, the Social Democratic Party underlined public responsibility by passing a resolution that national government and local authorities were to expand and develop public day care for children. From 1991, children aged 1½ years to school age were to be entitled to a place in organised day care. Entitlement encompassed children whose parents were either in work or studying. Parent-initiated day care also started increasing in these years and the state subsidy system was changed so that these day care arrangements could receive financial support. During the election campaign the non-socialist parties had argued for a care allowance for parents to stay at home instead of extending labour market rights but the Social Democratic government chose to introduce a right for parents to 12 months maternity leave on nearly full pay and 90 days at a flat-rate payment.

Elder Commission

A few years later, the de-institutionalisation approach was supported further by the final report of the Elder Commission *(Äldreberedning)*, set up in 1980. This established that most older people wanted to continue with an independent lifestyle in their own homes and thus recommended that domestic services were provided instead of accommodating older people in institutional settings. The state subsidy for residential care was subsequently replaced by financial support for domestic care. New lines of thought in these years started influencing ways of service delivery and during the 1980s, a number of municipalities experimented with privatisation of peripheral care services for older people - but overall public commitment to the provision of welfare was withheld. A lively debate also took place over how future care for older people should be shaped and what the scope for expansion should be. At the end of the decade, the agenda changed to focus more on the disadvantages of the division in responsibility for older people, with municipalities having responsibility for residential and domestic care and counties for nursing homes and hospitals, rather than expanding the volume of services.

Growing economic problems

Sweden had become used to relatively high growth rates, even during the oil crisis years. The 1980s, however, started with a sharp increase in unemployment, which was at first reduced through devaluations of the Krona. The following years were characterised by growing economic problems caused by an overheated economy with labour shortages and high inflation rates. The Social Democratic government initially chose to maintain high levels of coverage in services and high replacement rates in cash benefits, and decentralisation and strengthening of local autonomy were emphasised as a prerequisite of further privatization. During the early 1990s, however, various unsuccessful attempts to restore the economy were made, including cuts in cash benefits and a reduction in the marginal rate of income tax.

The crisis package

The unresolved financial problems, coupled with demographic changes, political instability and growing demands for welfare, led to the formation of a non-socialist party coalition in 1991. In the following year, a crisis package was agreed with support also from the Social Democrats. The package included cuts of SEK 10 billion a year, including reducing the base amount from which all cash benefits were calculated. Parental leave benefit was cut to a replacement rate of 80% and one month of the leave was reserved for the father. The latter was put forward also as an assertion of equal rights policies but in practice it represented an additional cut as fewer men than women would use the 30 days. Local requirements of cost-efficiency were withheld since the municipal tax ceiling introduced a year earlier was maintained. But in general, the cuts were mainly in cash benefits as cutting social services was considered to cause irreversible effects on living standards, whereas cash benefits could be increased again when public finances improved (Palme & Wennemo, 1997).

The parents care allowance again

However, not all innovations in the crisis package were cuts. The Conservatives and the Christian Democrats who favoured increasing individual choice, succeeded in passing the proposal for a Care Allowance for parents which they had previously made. From 1993, parents who wished to care for children aged between 1-3 at home would be given SEK 2,000 monthly before tax for a period of 24 months in addition to the 12 months parental leave. Instead the 90 days flat-rate maternity payment was abolished. Private, for-profit making agencies providing children's day care were also favoured as they could now receive state subsidies along with public and parent-initiated day care.

Ädel-reform

One of the major reforms introduced by the new government was the Ädel-reform which was originally introduced by the Social Democrats in their last year of office. Municipalities were now made responsible for the institutional care of older people and disabled people - previously this had been a county responsibility. This created an incentive for municipalities to provide sufficient home care services in order to postpone institutionalisation.

Extending the day care guarantee and abolishing the care allowance

Under the new government the day care guarantee was extended so municipalities would be obliged to offer all children aged 1-12 whose parents were gainfully employed or studying a place in public or private child care, starting in January 1995. When the Social Democrats came into power again in 1994 they abolished the Care Allowance for parents and reintroduced the 3-month flat-rate benefit in parental leave, but the replacement rate for the preceding months was reduced.

Emphasising the educational aspects of day care for children

The latest initiatives within day care for children is the transfer of the administrative responsibility from the social system to the education system, in order to ensure children the possibility to learn throughout their childhood, not only in the years they attend school. Day care for children is now the responsibility of the National Agency for Education.

Sweden of two decades

Looking back, the 1980s appear to stand out as the decade when the individual rights to receive and local obligations to provide public services were cemented. In stark contrast, the 1990s were the years when financial constraints and demands for more choice have led to a need to find new ways of providing welfare. The competitive element in the organisation of services has increased and more and more services are provided by a non-public agent. This has invariably led to a focus on the quality of services provided in both public and private sectors. The new Social Act which was implemented in January 1998 thus sets out the standards and organisational competences in detail for the first time and also considers the need for more support for informal carers.

4.3. Financing

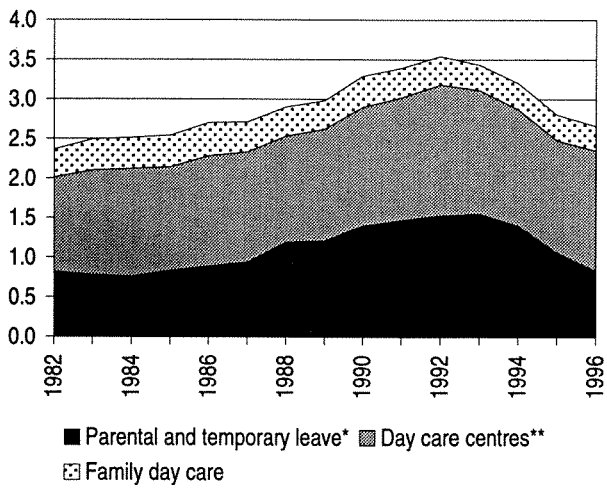
4.3.1. Social expenditure

During the 1980s, social expenditure nearly doubled, from SEK 197,000 m in 1982 to SEK 336,734 m in 1987. Due to growth in GDP, however, social expenditure as proportion of GDP remained constant at around 32-34%. With the crisis of the early 1990s, the former surplus in state finances became a deficit of SEK 244 m in 1993 and during 1991-1993 GDP growth rates were negative. In this decade, Sweden went from being one of the most affluent countries in the world to having a GDP per capita of slightly below the EC average. Despite large cuts, social expenditure as a proportion of GDP rose during these years, partly because of negative growth in GDP and partly because of rising unemployment, where expenditure on unemployment benefits as a proportion of total social expenditure rose from 4.8% in 1988 to 10.1% in 1993. Social expenditure in 1996 accounted for 40% of GDP (Statistiska Central Byrån, 1997).

Demographic changes - with an increase in the fertility rate in the 1990s and growth in the number of older people, especially the very elderly - are evident in the rise in expenditure for older people and children up to the financial crises set in. Costs of care benefits for children, such as day care and parental leave increased by 184% from SEK 29,312 m in 1982 in fixed 1990 prices to SEK 54,017 m in 1993 when expenditure levels peaked. Expenditure for day care alone rose from SEK 19,317 m in fixed 1990 prices (1.6% of GDP) to SEK

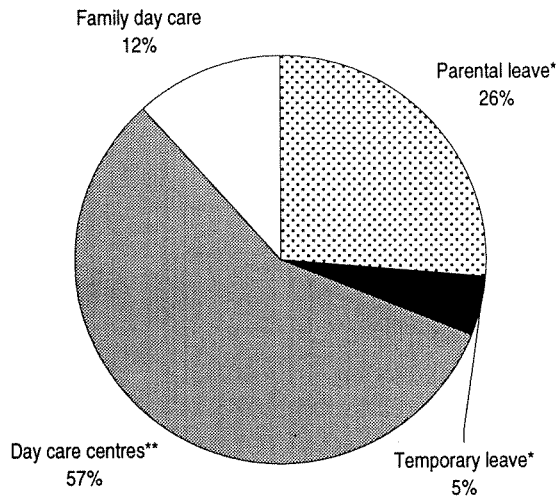
32,161 m in 1993 (2.1% of GDP). From 1990-93, costs of day care for children remained stable despite the fact that intake was greatly increased during these years. The crisis years are most apparent in the expenditure for parental and temporary leave which declined as part of GDP from 1993 onwards (Figure 4.1). In 1996, costs for day care amounted to SEK 32,161 m in fixed 1990 prices, and for leave schemes SEK 12,194 m For families with children, the majority of expenditure was on day care whereas parental leave took 1/4 of expenditure (Figure 4.2).

Figure 4.1.
Development of the net-expenditures for main social services and cash benefits for children (0-6) as a percentage of GDP, 1982-1996.



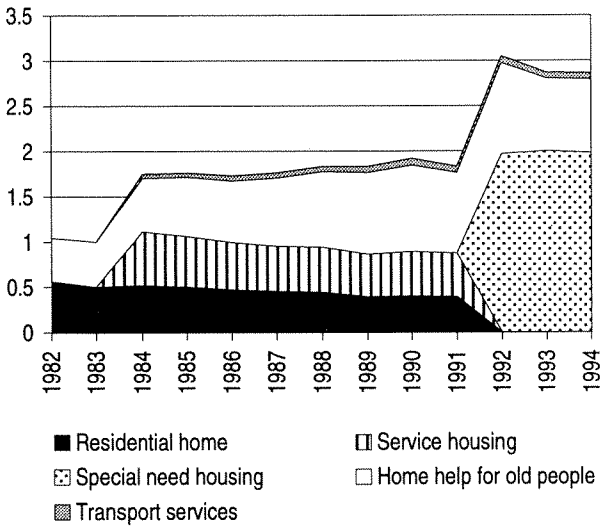
Source: Statistisk Central Byrån (SCB): Socialutgifterna och utgifternas finansiering. Statistiska Meddelanden Serie S42 (annual publication 1982-1992), SCB, Stockholm. Socialstyrelsen: Socialutgifterna och socialutgifternas finansiering. Socialtjänst statistik (annual publication 1993-1996), Socialstyrelsen, Stockholm. RFV: Socialförsäkring 1995 och 1996. SCB (1998): Personal communication.
Note: * Gross expenditures. ** Including net-expenditures for part-time groups and leisure-time centres.

Figure 4.2.
Division of the net-expenditures for main social services and cash benefits for children (0-6), 1996.



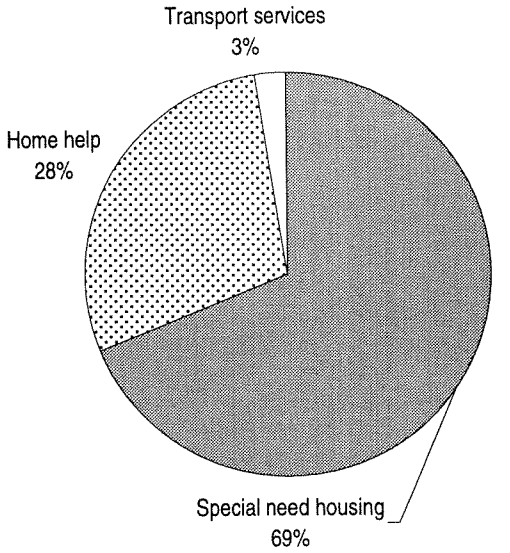
Source: RFV: Socialförsäkring 1995 och 1996. SCB (1998): Personal communication.
Note: * Gross expenditures.** Including net-expenditures for part-time groups and leisure-time centres.

Figure 4.3.
Development of the net-expenditures for main social services and cash benefits for older people (65+) as a percentage of GDP, 1982-1994.



Source: Statistisk Central Byrån (SCB): Statistical Yearbook (annual publication), Stockholm; SCB: Kommunernas finanser (annual publication), Stockholm; Socialstyrelsen (1996): Nya förutsättningar, bättre incitament, Socialstyrelsen, Stockholm; SCB: Socialutgifterna och utgifternas finansiering. Statistiska Meddelanden Serie S42 (annual publication 1982-1992), SCB, Stockholm; Socialstyrelsen: Socialutgifterna och socialutgifternas finansiering. Socialtjänst statistik (annual publication 1993-1996) RFV: Socialförsäkring 1995 och 1996.
Note: Expenditure for residential homes not including expenditure for nursing homes.

Figure 4.4.
Division of the net-expenditures for main social services and cash benefits for older people (65+), 1994.



Source: Socialstyrelsen (1996): Nya förutsättningar, bättre incitament, Stockholm. RFV: Socialförsäkring 1995 och 1996.

Care for older people showed similar increases in costs.[1] In 1984, costs of residential care, home help and other services for older and handicapped people amounted to SEK 25,513 m (1.75% of GDP) rising to SEK 44,742 m (2.85% of GDP) in 1994. The increase in costs for older people is partly explained by the Ädel reform, where municipalities took responsibility for long-term care in geriatric wards and this was included in the budget; around 50% of the increase can be explained by this administrative change (Socialstyrelsen, 1996a) (Figure 4.3). Expenditure on residential care and service housing, the so-called Special Need

1) Including costs for handicapped people aged under 65.

Housing, took the largest proportion in services for older people, with home help taking nearly one third (Figure 4.4).

4.3.2. Division in financial responsibility between the State and municipalities

Social services are mainly funded from state grants and municipal subsidies based on local tax revenue. During the 1990s, regulations surrounding the state grant have changed several times. In 1993, earmarked grants were replaced by a block grant and from 1996, a new tax distribution scheme was introduced in order to redistribute tax revenue more evenly among the municipalities. The redistribution attempts to even out differences due to for example, age compositions in local populations. Within child care, the income levelling system takes account of the age of children and the need for day care. The latter is calculated on the basis of parents' employment rates, tax revenues and population density. Within care for older people, age structures, gender distributions, occupational backgrounds, family patterns and also population density serve as the basis for calculation (Socialstyrelsen, 1996c).

Table 4.1.
Source of financing (%) and gross expenditures (m SEK), main social services and cash benefits for older people (aged 65+) and children (aged 0-6) for latest available year.

	Year	Gross expenditures (m SEK)	Sources of financing (%)*				Total receipts (m SEK)
			State	Local authority	Employer	Client	
Children:							
Parental leave*	1993	19,093**	14,31	..	85,69	..	20,014
Temporary leave*	1996	2,221	..	..	..	..	..
Paternity leave	1996	385	..	..	..	..	..
Day care centres	1996	29,477	1,74	84,95	..	13,31	..
Family day care	1996	6,283	0,48	81,63	..	17,89	..
Older people:							
Special need housing*	1994	33,006	1,83	88,83		9,34	29,325
Home help*	1994	13,261	0,98	92,78	..	6,24	12,602
Home care allowance	1996	33,000	..	..	..	..	..
Transport services*	1994	1,250	0,42	89,32	..	10,26	1,189

Source: SCB: Kommunernas finanser (annual publication), Stockholm. Socialstyrelsen (1996): Nya förutsättningar, bättre incitament. Socialstyrelsen, Stockholm. Socialstyrelsen (1996): Socialutgifterna och socialutgifternas finansiering. Socialtjänst statistik. RFV: Socialförsäkring 1995 och 1996.
Note: *Sources of financing of the total receipts and not of the gross expenditures. ** Excluding 'Daddy-days'.

The state grant as a proportion of total expenditure on social services has diminished by 23%, or SEK 15 b during the 1990s. In 1994, the state grant made up 2.1% of care for the older and handicapped people, whereas there were no longer specific state grants for day care for children (Statistiska Central Byrån, 1997). This is partly due to the withdrawal of certain state transfers and because the grant was not indexed. The grant will not increase in future years, so new municipal investments can only be made if municipalities can find ways of financing other than local taxes and income levelling. State funding in 1996, however, made up nearly 2% of costs for day care centres and 0.5% of costs for family day care (Table 4.1). Tax levels have remained constant in recent years, since a municipal tax ceiling was introduced in 1991-93 and increases in taxes have since then resulted in fines of a certain percentage of revenue.

Overall, Swedish municipalities have been hit hard by economic recession. At the same time as the ban on raising municipal taxes and reduced state subsidies for social services were introduced, municipal revenues were reduced due to economic recession by 11 per cent from 1994 to 1995; during the same period, municipal expenditure has been reduced by only roughly 8 per cent. Budgetary cuts in municipal social service expenditure has been highest in child care, especially in the large cities where costs were reduced by almost 15% in both 1993 and 1994 (Björnberg & Eydal, 1996). A majority of municipalities have announced that the 1997 budget would also include cuts. Child care is to be cut by approximately 3.5%. Cuts are possible because of reductions in demand as more parents are unemployed, and fewer children are born but also because of decreases in staffing levels and a higher number of children in day care groups. Care for older and handicapped people has also been cut, on average by 2% of total expenditure (Socialstyrelsen, 1996c).

4.3.3. Employer and employee contributions

Employers and employees are the main contributors to social insurance schemes providing 55% of total costs. Sweden is characterised by its relatively large employer and employee contributions among the Nordic countries. Included here is parental leave of which 86% is funded by employers through a collectively paid social insurance fee, and the remaining 14% by the State (Table 4.1).

4.3.4. User fees

The municipalities are by law entitled to charge for services. Fees must not exceed real costs but otherwise each municipality has discretion to determine the levels of charges and the criteria for assessing means. Economic decline has led a number of municipalities to increase the level of fees in recent years. On average, fees comprised 16% of total municipal expenditure in 1995. In services,

fees for day care were in general higher, on average (16%) than fees for care of older people, at 6% of expenditure on home help and 8% on special needs housing. Transport services are charged at a slightly higher rate accounting for 10% of costs (Table 4.1).

4.3.5. Funding of voluntary work

Although the Swedish non-profit sector has developed more in the areas of culture, leisure and advocacy several organisations operate alongside statutory arrangements - especially in day care for children where a number of newly-emerging parental cooperatives have gained ground in recent years. Most of these work under agreements with local municipalities on the intake of children and receive subsidies similar to those of public day care institutions. A number of associations and foundations also provide services using subsidies from the state, and most are exempt from tax. Many Swedish non-profit organisations receive their funding from lotteries or other forms of gambling (Lundström & Wijkström, 1997).

4.3.6. Private funding

Similar to the nonprofit organisations, a number of private for-profit providers, which operate especially in the area of care for older people, also often work under contract to a local municipality for the provision of a certain level of services.

4.4. Provision

4.4.1. Public provision

The municipalities are obliged by law to support and provide care for older people and children and the majority of social services are provided within the statutory sector. Public providers thus care for 88% of the children in day care and 95% of services for older people are provided directly by the public sector. Although municipalities are bound by the obligation to provide certain services, de-centralisation of decision-making means that every municipality has discretionary power over the provision, scope and organisation of services and can choose to purchase private services as well as provide it themselves. The financial constraints which the municipalities have had to operate within has made cost containment a prime goal and municipalities have been encouraged to lower costs by contracting out, also in order to offer an alternative to publicly delivered services. As a result, the proportion of services provided by the private sector or provided within the family has been increasing in recent years.

4.4.2. Private for-profit provision

Private agents and organisations have a fairly long tradition for provision of services with state financing in Sweden and during the 1990s private provision has expanded as a consequence of the Conservative-Liberal government's strong support for the private sector in the early 1990s. Tenders were invited for care of older people, either in the form of public competition where citizens choose which public unit shall provide services or in the form of mixed markets, where private providers can tender. The process of privatization has also been supported by increasing use of the purchaser-provider split model - or the BUM model as it is named in Sweden. The return of the Social Democratic Party to power in 1994 did not change the facilitation of private provision, as private providers proved able to provide cheaper and equally good or even better quality of service. In general, people increasingly trust the private sector to provide services; in a 1992 survey, 10% of respondents identified the private sector as the best provider in general compared to 5% in 1982 (Svallfors, 1997).

With regards to for-profit provision of services, Sweden is now perhaps the country among the Nordic countries where the spirit of commercialisation has resulted in the greatest changes, especially in care for older people where commercial provision accounts for 5%. Private providers such as Riksbyggen and HSB, Samhall AB, Partena Care AB, Svensk Hemservice and Senior Praktikertjänst AB operate especially in housing for older people, the so-called Special Needs Housing, where 8% is provided by private companies, and in home help services where 4% of services are privately delivered. In a few municipalities, including Danderyd, service vouchers for auxiliary care have also been introduced in order to strengthen consumer choice. In all, the total net gain from contracting-out services in care for older people is estimated to be SEK 130 m, or 4-5% of total expenditure (Johansson, 1997; Socialstyrelsen, 1996c).

The Conservative-Liberal government also ensured state funding for for-profit provision of day care for children. In 1995, 2% of children in day care centres were in an institution provided by a for-profit agency. Most services are, however, operating mainly as quasi-markets, in the sense that municipalities are responsible for the assessment of needs and for financing of the services. Users are seldom presented with alternative services; real choice is thus limited (Socialstyrelsen, 1996f).

4.4.3. Private non-profit provision

The main increase in private day care, however, has taken place in the non-profit sector, where the number of parents' cooperatives has boomed in recent years. Since 1991, these cooperatives have also been able to receive public financial

support and today care for 6% of children in day care centres. The distribution of parent cooperatives is, however, very unequal, and they are mainly found in the Southern part of Sweden and in the bigger cities where waiting lists are also the longest (Socialstyrelsen, 1996a). In all, the private non-profit day care provided outside the municipal sector covers around 9.5% of children in day care institutions. The increasing financial support for private non-profit day care reflects the popularity of the schemes, with opinion poll support increasing from 10% in 1986 to 18.5% in 1996. At the same time, however, support for public provision of day care has risen from 49% to 64% (Svallfors, 1997). Private non-profit services for older people mainly consist of leisure and social activities and visiting services; some voluntary organisations also organise self-help groups for informal carers. Pensioners' organisations are, however, strong players in political life and have great influence in the development of policies for older people (Socialstyrelsen, 1986).

4.4.4. Informal provision of care

Informal help from families, relatives and friends is facilitated by the institutional arrangements for service and cash benefits. A number of cash benefits are available for informal care, and carers can be directly employed by the municipality to care for older people and handicapped children. Informal care for children in need of day care is facilitated by long parental leave periods and parents make use of this to a large extent. The long tradition of concern for families with children and the goal to reconcile family and working life has resulted in improvements in the length of the leave period. At the same time the lowering of the earnings replacement rate of parental leave has worked against the ability of parents to look after their children at home.

Policy formulation on informal care is, however, mainly directed towards older people and their carers. Municipalities in the 1980s undertook to support carers with services and compensation for loss of income. Public home help for older people covers a large number of people and Sweden is only exceeded by Denmark in this. However, the contribution from informal carers is far from neglible. During the 1980s and 1990s public help has increased for personal care while cleaning seems increasingly to be taken care of by family members and friends (Socialstyrelsen, 1994). Nearly one in twenty home help is a family member who is employed by the municipality and help from family members is estimated to exceed what is provided by public support. This is so even though most older people (77%) prefer to receive help through public support (Socialstyrelsen, 1996d). In the amendment to the Social Act which was implemented in January 1998, carers' needs are for the first time included in municipal obligations to provide support and help and many municipalities have noted increasing interest

from carers in being supported and helped, for example, through respite care. Central government has also recently set aside an amount to experiment with new methods in supporting carers (Wallskär, 1998).

4.5. Organisation

4.5.1. Central government bodies

The main Ministries responsible for social services are the *Ministry of Health and Social Affairs* which deals with services for older people and cash benefits and the *Ministry of Education* to whom the responsibility for child care was transferred from 1 July 1996 in order to strengthen the educational aspects of day care. Each Ministry is responsible for developing policies on their policy area, whereas implementation and administration is the responsibility of more than 100 Central Government Agencies. These also plan, support and follow up the different Government programmes and activities, can be consulted on various legal matters and may exercise a supervisory function. In many cases, agencies also have authority to allocate Central Government grants (Socialstyrelsen, 1988). The main agency for social services is the *National Board of Health and Welfare* which is the agency responsible for the supervision, planning, coordination and follow up of matters of concern to the social services for care of older people. Social security cash benefits are the responsibility of the *National Social Insurance Board*. Day care for children is supervised by, the *National Agency for Education*, under the Ministry of Education.

4.5.2. Regional bodies

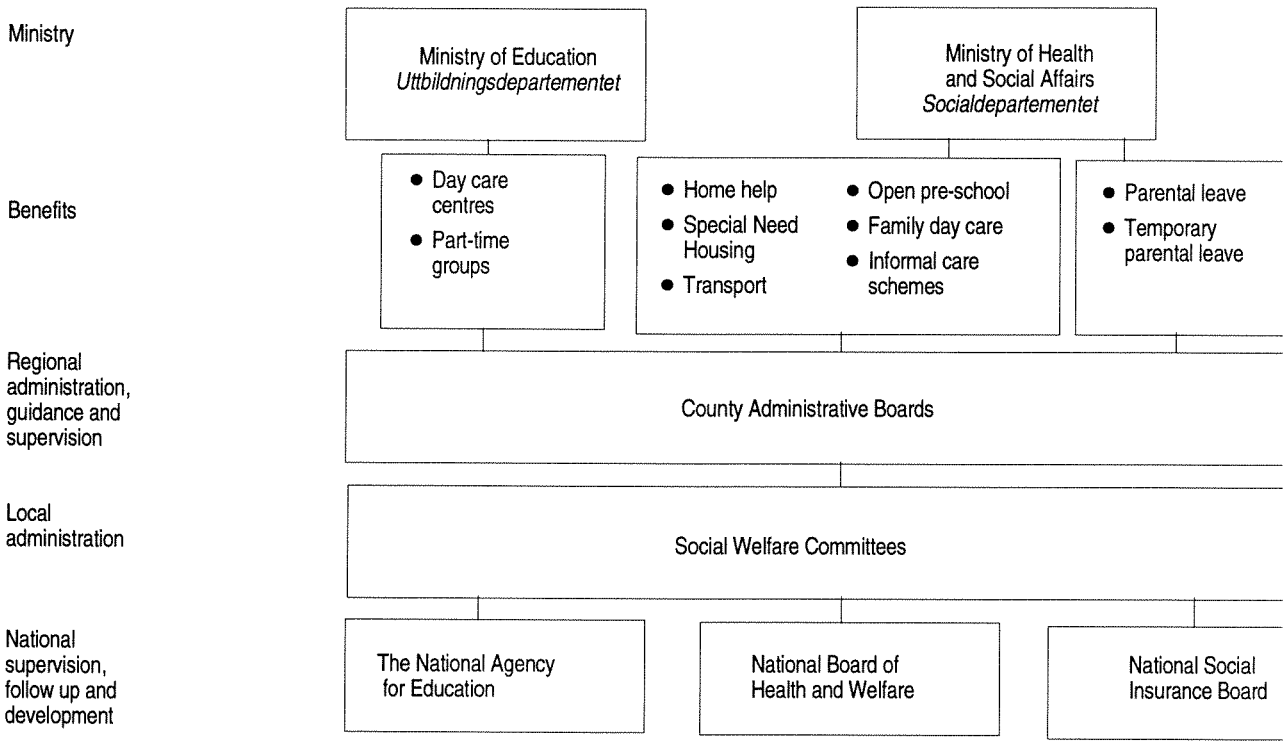
Sweden, like Denmark, has a two-tier system of local government divided into municipalities and counties. The 21 county councils each have a *County Administrative Board* headed by a politically-appointed Governor and hold a supervisory and advisory function for municipal activities. This function has gained more importance since the increase in private provision. The county councils also inform and advise the general public on social service matters.

4.5.3. Local government

At local level, the 288 municipalities have responsibility for social services. Different *social welfare committees* are directly responsible for social services. The municipalities enjoy a high extent of freedom, levy their own local income taxes as part of general taxes and largely decide the scope and composition of services. However, local tax rates must not exceed a pre-agreed ceiling established in consultation with Central Government and services must conform to standards and norms set by Parliament and Central Government (Batley & Stoker, 1991).

The social welfare committees are further encouraged to consult users of services and user representatives. The County Administrative Boards oversee decisions made by the committees. Most municipalities have reorganised their administration so that in some purchasing is separated from provision. In others, responsibility for a policy area is devolved to outcome units, so-called resultatenheter, with its own budget. Sometimes the size of the budget depends on the results achieved (Socialstyrelsen, 1995).

Figure 4.5.
Organisational structure



4.6.
Caring for children

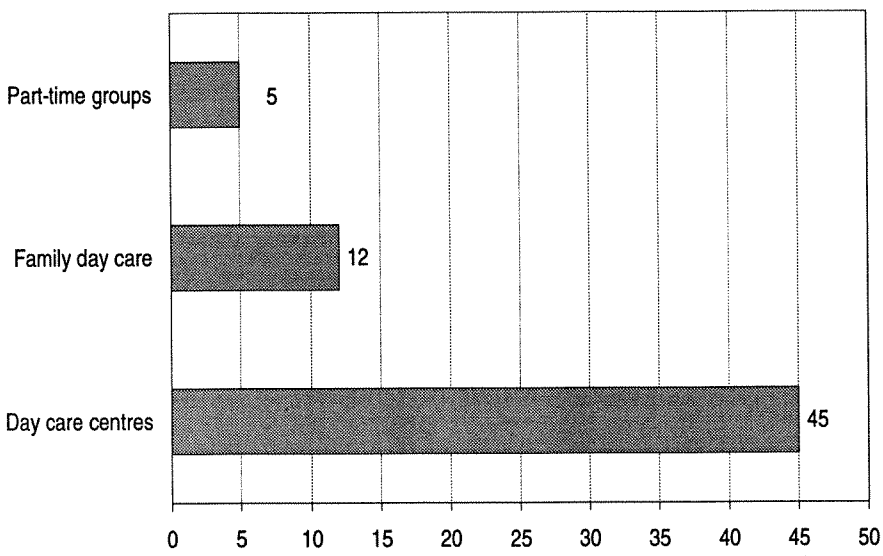
4.6.1. Introduction - Main services and cash benefits

Swedish parents enjoy a relatively long *Parental leave* period which is also flexible as parents can prolong the leave period by only taking a fourth, part-time or two thirds of the leave. The system facilitates both parents spending time with their child by requiring that 30 days are reserved for the other parent, the so-called *'daddy-days'*. Parents have a corresponding *right to reduce their working hours*. During most of the leave period parents are compensated by an income-related benefit. On top of parental leave the father is entitled to 10 days *Paternity*

leave following the birth. If children are ill or the normal carer is ill, the parent can obtain leave from work for up to 60 days per year while receiving *Temporary parental leave benefit.* A few parents make use of a public *Child carer* or a *home carer* during illness.

Municipalities provide day care for children of working parents and parents engaged in educational activities. Children with special needs are also entitled to a place in day care. *Day care centres* provide for the bulk of children enrolled in day care. Some are run by *Parental cooperatives* which have become very popular recently. For children aged 3-6, public and private *Part-time groups* providing nursery education are open during school terms for 3 hours a day. These are mainly used by 6-year-olds. Separate *Reception classes* within the primary school are also being set up now for this age group. An option for children who are cared for by a parent is to use *Open-pre-schools* where children can attend accompanied by a parent or other carer once or twice a week to play with other children. *Family day care* is provided in the home of the child or in the family day carer's home (figure 4.6).

Figure 4.6.
Day care arrangements, enrolled children (aged 0-6) as a percentage of the age-group, 1996.



Source: Socialstyrelsen: Barnomsorg 1996, Stockholm.

4.6.2. General principles for care for children

Family policy in Sweden has traditionally focussed on the need for parents to reconcile work and family life, initially because of falling birth rates and later in order to attract women into the labour market. Provision of public day care for children therefore serves two major purposes, on the one hand to enable both men and women to combine parenthood with gainful employment and, on the other hand, to support and stimulate the development of the child and encourage a good childhood through educational and stimulating day care (Socialstyrelsen, 1996f; Leira, 1987). In accordance with the rise in particularly female activity rates, the municipal obligation to provide day care for children has been extended in recent years; first, children aged over 1 but under school age were offered a place in full-time day care and later, this was expanded to all children aged under 12. Sweden has thus, like the other Nordic countries, introduced a child care guarantee for children for whom day care must be provided without unreasonable delay. Children aged under 1 are not covered by the day care guarantee since the long parental leave covers this age group and municipalities are free to decide whether or not to offer provision for this age group.

The day care guarantee has recently been tested in court and it was decided that there is a subjective right to a place, which implies that individual need must be proven before a place is provided (Socialstyrelsen, 1996c). Admittance on grounds of need includes parental employment and educational activities and criteria also include whether the child is disabled or has special social needs. As a consequence of the harsh economic situation and the increasing number of children, eighty per cent of municipalities have introduced a restricted right to day care for children of unemployed parents. Today, only one in every ten municipalities allow children of unemployed parents a full time place in day care and seven in ten offer only a limited number of hours (Socialstyrelsen, 1996f).

For those children in day care, the educational content of day care should ensure that day care institutions cooperate with parents in order to "give children ample and comprehensive opportunity to develop their emotional and intellectual potential and become open and considerate individuals, capable for empathy and corporation with others, and of learning to seek knowledge for themselves and forming their own opinion" (Quoted in European Commission, 1996). In the new reception classes in particular, children should be provided with a sense of responsibility for nature and achieve a basic understanding about human beings, the life cycle, plants and animals, climate and environment, natural phenomena, forces and process, technology and mathematics. In the cultural sphere, reception classes should provide children with opportunities to explore ways of life and traditions, language and literature, art and craft, song and music, movement and

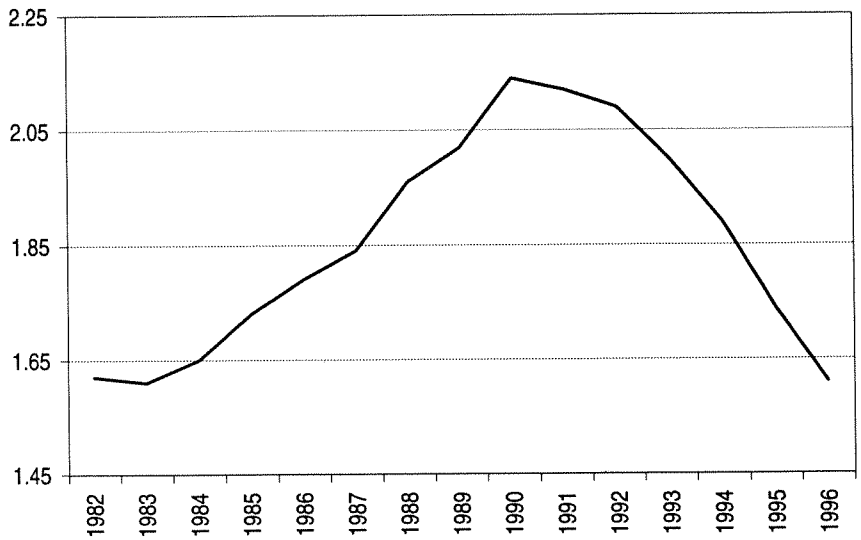
drama. In the social sphere, children are provided with experience and knowledge about their immediate social environment (Eurydice, 1998).

Children's day care and education for school age children has, however, been integrated so that children can take part in a process of life-long learning. Coordination between day care and education should thus be improved. The many bilingual children of Sweden's immigrant parents are entitled to support in their own language and groups in day care are often set up for children of the same language group with bilingual staff. 3% of all children in day care receive support in their own language while they are in day care institutions.

4.6.3. The need for day care

In the 1980s, Sweden experienced a drastic growth in the number of children born which put strong pressure on the day care system. Since the early 1990s, when the economic crisis set in, what has been called the "roller coaster fertility rate" has fallen nearly to the same level as in the early 1980s and the demographic pressure on the day care has today evened out. In 1996, when the fertility rate was 1.6 children per woman - far from the record of 2.1 in the late 1980s - children aged 0-6 made up 9.1% of total population compared to 5.7% in 1982 (Eurostat, 1997a; Statistisk Central Byrån, 1984 & 1997) (Figure 4.7).

Figure 4.7.
Total fertility rate, 1982-1996.



Source: SCB: Statistical yearbook of Sweden (annual publication), Stockholm.

Sweden is renowned for its high labour market participation rates of both men and women which has been facilitated partly by the expansion of day care for children. Although the unemployment rate rose from 2% in the early 1980s to 8.1% in 1996 and the general activity rate decreased from 84.4% in 1984 to 78.1% in 1996, the employment rate of men and women is still high. Women account for nearly half of the labour force and as many as 76% of women of working age are in employment compared to 80% of men. 41.8% of women work part-time compared to 8.9% of men, and whereas the proportion of women working part-time has not fluctuated much, the proportion of men in part-time employment has steadily increased from 6.8% in the mid-1980s (Eurostat, 1997b).

Most children grow up in families where both mother and father are working. In the 1960s, when fewer women participated in the labour market, only 2/3 of mothers were working. Today, only one in five mothers are not active in the labour market and Swedish women in general work more hours when they have small children (Socialstyrelsen, 1996f). Of mothers with children aged under 6, nearly two thirds work more than 20 hours a week (62%) but this is a fall from 73% in 1985. Of children in day care, 96% have a mother who works more than 20 hours (Socialdepartementet, 1997).

A number of families are, however, now excluded from having their children in day care as unemployed parents have limited right to a place for their children. The number of children of unemployed parents has increased to 14% of 1-6-year-olds. 13% of children of unemployed parents have lost their day care place although their parents wanted them to continue in day care, and 35% have had to accept fewer hours - on average 3 hours a day (Socialstyrelsen, 1996f).

Families with children make up 21% of all households. Families with children most often have one child (44.5%) or two children (39.4%). Fewer families have three or more children (16.1%). One in every five families with children is a single parent household (18%) but most parents with children are married (67%) or cohabiting (15%). Single parent families are mainly headed by women (85%) (Nordic Council, 1996).

4.6.4 Public cash benefits supporting child care at home

Due to public support for reconciliation of family and working life, Swedish parents enjoy a relatively long period of parental leave during which they receive compensation for loss of income. The length of the leave period has been extended over the years, whereas the compensation rate has been reduced as a

consequence of the cuts in cash benefits. As parents are entitled by law to reduce their working hours, with parental leave benefit parents can choose to be away full-time from work for 15 months, or for example part-time for up to 30 months. Parenthood is considered to be a shared responsibility between men and women. Fathers are therefore particularly encouraged to take leave which is why recent changes to the leave scheme have ring-fenced 30 days for the father.

Parental leave (Föräldrepenning)

Since 1994, Swedish parents have been entitled to 450 days, or approx. 15 months, of leave compensated with a benefit. All parents are entitled to the leave, regardless of whether they are unemployed or in employment, and whether they are natural or adoptive parents. As a unique feature, the right to leave is not tied to child birth but can also be taken in relation to adoption or during childhood. The mother is therefore not obliged to take parts of the leave immediately following birth. The leave can be taken from 60 days before the expected date of birth up until the child's 8th birthday or the end of the first year in school. Parents may share the leave or choose to let only the father/mother use it, but 30 days are reserved for the other parent, the so-called daddy-days. If these 30 days are not used by the other parent then they are lost. Single parents are entitled to 450 days also. Multiple birth gives entitlement to 6 months extra benefit for each additional child. Entitlement includes a job guarantee. Parental leave can be taken as a 25%, 50%, 75% or 100% leave period and thus covers 900 days if only 50% is taken. The parents can choose to both receive part-time benefit if the total amount does not exceed the total amount for only one parent. Parents, however, cannot receive benefit if they both stay at home full-time simultaneously, except for the first 10 days following birth when the father is entitled to a separate leave (see later section).

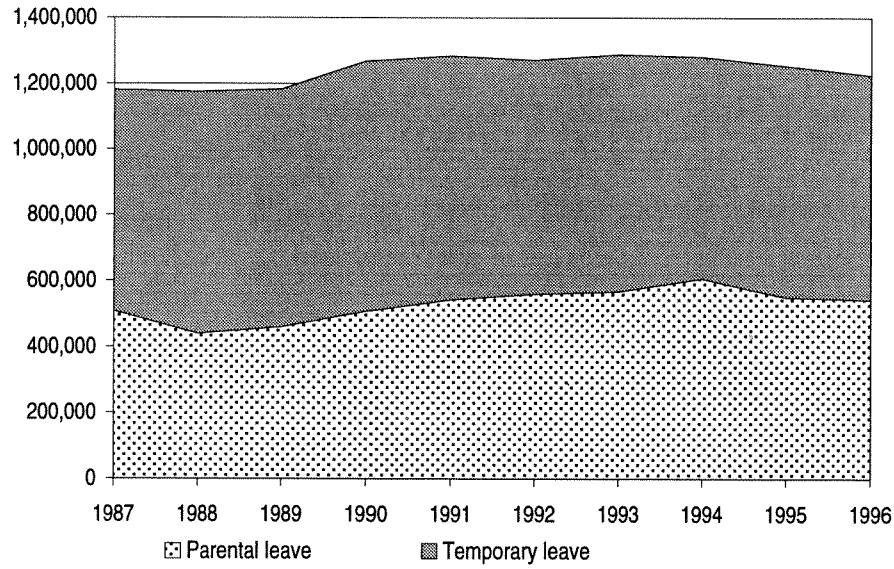
Benefit

For parents who have been in paid employment for a minimum of 34 weeks prior to the birth, a compensation rate of 80% of previous earnings covers the first 360 days with a maximum monthly benefit of SEK 18,200 in 1998. Income compensation has been gradually reduced recently, from 90% to 80%, then to 75%. From 1998, the compensation rate was raised to 80% again. If the parent has no earned income a minimum amount of SEK 60 is payable per day. For all parents, the remaining 90 days are covered by the minimum amount of SEK 60 per day. The benefit is taxed, provides pensions credits and entitles the employed recipient to a minimum of 5 weeks annual paid vacation. Parental leave benefit is financed through employer contributions and general taxation and is paid by local National Social Insurance Offices.

Recipients

In 1996, nearly ½ million parents used parental leave and during this year 100,000 children were born (Figure 4.8). Although the number of beneficiaries covers both fathers and mothers, a large number of parents thus use the leave for children aged over 1. The proportion of fathers using the leave has increased along with the expansion of leave days. Compared to one in four parents in 1987, eight years later one in three parents on leave were fathers who on average took 36 days each. Mothers use on average 90% of the days for which a parental allowance is payable and on average take 140 days leave. Nearly all men take some leave (78%) and one in ten take all 450 days (Swedish Institute, 1996).

Figure 4.8.
Cash benefits for maternity and parental leave, number of recipients, 1987-1996.



Source: RFV: Socialförsäkring 1995 och 1996.
Note: Recipients are exclusive the number of fathers taking paternity leave.

Temporary leave (Tillfälig föräldrapenning)

Parents of children aged under 12 are also entitled to 120 days temporary parental leave in the event of their child being ill or 60 days during the illness of the person who normally takes care of the child. Temporary leave also covers 10 days of paternity leave, which the father is entitled to following birth. A benefit of

80% of previous earnings is payable during the leave. Similar to parental leave, temporary leave can be taken as either part-time or full-time leave. In 1996, 685,000 parents received temporary leave benefit of which women took 69% of total days spent (Figure 4.8). 70,000 fathers received the benefit during the 10 days of paternity leave. On average 7.1 days were spent per child (Socialdepartmentet, 1997). Prior to July 1995, parents were also entitled to a two days paid parental leave per year to be used for example for the period when the child was starting day care. This has now been abolished.

4.6.5. Collective agreements

Entitlement to parental leave and reduction in work hours

To enable parents to make use of parental leave all employees are entitled to 1½ years of leave without pay and with full job security following child birth. Furthermore, parents with children are legally entitled to work shorter hours until the 8th birthday of the child, with a corresponding reduction in wages, both in the private and the public sectors. Collective agreements often provide a benefit supplement so that parents receive their full salary for up to 4 months of the parental leave period.

4.6.6. Services in the home

When the child or the person normally caring for the child is ill, parents usually have to stay home from work. In Sweden, parents can instead be helped by a public service in the home.

Child care and home care (Barnvård och hemvård)

Public home care (*hemvård*) is available for some families with children when the mother or the usual carer is ill. This was a frequently used service in earlier years when the prime caretaker, the mother, was ill. This home help service for families with children is, however, gaining less importance as most children are now in day care outside the home. If the *child* is ill and the parents are unable to stay home from work, for example with compensation through temporary leave benefit, a public child carer (*barnvårdare*) can take care of the child at home. The number of families receiving this kind of service in the home has declined. In the early 1980s in particular, the child care system was a relatively important option for parents who could not stay at home to look after their sick child. More than 35,000 families received this service in 1982 compared to nearly 6,000 in 1995.

Likewise the number of families receiving home care has decreased from nearly 20,000 in 1982 to 6,000 in 1990. The number of hours provided has also decreased for both services but hours per family have increased.

4.6.7. Public and private provision of day care outside the home

When Swedish children are not cared for by their parents they may be in a day care centre; these have expanded in number in recent years and constitute most of the day care provided. For older children, part-time groups provide play and educational activities during the school term and play activities take place in open-preschool on a part-time basis. Due to their limited opening hours these are not regarded as providing regular day care. Finally, children may be cared for in a more home-like environment with a family day carer.

Day care centres (Daghem)

Admission

The day care centre is the form of public day care which has expanded most since the 1970s. These centres provide full-time care for children aged 0-5, and often 6 also, although they formally belong to the reception classes now. Older children can also be enrolled. Parents apply for a place with the municipality where the need for day care is assessed according to whether the parents are in employment or are studying. If the child has special social or educational needs which would be met in a day care centre, the municipality can also provide a place on these grounds. Children are normally separated into toddler's groups for children up to three years and siblings groups from 3-6 years. Some times siblings groups comprise children aged 7-12 years.

Provision

The number of day care centres has increased from 13,000 in 1984 to nearly 20,000 in 1996. In recent years, centres have increased in size and the number has decreased, the advantage supposedly being that bigger centres have less difficulty coping with sickness among staff (Svenska Kommunförbundet, 1995). Non-public provision such as parental cooperatives have gained ground in Sweden along with provision from non-profit organisations, companies and others. These forms of day care arrangement have grown since the beginning of the 1990s from around 1,000 to the current 2,000 centres. Most of these consist of parental cooperatives where parents have set up the centre with financial support from the municipality. Parents cooperatives became equivalent to municipal day care in 1988 and from then have been entitled to state support. They are now the most popular private day care arrangements. The distribution of parent cooperatives is, however, very unequal, and is mainly found in the Southern parts of Sweden and in the bigger cities where waiting lists have also been the longest (Socialstyrelsen, 1996f). Staff cooperatives and church-provided centres have been eligible for state support since 1991 and in 1992 the right to set up day care centres was extended to for-profit providers. Around one in six centres are run by a non-public provider, mainly parental cooperatives which make up more than half of non-public provision (52%). One in six non-public centres (15%) are run by a church or sports organisation or political party, whereas 8%

are run by staff cooperatives. Around 13% are run by a workplace, often a hospital or university, and the rest are provided by various other non-profit providers.

Coverage

The number of children enrolled in day care centres has more than doubled, from 151,000 children aged 0-6 in 1982 to 362,000 in 1996, covering 45% of children in this age group compared to 23% in 1982 (Table 4.2). The expansion took place mainly in the 1990s after the introduction of the day care guarantee. In the years just after the guarantee was announced, private provision accounted for most of this expansion. 12% of children were in private day care centres in 1996, providing care for 45,600 children, which is three times as many as in 1991.

Fees

According to the Social Services Act municipalities should set fees at a realistic rate. Increases in fees are a policy in many municipalities as a strategy to reduce net costs. From 1990 to 1995 income from fees in all day care provision has increased from SEK 1.7 billion, or by 40%.

The increase in the proportion of total costs is, however, also a result of reductions in expenditure in day care. For child care in general, fees have increased from 9% in 1988 to 14% in 1996 (Socialstyrelsen, 1998).

Fees are normally calculated on the basis of income and the number of children in the family, but in 15% of municipalities fees are set irrespective of income. Municipal variation in fees is thus great, with differences of almost 70% between the lowest and the highest fees for the same income groups (Björnberg & Eydal, 1996). An average income family with a gross income of SEK 29,300 monthly would thus have to pay between SEK 1,300 to SEK 3,920 monthly for the care of two children in a day care centre. The level of fees relates to expenditure which is generally lowest in rural areas. By law, fees must not exceed actual costs and fees in private day care should be the same as in the public sector.

Changes in the ways that fees are calculated have also been introduced as a means to suppress demand. These changes have taken place within a short time-span; between 1993 and mid-1994, 85% of municipalities had introduced changes in their payment systems, and a common strategy has been to charge by the number of hours spent in day care. Fees are no longer separated into part- and full-time amounts; by 1994, 88% of municipalities had more than 3 time-related fee levels in their payment systems (Socialstyrelsen, 1996f).

Table 4.2.
Day care centres, number and per cent of FTE children (aged 0-6) according to age and provider and FTE children per 1 FTE staff, 1982-1996.

Year	Number of FTE children	% children aged 0-6	%		%		Staff ratio
			0-2	3-6	Local authorities	Private	
1982	151,123	22.51	14.22	28.61	..	..	3.99
1983	161,350	24.31	15.40	30.78	..	..	4.03
1984	173,246	26.18	16.87	32.97	..	..	4.00
1985	184,392	27.60	17.39	35.20	..	..	4.05
1986	191,924	28.41	17.51	36.89	..	..	3.96
1987	204,228	29.81	18.40	39.05	..	..	3.99
1988	217,372	30.83	18.29	41.27	..	..	3.95
1989	233,058	31.88	18.02	43.58	..	..	3.90
1990	256,349	33.52	19.26	45.82	..	..	4.02
1991	283,367	35.68	21.10	48.11	94.97	5.03	4.32
1992	306,869	37.56	22.57	50.07	93.55	6.45	4.75
1993	313,207	37.64	22.74	49.27	89.87	10.13	5.07
1994	331,803	39.41	24.00	50.53	88.38	11.62	5.08
1995	356,116	42.95	27.92	53.03	88.05	11.95	5.39
1996	362,169	45.03	30.73	54.04	87.53	12.47	5.41

Source: Socialstyrelsen: Barnomsorg 1994 & 1995 & 1996; SCB (1998): Personal communication.

Standards

In 1995, child care legislation was expanded, introducing a closer statutory definition of requirements concerning staff, appropriate size and composition of groups and suitable facilities, but municipalities still enjoy much freedom in determining these. The law states that staff members must be trained or be experienced according to the needs of the child. The amendments in the 1998 Social Act should further ensure that standards are not lowered in day care schemes.

Staff consist mainly of pre-school teachers (*förskollärare*) with 3 years of higher education, and child care attendants (*barnskötare*) with 3 years of upper secondary education. Educational levels among staff are, therefore, very high and this

has been increasing since most of the savings have been made through cuts in untrained staff. 98% of staff thus hold formal qualifications and 60% are graduates while the remaining 2% consist of child care attendants.

Children are usually divided into mixed age groups. These can consist of either young children aged up to 3, sibling groups (usually children aged 3-6) or extended sibling groups, which can include children of pre-school age as well as younger school children from 7-9 years. Most day care centres have 4 groups of children. Greater intakes of children has been a common strategy used by municipalities to meet the demands for day care, although the number of children in groups is recommended at no more than 15. In 1980, 14% of day care centres had more than 15 children in their groups and in 1992, 56% (Hedengren, 1994). Average group sizes have, therefore, increased from 15 children in the early 1980s to 16.7 children in 1995. In more than 40% of groups, there are 17 children or more, and one in ten groups have 21 or more children (Socialstyrelsen, 1996f). The higher intake of children was followed by equal increases in staff until 1991 where after the staff-child ratio decreased. In the early 1980s, there were nearly 4 children per employee compared to 5.4 in 1996 (Table 4.2). Private day care centres on average enrol 6 children per employee, varying from 2.5 to 10.8 across centres, but parents working in cooperative day care centres are often not included (Statistisk Central Byrån, 1997).

Day care centres normally care for children from 6.30 a.m. to 6.00 p.m. Monday to Friday but another strategy to keep down costs has been to reduce opening hours. As fees are increasingly related to the exact number of hours spent by the child in day care, parents have an incentive to reduce hours and attendance has fallen as a result. On average, children attend 31.3 hours of day care per week (Socialstyrelsen, 1996f). Children are provided with 2-3 meals a day and participate in activities which introduce them to for example natural history, culture and society. All activities should be planned in close cooperation with parents and should be based largely on the children's backgrounds, their interests, previous experience and special needs.

Waiting lists

The new legislation on child care requires municipalities to provide necessary child care services 'without unreasonable delay'. Despite the increase in the number of children born in the early 1990s, nine out of ten municipalities are able to meet the demand for day care and can provide a place in a day care centre or family day care within three to four months of the application. Most municipalities which require longer to provide a place are situated in the Southern part of Sweden; the proportion of children enrolled varies from 40% to 80% across municipalities (Socialstyrelsen, 1996a & 1996f). The number of children

waiting for a place has fallen from 137,500 in 1980 to 68,500 in 1995, or from 19.2% to 8.4% of all pre-school children (Socialdepartementet, 1997).

Daily administration

A director or supervisor is formally responsible for daily administration of child care centres. Staff normally work in teams and parents are encouraged to participate in planning activities. In parental cooperatives, parents and staff plan the schedule together and parents usually set aside 2 weeks per year to work in the centre.

Regulation

Day care centres are regulated by the National Agency for Education in accordance with the Education Act of 1998. The municipalities, however, regulate the number of private centres.

Part-time groups (Deltidsgruppper)

Admission

For the 4-6 years olds who do not need regular day care, part-time groups offer day care 3 hours a day during the school term. These were initially set up for middle class children to provide relief for mothers and were originally free of charge. Today, they are mainly intended for families where one parent is neither gainfully employed nor studying and for children in family day care. This type of care is mainly for 6-year-olds before they start school but 4 and 5-year-olds are accepted if places are available. The 6 year olds normally participate in special activities for their age group *(Sexårsverksomhet)*. Children usually attend 3 hours a day, either the morning or the afternoon sessions. From 1998, separate reception classes *(Förskoleklass)* are being set up in the primary school system for the 6 years old as a replacement of the part-time groups. It will be compulsory for municipalities to provide reception classes but voluntary for children to participate in them.

Provision and coverage

Most part-time groups are provided by the public sector but the number of private providers has been on the increase during the last 5 years, and today 12% are run by a non-public provider. The part-time groups were particularly popular in the early years of public day care provision when the part-time groups still outnumbered day care centres, but with the increase in female employment, part-time day care has gained less importance and the number of children attending part-time groups has been decreasing since the 1970s. Since the early 1980s, the number of children has thus decreased by 6,900 full-time places and today there are 37,300 full-time places available. Nine out of ten of these children are 6-year-olds. In all, there are full-time places for 5% of the 0-6 year old children (Table 4.3). Around 50% of children also attend other forms of day care, such as family day care or after school care.

Table 4.3.
Part-time groups, number and per cent of FTE children (aged 0-6) and according to age, 1982-1996.

Year	Number of FTE children	% of children aged 0-6	% 3-4	% 5-6
1982	44,248	6.59	1.04	44.07
1983	41,397	6.24	1.03	42.44
1984	39,310	5.94	0.89	40.40
1985	39,013	5.84	0.83	39.30
1986	38,005	5.63	1.03	38.36
1987	36,612	5.34	1.06	37.51
1988	34,670	4.92	0.84	35.84
1989	33,659	4.60	1.04	34.06
1990	31,556	4.13	0.77	30.91
1991	32,755	4.12	0.60	30.95
1992	30,404	3.72	0.52	27.93
1993	32,650	3.92	0.43	28.75
1994	32,962	3.91	0.45	27.42
1995	33,321	4.02	0.41	26.58
1996	37,307	4.64	0.45	29.10

Source: Socialstyrelsen: Barnomsorg 1996. Note: 1 enrolled child = 0.5 FTE child. See Appendix on comparability for further details.

Fees

Fees are calculated in the same way as fees in day care centres, according to income and the number of children in the family. However, fees are generally waived for 6-year-olds.

Standards

The groups normally comprise 20 children. There is no national regulation of the number of children per staff member but each group normally has 2 staff members, normally a pre-school teacher and a child care assistant. The average number of children per staff member was 16 in the early 1980s but this had increased to 18 by 1996. Nearly all staff members (97%) have undergone formal training (Statistisk Central Byrån, 1997a). Children normally attend in either the morning or the afternoon. Activities include structured and educationally-based play and group activities. The new reception classes hold 20-25 children. The reception classes should provide a min. of 525 hours yearly, or approx. 12.5 weekly hours during the school term.

Regulation

Part-time groups and the new reception classes are regulated by the National Agency for Education in accordance with the Education Act of 1998. The municipalities, however, regulate the number of private centres.

Open pre-school (Öppna förskolar)

Another option for parents who stay at home and for family day carers is to use open pre-schools which are intended for pre-school children who are not enrolled in other forms of public day care. The facilities are often attached to play grounds and function as a 'drop-in' form of activity for social and educational stimulus, and a place to meet other parents or family day carers. Parents and family day carers remain with their children during the visit. Municipalities provide facilities, toys and employ staff.

Provision and coverage

From 1984, state subsidies have been available for open pre-schools and the number of these increased to a peak of 1,600 in 1991. Many immigrant families make use of open pre-schools and recently, the centres have gained increasing importance for children of unemployed parents who are unable to gain places in day care centres. However, every fourth open pre-school has been closed down since 1991, leaving 1,100 in all in 1996[2]. Parents and family day carers can attend as they wish and do not need to sign up to participate.

Fees

No fees are charged for participation in open pre-school activities.

Standards

Opening hours vary from 1-5 days a week and from a few hours a day to all day. On average, the schools are open 15 hours a week but opening hours have recently been reduced and the number of schools which offer less than 10 hours per week has increased from 25% to 42% of total service (Statistisk Central Byrån, 1997a). A pre-school teacher is on hand to give advise and supervise educational activities for the children.

Regulation

Open pre-schools are regulated under the Social Services Act 1980.

Daily decision making

A director holds overall responsibility for running the institution and plans the daily activities together with staff and parents.

Family day care (Familjedaghem)

Admission

Day care in a home-like setting is offered by family day carers who look after children aged up to 12, usually in the child minder's own home. This form of day

2) There are no figures on the number of children attending open pre-school.

care has traditionally been regarded as a supplement to institutional care only. Some family day carers operate on an extended family basis where one family day carer cares for the children of three families. Entitlement to family day care is similar to the municipalities' criteria for admission to day care centres and thus depends on parental employment and educational activities, while children with special needs can be admitted solely on the basis of their own needs. Privately operating family day carers themselves decide an admission, based on parents' ability to pay the fees.

Provision and coverage

Most family day carers operate as municipal day carers. It has, however, recently become possible for self-employed family day carers to receive public funding when setting up their own business, but of the total of 21,284 family day carers only 1.5% are not employed by municipalities. A number of family day carers do, however, operate unofficially. The number of children in family day care has not expanded along the lines of day care centres. By 1996, the number of full-time places in family day care had in fact dropped by nearly 5,000 since 1982, to a total of nearly 92,000. At the peak in 1988, nearly 120,000 full-time places were available but the number gradually declined with the expansion of municipal day care centres. The family day care system is most used in rural areas, where three times as many children attend compared to urban areas (Socialstyrelsen, 1996f). Of children aged 0-2, 9% are enrolled in family day care compared to 13% of 3-6-year-olds. In all, 11.5 % of all children aged 0-6 were in family day care in 1996, compared to 14.5 % in 1982 (Table 4.4).

Fees

Parents pay a monthly fee which is related to the length of time spent in day care, to parental income and to the number of children in the family. Charges have risen in recent years and vary across municipalities. On average, fees covered 18% of expenditure in 1996, an increase from 15% in 1995 (Statistiska Central Byrån, 1998). Fees must be reasonable and not exceed real costs. The time related steps of client fees is also used in family day care.

Standards

A number of family day carers follow an introductory course provided by the municipality giving 50-100 hours or longer of training, such as the child care assistants' course, but around one in three have no training. In addition, the National Board of Health and Welfare recommends that family day carers receive 30 hours of in-service training every year but not all municipalities follow this (Bjørndal & Eydal, 1996).

Groups can be between 3 and 8 children, including the family day carers' own children. In rare cases, groups can consist of up to 12 children, who are cared for at different times in a day. Although the number of children in family day care

Table 4.4.

Family day care, number and per cent of FTE children (aged 0-6) according to age and FTE children per 1 FTE staff, 1982-1996.

Year	Number of FTE children		%		Staff ratio
		% of children aged 0-6	0-2	3-6	
1982	97,004	14.45	12.42	15.94	..
1983	103,177	15.54	13.06	17.35	..
1984	108,808	16.44	13.19	18.81	..
1985	112,845	16.89	13.28	19.58	..
1986	116,000	17.17	13.09	20.35	..
1987	118,677	17.32	13.04	20.79	3.89
1988	119,995	17.02	12.66	20.64	3.67
1989	117,825	16.12	11.41	20.09	3.51
1990	110,356	14.43	9.91	18.33	3.22
1991	105,353	13.27	9.27	16.67	3.25
1992	100,678	12.32	8.80	15.26	3.52
1993	98,235	11.81	8.72	14.21	4.38
1994	101,345	12.04	8.71	14.44	4.53
1995	99,730	12.03	9.15	13.96	4.68
1996	92,262	11.47	9.09	12.97	4.76

Source: Socialstyrelsen, Barnomsorg 1994 & 1995 & 1996; SCB: Förskolor, fritidshem och familjedaghem. Statistiska meddelanden (annual publication 1987-1993).

has fallen since the late 1980s, the intake of full-time children per family day carer has increased, from 3.9 in 1982 to 4.8 in 1996 (Table 4.4). The National Board of Health and Welfare, however, recommends that a family day carer has a maximum of 4 full-time children, including her own. Children on average attend 28.2 hours per week. Hours of attendance have reduced with the increase in fees (Socialstyrelsen, 1996f).

During the day, the children are served meals, mainly breakfast and a cold lunch. Family day carers receive a monthly salary based on the number of children cared for which includes paid holiday, pension contributions and sick pay on the basis of a full time position equivalent to caring for 3 to 4 children (Kärrby, 1996).

Regulation

There are few national regulations for organised family day care. Municipalities are, therefore, responsible for setting their own regulations and requirements for qualifications. In the organised schemes, family day carers must be supervised by a person who organises and supports them and who is responsible for the quality of service. In some municipalities, family day carers are attached to local centres whose manager supervises them (Bjørndal & Eydal, 1996; Socialstyrelsen, 1992).

4.7.
Social services for older people

4.7.1. Introduction - Main social services and care cash

Benefits

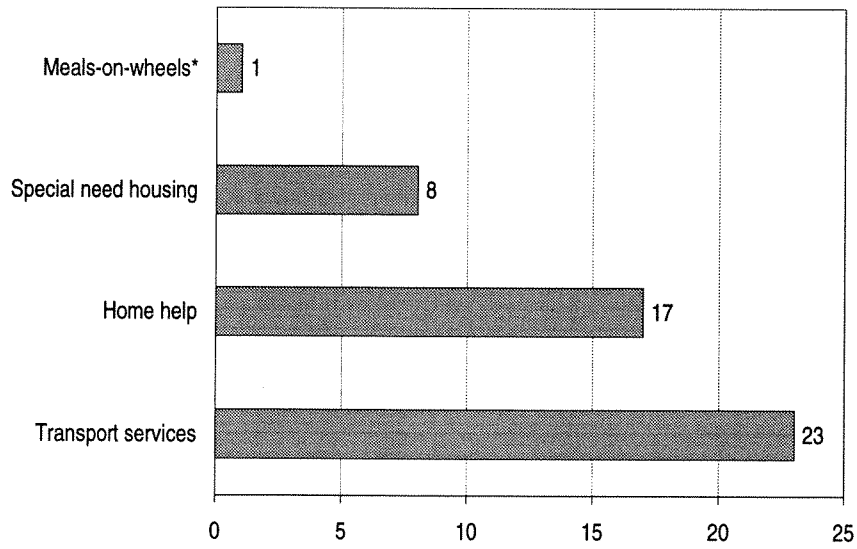
Like most other countries, Sweden practices a policy of enabling older people to remain in their own home as long as possible. Domiciliary care is obviously the main source of help for a number of older people and of this *Home help* includes all domestic and personal care tasks. Most older people make use of the *Transportation service* which enables them to keep in contact with family and friends, a service which contributes invaluable assistance in a country as big as Sweden. *Alarm services* and *telephone lines* also provide security for a number of older people living in their own home. Many older people are helped and cared for at home by family members, relatives or neighbours. Informal carers can be supported through *Home Care Allowance*, respite care in *Day Care Centres* or *Short-term stays in institutional care homes.* Day care centres also function as important social and cultural meeting places for other older people. A paid *Care leave* is available if one cares for a relative or family member who is terminally ill and in some municipalities carers can be *Employed to provide help.* For those older people who need more constant care and support, accommodation in *Special Needs Housing* is available. The term includes *Service housing* where one lives in one's own apartment and has access to some common services and facilities, *Residential homes* which provide day care in an institutional setting, *Group accommodation* which is mainly for people suffering from senile dementia and *Geriatric wards* in hospitals providing long-term nursing care. In extra-mural facilities, such as *Pensioner housing,* older people can live independently but still have easy access to services (Figure 4.9).

4.7.2. Main objectives of care policies for older people

During the 1950s and 1960s the main public service provided for older people was institutional care. Low housing standards made it more feasible for most older people to move out of their own homes and as many as 30% of older people were provided with help and care in an institution. Relatively high pen-

sions and improving housing standards have since then made it possible fo older people to remain in their own homes and since the mid-1970s the empha sis on institutional care has been replaced by one on domestic care. Accordinç to the Social Act (SOL) (*Socialtjänstlagen*) and the Act on Health and Care (*Hälso- och Sjukvårdslagen*) the municipalities are obliged to provide both do mestic and institutional care. The latter is no longer divided into nursing homes group accommodation, residential homes and service housing but is provided as Special Needs Housing. As part of this amalgamation, municipalities took ove governance of geriatric wards in hospitals which were formerly governed by the counties.

Figure 4.9.
Use of main social services, older people (65+) as a percentage of age-group, 1996.



Source: Socialdepartementet: Välfärdsfakta social 1997; SCB: Socialtjänst statistik 1982-1989. Note: * Data for 1992.

In the SOL, it is also stated that municipalities are obliged to 'enable the individu al to stay at home and remain in contact with other people through help in the home, transport services or other services and day activities like day centres'. The municipal services should include help with domestic tasks and personal

care but also provide a link between older people and society, e.g. by providing transportation services. Older people should be able to live an active and meaningful life and care services should be characterised by self-determination, integrity, security and freedom of choice.

Social care services are provided on a universal basis, taking into consideration need, and less formally, help from other sources, such as the family. From the mid-1990s, the assessment criteria for domestic services have become stricter and today recipients of these services tend to be less physically able than previously - services are thus increasingly targeted towards those who are more frail (Sundström, Larsson & Sjöstrand, 1994).

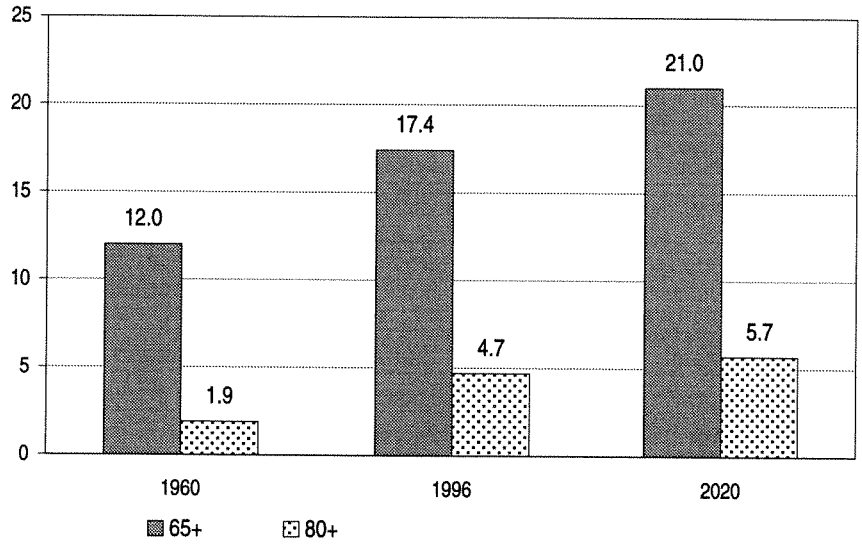
Municipalities have been encouraged to contract out services for older people so private provision has increased in recent years. This has in some places increased cost-efficiency and there is general satisfaction with the service provided. From the older person's point of view there is often no difference in access or in payment of fees as core services are delivered under contract to the municipalities. Some municipalities have introduced a separation of purchaser and provider, the abovementioned BUM system, often with a care manager in charge of planning and assessment of individual need. Carers should be supported and helped through various respite arrangements and through financial support. User input is recommended and every district in the municipality has a local pensioner council which serves as a guiding organ. Every Social Welfare Committee also has a central pensioner board which follows the development of policies.

4.7.3. The need for care

Old age in Sweden is a period of life which stretches over more and more years. The average life expectancy for men has increased from 71.2 years in 1960 to 76.5 years at present and women now live to an average of 81.5 years compared to 74.9 years in the early 1960s (Eurostat, 1997a). At the same time, the number of older people is increasing. From the 1950s to mid-1990s, the number of people aged over 65 doubled from 0.7 m to approximately 1.5 m The low birth rates in the 1930s mean that the proportion of older people so far has not expanded dramatically but from the turn of the century the post-war babyboom will result in growth in the number of older people. By 2020, those aged over 65 are projected to make up 21% of the total population. The changes will mean that the so-called age dependency rate, i.e. the group of 15-64-year-olds who can support the other age groups, will decrease from 64% of the total population today to 61.4% in 2020. The increase will also result in change in the composition of the pensioner group. Among older people, those aged over 80 will grow to comprise 30% of those aged over 65 compared to 21% in 1990 (Socialstyrel-

sen, 1996f). In all, the 80+ will make up 5.7% of the total population in 2020 and overall the 65+ will make up 21% (Figure 4.10).

Figure 4.10.
Older people (65+ and 80+) as a proportion of the population, 1960-2020.



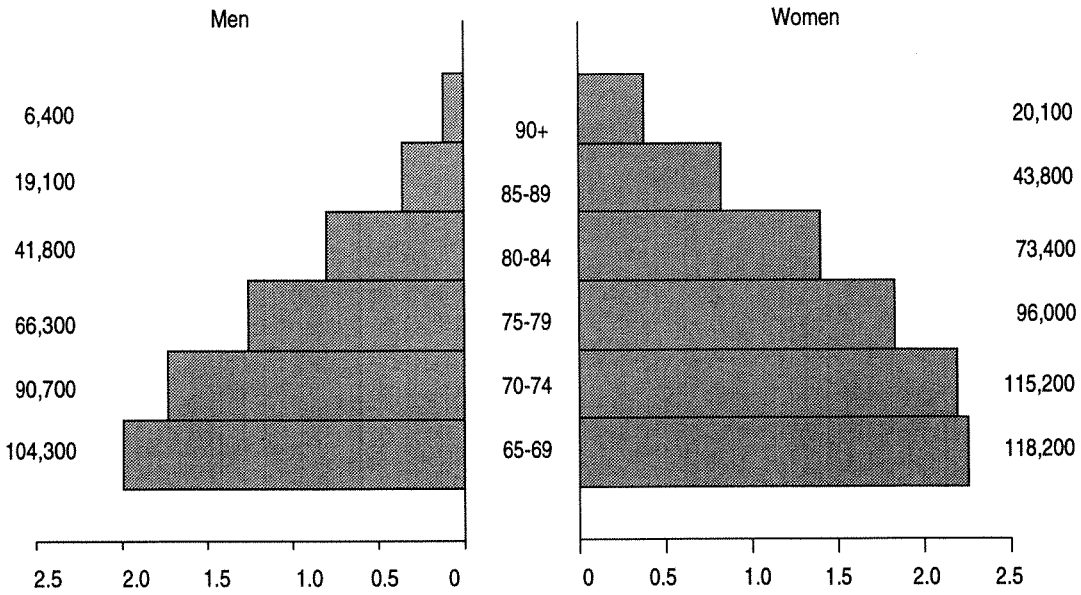
Source: EUROSTAT: Demographic statistics 1997.

Among today's older people the majority are women as a consequence of their longer life expectancy. Of all older people aged over 65, women make up 59% and this increases with age. Of the group aged over 80, 67% are women (Figure 4.11). As women live longer, they often outlive their husbands. 44% of women aged over 65 are widowed, compared to 15% of the men. However, most older people are married (51%) while nearly one in ten are single, and a further one in twenty are divorced.

Although older people tend to be less frail than previously, 41.5% of those aged over 75 have problems in carrying out daily tasks in the home, such as cleaning, laundry, cooking and shopping, and often more women than men due to their greater longevity. One in six older people have problems with personal functions such as bathing or getting dressed, and one in three have problems with climbing stairs. An estimated 20% of older people aged over 80 years suffer from severe senile dementia (Socialstyrelsen, 1996g). The increase in longevity and in the absolute numbers of older people is expected to lead to a rise in disability levels and in the overall need for care and attention. The number of stays in

hospital and nursing homes is expected to increase by 10% between now and 2005. The pressure on terminal care alone will increase by 22.5% and there will be an increase of 16% in the need for home help (Skjöld, 1992; Palmgren, 1994).

Figure 4.11.
Age pyramid of the older people (65+) as a percentage of the population, 1996.



Source: EUROSTAT: Demographic statistics 1997.

Most older people are in contact with family members every day or during the week (69%) while only 4% never see family members (Andersson, 1993), and a great deal of the help provided today comes from family members. In a recent survey of older people aged over 65, most received help with personal care from the public home help services. Spouses, however, often assist in personal care while other family members and relatives are mainly engaged in household tasks (Table 4.5). Satisfaction with the help provided seems to be high, regardless of whether it is mainly public or informal help. Nine out of ten older people who already receive public help with household chores and personal care prefer public help instead of help from the family. Older people with informal help only are likely to be more self-reliant and this may determine their attitude towards whether they want to continue with informal help - here as many as two in three of older people who receive informal help only prefer the family member to carry out both household tasks and personal care (Andersson, 1995). However, with a high labour market activity rate for both sexes of around 80% and a relatively

low part-time rate among women, the care taker potential does not favour increases in informal care and combined with increasing divorce rates and a falling fertility rate, this means that the need for public help is likely to increase in the future.

Table 4.5.
Who provides help with domestic and personal care for older people (65+), sources of help in per cent. 1995.

Task	Local authority	Spouse	Children
Shopping	38	28	30
Cooking	33	52	8
Laundry	27	39	20
Cleaning	51	26	12
Dressing	43	53	6
Showering	49	32	13
Visit toilet	57	36	0

Source: Andersson (1995): Visible and invisible informal care - Swedish Elderly Care at the Crossroads.

4.7.4. Domiciliary care services

Services in the home are provided as part of the domiciliary services, *social hemtjänst*, which comprise the combined effort for supporting independent living for both older people and disabled people, including home help, security alarms, meals-on-wheels as well as other complementary services such as transportation services.

Home help (Hemhjälp)

The municipality is obliged to provide support in the home for older people as part of the policy to enable them to participate as actively as possible in society and to enable them to continue living in their own homes. Those who need help with practical and personal functions can therefore receive help from a public home help. The home help service was initially a service provided by voluntary organisations and mainly for families with children but most provision is now for older people. Help may include personal care, shopping, cooking, cleaning, weekly laundry, getting dressed, post and bank errands. In most cases a public home help assists with personal care, whereas cleaning can be provided by a private cleaning company under contract to the municipality. Services may be provided during the day and at night.

Assessment

The municipality can make an assessment of the need for help if so requested by an older person, family members or their doctor. In many municipalities, a care manager is in charge of screening need and of planning the nature and scope of help. The ability to perform household and personal care tasks and often also the availability of a spouse or other close family members is included in the decision on whether to provide help or not. Most often a care manager decides on the amount of help. From the 1980s onwards assessment criteria have become more restricted and help is often postponed until there is greater need (Socialstyrelsen, 1996f).

Coverage

Fewer older people therefore receive home help than previously. Whereas home help was awarded to 28% of those aged over 65 at the beginning of the 1980s, only 17% received help in 1996 (Socialdepartementet, 1997). The decline is even higher among those aged 80+ where the proportion of recipients has declined from 69% to 43% (Table 4.6).

Table 4.6.
Home help, number and per cent of recipients (65+), according to age and provider and staff (FTE) per 100 recipients, 1983-1996.

Year	Number of recipient (65+	%		%		Staff ratio
		65+	80+	Local authorities	Private	
1983	386,424	27.70	68.53	..	..	..
1984	..	..	..	..	..	..
1985	368,601	25.87	64.48	..	..	11.88
1986	..	..	..	..	..	..
1987	273,005	18.48	42.80	..	..	..
1988	278,352	18.64	43.57	..	..	25.48
1989	270,079	17.95	42.16	..	..	26.82
1990	343,668	22.65	57.45	..	..	..
1991	331,542	21.72	55.57	..	..	..
1992	212,088	13.85	33.22	..	..	..
1993	270,990	17.66	45.66	97.96	2.04	..
1994	273,587	17.81	45.52	96.56	3.44	..
1995	267,415	17.38	44.76	96.31	3.69	..
1996	256,555	16.66	42.79	97.45	2.55	..

Source: Socialdepartementet (1997): Välfärdsfakta. SCB: Social hemtjänst. Statistiska Meddelanden Serie S21 (annual publication), Daatland (1995): De sidste årene - eldreomsorgen i Skandinavia 1960-95.

The proportion of older people receiving home help does, however, differ considerably between municipalities depending on age and municipal structure, health, municipal priorities and policies, and in the assessment of need. On a local level, the proportion of those aged 80+ receiving home help varies between 5-40% (Socialstyrelsen, 1996f).

More women than men receive home help, mainly because they live longer and therefore are the majority among those aged 65+, but also because they are more likely to outlive their spouse and thus can rely less on his help. Of those aged 65-79, two in three recipients are women, whereas 72% of recipients aged 80+ are women. Four out of five recipients live alone. Approximately 1/3 of home help recipients who are assisted by a home help receive home help during the evening or at night. In almost all municipalities, it is possible to receive home help during these hours and 40% also receive help at weekends. More than 1/3 of all recipients of home help also receive home help during vacations (Socialstyrelsen, 1997f).

Whereas fewer older people receive home help services the number of hours has increased, indicating that help is targeted at those with a need for comprehensive care. Cuts in the number of recipients has thus mainly hit those with only a few hours help a week, for example for cleaning or shopping. In 1996, 64.8 out of 1,000 of those aged over 65 received less than 1 hour per day compared to 104.2 in 1988[3]. The number of older people with between 1-6 weekly home help hours has also declined but less drastically, from 20.2 in 1,000 to 18.3. Compared to this, the number of those receiving intensive help - from more than 12 hours a week has increased from 18.9/1,000 to 23/1,000. In all, 2/3 of recipients aged over 65 receive less than 7 hours a week, nearly one in five have between 7-11 hours a week, and nearly one in four get more than 12 hours a week. Average hours have increased from 3.79 in 1982 to 9.24 in 1993, but then again decreased to 6 in 1996. Some of the decrease since 1993 is, however, a result of the transfer of recipients from the Social Act (SoL) to the Act on Handicapped (LSS) (Socialdepartementet, 1997) (Figure 4.12).

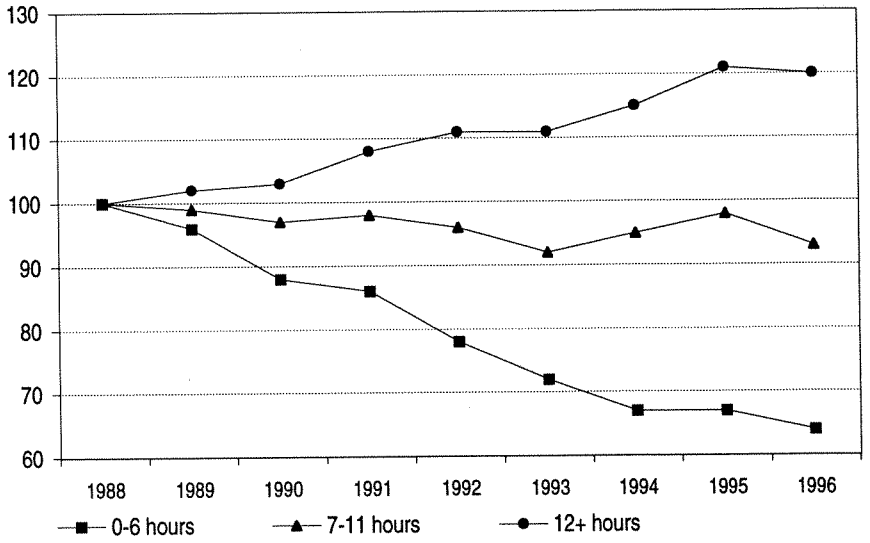
Provision

Most provision of home help is municipal, only 1.25% of older people receive home help from a private service company (Socialdepartementet, 1997). Around 4% of the total volume of home care is contracted out, but in some municipalities as much as 50% of home care services are delivered by private agents (Socialstyrelsen, 1996c). These consist of for-profit organisations as well as employees'

3) Swedish home help hours are excluding time spent on transport.

cooperatives. The municipality is normally responsible for assessment and contracts with private providers to deliver services.

Figure 4.12.
Home help, distribution of weekly hours among recipients (65+), 1988-1996.



Source: SCB: Social hemtjänst samt social hemhjälp november. Statistiska Meddelanden Serie S21 (annual publication 1988-1993). Socialdepartementet: Välfärdsfakta 1997.
Note: Recipients include older people in both ordinary housing and special need housing.

Fees

Older people pay for the services they receive based on the number of hours and on taxable income but the main costs are borne by the municipality. The amount older people be left with to cover personal needs after payment of fees varies from municipality to municipality. Fees paid by older people have gone down as a proportion of total expenditure, from around 20% in 1982 to 6% in 1993, largely due to the targeting of help on the eldest. Most municipalities operate with a progressively increasing fee rising with income. Only 5% use a set fee without relation to the scope of services provided nor ability to pay and 40% have not decided how much income should be left after paying fees (Socialstyrelsen, 1996e). In 1/3 of municipalities which operate with a maximum payment, the highest fees vary from SEK 3,100 to SEK 3,800 monthly.

Some municipalities divide home help into care and domestic help and charge higher fees for cleaning, laundry and snow clearing. In Stockholm county, a number of municipalities charge higher fees for cleaning than some private for-profit agencies (Socialstyrelsen, 1996c). On average, home help fees amount to SEK 500 a month. For a pensioner with a state pension of around SEK 4,300

monthly, the fee would amount to SEK 240 monthly or 6% of gross income, whereas a pensioner with a monthly income of SEK 13,300 from an occupational pension would have to pay 1,620 SEK or 12% of gross income (Socialstyrelsen, 1996c).

Standards

The content of the service has changed with the increase in the number of frail elderly people receiving help. Today, the home help is increasingly characterized by the provision of personal care and attention and the increased number of older people suffering from dementia means that the home help service has become more physically and mentally demanding. A survey of Jönköbing municipality showed that the content of the help provided had changed, so that 20% of the time was spent on cleaning compared to 33% previously, and shopping took 9% compared to 16%, time spent on cooking went down from 22% to 9% and personal care now took 44% of the total time compared to 6% earlier (Socialstyrelsen, 1994a).

Staff normally have a basic school education but may also consists of nurse's aides or first nurses attendants. The general level of training increased after the Ädelreform when a number of medical staff were transferred to the home care sector but this was also due to increasing needs for personal care. Before the reform, the number of staff in the home help services has increased over the last years, from 12 staff members per 100 recipients in 1985 to 27 in 1989 (Table 4.6).

Regulation

Inspection of services should take place at least once yearly.

Daily administration

Municipalities are responsible for the operation of home help services; some have separated operational responsibility and responsibility for staff (*integreret beslut*) and others have separated assessment and planning from the operation and allocation of staff. In many municipalities, a care manager is thus in charge of planning the nature and scope of help. In others, a home help supervisor manages daily administration and assesses need.

4.7.5. Auxiliary care

A considerable number of complementary services have been developed to supplement domestic care in order to enable older people and disabled people to stay at home. In most cases, these services are offered as subsidized services with user fees in addition to domestic service charges and are therefore not provided on the basis of needs assessment.

Transport services (Färdtjenst)

The transportation service is one of the main auxiliary services, intended to allow older people to travel and visit friends and family or attend cultural events. The service was expanded during the 1970s and by 1980 all municipalities offered transportation services. Today, around 23% of those aged over 65 make use of the service. Most recipients are 80 years or older and are often women as they are less likely to have a driver's licence. Despite great cuts between 1991 and 1993, the total number of recipients had increased from a quarter of a million to more than a third of a million by 1996 (Table 4.7), when 223,500 of these were aged over 80, or more than half of the total population aged over 80 (Socialstyrelsen, 1996f). The cuts in expenditure were mainly achieved by increasing the number of shared transport and raising fees. Charges for a 6-kilometre trip varies from SEK 10 to SEK 40 depending on municipal policy. In 135 of the municipalities, a maximum fee is operated (Socialstyrelsen, 1997b). On average, recipients make 32 trips a year which is slightly lower than previously (Socialdepartementet, 1997). Under the new Social Act, older people can make complaints about the level of service provided, for example if they have to share transport.

Day care service (Dagverksomhet)

Day centres have been provided since the 1950s and offer older people an important service in being a middle course between institutional and home care. Some day services are situated in residential homes or service housing, and these are called *Dagcentraler*. These are available in all municipalities. Different forms of activities are offered, mainly simple activities and socializing, but diversity is very wide, ranging from meeting places to provision of specialized care and treatment. Older people often have a meal provided and make use of common facilities and activities, e.g. laundry, bathing, and art rooms. In 1995, approximately 45,000 people made regular use of some kind of day service activity, making a total of 112, 500 visits per week[4]. Around 4,000 staff members are employed in day services, representing 2,550 full-time equivalents (Socialstyrelsen, 1996f).

Meals-on-wheels (Matdistribution)

Meals are only rarely provided as most older people receive this as part of the home help service. Approximately 8,000 older people received meals-on-wheels in 1992, or less than 1% of those aged 65+. The service is provided on weekdays. Older people pay a fee for the service amounting to 10-20% of total expenses (Socialstyrelsen, 1996f) (Table 4.7).

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4) There are no longer regular national data on the number of users of the day care centers, meals-on-wheels, or telephone and alarm systems.

Table 4.7.
Auxiliary services, number and per cent of recipients (65+), 1982-1996.

Year	Number of recipients		% of 65+	
	Transport services	Meals-on-wheels	Transport services	Meals-on-wheels
1982	249,955	..	17.92	..
1983	262,305	..	18.60	..
1984	279,404	..	19.61	..
1985	299,835	..	20.62	..
1986	321,983	..	21.80	..
1987	336,036	25,475	22.51	1.71
1988	353,754	29,631	23.51	1.97
1989	362,293	11,430	23.87	0.75
1990	353,483	9,942	23.16	0.65
1991	339,275	8,883	22.15	0.58
1992	..	8,221	..	0.54
1993	..	..	..	..
1994	369,408	..	24.01	..
1995	360,665	..	23.42	..
1996	355,545	..	23.03	..

Source: SCB: Färdtjänst. Statistiska Meddelandan Serie S20 (annual publication)
Socialdepartementet (1997): Välfärdsfakta. SCB: Social hemtjänst. Statistiska Meddelanden Serie S21 (annual publication 1987-1991).

Alarm system and telephone lines

Around 54,000 apartments outside service housing, or 35 per 1,000 households made up of those aged 65+, are connected to an *alarm system* to call for help in emergency situations. Another service is *telephone lines*, where the recipient is contacted at regular times to check that all is well - many for-profit organisations offer this service and around 5,000 older people made use of this service in 1992 (Socialstyrelsen, 1996f).

4.7.6. Institutional care and housing for older people

Older people who need more help and support than can be provided through domiciliary care can be accommodated in Special Needs Housing which covers various institutional forms of accommodation or, for those who are capable of carrying out most functions themselves, in Pensioners' housing which is adapted to the needs of older people and where there may be easier access to care facilities than in ordinary housing.

Special Needs Housing (Särskilt boende)

When the municipalities, as part of the Ädelreform, took over responsibility for local hospitals and parts of long-term care provision, the previous separation of housing forms was replaced by unitary provision of housing for older people and handicapped people, the so-called *Särskilt boende* or *Special Needs Housing (SNH).* This covers what used to be termed *Service housing (Servicehus)* where one lives in one's own apartment, has access to some common services and facilities and where staff are available night and day; *Residential homes (Alderdomshem)* with all day care in one's own apartment or room, and common facilities for cooking, eating meals and socialising and with staff available all day; *Group homes for people suffering from senile dementia (Gruppboende)* which consist of a small number of apartments with a common kitchen, dining room and living room, as well as having staff available all day; and *Geriatric wards in hospitals (Långvärd i sjukhem).*

Admission

Assessment for SNH is carried out in the municipality home service unit and is governed by the Social Services Act. When screening the need for care a care manager reports on the health and housing situation of the applicant and often also on their family network. Income and capital is disregarded when assessing for a place in SNH. Different facilities should in principle be able to provide the same kind of care and support but as some facilities are built to cater for very frail older people, e.g. the geriatric ward places, the provision of care depends on the place offered. It is recommended that municipalities ensure that older people can move from one form of facility to another but this is rarely accomplished (Hollander, 1997).

Provision

At the beginning of the 1980s, the number of service housing units comprised the biggest number with 1,400 housing units, compared to 1,000 residential homes. Up to the 1990s, state grant changes led to decreases in the number of residential homes in favour of service housing which increased from 1982-1991. Since then the basis of the statistical information has changed, as only one kind of accommodation is now recognised, and it is not possible to assess changes within different housing forms. Today, most facilities in SNH are publicly provided, i.e. by municipalities and a few by counties. Private provision makes up 16% of total provision. 19% of housing units are privately provided, but under contract to municipalities and with the same charges as for public housing. Private provision is found mainly in the bigger cities while they are practically nonexistent in rural areas and smaller municipalities.

Coverage prior to the Ädelreform

The number of residents in residential homes resembles changes in the facilities, with 53,700 residents in residential homes in 1982 compared to 34,200 in 1991.

The number of residents in nursing homes increased from 1982-86 but then declined somewhat. The number of older people living in service housing intensified in the same years, rising by 18,000 (Table 4.8). Group accommodation was only introduced in the year prior to the Ädelreform and was used by 5,000 residents.

Table 4.8.
Number and proportion (%) of residents (65+ and 80+) in institutional care homes and housing for older people (65+), 1982-1996.

Year	Residential homes	Nursing homes	Sum institutional		Service housing	Sum all		Special need housing		
			Number	% 65+		Number	% 65+	Number	% 65+	% 80+
1982	53,723	42,300	96,023	6.88	21,000	117,023	8.39	<>	..	..
1983	52,675	43,200	95,875	6.80	18,500	114,375	8.11	<>	..	..
1984	51,182	44,700	95,882	6.73	31,100	126,982	8.91	<>	..	..
1985	48,308	46,100	94,408	6.49	33.500	127,908	8.80	<>	..	..
1986	43,892	45,700	89,592	6.07	36,600	126,192	8.54	<>	..	..
1987	42,773	44,400	87,173	5.84	41,600	128,773	8.63	<>	..	..
1988	40,268	43,400	83,668	5.56	45,500	129,168	8.59	<>	..	..
1989	38,628	42,100	80,728	5.32	37,700	118,428	7.80	<>	..	..
1990	36,863	40,979	77,842	5.10	39,800	117,642	7.71	<>	..	..
1991	34,224	39,931	74,155	4.84	38,900	113,055	7.38	<>	..	..
1992	<>	11,388	11,388	0.74	<>	11,388	7.40	114,312	7.45	21.39
1993	<>	8,357	8,357	0.54	<>	8,357	5.40	121,340	7.90	22.48
1994	<>	4,269	4,269	0.28	<>	4,269	0.28	128,553	8.36	23.27
1995	<>	4,320	4,320	0.28	<>	4,320	0.28	129,843	8.43	23.53
1996	<>	..	..	..	<>	..	..	127,012	8.23	22.79

Socialdepartementet: Välfärdsfakta social 1997. SCB: Socialtjänst statistik 1982-1989

Coverage following the Ädelreform

Older people in SNH increased in the first years after the Ädelreform but has now slowed and in recent years there has been a decrease to the current 127,000 residents aged 65+, so that 8.2% of those aged 65+ are accommodated in SNH in 1996. Total provision has thus increased from 117,000 or 8.4% of those aged 65+ since 1982 (Table 4.8). However, local variations prevail and there is thus immense differences in the number of older people accommodated in SNH across municipalities, from 15% of those aged 80+ to 40% (Palmgren, 1994). The proportion of residents accommodated in private facilities has increased from 3% in 1992 to 8% in 1996.

Age distribution

Residents in SNH have become older and more in need of personal care than previously. It is mainly those aged 80+ who live in SNH, making up 74% of residents aged 65+. Most residents are women (69%). If one excludes service housing and looks at what can be termed institutional accommodation, i.e. geriatric wards and residential homes, only 2% of those aged 65-79 years live in such accommodation, whereas 1/6 of those aged 80+ are accommodated in this way. Since the beginning of the 1980s, the proportion of older people aged 65-79 in institutional care has thus dropped by 1%, and by 9% in the 80+ group.

Fees

In 1994, the charges for SNH were changed and municipalities to a large extent now practise different models of user payment. Most municipalities charge a fixed fee independent of the resident's income for long-term nursing places in hospitals and residential homes and a lower fee is charged if the resident shares a room with a non-relative. However, 40% of municipalities also operate with a guaranteed minimum income which the resident should have left after paying the fees. 35% of municipalities take into consideration housing costs and lower the fee if the resident does not have sufficient resources left. When setting fees, the municipality must ensure that spouses and partners are not left in an unfavourable situation when an older person moves into SNH and it must be possible for spouses and partners to maintain their home. In general, fees must not exceed real costs (Socialstyrelsen, 1997a). On average, fees for a single room in a geriatric ward in a hospital amount to SEK 1,730 monthly, and SEK 1,300-1,025 monthly for a shared room. In residential accommodation, the average fee is SEK 1,900 monthly. Fees do however vary from as little as SEK 586 to 4,423 in residential homes. Around 50% of municipalities charge separately for food, most charge SEK 65 a day. Other municipalities charge for the different services provided, e.g. laundry and rent of linen, from SEK 100-300 a month (Socialstyrelsen, 1994b). A pensioner in receipt of basic pension would on average pay SEK 2,450 monthly, or 57% of gross income, for a place in a residential home and SEK 2,980, or 69%, in a geriatric ward, while a pensioner with a monthly gross income of SEK 13,300 from an occupational pension in addition to the basic pension would pay SEK 4,760, or 36%, for residential homes and SEK 7,640, 57%, for a place in a geriatric ward (Socialstyrelsen, 1996c). Fees amounted to 9.3% of total expenditure in 1994, an increase from 6% in 1992.

Standards

Special grants have been made available for the building of SNH and standards have subsequently risen. 40% of dwellings have a minimum of one room and a kitchen. The Social Act recommends that every person has their own room and is able to bring with them their own furniture. Fewer older people have to share a room with a non-relative than previously; in 1996, 10% had to share a room compared to 14% in 1994. There should be access to common facilities such as

a living room and preferably a restaurant which could also be open to pensioners living outside the facility and to relatives. Two out of three residents are provided with their own shower or bath, and three out of four with their own toilet[5].

Staff in SNH consists of nurses, nursing assistants and auxiliary nurses. There are no available data on the number of staff members working specifically within SNH but overall the total number of employees working with services for older people and handicapped people has risen from 82,000 full-time equivalents in 1984 to 158,300 in 1994, and has mainly increased in the number of medically trained staff such as the auxiliary nurses and nurses. The increase was, however, mainly caused by changes in calculation under the Ädelreform as hospital staff are now included. This increased staff numbers by 55,000 (Socialstyrelsen, 1997a). In 1994, almost 50% of employees had as minimum education levels of some upper secondary qualifications with 25% of these having specific qualifications for working with older people and handicapped people (Socialstyrelsen, 1996f).

Daily administration

A head nurse or director is in charge of daily decision making.

Pensioner Housing (Seniorboende)

Financial support for pensioner housing started relatively early. Housing forms are available for people aged over 55, and can be rented without needs assessment. They are privately provided and offer modern facilities with many amenities as an alternative to Special Needs Housing. There is access to common facilities such as a kitchen and activity room. The older person rents the apartment and more or less takes care of themselves although they often have better access to care services, such as day centres than older people who live in ordinary housing and in some apartments alarms are installed.

4.7.7. Support for informal care

A great deal of the care provided for older people is informal care. Municipalities are obliged to ensure that everyone receives a sufficient and good quality service and should ensure that informal care is based on a voluntary commitment. Care provided by family members and friends is to be regarded as supplementary to public provision of care, not a replacement. Nevertheless, the scope of informal care exceeds formal provision. Estimates suggest that informal care for older people living at home is twice the size of the formal sector. It is first and foremost the spouse who provides the bulk of help, relatives outside the household mainly

5) Includes residents aged under 65.

provide practical assistance (shopping, cleaning, laundry) while the municipality provides personal care, dressing/undressing, and toileting (Socialstyrelsen, 1996f). Most informal care is provided without public recognition, but there are some arrangements for financial or practical support for informal carers.

Employment of family member as home help (Anhöriganställning)

Family members can be employed by the municipality to perform household tasks and personal care. This system is mostly used when the caregiver is of working age and in sparsely populated areas or where the local policy of the Social Service Department is to employ relatives instead of providing formal home help. In some municipalities, no carers are employed and in others there are as many as 10% of home helps (Andersson, 1995). Need assessment is carried out by a home help supervisor or care manager and the number or hours are set by the home help, the carer and the cared-for together with the district nurse or another nurse. The older person pays for the service as would happen with a home help from the municipality.

A contract is made with the carer and this must be renewed after a few months or at least within 1 year. Care must not exceed 40 hours a week but the carer can also work at weekends. The carer is paid the minimum home help salary per hour and payment is treated as income and is taxed accordingly. Payments are also made during vacations and the carer receives pension credits. In order to be entitled to these social insurance benefits, the carer must be employed for at least 17 hours a week, but around 50% of employed relatives work less than this. The carer receives no wage if the older person is admitted to hospital and the municipality has no employer responsibility for the carer when the care relationship ceases. Most carers (63%) receive less than SEK 6,000 a month before taxes (Socialstyrelsen, 1994c).

In the mid-1970s, around 20,000 carers were employed by municipalities but this number had declined to around 5,600 by 1986. Since then, the number has increased slightly again to almost the same level as at the beginning of the 1980s. Some of the increase is, however, explained by the Ädelreform when municipalities were given responsibility for paying relatives that had formerly been financed by the counties. The number of relatives paid by the county is therefore included in the current municipal figures. From 1993 onwards, a further decline in numbers has resulted in the present 3,300 employed carers (Table 4.9).

Leave of absence for informal care (Närståendepenning)

If a person, young or old, is terminally ill or otherwise in need of acute care, family members, relatives and others close to them can opt to take leave from work. The leave of absence for informal care was introduced in 1989 and entitles the care giver to 60 days leave with compensation based on previous earnings. The leave period can be prolonged by taking the leave on a part-time basis or for just a few hours a day. The leave is, however, not intended to cover ongoing care and is limited to 60 days in the life time of the individual needing care. A doctor must verify the care needs and the older person must consent to the care arrangement. Benefit depends on previous income, is taxed and corresponds to the maximum sickness allowance. In 1994, average payments were SEK 495, suggesting that people mainly used the leave for shorter periods. The benefit is financed through the Health Insurance Scheme (Socialstyrelsen, 1994c). In the first years after the leave was introduced, take-up was limited, perhaps because of lack of knowledge of the scheme and also because of the eligibility criterion requiring that care recipients live in their own home. If the older person was admitted to hospital the benefit was not paid. This proved impractical and in 1992 it was decided that leave benefit would also be payable when the older person was in hospital or a nursing home. The number of recipients rose to the current 6,500 with an average leave of 9 days (Ibid) (Table 4.9).

Home Care Allowance (Anhörigbidrag)

The Anhörigbidrag is given to those aged over 65 as well as other pensioners as economic support from municipalities in order to compensate family members or relatives for the help they provide. Need assessment is carried out by a home help supervisor. In 1992, there was an unsuccessful attempt to abolish the benefit but this met with much criticism and the benefit is still paid although to fewer recipients.

The benefit is paid from local tax revenue and given directly by the municipality to the carer or the cared-for. The amount paid depends on the need for help and does not include pension credits. The difference in the amounts paid across municipalities is great. Some pay SEK 35 per day, others between SEK 200 and 400 a month (Socialstyrelsen, 1994). The number of recipients declined from 21,000 in 1984 to 8,700 in 1993 and again to nearly 6,000 in 1996 (Socialstyrelsen, 1997c; Anderson, 1995) (Table 4.9).

Respite care (Växelvårds och avlösningsplatser)

More and more municipalities recognise the importance of relieving carers, and therefore provide respite care and short-term stays in nursing homes and residential homes. Since the introduction in 1994, the number of places has increa-

sed from 4,710 to 5,422 equivalent to 4% of all places in homes. Respite care is charged at an average of SEK 80-100 per day (Socialstyrelsen, 1994b).

Table 4.9.
Support for carers, 1982-1996

Year	Employment of carer	Leave of absence for informal care	Home care allowance
1982	8,940	<>	..
1983	7,376	<>	..
1984	6,740	<>	21,000
1985	6,037	<>	..
1986	5,644	<>	..
1987	6,403	<>	..
1988	7,046	<>	..
1989	6,787	..	..
1990	6,681	2,574	..
1991	6,497	1,972	..
1992	7,314	2,769	..
1993	6,276	4,094	8,678
1994	4,416	5,450	7,194
1995	4,051	6,431	7,080
1996	3,328	6,545	5,816

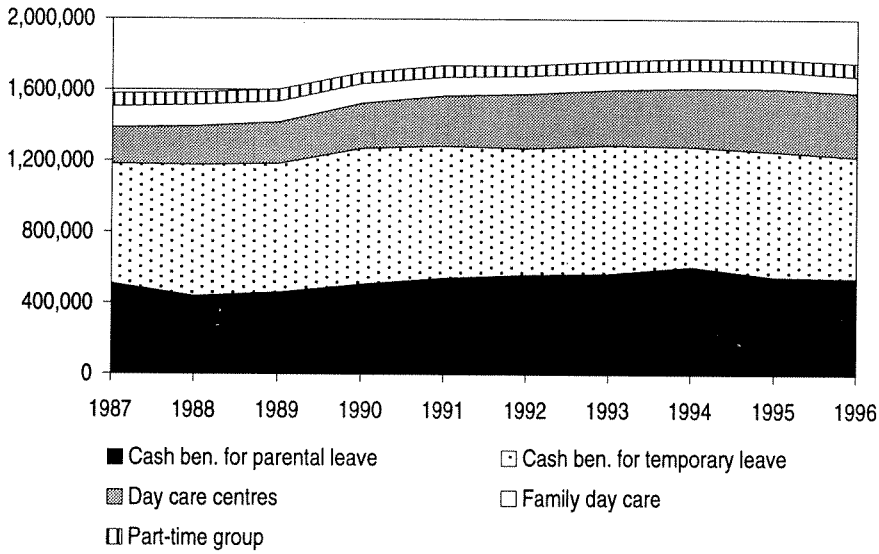
Source: SCB, Socialtjänst statistik 1982-1989; SCB, Social hemtjänst 1984-92; Socialstyrelsen, Vård och omsorg om äldre personer och personer med funktionshinder 1994, 1995 and 1996; RFV, Socialförsäkring 1995, 1996 and 1997; SCB, Statistical yearbook 1998.

4.8.
Developments and changes 1982-1996

The last 15 years have been a period of mainly downsizing the Swedish expenditure levels, and social care services and cash benefits have accordingly been adjusted. However, for children the main principles of adjustment have been to lower compensation rates for parental leave benefit and standards, and increase user fees as a proportion of total expenditure. The number of children per staff member has increased and so has the average number of children in the day care groups. For parental leave and temporary parental leave, compensation rates have gone down; they are, however, increasing again. Looking at

the number of children participating in day care schemes does however show an increase (Figure 4.13). Although most of this increase is explained by the growth in the population of children aged seven or younger, which increased up until 1994 by 170,700 children, the rate of coverage did also increase, especially in day care centres. Here, the proportion of children went up from 23% to 45% from 1982 to 1996, mainly as a result of introduction of day care guarantee. In family day care, the number of children is the same today as in the early 1980s. In total, the proportion of children in public day care are thus as high as ever. However, the competitive element in the organisation of services has increased and more and more services are provided by a non-public agent, especially as parent-initiated day care. Day care provision is today also far more targeted at children of working or studying parents.

Figure 4.13.
Development of number of recipients and enrolled children (aged 0-6), main social services and cash benefits for children. 1987-1996.



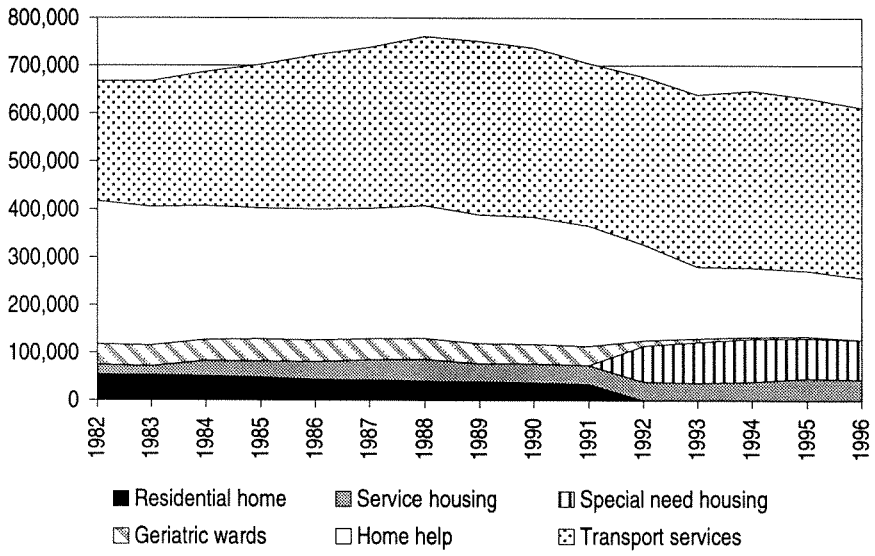
Source: RFV: Socialförsäkring 1995 och 1996.
Socialstyrelsen: Barnomsorg 1996.

Female activity rates suffered from the increase in unemployment rates but have stabilised again and three thirds of women today participate on the labour market. Although part-time ratios are somewhat higher than in the other Nordic countries, having children thus often coincide with being in employment and a

great deal of parents use the leave schemes to reconcile work and care obligations. Although the compensation rates were reduced, the number of parents using the parental leave and temporary leave schemes increased from 1988. Part of this increase, however, reflect the same increase in the number of children born until 1994, where after the number slows down.

In relation to older people, the level of services reflects the policy of de-institutionalisation. From 1982-91, the number of older people in residential homes declined whereas the number of residents in nursing home remained stable (Figure 4.14).

Figure 4.14.
Development of number of recipients and residents, main social services and cash benefits for older people. 1982-1996.



Source: Socialdepart.: Välfärdsfakta social 1997. SCB: Socialtjänst statistik 1982-1989.

Service housing increased in these years. From 1991, the increase in the number of residents is mainly explained by the administrative changes after the Ädelreform. The decline in the number of people living in institutional care has, however, not affected the provision of home help in a positive direction. The number of recipients of home help has declined, from nearly 400,000 in 1982 to 250,000 in 1996, and it is here that expenditure cuts are most visible. Home help services are today, as seen in most other countries, targeted at the very frail, i.e. the eldest. Support for informal carers has improved, especially with the introduc-

tion of the leave schemes and the respite care arrangements. Also, more older people today make use of the transport service system. Standards have declined here also; now it is more common that older people must share a ride with others. In home help, standards are affected by the changes in the content of services provided. Most help today relates to personal care. In contrast, standards have improved in institutional care, where single rooms are more often available. Fees have increased, in home help, transport services and Special Needs Housing.

Box 4.2.
Malmö, Sweden

Introduction
The municipality of Malmö is situated in the southwestern part of Sweden. Its population numbers some 250,000, making it the third largest city in the country. Prominent among the demographic characteristics of the area is a large population of older people. Compared to a national average of 17 percent, a little over 20 percent of the Malmö inhabitants are aged 65 or more. The total number of older people is expected to decrease substantially over the next few years. In turn, the age mix of the group will change, as the eldest will become relatively more numerous. As in most other parts of the country, the number of children in Malmö has increased since the early 1990's. Today, 7 percent of the city's inhabitants are aged 6 or younger.

Another characteristic of considerable importance in terms of social services needs and provision is the large population of people of refugee or immigrant backgrounds. Today, this group accounts for more than a fourth of the population and the influx is not expected to decline in the years to come. Consequentially, one important municipal effort to meet the special needs of citizens with another ethnic background, has been the employment of people with relevant language skills in social services for both older people and children.

Organisationally, the municipality is divided into ten local areas, each politically and practically responsible for the provision of social services. The areas receive block grants out of the social expenditures budget of SEK 3.9 billion, 36 percent of the total municipal budget.

Children
Malmö municipality primarily offers public daycare opportunities to children of students and employed parents. Usually, such families are offered a daycare place within three month, depending on the waiting list, which usually numbers some 1,200 children. Children of unemployed parents are not guaranteed a place in day care. If a parent becomes unemployed, the child must leave the place within 6 months. Instead, the unemployed parents are encouraged to use the open pre-schools and spend time with their children and other parents there. As part of the efforts to integrate children of refugees and immigrants, the municipality employs bilingual staff in both kindergartens and pre-schools.

A little more than half of the children aged 1-6 attend a public daycare institution; 46 percent full time. A further 8 percent of the children attend one of the private daycare centres full time, which are usually run by parents' co-operatives, religious organisations or companies. In addition, there is municipal part time day for the 6 year old. Municipal, non-institutional daycare options include family day care used by 8 percent of the pre-school-age children, and a parental leave benefit for caring for the child(ren) at home.

An approximate SEK 1 billion annually or 27 percent of municipal social expenditures is spent on daycare. Institutions are awarded subsidies on basis of criteria of the children's age, mix of part-time and full-time users, and the number of children with special needs. The running cost of a daycare place averages SEK 63,000, 18 percent of which is covered by parental contributions.

Visit to the Almen daycare center
Until a few years ago, the Almen daycare center pursued no clearly formulated pedagogical policy. However, encouraged by the municipality, eager to be able to offer parents alternatives to traditional daycare centres, the head of the kindergarten decided to develop an approach in the vein of the Reggio Emilia pedagogical principles. It focuses on developing the creativity and imagination of children through involvement in various product-oriented activities, i.e. projects resulting in a concrete achievement. This approach has since become increasingly popular and has been adopted by a number of daycare centres in Malmö.

The Almen daycare center is open between 7 a.m. and 5.15 p.m. The staff includes five trained kindergarten teachers and four assistants holding upper secondary school diplomas. The 45 children attending the center full time are divided into two groups of 15 aged 1-3-year and one group of 24 aged 4-6-year. The groups have separate facilities: The youngest groups have a hall area where the children keep named boxes with their personal belongings, a combined bed- and playroom, three separate playrooms, toilets with doors, and a large room used for playing and at meal times. The older children have at their disposal two playrooms, a dressing room, and two woodwork and hobby rooms equipped with a variety of tools. Common facilities include a big playroom, toilets, and a book room where children can play with letters, numbers, and an old typewriter.

For all age groups alike, a typical day in the kindergarten begins at 8 a.m. when breakfast is served, typically bread and hot oatmeal porridge. The children spend the rest of the morning working with their theme groups on projects related to the monthly theme. The theme of this month was the face. The children had to create and paint colours according to the theme. Thus, the children painted faces all over the institution. The older children were engrossed in projects related to the ocean. Shortly after 11 a.m. the children eat a hot lunch meal in their groups. On the day of the visit, the meal consisted of fish-fingers, mashed potatoes, carrot salad, and an apple for desert. After lunch the children rest for a couple of hours. Many children nap, others listen to stories. The older children read books or watch movies. At 3 p.m. all the children gather and the afternoon tea, fruit, and sandwiches are served. After that the children are free to play until their parents collect them.

Once a week the entire institution goes on a field trip, typically to a place related to the monthly themes, e.g. the ocean. Gymnastics is also part of the weekly program.

Older people

The objective of care for the older people in Malmö is to help senior citizens live independently in their own homes for as long as possible. Thus, home help and other auxiliary services constitute the core social services for older people in Malmö. However, to meet the demands of a growing population of frail older people suffering from dementia and Alzheimer's, institutional care is also expanding at the moment. Another important change in the mix of users is an increasing number of older people with an ethnic background. To meet this challenge, the municipality is employing home helpers and other staff with an ethnic background or relevant language skills.

At the request of an older person, a relative, doctor or hospital, one of the municipality's four directors of elder services will initiate an evaluation and an individual care plan. Both medical and psychological factors are given consideration in the plan, which specifies the nature and extent of needs and places the older people on one of six care levels. On the lowest level, people usually receive only daytime help with various practical chores such as cleaning, laundry, shopping, etc. On level six are placed those older people who need 24-hour comprehensive and intensive help and care.

Albeit less vehemently than their predecessors, the current Social Democratically lead city council has continued the privatisation process initiated by the Moderate Party between 1990 and 1994. Today, as much as 38 percent of home help services is provided by private companies or organisations. 3 percent of the older people aged 65-79 and 22 percent of people age 80 or above receive some form of home services either home help or the more comprehensive home care. The municipality monitors both publicly and privately provided home services through a pin code system, which registers the time of visits and the nature of services rendered.

A little over 2 percent of the older people in Malmö receive some sort of institutional care. Special needs housing covers a wide variety of housing possibilities, ranging from independent living in apartments with access to common facilities to old people's homes and geriatric wards, where very frail or sick older people can receive long-term care.

Informal care is of only marginal importance in terms of municipal social expenditures. Currently only 55 people receive a home care allowance for providing care for an older relative or friend. However, the number of recipients is likely to increase over the next years, as the municipality plans to improve care relief and support possibilities. Volunteer organisations are not directly involved in care provision, but do play an important part as a potential social network. Through the organisations, older people can receive visits, go for walks with volunteers etc.

Tax contributions are the primary source of financing of services for the older people. 51 percent of social expenditures goes toward such services. Clients' fees are income dependent and cover approximately 12 percent of gross expenditures.

Visit to Öresundsgården

Öresundsgården is a publicly owned service center (*service centrum)* serving a number of different purposes. From 1970 to 1990 it was a traditional old age home, housing some 150 older people. However, today services include an old age home with 63 residents, 23 sheltered apartments, a day centre and group dwellings housing 16 older persons suffering from dementia or Alzheimer's. The idea behind the centre is firstly, that older people can remain resident in the centre area and just change building after need of care. Secondly, that it is not only an activity centre for the residence but also for older people from the whole area. In this way, older people can keep contact to their former neighbours. Staff includes 150 persons, who integrate ordinary care and service and more specialised care and nursing for frail older people.

We arrive at the service centre a cold November evening, at dinner time. Anyhow, there is a buzz of activity. The elder council has arranged a bingo and all the neighbours are joining. We see posters advertising for new come-together-arrangements all over. In another section of the centre, older people are splashing around in the pool, where there is aqua aerobics twice a week. Next door some fit older men are doing weight-lifting. The older women stick to the bicycles in the fitness room. After sports, many of the older people go to the sunbeds, says the manager of the service centre, which explains why so many of the older people look, as if they had just spent a week at the coast in Southern Spain.

All the hobby rooms are located in the other end of the centre. We pass the binding department, the pottery room and the kitchen, where two older women are teaching some of the older men how to cook. At last, we arrive at the weaving room, which the centre and the older people are very proud of. In Sweden, there is a strong tradition for crafts and especially weaver's work. There are 10 huge weaving implements in the room, which are all occupied with hardworking older people. Wool in all colours are spread around the room. There is a high demand for the service centre's production of crafts and the older people are producing weaving for the coming market day in the service centre. Later, we visit the group dwelling house 'The Sunrose'. Each of the group dwelling houses has eight residents with dementia or Alzheimer's. 'The Sunrose' is decorated like a normal flat with eight rooms and shared facilities e.g. a kitchen, a tv-room, a dinning room and a terrace. The flat is cosy due to the original Swedish 17th century furniture. The older people have their own room with their own furniture and a toilet and shower. When we arrive, the older people are watching television and two staff members are making coffee. The table in the dinning room is ready laid for tea as the relatives are coming over for the monthly report. The staff are specially trained to care for older people with dementia and Alzheimer's and the staff is present day and night.

The day centre serves about 20 older users. Typically, they spend the day between 9 in the morning and 3.30 in the afternoon at the centre, where they can participate in a variety of activities and eat a hot meal. The staff of Öresundsgården comprises a total of 150 people.

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CHAPTER 5

Finland

Box 5.1.
General characteristics of Finland

- Finland is divided into 5 counties and 450 municipalities, with a locally elected government in each municipality. The country has a land mass of 338,000 square kilometres. With only 15.1 inhabitants per squaremeter, population density is the lowest in EU. Most of the 5.1 million Finns live in the southern part of the country. 2/3's of the population live in urban areas. The majority of municipalities have around 1,000-6,000 inhabitants.
- The Swedish speaking population makes up 5.1% of the total population and 21 of the municipalities have Swedish as the official language. Sami speakers make up about 0.03% of the population. Foreign citizens only make up a small part of the population, less than 1%.
- The distribution of employment is 9.9% in agriculture and forestry, 39.1% in industry, and 51% in services. The overall unemployment rate is 16.5% (1996).
- In 1996, 32.8% of the Finnish GDP was spent on social expenditure. The state finances 28%, employers 35%, municipalities 16% and insured 13%. User fees including other contributions make up 7% of total expenditure.
- The annual disposable income for an Average Production Worker (APW) couple with two children was 149,846 Finnish marka (FIM) in 1996. Single APW pensioners who have worked throughout their working life have a yearly disposable income of FIM 57,208 in retirement pension, and APW pensioner couples have a yearly disposable income of FIM 96,370 (1996) (Hansen, 1998).
- Finland is an ageing society with a high proportion of the population aged over 65 years (14.3%). This is going to continue into the next millennium, when the post-war babyboomers will mean an increase in the need for care in the years to come. Finnish women have an average life expectancy of 80.5 years and men 73 years. The fertility rate is with the other Nordic countries, among the highest in Europe, at 1.76 in 1996. Children aged 0-6 constitute 8.8% of the population.

5.1. Introduction

Since the 1960s, Finland's social service system has come to provide for an increasing proportion of the population. The social services therefore constitute an important dimension of Finnish society, not only by providing services for older people and children, but also through providing jobs for a large number of people. Although Finland has not had the same build-up of public sector employment as the other Nordic countries, the high female labour force participation rates are often contributed to the expansion of welfare provision as this creates jobs in the

public sector. The relatively late expansion of the welfare state in Finland has influenced the provision of care, which reflect political support from mainly the agrarian parties for services in cash and in kind instead of tax deductions. Care for children and older people is therefore mainly provided via services, and cash benefits for informal care have become more important during recent years. The social services receive broad political support and are generally provided on a universal basis. Social services are mainly provided by the municipalities which are more or less autonomous, although some services are contracted out to the voluntary sector.

5.2.
A history of care

The development of the Finnish welfare state is a relative new phenomenon, at least when comparing social expenditure levels in the other Nordic countries. Social expenditure in Finland reached the levels found in the other Nordic countries only in the 1980s, and from the early 1990s was mainly reflecting the decline in the GDP, the rising unemployment rates and related increasing expenditure for cash benefits. Yet, a coherent welfare system forms the basis for provision of services for older people and children in Finland. Overall, Finnish welfare policies are framed by the political environment of continuous coalition governments – and the development of social services for children and older people does not depart from other welfare measures in being based on agreements between the various political parties. The Finnish approach to welfare policies is based on a primarily universal welfare ideology associated with public provision but policies also reflect willingness to include other resources, for example those of the voluntary sector.

The Poor Laws

Originally public provision for older people under the Poor Laws of 1852 and 1879 took the form of poor houses for those, who had no other means of support and no family to turn to. Poor houses also took care of disabled people, mentally ill and those classified as delinquents. In return for shelter and food, the older people would have to work, sometimes for local farmers. The structure of support for poor older people remained based on institutional care up until the 1950s when some moves were made to introduce separation between being old and being poor. Most help however continued to take place in the poor houses.

Educating the middle-class children and caring for the poor children

In contrast to public policy towards poor older people, who were regarded as a public problem, the provision of day care for children was initially provided by private organisations for middle class children. The first kindergarten was set up in 1883 in Helsinki. The first kindergartens were inspired by the Fröbelian

principles of the German model, and were intended to function as 'centres of enlightment', i.e. preparation for education was emphasised, and kindergartens were open only for a few hours or a few days a week. Among the Nordic countries, the Fröblian ideas have been most influential in Finland. From the late 1880s, however, social welfare kindergartens offering full-time day care were set up for poor children who were otherwise left unsupervised on the streets, and also came to serve as 'homes' for orphans after the Civil War in 1918. Similarly, the Mannerheim League for Child Welfare was established to advise and support lower class families in order to unify the nation after the war. The League was the first organisation to provide help in the home for families with children, and in some cases it also provided kindergarten services. Most kindergartens were private, owned by philanthropic organisations or by private factories. The earliest kindergartens were the responsibility of school authorities but from 1924 the social welfare authorities took over responsibility. Sponsored by a female Minister of Social Affairs, an Act providing for public support of kindergartens was implemented in 1927. Following this, in 1936 the municipalities were given responsibility for setting up or otherwise supporting private kindergartens through a law on child protection. Development of family policies, as in Sweden, was generally influenced by concern about low fertility rate. In the 1930s, tax concessions for workers with children and maternity grants for mothers on low incomes were introduced. Maternity grants were later extended to all families. Help in the home was mainly provided by voluntary organisations via assistance for families with children when the mother was ill or giving birth. This system was popular, and the number of kindergartens remained at around 100 until the end of World War II (Simonen, 1994).

The Home Help Act

Older people were primarily cared for in the family although the implementation of the Communal Home Makers and Home Help Act (1951) helped legitimize the use of public support. The main source of public care was the old people's home, based on the former poor houses, which were relatively widespread in the 1950s, accommodating 4-5% of people aged over 65 years.

Modernising the care for the old

Finland experienced structural and social changes relatively later than the other Scandinavian countries, and the major steps toward a modernised systems of services covering all groups in society were not taken until the 1960-70s at the same time as urbanisation of the country. The strategy of developing care for older people in their own home gained weight, and the system of state grants was reformed with more emphasis on home care. To ensure this, auxiliary services such as meals, bathing and recreation were developed. The Municipal Home Help Act (1966) extended the scope of public home help; included domestic help under state subsidies; and emphasised that the basis of

entitlement was need, not financial situation. However, poor housing standards had until then prevented implementation of community care. Pensioners now became entitled to housing benefits and loans were provided to municipalities and private entrepreneurs in order to improve housing conditions for older people. During the same period, centralisation of municipal activities gave the National Board of Welfare control over municipal services in general, thus underlining the policy concern to provide services for everyone no matter where they lived in the country (Kröger, 1996).

Extending child day care

The post-war baby boom helped putting focus on the emerging need for public day care. However, it was not until the late 1960s, it was recognised that the increasing number of women in the labour force and the speed of urbanisation had created a need for reform of the support for parents with small children. In 1964, the maternity, paternity and parenthood leave system was introduced. Also, a Day Care Committee was set up, supported by a centre-right wing coalition advocating a 'mothers wage'. This support for care in the home reflected the ideal of the 'educational function of the home'. However, the committee's report recommended also the expansion of day care. When the report was published, a Social-democratic government was in power and the Day Care Act (1973) encouraged the development of public day care instead of a 'mothers wage'. However, many municipalities had in fact been paying the mothers wage since 1970. Along with increases in general child allowances and expansion of maternity allowances, the extension in day care services reflected new ideas about public support for families with children. The Day Care Act stated that access to day care should be based on need and day care should be provided in the child's mother tongue. Until 1973, day care had been reserved for 3-7 year olds, but under the new Act younger children were admitted to publicly supported day care also. Day care centres and care within the family were intended to have equal status but especially in rural areas, the day care centres were not popular and support for family and the 'mother's wage' remained strong (Simonen, 1994).

The unresolved tension surrounding the 'mother's wage' was highlighted in 1983 when a centre party majority government came into power with 62 women in parliament. A proposal to introduce a Home Care Allowance for Children (HCA) was approved in early 1985, stipulating that municipalities should provide either a place in day care or pay the HCA for all children under 3 years by 1990. At the same time, a proposal to make social contributions for household help, such as nannies or maids, tax deductible was put forward, and got through Parliament in 1989 under a Coalition government but was abolished the following year.

De-centralisation

Since the mid-1980s, several reforms have been enacted to strengthen municipal autonomy. A new Social Welfare Act laying down principles and goals of welfare was implemented in 1984. This Act functions as a skeleton law, stating that municipalities are obliged to provide services according to need, but giving them much freedom as to how services should be provided and to what extent as long as individual needs are met. With the new Act, municipalities became able to purchase some social services from private providers. Also, the prerequisites for coordinating social welfare and health were improved, as the Act provided for integrated planning of health and welfare services to older people. Home help and housing services were to be provided in order to enable independent living for older people, and informal work was to be encouraged in the care of older people. However, the most influential reform was the revision of planning and state subsidies in 1993, which gave the municipalities the far widest autonomy in local decision-making to date. The municipalities now have total control over the allocation of state grants and are able to use resources saved according to local preference.

Current issues

Although the provision of public care for older people has been greatly expanded, especially from the 1980s and onwards, the majority of older people are traditionally cared for by family members. Action for older people in the 1990s has included preventive and active measures and has increased focus on cooperation and coordination of public and informal care. As many women are in full-time employment, reconciliation of family and work responsibilities is also an important issue on the political agenda for the family. One strategy to enable parental employment has been to expand day care provision. The right to a place in day care which was implemented for children under 3 years was to be extended to 3-6 year olds in August 1995, but this was postponed until 1996. Presently, financial constraints limit the scope for action in the social services in Finland. But in the foreseeable future, ageing of the Finnish population will create even more pressure to develop a system of care which can meet increasing demands effectively. A reform of care for older people was launched at the beginning of 1996, pointing out that a high number of older people are still cared for in an institutional setting rather than in the home. The strategy is to give priority to improving housing conditions and strengthening extra-mural care. Other attempts to cut expenditure include the introduction of a new cash benefit for child care as this is less expensive than providing a place in day care. From August 1997, this new system of day care for children has been implemented nationally. Parents can now choose between a place in public day care, receipt of the HCA or financial support from the municipality to purchase care in the private sector, either from a private entrepreneur or by employing a nanny.

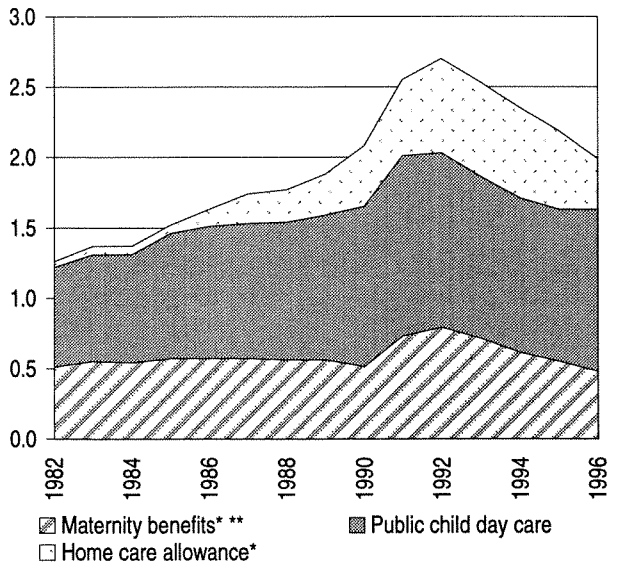
5.3.
Financing
5.3.1. Social expenditure

In the 1980s, Finland experienced rapid economic growth but then suffered from deep recession in the early 1990s. Finnish social expenditure up until the 1980s lagged behind the other Nordic countries and, ironically, did not reach these levels before financial crisis resulted in a drastic increase in expenditure for unemployment benefits and a decline in GDP of 12%. Social expenditure as part of GDP was thus around 23.5% in 1982. With the decrease in GDP and the increase in unemployment the welfare expenditure rose to so far unseen levels during the recession years, to 36% in 1993. Today, welfare expenditure is 32.8% of GDP.

The fiscal crisis made the government introduce several cuts. These mainly consisted of cancellations of indexation, reductions in the compensation levels of different cash benefits expenditure and tightening of entitlement. In all, cuts amounted to in full FIM 7,000 m or 13% of state social and health expenditure. Local savings were achieved by changing the grant system and later more specific cuts were introduced (Uusilato, 1995). Today, negative growth in the GDP seems to have been reversed and since 1994 Finland has had an annual growth rate of around 3-5%. However, the Lipponen government elected in 1995 has continued the reforms which should decrease costs in the long-term, amongst other strategies emphasising cost-efficiency. Cuts in the 1996 budget included a FIM 700 m decrease in the budget for children's Home Care Allowance and a FIM 1,300 m cut in the state subsidy for local health and social services (Uusitalo, 1995).

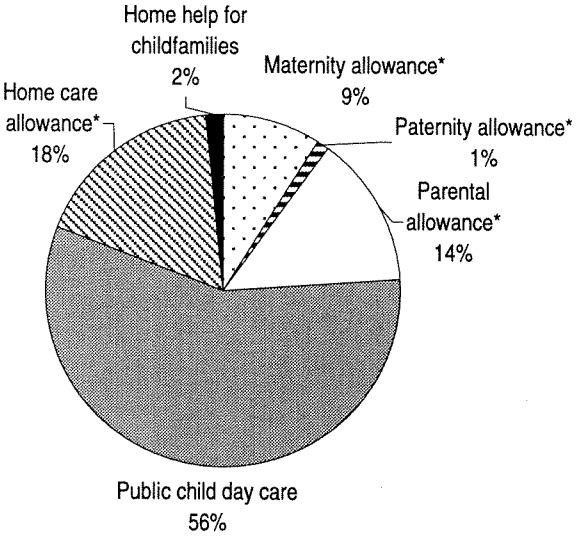
Expenditure for children has steadily risen since 1982, but from 1992 most benefits are reduced as part of GDP. Expenditure for maternity leave increased from 1990-93 both due to increase in benefit period and to extension of eligibility rights also to partners, not only spouses. Cost for the Home Care Allowance for children have increased too, from FIM 169 m in 1982 to FIM 1,840 m in 1996 in fixed 1990 prices, making up slightly less than 0.4% of GDP. Day care has, however, rocketed even more, from FIM 3,396 m to FIM 7,003 m in the same period, and today makes up nearly 1.2% of GDP (Figure 5.1). For children, total services and cash benefits amounted to FIM 9,024 m in 1996 in fixed 1990 prices. Of these, the highest proportion of expenditure went to child day care, followed by Child Home Care Allowance and leave allowances (Figure 5.2).

Figure 5.1.
Development in the net-expenditure of the main social services and cash benefits for children (aged 0-6) as share (%) of GDP, 1982-1996.



Source: KELA: Statistical yearbook of the Social Insurance Institution (annual publication), Helsinki. Ministry of Social Affairs and Health: Social protection in Finland database 1996, Helsinki. STAKES: Facts about Finnish Social Welfare and Health Care (annual publication), Helsinki.
Note: * Gross expenditures.
** Maternity benefits is the sum of maternity, paternity and parental allowance.

Figure 5.2.
Structure of the net-expenditures of the main social services and cash benefits for children (aged 0-6), 1996.

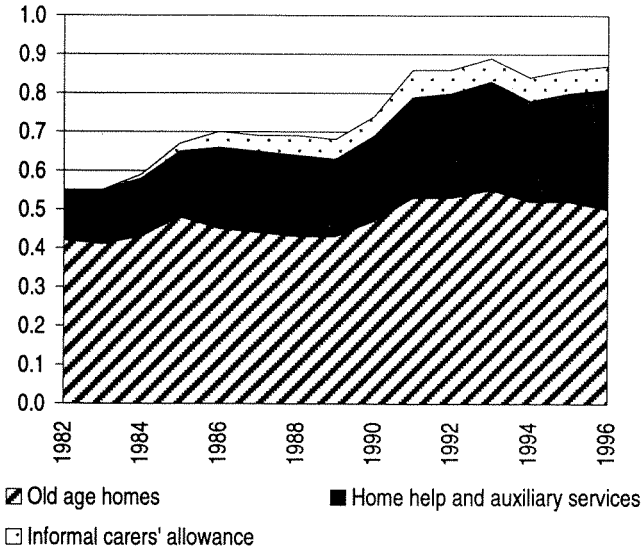


Source: KELA: Statistical yearbook of the Social Insurance Institution 1996, Helsinki. Ministry of Social Affairs and Health: Social protection in Finland database 1996, Helsinki.
Note: * Gross expenditures.

For older people, development in expenditure from the early 1980s shows that costs for services such as home help and institutional care have risen from FIM 2,830 m in 1982 to FIM 5,141 m in fixed 1990 prices. Today, expenditure for home help makes up slightly more than 0.3% of GDP while institutional care makes up nearly 0.5%. Expenditure for the Informal Carer's Allowance has increased somewhat too as share of GDP since the introduction in 1981 (Figure 5.3). Thus, of the expenditure allocated to services and care cash benefits for

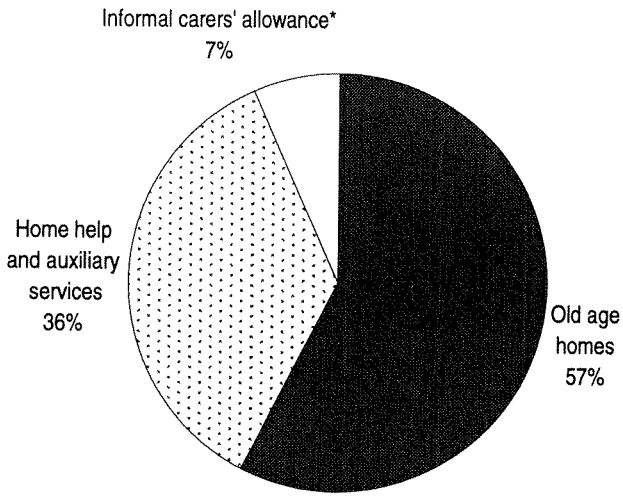
older people, FIM 5,441 m[1)] in 1996, the biggest proportion went to residential care, followed by home help and different auxiliary services. Expenditure for Informal Carers Allowance made up less than one tenth of total expenditure in comparison (Figure 5.4).

Figure 5.3.
Development in the net-expenditure of the main social services and cash benefits for older people (65+) as share (%) of GDP, 1982-1996.



Source: KELA: Statistical yearbook of the Social Insurance Institution (annual publication), Helsinki. Ministry of Social Affairs and Health: Social protection in Finland database 1996, Helsinki. STAKES: Facts about Finnish Social Welfare and health Care (annual publication), Helsinki.
Note: Informal carer's allowance is gross expenditure.

Figure 5.4.
Structure of the net-expenditures of the main social services and cash benefits for older people (65+), 1996.



Source: Ministry of Social Affairs and Health: Social protection in Finland database 1996. Helsinki.
Note: * Gross expenditure.

1) Not including the expenditure for the Pensioners Care Allowance, as this is also awarded to people under 65.

5.3.2. Division of financial responsibility between the State and municipalities

Before the 1970s, municipal funding was more or less the only source of funding for local social welfare. But the proportion of state subsidies to local welfare provision greatly increased during the expansion years, from 15.6% in 1975 to 42.5% in 1984 (Kröger, 1996). Today, the funding of welfare is divided between the municipalities and the State. Overall, the State funds around 1/3 of expenditure for both cash and in kind benefits (Table 5.1).

Table 5.1.
Sources of financing (%) and gross expenditure (m FIM) of the main social services and cash benefits for children (aged 0-6) and older people (65+) 1996.

	Gross expenditure (m FIM)	Sources of financing (%) State	Local authority	Employer	Insured	Client
Children (aged 0-6)						
Maternity and parents' benefits	2,774	..	..	38.25	71.23	..
Child home care allowance	2,042	31.10	68.90	..	..	..
Home help for children	201	30.85	64.68	..	..	4.48
Public child day care	7,771	27.31	57.48	..	..	15.21
Older people (65+)						
Informal carers allowance	333	32.13	67.87	..	..	..
Pensioners care allowance	1,034	..	..	..	..	..
Home help and auxiliary services	2,104	27.71	58.32	..	..	13.97
Old age home	3,601	25.83	54.37	..	..	19.80

Sources: Statistics Finland 'Statistical yearbook', 1997, Helsinki; KELA, 'Statistical yearbook of the Social Insurance Institution' 1996, Helsinki 1996; Ministry of Social Affairs and Health: Social protection in Finland database 1996, Helsinki.

The municipalities levy their own taxes which are used to finance welfare provision. The State Subsidy Reform from 1993 means that subsidies are now being paid as a block grant. This gives the municipalities more freedom to decide how resources are to be allocated. The new system of subsidies provides municipalities with an incentive to cut costs, as savings will primarily benefit the municipalities themselves. The amount of state subsidies, which cover approximately 1/3 of services, is based on the characteristics of the local population, age distribution, morbidity, unemployment rate etc., and calculations of average local tax revenues. Municipalities with a tax revenue of less than 90% of the

average level are awarded a subsidy which equals the difference between the local tax revenue and the 90%. If municipal taxes exceed 90% of the average tax level the state subsidy is reduced by 40% of the surplus. When municipalities co-operate with other municipalities in the provision of welfare services they receive a state subsidy for their operation in the form of compensation paid to them by the municipalities on basis of the use of services. State subsidies have been decreased recently due to the economic crisis. In 1997, state subsidies were reduced by FIM 2,500 m, and from 1998 subsidies are to be reduced by FIM 1,300 m. The municipalities have generally adjusted their reduced revenue from state subsidies and local taxes by increasing tax rates and user fees (Ministry of State, 1996).

5.3.3. Employer and employee contributions

Employer and employee contributions have no role in the financing of social services. However, employers and employees pay contributions for other benefits of importance to families with children, such as maternity and paternity leave allowances. Here, employers contribute 38% and employees 71% of financing (Table 5.1).

5.3.4. User fees

Although one of the purposes of state subsidy reform has been to increase municipal powers of decision-making, municipalities must adhere to the law if it is stated that services are free-of-charge. Provision of maximum and minimum charges are also likely to be specified in decrees. Beyond this, municipalities have total discretion over the size of the user fees and these consequently vary by area.

User fees provide about 1/6 of funding for all social services for children and older people. The highest revenue from fees is from the provision of child day care, home help and institutional care for older people, in which charges are graded according to the client's ability to pay. Fees can be waived for low-income groups or for social reasons. In 1996, charges paid by parents for day care covered 15% of the total costs. The increase in the rate of unemployment has placed greater attention on the incentive problems created by the income related fees in day care. As part of a new programme introducing work incentives, the income levels in the user charges for children's day care have, therefore, been loosened and social benefits, user charges, increases in the earned income and taxation now constitute an entity in order to avoid incentive traps (Uusitalu, 1995). Older people using residential care paid 20% of costs, while older people and families with children receiving home help paid 14% and 5% of costs respectively (Table 5.1).

5.3.5. Funding of voluntary work

The provision of services from the voluntary sector is relatively important, especially in relation to sheltered housing for older people. Voluntary provision of services is mainly funded by the Finnish Slot Machine Association (SMA) which is a public fund-raising corporation which assists charitable organisations and foundations on the basis of its monopoly to operate gambling machines in Finland. The Council of State makes decisions about the allocation of grants, while the SMA monitors their use. In 1996, the SMA granted FIM 335 m for projects targeting older people, of which FIM 249 m was granted for investments and FIM 86 m for operational costs, experiments and projects. Grants have mainly been given for investment in sheltered housing.

5.3.6. Private funding and fiscal subsidies

No private insurance schemes have been set up to finance domestic or residential care for older people, nor child day care. Whereas the costs of long-term care have never been covered by tax relief, until recently all families with children were entitled to a tax deduction to cover day care costs. This was abolished in 1993 and child allowance increased instead. The introduction of tax deductions for the use of private domestic helpers as a strategy to strengthen private entrepreneurship and to combat unemployment has been debated. In October 1997, two new experiments were launched. One introduced a tax deduction for the use of private domestic services, up to a maximum of FIM 5,000 per year, and the other subsidizing the cost of private domestic services. The entrepreneur is paid directly from the state to provide domestic services.

5.4.
Provision of services

5.4.1. Public provision

Municipalities provide most of the social services for older people and children, supplemented with services bought mainly from voluntary organisations. The municipality can decide to provide services itself, engage in collaborative provision with other municipalities by being a member of a federation of municipalities operating the services, or by buying from another municipality, from the federation, the State or another public or private service provider.

5.4.2. Informal care

The role of the family has traditionally been very important in Finland and from the 1980s, the role of civil society has been subject to debate. Family members, other relatives and the neighbouring community have been encouraged to help and provide care, especially for older people. Strengthening the role of civil

society has been spurred on by recession and economic crisis in the municipalities. Different projects have been set up to support informal carers, including developing knowledge, providing assistance, and coordinating formal and informal care. Strengthening of the Informal Carers Allowance in 1993 to ensure that care givers have basic social and employment rights was a step to facilitate and reward informal caring. A survey carried out in 1987 showed that 12% of older people received help only from their family and a majority of Finns think that responsibility for older people will increasingly be placed on the family in the future. Informal care is, however, more popular with younger than older people. Of those aged 60 and over, half would prefer to receive help from the municipalities, 41% preferred help from family and relatives, and only a few preferred help from voluntary workers. However, of those aged under 60, 62% hope to get help from their family, when they grow old, and 30% from the municipality (Finnish old-age barometer, 1994).

5.4.3. Voluntary organisations

Voluntary welfare has a long tradition in Finland. Many voluntary organisations, however, work on a very professional basis. Around 40 bigger national organisations, congregations, and associations employ thousands of full-time, salaried employees. Voluntary provision is intended to supplement public services, not replace them, but the voluntary sector has also been subject to increasing political interest lately. Municipalities are encouraged to collaborate with the voluntary sector in finding more cost-effective ways of providing services, and provision from the voluntary sector has been increasing since the early 1990s, especially the services for older people. Most services provided supplement public services, for example the home help evening patrols introduced in Helsinki by the Central Unions for the Welfare of the Aged. Through them, older people receive help with getting to bed and taking medicine. Older people are charged FIM 400 a week for daily help. The system is popular and is spreading rapidly in Finland (Antonnen, 1991).

Provision by private providers accounts for 6% of municipal social services. This includes for-profit provision but their number is relatively small. Most private providers sell their services to the municipality and only a few provide a direct service to clients. From 1990, the number of providers has increased by 300 – to 1,000 in 1995 – and the proportion of provision has also increased. Apart from sheltered housing for older people where private provision constitutes 44%, the private sector also provides day care for children. Approximately 10% of all day care centres are private and 20% of old-age homes are provided by the private sector, both care forms are often supported by the municipality. Private services

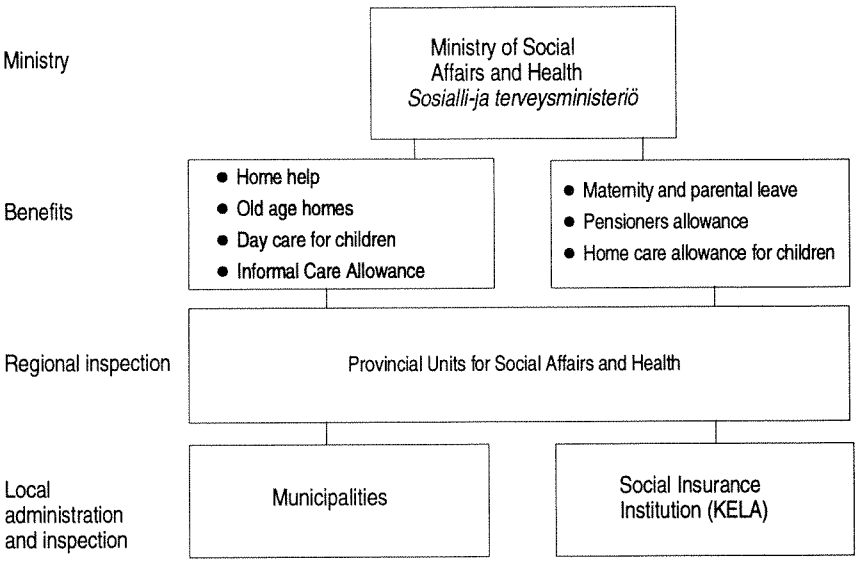
for home help are mainly used by families with children – 77% of around 40,000 clients. Roughly 10% of auxiliary services for older people are provided privately.

5.4.4. Private for-profit provision

The provision of for-profit services is as mentioned relatively little, around a hundred for-profit companies provide services mainly for older people, and often in cooperation with municipal services. However, the 1993 State subsidy reform in Finland has opened up for commercial service provision by allowing a purchaser-provider split (Kröger, 1996). Today, the municipalities are given an incentive via state expenditure since any savings can be retained by the municipalities to become part of the next year's budget (Simonen, 1994). Also, the economic crisis in Finland has meant that ideologies of provision of welfare has started to change, and although the municipal policy response has so far rather been to de-privatize and monopolize (Lehto, 1995) there is now more room for market orientation in general.

5.5. Organisation

Figure 5.5.
Diagram of organisational structure.



5.5.1. Central government bodies

The *Ministry of Health and Social Affairs* manages and supervises both social and health services and welfare. The ministry is in charge of drafting bills and government regulations and formulating policies. The *Department of Health and Social Services* of the Ministry of Social Affairs and Health is responsible for day care, Home Care Allowance for children and care for older people. The Department is also responsible for payment of state subsidy to the municipalities. Every year central government draws up a 4-year plan outlining the targets of local social and health services. The aim is to identify problems for the municipalities to focus on.

The Social Insurance Institution (KELA) is responsible for basic social security provision for every citizen in Finland. It is autonomous but is supervised by a group of 12 commissioners elected by Parliament. In relation to social care services for children and older people, KELA is responsible for the payment of parental leave allowances, pensioner's allowance and the Home Care Allowance for children. Finland is divided into 210 insurance districts, with a total of 457 local KELA service offices.

5.5.2. Regional bodies

Each of the 5 provinces have a *Provincial Unit for Social affairs and Health* which handles administration at regional level. These provincial units distribute State subsidies to municipalities and guide and supervise social welfare services provided by municipalities and private entrepreneurs. The units handle complaints from service users and assist in the management of local welfare by visiting the municipalities, arranging training and by producing regionally comparable data for use by the municipalities.

5.5.3. Local bodies

Social services for older people and children are provided directly by the 450 municipalities, which enjoy a fairly autonomous position. The *Municipal Council*, elected for 4 years, has ultimate responsibility for local provision of welfare. Local provision of welfare is the responsibility of the *Municipal Social Welfare Board*, whose members are political appointees. In a new development, provision of welfare and health care services is now integrated in some municipalities and *groupings of welfare and health care staff* are now responsible for the population of small areas in most municipalities.

The Social Welfare Act of 1984 imposes general and specific duties on the municipalities including the organisation of social services, provision of information and guidance in the use of services. Municipalities must organise care for

citizens based on local need but are not bound by specific quotas on the number or quality of services. Each individual municipality must decide how to provide care using the resources available. The Social Welfare Act further states that municipalities must organise and provide services in cooperation with voluntary organisations. The Social Welfare Board may also contract out services to for-profit firms or individuals. Municipalities may organise the provision of services in cooperation with another municipality, or within a federation of several municipalities. Each municipality in a federation pays its share of costs to the federation and participates in the decision-making.

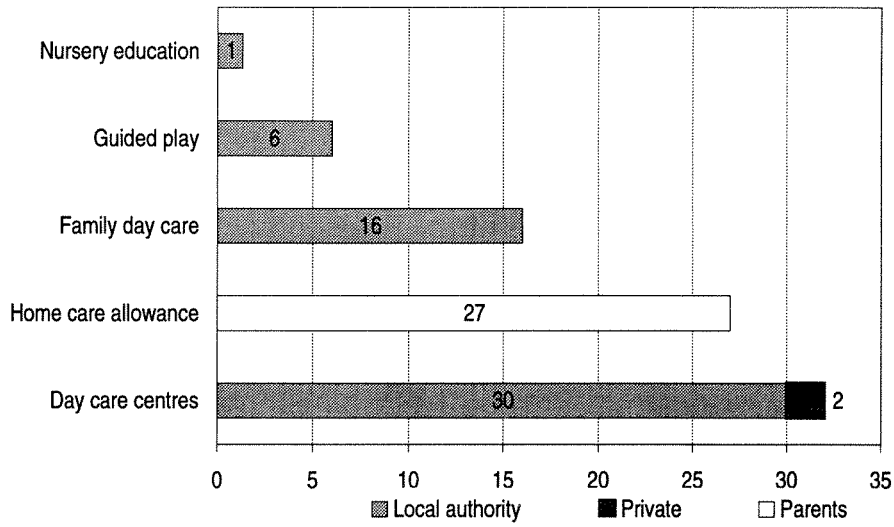
5.6.
Caring for children

5.6.1. Introduction - Main services and cash benefits

The most important public support for care of newborn children is *Maternity leave*, used by most mothers, and *Paternity leave*, which is available to the father. Parents may be compensated in full for loss of income due to child care during the *Parental leave*. After the leave periods, some parents make use of unpaid *Child care leave* which can be taken as a full or partial leave. Until the child is 3 years old, a parent who wishes to care for their child at home after the end of the parental leave can apply for a *Home Care Allowance*.

Finnish public day care is organised in the local municipality, partly as *Day care centres*, and partly as *Family day care* for children of up to 6 years of age. Family day care is particularly popular. For the 6 years olds, *Reception classes* are organised, either within the day care centres or in primary school. *Playground activities* and *Day care clubs* are other popular options, and can also be used by children in family day care. At present, parents can choose between public day care in a centre, or family day care, the Home Care Allowance, or *Private Care Allowance* to purchase private day care. Some families with children in Finland also receive help in the home from a *Home maker,* which is part of the home help system, especially if the child or one of the parents is ill (Figure 5.6).

Figure 5.6.
Day care arrangements for children (aged 0-6) as share (%) of the age-group, 1996.



Source: Ministry of Social Affairs and Health: Social protection in Finland database 1996, Helsinki. STAKES: Facts about Finnish Social Welfare and Health Care (annual publication), Helsinki.

5.6.2. General principles of day care for children

Provision of day care reflects the general principle that newborn children are best cared for by the family in their own home, not in public day care. The maternity, paternity and parental leave benefits function as compensation for loss of income for parents of newborn children. During the first months of a child's life the relationship to the mother is very close and maternity allowance is, therefore, available to the mother. But the subsequent parental leave recognises the importance of a close father-child relationship, in allowing parental leave to be shared by the parents. A special paternity allowance also provides the father with some days for the child and is paid in addition to parental allowance.

Whereas early day care provision in Finland provided either an educational setting for middle-class children or functioned as a method of social control of working class, poor children, current day care provision is aimed at providing universal welfare services for all children whose parents want them to be looked after in municipal day care. Children of Finnish parents who are returning emigrants, children belonging to minority groups and those in children's homes are to be given special consideration regarding day care.

The pedagogical principles reflect the idea that day care for children should support the child in developing into a responsible, peaceful and caring individual (1973 Day Care Act). The provision of day care, Home Care Allowance and the recent introduction of Private Care Allowance provide parents with different possibilities for the care of their child from which they in principle can choose what is considered to be the individually best solution. But the different systems also reflect political disagreement as to what is considered to be ideal day care for children. In general, there is support for enabling parents to care for their children at home as an alternative to day care centres. This is also reflected by the proportion of children in day care which is relatively smaller than those in the other Nordic countries. And family day care, which is recognised as providing care in a home-like setting, is relatively popular. Principally, however, provision of day care in a day care centre should be equal to family day care or care in the home by means of home care allowance.

Under the Social Welfare Act, each municipality must provide day care for children under school age. The care must be provided in the child's mother tongue according to local need, but parents have primary responsibility for bringing up their child. Day care is to be provided as either full-time or part-time and a max. parental fee applies. If the municipality is unable to provide a place in a day care centre or family day care, parents with children under the age of three are to be offered either Home Care Allowance, or Private Care Allowance to purchase private day care. Since 1996, government policy has been to ensure that all children under school age should have a statutory right to day care within 4 months from the day of application. The general guidelines of the Social Welfare Act recommend that children of employed or student parents are to have priority to a day care place, but this is a matter of local discretion.

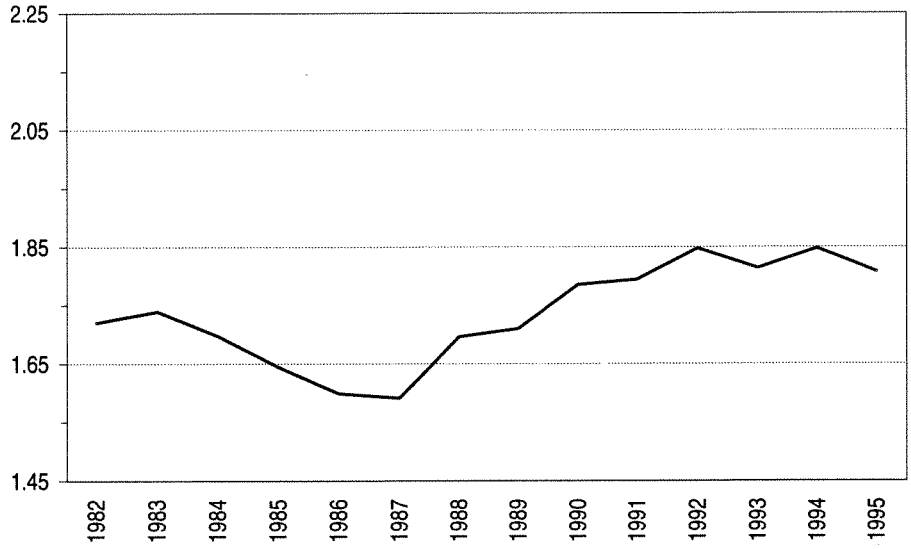
5.6.3. The need for day care

The need for day care obviously varies according to conceptions of how children should be cared for, whether the parents are working, or if the child is living with one parent only since one-parent families may find it harder to organise day care for their children. However, for families with children, the Finnish family pattern mainly consists of two-parent families. 87% of families with children under 6 years of age thus include two providers. 12% of families are headed by a single mother, and 2% of children live with their 'single' father (STAKES, 1997a). Most families with children have only one child (44%) or two children (38%), and 18% of families have three children or more (STAKES, 1998).

As is the case in other countries, the fertility rate has decreased in Finland over the last 30 years. However, it is now increasing (Figure 5.7). In 1996, the fertility

rate was 1.76 which is around the same rate as the other Nordic countries (Statistics Finland, 1996) During the last decade, the number of children aged under 6 has remained around 450,000, constituting 8.8% of the total population.

Figure 5.7.
Fertility rate, 1982-1996.



Source: Statistics Finland, Statistical Yearbook 1996.

The demand for public day care solutions is also closely connected to if and how much parents work, and as it is most often the mother who cares for young children, demand for day care is closely related to the extent to which women participate in the labour market. The number of Finnish women in work or seeking work has traditionally been very high. The recent years of increasing unemployment rates have, however, affected women also, and has resulted in less demand for public day care. In 1990 when the economic crisis set in, the unemployment rate for women was only 2.8%, whereas by 1996 16.5% of women reported being unemployed. Unemployment rates for men have fluctuated around 20% in recent years, decreasing to 16.1% in 1996. Nearly two thirds of women (61%) are reported to be active on the labour market, which is only slightly less than men (69%) (Statistics Finland, 1996).

The ratio of Finnish women in full-time to part-time jobs has been very high for decades. The part-time ratio is very low compared to the 30% EU female part-

time rate at only 16% of employed Finnish women in 1996. Around half of Finnish mothers with a child under 3 years old participate in the labour market, and nearly nine out of ten mothers with children aged 3 to 6 years. Fathers generally participate in the labour market - around 95% work, regardless of the child's age (Salmi, 1994).

5.6.4. Public cash benefits following birth

Maternity leave allowance (Äitiysraha)

Maternity benefit is paid to the mother for 105 calender days, excluding Sundays, following the birth. In the case of multiple births, the period is extended by 60 days. Both employees and non-employees are eligible. The mother can start claiming the benefit on the 155th day of pregnancy, and actual payment can begin 30-50 working days before the expected date of birth. The mother must have resided in Finland for six months prior to the expected date of birth in order to be eligible for maternity leave. Maternity leave is also available to adoptive mothers.

Parental leave allowance (Vanhempainraha)

Following maternity leave, parental leave benefit can be paid out to either the mother or the father, but not by both at the same time. The minimum number of days is 12 workdays. In 1994, the number of days, excluding Sundays, was cut from 170 to the current 158 days to cut expenditure allowed. Multiple birth entitles the parents to further 60 days. Parental leave allowance is also available to adoptive parents.

Paternity leave allowance (Isyysraha)

In addition to parental leave, a 6-day fathers' leave is available at any time the father chooses during the maternity or parental leave period. Fathers can also use paternity leave for 6 to 12 days around the time of birth, if both parents agree. Over half of Finnish fathers take the leave.

Lenght of leave

Since 1987, the total length of the maternity and parental leave period has been 263 weekdays, or approximately 44 weeks, except from 1990-91 when it was 46 weeks. In total, maternity and parental leave benefits are paid from 6-9 weeks before the birth and until the child is around 9½ months old.

Entitlement

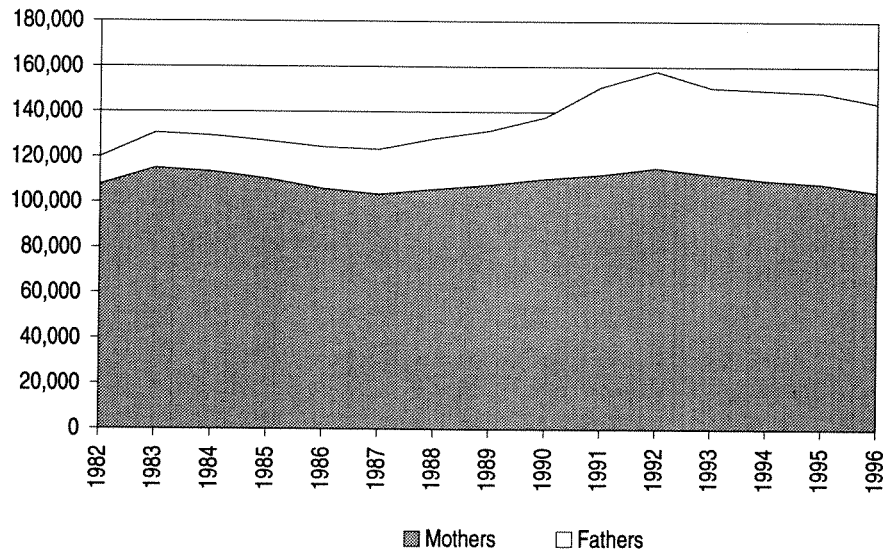
In general, the leave schemes not only provide compensation for loss of income but also allow parents to take time off work. In order to be entitled, both the mother and the father must have been insured under the national health insurance scheme for at least 180 days prior to the birth. The parental and paternity leave benefits can only be paid to the father if he is caring for the child,

lives with the mother and if she gives her consent. Finland is the only country among the seven in this study, where students and housewives are also entitled to parental leaves for child birth. The benefits are to be claimed at the local KELA office or from an employees' sickness fund no later than 2 months before the due date. Parental benefit is only paid once the mother has had a post-natal examination by a doctor. Pension credits continue to accrue during the leaves.

Coverage

In 1996, 144,000 parents made use of one or the other leave. The proportion of fathers taking advantage of the leave has risen steadily over the last 17 years, from one in ten in 1982 to over one in four of the beneficiaries in 1996 (Figure 5.8). Most parents, and in most cases the mother, take the full period of parental leave. Only 6% of mothers start working before the end of the leave due. Over half of the fathers use some days of the paternity leave. But the proportion of FIM paid to fathers during the parental benefit only amounts to 2% of total expenditure (Statistics Finland, 1996). In 1996, 12% of children were cared for at home while the parent received one or other form of leave benefit (STAKES, 1998).

Figure 5.8.
Number of recipients of maternity and parents' benefits, 1982-1996.



Source: KELA: Statistical yearbook of the Social Insurance Institution 1996, Helsinki.
Note: Maternity and parents' benefits include: Maternity allowance, paternity allowance and parental allowance.

Amount paid and formula

The size of the allowance is determined on the basis of taxable income with decreasing compensation rates for increasing income, with an average compensation rate of 69.5% of disposable Average Production Worker (APW) income. In 1994 and again in 1995, the basis for measuring the benefit was reduced in order to cut the benefit. Low income earners are guaranteed a minimum benefit of FIM 60 daily or 15% of an APW income. The allowance is taxable. Some collective bargain agreements provide full wage compensation paid by the employer for the first 6-12 weeks of leave. If the parents receive their usual wage during the leave periods, the allowances are paid to the employer, according to the amount of the wages paid. Parents with no labour force attachment receive the minimum benefit.

5.6.5. Labour market agreements

Subsequent to the maternity, paternity and parental allowances, parents are entitled to different leaves stipulated in the labour agreements. The employer is not generally required to pay wages during the leaves but the parent can apply for compensation for loss of income under the Home Care Allowance system which is available for full-time as well as part-time leaves (see later section).

Child care leave (Hoitovapaa)

At the end of the parental allowance, employed parents are entitled to a leave for care if the child is under 3 years old. Both the mother and the father can apply, but they must take the leave separately. The length of the leave is negotiated with the employer but the minimum leave period is 2 months. Employees are entitled to one leave per child under 2 years and another for each child between 2 and 3 years. Adoptive parents and unmarried parents are also entitled to child care leave.

Employers are not required to pay out the usual wage during the leave. The Employment Contract Act stipulates that employees may return to their job or a similar job. The employment contract must not be terminated because of the leave and the employee must not be dismissed during the leave. Credits for paid annual leave are not accumulated during child care leave (KELA, 1997).

Partial child care leave (Osittainen hoitovapaa)

Parents working full-time have since 1989 had the right to a partial leave where work hours can be reduced with a corresponding reduction in earnings until the end of the year when the child starts in school. Parents can receive the partial Home Care Allowance (see later section) during this period until the child is 8 years old. Only one parent at a time can work reduced hours, and the parents must be working for 30 hours a week and have been working for minimum of 1

year. The parent can choose to reduce their working day by two hours, or stay at home one day a week. Partial child care leave has to be taken for a minimum of 6 months.

5.6.6. Public support for child care leave periods

Parents of small children may be entitled to compensation for loss of income when they are on leave. The child Home Care Allowance system has functioned as the most important support system during recent years. However, the economic crisis has led to cuts of around FIM m 1,000 in the HCA expenditure from 1995 to 1996. The cuts have resulted in a decrease in amounts paid and policies to improve work incentives have reduced the number of entitled families.

Child home care allowance (HCA) (Lasten kotihoiden tuki)

Since 1985, parents of children aged under 3 have had a statutory right to apply for the HCA. Parents of children aged under 3 have also had a statutory right to choose between a place in public day care or the HCA from 1990, and from August 1st, 1997, this choice has included a voucher to purchase private day care, the Private Care Allowance. The purpose of the HCA is to compensate for loss of income when parents are on child care leave. The allowance can be paid to employees as well as students and housewives. The allowance is payable also in cases where the recipient is employed as a childminder. The payment of child home care allowance can be made immediately following the end of parental allowance, provided that the parent is entitled to the allowance for at least a month. The award of the benefit can be backdated to six months prior to claiming. The child cannot use the local day care system while the allowance is being paid.

The HCA and unemployment benefits were coordinated in 1993 to improve work incentives. The HCA consists of a basic amount, a sibling increase and an earnings-related addition. The basic amount and any sibling increase are now deducted from unemployment benefit while recipients of the earnings-related addition cannot receive unemployment allowance or cash labour market support. From 1995, deductions in unemployment benefit have also been made for families where one parent receives the basic amount and the sibling increase, and the other parent receives unemployment benefit. Another coordination of policies has been the change in definition of what constitutes a family. This now corresponds to the model used to calculate child day care fees.

Amount paid and formula

Basic amount – The basic amount equals the current amount of minimum maternity benefit, FIM 1,500 a month in 1997. It is paid for 1 child per family only, and ceases if the parents start receiving maternity, paternity or parental

allowance. The basic allowance has been lowered twice, in 1995 and again in 1996 from FIM 1,908 to the current amount.

Sibling increase – The sibling increase is paid in addition to the basic amount to families with one or more children aged under 7, excluding the child on whose behalf the basic amount is paid. The sibling increase can be paid until the child who is entitled to the basic amount is 3 years old. From 1987, the siblings increase has been awarded even if the sibling to the eligible child is in part-time public day care. The amount is FIM 500 per month for every sibling aged under 3, and FIM 300 for every sibling under school age. Payment of sibling increase continues even if the family begins receiving any of the maternity allowances, except in certain circumstances.

Basic amount addition – Only one addition per family is paid. The amount is calculated on the basis of family size and gross household earnings. The amount is payable to families whose net earnings do not exceed a specified limit. For a family with 2 children the upper threshold is FIM 6,890 gross earnings per month. 15% of earnings above this limit is deducted from the maximum rate of the addition. Families with 2 children earning more than FIM 15,582 gross are not entitled to the addition. The full basic addition equals FIM 1,000 a month. The basic amount addition is paid concurrently with unemployment benefits.

The HCA has been increased yearly according to an index, except for the years 1994-1997.

Total HCA amount – A typical family with two children and monthly gross earnings of FIM 12,000 would have received FIM 2,800 a month in HCA in 1997. The yearly costs of providing day care via the HCA is half those of a place in public day care. The HCA costs per child is FIM 23,856 yearly, based on a monthly payment of FIM 1,988, compared to the yearly gross costs per place in public day care of FIM 46,000 (Ministry of State, 1996).

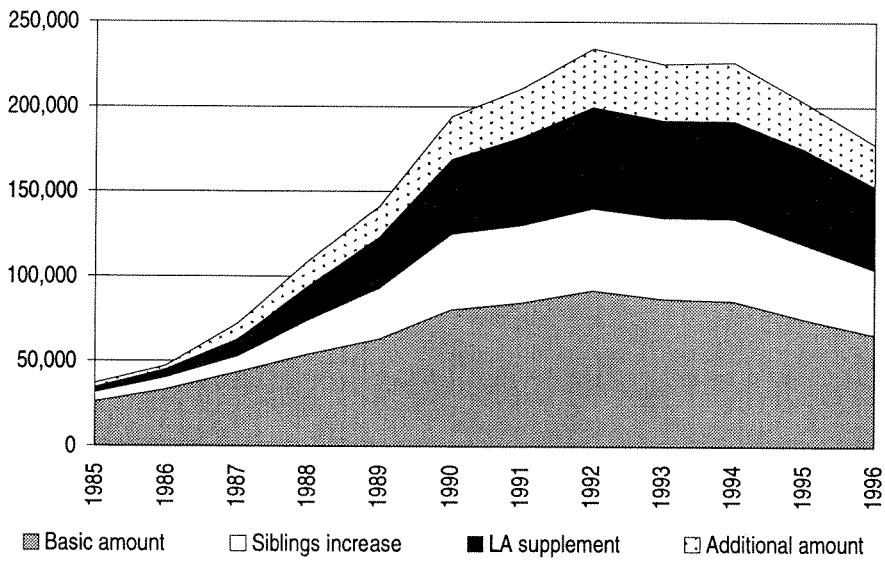
Recipients

The HCA has been very popular since its introduction in 1985, and during this period uptake of the allowance has tripled. In 1994, nearly 80% of entitled families claimed the allowance but most parents mainly use the system for shorter time spans, on average from the time the child is 9 months to 12-18 months old. Only 15% take the full period following parental leave until the child is 3 years of age. It is mainly low income families who use the system since the compensation rate is low.

During the period from 1.1.1985 to 31.7.1997 the benefit could be used to finance private day care although it was only rarely used in this way. Only 5% of children were cared for outside the home. In 3 in 4 cases it was one of the parents, and usually the mother, who stayed at home.

Together with the statutory changes to improve work incentives, lowering the amount paid has made it less attractive and less feasible to claim the HCA. Coordination of unemployment benefits and the HCA has meant that around 11,000 families have lost their entitlement to the HCA and the number of recipients is estimated to have fallen 15% from 1995 to 1996, from 155,025 to 131,600 (Figure 5.9). In particular the number of men receiving the allowance has gone down, from 16.8% of all recipients in 1995 to 6.5% in 1996. As fewer families are entitled to the HCA the need for day care has risen. The proportion of children aged 9 months to 3 years entitled to the HCA has been reduced from 69% to 59% between 1994 and 1996, which is estimated to have increased the need for day care by 2,500 places (Ministry of State, 1996).

Figure 5.9.
Number of families receiving home care allowance according to component, 1985-1996.



Source: Statistical yearbook of the Social Insurance Institution 1996.

Administration

Since the HCA was coordinated with unemployment benefits, the Social Insurance Institution (KELA) has been responsible for the administration and payment of the HCA. The HCA is taxable income and is deducted by KELA. It cannot be recovered by means of collection.

Partial child home care allowance (Osittainen loitoraha)

Parents who reduce their working hours can receive a partial child home care allowance. The allowance is paid to the parent of a child aged under 3 if the parent only works part-time so they can care for the child. The child can make use of the public day care system at the same time. The allowance was FIM 375 in 1997, which is a decrease of 26% from 1995, and is taxable income. It cannot be paid at the same time as parental allowance. The allowance must be claimed from the municipal social service board.

Only very few parents have claimed the allowance to date. In 1996, of the 1,236 parents who claimed, the majority were women with one child under school age. Of the total labour force, only 6% of women and 0.2% of men received partial HCA. Partial leave does not necessarily mean less use of the public day care system, 85% of children with parents on partial leave are cared for outside the home, mainly in public day care (Ministry of State, 1996; Salmi, 1994).

Municipal supplementary allowance (Kluntakohtaiset lisät)

Municipal supplement to the HCA has been paid by some municipalities for a number of years. Until 1990, most municipalities were paying supplements, however, since then municipalities have been more reluctant to pay local additions due to the economic recession. But since the decrease in the HCA amounts and the introduction of the day care guarantee for children under school age in 1996, more municipalities have introduced a municipal supplement, and the number of recipients increased again in 1996. The average amount currently paid per family is, nevertheless, only one third of the total amount paid in 1990. In 1995, the average amount was FIM 750. In 1996, 56,000 families received the supplement (Figure 5.9 up).

5.6.7. Day care for children outside the home

Day care centres (Päiväkoti)

Day care centres offer care for children aged from birth to 7 on both a full and part-time basis. There is no division into day nurseries and kindergartens. However, children are usually grouped by age and in full-time and part-time groups. Some centres provide age-integrated day care for children aged 1-6. Day care in day care centres is mainly provided from 7 a.m. to 5 p.m. Since 1990, parents of children aged under 3 have also been given a subjective right to a

choice between day care in a centre or the HCA. For these parents, in addition to the day care place or the HCA, the right to choose now also includes a voucher for private day care (see section below on vouchers). Local provision of day care presupposes that the child is registered as a resident in the municipality.

Provision

Following the policy goal that families with children should be supported, the number of day care centres has slowly increased from 1,800 in the mid-1980s to 2,200 where it has levelled out since the early 1990s. Currently, municipalities are generally more open to private provision of welfare. In 1996, 240 day care centres were privately run. Often, municipalities buy places from private day care centres and send the children to them (STAKES, 1997b).

Coverage

The number of children attending day care centres rose steadily from year to year since the early 1980s, even during the crisis years. By 1996, there were full-time places for 26.5% of children 0-6 years; in 1985 the number was 15.3% in comparison (Table 5.2). Around 6% of the total number of children enrolled in day care attended a private day care centre (Ibid).

Table 5.2.
Number and proportion (%) of FTE children (aged 0-6) in day care centres according to age and provider and children (FTE) per 1 FTE staff, 1985-1996.

Year	Number of children (FTE)	% of children aged 0-6	Proportion (%) Local authorities	Private	Proportion (%) 0-2	3-6	Staff ratio
1985	69,039	15.27	..	..	..	..	3.85
1986	72,249	16.09	..	..	..	..	..
1987	77,430	17.38	..	..	..	..	..
1988	78,961	17.76	..	..	..	..	..
1989	85,854	19.43	..	..	..	..	..
1990	90,361	20.49	..	..	9.36	29.05	3.57
1991	93,562	21.16	..	..	8.81	30.83	3.66
1992	94,377	21.14	..	..	8.23	31.38	3.71
1993	95,090	21.09	..	..	7.99	31.23	3.42
1994	100,147	21.98	..	..	8.28	32.34	3.81
1995	105,794	23.25	93.94	6.06	8.60	34.01	..
1996	119,550	26.45	94.31	5.69	9.78	38.38	..

Source: Ministry of Social Affairs and Health: Social Protection database 1996, Helsinki. STAKES: Facts about Finnish Social Welfare and Health Care (annual publication), Helsinki.

The increase in places has affected the older children the most. In 1990, nearly one in three of the 3-6 attended day care centre, with nearly two in five in 1996. For the smaller children places fell from 1990-93 but increased again. Today, nearly one in ten children aged 0-2 years is attending day care centres.

Most of the care provided in day care centres is full-time. Part-time care constituted 25% of total day care in 1996 (STAKES, 1998). No children under 3 are in part-time day care in a centre, whereas 1 in 13 children aged 3 and over are in part-time day care in a centre. A further difference in participation in day care exist between private day care centres and municipal centres. Of the children in private day care, a higher number were in part-time care compared to municipal care, 1 in 3 of all children aged between birth and 6 (STAKES, 1997b).

Waiting lists

Growth in unemployment and cuts in expenditure have worked in opposite directions as regards to demand and supply for day care. Demand is estimated to have reduced by 16% due to the increase in the number of unemployed parents, and it has become less feasible for unemployed parents to continue having their child in day care. At the same time, supply has decreased by 15%. It is estimated that there is a net under-supply of 4,300 places (European Commission Network on Childcare, 1996) but in some areas there are 11,500 excess places and in others 5,000 places short. An evaluation carried out in 1996 found that provision was sufficient in 168 municipalities, too low in 126, and too high in 145 (Ministry of State, 1996).

Fees

The amount of fees for day care in Finnish day care centres is assessed on the basis of income, the time spent in day care and the number of children in the family. Parents with no earned income, e.g. students and unemployed parents, would in most cases not pay fees. Parents also pay according to whether the child is in part-time, i.e. less than 5 hours a day, or full-time. Fees are paid for 11 months a year. Since 1.8.1997 the level of charges has been defined by statute with a maximum fee of FIM 1,000 per month but municipalities are free to decide different income levels. Fees under FIM 100 are waived (Ministry of State, 1996).

In 1996, parental fees varied from FIM 0 a month to FIM 1,430, averaging 15% of running costs. The average fee per child was FIM 5,400 a year (Ministry of Social Affairs and Health, 1997 and own calculations). A family with two children, aged 1 year and 3 years, with a disposable income of FIM 12,000 monthly would have paid a total of FIM 705 a month for both children in 1997 (KELA, 1997).

Standards

The daily programme revolves around play, creative activities, work assignments, music and physical education. The children are normally served breakfast, lunch and a snack in the afternoon.

Day care in centres is provided full-time, 8-10 hours a day, or part-time, 4-5 hours. But most of the day care provided is full-time, 76% of the care provided (STAKES, 1997a). The time spent in day care varies by localities. Children spend on average between 4 and 10 hours a day in day care. 16% of children are in day care for more than 10 hours a day, with up to 25% in some areas (Alanen & Bardy, 1991). Most municipalities arrange evening and night care for the children of shift workers, and afternoon care for school children.

National standards for the ratio of employees to children recommend 1 staff member to 4 children aged under 3, and 1 staff member to 7 children aged over 3. For part-time groups, there should be 1 staff member for every 13 children. The number of employees in day care centres has increased by almost one third from 1985 to 1994 with the expansion of day care. This can be seen in the ratio of children to employees which decreased in the early years, however, from 1993 the cuts have meant an increase in the ratio of children to employees (Table 5.2).

Educational standards of employees in day care has generally been high and has risen in recent years. From 1995, training of kindergarten teachers *(lastentar-hanopettaja)* has been via a university degree. A nursery school teacher course takes 3 years, and is now taught in universities, corresponding to a BA degree. Day care nurses' training takes 2½ years. Until 1991, day care centres were limited to 100 children, but this no longer applies, and municipalities are free to decide the number of children per facility. Centres usually have 30-50 children enrolled. In general, group sizes have increased during the 1990s (European Commission Network on Childcare, 1996).

National recommendations state that for full-time care the interior space must be at least 6 square metres per child aged 3 years, at least 8.5 square metres per child aged between 1 and 2 and at least 10 square metres per child aged under 1. The interior space in part-time care for the over 3 year olds must be at least 4 square metres. Each child should have access to 10-20 square metres of outdoor area, and separate outdoor places must be arranged for children aged under and over 3 years.

Administration

A director is in charge of the daily administration in day care centres whereas the Social Board is responsible for supervising and monitoring the centres.

Family day care (Perhepäirähoito)

Family day care is provision of day care in a home-like setting, traditionally provided in the home of a childminder. The family day carer is employed by the municipality and receives a basic training course. Some self-employed family carers also provide family day care, without municipal subsidies. Municipalities supervise both municipal and private family day carers. Recent developments in family day care provision has included the establishment of three-family day care and group day care. The three-family day care *(Kolmiperhehoito)* includes 1 family day carer for 2-4 families who altogether have 4 children under school age, with a fifth school aged child attending part-time care. Municipal family day carers care for the group in the children's own homes, rotating between the families every week, with the host family providing meals. This kind of care is recommended for children who need special care and attention. Group family day care *(Ryhmäperhepäivahoito)* consists of 2-3 family day carers who jointly care for a group of 12 children maximum in premises provided by the municipality.

The family day care system is in general considered to be a flexible day care system where changes in demand can be met more easily than in institutional day care, and the three-family and the group day care have increased the degree of flexibility even further.

Coverage

In the period 1990-95 the number of children in family day care fell by 20,000. However, the fall in the proportion of children in family day care is only for the 3-6 age group. Since 1995, the number of full-time places increased by 10,000 again. In 1996, 1 in 10 children aged from birth to 2 are in family day care, whereas the proportion of 3-6 year olds is somewhat higher, nearly 2 in 5 children (Table 5.3). In 1996, there were over 14,800 family child day carers.

Fees

For family day care, the same formula of fees applies as in day care centres. The costs covered by fees amounted to 15% in 1996.

Standards

Family day care is provided full-time, 8-10 hours a day, or part-time, 4-5 hours. But most of the day care provided is full-time, 86% of the care provided in family day care is full-time (STAKES, 1997a).

A family day carer may have a maximum of 4 children, including her own child, or 2-3 family care minders may work in groups with a maximum of 12 children. The number of family minders almost halved between 1985 and 1994. The ratio of children to employees has increased since 1990, to 3.74 in 1994 (Table 5.3). Local child minders in family day care must undertake a basic course of 250 hours which is the minimum training.

Table 5.3.
Number and percentage of FTE children (aged 0-6) in family day care according to age and children (FTE) per 1 staff (FTE), 1985-1996.

Year	Number of children (FTE)	% of children aged 0-6	Proportion (%) 0-2	3-6	Staff ratio
1991	72,042	16.29	..	..	2.65
1992	61,343	13.74	..	..	2.40
1993	53,699	11.91	..	..	3.23
1994	54.899	12.05	7.75	15.30	3.74
1995	58,065	12.76	8.69	15.75	..
1996	68,396	15.13	11.45	17.76	..

Sources: Ministry of Social Affairs and Health TM: Social Protection database 1996, Helsinki. STAKES: Facts about Finnish Social Welfare and Health Care (annual publication), Helsinki.
Note: The staff ratio is based on the absolute number of personnel and FTE children of all ages. 1 enrolled full-time child=1 FTE child. 1 enrolled part-time child =0,5 FTE child.

Administration

The family day carers receive guidance and support from local supervisors who visit the homes and often conduct extra training sessions. Each supervisor is responsible for 30 family day carers. Most supervisors have been preschool supervisors or are otherwise qualified through university training.

Day clubs (Päiväkerho)

Day clubs offer leisure activities for a maximum of 20 children aged between 4 and 7. Activities are organised so that the same group of children meet 3-5 times a week for 3 hours maximum per meeting. It is mainly churches that organise the clubs, approximately 50% of the Church of Finland's 599 parishes run day clubs. The clubs are not eligible for state aid and there is great local variation in provision.

Guided playground activity (Leikkitoiminta) is a major form of out-door guided play in Finland. The main purpose is to stimulate pre-school children who are not attending day care centres, i.e. children cared for in the home by the parent or a childminder. Some municipalities provide warm meals during the summertime. Playground activity is normally free of charge and there are no application

requirements. Young children must be accompanied by their childminders. The staff consists of 'park aunts' and auxiliary personnel. Cuts in services have hit the guided care especially hard so that less than half the number of children catered for in the mid-1980s currently attend, 24,000 children in 1995.

Open day care centres (Avoin päiväkoti) are intended for children in home care or family day care, and the children come to the centre with their childminders. The centres are intended to provide a facility where parents or childminders and children can meet other adults and children and use the toys and facilities. In 1993, there were 52 open centres, attended daily by over 1,000 children (European Commission on Childcare, 1996).

Homemakers

Families with children may also receive help from a home maker if the family has difficulties in coping with everyday domestic tasks because of illness, child birth etc. This help is provided only temporarily. 29,000 families received such help in 1996 (Ministry of Social Affairs and Health, 1998). However, the number of families receiving home help has decreased over the past 10 years from 65,500 families in the mid-1980s to less than half of that figure in the mid-1990s. Today, families with children also use the private home help system. Of the total number of recipients of private help, families with children constitute 77%, almost 40,000 members of families with children (STAKES, 1997b).

5.6.8. Nursery education

Reception classes (Peruskoulu)

For the 6 year olds, part-time nursery education is available, either in the day centres in separate groups or in the comprehensive schools. Participation is

Admission

entirely voluntary and there are no admission requirements. The classes in the comprehensive schools can be organised in combined classes together with pupils in the primary schools or in separate reception classes. The municipalities are not obliged to organise reception classes for the 6 year olds and the provision varies greatly. In sparsely populated areas, provision may be organised in 'mobile day care centres' (Eurydice, 1998).

Fees

Parental fees vary according to income and family size in addition to the number of hours the child spends in reception classes.

Coverage

In 1996, around 6,000 children attended a reception class, 60% of the 6 year olds but local variations are great; in Helsinki, around 85% of this age group attended reception classes whereas in Northern Karelia only 34% of 6 year olds attended

(Eurydice, 1998). In all, around 1% of the pre-school children from the age of 0-6 years attended reception classes when measured in full-time places.

Standards

A kindergarten teacher may head the class, or a primary school teacher. Group sizes vary and there are no rules on the max. number of children in the classes. Activities depend on the child's personal development and needs. The following subjects are included: language, communication, mathematical concepts, nature and the environment, religion, ethics, physical education, health and various forms of art.

Reception classes in the day care centre generally last for 5 hours daily, i.e. 25 hours a week. Children in separate classes within the primary school normally attend 19-21 hours a week whereas children in combined classes in the primary school attend 12-21 hours a week.

5.6.9. Public facilitation of private day care

Private Care Allowance

A voucher experiment for purchasing private day care was launched in 1995 by the Ministry of Health and Social Affairs to increase the scope for parental choice as to kinds of day care. From August 1997, the voucher system has been replaced by a Private Care Allowance implemented as an integrated part of the day care system. Parents of children under school age can now choose to have a place in public day care or receive an allowance in order to purchase privately provided day care. Parents of children aged under 3 also have the option of the HCA.

The allowance can be used to finance care provided by a self-employed family child minder, a place in a private day care centre or a carer employed by the family. If the family chooses to employ an individual carer they cannot use the allowance to pay a family member as family members would be entitled to the HCA instead.

A private day care centre has to report to the municipality which keeps a record of the number of private centre providers. Agreements set up between an individual carer and a family with children must be approved by the municipality. From 1997, a new law establishing standards for quality in private care has been implemented which the municipalities must adhere to.

The amount paid is FIM 700 monthly per child and an earnings-related supplement of maximum of FIM 800 monthly per child. The allowance is awarded by the local KELA office, and paid directly to the care provider who is taxed. Any

excess payments for the provision of day care above the allowance is paid by the family. Municipal supplements may be paid. A family with a yearly gross income of FIM 144,000 and two children would receive FIM 2,696 monthly.

5.7.
Caring for older people

5.7.1. Introduction - Main social care services and cash benefits

Long-term residential care in *Old-age homes* has traditionally been the dominant form of public care provided for older people in Finland. Today, the proportion of older people who live in old-age homes is marginal. Instead, home care services are provided to enable older people to remain at home. Thus many older people living at home receive *Home help services.* These are supplemented by *Auxiliary services*, such as *Meals-on-wheels* and *Transport services* arranged primarily from a *Service centre.* The change from institutionalised care to home care has, however, been difficult because of insufficient supply of open care services. The introduction of *Service housing* is part of a policy to provide older people with decent housing and access to some services outside the residential care sector. *Subsidies for house repairs* are commonly used to improve housing standards. *Short-term rehabilitation* and *Day care* are available as a preventive measure for older people who do not need permanent care. Many older people are cared for by a family member and those who need help around the clock can apply for an *Informal Carers Allowance* which is mostly paid to a family member (Figure 5.10).

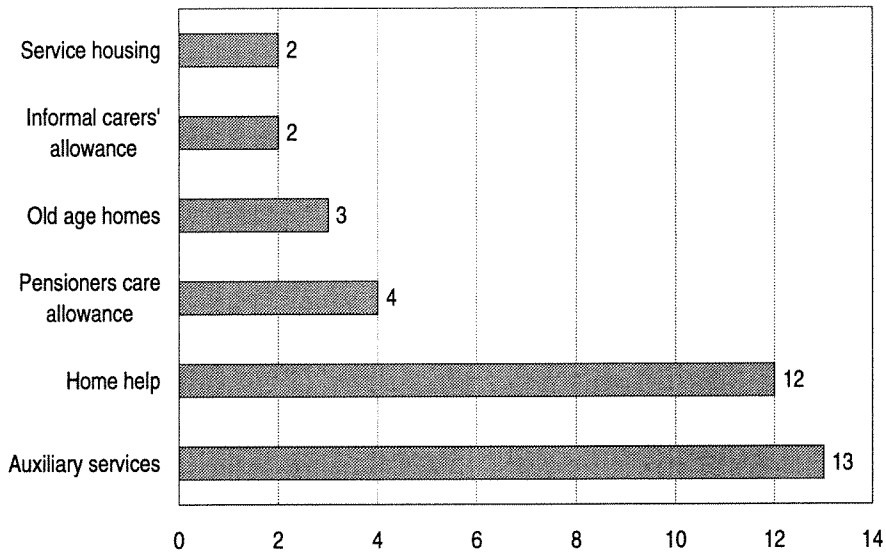
5.7.2. General principles of care

Since the poor laws, the traditional service provided for care of older people has been residential care. But today, community care has more weight. The formal objective of current services is to provide help which enables older people to live independently in their own home as long as possible. This includes providing home help and auxiliary services. The home help system has, therefore, changed from being a service exclusively for families with children as provided in the first Act on Domestic Help in 1950, to include older people also.

As a policy goal, domestic care should be integrated with residential care and home nursing, and provided as an inter-mediary service in a service housing unit. Investing in service housing should be the preferred alternative to expanding capacity in old-age homes. In service housing, older people should in principle have access to home help, home nursing and a 24-hour emergency call service. Admission to residential care is to be postponed for as long as possible, taking into account individual needs. When modernizing old people's homes, multi-purpose facilities are to be installed so that they can function as service housing.

Preventive efforts are to replace reactive ones and thus extend the length of time before older people become dependant on help. Part-time care and rehabilitation in old-age homes are, therefore, emphasized as this can help older people who may not be in need of permanent intensive care. The objective has been to reserve 10% of residential care places for rehabilitating those needing short-term care.

Figure 5.10.
Use of main social services for older people (65+) as share of population aged 65+, 1996.



Source: Ministry of Social Affairs and Health: Social protection in Finland database 1996, Helsinki. STAKES: Facts about Finnish Social Welfare and Health Care (annual publication), Helsinki.

The official goals of old-age welfare policy are thus to ensure:

- Primacy of preventive work
- Self-sufficiency
- Freedom of choice
- Promotion of security – efforts are made to guarantee economic and social security
- Normality – services are arranged in conjunction with services delivered to other age groupings
- Equality

- A voice in decision making
- Integration – preservation of contacts between the elderly and other sectors of society
- Wide-angle outlook – view the elderly as an individual and as an element in his/her own social and physical environment
- Promotion of domestic solution

(Report of the National Committee on Ageing Policy, 1996)

Services are generally provided on a universal basis and are not means-tested, however, fees must be paid for the use of services. Admission to services is based on an assessment of the applicant's individual capacity, the housing situation and the availability of informal care. In recent years, increased emphasis has been placed on the role of civil society, especially the family. Cooperation and coordination of public services with informal care is to ensure effective use of the available resources in society, and older people's own resources are to be used to promote local activities. Part of the coordination of formal and informal care is the strengthening of social rights for recipients of Informal Care Allowance which is to compensate for loss of earnings incurred through caring for an older person.

5.7.3. The need for care

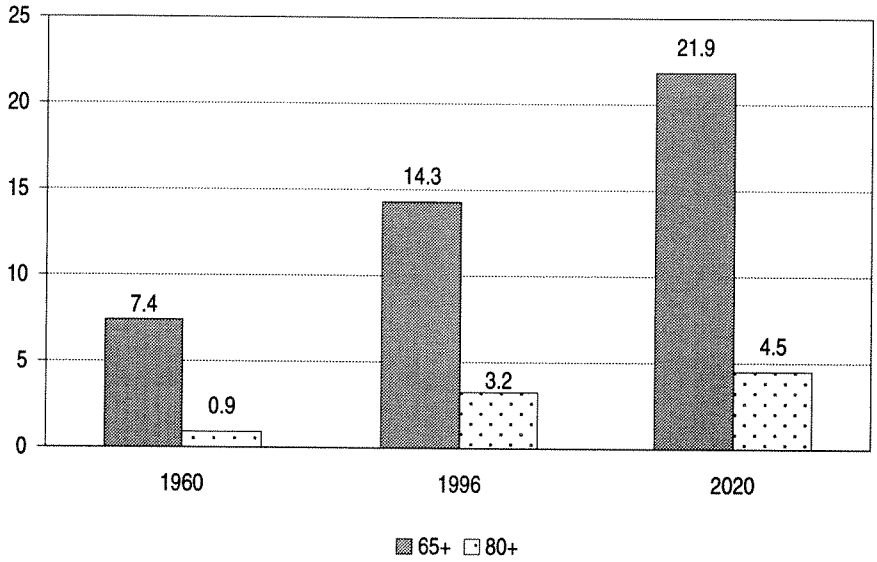
From the beginning of the century to the 1950s there was relatively little change in the population of older people. However, since then the number of older people has boomed. In 1995, the number of older people aged over 65 years was just under 3/4 m compared to 1/4 m in 1950, in particular due to an increased life span. Life expectancy for men is 72.8 years and 80.2 for women, an increase of nearly seven years for both sexes since the mid-1960s (Statistics Finland, 1997).

Ageing of the population has taken place at the same time as fewer children are being born. Whereas the proportion of older people aged over 65 in the population was 7.4% in 1960, older people aged over 65 constituted 14.3% in 1996 (Figure 5.11). The proportion of the very old, those over 80 years, has increased also, from less than 1% to 3.2%.

The ageing of the population is projected to continue well into the next century when the babyboom generation of the mid-1940s to mid-1950s reach pension age. The proportion of older people aged over 65 will increase by 374,000 in 2020, constituting nearly one in four of the population and older people 80+ will constitute 4.5%. If these projections are correct, the population of older people in Finland will be proportionally the largest in Europe. This will, however, be followed by a decrease in the number of children 0-14 years old so that the

dependancy ratio – persons under and over working age as proportion of rest of population – will remain more or less the same.

Figure 5.11.
Older people (65+) as a percentage (%) of the population, 1960-2020.



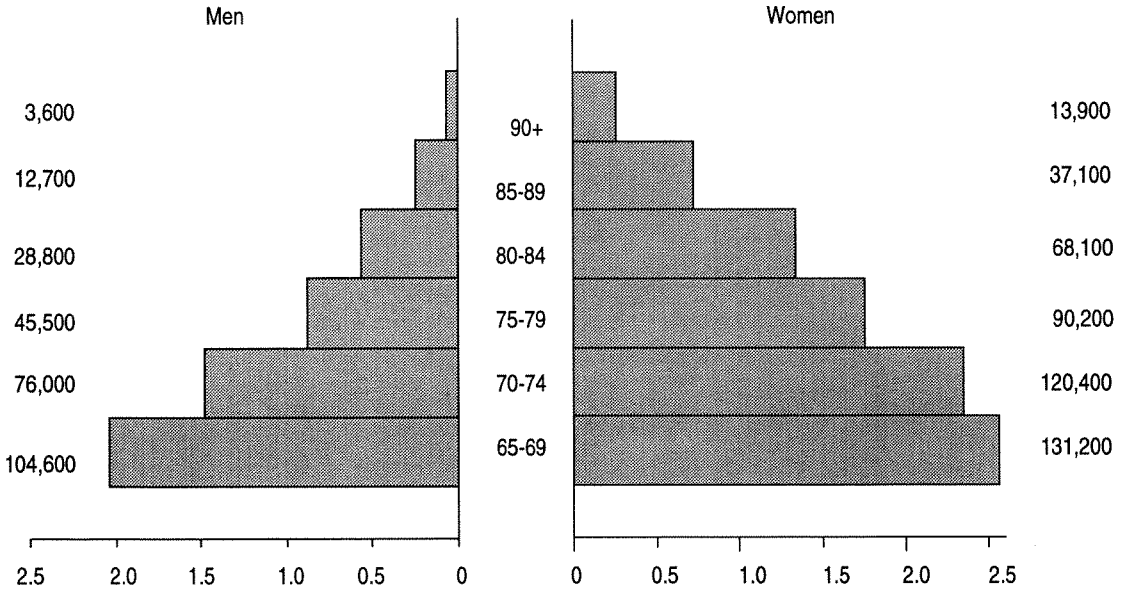
Source: Statistics Finland: Population structure 1996, Helsinki. EUROSTAT: Demographic statistics 1997, Luxembourg.

Finland is not only an ageing society, but like most countries is also a society with a high number of women among the population of older people. 63% of older people over 65 are women, a figure which is even higher among those aged over 75, with 70% of the age group being women (Figure 5.12).

Age can be one determinant of the need for care, another can be whether there is a family network to rely on. Most older people have children (79% in 1986), but many older people live alone, 34% in 1987, compared to 18% in 1950 (Ministry of Social Affairs and Health, 1992). There are many reasons for the increasing number of older people living alone, in particular decreasing numbers of older people who live with their children. In 1950, more than 50% of older people aged over 65 lived with their children, whereas this proportion was 14% in 1987 (Ibid). The fact that more older people than before live alone does not necessarily mean that older people are without support and help, as many older people wish to continue an independent life. Most older people over 60 years (82%) are in

contact with children and near relatives once a week, and a third (35%) meet with them daily. One in ten get regular help from children who are living in the same household. However, 42% of older people also report feelings of loneliness, at least sometimes (Finnish old-age barometer, 1994).

Figure 5.12.
Age pyramid of the older people (65+) as proportion (%) of the population, 1996.



Source: EUROSTAT, Demographic Statistics, 1997, Luxembourg.

The high labour market participation rates especially of women, however, influence the capacity of the family to care for an older relative. The ratio of full-time working women has traditionally been very high in Finland. Today, nearly three in four women participate in the labour market. Of these only 15.7% work part-time compared to the EU average of 30% (Eurostat, 1997b). Unemployment has however hit among the women too and unemployment rates have increased from only 2.8% in 1990 to 16.5% in 1996.

In addition to care by children, care and support is often provided by a spouse – 8% of Finns aged over 60 currently receive regular care from a spouse. Increases in divorce rates are likely to influence whether the former spouse will engage in a caring relationship. Increasing longevity of women compared to men also means that more women outlive their husbands and thus cannot depend on

informal help from a spouse. More than half (53%) of the 65+ in 1995 were either widowed, single or divorced (Statistics Finland, 1996).

Other factors which influence the need for care are the general improvement of housing standards and the increased number of people living one their own. Efforts to improve housing standards mean that more older people will be able to live at home than before. 93% of older people aged over 65 live at home; of these 85% live in a rented or owner-occupied flat or in a house; 6% in flats intended especially for older people, and 2% in service housing. Improvement of housing standards is part of Finnish elder policy and enables more older people to stay in their own homes for longer than before. However, this creates simultaneous demands for some help in the home.

Increase in life span is likely to influence the need for care as this increases with age, but functional abilities and health tend to deteriorate at a later stage also. When asked, around half of Finns aged over 60, and two thirds of those aged over 75 report that they have a long-term illness, disability or other functional capacity. Compared to the EU average of 38% of those aged over 60 years this is somewhat higher (Finnish old-age barometer, 1994).

5.7.4. Domiciliary care

Home help (Kotipalvelu)

Home help services provided by home helpers and home makers are the most important domiciliary care provision for older people. Families with children and handicapped are also covered by the home help system but 2/3s of the care is provided for older people. The home help service for older people is provided in situations where the older person is not able to manage their daily activities without help. Services may involve cooking, cleaning, and personal hygiene and some municipalities provide these around the clock. Cleaning is, however, today often cut away in order to spend more time on personal care.

Home help services are available for all people irrespective of age and income. The purpose is to enable people to live at home. The first law on home care, the Municipal Homemaker Act of 1950, stated that domiciliary help was for rural families with low incomes. The Home Help Act of 1966 expanded the target group to include older people and handicapped people. The latest Act, the Social Welfare Act of 1982, states that home help is to be provided for everybody in need of domiciliary care. Municipal provision of home help in general presupposes residence in the municipality.

Assessment of need

In most municipalities, a leading home helper is in charge of the assessment. The person making the assessment decides in connection with the recipient the number of hours and the period of provision. There are no formal criteria of referral. Contact to the home help system can be initiated by the recipient, GP, nurse, hospital, or the family. When awarding domiciliary care the applicant's circumstances are taken into account. The standard assessment criteria examine personal characteristics, social background features (including help received from family and relatives, and the possibilities of getting such help), access to other services (i.e. the distance from alternative service provision), health, and ability to carry out daily activities. Personal income and property are not assessed (Hutten & Kerkstra, 1996; Ministry of Social Affairs, 1992). A care and service plan is to be drawn up which specifies what formal and informal help the older person is entitled to. The care plan functions as an instrument for assessment of needs, for public help, for coordination with informal care and for a general follow-up of the care needs. In areas where people also have access to private services, peaks in demand levels can be addressed by advising older people with private means to use these.

Provision

90% of the home help services provided are municipal, with the rest provided by for-profit organisation as well as voluntary non-profit organisations contracted to the municipality. The voluntary organisations consist of the Central Union for the Welfare of the Aged, the Finnish Red Cross, the National Association of the Disabled, and the Association for the Old Aged and Neighbour Service. In 1996, there were 72 private providers of home help services (STAKES, 1998). Private home help care is mainly used by families with children – only 23% of total recipients, equivalent to 1.2% of older people aged over 65 years – make use of private services (STAKES, 1997b).

Coverage

Despite the objective to provide help in the home instead of residential care, the number of older people receiving home help has declined due to cuts in expenditure. In 1982, 92,000 households (15.4%) with older people aged over 65 years received home help, while the number dropped to 87,000 (12%) in 1996 (Table 5.4).

The proportion of older people receiving services has also dropped in each age band. Whereas one in ten 65-74 year olds received home help in 1990, only one in twenty did so in 1995. More than 1/4 of the 75-84 year olds were provided with home help services in 1990, compared to less than 1/5 in 1996. For the 85+ age band the decrease has been slightly less, from four in ten in 1990 to slightly more than three in ten in 1996. This reflects the targeting of resources towards the most vulnerable groups, i.e. the very oldest.

Table 5.4.
Number and percentages of households receiving home help (65+) according to age and FTE staff per 100 recipients, 1982-1996.

Year	Number of households (65+)	Proportion (%)		Staff ratio
		65+	85+	
1982	91,921	15.44	..	10
1983	..	..	..	..
1984	..	..	..	..
1985	116,950	18.93	..	9
1986	118,350	18.80	..	9
1987	121,479	19.00	..	10
1988	125,237	19.24	..	10
1989	127,499	19.27	..	10
1990	125,571	18.66	42.42	9
1991	123,817	18.08	43.39	9
1992	106,22	15.28	38.34	12
1993	98,842	14.00	38.33	12
1994	88,266	12.26	35.45	15
1995	86,466	11.81	35.65	15
1996	87,189	11.73	36.34	16

Source: KELA: Statistical yearbook, 1996, Helsinki. Ministry of Social Affairs and Health: Social Protection database 1996, Helsinki.

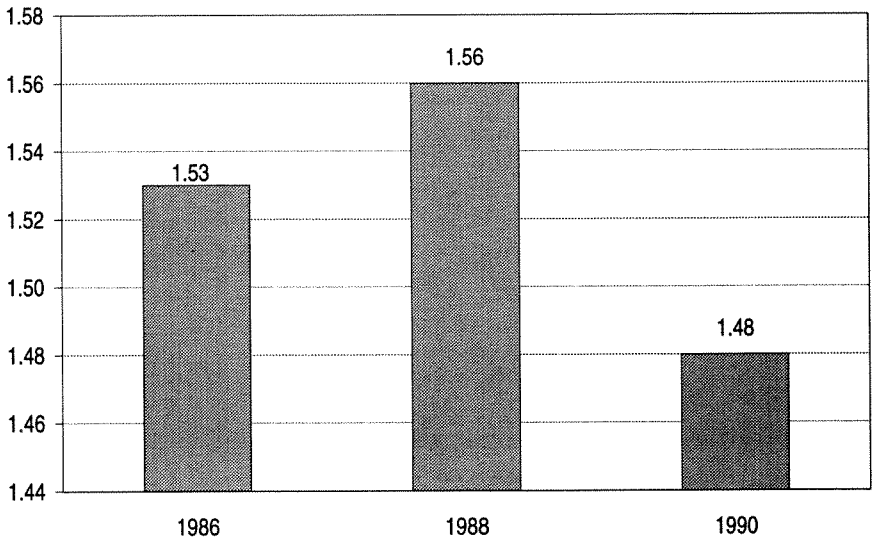
The number of visits has gone up in, reflecting a targeting off resources for the very frail (Ministry of Social Affairs and Health, 1996). In the period from 1988 to 1993 the number of visits increased by 22% (Lehto, 1995). From 1986 to 1990, however, the average hours per household did not change much, but as these are the latest available data it is likely that this will have changed in recent years with the targeting of resources. In 1990, the average number of hours per household receiving home help services was 1.5 weekly hours (Figure 5.13).

Waiting lists

On average people wait for services for two days, and the maximum waiting period is 8 days. Previously, shortage of labour, especially in the southern part of Finland, resulted in long waiting lists but today there is no shortage of

personnel due to unemployment. The financial crisis has recently forced around 1/4 of the municipalities to reduce the number of employees in the home help system.

Figure 5.13.
Average number of home help hours per week per recipient (65+), 1986-1990.



Source: National Agency for Welfare and Health, 1992: Home help, Social security 1992:2, Helsinki.

Fees

The level of fees for home help services is regulated by the state. Fees for continuous and regular home help are set according to household size and income, and the quantity and quality of the services. In contrast to residential care, the regulations on fees for home help do not include a national maximum, specifying that the older people should be left with a certain proportion of the basic pension after having paid the costs for home help and the municipalities are free to set the levels of fees. No private social insurance schemes cover the costs of home care. Fees vary from 35% of total costs for families with one member to 11% for families with six members, the latter typically being families with children. Client fees as a proportion of total expenditure has increased from 8% in 1982 to 14% in 1996. Actual fees per average recipient have also risen in this period, reflecting the fact that recipients are fewer in number and are more frail, i.e. the individual recipient pays more than previously and receive more hours.

Standards

In some municipalities the home help service is available for 24 hours a day, seven days a week, all depending on individual needs and care plans. Today, there is more weight on personal care than cleaning (Ministry of Social Affairs and Health, 1998).

Despite the weigthening of the domiciliary care and the increase in number of recipients, the number of employees in the home care system has not increased much from the mid-80s till today where there are around 13,600 employees. The number of staff members per older recipient has, however, increased, from 10 staff members per 100 older recipient in 1982, to 16 staff members in 1996 (Table 5.4). But there is usually high local variation in the ratio of employees to older people (Ministry of Social Affairs and Health, 1992).

Home helpers receive limited training consisting of 3 months of basic courses. In comparison, the home makers who traditionally provided domiciliary care for families with children generally receive vocational training for a period of 2.5 years (comprehensive school graduates) and two years (for matriculated students). In 1996, 86% of home helpers worked full-time (Ministry of Social Affairs and Health, 1998).

Daily administration and regulation

The local social welfare board or the health and social care centre is in charge of the home help system. They appoint leading home helpers or home makers who are responsible for the daily administration and monitoring of services. This also includes monitoring the private service providers that have a contract of purchase with the municipality.

Service centres (Palvelukeskukset)

Service centres function as a base from which domiciliary services are provided. They are often connected to old people's homes or to a service housing block. These centres are provided in order to improve the capacity of older people in relation to mental and social functions. In the centres, older people have access to meals, laundry services, sauna, hairdressers, shops and chiropodists and social events. The service centres also provide a service of house calls.

In 1990, there were 285 day centres, some run by the municipalities and others by voluntary organisations. The number of places was 6,021 or 7.3 places per 1,000 older people aged over 65. Total costs amounted to FIM 26 m of which recipients contributed 27% (Ministry of Social Affairs and Health, 1992).

Auxiliary services (Tukipalvelut)

Auxiliary services such as meals-on-wheels, spring cleaning, safety and transport services, a laundry service and sauna bathing are generally available for older people and disabled people. Services may also include socializing and accompanying on errands. The services form part of the policy to prevent institutionalisation of older people and users are on average younger than the average home help recipient. Approximately 13.5% of those aged over 65 received service in 1996, which is a drop from 30% in 1990 (Table 5.5). Local differences in provision are, however, substantial. In 1989, meals-on-wheels were provided in 74% of municipalities, bathing in 79% and safety services in 53%. In general, meals-on-wheels was the service most used by older people in 1990, covering more than one fifth of those aged 65 and over.

Table 5.5.
Number and percentages of recipients (65+) of auxiliary services, 1982-1996.

	1990	1991	1992	1993	1994	1995	1996
Number of recipients (65+)	200,169	113,912	127,999	109,720	97,216	98,703	99,350
Proportion (%) of older people (65+)	29.74	16.64	18.41	15.54	13.51	13.48	13.37

Only a few older people receive private for- or non-profit auxiliary services. 5,900 older people in 1995, or 6% of recipients aged over 65, received services provided by the private sector, mainly from non-profit organisations (STAKES, 1997b). But private auxiliary services have to some extent taken over cleaning services which were formerly provided by the public home help service.

Recipients pay a large proportion of the costs for auxiliary services. Today, the costs for auxiliary services are part of general home help budget. Previously, total costs amounted to FIM 152 m in 1990, of which 46% was paid by recipients (including disabled people). Of the total social service budget, 3% was spent on auxiliary services (Ministry of Social Affairs and Health, 1992).

Subsidies for repairs and alterations to older residents (Vanhusten asuntojen korjaustuki)

Poor housing standards have been the main obstacle to enabling older people to stay as long as possible in their own homes. Different subsidies for repairs

have, therefore, been provided. A municipal subsidy is given for repairs, planning of renovations and eliminating health hazards in residences for people aged 65 and over. This has been financed from the municipal budget since 1987. Entitlement is based on an assessment of social network, and means-testing. The municipality decides on the amount paid, for which it receives reimbursement via state subsidy. The maximum subsidy is FIM 50,000 per residence. In 1990, 4,164 persons aged 65 and over received a grant, or 6 out of every 1,000 people aged over 65. The total amount of assistance was FIM 37.1 m, or FIM 8,900 per repaired residence.

5.7.5. Institutional care

Old-age homes (Vanhainkoti)

The objective of Finnish elder policy is to enable older people to stay in their own homes for as long as possible, and nine in ten the elderly aged over 65 in Finland do in fact live at home. However, for those who are unable to remain at home, care in an old-age home is the most likely alternative. Old-age homes mainly cater for very frail old people. Both long-term and short-term care is provided, the latter as part of the preventive measures to postpone admission to residential care for as long as possible. Institutional care is provided for people who need help or other care which cannot be arranged or which is inappropriate to arrange in their own homes by means of domiciliary care. Entitlement to a place in a municipal old-age home is normally based on residence in the municipality.

Assessment of need

There are no nationally stated criteria for admission to old-age homes, and therefore this varies from municipality to municipality. The resident is assessed on the grounds of health and functional ability, help received from family and relatives and the likelihood of getting such help, housing conditions, and distance to alternative services e.g. distance to the nearest service centre. Decisions about admissions to old-age homes are normally discussed by a working group consisting of welfare and health care professionals. The formal power of decision, however, is attached to one employee only, often the director of the old people's home concerned.

Coverage

The de-institutionalisation of care for older people has resulted in a decline in the number of old-age homes, from 435 in 1985 to 418 in 1996. This has also meant a reduction in the number of places. Previously, it was recommended that municipalities provided for a maximum of 18% of inhabitants aged over 75, and preferably for 10-12%. Nowadays there are no recommendation as to the level of provision and 7.5% of older people aged over 75 were allocated a place in an

old-age home in 1996. Of the 65+, 30.5 in 1000 older people were living in an old age home in 1996; in 1982 the number was 43.3 in comparison (Table 5.6).

Table 5.6.
Number and percentages of residents (65+) in public residential homes according to age and provider and FTE staff per 100 residents, 1982-1996.

Year	Number of residents (65+)	Proportion (%)		Local authorities	Private	Staff ratio
		65+	85+			
1982	25,780	4.33	..	..	..	..
1983	25,616	4.24	..	..	..	..
1984	..	..	..	..	..	..
1985	25,377	4.11	..	..	..	..
1986	25,185	4.00	..	..	..	..
1987	25,302	3.96	..	..	..	..
1988	25,034	3.85	..	..	..	..
1989	26,943	4.07	..	..	..	..
1990	35,659	3.81	19.08	..	..	69
1991	25,048	3.66	18.68	..	..	70
1992	24,492	3.52	18.07	..	..	71
1993	23,461	3.32	17.04	..	..	71
1994	22,593	3.14	15.68	..	..	78
1995	22,546	3.08	15.37	..	..	78
1996	22,684	3.05	15.04	80.52	19.48	80

Sources: Ministry of Social Affairs and Health: Social Protection database 1996, Helsinki. STAKES: Facts about Finnish Social Welfare and Health Care (annual publication), Helsinki.

From the early 1990s, the reduction in places has affected all age groups but has mainly affected those 75-84 years old. One explanation is the targeting of domiciliary care resources towards the very oldest people. However, among the oldest of the old (those aged 85 and over) provision has declined too, from 19% of the age group in 1990 to 15% in 1996. Fewer older people in the other age groups are now living in old age homes but the decline is less steep.

A number of older people are staying in part-time places. The actual number of residents aged 65 and over during the year in municipal old age homes is, therefore, somewhat higher when the short-term places are included – 23,219 in all in 1996 (STAKES, 1998)[2].

Provision

Most of the old age homes are municipal, either provided by the local municipality or by some of the various federations of municipalities. Private provision makes up 20% of all services provided, and encompasses 5,000 of the residents, or 1.7% of older people aged 75 and over. Private providers are mainly voluntary organisations and communities. The decline in the number of old age homes has hit the municipal homes hardest, and private old age homes have actually increased in number from 80 in 1990 to 103 today, or one quarter of all old age homes (STAKES, 1997b & Ministry of Social Affairs and Health, 1992).

Residents differ across the two kinds of provision; private provision mainly caters for relatively healthy older people. The decline in the number of municipal in comparison to privately provided old age homes therefore indicates that the proportion of very frail older people cared for in old age homes is currently lower than is apparent from the number of places.

Fees

Older people must pay fees for a place in an old age home, depending on income. This does not include a spouse's nor children's income. If a resident cannot afford the fee the municipality will cover the expenses. In long-term care the older person must have 20% left or at least FIM 450 a month. Likewise, the fee must not exceed real expenses. The fee for short-term care, i.e. less than 3 months of care, has been FIM 125 per day since 1994, and for day or night care FIM 62 a day. In some cases, the municipalities buy the services from private old age homes. The residents in private old age homes pay fees in the same way as in municipal old age homes. In 1996, client fees amounted to 20% of total expenditure. Average fees per resident were FIM 31,416 yearly (Ministry of Social Affairs and Health, 1997 and own calculations).

Standard

Residential care is provided around the clock in long-term or short-term, day or night care and residents are provided with accommodation and services such as personal care, cleaning, meals, laundry, chiropractic, hairdressing, etc.

The old age homes provided by municipalities are mostly larger than the private homes, and provide more medical services. However, no actual medical

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2) Long-term care is also provided in bed-wards in health centres. In 1996, around 2%of those aged 65 and over, or 2% of the population 65+, were in these bed-wards.

treatment is provided in old age homes and older people must be admitted to hospital if they are in need of such care. The staff consist mainly of qualified nurses (75%) and auxiliaries who have completed a nine-month basic training course. In 1996, 17,700 employees were working within institutional care for older people, or 80 per 100 residents (Table 5.6). The number of staff in private old age homes is generally lower due to the better general health and functional ability of the residents.

7.5.6. Housing services

Service housing (Palveluasunto)

Service housing is available for older people who need support and daily help due to reduced functional ability. Service housing is either provided by the municipality or by voluntary organisations. Municipal housing units are normally rented and provide access to services like cleaning and help with daily tasks such as getting dressed or shopping. Staff are mainly available during the day. Municipalities get around 42% of investments costs reimbursed by the state. This has created an incentive to build service housing instead of expanding domiciliary care services for older people who live in their own home. The development of service housing has led to debate about whether this should be regarded as institutional care or domiciliary care. This is because social insurance institutions pay different social benefits to older people living in their own home which is not the case for residents in institutional care, such as old age homes, which is totally financed by the municipality.

By 1996, 16,500 older people, or 2.2% of people aged 65 and over were living in service housing (STAKES, 1998). This is an increase from the 1.5% in 1990 (Ministry of Social Affairs and Health, 1992). Half of the total recipients lived in privately provided service housing. Most of these housing units are provided under contract with the municipalities. The 250 private providers, mainly voluntary organisations, constitute 44% of all service housing (STAKES, 1997b). During most recent years, they have received considerable financial assistance from the Slot Machine Association for establishing service housing.

Residents in service housing pay for accommodation and services used. For private (voluntary) service housing, municipalities guarantee payment above the level that recipients are able to pay. The rules regarding maximum fees in service housing are formulated more loosely than in residential care where the resident is to be left with at least 20% of net income or at least FIM 450 per month after paying for accommodation and services. In some municipalities residents in service housing are therefore left with less.

Housing units for older people (Vanhusten asunnot)

Older people also have access to rented flats which are designed especially for the needs of older people. In 1990, 40,000 people or around 6% of those aged 65 and over were living in housing for older people built by municipalities and various private foundations and communities (Ministry of Social Affairs and Health, 1992).

5.7.7. Support for informal care

Although public provision of services is generally high, informal care provided by the family has traditionally proved very important in Finland. Around one in ten of all older people aged over 65 have been estimated to rely on care from family and relatives and friends only (Ministry of Social Affairs and Health, 1992). The policy today is to support continued provision of care from the informal sector by providing respite care and compensation for care expenses and loss of income.

Pensioners' care allowance (Eläkkensaajien hoitotuki)

The objective of the pensioners' allowance is to enable sick and disabled people to live in their own homes and to facilitate their access to essential services as well as reimburse them for extra costs incurred – because of the illness or disability. The allowance is available to disabled people and pensioners. The recipient is free to decide how to use the allowance and may in principle pay a family member or another person for providing care.

Assessment criteria

Assessment is made on grounds of functional ability, i.e. whether the ability to cope with ordinary activities without assistance has diminished. The allowance is available to pensioners living in their own homes or in service housing, but not to those in residential care. The allowance is awarded by KELA and must be claimed. The elderly can be entitled to receive the allowance at the same time as receiving home help services and the Informal Carers Allowance (see later section).

Amount

The allowance is divided into three rates of payment: lower, higher, and special allowance. During 1996-1998 the lowest allowance is FIM 278, the higher FIM 691 and the special allowance is FIM 1,382 a month.

Coverage

The number of recipients has increased by 40,000 since 1982 when around 100,000 pensioners received the allowance. This does, however, include younger people also. In 1995, 20% of the total recipients were aged over 65 years, 28,700 persons. Of these, the majority of claimants were women and there was a slight weighting towards the 75-84 age groups among the recipients (Ministry of Social Affairs and Health, 1997).

Informal Carers' Allowance (ICA) (Omaisloidon tuki)

In addition to or as a replacement for home help an allowance paid to carers has been available since 1981. The purpose of the Informal Carers Allowance is to compensate for costs accrued in relation to informal care or to compensate the informal carer for loss of income. The allowance is not supposed to be an extension of the social security system, but as a kind of substitution for directly provided services. The allowance must be claimed at the municipality with the home help personnel. The ICA is financed by the municipal home care budgets.

Entitlement to the home care allowance depends on the older people's need for care and does not take into account personal income of either the older person or the carer, or age, or personal characteristics. The older person must need daily help and support. There are no national criteria for determining to whom or when the allowance should be paid and the municipalities are free to award home help services instead of the allowance.

Assessment

Assessment is made by one or more welfare or health professionals, doctors, home nurses, home helpers, home help organisers, social workers or the director of old people's home. The assessment leads to a care plan specifying the amount of care to be provided informally and formally. The home help staff in the municipality monitor whether recipients of the ICA receive the care they need.

The municipality engages in a contract with a family member, a relative or another person with the older person's consent. The contract outlines who provides the care, for how many hours a week, and how much the carer is paid. Caregivers who live in the same household as the older people are not contractually tied to set working hours. In 1993, a new employment status was created, 'Carer of a Relative', in order to provide carers with entitlement to basic occupational rights. At the same time an amendment to the Social Welfare Act stated that the municipality must arrange time off as well as provide support for the carer. The carer is now entitled to credits for an occupational pension. From 1.1 1998, the carers who provide demanding care are entitled to an annual paid vacation of 2 days a month. The name of the benefit changed accordingly from Home Care Allowance *(Kotihoido tuki)* to the Informal Carers' Allowance. Around 1/3 of municipalities arrange time off for the care giver, and 1/3 use the older people's financial situation as the basis for granting the allowance. There were fewer recipients after the legislative changes which might indicate that the financial situation of older people was subject to greater scrutiny than before.

Amount

The level of the allowance is defined according to need. The minimum allowance is set by law at FIM 1,135 per month. Before reorganisation of the state subsidy

in 1991, central government subsidized the amount paid out via the allowance up to a certain maximum, which was also the maximum paid out by most municipalities. At that time, the central recommendations for awarding the ICA were that substantial need, including the need for night time care, was to be recognised with payment levels of 90-100% of the maximum subsidized amount; substantial need for care, however, where the older person was able to be left alone for some of the time should result in payment levels of 70-89% of the maximum subsidy, and need for less frequent but nevertheless regular attendance should result in payment levels of 25-69%.

There are now no central recommendations but the majority of municipalities still adhere to the previous recommendation. The average monthly allowance was around FIM 1,496 monthly in 1994. However, there is great variation in the amounts paid by the municipalities, from FIM 250 to FIM 5,500 for the same care needs, and in the circumstances in which the ICA is awarded. The allowance counts as taxable income.

Table 5.7.
Informal carers' allowance.

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
65+ cared by means of the ICA	9,793	..	..	..	..	20,922	20,372	18,860	..	10,668	11,307	13,149
Share (%) of age-group	1.59	..	..	..	..	3.11	2.98	2.71	..	1.48	1.54	1.77

Source: Ministry of Social Affairs and Health: Social Protection database 1996, Helsinki.

Coverage

The number of recipients among older people increased in the 1980s and declined again in the 1990s. By 1996, nearly 2 in 100 older people were cared by the means of the care allowance (Table 5.7). The age distribution shows that it is mainly the very oldest people who receive care via the allowance. Less than 1% of older people aged 65-74 and 2% of those aged 75-84 are cared for by means of the ICA. Of those aged over 85, 5% were cared for via the ICA. The care givers were mainly women (80%) and generally spouses (31%), other relatives (64%) or unrelated (5%). Most care givers were aged over 59 years, and

more than one third were aged over 65. 40% were retired. Around one quarter of caregivers were supported by home help services (STAKES, 1997b & 1998).

Interaction with other benefits

The municipalities differ in their policies as to whether the older people can receive home help at the same time as help from a carer under the ICA. If the older person has to go into hospital or is admitted to residential care payment of the allowance is suspended, although many municipalities wait for 7 days before suspending the allowance.

5.8.
Changes and development 1982-1995

Social services and cash benefits in Finland have especially since the early-1990s undergone fundamental changes as a result of the recession and economic difficulties in the municipalities. Whereas provision generally boomed up to the 1990s expenditure cuts have resulted in a stagnation in public services and in care cash benefits prevision in general for children and older people.

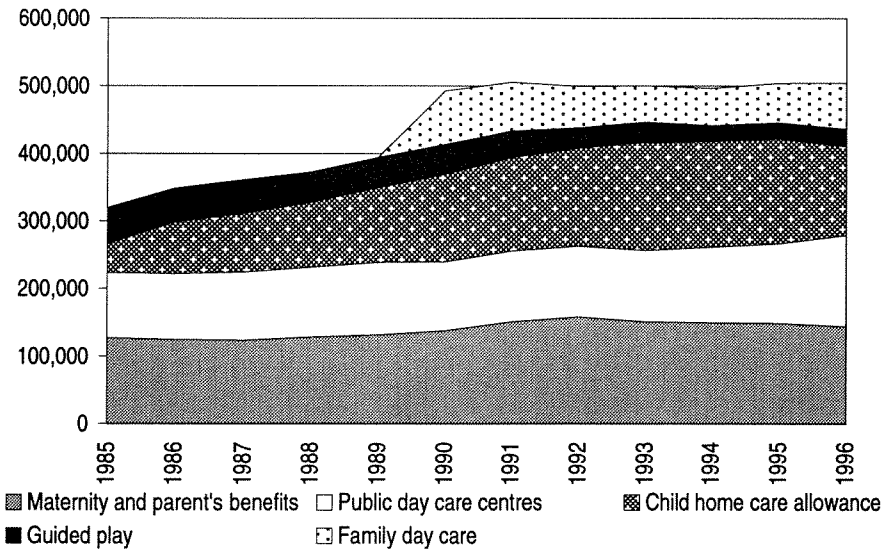
Families with children have experienced a cut in the number of days available for maternity allowance and coordination of the Home Care Allowance (HCA) with unemployment benefits has meant that some families have lost their entitlement to the HCA. The amounts paid for the full and partial HCA have been reduced, as has also the municipal supplement to the HCA. The proportion of fees for day care paid by parents as well as average fees, which fell in the period between the early 1980s and the beginning of the 1990s, have been on the increase. Standards are lower today than before, as more children are placed in the same units and increases in the number of employees have not been able to match the increase in the number of children cared for in the day care system. While the number of places in day care centres has expanded the overall proportion of children in family day care has dropped. Play ground activities which have traditionally constituted an important role for the children of unemployed families have been cut, and today fewer families receive help from a public home helper.

On the other hand, more children than ever are in public day care, and children under school age have been given a right to a place in day care. The choice between a place in day care and the HCA has been further developed for children aged under 3 and currently parents can choose a voucher for purchase of private day care as an alternative (Figure 5.14).

Older people have experienced a decline in the number of residential care places which has been part of the policy of de-institutionalisation. However, the

proportion of older people receiving home help services has dropped similarly. There are now fewer home help recipients, especially among the 'younger' elderly, and this suggests targeting of resources on the very old with the greatest needs. The proportion of fees paid by clients for home help and residential care has nearly doubled compared to the early 1980s, and the number of users of auxiliary services has declined by 1/3 since the early 1990s.

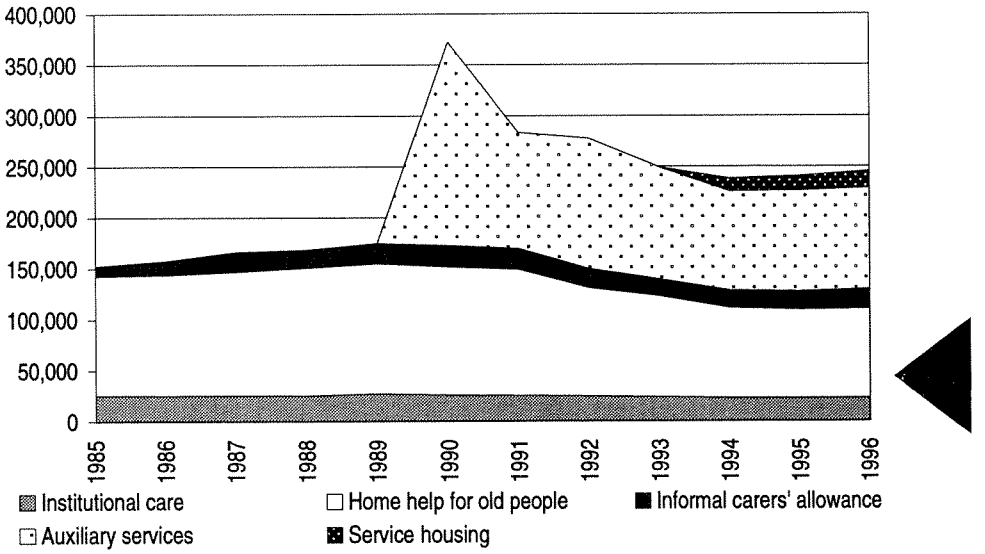
Figure 5.14.
Development in the number of recipients and enrolled children (aged 0-6) of the main social services and cash benefits for children, 1985-1996.



Sources: STAKES: Facts about Finnish Social Welfare and Health Care (annual publication), Helsinki. Ministry of Social Affairs and Health: Social protection in Finland database 1996, Helsinki.

Instead, the number of older people living in service housing has expanded, and today this constitutes an important alternative to residential care for many older people who, on the one hand, are unable to stay in their own home but who, on the other hand, would prefer to live in a home-like environment. The provision of short-term and day or night care in old-age homes also function as an important form of support for the frail elderly. This kind of care has been expanded well beyond the stated policy goal (Figure 5.15).

Figure 5.15.
Development in the number of recipients and residents (aged 65+) of the main social services and cash benefits for older people (65+), 1985-1996.



Source: STAKES: Facts about Finnish Social Welfare and Health Care (annual publication), Helsinki. Ministry of Social Affairs and Health: Social protection in Finland database 1996, Helsinki.

The underlying conditions for service provision have changed in so far as the municipalities have gained increasing control over the allocation of resources subsequently to the reform of the planning and subsidy system. This creates an opportunity for local municipalities to adapt provision to local need but is also likely to enhance local differences. However, in general the need for care for older people and children is likely to remain at the present level if not to increase. Firstly, there are no indications of a change in women's labour market participation rates, as the unemployment rate is dropping again. The number of women in full-time jobs is high and informal care potential for children and older people is therefore low. Secondly, the ageing of the population will increase the need for care services as the increases in age may well reduce the functional abilities of older people. On the other hand, older people themselves may also constitute an important resource, both in relation to a frail spouse and in relation to family or local networks. These resources along with what is found in civil society have been emphasized in general. The strengthening of the occupational and social rights of Informal Care Allowance recipients and new rights for parents to take child care leaves underline the recognition of informal care. In addition, the

introduction of a voucher scheme in day care as well as the increase in the use of services provided by the voluntary sector suggest an increasing openness towards non-public provision of services, although this is in the context of public monitoring and control of organisation and funding.

Box 5.2.
Tampere, Finland.

1. Introduction
The municipality of Tampere is situated some 150 kilometers north of Helsinki. With approximately 180,000 inhabitants it is the third largest city in Finland. In recent years, Tampere, like most other areas of the country, has experienced rising unemployment and ensuing economic problems. Adding to the social and economic strain of an unemployment rate of 23 percent is, among other factors, a growing population of elderly. In 1996 people aged 65 or more constituted 15 percent of the total population – a number expected to increase by a further nine percent by the year 2020. About a fourth of the elderly – 3.4 percent of the population – are age 80 or more. Despite a low fertility rate, small children also place a considerable burden on the social services organization and expenditure in Tampere. This is partly due to the fact that a 1996 reform of the Children's Daycare Act committed municipalities to offering public day care to all pre-school-age children, i.e. children under five years of age. This group encompasses some 15,000 children or eight percent of the population.

The Tampere Department of Social Services comprises three administrative units. Centralised Services is responsible for the payment and administration of social benefits. The Development Center's field of responsibility includes general administration and planning of social services as well as internal service. Finally, District Services supervise the primary health care services, community care for the elderly, and services for families with children. District Services is divided into five relatively independent administrative offices, each defined by geographical location. Social expenditures account for 31 percent of the total municipal budget of FIM 6.3 billion.

2. Children
By extending existing daycare centers and building a number of new institutions, Tampere has recently established about 1,000 new daycare places in order to comply with the 1996 Children's Daycare Act. While there is still a four-month waiting list for children of unemployed parents, the municipality is now able to offer day care to children of students and employed parents within a couple of weeks – usually within a reasonable distance of the home or place of work/study.

Almost three fourths of children aged 0-2 are cared for in the home. This high figure is attributable in part to statutory parental leave options and the decision to supplement the government supported childcare benefit with a municipal home care allowance of up to a monthly FIM 1,200, depending on income and employment situation. While only 20 percent of the 0-2-year-olds are cared for in day nurseries, as much as two thirds of children aged 3-6 attend one of Tampere's 87 public or semi-public day care centers. Other public daycare options include daycare in private homes, play schools, and open daycare centers. The latter two are usually attended by children accompanied by parents or day-carers. Two semi-public daycare possibilities also deserve to be mentioned. As an experiment, some 200 families receive a day care check and arrange a private day care themselves. Furthermore, families can receive help or support from public or private homemakers, e.g. during illness. A number of volunteer organizations offer such services at a cost of FIM 20 a day, about FIM 80 less than the municipality.

Roughly 60 percent of the municipal day care budget of FIM 336 m goes toward public day care centers and subsidies to the 10 private centers. 32% and 7% respectively, is spent on home care allowances and day care in private homes. Parents' contributions cover approximately 10% of child-care expenditures, a figure somewhat lower than the national average of 15%.

Visit to the Vellamo and Jissinkula day care institutions
The Vellamo and Jissinkula day care institutions are both located in the downtown Tampere area. Vellamo accommodates about 100 children and is one of the city's three 24-hour care institutions. Like most other kindergartens, Jissinkula is open between 6.30 a.m. and 6 p.m. Among its 120 children is a group for German speakers. Besides regular kindergarten activities, the institutions offer daily one-hour pre-school classes to children age 5-6.

In both institutions, the children are divided by age into groups of 12, either toddlers under three years of age or 3-6-year-old. Three kindergarten teachers are attached to each group. A playroom, which also serves as lunchroom, constitutes the home base of each group. Furthermore, the groups have their own clothes room and a room furnished with collapsible beds. When not in use, the beds are stored away in closets and the room then provides extra space for playing and other activities. Finally, individual group areas include child-size kitchens and bathrooms. The doors of the latter have a history of their own as they result from a municipality-wide debate surrounding children's right to privacy.

A number of facilities are shared by the groups of the kindergarten, among those a wet room equipped with drying closets, a woodwork room, and a water/mud room where children are allowed to play with water, mud, and clay. The fenced outdoor playground includes various climbing frames, swings, and sand boxes.

In Vellamo, the newer of the two kindergartens, the children also have at their disposal a room fitted with miscellaneous theater equipment, a TV room, and a room with normal beds. It is especially children of single parents employed in e.g. the health care sector or Tampere's considerable entertainment industry often spend the night at Vellamo. In the evenings and at night the children are divided into groups of 20, but the staff/child ratio remains 1 to 4.

On a typical day in the kindergarten, the children arrive between 6 and 7 a.m., in time for the 8 o'clock breakfast. The early part of the day is characterised by organised play and activities such as singing, drawing, and music. If the weather conditions permit it, the children usually venture out onto the playground around 10 and spend the rest of the morning there. A hot meal is served at 11.30 a.m. On the day of the visit, the menu included traditional Finnish blood sausages, mashed potatoes, and gravy. After lunch, the children often take a nap or listen to stories for a couple of hours. Afternoon sandwiches and juice are served at 2 p.m. and then the children have the rest of the day and all facilities at their free disposal. Jissinkula closes at 6 p.m., but in Vellamo activities continue until bedtime. Depending on the weather, the children are often taken for a walk in the evening, or they stay indoors and play, watch TV or listen to stories. Most children are fast asleep by 9 p.m.

3. Services for the elderly
In an effort to both encourage and enable senior citizens to live independently in their own homes and limit social expenditures, Tampere has de-institutionalised and expanded a number of auxiliary services for the elderly over the past few years. The municipality was among the first to introduce individual care plans stating the range of needs and resources of the elderly. The District Services teams base their recommendations for services and type of agents on these plans. Municipal services – as opposed to services provided by private agents – are intended primarily for elderly lacking financial means and family relations sufficient to provide proper care. Thus, private companies and volunteer organizations – many of which receive some form of municipal grants – provide a significant portion of non-institutional as well as institutional services in Tampere. Six of the city's seven old people's homes are run by volunteer organizations, as are the 500 sheltered dwellings. About half the FIM 250 m municipal budget for services for the elderly goes to public and private institutional care for 1,750 elderly. The municipality runs four day-centers, offering elderly access to a wide range of services and facilities. About 400 elderly visit the centers a couple of times a week to eat a hot meal, to make use of the library, sauna, hairdresser, etc. or to participate in activities such as billiards and games. Furthermore, the centers offer a number of specialized services for people suffering from dementia or recovering from strokes.

Approximately 6,000 or 22 percent of elderly aged 65 or more receive some form of municipal domestic help or care at a cost of FIM 60 m a year. The range of services include cleaning, shopping, personal care, meals on wheels, transportation, emergency phone services, and taking the elderly to public saunas.

Informal care has become increasingly popular in Tampere. There is currently a waiting list to participate in a scheme in which people caring for elderly relatives can receive up to FIM 5,500 a month. Participants are selected upon criteria of need and the relative's ability to care for the elderly.

Visit to the Koskikoti old people's home

The Koskikoti old people's home is a private establishment run by City Mission, one of the biggest voluntary organizations in the Tampere area. The home is financed in part through municipal subsidies and clients' fees: the 55 permanent residents contribute 80 percent of their pension, the 9 elderly on temporary stays FIM 125 a day.

In three three-storey houses, the Koskikoti residents have their own room and bathroom and share with five other residents a kitchen, a living room with TV, and a terrace. All residents share a bus, garden, hobby room, dining hall and kitchen, sauna, and a physical therapy room furnished with an acoustical chair. Koskikoti is equipped with an advanced alarm system with TV-monitors and a pager system that warns staff, as soon as a resident with dementia leaves his or her home area.

The staff includes a number of nurses, care assistants, physical therapists, and trainees. As opposed to other staff members, the latter group has both the time and energy to talk to the residents, take them for walks, and otherwise care for them on a social level. Thus, trainees are considered of great importance to the quality of care in the home. The head of Koskikoti expressed the opinion that Tampere institutions for the elderly are generally understaffed and characterized by a lack of specialized equipment and staff for dealing with very ill or frail residents. Institutions are often compelled to transfer residents to hospital wards.

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