STRATEGIES (‘ACTION PLAN’) FOR EXTENDING WORKING LIVES, RAISING OLDER WORKERS’ EMPLOYMENT RATES AND INTENSIFYING LIFELONG LEARNING IN LATER WORKING LIFE

WORK PACKAGE 3 | TASK 5

GERD NAEGELE AND JÜRGEN BAUKNECHT
BASED ON REPORTS FROM

BARSLUND, MIKKEL | BAUKNECHT, JÜRGEN | BEAUMONT, KAROLINA | BEBLAVÝ, MIROSLAV
BLAZIENE, INGA | BÖSSING, CARINA | CEBULLA, ANDREAS | CONTRERAS, NICOLAS | DI ROSA, MIRKO | GASON, KATRIN | GERING, VERA | HAARISTO, HANNA-STELLA | HUDSON-SHARP, NATHAN | JAROCIŃSKA, ELENA | KABOTH, ARTHUR | KADARIK, INGEL | KHYROVÁ, VERONIKA
KRUMINA, MARJA | LEETMA, REELIKA | LENAERTS, KAROLIEN | LINNENSCHEIDT, KATJA
MARTELLUCCI, ELISA | MASSO, MÄRT | MOSKVIN, JULIA | NAEGELE, Gerd | NURMELA, KIRSTI
OSILA, LIINA | PRINCIPI, ANDREA | RÍNCON-AZNAR, ANA | ROMANINI, AGNES | SHUVAIEVA, IRyna
SOCCI, MARCO | STVČZYŠKA, IZABELA | THUM, ANNA-ELISABETH | VÄÄNÄNEN, NIKO
VAITKUTE, LINA | VIDOVIČOVÁ, LUCIE | WERDER, MARTEN VON | WILKINSON, DAVID | ZAIDI, ASGHAR | ZOLYOMI, ESZTER | ZUBEL, KAROLINA

FEBRUARY 2017

Research for this paper was conducted as part of MoPAct, a four year project funded by the European Commission under the 7th Framework Programme to provide the research and practical evidence upon which Europe can begin to make longevity an asset for social and economic development. The paper is also published on the MoPAct website (www.mopact.group.shef.ac.uk) as Deliverable 3.5.1. See the website and the penultimate page of this paper for more information on the project.
PART A ......................................................................................................................... 7

1. Objectives .................................................................................................................. 7

2. Proceedings ................................................................................................................. 9

2.1 Countries, research institutions and researchers involved ......................................... 9

2.2 Tasks and deliverables ............................................................................................... 12

2.2.1 Task 1: Building a Conceptual Framework (March 2013 – August 2013) ................. 12

2.2.2 Task 2: Mapping the current state of the art (September 2013 – August 2014) ....... 12

2.2.3 Task 3 and 4: Identifying and assessing motivations for and attitudes towards extended working lives (March 2015 – October 2015) and identifying and assessing structural drivers and barriers to innovation (November 2015 – September 2016) ...... 14

2.2.4 Task 5: Developing strategies to extend working lives/volume and LLL (October 2016 – February 2017) .......................................................................................................................... 17

3. Theoretical approach – the Conceptual Framework ..................................................... 18

3.1 What is a Conceptual Framework ? ........................................................................... 18

3.2 The MoPAct WP3 Conceptual Framework .................................................................. 18

3.3 Interim conclusions – how to work with the Conceptual Framework .......................... 22

4. The overarching aim of realising social innovation .................................................. 22

4.1 What are social innovations?....................................................................................... 22

4.2 Social innovations in an ageing labour world .......................................................... 23

5. The danger of jeopardizing the generational contract ................................................ 24

6. Framework conditions ............................................................................................... 26

6.1 Mega trends as “driving forces” for the paradigm shift ............................................ 26

6.2 Some older workers related features of demographics and employment in WP3 countries ................................................................................................................................. 28

7. Key actor groups ...................................................................................................... 34

7.1 Employees ................................................................................................................ 35

7.1.1 Individual retirement behaviour – the “driving forces” behind ............................... 35

7.1.2 The human capital of an ageing workforce ......................................................... 37

7.1.2.1 Workability and employability ......................................................................... 37

7.1.2.2 Older workers as “co-producers” of their own employability ......................... 41

7.2 National and public policies ..................................................................................... 41

7.2.1 Relevant mega trends for the “paradigm shift” ...................................................... 41

7.2.2 The instrument – box of national/public policies .................................................. 42

7.2.3 “Early” and “late movers” ..................................................................................... 45

7.3 Employers (private, public) ..................................................................................... 47
7.3.1 Age(ing) management ........................................................................................................... 48
7.3.2 “Good practice” ..................................................................................................................... 49
7.4 Social partners .......................................................................................................................... 50
7.5 NGOs and older persons´ representatives ............................................................................... 50

PART B .............................................................................................................................................. 51
1. Why extend working lives/volume? - explanations, as given in the country reports .......... 51
2. What is officially understood as “social innovation” in WP3 countries? ......................... 53
3. The macro level of public/national policies .......................................................................... 54
  3.1. Adapting retirement policies ................................................................................................. 55
    3.1.1 Raising legal retirement ages in combination with financial incentives/disincentives ... 55
    3.1.2 Closing/complicating early exit pathways/retirement schemes ................................. 58
    3.1.3 Special retirement regimes for workers in arduous or hazardous jobs ................... 59
    3.1.4 Interim Evaluation .............................................................................................................. 60
      3.1.4.1 “Early” versus “late movers” – not just a question of “structural lags” ............. 60
      3.1.4.2 Quantitative employment effects ............................................................................... 61
      3.1.4.3 Pension wealth through working more and longer in later life ............................. 63
      3.1.4.4 Deepening social inequalities? ................................................................................... 63
      3.1.4.5 The case of indexing retirement ages to life-expectancy ....................................... 64
  3.2 Partial retirement/partial pension policies .............................................................................. 65
  3.3 Promoting work after (official) retirement (“silver work“) ............................................... 68
  3.4 Promoting self-employment .................................................................................................. 70
  3.5 Employment promotion and protection against job losses ............................................... 73
    3.5.1 Employment protection against dismissals ................................................................. 73
    3.5.2 Wage subsidies .................................................................................................................. 75
    3.5.3 Active labour market policies for older unemployed ................................................. 76
    3.5.4 “Sticks and carrots to get older unemployed back into employment” - results from additional analyses .............................................................................................................. 78
  3.6 Health protection, promotion and prevention of disability ................................................. 79
    3.6.1 Healthy ageing as older worker ....................................................................................... 79
    3.6.2 Disability and rehabilitation policies ............................................................................. 82
    3.6.3 Some “early” and “late mover” differences ................................................................. 84
  3.7 Work-life-balance and life-course oriented policies .............................................................. 85
    3.7.1 Life-course orientation in employment policies – to make working life more flexible ......................................................................................................................................... 85
    3.7.2 The case of reconciling work and care ........................................................................... 87
3.7.3 Interim conclusions

3.8 Anti-age discrimination legislation

3.9 Awareness, information and counselling policies

3.9.1 Country-targeting national/public programmes

3.9.2 Company-targeting national strategies

3.9.3 Interim conclusions

3.10 Drivers and barriers in public policies on the supply side - a summary

3.10.1 Motivation to retain in work/to work longer/leave earlier

3.10.2 Health – the basement of workability and employability

3.10.3 Informal work/volunteering in combination with paid work

4. Approaches and spheres of action on the meso level

4.1 The distribution of “social innovations” and “good practices”

4.1.1 How is “social innovation” understood in corporate practice?

4.1.2 The spheres of activities

4.1.2.1 Distribution of “good practices” on the meso level

4.1.2.2 Some particular innovative examples

4.1.3 Drivers and barriers on the meso level

4.1.3.1 Drivers

4.1.3.2 Barriers

4.1.4 Some “early” and “late mover” differences

4.2 Determinants of retaining and rehiring older workers by companies in six European countries – further results from secondary analyses

5. Older worker’s attitudes towards working longer: how important are HR policies in prolonging working life? – Further results from secondary analyses

6. Social partners

6.1 Collective and/or company agreements

6.2 European Trade Union (ETUC) initiatives

6.3 European Employer’s associations

7. NGOs

8. Lifelong (vocational) Learning

8.1 Why and how to promote vocational LLL of older workers?

8.2 Participation in Lifelong Learning activities

8.3. Why are there different participation rates in LLL activities?

8.4 “Good practices” on company level – “early mover” examples

8.5 Impact of Lifelong Learning on extending work lives

8.6 How to promote/improve Lifelong Learning participation and quality?
PART C

1. MoPAct Work package 3 – Strategies ("action plan") for extending working lives, raising older worker’s employment rates/volume and intensifying Lifelong Learning – a summary of policy pointers

1.1 Key demographic, societal and economic challenges call for sustainable answers

1.2 Points of departure for WP3 policy recommendations

1.3 The need to extend working lives and working volume of older workers

2. Recommendations

2.1 On the national level

2.1.1 To adjust retirement policies – but not as an "isolated" policy approach

2.1.2 To extend partial retirement schemes and "silver work"

2.1.3 To promote active employment policies

2.1.4 Work-life-balance oriented public policies

2.2 On the meso/company level

2.3 Lifelong Learning

3. Country specific recommendations – as offered by WP3 partners

References
Preface

In the final proposal of MoPAct, WP 3, the aims of task 5 were defined as follows: “to integrate findings from tasks 2-4 into highly innovative, sustainable scenarios for extending working lives, raising older worker`s employment rates and intensifying life-long learning in later working life”. However, during the course of the work in MoPAct the term “scenario” was officially replaced by the term “strategies”, which focuses more on reforms on the political as well as the practical (including work place-related) level. For WP3 we interpreted our objective as a kind of “action plan” for policy makers and practitioners. This report can be seen as the report on task 5, based on all other deliverables provided by TUD and WP3 partners, and conceptualised as a synopsis, addressing the most significant WP3 results and finalised with an “action plan” (see chapter C 2). As appendixes to this final report country reports are available, summarising all country-specific results delivered by WP3 partners.

This report was written between October 2016 and February 2017 by the two authors, in the knowledge, however, that they are only summarising and partially repeating what 42 researchers from 13 WP 3 countries have produced during the MoPAct period. The authors explicitly give their thanks to each of them. Without their endeavours this report would not stand as it is now.

---

1 The reports are attached as appendixes to this report and will be available under http://mopact.group.shef.ac.uk/research-posts/findings-5/
2 Mentioned in chapter A 2.1.
PART A
MoPAct Work package 3 - objectives, proceedings, theoretical approaches, conceptualisation, dimensions and key actors

Demographic ageing results in a growing ratio of both older workers and pensioners as well as in a remarkable extension of residual life expectancy; taken together, these factors on the one hand challenge the labour market and on the other hand threaten the long-term financial sustainability of the respective social security systems. In reaction EU wide policy makers have started implementing pension, retirement and labour market policy reforms (among others) including raising official retirement ages, closing early retirement pathways and introducing active labour market measures. The overarching political objectives are to postpone retirement and to extend working life/volume - supported by Lifelong Learning (LLL).

1. Objectives

The MoPAct work package 3 (WP3) aims to answer the following two overarching questions:

• (1) How do we extend working lives (and raise work volume) as well as postpone retirement and raise the employment rate of older workers in the pre- and post-retirement age, including unemployed older workers; each aided by Lifelong (vocational) Learning (LLL) as key answers to the demographic and welfare challenges of an ageing workforce?

• (2) What socially innovative, effective, sustainable and transferable private and public sector measures and strategies can enable and encourage older workers (including unemployed) to both extend working lives (volume)/stay longer in employment as well as intensify LLL, with a special focus on social innovations?

Further, WP3 is focusing on the following sub-dimensions:

- paid work (including self-employment and also considering atypical and informal work)
- promoting healthy ageing in employment
- retaining and promoting the workability and employability of an ageing workforce, including approaches to different actor groups
- promoting the quality of life and quality of work of an ageing workforce/older workers, which are both very often conceptualized as the work-life-balance
- strengthening the employment prospects of disadvantaged groups (e.g. less qualified, women with care obligations, older migrant workers, sick and/or disabled)
- reducing the unemployment of older workers
- focusing on the **corporate level** - with particular interest in small and medium sized companies (SMEs), reflecting the important fact that many of the countries involved in WP3 are characterised by having a high share of SMEs with a high share of older workers
- putting special emphasis on **corporate age(ing) management and corporate good practice** and in doing this explicitly adopting a **life-cycle orientation**
- putting special emphasis on **policy mix** and **integrated** solutions and strategies (integrated approaches)
- looking for **new types of co-operation** of different groups of key actors inside and outside of employment
- to promote **combinations** of gainful employment and volunteering
- looking for measures/strategies considering both **diversities** (e.g. national, cultural, gender, SMEs, others ...) as well as **social inequalities**
- to take notice of **generational solidarity**
- ensuring **stakeholder-** and **user-participation** as well as older workers **co-production**.

The overall target might be to establish a kind of “**action plan**” for different key actors/key groups/stakeholders (e.g. policy makers, social partner representatives, employers, trade unions, chambers of commerce, third sector stakeholders, pension- and health-funds, workers` representatives and other NGOs, local level agencies and authorities, the older workers themselves, scientific consultancies, scientific community and media).
2. Proceedings

2.1 Countries, research institutions and researchers involved

WP3 was conducted between March 2013 and February 2017. In all, 13 EU member states were involved, which - together with the research institutes responsible – can be seen in figure 1.

**Figure 1: Countries involved in WP3 and partner responsibilities**

In all 42 researchers from 13 countries were involved:

**Baltic countries**

- Inga Blaziene: Lithuanian Social Research Centre (Lithuania, Vilnius)
- Hanna-Stella Haaristo: PRAXIS Centre for Policy Studies (Estonia, Tallinn)
- Ingel Kadarik: PRAXIS Centre for Policy Studies (Estonia, Tallinn)
- Marja Krumina: BICEPS Baltic International Centre for Economic Policy Studies (Latvia, Riga)
- Reelika Leetma: PRAXIS Centre for Policy Studies (Estonia, Tallinn)
- Märt Masso: PRAXIS Centre for Policy Studies (Estonia, Tallinn)
- Julia Moskvina: Lithuanian Social Research Centre (Lithuania, Vilnius)
- Kirsti Nurmela: PRAXIS Centre for Policy Studies (Estonia, Tallinn)
- Liina Osila: PRAXIS Centre for Policy Studies (Estonia, Tallinn)
- Lina Vaitkute: KPMPC – Qualifications and Vocational Education and Training Development Centre (Vilnius, Lithuania)

* CASE – Center for Social and Economic Research (Poland, Warsaw)
* CEPS – Centre for European Policy Studies (Belgium, Brussels)
* EC - European Centre – Europäisches Zentrum für Wohlfahrtspolitik und Sozialforschung (Austria, Vienna)
* INRCA – National Institute of Health & Science on Ageing (Italy, Ancona)
* NIESR - National Institute of Economic and Social Research (UK, London)
* PRAXIS – Praxis Center for Policy Studies (Estonia, Tallinn)
* TUD/FFG – Institute of Gerontology at TU Dortmund University (Germany)
Belgium/Denmark

Mikkel Barslund  CEPS Centre for European Policy Studies (Belgium, Brussels)
Miroslav Beblavý  CEPS Centre for European Policy Studies (Belgium, Brussels)
Nicolas Contreras  CEPS Centre for European Policy Studies (Belgium, Brussels)
Karolien Lenaerts  CEPS Centre for European Policy Studies (Belgium, Brussels)
Elisa Martellucci  CEPS Centre for European Policy Studies (Belgium, Brussels)
Anna-Elisabeth Thum  CEPS Centre for European Policy Studies (Belgium, Brussels)
Marten von Werder  CEPS Centre for European Policy Studies (Belgium, Brussels)

Czech Republic

Veronika Khýrová  Masaryk University (Czech Republic, Brno)
Lucie Vidovičová  Masaryk University (Czech Republic, Brno)

Finland

Niko Väänänen  Eläketurvakeskus / Pensionsskyddscentralen / Finnish Centre for Pensions

Germany

Jürgen Bauknecht  TUD Institute of Gerontology at TU Dortmund University (Germany)
Carina Bössing  TUD Institute of Gerontology at TU Dortmund University (Germany)
Vera Gerling  TUD Institute of Gerontology at TU Dortmund University (Germany)
Arthur Kaboth  TUD Institute of Gerontology at TU Dortmund University (Germany)
Katja Linnenschmidt  TUD Institute of Gerontology at TU Dortmund University (Germany)
Gerd Naegele  (work package leader)

Participants in the expert talk (Berlin, June 30, 2016)

Beatrix Behrens  Head of HR and staff development (Federal Employment Agency)
Martin Brussig  Head of the unit ‘Employment – Inclusion – Mobility’ at the Institute for Work, Skills and Training; University of Duisburg-Essen
Victoria Büsch  President of the SRH Hochschule Berlin and Professor of Macroeconomics and Demographics. Head of the Silver Workers Research Institute
Jürgen Deller  Professor of Business Psychology, Leuphana University Lüneburg
Nico Dragano  Professor of Medical Sociology, University Medical Centre Düsseldorf
Frerich Frerichs  Professor of Ageing and Work, University of Vechta
Götz Richter and Alfons Schröer
Federal Institute of Occupational Safety and Health (Organisational support of the expert talk)

Italy
Agnes Romanini INRCA National Institute of Health & Science on Ageing (Italy, Ancona)
Andrea Principi INRCA National Institute of Health & Science on Ageing (Italy, Ancona)
Mirko di Rosa INRCA National Institute of Health & Science on Ageing (Italy, Ancona)
Marco Socci INRCA National Institute of Health & Science on Ageing (Italy, Ancona)

The Netherlands
Katrin Gasior EC European Centre – Europäisches Zentrum für Wohlfahrtspolitik und Sozialforschung (Austria, Vienna)
Eszter Zolyomi EC European Centre – Europäisches Zentrum für Wohlfahrtspolitik und Sozialforschung (Austria, Vienna)

Poland
Carolina Beaumont CASE – Centre for Social and Economic Research (Poland, Warsaw)
Elena Jarocińska CASE – Centre for Social and Economic Research (Poland, Warsaw)
Iryna Shuvaieva CASE – Centre for Social and Economic Research (Poland, Warsaw)
Izabela Styczyńska CASE – Centre for Social and Economic Research (Poland, Warsaw)
Karolina Zubel CASE – Centre for Social and Economic Research (Poland, Warsaw)

UK/Spain
Andreas Cebulla NIESR National Institute of Economic and Social Research (UK, London)
Nathan Hudson-Sharp NIESR National Institute of Economic and Social Research (UK, London)
Ana Ríncon-Aznar NIESR National Institute of Economic and Social Research (UK, London)
David Wilkinson NIESR National Institute of Economic and Social Research (UK, London)
Asghar Zaidi University of Southampton (UK, Southampton)
2.2 Tasks and deliverables

MoPAct WP3 was divided into five tasks which had to be completed by submitting final deliverables:

1. building a Conceptual Framework
2. mapping the current state of the art
3. identifying and assessing motivations for and attitudes towards extended working lives
4. identifying and assessing structural drivers and barriers to innovation
5. developing strategies to extend working lives/volume and LLL

2.2.1 Task 1: Building a Conceptual Framework (March 2013 – August 2013)

A conceptual framework “explains, either graphically or in narrative form, the main things to be studied – the key factors, concepts, or variables – and the presumed relationship among them” (Miles & Huberman 1994: 18, cited in Maxwell 2005: 33). Building a conceptual framework is necessary at the beginning for structuring and thus to better meet tasks and research questions taken up in tasks 2 – 4. It explicitly addresses all key actor groups and the interest and attitudes behind them as well as their respective economic, societal, cultural and individual framings. Furthermore, the WP3 conceptual framework aims to develop standards for identifying socially innovative (“si”), effective, sustainable and transferable (“good practices” (“gp”)) strategies in age-related employment and LLL. The conceptual framework was submitted as deliverable D3.1 in October 2013.

- Idea and objectives of the conceptual framework have been discussed within the first WP3 plenary meeting which took place on April 25 2013 in London, UK. It is based on both TUD’s own research as well as partner activities in their respective countries: Reviewing literature and “grey literature”, analysing policy and administrative documents and conducting expert/group interviews with both policy makers and experts from relevant administrations, stakeholders, social partners, NGOs and/or from the scientific community as well as with older workers themselves. In pursuing this, partners followed guidelines prepared by TUD. The respective results were evaluated, summarised and integrated in country reports. Based on these country reports and using TUD’s own preliminary research results TUD submitted the final version of the conceptual framework.

2.2.2 Task 2: Mapping the current state of the art (September 2013 – August 2014)

Task 2 is aimed at mapping the current state of the art, to be found in partner countries, with the prime aim to identify socially innovative strategies (“si”)/“good practices” (“gp”) on the demand as well as on the supply side. Due to both plurality and diversity as well as the complexity of key actor groups, action-fields and contexts, it was agreed in task 2 to separate
the MoPAct Active Ageing Forum 1 on May 19, 2014 in Brussels. Here, among other aspects, the WP3 related results of the prior AA Forum 1 were discussed and if deemed useful would be adopted in the research plan.

(1) **Sub-task 2.1:** Identifying “si”/”gp” cases, covering the demand and supply sides of labour, at best on both the company level as well as that of social partners, stakeholders, NGOs and the scientific community. Existing proposals (deemed to have the potential for “si”/”gp”) were also identified and if relevant adopted. Supply-side-related “si”/”gp” have been understood as those affecting, e.g. maintaining or raising, the ability and employability of older workers, e.g. measures for health, training, motivation and the reconciliation of paid work and private life. Demand-side-related “si”/”gp” have been understood as those aimed at increasing employers’ ability and willingness to keep older workers longer in their company/organisation and/or to hire older applicants. Partners were asked to use templates for identifying “si”/”gp” and/or transferable approaches, following the standards for “si”/”gp” developed in the conceptual framework. In all more than 130 cases of “si”/”gp” have been identified.

- To identify “si”/”gp” cases, templates were sent to partners by TUD. For each country 25 templates were requested, higher numbers were welcomed; on the other hand particularly in “late mover” countries (see chapter A 7.2.3) reaching the maximum number of 25 was not possible – due to missing cases. Templates contained information on the supply side: (1) actor, (2) reasons, (3) description of the approach, (3.1) dimensions of quality of work, (3.2) values and motivation, (3.3) professional competence, (3.4) health, (3.5) social networks, (3.6) family/work-life-balance, (4) silver work yes/no, (5) life course orientation, (6) civic engagement, (7) other socially innovative dimensions, (8) brief evaluation of strengths, weaknesses, opportunities and threats, (9) further relevant information; the demand side: (1) actor, (2) reasons, (3) description, (3.1) financial incentives, (3.2) regulations, collective agreements, (3.3) image and awareness campaigns, (3.4) anti-discrimination activities, (3.5) networking of actors, (3.6) advise and other support for employees, (4) silver work yes/no, (5) civic engagement, (6) overarching dimensions of MoPAct (e.g. gender, migrants, intergenerational solidarity), (7) brief evaluation of strengths, weaknesses, opportunities and threats, (8) further relevant information.

---

(2) **Sub-task 2.2:** Partners were asked to write national policy reports with the objective of informing about what has been done in terms of “si”/“gp” – policy approaches aimed at extending working lives in the partner countries in the past 10-15 years. Furthermore, partners were asked (if possible) to evaluate their effects if information was available and usable.

- The following policy fields have been selected: (1) raising legal retirement ages in combination with financial incentives/disincentives, (2) closing and/or complicating early exit pathways/retirement schemes, (3) promoting work after (official) retirement, (4) partial retirement/partial pension policies, (5) promoting self-employment, (6) employment promotion of older unemployed and protection against job losses, (7) health protection, promotion and prevention of disability, (8) work-life-balance and life-course oriented policies, (9) anti-age discrimination legislation (10) other policy approaches. The research has been undertaken with the support of guidelines prepared by TUD. In all, we tried to avoid descriptions of basic policy configurations. Further, the search was restricted to policy approaches that are directly relevant to the employment chances of older (and ageing) workers; those with indirect linkages were taken up only in cases of overarching interest (e.g. tax and contribution policies (e.g. for Germany see Buslei & Wrohlich 2014), family policies like public childcare). General pro-employment policies have only been taken up in the case that older workers are noticeably affected. The National Policy Report was submitted in February 2015 and structured in the same way as the national reports, with country-specific chapters according to topic.

(3) **Sub-task 2.3:** Conducted by CEPS, supported by partners. The aim was, based on guidelines developed by CEPS, to provide a summary on the state of the art in public/national (LLL) activities and policies offered by different actor groups. It was submitted as deliverable D3.2.3 in February 2015.

### 2.2.3 Task 3 and 4: Identifying and assessing motivations for and attitudes towards extended working lives (March 2015 – October 2015) and identifying and assessing structural drivers and barriers to innovation (November 2015 – September 2016)

(1) **Task 3** aimed at deriving insights into motives etc. of older workers themselves, organisations, stakeholder attitudes and others with respect to the objective of extending

---

6 E.g. as Jensen, P. (2014) states, based on Danish data, the risk of early retirement begins soon in life since fathers’ education is related to children’s (later) early retirement. Eldercare has been addressed as directly related to employment particularly of elderly women (Reichert et al. 2017).


working lives/volume and their respective contexts. The prime empirical basis of this task were 20 in-depth case studies in cases of “si”/“gp” identified in task 2 and including all countries involved in WP3. Prime selection criteria were the respective suggestions of our partners, primarily structured according to different spheres of action. The empirical basis for task 3 has been enlarged by an additional summary of “gp”-measures in 16 German companies in the field of reconciling paid work and elderly care.

- The main foci of the case studies were the following spheres of action, which can be seen as incentives for prolonging working lives and extending working volume on a voluntary basis: health (and work despite health problems), Lifelong Learning, work after retirement, flexible working time schemes and partial retirement, reconciliation of paid work and family/care, unemployment, self-employment, awareness campaigns and recruitment. Task 3 was finished in October 2015 with a “Report on Case Studies”. The report shows how “si”/“gp” measures are arranged (description), put into practice (implementation), are kept sustainable (sustainability), and if, how and under which circumstances these measures can be initiated by other companies/organisations/social partners/public bodies (transferability) and why they can be considered to be socially innovative (innovation).

(2) Task 4 aimed at getting insights into the structural drivers and barriers to innovations, mainly focusing on the side of organisations, social partners, institutional incentives and disincentives, national employment and educational policies, retirement, pension and tax policies and others (among others partly based on information already collected in tasks 1 and 2.2).

- It has been agreed that comprehensive country reports are best suited to report on the research on drivers and barriers to innovation, also since the project enters a phase where practical impact gains further importance. Partners have been asked to structure their country reports according to the demand as well as the supply side, and within these after topics of key importance (e.g. like workability/employability or self-employment on the supply side or various fields of public/non-public financial/non-financial incentives for employers on the demand side). Key topics can again be subdivided in sub-topics (e.g. motivation, health or Lifelong Learning in the area of workability/employability), and these again in macro level (mainly political measures and their effects) and meso level (measures on company/social partner level).

(3) Tasks 3 and 4 were already on the agenda of a third plenary two days-meeting on December 10 and 11 2014 in Dortmund and again on the forth plenary meeting in Tallinn within the context of the MoPAct General Assembly on April 29, 2015. Prior to starting with the work in tasks 3 and 4 partners had already expressed concern about the high degree of overlap in terms of research questions and methodology. As a consequence – and in agreement with the coordinator – a joint research approach was agreed upon in which both tasks were combined chronologically as well as methodologically, with the prime aims of both avoiding the doubling of research as well as gaining synergy effects.

- The joint research approach, among others, included a minimum number (N = 20) of in-depth “si”/“gp” case studies (3-4 per country with 4-5 interviews) and was based on
relevant cases identified in task 2. Furthermore, expert interviews (with “new” and/or thematically relevant experts, who had thus far not been interviewed earlier), older worker interviews and group discussions focusing on specific hitherto neglected issues were conducted. The prime selection criteria for the empirical work of the newly structured tasks 3 and 4 were (1) degree of (social) innovation (2) estimated positive impact (in the sense of sustainability) and (3) transferability. For both tasks TUD provided partners with guidelines.

(4) Re-analysing existing data sets and additional expertise: Since the original research agenda of tasks 3 and 4 also included re-analysing surveys with respect to certain sub-issues of tasks 3 and 4, partners decided to separate this research step and to publish the results as a deliverable on its own. The respective results are reported in deliverable D3.4.2. They refer to the following 3 sub-issues:

- “Retirement policies and learning in old age in European countries: a comparative analysis” (PRAXIS) among others testing the relationship between institutional factors in pension schemes and training participation in 19 European countries. Although the report refers to all 19 countries, results are mainly reported for MoPAct Work Package 3 countries.

- “Labour demand and longer working lives: Determinants of retaining and rehiring of older workers by companies in six European countries” (INRCA, TUD). Analyses are based on data from the project ‘Activating Senior Potential in an Ageing Europe’ (ASPA). For this project, in 2009 interviews were conducted with directors/CEO owners, heads of departments, general managers, human resources managers and administrators. Six countries were analysed: Denmark (587 cases), Germany (666), Italy (770), the Netherlands (1046), Poland (1030) and Sweden (525).

- “Working conditions and retirement: How important are HR policies in prolonging working life?” (CEPS, TUD, NIESR). Based on SHARE data from 13 European countries, the effects of job satisfaction on retirement behaviour have been calculated.

- An expertise focusing on a comparative analysis of employment of older workers with disabilities and including disability policies in WP3 countries was given to the University of Southampton (Zaidi 2017).

---

9 For example, on June 30 2016 an expert talk on various topics of ageing and employment has been conducted in Berlin, with the following participants: Beatrix Behrens (Head of HR and staff development [Federal Employment Agency]), Martin Brussig (Head of the unit ‘Employment – Inclusion – Mobility’ at the Institute for Work, Skills and Training; University of Duisburg-Essen), Victoria Büsch (President of the SRH Hochschule Berlin and Professor of Macroeconomics and Demographics and Head of the Silver Workers Research Institute), Jürgen Deller (Professor of Business Psychology, Leuphana University Lüneburg), Nico Dragano (Professor of Medical Sociology, University Medical Centre Düsseldorf), Frerich Frerichs (Professor of Ageing and Work, University of Vechta).


(5) **Deliverables:** In all, for the newly structured tasks 3 and 4 three reports (deliverables) were agreed upon:

(1) “report on case Studies” (submitted as deliverable **D3.3** in October 2015)

(2) country reports on “lessons to be learnt how to cope with structural drivers and barriers of innovation” - covering each country involved in WP3 - and - based on these - an integrated report to be written by TUD (submitted as deliverable **D3.4.1** in September 2016)

(3) report on the secondary analyses, mainly covering sub-issues of task 3 (submitted as deliverable **D3.4.2** also in September 2016)

(4) report on unemployment (submitted as deliverable **D3.4.3** also in September 2016)

2.2.4 Task 5: Developing strategies to extend working lives/volume and LLL (October 2016 – February 2017)

In the proposal the aims of this task have been defined as follows: “to integrate findings from tasks 2-4 into highly innovative, sustainable scenarios for extending working lives, raising older worker’s employment rates and intensifying life-long learning in later working life”.

- However, during the course of the work in MoPAct the term “scenario” was officially changed into the term “strategies”, which focuses more on reforms at the political as well as the practical (including work-place-related) level. For WP3 our understanding and further interpretation of “strategies” led to the idea to deliver a kind of “action plan” for policy makers and practitioners. This report can be seen as the report on task 5, based on all other deliverables provided by WP3 partners, conceptualised as a synopsis, addressing the most significant WP3 results and finalised with an “**action plan**” (see chapter C 2). Besides this final report (D3.5.1) country reports are available (D3.5.2), summarising all country-specific results delivered by WP3 partners**17**. It was written between October 2016 and February 2017 by the two authors.

---


3. Theoretical approach – the Conceptual Framework

3.1 What is a Conceptual Framework?

In a wider sense a conceptual framework “includes the actual ideas and beliefs that you hold about the phenomena studied” (Maxwell 2005: 33). Basically, a conceptual framework “is primarily a conception or model of what is out there that you plan to study, and of what is going on with these things and why (...) it helps you to justify your research (...)” (Maxwell 2005: 33). Some researchers (e.g. Pahl-Wostl 2009: 355) base their conceptual framework on “assumptions derived from theoretical and empirical evidence”. Both theory and empirical evidence are derived from literature and country reports provided by WP3 partners. The latter is also partly based on literature, and on interviews with experts and affected groups, since “in any active area of inquiry the current knowledge base is not in the library – it is in the invisible college of informal associations among research workers” (Locke et al. 1993 cited in Maxwell 2005: 34). A conceptual framework is “constructed, not found” (Maxwell 2005: 35), i.e. in the best cases previously not existing. This also, to some degree, prevents the recycling of existing knowledge, which should be avoided (Naegle 2013).

3.2 The MoPAct WP3 Conceptual Framework

The conceptual framework was developed as an interplay of five different dimensions. The aim was to identify systematically positive and/or negative effects (promoters and/or barriers) with respect to the overarching WP3 objectives, which are placed at the centre of the concept. The five dimensions are:

1. External factors of influence and/or framework conditions
2. Key actors/stakeholder groups that are involved
3. Key actors'/stakeholders’ respective spheres of action

---


4. Design of respective concepts, activities and approaches
5. Key prerequisites to meet the overarching objectives.

These dimensions not only mirror the complexity of the employment and retirement reality of older workers and the overarching goal of extending working lives/volume and LLL, but furthermore, they are highly correlated and transversal to each other. This means that statements/issues included/discussed within a particular dimension, may also have a strong link with others. Thus, cross-citations or “shared topics” between dimensions are not rare. It might also be appropriate to start the description the other way round: first our objectives (inner circle) and then, step by step, asking which determinants are of relevance in the next circle (4) and so on. The conceptual framework is graphically represented as follows (Figure 2, below):

The outer circle (1) encompasses relevant **external factors of influence** on employment and Lifelong Learning prospects of (not only) older workers, e.g. macro-economic factors, overall employment prospects, threats to fiscal sustainability, the overall demographic situation, structural changes in paid work and others. These factors partially result from the aggregation of single actors’ acts and decisions, but not every single actor alone can affect them to noteworthy degrees. Some of the mentioned macro factors result from the aggregation of micro decisions (e.g. the labour market situation or domestic demand), while other macro factors are system variables such as macrostructures and collective actions (e.g. pension policies or tax levels; Kittel 2009).

Circle (2) encompasses **relevant actors/stakeholders** being involved in realising the overall objectives (extending working lives and Lifelong Learning activities). Their respective behaviour and actions again are very often influenced/affected by external factors (where what is really external and what is a result of aggregated decisions by actors depends on the respective factor and the actor) which are located in the outer circle, such as labour demand, pension and retirement policies, domestic demand and other factors. In this context the older workers themselves as “experts in their own matters” and co-producers also have to be taken into account.

Circle (3) encompasses different **spheres of action** coming from the different groups of actors mentioned in circle (2). These actions can be in different policy areas (pensions, family, care, health, labour market, taxes) and other fields such as the promotion of Lifelong Learning, support for disadvantaged groups, health promotion and other fields plausibly and empirically related to the goals in circle (6). For WP3 research, relevant policies have been those which (both directly and indirectly) affect (positively as well as negatively) the chances for extending working lives and Lifelong Learning activities.

There is empirical evidence that actions and approaches located in circle (3) very often cannot be assigned to only one group of actors – in reality different groups of actors might (ideally jointly and not completely separated from each other) promote one measure. For example,
this might be true for measures in the field of health promotion, Lifelong Learning or in other typical policy measures/mixed spheres of action (such as collective agreements).

Circle (4) encompasses key characteristics which represent both WP3 objectives as well as suggestions of how approaches and measures mentioned in circle (3) should be designed in order to meet key prerequisites (mentioned in circle (5)) for the overarching objectives of extending working lives and life-long-learning activities. Research in this context in the first place should aim to identify measures which can be interpreted as social innovations which – by the way – is very often understood in the WP3 partner countries as “good practice” (see chapter B 2/B 4.1.1).

Circle (5) encompasses key prerequisites for reaching the overall objectives of extending working lives and Lifelong Learning activities. Due to the foci of WP3 research, both the employers’ (corporate) responsibility and key attitudes on the part of employees are in the foreground. Consequently, dimensions like good workability, good employability, healthy ageing, good quality of work and quality of life are located here. These prerequisites are immediately impacted by the actions and approaches mentioned in circle (3) by regarding relevant factors mentioned in circle (4). At the same time these objectives might serve as key measuring sticks for actions and measures mentioned in circle (3) and (4), e.g. WP3 research is examining whether actions and approaches mentioned here are suitable for reaching the objectives or not. In this context WP3 research also looks for possible conflicts or unintended negative (side) effects of certain measures/approaches and/or of their combinations (e.g. generational conflicts, negative images of older workers, negative stereotypes). Self-evidently measures and approaches in circle (3), with regard to factors in (4) and possible positive (negative) results in circle (5), have to be seen in their respective interrelationship. Nevertheless, for analytical reasons we have decided to separate circle (3 - 5) in the conceptual framework.

Finally, the inner circle no. (6) encompasses the overarching objectives of WP3 research activities: extending working lives/volume and Lifelong Learning activities.
Figure 2: Dimension and relations affecting extending working lives and Lifelong Learning
3.3 Interim conclusions – how to work with the Conceptual Framework

- The complexity of the employment, learning and retirement reality of older workers in the countries included are interrelated and transversal to each other.

- Both positive/negative attitudes towards retirement, working longer and extending LLL are different among the key actor groups and follow different interests (this is more the case the more countries are involved).

- This reduces the possibilities of research approaches aiming at reducing complexity: Simple models are not needed.

- Attempts to explain the complexity must take into account different perspectives: multi-level approaches are needed.

- The conceptual framework will be used to develop standards for identifying innovative, effective, sustainable and transferable strategies in age-related employment and LLL.

- The conceptual framework therefore can be seen as both point of departure for the research questions to be taken up in tasks 2 and 3 as well as background-folio for the overall WP3 research.

4. The overarching aim of realising social innovation

Out of the overarching starting points for WP3 the focus on social innovation in both looking for as well as designing promising approaches and measures to extending working life/volume and LLL activities was more than just a standard. WP3 partners mainly understood it as a “must” which, however, in practice – and particularly among research partners and addresses in the “late mover” countries involved – (see chapter A 7.2.3) led to some irritation in terms of understanding as well as demarcations to established concepts like “good practice”. Notwithstanding, WP3 research accepted this starting point but needed some clarifications particularly in the case of a concrete application.

4.1 What are social innovations?

Social innovation (“si”) is “(...) a term that almost everyone likes, but nobody is sure what it means” (Pol/Ville 2009: 881). It is often confused with social enterprise or is limited to the social field. Following the EC’s definiton, social innovation

“can be defined as the development and implementation of new ideas (products, services and models) to meet social needs and create new social relationships or collaborations. It represents new responses to pressing social demands, which affect the process of social interactions. It is aimed at improving human well-being. Social innovations are innovations that are social in both their ends and their means. They are innovations that are not only good for society but also enhance individuals’ capacity to act” (European Commission 2013: 6).
“Si” is about finding acceptable progressive solutions primarily in the context of outstanding societal and/or socio-political challenges such as demographic change in general or the shrinking and “greying” of the workforce in a more specific context:

“Social innovation is about collaboration and its success in meeting the needs of an ageing society and will require multiple stakeholders to work together” (O’Sullivan et al. 2010: 1,11), “finding acceptable progressive solutions to a whole range of problems of exclusion, deprivation, alienation, lack of wellbeing” (Moulaert et al., 2013: 16).

The European Commission Enterprise and Industry (2010) states that

• “Many organisations – charities, foundations, government agencies, businesses – are developing new ways to solve social problems, inside and outside the EU. Social innovation could take place in hospitals, social housing, education, in cities and in rural areas. Many initiatives result in new types of public services and sometimes also new business models. So, many social innovations lead to new forms of organisation in the public, not-for-profit and in the private sectors. They can create novel interactions between the public sector, third sector, social enterprises, the social economy, economic operators and civil society, to respond to social issues. Social innovation activities are often started at local level, meeting specific unmet needs, for example eldercare. They thereby help addressing a societal challenge (ageing society) and, through its process dimension (e.g. the active engagement of the elder, new services) it contributes to transform society in the direction of participation, empowerment and learning”.

In WP3’s own understanding, “si” is about

“an intentional, purposeful new configuration of social practices in the labour world realised by a certain group of stakeholders respectively constellations of stakeholders whose objective is to solve outstanding societal and/or socio-political challenges and/or satisfy societal needs better than it would be possible on the basis of established practices. This means that it is about the founded and explicitly intended integration of various constellations of stakeholders and practices into new socio-political methods of operation and organisation” (Naegele & Bauknecht 2013: 12).

In this context, questions such as the following arose and needed to be examined: Are there really new configurations of actors and/or new joint approaches, e.g. between social partners, the state and NGOs and others; are there “good practice” examples for new types of actors-co-operation; are the life-course perspective and the person-environment perspective strategically taken up; is the intergenerational perspective explicitly taken into account, are users and stakeholders participating; are technological innovations part of the game; is this “good practice”? For example, employers and trade unions mentioned in circle (2) might work together in different spheres of action (mentioned in circle 3) in a socially innovative way and in doing so take up a life-course perspective (both mentioned in circle 4) and thus support healthy ageing (mentioned in circle 5).

4.2 Social innovations in an ageing labour world

So far a conceptualisation of what “si” might mean in the context of older worker policies could not be found in the research and scientific literature. It was therefore helpful to review
the existing literature on si at work, or, what the European Commission calls *workplace innovation* (European Commission 2013):

“In the company context “win-win-approaches” seem to be taken up frequently, meaning that social innovations at the workplace should aim at both: “good for the sustainable competitiveness of the enterprise and good for the well-being of employees (...) Most importantly, workplace innovation is an inherently social process. It is not about the application of codified knowledge by experts to the organisation at work. Rather it is about building skills and competence through creative collaboration. Workplace innovation is about open dialogue, knowledge sharing, experimentations and learning in which diverse stakeholders including employees, trade unions, managers and customers are given a voice in the creation of new models of collaboration and new social relationships ... with an emphasis on employment and engagement” (Totterdill et al. 2012: 241f.)

Looking for criteria considered as suitable to identify social innovations especially in the labour world of older workers, WP3 partners agreed on the following as suitable (following Heinze & Naegle 2012):

- **new solutions** in the sense of a real understanding of *newness* (“really new”)
- orientation towards the key goal of *societal usefulness*, very often targeting solving societal and social challenges like demographic change
- aiming at new *growth potentials* in terms of regular employment,
- specific new *configurations* of social practices/arrangements (e.g. policy-mix approaches, integrated arrangements of formal and informal work)
- integration/co-operation of *heterogeneous players* that usually do not (have) co-operate(d) (e.g. on the local level companies and civic engagement) (“new strategic alliances”)
- **integrated** patterns of action as well as reflexivity and interdisciplinary approaches
- involvement of *end-users* (“user-co-production”)
- to follow the concept of *intergenerational solidarity* (see chapter A 5)
- **sustainability** of measures (in the sense of social practice/facts) (e.g. not only results of special financial incentives that disappear after the incentive has stopped).

WP3 defines *newness* as **context-specific**, resulting in context-specific requirements for measures to be defined as socially innovative. The relevant context can be the sector, the country and the company/organisation size. The latter are caused by different preconditions for different companies/organisations of different sizes, resulting in a special focus on SMEs since (1) their capabilities are more restricted compared to large enterprises and (2) their total number of workers is high.

5. The danger of jeopardizing the generational contract

One of the prominent (hidden) sub-aims of WP3 research refers to both the unintended as well as ambiguous effects of measures aiming at extending working life/volume and LLL
activities. In a worst-case scenario they could end in social conflicts, e.g. between employed and unemployed, women and men or between older non-migrant and migrant workers. With respect to older workers the most prominent challenge – however, primarily taken up within a political and/or scientific discourse and less observed in practice – is to strengthen the generational contract/intergenerational solidarity in the labour world (Eurofound 2012). In the context of WP3 three dimensions are addressed:

1. public social security systems in the case that they are based on the-pay-as-you-go-principle
2. the labour market (are younger unemployed, jobseekers and/or workers negatively affected by measures promoting the employment chances of older workers ?)
3. companies and the relationship here between younger and older staff members, in some countries known as the “seniority principle”.

Arguably, generational solidarity is not only a strategic dimension in the concept of active ageing (Walker 2013), but also an employment and social security related policy issue of increasing relevance in some EU member states. The issue is mostly discussed in terms of pension policies, but more generally in terms of stabilising those social security systems that are built upon the pay-as-you-go principle. Based on Myles and Pierson (2001) e.g. Bauknecht (2013) describes a ‘Trilemma of Pension Schemes’ where longer working lives could limit the decline in pension benefits’ replacement rates and the rise of taxes and contributions, which are necessary to finance rising pension outlays due to worsening old age dependency ratios. The latter is to the advantage of younger people, and longer working lives can mitigate the conflict between the EU objectives of pension ‘sustainability’ and ‘adequacy’, whereas all else being equal a preference for the latter reduces (younger) people’s net income.

However, generational solidarity is also of relevance with respect to the employment chances of different age groups. The empirical evidence of high youth unemployment in some (mainly southern) European Union member states among them 2 WP3 countries (e.g. Spain, Greece, Italy, Portugal, Cyprus, Croatia, France, Slovakia) is a convincing justification for addressing critical questions in WP3: Are older workers privileged “on the back” of younger workers (as e.g. frequently stated in the Czech media, argued by trade unions, for example in Spain, and mentioned in some country reports like e.g. in Italy, referring to “different studies”). To make it more concrete: Do higher employment rates of older workers lead to worsening employment prospects of younger workers (something denied by OECD 2011; also by Jousten et al. 2010 for Belgium and by Fisher & Keuschnigg 2011; however, based on a highly stylized

---

18 As mentioned explicitly in the Polish Solidarity across Generations programme which tried to raise older workers employment rate based on the insight that early retirement raises social spending and therefore necessitates higher taxes and contributions with negative effects on the employment of younger cohorts (Styczyńska 2013: 12) (see chapter B 3.9.1).
model)? Our results support the view that WP3 goals are not at odds with the goal of improving the dire labour market situation of young people in the European Union, but there are voices considering a ‘cleansing’ of the labour market, especially if younger workers are far better educated than older workers, which is arguably the case in various EU countries.

In companies, finally, the issue might be relevant in the case of existing (formal and/or informal) “seniority” privileges and/or protection rules (e.g. longer periods of vacation, age-specific protection against dismissals and/or against financial graduations (e.g. after leaving shift work, as regulated in some German collective and/or company agreements; see chapter B 6.1) for older staff members. Even if regulations are not explicitly age-specific but related to tenure, as they often are, they are to the advantage of older workers due to longer tenures on average. This could lead automatically, however, to the exclusion of younger staff, and to barriers for older job seekers (Naegle 2004). One could argue, that measures aimed at extending working lives/volume of older workers could both generate as well as intensify such “generational conflicts” and thus have to be considered carefully.

6. Framework conditions

6.1 Mega trends as “driving forces” for the paradigm shift

In the following a few relevant environmental (demographics, economics, social, cultural) contexts are addressed in which the main actor groups responsible for realising the extension of working lives/volume and LLL act and why they presumably do so. They can be seen as factors of influence – with incentives and disincentives – that let the actors act as they do. WP3 research was primarily interested in the question how and by which means (concepts, approaches, strategies, measures etc.) the overarching objectives of extending working lives/volume and Lifelong Learning activities can be realised, and which overarching framework conditions should be supportively shaped and in which ways The framework conditions – taken up in the conceptual framework – are based on a literature review and WP3-partner country reports and in all refer to the identification of nine different “mega trends” which are not independent of each other. They can be considered key “driving forces” for national/public endeavours to extend working lives and LLL activities19.

1. **Overall demographic situation**: The respective demographic and diversity aspects (graying and shrinking of the workforce, increasing labour force participation of women, migration as an answer to demographic labour shortage, rising life-expectancy, more healthy years, others): In most EU member states demographic factors are regarded as key starting points for the target of extending working lives/volume.

2. **Pressure on the social security systems**, particularly those financed on a pay as you go principle (see chapter B 1).

19 For further country specific details see the final country reports which have been written for each country involved (appendixes to this final report).
3. **Threats to fiscal sustainability in public budgets** in many EU welfare states due to different mismatches (e.g. pay-as-you-go systems, declining tax/contribution revenues, others) which strongly influence national pension, retirement and labour market policies (see chapter B 1).

4. **Macro-economic factors of influence** based on both macro structural changes on the demand and supply side of labour as well as collective actor group actions (e.g. consumer choices, companies’ hiring policies, cross-national trade (Kittel 2009)). Many EU member states currently are faced with lower economic growth which – besides others – also restrict the employment prospects of older workers.

5. **Economic crisis**: Particularly between 2006 and 2014 the economic crisis led to a strong increase in older worker unemployment rates in most European countries. Out of the WP3 countries Spain, Italy, the Netherlands and the three Baltic states witnessed a rise, yet on a comparatively low level. Opposite, Poland, the Czech Republic and Germany witnessed a decline in unemployment. Against the background of higher unemployment rates during phases of recession one could have expected that national policies try to slow down or abandon policy reforms for longer working lives. However, it is noteworthy that in WP3 countries strongly hit by the economic crisis like Spain and Italy reforms aimed at longer working lives and higher older worker employment rates have not been abandoned.

6. **General (overall) employment prospects**: The general situation on labour markets with respect to the employment prospects of an ageing workforce/older workers. Many EU labour markets are still in a state of transition (Central and Eastern European member states) and/or are faced with severe mismatches in the composition of the workforce on the demand side (e.g. long-term unemployment of older workers in Germany, and high youth unemployment rates in Greece, Italy, Spain and France) and/or are faced with severe lacks of skilled labour (like Germany).

7. **Structural changes in paid work** - with older worker related consequences on both the supply as well as the demand side (e.g. tertiarisation, globalisation, higher competition, transition from an industrial society to a knowledge and information society, further service sector globalisation, increasing competitive pressure, accelerated corporate innovation dynamics, high cost pressure, relatively new management concepts (e.g. outsourcing, lean production), new types of precarious work, increasing number of part-time work for older workers, increasing technology orientation, i.e. the trend towards digitisation and incorporating information technology in production and services, and others).

8. **Financing the graying of the population** in many EU member states also affects national budgets with mainly indirect consequences for financing public endeavours to promote employment prospects not only of an ageing workforce/older workers (e.g. with the consequence of reducing employment chances of disadvantaged groups particularly in the secondary labour market).

9. **Rising private care obligations** increasingly affecting more or less all EU member states and thus leading to new work-related challenges like reconciliation of work and care.

10. **Threats to intergenerational solidarity** in some EU member states there are different WP3 related challenges in the social security systems, on the labour market and in companies (see chapter A 5).

11. **National/public policies**: the way national/public policies react to the aforementioned drivers (1) – (9) particularly in terms of pension-, retirement and labour-market policies
and which is strongly embedded in leading principles of the respective welfare regimes. Many of them will be taken up in part B of this report.

The following sub chapters highlight – with respect to the WP3 partner countries – some of these “mega trends” in a more detailed way mainly based on information in the respective country reports.

6.2 Some older workers related features of demographics and employment in WP3 countries

Employment in old age is, amongst other factors, determined by country-specific retirement regulations and by the preparedness of key actor groups to extend working lives/volume. A further sub-dimension is the amount (volume) of work in terms of both asked for as well as available (e.g. full time, flexible working hours) work. WP3’s search for measures promoting extending working lives looked at both dimensions, full time and half-time work; the latter with a particular focus on whether reduced and/or flexible working time options could serve as an incentive to prolong working lives in older age. Recent research highlights the internal composition of older labour force potential which is also strongly determined by demographics (e.g. age, gender, migration status), and even more so by status factors (e.g. whether dependently/independently, qualifications, health status, disability, diversity, special disadvantages, special individual needs). Many of these dimensions are addressed by the concepts of workability and employability (see chapter A 7.1.2.1). Since the demographics and the related labour market conditions are different between WP3 countries and partly described in detail in the respective country reports, this report abstains from going into details. However, a few dimensions, also partly emphasised in the respective country reports, can be addressed:

- **Increasing employment rates** among older workers is one of the goals of the European Union. Until 2010 the ‘Lisbon goals’ included a target employment rate of 70 per cent for all residents and 50 per cent for people aged between 55 and 64 years. The EU 2020 strategy contains the goal of an overall target employment rate of 75 per cent (European Commission 2016). Clearly, this also requires higher older worker employment rates. This seems to be a realistic objective for men in the following WP3 countries: Czech Republic, Denmark, Estonia, Germany, the Netherlands and the UK. However, participation rates of women mirror a slightly different view (see figure 3).

- As can also be seen in figure 3 countries like Belgium, Spain, Italy and Poland are below the European mean value. Spain and Italy especially are far below the mean, whereas other countries, such as Denmark, Germany and the Netherlands are above. One explanation for low employment rates – at least in the case of some countries – are low female employment rates. It can be seen that female employment rates are lower than male employment rates across countries, but especially in countries with low total employment rates.

- Figure 3 also provides a comparison of employment rates of the age group 55-64 between the years 2005 and 2014. Across countries, employment rates of this age group rose, especially in Germany, Belgium, Italy and Poland, whereas in the latter
three countries employment rates are low in EU-28 comparison. One (but not the sole) explanation for this pattern is the early or late emphasis put on the issue of longer working lives. Figure 3 also shows relevant differentiations between the so-called “early mover” countries (Denmark, Finland, Belgium, the Netherlands, Germany, Italy, UK) and “late mover” countries (Spain, Poland, the Czech Republic, Estonia, Latvia, Lithuania) (see chapter A 7.2.3).

- WP3 research repeatedly confirms both high (and even increasing) employment prospects of older workers with high/rising qualification level and vice versa (e.g. Belgium, Denmark, Germany, Italy, the Netherlands), which addresses the issue of social inequalities in employment chances in times of demographic change (see figures 5-10; see also chapter B 3.1.4.4) as well as low employment prospects for both older workers with a migration background as well as for women with the need to reconcile work with other obligations.

- Increases in educational attainment in many countries have increased participation rates for older workers via a double effect: (1) women are increasingly achieving higher levels of education, and higher educated workers tend to stay longer in the labour market, (2) increased female labour force participation tends to have an impact on the labour market participation of their partner as well. Thus, if women stay longer in the labour market, male spouses tend to stay longer as well. (e.g. Euwals et al. 2010).

- Data also reveal a decline in the traditional gender gap in activity rates, however, among elderly working women part-time employment is far more common than amongst men (see table 4), so that the ‘real’ gap in terms of hours worked is higher than employment rates suggest.

- Furthermore, women’s employment in older age is strongly affected by their employment at younger ages, e.g. they tend to continue working careers begun in earlier working life stages (e.g. Czech Republic, Germany, also Spain).

- Table 4 shows that the age distribution of part-time work is U-shaped, with higher values between 15 - 24, lower values in the group of the 25- to 49 year-olds and with rising values in the group 50 - 64. The main reasons for part-time work amongst 50-64-year-olds are (1) no full-time job is available, (2) other responsibilities, e.g. in the family, (3) sickness or incapability to work full-time. There is a strong variation of main reasons for part-time work between countries.

- Between countries, the lowest values are found in the Czech Republic, whereas the Netherlands has the highest frequency of part-time work in the countries selected here. Generally, part-time work is more widespread amongst women than amongst men, yet with a similar age pattern. Especially amongst Dutch women part-time work is widespread.

- Since part-time work is more common in the service sector than in other sectors, the high frequency of female part-time work is partly due to the overrepresentation of women in the services and their underrepresentation in e.g. manufacturing, where part-time work is less common. Amongst low-skilled part-time work is more widespread than amongst high-skilled workers, the same applies to low and high job positions.
Figure 3: Employment rates of older workers (55 – 64) in the WP3 countries - 2014 compared with 2005

Source: Eurostat (2016)
Table 4: Share of part-time workers in all workers (in %, after gender, age and country) (2014)

<table>
<thead>
<tr>
<th>Country Land/age group</th>
<th>15-24</th>
<th>25-49</th>
<th>50-64</th>
<th>15-24</th>
<th>25-49</th>
<th>50-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU-28</td>
<td>24.7</td>
<td>6.6</td>
<td>9</td>
<td>40</td>
<td>30.2</td>
<td>34.3</td>
</tr>
<tr>
<td>Belgium</td>
<td>15</td>
<td>6</td>
<td>12.5</td>
<td>39.7</td>
<td>37.7</td>
<td>50.6</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>7.1</td>
<td>1.5</td>
<td>3.8</td>
<td>16.4</td>
<td>9</td>
<td>9.4</td>
</tr>
<tr>
<td>Denmark</td>
<td>56.8</td>
<td>8.4</td>
<td>8.7</td>
<td>77.1</td>
<td>26.5</td>
<td>29.1</td>
</tr>
<tr>
<td>Germany</td>
<td>17.6</td>
<td>7.7</td>
<td>9.1</td>
<td>28</td>
<td>46.7</td>
<td>51.1</td>
</tr>
<tr>
<td>Estonia</td>
<td>14.4</td>
<td>3.9</td>
<td>7.3</td>
<td>26</td>
<td>9.3</td>
<td>10.8</td>
</tr>
<tr>
<td>Spain</td>
<td>30.9</td>
<td>7.5</td>
<td>4.5</td>
<td>48.1</td>
<td>25.3</td>
<td>21.9</td>
</tr>
<tr>
<td>Italy</td>
<td>21.5</td>
<td>7.5</td>
<td>6.5</td>
<td>43.3</td>
<td>34.4</td>
<td>25.5</td>
</tr>
<tr>
<td>Latvia</td>
<td>10</td>
<td>3.7</td>
<td>5.2</td>
<td>11.9</td>
<td>7.4</td>
<td>10.9</td>
</tr>
<tr>
<td>Lithuania</td>
<td>11.9</td>
<td>5.5</td>
<td>6.6</td>
<td>16.2</td>
<td>8.8</td>
<td>12.8</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>70.9</td>
<td>16.9</td>
<td>22</td>
<td>87.2</td>
<td>72.3</td>
<td>79.9</td>
</tr>
<tr>
<td>Poland</td>
<td>11.5</td>
<td>2.8</td>
<td>6.2</td>
<td>21</td>
<td>8.4</td>
<td>12.9</td>
</tr>
<tr>
<td>Finland</td>
<td>29.8</td>
<td>5</td>
<td>10.5</td>
<td>51.7</td>
<td>14.8</td>
<td>15.4</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>30.5</td>
<td>6.7</td>
<td>12.9</td>
<td>45.9</td>
<td>38.4</td>
<td>45.2</td>
</tr>
</tbody>
</table>

Source: Eurostat (2016)

Table 5: Total employment rates (55-64) in different educational groups (2015)

<table>
<thead>
<tr>
<th>Country</th>
<th>all</th>
<th>ISCED (0-2)</th>
<th>ISCED (3-4)</th>
<th>ISCED (5-8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>44.0</td>
<td>29.4</td>
<td>46.1</td>
<td>62.8</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>55.5</td>
<td>28.6</td>
<td>55.4</td>
<td>78.6</td>
</tr>
<tr>
<td>Denmark</td>
<td>64.7</td>
<td>53.3</td>
<td>65.2</td>
<td>75.8</td>
</tr>
<tr>
<td>Germany</td>
<td>66.2</td>
<td>47.7</td>
<td>65.1</td>
<td>79.0</td>
</tr>
<tr>
<td>Estonia</td>
<td>64.6</td>
<td>39.0</td>
<td>59.3</td>
<td>79.0</td>
</tr>
<tr>
<td>Spain</td>
<td>46.9</td>
<td>37.0</td>
<td>54.9</td>
<td>66.2</td>
</tr>
<tr>
<td>Italy</td>
<td>48.3</td>
<td>33.7</td>
<td>59.6</td>
<td>78.6</td>
</tr>
<tr>
<td>Latvia</td>
<td>59.4</td>
<td>35.5</td>
<td>56.6</td>
<td>75.4</td>
</tr>
<tr>
<td>Lithuania</td>
<td>60.4</td>
<td>30.1</td>
<td>55.0</td>
<td>78.5</td>
</tr>
<tr>
<td>the Netherlands</td>
<td>61.7</td>
<td>48.4</td>
<td>63.9</td>
<td>76.6</td>
</tr>
<tr>
<td>Poland</td>
<td>44.3</td>
<td>25.7</td>
<td>43.9</td>
<td>66.9</td>
</tr>
<tr>
<td>Finland</td>
<td>60.0</td>
<td>44.4</td>
<td>57.5</td>
<td>71.5</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>62.2</td>
<td>48.4</td>
<td>66.5</td>
<td>68.0</td>
</tr>
</tbody>
</table>

Source: Eurostat (2015)

---

20 ISCED (0-2): low education; ISCED (3-4): medium education; ISCED (5-8): high education
Table 6: Total employment rates (65-69) in different educational groups (2015)

<table>
<thead>
<tr>
<th>Country</th>
<th>all</th>
<th>ISCED (0-2)</th>
<th>ISCED (3-4)</th>
<th>ISCED (5-8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>4.9</td>
<td>3.1</td>
<td>5.3</td>
<td>8.4</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>10.7</td>
<td>4.9</td>
<td>9.1</td>
<td>27.0</td>
</tr>
<tr>
<td>Denmark</td>
<td>15.4</td>
<td>10.8</td>
<td>14.0</td>
<td>23.3</td>
</tr>
<tr>
<td>Germany</td>
<td>14.5</td>
<td>10.0</td>
<td>12.9</td>
<td>21.8</td>
</tr>
<tr>
<td>Estonia</td>
<td>29.3</td>
<td>24.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>5.0</td>
<td>3.3</td>
<td>6.5</td>
<td>11.4</td>
</tr>
<tr>
<td>Italy</td>
<td>8.6</td>
<td>6.1</td>
<td>11.0</td>
<td>20.7</td>
</tr>
<tr>
<td>Latvia</td>
<td>17.5</td>
<td></td>
<td>17.2</td>
<td>25.5</td>
</tr>
<tr>
<td>Lithuania</td>
<td>16.1</td>
<td></td>
<td>13.4</td>
<td>30.4</td>
</tr>
<tr>
<td>the Netherlands</td>
<td>13.1</td>
<td>8.3</td>
<td>13.8</td>
<td>21.2</td>
</tr>
<tr>
<td>Poland</td>
<td>9.5</td>
<td>4.1</td>
<td>8.2</td>
<td>24.2</td>
</tr>
<tr>
<td>Finland</td>
<td>14.2</td>
<td>12.2</td>
<td>12.4</td>
<td>18.5</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>21.2</td>
<td>15.5</td>
<td>22.3</td>
<td>26.6</td>
</tr>
</tbody>
</table>

Source: Eurostat (2015)

Table 7: Employment rates (men, 55-64) in different educational groups (2015)

<table>
<thead>
<tr>
<th>Country</th>
<th>all</th>
<th>ISCED (0-2)</th>
<th>ISCED (3-4)</th>
<th>ISCED (5-8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>48.9</td>
<td>33.6</td>
<td>50.3</td>
<td>68.3</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>65.5</td>
<td>38.3</td>
<td>64.1</td>
<td>82.1</td>
</tr>
<tr>
<td>Denmark</td>
<td>69.8</td>
<td>62.4</td>
<td>68.3</td>
<td>81.7</td>
</tr>
<tr>
<td>Germany</td>
<td>71.3</td>
<td>54.6</td>
<td>69.0</td>
<td>81.3</td>
</tr>
<tr>
<td>Estonia</td>
<td>63.1</td>
<td></td>
<td>59.3</td>
<td>79.4</td>
</tr>
<tr>
<td>Spain</td>
<td>54.0</td>
<td>45.6</td>
<td>60.5</td>
<td>67.6</td>
</tr>
<tr>
<td>Italy</td>
<td>59.3</td>
<td>46.6</td>
<td>68.0</td>
<td>85.5</td>
</tr>
<tr>
<td>Latvia</td>
<td>60.1</td>
<td>43.8</td>
<td>58.9</td>
<td>72.3</td>
</tr>
<tr>
<td>Lithuania</td>
<td>62.4</td>
<td>45.2</td>
<td>58.8</td>
<td>80.3</td>
</tr>
<tr>
<td>the Netherlands</td>
<td>71.1</td>
<td>62.0</td>
<td>70.3</td>
<td>81.5</td>
</tr>
<tr>
<td>Poland</td>
<td>54.2</td>
<td>36.2</td>
<td>53.8</td>
<td>76.4</td>
</tr>
<tr>
<td>Finland</td>
<td>57.4</td>
<td>45.1</td>
<td>54.8</td>
<td>69.0</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>68.7</td>
<td>55.6</td>
<td>71.4</td>
<td>73.3</td>
</tr>
</tbody>
</table>

Source: Eurostat (2015)
Table 8: Employment rates (men, 65-69) in different educational groups (2015)

<table>
<thead>
<tr>
<th>Country</th>
<th>all</th>
<th>ISCED (0-2)</th>
<th>ISCED (3-4)</th>
<th>ISCED (5-8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>7,0</td>
<td>4,5</td>
<td>7,1</td>
<td>12,1</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>13,8</td>
<td>6,1</td>
<td>11,2</td>
<td>30,7</td>
</tr>
<tr>
<td>Denmark</td>
<td>22,1</td>
<td>18,4</td>
<td>18,6</td>
<td>32,0</td>
</tr>
<tr>
<td>Germany</td>
<td>18,3</td>
<td>12,6</td>
<td>15,4</td>
<td>25,2</td>
</tr>
<tr>
<td>Estonia</td>
<td>26,8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>5,8</td>
<td>3,6</td>
<td>7,0</td>
<td>12,2</td>
</tr>
<tr>
<td>Italy</td>
<td>13,0</td>
<td>9,5</td>
<td>13,9</td>
<td>31,5</td>
</tr>
<tr>
<td>Latvia</td>
<td>19,8</td>
<td></td>
<td>22,2</td>
<td></td>
</tr>
<tr>
<td>Lithuania</td>
<td>19,4</td>
<td></td>
<td>17,6</td>
<td>39,3</td>
</tr>
<tr>
<td>the Netherlands</td>
<td>18,3</td>
<td>12,1</td>
<td>18,1</td>
<td>26,0</td>
</tr>
<tr>
<td>Poland</td>
<td>14,4</td>
<td>6,5</td>
<td>12,7</td>
<td>32,4</td>
</tr>
<tr>
<td>Finland</td>
<td>18,0</td>
<td>16,0</td>
<td>15,3</td>
<td>23,5</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>26,1</td>
<td>20,5</td>
<td>24,9</td>
<td>32,6</td>
</tr>
</tbody>
</table>

Source: Eurostat (2015)

Table 9: Employment rates (women, 55-64) in different educational groups (2015)

<table>
<thead>
<tr>
<th>Country</th>
<th>all</th>
<th>ISCED (0-2)</th>
<th>ISCED (3-4)</th>
<th>ISCED (5-8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>39,3</td>
<td>25,5</td>
<td>41,9</td>
<td>57,1</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>45,9</td>
<td>25,4</td>
<td>46,3</td>
<td>74,0</td>
</tr>
<tr>
<td>Denmark</td>
<td>59,6</td>
<td>45,2</td>
<td>61,3</td>
<td>71,4</td>
</tr>
<tr>
<td>Germany</td>
<td>61,2</td>
<td>43,9</td>
<td>61,5</td>
<td>75,5</td>
</tr>
<tr>
<td>Estonia</td>
<td>65,7</td>
<td></td>
<td>59,3</td>
<td>78,7</td>
</tr>
<tr>
<td>Spain</td>
<td>40,2</td>
<td>29,6</td>
<td>49,4</td>
<td>64,5</td>
</tr>
<tr>
<td>Italy</td>
<td>37,9</td>
<td>22,3</td>
<td>51,3</td>
<td>71,7</td>
</tr>
<tr>
<td>Latvia</td>
<td>58,9</td>
<td></td>
<td>54,7</td>
<td>77,3</td>
</tr>
<tr>
<td>Lithuania</td>
<td>58,8</td>
<td></td>
<td>51,6</td>
<td>77,4</td>
</tr>
<tr>
<td>the Netherlands</td>
<td>52,4</td>
<td>38,3</td>
<td>57,1</td>
<td>70,0</td>
</tr>
<tr>
<td>Poland</td>
<td>35,6</td>
<td>17,7</td>
<td>34,4</td>
<td>59,9</td>
</tr>
<tr>
<td>Finland</td>
<td>62,5</td>
<td>43,6</td>
<td>60,1</td>
<td>73,5</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>56,0</td>
<td>43,6</td>
<td>60,7</td>
<td>62,7</td>
</tr>
</tbody>
</table>

Source: Eurostat (2015)
Table 10: Employment rates (women, 65-69) in different educational groups (2015)

<table>
<thead>
<tr>
<th>Country</th>
<th>all</th>
<th>ISCED (0-2)</th>
<th>ISCED (3-4)</th>
<th>ISCED (5-8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>2,9</td>
<td>6,0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Czech Republic</td>
<td>8,2</td>
<td>5,0</td>
<td>7,1</td>
<td>22,1</td>
</tr>
<tr>
<td>Denmark</td>
<td>9,0</td>
<td>8,0</td>
<td>8,7</td>
<td>14,5</td>
</tr>
<tr>
<td>Germany</td>
<td>11,0</td>
<td>8,9</td>
<td>10,8</td>
<td>15,2</td>
</tr>
<tr>
<td>Estonia</td>
<td>31,0</td>
<td></td>
<td>24,7</td>
<td>41,9</td>
</tr>
<tr>
<td>Spain</td>
<td>4,3</td>
<td>3,1</td>
<td>6,0</td>
<td>10,2</td>
</tr>
<tr>
<td>Italy</td>
<td>4,6</td>
<td>3,4</td>
<td>7,4</td>
<td>8,2</td>
</tr>
<tr>
<td>Latvia</td>
<td>16,1</td>
<td></td>
<td>13,8</td>
<td>32,3</td>
</tr>
<tr>
<td>Lithuania</td>
<td>13,9</td>
<td></td>
<td>11,5</td>
<td>28,4</td>
</tr>
<tr>
<td>the Netherlands</td>
<td>7,9</td>
<td>6,0</td>
<td>8,1</td>
<td>13,8</td>
</tr>
<tr>
<td>Poland</td>
<td>5,9</td>
<td>2,6</td>
<td>4,7</td>
<td>17,3</td>
</tr>
<tr>
<td>Finland</td>
<td>10,7</td>
<td>8,5</td>
<td>10,0</td>
<td>13,9</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>16,5</td>
<td>12,5</td>
<td>18,9</td>
<td>20,1</td>
</tr>
</tbody>
</table>

Source: Eurostat (2015)

7. Key actor groups

When it comes to the development of strategies and measures aimed at extending working lives/volumes and Lifelong Learning activities different actor groups can be distinguished. Based on the existing literature and WP3 partners’ research (particularly in their country reports) five relevant groups of actors involved can be identified that directly or indirectly influence the realisation of the main objectives of WP3 (see figure 3):

1. older workers themselves
2. policy makers on different levels
3. employers and companies
4. social partners
5. older persons/workers representatives / NGO’s etc.
Figure 3:

Key actor groups for extending working lives/volume and LLL activities

7.1 Employees

7.1.1 Individual retirement behaviour – the “driving forces” behind

Employees are the most significant group of actors involved. This is also true for the self-employed as well as for the unemployed and those considered disabled. Older employees represent the prime target group for measures aiming on both the demand and the supply side of labour. Moreover, a strong influence of positive cohort effects, which in political discussions are often used to strengthen the idea of extending working lives (according to the so-called “age-work-paradox”; Walker 2003) is empirically proven (e.g. better health status, higher level of vocational skills, more preparedness for job-mobility, higher degree of vocational experiences among female workers).

In the past, individual retirement attitudes and behaviour have mainly been conceptualised as a dichotomisation of factors between “voluntary” and “forced” (e.g. Friedmann, Naegele & Weimer 1980). The first referred to what the German researcher Dieck (1988) interpreted as a “process of optimizing individual welfare and wellbeing”, aimed at a better quality of life and embedded within a private/family context on the local level and here very often influenced by partners’ and by social networks’ attitudes and behaviour (Jensen 2014; Naegele 1992).
contrast the latter refers to the well-known push-and-pull-factor scenarios (e.g. Naegele 1992), which explicitly take up both institutional determinants as well as attractive financial incentives which in the current discourse are characterised as “classical” factors (Ebbinghaus 2006). In this context the Danish researcher Pen Jensen (2014) – based on Danish data – extends the perspective to five main groups of factors to better understand modern individual retirement behaviour\textsuperscript{21}:

1. **Push factors** (such as economic crisis and unemployment) victimising older workers and leading to involuntary labour market exit. This very often affects manual unskilled workers leaving the labour market at 60-61 years of age.

2. **Pull factors** are based on assumptions of rational actors, where retirement is a “deliberate and calculated voluntary decision”. Besides economic incentives, norms and conventions are pull factors, i.e. the legal retirement age is a signal and retirement decisions are socially structured (“well-earned (early) retirement at the end of a life-long working career”) (Naegele 1992). Prototypes are white collar workers, besides others calculating future pension/economic situation before retirement.

3. **Jump factors** consist of two types of jump, (a) social gains and (b) experience gains. This is “basically voluntary”:- Here, early retirement benefit is only one of many factors conditioning social action. “Retirement is an outcome of reflexivity and reflexive processes” (Jensen 2014: 6). Prototypes are families.

4. **Stay factors** are considered as “basically voluntary”. Examples for stay factors are human resource management providing for “good and interesting jobs, good relations with colleagues and management, good wages etc. Work is formative for identity” (Jensen 2014: 7). The prototypical group is “the creative class; jobs are attractive, functional flexible labour markets” (Jensen 2014: 10.). Older workers not only feel but in fact are needed. Often these attitudes can be understood in a reciprocity scenario.

5. **Stuck factors**: Reasons here are “basically involuntary”. These factors inhibit the respective person to leave the labour market if early retirement schemes are considered too ungenerous, or if social reasons such as the risk of social isolation inhibits labour market exit. The prototypical groups are high-income groups and single women.

A similar conceptualisation for retirement transitions has been published by Ebbinghaus (2006) and later by Hofäcker & Radl (2016) taking explicitly into account recent policy approaches in the context of early exit reserval strategies (see chapter B 3.1). Starting from the well known “classical” factors (e.g. Naegele 1992; Ebbinghaus 2006):

- **push factors** being embedded in a broad spectrum of institutional framework conditions including public pension policies that force older workers into retirement and what has very early on been interpreted as forced “flight from work” (Friedmann, Naegele & Weimer 1980), and

- **pull factors** summarising “all contexts that offer older workers financially attractive early retirement pathways” (e.g. generous disability benefits) (Hess, König & Hofäcker 2016: 284),

\textsuperscript{21} Older workers attitudes and motives can also be found— such as “values, attitudes and motives” and playing a key role – in the concepts of workability and employability (see figure 4 in chapter 7.1.2.1).
two more factors as determinants for both the welfare state as well as the workplace are identified that might foster later retirement:

- **maintain factors**, factually supporting older workers in the late phases of their career and thus contributing to extend working life (e.g. active labour market policies, public training programmes, incentives to recruit older jobseekers, on firm level age management strategies) and

- **need factors**, which are embedded in an increased financial necessity of older workers to stay longer in paid work (e.g. the shift from dominantly public pension schemes to private or occupational pension schemes (like in Germany the “Riester Rente” or the “Rürup Rente”; Naegele 2013).

### 7.1.2 The human capital of an ageing workforce

WP3 starts from the conviction that measures aimed at extending working lives/volume and LLL activities should to take older workers as prime points of departure and that they have to be seen as **subjects** and not **objects** in both retirement as well as the “working longer and more” scenarios. To achieve better understanding and assess respective conducive measures while seeing how they should best be shaped and what positive framework-conditions would be prerequisites for both success and failure, WP3 research referred to the **human capital** approach. In this way it addresses two relevant sub-dimensions which the key actor groups (see chapter A 7) should use as points of departure:

- workability and employability
- older workers as co-producers of their own capacity for work.

#### 7.1.2.1 Workability and employability

Empirical research has repeatedly confirmed that both older workers’ **workability** as well as **employability** can be influenced – positively as well as negatively. Consequently, WP3 takes their relevant dimensions as points of departure for designing adequate and pinpoint measures. In doing so WP3 has a special focus on the workplace level (see chapter B 4), starting from the assumption that older workers need incentives which increase their preparedness. However, opposite to popular presumptions, **financial** incentives are not the sole – and not even the prime – “driving force”. It will not be achieved through money alone (although in many cases and in many countries this remains of outstanding importance). Moreover, overarching attitudes and motives towards work in later phases of life, understood at best as “retirement consciousness”, and the respective factors which influence them have to be carefully taken into account and addressed by endeavours to extend working life/volume as well as LLL.

Highly acknowledged concepts for understanding such attitudes and motives in later stages of a working career and to help adequately design measures in accordance with them are **workability** and **employability**. The first refers to an individual (older) worker’s ability to master work-life challenges he/she is confronted with:
“... a person’s potential ... to master a given task at a given time. Here, the development of the individual functional capability has to be put into relation to job requirements. Both can change and possibly have to be configured in an age adequate or ageing adequate way” (Ilmarinen & Tempel 2003: 88) (...). “Work ability is built on the balance between a person’s resources and work demands. A person’s resources consist of health and ability, education and competence, and values and attitudes. Work, on the other hand, covers the work environment and community, as well as the actual contents, demands, and organization of work. Management (i.e. supervision) is also associated with work” (Ilmarinen 2005: 132).

To describe and explain workability in terms of both concreteness and interrelations Ilmarinen et al. (2006) turn to the picture of a house with different floors, each containing relevant dimensions which are mutually supportive. They recommend a bottom up perspective with health status as the most significant determining factor of a worker’s workability placed on the ground floor (see figure 4).

Figure 4: The house of workability
WP3 decided to distinguish between workability and employability as follows: Workability refers to individual characteristics like skills and personal resources, affected by Lifelong Learning and training, health, motivation (willingness to work) and other individual characteristics. Although there is no single definition (e.g. Green et al. 2013), a review of the literature suggests that in comparison with workability, employability also contains factors that refer to the demand side, such as work demands, workplace stereotypes, career perspectives, working conditions, job quality, labour market conditions (including high or low demand for certain skills, which is also affected by tertiarisation). WP3 regards the concept of employability to be more far-reaching as it explicitly addresses the factual utility value of a worker for the labour market, a company, a job or a special task. Furthermore, it refers to a person’s capability of gaining and maintaining employment, e.g. getting and retaining jobs/work (Hillage & Pollard 1998). For individuals, employability depends on the knowledge, skills and abilities they possess, the way they present those assets to employers, and the context within which they seek and/or want to retain paid work (Hind & Moss 2011). It also, ideally, refers to the quality of such work or employment: People may be able to obtain work but it may be below their skill level, or in low paid, undesirable or unsustainable jobs, and so forth. As such, employability is affected by both supply-side and demand-side factors which are often outside an individual’s control. In this context, a further development – fruitful for WP3 – is organisational employability. This refers to the concrete situation of a job in a company, and in doing so refers to corporate management strategies to influence employability positively – e.g. in WP3’s conceptual framework it influences quality of work and quality of life. Consequently, employability simply means “the capacity to be productive and to hold rewarding jobs” (McKenzie & Wurzburg 1998), at best over the period of one’s working life.

- The latter is also addressed by a concept mentioned in the Dutch country report under the term sustainable employability, that “due to its narrower focus, can be easier applied at the level of organisations (...). Sustainable employability can be characterised as the capability of employees to participate in a healthy, vital and productive way in paid work until they are eligible for a pension” (European Working Conditions Observatory, EWCO). Sustainable employability, in particular, has been used as a key approach to increase the employment of an ageing workforce in the Netherlands in recent years. It includes a wide range of measures to improve the employability of workers at the organisation or company level and promotes the shared responsibility of employers and employees to achieve this. Figure 5 shows different actors’ possibilities and responsibilities to ensure sustainable employability.

---

22 Also used in Belgium (Verbrugghe et al. 2016).
Workability and employability not only address responsibilities on the side of employers, social partners, the state and other public authorities, such as health insurances, but also on the side of the employees themselves and – closely linked – to the private environment of family and community and to those (policy) actors that shape private life situations. This is of particular importance e.g. in the context of the growing involvement of workers with private caring obligations, who are mainly women. Therefore the concept of employability doubtlessly is more suitable as a tie in with concepts of work-life-balance, quality of work (Eurofound 2011) and quality of life (Glatzer & Zapf 1984). Particularly in “early mover” countries where changes in private needs and demands have their origin in both demographic and social change (e.g. private care obligations; see chapter B 3.7.2), synchronising retirement among partners, civic engagement have to be taken into account when analysing not only the working situation but also the private, social and local environment as factors influencing decisions to either retire or work longer/more. Furthermore, the special value for WP3 can be seen that – again especially in “early mover” countries – this is also true for changes in values, attitudes and motivations in the context of “pull” and “maintain-factors” for or against earlier retirement.

- Occasionally WP3 partners underline the fact that the concepts of workability and employability are officially known (and partially used in public/official statements) in their respective countries, however, in most cases not explicitly adopted with respect to an ageing workforce. In consequence both more applied research is needed, as well as further awareness policies and an adequate dissemination strategy. However, such measures are regarded as difficult in times of overall economic crises (e.g. Italy and Spain).
7.1.2.2 Older workers as “co-producers” of their own employability

In particular, German research (Naegele 2014) has shown that with increasing age more and more workers also regard themselves as responsible for improving their own workability and employability (e.g. through self-organised health promotion, updating vocational skills and other measures) and practice this accordingly. Therefore WP3 research regards older workers to be “co-producers” of their own capacity of work, e.g. WP3 explicitly looked for self-motivated endeavours (and related “good practices”), interpreting this under certain circumstances as an example of social innovation.

7.2 National and public policies

7.2.1 Relevant mega trends for the “paradigm shift”

National and public policies aimed on different levels (state, county/region and local) at extending working lives/volume and LLL activities (in a very restricted perspective still understood as “active ageing” by many policy makers) can at best be understood against the background of an overall “paradigm shift” in hitherto prevailing views of the employment prospects of older workers, that began in many countries in the late 1990s/early 2000s (see chapter B 3.1). Prior to this the “older worker-policies” in general terms in many EU member states could be regarded and understood as a "great coalition" that favoured early retirement (Kohli et al. 1991; Naegele 1992; Ebbinghaus 2006): Early exit represented a solution that all social actors were ready to support.

The paradigm shift can be understood as a reaction to the following overarching “mega” challenges in more or less all EU member states with respect to both demographic change as well as financial pressure on social security systems and public expenditure (e.g. Naegele & Walker 2007; Ebbinghaus & Hofäcker 2013; Hofäcker & Radl 2016)23:

- unfavorable shift in the ratio of younger to older people in general and employees to pensioners in particular
- (expected) ageing of the (working) population
- macroeconomic crisis-scenarios and changing economic challenges
- (qualified) labour shortage
- financial threat to social security systems (particularly those based on a “pay-as-you go-system”)
- (age-focused) changes in the EU labour employment policy targets (“Lisbon strategy”)
- gender and diversity’s rising importance on the EU-policy agenda.

---

23 For empirical evidence see chapter B 1.
As a reaction, many EU-countries have undergone a fundamental change in their “older worker policies” – from an explicit early exit policy to a policy now aimed at extending working lives/volume with the aim of retaining older workers longer in working life. At the beginning of this paradigm shift national policies focused on changing retirement practices and behaviour through both financial incentives/disincentives as well as closing early exit schemes and pathways that impeded entry options in the respective contexts of pension, retirement and unemployment policies (e.g. Sonnet 2014); however, according to WP3 research, this has had socially inconsistent impact as well only partly limited “success” (see chapter B 3.1.4.3/4). Only at a later stage did national policies (according to WP3 research with more emphasis on “early mover” countries) aim additionally at supportive framework conditions mainly in the context of active ageing policies (e.g. LLL, work-life-balance policies, supportive services for older job-seekers) - assuming that particularly in early mover countries dimensions of quality of work and life would become more influential in individual retirement behaviour. Furthermore, the local level was identified as an additional field of action for the not immediately work-related dimensions of employability.

7.2.2 The instrument – box of national/public policies

To systematise and evaluate national/public policies in WP3 countries was the prime objective of sub-task 2.2. In achieving this WP3 aimed in particular at examining their impact on individuals’, companies’ and social partners’ attitudes, behaviour and activities with respect to extend working lives and volume. National/public policies theoretically have access to a wide instrument box. In all, the following types of measures are addressed in WP3 research.

Raising legal retirement ages in combination with financial incentives/disincentives

Higher legal retirement ages, accompanied by pension deductions for those still retiring earlier (if allowed), are part of the most popular national policies for extending working lives/volume. Under certain prerequisites they carry the potential to extend lives/volume, but not for all. This is also true for financial incentives/disincentives as an isolated measure. In all, the impacts are heterogeneous across different subgroups of older workers and to a high degree are connected with social inequalities, leading to privileges and disadvantages for different groups of workers (see chapter B 3.1.4.4).

Closing and/or complicating early exit pathways/retirement schemes

Closing early exit pathways24 and/or making entry conditions more complicated belong to the same line of approaches to extending working lives. In this context, the two most “popular”

---

24 Among others the following options can also be mentioned (based on European Commission 2012): Tighter entry conditions (higher entry age or higher minimum number of contribution years), Increasing costs for employees and employers with lower benefits or lower later benefits (employees) or increasing social security contributions for employers according to their employees’ (early) retirement age; complete abandoning of early retirement schemes
pathways can be distinguished: (1) becoming unemployed and retiring earlier as “unemployed”, (2) being “officially” recognised as disabled and thus being entitled to an earlier exit. Because of their preventive function in terms of health, special attention should be given to early retirement regimes for workers in arduous or hazardous jobs.

**Partial retirement/partial pension policies**

Part-time work in older (pre-retirement) age, e.g. before official retirement age, is also believed to delay retirement (mainly because of expected lower workload). Two options exist: (1) Solely part-time work without parallel drawing (partial) pensions and (2) paid part time work parallel with partial drawing of pensions. Usually the latter is regarded as the original partial retirement scheme (Naegele 1999).

**Promoting work after (official) retirement**

So-called “silver work” (Deller & Maxim 2010), e.g. paid work after having reached the official retirement age, also numbers among the instrument box of national policies aimed at prolonging working lives/volume; with rising enlargement albeit starting from a very low level of distribution. The prime instruments are raising pension benefits or a lump sum (European Commission 2012).

**Promoting self-employment**

Theoretically, under certain preconditions self-employment in later phases of working life can also contribute both to higher employment rates as well as to longer working lives. Therefore further strengthening this option makes sense, taking into account - besides others - whether new older self-employed were either not satisfied in their prior job, which without starting their own business might have resulted in earlier labour market withdrawal or becoming unemployed, and further, that the self-employed on average retire later.

**Employment promotion of older unemployed and protection against dismissals**

In this context the following instruments have been addressed:

- **Employment protection against dismissals**

  The aim is to prevent job losses or even dismissals of older workers keeping in mind that the chances of finding a new job in the case of unemployment usually decline with age. This is empirically confirmed e.g. through increasing periods of unemployment with age. In Germany e.g. among those who are long-term unemployed (1 year and longer) the majority is 50/55+.

- **Wage subsidies**

  The aim is to incentivize reintegration and employment financially to reduce the costs for recruitment and integration on the side of employers. However, to be successfully implemented a series of prerequisites need to be fulfilled.
Active labour market policies for older unemployed

The aim is to improve the employment prospects of older unemployed/job-seekers by measures that help to increase their employability. This is particularly true for preventive measures, e.g. in the field of health promotion, LLL or supporting employers willing to recruit older unemployed e.g. by information or advice policies. Other measures are more compensatory, e.g. targeting groups with special handicaps like older workers with health impairments and/or disabilities.

Health protection, promotion and prevention of disability

Health is one of the key dimensions of employability and as a consequence ill health is one of the key predictors for early retirement. Ill health (and increasingly poor mental health, which is noticeably advancing among older workers in nearly all partner countries) is a key “predictive determinants for exit from work, mostly through the pathway of disability” (van der Heuvel et al. 2015: 50), in many cases mirroring widely recognised interlinkages between both working conditions such as quality of work and workload. Therefore preventive health policies starting early can in the long run improve older worker’s employability considerably and are one of the most significant tools when it comes to extending working life/volume. This is also true for avoiding premature disability pensions (European Commission 2012).

Work-life-balance policies

Work-life-balance policies react to both the increasing importance of private life dimensions in retirement and longer working behaviour (as explicitly taken up in the concept of workability and employability) as well as to changes in work-related private needs and motivations which to a great extent result from overall social, demographic and political changes in many EU member states. To consider the dimensions of quality of life and work more carefully are points of departure for a better understanding of the work- and retirement-attitudes of an ageing workforce (Naegle et al. 2003). In this context, it is recommended that the (working) life course is taken as a point of departure for both identifying employment risks as well as designing counter-strategies (Taylor-Gooby 2004).

Anti-discrimination legislation

Age discrimination can on the one hand be considered a form of employment protection, but on the other hand also restricts older workers´ employment prospects (e.g. if workers do not get hired due to their age or if older workers are targeted when it comes to reducing full-time jobs to part-time jobs or to layoffs). Besides this, perceived age discrimination can also reduce older workers´ employment levels, since this can demotivate them and foster complete or partial labour market withdrawal. Although a highly recognised instrument by many policy makers, the effects of age discrimination legislation are unclear. Legislation can either have direct effects, i.e. change behaviour due to possible lawsuits, or have indirect effects due to their norm-setting function.
Awareness, information and counselling policies

- Country targeting national/public (comprehensive) programmes
- Company targeting strategies

7.2.3 “Early” and “late movers”

The terms “early movers” and “late movers” stand for a dichotomisation of countries reacting to the mega-trends mentioned earlier. These refer to measures aimed at achieving longer working lives, not older people’s employment rates or labour market exit ages. In terms of public policies or HR policies, the two terms therefore refer to outputs, whereas employment rates or labour market exit ages are outcomes, results of outputs and framework conditions.

Within the context of measures for longer working lives, the following WP3-countries have been defined as:

- “early movers”: The Northern countries Denmark and Finland, the central European countries Belgium, the Netherlands, and Germany, the southern country Italy, and the liberal welfare state UK. The UK and (partly) Denmark already stopped their extensive use of early retirement in the 1990s (Hess et al. 2016) and might be called ‘pioneers’,

- “late movers”: The southern country Spain, and the Central and Eastern European (CEE) countries involved Poland, the Czech Republic, and the Baltic countries Estonia, Latvia and Lithuania.

Dichotomisations are empirically sensible if only a low number of cases (here: countries) are located near the border between both categories, so that only a small number of cases would be categorised differently if the cases were slightly different or the border between both categories were shifted slightly. An alternative is shown by Hess et al. (2016), differentiating as follows (see also chapter B 3):

- “persistent late retirement” (e.g. the UK and Denmark) depicted as countries that

- “never implemented far-reaching early retirement structures”. The authors subdivide the group into tow subgroups, on group that might be called ‘the liberal welfare state subgroup’ (including the UK) and the Scandinavian group, including Denmark, the latter being depicted as “an intermediate case between the extremes of late and early exit” (Hess et al. 2016).

- “Persistent early retirement” (e.g. Italy, Spain, and the Czech Republic). In this group, Italy already reversed early retirement policies with reforms in 1992 and 1995, Spain in the 1990s, and this continued after 2000 with reforms of the legal retirement age comparable to the Netherlands and Germany (Bauknecht & Ríncon-Aznar 2015). From the description by Hess et al. (2016) it emerges that Estonia and the Czech Republic are instead “late movers” within this group, since their policies for longer working lives were not as early and straightforward as in Italy and Spain.

- “Reversal towards late retirement” (e.g. Germany and the Netherlands). Hess, König & Hofäcker (2016: 292) depict Germany as “in previous research a (...) prototypical early retirement country” with a policy turn since the turn of the century. Here one might add that after major reforms in 2005 (unemployment) and 2007 (legal
retirement age) at least on the macro level some stagnation set in, with a (counterproductive) pro-early retirement reform in 2014 (Bauknecht & Naegele 2016). The Netherlands made extensive use of early retirement until the early 1990s and reversed their policies afterwards (Hess et al. 2016) (see chapter B 3.1.2).

As Hess et al. (2016) state and what is clear from the depictions of individual countries, the groups are ‘ideal types’, which means that the empirical state of affairs can be far more fuzzy. The subgroups within the groups (e.g. the ‘liberal’ group and the Scandinavian group within the ‘persistent late retirement’ group) show that the choice of the number of categories is vastly dependent on the crudity of the analytical frame. Subcategories of categories lead to a categorisation with a number of (sub-)categories relating to the number of countries. For example, Ebbinghaus and Hofäcker (2013) enumerate five categories (southern, eastern, central and northern Europe and liberal countries) with between two and four countries in each category. The original goal of such categorisation, to reduce complexity, can be lost. At the other extreme the dichotomisation between “early” or “late movers” vastly reduces complexity.

Countries can be “early movers” or “late movers” on two separate levels, the (macro) level of national/public policies and the (meso) level of measures at employer level. National/public policies for longer working lives are often aimed at incentives to work longer, for example in the case of reforms in the pension/unemployment/disability systems (see chapter B 3.6.3). Sometimes policies are aimed at workers’ capabilities to work longer, e.g. measures/regulations/subsidies aimed at better health or better skills or for the reconciliation of paid work and private care. Measures at the level of employers are mainly aimed at workers’ capabilities, for example workplace health measures or investments in skill development. These measures can originate from employers’ own intentions, but they can also be fostered by collective agreements or be enforced or supported by policies on the macro level (regulations, subsidies).

- An application of the dichotomisation into “early” and “late movers” on both levels can show which countries are real “early movers” which means in our conceptualization early on both levels and which are ‘real’ late movers (late on both levels). For the real types, evaluations and suggestions are clear: A real “early mover” should continue on its exemplary path on both levels. A real “late mover” should start measures on both levels simultaneously and soon.

Furthermore, we call those countries hybrid types if they are early movers in terms of company level measures but late mover countries on the policy level and vice versa:

- It is possible that workers are allowed to work longer yet nevertheless are attracted by generous (early) exit pathways. In these cases, policies should follow suit with what is being done on the company level and increase financial incentives to work longer. But there is no good reason to slow down company level measures, since high workability and high work satisfaction are values in themselves, not just for longer working lives, and against the background of a given state policy on the macro level, higher workability should always result in longer working lives. Yet, for the reverse hybrid type
the situation is different: Policies incentivising workers to prolong working lives partly result in financial losses for those unable to prolong their working lives. If these policies are not supported by pro-employability measures at the employer level, this may result in financial losses primarily amongst those whose incomes and pension entitlements are below-average from the outset (resulting in higher intra-cohort relative poverty). In these countries it is necessary to increase workers’ opportunities to work longer, and an important component is at the level of employers which is underdeveloped in this respect. Yet, while it is clearly unproblematic for the other hybrid type (policies lagging behind measures on the employer level) to edge further ahead once a start has been made (employer-level measures), here it can make sense to slow down reforms on the macro level which increase financial incentives to work longer, at least until other measures have improved workers’ opportunities for prolonging their working lives. Otherwise, such reforms constitute vast pension cuts and are not pro-employment reforms.

This means that it is sensible for countries to ask where they stand and to focus primarily on the weaker of the two levels. Also, clearly if the company level is lagging behind there is considerable leeway for policymakers, as noted above, in the form of information (about what can be done and the cost/benefit situation), subsidies, and regulations.

7.3 Employers (private, public)

Based on literature reviews and country reports in preparing the conceptual framework, WP3 research regarded employers as the second most relevant group of actors for promoting the idea of extending working lives/volume and LLL activities, as noted in the Czech-country report contributing to the conceptual framework:

“Possibly the workplace will become the place of the most important changes, it is here that decisions will be made about whether worker can and will want to continue working for longer.”

Given that older workers are really in demand WP3 assumes that companies will react by investing in their organisational employability. The conceptual framework recommends that the respective attitudes of employers/companies be interpreted as a (micro-economic) cost–benefit analysis on the demand side, however – in a negative scenario – also as an expression of open and/or hidden age discrimination. The issue of company actions has been the object of earlier, EF-funded research, conducted by Walker & Naegle (2006). They identified the following key organisational drivers supporting shaping and implementing age management measures, which have at the same time been used by WP3 as initial starting points for its own research to better understand companies’ actions on the demand side of labour:

- sustaining the skills/experiences base of the work force (e.g. in the case of (mainly qualified) labour shortage)
- need to involve older workers in organisational restructuring and development
- need to cut age-related additional and/or labour costs (e.g. due to higher sickness rates, unbalanced age-profile of a company)
• reactions to new external labour market conditions (e.g. pension and retirement laws, employment policies, collective agreements, age discrimination regulations)
• regional and/or professional labour market bottlenecks.

WP3 research hypotheses outline three further points of departure for company actions, each referring to the demand side of labour:

• to directly influence those dimensions of workability and employability of older workers that are key-prerequisites for company’s and/or job/task-bound objectives (for example in the fields of work requirements, health and/or skills)
• to react adequately to the rising importance of private life dimensions in working and/or retirement decisions (e.g. family, social networks, close community)
• to directly and concretely transfer those approaches into practice coming from public policies, social partners or other stakeholders in order to reverse early retirement.

Based on this WP3 primarily analysed respective employers’/companies’ activities in the following spheres of action, which in practice often overlap or are often practiced synonymously – particularly in “late mover” countries:

• age(ing) management
• “good practice”
• drivers, barriers and prerequisites for sustainability.

7.3.1 Age(ing) management

Age(ing) management can be defined as

“consideration of age-related (and ageing; G.N.) factors affecting both white and blue collar employees in the daily management, design, and organization of individual work tasks, as well as the work environment, so that everybody, regardless of age, feels empowered in reaching both personal and corporate goals” (Ilmarinen 2008).

In this context age management is often used to specify measures that are explicitly aimed at older workers whereas ageing management as a preventive concept aims to avoid/reduce the career of typical employment risks of older workers in their later life stages and thus has a life-course orientation (Naegele 2008).
7.3.2 “Good practice”

“Good practice” (“gp”) was another key point of departure for WP3 research addressing the company level. Following the research of Walker & Naegele (2006) good practice in corporate age management can be interpreted as measures that

- combat age barriers and/or promote age diversity
- may entail specific initiatives aimed at particular dimensions of age management.
- may also include more general employment or human resources policies that help to create an environment in which individual employees are able to achieve their potential without being disadvantaged by their age.

Walker & Naegele (2006) recommend placing special emphasis on the following dimensions of “good practice in corporate age management”:

- recruitment
- learning, training and Lifelong Learning
- career development
- flexible working time practices
- health protection and promotion
- workplace (re)design
- redeployment
• employment exit and the transition to retirement
• comprehensive approaches that strategically encompass a wide range of different coordinated measures.

7.4 Social partners

Social partners, e.g. trade unions and their corporate representatives (work councils) and employers’ associations very often play an intermediate role in the process or retirement policies. In 1997 Walker stated that in Europe there was no co-operation between social partners in terms of age and employment. Their respective attitudes have been inconsistent over a long period. In many countries (e.g. in Germany until the end of the 1990s), among leading trade unionists early retirement was still primarily understood as an instrument of humanising the labour world of the older worker, embedded in a widespread positive “(early) retirement consciousness” among most of the older workers themselves, often seen as “cultural reward” as noted in the scientific literature (Naegele 1992). On the other hand employer’s associations very often misused older workers as a “Reservearmee” (reservoir) in order to better adjust company’s needs of labour demand to changed economic as well as market situations (Bauknecht & Naegele 2015, 2016; Kohli et al. 1991; Frerichs & Taylor 2008). In many countries, as in Germany, the predominance of early retirement (very often following the motto “the earlier the better”) has been practiced as a “great coalition of interests” between the state and both groups of social partners which served “successfully” for decades as starting points for the early exit policies of many companies. More recently, this seems to have changed fundamentally. In Germany e.g. this can be seen by the recent efforts of many trade unions trying to regulate the in-company working conditions of older workers using collective and/or company agreements (see chapter B 6.1). However, such activities are dependent on the political power of social partners in different welfare regimes.

• As Tikkanen states, unions’ preferences for shorter working lives stems from the industrial era and have been slow to change their mind on retirement ages. In 2006, the EC stated that unions show that “in many countries (...) a mix of opposing strategies at the different levels of intervention. Thus, trade unions may oppose the lengthening of working life at national level, whilst bargaining on the best way to enhance the ‘work ability’ of older workers at company of workplace level” (Tikkanen 2008: 3).

7.5 NGOs and older persons’ representatives

So far the role of NGOs and of older workers’ representatives in older workers’ policies has not been the direct object of empirical research. WP3 research explicitly took up this issue. Furthermore, this was part of the overall MoPAct philosophy that calls unequivocally for both NGO and end-user participation.
PART B

MoPAct Work package 3 – The results

The research results reported in the following chapters are taken without exception from different country reports as well as from secondary analyses conducted by WP3 partners. This report does not aim at completeness but constitutes a report about the findings with respect to the main tasks of WP3. They are only enriched by results of scientific research in cases where the authors considered this a valuable additional source of information. Further, the following research material mainly mirrors what in different WP3 countries is understood and practiced as “good practice” with “socially innovative” dimensions, because these were the key research criteria. The results also try to consider the dichotomisation between “early” and “late movers”: That which in “early mover” countries is understood as “good practice” or identified even as “social innovation”, in “late mover countries” either might not be known at all or is seen as a long-term objective. If colleagues from late “mover countries” identify and/or speak of “good practice” with “socially innovative” dimensions, in “early mover” countries this has either already been established for years or is meanwhile regarded as common practice.

1. Why extend working lives/volume? - explanations, as given in the country reports

Despite rising (residual) life expectancies and increasing positive cohort-effects, workers in many EU member states used to (and very often still do) retire at an ever younger age (‘work-age paradox’; Walker). Most states reacted with a shift of paradigm particularly in pension policies, to attempt to prevent early retirement and extend working lives/volume. The prime pro-arguments to be found in the WP3 country reports are:

- To follow EU-strategy for raising activity rates (with the Europe 2020 strategy recently aiming at an employment rate of 75 % for men and women aged 20-64 (Jacob 2014).
- To keep/make social security systems (particularly those based on pay-as-you-go-principle) sustainable by reducing the discrepancy between both the number of retired persons as well as longer periods of drawing benefits on the one hand and the number of working persons and/or their working volume on the other hand. This is especially important in countries with a high share of workers who will approach the age of 65 in the next one or two decades. This particularly affects Germany with its high birth rates between 1960 and 1967 (“baby boomer”) and further increasing life expectancies and longer periods of drawing benefits (Börsch-Supan 2011), and is also true (but to a lesser extent) for Italy and Poland (see figure 7).
Figure 7: Age profiles of 13 WP3 countries (in thousands, 2015)

- However, this is different in part in WP3 countries. There are remarkable East-West divisions in residual life expectancy at age 65, ranging from 13.9/18.6 years (Latvia, men/women) to 18.9/22.6 years (Italy, men/women) (OECD 2016; data for 2013). Related to this, the mean retirement duration (without exit before 65) is comparatively low in central and eastern Europe (higher in northern, western and primarily southern Europe (von Nordheim 2014)).

- Possible negative implications concerning the generational contract have been reported. Intergenerational solidarity is seen as one barrier for extending working lives. This is e.g. true for Poland, the Czech Republic, and (not unexpectedly) for Italy and Spain. On the other hand this risk is rejected e.g. in Belgium, Germany and the UK, mainly due to absent empirical evidence (see chapter B 3.5.1).

  - To strengthen public budgets, since longer working lives as a rule lead to higher total earnings and therefore to higher revenues in income taxes, consumption taxes etc.
  - To facilitate financial benefits for those health/care systems that are based on contributions from paid work.

- The rising discrepancy between work-related takings and expenditures for social benefits also implies declining budgets to be distributed (since pensions are lower than

---

25 In particular the Polish report highlights a remarkable discrepancy between the poor health status of older workers/persons and the insufficient quality of health and care provisions (see further down chapter B 3.6.3)
work income, which are increasing) and simultaneously higher rising age-health-cost-profiles.

- To react to the expected lack of skilled labour.
- To react to macroeconomic crisis-scenarios: “The projected decline in the size of the working age population in Europe ... might lead to slower rates of economic growth per capita” (European Commission 2012: 5). To raise employment rates of older workers is seen as a tool to prevent economic downswings.
- Finally, benefits for older workers themselves are mentioned due mainly to financial, family-based and intrinsic incentives:
  - higher earnings compared to low pensions (“need factor”)
  - to raise pension entitlements
  - to harmonise the retirement date between partners (Jousten & Lefèbvre 2013)
  - to harmonise pension payments in the case of two-earner-couples (Jousten & Lefèbvre 2013)
  - strengthening social integration overall
  - to retain self esteem26
  - to keep the predefined structure of the day
  - to avoid loss of social contact
  - if and how extending working lives/volume positively or negatively affects health cannot definitely be answered due to unclear empirical evidence. However, results are mainly positive, especially concerning work’s effects on mental fitness. On the other hand, there are combinations of health status and work requirements under which retirement is advantageous for retaining and/or improving health. Furthermore, East-West differences can be emphasised.

In all, both, retirement as well as a longer working life can positively contribute to the quality of life, however, this depends on individual circumstances. One crucial factor is the ‘voluntariness’ of late retirement. Quality of life can be negatively affected if people stay in paid work mainly because they cannot afford retirement, and be positively affected if people stay in employment for non-financial reasons. Further, circumstances on the employer level are crucial. As is the case with workers of all age groups, various aspects can improve/worsen older workers’ job satisfaction (Naegele 2004).

2. What is officially understood as “social innovation” in WP3 countries?

- Not surprisingly, the concept of “social innovation” – at least with respect to the labour world – is not widespread, indeed in some CEE-countries it is not even known as such. Only a few country reports refer to it at all and – if mentioned – no common understanding of it can be found. In the “early mover” countries “socially innovative” measures are closer to the classic definition of innovation including unique social inventions not put into practice before, whereas in “late mover” countries “social

26 In some “early mover” countries like Germany this is one of the prime reasons for “working in spite of retirement” (see chapter B 3.3).
innovations” are closer to the wider definition including measures put into practice before elsewhere – albeit always at least slightly differently – but not put into practice in the specific context. In the following the focus is more on a more general political level whereas its use on the company level is treated in chapter B 4.1.1.

- The Belgian as well as the German interpretations follow a more scientifically based definition (see chapter A 4.2) and regard “social innovation” as (intentional practices) new ideas (products, services and models) aimed at meeting so far unmet social needs and creating new social relationships or collaborations in order to reach new solutions. Compared to regular innovations, “social innovations” are driven by an extra motive: a social mission, and a will to create shared value, economic and/or social.

- The Dutch report provides the clearest link to the labour world. However, it is not reported as completely new but rather as a concept with a long tradition of workplace related practices (“used centuries ago”), such as scientific management, industrial democracy, socio-technical design, quality of working life and improvement of work and organisation. In the Netherlands social innovation is not a concept that is really applied as such but according to experts, a concept that exists in many Dutch companies and is understood as a possible way to increase the satisfaction of workers in order to keep them longer in the labour force. On the political level, social innovation has been on the agenda since 2005 when the Social Innovation Task Force (Taskforce Sociale Innovatie) was set up and several monitoring instruments were created.

- Also the Italian report shows a link to labour world dimensions, considering certain new work-place related practices as “socially innovative”, for example, collective and corporate agreements about exit policies, personalised measures aimed at the welfare of the family of the worker, “bank of hours” or new forms of paid leave. However, in practice the concept as such is not used very much and - if at all - in medium-sized and large companies. The overall reason seems to be an unclear understanding among policy makers and practitioners.

- In Poland so far the term has not even been taken up at all in any official national and/or regional documents but is (briefly) acknowledged by some labour market experts in the context of active ageing policies.

- The Baltic report contains a similar approach; but here social innovations seem to represent a catch-all term for quite different issues like subject area problems or hopes for solutions in different societal sectors. The report also underlines that measures do not need to be innovative if they work the way they are supposed to. The view that “innovativeness” is irrelevant as long as things work as intended has also been expressed in Finland. On the other hand in the Baltic countries sometimes actions are regarded as innovative but do not have the potential to spread. For Estonia it is reported that the term is regarded as relatively new and not known even by most of the key experts.

3. The macro level of public/national policies

In the following we refer only to those national/public approaches and measures that have been reported by WP3 partners. The aim is not completeness; rather, results reported here have to be seen as partners’ own selections and/or thus fulfil their perceptions of “good
practices” and/or “social innovations”. Normal pension- and unemployment policies are not at the centre of this report as they have not been the focus of WP3 research at all, but they are very well documented in many other official EU and OECD papers (e.g. in the presentation in the European Commisson’s “Workshop on delivering longer working lives and higher retirement ages” 27 (Brussels, Nov. 2014). In all, WP3 research was more interested in innovative approaches beyond the official pension, retirement and unemployment policies.

3.1. Adapting retirement policies

3.1.1 Raising legal retirement ages in combination with financial incentives/disincentives

Higher legal retirement ages, accompanied by pension deductions for those retiring at the former/an earlier retirement age as financial incentives/disincentives, under certain preconditions can lead to longer working lives; but not for all, due to social inequalities (see chapter B 3.1.4.4). All WP3 country reports confirm that the legal retirement ages have been raised in recent years and are planned respectively to be raised28. This is being/will be done mainly in a gradual/stepwise manner; Italy and Denmark have raised their legal retirement ages and are planning further rises according to the residual life expectancy (however, thus far not implemented), which has also been discussed in Finland and recently in Germany (see chapter B 3.1.2). The following overview illustrates reforms in more detail:

- In Belgium, the legal retirement age has been equalised to 65 between men and women in the private sector, coming into effect from 2009 onwards (in the public sector the age has always been equivalent) (Corsi & Ludovici 2010). In 2014 it was agreed to raise the retirement age from 65 to 66 (2025) to 67 (2030). This brings Belgium in line with other Western European countries (Noll & Weick 2013).

- The Czech Republic increased its legal retirement age to 63 in 1996, originally scheduled to be fully implemented in 2016 (men) and 2019 (women) (Schneider 2009). An overview provided by the Czech Social Security Administration29 depicts the current state of retirement age reforms: For men the legal retirement age rises by two months per year from 61 years for those born in 1941 to 62 years for those born in 1947 to 63 years for those born in 1953 and for the cohort of 1959 to 64 years, for the cohort of 1965 to 65 years, for the cohort of 1971 to 66 years and finally for the cohort of 1977 to 67 years. Due to the unique Czech system of different retirement ages for women depending on the number of children they have, for women it is thus more complicated. Yet the country phases out differences between men and women and between women with different numbers of children.

- Already in 2006 the ‘welfare reform’ (Velfærdsreformen) in Denmark and subsequent modifications in 2011 increased the legal retirement age from 65 to 67 during the

---

27 Available under http://ec.europa.eu/social/main.jsp?catId=88&langId=en&eventId=1020&moreDocuments=yes&tableName=events&typeld=92
28 An overview can be found in European Commission (2012).
period of 2019-2022. From 2025 onwards, depending on life expectancy, further changes to the minimum age at which persons are eligible for pensions and early retirement benefits are possible (Bauknecht & Barslund 2015; OECD 2006).

➢ In Denmark, adjustments will keep the number of pension years constant, which implies a rather steep rise in the legal retirement age. The crucial question refers to social inequalities due to the fact that further (healthy) life expectancy in many EU member states is characteristically dependent on social status, with shorter life expectancy among lower class members and vice versa (Huisman at al. 2013; Fouweather et al. 2015) (see further down chapter B 3.1.4.4).

• In 2005 Finland changed its legal retirement age to a flexible retirement age of 63 to 68. The system is ‘flexible’, but the reform increased financial incentives for longer working lives. Now workers get a pension rise of 4.5% for each working year between 63 and 68 (Takala et al. 2015), and at 4.8% after the age of 68. A new reform increases the corridor by two years to 65-70 from 2017 on. This will happen in three-months-per-year-steps. After 2027 further developments of the corridor will be linked to developments of residual life expectancy at age 62, with the goal of a stable relation between time spent in employment and time spent in retirement (Reipas & Sankala 2015). The relation to 2025 is the benchmark. In the current system, accrual rates for longer working lives are age-dependent and yearly accrual is higher in older age groups. This will be changed into a 1.5% accrual rate for all age groups and a 4.8% accrual rate for every year of work after the lower age limit of the corridor, that is, after 65 (Väänänen & Bauknecht 2016).

• In 2007 Germany decided to raise its legal retirement age from 65 (for the cohort of 1946) to 67 (for the cohort of 1964). The rise began in 2012, since in this year the cohort of 1947 had a legal retirement age of 65 years and one month. With one month per year in the first twelve years and two months per year in the subsequent six years, the rise is slow by international comparison. Deductions for retirement before the cohort-specific legal retirement age are at 0.3% per month or 3.6% per year. In 2031 the birth cohort of 1964 will be able to retire at 67. However, in 2014 Germany made a remarkable turn in its retirement policies introducing a new early retirement age (63 for long-term-insured workers) (see chapter B 3.1.4.2).

• The Italian 2008 ‘Delega Act’ established the retirement ages of 65 (men) and 60 (women) for those who have at least 40 contribution years (previously 35 years were required). In 2012 first steps towards equal retirement ages between men and women have been taken with the introduction of the retirement age of 65 in the public sector for men and women. After the ‘Fornero reform’, in 2012 the retirement age has been increased to 66 for men in the private and the public sector and for women working in the public sector. For women in the private sector this is 62 years instead and 63.5 for self-employed women. From 2020 onwards, workers of both genders will retire at the same age, 67 years. Further developments of the legal retirement age will be to adjust the retirement age to the development of life expectancy – however – similar to the Danish plans - with ambiguous socio-political assessments (see chapter B 3.1.4.5).

• In the Netherlands the legal retirement age rises to 67 until 2012. After that, further rises of the retirement age will depend on developments in life expectancy. These rises have to be announced five years before they come into being. Since the first year with
a potential higher retirement age based on life expectancy will be 2022, the first assessment by the Dutch government will be on January 1 2017\textsuperscript{30}.

- According to a 2012 reform, the \textbf{Polish} retirement age was planned to be raised from 60 for women and 65 for men to 67 for both (in 2020 for men and in 2040 for women). In November 2016 the \textbf{Polish} parliament reversed the rise\textsuperscript{31}. It is possible that the negative effect on employment will be softened by a simultaneous negative effect on the pension level, so that despite the reversal of the 2012 reforms many Poles will continue to stay in employment, since pensions are low in Poland.

- Taking \textbf{Poland} as an example for other CEE countries, until 2012 \textbf{Poland} had an in average low factual retirement age due to both many early exit pathways for certain groups inherited from the past (e.g. policemen, teachers, railwaymen, minors) as well as in arduous sectors (e.g. steel- and energy production) (see chapter B 3.1.3).

- The 2011 \textbf{Spanish} reform of the retirement age is similar to the ones in the \textbf{Netherlands} and in \textbf{Germany}. From 2013 to 2027 legal retirement age rises from 65 to 67.

- In the \textbf{UK} the statutory pension age for men is 65 years and between April 2010 and November 2018, the State Pension age for women is to be increased from 60 to 65 years. From April 2010 to March 2016 the female retirement age rises by one month every two months (Cribb et al. 2013). Following the Pensions Act 2011, women’s State Pension age will increase more quickly between April 2016 and November 2018, until the State Pension age for men and women is equalised. The \textbf{UK} plans a rise in State Pension age to 66 by October 2020 (Pensions Act 2011), with further increases to 67 between 2026 and 2028 (Pensions Act 2014). These latter changes brought forward the increase from 66 to 67 by eight years from earlier legislation. Further rises are planned up to age 68 between 2044 and 2046, but the 2014 Act provides for a regular review of the State Pension age at least once every five years, so the timetable for the increase from 67 to 68 could change as a result of a future review (Börsch-Supan 2013; Corsi & Ludovici 2010).

- In addition the \textbf{Baltic} countries have increased their legal retirement ages. In all three countries the traditional different retirement ages for men and women will be abolished, similar to e.g. the \textbf{Czech Republic} and \textbf{Poland}. In \textbf{Latvia} this is already the case. All three countries will have an retirement age of 65 for men and women in 2025/2026 (Nurmela et al. 2014). Although the \textbf{Baltic countries} look to be lagging behind, it can be argued that other aspects of these countries’ policies strongly support high older worker employment rates, be it intentional or not. Effects are mirrored in different older worker employment rates: In the EU-28, \textbf{Estonia} (Rank 2), \textbf{Latvia} (Rank 9) and \textbf{Lithuania} (Rank 13) are all above EU-28 average\textsuperscript{32}.

- Most WP3 countries introduced reductions for still open early exit pathways (e.g. \textbf{Germany}, \textbf{Finland}). Yet increases are faster in some countries and slower in others (the \textbf{UK} with restrictions for those born until 1978). In \textbf{Germany} a possible extension of the newly established statutory retirement age (67) is again already under debate (69, 69, 69).


\textsuperscript{32} Data from http://www1.unece.org/stat/platform/display/AAI/Results+for+the+first+domain+for+EU+countries%3A+Employment.
even 71). Other reforms also include equalising the retirement ages for both sexes. Some countries (e.g. Spain and Latvia) have increased the necessary number of working years for normal pensions.

3.1.2 Closing/complicating early exit pathways/retirement schemes

Parallel to rising legal retirement ages, existing early exit/retirement pathways and schemes have been closed and/or complicated in many WP3 countries. This mainly refers to long-term unemployed and/or disabled older workers, but partially also to women. However, there are still some remarkable exceptions including those left to retire earlier due to health reasons, particularly for workers in arduous or hazardous jobs (see chapter B. 3.1.3).

- Minimum ages have been raised (as in Belgium, Italy and Spain), the minimum number of contribution years has been raised (as in Denmark or Italy), or (higher) deductions for early retirement have been introduced (as in the Czech Republic, Germany and Latvia; the latter with financial rewards/punishments for working/not working between 60 and 65 (as the second highest in OECD, after Iceland). Finland has abolished early retirement (yet there is the flexible pension age from 63 on. The early retirement period has been only 1 year since 2005 anyway).

- In Spain, a new calculation takes only the last 15 years into account (since earnings in these years are a little bit lower than lifetime mean earnings, early retirement benefits are lower), yet this will be raised to 25.

- In Germany, the “gradual retirement scheme”, introduced in 1996 for many “good” reasons and supported by collective agreements (Naegle 1999) was abolished in 2010 after having been over 90% misused as a “bloc model”, e.g. as a new early exit scheme (see chapter B 3.2).

Whereas in some countries the unemployment scheme can still be used as a de facto early retirement scheme in other countries there have been reforms:

- For example, in Denmark the entry preconditions have been changed so that the group of those eligible is smaller. However, this is accompanied by extensive active labour market policies (see chapter B 3.5.3). Finland abolished the ‘unemployment pension’ in 2014. Although there is still an early unemployment bridge to retirement, all in all Finland partly closed the labour market exit route via unemployment. Similarly, Germany shortened the maximum duration of earnings-related unemployment benefit receipt for older workers. Italy’s strategy is more targeted on the labour demand side. Employers are incentivized via reduced social security contributions if they hire unemployed workers with long contribution periods (that is, the older unemployed. Something similar has been introduced in Poland). The Netherlands (and Germany) re-introduced job-search requirements for the older unemployment. Further, the obligation to accept any job that may be deemed suitable steps in sooner from 2015 on, and the very long duration of earnings-related benefits has been shortened. In the Netherlands the existing early retirement arrangement (Vervroedge Uittredding – VUT) was already abolished in 2006, among others, financial

---

33 This is true for nearly all EU countries (von Nordheim 2014: 44). Generally, in the OECD the gap in legal retirement ages between men and women gets increasingly closer (D’Addio 2014: 17).
disincentives for early retirement have been introduced and tax advantages for public sector early retirees have been abolished (Bauknecht & Cebulla 2016). Also the “disability route” can still be used as a pathway into early retirement, however, the entry preconditions have been complicated.

- E.g. in Germany and the UK a wider definition of suitable work has been introduced. Further, in Germany the number of possible working hours per day needed to be accepted as disabled has been lowered. Further, there are subsidies for employers creating jobs for previously unemployed disabled persons. Similarly, in the Netherlands access to disability pensions has been restricted. Benefits were reduced in Spain (for those with short contribution periods). In Italy, a new law facilitated part-time work and tele-working for disabled workers. Also in the UK new programmes support the disabled to work (see further down chapter B 2.6.2).

- On the other hand in Poland an early retirement scheme for workers in arduous jobs was abolished:
  - The **Polish ‘Solidarity across Generations’ programme** (see chapter B 3.9.1) limited entitlements to so-called ‘bridging pensions’ (Urbaniak & Wiktorowicz 2014: 85). Originally coming into effect in 2009, these ‘bridging pensions’ were a “temporary solution replacing early retirement”. They were available to men (60+) and women (55+) “working under special conditions or performing work of a special character and who were included on an official government list of types of professions prepared by occupational health specialists” (Ruzik-Sierdzińska et al. 2013: 134).

To summarize: policies’ effects are dependent on existing alternative exit pathways out of paid work. Closing one pathway while there are numerous others may merely have weak effects, while closing the last attractive pathway out of paid work might be more effective. However, the issue of social inequalities is touched on and has to be taken up in a socio-political evaluation (see chapter B 3.1.4.4).

### 3.1.3 Special retirement regimes for workers in arduous or hazardous jobs

Special attention should be given to retirement regimes for workers in arduous or hazardous jobs because they cannot simply be regarded as “popular early exit pathways”, albeit it is partially practiced this way (e.g. in the past in Poland). Under certain preconditions these regimes can be assessed as preventive in terms of securing the health of workers in certain jobs/lines of business. In a few countries they are seen as a “fair” answer to shorter further life expectancy in some arduous jobs.

- Among WP3 countries such special regulations can be found in Belgium, Germany, Finland (from 2017 onwards; “Years of Service Pension”), Italy, Poland and Spain (Friedenstab, Schulz-Weidner & Väänänen 2015).
- The respective special regulations refer primarily to the following jobs and require as a rule a certain duration of exposure (“years of service”): deep-miners, sailors, full-shift workers, night-workers, policemen and firefighter, prison-guards, professional militaries, aircrew and busdrivers, railroaders and toreros (Spain).
Finnish experiences reveal many difficulties in terms of feasibility, identifying respective jobs and measuring the minimum duration of exposure. Further problems relate to an insecure future-orientation (e.g. how do jobs change in the future?).

3.1.4 Interim Evaluation

3.1.4.1 “Early” versus “late movers” – not just a question of “structural lags”

In all, pension and retirement policies in WP3-countries more or less mirror the dichotomisation in “early” and “late mover” countries and have to be understood against the background of their prevailing retirement policies in the past. CEE countries stood in a pre-1990 tradition of low legal retirement ages and special low retirement ages for women and for special occupational groups such as miners, policemen, etc. These low legal retirement ages do not merely reflect a respective tradition. Another rationale lies in CEE citizens’ worse state of health and therefore lower workability in old age (see further down chapter B 3.6.1.).

- Taking Poland as an example: Poor health was (is still) regarded as the main reason for early exits. Today the health status of adult Poles is still known to be among the worst for adults compared with EU countries; to quote the Polish country report: “Poland needs financing, access to medical infrastructure (e.g. rehabilitation centres, ICT tools, developed cardiology and endocrinology ... geriatric knowledge in hospitals ... The Polish health care system lacks modernisation ... Geriatric care is widely not known”.

According to 2015 legislation, legal retirement ages are still lower in “late mover” (CEE) countries, but the gap is closing. In CEE countries special retirement ages for women have been or will be abolished, mostly as part of the process of generally raising legal retirement ages. Even the distinct Czech case of an earlier legal retirement age for women per child will be phased out for younger cohorts. Starting from a lower level, rises in legal retirement ages in CEE countries have partly been remarkably fast, partly with six months per year.

- In the remaining cases of early retirement the picture is not clear. Several countries have raised the minimum age, partly alongside the legal retirement age. In Poland access to ‘bridging pensions’ was restricted from 2009 on. In the Czech Republic early retirement duration has been prolonged but the benefits reduced.

34 There is a second evaluation in MoPact: WP4 is focusing in its economic evaluation – based on Finnish scenarios –, besides other aspects on the question of which higher retirement ages are needed to fill the “sustainability gaps”, which depict the “difference between the current tax rate (...) and a hypothetical constant tax rate. The hypothetical tax rate is such that, if it were transferred to immediately, it would be sufficient to cover the expected public expenditure and to keep public net indebtedness at the desired level” (Lassila & Valkonen 2015: 12). The results show that the “success” depends on the “rigidity” of the reforms: If a “deep cut” is introduced — e.g. fundamental reforms aiming at a noticeably longer working life — the “sustainability gap” can be kept small and vice versa: Without any reforms the gap would increase dramatically. Following the results of WP4, longer working lives are a sound tool to take pressure from the pension (and in a pay as you go system from other social) budgets (Lassila & Valkonen 2015) (http://mopact.group.shef.ac.uk/wp-content/uploads/2013/10/Longevity-risk-and-taxation-of-public-pensions.pdf).
The Czech model of very strong positive effects of work between 60 and 65 on lifetime pension benefits can be highly expedient, possibly if combined with sufficient safety schemes for those who cannot work for one reason or another (D’Addio 2010).

3.1.4.2 Quantitative employment effects

Important “success criteria” are quantitative employment effects and should be measured in real activity rates (not postponing the date until drawing retirement pensions, excluding cohort-effects35 or the influence of an overall positive labour market situation; as in both cases in Germany). However, respective empirically based results are only available for a few WP3 countries, apart from simulations. They all confirm a (rather small) rise in the retirement ages but with a completely open question as to whether this is in work or not:

- For the German rise of the legal retirement age by two years, a simulation analysis (Fehr et al. 2010) has predicted that retirement will be delayed by 10.8 months. For the old German system, Berkel & Börsch-Supan (2004) projected that an increase of all relevant legal retirement ages (early retirement and standard retirement age) by two years would delay retirement by nine months amongst men.

- According to Jürges et al. (2014) a closing of the German disability insurance exit pathway would delay retirement by seven months for men and 2.5 months by women. For the abolition of the Finnish “Individual early retirement” Kyyrä (2015) projects this has an effect of 3.4 months.

- For the Netherlands, de Grip et al. (2013) analysed the effects of raising the retirement age on individual retirement expectations of public sector employees. Effects for the cohort with a legal retirement age raised by one year were at 3.6 months, for the cohort with the two-year rise it was at 10.8 months.

- For Finland, Määtänen (2014) projects that a rather comprehensive reform scenario (raising entry ages by two years in regular pension, part-time pension and the unemployment tunnel) would delay retirement by six months. A huge bundle of measures will be enacted under the new Finnish pension reform, e.g. higher retirement corridor by two years from 63 to 68 years (birth cohort 1954) to 65 to 70 years (birth cohort 1962) and then adjustments according to the development of the life expectancy. Tikannäki et al. (2015) projected 1-2 additional working years for the birth cohorts from 1970 onwards (higher rises for later cohorts and higher educational groups, and slightly higher rises for women).

- Díaz-Giménez and Díaz-Saavedra (2009; 2014) calculate what would happen if the Spanish early retirement age were raised from 60 to 63 and normal retirement age from 65 to 68. The increase due to the reform would be more than 20 months.

- Díaz-Giménez and Díaz-Saavedra (2014) calculated the prolongation of working lives for Spain under three counterfactual reforms: Older workers were free of labour income taxes after reaching the first retirement age of 60 (+4 working months) retirement benefit increases due to longer working lives would be actuarially fair, not +3% but initially 7.3% after age 65 and rising to 15.6% at age 80 (+six working months),

35 In Germany this is seen as responsible for one quarter of the increase in older workers activity rates (Peschner 2014).
and restrictions to combine work with pension receipt would be completely removed at first pension age of 60 (+2.7 working years).

- Crucially, the above-mentioned projection by Díaz-Giménez and Díaz-Saavedra (2014) would not just delay retirement, but also raise working hours of those over 60, by 14%, 14% and 32% in the three scenarios respectively. Yet, working hours by those under 60 would decrease (because younger ones work less if they know they’ll defer retirement), so that the aggregate number of working hours would not rise. Possibly such effects reduce ascertained or projected labour supply gains by pension reforms, which goes unnoticed if analyses are restricted to older people. Possible positive effects on longer working lives due to high work satisfaction are not counterbalanced by lower labour supply by younger cohorts. Similarly, political pro-employment reforms could come with pressure for counteracting reforms to compensate those who lose out in reform.

- This has taken place for example in Germany: The increase of legal retirement age by two years (“Rente mit 63”) introduced in 2014 for workers with very long working careers (45 socially insured years and more) can be seen as a crucial determinant of political pressure mainly from trade unions and resulted in a new early retirement programme which decreased employment of those 63 or older considerably (IW 2015). However, particularly in countries with a good employment situation (e.g. Germany), one has to ask to what degree the rise in older worker employment is caused by political reforms and to what degree by macroeconomic circumstances. Besides basic factors such as long-term policy programmes and economic structures (which often change slowly, at least until now), there are also specific circumstances, such as the 2008 financial crisis. Here, “one of the most striking features (...) is the stability of employment of older workers” (Eurofound 2011: 1), which can also result from economic necessity due to lower pensions or higher costs (Eurofound 2014: 4). Further, (...) “some groups of people aged 50+ have been subject to reduced working hours (...)” (Eurofound 2014: 5), which again shows that employment rates do not tell the whole story. Several countries did not return to past early retirement policies “to free up jobs for the young” but rather continued their path towards policies fostering later retirement (Eurofound 2012: 10). If the state of the economy is a crucial factor, then – since macroeconomic circumstances can change relatively fast – policymakers should not mistake the current good situation as (a) resulting mainly from policy reforms and (b) as an irreversible success of national policies. That is, neither reform deadlock nor reforms detrimental to the goals of longer working lives and higher employment rates of older workers should be the solution for future years.

WP3 covers various European countries with huge differences concerning their current employment situation. In the case of Southern Europe, it is remarkable that high (youth) unemployment rates have not stopped these countries’ efforts to facilitate higher elderly worker employment rates and longer working lives, whereas one might assume that in such situations some societal groups would demand that older workers “free up” jobs for the young and thus aim at reducing possible generational conflicts. Generally, employment rates 55-64 have risen since the beginning of the crisis (2007 – 2013) in the EU-27 and EU-28. Only some countries had (small) declines, amongst them Greece and Cyprus (bigger decline) and Spain,
Portugal, Ireland and Latvia (small declines; von Nordheim 2014). Figures for 2002 – 2013 and the age group 50 – 69 show a similar picture with declines in Portugal (strongest), Greece, Cyprus, Denmark and Sweden (weakest, Denmark and Sweden due to cohort effects), with a very strong rise in Germany (but assisted by strong cohort effects responsible for about a quarter of the rise) and strong rises in numerous other European countries (Peschner 2014).

3.1.4.3 Pension wealth through working more and longer in later life

Based on OECD Pension Models, D’Addio et al. (2010) show effects of working between 60 and 65 on individual pension wealth. Clearly, primarily in the Czech Republic effects on net pension wealth are positive, but also (lower) in the Netherlands and in Poland. Here, working between 60 and 65 is financially highly attractive. Effects are weaker in Slovakia, Denmark and the UK, whereas other European countries are near the neutral point or negative. The Baltic countries are not in the analysis, but it can be seen that amongst the 30 countries analysed, the three CEE countries show comparatively high positive effects of work during the main labour market exit age (60-65) on pension wealth, and this despite comparatively low residual life expectancies. In summary, although people do live relatively briefly after 65 in the three countries mentioned, work until 65 is financially attractive.

3.1.4.4 Deepening social inequalities?

There is some empirical evidence available documenting that in practice not all workers “benefit” equally from the retirement policy reforms mentioned earlier (Hofäcker et al. 2015). High-skilled employees in favorable working conditions and with high salaries have fewer problems extending their working lives, whereas other, low-SES members factually have no chance of prolonging working lives: Low skilled, often blue collar workers with unstable careers, low incomes and small pensions have to work longer in poorer health and under poorer working conditions to ensure a sufficient pension which is not possible for many. Based on an international comparison and on secondary analyses of existing European data sets (Hess, König & Hofäcker 2016) Hofäcker summarises as follows:

- “Especially in countries with little employment support, those with unstable work careers, employment interruptions and few financial resources are at a high risk of being crowded out from late career employment and thus from the possibility of ensuring a decent standard of living” (Hofäcker 2015).

This is also confirmed by earlier research documenting socially selective developments of delayed retirement, favouring those with already good pension expectations and/or sought-after skills and/or those in a good state of health and/or those expecting to live longer (van Solinge & Henkens 2009). It is the group of better and higher earners which succeed in reaching raised retirement ages, a finding also supported by Eurostat data for 2015 (see tables 8, 10 in chapter A 6.2) showing distinctively higher activity rates among more qualified older workers. This is – for Germany – also true for many “silver workers” (Deller & Maxim 2010) continuing working after retirement age (e.g. Germany in the majority of cases; Naegele et al. 2011; Eurofound 2012c) (see chapter B 3.3). Further, closing early retirement pathways or
impeding the entry conditions in many cases bears the risk of pushing those out of the active workforce with severe health problems and/or work in workplaces with restricted working duration. This is the truer if no alternative pathways into early exit are available for those having no chance to stay on in their former jobs.

- The Polish report highlights this risk for the “bridging pensions” mentioned earlier. While the group who were finally entitled included 270,000 workers, while about 900,000 people lost their right to early retirement due to the abolition of the early retirement programme (Ruzik-Sierdzińska et al. 2013).

In all, existing data support the assumption that financial incentives alone and when conceptualised as an isolated measure show the weakest effect among those groups of disadvantaged workers bearing objectively the highest financial need to work longer. Failing this the risk of creating and/or deepening social inequalities among different groups of older workers already mentioned is even rising. In order to avoid social inequalities and also to enlarge the potential of financial incentives for more disadvantaged groups of older workers they should be supplemented with pro-workability/employability measures mainly at the organisational level (see chapter B 3.10.1).

3.1.4.5 The case of indexing retirement ages to life-expectancy

In the case of pensions, the most remarkable reform is pension age adjustments based on projections of the development of residual life expectancy, as planned/discussed (but not yet introduced) in Denmark, Finland, Italy, the Netherlands and the UK (and recently suggested by the Federal Minster of Finances in Germany).

- Here one has to take into account that people with a low socio-economic status (SES) not only have a lower life expectancy, but have also had to spend larger parts of their lives in poor health (Deeg 2015). Another issue is that occupational exposures are different between SES groups, with high physical demands on men in low occupational positions and high mental demands (chronic stress) amongst men in high occupational positions. As Deeg (2015) also points out, health is one of the reasons why low-SES groups retire earlier than high-SES groups. This reduces lower-SES groups’ pension entitlements, which are lower than high-SES groups’ pension entitlements from the outset due to lower contributions resulting from lower incomes. Therefore, inequalities in retirement incomes could rise further due to reforms providing financial incentives for longer working lives.

- This e.g. is the starting point of criticisms presented e.g. by Age Platform Europe (2015):

  “Given unequally distributed (healthy) residual life expectancy and following the “Matthew principle” (gains primarily for those already advantaged) in terms of quality of life it can be assumed that in the case of a parallel development of rising inequalities both in pension incomes as well as in residual life expectancy differences in the total amount of pension benefits drawn (pension wealth) will further increase. In consequence public pension schemes would redistribute wealth from low-status groups to higher-status groups.”
3.2 Partial retirement/partial pension policies

Partial retirement in the “real sense of the word” means drawing pensions parallel with paid work before reaching the official retirement age. In the past many EU countries did not permit people to simultaneously do paid work and draw a pension before reaching the retirement age. In the meantime countries are revising their policies believing that this will extend working lives. However, so far the respective labour market effects are not confirming this expectation.

- Partial pensions schemes can be found in Belgium, the Czech Republic, Finland, Germany, Italy (in the context of the programme “generational relay”; see further down), Lithuania (including telework), the Netherlands (here in combination with the opportunity to work until 70) and in Spain. All allow some kind of combination of pensions and wage income.

- In Belgium In 2002, a part-time scheme for older workers was introduced which allows employees to work shorter hours for up to five years without reducing their pension entitlements, and is explicitly aimed at improving the work-life-balance of older workers (‘career-break’). Further, an ‘end-of-career time-credit’, introduced some years before, was broadened: Workers over 50 with at least a 20 year career and three (before: five) years tenure can reduce their working time until retirement and get generous allowances (see also chapter B 3.7.1).

- In Germany, since 1992 the public partial-pension scheme allows workers having reached the earliest possible legal retirement age to choose between paid work and pension payments in ratios of 1/3:2/3, one half:one half and 2/3:1/3. So far this law has not had any measurable success in terms of take-up rates due to resistance on both sides, from employers as well as employees. From 2017 onwards it has become more flexible in terms of ratios and additional earnings (Bäcker & Naegele 2017).

- Also in Germany the subsidised legal partial retirement scheme introduced in 1996 in order to stop the growing trend towards early retirement (Naegele 1999) was nearly completely based on additional payments from collective agreements. It was abolished in 2009/10 after too often (in more than 90% of the cases) being misused as a “bloc model into early retirement”. As Deller and Pundt (2014: 170) state: “Germany today still does not have a formal culture of bridging from full-time employment to full retirement”.

- Implemented for budget reasons, a Latvian reform in 2009 cut pensions primarily of working pensioners (through introducing a tax on pensions), which resulted in a (politically intended) strong decline in the number of working pensioners (in order to reserve free working places for workers and or the unemployed). However, later the constitutional court decided that this was unconstitutional, i.e. the reform had to be abolished.

- In 2016, in Italy a new approach (Stability Law) has begun aimed at promoting part-time work for older employees (63+) in the private sector close to retirement, having at least 20 years of contribution to access old age pension. Based on an agreement among older workers and employers, older employees’ working hours will be reduced between 40% and 60% instead of full-time. The pay will be reduced proportionally to the reduction of working hours, but workers will receive in their wages the same social
security contributions (tax free; to be paid from their employers) as they had been working full-time, plus full coverage of the “imputed contributions” guaranteed by resources allocated by the public sector.

- Another interesting variation with innovative elements is reported from Denmark: The Voluntary Early Retirement Pension (VERP, also termed ‘efterløn’), introduced for the first time in 1979 and later repeatedly changed, was originally a strong incentive for early retirement (OECD 2015), but now allows (part)-time retirement before the official retirement age. VERP can be combined with work up to 30 hours per week, whereas work income reduces VERP benefits (Madsen 2012). Certain conditions have to be fulfilled in order to be eligible for early retirement pension, among others having paid into the programme and being insured against unemployment. The age limit is being increased to 62 and will then follow the increase in the official pension age so that the maximum time span on early retirement pension stays at three years. The development of the employment rates of those between 60 and 64 indicates that this reform has been successful (Larsen & Pedersen 2012), however, the number of people eligible is expected to decrease in the future and only a negligible number of people are expected to use the VERP in 2050 (Bauknecht & Barslund 2015).

WP3 research emphasised the question of whether partial retirement schemes extend working lives respectively can lead to a later exit compared to a full-time job. The results mentioned in the country reports confirm earlier research:

- There are mixed but overall negative effects of part-time work on the total amount of working hours until labour market (e.g. Bauknecht et al. 2016; Cahill et al. 2014; Gielen 2009; Graf et al. 2011; Takala & Väänänen 2016 offer a more optimistic assessment). The reason is that amongst older part-time workers the number of those who would have worked full-time if part-time had not been available is higher than the number of workers who would have quit paid work if part-time work would not have been available. To quote a recently completed secondary analysis performed by Hess, Bauknecht & Pink (2016) in the context of the EWL project: "(...) the results show that shifting from full-time work to part-time work might lead to earlier retirement and lower labour supply” (p. 17). Generous subsidies for part-time work obviously attract too many workers who take the ‘good deal’ instead of working full-time, although they would have been able to do so (see also Bauknecht, Gerling & Hess 2016 for Germany).

- One solution could be micro-targeting of (subsidised or not) old-age part-time work of groups with a high labour market exit hazard under the condition of the non-availability of part-time work. This could include people with low physical or mental health or those with considerable time constraints, e.g. due to private care responsibilities.

**Job sharing between older and younger workers**

An interesting and innovative approach is reported from Italy and Spain. The underlying idea is to strengthen solidarity between generations.

- In Italy the generational relay in the labour market (Garavaglia & Lodigiani 2013) aims at reducing working hours of mature workers (e.g. by shifting from a full-time to a part-time contract) and to simultaneously encourage the recruitment of young
unemployed/jobseekers in the same companies (e.g. through part-time/apprenticeships contracts). Both, older as well as younger workers switching to part-time still collect full social security entitlements, whereas the gap is filled by taxes. In total, employers would have lower wage costs (since due to de facto seniority pay the extra half job for younger workers is cheaper than the half job for older workers), but since for older workers full social security has to be paid (that is what makes the programme attractive to them), the plan is costly for taxpayers. The plan has been criticised since it re-allocates work instead of creating new work. Furthermore, particularly the low earners among older workers cannot afford income reductions (Emsden 2013).

- A similar model is reported from Spain; leaning more to the side of the idea that there is a fixed amount of work and the question is how to divide this work, and as a reaction to high youth unemployment, the programme Mitwin.net makes older workers share their jobs with younger workers, easing labour market exit and entry and the passing on of knowledge.

**Interim conclusions**

Part time pension schemes are suitable “to kill many birds with one stone”, due to many gerontologic and socio-political reasons, but less for labour market expectations in terms of extending working lives. In all, partial retirement so far (as it is currently constructed) is not delaying retirement and thus not extending working lives/volume: hardly any prolongation and/or widening of volume in later working life are reported. Effects on labour supply depend on what part-time workers would have done otherwise. Possibly, restricting part-time work / part-time pension among those who would not be able to work full-time could be an option. These results are in agreement with current international research (Hess, Bauknecht & Pink 2016).

However, these results do not speak against the concept as such, rather, the original idea is worth being recalled: Gradual retirement schemes were once primarily developed in a more gerontological and socio-political context (e.g. to improve health, reduce workloads, to better adjust to “real” retirement) (Bäcker & Naegele 1993)\(^\text{36}\). These dimensions are still up to date; the concept as such is still worth being promoted by policies but not only primarily for reasons of extending working lives but rather to improve the quality of life in later phases. Following this route, potential for improvement can be found in both incentive structures as well as in employer’s attitudes and practices, and collective and/or company agreements, like in Germany (see chapter B 6.1) could be a promising point of departure; or as Hess et al. (2016: 17), referring to Scandinavian experiences and thereby quoting Eurofound (2016: 73), suggest:

> “Policy makers should try to avoid one size fits all measures and strive for individually tailored solutions, e.g. attractive part-time schemes for groups where the shift to part-time provides a gain in the total number of working hours until retirement. Logically these groups would completely drop out of the labour market if part-time work would not be available and

\(^{36}\) “Gradual retirement is suitable to kill many birds with one stone” (Naegele 1999).
attractive. Examples are workers with private care obligations ... or workers whose physical or mental strains are too high for full-time work”.

3.3 Promoting work after (official) retirement (“silver work”)

“Silver work” – e.g. work after (despite) having reached the “official” (standard) retirement age – has a close affinity to partial retirement schemes, but are treated separately in this report. Similar to partial retirement, work after (in spite) official retirement is also regarded by many policymakers as a suitable instrument to prolong active working life. “Silver work” in principle is permitted in all EU member states, however, in some countries it is restricted in the case of early retirement (e.g. Czech Republic, Germany; the latter recently being under reform). Currently it is more and more common among EU retirees, in WP3 countries with the largest increases in Finland, Germany, Lithuania and the UK. The country reports did not give evidence for the widespread assumption that retirees would compete with non-retirees for scarce jobs. As a rule the “silver work” working volume is less than before retirement because it is predominantly performed in reduced working hours (part time) compared to the former (regular) working life.

Official estimates show employment rates at between 5 and 10% among pensioners. Working retirees are a heterogeneous group (Eurofound 2012c), however, WP3 cannot illuminate their composition sufficiently. From Germany it is known that qualified older workers are overrepresented (yet psychological factors and work values are far more relevant than sociodemographic ones, cf. Fasbender et al. 2014, Wöhrmann et al. 2016), while from the UK the opposite is reported 37. However there is clear evidence concerning high degrees of undeclared work (“in the shadow”), which is reported e.g. from Poland, Spain and the Czech Republic.

- The Czech report estimates this to be true for about 1/3 of total paid work after retirement (particularly in rural areas), further assuming working pensioners to represent 5 % of the whole workforce.

EU-wide it is estimated that among “silver workers” those working in atypical employment situations (e.g. undeclared, temporary contracts or as self-employed in a one-person enterprise) are strongly overrepresented. The total share affected by vulnerable working conditions is not known but regarded as distinctively above average. Although “silver work” in principle enables the extension of working life it is mostly characterised as not working in former (ancestral) employment relationships but in new and mainly risky jobs and thus – taking the current diffusion as a standard of evaluation – seems not to be a socio-politically convincing instrument to be recommended when it comes to extending working life.

---

37 In the UK “silver work” is primarily low-skilled, low-paid and part-time-work (Lain 2012).
In WP3 countries, declared/standard work applies only to a minority in the reality of “silver work”\textsuperscript{38}. Official financial incentives are calculated differently (either as a lump sum or a percentage enhancing pensions or both).

- This is e.g. true for Belgium (‘Solidarité entre les generations’ law with pension boni), Finland (for each month of postponed retirement after the age of 68 a pension increment of 0.4% is given (but is expected to change slightly in 2017) (Ilmakunnas & Ilmakunnas 2006), in Germany with the third most generous incentive of 6% per each additionally socially insured year worked beyond regular retirement (but not in the case of having used an early retirement scheme), Estonia (with an even more generous scheme of 0.9% per month (which is 10.8% per year), the UK (max. 10.4 % when postponing claiming state pensions for a year).

- In some countries (Belgium, Poland, Spain) earning ceilings provide upper limits for additional earnings during pension receipt and means-testing of pension supplements have to be accepted. This implies disincentives to “silver work” or incentives to work less than they would like to and/or to enter the “black” market. The same applies for those countries with earning restrictions for early retirees (e.g. in Italy in cases of invalidity pensions and allowances (assegno di invalidità). Because earning ceilings have proven to be a severe barrier for legal “silver work”, they have been raised (e.g. in Belgium in 2013) or are planned to be raised for pre-retired workers (Germany). Currently, in Germany, after having reached the regular official retirement (in Belgium workers with at least 42 contribution years) there are no more limits.

- In Belgium older workers (50+) that would like to go back to work after a longer period of inactivity and which may not have built up sufficient holiday rights, possibly stopping them from returning to work, are supported by so-called ‘senior holidays’ which can only be used after a worker has used up all other holidays that he or she is entitled to. Workers receive a benefit equal to 65% of their average daily wage, capped at €50.98 (gross, by day). These benefits are paid out by the national employment organisation. The idea of senior holidays is an interesting one, considering that it tackles an important barrier that can prevent someone from becoming active again.

- The reasons for working beyond official retirement age are to a lower degree than expected financial; however, differentiations between “early” and “late mover” countries are obvious. It is estimated to be the case for around 20% of silver workers, but in these cases income from work after retirement provides more than half of their income. e.g. in many of these cases silver work helps to avoid poverty. For most “silver workers” in “early mover” countries intrinsic motives seem to be the driving forces (Eurofound 2012c), and in Germany this is the case for the vast majority. However the take up-rates are also dependent on employer’s preparedness. For Germany the prime criterion for employers to offer respective jobs is the concrete utility value (Naegele 2017).

- In Italy “silver work” is difficult because withdrawal from the labour market is a precondition for receiving a pension. After withdrawal from the labour market re-entering is strongly impeded.

\textsuperscript{38} See Eurofound (2012c: 51f.) with a complete overview of details of public pensions and work after retirement for 2012.
Research from Poland displays two main reasons for work beyond retirement age: (1) to remain active and (2) financial reasons, e.g. against the background of low pensions in this country. Likewise, there are factors discouraging retired persons to work. A precondition for drawing pension benefits and to be in paid work simultaneously is to be above statutory retirement age. Thus, many (early) pensioners work on the black market, which is e.g. a current problem in Poland.

Although mostly done as part time work, “silver work” seems – at least in some EU-countries with a higher risk of poverty in old age like in the CEE countries – to be a financial incentive and thus might be a strong incentive for working longer. However, the empirical evidence for this is “thin” (D’Addio et al. 2010). Clearly, primarily in the Czech Republic effects on net pension wealth are positive, also in the Netherlands and in Poland. Here, working between 60 and 65 is financially attractive. Effects are weaker in Denmark and the UK, whereas other European countries are near the neutral point or negative.

Interim conclusions

Similar to partial retirement schemes, “silver work” is not a top priority tool to prolong forms of work known to older workers and to which they are accustomed. Rather, it is an option for a small number but and with increasing relevance for both “active ageing” as well as topping up pensions that are too small. However, it requires supportive measures for both employees as well as for employers. Work after retirement can be both enriching and rewarding as well as (increasingly) financially necessary. The latter, at best, can be avoided by pension adequacy measures. Financial incentives might motivate older workers to work after retirement if it is wanted and/or needed, but too high earning ceilings, rigid means tests and high taxation bear the risk of being counterproductive. This is also true for offers of atypical working conditions for many. Therefore, support for better integration and job availability is urgently needed. Pre-retirement conversations with employers might be conducive. In all, from a socio-political point of view it makes no sense to get rid of older workers by sending them into retirement and to reemploy them shortly afterwards under worsened conditions. “Silver work” should not be seen as an instrument for flexibilisation in companies but needs a new conceptualisation as an innovative instrument of personnel policies in times of severe demographic change and labour shortage.

3.4 Promoting self-employment

The most widespread problem of older workers among EU member states is (long-term) unemployment. Self-employment is seen by many as one means of both overcoming unemployment as well as extending working lives. Often it is a matter of financial incentives to promote self-employment and to limit financial risks and administrative barriers for those who start their own business. Although there are always risks in self-employment, experts consider that it is still a better option than unemployment. Besides financial incentives, other strategies are found in social entrepreneurships or mentors (older workers) to support and encourage younger people in self-employment, as mentioned in some WP3 country reports. However, “good practice” is hard to find.
Promoting self-employment among older workers is a difficult task but makes sense, taking into account that the new older self-employed were either not satisfied in their prior job and not starting their own business might have resulted in earlier labour market withdrawal or becoming unemployed, and further, that the self-employed on average retire later. The latter partly results from self-selection processes (i.e. those placing high value on work have a higher probability of becoming self-employed).

In several WP3 countries we found special programmes to support older workers starting their own business, e.g. in Belgium, Finland, Germany, Italy (partially stopped in 2015), Poland, Spain and the UK, as a rule for both, the employed as well as unemployed and in most cases not reduced to certain age groups, in some countries even with an explicit focus on younger unemployed (e.g. Denmark, Italy, Spain).

- In Belgium the unemployed over 50 can sign a contract (“cooperative d’activite”) which unburdens them from certain obligations which are generally true for the unemployed, such as being available for (other) work.

- An interesting example of self-help and intergenerational co-operation is reported from the Czech Republic: “We do business TOGETHER” [Podnikáme spolu]). This project brought together unemployed young and older women to introduce them to the possibility of self-employment and equip them with all the necessary knowledge to start their own businesses. The Czech Republic supports an innovative model of self-help and intergenerational co-operation fostering self-employment.

- Results from Denmark reveal relevant barriers, although many older people are interested in entrepreneurship: respective projects or programmes for self-employment are not specifically aimed at older workers.

- In Finland retired entrepreneurs can engage in entrepreneurial activity without having to pay pension contribution fees helping them to make their business activity more profitable (Työvoimatutkimus 2012).

- In Germany those starting their own business, especially if unemployed, are supported by a broad repertoire of tools, containing among others financial assistance and consulting services (“Bridging allowance” since 1986). This also includes founding allowances (“Gründungszuschuss”), special loans for long-term unemployed as well as subsidies/loans for additional equipment expenses (BMAS 2015). Further, since 2006 the construction of voluntary unemployment insurance (the self-employed do not normally have unemployment insurance) can give especially those founders who were employed some security as in case of failure they can fall back on (high) earnings-related unemployment benefits instead of means-tested (household level) benefits. Further, self-employed “silver workers” are not treated differently from the non-self-employed.

- Italian research considers solutions apart from financial incentives in both supporting measures e.g. developing business or marketing plans as well as public or private networks to support training. Moreover, awareness campaigns could be an option as well. In Italy a large share of older workers work as self-employed, yet work after retirement can be formally designed as self-employment but in fact is similar to employed work, so that the numbers might be overestimated (Socci &
Principi 2013). Concerning conducive tools, the following have been used until recently: "loans of honor", special incentives to microenterprises and franchising. However, since 8/2015 it is no longer possible to submit new applications due to reduced financial resources for supporting self-employment. Furthermore, from 2015 onwards measures supporting self-employment are mainly targeted both to young people aged up to 35 years old, and to women of all ages. Moreover, the possibility of obtaining non-repayable grants is no longer available.

- From the Netherlands ambiguous trends are reported. Respective tools include the provision of start-up business loans, income support as well as assessment of a business plan by a work coach early in the unemployment period (OECD 2014); further, since 2009, a public scheme provided financial guarantees for loan applications as well as a micro-finance scheme for small entrepreneurial activities combined with coaching and support (European Commission 2010). Although a relatively high share (20%) of Dutch self-employed is aged 45 years or above, it is primarily those with better social and financial capital that chose self-employment (Van Solinge 2012).

- In Poland establishing a comprehensive system for supporting the development of entrepreneurship among people 50+ is part of the “Solidarity across generations” programme (see chapter B 3.9.1). Furthermore there is a special programme fostering self-employment particularly for older women (50+) called “Active Women”. In 2009 Poland was ranked third in the EU for early-stage start-up activities of people aged 50-64.

- In Spain there are special programmes/projects (“Memoro project”) that collect experiences from older entrepreneurs with the aim of motivating other people starting their own business. This is part of the “Global Strategy for the Employment of Older Workers 2012-2014” (see chapter B 3.9.1) (Rincon-Aznar 2013).

- In the UK the main initiative for older self-employed workers (50+) is the “The Prince’s initiative for Mature Enterprise” (PRIME), founded by the Prince of Wales, providing among others training, mentoring and networking. However, many older self-employed in practice do not work much. Partly, self-employment is a mask for unemployment, or a means to work less if this is not possible as an employee.

**Interim conclusions**

To take up/to extend self-employment of older workers can be regarded as an innovative measure but bears many barriers confronting primarily the interests of older workers themselves – particularly in “late mover countries”. Of the most important barriers are lower social/human capital among many older unemployed, bureaucratic hurdles (as e.g. reported from the Czech Republic), no solid financial basis, fear of (new) financial risks in later stages of life, low knowledge about conducive instruments and no tailored educational measures (either offered publically or under the scope of collective agreements; as reported from the Netherlands). Additionally, in “early mover countries” both the loss as well the lack of social security entitlements is one of the most important barriers according to German (Franke 2012) and Dutch experiences (Gasior & Zolyomi 2015). To foster self-employment among older workers therefore primarily requires supporting workers who are interested actively and
perceptibly, mainly by removing existing hurdles/barriers and improving information practices. There is a clear obligation for preparatory efforts on the side of public policies. Innovative potential can be seen in the combination of self-employment and informal work.

3.5 Employment promotion and protection against job losses

3.5.1 Employment protection against dismissals

Primarily national policies are addressed here, however, there are many collective and/or company agreements (e.g. in Germany) with similar objectives (see chapter B 6.1). The instrument as such is discussed critically in some reports due to its ambiguity which, however, is not completely confirmed empirically. On the one hand: its preventive function is out of the question. On the other hand: (too) strict (age-specific) forms of employment protection might under certain conditions also run the risk of reducing labour demand and thus worsening the employment chances of other (older) job seekers, as assumed e.g. in Poland or in Spain: employers could be reluctant both to retain as well as to hire older workers because they might get employment protection soon and then are confronted with difficulties of getting rid of them if wanted/needed. In some cases, as e.g. in the Baltic states as well as in Germany, employment protection does not depend on age but on job tenure; however both factors are strongly correlated.

- In Belgium under some conditions, companies can dismiss workers over 60 using a company supplement (UCS) representing 50% of the difference between the last wage and unemployment benefits (Contreras et al. 2013). Companies have to substitute the dismissed worker with a new worker coming from full-time unemployment benefits. In all, research confirms numerous exceptions with respect to the general rule (Jousten et al. 2011). Older workers affected are required to have at least 35/28 (men/women) contribution years and are exempt from job search obligations. Employers have to pay for at least three years. Entry age can be as low as 58 if social partners reach an agreement on this (Smith 2014), but can be even lower in other sectors. Critical voices assume that this model constitutes a hidden early retirement scheme.

- In Germany there is no special age-related legal employment protection. However, many collective agreements provide “seniority-protection” – mostly based on a combination of both job tenure and chronological age. However, empirical evidence about the ambiguity mentioned earlier is weak (see chapter B 6.1).

- In Italy a preventive legal protection system is in force: the Income Redundancy Fund (Cassa integrazione guadagni ordinaria, i.e. Cigo) or Extra Income Redundancy Fund (Cassa integrazione guadagni straordinaria, i.e. Cigs) provides income compensation to workers within a short-term and/or structural firm crisis with a high risk of being fired. Workers under Cigo or Cigs measures are considered still at work and are not officially calculated as unemployed (so they cannot perform other salaried work) (Socci & Principi 2013).

---

39 This is mentioned as also being true for (higher) seniority wages in a few country reports (e.g. for the Netherlands) which also might serve as a barrier against being recruited as an older job-seeker (see also chapter B 3.1.3.2)
• In **Poland**, since 2004 (also part of the Polish “Solidarity across generations” programme; see chapter B 3.9.1) an employment protection for workers in the four years before retirement is in force (Urbaniak & Wiktorowicz 2014), however, the report assumes that employers have become incentivised to dismiss older workers before they enter the entitling age. The report refers to a more general criticism based on the assumption that strict employment protection could particularly limit the growth in those sectors (like the service sector) where workers aged 55+ tend to work (Zientara 2008).

• In **Spain**, employment protection legislation gives differential treatment to different groups of workers; dismissal regulations vary by age, gender, skill, firm size, and type of contract, creating a wedge in firing costs across workers (Bentolila et al. 2008). For example, the period of notice and the level of severance payments increases with job tenure. However, the **Spanish** report also assumes the follow-up risks of further dismissals as well as lower recruitment chances for older workers (referring to Eurofound 2013).

• In the **UK** there is no special employment protection for older workers. Statutory redundancy payments, however, are based on employees’ age and length of service, which is capped at 20 years and weekly pay is capped.

• The **Baltic** report differentiates between the following: In general, older workers seem to be covered by more strict rules in **Latvia** and **Lithuania** while **Estonia** has moved towards a more flexible model (OECD 2013) (Nurmela, Osila & Leetmaa 2014). The pro-arguments are seen in two main principles: higher protection for both, workers of pre-retirement age (or at/beyond retirement age) as well as for workers with longer job tenure. Although also without empirical evidence, disincentives for employers hiring older job-seekers are assumed. In all three countries, job tenure provides additional protection in cases of layoffs and termination of employment contracts, however, due to poor enforcement and low knowledge of these conditions it has no extensive impact (Nurmela, Osila & and Leetmaa 2014).

**Interim conclusion**

In principle, WP3 research confirms a positive impact of employment protection particularly for older workers, but on the other hand assumes “boomerang” effects for both those who are shortly before the entitling age as well as for older job seekers. However, here respective empirical evidence is scarce, which is indirectly confirmed by OECD (2012) stating that employment protection is not so strong as to discourage hiring or employment of older workers. Furthermore, one should consider that many older workers particularly those with long job/company tenures can rely on a “de facto” employment protection through qualifications with special importance for companies (e.g. experience, expert knowledge) which cannot be simply replaced. The **Italian** preventive model – which in **Germany** (“Kurzarbeitergeld”) has served many companies as well as older workers to overcome the last economic crisis – flags an innovative approach worth being further examined to see whether it fits in different national environments.
3.5.2 Wage subsidies

Wage subsidies aiming at making the working of older workers more attractive for employers are widespread among WP3 countries. They range from direct subsidies for older workers as in Belgium (as part of the Intergenerational Solidarity Pact (ISP, ‘Pacte de Solidarité entre les Générations’; increasing with rising age; Smith 2014)) to lower social security contributions (e.g. in Italy, the Netherlands, Poland and Spain) or the hiring of older unemployed workers via lower social security contributions (the Netherlands) until completely free of social security contributions (Italy). This is also true in the case of hiring workers in pre-retirement age (in Poland for 50+ as part of the “Solidarity across generations” programme; see chapter B 3.9.1; in Spain for both, workers 59+ as well as previously unemployed workers 45+.) In the Czech Republic, employers get subsidies for newly hired older workers or new non-bureaucratic ‘Kurzarbeitergeld’ (short-time allowance) to alleviate problems caused by the Russian embargo. In Denmark wage subsidies are not targeted explicitly at older workers, but for older workers the subsidy precondition of six months of prior unemployment does not apply. In all, it can be shown that subsidised employment decreases the duration of unemployment. In Italy on the one hand, results show a negative effect of subsidies mainly subsidising temporary and atypical jobs. On the other hand, after subsidies were abolished in January 2016 it has been noticed that total hiring decreased among older workers aged 50+ especially concerning permanent contracts. In Finland a low-wage subsidy scheme was in force between 2006 until 2010 for workers over 54 years of age targeted at full-time workers with low monthly earnings (Huttunen et al. 2013). A German programme is directly targeted at newly hiring older jobseekers (“Einstiegs geld”).

- Under the Polish ‘Solidarity across generations’ programme (see chapter B 3.9.1) employers are motivated to employ those over 50 by the following measures: (1) they pay sick leave for only 14 instead of 33 days, (2) they do not have to pay social contributions for newly hired people, and (3) they can obtain co-financing for workplace equipment. The co-financing (up to 30 per cent of minimum pay) of the wages of newly hired former long-term unemployed if they are over 50 (Urbaniai & Wiktorowicz 2014) is to be implemented in 2014. Furthermore, procedures and rules for hiring disabled workers have been simplified and special financial support is given in the case of the recruitment of a disabled worker.

- Belgian labour taxes are among the highest in Europe. Low-skilled workers face (1) a productivity trap, that is, too low productivity for wages to be paid by the employer, and (2) a poverty trap, i.e. insufficient incentives for paid work (Dagsvik et al. 2011, based on Nielsen et al. 2005). The problem was how can those with low earnings (due to low productivity) be financially motivated to work without giving benefits to those whose earnings are low due to part-time work? The solution of the Workbonus can therefore be regarded as highly innovative: reductions to social security contributions were based on hourly wages, or on full-time equivalent earnings. Therefore, those who would earn more than a minimum amount if they had a full-time job and less than a certain amount got the full social security contribution reductions. Above the threshold, reductions become less until they completely vanish. Since these are not cash benefits but reductions in social security contributions, those working part-time
with low hourly wages save less in contributions than those working full-time, so that they are motivated to work full-time (Dagsvik et al. 2011): “The Belgian Workbonus (...) target to low-skilled workers and screen out individuals with a high preference for leisure. At the same time, workers with higher wages cannot reduce their working time to receive the benefit” (Dagsvik et al. 2011: 804).

**Interim conclusions**

Wage subsidies and other financial incentives for employers aimed at recruiting older jobseekers have proven to be a successful instrument for a sustainable integration. We found them in different forms and for different types of jobseekers - whether old or not. Sometimes they can even be used as a preventive measure thus keeping those in paid labour from being confronted with unemployment (see chapter B 3.5.2). However, from a macro as well a meso perspective it is necessary to thoroughly monitor the costs and benefits of subsidies since subsidised hiring can reduce unsubsidised hiring or replace unsubsidised workers. However, they should both be well targeted (particularly at those with lowest re-employment probabilities) as well as be of short duration. Furthermore, close monitoring is crucial due to possible deadweight effects (Paggiaro et al. 2009; Rotger & Arendt 2011). Hiring vouchers can be an alternative to wage subsidies (Brown et al. 2011).

### 3.5.3 Active labour market policies for older unemployed

National policies can also aim at improving the unemployed’s reintegration-prospects, mainly by raising and/or broadening the utility-value of their threatened employability. This is particularly true for preventive measures e.g. in the fields of health promotion, rehabilitation and/or the improvement and updating of skills (as part of LLL) of older job seekers. Furthermore, there are measures targeted at the reintegration of the unemployed with special handicaps (e.g. disabled, long-term ill unemployed). Partly the latter is also related to health/disability and rehabilitation policies (see chapter B3.6.2). WP3 reports reveal that active labour market policies in some countries are underdeveloped compared to the respective foci placed e.g. on pension reforms (Italy). In some CEE countries activating programmes have partly been subsidised by EU fundings (ESF) and are thus of limited duration, although successful. The most remarkable examples of good practices can be found in Denmark.

- In Denmark, activation of (designated) unemployed people starts early, municipalities are obliged to provide ‘senior jobs’. As Rotger and Arendt (2011: no page numbers) state, “the use of active labour-market programmes is extensive in Denmark compared to most countries”. Amongst 28 countries analysed by OECD (2013, data from 2011), with 2.3 % of GDP Denmark had by far the highest public expenditure on active labour market policies (OECD mean 0.6 %, Belgium ranks second with 1.6 %, OECD 2013). Further, the general flexibility of the Danish labour market weakens job insiders’ protection. This increases the chances of the unemployed re-entering employment, which are low for older unemployed people in most countries and these low chances are the main reason for older worker unemployment (since older workers rarely lose their jobs). This can also be seen in the very low share of long-term unemployed amongst Danish (and generally Scandinavian) unemployed.
• The Danish model of ‘senior jobs’ in the public sector are seen as innovative: Municipalities are legally obliged to offer special ‘senior jobs’ to older unemployed (55 until 59) who have exhausted their unemployment benefit and are entitled to Voluntary Early Retirement Pay (VERP) when they are 60. ‘Senior jobs’ are on normal employment terms. However, there is no requirement that individuals must be offered a job corresponding to their qualifications and previous career. In order to get one of these ‘senior jobs’, one has to be entitled to early retirement benefits, which in turn presupposes 30 contribution years.

• Further interesting examples stem from Belgium (e.g. outplacement offers for older workers threatened/recently affected by unemployment; jointly with unions establishing regional services for employment in Flanders (VDAB) offer sessions of information, orientation and in-house training for unemployed).

• In the Czech Republic the project “Active Approach, Age Is Not Decisive” also works with unemployed older people. It consists of educating older unemployed people into becoming age management trainers themselves. The outcomes of the project led to the creation of ten new job positions. Experts working at age management are also very active in public advocacy for age management in general, and the latter was represented at one of the working groups of the Government Council for older people and ageing.

• In Germany, besides special financial incentives for companies to hire/recruit older jobseekers, the “Employment Pacts for Older workers” (repeated for the third time in 2011 under the name of “Perspektive 50plus”) work in nearly 80 regional employment pacts in order to reintegrate older unemployed particularly in so-called disadvantaged regions).

• Germany is currently working on a comprehensive solution of the problem of the (older) long-term unemployed in terms of active labour market endeavours, since this group has only benefitted weakly from the general good employment situation during and after the financial crisis. The approach is also meant to focus on general barriers to re-employment, like health issues or problems in social life.

• In Italy, activation policies are still extremely limited, and are mainly developed on the basis of experimental, contingent and short-term project-based programmes. Thus they are characterised by deep territorial differences, as well as by differences in the capabilities among the different actors operating in the same local context.

• Poland has started both to qualify as well as to professionalise labour market services for older workers/job seekers.

• The UK has introduced an “all age national career service” (since 2012) based on information through internet-channels (but with difficulties to reach older jobseekers that are not accustomed to this).

• In the UK the programme “Access to Work” (AtW) grants help disabled people who want to start work, stay in work or start their own business (subsidies and money for equipment).

• The Baltic report mentions many activating programmes for older unemployed, mostly subsidised by the European Social Fund, however, as a rule it is closed after the financing period has been stopped; e.g. in Estonia a programme promoting career and
training counseling for older unemployed and in Lithuania the newly established so-called “Bank of Seniors” - a database containing information about pension-age jobseekers.

In the field of unemployment policies, the “late mover” countries are not behind the “early mover” countries when it comes to providing financial incentives to take up work soon. On the contrary, replacement rates are comparatively low in CEE countries and durations of (high) earnings-related unemployment benefits are comparatively short. Further, due to still generally lower real incomes (also adjusted for purchasing power), low replacement rates are more uncomfortable than in high-income countries. On the other hand, efforts to support older unemployed people to get back into employment are partly underdeveloped in “late mover” countries compared to the multitude of actions taken in “early mover” countries, such as wage subsidies or hiring subsidies, employment pacts, holistic considerations of barriers to re-employment (e.g. skills, health, motivation) and programmes to support unemployed people considering starting their own business.

3.5.4 “Sticks and carrots to get older unemployed back into employment” - results from additional analyses

This short section is based on additional analyses and provides examples of the three principal approaches to reversing the trend towards lower labour market participation of older workers: first, activation of jobseekers; second, active labour market intervention through training and job creation or placement schemes; and, third, the provision of wage subsidies as hiring incentives. It was conducted in the context of WP3 research40.

Although explicitly introduced by the authors as having “necessarily been selective and, hence, non-representative, focussing on a few countries and on three pillars of policy,” some general findings from the evaluations can be noted: Thus, there appears to be a growing consensus that micro-targeting interventions have beneficial outcomes and, specifically, reduces the risk of negative effects. Where concerns about low worker productivity hinder re-employment, wage subsidies may be a suitable public policy tool for incentivising employers by balancing the costs of productivity losses. Across age groups, financial incentives may help the unemployed in the low wage economy to gain and retain work, while financial penalties can motivate behavioural change. Overall, however, the evidence suggests that individual policies on their own often have limited impact and that a multitude of demand and supply side measures may, in fact, be needed in order to reduce the unemployment risk of older workers.

Interim conclusion

It could be shown that early investment into the employability of the unemployed is most helpful in order to avoid follow-up risks in terms of weakening and/or losing vocational

qualifications of older workers. The Danish example is more than convincing. The special unemployment risks of older workers have to be seen against the background of longer periods of unemployment which not only produce losses in functional qualification but – even worse – in extrafunctional qualifications like motivation, etc. If cost-benefit studies were available to support this they would definitely show that the costs of paying unemployment benefits in many cases surmounts expenditures better spent earlier for activating programmes. Particular efforts (as well as methods) should be dedicated to the older long-term unemployed, and comprehensive approaches are needed. To use the local/regional level for activating strategies also seems to be a good guarantor for success.

3.6 Health protection, promotion and prevention of disability

3.6.1 Healthy ageing as older worker

Health is one of the key dimensions of employability and in consequence ill health one of the key predictors for early retirement.

“A large body of research has established health as a significant factor affecting the labour market participation of older people, with those in poorer health more likely not to be employed. (...) There is strong evidence that health is both a determinant and a consequence of labour market attachment” (Özdemir et al. 2016: 52).

The ill health of older workers in many cases mirrors widely recognised interlinkages with bad working conditions and high workloads in a life-course perspective. At the same time, “healthy ageing” as a concept with increasing importance in an ageing society is a widely recognised objective of older worker policies particularly against the background of demographic change also in the labour world.

Among WP3 partners, Finland has clearly been a pioneer in occupational health policies. Germany and Denmark seem to have become pioneers with their new focus on mental health (stimulated by strongly rising numbers of sickness days and disabilities due to mental health problems) (see also chapter B 2.10.1.2). The Netherlands are well-known for their remarkable efforts to curb easy and comfortable employment exit via the disability scheme, which is also true for the UK with a successful (in terms of disability numbers) mix of a “sticks-and-carrots approach” to individual barriers to re-employment and simultaneous distrust when it comes to the acceptance of disability. Italy, in contrast, is rather passive, but this has also resulted from the fact that health problems are not an important obstacle to longer working lives in this country as they are elsewhere.

Compared to this, in CEE countries as “late movers”, issues of healthy ageing have been taken up comparatively late. In the Czech Republic they have been fostered by EU membership, while in Poland the 2008 programme ‘Solidarity across Generations’ (see chapter B 3.9.1) incorporated the concept of healthy ageing for the first time (Bauknecht & Styczyńska 2015); this against the backdrop of health as a very important barrier to longer working lives in Poland.
• **Poland** is characterised in the country report as having the highest risk of diseases among adults in the countries incorporated by SHARE. Further, in **Poland** ill health is the main reason to exit the labour market earlier (Zolnierz-Zredea 2015). Similar information comes from the **Czech Republic** which also has high degrees of chronic illnesses and disabilities among older workers.

• Nevertheless, the relatively bad health status of older workers in CEE countries should not (only) be misinterpreted as a result of political neglect. Health is affected by long-term factors and current CEE older workers spent a significant share of their lives in the pre-1990 period characterised by worse conditions for health in paid work as emphasized in particular in the **Polish** country report. Health policies targeting older workers suffer from the fact that health policies are long-term oriented and due to long delays between the cause and effect of health promotion programmes they often come too late. Health policies are necessary for younger workers, as they are tomorrow’s older workers. Another issue is disability. Here, reforms seem not to be as widespread as in the case of pensions. Nearly every country report contains information about endeavours and programmes to foster healthy ageing at the workplace. This is the more important for CEE member states.

With increasing awareness – at least in “early mover” countries like **Denmark** and **Germany** – the issue of prevention of **mental diseases** among older workers has entered the agenda of occupational health policies (Özdemir et al. 2016). Across OECD countries, in 2010 the largest part of all new claims for disability benefits was due to mental ill health (OECD 2010).

• The approach to healthy ageing in the **Polish** 2008 programme ‘**Solidarity across Generations**’ (see chapter B 3.9.1) is innovative. The programme includes 1) preventive measures to counteract the reduction of productive abilities, 2) screening interventions for those aged 50+, 3) an identification system of health treatments, 4) monitoring of the risk of becoming unable to work for those aged 50+ plus the early implementation of rehabilitative programmes, and 5) promotion of employees’ access to private health care insurance services (Styczyńska 2013).

➢ With respect to **health promotion via active ageing** (“**Programme Council 50+**”) the following cornerstones can be mentioned: 1) popularising the idea of active and healthy aging, including the benefits of active ageing, and promoting active ageing in society; 2) supporting a number of forms of activity at non-professional levels (including educational activity in the area of culture, social activity and volunteering, physical activity, health-enhancing activity and civic activity at the local level); 3) promoting and popularising a healthy lifestyle and preventive healthcare; 4) development of new forms and measures that are intended to encourage and motivate people of different ages, including people over 50, to engage in physical activity and that facilitate such activity; 5) developing solutions providing a basis for co-operation and coordination of activities at the regional and local levels; 6) development of co-operation between employers and trade unions in the area of preventive healthcare; 7) establishment of a coordinated system of providing information on health conditions of patients/employees and the self-employed to identify potential health risks and improve the implementation of preventive and rehabilitation measures; 8) implementation of comprehensive solutions related to the
promotion and development of preventive healthcare programmes, like “Health check” for people aged 50 plus; 9) promoting regular third pillar savings in the entire period of professional activity as a measure that, on the one hand, helps increase the amount of income in retirement and on the other hand, encourages people to work longer and raises people’s awareness about the need to plan for the future and make provisions for old age; finally 10) measures implemented at the local government level including but not limited to measures aimed at labour market policy will take into account the health of the unemployed as a barrier to their employment and intervene.

- In the Baltic countries, occupational health and safety policies try to motivate employers to promote health protection in the workplace. In Lithuania a State Labour Inspectorate (SLI) initiative develops economic means to encourage employers to seek a reduction in the number of accidents at work and occupational diseases. In Estonia, there is thus far no occupational accident and illness insurance scheme (but one is planned) which could potentially support healthy ageing in the workplace; however, the plan is faced by massive opposition from employers (for previous debates, see Karu & Nurmel 2009; Osila 2011). Fringe benefit tax on employers’ expenses to improve employees’ health has been the subject of heated discussions in Estonia (Kallaste 2007; Osila & Turk 2011), however it is opposed by the state (Tamm 2010). In Estonia, a Supreme Court decision reduced discrimination faced by older workers based on their health in the labour market. Finally, ESF financing also had an important role to play in supporting active ageing, healthy workplaces and increasing healthy life years in society. E.g. ESF financed measure “Health awareness” focusing on reducing inactivity in the labour market due to health reasons and prevention of health problems in the society. The projects are mostly initiatives of different local governments to assess the health situation at the local level and plan measures accordingly (mostly financing different sporting events for the local community).

- In the Czech Republic, since 2013 all employers are required to contact special healthcare services with the explicit task of ensuring occupational healthcare for their (older) workers. The National Institute of Public Health (NIPH) is responsible for national health promotion strategies in the workplace. NIPH participated in the “eCAPACIT8” project focused on strengthening the capacities of occupational health professionals in order to improve the health of the ageing workforce.

  The project was realised from February 2013 to May 2016 and included a survey on measures extending working lives. The biggest share of respondents thought that “good organisation of work” is the most relevant measure (62%) to be implemented in that context, followed by “legislative amendments” and “more intensive occupational medical care” (31%), as well as “occupational specialist present within the organisation/firm” (9%). The project highlighted the need to support employers’ measures implying healthy choices and lifestyle for older workers.

- Recently in Germany the issue of mental diseases (of older workers) has been identified as an increasingly relevant driver of both sickness days as well as disability pensions and medical rehabilitation. In 2013 the German Parliament changed legislation to foster employers to strengthen endeavours in order to prevent work-related mental strain. GDA (Gemeinsame Deutsche Arbeitsschutzstrategie/Common German Strategy for Occupational Safety) developed guidelines that help employers to detect and eliminate the respective risk factors (GDA 2016).
In **Germany** a recent change in the social laws regulating medical rehabilitation for workers in arduous and hazardous jobs led to entitlements for special preventive measures and services. However, from a scientific point of view it turns out to be complicated both to identify such jobs as well as to determine the beginning of respective preventive measures (Friedenstab, Schulz-Weidner & Väänänen 2015).

- **In Finland** occupational health care has a good coverage, as 93% of employees are covered. It is partly reimbursed by the tax-funded Social Security Institute (KELA) that reimburses 60% of costs for preventive care and 50 % for other type of care (Kangas 2014).

- **The Finnish** Health 2015 programme (2001-2015) aimed to reduce the differences in mortality rates between different occupational groups and education levels by a fifth by 2015. It did not succeed in this; actually the differences partially grew during this period (Rotko & Kauppinen 2016). This might suggest that more community-based health promoting interventions, targeting rural labour market outsiders in particular, could work in reducing health inequality and simultaneously enhance the employability of the target group. Finland has a good tradition of similar successful interventions (see ‘North Karelia project’).

- **Spain** has taken up the issue of illness among older workers in Estrategia 55 (“Global Strategy for the Employment of Older Workers 2012 – 2014”), focusing on working conditions, security and health and in doing so evaluating special risks, physical impairments and decision-making capabilities (Rincon-Aznar 2013).

- **In the UK** the “Health and Wellbeing Award” can be mentioned, recognising companies for “good practice” in health related age-management.

More preventive approaches are reported from **Finland** and the **Netherlands** where employers have to bear parts of the costs of workers leaving via the disability route (see chapter B 3.6.2). Whereas this can incentivise employers to invest in health programmes and basically in their workers’ well-being and motivation (since they also have to pay for workers who are not disabled but leave via the disability route), it is not clear if this also incentivises employers to pre-select during the hiring process, that is, to try to avoid applicants with a higher probability of disability.

### 3.6.2 Disability and rehabilitation policies

There is empirical evidence, partially confirmed by the national reports, that

“(…) the employment rates of older workers with disabilities vary dramatically by country – so much so that it can be safely concluded that these differences were not entirely due to underlying differences in the health conditions of persons concerned. In fact, the differences in the policy context, specifically disability policy, were seen as a more likely driver of these differences in employment outcomes than the varying degree of health impairments across countries” (Zaidi 2017: 2).

One of WP3’s expert papers (Zaidi 2017) dealt explicitly with the employment prospects of older workers with disabilities and respective disability reforms in four countries (among them (besides Sweden) are the three WP3 countries **Germany**, the **Netherlands** and the **UK**).
For **Germany** it is stated that **German** “success” can be regarded through a policy change – complicating early retirement pathways “sweetened” with disability claims and changing to preventive disability policies placing a greater emphasis on promoting adjustment of work environment:

➢ “**All in all, the German experiences in the disability policy reforms over the past four decades show that the restrictions in entitlements of disability benefits and making employers to implement a workplace reintegration programme can lead to reduction in the disability claimant rate.** ... **Employers were mandated to provide workplace reintegration management programmes so that rehabilitation could take place and/or any further reductions in the capacity to work could be avoided**” (Zaidi 2017: 13).

For the **Netherlands** it is highlighted that policy design is important for the outcomes of individuals with impairments and shows both that many workers who experience health impairments can remain productively employed and that disability rates can be drastically reduced.

➢ The underlying idea is a kind of privatisation of disability risks by making companies responsible for the costs (sick pay, disability benefits, mandating firms (also SMEs) of providing accommodation, rehabilitation and continued employment opportunities). In 2002/2004 a new disability insurance scheme was established making work rather than cash benefits the norm and enforcing this by increasing the incentives for both employees and their employers to invest more time and effort in accommodation and rehabilitation following the onset of disability: During the first two years following a health shock, firms were responsible for workers and not eligible for long-term government-provided disability benefits, further employers were required to allow workers receiving sickness benefits to remain with the firm; dismissal was allowed only for employees who refused to cooperate in a reasonable work-resumption plan. Companies were supported by a list of prescribed rehabilitation and accommodation activities that they (via a private occupational health agency) had to provide to assist workers to remain in the job or to find alternative employment. When the two years were completed, workers were allowed to apply for long-term government-provided disability benefits but were required to provide documentation regarding return-to-work efforts during the previous two-year period. Reforms continued which shifted most of the burdens of the disability benefit towards the employers. Employers were made to pay a premium rate for the full and permanent disability programme. Employers also had to pay to fund the public partial disability programme, but they could opt out of it by enrolling their workers in private insurers instead. Either way, employers had to pay experience-rated premiums that covered the first ten years of partial disability benefit receipt. After ten years, the financial burden would shift to the uniform pay-as-you-go rates that also cover the fully and permanently disabled and the stock of current beneficiaries under the old system.

➢ Without doubt **Estonia** also belongs to the countries worth being positively addressed due to disability pension reforms implemented on July 1st 2016. Here the government seeks to help over 10,000 workers with disabilities to re-enter the labour market by 2020 by offering temporarily sheltered employment, work-related rehabilitation or transportation support. Initial results will be evaluated in 2017.
Partly opposite to these “good practices,” the UK experience must be characterised as a “carrot and stick” approach. It is both based on reducing the “generosity” of disability benefits as well as on tightening the preconditions.

Besides others, the medical eligibility system was tightened, as screening was now carried out by government doctors rather than family GPs (which shows some similarities with Sweden). Further, the system moved towards an assessment of the claimant’s capacity to carry out any work rather than work in their usual occupation. The so-called Pathways to Work Programme (starting 2005) aimed at reducing the inflow of claimants and boosting outflows for those who started receiving benefits only recently. The conditions of eligibility included work-focused interviews, so that some possible avenue could be found to steer recipients to employment. The ‘back to work’ bonus also provided additional in-work support for those returning to employment. Finally, medical assessments (now relabeled more positively as Personal Capability Assessments) have been changed. In 2008 the Employment and Support Allowance (ESA) programme led to a tougher Work Capability Assessment with a stricter requirement to engage in work-related activity for all but the most severely disabled. The payments have been made conditional upon compliance and thus disability slowly ceased to be a form of hidden unemployment.

Interim conclusions

The reform experiences in Germany and the Netherlands (as well as in Sweden) point to considerable potential in keeping workers with disabilities employed, either eliminating or delaying their movement onto the long-term disability rolls. It is possible to balance the competing goals of providing social insurance against adverse health shocks for older workers and maximising their work effort with and without disabilities during late careers. The disability policies in EU countries have traditionally focused on social insurance security, resulting in rapid growth in disability recipient populations that outpaced growth in the economy. Efforts to shift to more pro-work policies over the last decade suggest that fundamental disability reforms, if done well, can lower projected long-term costs for taxpayers, make the job of disability administrators less difficult, and importantly, improve the short- and long-run job opportunities of people with disabilities.

3.6.3 Some “early” and “late mover” differences

In the field of health/disability policies the differences between “early” and “late movers” is to be found less in efforts to prevent workers from using disability schemes as an early retirement scheme but in policies for the prevention of disability, that is, in health policies. Clearly Finland has been a pioneer in occupational health policies, but e.g. other countries have to be mentioned here, such as Germany with its new focus on mental health (provoked by strongly rising numbers of sick days and disabilities due to mental health problems), the Netherlands with its remarkable efforts to curb easy and comfortable employment exit via the disability scheme or the UK with a successful (in terms of disability numbers) mix of a “sticks-and-carrots approach” to individual barriers to re-employment and simultaneous distrust when it comes to the acceptance of disability. Italy, in contrast, has been rather
passive, but this also reflects the fact that health problems are not an important obstacle to longer working lives in this country as they are elsewhere.

In CEE countries, issues of healthy ageing have been taken up comparatively late; in the Czech Republic fostered by EU membership and in Poland through the 2008 programme ‘Solidarity across Generations’ which incorporated the concept of healthy ageing for the first time (Bauknecht & Styczynska 2015).

3.7 Work-life-balance and life-course oriented policies

Policies summarised under the roof of work-life-balance react to both, the increasing importance of private life dimensions in work and retirement (as explicitly taken up in the concept of workability and employability) as well as to changes in work-related private needs and motivations which to a great extent result from overall social, demographic and political changes (Naegle et al. 2003). Starting points include the not immediately work(place)-related dimensions of employability conceptualised as “social environment” and “family” in the “house of workability” (see figure 4 in chapter A 7.1.2.1).

For WP3 research two sub-dimensions were crucial: (1) to foster the willingness to work longer in the context of maintain-factor-related policies and (2) to promote continuity (and thus indirectly longer careers) in the working life-course despite immediate work-related critical life events. One point of departure of rising significance is elderly care (Reichert et al. 2017), a second is the need for LLL (see chapter B 8) (Naegle 1992; Bauknecht & Naegle 2016).

3.7.1 Life-course orientation in employment policies – to make working life more flexible

The concept of life-course orientation has its origin in the idea that in order to change corporate life one has to understand human life, since the latter gives individuals “the strength to cope with everyday chores and provides a basis for a good retirement – or not” (Ilmarinen 2005: 101). Recently published research regards corporate life-course oriented personnel policy to be one of the key measures of companies when it comes to more efficiently meeting the changing social and private needs and interests of workers against the background of an increasing variability in life phases and courses.

“A life-course-oriented personnel policy means a human resources management system that is strategically adapted to the needs of employees in the course of their work cycles and lifecycles and covers all stages of life from choice of occupation to retirement. (...) It is true that such a lifecycle-oriented human resources management system cannot altogether dispense with – at least approximate – age limits. ... Such systems make it easier to avoid rigid and consequently counter-productive categorisation according to the chronological age, which can also hardly be justified by scientific facts, and instead adapt human resources policy measures more closely to the individual occupational cycles and lifecycles of the employees, which, by the way, have recently become much more variable” (BMFSFJ 2011).

The German country report recommends distinguishing the following five lifecycles: occupational lifecycle (from choice of occupation to retirement), corporate lifecycle (relating
to the time from joining to leaving a company), job-related lifecycle (from taking up to leaving a position), family lifecycle (from parenting to care-giving to parents/dependants) and a biosocial lifecycle (orientation on “age-related” changes in performance) (BMFSFJ 2010).

Only a small number of innovative life-course policy approaches could be found. The Dutch approaches Levensloopsregeling and Vitaliteitsregeling belong to the best-known, next to the German approach of working time accounts regulated in collective and/or company agreements. However, in many cases all have been/are “misused” as pathways into early retirement. One of the most important fields for life-course policies in the future will be elderly care. Although taking the human life-course as a starting point for extending working life is regarded as highly innovative (Naegele et al. 2003), so far it is only represented in a few personnel-policy-approaches on the company level (see chapter B 4.1.2)\(^{41}\).

- In all, the concept as such is not widespread in practice in WP countries. In Belgium, Finland, Germany and the Netherlands it has gained some public interest – in Finland as part of the Finnish programme for older workers, in Germany (1) as the underlying idea of increasing the flexibility of working life (e.g. in collective and/or collective agreements on long-term working time accounts) and (2) in the context of the 6. Federal report on the ageing population (2012) which regards this concept to be one of the most promising tools to help company efforts to prolong working lives; in the Netherlands as part of its concept of sustainable employability (see chapter A 7.1.2.1). The Italian report indicates that the concept is not discussed at all with respect to an ageing workforce but more in terms of middle-aged workers.

- In Belgium national working time policies are aimed explicitly at improving work-life-balance depending on the sector in which the worker is employed. Public sector employees can take a career break (to reduce working time or temporarily stop working). For private sector employees, there is an end-of-career time-credit system. Besides these two schemes, workers can also take – as in many other EU countries – life-event oriented leave (parental leave, leave for palliative care or leave to provide medical assistance). Workers are able to reduce working times or temporarily stop working via these three systems. The Flemish government offers additional allowances (so called encouragement fees) that top up allowances granted by the National Employment Office for workers that take leave, e.g. to take care of children or ill family members, for educational leave or for workers in firms in difficulties or in the process of restructuring.\(^{42}\)

- In the Netherlands the former, and in terms of work-life-balance, highly regarded Levensverloopsregeling \(^{43}\) (introduced in 2006) was abolished in 2012 (Delson & Smits 2014) and transferred into the Vitaliteitsregeling with three main elements (1)

\(^{41}\) The idea of life-course orientation is also one of the underlying ideas for LLL activities (see chapter B 8).

\(^{42}\) These types of leave will be revised in September 2016. A new system of career breaks will be introduced on September 2, 2016. Moreover, from that date top-up allowances will only be granted to those who work in the public sector or education sector in the case of thematic leaves. Currently, there is no information yet on what these revisions will look like.

\(^{43}\) The Levensverloopsregeling allowed Dutch workers a tax-free saving of up to 12% of their earnings to cover times of non-employment, such as sabbaticals or early retirement (de Grip et al. 2010: 6). Maximum savings were 210 % of yearly earnings; if this is reached workers could take three years of leave with 70% of earnings, so this scheme enables early retirement of three years (Devisscher & Sanders 2008: 121).
Continued work: a work bonus for employees aged between 61 and 65 and for employers with workers aged between 62 and 65; (2) Mobility: a single mobility bonus is paid for employers hiring a worker aged 55+, and (3) facilitating a person’s career through several measures which include job-to-job budgets which facilitate schooling during unemployment. However, so far this model has only been introduced in certain sectors of business. Moreover, it seems more recently to have become more labour market oriented than it was before.

- The Polish ‘Solidarity across Generations’ programme (see chapter B 3.9.1) aims at longer working lives for those aged over 50 and contains opportunities for women to combine work and family, for example with simpler rules for the opening of new kindergartens and support for a kindergarten net especially in rural areas (supported also by the European Social Fund) and the possibility for companies to finance company kindergartens from the company’s social benefit fund.

3.7.2 The case of reconciling work and care

The focus on risky life events is different from explicit life-course approaches. With respect to older workers, one case has gained outstanding significance in the WP3 context: Reconciling work and care, which has gained increasing importance for (early) retirement decisions (Reichert et al. 2017; for Germany, Italy, Poland and the UK). Although of increasing significance, this risk is mostly regarded/treated as primarily a (isolated) social event and not as a one that needs to be treated as an overarching life-course related issue. In particular, rising female older worker employment rates due to generational replacement will necessitate innovative solutions. Care leave can possibly be part of the solution, but such policies also bear the risk of reducing the labour market attractiveness of some groups (e.g. companies could be reluctant to hire elderly women, since currently this is the group with a high probability of elderly care obligations and in contrast to motherhood planning is more insecure). This is confirmed by a recently published EC report that states that “too little attention has been paid to the role of the carer” since this has been “rarely recognised as a problematic issue as such. In the majority of countries, LTC policies are geared to the dependent person and overlook the carer’s situation” (Bouquet, Spasova & Vanhercke 2016: 8). According to its classification three groups of countries can be distinguished, which also includes all WP3 countries:

- The first group of countries have developed mature support schemes for carers (including only Northern countries, and among them the WP 3 counties Denmark and Finland), which are based on a well-established, long-lasting tradition of LTC policies. Organising such care is seen as a public responsibility and individual independence is a key feature of these policies. Three main features characterise these systems: (1) a mix between mostly short-term leaves, cash benefits and benefits in kind specifically targeted at the carer, (2) a broad supply of respite support and (3) benefits in kind, that allow carers to stay in employment.

- The second group of countries is characterised by providing provisions mainly to the dependent person and specific support to the carer (like certain care leave

---

44 See also chapter B 4.1.2 for more details about existing corporate measures in WP3 counties.
options) (among them the WP3 countries Belgium, Germany, Italy, the Netherlands, Spain, UK), and very often mainly organised as cash benefits.

- Recent Italian policies allow for two types of care leave (three days of paid leave per month and up to two years of care leave with different financial compensations).

- Recent reforms in Germany allow for care leave but with many exceptions and unattractive financing so that only a low take up rate is expected.

- The third group is classified as countries with underdeveloped support schemes for carers – (among them the WP3 CEE Czech Republic, Estonia, Latvia, Lithuania and Poland).

- In Poland a newly introduced programme (expansion of childcare facilities) can be targeted at parents, but can also directly support grandmothers’ labour market participation (they are released from childcare for their employed children, mainly daughters or daughters-in-law).

The report concludes that reconciling strategies are more effective in countries in which various schemes of part-time and flexible working time options are (becoming) widespread whereas in countries which focus on cash benefits the employment effects are lower since (high) benefits in cash can even disincentivise carers (particularly those with low incomes) to take up/continue employment. Further, for countries with fragmentations of benefits and services between branches of the social security systems, especially between health and social assistance, this has to be considered a key concern.

- WP 3 country reports confirm the growing need to reconcile work and care. However, they also reveal some public reactions: In Belgium one option refers to reduced working time: career break, time credit system or thematic leaves, which also indicate innovative approaches to the reconciliation problem.

- In the Czech Republic respective measures in terms of flexible working times refer to financial incentives for employers (lower obligatory social insurance contributions or tax relief).

- The main barrier in Finland for extending flexible working time arrangements is income loss. To avoid the gender gap through pay losses it is seen as necessary to compensate financial losses and establish effective measures to support working carers.

- For Germany similar recommendations are reported. Furthermore, eldercare is an additional reason for part-time work instead of full-time work and even for involuntary early retirement without effective social protection (Reichert et al. 2017). Although the German Long term care Insurance (LTCI) supports working carers with (by many seen as insufficient) social security entitlements, problems with reconciling are increasingly showing that financial compensation is not enough. Since January 2016, employees in companies with more than 15 workers have been legally entitled to stay away from paid work partly or for up to a total of six months and pay back loans in instalments. In companies with 25 employees or more, employees are entitled to reduce working time for at least 15 hours per week for up to 24 months. However, the take-up rates are small due to exceptional rules, administrative and financial barriers.

- In Italy three main policies regulate or allow paid and unpaid leave for workers: (1) paid leave for three days per month for those who care for severely disabled relatives,
(2) employees are allowed to leave work (paid) for three days per year in the case of serious illness of relatives, (3) employees can take up to two years of paid care leave; the time can be split. The main barrier in Italy is the insufficient support of working carers especially in terms of the absence of counselling services.

- In Poland flexible working time for women seems to be a very difficult topic. This applies especially to women in the "sandwich generation" (childcare and support of parents). Thus, many women affected leave the labour market after they are 50 years old.

- In Spain, if women leave the labour market due to childcare, reintegration is more difficult than for men, especially in times of economic crisis. This problem obviously exists in Poland as well.

### 3.7.3 Interim conclusions

Life course orientation in older worker policies is a convincing approach because it immediately reacts to quality of work and quality of life as increasingly important dimensions when it comes to deciding between (earlier) retirement and working longer. Further life course orientation addresses significant changes in working life courses in the wake of demographic and social change. In general, the approach convincingly corresponds with the non-immediate work-related dimensions in the workability concept. Particularly in “early mover” countries, the issue of work-life-balance is gaining importance for many employees, although policies that originally aimed at providing support in critical life-events often are misused as a pathway into early retirement (as proven by Dutch and German experiences).

### 3.8 Anti-age discrimination legislation

Due to the EU directive, anti-age discrimination legislation is widespread. However, the empirical basis concerning its impact is weak. Studies referring to anti-age discrimination from other countries, taken up in the policy report, distinguish between ‘direct effects’ and ‘indirect effects’. Concerning the first, effects would result from incentives provided by legal rules or courts’ decisions based on legal rules. So far, it is not clear to which degree e.g. employers behave differently due to anti-age discrimination legislation. Concerning ‘indirect effects’, the power of legislation’s norm-setting effect seems to be convincing. Even though ‘discrimination’ could be hard to prove in practice, the implementation of anti-age discrimination legislation provides a clear sign to various stakeholders in the direction of pro older worker policies.

- In 2006 in Germany the General Anti-Discrimination Act has been implemented (OECD 2012) but there is no research available on the impact (Ebener & Hasselhorn 2015): §1 of the Allgemeines Gleichbehandlungsgesetz (AGG, Equal Treatment Act) states that the goal of this law is to prevent discrimination (original: ‘Benachteiligung’) for several reasons, amongst them, age. §2 defines the areas of application and amongst the areas defined in §2 (1) there are lots of work-related areas, such as selection of applicants, hiring, access to employment, access to promotion in employment, redundancies, payment etc. §3 defines direct and indirect discrimination. The former refers to cases in which the respective person receives worse treatment due to one of the factors in
§1 (e.g. age) in comparison to another person in a “comparable situation” (i.e. someone similar in other respects). Indirect discrimination refers to cases in which “ostensibly neutral rules, criteria or proceedings can becauof one of the §1 reasons (e.g. age) put people at a disadvantage, unless these rules, criteria or proceedings are justified by a legal goal and the means of reaching this goal are appropriate and necessary” (authors’ own translation). §8 regulates “legal different treatment due to occupational requirements” (authors’ own translation) and allows discrimination on one of the grounds of §1 “if this ground is a relevant and crucial occupational requirement because of the kind of job to be done or the circumstances under which the job is done, as long as the goal is legal and the requirement is appropriate” (authors’ own translation).

- In the Netherlands in 2004 the Age Discrimination in Employment Act was introduced, prohibiting age discrimination in the filling of vacancies or the beginning or termination of labour relations. Those who consider themselves affected by age discrimination can ask the Dutch Equal Treatment Commission to inquire; between one quarter and one third of cases brought forward are considered cases of age discrimination by the Commission (Conen et al. 2011). Further, vacancy announcements are screened for age discrimination aspects (Sonnet 2014).

- Spanish legislation does not permit direct discrimination on grounds of age, but the legislation allows different treatment based on age for certain activities (within the Directive 2000/78, which establishes a general framework for equal treatment in employment and occupation).

- The UK is considered to have been reluctant to introduce workplace age discrimination legislation and leaves employers generous leeway for their own solutions. In 2006, the UK introduced its Employment Equality (Age) Regulations, though its configuration is considered a ‘light touch’. Nevertheless, employers and HR managers became strongly interested by the new legislation against the backdrop of low knowledge about the already previously existing voluntary Code of Practice, but with mixed impact: On the one hand, explicit age requirements vanished from job advertisements, while on the other hand the Trade Union Congress noted that equal treatment for all age groups has been used by employers to justify the downward levelling of older workers’ redundancy pay. The government published the ‘Code of Practice in Age Diversity’, ‘Age Diversity at Work’ and the ‘Age Positive’ website as part of the National Age Positive Campaign.

**Interim conclusions**

Although (subjective) age discrimination in practice is empirically evident (but to different degrees, e.g. higher in the Netherlands, lower in Denmark) there is little research available. “Direct” effects are only rarely reported. However it’s norm-setting function should be considered as at least as helpful when used as starting points for codes of good practice, etc. or for measures spreading examples as part of information and awareness programmes.
3.9 Awareness, information and counselling policies

3.9.1 Country-targeting national/public programmes

In CEE countries we find (next to Poland) interesting approaches in Estonia (the introduction of an active ageing strategy in 2012) and the Czech Republic (National programme of preparation for ageing 2003-2007 and further developed for 2008 - 2012 (National plan for positive Ageing)).

- The most well-known example explicitly aimed at older workers stems from Finland\(^{45}\) (“National programme on Ageing workers”; 1998-2002). It has been repeatedly assessed as particularly comprehensive. One of its predecessors was the Finnish government report on ‘The Aged in Working Life’ (1996), accompanied by a special programme to raise older workers’ educational level (target group of people aged 45 to 64). Various topics related to older workers’ employment rates were covered (among others, early retirement, unemployment, educational level, occupational health care). After some weaker years in the traditionally strong co-operation between Finnish social partners, it was renewed in 2011 with the Framework Agreement of the Social Partners, including “a chapter on working life development with implications for the working lives of older workers” (EC 2012: 21).
- The Finnish approach is embedded in a long-lasting tradition of both social dialogue as well as existing competencies and projects. It has repeatedly been evaluated and reported in comparative scientific literature. The main characteristic is its holistic approach, which has its roots among others in the Northern welfare state model. One of its main representatives, the researcher Juhani Ilmarinen (2005) underlines the following prerequisites for success which can serve as starting point for WP3’s future-oriented policy recommendations: its broad and comprehensive approaches uniting different spheres of action and political responsibilities; a fruitful co-operation between research and policy makers; programmes like this can be more easily realised in smaller countries; an active support by all labour market parties and an organised co-operation between ministries.
- Also worthy of mention is the Spanish programme recently developed in the “Global Strategy for the Employment of Older Workers” (2012 – 2014). The most significant elements are 1) promoting healthy and secure working conditions (based among others on vulnerability analyses and training needs studies); 2) enhancing flexibility within companies, especially employers of older workers; 3) reshaping public employment services according to the demands of older unemployed workers to improve their employability and to establish better links to employment options; 4) Improving self-employment particularly as a “joint venture” between young and older unemployed; finally 5) combating age discrimination within companies.
- Out of the three Baltic countries, Estonia is the only one with an explicit strategic document guiding the implementation of active ageing policies on the national

\(^{45}\) Because it is so well-known across EU-member states and repeatedly presented in relevant literature it will only be mentioned here and not further elaborated upon.
level. The *Baltic* report emphasises a policy framework (*National Development Plan of Active Ageing for the years 2013 – 2020*) for older persons aged 50+ that associates the issues in four different fields of action, among them the labour market, being characterised as both a holistic approach as well as including representatives from different fields (like universities, NGOs, think tanks, local governments and others). However, so far no information is available concerning both its implementation or its outcomes.

- Included among the recently introduced country-targeting programmes is the *Polish ‘Solidarity Across Generations’* programme, which is comprehensively designed: Initially adopted in 2008 and renewed in 2013 it contains several measures partly with the aim of improving the labour force participation of those over 50, the entrepreneurship of those over 45 and raising the effective retirement age (Urbaniak & Wiktorowicz 2014, based on *National Reform Program 2020*). As Styczyńska (2013: 5) remarks, “the intensive implementation of the active ageing policies in Poland started in 2012, during the European Year of Active Aging”. *Poland*’s political measures to extend working lives started late, but then wholeheartedly. EU membership has been an important incentive for such changes (Ruzik-Sierdzińska et al. 2013).

- Respective measures aim - among others - at increasing the economic activity of people over 50, incorporating various sub-goals such as the improvement and adjustment of working conditions, age management knowledge dissemination amongst employees and employers as well as promoting of age management in companies, showing the advantages of older workers, skill upgrading, reduction of labour costs of employing those over 50.

- In 2014, the 50 + Programme Council at the Ministry of Labour and Social Affairs adopted the catalogue of recommendations aimed at complementing the ‘Solidarity Across Generations’ Programme from 2013. The recommendations have been divided into several programme objectives, i.e. 1) Adapting the skills and improving the qualifications of people over 45 from the perspective of labour market needs; 2) Developing a less hostile corporate culture and work environment for employees over 50; 3) Increasing the efficiency and effectiveness of activities aimed at promoting employment and professional activity; 4) Supporting the idea of active and healthy ageing; 5) Developing co-operation aimed at improving the participation of people over 50 in the labour market; 6) Social transfer supporting the professional activity of people approaching retirement age. Moreover, the recommendations also include proposals for measures relating to the horizontal objectives of increasing the professional activity of people with disabilities. In addition, the catalogue also specifies indicators for monitoring the implementation of measures, which, if implemented can be used to evaluate the effectiveness of such measures (*Programme Council 50 + Recommendations on increasing labour market participation of the elderly people*, 2014).

- In 2011, the Ministry of Labour and Social Policy published a report on the programme for 2008 – 2010. The employment rate among those aged 55-64 increased by 3.5 percent for women and 1.3 percent for men (Ruzik-Sierdzińska et al. 2013). Ruzik-Sierdzińska et al. (2013) state that the assessment of the mainly legislative measures is also difficult because of the short period and the parallel
economic downturn. Referring to Fandrejewska (2011) they state that there has been criticism concerning the cost/benefit ratio. Further, Ruzik-Sierdzińska et al. (2013) state that due to the origin of the ‘Solidarity...’ programme (fulfilling external requirements instead of a willingness to solve internal problems) the programme has created more of a façade than a real foundation for initiatives.

Participants of the Diagnosis 50+ study evaluated the programme. They found that there is a general lack of knowledge about the programme and its elements, not only by workers aged 45, 50 or older, but also by other stakeholders, except employees of private job centres and employers (Urbaniak & Wiktorowicz 2014). Another finding is that the protection of people over a certain age brought with it the dismissals of those who are close to the protected age. Further, employers consider those programme elements which reduce costs most beneficial to the employment of older workers (Urbaniak & Wiktorowicz 2014). The authors suggest that Poland should adopt solutions found in (CEE) countries with an institutional background similar to that of Poland. One thing they consider worth emulating are Czech job clubs for older workers and older unemployed people (Urbaniak & Wiktorowicz 2014).

3.9.2 Company-targeting national strategies

In many wp3 countries information and awareness programmes could be found that are designed to inform and convince key actors to invest in the manpower of older workers and/or to recruit older jobseekers and/or to retain older workers longer in working life. Besides legislation, in nearly each WP3 country we can find positive examples of employers who have been successfully given tools and information to deal with an older workforce (D’Addio et al. 2010).

- A first “good example” comes from Estonia in the context of a programme founded by the European Social Fund. It seems that those dealing with work environment topics (such as HR managers) partly use the ideas, Estonian enterprises regarding their measures of work environment and work organisation a database of best practice (with 185 examples in 2014). In addition to the database, since 2010 three best practices are chosen annually to receive special recognition (Ministry of Social Affairs 2009; 2010).

- In the UK alongside “The Employment Equality (Age) Regulation legislation” (2006) the Government designed “Age Positive Initiative” supports employers by providing easy access to relevant advice and guidance with respect to employing older workers more effectively. This was also the aim of the “Code of Practice in Age Diversity” and, “Age Diversity at work”. However, experts state that this had no noticeable effect on the discriminatory behaviour of employers (Muller-Camen et al. 2011).

- In Poland, in the wake of implementing the “Solidarity across Generations” programme attempts have been made to reduce negative age stereotypes by 1) highlighting the advantages of older workers, 2) spreading age management

---

46 As at June 2014, the best practice database is available on the website of the Labour Inspectorate: http://www.ti.ee/index.php?page=1128&
knowledge, 3) showing that age management is not costly, and 4) the implementation of age management in companies (Styczynska 2013). The programme is supplemented by recommendations prepared by the Programme Council 50+ regarding the development of a less hostile corporate culture and work environment for employees over 50. The recommendations include: development of the systems of career planning, skill acquisition and age management in enterprises to benefit from the potential of employees over 50 (such as the development of the notion of age management, financial support and advisory and consultancy support for employers implementing or improving long-term age management solutions); improving working conditions and increasing the motivation and job satisfaction of employers over 50 (by adapting working conditions to the capabilities, limitations and requirements of employees over 50, solutions aimed at supporting employees maintain good health and physical conditions); implementation of systemic solutions aimed at encouraging employers to employ and maintain the employment of people over 50 (through legislative solutions, promotion of existing solutions, or development and monitoring of changes in corporate culture of 50+ friendly companies and institutions); improving the image of employees over 50 and overcoming stereotypes about employees over 50 as well as counteracting age discrimination in companies and institutions.

- Part of the Polish model is also to increase efforts to include the disabled, e.g. through legal frameworks for occupational rehabilitation based on awareness campaigns for employers about the advantages of employing disabled workers.

Prime examples are two German initiatives “The demography network” (ddn) and “New Quality of Work” (INQA) which can be regarded as highly innovative.

**ddn (‘Das Demographie Netzwerk e.V.’ – ‘the demography network’)**

- The ddn was founded in 2006 based on an initiative of the Federal Ministry of Labour and Social Affairs (BMAS) and The Initiative New Quality of Work (INQA) (see further down). Around 400 companies and other institutions such as associations, consultancy firms, scientific organisations (with more than two million employees in total) are part of the network. Ddn’s mission is to “make the demographic change the Chefsache” (meaning: an issue of high priority). Ddn has ten ‘golden rules’, amongst them a non-discriminatory HR policy, a staff with a balanced age structure, holistic health promotion and knowledge transfer between generations. Further, rules include e.g. working times adjusted to life phases or flexible retirement.

- Ddn’s backbone consists of 11 working groups to exchange know-how and develop new know-how. Exemplary working groups are e.g. ‘health’, ‘leadership’, ‘strategic staff planning’ or ‘occupational pension schemes and time savings accounts’. Clearly, the 11 working groups cover all topics relevant for encouraging longer working lives on the company level.

- Additionally there are 18 regional ddn networks providing access to the results of the working groups to local SMEs. A look at the 18 local representatives’ occupational backgrounds shows the heterogeneous composition of the network. Representatives are e.g. from personnel service providers, a public health insurance, from the German statutory pension insurance scheme, a HR consultancy company, local public body, a research institute and others.
On its homepage the network shows e.g. dates for events, facts about demographic change and the projected development of the number of people in working age, an overview of the working groups’ work and their main issues, an intranet and an online ‘demography fitness check’. This check can be conducted by following ten steps. It includes basic questions on the most widely spread level of qualification, the sector, the percentages of the workforce in ten age groups and questions regarding the staff’s own situation, also in respect to recruitment, lack of skilled workers etc. The result is shown after the ten steps.

Since ddn members are convinced that discourse creates new ideas, the network is explicitly open to new companies. Clearly, ddn can enable e.g. HR leaders to prepare for demographic change and to adjust working conditions and become connected with others in similar situations.

**The Initiative New Quality of Work (INQA)**

INQA was founded by the Federal Ministry of Labour and Social Affairs (BMAS). The initiative connects the nation state, the sixteen federal states, employers’ associations, chambers of commerce, trade unions, the Federal Employment Agency, companies, social insurance carriers and foundations. The goal is a modern “culture of work” (Homepage) and a modern HR policy, or, more generally, better quality of work, e.g. in the spheres of health and motivation. The initiative offers support and knowledge to employers and employees for the design of a modern and attractive world of work. Support is concentrated on four main spheres of action or issues:

- personnel management: Leadership and communication
- equal opportunities and diversity: Family and job, demographics, inclusion, advancement of women
- health: Physical and mental health, organisational and individual resilience
- knowledge/competence: Staff development, Lifelong Learning, knowledge transfer

for each of the four issues there is an “issue emissary”, e.g. a former chief human resources officer of a big telecommunications company, a scientist, a health expert and a high-profile HR representative of a software company.

- The initiative offers tools to assess the current state, guidance, consulting and auditing. Further, companies and institutions can be inspired by examples of good practice and can find contacts to other crucial actors. The initiative also funds projects creating practically relevant knowledge and solution-driven offers for practical implementation on the company level. The initiative also shows a list of ‘Top 100’ good practice cases with a search function (sector, region, company size, and the four main themes).

**3.9.3 Interim conclusions**

The potential for good practice as a role model providing crucial information has been proven repeatedly and particularly in “late mover” countries. It should definitely serve as a starting point for more information measures and approaches and might serve as models for “late mover” countries. However, they need to be updated and evaluated constantly and the respective positive (as well as negative) framework conditions/prerequisites (barriers) should
be taken into consideration and disseminated. National programmes are seen to be supportive in both helping to create a respective “pro-demographic-consciousness” with a strong anti-discrimination/equality legislation in order to induce a cultural as well as an economic shift that accepts, integrates and strengthens an ageing workforce (Lain 2012), and offering ideas and incentives for practical innovative ideas and measures. However, as a few WP3 reports have complained, a profound scientific evaluation is so far is absent (e.g. based on the standards defined in the conceptual framework, gerontological discourse, economic impacts, cost-benefits, sustainability, changes in the economic framework, social inequalities etc.), and if it exists at all then it is in “early-mover” countries only. This is particularly true for evaluation in terms of intergenerational equity.

Particularly in the field of pension, unemployment, but also disability policies very often both “winners” and “losers” are created. In particular, measures on the macro level achieve sustainability due to (the cultural dimension of) path dependency: Individuals tend to adapt to the status quo and therefore consider reversals unattractive (Pierson 2002). This might be one explanation for the low attractiveness of part-time work/flexible retirement schemes in later phases or working life among male workers, because it does not belong to a male’s “normal working biography” (Naegele 1992). Primarily, financial incentives produce either involuntary later retirement or financial losses. Both could be unpopular. The (unavoidable) “losers” either adjust their preferences to the new status quo or try to roll back these policies (via the democratic process). This might endanger the sustainability of these policies, however, our country reports did not give much evidence of this.

3.10 Drivers and barriers in public policies on the supply side - a summary

In this chapter the national reports on drivers and barriers to innovation, according to task 4 of WP3, are briefly summarised. This chapter only focuses on the supply side of labour, taking into account that the measures mentioned in earlier chapters cover most dimensions of the demand side and need not be repeated again here. Rather, the focus in this paper is on measures directly aimed at retaining and improving the workability and employability of older workers/an ageing workforce and what WP3 countries are currently doing/have done to influence them positively, and which respective country-specific barriers have to be considered. The following points of departure for innovative actions are addressed: motivations, health, reconciliation of paid work and private activities and informal work/volunteering. Special focus is placed on the macro level of (national) policies, but where the meso level of companies/organisations is addressed it is also included.

---


48 This is in a much more detailed way done in chapter B 4.1.3 which explicitly addresses drivers and barriers on company level referring exclusively to the company case studies according to task 3 (Deliverable D 3.3).
3.10.1 Motivation to retain in work/to work longer/leave earlier

Collective and/or company agreements and legal regulations have proven to be highly relevant drivers for workers’ motivation to prolong working lives; however, in both directions: voluntarily as well as involuntarily.

- In Denmark, collective agreements (see chapter B 6.1) are pervasive and there is a large number of measures aimed at the retainment of older workers (“retain factors”). Examples include shorter working hours or changes of job- and/or task-related responsibilities, the latter e.g. in the wake of an age-management measure using so-called “senior conversations” (in the case of obvious health problems) (Friis et al. 2008) for workers becoming 50/55.

- In Germany collective and/or company agreements are also important (see chapter B 6.1) and mostly deal with sector-specific issues, e.g. like older worker’s employment prospects e.g. the need to leave taskwork or shift work (for the latter see also Bauknecht, Gerling & Hess 2016). The German Federation of Trade Unions for example uses an index, based on empirical surveys among older workers, to measure, evaluate and eventually improve working conditions allowing older workers to stay longer. Further, ddn and INQA in Germany are examples of “good practice”, with very active participation of social partners, and are innovative examples of a new partnership between the Federal state, trade unions and employer’s associations in demographic issues.

- In Belgium collective agreements, which cover companies with more than 20 employees, contain annual planning for both retaining older workers in employment or hiring older workers (see chapter B 6.1).

Legal retirement regulation is also an important driver for extending working lives, yet partly involuntarily (see chapter B 3.1./3.4).

- In the Czech Republic early exit has been made unpopular via lower pension benefits. Delayed exit is fostered by financial incentives. In Denmark, the introduction of means-testing made the Voluntary Early Retirement Pension (VERP) a less attractive option. Finland has introduced a flexible legal retirement age (retirement corridor) where workers can freely choose their retirement age (63 - 68 years, to be raised to 65 - 70 years) which at least theoretically offers positive reasons to be introduced. Within the corridor (as well as below and above the corridor), financial incentives should motivate workers to delay retirement. However, it is still controversial if the flexible retirement age has any positive effect on prolonged working lives because the actual retirement age has risen slowly. The lack of support for longer working lives by employers, especially in sectors with primarily physical work, could be one reason.

The latter refers immediately to barriers: It would be shortsighted, on the one side to proclaim “extending working lives” a political objective, whereas on the other side relevant key actor groups are reluctant or not willing to follow up in practice. This is not only true for many older workers, who are not able or willing to work more and/or longer, but is also true of companies (and sometimes supported by work councils) in not being interested in retain all older workers longer as necessary or to recruit older workers. There is empirical evidence that suggests that companies’ selection criteria for retaining and/or recruiting is not always harmonizing with
public interests and objectives but instead very often mirror company-specific interests (mainly in terms of qualifications). In this context both the ongoing ageing of the workforce as well as demographically induced (qualified) labour shortage give reasons to be more optimistic for the future: If older workers really are needed, one can expect employers to facilitate the prerequisites for doing so.

Currently, this understanding is not (yet) persistent among many WP3 countries, taking into account that the barriers mentioned that impede longer working lives mainly refer to employer’s responsibilities. Apart from health reasons, which are the the most significant – primarily age–unfavourable working conditions (see already Villosio et al. 2008) are emphasized in the country reports such as extensive time pressure at work, changes in work tasks, bad work atmosphere, insufficient emotional support by superiors and/or colleagues (very often embedded in an overall absence of a “culture of appreciation” of performance) or uncertainties concerning their own future in paid work.

However, on the other side barriers embedded in private life circumstances of the target groups often also matter, in both directions (e.g. on the one hand the wish to synchronise the retirement of partners or attractive alternatives for the “free” time in retirement and on the other hand reconciling-problems (e.g. there is hardly any country report which does not refer to increasing problems of reconciling work and private family- and/or care-related obligations (see chapter B 3.7.2)), which e.g. in Germany is gaining increasing importance as one of the prime reasons for early retirement particularly among elderly women (Reichert et al. 2017).

To conclude with Juhani Ilmarinen:

- “In traditional thinking, an employee adjusts to the demands of work. When continuing in worklife becomes a primary objective, as is the case with the ageing workforce, the point of view must be changed: how must worklife change in order for employees to be able to continue to work longer?” (Ilmarinen 2005: 101).

If barriers (as well as (positive) private-life oriented drivers) are cumulating, older workers very often actively pursue early exit-routes (e.g. via disability pensions, but often also without any social security). In Finland, e.g., the share of older people receiving disability pensions strongly differs between regions and at least partly reflects labour market conditions, indicating that workers who are not disabled also prefer to retire via the disability scheme due to other reasons.

3.10.2 Health – the basement of workability and employability

Health - the basement in the house of workability (see figure 4 in chapter A 7.1.2.1) - is one of the most significant drivers (as a prime precondition; but at the same time also a significant barrier) of longer working lives, as exemplified by the comparatively good health status of most “silver workers” (Dubois & Anderson 2015) (see chapter B 3.3). This is of particular significance in CEE countries where health reasons belong to one of the strongest groups of drivers of involuntary early exit, due to both the comparatively worse health status of older workers as well as to a clear backlog in demand for public health policies targeting workplaces
(see chapter B 3.6.3) (Özdemir et al. 2016). Moreover, it is also argued repeatedly that health is not an independent factor determining workability but in many cases also strongly affected by work itself, so that causalities between work and health are bidirectional.

**Health promotion** and **protection** is the point of departure for many **public policy** measures mentioned in the WP3 country reports in trying to establish strategies aiming at reducing work-related diseases, occupational accidents, musculoskeletal disorders or psycho-social and/or mental stress and others (see chapter B 3.6.1). However, retaining and promoting staff health can also be found as starting point for “good practice” in many companies, sometimes initiated by collective- and/or company agreements, but there is still a great backlog, and not only in CEE countries, but also e.g. in SMEs. In many country-targeting national programmes (e.g. Czech Republic, Poland) the issue of healthy ageing at the workplace plays an increasingly prominent role. In “early mover” countries this is also true for newly introduced collective and/or company agreements (see chapter B 6.1). Consequently, both creating awareness as well as changing health-related attitudes among older workers have become significant tools against the backdrop of a growing number of older workers with health issues across many EU countries. In this context, mental health and/or muscular/skeletal problems are of outstanding significance. In many “early mover” countries this could be supported by a growing positive health consciousness among older workers themselves and their preparedness to invest in their own employability, e.g. nutrition, gymnastics, healthy lifestyles etc. (for German evidence see Naegele 2014), sometimes as “good practice” also supported by companies. In this context further significant **drivers** are financial incentives for employers to invest in a healthy environment, good health conditions and in implementing sustainable age management.

- As seen in Denmark a constant decrease in the number of people suffering from mental illness could be supported by preventive measures. In Finland results of studies showing that unemployment is impairing employability due to its adverse health effects have forwarded health-related measures which verifiably help to maintain the employability of the unemployed.

- Due to rising numbers of employees complaining about mental strain (for example due to the intensity of labour, the timing and distribution of working time or unsatisfying job requirements) Germany recently started its own national prevention strategy. One problem is how to measure mental stress and its causal relation to working conditions exactly, which is an important precondition for prevention (see chapter B 3.6.1).

- In Italy new legislation on health and safety in the workplace has been implemented with new obligations for employers and employees in which, under specific conditions, each company or employer has to contact a physician or doctor relating to occupational health. Improvements resulted in particular from the incorporation of SMEs in health promotion and protection programmes, as they represent the large majority of enterprises and workers (which is true for other WP3 countries as well). One major barrier is the still low level of knowledge and awareness with respect to the health status of the ageing workforce.
The way public disability schemes have been reformed in some WP3 countries (like the Netherlands, Germany or Estonia) by moving them in the direction of prevention of disability instead of financing the consequences can be regarded as a successful approach not only with high potential for innovation but also as a future-oriented investment in the manpower of an ageing workforce (see chapter B 3.6.2).

- A closely linked barrier is the supervision of safety in the workplace which is one important public task in the Netherlands, supported by the Health and Safety Catalogue, but which is not mandatory. One advantage of this catalogue is the reduction of regulatory and administrative burdens on companies (e.g. annual health reports) so that participating enterprises might expect less supervision. It is an innovative strategy relying on companies’ independence and creativity to solve health issues and shift responsibility from the macro to the meso level.

One of the most important (and socially innovative) drivers is underlined by results from the Dutch as well as from the Polish report: close co-operation between employers and health services aimed at fostering a healthy lifestyle and thus maintaining/promoting the professional and social productivity of older workers.

- A barrier to innovation in Poland is the healthcare system, which still does not provide adequate care due to lack of modernisation of medical infrastructure (see chapter B 3.6.3).

- In the UK research confirms the importance of older worker’s own initiatives: vocational experiences of workers aged 60+ have a positive impact on safety practices at work. They had fewer accidents, but injuries were more serious when they occurred.

3.10.3 Informal work/volunteering in combination with paid work

No case of “good practice” is identified in the country reports where paid work and social volunteering and/or civic engagement in later stages of working life is incentivised either by public policies or by collective and/or company agreements.

- This mirrors well known differences between “early” and “late mover” countries (Ehlers, Naegle & Reichert 2011). While volunteering in older age is common in the Netherlands (ca. 36%), it is particularly uncommon in CEE countries, e.g. Poland with around 1% outside religious organisations, mainly due to a lack of past experience.

One barrier for volunteering could be full-time work. At least theoretical opportunities for reducing working time in later phases of working life for social volunteering are given through part-time/partial pension schemes (see chapter B 3.2), but WP3 could not find any positive example of its use in this way; moreover, no incentives could be found.

4. Approaches and spheres of action on the meso level

The meso level is defined as relating to employers (companies and other organisations) as well as social partners and other organisations (e.g. chambers of commerce, joint ventures of
social partners, etc.). Within meso level activities one can distinguish between approaches adopted by

(1) a single company/employer alone (e.g. Sozial-Holding in Germany)

(2) cooperations between employers/organisations (e.g. InfraLeuna; Germany), Hekatron (Germany), four Belgium companies, exchanging their older workers for a certain period (‘Experience@work’, Axa, Belgacom, KBC and SD Work)

(3) joint activities of social partners (mainly incentivised by collective and/or company agreements)\(^49\).

In the following chapter we do not distinguish but follow innovative spheres of activities.

WP3 explicitly focused on the meso level and particularly on the company level as the most significant level for prolonging working lives. Both motives and attitudes of companies with respect to hiring and retaining older workers and/or to extend working lives and working volumes as well as the respective employee’s perspectives were the key objectives of tasks 3 and 4. Apart from re-analyses of existing survey data sets (see further down), the prime empirical basis of these tasks were:

- Mapping a list of (sustainable) “good practices” on both the demand as well as the supply side of labour. In total, 155 cases of “good practices” were identified and evaluated (see table 12).\(^50\) This collection provided a large number of vastly transferable “good practice” cases which served as a library of imitable measures.

- 20 in-depth case studies among particular “good practices”, identified and selected (with prime selection criteria coming from WP3 partners) out of the group of 155. They were conducted in Belgium, the Czech Republic, Denmark, Estonia, Germany, Italy, Latvia, Lithuania, the Netherlands, Poland, Spain and in the UK.

- An additional summary of “good practice” measures in 16 German companies in the field of reconciling paid work and elderly care.

- Literature review and expert interviews aimed at gathering insights into the structural drivers and barriers to innovation, mainly focusing on the side of organisations and less on the side of other key actor groups.

<table>
<thead>
<tr>
<th>Table 12: Distribution of “good practices” in WP3 countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country</td>
</tr>
<tr>
<td>---------------------------------------------------------</td>
</tr>
<tr>
<td>Belgium</td>
</tr>
<tr>
<td>Czech Republic</td>
</tr>
</tbody>
</table>

\(^49\) See also the examples mentioned in chapter B 4.1.2.2

\(^50\) To be found under http://mopact.group.shef.ac.uk/research-posts/findings-5/
<table>
<thead>
<tr>
<th>Country</th>
<th>7</th>
<th>3</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>5</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Finland</td>
<td>22</td>
<td>6</td>
<td>28</td>
</tr>
<tr>
<td>Germany</td>
<td>11</td>
<td>4</td>
<td>15</td>
</tr>
<tr>
<td>Netherlands</td>
<td>8</td>
<td>1</td>
<td>9</td>
</tr>
<tr>
<td>Poland</td>
<td>10</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td>Spain</td>
<td>4</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>9</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td>Baltic countries</td>
<td>21</td>
<td>6</td>
<td>27</td>
</tr>
</tbody>
</table>

| Total             | 114| 41 | 155|

- Re-analysing existing data-sets on “Labour demand and longer working lives: Determinants of retaining and rehiring of older workers by companies in six European countries” (TUD, INCRA) (see chapter B 4.2) and “Working conditions and retirement: How important are HR policies in prolonging working life?” (CEPS, TUD, NIESR) (see chapter B 5).
- Further, the selection served as a starting point for the selection of cases for in-depth case studies presented here. Selection criteria had been (1) degree of (social) innovation (2) estimated positive impact (in the sense of sustainability) and (3) transferability.

The following examples were chosen for in-depth case studies:

**Manufacturing Sector**

- **Spain**: Femeval (employers association of the metal-mechanic sector, region Valencia)
- **Italy**: Confindustria Veneto SIAV (employers association)
- **Spain**: Hero (food and drink)
- **Estonia**: Eesti Energia (Energy)

**Services Sector**

- **Denmark**: ServiceTeam Nyborg (cleaning)
- **Germany**: InfraLeuna (services for primarily chemical companies)
• **Germany**: Sozial-Holding (primarily elderly care)
• **United Kingdom**: Queen Alexandra College (education)
• **Italy**: UniCredit (bank)
• **United Kingdom**: Asda Stores Limited (supermarkets)
• **Lithuania**: Elis (very small electrical company group)
• **Latvia**: Rimi (one of the country’s leading retail stores groups)

**Public service**
• **United Kingdom**: North Warwickshire Borough Council

**Non-profit / other**
• **Belgium**: Cevora (training and employment)
• **Belgium**: Experience@Work (talent sharing between companies)
• **Czech Republic**: We do business TOGETHER (by the association for education of communities)
• **Netherlands**: Experience certificate for recognition of prior skills and competences (Dutch Knowledge Centre for Accreditation of Prior Learning)
• **Netherlands**: The interactive digital portal to enhance sustainable employability (by the National Platform for Sustainable Employability, which in turn consists of an employers’ network, an independent research organisation and a consulting and development company)
• **Netherlands**: Speeddates to bring older job seekers and employers face-to-face (organised by various organisations)
• **Germany**: Reconciliation of work and elder care in 16 German organisations
• **Czech Republic**: GO50GO (project in the recruitment agency FALA)

In this chapter the respective results for the meso level are reported, while, as models for many, a few very innovative examples at the meso level – with the active participation of companies – are given. Yet, the macro level also affects measures at the meso level, for example via support (e.g. public funds for occupational health measures), laws forcing employers to implement pro-employability measures (e.g. health standards or rules concerning Lifelong Learning), public policies such as legal retirement ages (since this forces employers to deal with employees who would like to retire later and cannot be laid off), collective and/or company agreements (e.g. regulating health protection, or working time
Likewise, the meso level affects the macro level, for example via employers´ and social partners´ influence on public policies (e.g. legal retirement ages or measures directly aimed at the meso level) and the cumulative effect of employees´ actions on public policies.

4.1 The distribution of “social innovations” and “good practices”

4.1.1 How is “social innovation” understood in corporate practice?

As mentioned before, the term “social innovation” is understood differently in different countries. There is no common comprehension of “social innovation”, something which is more apparent at the company level. In “early mover” countries innovative measures are closer to the classic definition of innovation, including unique social inventions never put into practice before, whereas in “late mover” countries social innovations are closer to the wider definition, including measures put into practice before elsewhere – albeit always at least slightly differently – but not put into practice in the specific context.

Numerous measures depicted in this report reveal that particularly on the meso level the understanding of “social innovation” and “good practice” is unclear. Instead, they are partly used synonymously, and a clear differentiation is not always possible. There is no common comprehension and the status is questionable: “Whatever works, works”. Albeit, (1) degree of (social) innovation (2) estimated positive impact (in the sense of sustainability) and (3) transferability are selection criteria for measures reported here, fulfilment of all three criteria should not be equated with social usefulness. Social usefulness, in turn, contributes to sustainability. In many cases the term “social innovation” is used to describe “good practice” examples in the context of solving new problems and demands of workers (e.g. family-oriented working time schedules, innovative gradual retirement schemes, intergenerational knowledge transfer, university-provided lectures for all over 50, mixed working groups, bank of hours, shifting of working time between generations, new forms of paid leave, network working (e.g. integration between public and private sector initiatives)).

- Finnish experts see participation and dialogue in companies as crucial factors fostering “social innovation”.
- In Germany collective and/or company agreements explicitly addressing demographic change in companies are seen as social innovation. This is also true for the Belgian collective labour agreement 104 (CLA 104) (see chapter B 6.1).
- In the Netherlands social innovation is closely linked to the management level. Here the importance of flexibility and independence as well as the role of involvement of employees is highlighted.

4.1.2 The spheres of activities

In all, the cases of “good practices” depicted can be systematised as follows:

- retaining and promoting health
- to promote working longer/work after retirement
• adjustment of working time and flexible working time schedules
• work load reduction and ergonomics
• special measures for overloaded workers (e.g. shift workers)
• career development and planning
• work-life balance policies
• life-course oriented personnel policies
• aged-mixed teams
• reconciliation of paid work and care
• overcoming unemployment/active integration measures
• recruitment
• gliding retirement schemes
• preparation for retirement
• fostering self-employment
• awareness campaigns
• knowledge transfer, skill promotion and Lifelong Learning (see chapter B 8).

However, this report does not add examples to all the spheres of activity mentioned, but these can be found in the respective deliverables (see footnotes 51, 53). Instead, this report focuses on those examples the authors (and colleagues from WP3 countries) found worthy of mention as particularly innovative examples.

4.1.2.1 Distribution of “good practices” on the meso level

The reports show a differentiated picture of the age management landscapes in WP3 countries. This partly mirrors the respective state of thematic awareness among employers, their associations and key actors and can – besides others – at best be interpreted in the context of an “early” versus “late-mover” comparison.

• The concept of age-management is not equally widespread. Many corporate good practices seem to take place informally, which indicates the importance of the role of the supportive/counterproductive corporate culture. All reports appeal for more endeavours to improve the work environment (e.g. explicitly in the Dutch report).

• In Belgium, a study of 45 companies has shown that proactive age management is scarce and that age management is mostly doing what legislation and regulation is prescribing (Hansez et al. 2011).

In Germany age management has been on the agenda for a couple of decades. It has developed since the virtual non-existence of age management in the 1990s (European Commission 2012). However, what is understood by age-management depends on respective definitions.
• In the staff panel (Personalpanel, 2013) of the Cologne Institute for Economic Research three levels of demography-oriented HR policies are defined. The complementarily level consists of eight action fields and companies with 5-49/50-249/250+/all companies employees fulfil this level to 32%/53%/74%/34%. The demand-actuated level also entails employee surveys and systematic and long-term HR planning: 12%/28%/35%/14%. The live-phase oriented level additionally consists of a general principle on leadership of employees, flexible HR policies and SWOT analyses and here the highest level percentages are only at 7%/14%/22%/8%. Therefore, only a third of German companies are at the basic level of demography-oriented HR policies and with higher requirements the share drops to very low percentages.

• This is partly true also for Denmark. However, so far only a minority of the companies and among them primarily the larger ones offer age management measures.

• In Italy the willingness and the ability to manage a mature and ageing workforce is not particularly well developed. However, remarkable endeavours in terms of good health policies and work safety measures are reported. Rather than voluntary efforts, this is considered a result of the implementation of European Directives.

• In Finland, focus group results show that workers are encouraged to talk about their career, goals, wishes, strengths and other ideas and attitudes, which to the workers seem strange at first but can be a first step towards improvements.

• A few country reports recommend focusing research activities on the issue of sustainability of good practices as one reaction to the consequences of the economic crisis (e.g. the Italian report).

• In Estonia, the concept is relatively new (and mostly not implemented at the company level), and the Italian country report speaks of “no developed sensibility”, whereas in the Czech Republic it is obviously gaining increasing popularity.

• In countries where age management is relatively new, public programmes such as ‘Solidarity across Generations’ in Poland has disseminated age management knowledge to employers, trying to show them that costs are low or helping to implement programmes.

• To achieve a balanced age structure does not necessarily mean the innovative concept of age-mixed teams, as some country reports state (e.g. Finland, Germany). This is not related to staff composition but the wish to make the staff age-profile younger by substituting older workers with younger ones.

4.1.2.2 Some particular innovative examples

---


“Good” practices reported by partners refer to more or less all relevant dimensions of the employability of older workers/an ageing workforce and on related age/ageing-management measures (Eurofound 2006). Recently, the dimensions of work-life balance, quality of work and life as well as life-course orientation have gained importance – not surprisingly – with a focus on “early mover” countries. In the following, some outstanding (socially) innovative measures in nine spheres of activity and one overarching sphere are listed. They all represent classifications according to the selection criteria given to partners and thus mirror their respective understanding of both, “social innovation” as well as “good practices” and also represent partners’ own recommendations to be mentioned in this report.

**Companies’ awareness campaigns:** Awareness campaigns are a double-edged sword, since on the one hand these campaigns can improve some groups’ reputation (e.g. by showing employers that productivity does not necessarily decline with age), but on the other hand these campaigns can raise suspicion, since target audiences may ask themselves why for these campaigns are deemed necessary. Confindustria Veneto (Italy) organised focus groups with a high number of different and important stakeholders from business, science, training, consulting and local public bodies. Awareness was focused on various issues, such as further training, economic developments (tertiarisation), the region’s economic strengths, new business areas, age discrimination and specific older worker issues.

**Recruitment:** GO 50 GO (Czech Republic) is focused on older long-term unemployed with tertiary education, a group with very low re-employment probabilities. The project initiates contacts between the target group and HR managers/employers, and improves the long-term unemployed persons’ knowledge about the labour market and improves their self-confidence and self-presentation. All participants are volunteers. Speeddates (the Netherlands) events match older jobseekers and employers; the events are organised locally by local actors. It has been shown to be a good approach, but forcing jobseekers to participate is considered useless. PARP (‘Polish Agency for Enterprise Development’) organises free webinars and conferences for HR managers and employers in order to raise awareness about older workers’ advantages, to spread knowledge concerning age management and to encourage employers to hire older workers. Sozial-Holding (Germany) explicitly encourages older workers to apply.

**To allow flexible working times:** Queen Alexandra College (UK) offers its employees a very wide array of instruments of flexible working times, including compressed working hours (long days, but less days in return) and annualised hours (some flexibility about the timing of the hours to be worked in the year). Of course, this is transferable only to a limited array of occupations. The supermarket chain ASDA (UK) offers up to 5 days/12 weeks/18 weeks (depending on the programme) of unpaid leave per year; the programme ‘my health’ offers reasonable time off to attend medical appointments and donations.

**To retain and promote health:** Measures by the German company InfraLeuna, based among others on company agreements, are notable especially in the field of sports: Swimming for shift workers (with adjusted opening times), encouragement of workers to take part in a local marathon and an on-site football league. Against the country specific backdrop (companies not obliged to provide health insurance for employees), the company Rimi (Latvia) provides
health insurance to its employees (as other companies do), and after 15 years of tenure very good health insurance. Further, once a year employees can be reimbursed by the company for new glasses (if glasses are prescribed by a doctor). At ServiceTeam Nyborg (Denmark), the main goal of the measure ‘Early action’ was to spot physical or psychological problems in the workplace at the earliest possible time, before these problems can develop further. ServiceTeam is also a very interesting case due to the target group (cleaners) and the problems that emerge (e.g. distrust on the side of employers and the view that employees’ health is not an employer’s business). Just recently, Sozial-Holding (Germany) introduced an offer for psychological advice in the event of (early) cases of “burn out” in the professional care sector. Since mental health problems are still partly declared as a taboo topic it is indeed very difficult to cope with. A driver for success was the recruitment of an external psychological counseling to guarantee anonymity and support trust among the employees. Another driver to innovation includes governmental funding and positive attitudes towards new approaches to maintaining healthy staff. In Germany the collective agreement for the Iron and Steel industry requires vulnerability analyses of workplaces (Katenkamp et al. 2012).

**To reconcile paid work and family obligations/elderly care**: This area is related to the preceding one. North Warwickshire Borough Council (UK) offers “Carer’s Leave”. Employers registered as carers with their line manager and HR can save up to two weeks of working time (so the number of hours depends on the number of contracted working hours), and take off time for emergencies or planned hospital visits. Generally, this is limited to three weeks per year but can be extended if the line manager agrees. Perbit Software and Fraport (both Germany) allow their workers to shift to part-time jobs temporarily.

**To foster work-life-balance policies**: This is one of the domains of the German Sozial-Holding in Mönchengladbach. They started their HR strategy with scientifically conducted research on the company’s age structure and the future need of human capital. The measures refer to a whole range of (explicitly gender-oriented) offers with the concept of *life-course oriented personnel policies* as the overarching anchor. Among others, measures include career planning, Lifelong Learning, health promotion, preparation for retirement and flexible retirement schemes, knowledge transfer or measures to reconcile work and private care obligations. This company was a repeated winner of the AARP award for good practice in company age management.

**To promote (“silver”) work**: At Sozial-Holding (Germany) workers in transition to retirement can talk with the CEO who encourages them to work past retirement age, possibly via a part-time/mini-job. More than half of staff members have accepted these job opportunities, which can either be related to their current tasks or in a different field. At Els (Lithuania), a very small electric company group, a considerable share of employees is working past retirement age, with adjusted tasks. Remarkably, this is happening in a physically harder job in a country with a below-average health status. Many programmes in Italy focus on silver work and especially on mentorship initiatives in companies: retired workers act as mentors to new or

---

52 For further “good practices” on the meso level see Cullen & Gareis 2011.
younger employees to share skills, competences and know-how. These programmes on the one hand prolong working lives and foster active ageing, while on the other hand they support the transfer of knowledge from one generation to another. A further positive aspect is the support of self-employment and start-ups through retired experts.

To promote self-employment: Self-employment is related to (the prevention of) unemployment. The association RCP (Poland) supports potential entrepreneurs with training, information and microloans and promotes entrepreneurship in general, especially in niche markets. The project ‘We do business TOGETHER’ (Czech Republic) is similar in some respects and provides training (e.g. communication, computer use, business law, business plan creation, marketing) and personal coaching by specialists. The project shows that in some cases follow-up projects are necessary for sustainability, in order to continue support of actors and/or to evaluate outcomes.

Further training: A non-profit organisation from Belgium specialises in further training plans of workers aged 50+ to support the advancement of their careers through individual consultations. The organisation even provides financial incentives for employees and employers. The main idea of this programme is to promote older workers’ motivation, skills and career planning in a suitable environment. A driver for success is the specialised training, adjusted to the needs of older workers. In the project ‘Experience@work’, four Belgian companies (Axa, Belgacom, KBC and SD Work, assisted by consultancy firm) share a platform to exchange experienced older workers. The Dutch ‘Interactive Digital Portal’ enhances sustainable employability by offering a learning platform/network (open innovation) and high-quality advanced instruments.

Multi-company approach: In the Netherlands three cooperative organisations introduced a digital portal to sustain employability with an index targeting employees and employers as well. The index includes, for example, skills, health and participation in the labour market. A major barrier in this project and in others is in the lack of funding for social innovation. Subsidies are indispensable for initiating and expanding ideas, especially regarding the long development of this tool to guarantee a simple but suitable instrument to cover organisations from different branches. The main driver for the digital portal is continuous co-operation, communication and analyses between employers and employees or participants in general. At the Italian bank Unicredit the project ‘Over 55 – Being Senior in Unicredit’ fosters skill development, work-life-balance and the promotion of older workers. The needs of workers have been analysed together with scientific partners, unions and a fund organising further training.

4.1.3 Drivers and barriers on the meso level

4.1.3.1 Drivers

In all external circumstances (e.g. financial situation, lack of skilled labour, macroeconomic situation) have been of some influence but apparently not the main determinants/drivers of (innovative) measures. Further, in many cases and particularly in CEE countries “social
innovations” were not introduced as initiatives by the companies themselves; more often they were triggered by both EU funding as well as national policy approaches. In one quarter of the cases EU funding has been used for implementation (but not in SMEs). However, after the end of funding the probability that measures are stopped is high. The EU funding procedure is seen as too bureaucratic by many, particularly in the CEE area.

- E.g. PARP in Poland, WdBT in the Czech Republic, InfraLeuna and Sozial-Holding in Germany in the past used EU funding for implementing socially innovative measures. On the one hand, this is an indicator of the successful use of targeted EU funding. However, on the other hand a HR department will refrain from applying for further EU funding in the future as it is too complicated and too bureaucratic. With respect to such cases, it is possible that (better) consultation (especially of SMEs) over applications for EU funding (or less complicated/bureaucratic procedures) could be useful.

- Yet, while it is possible that temporary funding leads to measures that would not have been implemented without funding, it is also possible that theses measures’ sustainability is endangered due to the external funding’s temporality.

Further, legislation on the macro level can trigger social innovation at the meso level.

- For example, the Italian ‘Fornero reform’ increased the legal retirement age and has contributed to innovative measures at the company level. Similar effects can be seen or expected in other countries, for example, in the wake of the raising of official retirement ages in many European countries, the abolition of the default retirement age in the UK, the introduction of a flexible retirement age corridor (63-68, then 65-70) in Finland, or from expanded possibilities to combine pension receipt and paid work.

Collective and/or company agreements – echoing points of departure like e.g. in Belgium, the Netherlands and in Germany (see chapter B 61) – can facilitate innovative “good practices”, and can be a good basis for sustainability (e.g. the German case of InfraLeuna). However, the issue of social inequality is addressed taking into account that even in countries with a far-reaching distribution of collective and/or company agreements (like in Germany) relevant gaps in certain sectors (e.g. what is true for the social services sector in Germany) lead to a lower degree of protection for those working here (Eitner & Naegele 2013).

In general, “socially innovative” approaches are strongly dependent on sector and organisation size. The latter is caused by differences in the respective HR preconditions in different company sizes, resulting in special needs of SMEs since (1) their capabilities are more restricted compared to large enterprises and (2), however, their total number of workers is high.

- WP3 case studies show that close and informal contacts between crucial actors – HR departments, CEOs, workers’ representatives and the older workers as “experts of their own matters” – are good prerequisites. Doubtlessly this is easier to reach in SMEs. On the other hand, they have the disadvantage of no or at least smaller and probably less professionalised HR departments. Very often HR departments are identified as the
key drivers for organisational efforts in terms of good practice in corporate age management.

- Yet, as WP3 case studies suggest, SMEs can also conduct far-reaching, sustainable and impressive socially innovative measures, even without considerable resources compared to larger companies. Leadership is possibly the crucial factor in SMEs making the difference between companies/organisations with and without notable measures; outside of leadership, companies with and without remarkable measures are probably widely similar. ‘Leadership’ can include a constellation of actors, yet in numerous cases innovative measures can be traced back to a single person, e.g. the CEO or the head of the HR department. Co-operation between SMEs can also be helpful but often needs external impetus.

- In all, key actors’ attitudes are one crucial determinant for the existence or absence of good practice measures. To inform and to convince these key actors could be expedient.

- Furthermore, there is a strong influence of “path dependency” (both on the employer and employee side).

- Since HR departments have (partly) to justify their activities before company/organisation leaders, cost-benefit studies are crucial. Such calculations are largely non-existent. Research could fill this gap and provide important insights/supportive arguments (e.g. effects of measures on retirement behaviour, work motivation, sickness absence, staff turnover, etc.).

- Numerous measures seem to be transferable to other sectors, company/organisation sizes and/or countries: in-company/organisation knowledge of what is being done successfully elsewhere is crucial. “Good practice”, collected and evaluated in a company, could be helpful for similar cases in other circumstances. A suitable dissemination strategy among companies (e.g. like the German demography network (ddn) (see chapter B 3.9.2)) has proven to be helpful.

- It is not clear to what degree the measures depicted were designed and implemented as top-down measures, or to what degree employees’ needs or expressed preferences were the initial spark. However, to integrate older workers concerned as “experts in their own matters” on different stages of an implementation process is also crucial for successful age management.

Concerning sustainability of measures, company/organisation level measures often result in a ‘win-win’ situation (at least subjectively). Several measures would not have been implemented to begin with had not all the relevant actors had expected net gains. If all relevant actors are content with the measures, the probability of reversal is low. At least as long as there is no staff turnover amongst key personnel.

4.1.3.2 Barriers

Currently only in a minority of companies in WP3 countries can examples of “socially innovative” “good practice” in age management be found. WP3 research tries to shed light on the respective barriers:
• **No older workers needed:** In particular, economically weak countries face both a great conflict with overall labour market conditions as well as with widespread attitudes in EU corporations regarding the need to get rid of older workers.\(^{53}\)

• **Employers’ misperceptions** concerning employees’ “absence records, health, trainability and productivity” (Tikkanen 2008: 4), even if this is occupation-specific. Matching CVs of people of different ages have different chances of job interviews (OECD 2011), possibly due to various attitudes on the employers’ side. This is described in the **Polish** report as follows:

  > “The participation of older persons in the labour market faces obstacles to its fulfilment, such as the reluctance of employers to hire older people, a lack of flexibility in working conditions, labour market segmentation, and the incidence of negative stereotypes and ageism (...).”

• An open question is also the influence of **rising (seniority) wages** with age: In some OECD countries, older employees have higher or markedly higher wages than prime age employees, which is problematic if this does not come with higher productivity (OECD 2011). On the macro level, too high seniority wages as well as too strong employment protection seem to be negatively related to older male workers’ employment rates (OECD 2011). In this context the **Dutch** report emphasises the following:

  > “High wages and protection\(^{54}\) of older workers reduce their mobility. Strong employment protection beginning at a certain age can lead to employers laying them off before employees reach this age as in France and Austria or deter them from hiring applicants nor far below this age” (OECD 2006: 77).

• During the working period of WP3 many EU member states have been and still are faced with lower economic growth rates, which restrict the labour market prospects in particular of older workers. This aspect can nicely be illustrated by the following quotation from the **Czech** country report:

  > “There is thus the combination of a low performance economy, influenced by political instability, low purchasing power of households and stagnating business. As a consequence, companies ... attempt to get the maximum out of their employees. In consequence these conditions are actually negative for older workers”.

Yet, while it is possible that **temporary funding** (EU as well as national funds) leads to measures which would not have been implemented without it, it is also possible that these measures’ **sustainability** is thus endangered.

### 4.1.4 Some “early” and “late mover” differences

On the meso level, the contrast between “early movers” and “late movers” is far more clear-cut than on the level of national policies. Generally, measures in “early mover” countries display a higher level of innovation.

• Evaluating the cases of “good practices” \((N = 155; \text{ see table 12})\) 61 are from “late mover” countries. It is clear that in “early mover” countries the share of measures that

---

\(^{53}\) Interestingly, in **Spain** early retirement declined (45% → 40%) during the financial crisis during the years 2007-2010).

\(^{54}\) E.g. age-related protection against dismissals; see chapter B 3.5.1.
focused on both organisational dimensions of work as well as scheduling working time is stronger than in “late mover” countries, whereas in the latter a stronger focus is on the development of skills and on changing attitudes (Kaboth 2016). Primarily the latter indicates that at the meso level “late mover” countries are at a stage in which it is still necessary to convince key actors of the necessity of both employing older workers in general as well as promoting longer working lives, whereas e.g. in “early mover” countries like Germany key actors are increasingly convinced that the ageing of the workforce necessitates intervention.

- This conviction is e.g. also widespread in SMES, even if it does not lead to immediate action, partly due to lack of information on what can be done or what has to be done, but also due to the idea that this is a problem for the near future and not for immediate action (which is probably true for some companies).

- In CEE countries an interesting connection arises in relation to foreign (Western) ownership and the prevalence of “good practice” pro-employability measures (e.g. Poland). This suggests that there is a transfer of ideas or measures between countries, although this may possibly also result from the fact that foreign-owned companies are large companies. “Late mover” country employers could profit from experiences in “early mover” countries, not merely for the transfer of (adapted) “good practice” measures but also to avoid measures which have turned out to be ineffective or at least inefficient in other countries.

- This necessitates a stronger focus on analyses of the effectiveness and the cost/benefit ratios of measures particularly in “early mover” countries, for the dissemination or non-dissemination within these countries and from these countries to other countries.

- In “late mover” countries health, skills and working conditions are still the most important drivers for corporate age management to promote longer working lives. In these countries classic ‘risk factors’ of older workers in terms of (worse) health, skills and working conditions are still of outstanding importance (see chapter B 3.6.3). The Polish report states:

  - “The participation of older persons in the labour market faces obstacles to its fulfilment, such as the reluctance of employers to hire older people, a lack of flexibility in working conditions, labour market segmentation, and the incidence of negative stereotypes and ageism (…)”.

- Also in “early mover” countries these factors are important still today – particularly in the context of new risks referring to digitalised work or to increasing mental strain in the social services sector. Here attitudes and values, typically in terms of work-life balance and quality of work and very often embedded in a life-course perspective – play an increasingly important role when confronting the challenges of working longer in existing working conditions, particularly among women and the higher qualified.

- European and national policies in this field should take account of the widely variable states of awareness and stages of development between member states with regard to age management in employment. In particular, the “late mover” countries require more external incentives and support (e.g. through awareness programmes, legal and financial incentives, professional advice) than “early movers”.
4.2 Determinants of retaining and rehiring older workers by companies in six European countries – further results from secondary analyses

As mentioned earlier, WP3 also included reanalysed data from the study “Labour demand and longer working lives: Determinants of retaining and rehiring of older workers by companies in six European countries”\textsuperscript{55}, originally stemming from the project “Activating Senior Potential in an Ageing Europe” (ASPA). The prime intention for WP3 was to shed on companies’ behaviour towards older workers, as empirical evidence is rather scarce (Vickerstaff et al., 2003). Most research focuses on how companies manage older workers in terms of broad age management practices (e.g. Loretto and White, 2006; Conen et al., 2012) while the specific issue of companies’ behaviour concerning the effective extension of working life of their employees is mostly unexplored. Due to this lack of knowledge, WP3 also investigated the company level concerning drivers and barriers to the extension of working life, based on existing empirical data. Most studies on employers’ contributions to longer working lives are focused on what is termed in the project ‘supply side’ measures, that is, measures enabling workers to supply their labour for longer to employers. Prime examples here are measures in the fields of health, training, motivation or the reconciliation of work and private life. Yet, for longer working lives the demand side is also crucial. This applies partly to working until the statutory retirement age, since here employers’ behaviour can motivate employees to work until they reach the statutory retirement age instead of choosing early retirement or other early exit pathways. Especially for work beyond the retirement age, either as a seamless continuation of the employment relationship when the statutory retirement age is reached, or as re-hired retired former employee, employers’ encouragement of their (former) employees is considered crucial.\textsuperscript{56}

On the background of European population ageing and the related policy effort at the macro level to extend working lives (EWL), drivers and barriers of organisational practices designed for this aim have been reanalysed. The original study was conducted in 2009, based on interviews with directors/CEO owners, heads of departments, general managers, human resources managers and administrators. Six countries were included, among the five WP3 countries (Denmark (587 cases), Germany (666), Italy (770), the Netherlands (1046), Poland (1030) and Sweden (525), including a sample of 4,624 organisations). Three different types of EWL practices are investigated: (1) encouragement of employees to continue working until retirement age (i.e. prevention of early retirement), (2) encouragement of employees to continue working beyond retirement age (i.e. delay of retirement), (3) recruitment of employees who already retired (i.e. unretirement). Multiple logistic regressions have been carried out. The results suggest that the main drivers for companies’ EWL practices are the implementation of HR measures for older workers to improve their performance, their


\textsuperscript{56} Anecdotal evidence is provided e.g. in the “Good practice” report of MoPAct Work Package 3, task 2, (Deliverable D3.2.1), where working lives are prolonged especially by an employer asking the employees (elderly care professionals) to continue their working life.
working conditions as well as to reduce costs linked to their management. Other drivers are a high share of older workers in a company, (medium or large) company size and the experience of recruitment problems. In the industry the qualities and skills of older workers could be more highly valued and desired than in other sectors, while in the public sector the adoption of EWL practices may be less affected by the external economic and labour market climate.

Focusing on the demand side of labour, the following frequencies and determinants of three major demand side measures for longer working lives were identified:

- employers encouraging their employees to work until the statutory retirement age
- employers encouraging their employees to work beyond the statutory retirement age
- employers recruiting employees who already retired.

Therefore, this subtask is focused on the retention and re-employment of current and former employees and not on one classical aspect of labour demand, that is, the hiring of workers from non-employment below retirement age (primarily the unemployed).

- In the comparison between the three measures, as expected encouragement to work until the legal retirement age (29%) is more widespread than encouragement to work beyond retirement age (15%) or the re-hiring of retired former employees (18%).
- In the comparison between countries, if one combines all three measures the total value is highest for Poland (116%) and Denmark (77%), and lower in Sweden (51%), Germany (49%), the Netherlands (38%), and lowest in Italy (21%).
- In the comparison between companies/organisations of different sizes, the higher prevalence of measures among larger companies/organisations found in other surveys for other measures for longer working lives (e.g. pro-workability measures) can be only partly be found here, with values of 52% for small companies (all three measures combined), 69% for medium-sized companies and 65% for large companies.
- Concerning sectors, differences are also small, with total values of 63% (industry and related areas), 58% (services) and 64% (public service).

Logistic regressions have been conducted with each of the three measures as dependent variables. Explanatory variables can be categorised into four categories: HR policies (e.g. decreasing workload for older workers, training plans for older workers), companies’ workforce characteristics (shares of high/low-skilled workers and older workers), companies’ structural characteristics (size and sector) and economic and labour market climate (e.g. need to reduce staff, recruitment problems, labour union influence). These multivariate analyses provide a multitude of results, only the most prominent of which is reported here:

- Across the three different measures, relevant factors or determinants are to be found in all groups of independent variables. Factors which are statistically significant for all
three measures are part-time retirement and demotion (lower tasks and salary), the percentage of older workers, company size (large), and recruitment problems. The results of this study suggest that the main drivers for companies’ approaches are the implementation of HR measures for older workers to improve their performance, their working conditions as well as to reduce costs linked to their management. Other drivers are a high share of older workers in a company, medium or large company size and having experienced recruitment problems. There are clear indications that the possibility of reducing costs due to EWL practices is a key-element for companies. In times of crisis, however, even these reduced costs could be “sacrificed” by companies, as suggested by the general negative association between approaches and the need to reduce staff levels. There are indications that in the industry sector the qualities and skills of older workers could be valued and desired more than in other sectors, and a greater will exists that their knowledge be retained if possible. Indeed, the adoption of approaches in this sector is linked to the provision of an accommodating measure as part-time options for older workers, and to high knowledge intensity in the company. There are indications that, as the employer is partly the state, in the public sector there may be partially different models of EWL practice mechanisms: there might be less motivation to retain older workers’ qualities, and economic problems could have a milder effect of on these practices. Some indications suggested that age stereotypes may be present, especially in the service sector.

These results have clear policy implications: Policy makers and stakeholders should be aware that to achieve the European policy aim of extending working lives it is not sufficient to intervene by simply increasing the legal retirement age, but it is important to push companies through innovative tools and to promote more organisational practices to improve the employability and the working conditions of older workers. They should also be aware that through EWL practices, companies, beside exploiting older workers’ qualities and knowledge may try to save costs. This is not negative in itself, but it may be negative in the case of older workers, especially concerning unretirement, as they are underpaid in relation to the work done. This is also detrimental to unemployed people who cannot access the labour market since retired and cheaper people are preferred. This is a risk that should be considered at the policy level.

In all the authors conclude with three main policy implications to be drawn from the study: Since efforts to retain and re-hire older workers are low across sectors and company sizes, policies should focus on general obstacles to labour demand by

- focusing on a closing of potential wage/labour costs-productivity gaps via lower labour costs (e.g. via lower social security contributions for the employment of older workers)
- focusing on a closing of potential wage/labour costs-productivity gaps via the improvement of older workers’ productivity (e.g. via measures already aimed at better health and skills in mid-career)

57 Other results (associations between the dependent variables and country dummies on the one side with each of the three measures on the other) can be seen in the tables of Deliverable WP3 D 3.4.2.
• incentivising labour mobility amongst older workers between jobs and employers so that there is a better fit between supply and demand concerning older workers’ skills (e.g. public policies could dampen wage decreases due to job changes in cases where older workers shift jobs and retire late, e.g. via a lump sum payment).

5. Older worker`s attitudes towards working longer: how important are HR policies in prolonging working life? – Further results from secondary analyses

WP3 also reanalysed SHARE data from 13 European countries looking into the effects of job satisfaction on retirement behaviour and how the job satisfaction of older workers can be positively influenced. In doing so WP3 expected to find that a contribution to the respective attitudes of older workers was an increasingly important component of their employability (Eitner & Naegele 2014). Human resource (HR) management policies improving satisfaction with the way work is organised, how well work is rewarded and with the workplace in general are often identified as key drivers in prolonging working life and avoiding early retirement among older workers. While best practice HR policies are an intrinsically good thing, there is little evidence showing how they impact on the length of working lives. In this task WP3 provided an analysis of the link between the remaining length of working life and a number of indicators of work satisfaction for 13 European countries using the longitudinal dimension of the Survey of Health, Ageing and Retirement in Europe (SHARE) data set. Finally, WP3 used its statistical findings to construct synthetic individuals with maximum work satisfaction and simulate the best-case potential of HR policies in extending working lives. The following results are worthy of note:

• The effect of maximum job satisfaction for those between 50 and 54 years of age is comparatively small, especially when compared to calculated or projected effects of reforms in the legal retirement age. In the latter, the analysis of several countries it is rather similar. Generally, an increase of the legal retirement age by two years yields longer working lives of ten to twelve months. In this sense, effects measured here are small. The first observation is that, although too strong a reliance on welfare states reforms and financial incentives provided by (national) policies is one-sided and erroneous, too strong a focus on the company level is also misguided.

• Yet, second, it is not just job satisfaction that can be affected by measures at the employer level. Although one should not overestimate the potential effects of the workplace on people’s health, clearly the employer can contribute positively to employees’ health, which in turn prolongs working lives. Further, the employer level is the most important sphere of influence for further training and the formal or informal acquisition of new skills. This in turn can also prolong working lives.

• A crucial practical implication results from different effects on different age groups. Effects are higher for lower age groups; which means there is a need to focus respective HR measures on the decade between 50 and 60 and not shortly before the official retirement age.

This may result partly from the fact that potential maximum effects of very high job satisfaction are limited due to the relatively high level of stated job satisfaction in the sample. Although socially desirable responsive behaviour may overestimate respondents’ job satisfaction, this clearly limits the potential of increased job satisfaction. Since job satisfaction increases with age in the groups analysed (partly since those dissatisfied quit their job and are no longer part of the sample), for workers over 60 the potential is even smaller. In short, if a huge majority is either satisfied or strongly satisfied, room for improvements is small. This may also partly result from the fact that people plan their lives, which includes timing retirement, retirement synchronisation with partners, planning for grandchildren care or elderly care etc. The older workers get the less they let job satisfaction affect the timing of their retirement.

The sub-study’s sobering policy conclusion is that, while job satisfaction among older workers is at a high level, the currently typical timing of retirement among both highly and less job-satisfied older workers suggests little scope for extending working lives through higher job satisfaction. Insofar as this sub-study is able to demonstrate the link between job satisfaction and specific workplace and working conditions, there would also appear to be little room for HR to incentivise delayed retirement by fostering a better (or far better) working environment. It is suggested that increasing job satisfaction of 50-54 year old workers to its highest possible level, if that were feasible, would extend working lives by just four months, on average. Even this extension of four months is impossible to achieve, since probably “the nature of the work itself” is the most important determinant of job satisfaction (Saari & Judge 2004, based on various sources), and also dispositional influences which are stable within persons across jobs matter, neither of which can be affected by employers.

Retirement decisions are the results of complex and multifaceted considerations, options and opportunities, as well as unforeseen events, ranging from the personal (e.g. suddenly deteriorating health) to the collective (e.g. business closure). Moreover, retirement decisions continue to be largely framed by legislation, the presence and extent of ‘enforcement’ of statutory retirement ages (van Dalen et al. 2014). A loosening of such regulations, such as the abolition of the default retirement age in the UK may, however, lead to change in retirement and, importantly, employer hiring behaviour, with potentially far reaching implications for the structure of the labour market for older workers (Lain 2012).

6. Social partners

Social partners, e.g. trade unions and their corporate representatives (work councils) and employers’ associations very often play an intermediate role when it comes to assessing relevant approaches to extend working lives and Lifelong Learning activities. While in 1997 Walker (1997) stated that in Europe there was no co-operation between social partners on age and employment, this has changed, as WP3 analysis of relevant documents and country reports show:
6.1 Collective and/or company agreements

Trade union initiatives according to our WP3 partners mainly refer – jointly with employer’s organisations – to collective agreements. From earlier research on prerequisites for sustainable corporate “good practice,” it is also known that work councils, if they exist, are crucial (Walker & Naegele 2006). This has partly been confirmed by WP3 case studies. Concerning collective and/or company agreements the following examples can be mentioned:

- In Belgium the collective labour agreement 104 (CLA 104) captures companies in the private sector with 20 and more workers and it is mandatory to have a concrete action plan to promote the employment of workers aged 45 and more (Verbrugghe et al 2016).

- In Denmark, collective agreements for public sector workers contain a number of measures intended to retain older workers (first introduced in 2008 and subsequently modified in 2012). They stipulate e.g. the right for the employee to a ‘senior conversation’ (or senior age management consultation) as part of the yearly evaluation of the employee. The ‘senior conversation’ is the starting point for a dialogue about how job demands of elderly workers and the workplace leader (if there is one) can be met to the satisfaction of both parties. Many private collective agreements now also include the possibility for the employee to negotiate part-time employment with the employer where the reduction in working time is partly financed by reducing pension contributions.

- In Finland, in some sectors (e.g. food industry) collective agreements stipulate that a career plan has to be agreed between the employer and any employee above 50 years of age. The aim of the plan is to promote well-being at work and to extend working lives (Andersson et al. 2013).

- In Germany collective and/or company agreements on demographic change (“Demografietarifverträge”) have meanwhile included more than 10 sectors and companies (e.g. Chemical Industry, Iron and Steel Industry, German Railway) and thus have proven to be a good basis for both raising the demographic consciousness and initiating ideas for “good practice” as well as guaranteeing sustainability (Katenkamp et al. 2012; INQUA 2014). The same is true for collective agreements regulating skills adjustment in the Iron and Steel Industry in Baden-Württemberg (a German region). There are – according to the German tradition (and law) for regulating immediate workplace related issues between social partners (“Tarifautonomie”) – many more collective agreements particularly aimed at older workers, e.g. regulating wage-security (in the case of age-related job change, e.g. from taskword and/or shiftwork jobs), working time schedules (e.g. for older shift-workers) including leave entitlements, working time-accounts and others (Bispinck 2012; 2016).

- In the Netherlands, in 2011, Dutch social partners agreed upon and signed a manifesto to call for a new form of industrial relations in which “sustainable employability” (see figure 5 in chapter A 7.1.2.1) was the main focus encompassing all workers. The aim

---

59 Besides others, CLA 104 regulates the valuing of accumulated knowledge, ergonomic measures, age-related reduction in working hours, recruitment, training, psychosocial measures, job matching, age-related flexible working schedules or sick leave policy approaches.
was to conclude collective agreements that take into account the individual capacities and capabilities of workers and referred to issues such as the challenge of combining work and care responsibilities, investment in employees’ skills bringing their knowledge more up-to-date and better working conditions. A study shows that the number of collective and/or company agreements which include provisions for age-aware human resource management has increased between 2006 and 2009 (Beeksma & De la Croix 2009).

6.2 European Trade Union (ETUC) initiatives

The European Trade Union Confederation (ETUC) consists of 89 national trade union confederations in 39 countries, plus 10 European trade union federations (homepage, Oct. 2016). It released the ‘Paris Manifesto’ in autumn 2015. As is normal for trade unions, ETUC supports better working conditions, in general terms: The documents contain many general demands.

- However, some points have a bearing on older workers: The demand for “equal treatment for all workers, without discrimination” (page 4), the opposition to fake self-employment, support for active labour market measures and for the enhancement of skills (page 6), support for Lifelong Learning and ‘age-friendly’ workplaces (page 7), “stronger social protection systems based on solidarity between generations” (page 9, but with no further explanation), tailored job opportunities for people with reduced working capacity (page 9).

The ‘ETUC Declaration on “EY2012: European Year of Active Ageing and Intergenerational Solidarity” (2011) is more precise: A high level of employment for older and younger workers is regarded as a priority. Workers should be able to “remain in a quality job until the ‘legal’ minimum age of retirement rights” and for this employment policies are considered crucial.

- ETUC states that simply raising the legal retirement age would not be adequate on its own and rejects an automatic mechanism to raise this age. Further, ETUC states that “the willingness of employers to keep their older workers, including taking the necessary measures to keep and/or to hire them, is very limited” (page 2). ETUC states that longer working lives and active ageing primarily result from Lifelong Learning, the improvement of conditions in the workplace (working, safety, health conditions), and taking account of difficulties and the possibility of early retirement. Similarly, ETUC states that ‘active ageing’ also includes decent pensions.

Concerning intergenerational solidarity, a possible relation between employment for younger and for older workers is not stated. There is only the following statement that to

“act with and for young people today means (…) continuing to fight to defend quality social security retirement systems based on a unified and perennial financing, in a way that guarantees quality pensions for generations to come”,

which means that there is a need to organise pension policies in a way that the needs of both, the older and the younger generation are equally met.
- This however, neglects the fact that pension outlays increase labour costs and therefore might reduce labour demand or reduce disposable incomes, and that regulations for today’s retirees cannot guarantee anything for those retiring in about 40 years.

ETUC supports the EU initiative “Healthy Workplaces for All Ages” (press release April 2016). In this initiative, tools and publications are provided, as well as information for different groups (e.g. workers, employers, HR managers, researchers, policy makers), as well as information on news and events. ETUC (2013) states that it basically supports the Europe 2020 Strategy and its objectives (e.g. an employment rate of at least 75% for those between 20 and 64), yet states that social partners were not sufficiently involved.

6.3 European Employer’s associations

The Confederation of European Business (BUSINESSEUROPE) represents companies within the EU and six non-EU countries. Members are 40 national organisations. BUSINESSEUROPE states its positions on various policy fields.

- In the case of pensions, BUSINESSEUROPE states that longer working lives are necessary against the background of demographic changes and increased life expectancy. Therefore, reforms of statutory pension systems as well as higher employment rates are supported.

- Further, in a statement from 2012 the organisation rejects a “redistribution of work across the life-course” since this counteracts the main goals aimed fore by achieving longer working lives, that is, the sustainability and adequacy of the social protection system.

- Similarly, the organisation rejects the idea that shorter working hours could increase employment rates, since this is an aspect of the lump-of-labour fallacy.

For longer working lives, BUSINESSEUROPE proposes to improve the overall functioning of labour markets. Suggestions are that less rigid/better designed employment protection laws, different forms of employment contracts and “making permanent contracts more employment-friendly to stimulate hiring”, the abolition of unemployment traps and the abolition of work disincentives in unemployment schemes, skill development throughout working life so that skills still fit demand when workers are older (in other words, “Lifelong Learning”), and flexible working arrangements when necessary.

For the problem of long-term unemployment, amongst several other statements, the organisation states that

“coordinated, efficient and well-targeted tax, benefit and activation systems encourage more people to work and can particularly help in fostering the labour market participation of (...) older people” (BUSINESSEUROPE 2015: 4).

What has been termed well-targeted at the side of the unemployed is mirrored in the statement that financial incentives for companies (recruitment subsidies, reductions of social
security contributions) can be helpful, “but the sustainability of this approach needs careful consideration” (BUSINESSEUROPE 2015: 6).

- Further, early in-depth individual assessment of (older) unemployed and guidance (e.g. after 12 months of unemployment) is supported, since re-integration into the labour market is harder the longer absence from labour lasts. Also, BUSINESSEUROPE supports the idea of providing the long-term unemployed with job offers in other regions or European countries, but states that expectations should not be too high since local job opportunities could be the most attractive to the long-term unemployed.

Related to the issue of workability, the organisation states that

“employers are committed to protecting workers’ health and safety at the workplace across the EU” (BUSINESSEUROPE 2016a: no page number)

and sees positive trends here between 2007 and 2011, such as a remarkable reduction in work accidents and high satisfaction of workers with their health and safety at work. The organisation states that

“good health and safety performance also helps ensure business continuity and competitiveness, avoiding high levels of absence and loss of skilled workers. But only if the administrative burdens and costs don’t outweigh the benefits” (BUSINESSEUROPE 2016a: no page number).

The relevance of valid studies concerning the cost/benefit ratio of workplace health measures is highlighted, as well as the relevance of clear and target-group oriented dissemination of findings. Concerning skills, BUSINESSEUROPE supports work-based learning. Basically the organisation support costs sharing

“between those who benefit from education – the state, companies, young people and workers” (BUSINESSEUROPE 2016b: no page number).

7. NGOs

Not many examples of innovative NGO strategies are mentioned in the reports. However, this does not mean that they do not exist (e.g. “on paper”, as “official” statements commenting on proposals by third parties). However, WP3 only analysed those approaches which were mainly or co-responsible for those innovations being implemented. Here are the most striking examples:

- In Estonia, the NGO “Second Chance” had a project (2009-2012) considered “good practice” by the Estonian government. It was financed by the European Social Fund programme ‘Increasing the Supply of Qualified Labour Force 2007-2013’. It included 80 participants in Estonia and aimed at increasing employment amongst older people.
- In Germany, the Federal Senior organisation BAGSO officially and materially supports the annual AARP award of good employers.
- The Belgian country report also includes a statement by a representative of SeniorFlex, a Belgian NGO founded in 2003 that aims at promoting and defending those among
individuals aged 45+ who want to find employment. Their target audience comprises unemployed workers as well as early retirees, retirees and disabled individuals. SeniorFlex follows four general objectives: raising awareness against age discrimination, lobbying for the suppression of all obstacles to the employment of older citizens, creating and promoting a flexible legal framework for the employment of older people and finally, promoting a system of EVC based notably on what exists in Ireland (programme TRED).

8. Lifelong (vocational) Learning

This chapter addresses the respective LLL dimensions in WP3 tasks 2-5. Special emphasis is laid on drivers and barriers and on “good practices”. The chapter is based, first, on the respective national reports. Secondly, the results of the following three special reports of WP3 partners are integrated:

- Thum (CEPS) already gave an initial overview of the European situation in the conceptual framework (task 1; 2013)\(^6^0\).
- Beblavy and Martellucci (CEPS) contributed in-depth insight into European LLL practices (2015)\(^6^1\).
- Nurmela (PRAXIS) delivered a comparative analysis on retirement policies and (vocational) learning in old age in European countries, based on the Adult Education Survey 2011 by Eurostat\(^6^2\) (2016).

8.1 Why and how to promote vocational LLL of older workers?

The concept of (vocational) LLL was already mentioned and discussed in Europe in the 1970s and afterwards made more prominent in the “European year of LifeLong Learning” in 1996. The Memorandum of the Lisbon Europe Council in 2000 declared that

“lifelong learning must accompany a successful transition to a knowledge-based economy and society [and] must become the guiding principle for provision and participation across the full continuum of learning contexts. The coming decade must see the implementation of this vision.”\(^6^3\)

---


LLL includes formal, non-formal and informal education. Training which is set up for professional education in institutions (universities etc.) is categorised as formal education. On the contrary, non-formal education refers to training in institutions that are not mainly responsible for education, for example companies. Informal learning implies learning through experiences gathered in certain stages of the individual (working) life course. Various results show that learning for the elderly should be adapted to their special needs, e.g. should be application-oriented and needs to correspond to the respective utility value. This is particularly true for vocational training aimed at older workers. How to best organise vocational training in methodological terms is seen differently in WP3 countries: On the one hand findings from Italy and Finland argue that frontal forms of vocational training are ill-suited for older workers. On the other side findings from Germany show that older workers dislike non-formal activities, which is confirmed by results from Denmark especially amongst lower educated people.

There are several reasons documenting the increasing importance of both vocational as well as general LLL in ageing societies. First, against the backdrop of longer working lives and fast knowledge obsolescence, LLL is a significant precondition for maintaining and strengthening employability and for keeping older workers/an ageing workforce productive. Skill mismatch plays a particularly important role. Second, intergenerational exchange is important for companies’ competitiveness and sustainable management of knowledge. Third, LLL has a clear life-course dimension: The widespread image that learning is particularly necessary in younger age (which is mirrored in “front biased” educational policies in many EU member states) is losing its meaning. Fourth, LLL keeps the elderly active, enables them to participate in society and helps them to stay self-responsible and independent. Fifth, there is a positive correlation with health and well-being, which is especially true for non-formal activities. Sixth, LLL has an impact on wider society.

8.2 Participation in Lifelong Learning activities

Within the European Union and especially in the selected countries older people’s participation in LLL activities differs between countries, showing a much higher degree of LLL activities in “early mover” countries. The European 2020 benchmark for participation in LLL is 15%, which has not yet been accomplished in most countries. Figure 8 shows the differences in 2015 by (1) age groups 25-64 and 55-64 years and (2) participation rates in “early-mover” and “late-mover” countries. A comparison between the dark bars and light bars shows the difference in age groups. Lower participation rates can be observed in the age groups 55-64 years (light bars). Moreover, “late-mover” countries have very low participation rates especially in the older age groups.
Participation in non-formal learning is between 72% (in Sweden) and 35% (in Latvia, in 2011). In Poland, Lithuania, Latvia, the Czech Republic and the UK LLL activities are the lowest within the selected countries especially in the 55-64 age groups due to low participation rates in employer-sponsored learning activities and/or low willingness of individuals to learn. In Estonia (2011-2012) half of adult learners (aged 25 and older) were distance learners which were on average older compared to stationary learners. Concerning participation rates in employer’s sponsored learning activities the Netherlands, Denmark and Germany have the highest rates (above 40%). In Spain 20 hours of mandatory training is provided for every employee who has been working at least for one year. Employers do not pay directly for the costs but have to set up training plans for their employees.

8.3. Why are there different participation rates in LLL activities?

In all, it is not primarily the individual worker’s own decision not to participate, but institutional influence should first be mentioned. An initial explanation for the different participation rates in LLL in European countries refers to LLL being closely linked to national retirement policies.

- Nurmela (2016) shows that statutory retirement and aggregate actual retirement age have a significant and positive impact on participation in non-formal learning in age groups 50-64. Countries with high statutory retirement ages also have high participation rates in LLL, yet there are countries with similar statutory retirement ages and quite dissimilar participation rates. Nurmela states that “high retirement age is a condition supporting longer learning careers, but it is not a sufficient measure to raise
participation in learning on its own”. E.g. in **Poland** where statutory retirement age will decrease from October 2017 it is considered important to motivate employees and activate employers to invest in the vocational training of older workers.

- Another finding shows that gender differences in retirement age do not result in gender differences in learning participation.

Furthermore, the probability of participating in learning depends on the educational attainment, while this in turn results from educational biographies at a younger age. The probability of participating in training during the life course is declining among people with lower educational attainment whereas it remains constant among those with higher educational attainment. In company-initiated further training, very often the “**Matthew principle**” dominates (e.g. in **Germany**): those already highly qualified are overrepresented. The same applies to older workers with special qualifications being deemed to be of outstanding significance for a company’s objectives.

- Beblavý and Martelucci compare participation rates in training and improvement on educational attainment in member states of the European Union (base country Austria). Results show (Figure 2) three types of country profiles: (1) high scores in both dimensions, (2) low scores in both dimensions and (3) a high score in one dimension and a low score in the other dimension.

- In the **Netherlands**, for example, the score for the training dimension is high but low on ISCED upgrading, which can be explained by already high educational levels or training that may not be upgraded to the ISCED level. Results from the **Netherlands** also show that older workers with a higher education tend to stay longer in the labour market. A remarkable effect can be seen in the case of **women** with a higher education. These women stay longer in the labour market and have a positive impact on their partners’ retirement age. As a result, according to Beblavý and Martellucci, in some cases the policy framework seems to impact the employer-based training more than ISCED upskilling.
Reaching the highest educational attainment might also depend on costs and financial support for formal education, which is very distinct within the selected countries. Four states do not have fees for public universities (Czech Republic, Denmark, Germany and Poland). A special case is Estonia where students have to pay fees if they do not accomplish certain credit points per semester/ year. In Belgium, Italy, Latvia, Lithuania, the Netherlands and Spain average costs for public universities per year reach from €374 to €3099. Next to costs, financial support/subsidies is also an important topic for formal education. In Denmark, Estonia, Italy, Latvia, Spain and the UK there are no age restrictions for financial support/subsidies.

Apart from individual financial support, employer-based training support is promotive as well. Financial support for employers can be categorised into two measures: (1) subsidies (direct or indirect; grants training vouchers, interest-free loans and tax incentives) and (2) levy schemes (training budget independent of public sources of funding through compulsory levy schemes).

Further, mandatory policies to ensure clearly regulated employer-sponsored training are reported. This is often done by collective and/or company agreements, as in Belgium, Denmark, Germany and the Netherlands, whereas in CEE countries like Lithuania, Latvia, Poland but also in the UK where participation rates in employer-sponsored training in general are low; all are affected by weak/non-existing mandatory policies. In Belgium there is a paid education leave scheme which enables workers in full-time work, especially in SMEs in the private-sector, to receive their normal pay. A precondition for vocational training is the relation to the worker’s occupational activity or career prospects.

Social partners play a strong role in fostering LLL activities via collective agreements. There are good examples from Germany which refer especially to funds for vocational training (also of older workers) which are managed by social partners. Collective and/or company agreements are to be found primarily in “early mover” countries like
Italy, the Netherlands, Denmark and Belgium, but are absent in “late-mover” countries. In Germany, employers are not required by law to provide training but by collective and/or company agreements in the sectors covered.

- Tax deductions are sometimes agreed by social partners and government. E.g. in Italy, benefits for companies are also regulated as tax reductions. Concerning CEE countries, in Lithuania there are no collective agreements regulating training obligations of employers. Usually both the employers as well as the learners pay for training. Employers may receive subsidies for hiring and providing training for recently unemployed persons. In Latvia training is also financed by the employer or the employee. Special amendments have been set to ensure that after receiving work-related training, employees have to continue to work for the employer for a certain period of time (up to two years). In Estonia entrepreneurs can benefit from tax incentives and reduce costs for non-formal and formal job-related training. In Poland employers are obliged to facilitate employees’ participation in training but not if it is the employee’s decision to participate in training.

- To provide employer-based training sectoral training funds are also an important tool and represent good co-operation between social partners. This means employers pay social contributions into training funds and in return get financial support for training for their employees. In particular, Belgium, Denmark, Italy, the Netherlands, Italy and the UK make use of this method.

- Another fund is the European Structural Fund or in this case the European Social Fund (ESF). Mostly the ESF is used for projects to deal with human resources or employability, for example, to support employer-based training. One example of financial support is found in Latvia. In a project (started in 2007) to support employee training, 1700 enterprises participated until the end of 2013 and a total of 20,600 employees were provided with training. Enterprises - mainly in the fields of engineering, technology, manufacturing, IT and logistics - had to co-finance 35% of the costs.

  - Latvia (2010-2013) also once motivated older workers and increased participation via financial incentives depending on age groups. Older workers who have less than five years left until retirement age received full financial support for further training. Other age groups had to pay ca. 30% for training costs.

Further factors to explain participation rates are company size, willingness to learn and other personality traits and skill mismatches. As country reports show, company size has a positive impact on training. In general, SMEs are underrepresented. In some cases the low participation rates of older workers can be explained through a low individual willingness to learn, as the reports from Poland or the Czech Republic argue.

- Many older employees believe that LLL does not make much sense, although it is important to mention that the prevalence of this view is higher among those with low formal education. Findings from Germany display that employees are less satisfied with their training situation because of bleak training prospects. In Belgium, Estonia and the UK similar results show a low willingness to learn in the age groups between 55 and 64, especially among those with low education. In general, reasons for learning are different among age groups. Younger workers are more interested in job-oriented
learning, whereas older workers also mention personal interest or enjoyment as reasons for further training.

- The Spanish Labour Law reform of 2012 deals with low level qualifications where training covers the whole working life of the employee.

- Willingness to learn is also explained by human capital theory. Learning or education is seen as an investment to increase human capital, which should be rewarding for a longer time period. The decision to learn depends on the present value of costs, for example, for direct costs of training or lower wages. The theory associates higher costs rather than benefits since closeness to retirement reduces investment’s pay-back period. The human capital theory can also explain employers’ willingness to invest in older workers learning activities.

A further explanation for low participation rates is skill mismatch. The most common problem in Europe is over-education or over-qualification and not a too low level of qualification. This means that the formal skill level is higher than the job requirement. Over-education may lead to unemployment or an inadequate enhancement of human capital. In Italy and as well in Denmark LLL activities often do not match the labour demand.

Moreover, continuous training depends on the specific needs of the individual company so that training is linked to employment and employability. This partly explains the “Matthew-principle”. LLL is closely linked to the current job and concentrates on professional skills, as reported often from Germany, Italy and the Netherlands. In all, vocational education and training should be flexible and adapted to the needs of the labour market in total and not only to companies’ needs.

Job tenure is a particularly important topic to deal with. Temporary contracts may have an especially negative impact on training. The willingness of employers to invest in training for employees with temporary contracts might be low. In the UK job tenure is very low for older adults. Mostly, these people are employed on temporary working contracts. The opposite can be seen in the Netherlands where only 11% of older workers (55-64 years) have a temporary contract. This might be an explanation for low or high participation rates in training activities. Continuous training should be intensified for those people with higher risks of unemployment.

8.4 “Good practices” on company level – “early mover” examples

In this section, a few “good practice” cases are presented, that are mentioned in the respective country reports and represent both, “early” and “late mover” countries.
**Arcelor Mittal, Belgium**

In 2006 ArcelorMittal Gent designed a project called **PER 2000** to collect production-technical knowledge from experienced employees and make it available to everyone who needs it in the factory. **PER 2000** was implemented by the education and training department of the company. The project allowed the experience based knowledge of senior workers to be stored and to organise its transfer to younger workers in a systematic way. Small amount was received (10%) from the European Social Fund. Reasons for initiating the project were reduced staff and less time for informal knowledge transfer. The approach is an adult knowledge management system or simply an e-learning platform. The purpose of this project is to inventory all knowledge and know-how workers need to perform their work efficiently. It is used to upgrade job profiles and indicate which employees need to acquire new knowledge.

(+) Quick and efficient manner of training a large population of employees

(+) Flexible Learning concerning time management

(+) E-tests to actually test your acquired knowledge

(-) Keeping the system updated is costly and takes time

(-) Requires initial investment

**Experience certificate, The Netherlands**

Several actors are involved: Public employment service (PES), **Dutch** Knowledge Centre for Accreditation for Prior Learning (APL), APL-providers (organisations for vocational education or for higher professional education, sector organisations and career management organisations).

The experience certificate provides an overview of prior learning, including formal and informal learning, skills and competences but also life and work experience. It aims to (1) increase the employability of individuals and employees, (2) gain more insight in employees’ capacities to create an optimal match with occupational profiles, (3) attain nationally recognised qualifications, (4) obtain an experience certificate. First, individuals need to create a portfolio with evidence of their knowledge and skill (education, diploma certificate, references etc.). The portfolio is then reviewed. It then takes three months to receive the experience certificate. Costs vary between APL providers and depend on the size of the portfolio (1000 to 1500 EUR). There are opportunities to be reimbursed or receive tax deductions. An interview with the APL provider can be arranged to discuss if it is potentially useful for the individual in question. It is targeted at persons of all ages who already have a job, but who would like to improve their position in the workplace or are looking for another job; or who are seeking employment or (further) training or education

(+) Employer gets more information about the applicant’ skills and competences

(+) Quality is ensured through the APL quality code

(+) Easily transferable
(-) Relatively high costs with limited financial support

**Ing-DiBa: Apprentices 50+, Germany**

The company provides apprenticeships for applicants aged 50+. These apprentices have to go through an apprenticeship lasting nine months. The programme began with three older women who went through an apprenticeship to become service specialists for dialogue marketing. Later the apprenticeship in Frankfurt was extended to the profession of bank assistant. As of 2013, 45 older apprentices were trained. The apprenticeship for older workers is different from the normal dual (employer and school, the typical form of apprenticeship in Germany) apprenticeship. Since ING-DiBa is a direct bank which communicates only via phone, email or post, customer dialogue is different than in affiliated banks. The bank states that relevant skills are communication skills, expressiveness and service-oriented customer language, and that the curriculum vitae or prior jobs are less relevant. Therefore applicants had to introduce themselves without a curriculum vitae, and the company clearly expressed that older workers have chances, stating

"we are an open company and do not select applicants based on factors not relevant for the job. Our employees are not typical bank clerks, but come from different jobs and sectors...Why should long-term unemployment be a reason not to hire someone?"

(+ ) Positive image of older workers through experience (efficient, flexible, able to learn, responsible)

(+ ) Equal opportunities for the application without a curriculum vitae

(+ ) Training focuses on relevant skills

(+ ) Reintegration to labour market of (long-term) unemployed older workers

**Mentoring as a tool, The Czech Republic**

The programme “Mentoring opens doors” financed by ESF uses knowledge of foreign partners from Finland and Lithuania to improve the unemployment rate. The aim of this approach is to transfer innovative and effective tools to increase employment of women older than 50 years. The approach focuses on methods of mentoring. The approach provides a mentee with experience, examples and information about career paths. Mentees participate in training on topics like labour market orientation, personal development, self-esteem, labour market skills development, preparation for job interviews, self-employment support, visual mentoring and specific PC skills.

(+ ) Improvement of individual skills and motivation

(-) No co-operation with employers
(-) No life course orientation

(-) Programme depends on funding (ESF)

**Professional training for knowledge management, Poland**

Vattenfall, an energy trading company (part of a European concern) organises workshops and coaching activities for older employees to teach them how to effectively transfer knowledge; *non-formal learning to improve informal learning*. The company initiated this programme because by 2017 more than a half of the employees will acquire pension benefits and the majority of them will retire. Thus, the company will lose experienced professionals. The programme is based on workshops for older employees where they are taught about knowledge management, experience exchange, creativity, communication and self-presentation.

(+) Facilitate of knowledge transfer

(+ ) Development of older employees

(+ ) Easily transferable

(-) Workshops and coaching might be costly

(-) Older employees might be reluctant to use modern methods of knowledge management

**Degebesa, Spain**

Degebesa is a regional development agency which implements a programme of mentoring. Professionals aged 50+ provide support to younger entrepreneurs. The programme took place between 2009 and 2011 in several countries under the umbrella of the project *ITILEE (Inclusion through inter-generational learning for enterprises and entrepreneurs)*. It was funded by the Leonardo da Vinci programme which is a part of the Lifelong Learning programme of the European Union. The project aims to promote *joint work between generations* and to benefit from individual knowledge. The mentor receives adequate training to perform the mentoring.

(+ ) Setup and preservation of a network between mentor and mentee

(+ ) Professional experience might support younger entrepreneurs

(-) Acquisition of professional mentors might be difficult
8.5 Impact of Lifelong Learning on extending work lives

Results from Finland show the importance of further vocational training/LLL. Nearly half of older workers aged 50-64 report that it helps increase the probability of maintaining them in work. Positive impacts on extending working lives are also reported, whereas findings from Denmark show a neutral effect on retirement decisions. One possible barrier which occurs in the UK is the low investment of employers in further training for older workers, as well as the low quality of training. Moreover, in the Baltic countries despite the macro and meso levels, the micro level - motivation of individuals - is an important topic and may also be a possible barrier against training. A possible driver that may lead to higher participation rates is, for example, paid educational leave for workers in the private sector as it is financed by the Belgian government.

- Since April 2015 this paid leave is financed by Belgian regional governments and also available to specific employees in public sectors. Educational proposals differentiate between regional governments. Training is even available for self-employed people.

In Germany a measure on the macro level was evaluated and also shows mixed results.

- A programme launched by the German government in 2007 allowed SMEs to reduce direct costs of training by half for workers aged 45+. Results show that participation reduced the probability of still being employed 1.5 years after participation though it increased job mobility.

8.6 How to promote/improve Lifelong Learning participation and quality?

WP3 research reveals the following prerequisites and barriers for improving LLL activities and quality – according to experiences in WP3 countries:

- **Training for low-skilled workers** to improve employability is seen as an urgent task both, in early-mover and in late-mover states.

- In Belgium, the Czech Republic, Germany, Lithuania, the Netherlands and Poland age limits have an impact on the decision to participate in further training. In Belgium, evidence for quite widespread participation in informal learning was detected among those older than 50.

- For Spain where low educational attainment rates are widespread, the report recommends education and training to focus on (formal) learning to upskill ISCED levels.

- Reducing costs on the employee’s side is seen as a necessary incentive to overcome barriers in the Baltic states. Students in Lithuania and Latvia have to pay high fees as well. An example for an innovative strategy comes from Estonia, where students do not pay fees as long as they achieve certain credit points per semester/year. This might be a motivating factor for those students without financial support.

- A further approach in CEE countries refers for stronger endeavours by employers. For Estonia e.g. it is recommended that they should provide the employee with training based on the interests of the employer’s enterprise, and bear the training expenses as
well as pay wages during the training period. In this context, direct subsidies are recommended as an additional incentive as well as tax deductions or tax exemptions. In **Poland** employers do not pay for training unless it is job related.

- **Obligation** is a suitable instrument to extend LLL in **Poland, Lithuania, Latvia** and the **UK**. The **UK** report states that government policy for LLL is hampered by the inability of the economy and society/politics to develop a shared agenda. Collective and/or company agreements should play a more decisive role. However, this necessitates that collective agreements exist at all.

- The **Italian** reports summarises recommendations to improve participation in LLL activities – valid not only for **Italy**: (1) financial incentives not only for “classic” further training (seminars, workshops, etc.), (2) awareness campaigns to encourage older workers motivation to participate, (3) (to incentivise) companies’ support for older workers for training, (4) more information about paid/ unpaid educational leave, (5) regulatory systems concerning tax benefits for employers.

Recently e-learning - at least in business, management, education, engineering and technology sectors - is being offered more often. E-learning as well as informal learning activities are also seen as a good point of departure for extending vocational LLL among older workers. E-learning proposals are not “classic” further training opportunities and thus an interesting option especially for those working in full-time and for companies aiming to reduce costs. Positive experiences from “early mover” countries might help “late movers”. More research with respect to suitable methods for older workers is recommended in all reports. Mentorships are often implemented in “late-mover” countries whereas in “early mover” countries a focus on life course orientation is seen as a good way to pursue the aim of extending LLL activities, but there is still a severe backlog.
PART C


1.1 Key demographic, societal and economic challenges call for sustainable answers

- Population ageing has led to severe and numerous societal and political challenges, however, countries’ reactions bear the potential for prevention.
- There is increasing financial pressure on the social security systems particularly on those based on a pay-as-you go principle.
- However, the old age dependency ratio tends to overestimate the fiscal costs of population ageing, because it can be influenced by measures promoting working longer or improving the human capital of older workers.
- Economic risks refer to both the financial sustainability of the welfare regimes in general as well as to the so-called “great generational contract”.
- Ageing and shrinking of the population can slow down economic growth and wealth, might raise generational conflicts in the distribution of public goods and lead in some countries/industries to severe skill shortages.
- This is the more true in view of high public debts in most EU-countries which bind an increasing share of tax revenues and public expenditure to interest payments in the future.
- Despite promising success rates in many countries (such as Germany) and industries (the services sector) the employment rates of older workers are still low, particularly in CEE countries.
- Early and involuntary exit from paid work reduces income after retirement and leads to additional financial problems in old age.
- Consequences might include increasing risks of poverty and social exclusion in old age particularly among already vulnerable societal groups.
- This might further increase (old and new) social inequalities among older people as well as older workers.
- On the macro level, ageing societies with a widespread early retirement practice might bear the risk of suffering from lower economic growth rates due to weaker age-specific demand.
• However, strong country differences between “early” and “late mover” countries have to be considered.

1.2 Points of departure for WP3 policy recommendations

• WP3 explicitly disagrees with the demographic “horror scenario” disseminated by many primarily macro-economically based policy analyses.

• Demographic change can be shaped actively, positively and be future-oriented.

• National social-policies need to be adapted according to the new chronological, social, regional, cultural and ethnical diversities and/or social risks of ageing societies.

• Explicit demographic policies (e.g. for Germany the “Demographie Strategie der Bundesregierung” by 2015) (see also Hüther & Naegele 2012) can hardly be found among EU member states.

• Active (or sustainable) ageing (not only in employment) should be one of the key underlying concepts. Public efforts are required to improve active/sustainable ageing in the different areas of policy.

• This also concerns national policies supporting ageing individuals to maintain and promote their potential for active ageing ("subsidiarity principle"/"capability approach") including their workability/employability.

• The respective slogan is: enabling to prepare for old age by strengthening self-responsibility where possible but providing help to make the right decisions where necessary.

• Successful active /sustainable ageing requires - besides self-responsibility, if at all realistic and where possible - enabling structures (promotive and supportive framework conditions) provided by national policies according to the “subsidiarity principle”.

• The respective slogan is: enabling to prepare for old age by strengthening self-responsibility where possible but helping to make the right decisions where necessary.

1.3 The need to extend working lives and working volume of older workers

• In working societies serious demographic challenges must be met at best through adequate adaptation/shaping of the labour world to make both population as well as workforce ageing an economic resource for the labour market.

• Key answers for promoting the extension of working lives and raising older worker’s employment rates and employment volume as well as intensifying Lifelong Learning in later working life.

• Thereby, social security/pension systems as well as the underlying generational contract could be adjusted and stabilised, while at the same time fiscal and social
sustainability might be improved and higher tax revenues and larger pensions be provided.

- A key prerequisite is to keep an ageing and shrinking workforce productive and active longer in their working lives as well as socially active through investment in their human capital.
- To extend work in old age might also benefit older workers economically and intrinsically.
- Different key actors groups including older workers themselves must invest in the human capital of an ageing population to allow more people to stay longer in working life as well as to be ready to participate in vocational LLL.
- Strong differences between “early” and “late” movers call for different approaches.
- However, the ongoing ageing of the workforce as well as the demographically induced (qualified) labour shortage offer reasons to be more optimistic: If older workers really are needed, employers can be expected to facilitate the respective prerequisites.

2. Recommendations

2.1 On the national level

**Overarching national policy approaches**

- National policies are obliged to support ageing individuals to maintain and promote their potential to stay longer in employment and to provide incentives for other key-actor groups, among them primarily social partners and companies.
- The effects of *age discrimination legislation* are far from clear; however, it`s norm-setting functions are helpful when used for codes of good practice, etc. or for disseminating examples of good practice.
- *National information and awareness programmes* have proven very helpful in strategic terms, e.g. creating and disseminating a “demographic consciousness” among key actor groups, supporting and initiating measures on the meso/company level.
- However, scientific evaluation is scarce and urgently needed.

**“Classical” older-workers´ employment risks still important points of departure**

- The concepts of *workability/employability* are also the best points of departures for public approaches.
- In many countries, particularly in (CEE) “late mover” countries, health reasons are still the most significant barriers for employment or re-employment.
Health prevention and promotion are still of great importance (particularly in CEE countries) and require a stronger emphasis as a public policy objective. This is not only true for the work-related health risks of elderly people.

New risks particularly through increasing mental health problems and the ongoing digitisation of work have to be taken into account more seriously.

A special focus has to be laid on “disadvantaged groups” (e.g. long-term unemployed, migrant workers, workers with health problems, disabled workers); respective endeavours are still too underdeveloped.

To focus on the meso and company levels

There is an urgent need for a stronger focus on the meso level through public policy measures. So far this seems to be underdeveloped and and, if it exists, it is often more a side-effect than an intentional result.

More policy-mix approaches

The Policy-mix measures of different key actor groups (“joint ventures”) (the “Finnish way” of the 1990s is still a model for policy makers today) have proven to produce the greatest effects. However, their distribution rate is poor.

The Polish programme “Solidarity across Generations” and its comprehensive approach, including in terms of co-operation of actors, also has a high innovative potential for “early mover” countries.

To combine formal with informal work (e.g. civic engagement, social volunteering) should be a point of departure for innovative measures (particularly in the phases of transition from work into retirement).

This is also true for collective and/or company agreements. There is hardly any awareness of informal work to be found on the side of social partners.

Co-operation between research and policy makers has proven as fruitful and offers a good basis for sustainable measures. National polices should, if they do not already, explicitly promote “older worker research”.

To extend disseminating of “good practices”

The “learning potential” of “good practice” should be used more often and in a more strategic way. Further, there is an urgent need for permanent updating and evaluation.

2.1.1 To adjust retirement policies – but not as an isolated policy approach

To adjust pension schemes by raising retirement ages and closing/complicating early exit pathways is recommended by most experts as key answers for responding to the demographic challenges.
• Incentivising reforms in national retirement policies are definitely needed but have – as isolated policy approaches – restricted impact.

To link retirement policies strategically with the meso and company levels

• It is shortsighted to pursue “extending working lives” on a political level, whereas on the meso level relevant key actor groups are reluctant or not willing to follow.

• Therefore, retirement policies must be strategically linked with incentivising employment policies on all levels (macro and meso).

• Retirement policies primarily (or even exclusively) aiming at financial incentives are of very limited success if not strategically embedded in work-place related HR-policies. Social partners need to be integrated into measures/programmes.

• To unfold their full potential, financial incentives need to be supplemented with pro-workability/employability measures on the meso level.

To avoid social inequalities

• Although rising employment rates of older people in many WP3 countries can be observed empirical evidence confirms socially selective employment rates and thus (new) social inequalities.

• Financial incentives show the weakest effects among those objectively bearing the highest financial need to work longer.

• Since differences between SES-groups can be expected to persist, sensible reforms should follow the guideline “work for those who can, social security for those who can’t”.

• In order to increase reforms with positive effects on low-SES groups, these reforms should aim at both the macro (skills, health status) and, in particular, the meso level (companies, age management focusing on low-SES groups).

• Pension reforms linking retirement ages to life expectancy need to be evaluated (e.g. with respect to social inequalities).

2.1.2 To extend partial retirement schemes and “silver work”

• Public policies should aim at creating more possibilities to combine pension receipt with paid work as a good integration measure.

• Partial retirement schemes are suitable, “to kill many birds with one stone” and should be promoted; however, so far there is no empirical evidence either for extending working life or for working volume, but for better quality of work and quality of life.

➢ The original idea is worth being recalled: Gradual retirement schemes were primarily developed in a more gerontological and socio-political context (e.g. to improve health, reduce workloads, better adjust to “real” retirement, bearing great potential for
enhancing quality of work and life, fostering the reconciliation of work and private needs and interests).

- Strong potential for improvement refers to both incentive structures as well as to employers’ attitudes and practices and in collective and/or company agreements.

  “Policy makers should try to avoid one size fits all measures and strive for individually tailored solutions, e.g. attractive part-time schemes for groups where the shift to part-time provides a gain in the total number of working hours until retirement. Logically these groups would completely drop out of the labour market if part-time work would not be available and attractive. Examples are workers with private care obligations (...) or workers whose physical or mental strains are too high for full-time work” (Eurofound 2016: 73).

- Although voluntary work after retirement is currently socially selective, it is both, enriching and rewarding as well as (increasingly) financially necessary. The latter, at best, could be avoided by pension adequacy measures.

- Financial incentives might motivate older workers if wanted and/or needed, but there are many barriers to overcome, such as too low earning ceilings, rigid means tests, too high taxation.

- Partial retirement approaches as well as work beyond legal retirement age should not primarily be regarded as instruments to reduce poverty in old age but as a significant HR management instrument.

- Often atypical working conditions for many mirror the practice. Support for respective job availability is urgently needed among SES groups.

- In companies, “silver work” should not be treated as a further instrument for flexibilisation of work but needs to be conceptualised as an innovative instrument of active personnel policies in times of severe demographic change and labour shortages.

2.1.3 To promote active employment policies

Employment protection

- The positive impact of employment protection has been proven, but possibly (although with “thin” empirical evidence) with “boomerang” effects for both those just before the entitling ages and older job seekers.

To assess unemployment benefits

- To shorten the duration of earnings-related unemployment benefits might lead to positive employment effects; however, it is questionable whether this will or will not have a socially selective impact.

- To avoid unemployment, “short-term-allowances” (as e.g. in Germany) are successful for both companies as well as older workers to stay in work (e.g. to overcome economic crises).
To foster enabling strategies

- Promoting active employment strategies should focus more on enabling strategies instead of explicit (compensatory) “older worker policies”. The “Danish model” might be seen as the example to follow.

- Early investment in the employability of the unemployed is most helpful to avoid follow-up risks in terms of weakening and/or losing of vocational qualifications of the older unemployed.

- Special early activating schemes for older workers at risk of becoming unemployed have proven to be highly necessary.

Wage subsidies with different impacts?

- Wage subsidies are crucial for raising the chances of reintegrating the older unemployed; the Belgium model can be classified as innovative because its calculations depend on the wage level that would be reached in a full-time job.

- Tax reductions can have similar effects.

- Wage subsidies, etc. should both be well targeted (particularly at those with lowest re-employment probabilities) and of short duration. Further, close monitoring is crucial due to possible deadweight effects.

To promote self-employment in later phases of working life

- To foster self-employment by promoting schemes for starting one’s own business for older workers is a good alternative, yet it is still not widespread. There is positive potential in information and counseling provided to those interested as well as for the avoidance of administrative hurdles.

- Fair subsidies and social security entitlements for founders are urgently needed.

- No job-search obligations for the unemployed starting their own businesses are helpful, as well as introducing training, professional assistance and subsidies for founders.

- Innovative potential lies in the combination of self-employment and informal work.

To integrate chronically ill and/or disabled older workers instead of early retirement

- Disabled older workers could be better integrated by separating disability from unemployment. Further, the preventive potential is higher.

- Such reforms are not necessarily problematic from a distributional perspective: Disability pensions and progressive unemployment insurance can be used to protect those with low earning capacities close to pension age.
• Positive reform experiences point to considerable potential to keep workers with disabilities employed, either eliminating or delaying their movement onto the long-term disability rolls.

• Efforts to shift to more pro-work policies over the last decade suggest that fundamental disability reforms can lower projected long-term costs for taxpayers.

2.1.4 Work-life-balance oriented public policies

To promote life-course orientation different levels

• Life course orientation has proven to be a convincing approach because it immediately reacts to quality of work and quality of life as more and more important dimensions in the process of both individual retirement as well as decisions to work longer. Further, significant changes in working life courses in the wake of demographic and social change can be addressed more adequately.

• So far, life-course orientation in public policies is not widely regarded (except in the Netherlands and in Germany, but here with ambiguous impacts and often “misused” for early retirement). The idea of the former Dutch “levensverloopsregeling” still has innovative potential that is worth imitating.

• There is a strong potential for life-course policies in collective and/or company agreements but they are too rarely used.

Reconciling work and care

• Private elderly care needs to be seen not mainly as an individual risk (mainly treated by national social security systems) but also as a severe employment obstacle for mainly elderly women and thus as a significant labour market challenge.

• So far, care obligations with children are still treated with more enthusiasm than those for elderly persons. Respective awareness strategies are needed.

• Further recognition is necessary through public policies for effective and sustainable measures of reconciling work and elderly care beyond financial compensation including removing/avoiding administrative and financial barriers. More “true” care leaves are needed, as well as factual support by key actors at the meso level.

➢ Reconciling endeavours are so far more effective in countries in which various schemes of part-time and flexible working time options are widespread as well as socially secured.

➢ However, public health and care policies are also addressed: Fragmentations of benefits and services between branches of the social security systems, especially between health and social assistance (as in many EU member states) have to be overcome.
2.2 On the meso/company level

**To focus on the company level and on SMEs**

- Policies can only give incentives for longer working lives. The company/employer level is crucial for enabling older workers to work longer.
- Organisations play a crucial role in supporting older workers to extend working lives. Particular focus should be placed on SMEs (for different reasons).
- In organisations the concepts of workability and employability (however, with differences between countries, sectors and company-sizes) are the best points of departure for designing policies and measures.

**More age-/ageing management and more dissemination of “good practice” are needed**

- In “late mover”- countries organisations need far more external incentives and support (e.g. awareness programmes, legal and financial incentives, professional advice, dissemination of “good practice”) than in “early mover” countries where both, awareness and knowledge of the “state of the art” are more common. In both, the disseminating of “good practice” is necessary.
- “Good practice” needs to be supported by enabling-strategies with respect to companies and organisations/stakeholders.

**More company-related policy-mix approaches are needed**

- More innovative approaches by different actors (e.g. companies, organisations and social partners from different sectors with different financial/HR capabilities) are needed.
- This is particularly true for cooperations (“mixed policy approaches”) between them and especially between companies (SMEs).

**To strengthen HR departments and cultivate a corporate-“demographic consciousness”**

- In many cases, HR departments are the main drivers: They can be the main targets of external (policy) intervention, as well as workers´ representatives/work councils.
- Companies´ actions are highly dependent on HR leaders´ ideas and attitudes, and need the active involvement of “end users”.
- “Demographic sensitive” culture – particularly on the first-line management level – is crucial for successful corporate age management and can be cultivated.
- The same is true for older worker´s participation as “experts in their own right”
More collective/company agreements are needed

- *Collective and/or company agreements* – if a point of departure – can facilitate measures, and if established are a good basis for sustainability. However, dissemination gaps raise the issue of social inequalities.
- The participation of work councils – if available – is essential.

To invest in cost-benefit analyses

- Since HR departments have (partly) to justify their activities before company/organisation leaders, monetary cost/benefit calculations for specific companies could be crucial; however, they are largely non-existent.

To be aware of “late” and “early mover” differentiations

- In “late mover” countries the dimensions of health, skills and working conditions are still the most relevant dimensions regarding the workability/employability of older workers. Companies, organisations, stakeholders etc. need more knowledge about preventive strategies on different levels.
- In “early-mover countries health reasons are also still of some relevance and workers with health problems are among the typical problem groups.

Life-course orientation also as point of departure for HR strategies

- HR strategies embedded in a *“life-course orientation”*, taking the whole working life course as a point of departure, can be characterised as innovative (e.g. flexible working time schedules, a new organisation of working time over the life-course, career-planning, life-course-oriented measures to develop and retain skills and competencies).
- Further, work-related attitudes, values and work-life-balance related dimensions as taken up in the concepts of workability/employability play an increasing role particularly among the higher qualified workforce in “early mover” countries and should be used more often as starting points for “good practices”. This is also increasingly true for women.
- Due to the *heterogenisation of biographies* and the multitude of individual life circumstances, the individualisation of pro-workability/employability measures becomes even more necessary, at best embedded in a profound knowledge of company-typical critical work-life stages.
2.3 Lifelong Learning

- Lifelong Learning (LLL) is of rising importance in all countries, especially in “late mover” countries. In “early mover” countries the enduring dominance of the “Matthew principle” remains a great barrier to extending LLL participation.

- LLL is crucial for the improvement of the workability and employability of an ageing workforce (for both, the individuals as well as companies); LLL is necessary also to transfer skills as well as to prepare for critical working-life-transitions; it also helps preparation for critical working life passages.

- The “front-bias” of vocational training should be overcome in ageing societies.

- LLL should be adapted to the special needs and interests of older people, inside and outside of companies; e.g. should be oriented towards practical application.

- “The vicious cycle between retirement and low training investments in older workers has to be interrupted” (Principi et al. 2016).

- Collective and/or company agreements have proven promotive of increasing LLL activities on the meso level and need to be extended (particularly in “late mover” countries).

- Public training leave has also proven to be promotive. Working-time accounts could also be promotive if used for training purposes.

- LLL should be supported through ICT; e-learning should be further expanded.

- The transferability of skills should be fostered, which necessitates improving recognition of informally acquired skills and experiences. Mentoring-models have proven to be successful.

- LLL activities need to be focused on those who are underrepresented in further training; a special emphasis should be laid on the long-term unemployed regarding older workers with a higher unemployment risk; this is also true for older workers in short-term contracts and/or with a low tenure.

- Particularly in “late mover” countries a better subsidised infrastructure for learning and up-skilling is needed.

- The enormous gap in terms of available public funds between formal and other less formal kinds of learning provision needs to be overcome.

3. Country specific recommendations – as offered by WP3 partners

The last chapter deals with selected policy pointers offered by our partners relating to their countries. For this reasons WP3 partners were asked to select the most significant in their view.
**Baltic Countries**

One major obstacle to further increases in the employment rates of older people in the Baltic countries is the bad health status, especially of men. Policies should aim to improve this health status, with a strong focus on early intervention in mid-career.

Further, since the state of older people’s health is strongly related to their biographies and cannot be improved dramatically in the short term, better job opportunities for older people with health problems are necessary. This would be fostered by higher horizontal mobility, e.g. supported by an online system allowing older people to provide information of their health status (physical, mental), their skill profile (also informally acquired skills), their preferences and to obtain information about possible areas of paid work. This could be suitable not only to the Baltic countries, but also to other countries.

Lastly, increased access to flexible working time arrangements could be helpful, supported by policy reforms.

**Belgium**

Older people’s training participation in Belgium should be increased and political measures could be helpful here. Further, and related to this, on the employer level there is a general lack of measures raising employability. Political support, including consultation about what can be done and to what effect, can foster the spread of measures. This also applies to the inclusion of all relevant stakeholders.

**The Czech Republic**

Czech employment rates are high despite adverse circumstances, but further positive and sustainable development improvements in health status are crucial. Policies can support health measures at the employer level, also already in mid-career, as also suggested in the case of the Baltic countries. Also for those in bad health, support to find alternative employment alternatives in other areas can yield positive results.

Generally, the low share of older part-time workers can be interpreted positively, against the common finding from other countries that part-time work acts as a substitute for full-time work rather than for exit from the labour market. Yet, more flexibility aimed at those who cannot work full-time for different reasons could further foster employment rates. This strongly applies to female workers since currently the Czech Republic cannot transfer the very positive situation of mid-aged females (over 90% employment rate in the age group 40-50) to a similar situation amongst older groups.

**Denmark**

A more holistic approach to age management at the company level could contribute to higher employment rates amongst older people and is thus requested. This approach should go beyond flexibility and include management skills such as communicating appreciation, diversity in the work place, transfer of skills to new workplaces and taking actions to ensure
everyone is on board when it comes to new innovation/work practices. The main topic here is: What can political actors do to support this? Given the high strength of the local level in the Danish political system and some local policy responsibility for employment, the answer could probably be found at the local level.

Employers should be supported in retaining their workers after they reach the minimum entry age in the retirement corridor. One solution is early (mid-career or later) approaches aimed at higher employee motivation. A policy approach could include stronger financial incentives for longer working lives.

**Finland**

Generally, Finland has reformed its labour market exit routes, but the effects of the flexible retirement schemes are not clear yet, although the entry age will be raised. Here one crucial question is why employers primarily in sectors with a high share of physical work already consider/considered the old corridor to be too high. Policy support for pro-employability measures, raising older workers’ employability and productivity in these sectors, could be crucial for stronger employer support for long working lives in some sectors.

Similarly, older (long-term) unemployed should be included more strongly and earlier in active labour market policies. Measures start later compared to other northern countries.

Another issue is a more work-oriented disability scheme, yet there are positive developments that also concern financial incentives. Generally, alternative exit routes such as unemployment and disability strongly reduce the effect of the legal retirement corridor age on older workers’ retirement behaviour. Here new measures, e.g. as in Germany in terms of unemployment or as in the UK in the sphere of disability could delay the labour market exit.

**Germany**

There is a need for an early retirement programme not based on the length of the working career and other periods of life based on 45 years (e.g. child-rearing, military service, unemployment), but based on health and skills and therefore on people’s employability. Currently, the “Retirement at 63” scheme is mainly used by skilled workers in technical areas where there is a lack of skilled labour. Early exit schemes should be focused on those who are unable to work longer and urgently need a form of socially satisfying financial compensation.

Further, part-time employment is too high among females. Changes in the tax system (abolition of tax advantages from one-earner couples) and better access to childcare facilities could increase full-time employment amongst women in early and mid-career, which also raises their employment rates when they are older.

For older female workers, policies raising the possibility of combining elderly care and full-time work would be beneficial, yet this is difficult since in all scenarios someone has to pay for the time workers who are absent from work, be it the workers, the company or the government. One solution would be better professional support for working carers, e.g.
people engaged in at-home care, people helping in the household, etc. Recent reforms on helping working carers are insufficient and should only be considered as necessary first steps.

Concerning the meso level, stronger incentives for employers to invest in their employees’ employability are needed, including more support for SMEs. This refers in particular to implementing “good practices”. SME’s HR departments need easily implementable “toolkits” in order to ascertain sensible spheres of action and to implement and evaluate age management practices. Collective and/or company agreements should be extended to those sectors which are currently not covered.

**Italy**

*Work after legal retirement age*

It would be advantageous if workers could just stay with their current employer and start receiving their pension as soon as they reach legal retirement age. Further, taxation of pension income could be reformed and lowered. Undeclared work during pension receipt should be tackled, e.g. via increased supervision.

*Active labour market policies*

Since the “Jobs Act” introduced conditionality for unemployment benefits and required that the unemployed take part in activating measures, stronger funding of active labour market policies is necessary, especially in **Southern Italy**.

*Mental health*

Although legislation on health and safety at work is also concerned with mental health issues, there is a need for a strategy to alleviate the most important factors harming older workers’ mental health. Here, strategies implemented in other countries could provide some guidance.

*Stronger support for informal carers*

Especially regarding possibilities to combine paid work and informal care, stronger support is needed. This applies e.g. to flexible working times and flexible work organisation and also to unpaid leave.

*Further training*

A weaker focus of funding for formal training and a stronger focus on informal training could foster the latter, which is important for older workers but is low among older Italian workers. Further, possibilities for paid or unpaid leave for workers who want to participate in further training should be strengthened through legislation.

*Labour demand*

A harmonisation of different subsidies for the recruitment of older people from different funders (European, national, regional) could be helpful. Another issue is the tax wedge, that is, the high difference in Italy between wage costs for the employer and net wage for the employee.
The Netherlands

In the Netherlands social partnerships as well as collective agreements play an important role and should be further fostered. Reform of old-age pensions should be complemented by reforms in the spheres of unemployment and disability in order to avoid substitutions effects.

Further, part-time work is still widespread. Policies could incentivise workers to work full-time, e.g. by changes in the tax system.

Poland

In Poland dialogue and co-operation between stakeholders (associations, local authorities and governments, NGOs, seniors, ministries, producing policies) should be established and maintained. The media should be strategically involved. Awareness of the issue of older workers and their importance for the economy should be raised, whereas incentives for employers and employees remain crucial.

Active aging policies from the youngest age should be established in order to guarantee the effectiveness of life-cycle oriented policies. This also includes the encouragement of the involvement of employers to support the employability of people aged 50+. IT tools, possibly with public/stakeholder infrastructure and monitoring, could help spread good practice on the employer level, whereas it would be good if employers could measure which economic effects their endeavours have in their company.

Lastly, the monitoring and evaluating of all programmes and initiatives undertaken in the field of employability, health, life-cycle orientation and LLL should be strengthened. This is particularly true for the programme “Solidarity across generations”.

Spain

Policy reforms could foster older workers´ employment rates and measures are necessary so that longer working lives are also financially attractive to workers who had low income and low pension contributions during their working life. Although the Spanish labour market is generally in a difficult situation and youth unemployment is high, attention should be paid to the strong increase in older people´s unemployment rates between 2006 and 2014. It is known that re-employment is difficult for older unemployed people in various countries, but specific obstacles in Spain should be identified and removed. One issue is low regional mobility, which could be fostered e.g. by government incentives.

Further, in Spain, as in other Southern countries, the issue of female employment is important, primarily in two life spheres: First, it is necessary for mothers not to leave the labour market permanently or reduce working hours permanently, since this partly leads to low involvement in paid work for the rest of their lives, and, second, it is necessary to enable older workers (especially women) to combine paid work and care for old/sick relatives. In both cases for the sake of higher employment rates some changes to southern/conservative
welfare states are necessary in order to raise female employment, and especially to reduce female part-time employment in favour of full-time employment.

Further, the Spanish correspondent states that the use of management tools should be extended, at best jointly with employer organisations of other European regions with a high share of SMEs (like Italy and France).

**The UK**

One crucial issue is unpaid leave and career breaks for (older) workers. There are successful options, but these are not widespread. Legislation adjusted to the demands of employers and employees could possibly enable older workers to stay employed despite health problems or private care obligations.

Further, since measures on the demand side are strongly advanced in the UK, it is crucial to strongly support older workers’ employability. These measures, especially in the fields of skills and (mental) health should start in mid-career at the latest.
References


Kangas, O. (2014): Creating the right work place conditions for people to work longer: good and bad practice examples from Finland Workshop on delivering longer working lives and higher retirement ages 12-13 November 2014, Bruxelles.


