

Eurofound Seminar: Improving working conditionsContribution to active ageing

EU policies for an Ageing Workforce

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Entering the Second European Semester in 2012



- ☐ Persisting economic problems, decelerated economic growth in 2011.
- ☐ Priorities: Fiscal consolidation, growth enhancing measures and structural labour market reforms.
- **☐** Overriding concerns for 2012:
 - Fiscal consolidations set strict limits to undertake demandexpansion policies: new sources of growth will be needed.
 - Growing long-term unemployment and high youth unemployment. Burden of the crisis has been unequally shared.
- => It is necessary to raise productivity and employment rates in general and of older people and reform pension systems.

Reinforced Economic Governance



- ☐ <u>Europe 2020</u> includes the five strategic targets (employment rate, R&D, climate change, education and poverty) and the seven flagship initiatives.
- □ Priorities expressed in the Annual Growth Survey and in the Joint Employment Report
- □ National Reform Programmes and Stability/Convergence Programmes of the MSs include concrete policy actions.
- ☐ Tighter EU-surveillance of economic and fiscal policies (six-pack).
- ☐ The European Semester: Member States and the Commission discuss structural reforms, growth-enhancing measures and fiscal surveillance at the same time; from January to June.

Country specific employment policy recommendations within the Europe 2020 strategy, in 2011



- ✓ To increase labour market participation (19 MSs): in most cases
 - increasing the effective retirement age (12 MSs) or
 - increasing the statutory retirement age and linking it with life expectancy (8 MSs);
- ✓ To reduce tax-wedge of low and medium income workers (5 MSs) and generally, shifting taxes away from labour (4 MSs);
- ✓ Better targeting and higher effectiveness of active labour market policies (10 MSs), the improvement of capacity of the Public Employment Services (5 MSs), the reduction of skills mismatches;
- ✓ Integration of vulnerable groups on the labour market (7 MSs) and address the magnitude of poverty or risk to poverty (2 MSs);
- ✓ Gender equality and work life balance (8 MSs), i.a. care services;
- ✓ Reduction of segmentation due to contractual arrangements;
- ✓ To boost job creation reducing high tax and social security burden on labour.

Employment rates of older people, in the EU-27, 2010



Men in the age groups			Women	Women in the age groups		
5	55-59 60	0-64 65-69	55-59	60-64	65-69	
Employed	70 %	38 % 13 %	53 %	23 %	8 %	
- varies bt.	57-83	17-66 5-30	22-7	9 8-56	3-22	

=> In 2020, the EU-27 employment rate would be 73.7-74.0 % - if the national targets will be reached.

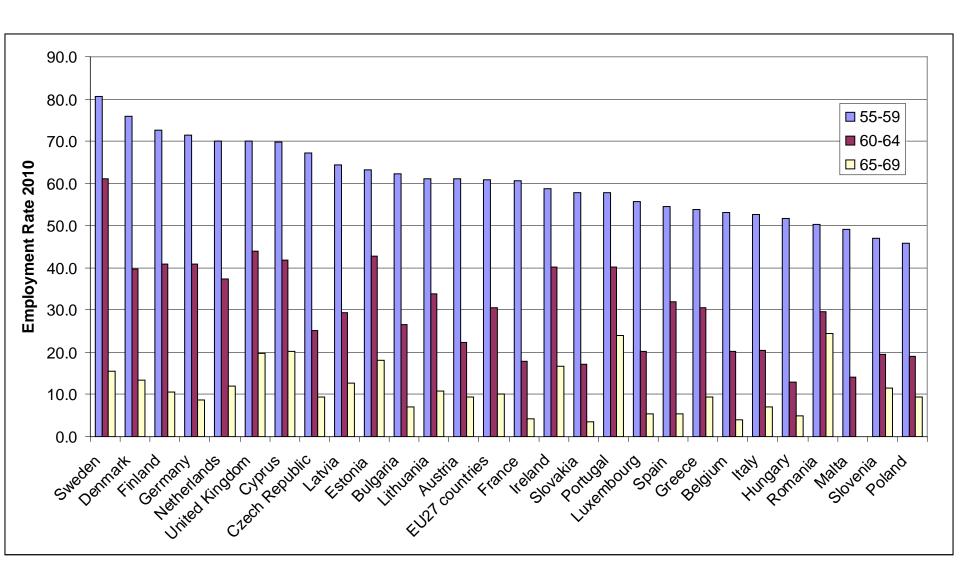
To raise employment-rates of special labour market groups to the level of the highest existing, would bring the following outcomes in the overall employment rate in 2020:

- to raise female empl-rates, would yield + 6.8 %-points;
- to raise that of the 55 64 years old + 5.5 %-points;
- for the young people, 20 29, would yield + 3.2 %-points.



Employment rates in the ages of 55-59, 60-64 and 65-69





Exiting the labour market within the age group 55 - 64



In 2006, of those who left the job, half left to take up a pension,

- 13 % left for unemployment and
- 12 % for sickness or disability.

In 2009, 42 % of men and 60 % of women were 'inactive':

- 8 % of them had never worked before
- 73 % of them had worked more than 2 years ago
- 18 % of them had worked in the last two years.
- ⇒ To keep older workers at work, both push and pull factors needed
 - 1) to raise statutory retirement age, to withdraw unemployment early retirement schemes and to put attention to men women discrepancies: care systems etc. and
 - 2) jobs for older people and working conditions to meet the needs of the elderly.



Active ageing: Employment policy dimensions



(Indicative list of the common principles)

☐ Life-long learning: access to education, training and skills development
☐ Healthy working conditions that maintain workers well-being
☐ Age management strategies: adapting careers and working
conditions to the changing needs
☐ Employment services for older workers: counselling, placement,
reintegration support
☐ No age discrimination: not using age as a decisive criterion for
assessing whether a worker is fit for a certain job or not
☐ Employment-friendly tax-benefit systems: making work pay for
older workers under and above statutory retiring age
☐ Transfer of experience: capitalising on older workers' knowledge

EY2012 and upcoming 'Ageing' outcomes



- □ The European Year for Active Ageing and Solidarity between Generations (2012): to raise awareness, to identify and spread good practice and to encourage policy makers and stakeholders to facilitate policies. Network of national coordinators.
 - Linkages to Europe 2020 and to the pilot European Innovation Partnership on active and healthy ageing.
- ☐ Eurostat (2012): Facts and figures related to active ageing
- Eurobarometer (2012) on active ageing
- ☐ Common principles of active ageing to be developed by the Employment Committee together with the Social Protection Committee, covering 1) active ageing in employment, 2) participation in society and 3) independent living
 - To be adapted by the Council 2012
- ☐ White Paper on Pensions
- ☐ Commission Communication on Active Ageing 2012





Thank you for the attention!