Ageing Workforce, Social Cohesion and Sustainable Development. Preliminary findings

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Stockholm, 31 August 2018
Project

- Ageing Workforce, Social Cohesion and Sustainable Development. Political Challenges within the Baltic Sea States

- Financed as a CBSS Project Support Facility (PSF) from January – September 2018

- Lead Partner: Population Europe / Max Planck Institute for Demographic Research

- Co-Partners: Warsaw School of Economics, Lund University
Background

- Population Ageing is inevitable in most of the Baltic Sea States
- For the next four decades, neither an increase in birth rates, nor increased immigration alone can substantially compensate for the effects of population ageing
- Increase of labour force participation: Better usage of the potentials we have, especially older workers and women
- Increase of productivity: Investment in human capital by improving and maintaining cognitive abilities throughout the life course
Aims of the project

• Identification of challenges and opportunities for policies fostering the labour force participation of older people

• Knowledge exchange and policy dialogue to contribute to evidence-based decision-making and to support the development of sustainable policies

• Dissemination of results
Outputs

- Discussion paper with country reports (about 70 pages)
- Dissemination: Policy brief (4 pages)
- Press conference: 28 September 2018
• on patterns, preconditions and challenges of the employment of older people

• on policy approaches, best practices and social innovations aiming at increasing the employment level of older people

• contribution from researchers and policymakers from 11 countries

• EU level (PE), interregional perspective (CBSS)
Retirement age

- Officially / effective retirement age
- Life expectancy and retirement age
- Transition period to retirement
- Flexible retirement age
- Gender balance
Postponement of retirement

• Incentives (pension benefits) / objective factors (low pension levels and replacement rates, increasing household costs, and poverty risks)

• Disincentives of early retirement (qualification, pension penalties) / objective factors (unemployment, low SES, low job satisfaction and motivation)

• Labour market policy (public sector jobs, wage subsidies, tax benefits, part-time jobs)

• Exemptions due to disability and earning capacity and within special branches
Incentives to work *after* retirement

- Additional earnings / „On top“ earnings / informal labour market
- Gradual retirement
- Return-option (also periodically)
- Entrepreneurship, self-employment, contractual work
- Voluntary work
- Maximum working lifetime
Vulnerability

- Gender imbalances (motherhood penalty, gender pay gap, lower pension entitlements, work-care and work-family reconciliation)
- Socio-economic status and educational attainment
- Accumulating poverty risks over lifetime (low SES, health deterioration, women, singles, divorced, unemployed)
- EU-Migrants, immigrants, refugees (required years of residence)
- Shift-workers, night-workers, freelancers, contract workers
Sustainability

• Old-age dependency ratio

• Taxpayer contributions (guaranteed pension level, guaranteed basic income, subsidies)

• Taxpayer gains (taxation, consumption, labourforce shortage)

• Contributions of immigrants

• Outmigration of the workforce in some countries
Age management

• Lifelong learning (to be promoted in universities and highschools) and occupational training (particularly ICT)

• Mentoring (late career development plan, employability)

• Occupational health management / self-perceived health parameters / health training

• Subsidies for age-friendly employers

• Public support of agencies, firms, NGOs and volunteers supporting elderly
Innovation

• Assistive work equipment and age-friendly workplaces
• Training / consulting / peer support
• Working time account / working life-time account
• Financial benefits for commuting workers
• Awards for „lighthouse“ of age-management
• Lifecourse perspective
Ageism

• Expectations of individuals with regard to their own capacities later in life (early life-course perspectives, health deterioration, work-life balance)

• Expectations of employers with regard to the performance of older employees (lower productivity, higher employment costs / seniority wages, more illness leaves)

• Management issues (age-mixed teams, knowledge transfer)
Next steps

• Implementation / roadmap / collective agreements

• Best practices in companies and branches / policy evaluation / policy comparisons („natural experiments“)

• Data availability (big data, register data, survey data)

• One-size-does not fit-all solutions (employers): SME, less-developed vs. metropolitan areas

• One-size-does not fit-all solutions (employees): Vulnerable population, population diversity
Conclusion: Policy recommendations

- Flexible and gradual retirement schemes
- Measures to promote good health / preventive medicine / rehabilitation
- Support for life-long learning / adult education / vocational training, particularly with regard to ICT
- Adaptation of job conditions and workplaces to the needs of older persons
- Anti-age-discrimination policies
Thank you!

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