

**MUTUAL LEARNING PROGRAMME:**

**AUTUMN 2012 SEMINAR**

**Living Longer – Working Better**

Thematic Review Seminar on “Employment policies to promote active ageing”  
Brussels, 11 June 2012

A paper submitted by Donald Storrie with contributions from Hans Dubois, Gijs Van Houten and John Hurley (all from Eurofound) and draws from recent and forthcoming Eurofound research publications. In particular:

- Fifth European Working Conditions Survey: Overview Report, 2012
- Company Initiatives for workers with Care Responsibilities for Disabled Children or Adults, 2011
- Impact of the recession on age management policies, Web Report 2011
- Income from work after retirement in the EU, 2012, forthcoming.

in consortium with GHK and CERGE-EI

*28/05/2012*



*This publication is supported for under the European Community Programme for Employment and Social Solidarity (2007-2013). This programme is managed by the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission. It was established to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields.*

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## 1 INTRODUCTION

Of all the future challenges facing labour markets in Europe, none is more certain than the demographic imbalances resulting from the lower birth cohorts after the post war “baby boom” and the continual increase in life expectancy. Indeed this has already led to a significant shift in the age structure in practically all European countries.

Longer life is obviously a good thing and a slower population growth is not a problem *per se*. The problem is that during the demographic transition, before lower birth cohorts even out the age structure somewhat, there are significantly fewer people of (current) working age relative to those not working and, due to prolonged life expectancy, particularly with respect to older people. The problem is clear: at current levels of labour force participation (and working time), net immigration and labour productivity, the ageing of our societies leads to lower GDP per capita. Moreover, at current levels of pension entitlement and income, it seriously threatens the financial solidity of the social security system. The distributional impacts are also likely to be significant, not only between the young and the old but also within age groups. Some will be able to adjust their life time labour force participation and some get secure pensions, others will not.

However, while the age structure prognosis is likely to be quite reliable (especially as regard older ages), the assumptions cited above are much less certain, particularly as regards future labour force participation. By definition the input of labour into the economy is the employment rate of each age group, the length of their working life and how many hours they work per year. The potential for increasing the overall employment rate and the length of working life is enormous in Europe. The re-employment of the millions of people currently unemployed highlights the fact that the ageing challenge is not a matter of immutable demographics, but rather how we manage our economy in general and the labour market in particular. Moreover, the employment rates of older workers in Europe vary very significantly and thus highlights that the length of working life is not primarily due to the absolute biological limitations of ageing, but to the organisation of working life not only at the workplace but also in the institutional setting of the labour market and the prevailing attitudes in our societies.

This paper cannot address the wider issue of an overall improvement in employment rates for the entire population. It must be underlined, however, that a return to full employment is so obviously essential for a satisfactory resolution of the demographic challenge. Not least the scarring effects of unemployment for young people in particular may have long lasting impact on Europe’s capacity to meet the demographic challenge, see for example various recent and forthcoming Eurofound publications of the NEETs project.

Instead this paper focuses more specifically on ageing. This will be done primarily by focusing on older workers on both sides of the traditional pension age of 65. However, ageing is obviously not a state (of being old) but a process throughout working life. Just as it is individuals who prepare physically, financially and socially who make the best transitions to old age, it is workplaces that have age management for the entire workforce and societies that have a life course perspective on ageing that will best meet the demographic challenge. The basic message of a major OECD study on the topic is well encapsulated in the report’s title of “Live Longer, Work Longer” (OECD 2006). This must surely be a crucial aspect of policy to address the ageing issue. However, it is vital to realise that the capacity to work longer is determined by working conditions throughout working life. The perspective of the European Foundation for the Improvement of Living and Working Conditions is thus “Living longer - Working Better”.

This paper starts with an exploration of some aspects of current working life that are considered conducive to a long working life. It is based on data from the European Working Conditions Survey. It is followed with some evidence on the expectations of the current labour force to remain in their current job even towards the end of their working life and how the variation in these expectations is related to various aspects of their current job.

The following section focuses on workers that are approaching the typical pension age. The massive variation of the employment rate of workers 55 to 64 indicates that there is much room for an increase of employment for this age group in many Member States. While much is related to social security systems and attitudes, this section examines company practices intended to facilitate the employment of carers, and age management at restructuring.

A striking feature of the recent recession has been the resilience of the employment rate of older workers. This is particularly the case for the over 65 year olds. Section 4 highlights this trend and, drawing upon the findings on the nature of work that they perform, examines some company initiatives to facilitate their employment.

## 2 SUSTAINABLE WORK

The very obvious fact that ageing is a process and does not start at a particular age should be emphasised. The state of our health, skills and motivation for work are to a significant degree due to what has happened previously in life. Recent research has led to a better and above all more nuanced understanding of how the ageing process affects the individual's productive capacity. Contrary to common perceptions of continual decline in factors contributing to productive capacity after a certain age, there are both gains and losses in adult development over time. While on the one hand "cognitive mechanics" (e.g. processing speed) decline with age "cognitive pragmatics" (e.g. experienced based knowledge) increases up to around the age of 55 to 60 years and then remains stable until around 85.<sup>1</sup> Similarly, while openness to new experiences decline with age, emotional stability, agreeableness and conscientiousness tend to increase. A successful management of ageing over the life course will mitigate against the decline of some of these factors and exploit the potential of others. There is quite firm evidence that cognitive ageing can be diminished by intellectual engagement throughout the working life, which can be provided both by training and a challenging job. Furthermore, it is not just people who change with the passage of time, so typically does the tasks required for a job. The match or fit of jobs and workers is important in general but increasingly so with age.

As the productive characteristics of the old and the young do differ considerably there is great potential for diversity management to exploit the complementarities of these characteristics and to promote the scope for mutual learning between generations. Company health management is of course also mentioned in the research literature, not least regarding the negative impact of chronic stress, but it is also underlined that a more holistic approach is important. The potential for company level initiatives regarding for example diet should not be underestimated. Finally the literature also considers the perceptions of ageing to be very important. An organisational climate that promotes an understanding and appreciation of the image and productive potential of older works is crucial not least for the self-image of older workers themselves.

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<sup>1</sup> These concepts and much of the empirical finding come from the work of P.B Baltes and colleagues at the Max Plank Institute for Human Development. See for example Baltes et al (2006).

## 2.1 Factors leading to a sustainable working life

Recent trends in working conditions as measured in the European Working Conditions Survey (Eurofound, 2002a) suggests only rather minor changes in many of the aspects of working life that are expected to lead to a more active ageing. In particular:

- While workers are working shorter hours, work has become more intense.
- There have been only limited changes in the cognitive dimensions of work and in having to learn new things.
- Autonomy indicators also show very limited change

On a more positive note some progress can be seen in heightened awareness of Health and Safety issues and a decline in self-reported health and safety risks. The proportion of workers in the EU27 who feel that their health and safety is at risk fell from 31% of workers to 24% between 2000 and 2010 (in EU12 from 40% in 1991 to 28% in 2010). This may partly reflect the better provision of information regarding health and safety as the proportion of workers who report that they are very well or well informed on health and safety risks related to the performance of their job has increased – up to 90% of workers in 2010.

The Survey also finds some encouraging results as regards training. In the 2010 survey training paid by employers was at its highest level since 1995 (for the EU15), with 34% of workers receiving training in the 12 months prior to the survey. This is a break in a 15- year trend in which employer-provided training had not increased (the figure actually declining between 2000 and 2005). Furthermore, on-the-job training also became more prevalent, involving 24% of employees in 2005, and 30% in 2010.

Older workers receive less than average, with 30% of those aged over 50 years receiving training paid for by their employer, compared with 36% of workers aged between 30 and 49 years. However, this disparity has eased somewhat, with the proportion of older workers receiving training rising by seven percentage points over the last 15 years, as against a rise of only four percentage points for the younger group.

## 2.2 Expectations of the current workforce

The European Working Conditions Survey has monitored for the past 10 years whether workers believe they would be able to do the same job when they are 60 years old. Respondents are offered three alternatives: 'yes I think so', 'no I don't think so' and 'I wouldn't want to'. In 2010 over a half (59%) responded positively to the question. Positive answers increase with age (73% of men and 70% of women aged over 50). A quarter of workers in Europe think they would not be able to do the same job when they are 60 years old and less than a fifth (16%) report they would not want to. Over 70% of workers in Germany and the Netherlands feel they would be able to do their job at 60 compared with 26% of workers in Slovenia. These percentages correspond roughly with the actual percentage of older workers in their country's workforce. Out of the 10 Member States with the lowest percentage of workers expecting to be able to do their job at age 60, seven are also in the bottom 10 in terms of the proportion of workers aged 50 and older in the workforce.

The perceived sustainability of jobs varies considerably between sectors. Particularly in sectors where work tends to be physically demanding, workers commonly think they would not be able to do their current job when they are 60. Only in the financial services sector does the figure exceed 70%. In contrast, only slightly more than half of the workers feel the same way in the agriculture, wholesale and retail, food and accommodation, industry and transport sectors. With regard to perceived sustainability, occupations can be roughly divided into two groups:

- managers, professionals, technicians and clerical support workers;
- service and sales workers, skilled agricultural and fishery workers, craft and trades workers, plant and machine operators, and workers in elementary occupations.

Workers in the second group are much less positive about their job sustainability than workers in the first group. In general, men and women in the same type of occupation do not differ much in terms of their perception of job sustainability. However, there are some exceptions with male managers, professionals and plant and machine operators being more positive than their female counterparts.

Running a series of logistic regression models confirmed the importance of the following: work–life balance, job strain and active jobs, harassment, exposure to ergonomic risks and ambient risks, workplace innovation, which is associated with the say of the worker, having career prospects as well as being well paid, and ability to do quality work. It is clear that health matters in the issue of sustainable work. It is also noticeable that favourable working conditions increase the level of reported sustainability of work. Human resources policies that develop workers are also key in this respect. Other results were:

- Autonomy plays a protective role and work intensity a deterrent role. Workers in low strain and active jobs report higher levels of sustainability than others.
- Work–life balance is important and positively associated with sustainability of jobs.
- Working time duration seems to have a limited impact: levels of reported job sustainability remain the same in the case of long working hours. Being able to take some time off as well as having some autonomy in relation to taking break, etc. are positive resources.
- Experience of discrimination, violence, abuse, bullying or harassment are associated with lesser levels of job sustainability.
- Less physically demanding working conditions are associated with higher prevalence of job
- Sustainability.
- Social support from colleagues and managers plays the expected role. High support is associated with a higher proportion of positive answers to this question.
- Job insecurity is associated with lower levels of job sustainability.
- Not having monotonous task is assessed positively in terms of job sustainability as well as cognitive dimensions of work.
- The highest levels of workplace innovation are associated with higher reporting of job sustainability.
- Intrinsic rewards are associated with higher levels of job sustainability.

In terms of relative effect size, two factors stand out: exposure to posture and movement related risks (standing, carrying heavy loads, repetitive arm movements etc) and subjection to harassment. Other factors that have a relatively large effect – but about half of that of the other two - are work-life balance and career prospects, which both have a positive effect.

The overall trends are however remarkably stable. To the question “Do you think you will be able to do your job at 60, 57.1 % responded “yes” in 2000. In 2010 the corresponding figure was 58.7%



## 3 PROMOTING THE EMPLOYMENT OF 55 TO 65 YEAR OLDS

While the previous section underlined that a life course perspective is essential to ensure that workers are prepared and able to maintain labour force participation even when they become older, there is of course a particular logic in focusing explicitly on issues of particular relevance for older workers. Moreover, the variation in employment rates among these workers indicates that there is much scope for improvement in Member States. Much of the big variation in employment rates among older women illustrates the vital importance of a life course perspective as the labour force participation of cohorts now aged between 55 and 64 was determined much earlier in their working lives, not least in the context of family life with children. In this section, however, the focus is placed on two issues. The first is also strongly related to another source of variation between Member States, namely older workers and restructuring. The second is how to address adult care responsibilities for this age group in order to combine care with work. With a rapidly increasing share of very old people in our societies this is of increasing importance for their children, who are often in the 55 to 64 age group.

### 3.1 Care responsibilities

It is well known that childcare is important for the labour supply of parents and that the provision of good childcare services is crucial for the labour force participation of women in particular. It is now becoming equally obvious that the same applies for care of the elderly. As the typical family carer of old people are adults in the latter part of their working life, i.e. already prone to withdrawal from the labour force, one might argue that the provision of caring support can have an even bigger impact than the provision of childcare 50s and 60s. Care is becoming of increasing importance for the employment of older persons.

In 2011 Eurofound published a report on “Company initiatives for workers with care responsibilities for disabled children or adults”. The report was based 50 case studies of company initiatives for working carers were prepared from across the 11 participating countries. The key findings were:

- *Awareness-raising is often needed within companies:* levels of awareness and knowledge at the company level in relation to the specific issue of working carers often seem to be a lot lower than in relation to working parents. Because of this, efforts to raise awareness of the working carer issue amongst managers, supervisors and staff within the company are an important element of the approach in many of the cases.
- *Companies are providing both work-related and care-related supports:* although approaches focusing on work-related measures (leave, hours reduction and work flexibilities and accommodations) are most common, many of the cases also provide examples of how employers are providing care-related supports (such as information, counselling and concrete supports for costs of care or in finding care services).
- *A combination of both targeted and universal approaches seems especially effective:* such approaches explicitly identify caring as an important work-family balance situation that may be experienced by employees. They ensure that carers are known and have access to relevant universal provisions for the workforce. They also provide specifically carer-oriented measures to cater for needs that cannot be met through more universal provisions.
- *Employers are recognising the ‘win-win’ opportunities in this area* addressing the work-family balance needs of working carers, and some have formally presented their policies as ones that aim to simultaneously address business and employee needs.



- *The pivotal role of line managers:* the day-to-day resolution of working carers' needs typically occurs through individual negotiation with line managers. Although initial resistance from line managers seems to be quite prevalent, the cases show how this can be overcome through efforts to raise awareness and to support and equip line managers to take account of the needs of working carers.
- *An issue for both men and women:* in addition to linking company-level approaches on working carers to policies around equality for women, such as addressing the fact that women are more likely to opt for long-term leave and/or to experience negative career implications, some of the cases indicate a growing recognition of work-care balance issues for men.
- *Avoiding the need to leave employment / facilitation of return to work for carers:* a number of cases show how employers have been motivated to provide company-level measures for carers in order to help retain staff, as well as to avoid the need for staff to take long-term leave unless really necessary or desired. Here long-term leave has been taken, companies are making efforts to maintain contact with those on leave and to facilitate their return to work. Some of the cases show how employers in tight labour markets wish to ensure that carers are not excluded in their recruitment efforts.

Leave provisions are of particular importance in allowing an employee to combine caring and employment. Some of the interesting initiatives are presented below.

#### Examples: Leave related provisions

##### **Extended eligibility and part-payment** (insurance company, Netherlands)

This company has gone beyond the minimum Dutch statutory requirements (Work and Care Act 2001) on carer's leave in a number of ways. One aspect concerns the spectrum of carers covered: the company makes carer's leave available not just to carers of close family members but also in cases of care for friends, neighbours and other relatives. The conditions of longer term leave are also better than the statutory minimum, with the company providing part-payment (it pays for half of the number of leave hours taken) up to a maximum of one month's salary per long-term leave period.

##### **Additional leave days, 'give and take' on pay** (cosmetics manufacturer, Netherlands)

Again, this company has gone beyond the minimum Dutch statutory requirements (Work and Care Act 2001) on carer's leave. Each employee is entitled to five extra care leave days per year in addition to the minimum in the national regulations. These can only be used for caring (not for extra holidays) and are fully paid by the company. It applies in caring situations involving admission to hospital of the employee's own children (up to 16 years old), illness of young children at home who cannot be looked after by others, and care giving for close family members (specifically, final or acute care for bedridden persons who depend on the care of the employee). Some flexibility is possible if more than five days are needed; for example a 'give and take' approach might be provided where the cost of the extra care days is shared equally by the employer and employee.

##### **Continuity of contact through participation in training** (regional public authority, Germany)

During longer term care leave, employees are invited to participate in training programmes or to enrol in further education courses. The objective is to maintain a close link to the employee who is on leave, in order to ease re-integration and to reduce the probability of non-return. The positive feedback received from employees who have been on longer term leave confirms that these efforts are much appreciated, and have strengthened their commitment to the employer.

##### **Contact during longer leave, support on return** (energy company, UK)

Apart from shorter term leave provisions, the company's carer policy states that a 'career break' may be appropriate where longer term caring responsibilities are involved. If a career break is approved, full support (including retraining where necessary) will be provided when the employee returns to work, as well as during the career break itself. The line manager will keep

in touch with the employee and offer support wherever possible, although the employee may choose to contact their manager more frequently, should this be preferable. The employee will continue to receive all appropriate company communications unless they request not to receive them. A date to review the arrangements entered into will be agreed at the start of the career break.

**Continuity of contact and support for reintegration after leave** (telecom company, Austria)

This company has recognised that successful re-entry after a period of leave can be considerably aided by preparatory initiatives taken before the leave commences. Written guidelines are being prepared to support this, addressing both the workers and line managers. A full-time position for a person in charge of 'leave and reintegration' has been created. Continuity of contact during leave is also encouraged, including the possibility to be kept informed of what is happening in their unit whilst on leave.

The report Eurofound (2011) provides similar useful case examples for Hour Reduction Schemes, Work-related flexibilities and accommodations (e.g. flexitime and teleworking), care-related support (e.g. information/counselling, training in caring for carers and financial supports. Some companies have extensive and multidimensional approaches.

### 3.2 Age management at restructuring

While the differences in the employment rates of older women depends on a whole range of gender issues throughout the life course, including caring responsibilities, the very significant differences in employment rates even among older men would suggest that it is the maintenance of older male workers in the labour force that is of great importance.

Börsch-Supan, Brugiavini och Croda (2008) find "that institutional differences between countries explain much of the cross-national differences in work and retirement, while differences in health and demographics play only a minor role". Tatsiramos (2009) finds that in countries with institutional provisions for older unemployed which offer a pathway to early retirement older displaced workers exhibit lower reemployment and higher retirement rates compared to the non-displaced. Many of these differences are institutionalization of restructuring practices from the 70s and 80s.

The resilience of the employment rate of older workers in the recent recession is of course not just related to age management practices in companies and cannot be divorced from the overall policy developments. Eurofound (2012b) found that the relevant changes in the institutional and legal framework include:

- Raising the statutory pension age and eliminating male-female pension age differences
- Reducing incentives for early retirement
- Sickness/disability benefit reform
- Anti-discrimination policy

The Netherlands has agreed in principle to raise the statutory age for retirement and extended incentives for training of employees to prevent early exit. Austria reformed the partial retirement option further to be a genuine part-time work model for older workers. Hungary, the Netherlands and the UK also rewarded those employees postponing retirement with additional pension accruals for each year worked beyond the retirement age (in the Netherlands, up to the age of 70).

The various company case studies find some shift away from encouraging early retirement with more emphasis placed on various forms of 'downshifting' – reduced working time, gradual/phased retirement. Nonetheless, as the case examples attest, early retirement

remains in the toolkit of employers as there were as many cases where the share of older workers had increased as decreased.

Several of these case studies placed importance on intergenerational knowledge transfer. This transfer can consist of: succession planning; involving older employees in establishment training; and recording of the, often tacit, knowledge accumulated during their career. Examples are the Mol Group in Hungary and Kiruna Regional Administration in Sweden. Involving older employees as training mentors in some cases was a response to the crisis as training budgets were reduced.

There were several cases of partial or flexible retirement. One example is the flexible retirement policy in use by Cambridgeshire County Council in the UK. The policy provides eligible employees (55 and over with a minimum of 3 months membership of the pension scheme) with the right to request a permanent reduction in working hours (20% or more) or request a transition to a role with downgraded duties/responsibility, while at the same time availing of accumulated pension benefits. In the Ford manufacturing plant in Valencia a majority of blue collar workers aged 61 and over participate in the government-supported partial retirement scheme which allows older workers to reduce their working hours by up to 85%. Even though there is the obligation to employ one younger employee for each partially retired employee the scheme remains cost-effective from an employer perspective given the significant seniority premia enjoyed by older staff in the company. Borealis Agrolinz Melamine GmbH (Austria) started using the partial retirement scheme more extensively during restructuring after the economic crisis of 2008, coinciding with the reforms to the scheme made by the Austrian government.

## 4 PROMOTING THE EMPLOYMENT OF THE 65+ YEAR OLDS

With the continual improvement in the health of older workers, the distinct demarcation between life and pension around the age of 65 is becoming increasingly blurred. In reflection of this, changes in the pensions system and statutory retirement age make 65 less of a watershed in working life. Moreover, on-going shifts in perceptions of work and the sharply increased financial necessity arising from the recent recession have led to a significant increase in employment rates for the over 65 year olds. In the 4th quarter 2005 8.9% of them were employed. In the same quarter 2011, the corresponding figure was 10.8%. Thus the typical focus on older workers defined as 55 to 64 is too limited. Section 4.1 shows that the employed over 65 year olds are quite different group from the employed 55 to 64 year olds and working under quite different circumstances. Policy and company initiatives to promote their employment should thus be aware of these differences and design policies and practices accordingly. Section 4.2 examines recent company level initiatives to promote the employment of the 65+ year olds.

### 4.1 Employment of the 65+ year olds

Employment among the over 65 year olds declines very sharply with age. In 2011, the EU employment rate of 65-69 year olds was 10.8%, 5.2% for those between 70 and 74 and 1.2% for the 75+. Employment rates for older workers vary greatly between Member States. In 2010 all of 20% of the 64 to 69 year olds were employed in the UK, while the corresponding figure in France was 4%.

The employed over 65 year olds are a rather heterogeneous group and they work for many reasons. Some work due to the inadequacy of pension income while others may have an intrinsic and voluntary preference to work longer. Their employment growth is also attributable to their capacity to obtain work, largely due to their skills and health, attitudes to


older workers and, of course, the state of the labour market in general. Research indicates that the intrinsic value of work (including social ties) and health are particularly important factors compared to other age groups. See Inceoglu, Segers and Bartram (2001) for some good empirical evidence and a review of the literature.

Twice as many men than women work in the 64-69 age group, though this gap is declining. It is also the better educated who work longer. Almost 57% of these older workers work part time. This is significantly higher than the 20% reported for the 55 to 64 year olds. The same applies for self-employment with 50% self-employed compared to 14% for those of working age. However, farmers dominate this group. 17.8% of the 65+ have temporary contracts compared to 6.7% of the 55-64 year olds in the EU27<sup>2</sup>. It is also striking that a far larger share of the 65+ state that their temporary contract is voluntary than for the younger workforce. Thus the working over 65 year olds are a rather different population than those between the ages of 55 and 64 and often choose to work for rather different reasons.

#### 4.2 Company initiatives to promote employment of the 65+ year olds

While the policy world has abundant examples of company initiatives to promote the employment of the 55 to 64 year olds much less is available for the over 65 year olds. This is particularly important when one considers, as was shown in the previous section, that these are quite different groups of people and employed under quite different circumstances. While some of the appropriate policy and initiatives for the 65+ are similar to those of the under 65 year olds (e.g. health and caring issue) the design should be somewhat different and with somewhat different emphasis.

One very important dimension of many of the employed 65 year olds is the voluntary nature of their participation in the labour market. Older employees are less motivated by extrinsically but more by intrinsically rewarding (e.g. autonomy, personal principles) job features. Another important feature of 65+ employment promotion initiatives is perceptions of ageing. While there is a growing understanding of the lack of significance of the 65 years old watershed in working life it still is the case that some have the perception that the over 65+ have no place at the workplace. These perceptions may also be reflected in the self-perceptions of the retiree herself. Furthermore, working past the statutory pension age presents many difficult administration issues not least as regards labour law, taxation and pension rights. Many workers are not fully aware of the possibilities of working past retirement. Thus when devising company initiatives to promote employment among the 65+ employers should take account of the special motivation issues for these workers and the information needs both as regards perceptions and clarifying the often complex institutional and legal issues. The two cases below, from Eurofound (2012, forthcoming) illustrate these issues.

<b>Centrum Techniki Okrętowej S.A.</b> 	
Sector	Publicly owned (Ministry of Treasury) joint-stock company: ship design and research centre, with research and development in water-borne transport and shipbuilding
Employees	140 permanent & 20 contract-bases (10 working retirees)
Gender balance	31% female
Most employees (60%) are highly educated within ocean engineering and ship technology, as well as mechanical engineering. Its employees work at average around five years beyond retirement. Nevertheless, it was reported that due to recent perceived uncertainties about the possibilities to combine paid work and pensions, many people chose to leave the labour market	

<sup>2</sup> Note that in some countries open-ended contracts are not permissible for retirees.


when reaching the statutory retirement age.

Retirees usually work part-time or with flexible working time with a permanent or temporary contract. The type of the employment and time distribution depend on the company's current and future needs, as well as the willingness of the individual employee. Both parties in the discussion on work after retirement consider aspects such as health status and family aspects. In order for the initiative to work clear descriptions of requirements, i.e. tasks, duties, evaluation criteria, availability of the retiree in the light of working time (hours, working days) have to exist.

The company seeks to retain retirees who can take on the role of consultants or mentors in order to secure competencies. The interviewed retiree was retained as the loss of his skills in hydromechanics would have implied a loss of competence for the company. For the employer, advantages of continued employment for retirees have been to secure continuation of functions that otherwise would indicate drastic changes, possibility of introducing flexible forms of employment and lower costs for employer. Moreover, it assures the company a workforce with that balances youth and maturity. These aspects are both noted to create added value, such as increase of professional ethics, natural exchange and transfer of knowledge. Negative aspects are conservative attitudes, objection towards changes and gaps in competences related to computer based knowledge and language skills.

For the employee, motivation includes work satisfaction (especially when working many years in the same company), life-long learning (knowledge and skills), a social dimension (being with colleagues, friends), contributing to the company development and success, and health care benefits and other financial reasons. The interviewed working retiree stressed that activity keeps him up-to-date with engineering (especially hydrodynamics) knowledge and allows him to be with other people who are interested in the same area of competence.

Austrian senior experts pool.

<b>Austrian Senior Experts Pool </b>	
Sector	Consultancy. Providing advice in the development, review and implementation of business concepts.
Employees	170 'members'
<p>ASEP was founded in 1989. It is an association of former high-level managers who have chosen to work as consultants after retirement. Most are male (95%) and have a university degree (87 %). All consultants at ASEP are 50+, with 72 % above 65, the Austrian statutory retirement age for men (60 for women). Those who did not reach the statutory retirement age have availed of an early retirement package. A small number does not work beyond retirement, but took partial retirement and partly work for ASEP. Reported motivations include the intergenerational transfer competence, possibilities to work abroad, the opportunity to take part in interesting projects, and to maintain a certain income level. A reported principal strength of retirees includes their networks of colleagues and clients built during prior professional experience.</p> <p>Some recruitment processes have started as a result of a retiree reading about the ASEP in newspapers, for example due to attention about one of ASEP's projects. Most are recruited through recommendation from another member. Interviews are conducted in order to clarify the association's activities and interests, which usually results in membership. ASEP rather retains competences by offering interesting projects and assignments to people who are socially acquainted to other members, than by seeking for competence externally.</p> <p>Clients are mainly small-and medium-sized companies and start-ups in marketing, finance and controlling. The ASEP experiences an increase in demand for their work, especially in areas such as temporary top management. Due to the generally negative perception of work after retirement in Austria competition in recruiting retirees is perceived to be low. Interest to work is high among retirees. Nevertheless, an important challenge of the company is finding new members with precisely the suitable skills to fulfil the contracts made by the company when others leave.</p>	

Since many activities are carried out in terms of projects, flexibility is both offered in terms of part-time work or part-year work. Financially, facilitators are: contract schemes that allow retirees to pay minimal taxes on extra income earned, and a yearly premium of 4.2% on the assessment base to the statutory pension for every extra year in work after statutory pension age.

## 5 CONCLUDING REMARKS

The most important political message of the ageing issue is not to fall for demographic determinism. The most obvious policy message is that we must work longer and the contribution of Eurofound is to examine how this can be achieved by “Working Better”. While it is important to have a life course perspective on ageing in the workforce, evidence from the EWCS suggests that little substantial improvement has been made in making work more sustainable in the last decade. The resilience of the employment rate of older workers in the recent recession suggests, however, that some progress is in fact being made in terms of increasing employment of the over 55 year olds. While some of this increase is undoubtedly due to the financial imperatives of the severe recession, it is quite clear that policy to facilitate longer labour market participation has also been important for this positive development. Moreover, the case studies in this paper, and other Eurofound research referenced below, show the potential for companies to themselves retain their valuable older workers. In the context of the Peer Review process the most important policy conclusion of this short paper is that, as the employment rates of the over 55 year olds vary so considerably among Member States, the scope for peer learning is enormous.



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