



Joint Meeting of the Task Force *Monitoring RIS* and the Expert Group
for the UNECE Conference on Ageing

Population Ageing and the Labour Market

Presentation based on
contributions from the ILO

Vienna, 26-27 February 2007



Outline of the presentation

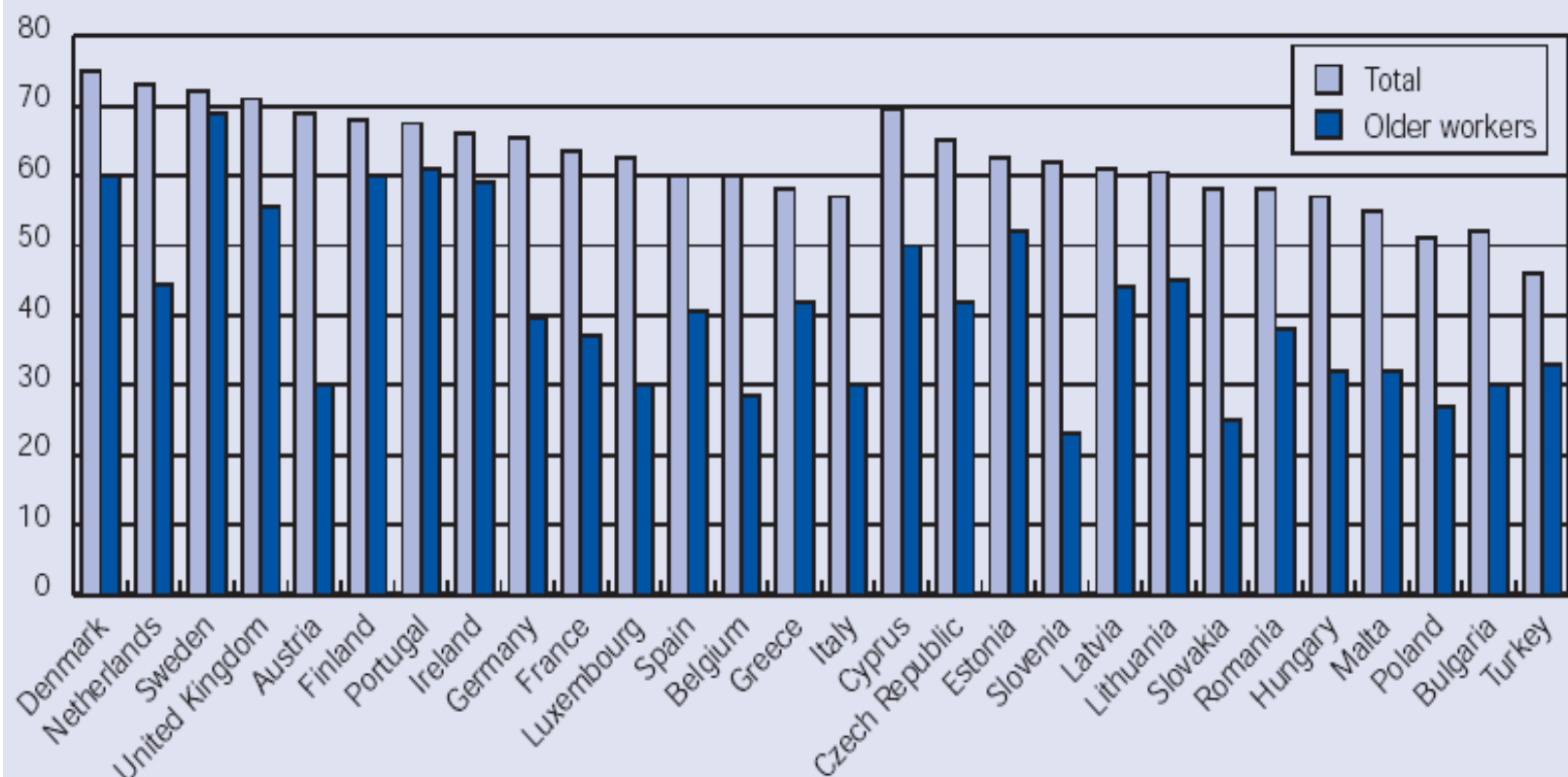
- The labour market situation of old workers
- Older workers' labour force participation
- Exit age of the labour force
- Policy responses I: Increasing employment rates
- Policy responses II: Extending working life



The labour market situation of old workers

- Employment growth throughout the UNECE region has not generally kept pace with GDP growth.
- The employment and participation rates of old workers, especially women, are low and have been declining for the past two decades.
- Despite some improvements in increasing the retirement age, the labour market exit age remains low.

Fig.1 Total and older workers (55-64) employment rates, 2003 (per cent)



Note: Data for Turkey are for 2002. Source: Eurostat (2004).



Exit age of the labour force

- Many countries have raised the legal retirement age for men, and especially for women, in order to achieve financial sustainability of pensions.
- However, the average exit age from the labour force is still low in the UNECE region, especially when compared with life expectancy at age 60.

Fig.2 Average exit age from the labour force by sex, 2002

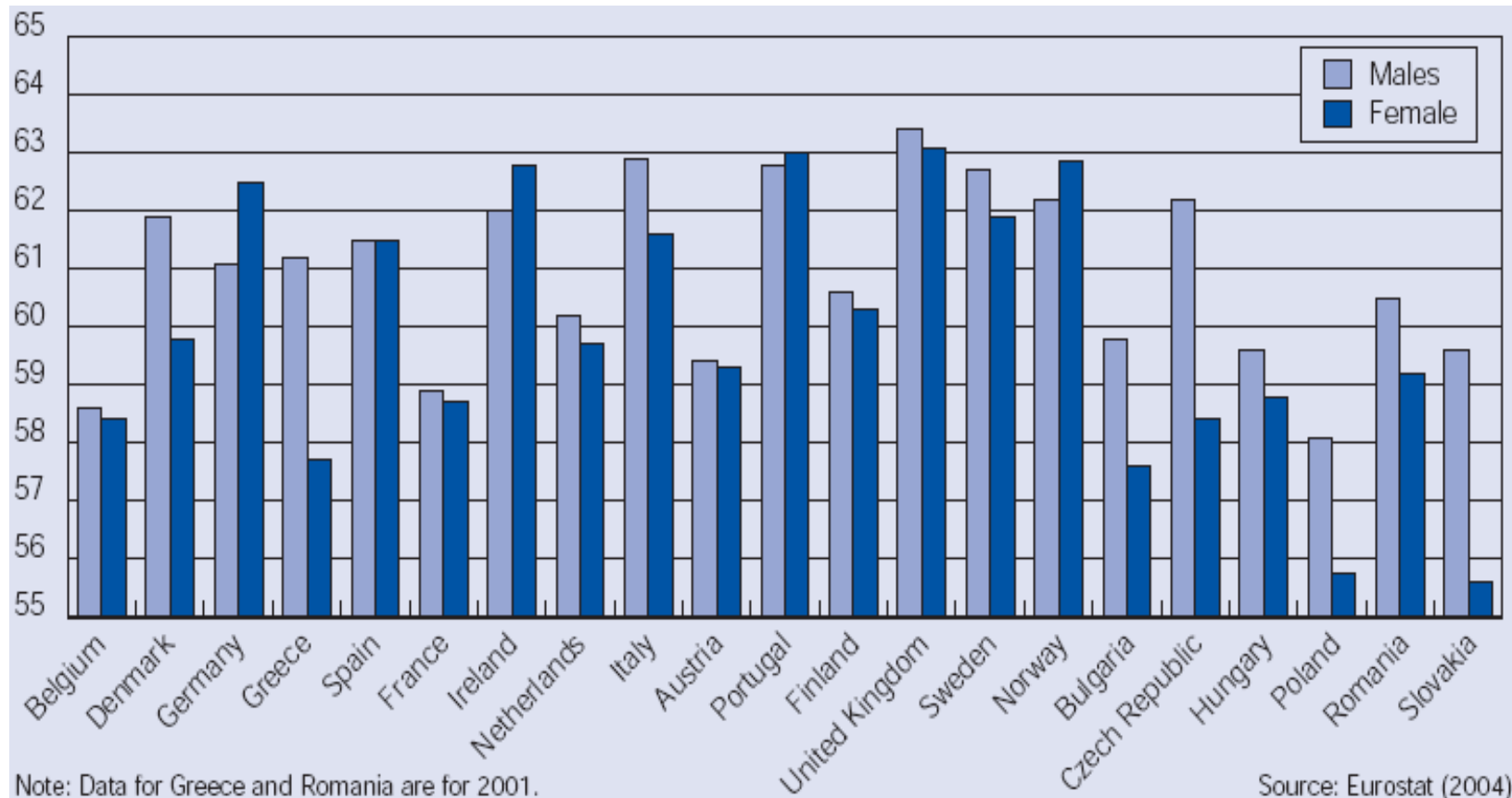
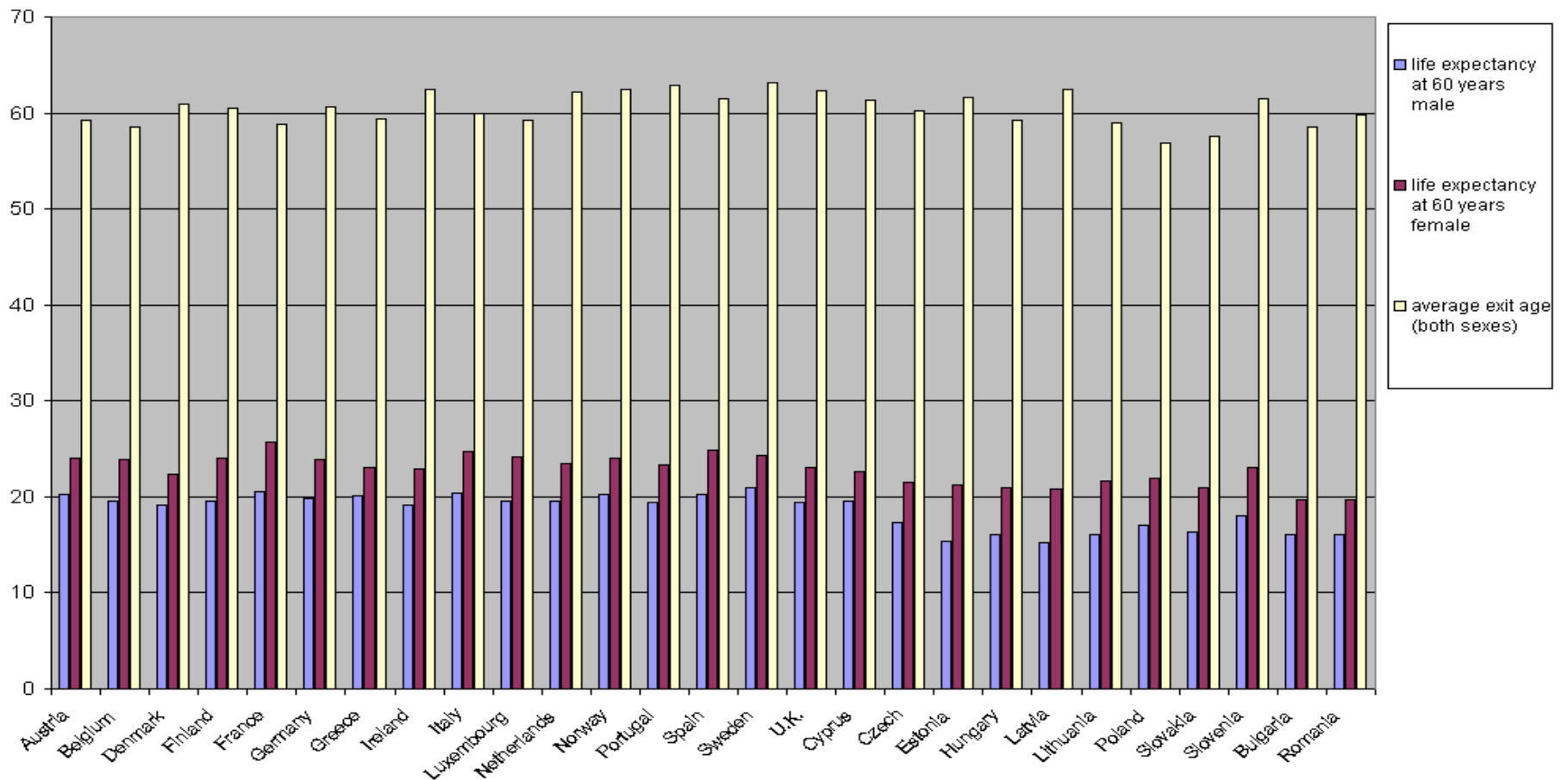


Fig.3 Life expectancy at 60 and exit age from the labour force, 2002





Policy responses – Increasing employment rates I

- The European Councils in Lisbon (2000) and Stockholm (2001) set targets for 2010 for raising employment rates in the EU to close to 70% for the working age population as a whole, over 60% for women and 50% for older workers.
- In order to achieve these targets, it will be imperative to enact measures that help childbearing and labour force participation to be more compatible.



Policy responses – Increasing employment rates II

- Immigration is another important potential means of improving labour force participation rates.
- Employment problems of older workers should be dealt with in the context of a strategy of full employment and policies should ensure employment problems are not shifted from one population category to another.



Policy responses – Extending working life I

- The European Council in Barcelona set a target for a progressive increase of about five years in the average exit age by 2010.
- Measures taken for this purpose have to take into account the needs and rights of older people.
- The extension of working life also requires complementary measures that provide real freedom of choice for older workers as to continuing working or retiring.



Policy responses – Extending working life II

- Improving older workers' employability by removing three key barriers is crucial to extend working lives: 1) low training participation, 2) inadequate public employment services, and 3) inflexible work schedules and poor working conditions.

- An effective solution also requires measures to combat age discrimination.

Thank you!

