Panel 4
Living longer – working longer: challenges for education, labour market and social protection

CYPRUS STATEMENT

Leon, Spain, 6 – 8 November 2007

FACT

LIVING LONGER
**LIFE EXPECTANCY**

<table>
<thead>
<tr>
<th></th>
<th>Cyprus 2004 - 2005</th>
<th>EU*</th>
<th>World*</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
<td>Men</td>
</tr>
<tr>
<td><strong>77 years</strong></td>
<td>77 years</td>
<td>81,7 years</td>
<td>75,6 years</td>
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**Living Longer**  
**Healthy Ageing**  
**Working Longer**
HEALTHY AGEING

- Life course perspective – reduction of health risks at all stage of life
- Preventive programmes
- Early detection services

Working longer - necessary response to population ageing

- Total fertility rate has been falling (1.44 in 2006)
- Below replacement level (2.10) since 1996
- Proportion of children under 15 has been declining (18% in 2005, 25.4% in 1992)
Working Longer must be perceived as

ACTIVE AGEING
in a broader sense

NATIONAL ACTION PLAN FOR OLDER PERSONS
Includes measures to:
- Promote the healthy and active participation of older persons in work AND society at large
- Strengthen intergenerational solidarity
CYPRUS

1. High Growth
   3.8% in 2006

2. Low Fiscal Deficit
   1.5% in 2006

3. Low Public Debt
   65.3% in 2006

4. Relatively stable inflation rates
   2.5% in 2006

5. High Employment Rate
   
<table>
<thead>
<tr>
<th>Men</th>
<th>Women</th>
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</thead>
<tbody>
<tr>
<td>79.4%</td>
<td>60.3%</td>
</tr>
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</table>

   Total Employment Rate: 69.6%

6. Low Unemployment

<table>
<thead>
<tr>
<th>Men</th>
<th>Women</th>
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<tbody>
<tr>
<td>3.9%</td>
<td>5.4%</td>
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   Total Unemployment Rate: 4.5%
RISK

Long term sustainability of public finance in view of the budgetary impact of an ageing population.

Pension systems – dependency ratio (65+/15-64)

MORE THAN DOUBLE

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<tbody>
<tr>
<td>2006</td>
<td>17.6%</td>
</tr>
<tr>
<td>2050</td>
<td>43.2%</td>
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CHALLENGES

In the area of employment

- To maintain high rates of increase in labour market
- To raise participation of inactive groups of people (women, young persons, persons with disabilities and other vulnerable groups)
EMPLOYMENT RATE OF OLDER PERSONS
(Persons aged 55 – 64)

<table>
<thead>
<tr>
<th></th>
<th>Cyprus</th>
<th>European Employment target by 2010</th>
<th>National target by 2010</th>
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</thead>
<tbody>
<tr>
<td>Employment rate</td>
<td>53,6%*</td>
<td>50%</td>
<td>53%</td>
</tr>
</tbody>
</table>

* Men: 71,6%, Women: 36,6%

OLDER WOMEN

- Proportion of women leaving employment in the age group 50 – 59 = three times higher than that of men
- Substantial differences also in age groups 60 – 63 and 64+
CHALLENGES
Social Protection and the Labour Market

FIRST:
To contain the projected high increase in age-related expenditure in the period up to 2050 and reduce the risk to long-term sustainability

SECOND:
To review the low age of mandatory retirement in public sector and age of pension entitlement

THIRD:
To design incentives for older persons to remain in employment for a longer time, including the enhancement of care facilities to attract older women to employment

FOURTH:
To combat age-based discrimination and establish incentives for employers to recruit older workers
EDUCATION

Tertiary Education
Age Group 25 - 64

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<tr>
<th></th>
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<th>EU</th>
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<tbody>
<tr>
<td>30,5%</td>
<td>22,8%</td>
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Upper Secondary Education
Age Group 25 - 64

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<th>Cyprus</th>
<th>EU</th>
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<tbody>
<tr>
<td>69,5%</td>
<td>70,0%</td>
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CHALLENGES

Education

FIRST:
To promote life–long learning and updating of skills

SECOND:
To promote a life course perspective for the reduction of health risks at all stages of life, particularly high risk behavioural factors
HIGH RISK BEHAVIOURAL FACTORS

- Tobacco use
- Lack of physical activity
- Inadequate diet

Can be modified through preventive education programmes

OVERARCHING CHALLENGE

TO INVOLVE ALL RELEVANT SECTORS OF SOCIETY AND REACH CONSENSUS ON ACTIONS
ULTIMATE CHALLENGE

ACHIEVE A HOLISTIC APPROACH TO THE DEMOGRAPHIC IMPLICATIONS ON EDUCATION, THE LABOUR MARKET AND SOCIAL PROTECTION

SYNERGY BETWEEN POLICIES