



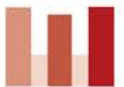
Inštitut za ekonomska raziskovanja
Institute for Economic Research



ENCOURAGING LONGER WORKING LIFE AND ABILITY TO WORK

SLOVENIAN EXPERIENCE

Ministerial Conference on Ageing: A Sustainable Society for All Ages: Realizing the potential of living longer, 21 - 22 September 2017, Lisbon, Portugal





AGEING SLOVENIAN SOCIETY – THE FACTS

- Changes in demographic structure in the next decades are already determined
- The only major changes could happen due to the migration flows
- Around 125.000 less young employees on the labour market (because delaying births into higher age between 1984 and 2010) and decline in the working age population (baby-boom generations retiring)
- Late first entrance to the labour market and early exit → low employment rates (the lowest AAI in the domain of employment!), not sustainable public finances in the long run
- Needed pension reform will substantially increase employment rates of older age groups
- We have to be well aware of the future trends and we have to act timely

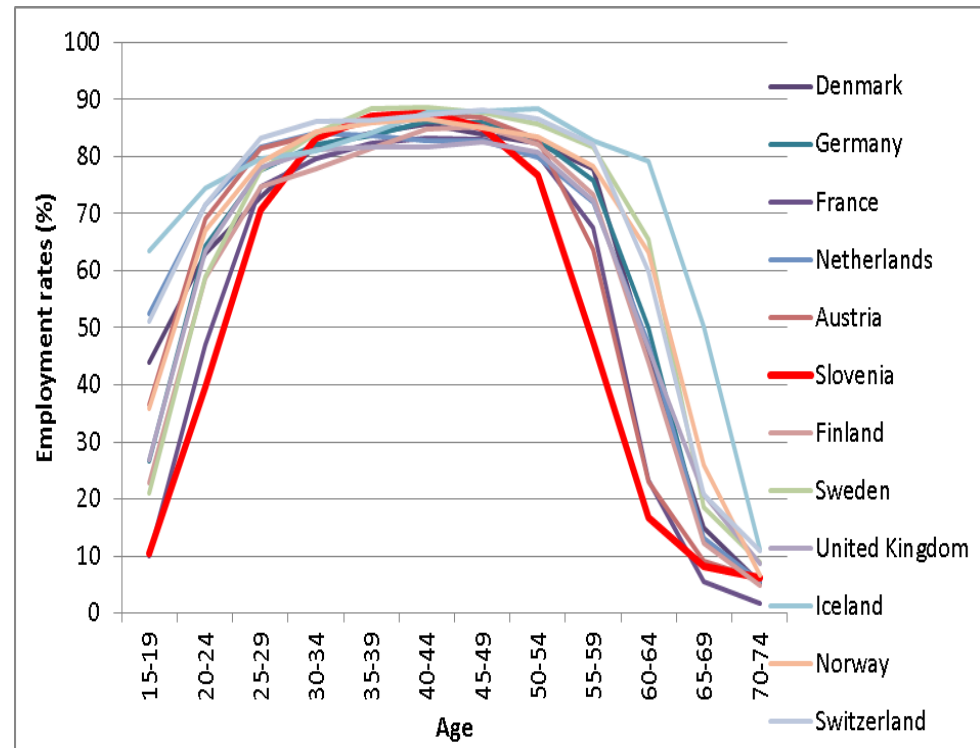


EMPLOYMENT RATES AND ACTIVE AGEING INDEX

Table 3.1: Ranking of EU-28 countries on the basis of the overall 2014 Active Ageing Index and its domain-specific scores

Rank	Overall	Employment	Participation in society	Independent living	Capacity for active ageing
1	Sweden 44.9	Sweden 43.4	Ireland 24.1	Denmark 79.0	Sweden 69.2
2	Denmark 40.3	Estonia 39.7	Italy 24.1	Finland 79.0	Denmark 65.1
3	Netherlands 40.0	Denmark 35.8	Sweden 22.9	Netherlands 78.9	Luxembourg 63.6
4	UK 39.7	UK 35.8	France 22.8	Sweden 78.6	Netherlands 61.8
5	Finland 39.0	Germany 34.4	Netherlands 22.4	Luxembourg 76.7	UK 61.3
6	Ireland 38.6	Netherlands 33.9	Luxembourg 22.2	France 75.9	Finland 60.5
7	France 35.8	Finland 33.7	UK 21.6	Ireland 74.9	Belgium 60.3
8	Luxembourg 35.7	Portugal 32.6	Finland 20.5	Germany 74.4	Ireland 60.0
9	Germany 35.4	Latvia 32.0	Belgium 20.2	Slovenia 74.2	France 59.1
10	Estonia 34.6	Cyprus 31.4	Denmark 19.6	Austria 73.8	Austria 58.2
11	Czech Rep 34.4	Romania 31.0	Czech Rep 18.8	UK 73.7	Malta 57.1
12	Cyprus 34.2	Ireland 30.6	Croatia 18.7	Belgium 72.5	Spain 56.3
13	Austria 34.1	Lithuania 30.5	Austria 18.3	Czech Rep. 71.2	Germany 55.8
14	Italy 34.0	Czech Rep. 28.0	Cyprus 18.0	Malta 70.1	Czech Rep. 54.3
15	Belgium 33.7	Bulgaria 25.1	Spain 17.8	Spain 69.8	Italy 53.4
16	Portugal 33.5	Austria 24.7	Malta 17.3	Croatia 69.5	Croatia 52.8
17	Spain 32.6	France 24.1	Slovenia 16.3	Italy 69.0	Bulgaria 52.2
18	Croatia 31.6	Spain 23.3	Hungary 15.4	Hungary 68.0	Portugal 52.1
19	Latvia 31.5	Italy 23.0	Lithuania 14.7	Cyprus 68.0	Cyprus 50.4
20	Lithuania 31.5	Poland 22.4	Portugal 14.1	Estonia 67.3	Slovenia 50.0
21	Malta 31.5	Slovakia 21.9	Latvia 13.8	Portugal 67.3	Latvia 48.2
22	Bulgaria 29.9	Luxembourg 21.9	Slovakia 13.7	Lithuania 66.2	Poland 47.9
23	Slovenia 29.8	Croatia 21.7	Greece 13.7	Slovakia 65.8	Estonia 47.5
24	Romania 29.6	Belgium 21.0	Germany 13.6	Poland 64.9	Slovakia 47.1
25	Slovakia 28.5	Greece 20.4	Estonia 12.8	Greece 64.9	Hungary 46.9
26	Hungary 28.3	Malta 20.1	Romania 12.7	Bulgaria 62.7	Greece 45.8
27	Poland 28.1	Hungary 19.3	Bulgaria 12.5	Romania 61.8	Lithuania 45.3
28	Greece 27.6	Slovenia 19.1	Poland 12.1	Latvia 58.7	Romania 40.9
	EU28 avg. 33.9	27.8	17.7	70.6	54.1

Figure 4.2: Employment rates in Slovenia compared to the selected EU Member States and Iceland; 2013



The goalpost → 57.5 The goalpost → 54.2 The goalpost → 40.6 The goalpost → 87.7 The goalpost → 77.7



EMPLOYMENT RATES AND ACTIVE AGEING INDEX

Table: Evolution of the employment rates (in %) in higher age classes alongside the provision of the stable share of the expenditures for pensions as GDP %.

Men										
	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060
50-54	78.4	77.8	81.3	80.7	82.2	83.4	84.2	85.1	86.1	86.1
55-59	63.3	72.0	72.3	74.0	74.9	76.2	77.4	78.8	80.4	80.5
60-64	25.9	45.0	51.4	50.7	56.3	60.2	63.1	66.2	69.4	69.5
65-69	10.8	11.0	19.1	21.5	27.6	33.8	38.9	44.0	49.3	49.3
70-74	6.0	7.1	7.2	11.9	14.7	16.4	20.0	23.3	26.7	26.7

Women										
	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060
50-54	77.2	78.1	81.6	79.7	80.3	81.1	81.8	82.3	82.9	83.0
55-59	45.3	63.4	71.6	73.6	73.4	74.5	75.7	77.1	78.5	78.6
60-64	11.3	27.2	44.6	49.2	55.0	58.2	61.1	64.4	67.8	67.9
65-69	7.0	5.1	10.6	17.2	25.3	31.5	36.4	41.6	47.0	47.1
70-74	2.7	3.5	2.2	4.9	10.0	12.7	16.4	19.8	23.5	23.5



A CHALLENGE FOR THE ENTIRE SLOVENIAN SOCIETY – EXISTING AND FUTURE GENERATIONS

- Decisions about the living conditions of our children and grandchildren (and many of them cannot formally make decisions about their needs and desires) – **huge responsibility!**
- Responsibility for timely acting is not only on the government shoulders but also on us, individuals, and firms
- Slovenian government is well aware of the necessity of the actions and:
 - adopted several documents and measures on the labour market and pension system (active labour market policies, pension reform in 2012, White paper on pensions, and the complementary document “Older workers and the labour market in Slovenia“)
 - Is preparing health care and long term care reforms
 - Recently (June 2017) adopted the „Longeval society Strategy“
- Awareness of the Slovenian society and firms about the challenges of population ageing s still low.
- Government should take care of the timely and adequate informing of the individuals, firms and crucial stakeholders to be able to make correct decisions.



LONGEVAL SOCIETY STRATEGY

- It should serve as a strategic framework for all activities of this and all future governments
- It should become an important part of the new „Development Strategy of the Republic of Slovenia)
- Establishing the permanent „Active and healthy ageing group“:
 - care for the Strategy implementation
 - Planning, preparing and implementing the activities for permanently informing Slovenian society
- Establishing and implementing permanent dialogue among the policy makers and crucial stakeholders in the process of implementing the Strategy in practice (finding at least minimal consensus regarding the basic/key questions of each particular system).