



UNECE Ministerial  
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# ENCOURAGING LONGER WORKING LIFE AND ABILITY TO WORK

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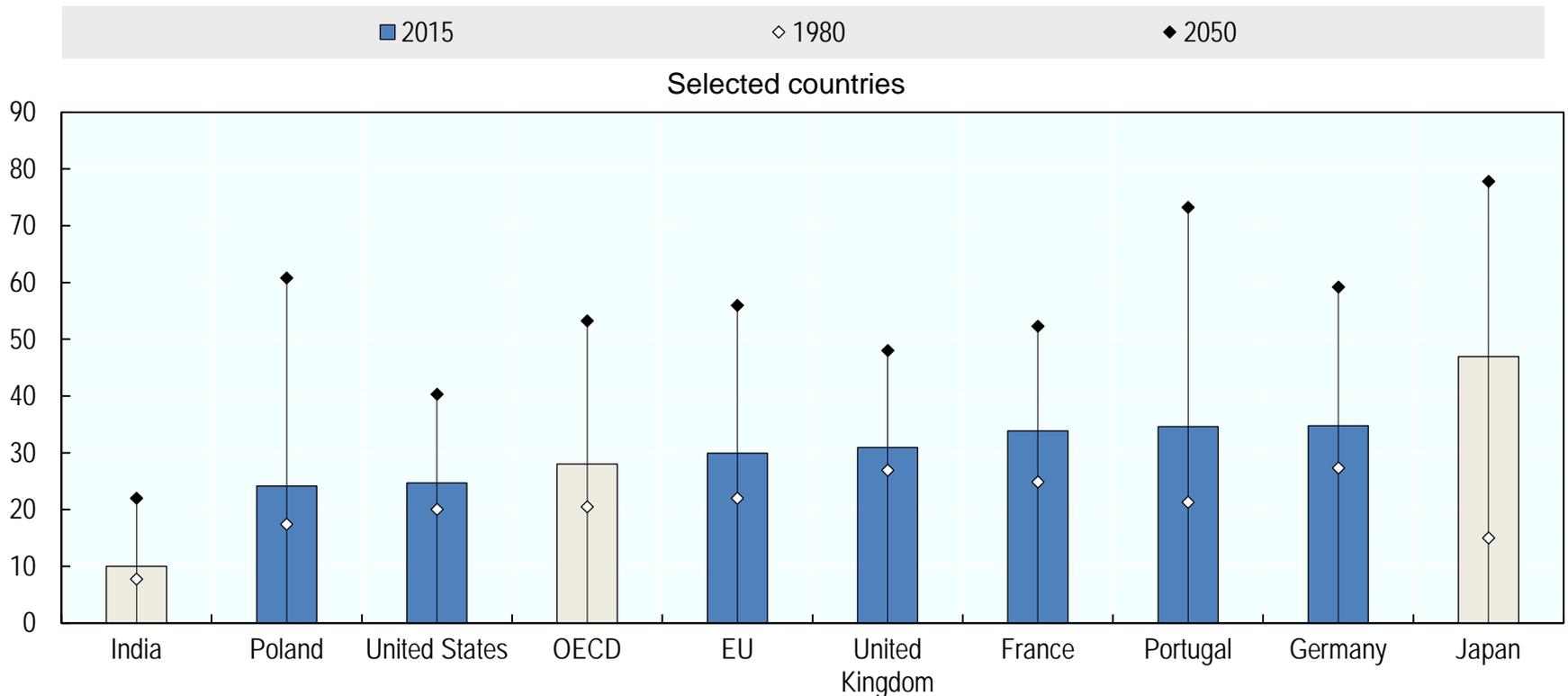


# THE CHALLENGES



# Population ageing is accelerating

## Number of people aged 65+ per 100 people of working-age (20-64)

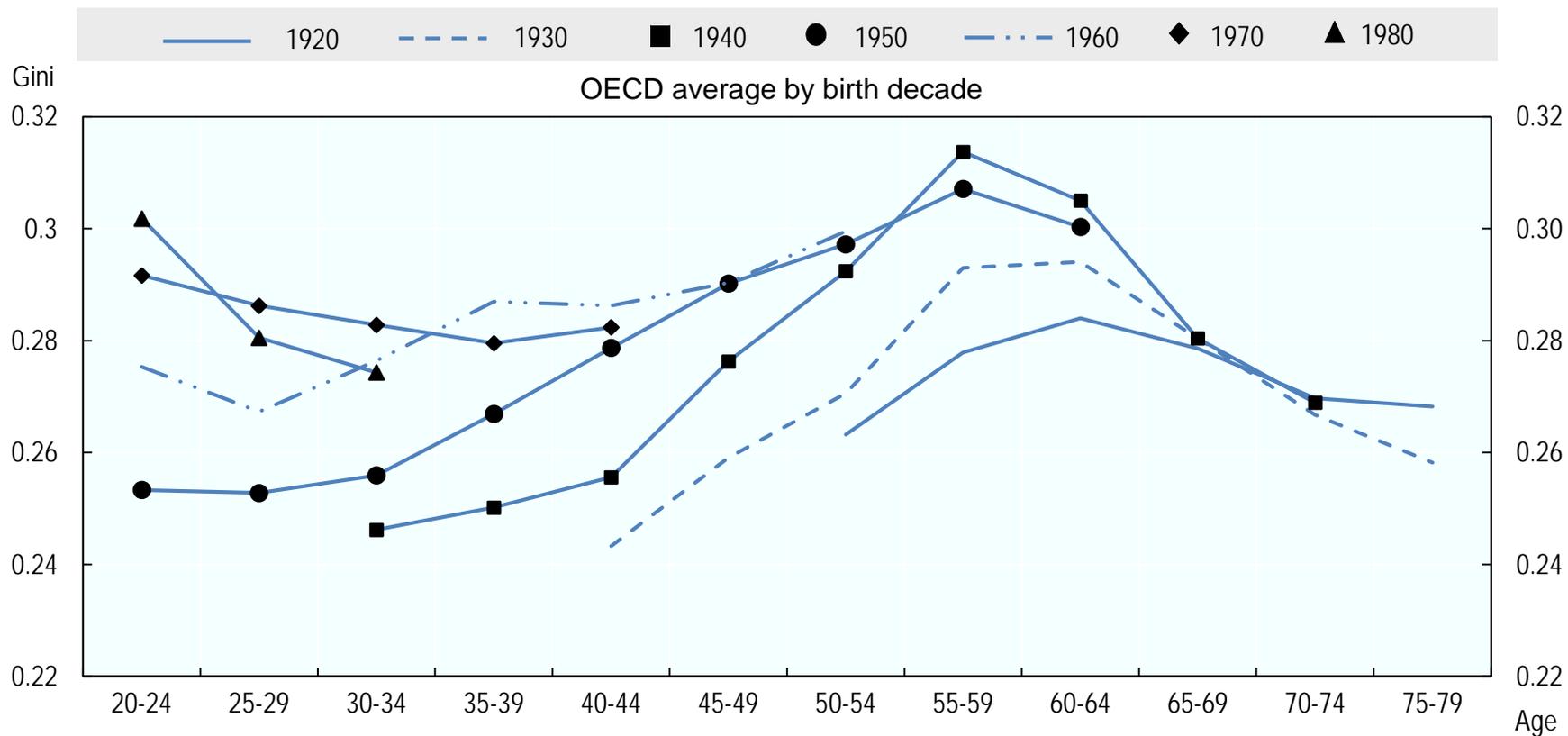


Source: OECD (2017) - Preventing Ageing Unequally based on United Nations World Population Prospects: The 2017 Revision data.



# Inequality has increased across cohorts, especially at younger ages

## Income Gini index by cohort and age group

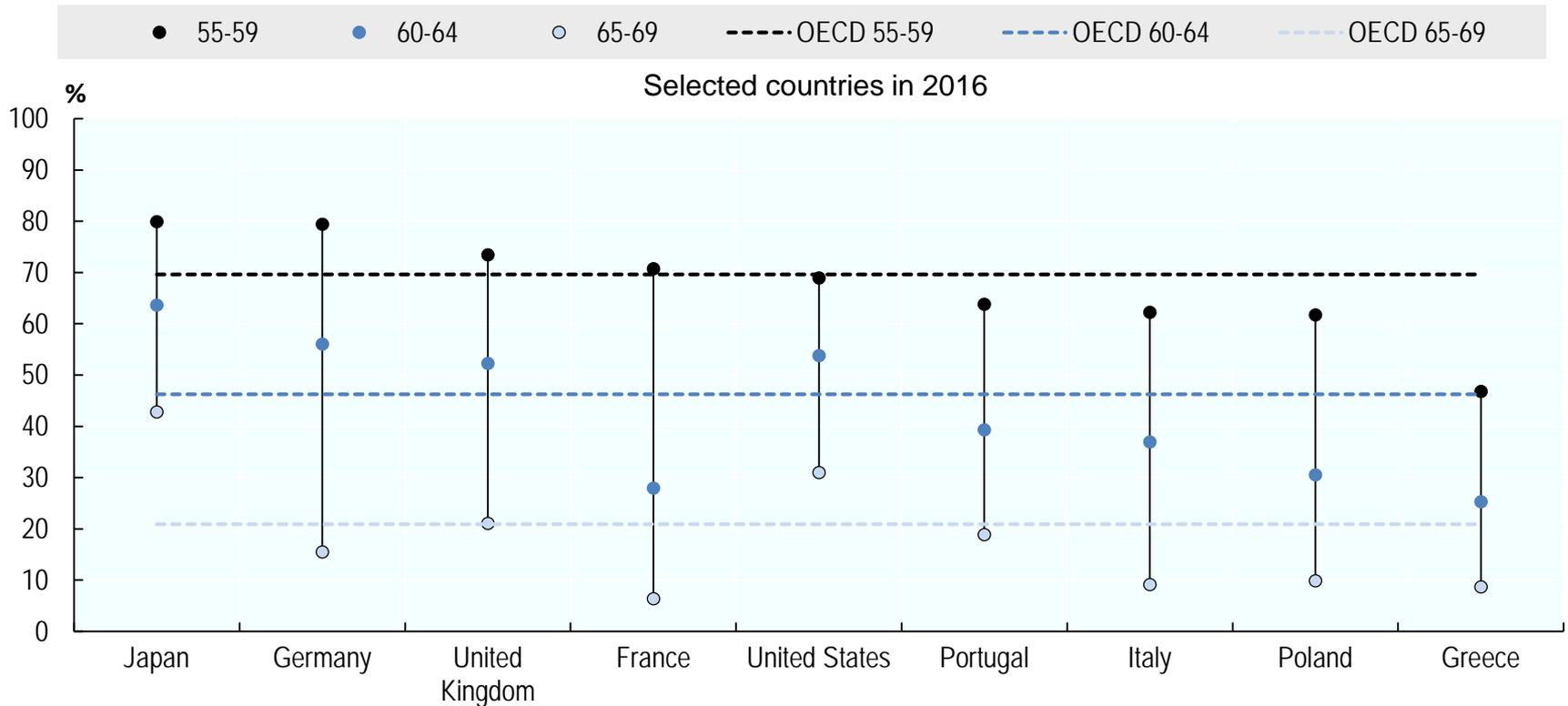


Source: OECD (2017) - Preventing Ageing Unequally based on Luxembourg Income Study data.



# The age gradient in employment rates differs substantially across countries

## Employment rates of workers aged 55-59, 60-64 and 65-69

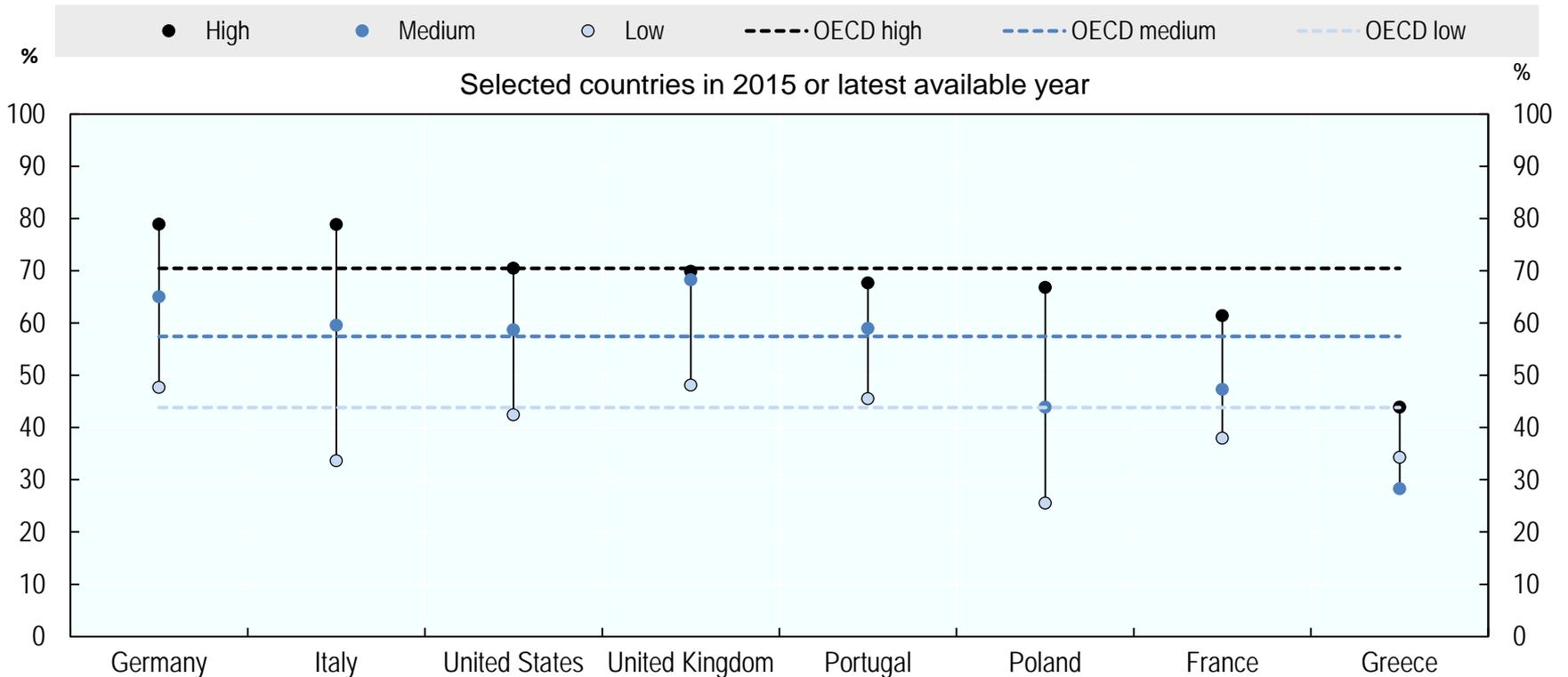


Source: OECD (2017) – OECD Employment Outlook 2017.



# The lower the education level, the lower the employment rate of older workers

## Employment rates of population aged 55-64 by education level

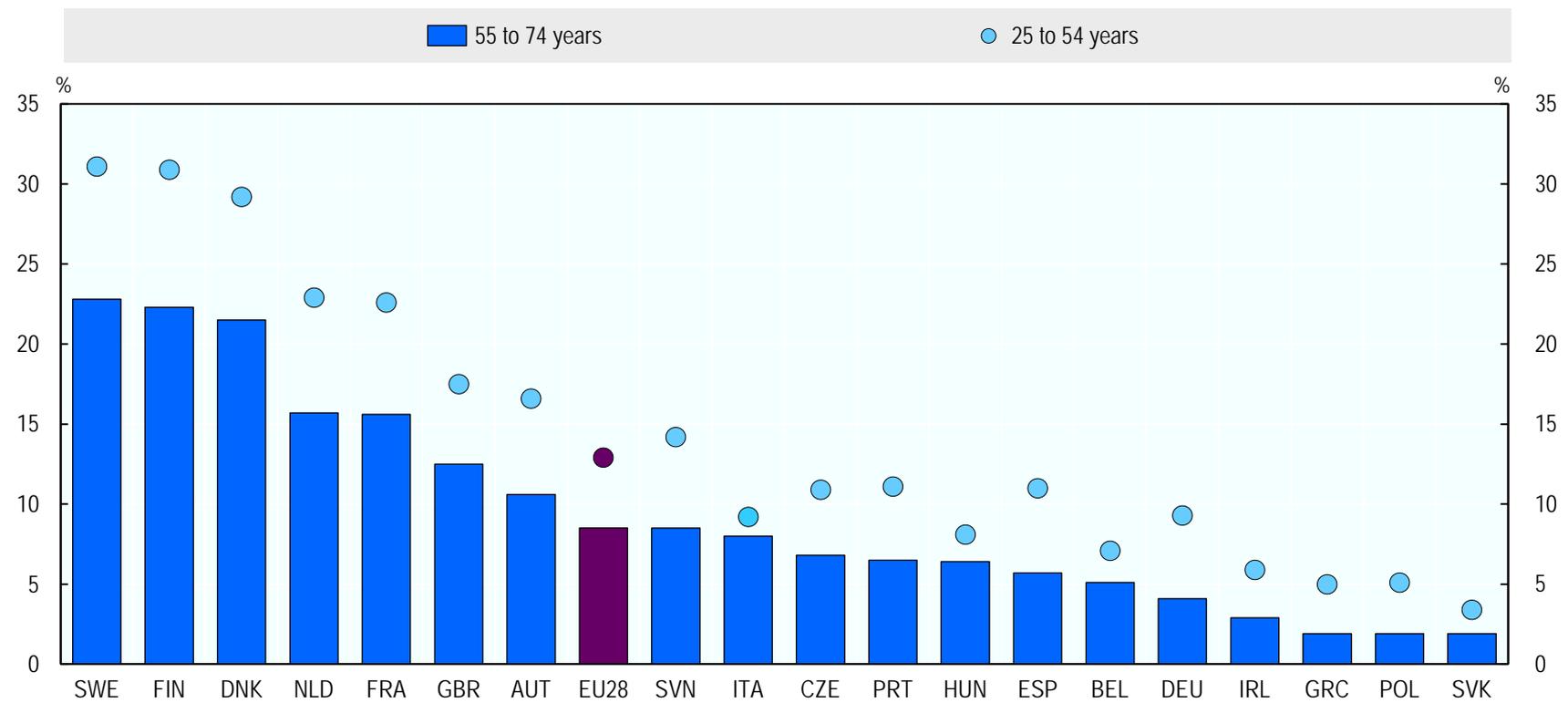


Source: OECD (2017) - Preventing Ageing Unequally based on OECD Education Database data.



# Older workers receive less training than adult workers but training opportunities vary considerably across countries

**Participation rate in formal and non-formal training in the last four weeks, 2016**  
(% of employed people)



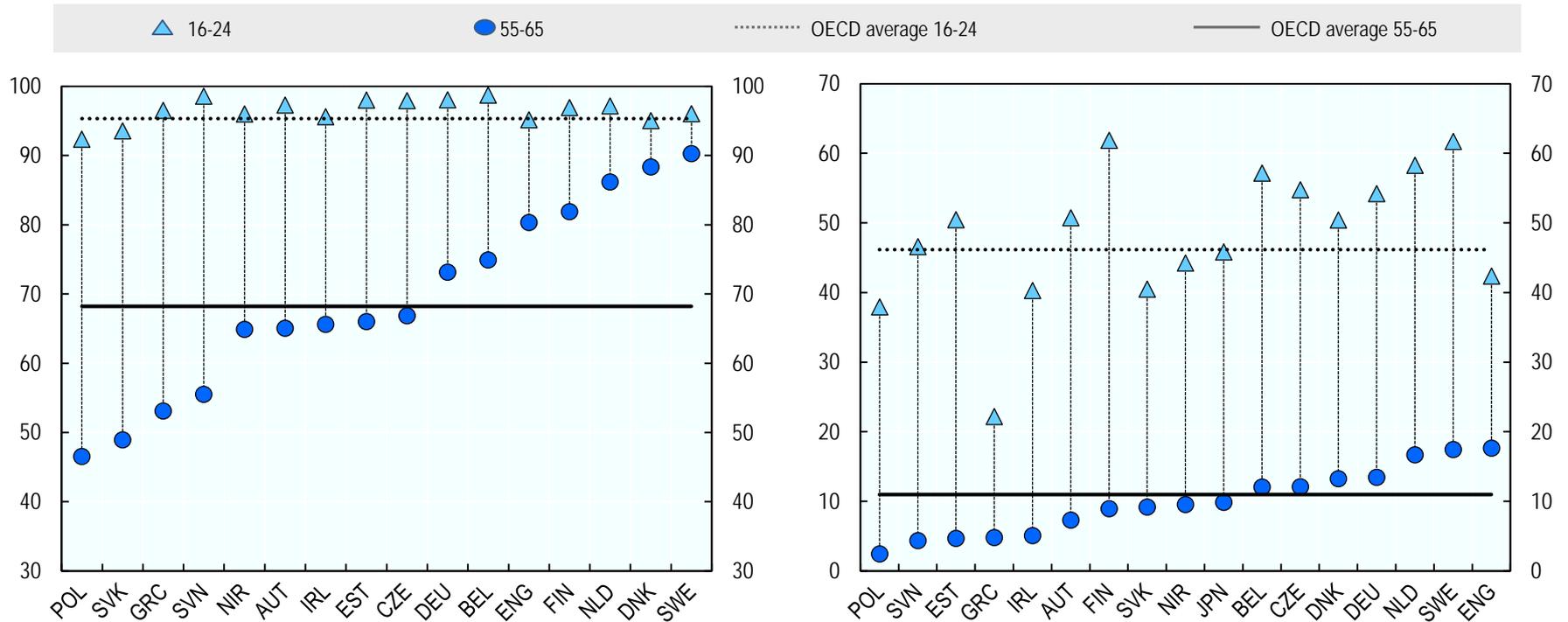
Source: Eurostat Database.



# Older people generally have poorer digital skills than younger people, but there are large variations across countries

**Prior computer experience and passed the ICT core test**  
(% of persons)

**Good ability to use computers and solve problems**  
(% of persons)

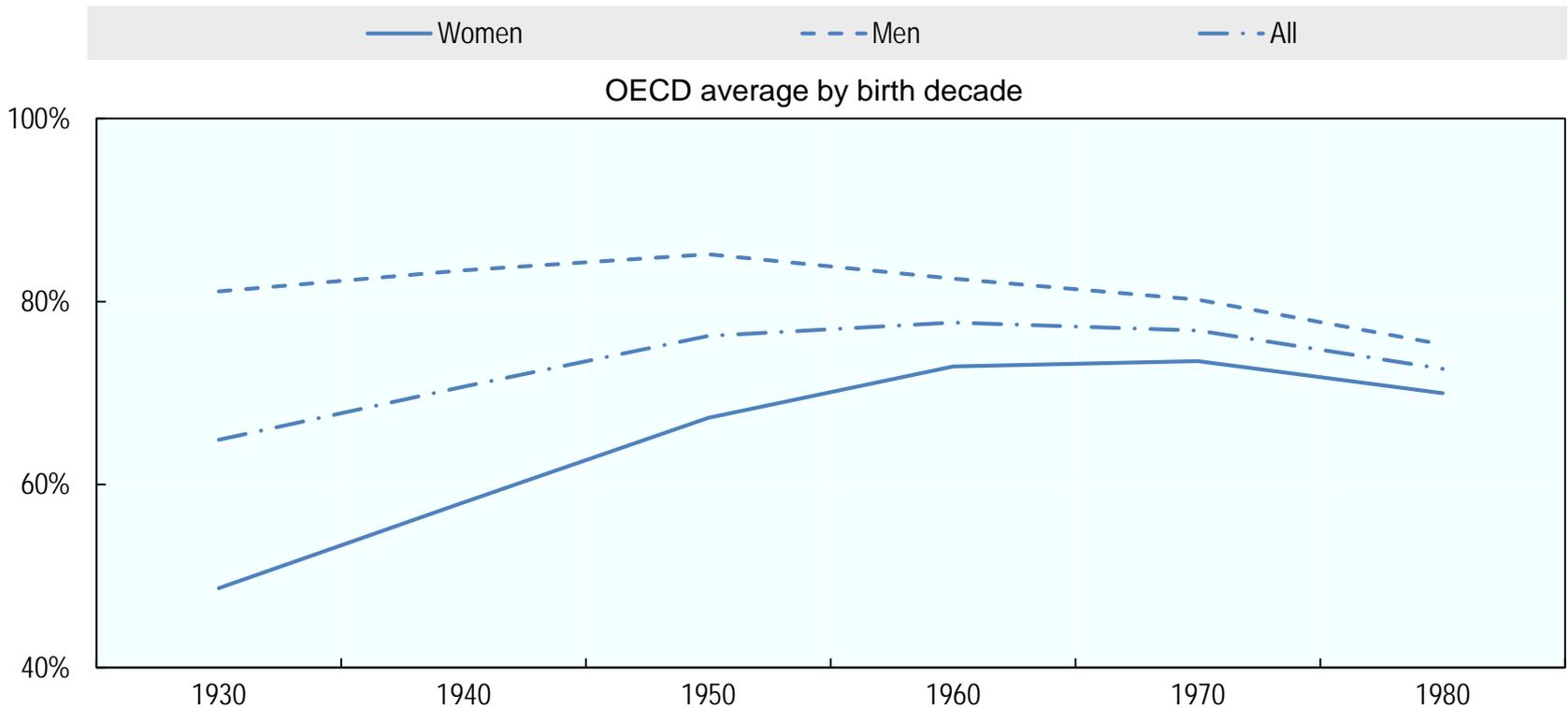


*Note:* Belgium refers to Flanders only.

*Source:* Survey of Adult Skills (PIAAC), 2012 and 2014.



# Cohort effects in employment rate by gender, OECD average



*Note:* The chart displays the average estimated cohort effects across countries from a specification which for each country includes age and cohort effects. The graph uses the cohort series based on a reference age of 50-54 years old.

*Source:* OECD (2017) - *Preventing Ageing Unequally* based on *Luxembourg Income Study* data.



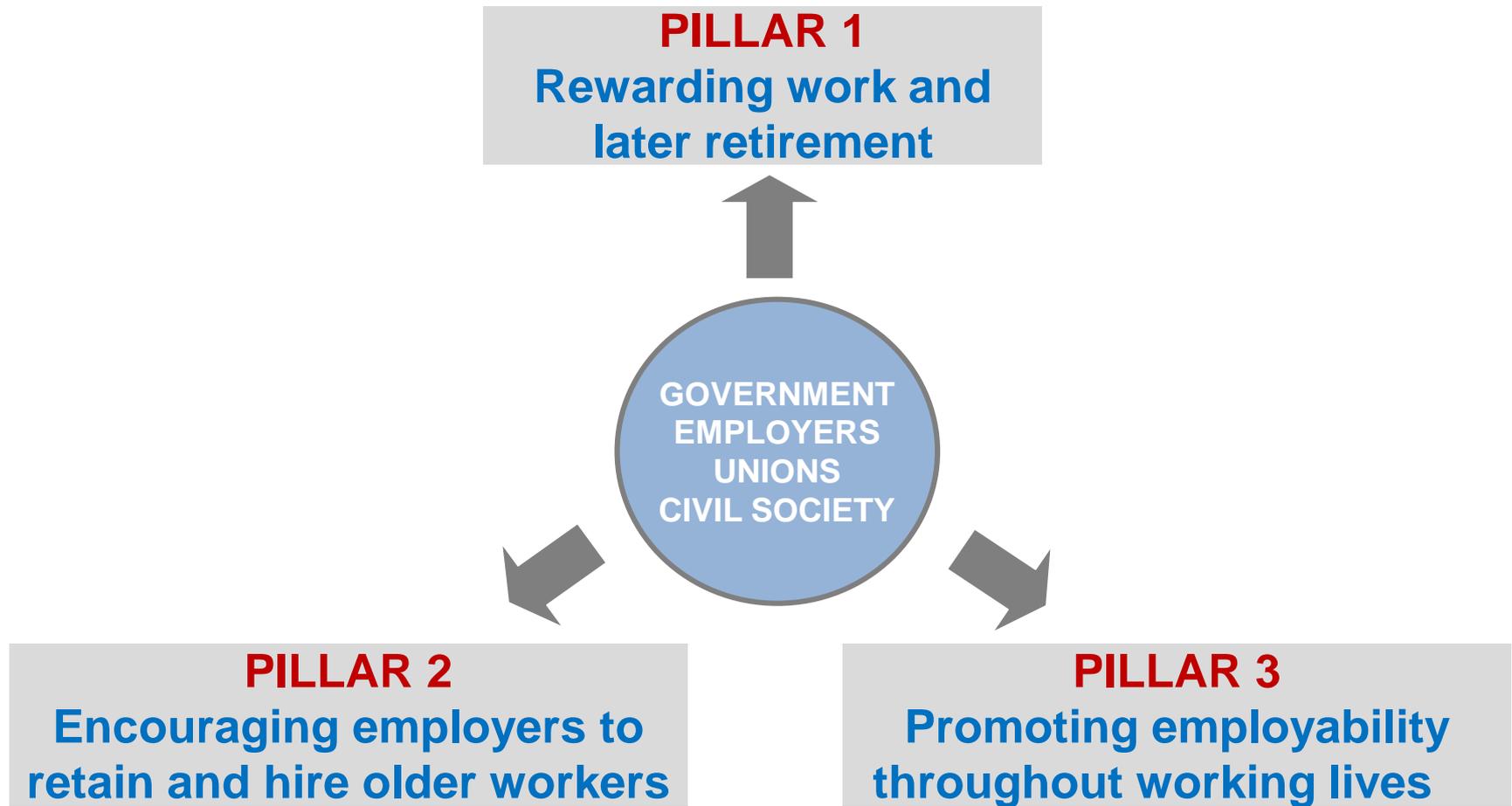
# POLICIES NEEDED TO ENCOURAGE LONGER WORKING LIFE AND ABILITY TO WORK



# OECD Recommendation on Ageing and Employment Policies

## Improving job opportunities at all ages through supply-side and demand-side measures

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# 1. Encouraging employers to retain and hire older workers

## Tackling age discrimination

- Screening of vacancy ads: Netherlands
- Age-blind aptitude tests: France
- Guidelines and audit tools: Ireland

## Aligning wages with productivity

- New Pay System in public sector: Finland
- Action Plan for public sector wages: Croatia
- Seniority wage rises removed in CB agreements: Germany

## Age management advice

- PES counselling for employers: Austria
- Promoting mid-career plans: UK
- Training for HRM staff and managers: Finland



## 2. Facilitating labour mobility

### Helping older jobseekers

- Intensive counselling and Employment Pacts in the regions: Germany
- System of integrated services for long-term unemployed: Lithuania
- PES testing of remaining work ability: Estonia

### Facilitating self- employment

- Some EU countries helping the older unemployed become self-employed
- The Dutch experience suggests that these programs can be effective
- But risk of low job quality for those becoming self-employed out of necessity



## 3. Taking a life course perspective: Promoting training and skills recognition

### Training throughout careers

- New adult VET program for low qualified adults aged 30-50: Finland
- Training subsidies for SMEs for low-skilled & workers aged 45+: Germany

### Improving digital skills

- Digital skills of older workers are often poor or risk becoming outdated
- Campaign to promote digital skills of older people: Greece

### Skills recognition

- Validation of Acquired Experience (VAE) is especially valuable for older workers
- New VAE initiatives in Netherlands and Portugal

## 4. Taking a life course perspective: Promoting better job quality

### Improving working conditions (1)

- Financial support for enterprises to improve job quality for workers aged 45+: Belgium
- IFit2Work counselling service: Austria
- “Prevention Self-help Kits” with financial assistance for enterprises and a “Senior Starter Kit”: Denmark

### Improving working conditions (2)

- Initiative New Quality of work (INQA): Germany
- Range of measures to prevent women leave working life early, especially in the healthcare sector: Sweden

### Helping to combine work and care

- Work-life balance initiative under the European Pillar of Social Rights: EU
- Right to flexible working for carers: UK
- Right to unpaid leave for carers: Lithuania



## Summary

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- There is a growing number of initiatives to promote a **more inclusive**, late-career labour market: more quality jobs and less long-term unemployment and poverty, particularly among women.
- Some good practices among employers in age management and flexible working arrangements exist but **their implementation remains poor**, in particular in SMEs.
- Promoting the employability of workers throughout their working lives and **strengthening employment opportunities at an older age** remain crucial policy objectives.

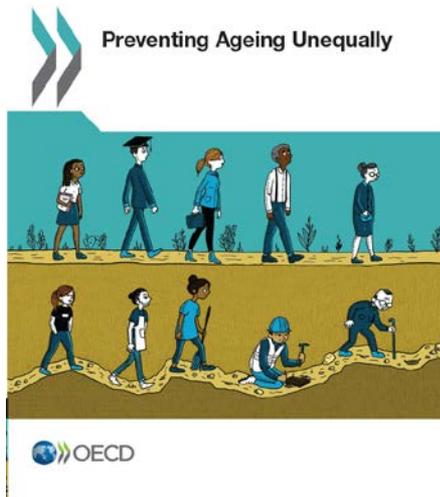


# Related OECD work

Forthcoming:

## Preventing Ageing Unequally

*Mid-October 2017!*



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## Working Better with Age

