



## **The European Commission Mutual Learning Programme for Public Employment Services**

DG Employment, Social Affairs and Inclusion

# **PES AND OLDER WORKERS**

Toolkit for Public Employment Services

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# 1. INTRODUCTION

A recent [Peer Review](#) held as part of the PES to PES Dialogue programme<sup>1</sup> brought together PES experts to discuss current practices on raising awareness about the labour market impact of demographic change, preventive measures to support the retention of individuals over the age of 55 in the labour market and PES activities for the labour market integration of older workers. In doing so, it aimed to contribute to the objectives of the Europe 2020 Strategy by enhancing the employability of older workers and removing barriers to their labour market participation. This paper summarises the main issues discussed at the event. Drawing on the lessons of these discussions, as well as available research, it provides a practical toolkit with the view to supporting the development of PES practice.

The Peer Review, hosted by the Bundesagentur für Arbeit in Nürnberg in May 2012, focused, among other things, on the appropriate balance between general support measures and a target group approach. One key question for discussion was to what extent a specific target group approach is needed, taking into account a risk of potentially counter-productive effects, such as the stigmatisation of older people or a negative impact on other age groups.

## **Box 1. The Peer Review focused on three guiding questions:**

- What kind of awareness-raising measures are effective in combating negative perceptions and stereotypes and increasing the recruitment and retention of older workers?
- What PES services and measures are effective in activating and placing unemployed older workers, particularly those with low or out-dated skills and qualifications?
- What role can preventative PES services and measures play in retaining older workers in the labour market?

During the past decade, the employment age gap has narrowed. This is particularly true for men, although women have also made significant advances to catch up with their male counterparts.<sup>2</sup> In the aggregate of EU-27 countries, the employment rate for men aged 55-64 already surpassed 50 % between 2003 and 2004, while for women, it has remained below or around 40 %, despite significant increases.<sup>3</sup>

Raising the labour force participation of older workers is an important part of Europe's response to the challenge of ageing and existing, and potential labour and

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<sup>1</sup> The website of the PES to PES Dialogue programme can be found on <http://ec.europa.eu/social/main.jsp?catId=964>

<sup>2</sup> European Commission (2012) Matthias Knuth: [Comparative paper](#). Peer Review: 'PES and older workers', Brussels (Author: Matthias Knuth) see

<http://ec.europa.eu/social/main.jsp?langId=en&catId=105&newsId=1300&furtherNews=yes>

<sup>3</sup> The 50 % target (which applied to men and women) was adopted in 2001 by the European Council and although it was not carried over into the Europe 2020 strategy, it is still relevant for the review of earlier policies that were implemented in view of this target. There is also large variation across Member States: the employment rate for men aged 55-64 is 76 % in Sweden, but only 40 % in Hungary and Slovenia, while the corresponding figures for women range between 13 % (Malta) and 69 % (Sweden) (Eurostat on-line database for 2011).

skills shortages. In most Member States, the labour force is already shrinking or will continue to do so in the future, but there are also some countries where the labour force is currently growing and will continue to do so in the future.<sup>4</sup> Thus, the degree of urgency for tackling the challenge of ageing varies across Member States, which is reflected in the varied policies related to ageing (EIPA, 2011).

The impact of demographic change is one of the key challenges facing European labour markets and social protection systems in the decades to come. Recent calculations based on life expectancy, projected birth rates and migration flows suggest that the size of the population of the EU-27 will be about the same in 2060, but will be significantly older. By 2060, the EU will move from having 4 to 2 people of working age for every person aged over 65.<sup>5</sup>

Demographic change has been on the EU agenda for a number of years, including featuring in the priorities of the Employment Guidelines. Added impetus has been provided by the [European Year of Active Ageing and Intergenerational Solidarity](#) (2012), as well as the recent [Employment Package](#) (Towards a Job Rich Recovery). European policy messages advocate inclusive growth through removing barriers to the labour market participation of older workers and policies to promote active ageing, such as work-life balance policies, innovation in work organisation and lifelong learning policies to be focused especially on those with low skills and increasing the employability of older workers.

## **2. PES AND OLDER WORKERS: TACKLING THE CHALLENGES OF DEMOGRAPHIC CHANGE**

### **2.1. PES play a critical role in tackling the challenge of demographic change**

The demographic ageing of European populations overall has led to a paradigm shift in employment policies from 'early exit' to 'extending working lives', during the last decade. As a consequence, PES increasingly have to cope with a new challenge. They are required to provide effective employment assistance to jobseekers close to pensionable age, and in some countries, they are also expected to guide employers and older employees towards age-sensitive human resource (HR) management. The perception of the urgency of the problem seems to be related to the labour market situation of Member States: where labour demand is low and youth employment is high as a result of the recent financial crisis, and governments are more likely to give priority to combating youth unemployment, sometimes at the expense of measures for retaining older workers.

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<sup>4</sup> Twelve Member States are already facing a decline (DE, NL, CZ, FI, DK, PL, SI, LT, RO, EE, LV, BG), while nine Member States are expected to face a decline from 2020 (ES, BE, IT, PT, AT, MT, EL, SK, HU) and only six Member States can expect continued growth (CY, IE, LU, UK, SE, FR). See EIPA (2011): Baseline Study. ESF-Age Network, <http://esfage.isfol.it/>

<sup>5</sup> European Commission (2009) The 2009 Ageing Report: Economic and budgetary projections for the EU-27 Member States.

Demographic change and resulting future increases in skills and labour shortages also mean that companies need to focus on sustainable staffing to remain competitive. Arguably, demographic change therefore contributes to a need for re-balancing the emphasis in PES work towards prevention, which presents a paradigm shift for the majority of PES.

## **2.2. Older workers are less likely to be fired, but less likely to be re-employed as well**

Available data clearly demonstrate that older workers are less likely to become unemployed, but once unemployed are likely to be so for longer and less likely to be re-employed due to persisting stereotypes, lack of job search skills, as well as pension and labour market regulations.<sup>6</sup>

The OECD's research identified three main barriers to the employment of older people:<sup>7</sup>

- Firstly, *there are barriers on the employers' side related to negative attitudes and high costs*. Older workers are often thought of by employers as being less productive than their younger counterparts and such negative attitudes often lead to biased hiring and firing practices.<sup>8</sup> Older workers may also cost more than younger workers in terms of either higher wages or higher non-wage labour costs (e.g. sickness or health insurance).
- Secondly, *there are financial disincentives to labour supply*, such as extended unemployment benefits or early pensions, which may encourage people to leave work before the statutory pension age.<sup>9</sup> Also, in several countries, older workers are exempt from job-search requirements.<sup>10</sup>
- Thirdly, *the weak employability of older workers presents a barrier*. Older workers typically have fewer formal qualifications and they are also less likely to take part in on-the-job training or active labour market policies, so their skills can become obsolete. Working conditions may also be ill-suited to the needs and capacities of older workers. For example, inflexible working time

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<sup>6</sup> For a recent review of the evidence, see European Commission (2011): The impact of the crisis on senior workers: challenges and responses by PES, Brussels.

<sup>7</sup> OECD (2006): Live Longer, Work Longer. OECD, 2006.

<sup>8</sup> For recent evidence, see e.g. Lahey, Joanna. 2008. "Age, Women, and Hiring: An Experimental Study." *Journal of Human Resources* 43(1): 30–56.

<sup>9</sup> For a brief review of the evidence, see Tomi Kyrrä and Ralf A. Wilke (2007) Reduction in the Long-Term Unemployment of the Elderly: A Success Story from Finland, *Journal of the European Economic Association*, Vol. 5, No. 1 (Mar., 2007), pp. 154-182.

<sup>10</sup> E.g. in Belgium, Finland, France, or Germany (OECD 2006). In Belgium a recent government decision extended the availability to work condition to apply until the age of 60 (65 in area where there is a low rate of unemployment) as of 2012 and the supervision of active job search will be extended to the age of 55 in 2013 and 58 in 2016 (for more detail, see European Employment Observatory: Belgium, 2012 <http://www.eu-employment-observatory.net/resources/reviews/Belgium-EPPAA-Feb2012-final.pdf> ). See also Jean-Olivier Hairault, François Langot, Sébastien Ménard, Thepthida Sopraseuth (2012): Optimal Unemployment Insurance for Older Workers, *Journal of Public Economics*, 96 (5-6), 509-519.

arrangements inhibit older employees from combining paid part-time work with other activities, in particular family life and increasing caring responsibilities.<sup>11</sup>

As a result of these challenges (stereotypes, as well as outdated recognised skills and capacities to look for work), PES find it very difficult to place older workers. The emphasis on early retirement which has emerged in many countries in the past four decades has contributed to a three-fold awareness-raising challenge, which PES have to engage with. This includes:

- *Negative employer perceptions of the employability, adaptability and productivity of older workers* who are often considered to be lower skilled, more costly, less willing to learn, less willing to adapt, and more likely to be absent from work as a result of ill health.
- *Often widespread negative or stereotypical portrayals of older people in the media*, resulting in skewed perceptions in wider society.
- *Demotivation among older workers who were often expecting to retire early and who now find their avenues towards early exit foreclosed or significantly more costly*. This, coupled with often outdated skills and a lack of recent involvement in lifelong learning activities, can lead to a lack of motivation to learn new skills and seek new challenges in their working life.

### **2.3. Older workers are less likely to participate in lifelong learning**

Inactivity and unemployment tend to be heavily concentrated amongst less educated and lower skilled older workers, which is closely linked to their limited access to training. In fact, according to a European Commission report, evidence from the OECD's International Adult Literacy Survey suggests *that the productivity of older workers is not impaired by age, but by skills obsolescence*.<sup>12</sup>

There are several explanations for the low participation of older (and especially low skilled) workers in training. In theory, the old have a shorter horizon to recoup their investment and there are complementarities in human capital investment (i.e. training and formal education are complementary goods). This is to some extent supported by the available – rather scarce – research evidence showing that the effects of training on the productivity of older workers tend to be small. Another explanation lies in the lower job mobility of older workers, and that older workers generally have a longer tenure and thus have more experience, which may decrease the need for training. On the positive side, more experience could compensate for a lower training level.<sup>13</sup>

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<sup>11</sup> European Commission (2011), The role of public employment services in extending working lives. Analytical Paper, Brussels (Author: Barry Hake).

<sup>12</sup> European Commission (2003), Employment in Europe 2003, Luxembourg: Office for Official Publications of the European Communities. p174.

<sup>13</sup> For a more detailed review, see Ken Mayhew and Bob Rijkers (2004): How to improve the human capital of older workers or the sad tale of the magic bullet, OECD <http://www.oecd.org/dataoecd/3/39/34932028.pdf>

### 3. SOME PES ARE EXPANDING THEIR AWARENESS RAISING ACTIVITIES

#### 3.1. Awareness raising is an art of finding the right channels for the right audience

The Peer Review has demonstrated a range of proven operational practices on how best to cope with existing stereotypes. Examples include:

- *Efforts to dispel myths about older workers in the form of ‘arguments for PES counsellors’ printed on cards which can be shared with various stakeholders (e.g. Austria and the Netherlands);*
- *Resource-oriented profiling and counselling with older workers to highlight their strengths and capabilities, rather than their weaknesses (e.g. Estonia, Germany, Netherlands, UK);*
- *Networking and direct awareness raising with employers through participation in conferences or business breakfasts/lunches (e.g. Netherlands, Estonia); and*
- *Media campaigns, highlighting in particular the positive experiences of employers and older workers themselves (e.g. Austria, Germany, Poland).<sup>14</sup>*

#### **Box 2. Work focussed counselling – Estonia**

The Estonian PES uses a two-level client service system that is divided into job mediation and case-management. At the first level, job mediation advisers work with job-ready clients who mainly need job exchange services, job search assistance, career counselling, or skills training. At the second level, case managers work with clients who need more extensive and diverse help for job-searching and placement, as well as a more flexible approach and the joint support of employment and social services to remove the barriers to employment.

The system is based on the idea of resource oriented counselling, which redefines the role of the counsellor: rather than being the only expert or the only source of information, the counsellor’s role is to assist the client in mobilising their own resources – including their networks as well as their existing competencies.

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<sup>14</sup> The European Year of Active Ageing has generated considerable activity in this area, for example the [Dialogue of generations at the workplace - The team competition for young and old people](#) project in Austria. For more detail and good practice examples, visit the website of the European Year of Active Ageing, <http://europa.eu/ey2012/>.



### **Box 3. The Talent 55+ campaign of arguments for employers - the Netherlands**

As well as providing intensive counselling for jobseekers, the 55+ programme also engages employers. One of the main barriers is the negative perceptions of employers in regard to older employees: whilst aware of the labour market impact of demographic change in general, Dutch employers still tend to discriminate against older workers. To challenge these views, UWV has organised a nation-wide awareness raising campaign and developed the so called 'Argument Map.' In addition to this, the UWV offers services for employers informing them on the advantages of employing older workers and mediating between them and the jobseekers. Special meetings are organised where both parties are invited.

The so called *Argument Map* was designed to change employer's attitudes and improve the self-perception of older people. Its publication was supported by the Dutch Ministry of Social Affairs and Employment. The map summarises the arguments of employers for and against employing people aged over 45, that were collected during group discussions with company owners, directors, managers and HR managers. In addition to this, the experts involved in the investigation of the issue shared their views.

The arguments are classified into four clusters:

- Employees;
- Finances;
- Business vision; and
- Agencies (CWI, UWV and the municipalities).

The arguments *for* employing persons over 45 include, for example, that 'people over 45 can help their co-workers with their work experience and large networks' (employees) or that 'people over 45 have a lower rate of absenteeism than younger people; on balance, they take sick-leave just as often, yet are more predictable' (finances).

The arguments *against* include, for example, that 'people over 45 have difficulty with the management and process-related aspects of modern organisations' (business vision) or that 'colleagues do not take people seriously who were unemployed for a long time' (people).

The map informs employers in a user-friendly and easily understandable manner and has been distributed via PES branch offices. The Argument Map can be easily transferable to raise awareness in relation to other issues, as well as in other countries.<sup>15</sup>

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<sup>15</sup> The Argument Map is available in English at <http://esfage.isfol.it/pg/file/read/2096/dutch-argument-map-for-employers-about-employing-45>. For more information: see: [https://www.werk.nl/werk\\_nl/werkbedrijf](https://www.werk.nl/werk_nl/werkbedrijf)

#### **Box 4. Solidarity between generations programme – Poland**

In 2008, the Polish Government launched a comprehensive programme entitled 'Solidarity between generations – measures aiming at increasing economic activity of people over 50'. The programme promotes active ageing by raising awareness, activation of job seekers, and supporting age management policies, life-long learning strategies and health prevention at the work place.

As part of the programme, active labour market programmes were reviewed and adjusted to the specific needs of older workers. To prepare PES staff for delivering these enhanced services, new internal training programmes were developed in the programme. E-learning and specific counsellor trainings have been offered to improve staff skills necessary to deal with and better respond to the needs of older clients. By the end of 2010, 2 300 PES employees received training and further 1 264 employees and 145 coaches will be trained as part of a sub-programme called 'Professionalisation of labour market services including the specific needs of clients aged 45 years or more'.

According to the analysis assessing the implementation of the programme, from 2008 to 2010, considerable impacts can be observed: 8 indicators out of 13 showed positive impact. In particular, there was an increase in the activity rate of job seekers aged over 45, in the average retirement age and also in participation in lifelong learning.<sup>16</sup>

#### **Box 5. Calendar of older workers - Poland**

A recent Polish campaign was based on a very simple tool: a calendar portraying senior employees as being confident and performing well in everyday situations at the workplace. The aim of the campaign was to raise awareness about the worth of the elderly labour force. The calendar was used as a promotional gift item that PES offices and the Ministry could freely distribute to their partners and key clients. In order to exploit all potential dissemination channels, the organisers also allowed the media to use all photo material from the calendar free of charge. Unexpected by the organisers, the media not only picked up this opportunity but also began to treat characters from the calendar as celebrities, exploiting their emerging popularity. This has multiplied the impact of the original tool, making the programme very cost effective.

The examples above highlight the role of combining **mainstreaming of age related issues** into the services for jobseekers and employers. This can be especially effective if supported by carefully designed campaigns.

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<sup>16</sup> Peer PES Paper – Poland, Peer Review: 'PES and older workers', March 2012; EEO Review: Employment Policies to Promote – Active Ageing 2012; The Programme 'Solidarity across generations. Measures aiming at increasing the economic activity of people over 50' - Basic information of 50+ Programme retrieved from website of the Institute of Economic Analysis and Prognoses – Ministry of Labour and Social Affairs <http://analizy.mpips.gov.pl/index.php/program-50/145-sprawozdanie-z-realizacji-programu-solidarno-pokole-.html>

However, **awareness-raising about stereotypes has not yet become part of the standard activities of PES**. Where such activities have been carried out, they have largely been targeted at employers (and SMEs, in particular), but some wider media campaigns have also been aimed at older workers themselves, as well as more general societal perceptions.

During the Peer Review it was proposed to push awareness-raising onto prevention in terms of the age structure of companies, by **mainstreaming it into the standard PES services for employers**.

As well as dispelling myths about older workers (both among employers and older people themselves), an important part of this process is to raise awareness about challenges for human resource development in the context of ongoing demographic change, about the need for the ongoing development of employability and future skills requirements.

### **3.2. Being age positive whilst avoiding labelling: awareness-raising activities require careful design**

There are some concerns that approaches focused on changing stereotypes can be ineffective or may even backfire on other groups of workers. For example, the TEES programme in Malta, which promoted the positive traits of older workers via advertising on television and other media, was found to have a negative impact on the recruitment of young people because employers started to attribute the reverse traits to younger workers.<sup>17</sup> In general, **changing attitudes can be more effective if supported by the corresponding policy approaches**. These may include shifting the threshold perceived to be the start of old age, e.g. by legal regulations or collective agreements gradually increasing the statutory pension age. For example, the UK has recently abolished the default retirement age, which implies that the automatic termination of a labour contract upon reaching a certain age is now an illegal age-discriminatory practice. Removing standardised age boundaries will help those who still can and want to work.<sup>18</sup>

Crucially, PES also emphasised the role of **profiling and counselling with older workers to highlight their strengths and capabilities**, rather than their weaknesses with regard to the absence of formal qualifications. PES counsellors therefore need to be trained to identify such 'soft' skills and experiential learning and to use these capacities in marketing older workers to employers.<sup>19</sup> Several PES

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<sup>17</sup> Peer PES Paper – Malta. Peer Review 'PES and older workers' Germany, May 2012, The European Commission Mutual Learning Programme for Public Employment Services, DG Employment, Social Affairs and Inclusion.

<sup>18</sup> See European Commission (2012): Comparative paper. Peer Review: 'PES and older workers', (Author: Matthias Knuth) and Department for Work and Pensions (2011): Workforce management without a fixed retirement age. Age Positive. Available online at <http://www.dwp.gov.uk/docs/workforce-mgt-without-fixed-retirement-age.pdf>

<sup>19</sup> For example, Germany has introduced a profiling tool (Kodiak) suitable for assessing soft skills as well as formal qualifications. Placement officers receive training in consulting skills so that they can confidently discuss the more sensitive issues that the use of Kodiak tends to evoke. For more good practice examples, see European Commission (2011) Profiling systems for effective labour market integration. Use of profiling for resource allocation, action planning and matching (Author: Regina Konle-Seidl).

(Austria, Belgium, Germany, Lithuania, Netherlands, and Poland) facilitate the recognition and accreditation of non-formal and informal learning, which can contribute to an earlier return to the labour market.<sup>20</sup>

Being age positive and combating stereotypes are also important among PES staff themselves, as they can also suffer from the same misapprehensions as those that persist in wider society. The Polish Government programme for 'solidarity between the generations' therefore not only focuses on recognising informal learning and providing training, but also on awareness raising and the specific skills required by PES staff to implement such approaches.

## **4. PREVENTATIVE MEASURES IN RETAINING OLDER WORKERS**

### **4.1. Demographic changes contribute to a shift in emphasis towards prevention in PES work**

Demographic change contributes to a shift in emphasis for PES work towards prevention, which implies a paradigm shift for the majority of PES. Older workers are less likely to be re-employed once they have lost a job, which calls for an increase in preventive measures even in Member States where ageing is not yet a pressing concern. Naturally, the need for such measures is even greater in Member States already experiencing skills and labour shortages. In this vein, a limited number of PES have started to offer HR advice on age or diversity management (e.g. in Germany and Belgium). The German PES offers qualification counselling, targeted mostly at SMEs who often do not have a dedicated HR role or sufficient internal capacity to develop detail strategies (see Box 6). This is a prime example of the PES working to support prevention and maintaining employability. Such services, however, currently remain an exception.

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<sup>20</sup> Buiskool, B-J, Broek, S. & Hake, B. (2010), *Impact of ongoing reforms in education and training on the adult learning sector*, Zoetemeer: Research voor Beleid (European Commission (2011) [Analytical Paper](#) (Author: Barry Hake).

### **Box 6. Qualification counselling for small and medium-sized enterprises – Age structure analysis as first step – Germany**

In order to prevent future labour shortages signalled by the increasing demand for skilled workers in small and medium sized enterprises (SMEs), the German Federal Employment Agency piloted three models of qualification counselling in order to identify the best way to facilitate on-the-job training activities in SMEs.

In all the three models, counsellors use age structure analyses and analyses of the existing qualification and up skilling needs as tools to raise awareness. As a second step, they explain the necessity of strategically foresighted personnel development and motivate SMEs to make better use of their employees' potential for systematic on-the-job training, e.g. maintaining employment opportunities in the company for older employees in the long run or improving the professional competences of low-skilled workers.

In the *Basic model* counsellors restricted their involvement to providing information and the implementation of the specific steps of on-the-job training was left to the employers. In the *Cooperation model*, firms received direct support in the implementation phase as well and temporary qualification networks were also set up for firms with similar needs, in order to achieve synergy effects. Lastly, in the *Funded Network model*, private providers were employed to establish industry-specific, permanent qualification networks and provide individual counselling for the participating SMEs.

The pilots confirmed that PES-provided counselling (in the Basic and Cooperation models) was well received by employers, although the *Funded Network model* achieved slightly higher participation rates of older job seekers. According to plans, the nationwide introduction of the qualification counselling by the PES (as part of labour market counselling) will be developed in 2012.<sup>21</sup>

#### **4.2. Training can be cost effective if well targeted**

Where prevention is currently part of the PES brief, the most widely used tool is in-work training. The offer of such measures experienced a small boom during the economic crisis, but financial assistance to employers offering training remains available in many countries, albeit conditions under which this is offered vary.

As indicated above, some PES (e.g. Germany, Lithuania) offer counselling to employers and staff on training requirements. In-work training supported by PES varies significantly in scope, length and type of training, which can be supported: in Germany, only wider employability (rather than employer or task specific training) and accredited training can be supported. In Lithuania, in work training can only be funded for retaining measures when redundancies are planned and financial support

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<sup>21</sup> Further information: Bundesagentur für Arbeit: Host Country PES Issue Paper – Peer Review: 'PES and older workers', March 2012.

is linked to employment guarantees (e.g. employees have to be retained in the company for 12 months following training).

However, the question remains, what is the respective role of PES and employers in the provision of training for employees. Some PES address this question by limiting in-work training support to SMEs who are less able to afford such measures. In countries such as Austria, PES support the establishment of training networks for SMEs, which allows smaller companies to garner sufficient demand and economies of scale for training (although the PES do not necessarily fund this training). For PES staff, the availability of such measures primarily has implications for staff training (e.g. to act as HR and skills advisors to SMEs).

### **Box 7. Further training of low-skilled and older employees in companies - Germany**

The *WeGebAU* programme was launched by the Federal Employment Agency in Germany in 2006 in response to the new demands in the labour market. The programme intends to improve the employability of low-skilled and older employees. It is particularly targeted at employees of small- and medium-sized enterprises employing less than 250 persons. On the one hand, it aims to increase the interests of small- and medium sized enterprises in further training as this sector tends to underestimate the importance of training and neglect the skills potential of their employees. On the other hand, it enables employees to improve their abilities and acquire new skills, thus stabilising their employment.

The programme offers certified training outside companies lasting for at least four weeks. It provides starting-up finances for further training. For employees over 45, 75 % of all costs are funded by the Federal Employment Agency. The company is obliged to ensure leaves of absence. According to the data of the agency in 2011, 5 100 older employees were involved in the courses.

The research results of the Institute of Employment Research indicate that half of the targeted enterprises are aware of the special programme of *WeGebAU* and a quarter of them have been engaged. Its impact on small enterprises is limited, while microenterprises tend to fall out of the scope of *WeGebAU*; 85 % of participating companies indicated the positive effects of training. In addition to this, the tendency to continue and commence new training activities is observable.<sup>22</sup>

Providing advice, guidance and support for entrepreneurial activities and self-employment can be another area where PES may actively help seniors. This would enable senior workers to use their previous work experience and skills in a way that is suited to their interests and capabilities, whilst potentially accommodating their own

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<sup>22</sup> Sources and further information: Bundesagentur für Arbeit: Host Country PES Issue Paper – Peer Review: ‘PES and older workers’, March 2012, Susanne Koch: PES and older workers – Presentation at conference ‘Fourth Peer Review of the PES to PES Dialogue’, held on 10-11 May 2012 in Nürnberg, Germany, Bundesagentur für Arbeit: 2009 Annual Report, <http://www.arbeitsagentur.de/>

needs in terms of workload and organisation.<sup>23</sup> In particular, training may play a role in preparing older workers for self-employment as an alternative to the hostile climate they face as employees.<sup>24</sup>

#### 4.3. Assisting older workers in companies undergoing restructuring

Looking specifically at company restructuring, there is also scope for PES to intervene and provide support with HR expertise. Current practice has been to make older workers redundant during restructuring to maintain employment opportunities for younger workers. It is questionable whether this remains the right approach in the face of demographic change, as demonstrated by the example from PES Belgium – ACTIRIS (Box 8) below.

##### **Box 8. Outplacement services for older workers (Actiris, Belgium)**

Restructuring is a considerable risk factor for employees over 45. In Belgium, there exists an exceptional regulation requiring employers to fund the outplacement services of employees over 45 being made redundant.

Actiris (the PES for the Brussels Region) offers complex services for companies in the case of restructuring. Usually a temporary office is set up, which supervises the whole procedure informing and giving recommendations concerning the announcement of restructuring, communication and negotiation with all competent parties. In order to support the redundant employees in finding new employment, restructuring plans are concluded, outplacement options are suggested and training courses are offered. Actiris is involved in monitoring the implementation of restructuring plans and continues observing and assisting the employees affected by redundancy. The latter services are provided for all and do not entail any age-specific measures.<sup>25</sup>

As a more universal service offer, some Member States use rapid response mechanisms: many are in the form of giving information on site or setting up a temporary office on the company premises that older worker can benefit from. Given the difficulties for older workers to re-enter employment once unemployed (see Figure 1), and the cost of providing services to support workers during restructuring, there are clearly **efficiency gains in targeting these services specifically to older workers.**

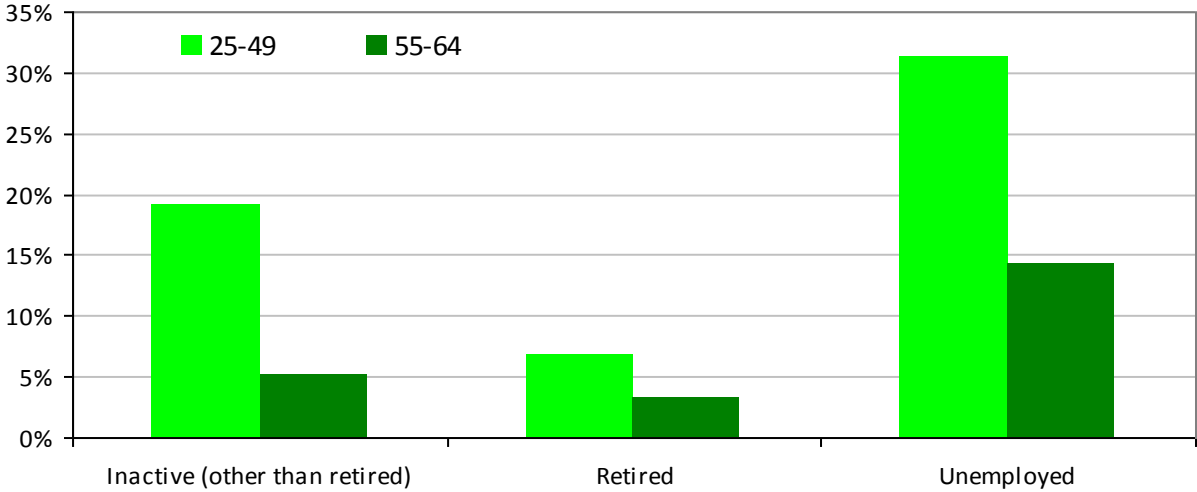
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<sup>23</sup> European Commission (2011): The impact of the crisis on senior workers: challenges and responses by PES, Brussels.

<sup>24</sup> See Mayhew and Rijkers (2004) cited above.

<sup>25</sup> For further information see: Peer PES Paper – Actiris, Peer Review ‘PES and older workers’, Germany, May 2012, European Commission (2012) Comparative Paper – Peer Review: ‘PES and older workers’, Brussels (Author: Mathias Knuth) or the Actiris homepage <http://www.actiris.be/tabid/173/language/fr-BE/Default.aspx>

**Figure 1. Re-employment rates by labour market status and age-group (measuring the proportion of people who were unemployed or inactive in one year but back in work in the next), EU-27 (2010)<sup>26</sup>**



**4.4. Health promotion and rehabilitation should receive more attention**

Health promotion and risk prevention is another emerging field of activity for some PES, with funding being available in Austria and the UK to support health promotion or rehabilitation measures in workplaces in SMEs. In Austria, this relates to advice on how to deal with common health issues, as well as putting in place support structures to allow employers to address factors leading to absenteeism. In the UK, employers can obtain financial support via the PES to adapt workplaces to the (changed) requirements of individuals whose work ability has been restricted as a result of a work related accident or injury. Such support can also be applied for new hirings. Further increases in the statutory retirement age and tightening of disability provisions increase the need for the development of PES services in this area.

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<sup>26</sup> European Commission (2011): The impact of the crisis on senior workers: challenges and responses by PES, Brussels.



### **Box 9. Health promotion for prevention and rehabilitation – Austria**

Health related issues were given a very high priority in the Austrian labour market reform to be implemented by 2016. Worsening health conditions and long absences due to illnesses are the potential threats of employing older workers as assumed by employers. The Austrian Public Employment Office questions and aims to reduce reality of these claims by approaching both employers and the older unemployed. The so called *Flexibility Counselling* is offered for employers, encouraging them to engage in health promotion activities. The service encompasses counselling on a productive ageing workforce and counselling in restructuring processes.

Health promotion services are available for the unemployed who face discrimination on the grounds of their health condition. In this regard, the PES provides individualised services such as *case management, medical, psychological or psychiatric diagnostic and rehabilitation*. The office runs *employability tests* as well. In special cases, a complex approach is applied requiring the assistance of other institutions (health-care or social services).

The *Fit2Work* initiative is intended to increase the employability of workers facing difficulties in their workplace due to their health condition and consequently their stay on sick leave. The initiative entails counselling services for the employees concerned. The services encompass the evaluation of the current job and health situation; individual coaching; occupational health diagnosis and health advice; development of employment prospects; education and training advice; information about grants and support costs; and help on contact with the competent institutions. The *Fit2Work* programme was initiated by the Austrian Federal Government in 2011 in three federal provinces. In the future, the programme will be gradually extended to all provinces.<sup>27</sup>

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<sup>27</sup> For more detail see: Margarete Gross, PES to PES Dialogue: Peer Review on 'PES and older workers', Presentation at conference 'Fourth Peer Review of the PES to PES Dialogue', held on 10-11 May 2012 in Nürnberg, Germany and the Description of Fit2Work initiative in Wien, Austria retrieved from <http://europa.eu/ey2012/ey2012main.jsp?catId=975&langId=en&mode=initDetail&initiativId=127&initLangId=en> on 10 May 2012, <http://www.ams.at/english.html> and <http://www.fit2work.at/home/>

## 5. INTEGRATING UNEMPLOYED OLDER WORKERS: FROM EFFECTIVE INDIVIDUALISED ACTION PLANNING TO EFFECTIVE INTERVENTIONS

### 5.1. Activation and placement of older jobseekers requires an individual approach

As the older unemployed are far from being a homogeneous group, there is a widespread consensus among the participating PES that the best route towards achieving the re-integration of unemployed older workers is through **competent individual action planning based upon a resource-oriented profiling**, positively drawing out and marketing the skills of older workers.<sup>28</sup> As shown above, this sometimes requires not only professional training, but also awareness-raising among PES staff.

Moreover, there is evidence in some organisations that the creation of specific teams with lower counsellor to client ratios to tackle some of the additional challenges facing many older workers is effective (e.g. Perspektive 50+ in Germany). Also, a lower caseload may lead to a better counsellor-client relationship and help to speed up the integration process.

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<sup>28</sup> A recent study by the European Commission also found that, although most European PES regard older workers as a priority target group, only five declared having specific services for them. Andy Fuller (ed): PES Business Models, 2012.

<http://ec.europa.eu/social/BlobServlet?docId=7682&langId=en>

### **Box 10. Perspektive 50+ - Employment pact for older long-term unemployed in the regions (Germany)**

The federal programme was launched in October 2005 as part of the 50+ initiative with the aim to improve the employability of older jobseekers. The programme is intended to integrate the long-term unemployed over 50 into the labour market, to initiate and launch innovative projects and strategies at the regional level, to develop a supportive regional network and raise awareness of active ageing among employers. The programme is based on the cooperation between jobcentres and regional partners such as enterprises, employers' chambers and associations, municipal and educational institutions, trade unions, churches and charitable organisations. So far, 78 regional employment pacts have been set up, which cover 421 job centres.

Perspektive 50+ encompasses a wide variety of measures intended to increase the employability of older persons, such as counselling, training, integration subsidies, etc. Often personal issues such as negative self-perception, reduced belief in their own abilities, and underestimation of their chances to find employment discourage older people to search for a job. In order to improve their self-image, Perspektive 50+ offers individualised and tailor-made services for older jobseekers. One of the most successful measures is individual job-search coaching. Coaching is available after their return to labour market as well.

In 2011, 200 000 older persons got involved in the programme, out of which 70 000 found employment. One third (34 %) were employed using integration subsidies. The strength of Perspektive 50+ is that it relies on and utilises strong regional partnerships and fosters the exchange of best-practice between them. The variety of measures offered with particular emphasis on individualised services and the possibility of combining these measures, also contributes to the success of the programme.<sup>29</sup>

Some countries currently exempt older workers from job searching, which has obvious implications for the possible re-employment of this group. The **removal of exemption from job searching for older workers** is therefore considered to be another important step towards the activation of this group. This has already been achieved in some countries, whilst some others (for example, France) are in the process of phasing this out.

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<sup>29</sup> Bundesagentur für Arbeit: Host Country PES Issue Paper – Peer Review: 'PES and older workers', March 2012; Susanne Koch: PES and older workers – Presentation at conference 'Fourth Peer Review of the PES to PES Dialogue', held on 10-11 May 2012 in Nürnberg, Germany; for more information visit <http://www.perspektive50plus.de/>

## 5.2. Age-specific measures are effective if well targeted to those in need

PES managers participating in the Peer Review agreed that older people do tend to have a particular perspective and priorities, as they are in a specific phase in their lives and career and they also tend to face particular problems in finding a job. This must be taken into account in **staff training at the PES**: counsellors need to be aware of the specific problems and priorities of older job seekers. For example, research commissioned by the Dutch PES found that case-workers need more knowledge about health perceptions as the majority of older unemployed job seekers have negative health perceptions which inhibits job-search motivation and lowers expectations.<sup>30</sup>

Several PES also try to ensure that older jobseekers are linked with older counsellors, rather than much younger counsellors, to avoid older workers feeling that they are taking guidance from someone relatively new to the workplace. Where this does not happen, all PES staff should receive training to manage situations where they are dealing with an older jobseeker effectively. Such training could involve role-playing exercises including role switching.<sup>31</sup>

As with other job seekers, early intervention is also considered to be important, as older individuals are more likely to lose motivation and tend towards early retirement unless they receive early and effective assistance. However, not many PES seem to differentiate the timing of the first interview by age, as early intervention is increasingly becoming the norm.

A number of PES have also had positive experiences using **group activities targeted to the older unemployed**. For example, in Estonia, the Netherlands (see Box 12) and in Germany, **group counselling in self-help groups is successful in tackling social isolation and the lack of networking skills**, to effectively deliver job search skills. Job clubs, whether they are age targeted or not, can additionally help to source 'hidden' vacancies. In Belgium, and Lithuania, such groups are purposefully mixed to create an exchange of experiences.

Several PES target their schemes specifically at the **most vulnerable groups of older workers**, which can be an effective approach to ensure that resources are used effectively. For example, the Perspektive 50+ scheme in Germany is specifically targeted at supporting long term unemployed older workers (see Box 10).

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<sup>30</sup> Schuring, M., Mackenbach, J., Voorham, T. & Burdorf, A. (2011), 'The effect of re-employment on perceived health', *Journal of Epidemiology of Community Health*, vol. 65, no. 7, 639-644.

<sup>31</sup> European Commission (2012): Comparative Paper: Peer Review on PES and older workers (Author: Matthias Knuth).

### **Box 11. Self-help groups – Job clubs for the elderly in Estonia**

Job clubs were introduced in 2009 for the first time in Estonia. Among others, the job clubs targeted older unemployed over 55. The aim of the clubs is to create a small community where jobseekers can share their views and the difficulties they face, as well as to mutually support each other to cope with these life situations. The club serves as a networking opportunity preventing social isolation of the unemployed and also as an additional channel through which they can find vacancies that are not formally advertised.

The job club is led by an instructor. It consists of 10 specific sessions dealing with various issues such as familiarisation with the labour market situation and the new demands and requirements; how to search job opportunities; how to prepare proper job applications, etc. Various interactive activities and role plays are pursued contributing to the development of the social skills of the participants. In 2009, the pilot project enjoyed great popularity, especially among older people, which paved the way for the successful continuation of the programme.<sup>32</sup>

### **Box 12. Group counselling for 55+ – Netherlands**

The programme offers intensive counselling and promotes a proactive approach. Job seekers become eligible for the services after three months of unemployment. Networking 55+ enables them to meet their peers to share and exchange information. These group activities are very flexible. After detecting the problems of participants, the activities follow their specific preferences. The trainer can also freely choose what methods suit the participants' interests the most. During networking events they learn the techniques of searching for vacancies and improve their skills in writing CVs and motivations letters, practise job interviews, etc. After six sessions the participants are supposed to organise at least two (maximum four) meetings on their own. Their trainer can attend the meetings, especially if there is nobody who could supplement his/her role. They are encouraged to continue networking, but outside the UWV. Since the launch of Talent 55+, over 6 000 people have participated and 33 % of them have found permanent employment. The outflow through networking groups was 32 % instead of the usual 6 %.<sup>33</sup>

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<sup>32</sup> For more information, see: Peer PES Paper – Estonia – Peer review 'PES and older workers', Germany, May 2012, ESF Age – Age management situation and policy measures in Estonia, 2011 - retrieved from <http://esfage.isfol.it/mod/tabfile/index.php?offset=30> on 6 June 2012.

<sup>33</sup> For more information see Peer PES Paper – Netherlands – Peer review 'PES and older workers', Germany, May 2012.

### **Box 13: 50 Plus Clubs – VDAB, Belgium**

VDAB, the public employment service for Flanders in Belgium, offers an age-specific measure for jobseekers over 50 years. People over 50 tend to be less motivated to search for a job. Their self-esteem is low and they underestimate their abilities and chances to return to the labour market. The VDAB 50 Plus Clubs address this at two levels: first by reorienting and motivating older jobseekers to help them make a realistic occupational choice and second, by teaching them job search skills.

The clubs provide four services. They offer information about the possibilities in the regional labour market, the financial gains from re-employment in terms of future pensions, as well as about the assistance the Government offers for older workers. They assess the skills and employability of the jobseeker, in order to identify the occupation matching the jobseekers competences as well as employers' needs. They offer individual training, intended to discuss and assess how the jobseeker and others, including employers, perceive the employment of older workers. Finally, they provide group training, where the trainer teaches job search and interview techniques and preparing application packages effectively.

Comparing the outflow rate of participating and non-participating jobseekers for the past three years, the job club appears to have a significant impact. In 2011, 33 % of job club participants were reemployed within six months after finishing the trainings, while the outflow rate of non-participants was only 19 %.<sup>34</sup>

### **5.3. Support for getting to the first interview can be crucial for older unemployed**

Because of stereotypes regarding older workers among employers, it can also be more important for this target group to benefit from measures which **directly bring jobseekers into contact with employers**. Job fairs, speed dating and work trials (e.g. the Netherlands), as well as simulated recruitment methods (e.g. France) may be effective in this regard. What seems crucial is to arrange an interview and work trial, in order to ensure intensive contacts where the older unemployed can show their value based upon experience and acquired competences.

The UK has expressly abandoned the target group approach and instead increased efforts to remove all labelling in PES services. In the UK, this works well when combined with free recruitment services where the employer is obliged to interview applicants pre-selected by the PES and especially for large retail firms that frequently hire low-skilled jobseekers.

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<sup>34</sup> VDAB, 50Plus – From Problem Detection to Problem Management, presented at the Benchmarking Workshop of the PES Benchmarking Group, Vienna, 28-29 March, 2012.

### **The first interview approach – United Kingdom**

PES approaches in the United Kingdom with respect to the integration of the older unemployed have ceased to be target group oriented. Services are provided in accordance with the jobseeker's individual interests and needs. PES aim to promote and share this approach in society, but particularly among employers.

Jobcentre Plus (UK PES) offers *free recruitment services for small businesses* encompassing a free vacancy advertisement and later on providing assistance to find the best applicants for the job. By making use of the service the employer is freed from costs and procedures of pre-selection as the Jobcentre Plus chooses the prospective candidates. The employer gets involved only on the occasion of the first interview. Personal communication tends to increase the chances of older candidates. Frequently, the age of the jobseekers is given more weight than their acquired skills in the selection process, and employers or managers are likely to disregard the applications of older people in the pre-selection phase and not even invite them for interview. Therefore, the essence of the free recruitment services is that the jobcentre takes over the task of pre-selection and gives opportunity to less 'attractive' candidates. In compliance with the Age Positive initiative, emphasis is put on the skills and advantages of employing older persons. The practice proves that during the interviews the older skilled candidates perform well and have better chances to succeed in gaining employment.

PES managers find that this approach is likely to work well in the case of medium-sized firms seeking low skilled workers, e.g. group hires of shop assistants for a large retail chain.

#### **5.4. Wage subsidies can be cost efficient, if combined with personalised services**

Although employment subsidies are widely used as an incentive for employers to hire older workers, there is some concern about their cost-effectiveness.<sup>35</sup> Many of the participating PES use and find subsidies an important tool. However, some PES practitioners argue that **subsidies are only targeted and effective if combined with quality personal services to jobseekers and employers**. Research evidence also suggests that training programmes may only have a limited role to play in the absence of accompanying policy measures. Of prime importance are subsidies and targeted job search and job placement programmes; and even here there are risks of

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<sup>35</sup> For a summary of the research evidence, see Card, D., Jochen, K., and Weber, A., (2010), "Active Labour Market Policy Evaluations: A Meta-Analysis," *Economic Journal*, Royal Economic Society, vol. 120(548), pages F452-F477, November.

deadweight loss and of ineffectiveness if they are not part of a larger policy package.<sup>36</sup>

### **Older unemployed benefit from integration subsidy – Austria**

The Austrian PES successfully runs a programme of *Integration Subsidy*, which is targeted at unemployed persons. Although the measure itself is not age-specific, it proved to be effective in stimulating the employment of older jobseekers. Between 1999 and 2008, on average, 14 % of all subsidised placements were taken up by people aged 45-49, and a further 30 % by jobseekers over 50.

The purpose of the integration subsidy is to prevent the long-term unemployment of persons facing difficulties in finding a job. The programme offers a wage subsidy for a limited period of time in order to prompt employers to hire persons exposed to long-term unemployment. The length of subsidised employment ranges from two months to two years, and the extent of the wage subsidy is up to 67 % of the wage costs. The concrete length and share of subsidy is determined on a case-by-case basis dependent upon the needs of the jobseeker. Research shows that the average length of integration subsidy is six months, and the average share of the subsidy is 40 %.

In the period between 1999 and 2008, 71 007 companies got involved. The research results pointed out that the measure is most suitable for smaller, growing companies. In 2010, 9 526 persons over 50 became employed due to the programme and more than 60 % maintained their position after the end of the programme. In Austria, an integration subsidy is considered the most important and effective tool to increase labour market activities of persons aged over 50.<sup>37</sup>

## **5.5. Partnerships bring efficiency gains in delivering PES services**

Many PES stress the importance of partnerships for implementing their strategies towards older workers. Partners may include:

- **employer organisations** (UK, Poland, Netherlands), in order to provide information about labour market needs, job opportunities and work trials;
- **municipalities and social assistance centres**, which can provide the specific tools and expertise to assist jobseekers with

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<sup>36</sup> See Mayhew and Rijkers (2004) cited above. A recent study by the European Commission also notes that any such subsidy needs to be 'carefully considered to ensure that it does not prevent access to the labour market for young workers and that it does not artificially distort the labour market by creating deadweight or negatively impacting on other groups of workers'. European Commission (2011): The impact of the crisis on senior workers: challenges and responses by PES, Brussels.

<sup>37</sup> For more information see Peer PES Paper – Austria, Peer Review 'PES an older workers', March 2012, Gudrun Nachtschatt: Reintegration of unemployed jobseekers 50+, presented at the Benchmarking Workshop of the PES Benchmarking Group, Vienna, 28-29 March, 2012, [http://www.pes-benchmarking.eu/uploaddoc4852/200\\_WS\\_Vienna\\_March\\_2012\\_50plus\\_AT\\_AMS.pdf](http://www.pes-benchmarking.eu/uploaddoc4852/200_WS_Vienna_March_2012_50plus_AT_AMS.pdf) on 10 May 2012, and <http://www.ams.at/english.html>.



more complex problems (Poland, Estonia, Netherlands Germany);

- **temporary work agencies** (Netherlands, Austria); in Austria, the strong co-operative relationship between the PES and the temporary work agencies is considered to strongly contribute to mitigating prejudices against the employment of older unemployed people;
- **vocational education institutes** for the provision of training (Estonia); or
- **Non-governmental organisations (NGOs) and advocacy agencies** representing elderly people who have knowledge about the needs of this group (Poland).

Cooperation with such institutions can help bring efficiency gains to the service delivery of PES for senior workers whilst also reducing the costs of launching new measures.<sup>38</sup> Partnerships are important especially for preventive measures that would ensure proper age management and employability support, which are often considered by PES as either outside their remit or difficult to implement.

The partnership of Actiris and the Referral Centre to orient training to labour market needs – Belgium

The partnership of Actiris and the Referral Centre is based on the need to adjust the skills of jobseekers to labour demand. The Referral Centre is a non-profit organisation with affiliation to both the public and private sector. It provides vocational trainings, skills validation and vocational aptitude testing for employees and unemployed jobseekers as well as for students and young people. They focus especially on sectors with a waning skilled labour force. Accordingly, Referral Centres have been set up for five sectors:

- ICT and communication
- Metal manufacturing and technological industry sector
- Construction
- Hotels, restaurants and catering
- Transport and logistics.

The majority of unemployed participants participate in vocational training for the construction sector followed by trainings for transport and logistics.<sup>39</sup>

A recent evaluation pointed out that the effectiveness of the centres could be further improved by developing a common assessment framework for the five centres.

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<sup>38</sup> European Commission (2011): The impact of the crisis on senior workers: challenges and responses by PES, Brussels.

<sup>39</sup> Peer PES paper – ACTIRIS. Peer Review 'PES and older workers', Germany, May 2012.

## **Working with employers and vocational education institutes in Estonia**

In Estonia, employers are considered to be not only clients, but also partners of the PES, since they have the jobs that are needed in helping jobseekers back to work. The strategic approach is to actively reach out to employers in order to attract in more vacancies, but also apprenticeship opportunities. This approach also helps the PES in partnerships with other organisations (such as Enterprise Estonia<sup>40</sup>, training institutions, municipalities, etc.), where cooperation is needed, in order to support the development and recruitment plans of the employers already at an early stage.

The PES also has partnerships with vocational education institutes. The PES has worked with these institutes and employers to match a training offer to skills demanded in the labour market. Employers and/or professional associations have been directly involved in identifying skills requirements as well as in designing the training programmes.

Building partnerships is clearly facilitated by a strong and well-functioning tradition of tripartite cooperation, which ensures trust between the partners. In countries lacking such traditions, a possible alternative would be to generate buy-in from social partners through other institutions.<sup>41</sup> For example, looser networks between key labour market stakeholders or tripartite socio-economic committees can also provide a starting point for co-operation on the issue of demographic change.

## **6. CONCLUSIONS**

Four key lessons in relation to PES practice emerged from the Peer Review:

- First, the need to mainstream the issues of ageing into the services for both employers and jobseekers;
- Secondly, the need for a shift towards preventive measures;
- Third, that the tools of awareness raising require careful design;
- Fourth, that there is a role for measures targeted specifically at older workers, although individual action plans remain the most efficient overall approach.

There are also a number of more cross-cutting messages for PES strategic managers:

1. Firstly, the mainstreaming of demographic and age-sensitive topics into the services for employers and jobseekers appears to be an effective approach for the future. An obvious message for PES managers is the need to prepare

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<sup>40</sup> Enterprise Estonia (EAS) promotes business and regional development in Estonia. EAS is one of the largest support institutions for entrepreneurship, providing financial assistance, advice, cooperation opportunities and training for entrepreneurs, research establishments, the public and the third sector.

<sup>41</sup> 'Extending working life: Tripartite co-operation and the role of the Centre for Senior Policy' Peer Review in Oslo, 24-25 May 2012, Mutual Learning Programme 2012.

PES staff to be aware of the specific needs of older workers, even if there are no specific measures for them in the PES toolbox.

2. Secondly, some Member States have experimented with creative ways of encouraging networking among clients and cooperating with actors that are outside the traditional scope of PES partnerships, such as advocacy groups representing senior citizens. These initiatives may be interpreted as an extension of the 'matchmaking' role of the PES (beyond the traditional role of matching employers with jobseekers) and, given their low costs, may become an important new area of service development.
3. Lastly, Member States vary considerably in their practice of supporting the labour market integration of older workers and there is little systematic evidence on the impact of the various measures and services of PES. Along with the controversial results of some initiatives, e.g. of awareness raising campaigns; this suggests that there is great potential in impact evaluations which could help individual Member States to increase the efficiency and effectiveness of their services for older workers and also provide a sound basis for identifying and promoting best practice.

For policy making at the national level, the Peer Review underlined the **important role that ESF can play** in financing PES initiatives, helping Member States to adjust employment services and measures according to the changing social and economic environment. By identifying, validating and disseminating innovative strategies to manage the ageing workforce in Europe, the [ESF Age Network](#) supports the ongoing development and improvement of PES practice in this area.

Lastly, as highlighted by the Peer Review in Oslo, it is important to note that the work of the **PES is only part of a wider policy framework** which needs to be reviewed in order to encourage extended workforce participation.<sup>42</sup> This includes, for example, the more effective closure of early retirement routes (already being effected in many countries), relevant reforms of the pension and social security systems, a reconciliation of healthcare and rehabilitation services with pension policies, and a review of wage systems which discourage the recruitment (or retention) of older workers.

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<sup>42</sup> 'Extending working life: Tripartite co-operation and the role of the Centre for Senior Policy' Peer Review in Oslo, 24-25 May 2012, Mutual Learning Programme 2012.

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