Colloque sur l'emploi des seniors
organisé par la DARES

Conditions de Travail et Formation
– Comment -

Gerhard Bosch, IAQ
• Possible goals of phased retirement
  – Improvement of working conditions for older workers – sometimes targeted at workers with hard working conditions
  – Reduction of pension shock
  – Increase of retirement age
  – Earlier retirement

• Outcome of Austrian (and also of German) old-age part-time scheme
  – Early retirement
  – No improvement of working conditions and reduction of pension shock – since block-model dominated
Main reasons for this outcome

– Scheme was not designed to increase retirement age and improve working conditions
– Allowed block model and started well below retirement age

No substantial decrease of working hours for older workers in EU

– in 2004 55-64 year old worked only 1.3hrs less per week than 25-44 year olds – no change over the last decade
• Phased retirement often takes places after retirement - through combination of pension and small jobs

• Employment rates of 65-69 year old in 2005
  – Men: EU-25 8.2%, DK 22.4%, FR 3.4%, DE 8.1%, PT 36.3%, SE 20%
  – Women: EU-25 5.4%, DK 7.1%, FR 2.7%, DE 4.7%, PT 21.8%, SE 10.4%

• Sometimes voluntary to reduce pension shock but also to compensate low pensions
• Many good practice company examples of phased retirement to keep workers longer in work and improve working conditions
  – In most cases modest reductions of working hours (for example from 37 to 30 hrs.)
  – High flexibility in form of working time reduction (weekly, monthly, yearly – longer holidays) – often new working time culture required
  – Often financed through collective agreements or working time accounts

• Small working-time-reductions less expensive and less exclusive than drastic change from full- to part-time
Main results:
- less older workers in companies with changes in technology and organisation
- More older workers in companies with flat hierarchies
- Further training has positive impact on employment and wages of older workers but negative impact of changes in technology and organization remain
- Age effect probably stronger because of high selection of older workers (many are not employed any more)
Very interesting correlations but caution in interpretation required:

- Study measured employment of older workers only in France
- High probability that unobserved variables are important (like discrimination, many French institutional effects)
- International comparison needed which shows higher variation than analysis within one country
- Substantial variations in employment rates of older workers in general and by skill level across countries

- Possible reasons – Differences in
  - Age discrimination
  - Strategies of employers
  - Work organization
  - Institutions: Education and training, pay, health and safety, pension systems etc.
Main reasons for high employment rates in SE

- Good basic education and training plus high investments in LLL
- Low age discrimination
- No seniority based pay systems
- Solidarity wage policy – reduction of mobility costs
- Flat hierarchies
- Proactive health and safety policy
- High level of gender equality
- No early retirement policy
The Structure of Earnings by Age and Gender

MEN

Sweden

United Kingdom

WOMEN

Sweden

United Kingdom
The Structure of Earnings by Age and Gender

MEN

WOMEN
- Are skills becoming obsolete through technological and organizational change?

- Need to differentiate:
  - General skills as languages, mathematics, social skills last a life as long as they are used
  - Broad vocational skills have a long half-life
  - Narrow vocational skills and specific skills have a short half-life
## Participation in Further education and training 2007

<table>
<thead>
<tr>
<th></th>
<th>Participation rate in %</th>
<th>Hours of education training per participant</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All</td>
<td>50 years and older</td>
</tr>
<tr>
<td>EU-15</td>
<td>34.6</td>
<td>26.4</td>
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<tr>
<td>DK</td>
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<tr>
<td>SE</td>
<td>69.4</td>
<td>63.7</td>
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<tr>
<td>UK</td>
<td>40.3</td>
<td>35.6</td>
</tr>
</tbody>
</table>

*source: EU Adult Education Survey*
Employment rate people aged 55-64 by level of education, in 2005

source: Eurostat: Statistic in focus 15/2006