

Labour market change
**State initiatives supporting the
labour market integration of
older workers**

[Not finished at 50:
Keeping older workers in work](#)

Authors: Irene Mandl, with Valentina Patrini, Jenna Jalava, Eero Lantto, Marcel Muraille (Eurofound)

Research Manager: Irene Mandl

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Key messages

- Focus of this report is to investigate job displacement of older workers in the form of layoffs, where the termination of the employment relationship is not due to reasons related to the individual worker, but caused by economic reasons. The report discusses public interventions supporting redundant older workers and gives some indications on ‘what works, what does not’.
- Europe, as other economies around the globe, is characterised by an ageing population.
- During the last decade, the activity and employment rates of older workers (55-64) have been continuously increasing while unemployment and inactivity rates have been decreasing; however, there are considerable differences across EU Member States.
- Older workers tend to remain longer in unemployment once dismissed.
- While generalisations should be treated with care, older workers have been found to be characterised by some ‘particularities’ making them ‘special’ on the labour market compared to other groups.
- Examples of such particularities are the perceptions of and attitudes towards older workers (by the workers themselves, but also by employers, labour market intermediaries or the society as such), older workers’ inclination towards geographic and occupational mobility, workers’ and employers’ job search approaches, or aspects like productivity, pay, skills and health issues.
- These particularities, or the perceptions thereof, can positively or negatively affect older workers’ labour market integration. Considering also context factors (like the economic and labour market situation as well as institutional settings or support infrastructure) can be particularly important in the case of redundant older workers.
- Recent years have seen a policy shift from enabling early retirement to provide labour market opportunities for younger generations towards extending working lives.
- This often relates to an increase in statutory retirement age and a life course approach to enhance employability. Discussions on the specific challenges of redundant older workers are rare.
- Accordingly, across the Member States there are only few operational support instruments addressing older workers affected by redundancy for economic reasons.
- Nevertheless, there exists a broad portfolio of public measures that could be applied for that purpose, even if it is not their main objective. Such instruments can target either (prospective) employers or older workers, and have either an anticipatory or a more ‘remedial’ character.
- Examples for types of relevant public interventions are employment protection, making early retirement less attractive, addressing age stereotypes, addressing health issues, facilitating flexible work arrangements, supporting skills development and mobility, financial support to workers and employers, advice and career orientation or comprehensive outplacement services. Furthermore, measures oriented at alternative employment options (such as public works, social enterprises or self-employment) are to be mentioned.

- Deriving lessons learned on ‘what works, what does not’ is challenging, considering the methodological approach of this study and the availability of distinctive information. However, some indications can be given that could be followed up by more in-depth research in the future:
 - + Addressing age-based discrimination and stereotypes, but a long-term approach is needed as cultural change takes time
 - + Working time reduction in the last phase of the career to enhance sustainable working lives for certain sub-groups (for example, those affected by physically demanding tasks or health problems)
 - + Early interventions and individual case approach to tackle health issues
 - + On-the-job training, long-term training
 - + Financial disincentives for older workers to enter/remain in unemployment or on social welfare benefits
 - + Individualised, one-to-one and high frequency advice to redundant older workers, including a more comprehensive career orientation approach with personalised action plans (profiling, identification of training needs, matching support)
 - + Networking and exchange among redundant older workers
 - + Comprehensive support packages of work practice and theoretical training, employment subsidies and advice (including networking)
 - + Early interventions, that is, already during the notice period
 - ~ Employment protection seems to work as regards maintaining older workers’ employment, but raises some concern regarding the hiring of older unemployed people
 - ~ Employment subsidies (differing findings regarding effectiveness and some indication of deadweight loss, substitution effects and negative signalling effect)
 - ~ Public works programmes have some positive short-term labour market integration effect, but do not seem to provide a sustainable solution
 - ~ Mandatory job search activities show some positive effects on labour market integration of unemployed older workers, but with a time lag and some tendency to resort to alternative exit routes
 - Stand-alone training measures, notably if only short-term theoretical classroom training addresses low qualified older workers, and only offered once the older person became unemployed
 - General advice, not considering the specific situation of redundant older workers

Introduction

In 2017, there were 37.6 million employed older workers (aged 55-64) in the European Union, of whom around 80% were employees. The most common sectors where older workers were employed are manufacturing (14.5%), human health and social work activities (13%), education (9.3%) and public administration (8.6%) (Eurostat, 2018a).

Growing older is a natural phenomenon affecting everybody. Accordingly, the impact of ageing on individuals, the society and the labour market has been substantially researched and has been subject to public and policy debate for decades. From a labour market perspective, demographic change resulting from population ageing means that the European labour force is shrinking and will continue to do so for the foreseeable future, which entails significant challenges for the sustainability of the European economy and society. For this reason, notably since the Great Recession, retaining older workers in the labour force has been identified as the key to tackle the challenges caused by the demographic change in Europe. Public policy has reverted from encouraging early retirement ('early exit') and has instead shifted focus to ways of extending working life (European Commission, 2012a).

This new policy direction towards supporting workers' longer involvement in the labour market has been mainly implemented by increases in statutory pension ages, the gradual discontinuation of early retirement schemes and, in some countries, a general improvement of the work environment for older workers (ETUI, 2012). This has contributed to reverse the trends from the last decades of last century, when the activity rate of older men was decreasing, also due to the availability of attractive early retirement schemes and the culture of taking advantage of them. During the same period, the situation for older women was different: in most European countries their employment rate was already rising in the 1980s and continued to do so in the 1990s, but their levels of labour market participation were low. Following the above developments, the policy discussion on older workers has somewhat lost momentum, and – for example, compared to youth – older workers are no longer among the top priority workforce groups considered in policy debate. At the same time, it is well known that job loss and unemployment can have detrimental effects on a worker's career, financial situation, health and well-being, among others.

Job loss can occur for varying reasons, which also affects the potential consequences. Miller and Hoppe (1994) distinguish between 'layoffs' and 'firings'. Layoffs occur mainly due to external economic conditions that lead to the position of the workers being completely removed. Firings occur due to the employer being dissatisfied with the worker, which means that the position will be filled by someone else. Firings are considered to have more severe negative effects on the psychological well-being of workers, as the reason for the termination is the individual employee, as opposed to external factors in the case of layoffs where the individual employee cannot be held accountable for the termination. Compared to firings, layoffs are therefore perceived as taking less of a toll on the worker's self-esteem and hence are considered to be less damaging for the worker's well-being. At the same time, being affected by redundancies resulting in a higher number of new unemployed can bring about enhanced challenges for the jobseekers in terms of competition for vacancies. This is particularly true in regions, sectors or occupations where job offers are limited. In such a situation it is more difficult for disadvantaged groups on the labour market to realise a labour market reintegration.

In this context, older workers have been shown to be a particularly vulnerable group as they may face specific challenges when attempting to reintegrate into the labour market. Available data show that it generally takes older workers longer to re-enter the labour market once they lose their jobs and they have lower reemployment probabilities than their younger counterparts. For the above mentioned reasons, how to support older workers who have lost their jobs in finding new employment is an important issue that warrants further investigation.

About the report

For the purposes of this report, the focus is on job displacement in the form of layoffs as defined by Miller and Hoppe (1994), where the termination of the employment relationship is not due to reasons related to the individual worker. Job displacement is thereby understood as ‘involuntary job loss due to economic factors such as economic downturns or structural change’ (OECD, 2013).

This paper starts with a brief overview of the labour market situation of older workers in the EU, mainly based on Eurostat data, supplemented by other data sources and literature. This is followed by a chapter summarising the main findings of previous research on what makes older workers ‘special’ on the labour market, notably discussing favouring and hindering factors for their (re-)integration in the labour market. The information stems from a literature review conducted by Eurofound late 2017/early 2018 as well as national findings compiled by the Network of Eurofound Correspondents (covering all Member States of the European Union, except of the Netherlands) between September 2017 and February 2018 (see Annex 1). It is to be mentioned that some of the literature is rather old, hence does not take into account the most recent developments on the labour market, policy and society. Furthermore, findings tend to present ‘averages’, often omitting variations within the group of older workers.

The chapter on the policy debate on redundant older workers gives an overview of the respective strategies and regulations at EU level, summarised by Eurofound through desk research. This is supplemented by relevant national considerations as flagged by the Network of Eurofound Correspondents.

The final section of the paper illustrates public operational instruments available in the Member States of the EU to support the (re-)integration of redundant older workers; company initiatives are out of the scope of this report. The information was provided by the Network of Eurofound Correspondents, mainly based on desk research that was partly supplemented by brief stakeholder interviews. A specific focus on public instruments explicitly targeting older workers affected by redundancies for economic reasons was applied. However, in practice it turned out that such specific instruments are hardly available. Accordingly, measures more generally targeting older workers or workers affected by redundancies for economic reasons irrespective of age were also considered. The chapter discusses the general characteristics and mechanisms of these instruments and gives, as much as possible on the basis of available studies and evaluations, some assessment on their effectiveness. It is to be mentioned that this report does not intend to provide a comprehensive overview of all available national instruments that support the labour market integration of (redundant) older workers. Rather, it illustrates some policy approaches with respective examples.

As regards the assessment of effectiveness of these (types of) instruments, this report is far from claiming a scientific evaluation of applied policies, not even a systematic review of existing data or research. Instead, it wants to offer first pointers towards policy aspects that could be explored further in a follow-up research in order to learn in more depth about working methods, efficiency and effectiveness of public interventions.

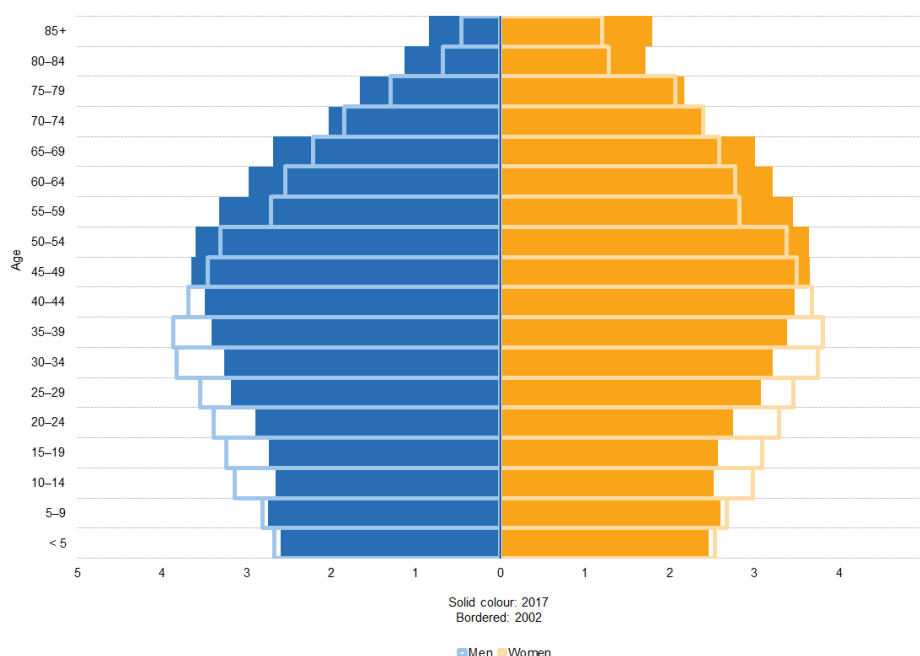
Labour market situation of older workers

Older people in the population

The European 2018 Ageing Report (European Commission, 2017) explains that, although the total population in the EU is expected to increase by 9 million from 2016 (511 million) to 2070 (expected 520 million), the working-age population (aged 15-64) is expected to strongly decrease from 333 to 292 million over the same period. These estimates take into account expected effects deriving from changes in fertility rates, life expectancy and migration flows and show that fiscal costs related to pensions, health care and long-term care are expected to rise over the coming decades.

Between 2005 and 2017, the EU experienced an increase of 2.8 percentage points of the share of the population aged 65 years and over. Accordingly, the population pyramid of the EU28 is starting to look like a rhomboid as a result of the ‘baby boom’ that occurred in the mid-1960s. Now the ‘baby boom’ group is moving upwards and towards retirement, narrowing the lower sectors (Eurostat, 2018b).

Figure 1: Population pyramid, EU28, 2002 and 2017 (% of the population)



Source: Eurostat, 2017

As a result, the old-age dependency ratio, capturing the relative size of the older population (65 years and over) compared to the working age population (15-64 years), has been increasing throughout the past decade, from 25% in 2006 to 29.3% in 2016. This increase will have major consequences for the ability of European societies to ensure the social and economic well-being of its citizens (Eurostat, 2017).

The European Ageing Report (European Commission, 2017) stresses that Europe’s population ageing will inevitably affect its labour force in the future: the total supply of labour among those aged 20 to 64 is expected to fall by 9.6% between 2016 and 2070, while labour force participation rates are projected to rise from 77.5% in 2016 to 80.7% in 2070 – with a particularly apparent increase among women and older workers.

Differences exist between countries, with the ratio ranging from 21.2% in Ireland to 32.4% in Germany in 2016. This means that while there are approximately five people of working age for every one person over the age of 65 in Ireland, there are only around three people of working age for every one person over the age of 65 in Germany. The highest ratio, 34.8%, can be found in Italy, Finland and Greece. In 2018, the majority of the Member States have their ratios below 30% (Eurostat, 2018b).

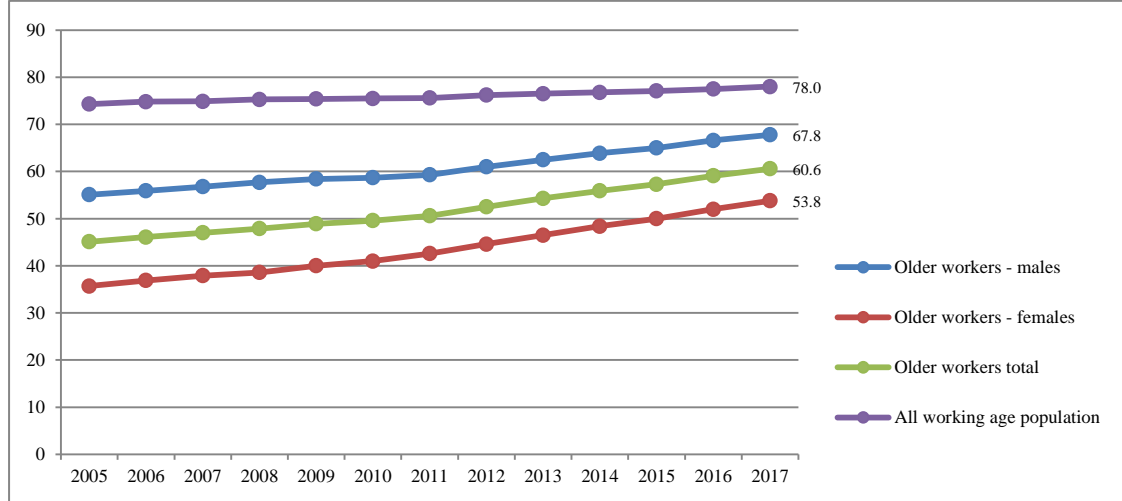
Employment situation of older workers

Economic activity

The activity rate is defined as the percentage of the population in a given age group who are economically active. In 2017, the activity rate of older workers (aged 55-64) in the EU28 reached 60.6%, following a continuous increase over the last decade. While also the activity rate for all working age population has been rising between 2005 and 2017, the experienced growth was stronger for older workers. The policy shift that occurred in the EU following the economic and financial crisis - from promoting early retirement to prolonging working lives – can explain much of the enhanced pace of growth of older workers’ activity rate.

Within the 55-64 age group, the activity rates between the 55-59 and the 64-64 age brackets have followed similar trends but the gap between these groups has remained unchanged; around 30 percentage points difference. The activity rate of the 55-59 year olds stood at 58.9% in 2005 in the EU28 and reached 74.8% in 2017 (+ 15.9 percentage points), while the activity rate of the 60-64 year olds moved from 28.3% to 45.1% (+ 16.8 percentage points) over the same period. The biggest increase occurred among women aged 55-59 year old (Eurostat, 2018a).

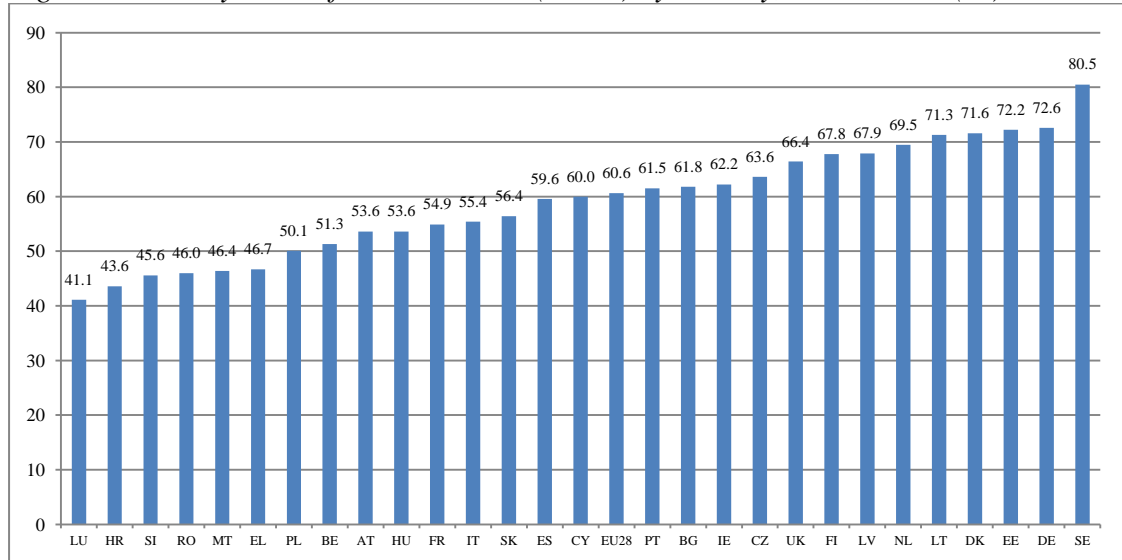
Figure 2: Activity rates of older workers (55-64) by gender, EU28, 2005-2017 (%)



Source: Eurostat, 2018a

Across the EU, activity rates of older workers are clearly highest in Sweden. The highest scoring Member States are Northern European countries. On the lower end of the scale there is more variation; some are Eastern European countries with low levels of active labour market policy measures (such as Croatia and Romania) while others are Western European countries with an average effective retirement age lower than the legal retirement age due to early retirement practices (Belgium and Luxembourg).

Figure 3: Activity rates of older workers (55-64) by country, EU28, 2017 (%)



Source: Eurostat, 2018a

Employment

In 2017, there were about 20.4 million employed older men (55-64) and about 17.2 million employed older women in the EU28, and 5.8 million people aged 65 and over were working in the EU28 (Eurostat, 2018a). That year, the employment rate of older workers (55-64) in the EU28 was 57.1%, as opposed to 72.2% for the working age population (20-64). The employment rate of males aged 65 or older was 4.4 percentage points higher than the rate of females in the same age group, as opposed to the 13.1 percentage point gap in the age group 55-64.

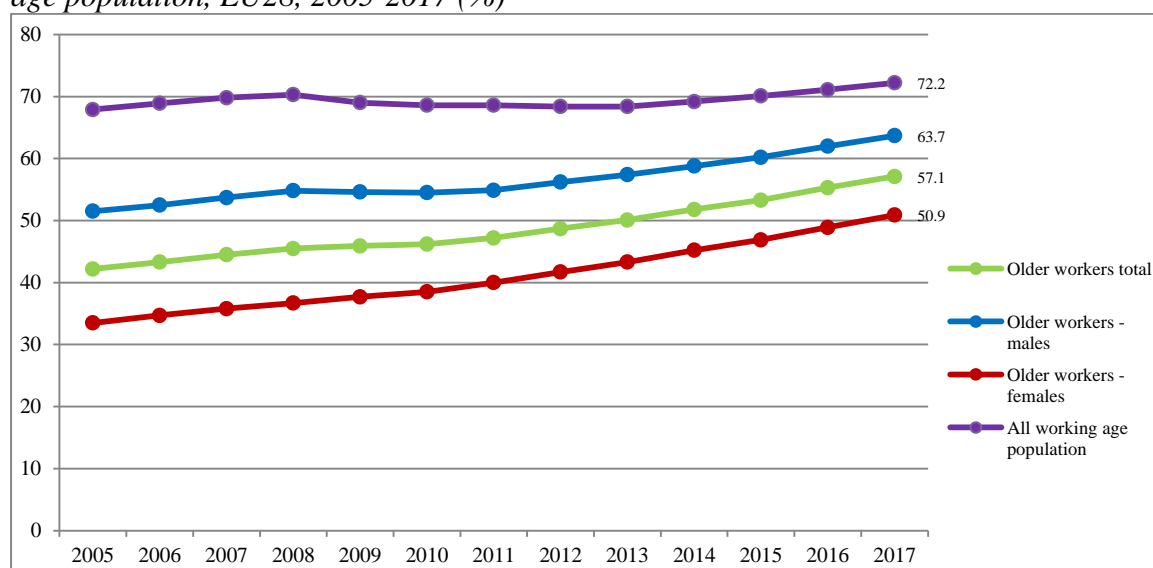
The employment rate of older workers has been on a steady rise since 2001. Between 2005 and 2017, the average annual growth of the employment rate was 0.36% for all working age population, 1.24% for older workers (55-64) and 0.13% for workers aged 65+. The employment rate of older women is catching up with the employment rate of older men (Eurostat, 2018a). Since 2005, the employment rates of the people aged 65 and over have increased especially in Austria, Finland, Germany, Lithuania and the UK.

Looking more closely at the composition of the 55-64 age group by differentiating the 55-59 and the 60-64 years age brackets, conclusions drawn from the activity rate are also relevant for the employment rate; the relative increase is quite similar for both groups (Eurostat, 2018a).

The increase in employment rates can be attributed to the changes in eligibility criteria to retirement pension. National data for Bulgaria, for example, show an increase in the employment rate of people aged 55-64 of 9.6 percentage points between 2009 and 2016 (National statistical institute of Bulgaria, 2018). This is explained by the fact that in 2009 older people had to be 60 (female) and 63 years (male) and to have a minimum of 34 (female) and 37 years (male) of service to be entitled to pension. In 2016, the statutory retirement age had risen by 10 months, and the required years of service by 1 year and 2 months (Trud i Pravo, 2018).

However, this positive development should also be considered with some care. For Slovenia, for example, it is found that 56.6% of older workers over 50 years were employed by the means of the active employment policy measures in the period 2012–2014 (Kavaš et al, 2015).

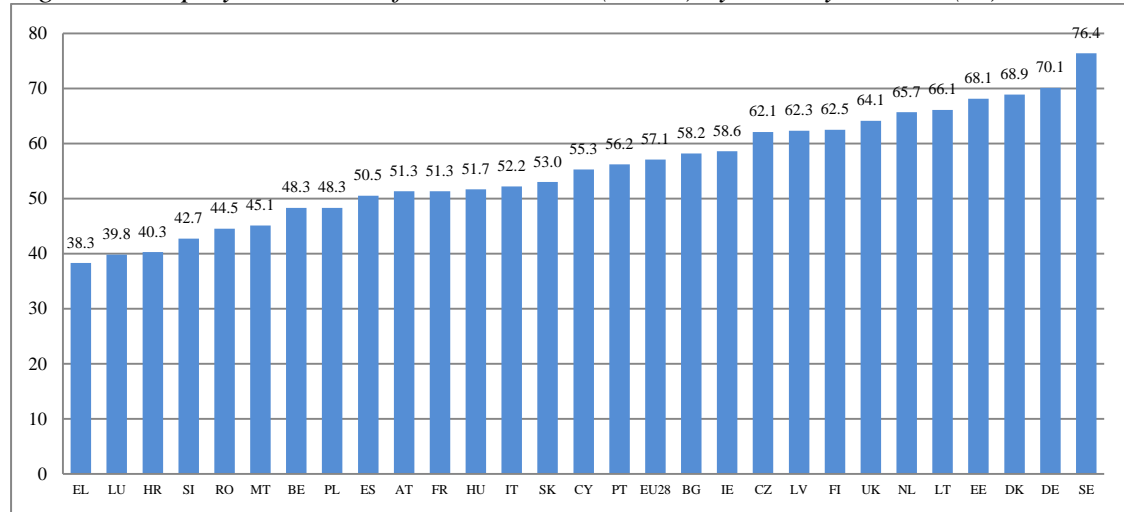
Figure 4: Employment rates of older workers (55-64) by gender and total working age population, EU28, 2005-2017 (%)



Source: Eurostat, 2018a

Like with the activity rate, Sweden also scores the highest among the EU Member States with an employment rate of 76.4% in 2017, and Greece the lowest with 38.3%, while the EU28 average is 55.2%.

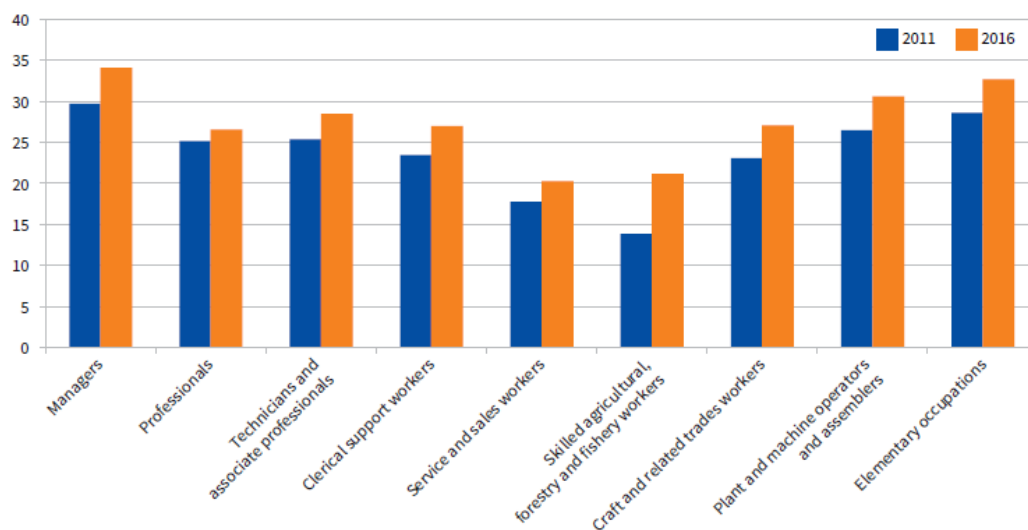
Figure 5: Employment rates of older workers (55-64) by country in 2017 (%)



Source: Eurostat, 2018a

Employment of older workers is not equally prevalent across sectors and occupations. French data, for example, show that larger and older enterprises have larger shares of older workers, all things being equal, and this is explained by the history of industry and workflows (Aubert, 2003). Older workers are also numerous in the public sector and amongst independent workers and business owners (IGAS, 2013). Across Europe, data from the European Working Conditions Survey show that the share of older workers (50 years and over) is particularly high among managers, elementary occupations and plant/machine operators. Both plant and machine operators and elementary occupations include the highest share of workers aged over 55 reporting that they will not be able to work when they reach the age of 60.

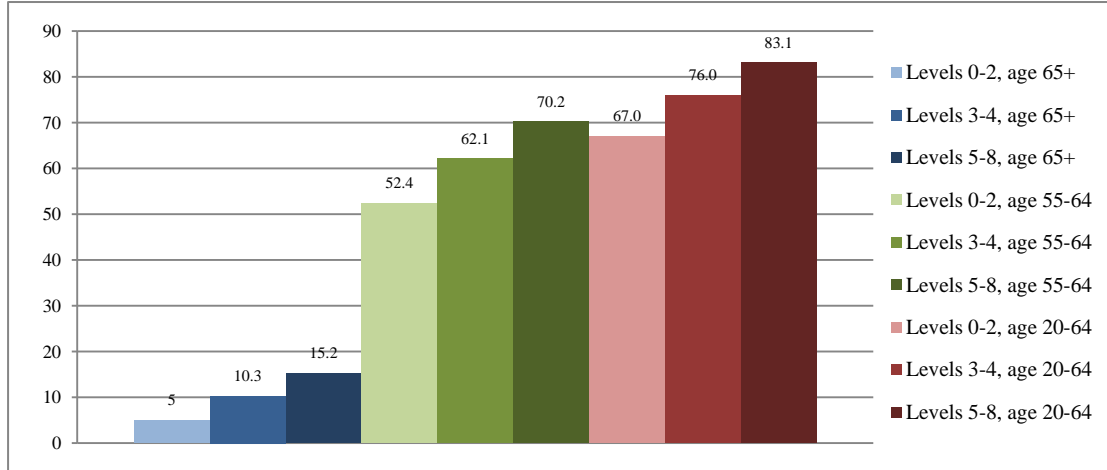
Figure 6: Share of employees aged 50 and over in major occupational groups, 2011–2016 (%)



Source: Eurofound, 2017a based on Eurostat

Similarly, not all older workers are equally likely to be in employment. Generally, the employment rates of workers with higher education are higher than of workers with lower educational attainment and older workers do not constitute an exception. The relative effect of higher education on the employment rate seems to be more pronounced in the age group 55-64 years than among the 65+ generation.

Figure 7: Employment rates by age class and educational attainment level, EU28, 2017 (%)



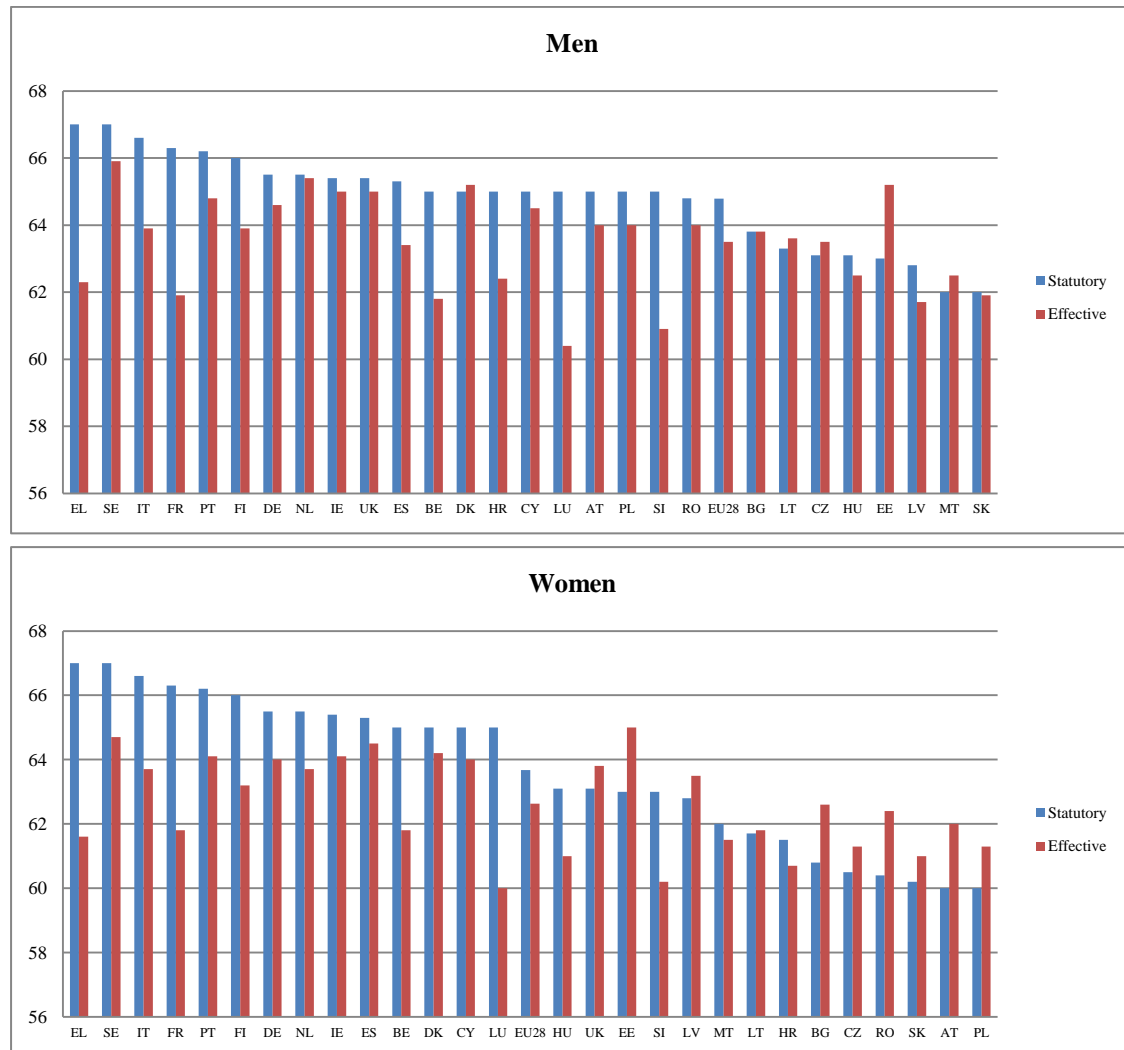
Levels 0-2 = Less than primary, primary and lower secondary education, levels 3 and 4 = Upper secondary and post-secondary non-tertiary education, levels 5-8 = tertiary education

Source: Eurostat, 2018a

The duration of working life indicator, which measures the number of years someone aged 15 years can reasonably be expected to be active in the labour market throughout his or her life, has been rising in the EU28 from below 34 years in 2005 to 35.6 years in 2016 (Eurostat, 2017). There are significant variations between Member States, with Sweden scoring the highest with 41.3 years and Italy the lowest with 31.2 years.

In 2016, it was estimated that the number of years a person could be expected to be healthy was 64.2 for women and 63.5 for men in the EU28 (Eurostat, 2018c). As this is still under the general retirement age of 65 in the EU15 (a level which the newer Member States are expected to reach gradually over the coming years), this shows that the health of workers will need to be supported if they are expected to have productive and increasingly longer working lives. Indeed, available data show that in 2016, the average effective age at which older workers withdraw from the labour force was 63.5 years for men and 62.6 for women in the EU28, below the statutory retirement age (European Commission, 2018a).

Figure 8: Statutory and average effective retirement age by country and gender, 2016



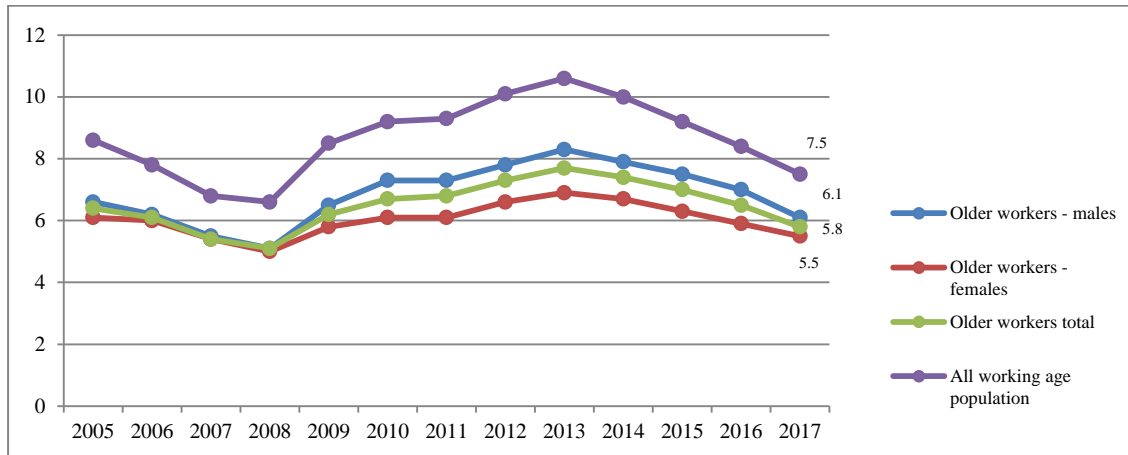
Source: Authors, based on European Commission, 2018a

Approximately one fifth of workers aged 65 and over work because of financial needs only. The remaining four fifths work partly for financial reasons, but also because of other needs such as the social aspect of work, self-actualisation, contributing to society and remaining active and healthy (Eurofound, 2012a). People aged 65 and over who are working are educated, possess a mortgage and live in urban areas. Approximately half of the workers working after retirement age are self-employed and most of them work part-time (Eurofound, 2012a; Eurofound, 2014).

Unemployment and job displacement

In 2017, there were 2.3 million unemployed older workers in the EU28, 56% of whom were males (Eurostat, 2018a). Unemployment rates of older workers follow a similar pattern as in other age groups over time. However, the crisis hit the older workers less severely than the whole workforce on average. It has to be mentioned, though, that unemployment rates are somewhat less meaningful for older workers than for younger generations due to some stronger trend towards ‘alternative exit routes’ (such as entering disability, retirement or social welfare schemes).

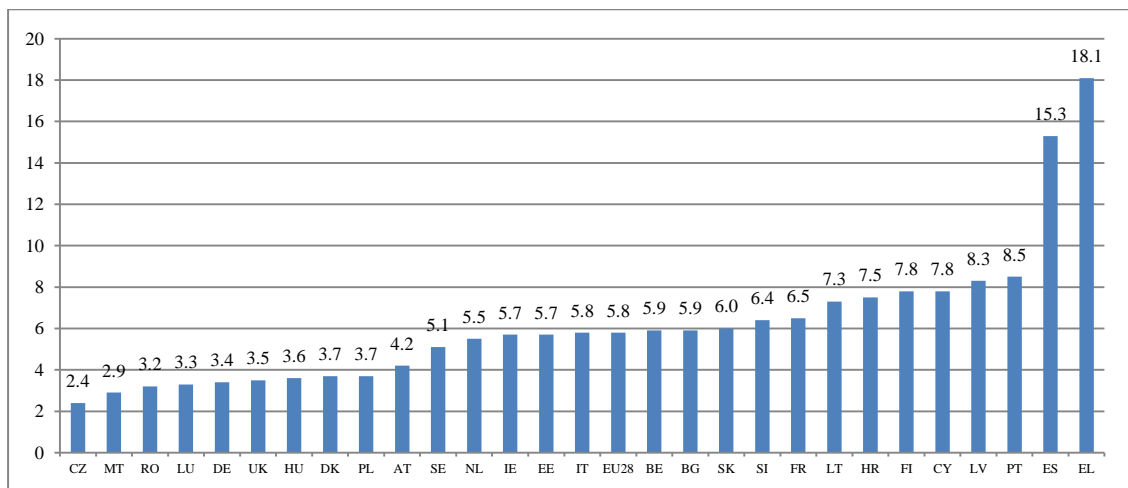
Figure 9: Unemployment rates of older workers (aged 55-64) by gender, EU28, 2005-2017 (%)



Source: Eurostat, 2018a

The Member States with the highest unemployment rates of older workers are the ones that suffered the most during the Great Recession.

Figure 10: Unemployment rates of older workers (55-64) by country in 2017 (%)



Source: Eurostat, 2018a

When examining both EU and non-EU countries, the OECD (2013; 2018a)¹ found that older workers (55-64 years) are at a higher risk of displacement compared to workers aged 25-54 in most of the countries covered in their analysis. Also, because of the relatively large concentration of older workers in sectors such as public administration, health and education, older workers may be more vulnerable to cuts in public expenditure (Eurofound, 2012b). In contradiction to this, there are some reports that suggest older workers are not more, but in fact less at risk of losing their jobs. Employers may be more reluctant to dismiss older workers because the severance costs are higher. Older workers might also be less likely to become unemployed than younger workers as their skills might fit well with the requirements

¹ EU Member States covered in OECD (2013) consist of Denmark, Finland, France, Germany, Portugal, Sweden and the UK, of which Sweden was the only country in which older workers were not found to be at a higher risk of displacement than core age workers.

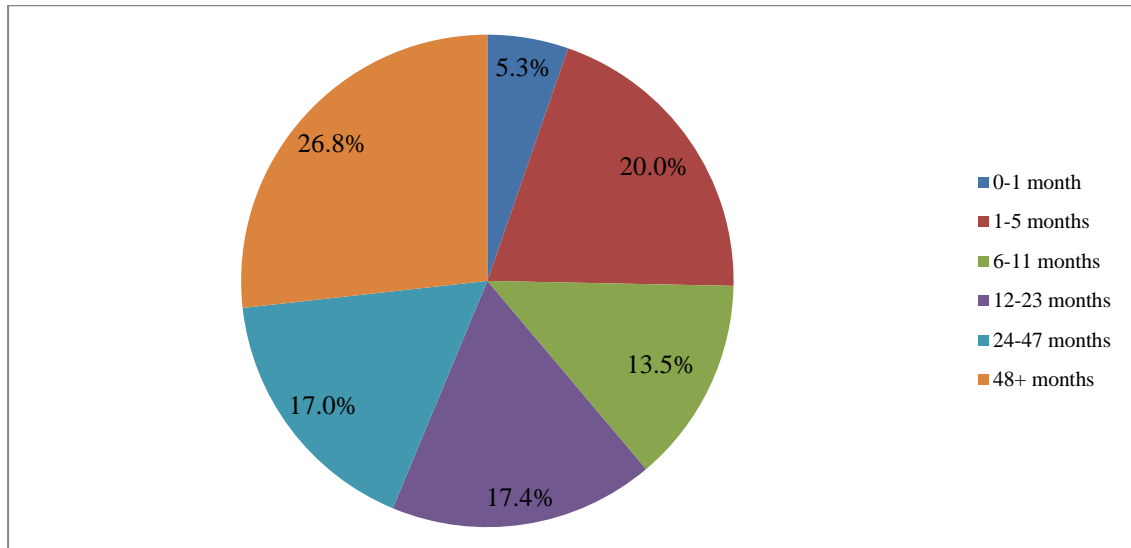
of the job, while younger workers are still in the process of learning (Neill and Tammy, 2009).

Much of the literature on job displacement originates in the USA (see literature reviews by, for example, Hamermesh, 1989; Fallick, 1996) and may for this reason not be directly transferable to the European context. Nonetheless, some aspects of it may be of relevance for European countries as well. Farber (2017) uses data from the Displaced Workers Survey (DWS) to examine the consequences of job loss. One of the findings is that workers with tenure of over 20 years are around 8 percentage points less likely to be reemployed compared to workers with tenure between 1 and 20 years. This supports the notion that workers who have been with the same company for a long time – which is more likely for older workers – may have a high level of firm-specific capital that is not necessarily easily transferred to other firms.

Another finding based on the same data shows that while the level of education only had a minor effect on the time needed to find a new job after displacement, age had a major impact on the results. On average, it took 3-4 weeks longer for workers aged 45-64 to become reemployed compared to the youngest age cohort (25-34 years). Similar is also found by the European Commission (2012a).

Also data from the OECD show that in 2017, the average duration of unemployment of workers aged 25-54 in the EU28 was 15.8 months, while it amounted to 24.7 months for older workers (55+). Specifically, risks related to long-term joblessness, low re-employment rates as well as large losses in earnings after reemployment are particularly high for older workers, and workers with long tenure, mainly in blue-collar jobs and when lacking a tertiary education (OECD, 2018a). Long unemployment spells are more common among older male workers (26.1 months on average) compared to female ones (23.1 months) (OECD, 2018b). Recent Eurostat data show that more than half of the older unemployed are considered long-term unemployed (namely, being out of work and having been actively seeking employment for at least a year). The high share of older workers (27%) being unemployed for two or more years is also striking.

Figure 11: Distribution of the duration of unemployment for older workers (55-64), EU28, 2017 (%)



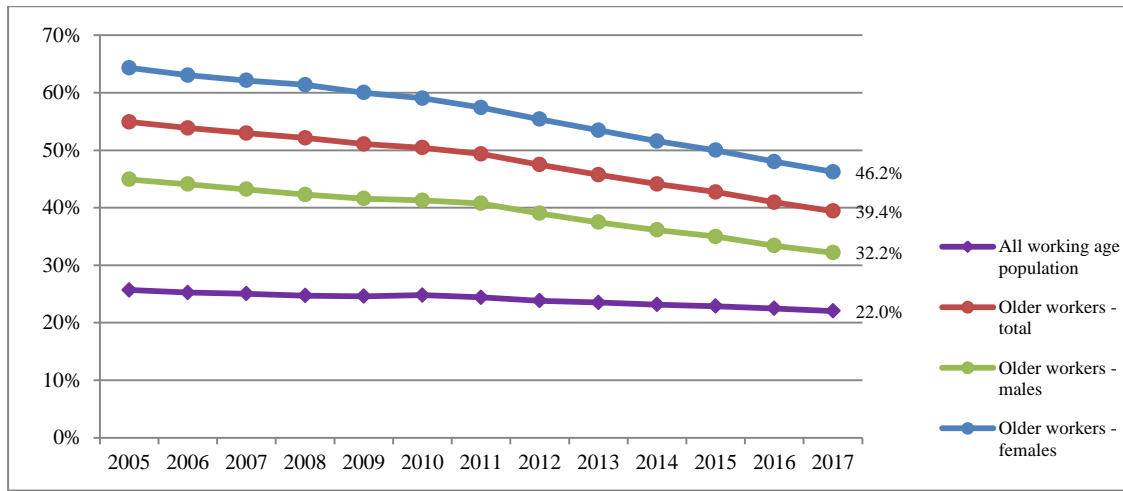
Source: Eurostat, 2018a

Older workers are also more likely to exit unemployment into sickness, retirement or inactivity (European Commission, 2012a; OECD, 2013).

Economic inactivity

Inactive people are those outside the labour market, meaning they are neither employed nor unemployed. The inactivity rate of older workers (55-64) in the EU28 has been decreasing since 2005, both for women and men; however, it is still high compared to the core working age group (20 to 64). While the inactivity rate of older men decreased from 45% in 2005 to 32% in 2017, the decrease was even steeper for older women, whose inactivity rate decreased from 64.3% in 2005 to 46.2% in 2017 (Eurostat, 2018a). Important differences exist within the inactive older people group (55-64). In 2017, the inactivity rate of people aged 55-59 stood at 25.2% while it was 54.9% for the 60-64 year old ones.

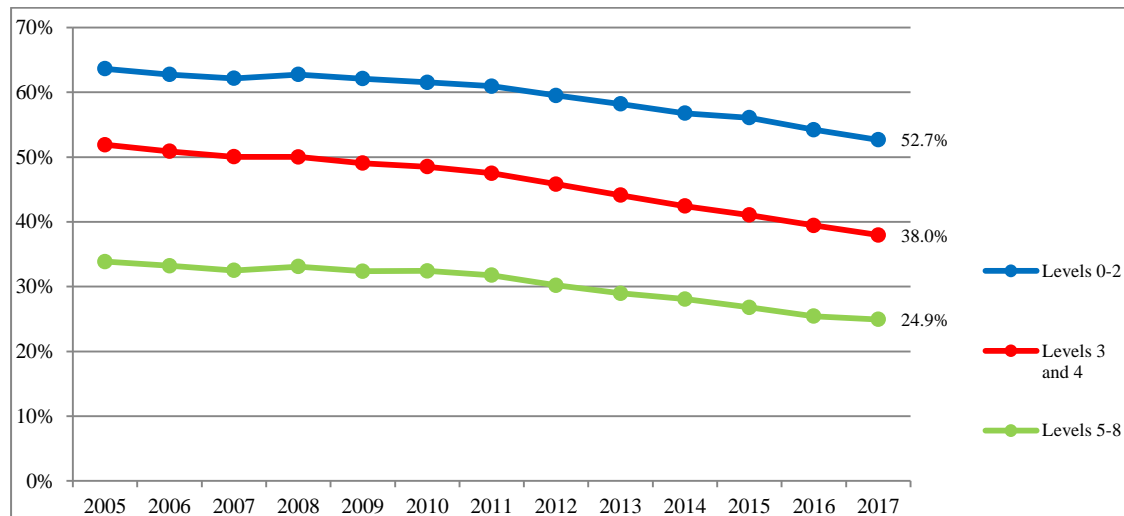
Figure 12: Inactive older workers (55-64) out of total older people population (55-64) by gender, EU28, 2005-2017 (%)



Source: Eurostat, 2018a

There are fewer inactive older people with a tertiary education in the EU28 as compared to other educational levels. At the same time, the situation has improved in the lowest educational level, as the share of inactive older people out of the total number of older workers at that educational level decreased from 61.6% to 52.8% between 2005 and 2017. Still, the likelihood of being out of the labour market is more than three times higher for the least educated than for highly educated people and this relationship between education and inactivity applies irrespective of gender and age (Eurostat, 2018a).

Figure 13: Inactive older people (aged 55-64) by educational attainment out of total older people at that educational level, EU28, 2005-2017 (%)

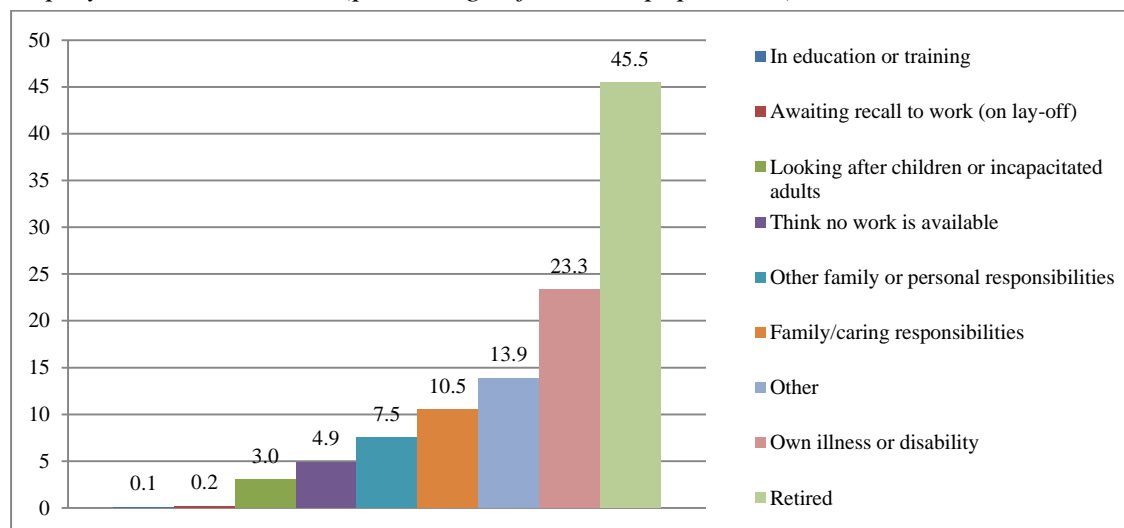


Levels 0-2 = Less than primary, primary and lower secondary education, levels 3 and 4 = Upper secondary and post-secondary non-tertiary education, levels 5-8 = tertiary education

Source: Eurostat, 2018a

Retirement is the main reason for inactivity among older people, followed by health issues (more for men than for women) and family responsibilities (more for women than for men) (Eurostat, 2018a). It can be assumed that also the ‘psychological element’ and perceptions are an important hindering factor for older workers’ activity level: about 5% think that no work is available and the quite important ‘other’ category includes various reasons, for example discouragement. Other research shows that the older a person, the more likely they are to suffer from discouragement, often caused by experiences of older people to find it much harder to find a new job after a dismissal (ILO, 2018).

Figure 14: Main reason for inactive older people (aged 55-64) not seeking employment, EU28, 2017 (percentage of inactive population)

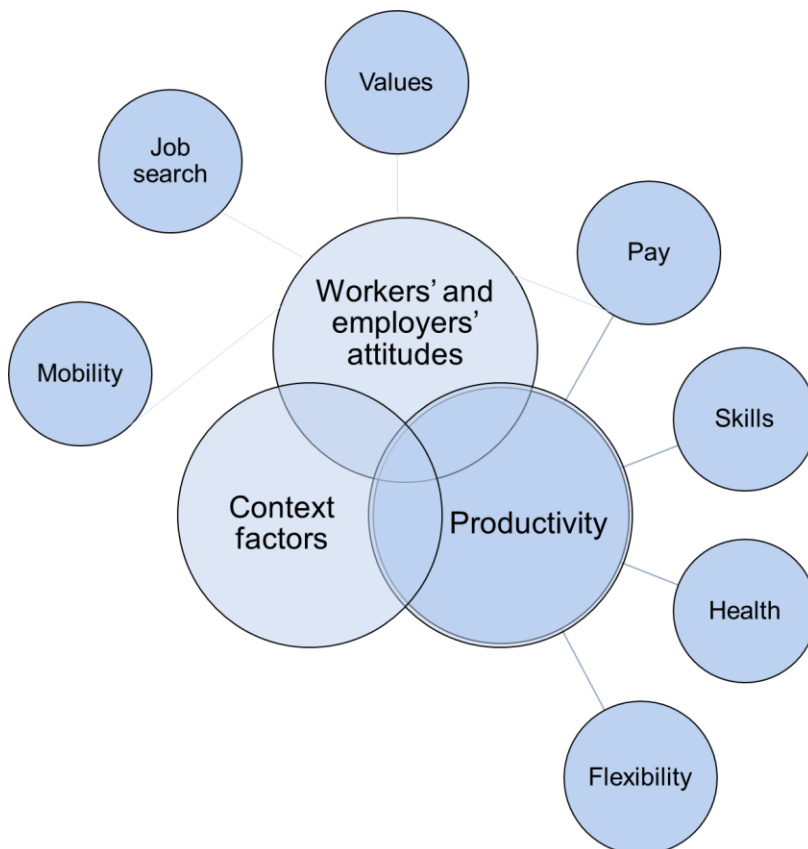


Source: Eurostat, 2018a

Particularities of older workers

While of course there are important differences between individuals and generalisation always falls short to capture the specific characteristics of individuals and situations, there are certain features related to older workers that make them ‘special’ on the labour market compared to other age groups. These characteristics can be positive, by which older workers are seen as valuable assets at the workplace, or negative, making them especially vulnerable to redundancy and labour market exclusion. Whether a certain factor positively or negatively influences the labour market integration of an older worker differs from case to case, and the individual factors as discussed in the following sections also should not be seen in isolation as they are widely interrelated and mutually influence each other. For example, workers’ and employers’ attitudes and behaviour are influenced by the general context of the economic and labour market situation, but also by cultural or institutional settings. Similarly, the context in terms of regulation and support infrastructure can affect workers’ ‘costs’ through wage setting mechanisms, or their skills and health status through the provision of respective service infrastructures. Both can impact the real or perceived productivity of older workers which is a decisive element for employers when considering hiring specific groups of workers. The following is not supposed to be an in-depth analysis of the mentioned elements, but a brief summary of factors that are deemed decisive to better understand the opportunities and challenges related to older workers’ labour market integration which should be considered for effective policymaking.

Figure 15: Overview of factors influencing older workers’ (re)integration in the labour market



Source: Authors

Context factors

An important factor influencing the company decision to hire and retain staff quite naturally is **labour demand**, that is the current and assumed future economic performance. If a company, sector or economic region is performing well, older workers might be highly valued due to their specific knowledge and experience and preferred over young age cohorts which might require more familiarisation. In contrast, in the case of redundancy, when a larger number of workers are looking for a new job at the same time, labour market reintegration might be particularly difficult in regions with limited employment opportunities, and more challenging for disadvantaged groups. The latter can include older workers due to other aspects discussed below, such as productivity considerations of employers or mobility issues. In this context, the European Commission (2012b) finds for Lithuania and Belgium that due to the high unemployment level of young people, more attention was devoted to this group and awareness for older unemployed is only just developing.

Also **employment regulation** affects the labour market situation of older workers. On the one hand, some legislation puts older workers in an advantageous position compared to younger age groups. An example is collective dismissal regulation that links the sequence of lay-offs to age or tenure. On the other hand, when it comes to hiring decisions, the same regulation might cause reluctance of employers to higher older workers as there might arise a situation in which they are stuck with a workforce that not efficiently contributes to the business.

Box 1. Employment protection hindering the hiring of older workers

The Lithuanian labour code stipulated that an employment contract with employees who would be entitled to old-age pension within the next five years can be terminated only when the retention of the employee would substantially violate the interests of the employer. Accordingly, employers tended not to hire older employees because it was very complicated to dismiss them. The provision has been removed in the new labour code which entered into force on 1 July 2017.

Institutional settings can positively influence older workers' labour market integration if policies effectively support this (for example through specific measures as illustrated in the chapter on 'National instruments to support older workers' (re)integration into the labour market'). If, however, other labour market groups (such as youth) are seen as a priority group of labour market integration, this might negatively impact older workers. Similarly, the motivation to stay in employment and to look for another job after dismissal can be influenced by institutional and welfare factors, especially regarding the availability and generosity of unemployment benefits and/or severance payments.

The New Skills Agenda for Europe (European Commission, 2016), for example, flags the critical importance of the adequate provision of training and skills support. Therefore, the education systems, the level of integration and enhancement of formal, non-formal and informal training, the combination between theoretical and practical training as well as the related systems for the certification of the competences and skills acquired play an important role in ensuring older workers' access to lifelong learning and development opportunities. Similarly, the availability of public health care, the existence of preventive health measures as well as the generosity of the governmental support in terms of health-related benefits represent important institutional factors that influence the health status of the population, as well as the relation between health conditions and the exit from, (re)access to and/or the detachment of (older) people to the labour market. A third example for institutional settings influencing older workers' labour market integration refers to the provision of care facilities. Available data from the 2015 European Working Conditions Survey show that caring for disabled and elderly increases with age, reaching a peak among employees older than 55 years (Eurofound, 2017a).

Accordingly, the availability and accessibility of care services, but also **cultural norms and traditions** ('who is supposed to care') affect older workers' labour market participation. Cultural and social factors, family norms and habits alongside structures supporting a

sustainable life course, are contextual settings that can influence general attitudes towards older workers - both in terms of how they perceive themselves (for instance, in terms of usefulness and motivation) as well as how they are seen by employers in particular and society more in general. The European Commission (2012b), for example, finds scepticism among staff of Austrian public employment services about older workers' employment prospects, which can be assumed to affect their service provision. Similarly, there, as in Germany, for example, exists an 'early exit culture' which could impact the attitudes and behaviours of both workers and employers.

Attitudes and values

Older workers' employment is influenced by their own attitudes and behaviour. Their **motivation** regarding remaining on or re-entering the labour market as well as their expectations towards their job, including in financial, geographical and occupational terms, are decisive. All these elements have been found to affect the older worker's job search approach, which can be influential for their success and speed of finding employment. Older workers' motivation can differ from other age groups, and it is often connected to changing preferences and needs over the life course. A common misconception is that motivation declines with age. Kanfer and Ackerman (2004) find that 'age-related changes may enhance, decrease, or have little effect on work motivation, depending on work circumstances'. However, evidence suggests that older workers may be more motivated by intrinsic factors in a job (such as flexibility and autonomy and skills, fewer quantitative demands, shorter working hours and physical safety) than by extrinsic factors (such as pay, career prospects and learning) (Eichar et al, 1991; Taneva et al, 2016; Eurofound, 2017a). Therefore, older workers 'may perceive objectively worse jobs as subjectively better and more satisfying' (European Parliament, 2013a). In this way, finding a meaningful rather than a high-paying job with high prestige may be more important for some older workers who already have a long career behind them. On the other hand, some studies flag the importance of social and security motives of older workers, pointing towards the relevance of stability and interpersonal aspects at work (Antonioni et al, 2017).

When discussing motivations and expectations it is important to consider that these are affected by aspects like self-esteem or self-confidence of the worker. If workers do not believe that they will find a job, this will have a negative impact on their motivation and approach as well as effort they devote to the job search. In this context to mode in which the worker was made redundant – as briefly discussed in the introduction of this report – makes a difference. Being made redundant is a serious disruption in any worker's life and can lead to adverse psychological effects on the affected workers (Miller and Hoppe, 1994). These effects are assumed to be more severe in case of dismissals for reasons related to the individual compared to dismissals for economic reasons, and they can be particularly severe for older workers, as their self-esteem and related perception of 'usefulness' may be significantly impacted. A sudden encounter with a reality where their skills are no longer sufficient for prospective employers can be shocking (Hall, 1986). Furthermore, age stereotypes do not only affect employers' willingness to hire older workers, but can also have negative effects on the self-confidence of the workers themselves (European Commission, 2012b).

It can also be particularly distressing for workers to lose a job they have had for a long time, which may be the case with many older workers, as their own identity may have become heavily tied to the job at that point (Gallo et al, 2006).

As regards **cultural values**, data from the 2016 European Quality of Life Survey (Eurofound, 2017b) show that perceived tensions between old and young people are particularly high in Romania and lowest in Denmark, Finland and Ireland.

Older workers (55+) are found to see themselves as more skilled, reliable, committed to the company, professional and with a strong work ethic, which should make them attractive for employers (Ferreira Vasconcelos, 2018).

Along this line, research from Estonia, Ireland, Latvia and Lithuania finds that older workers are recognised to be committed and hard-working, loyal, trustworthy, accountable and responsible (RAKE, 2012; William Fry, 2016; Skuciene et al, 2015). Similarly, a Bulgarian study (Aon, 2016) shows that the workers aged 55 and above were the most engaged employees in the companies in 2016 (65% compared to 56-57% of the workers aged up to 29 years, and 62-63% of those aged 29-54 years). Older workers are perceived to be aware of what their employer wants and are loyal to their employer (only 8% are considering changing the workplace) (Gancheva, 2014).

In spite of this, employers might be reluctant to hire older workers (as mentioned, for example, by the European Commission (2012b) for Germany, the Netherlands or the UK). They may be worried about the flexibility and adaptability of older workers (IGAS, 2013). This might refer to, for example, new processes and procedures or other elements of work organisation, or the introduction of new technologies. Romanian research from 2014, for example, shows that one of the liabilities of workers over 55 is adapting to a new working environment and sometimes the lack of flexibility (Romanian Ministry of Labour, Family, Social Protection and the Elderly, 2014).

The **strategic value** attached to older workers influences the way organisations decide to set their human resource practices (Kooij and van de Voorde, 2015). From a resource-based view perspective, organisations can build their competitive advantage leveraging on rare, unique, non-replaceable resources and exceptional human talent (Boxall, 1996). On this basis, the ‘conservation model’ constitutes a human resource philosophy according to which older workers are renewable assets that can remain valuable over time, provided that they are managed properly (Kooij and van de Voorde, 2015). However, there are also other perspectives of older workers being less productive, less able to cope with the demands of the job, inflexible, resistant to change and more difficult to train than their younger colleagues. Due to such stereotypes, **age discrimination** is frequently cited as one of the main labour market obstacles affecting older workers (European Commission, 2012b). According to 2015 data of the European Working Conditions Survey (EWCS) (Eurofound, 2015), 5% of over 55 year old ones have been exposed to age-related discrimination, compared to 2% of the 45-55 year old ones.

While social support and management quality at the workplace seem to be stable across age groups (Eurofound, 2017a), age discrimination becomes particularly an issue in recruitment, as employers seem more reluctant to hire older workers when searching for new labour. This can partly be due to uncertainties regarding the duration older workers will be able to remain on the job, but also to a number of stereotypes from the employers’ side. In Belgium, Croatia, the Czech Republic, Finland, France, Poland, Slovakia and Sweden, for example, it is found that discrimination is a big issue in hiring, and is the result of negative stereotypes regarding older workers, while a Eurobarometer survey on discrimination underlined that in Lithuania discrimination on the ground of age is considered by society as the second most widespread ground for discrimination, after the one based on gender (Moczydlowska and Kowalewski, 2015; Bútorová et al, 2013; Carlsson and Erikson, 2017). In Sweden and the UK, studies showed that older women are more likely to be discriminated than men (Smeaton et al, 2009; Altman, 2017; TUC, 2014; Resolution Foundation, 2012). In contrast, France and Italy collected contradictory conclusions (Challe et al, 2015; Bozzao, 2017).

Box 2. Age discrimination in hiring due to stereotypes

The Swedish Institute for Evaluation of Labour Market and Education Policy (IFAU) conducted an experiment in which over 6,000 CVs with randomly assigned information about age (35-70) and gender were sent to employers with a vacancy, and the employers’ responses (call-backs) were recorded. The researchers found that the call-back rate started to fall very early in the age interval considered. This decline was steeper for women than for men. The results indicated that age discrimination is a widespread phenomenon affecting workers already in their early 40s in many occupations. A survey sent out as part of the study indicated that stereotypical beliefs about older workers are important in explaining this discrimination. The three most common prejudices among

employers about older workers concerned their inability to learn new tasks, inflexibility/inadaptability, and lack of ambition.

Source: Carlsson and Erikson, 2017

Mobility

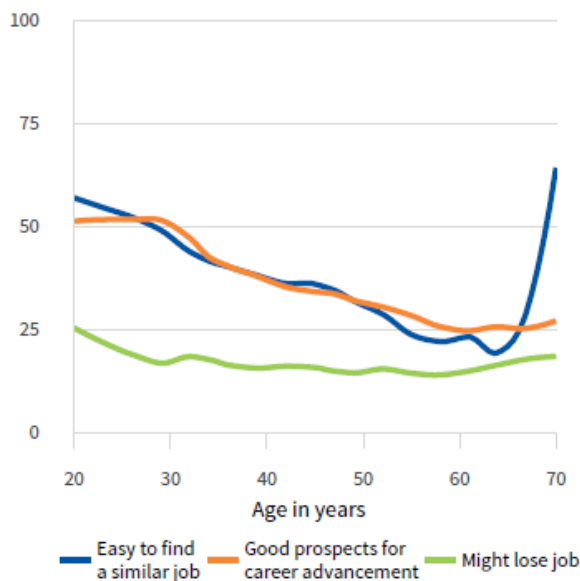
There are some reports suggesting that both geographical and occupational mobility decrease as people age (European Commission, 2012a), limiting older workers' opportunities on the labour market.

Geographical mobility is costly and especially older workers may experience these costs undesirable as they have less time left in the working life for recouping the costs with higher earnings or other job-related benefits. Also other factors such as community ties of people who have lived for long in the same place might make it very hard to move to another area only for work. Geographical mobility is closely related to bigger life course events like forming a family and as those events usually occur in younger ages, so does the most geographical mobility (Dixon, 2003).

Regarding **occupational mobility**, older workers often have more stable relationships with their employers while younger workers might change jobs and employers relatively often (Dixon, 2003). Some studies suggest that older workers are significantly more likely to remain in the same occupation compared to younger workers (Parrado et al, 2007). The less frequent occupational change amongst older workers can have many reasons, but attachment to a specific occupation, risks of losing income, pension rights and job security are some key concerns (Bureau of Labor Statistics, 1983). OECD suggests that lower occupational mobility among older workers may be due to a combination of supply and demand factors. When it comes to the supply factors, for older workers moving to a job of different skills requirement might bear larger implicit opportunity costs. The risk of losing income is related to occupation-specific capital that naturally grows with age. Therefore, also occupational change can be more costly to older workers. On the demand side, employers may be less willing to offer older workers a job in which they have limited experience as they may be perceived as less adaptable (OECD, 2013).

Job search

The above-mentioned elements affect the approach, timing and intensity of job search of older workers being unemployed or in threat of becoming redundant. For example, older workers' motivation is directly influenced by stereotypes and perceptions developed by some employers. Mindful of this, older workers may feel that they are less likely to find new employment and are therefore more likely to neglect job search (Kim, 2009). Data from the 2015 European Working Conditions Survey (Eurofound, 2017a) show that employees' perception of being able to find a similar job easily declines with age, as does the perspective regarding career advancement.

Figure 16 Employees' perceptions on employability by age (%), 2015

Source: Eurofound, 2017a

In addition, their tendency to be less active in job search is encouraged by being near retirement age and the option of exiting the labour market if the job search proves unsuccessful (Rones, 1983). Hairault et al (2012) demonstrated that the closer a worker gets to retirement age, the shorter the possible duration of any new job, acting as further discouragement to put effort into job search.

Next to the effort or intensity devoted to job search, also older workers' capability in this field should be considered. Notably those with a long tenure have not been faced with job search activities for a long time and might not be familiar with the most current procedures and tools that are most effective. There might have been shifts in applicable media and technologies since they were last confronted with job search, and they might need appropriate support to access and use them.

Productivity

Workers' productivity quite naturally is a concern for employers, and they might have the perception that this is lower for older workers than for younger generations due to a mismatch between their costs (in terms of pay and other aspects caused by special requirements) compared to their effectiveness (due to issues related to, for example, skills, health or adaptability). However, available data and research is not conclusive on the effect of age on productivity.

One strand of research shows that age alone cannot reliably predict the productivity level of an individual because individual productivity is complex and multi-dimensional. Veen (2008), for example, finds for Germany that differences exist between sectors and occupations. Highly-qualified workers and managers reach their productivity peak between 45 and 54 years. Workers doing simple manual work or those in technical occupation showed a decrease in productivity for the age group 55-64. Similarly, Göbel and Zwick (2009) find no connection between age and productivity for Germany, when controlled for other factors (such as company size, qualification, length of employment with the same establishment, capital stock).

Another strand of research refers to an inverted U-shape of performance, meaning that work performance improves until mid-career and declines after that. Van Ours and Stoeldreijer (2010), for example, find that workers' productivity declines at some age, but they cannot tell where the turning point is.

A third group of research, such as a study conducted by Ilmakunnas and Maliranta (2005) in Finland, finds that the productivity-wage gap increases with age, due to strong seniority effects in wage setting. Studies on productivity-wage gap at high ages have, however, resulted in different conclusions and these results seemingly depend on calculation models used. When performance is examined from a multidimensional perspective (examining types of performance such as absenteeism, creative performance, organisational citizenship behaviours, safety behaviours, counterproductive workplace behaviours, tardiness and innovation), older workers often fare better than younger workers.

Pay

The discussion on older workers' productivity is strongly related to their costs, which mainly, but not exclusively, is determined by their pay level. This, in turn, is affected by legislation and collective agreements as well as the country and company culture on **seniority wage**. It has, for example, been argued that in economically challenging times older workers are more at risk of being laid off as due to seniority pay dismissing an older worker as opposed to a younger one would generate more savings (MoPact, 2015). French data, for example, find that the salaries of older workers (50+) are on average 20-30% higher than those of the 30-39 year old ones. However, this difference is statistically not associated with a lower employability, but is in line with a higher productivity of older workers (Aubert, 2003; Aubert and Crépon, 2003). The higher salary costs are, nevertheless, an obstacle to employment for the less qualified (Aubert, 2005).

In Austria, the Institute of Advanced Studies analysed provisions on seniority in 30 of the most important collective agreements in Austria in seven sectors (in which 54% of all dependent employees are employed). It finds that

- age itself is the largest hindrance for becoming re-employed;
- seniority regulations can hardly provide an explanation for the (not very advantageous) labour market situation of older people;
- seniority pay is problematic if wage increases are larger than productivity increases;
- current seniority regulations or wage increases in the past due to seniority rules have not per se increased unemployment among older workers significantly; and
- narrowing the debate of labour market problems of older workers on regulations of wage seniority is not useful.

From the **workers' perspective**, displaced workers may in general feel compelled to accept a job with fewer hours and lower income as opposed to staying unemployed. Furthermore, as mentioned above, pay may not be the decisive element for older workers to be attracted to a job; rather job content or social aspects might be more important for them.

Nevertheless, income losses have been found to be more severe for older workers and workers with higher tenure (Farber, 2017). Furthermore, seniority-based pay systems may mean that older workers with longer tenure have become accustomed to a level of pay that potential new employers are not willing or able to match. For example, for Germany, empirical evidence suggests that a growing reservation wage may be a particular disincentive for older workers to resume work after a period of non-employment (Stettes, 2011; IW Consult, 2011). The reservation wage is the minimum wage that a job seeker demands for accepting a job offer. High reservation wages may result from high salaries obtained in jobs prior to unemployment in combination with high unemployment benefits.

Retirement options and high severance payments can act as financial disincentives for older workers to remain in employment (European Parliament, 2013a). As regards severance pay, having such a 'financial cushion' can result in low job search intensity and longer unemployment spells, which increase the challenges of reintegration into the labour market. Access to (early) retirement benefits is especially problematic for discouraged older workers and for workers who do not receive sufficient support to re-enter the labour market during the time they are receiving these benefits as well as for workers in the lower income brackets,

where the income they would receive from work is too low to appropriately motivate the worker to remain in employment (Cory, 2012).

Skills and competences

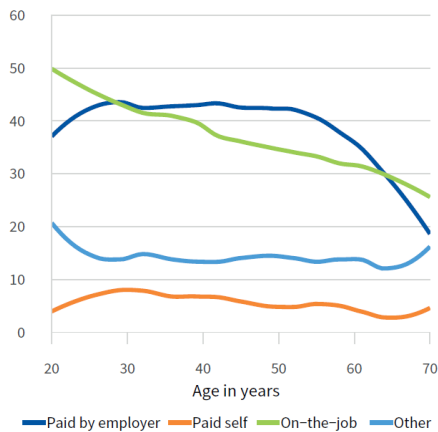
An important characteristic of older workers is their professional experience, gathered through their tenure on the labour market. This is not necessarily related to formally recognised skills, but might rather refer to more ‘intangible’ assets like their personal and professional networks, and transversal or soft skills, such as the ability to build trust relationships with clients or other stakeholders, being an integrating factor in the company (in terms of transmitting company values and procedures to other staff), critical thinking and comprehension of language and writing. Accordingly, in a Czech survey the respondents believed that the main advantages of employing older workers included experience and wisdom (greater insight, maturity) (Sak and Kolesárová, 2012). Similar is also flagged in German, Hungarian, Romanian and Spanish research, also pointing towards the perception that this wider knowledge and experience allows older workers to make better decisions at work (Dolgozoklapja, 2014; Romanian Ministry of Labour, Family, Social Protection and the Elderly, 2014; Spanish Ministry of Labour and Social Affairs, n.d.). Loretto and White (2006), Posthuma and Campion (2009) as well as Irish research (William Fry, 2016) also mention better interpersonal skills of older workers.

Nonetheless, workers with long tenure (as older workers in many cases have) tend to have a high level of firm-specific capital acquired throughout the years. Those skills and know-how may not be directly or easily transferable to other companies, making older workers hence less attractive for new employers once they lost their job (Eliason and Storrie, 2006). Apart from a high degree of firm-specific capital, older workers may also have a high degree of industry-specific capital, which can be problematic for redundant workers concentrated in declining industries (Benedict and Vanderhart, 1997; Howland and Peterson, 1988).

Older workers are often criticised for the lower formal skills levels, resulting in a mismatch between available qualifications and the requirements of the labour market and/or formal skills obsolescence. According to the European Skills and Jobs (ESJ) survey from 2014, older workers (55-65 years) are most affected by (formal) underqualification (Cedefop, 2015). However, according to Cedefop (2018), one in five older workers has the required skills for a specific job despite being underqualified. This mismatch between the skills that older employees may have acquired on the job along their career and the levels of skills and competences formally certified can hamper career development and make it harder to find a new job after a dismissal (EU-OSHA et al, 2017). This happens especially in the case of lower-skilled older workers, who have typically developed substantial relevant work experience but did not much engage in formal lifelong learning throughout their career (European Commission, 2012a).

Accordingly, an issue often raised in the context of older workers refers to formal skills obsolescence. Formal skills obsolescence happens especially in the case of lower-skilled older workers, who have typically developed substantial relevant work experience but did not much engage in formal lifelong learning throughout their career (European Commission, 2012b).

Lifelong learning and skills development are the main obstacles for older workers labour market integration identified by national policies and employers’ surveys. Data from the 2015 EWCS (Eurofound, 2017a) show that on-the-job training decreases with age, and training paid by the employer dramatically drops after the age of 50. However, this may at least partly be justified by younger workers’ need for more training in order to learn the tasks and adapt to the working environment – as opposed to higher levels of confidence experienced by older employees who might have covered the same tasks for a longer time. This can be somewhat supported by the EWCS data showing that, out of all age groups, older employees are less likely to report new learnings on the job. Interestingly, EWCS 2015 data (Eurofound, 2017a) show that older workers who are provided with opportunities to participate in training and/or learn new skills are likely to stay longer with their employers.

Figure 17 Employees' participation in training by age (%), 2015

Source: Eurofound, 2017a

That said, many Estonian, French, Hungarian, Lithuanian, Maltese, Polish, Romanian and Swedish employers perceive older employees as less capable of absorbing new technological knowledge and less willing to learn new skills (RAKE, 2012; Challe et al, 2015; Dolgozoklapja, 2014; Skuciene et al, 2015; Jurek, 2013). In Poland and Romania, employers emphasised the digital exclusion of older workers; according to them, a large percentage of seniors are not familiar with ICT technologies and the internet (Moczydlowska and Kowalewski, 2015).

Health

Approximately 62% of older people (aged 50-64) in the European Union assess their health as good or very good. Important differences though exist between Member States, showing the highest scores in Ireland (78%), Greece (77%) and France, and the lowest ones in Latvia (23%), Estonia (28%) and Lithuania (34%) (Eurofound, 2016).

National data also show differences between age groups in terms of health issues. In Luxembourg, for instance, 16% of the older workers over 50 years suffer continuously of musculoskeletal disorders, compared to 9% of younger workers (Hauret, 2012). In the Czech Republic older workers have higher rates of sickness leave, are quickly tired and suffer from restricted movement (Sak and Kolesárová, 2012). Similarly it is found for Estonia that they have more health issues and reduced work capacity (RAKE, 2012).

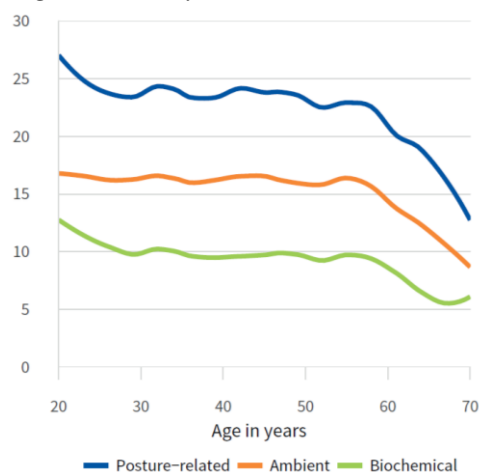
This is in line with research showing that ageing manifests itself as a physical decline in different ways (Ilmarinen, 2006; OECD, 2006). There is some inevitable decline in cognitive capacity related to ageing, but there is also a great variation on which cognitive functions decline as people age. Crystallised intelligence includes general acquired knowledge and vocabulary and relates to linguistic ability and expression. Fluid intelligence is the ability for logical thinking, problem solving, reasoning and drawing conclusions. Ageing mainly affects fluid intelligence with a decline of speed of processing, but crystallised intelligence remains mainly unaffected, with changes in cognition becoming relevant only after the age of 65.

Neither is memory a reason to worry for older workers. Even though there are slight changes in memory ability in older adults, especially over 60 years of age, they are likely to be able to compensate these changes with experience and wisdom (Cedefop, 2010; Kanfer and Ackerman, 2004).

In fact, chronological age is not considered to be the key factor affecting whether or not an individual is healthy (Benjamin and Wilson, 2005). Accordingly, considering older workers as a vulnerable category of workers can lead to a stigma and take attention away from the early signs of potential chronic health problems that may occur amongst middle-aged workers (EU-OSHA et al, 2017).

In this context, it is important to understand whether job-related causes are associated with health decline. Data from the 2015 EWCS (Eurofound, 2017a) show that, among employees, subjective health decreases with age. Also more objective data, such as those on absenteeism deriving from health problems caused by work, show a clear increase with age. At the same time, exposure to physical risks at the workplace strongly decreases with age. These risks are heavily determined by the type of occupation and working time duration, which differ across age groups.

Figure 18: Physical risks at the workplace by age (index 0-100)



Source: Eurofound, 2017a

Policy focus on (redundant) older workers

EU policy context

Older workers were a priority on the policy agenda in the first decade of the 21st century. The Lisbon Strategy, adopted in 2001 by the Council of the European Union, called for avoiding early retirement and put forward the concept of active ageing which ‘encompasses the participation of older people in social, economic, political, cultural and civic affairs, as well as in the labour force’ (Council of the European Union, 2012). The strategy identified active ageing as one of the main goals to reach full potential of the labour supply and sustain economic growth and improved wealth within Europe (European Commission, 2004).

The Lisbon strategy set an employment rate target (the so-called ‘Stockholm target’) of 50% for older people (55–64 years) by 2010. This was finally achieved in 2013 (see figure 4). In 2002, the so-called ‘Barcelona target’ was introduced, aiming for an increase of the average age at which workers exit the labour market by five years.

Box 3. Examples of EU-level interventions to improve older workers’ labour market situation

The EU active ageing policy approach contributes to raising employment levels and reducing poverty and social exclusion and advances the Europe 2020 Strategy (Council of the European Union, 2012). The relevance of active ageing was further emphasised by the [European Year 2012 for Active Ageing and Solidarity between Generations](#), which sought to promote it in the areas of employment, participation in society and independent living (European Parliament, 2013b). Two principles within the employment category – continuing vocational education and training as well as employment services for older workers - are especially relevant to older workers dismissed for economic reasons (Council of the European Union, 2012).

The European Social Fund (ESF) supports active and healthy ageing, among others purposes. In the 2014-2020 programming period, the thematic objective ‘promoting sustainable and quality employment and supporting labour mobility’ targets older workers indirectly through its focus on active and healthy ageing, which relates to the intentions to maintain older workers longer in employment. The thematic objective ‘investing in education, training and vocational training for skills and lifelong learning’ relates to older workers in a similar way, and the thematic objective ‘promoting social inclusion, combating poverty and any discrimination’ includes, for example, combating all forms of discrimination which can also be seen as an older worker related goal (Eur-lex, 2018).

The European Globalisation Adjustment Fund (EGF) contributes to active labour market policy measures by financing them with the aim of helping jobseekers to find new jobs. The actions eligible for EGF funding include job-search assistance, aid for self-employment, tailored retraining, entrepreneurship promotion and measures for older workers and other disadvantaged groups. Eligible actions concerning older workers are special income supplements to stimulate older workers to remain in the labour market or their reintegration (Eur-lex, 2013).

The health concerns of older workers have been addressed in the [EU Health Strategy with the adoption of Health for Growth Programme \(2014-2020\)](#) in 2011. It tackles absenteeism, early retirement and reduced productivity by contributing to innovative solutions in health systems. [The EU Occupational Safety and Health Strategic Framework 2014-2020](#) has identified the ageing workforce as one the key safety and health challenges of the EU (EU-OSHA et al, 2017).

The Employment Equality Directive 2000/78/EC (EED) protects people in the labour market from discrimination on the grounds of religion or belief, disability, age or sexual orientation. It covers areas such as recruitment, promotion, retention, training and working conditions. However, it recognises that differences in treatment based on age may be warranted in certain circumstances and this should not be conflated with age discrimination.

The Europe 2020 Strategy, proposed by the Commission in 2010, does not have a specific target for older workers. This is likely due to the improvement in the labour market participation of this group and the enhanced focus on youth and the core working age groups, triggered by the effects of the Great Recession (European Commission, 2012c). Nevertheless, the European Commission (2015) is still calling for ‘further measures to postpone the retirement of future generations of older workers’ due to the challenges brought on by demographic change. Consistently, in guideline no. 6 of the Joint Employment Report 2018, the European Commission recommends Member States ‘[t]o create conditions promoting labour supply, skills and competences’ (European Commission, 2018b). Also in the context of the European Semester the European Commission has raised concerns regarding older workers’ situation and brought forward a range of Country Specific Recommendations (CSRs) in the period 2015-2018. Thirteen countries were recommended to enhance the participation of older workers through activation, lifelong learning and other employability measures as well as limitations of early retirement (ETUI, 2018).

Table 1: Measures recommended by the European Commission related to older workers' participation in the labour market in 2015-2018, Country Specific Recommendations

	Activation, training/education	Limit early retirement	Increase labour market participation/employability
AT		2015	2015
BE	2017, 2018	2015	2018
BG	2015		
DE		2015	2018
DK			2017
FI		2015	2015
HR	2017	2015, 2016, 2017, 2018	
LU		2015, 2016, 2017, 2018	2017, 2018
LT			2015
MT			2017
PL		2017, 2018	2017, 2018
SI	2017, 2018		2015, 2016, 2017, 2018
SK	2016		

Source: European Commissions' Country Specific Recommendations, 2015-2018, on the basis of ETUI, 2018

National strategies

In focus: Retirement schemes

In spite of the improving labour market situation of older workers and the decreased policy focus at EU level, there is a broad consensus across the EU Member States on the necessity to increase the share of older workers in the labour market. This consideration is mainly driven by the awareness that the employment of older workers is and increasingly will be crucial for the sustainability of social security systems (as voiced, for example, in Belgium, Estonia, Germany, Luxembourg, Malta or the UK) and to cope with already prevalent or expected labour shortages (highlighted, for example, in Bulgaria, Estonia, Germany, Hungary, Poland and the UK).

The issue of extending working life has notably gained momentum following the Great Recession when retirement reforms were discussed everywhere in the EU. As a result, across Europe the average retirement age has risen due to state pension reforms (European Commission, 2015). In April 2017, the general retirement age in the EU15 was 65 years. Most new Member States are expected to increase the retirement age to the same level over the next decade. Some countries such as Belgium, Denmark, France, Germany and Spain decided to increase the retirement age from 65 to 67 years. Ireland and UK are aiming to increase it to 68 years. These changes to retirement ages will occur in the 2020s (Finnish Centre for Pensions, 2018).

Orientation on older workers' unemployment

Among European policymakers, there seems to be a good level of awareness that in spite of the improving employment rate, older workers are overrepresented among the long-term unemployed, and that their unemployment spells tend to be strikingly long (Minni, 2016). However, **discussions on the specific challenges of redundant older workers** and how to tackle them are not very widespread. As unemployed, older workers are perceived as a vulnerable group among others (such as young people, long-term unemployed and women).

There are some countries (such as Estonia, Poland or Spain), where dismissal of older people is considered as a ‘lesser evil’ compared to the unemployment of other groups of the labour force, and hence causes limited concern.

The issue of reintegrating older workers into the labour market after being dismissed for economic reasons has not been addressed as such by the large majority of EU Member States. National policies and public debates mainly cover older workers already employed, with a strong policy **focus on prevention from dismissals** through protected contracts and lifelong learning programmes (found, for example, for Austria, Denmark or France). As an example, Belgium, in 2012, and Romania, in 2015, have initiated **legal measures** to ensure the non-discrimination of older workers in the case of collective redundancies, and more generally, that the redundancies reflect the age structure of the company as a mean to avoid any kind of discrimination.

Box 4. Older workers’ protection in case of redundancies

In the French labour code (article L.1237-4 and L.1132-1), age is considered a discriminant motive for redundancy and every business with more than 50 employees must be covered by a framework agreement on senior employment and establish a Job and Competency Planning agreement (articles L.138-24 to L.138-37; R.138-25 to R.138-31 and D.138-25 of the social security code; article L.2242-19 of the labour code). Accordingly, the employer has to prove that the motive of the redundancy is not age. In case of individual dismissal, a ‘real and serious motive’ must be given, which cannot be age. In case the motive is contested in the labour court and no proof is found of a real and serious motive, the employer can be condemned for discrimination based on age.

Furthermore, in case of redundancy for economic reasons (articles L.1233-1 to L.1233-7 of the labour code), the redundancy procedures have to take the social characteristics of employees into consideration when establishing the order of precedence for redundancy. Workers over 50 are among the first categories whose jobs have to be safeguarded. Older workers also must be prioritised in the re-employment units that can be established in case of collective dismissals.

However, it is to be mentioned in this context that the ‘last-in-first-out-principle’ which tends to protect older workers from dismissal due to their longer tenure has been criticised by employers and liberal political parties in some countries where it is prevalent (such as Cyprus, the Czech Republic, Italy and Sweden).

To avoid any type of discrimination based on a lack of appropriate skills and to improve older workers’ **employability**, several EU Member States have addressed this issue. Croatia, Cyprus, Estonia, Germany, Latvia, Luxembourg, Malta, Poland, Portugal and Slovakia have implemented lifelong learning programmes. Luxembourg is providing adaptation programmes to enable older workers to remain in employment, while in Latvia, national policies, supported by the ESF programme, are providing advice and additional training.

In a few countries, a more specific focus on older unemployed people and their **reintegration into the labour market** has been set. The Croatian Employment Service, for example, offers job placement services already during the notice period, with the aim to avoid or at least shorten unemployment spells. While this is not exclusively targeted at older people, available data show that the 50-59 year old ones account for almost one third of the beneficiaries (Croatian Employment Service, 2017).

Some confusion: what is ‘older’ in national labour market policy?

Across Europe, the concept of ‘older worker’ is interpreted differently in the framework of labour market policy. The most widely used age range to define ‘older workers’ is 55-64 years (for example, applied by the European Commission, ILO and OECD). However, in the national context, the definitions of ‘older worker’ vary substantially. Even within the Member States of the EU, there are **hardly universal definitions**, but different understandings are applied for policy strategies, operational support instruments, statistics and research. The only

exemption seems to be the UK where successive governments have been using the same understanding (that is, 50+). Also in Bulgaria and Romania, the standard age bracket 55-64 is generally applied, but more on an informal consensus basis rather than as a strategic decision. In Greece, a more universal approach can be observed since 2010. While before various lower age thresholds were used in policies and support measures, since then more generally 55+ is applied.

As regards the lower age threshold, 45+ is considered in several Member States, particularly as regards eligibility criterion to specific support instruments. This is in line with the above-mentioned anticipatory approach, that is the consideration of extending working lives through measures to foster employability in a preventive way. Similarly, also 50+ is rather widespread in specific instruments, but also applied at more strategic level in labour market policy in terms of having been set in legal regulations or policy documents or being commonly used in policy debate.

Box 5. Examples for age thresholds in national interventions to support older workers

Some Belgian collective agreements consider workers aged 40+ as ‘older’ when threatened by dismissal. More generally, employment measures targeting older workers usually indicate a lower threshold between 45 and 50 years.

The Austrian public employment service provides an information brochure to older people seeking employment which targets people aged 45+ (Arbeitsmarktservice Österreich, 2017). Several support schemes in Luxembourg, such as the professional reinsertion contract, the support for the re-employment of older unemployed people or some training schemes are offered to the workforce aged 45+.

In line with the approach of the European and international institutions, the lower age threshold of 55+ is widely used in the strategic approaches of a large number of the EU Member States. However, there are also some examples of labour market policies considering the groups of 60+ or 65+ as older.

Interestingly, in some of the Member States (such as France or Greece), an ‘upwards shift’ of the applied lower age thresholds can be observed in recent years, meaning that previously applied thresholds of, for example, 50+ are now 55+. This is probably due to the raised statutory retirement age. Furthermore, in some policies no specific lower age boundary is referred to, but a time period towards reaching retirement age (for example, addressing workers who do have a maximum of five years to be eligible to pension).

Table 2: Illustrative lower age threshold applied in policies, support instruments and statistics/research in the Member States of the European Union

	Policies/strategies	Support instruments	Statistics/research	Other
45+	EE, FI, IT	BE, DE, ES, IE, IT, LU, MT, PL, SK	LT (40), MT, PT	AT (information), HR (employers)
50+	BE, CZ, EE, HU, IT, LU, LT, LV, MT, PL, SE, SI, UK	AT, BE, CY, DK, ES, IT, PL, RO, SI, SK, UK	AT, BE, CZ, EE, IE, LU, LT, MT, PL, UK	LT (workers)
55+	AT, BG, CZ, DK, ES, FR, HR, LT, MT, PT, RO, SE, SI	BG, DE, EE, ES, FR (53-57), HU, IE, LV	BG, EE, IE, IT, LT, LU, SE	DE (employers)
60+	LT, MT	FI	CZ	
65+	EE		EE, SI	

Note: the provided information does not claim to be comprehensive but is to be understood as illustrative

Source: National contributions from the Network of Eurofound Correspondents

Upper thresholds are in general not widely applied, but if so, the specific age of 64/65 or a reference to the statutory retirement age is used.

‘Older workers’ is an extremely heterogeneous group of people, considering not only the different age brackets within this category, but also other characteristics like educational and skills levels or health status, sectors or occupations they are active in. However, the investigation on national policies conducted for this report shows that there is **very little differentiation considered among labour market policies related to older workers**.

Again, an exemption is the UK, differentiating in the government’s new ‘Partnership approach’ four distinctive sub-groups of older workers requiring specific support, namely women, carers, people with long-term health problems and those from black and ethnic minorities (Department for Works & Pensions, 2017).

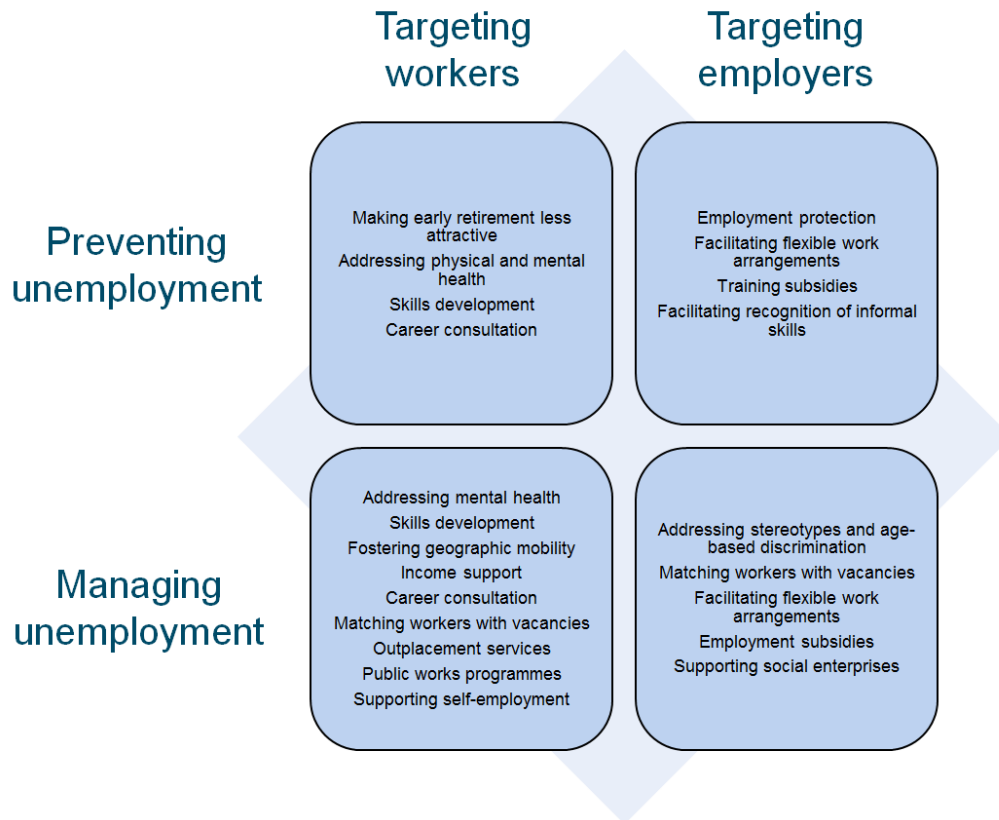
National public instruments to support older workers’ (re)integration into the labour market

Overview

In spite of the somewhat decreased policy focus on labour market integration of older workers, in all Member States, governments and social partners are offering a wide range of different operational support instruments to enhance older workers’ labour market participation. The following section provides an illustrative overview of examples of such measures, without claiming to be comprehensive. While recognising the relevance of company practices and interventions promoted by private actors, the current study focuses exclusively on public measures. The information presented was provided by the Network of Eurofound Correspondents between October 2017 and February 2018 on the basis of desk research. The National Correspondents were asked to focus as much as possible on public instruments specifically addressing redundant older workers. However, as such measures are few, the scope was broadened. Also public interventions targeting workers of all ages affected by redundancy and instruments aiming to improve the employability of older or ageing workers (irrespective of their status on the labour market) were considered. Also measures that are not offered anymore were eligible if they followed an interesting approach. In total, information on about 160 individual measures has been collected by the National Correspondents (see Annex 2 for an overview), and supplemented by further measures identified through Eurofound’s literature review.

Measures to support older workers’ (re)integration into the labour market can be either addressed at the workers themselves or at (prospective) employers, or at both of them. Some types of instruments have an anticipatory or preventive character in terms of aiming to keep workers in employment. Instead, other types of initiatives rather deal with the management of reintegration, that is target older workers who have become unemployed or employers who are looking for additional staff or could be incentivised to hire older workers. Individual (types of) instruments are not necessarily limited to one of the four clusters emerging in this classification. They might address different target groups or phases in the older worker’s working life, applying different approaches or mechanisms.

Figure 19: Orientation of instruments to support older workers' (re)integration into the labour market



Source: Authors

About 80% of the analysed instruments are either embedded into a wider policy or package of instruments, are based on legislation or are legislation themselves. This, most probably, is the result of the long-standing policy focus on older workers in the Member States of the EU, leading to a systemic approach towards this target group rather than to individual, isolated measures that are not seen in the broader context.

While the overall policy and strategy towards older workers (see chapter ‘National strategies’) across the EU Member States is rather anticipatory in terms of aiming to extend working lives, the operational instruments are more focused on the later stage, that is intervening only when the (older) worker has become unemployed. Only about one third of the identified instruments address an earlier stage, either in terms of aiming to prevent unemployment or supporting the worker at a point in time when dismissal has been announced, but they are not yet unemployed. It is to be noted that some of the analysed instruments can be applied both, at an early and at the later stage.

Across the gathered portfolio of national support instruments, about 70% either target all unemployed (and, therefore, can also be accessed by older unemployed) or address older workers more generally (that is, do not explicitly refer to redundancy for economic reasons, but could be used also in this case). About 20% of the analysed instruments target workers affected by redundancy, irrespective of their age. The remaining 10% are the most specific ones, explicitly addressing older workers (likely to be) affected by redundancy for economic reason.

Almost all explored instruments have been initiated and are administered and funded by governments, often cofinanced by EU funds. Nevertheless, among the analysed measures there are also examples of collective agreements explicitly addressing older workers as well as some joint initiatives of business/employer organisations and employee organisations tackling the issue.

Box 6. Joint social partner initiatives to support the labour market integration of older workers

In Slovenia, the Amendments to the Employment Relationship Act passed some rights to branch collective agreements in 2013, some of which relate to older workers. Subsequently, social partners have the right to determine lower severance pay on retirement and seniority pay as stipulated by law. The aim is to lower the costs for older employed workers and to prevent eventual redundancies of older workers for economic reasons.

In response to the strategy Europe 2020 in Belgium, the collective agreement n°104 obliges companies employing more than 20 workers to write ‘a plan for employment’, in order to increase or maintain the employment of workers aged 45 and above. In this plan, future measures that aim at fulfilling this goal must be identified, such as hiring new workers, upskilling, adapting working time, or health and safety measures to help older workers stay longer in employment.

In Finland, following a peak-level framework collective agreement in 2011, social partners drew up a model for companies, local government and agencies to design an age management programme. The programme insists on the importance of age management skills of managers and on the necessity of procedures and communication that take age into account. However, this initiative is not legally binding.

Furthermore, some instruments established or facilitated by trade unions have been found. For example, the Pancyprian Federation of Labour trade union in Cyprus provides an unemployment support scheme to its members (of all ages) who have lost their jobs, as part of a wider trade union policy of supporting and maintaining connection with their unemployed members and to help them re-enter the labour market. The measure consists of matching services, information sharing on available job positions and the continuation of the inclusion of the unemployed in the medical and welfare trade union schemes without charging the subscription fees. In the UK, through national funding, the Unionlearn programme engaged trade unions, union learn representatives and workers in mid-career review activities, providing older workers with the opportunity to reflect on their career plans with the support of their employers, managers and trade union representatives.

Several of the analysed instruments require financial contributions from employers in general (in an insurance type of funding) or from the individual employer of the older worker more specifically. In Belgium, Finland and Spain, individual employers that have approved a collective dismissal must contribute to a reclassification allowance. In Spain, these allowances are strictly designed to older workers only (aged 50 and older). In Finland as well, but redundant older workers (56 and above) are only eligible if they have been long-term unemployed following the dismissal. In Belgium, the allocation is eligible for all employees, but higher for those aged 45 and over.

Employment protection

Most Member States foresee **notice periods** that increase with the employee’s seniority, hence indirectly protecting older workers with a longer tenure. Other regulations take the age criterion explicitly into account, ensuring preferential treatment in case of dismissal and higher protection to workers above a certain age and/or within a specific period from the retirement age. Croatia, for example, establishes an increase in the standard termination period by two weeks if a worker (on a permanent contract or a fixed-term one with a duration of at least two years) to be made redundant is aged 50 or more, and by a month for employees aged at least 55. In Lithuania, the minimum notice period of two months has to be extended to four months when dismissing employees who would be entitled to the full old age pension within five years. In Sweden, many collective agreements establish that workers older than 55 are to be given a longer (often doubled) notice period before dismissal.

Seniority at the workplace plays an important role also in the case of **severance pay and redundancy compensation**, whereby the amounts mainly depend on the employee’s tenure.

For example, in Estonia, in both individual and collective dismissal cases, those employed with the same employer from 5 to 10 years are entitled to an additional month's salary from the Unemployment Insurance Fund. For people working for the same employer 10 or more years, an amount corresponding to two months' salary is added by the Fund. However, there are also cases where employees above a certain age are entitled to extra compensation. In Germany, the maximum payment stipulated by law equals to a 12 months' salary, but rises to 15 months for employees aged 50 or older, with at least 15 years of continuous service, and to 18 months for employees aged at least 55 and with at least 20 years of continuous service. In Hungary, the Labour Code established that the amount of severance pay shall be increased by 1-3 month's absentee pay if the employment relationship is terminated within five years from the date when the employee reaches the age limit for old-age pension.

When it comes to the **selection of employees for dismissal**, a number of Member States foresee higher protection for workers who

- have higher seniority, according to the 'last-in first-out' principle (Spain, Norway, Sweden and the Netherlands, for example),
- are above a certain age,
- and/or within a limited number of years from the statutory retirement age.

In Slovenia, for example, older workers who have reached the age of 58 or who have up to five years left until the pension qualifying period may not be dismissed without their agreement (with some exceptions in certain conditions). Similarly, the Polish labour code forbids to dismiss employees or worsen the terms of their contracts during the four years before the statutory retirement age. Lithuania and Latvia established the right of priority to retain the job for workers within three and five years respectively from the old age pension entitlement.

Other cases establish thresholds in terms of a maximum allowed proportion of older persons out of the total staff to be dismissed. In Greece, for example, Article 74 of Law 3863/2010, as amended by Article 53 of Law 4430/2016, states that in cases of collective redundancies, persons aged 55-64 years may not exceed 10% of the total number of dismissals.

Specific **financial penalties** can apply to employers **when dismissing older workers**. In Finland, the 'employer's liability component' (*Työnantajan omavastuumaksu*) establishes that an employer may be due to pay the liability component after dismissing or temporarily laying off an employee aged 56 or above if the dismissal leads to long-term unemployment of the employee. In order for the liability to apply, the employment relationship must have lasted for at least three years and at least correspond to a certain salary level. The liability component is used to finance public unemployment benefit expenses. In Spain, payments to the Public Treasury (*Aportaciones económica al Tesoro Público por despidos colectivos que incluyan a trabajadores mayores de 50 años*) are foreseen for companies employing more than 100 workers for collective dismissals which include workers over 50 years of age, when the percentage of older workers dismissed among the total dismissed workforce is higher than the proportion of older workers among the total staff of the company. The company has to pay between 60% and 100% of the unemployment benefits received by the dismissed workers over 50 years (depending on the size of the company, its yearly benefits, and the proportion of older workers dismissed). At least 50% of the amounts collected are expected to be used by the public employment service to pay for labour insertion services aimed at workers over 50 years of age. At least during its first years of application, this measure was highly criticised due to its inefficiency in terms of slow and non-transparent process and complex calculations (Rodríguez-Piñero Royo, 2016).

Other measures relate to the **employers' obligation to support redundant older employees**. This is mainly done through social/employment protection plans. In Austria, for example, companies which employ at least 20 workers and have to lay off a considerable amount of staff are encouraged to establish a social plan for limiting the negative consequences of redundancies. In case of unavoidable dismissals, the social plans should primarily consider older workers' interests and can include voluntary severance payments or interim financial

aid, reimbursements of education or training costs, training for job interviews, continued use of company's apartments, preferred re-employment and the establishment of an outplacement foundation.

Making (early) retirement less attractive

As mentioned in the chapter 'Policy focus on (redundant) older workers', recent years have seen some policy focus on revising early retirement schemes across Europe. Accordingly, also some operational initiatives in the Member States are addressing this. In contrast to the employment protection interventions which have a closer link to redundancy, this type of measure has a more anticipatory and life course approach. Some countries changed the eligibility criteria to **limit access to early retirement**. In Slovakia, for example, early retirement is now restricted to people who do not have more than two years to the statutory retirement age.

As a **financial incentive to not go to early retirement**, Austria, for example, provides workers who have a maximum of seven years to the statutory retirement age the option to reduce their working hours by 40-60% over a period of five years. The public employment service provides transfer payments for the hours not worked to the employers, so that employees earn 70-80% of their former income despite of the working time reduction. Similarly, in Slovenia, employees, self-employed and farmers who remain in part-time employment in spite of fulfilling the requirements for early and old-age pension benefit from a 5% increase to their pension entitlements, until the age of 65.

Addressing age-based discrimination and stereotypes

Again from the perspective of extending working life through an approach of keeping workers in employment and preventing (long-term) unemployment, several countries run **awareness-raising and motivational campaigns** targeting (prospective) employers to encourage them to hire and employ older workers through counteracting stereotypes and perceptions by means of radio or local newspapers (as done, for example, in Malta since 2008).

Awareness-raising measures can go one step further by more operationally providing **training or guidance** (for example, in the form of handbooks) related to HR policies and practices. In most identified cases, such initiatives address entrepreneurs or **HR managers**. There are also examples of such measures targeting executives of sectoral **social partners** or public and private **employment services** in their role of labour market intermediaries.

Box 7. Addressing age awareness of managers and labour market intermediaries

In Finland, following a framework collective agreement of 2011, the peak-level social partners drew up the Work cycle model (Työkaarimalli) for companies, local governments and agencies to design an age management programme. The model aims to improve age management skills by flagging the importance of taking age into account in communication, performance appraisal, skills development, knowledge management, working time and work organisation arrangements.

In the UK, the government nominated a team of 'business champions for older workers' to support employers in hiring, retaining and retraining older workers by promoting the benefits of older workers to employers. The team provides employers with practical guidance and support to help them achieve their employment of older worker targets by better understanding their workforce profile and needs.

In Poland, the ESF funded measure 'providing equal opportunities on the labour market for people 50+' (*Wyrownywanie Szans na Rynku Pracy dla Osob 50+*) promoted good practices and knowledge exchange on the employability of older people and age management in companies in the context of population ageing. Between 2010 and 2014, policy papers (such as diagnosis of the situation of older people on the labour market and analysis of activation programmes for older workers) and handbooks with practical examples and success stories of age management were developed, addressed mostly to the public employment service

representatives, but also to representatives of public assistance and private employment agencies and employers.

Interestingly also, one of the normative acts to prevent and combat discrimination against the elderly in Romania states that professional labour inspectors and trade union experts are to be trained in the field of combating discrimination, including the age-related one.

Addressing physical or mental health and well-being

Measures tackling ill health can take two perspectives: they either help the worker to prevent or overcome their physical or psychological impairment, or they aim to make employers more tolerant of these issues and support them in how to organise work in a manner suitable for the older worker. The latter is overlapping with the above-mentioned awareness raising interventions.

Box 8. Addressing physical health and well-being

The prevention and early intervention programme fit2work was established in Austria in 2011, co-funded by ESF. It targets workers whose job is endangered or who have difficulty in finding a job due to health reasons. The instrument has a one-stop-shop orientation, follows an individual case management approach and uses existing offers from different partners to provide advice and support to prevent that health issues become so severe that they negatively impact the worker's employability.

With a total budget of €45 million in the period 2013-2016, almost 19,000 people received a first counselling in 2014 and 2015 and more than 12,000 received individual case management. About 70% of the participants were aged 40-59, and 63% were unemployed. A 2014 evaluation shows an increase in the number of days on the job (that is, not on sickness leave) among the participants in case management, compared to a decrease among the control group (those who have received an invitation letter to the programme, but not participating).

Sources: fit2work, 2016; Statistik Austria, 2015

The **mental health** aspect, amongst others, also involves the element of the self-confidence of older workers and their motivation to remain or reintegrate into the labour market. In Belgium, the public employment service for Flanders, for example, offers a measure for jobseekers over 50 years which is called '50 Plus Clubs'. Older jobseekers are reoriented and motivated and new skills are taught to prepare them for future assignments (European Commission, 2012b). In a similar way, and more related to redundancy, the Polish measure 'activation of the Lower Silesian labour market' amongst others provides psychological counselling to people recently dismissed for economic reasons and employees expecting dismissal in the near future.

Targeting employers, several countries, such as Belgium, Finland or Germany, oblige companies of a certain size (for example, 20 or 30 employees) to provide preventive health measures for their workforce or occupational health care for workers for a certain period after dismissal.

Facilitating flexible work arrangements

Due to their personal situation and/or health status, some older workers might not be able to want to work on a full-time basis. Next to part-time retirement schemes and awareness raising and information campaigns addressed at employers as discussed above, some countries have – again with an anticipatory and life course perspective - initiated other types of support to facilitate flexible work arrangements that are better suited for the requirements of older workers. This can take the form of **legal working time arrangements** entitling older workers to reduce their working time (combined with a proportional wage cut, as seen, for example, in Belgium for workers aged 50 or over) or prohibiting that overtime work is assigned to older workers (as is, for example, the case in Slovenia for workers aged 55 or over).

Supporting skills development and the recognition of informal skills

Education, training and skills development are probably the most common measures targeted at older workers to enhance their employability. Skills development measures can be of preventive character, that is aiming **to maintain the workers' employability** by identifying skills gaps and providing them with training measures to close them.

Box 9. Skills mapping and training plans as employability tool

In the UK, Mid Life Reviews, funded by the Department for Business, Innovation and Skills and implemented with the involvement of unions and union learn representatives (ULRs), amongst others carries out mid-life development reviews to help older workers identify their skills (gaps). A website/app also allows to create specific action plans and provides access to relevant information for the learner.

The project tapped in to a huge demand and was clearly meeting a need. There was large demand for one-to-one sessions, and group activities such as pensions workshops and CV workshops. The activities designed to help workers to identify their strengths, transferable skills and to create a personal profile were particularly popular and described as very empowering.

The ULRs are perceived as someone with whom fellow workers could be open and gain confidence and motivation to progress at work. They were also well placed to reach disadvantaged and vulnerable workers. ULRs are also in a position to engage with employers and get employer buy-in for providing services and learning opportunities for the workforce. Developing the role of ULRs to support mid-life development demonstrated that the use of unpaid volunteers could be successful in terms of enthusiasm, commitment and engagement of workers and employers, but was also good value for money. However, the effort required to recruit, train, encourage and support ULRs should not be neglected.

Sources: Unionlearn and TUC, 2014; National Institute of Adult Continuing Education, 2015

In Finland, the Act on Cooperation within Undertakings (334/2007) (Henkilöstö- ja koulutussuunnitelma) obliges employers with at least 20 staff to annually prepare a personnel and training plan to maintain and improve the occupational skills of the employees. A specific aim is thereby to retain the employability of older workers (not further defined) and to consider their specific needs. Furthermore, instead of dismissing or temporarily laying off an employee, the employer must, within reasonable limits, seek to arrange relevant training to the employee so as to allow the employee to stay at the company.

Since 2008, annually more than half of the employees in the country have participated in employer financed training (no information on the age structure available). However, since 2007, the average number of annual training days has decreased from more than six to below five. Training is also more common the higher the socio-economic position (and conversely, the lower the risk of redundancy) of the employee.

Source: Mähönen, 2017

Public instruments may **cover the costs** of the training of the older workers and/or reimburse the employer for the time spent on training. In several cases, a specific focus on low qualified older workers (as a difficult-to-convince target group for training measures) or SMEs (due to the relative higher impact of additional costs) is apparent. The various interventions differ as regards who decides on the training programmes to follow (the worker, the employer, the authority offering the subsidy) and the share of or absolute amount of cost subsidy.

On the other hand, education and training measures can **target older unemployed people** to better align their (formal) skills with the requirements of prospective employers. As above, it can either be the worker or the authority (in many cases the public employment service) who decides on the most suitable course. Furthermore, such training can either be offered directly by the employment service or by third parties, and durations vary considerably from a few hours to several months, as do the content orientations (from occupational training to transversal skills).

In some cases, **job placements** are **part of the training of older unemployed people**. A duration of 6-12 months seems to be common for such instruments, and there are some examples (such as in Cyprus, Lithuania) where the employer is obliged to maintain the employment relationship for some time after the end of the programme. The workers tend to receive wage during the placement, often subsidised for the employer through public funds. In some examples, such training for unemployed also has a specific **sector focus**.

Box 10. Sector-specific training for unemployed older workers

In the UK, ‘Sector Academies’ provide sector-specific pre-employment training for up to 30 hours per week for a duration of up to six weeks, a work experience placement with a company and a guaranteed job interview linked to a genuine vacancy. It is a demand-led programme, running in industries with many local vacancies. Beneficiaries are referred to the academies by the public employment service, remain on unemployment benefits and can receive additional support for travel or childcare costs. While the academies are open to anyone over the age of 16, they are promoted by the government especially for older workers to get back to work. Accordingly, some of these apprenticeships are designed specifically to provide retraining for older people, shaping the training to meet both the employers’ skills needs and those of the ageing workforce.

Whilst pilot initiatives were launched in April 2015, as of early 2018 there are yet no data available on their implementation or success. However, failure to roll out these initiatives more widely suggests that the pilots were not successful. It is difficult to be sure of the reasons for this, but one factor probably relates to the demand-led nature of the apprenticeships offered. There is still a continuing emphasis amongst employers on younger rather than older workers.

A few of the identified training measures for older unemployed people also have a specific focus on **restructuring**. In the identified example, the training component is one module in a ‘larger package’ aiming to ensure a smooth transition to the next job, ideally with no or very short spells of unemployment. The Maltese ‘rapid reaction service’ (also known as ‘redeployment scheme’), for example, offers a fast track registration process, profiling and training opportunities to workers faced by collective redundancy. In Poland, as part of the ‘monitored dismissals in case of planned redundancy of at least 50 employees’, employers planning to dismiss 50 or more staff are obliged to support them with job placement, career counselling and training within six months after dismissal.

Another strand of support instruments related to skills refers to the **recognition of informal and non-formal skills and experiences**. Considering the above discussed issue of potential formal skills obsolescence of older workers, while at the same time they have accumulated a wealth of practical experience and expertise throughout their career, such tools might be particularly advantageous for older workers. In Portugal, for example, the ‘Recognition, Validation and Certification of Competences System – Occupational type’ (*Sistema de Reconhecimento, Validação e Certificação de Competências – RVCC – Versão Ocupacional*) allows adults with at least three years of work experience to have their knowledge, know-how and skills recognised and validated through a standard assessment. This is formalised by a certification.

Fostering geographic mobility

As mentioned above, geographic mobility can be an important beneficial factor as regards the employability of redundant workers, notably in situations of mass dismissals in a region with limited employment opportunities. Against the assumption that older workers are more anchored in their local environment than younger generations, one could assume that special incentives must be provided to increase their willingness to move. However, among the analysed instruments, there are very few which provide an incentive to older workers to accept to commute or relocate for a new job once they have become unemployed.

The support provided in such instruments refers to

- compensating the jobseeker for travel and accommodation costs accumulated in the framework of the job **interview**;
- a financial contribution to the cost of living for a certain duration after starting a **new job** which is a certain distance away from the current place of residence.

An example of the latter is Slovakia where jobseekers who are registered in the register of unemployment for at least three months are entitled to a job mobility contribution if their new place of employment is at least 70 km away from their current place of residence. The public employment service subsidises the costs of living up to a maximum of €400 per month during the first half year of employment, and for disadvantaged groups – which includes older workers – for up to another six months (maximum €200 per month).

The Romanian programme ‘access to employment for older workers (55-64)’ supports labour **mobility between regions** (next to skills development and recognition of informal skills as well as entrepreneurship). The intervention targets unemployed and inactive people, with a focus on workers aged 55-64.

In Spain, the ‘Your Job EURES-ESF’ (Tu Trabajo EURES-FSE) goes even beyond this approach by promoting **international mobility** through financial support. Eligible costs refer to travel costs for job interviews and starting a new job as well as expenses for attending language training prior to starting the new job. Although this measure is aimed at unemployed workers of all ages, in practice, it is mostly young workers who benefit from it.

Income support for unemployed older workers

As mentioned above, the financial impact of redundancy might be more severe for older workers than for other unemployed due to their established standards of living as well as their responsibility for dependent people. To tackle this issue, several Member States have established initiatives providing **more beneficial financial support** to older compared to younger workers affected by **economic redundancy** or collective dismissal.

Box 11. Public income support in case of redundancy

In Romania, Government Emergency Ordinance no. 36/2013 on the implementation in 2013-2018 of social protection measures to persons affected by redundancies made under redundancy plans (*Ordonanta de Urgenta a Guvernului nr. 36/2013 privind aplicarea în perioada 2013-2018 a unor măsuri de protecție socială acordată persoanelor disponibilizate prin concedieri colective efectuate în baza planurilor de disponibilizare*) entitled workers in certain companies (listed in the annex to the law; they are the only or main employer in mono-industrial localities) to additional income after dismissal. The monthly additional income is equal to the difference between the employee’s average salary for the last three months before the dismissal (without exceeding the average wage on the country) and the unemployment benefits. Amounts are paid out of the unemployment insurance budget, starting with the moment of dismissal. The duration of support depends on seniority:

- 12 months for people who have work experience of 3-10 years;
- 20 months for people who have work experience of 10-15 years;
- 22 months for people who have work experience of 15-25 years;
- 24 months for people who have work experience of at least 25 years.

In Cyprus, the redundancy fund (ΤαμείοΠλεονασμού) is part of the social insurance system and funded by employer contributions (12% of the payroll). In order for workers to be eligible for compensation from this fund, the employer must explicitly state that the employee is made redundant because of economic reasons (closing of firm, service, department, restructuring, dropping turnover etc.). If the application is approved, the redundant employee is compensated according to the years of service in a five tier table:

- for employees with 15-20 years of service the compensation is 3.5 weekly wages per 52 weeks.

- for employees with 20-25 years of services the compensation is four weekly wages per 52 weeks.

There were 4,558 beneficiaries in 2016, 5,411 in 2015 and 10,750 in 2014. There are no data on the age of the beneficiaries, but most applications are made by relatively older workers who can expect higher compensation.

Overall, this instrument allows some further time (in addition to the six month unemployment benefit) for redundant workers to find a new job. If the beneficiary utilises this period for job search, training etc., the instrument can serve not only social justice purposes but also be a useful tool for re-integration into the labour market.

Similarly, the Swedish ‘financial restructuring support’ provides financial support as a complement to the unemployment insurance. In this case, the duration of the support is longer the older the worker is (minimum 40 years). In addition, there is the possibility to **compensate** older workers finding a **new job with a lower salary** than in their previous position for accepting the reduced income. The latter approach is found in several countries (for example, Belgium, UK), probably as a response to the tradition of seniority wages and employer’s concerns regarding older workers’ productivity (see chapter ‘Particularities of older workers’).

Box 12. Incentive to accept a low-paid job

In Austria, a slightly different approach is taken. The ‘combination wage subsidy’ is an income subsidy which is calculated as the difference between the unemployment benefit plus 30% and the wage of the new job (that is, the comparator is the unemployment benefit rather than the previous income of the worker), with an upper monthly threshold of €950. The target group are workers aged 45+ who have been unemployed for more than 182 days. Workers are entitled to the income support for one year if they enter a fully insured employment relationship with a minimum of 20 hours per week. For people aged 59+, the duration can be extended for up to three years.

In 2015, € 4.9 million were spent on this measure, and 75% of the participants were aged 45+. An assessment shows that the share of employed persons between one year before and one year after the end of the subsidy increased by 25 percentage points, and that of unemployed declined by 15 percentage points.

Source: BMASK, 2016

Employment subsidies for prospective employers

While they follow a similar objective – providing a financial incentive for employment – in contrast to income support targeting the workers, employment subsidies address employers to encourage them to hire disadvantaged groups, including older workers.

Employment subsidies can refer to (partial) **coverage of social security contributions** to be paid by the employer. The respective analysed instruments reduce the employer contributions to social protection by 30-50% for 12-18 months when hiring older workers (most commonly the minimum age threshold of 50, 55 or 60 years is applied) who have been unemployed for more than 12 months.

The Spanish ‘Incentives for hiring in new youth entrepreneurship projects’ (*Incentivos a la contratación en nuevos proyectos de emprendimiento joven*) involves an interesting intergenerational aspect. It refers to a 100% reduction in social security contributions for one year when hiring an unemployed over 45 years on a permanent contract if the employers themselves are younger than 30 years. Also in Spain, the ‘bonus for the hiring of workers over 45 years of age in small companies’ (Bonificación a la contratación de mayores de 45 años en empresas pequeñas) takes a company size class, sector and gender approach.

Companies with fewer than 50 staff hiring a new employee aged 45+ on a permanent contract receive an annual social security subsidy of €1,300 for three years. The subsidy is increased to €1,500 if the new employee is a woman, if women are underrepresented in the sector.

For both measures, in case the company dismisses the worker three years after the signature of the contract, or dismisses any of the workers of the company within the year following the signature, the company will have to pay back the subsidy plus 20% as a sanction. Both measures will be in force until Spanish unemployment rate goes below 15%.

Another strand of employment subsidies refers to the **coverage of wage costs**. The analysed instruments generally provide a subsidy for 30-50% of the wage costs (actual or statutory minimum wage) for 12-36 months if an unemployed older person (minimum age thresholds of 45, 50 or 60 are commonly applied) is hired. In a few cases, the employer is obliged to continue the employment relationship after the end of the intervention (for a duration from one fifth to twice as long as the subsidised period).

Some employment **subsidies cover both, wage and non-wage costs** or provide a lump sum. An interesting example considers the specific situations of SMEs as employers (more limited financial resources and more challenges to attract highly skilled staff due to limited career advancement opportunities) by staggering the subsidy depending on the case characteristics.

Box 13. More generous employment subsidy for SMEs

The Croatian 'employment incentives for people over 50 years (Potpore za zapošljavanje osoba starijih od 50 godina) offer SME employers HRK 19,450 (€2,593) for employing an older person with primary, HRK 29,480 (€3,931) secondary and HRK 36,283 (€4,838) with tertiary educational attainment. Larger employers receive HRK 11,670 (€1,556), HRK 17,688 (€2,358) and HRK 21,769 (€2,903), respectively. The contract should last for a minimum of 12 months, while there are no conditions regarding the type of contract (indefinite or fixed-term contract are both eligible, but the job has to be full-time (40 hours per week)).

The impact of this employment subsidy during the evaluated period 2010-2013 was quite positive. 59% of participants were employed six months after the end of the measures (57% after 12 months and 54% after 18 months), for the control group (with almost identical qualification, age and gender structure) mentioned shares were 17%, 19% and 17%, respectively.

Source: Hrvatski zavod za zapošljavanje, 2016

Among the analysed instruments, a few employment subsidies are directly linked to **redundancy/collective dismissals**.

Box 14. Subsidies to employers hiring older workers affected by restructuring

In Belgium, the 'Restructuring card' (Carte de réduction 'restructuration'/*Verminderingskaart 'Herstructureringen'*) was available from 2006-2017 to employers recruiting workers who have lost their job due to company bankruptcy, closure or restructuring. It provided them with contributions to the social security costs up to €1,000 per quarter, for four quarters. For workers aged 45 or more, employers received subsidy of €400 per quarter for 16 quarters following the first subsidy. Furthermore, the restructuring card reduced the workers' social security contribution by €133-140 per month, resulting in a higher net income for them.

The restructuring card could bring about a competitive advantage to workers compared to those who did not resort to this measure due to the lower ancillary wage costs for the employer and their potential willingness to accept lower paid jobs because of their personal social security contribution reduction. However, there are also some assumptions that the scheme could impact on the duration of the employment contract: After the support ceased, employers might have hired another worker at a lower salary rather than extending the contract.

Advice and career orientation, job search and matching services

Counselling services by public employment services (PES) support older jobseekers with individualised action plans which take into account the specific characteristics of the worker and the (local) labour market situation. In many cases this involves a **tailor-made approach** of profiling, testing and occupational guidance (for examples, developing strategies for job

applications, provision of an analysis of the labour market and a list of potential employers), often supplemented by skills development and matching activities. Such support can, however, also be provided on a group approach and by **fostering exchange among older workers**.

Box 15. Peer exchange

In Estonia, the 'Job search counselling' (*Töötöingu alane nõustamine*) offers job search counselling in the form of workshops in which information on the labour market, job opportunities, advice on job search and motivation is offered. One of the workshops specifically deals with the concerns and specificities of older workers.

The workshops are supplemented by 'job clubs' where (older) workers are encouraged to share experiences, visit companies and enhance their communication skills. Job clubs tend to spread over about 10 sessions of two to three hours, each. Also here, a specific club for those aged 50+ is offered.

A 2017 evaluation of the period 2012-2015 showed that those aged 50+ represented 1% of the workshop participants and 9% of the beneficiaries of job clubs. The share of those who did not finish the service was around 22%; for the 50+ group the share was lower (19%).

Source: Eesti Tootukassa, 2017

The Danish 'Senior trade' (*Senior Erhverv*) is a nationwide voluntary network of older workers supporting each other in seeking and getting jobs by exchanging experiences and jointly developing effective strategies how to seek a new job. The network consists of 23 independent local networks (members are older workers) organised as associations with an own general assembly, board and structure. The 23 networks cooperate regionally about exchange of experience, and nationwide about joint training course activities, formulation of goals, ICT-solutions and PR-activities regarding the dissemination of awareness of the networks. The cooperation is supported by a national coordinator appointed by the governmental Danish Agency for Labour Market and Recruitment (STAR). A local network will typically receive DKK 210,000 (€28,000) in annual support from STAR.

In 2016, 1,900 job seeking seniors (50+) were members of the 23 local networks. The flow of members is significant. The annual share of new members varies between 30% and more than 100%. On average, 16% of the senior jobseekers got a job every quarter in 2015 and 2016. 43% of the members assessed that a big network is supportive and 31% reported that they had got new ideas and motivations regarding job seeking. The activities in the networks build on personal conversations, which has been assessed to be the most effective instrument for unemployed seniors to get a new job.

Source: Bach et al, 2016

Some of the advice and career counselling measures can be accessed **during the notice period**, that is before the actual unemployment starts. In the Estonian 'Response service to collective redundancies' and the Slovenian 'Active employment policy programme for older workers', for example, workers who have been notified on (collective) dismissal have privileged access to advice, information and guidance with the aim to assist their transition to another employer without encountering an unemployment spell.

Next to advice and career orientation, **assistance in job search** and the provision of **matching** services is another core competence of public employment services and hence rather widespread among the identified measures. In this context, the instruments assist the older workers in identifying suitable vacancies or actively approach potential employers to encourage them to consider hiring an (older) employee.

Outplacement services

Outplacement services are based on agreements that become active in case of larger-scale redundancies for economic reasons and consist of comprehensive individualised support, summarising a variety of different interventions such as psychological support, advice and

career counselling, training, assistance in drafting CVs, matching etc. This type of support tends to spread over several months and involves intensive assistance.

Box 16. Outplacement

In France, article L.1233-61 of the labour code obliges companies with at least 50 staff to draft an ‘employment protection plan’ (*Plan de sauvegarde de l’emploi, PSE*) in case of dismissals of at least 10 employees over a period of 30 days. A specific plan has to be established for older workers (50+). PSE are negotiated with the employee representatives and are under the supervision of the regional representation of the Ministry of Labour. The plan consists of a set of specific measures, such as internal redeployment, the creation of new activities in the company, outplacement and reactivation, training, validation of skills, reduction of working time etc. The plan can also foresee the establishment of a re-employment unit (*cellule de reclassement*) for which older workers have priority access. Re-employment units offer individualised support consisting of a preliminary assessment of the worker’s job situation, skills, expectations and job opportunities, matching, training or start-up support.

The scientific literature considers that PSEs are not very effective, but still useful in the sense that workers laid-off after have better chances to find employment (Bruggeman, 2005; Bruggeman et al, 2004). Bobbio (2006) reports that about 10% of the employees affected are redeployed internally, 46% are re-employed externally one year after the start of the PSE, and 44% remain in job search. There is no information about age in this study.

Not in all cases outplacement is supported by the government. In Sweden, as part of the ‘Job seeking support’ initiative, non-profit organisations created by social partners provide individual tailored support to workers made redundant for economic reasons. Beneficiaries of these ‘Job Security Councils’ are assigned to a specific counsellor who assists them in finding a new job or starting their own business. Some foundations also offer online tools and group activities.

Data from TSL show that while many find new jobs, there is a significant decline in the share of clients who find new employment which correlates with age. Among the 50-54 year old ones, the share is around 85% (similar to that of the younger age groups). Among the 55-59 year old ones, the share is around 80% and only 50% among the 60-64 year olds. In the latter age group, more than a third choose to retire, while around 10% remain unemployed.

In contrast, out of all of TRR’s clients who were successful in finding a new job, 38% were over 40 years old, 35% over 50, and 7% over 60. This largely reflects the age distribution of all those seeking support with the TRR. Thus, the organisation did not notice large differences in the success of different age groups in finding new jobs after being dismissed. However, according to the foundations, it tends to take a bit longer for the older workers, and it sometimes requires different measures than for the younger workers.

Sources: TRR, 2017; TRR, 2015; TSL, 2017

Public works programmes and employment in the public sector

Labour market integration of older workers does not necessarily have to refer to employment in a private company. Some Member States have established **public works** programmes of 6-12 months to support the employment of disadvantaged groups such as older workers. The jobs provided through the programmes are fully or partially subsidised in the public interest. In general, such programmes are targeted at the most vulnerable groups for whom it is very challenging to (re-)enter the labour market. Data for Hungary and Lithuania, for example, show that public works programmes are especially used by people aged 50+ (European Commission, 2012b). Public works does not aim to create sustainable employment, but to offer the beneficiaries to enhance their skills and gain some work experience to improve their employability on the regular labour market.

Furthermore, older workers can be entitled to be offered a **job in a public sector organisation** in cases they are not successful to find employment in the private sector.

Box 17. Public sector employment

In Denmark, unemployed senior citizens who have five years or less to early retirement age are entitled to a job in their municipality of residence if they have exhausted the right to unemployment and temporary employment benefits. It is the municipality that decides the content and extent of the senior job, based on a conversation about qualifications and interests. Wage and working conditions will follow the collective agreement covering the job. The older jobseekers must not reject a relevant job offer unless for very specific reasons. The employment, or the obligation to keep the older worker in employment, ends the day they reach the early retirement age or get another job. If the job for some reason is made redundant (the job function could be cut) before that date, the municipality must find another job until the period runs out.

There is no fixed budget attached to the scheme. It depends on how many people the authorities expect to qualify every year. In 2013, it was calculated that the municipalities would spend DKK 343 million (€46 million) on the senior job scheme. Already in 2014, this calculation had increased to DKK 1.5 billion (€200 million). Municipalities have to find jobs for a significant number of seniors, which basically was unexpected.

People with a right to a senior job have a special incentive to use up the unemployment benefit (rather than looking for another job before the benefits end) because they in contrast to other receivers of unemployment benefit have a view to a higher income afterwards as the senior job follows the payment according to collective agreement regarding the job, that is, an ordinary salary. Thus, the senior job scheme is found to contribute to weaken the ordinary employment and the public finances (Danish Ministry of Finance, 2016).

Based on the increase in the number of senior jobbers and significant expenses, the Presidency of Economic Council suggested to cancel the scheme or make less attractive. The largest employer organisation, the Confederation of Danish Industry, DI, recommended to abolish the scheme on the ground that it increases the number of people on transfer income, incentivising them not to seek 'real' jobs. In contrast to that, unions were satisfied with the scheme.

Supporting social enterprises

A social enterprise, as defined by the European Commission (n.d.), is a business

- for which the social or societal objective of the common good is the reason for the commercial activity, often in the form of a high level of social innovation;
- whose profits are mainly reinvested to achieve this social objective;
- and/or whose method of organisation or ownership system reflects the enterprise's mission, using democratic or participatory principles or focusing on social justice.

Similar to public works programmes, also social enterprises offer employment alternatives to disadvantaged groups like older workers. Accordingly, support of social enterprises can be considered as an indirect measure to foster the labour market integration of older workers. Among the portfolio of analysed instruments a few respective examples could be identified.

Box 18. Indirect support through social enterprises

The Austrian 'socio-economic employment projects' (*Sozioökonomische Betriebe*) supports the creation of companies combining economic (self-generated profits of at least 20%) and labour market policy criteria (targeted qualification, educational counselling and placement services). Such companies have a market orientation in terms of delivering products/services like any other type of enterprise while at the same time having a social objective of providing temporary jobs to people facing difficulties in finding employment.

Older workers are one of the target groups, being offered temporary employment resembling one of a 'real company'. Generally, the length of the employment relationship in such projects is limited to one year; for older unemployed persons, who have 3.5 years or less to work until they reach pension and who have little chance of being regularly employed, this limit does not apply. They may work until they can retire.

Monitoring data show that immediately after completion of the programme, 12% of the participants were regularly (unsubsidised) employed, 18% in subsidised employment. One year after completion, 19% were in unsubsidised employment, 6% in subsidised and 53% were again unemployed. In total, the share of unemployed one year after the measure is 7 percentage points lower than one year before the start and the share of employed has increased by 12 percentage points (BMASK, 2016).

Supporting self-employment

Finally, also promotion and facilitation of entrepreneurship amongst older people – again, as a labour market alternative to salaried employment - has been on the agenda in the European education and transnational cooperation programmes (AGE, 2011). At national level, this can take different approaches. Older workers can be **made aware of the option of self-employment** and provided with relevant information and advice to start-up a business. This is, for example, done in the Irish ‘Senior Enterprise’. This instrument was specifically designed to encourage the entrepreneurial spirit of people aged over 50 by advising and informing them about entrepreneurial possibilities (AGE, 2011).

Older workers can also be **financially supported** to enter self-employment. The Irish ‘Back to work enterprise allowance’, for example, provides the option to use social welfare payments to become self-employed, supplemented by enterprise support grants; this support is relevant, but not exclusive to older workers. Similarly, ‘Contribution to self-employment’ in Slovakia facilitates the entry of jobseekers (of any age, and registered as an unemployed for at least three months) into self-employment through the partial reimbursement of the costs realised in this process.

Lessons learned: What works, what does not?

Methodological considerations

Saying something conclusive about policy measures’ effectiveness is very ambitious because measures are always designed for a specific context. That makes it difficult to compare the effectiveness of similar measures between countries, and sometimes even with a country. To provide a proper assessment on the suitability of policy interventions for older workers’ labour market integration, evaluations of individual instruments would need to be analysed to **explore a measure’s outcome against its context, objectives and applied mechanisms**. Such an approach is challenged by the fact that **evaluations** of specific measures tackling the challenges of older redundant workers **are limited** (OECD, 2018a). Among the analysed instruments, only about half of them have been evaluated, and not in all cases the conducted evaluations are publicly available. Furthermore, even if evaluations are accessible, information about the effectiveness for older workers is limited as a good number of the analysed instruments do not explicitly target older workers, and evaluation findings are not necessarily differentiated by age class (European Commission, 2012b). Accordingly, further emphasis could be placed in the future to provide more specific evaluation results. Analyses should not only address potential differences by age class, but also the heterogeneity among the group of older workers (for example, by differentiating by educational or health level, occupation, sector, care responsibilities, financial endowment etc.).

Also, **control group approaches are rare**, hence proper assessments regarding the effectiveness of an individual measure are widely missing (European Commission, 2012b). In many cases, if counterfactual analysis is applied, the research follows a quantitative approach only. Such methodology allows to analyse, for example, likelihood of participation and outcomes, but often **falls short in explaining causalities and mechanisms**. For exploring such, a methodological triangulation would be required.

Similarly, as the analyses are limited to a specific dataset and a particular point in time, in many cases only short-term effects (such as labour market inclusion during programme participation) can be explored while data to investigate the **long-term sustainability** of

employment is more difficult to capture. Such would be important to explore, notably for measures following a life course approach. However, longitudinal data on programme participants are often not gathered.

In this context it is also to be mentioned that there is some potential that the isolated investigation on one specific measure does not mirror the reality very well, notably with regard to a long-term perspective. In practice, there exist **interrelationships between policies and interventions** that should be better considered when analysing the effectiveness – but also impact – of instruments.

As another element that seems to be lacking in available assessments or evaluations, the **efficiency** of instruments (the ‘cost-value-ratio’) is to be mentioned. Findings on participation and outcomes are not commonly compared to the efforts required to make them happen, in terms of (public) budget and human resources invested. This would be important, considering reductions in public budgets and discussions on the financial sustainability of social protection systems, to ensure that the available resources are best spent.

Finally, **comparability** across available assessments is difficult due to different objectives, research questions and methodologies applied.

Accordingly, while this report cannot provide a proper assessment on the effectiveness of public and social partner-based support instruments, the review of literature (including some of the available evaluations) allows to pinpoint a few lessons learned in terms of ‘what works and what does not’ in the context of labour market integration of older workers. These are briefly summarised in the following sections, following the typology of interventions introduced above as well as – more transversally – touching upon mechanisms.

Types of measures

Employment protection

The OECD (2018a) mentions that employment protection legislation is the most commonly used policy instrument to limit economic dismissals by increasing employer-borne costs associated with redundancy and thus discouraging layoffs. However, employment protection can hinder efficiency-enhancing labour mobility by worsening the re-employment prospects of workers as it causes employers to be cautious when hiring.

Against the background that older workers are often subject to better employment protection, notably in the case of redundancy for economic reasons, while at the same time stereotypes regarding their productivity, skills and health levels exist, too strict legislation might turn out to be counter-productive.

Addressing age-based discrimination and stereotypes

An Estonian study (RAKE, 2012) suggests that in order to engage older people, it is important to improve the attitudes of employers, but also of the society overall, towards older workers. Similarly, research from Germany flags the requirement for cultural change, but also practical help to employers, notably SMEs, when employing older workers (Vogel, 2011; 2012; 2013). Also experience from the UK (in the framework of an apprenticeship programme for older workers) highlights the importance to tackle unjustified perceptions and stereotypes, but points towards the fact that such cultural change does not happen immediately but takes time to develop.

Facilitating flexible work arrangements and addressing health issues

Hess et al (2018) find that older workers who shifted from full-time to part-time work in the last phase of their career retire significantly earlier than those who remain in full-time employment. This effect is slightly stronger in countries with high tax progressivity.

Accordingly, workers can be incentivised to remain in part-time longer by higher net hourly wages resulting from lower taxes related to lower gross incomes. Men and those doing manual work seem to benefit more from reduced working hours. The authors conclude that

reducing working hours is not a successful tool to extend working lives and promoting active ageing.

Nevertheless, they admit that such a policy could be useful for certain sub-groups among the older workers, such as those in jobs with high physical strain or those affected by health issues. Accordingly, they recommend not to apply a one-size-fits-all approach.

In this context it is also to be mentioned that some of the analysed instruments also hint towards the need for early intervention as regards health issues, that is preventive measures. Furthermore, an individual case approach is recommended rather than more generalised approaches.

Supporting skills development

Bach et al (2016) find for older Danish jobseekers that courses, projects and updating of skills have limited effect for their labour market re-integration. They find conflicting evidence regarding effects of private job training and negative effects of public job training. Enterprise internships are found to have a positive impact. Similarly, also Romeu Gordo and Wolff (2011) and the European Commission (2012b, for Estonia, Germany and Poland) mention firm-training to be more effective (as it entails direct contact to an employer and training for an actual job) while theoretical/classroom training shows different results; it is more effective for higher qualified older workers while of limited effect when dealing with older jobseekers with low educational levels.

The assessment of the German WeGeBau training support initiative finds that the measure improves older workers' chance to stay in fully insured employment and has a small positive effect on their wage which leads to an increase in productivity (probably due to higher motivation). Long-term training is more sustainable and beneficial for both, the employee and the employer while short training programmes show virtually no effects (IAB, 2013).

Income support for unemployed older workers

Bach et al (2016) find for older Danish jobseekers that the shortening of payment periods for unemployment and social benefits has a positive effect on their labour market re-integration.

In this regard, the OECD (2018a) flags the need for governments to find a middle ground between generously compensating displaced workers for their loss of earnings and encouraging rapid re-integration into the labour market due to better income prospects. This might be particularly important in the case of redundant older workers who tend to have relatively high benefit levels, at least in case of stable work histories. In this context, it is important not only to consider the unemployment scheme, but also other income sources like severance pay or social assistance systems.

Employment subsidies

For Finland, Sundvall and Härmälä (2016) find **moderate employment effects** of employment subsidies, and effectiveness decreases with the age of the participants. The unemployment rate of beneficiaries three months after participating in the measure was 25% for the 15-24 year old ones, 30% for the 25-34 year old ones, 41% for the 35-44 year old ones, 45-54 year old ones and 55% of the 55-64 year old ones. Similarly, data for a French scheme show a lower employment rate for the workers over 50 (58% were employed in the for-profit sector six months after the end of the measure (44% on a permanent contract) and 35% in the non-profit sector (21% on a permanent contract)) compared to the average (70% in the for-profit sector (60% on a permanent contract) and 39% in the non-profit sector (25% on a permanent contract)) (Bayardi, 2012; Durand, 2014).

In contrast to that, the European Commission (2012b) reports that employment subsidies have been found successful in Austria and Germany, in general and also for older workers. Also data from an evaluation of a Romanian employment subsidy for unemployment workers aged over 45 show a high sustainability of employment (that is, beneficiaries were still employed one year after the end of the intervention) attributed to the instrument (Romanian Ministry of Labour, Family, Social Protection and Elderly, 2014). Almost half of the beneficiaries

assessed that the subsidy was (very) stimulating their employment, and about 80% deemed the measure to be (very) helpful. 43% flagged that they would not have been able to find an employment if they had not benefitted from the subsidy, while 26% were of the opinion that they would have been successful also without the support. More than two thirds of the participants voiced to be (very) content with their job. About 56% of those who did not remain in employment were male and lived in an urban environment. The main reason for losing the job was resignation (often due to inadequate pay), followed by restructuring and bankruptcy.

Boockmann et al (2012), analysing a German employment subsidy for older workers, highlights important **deadweight loss**. However, they also flag significant differences on how employment subsidies affect different group (for example, male versus female older workers) and that other factors, such as the labour market situation or wage elasticity, can affect the effectiveness of such instruments.

Also considering the potential deadweight loss of employment subsidies, MoPact (2015) recommend that such instruments should be targeted, closely monitored and offered for a short duration, only. Furthermore, they (as well as the European Commission, 2012b) flag that employment subsidies are only effective if combined with high quality personal services to older jobseekers and employers.

In the framework of assessing a German employment subsidy, IAB (2009) hints towards the potential that such instruments could be a negative signal regarding the productivity of the target group. Furthermore, positive effects for the subsidised individual do not necessarily lead to a reduction in the overall unemployment (substitution effects).

Advice and career orientation, jobs search and matching services

As regards **general advice** to unemployed, Centeno et al (2008) find for Portugal that individuals aged 30-40 and better educated workers benefitted a little, while less educated and those over 40 did not benefit at all.

Arni (2011) and Boockmann and Brändle (2015) evaluated the **high frequency counselling** and small-group **coaching** of the public employment service for the unemployed aged 45+. The study finds a higher employability rate and more stable jobs for the beneficiaries. The programme made them search jobs more efficiently and their job search motivation increased. While they noticed some 'attraction effect' in terms of some decrease in job search motivation due to the prospect of being coached, the coaching made the participants search in a more direct and focused way, and encouraged them to use different search strategies more often. Similar results are also mentioned by the European Commission (2012b) for Germany. From the analysed measures, there are some indications that not only career orientation and matching support provided by (public) employment services is important for redundant older workers, but also the opportunity to **exchange** with and learn from other seniors can have important positive effects. This not only refers to the success in finding a job, but also as regards motivational and behavioural aspects of the affected workers.

Public works programmes

Czech participants in public works programmes stated that their participation was important because it created a feeling of not being alone, that the society has not abandoned them, but cares about them, which had a positive impact on their self-confidence. Nearly 90% of them assessed the work they did as useful. Only a minority of participants (1/6 or less) in the measure had a feeling of social stigmatisation while doing public works. Also, the social network they could establish through their involvement in the programme facilitated the process of finding a 'real' job. (Hrvatski zavod za zaposljavanje, 2016).

Similarly, Dar and Tzannatos (1999) find that public works programmes may be helpful for older workers (and other disadvantaged groups) as a safety net in terms of being effective as regards labour market integration in the short run. However, long-term effects may not be as positive as participants might be less likely to be employed in a non-subsidised job. This is also supported by Lithuanian data showing that the share of older people employed after

participation compared to the total number of participants is rather low (23% in 2016, about 22% in 2015, about 15% in 2014). Accordingly, the National Audit Office as well as two evaluations) stated that this is not an effective instrument as regards the long term employability of the beneficiaries (Estep, 2014).

Mechanisms

Bollens (2011) suggests that the **mandatory** activation of older unemployed has a positive effect on the probability of returning to employment, but with a time lag. In the analysed programme, it took four to seven months after starting in the programme until an employment increase of 3-4.5 percentage points could be observed. Similarly, Hullegie and van Ours (2013) found for the Netherlands that the introduction of a job search requirement for older unemployment benefit recipients resulted only in a small increase in the job finding rates. Lammers et al (2013) flag that this small increase was accompanied by an increase in the number of disability insurance benefit recipients and mention this as an ‘alternative exit route’.

The OECD (2018a), the European Commission (2012b) as well as EU-OSHA et al (2017) mention that **personalised action plans** focusing on active support with targeted and tailored activities are the most effective measures to enhance the re-employment of older jobseekers. Similarly, Bach et al (2016) find that individualised conversations with older jobseekers in Denmark show strong evidence of positive effects on their labour market re-integration. Also in the UK New Deal 50+ (operational from 2000 to 2011), participants appreciated the one-to-one support and reported that this led to more effective job search, boosted confidence and broadened their horizons. A consequence of such individualised support is the demand for sophisticated skills among the staff of public employment services in terms of awareness of the age- and individual-specific requirements and the competences to build a suitable and effective tailor-made support package for them.

This also hints towards the need for more **differentiation** among the group of older workers. There are important differences within this group as regards skills levels, health status, occupations, sectors etc. which affect their individual challenges and opportunities. Such should be taken into consideration when designing and implementing support instruments rather than applying a ‘one-size-fits-all’ approach.

The European Commission (2012b) flags good outcomes of networking groups which allow for **peer exchange among older workers**. This mechanism is seen to improve job search success and workers’ motivation to stay in or re-enter the labour market.

Furthermore, **comprehensive packages** of work practice and training, employment subsidies and networking groups are highlighted as successful (European Commission, 2012d; EU-OSHA et al, 2017). This could go as far as not only addressing labour market, but also social policy issues (such as the provision of affordable quality adult care to better support those older workers with care responsibilities).

As regards the timing of the intervention, Bach et al (2016) indicate for older Danish jobseekers that **early efforts** and clarifications have positive effects on their labour market re-integration. Considering the specific situation of redundant older workers, this would imply that instruments that start as soon as the workers have received the notice of dismissal are more beneficial than measures that are only eligible after some months in unemployment as the time spent out of work – or even the stigma of unemployment - could be reduced. The OECD (2018a) also flags an aspect that, even if not explicitly mentioned so, could be particularly relevant to redundant older workers: Early interventions addressing all workers affected by a mass dismissal can help to overcome the reluctance of experienced workers to consider a possible career shift, hence fostering occupational mobility that might be perceived as more difficult by older workers. However, it is also mentioned that only a relatively small subset of displaced workers can benefit from such early interventions as they are typically offered in the framework of mass layoffs in large firms.

Along a similar vein, Heyman et al (2014) flag the importance of the time element. Their study finds that public measures **allowing employers time to learn** about the productivity levels of jobseekers, such as an extended probation period covered by unemployment benefits, clearly increases the employment probabilities of older jobseekers.

Box 19. Indications of what works, what does not

- + Addressing age-based discrimination and stereotypes, but a long-term approach is needed as cultural change takes time
- + Working time reduction in the last phase of the career to enhance sustainable working lives for certain sub-groups (for example, those affected by physically demanding tasks or health problems)
- + Early interventions and individual case approach to tackle health issues
- + On-the-job training, long-term training
- + Financial disincentives for older workers to enter/remain in unemployment or on social welfare benefits
- + Individualised, one-to-one and high frequency advice to redundant older workers, including a more comprehensive career orientation approach with personalised action plans (profiling, identification of training needs, matching support)
- + Networking and exchange among redundant older workers
- + Comprehensive support packages of work practice and theoretical training, employment subsidies and advice (including networking)
- + Early interventions, that is, already during the notice period

- ~ Employment protection seems to work as regards maintaining older workers' employment, but raises some concern regarding the hiring of older unemployed people
- ~ Employment subsidies (differing findings regarding effectiveness and some indication of deadweight loss, substitution effects and negative signalling effect)
- ~ Public works programmes have some positive short-term labour market integration effect, but do not seem to provide a sustainable solution
- ~ Mandatory job search activities show some positive effects on labour market integration of unemployed older workers, but with a time lag and some tendency to resort to alternative exit routes

- Stand-alone training measures, notably if only short-term theoretical classroom training addresses low qualified older workers, and only offered once the older person became unemployed
- General advice, not considering the specific situation of redundant older workers

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Annex 1 – Contributors of the Network of Eurofound Correspondents

Country	Author	Organisation
Austria	Bernadette Allinger	FORBA (Working Life Research Centre)
Belgium	Stéphanie Coster	K.U.Leuven
Bulgaria	Gabriela Yordanova	ISSK-BAS
Croatia	Predrag Bejakovic	Institute of Public Finance (IPF)
Cyprus	Gregoris Ioannou	Cyprus Labour Institute (INEK-PEO)
Czech Republic	Soňa Veverková	Research Institute for Labour and Social Affairs (VUPSV) (RILSA)
Denmark	Carsten Jørgensen	Employment Relations Research Centre - FAOS - University of Copenhagen
Estonia	Ingel Kadarik	PRAXIS Centre for Policy Studies
Finland	Anna Savolainen	Oxford Research
France	Frédéric Turlan	IRShare
Germany	Sandra Vogel	Cologne Institute for Economic Research
Greece	Sofia Lampousaki	The Labour Institute of the Greek General Confederation of Labour (INE/GSEE)
Hungary	Annamaria Kunert	Policy Agenda
Ireland	Andy Prendergast	IRN Publishing
Italy	Feliciano Iudicone	Fondazione Giacomo Brodolini
Latvia	Kriss Karnitis	Economic Prognosis Centre (EPC)
Lithuania	Inga Blaziene	Labour Market Research Institute of the Lithuanian Social Research Centre
Luxembourg	Frédéric Turlan	Industrial Relations Share
Malta	Manwel Debono	University of Malta (UM)
Poland	Maciej Pankow	Foundation Institute of Public Affairs (ISP)
Portugal	Heloisa Perista	Centre for Studies for Social Intervention (CESIS)
Romania	Raluca Dimitriu	European Institute of Romania (IER)
Slovakia	Rastislav Bednarik	Institute for Labour and Family Research
Slovenia	Maja Breznik	Faculty of Social Sciences, University of Ljubljana
Spain	Jessica Durán	IKEI Research & Consultancy
Sweden	Anna-Karin Gustafsson	Oxford Research
UK	Guglielmo Meardi	Warwick Business School, The University of Warwick

Annex 2 – Overview of national support instruments as illustrated by the Network of Eurofound Correspondents

Name of the instrument	Early retirement	Physical health	Mental health	Flexible work arrangements	Skills development	Recognition of skills	Geographic mobility	Income support	Advice	Matching	Outplacement	Public works	Social enterprises	Self-employment	Employment subsidy	Discrimination	Other
AUSTRIA																	
fit2work	X	X	X						X		X						
Combination wage subsidy								X									
Employment integration subsidy															X		
Socio-economic employment projects			X		X					X			X				
Non-profit employment projects			X		X					X			X				
Part-time work for older workers	X			X													
Early Intervention 50+					X				X	X	X						
Vienna regional work foundation			X		X				X	X	X						
BELGIUM																	
Population pyramid in case of collective dismissal																	X
compensations for redundant older workers in case of restructuring for the period 2017-2018								X									
Reconversion cell					X						X						
Outplacement					X						X						
Reclassification allowance								X									
Restructuring card															X		
Creation of a plan for the employment of older workers		X			X												
BULGARIA																	
Encourage employers to employ unemployed persons above 55 years of age															X		
National Retirement Assistance Programme										X					X		
Training and employment					X										X		
CROATIA																	
Employment incentives for people over 50 years															X		
Incentives for self-employment														X			

State initiatives supporting the labour market integration of older workers

Name of the instrument	Early retirement	Physical health	Mental health	Flexible work arrangements	Skills development	Recognition of skills	Geographic mobility	Income support	Advice	Matching	Outplacement	Public works	Social enterprises	Self-employment	Employment subsidy	Discrimination	Other
Public work			X									X					
CYPRUS																	
Scheme of incentives for the employment of unemployed persons above the age of 50															X		
Redundancy Fund								X									
Unemployment support schemes PEO		X								X							
Training Scheme for the Long term unemployed in enterprises/organizations					X				X						X		
Multi-enterprise Training Schemes					X												
CZECH REPUBLIC																	
Human Resources and Employment Operational Programme		X	X	X	X	X			X	X	X		X	X			
Employment Operational Programme			X	X	X	X			X	X	X		X	X			
Active labour market policies			X									X			X		
ALMP - retraining					X				X					X			
ALMP - socially beneficial job			X											X	X		
DENMARK																	
Senior job												X					
Senior Trade									X	X							
ESTONIA																	
Response service to collective redundancies					X				X	X	X						
Job search counselling									X								
Labour Market Training					X												
Work Placement					X				X	X							
Work-related training and development of adult education					X												
FINLAND																	
National Programme on Ageing Workers	X	X	X	X	X	X										X	
Change security		X	X		X				X	X	X						
Pay subsidy					X					X					X		
Personnel and training plan		X	X	X	X												

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State initiatives supporting the labour market integration of older workers

Name of the instrument	Early retirement	Physical health	Mental health	Flexible work arrangements	Skills development	Recognition of skills	Geographic mobility	Income support	Advice	Matching	Outplacement	Public works	Social enterprises	Self-employment	Employment subsidy	Discrimination	Other
Employer's liability component																	X
Vocational labour market training					X												
Work cycle model		X	X	X	X											X	
FRANCE																	
Employment protection plan				X							X						X
Professional Security Contract					X	X		X	X		X			X			
Generation contract			X							X					X		
Senior short-term contract																	X
Professionalisation contract for persons over 45					X				X						X		
Single inclusion contract					X				X								
GERMANY																	
Integration subsidy 50+															X		
Company integration management	X	X	X	X													
Transitional short-working time allowance in a transfer agency			X		X			X		X	X						
Training programme for low-skilled and older employees					X												
Education voucher					X												
GREECE																	
Employment of unemployed people aged 55-67										X		X					
Quota for collective redundancies for workers aged 55-67																	X
Enterprise subsidy scheme for the employment of 15,000 particularly disadvantaged unemployed people aged over 50													X		X		
Consultative and training activities throughout the country for executives of bodies of the sectoral social partners	X				X											X	
Part-time employment in public sector bodies				X													
HUNGARY																	
Pre-retirement job seeking								X									

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assistance																	
Job protection action plan															X		
Sheltered age																	X
Trial of work					X				X	X					X		
Start extra										X					X		
IRELAND																	
European Globalisation Adjustment Fund									X					X			
JobsPlus										X					X		
Intreo									X	X	X						
Back to Work Enterprise Allowance														X			
Back to Education Allowance					X												
Springboard					X												
ITALY																	
Incentives for hiring unemployed workers' and Incentives for hiring workers over 50-years-old															X		
Facilitated hiring procedures for 'workers over 50															X		
European Social Fund, Welfare to Work				X											X		
Employment Unified Endowment - Relocation and Retraining					X				X		X			X	X		
Interventions to support the reintegration of unemployed persons over 45 through the activation of training placements					X			X									
Incentives for people 'Over 50'					X										X		
LATVIA																	
Labour Law				X												X	X
Services in case of collective redundancy					X				X	X				X			
Support measures for jobseeking					X				X	X				X			
Career consulting									X	X							
Measure for specific groups of persons															X		
LITHUANIA																	

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State initiatives supporting the labour market integration of older workers

Name of the instrument	Early retirement	Physical health	Mental health	Flexible work arrangements	Skills development	Recognition of skills	Geographic mobility	Income support	Advice	Matching	Outplacement	Public works	Social enterprises	Self-employment	Employment subsidy	Discrimination	Other
ESF project 'Support for older unemployed persons'					X		X								X		
Job rotation										X					X		
Public works												X					
Vocational training (voucher system)					X					X							
Support for acquisition of working skills (SAWS)					X										X		
LUXEMBOURG																	
Support for the re-employment of older unemployed people															X		
The professional classification scheme for partially incapacitated persons	X	X	X	X													
Professionalization placement programme					X										X		
Professional reinsertion contract					X										X		
MALTA																	
Employment Aid Programme/Access to Employment (A2E)															X		
European Globalisation Adjustment Fund					X	X			X	X				X	X		X
Rapid Reaction Service (also known as Redeployment Scheme)					X				X	X							
Publicity campaigns supporting older workers			X													X	
Increase of the pensionable age	X																
Mature workers scheme															X		
Community work scheme													X				X
Work programme initiative scheme					X				X	X							
POLAND																	
Exempting employers from an obligation to pay contributions to the Labour Fund and the Guaranteed Employee Benefits Fund (FGSP) for employees in the pre-retirement age															X		
Reducing the number of		X													X		

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sickness days for which the employer pays the sick pay in the case of employees at the age of 50 and more																	
Subsidising remuneration for employing of an unemployed person over 50															X		
Subsidising life-long learning of employees over 45 from the National Training Fund					X				X								
Monitored dismissal in case of planned dismissal of at least 50 employees					X				X		X						
Activation of the Lower Silesian Labour Market			X		X		X		X	X	X			X			
Providing Equal Opportunities on the Labour Market for People 50+		X	X		X	X										X	
PORTUGAL																	
Support for the hiring of unemployed persons with a minimum age of 45 years, by the reimbursement of the Social Single Tax - TSU															X		
Incentive to take up job offers								X									
Programme 'Qualifica'					X	X											
Active life measure – Qualified employment					X	X											
Recognition, Validation and Certification of Competences System – Occupational type					X	X											
Stimulus 2013					X										X		
ROMANIA																	
Access to employment for older workers (55-64)	X				X	X	X		X	X						X	X
Stimulate employers to hire older unemployed	X						X								X		
Social and socio-medical services for the elderly		X														X	X
Additional income after collective dismissal								X	X								X
Compensatory payments and selection criteria for collective redundancies											X						
Prolonging active life	X	X	X													X	
Preventing and combating			X													X	

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discrimination against the elderly																	
SLOVAKIA																	
Strengthening the conditions for receiving early retirement benefits	X																
Exemption from the payment of invalidity and unemployment insurance contributions for pensioners															X		
REPAS projects – retraining courses for job seekers					X												
National project “We want to be active in the labor market”															X		
Contribution to support the employment of disadvantaged jobseekers															X		
Job mobility support contribution							X										
Contribution to self-employment														X			
SLOVENIA																	
Special protection of older workers against redundancy																	X
Partial exemption from employer’s social security contributions for older workers	X														X		
Partial pension	X																
Stricter Access to Unemployment Benefits for Older Workers	X																
Less Favourable Determination of Older Workers’ Rights in Collective Agreements															X		
Active employment policy programme for older workers					X	X			X	X		X		X	X		
Employee Training and Education					X												
Wage guarantees in case of insolvency																	X
Comprehensive Support to Companies for Active Ageing of Employees					X												
SPAIN																	

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Payments to the Public Treasury for collective dismissals which include workers over 50 years of age	X																X
Incentives for hiring in new youth entrepreneurship projects															X		
Bonus for the hiring of workers over 45 years of age in small companies															X		
Partial funding of the salary of newly hired older unemployed persons by means of the subsidy of unemployment								X							X		
PREPARA					X				X								
Plans for the temporary employment of unemployed workers					X					X		X					
Your Job EURES-ESF					X		X		X	X							
SWEDEN																	
The Employment Protection Act																	X
New-start jobs															X		
Payroll tax credit for older workers															X		
Longer period of notice for older workers																	X
Job seeking support											X						
Financial restructuring support (AGE)								X									
UNITED KINGDOM																	
New Deal 50+	X		X	X	X			X	X	X	X			X			
The Work Programme	X			X		X		X	X	X	X						
Sector Academies					X					X							
Unionlearn programme			X		X				X							X	
Mid Life Career Review (MLCR) pilot project			X		X				X								
Business Champion for Older Workers																X	X

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