### Colloque sur l'emploi des seniors

organisé par la DARES

# Conditions de Travail et Formation

### - Comment -Gerhard Bosch, IAQ 14 octobre 2010 Paris



INISTERE DE L'ÉCONOM DE L'INDUSTRIS ET DE L'IMPLOI

MINISTÈRE DU TRAMAIL DE LA SOLIDARITÉ ET DE LA PONCTION PUBLIQUE

- Possible goals of phased retirement
  - Improvement of working conditions for older workers – sometimes targeted at workers with hard working conditions
  - Reduction of of pension shock
  - Increase of retirement age
  - Earlier retirement
- Outcome of Austrian (and also of German) old-age part-time scheme
  - Early retirement
  - No improvement of working conditions and reduction of pension shock – since blockmodel dominated

- Main reasons for this outcome
  - Scheme was not designed to increase retirement age and improve working conditions
  - Allowed block model and started well below retirement age
- No substantial decrease of working hours for older workers in EU
  - in 2004 55-64 year old worked only 1,3hrs less per week than 25- 44 year olds – no change over the last decade

- Phased retirement often takes places after retirement - through combination of pension and small jobs
- Employment rates of 65-69 year old in 2005
  - Men: EU-25 8,2%, DK 22,4%, FR 3,4%, DE
    8,1%, PT 36,3%, SE 20%
  - Women: EU-25 5,4%, DK 7,1%, FR 2,7%, DE 4,7%, PT 21,8%, SE 10,4%
- Sometimes voluntary to reduce pension shock but also to compensate low pensions

- Many good practice company examples of phased retirement to keep workers longer in work and improve working conditions
  - In most cases modest reductions of working hours (for example from 37 to 30 hrs.)
  - High flexibility in form of working time reduction (weekly, monthly, yearly – longer holidays) – often new working time culture required
  - Often financed through collective agreements or working time accounts
- Small working-time-reductions less expensive and less exclusive than drastic change from full- to part-time

#### Main results:

- less older workers in companies with changes in technology and organisation
- More older workers in companies with flat hierarchies
- Further training has positive impact on emplyoment and wages of older workers but negative impact of changes in technology and organization remain
- Age effect probably stronger because of high selection of older workers (many are not employed any more)

Very interesting correlations but caution in interpretation required:

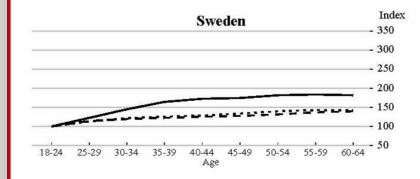
- Study measured employment of older workers only in France
- High probability that unobserved variables are important (like discrimination, many French institutional effects)
- International comparaison needed which shows higher variation than analysis within one country

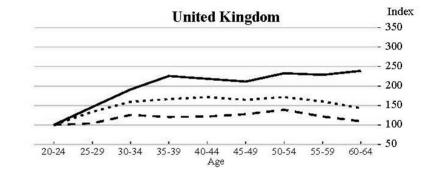
- Substantial variations in employment rates of older workers in general and by skill level across countries
- Possible reasons Differences in
  - Age discrimination
  - Strategies of employers
  - Work organization
  - Institutions: Education and training, pay, health and safety, pension systems etc.

- Main reasons for high employment rates in SE
  - Good basic education and training plus high investments in LLL
  - Low age discrimination
  - No seniority based pay systems
  - Solidarity wage policy reduction of mobility costs
  - Flat hierarchies
  - Proactive health and safety policy
  - High level of gender equality
  - No early retirement policy

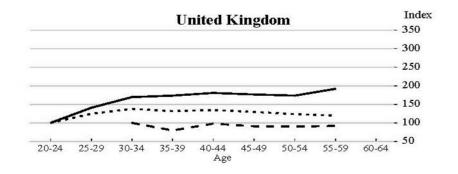
#### The Structure of Earnings by Age and Gender

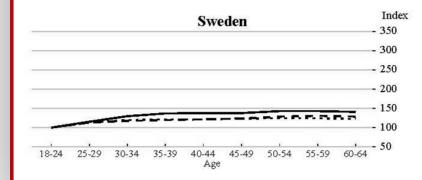




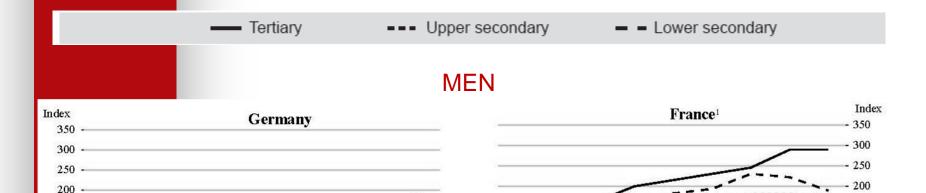


#### WOMEN





#### The Structure of Earnings by Age and Gender





15-24

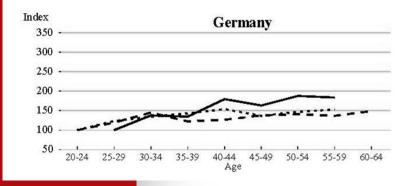
25-29

30-34

35-39

40-44

Age



150 -

100 -

50 -

20-24

25-29

30-34

35-39

40.44

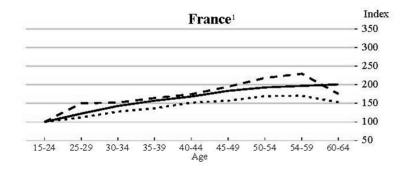
Age

45-49

50-54

55-59

60-64



45-49

50-54

54-59

150

100

- 50

60-64

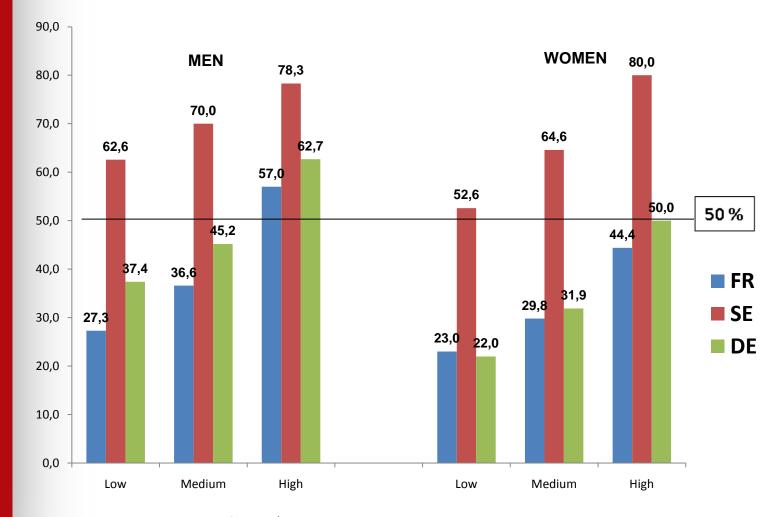
- Are skills becoming obsolete through technological and organizational change?
- Need to differentiate:
  - General skills as languages, mathematics, social skills last a life as long as they are used
  - Broad vocational skills have a long half-life
  - Narrow vocational skills and specific skills have a short half-life

## Participation in Further education and training 2007

	Participation rate in %		Hours of education training per participant
	All	50 years and older	
EU-15	34.6	26.4	71
DK	37.6	32.5	121
DE	43.1	33.7	76
FR	34.1	21.3	57
NL	42.1	33.1	59
AT	39.8	30.7	92
SE	69.4	63.7	73
UK	40.3	35.6	48

source: EU Adult Education Survey

### Employment rate people aged 55-64 by level of education, in 2005



source: Eurostat: Statistic in focus 15/2006