

Policy Approach and the Role of Employers' Organisations and Trade Unions on Demographic Change and the Ageing Workforce: A Case of Germany, Austria and Switzerland

EBERHARD KARLS

UNIVERSITÄT
TÜBINGEN



IIRA 14th World Congress, Lima-Peru 11th – 14th September 2006
Lucy Bangali, Institute for Political Science, University of Tübingen, Germany

Comparision of Austria, Germany and Switzerland

One of the major issues facing all three countries is:

- the ageing of its population,
- the lower birth rates and the decline of younger people
- the high life expectancy.

According to population projections of all three countries, the demographic change will have clear economic and social impacts on the society and its actors by 2050.

Who is an older worker?

According to an OECD definition, older workers are defined as all workers aged 50 and over. With this age, labour market participation rates begin to decline in many countries.

(cf.: OECD Ageing and Employment Policies, 2006)

Objectives of Posters:

Research posters aim at identifying the policy approach of these three neighbouring countries between externalisation und integration patterns of ageing employment.

All countries especially Germany and Austria have in the past extensively used early retirement schemes as an exit path for older workers.

Research figures are based on secondary and primary surveys.

Population ageing is both a challenge and an opportunity.

- It will exert pressure on public expenditures thereby dragging down economic growth.
- But at the same time give the population possibility to spend more rewarding time in retirement.

These challenges need to be properly addressed by improving the labour market situation of older workers through appropriate policies.

At this background, how does the employability of older workers fit in-between the various interests of the state and the social partners to achieve a common goal?

Policy Approach and the Role of Employers' Organisations and Trade Unions on Demographic Change and the Ageing Workforce: A Case of Germany, Austria and Switzerland

EBERHARD KARLS
UNIVERSITÄT
TÜBINGEN



IIRA 14th World Congress, Lima-Peru

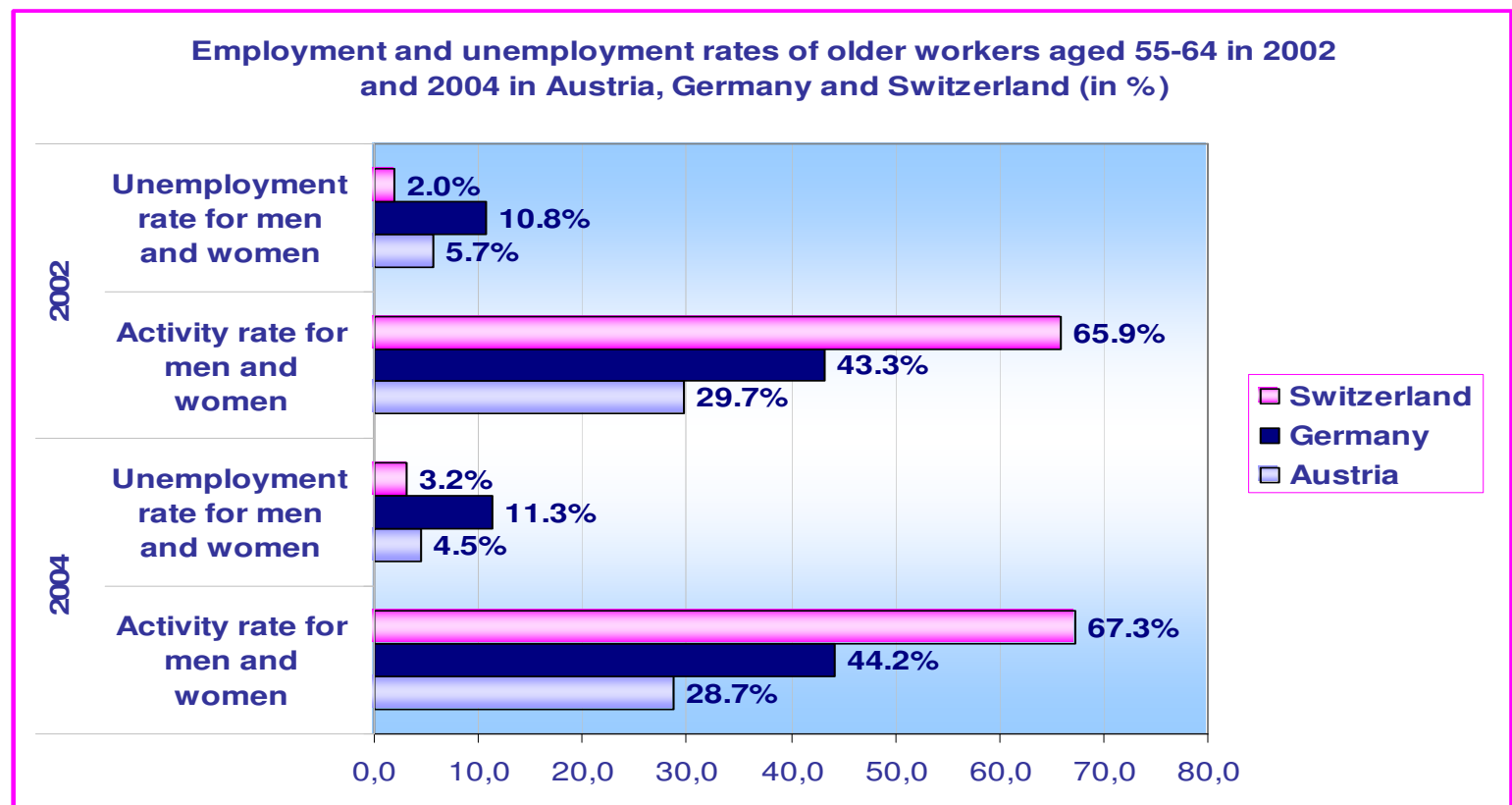
Lucy Bangali, Institute for Political Science, University of Tübingen, Germany

Comparision of Austria, Germany and Switzerland

Austria has the lowest employment rate for older workers aged 55-64 in both 2002 (29.7%) and 2004 (28.7%).

Germany has slightly increased its employment activity rate for older workers aged 55-64 from 2002 (43.3%) to 44.2% (2004).

Switzerland records the highest employment rate and the lowest unemployment rate.



Source: OECD Database on Labour Force Statistics

Comparision of employers barriers to hire and retain older workers

Country	Age discrimination negative attitude	Seniority wage and retirement law	Strict employment protection (EPL)
Austria	Age discrimination is widespread (Anti-discrimination EU directive has been implemented).	Wages for older men after age 40 continue to rise.	—————
Germany	Negative employer attitude – explicit age limit in job offers and adverts (Anti-discrimination EU directive has been passed in the <u>Bundesrat</u> and <u>Bundestag</u> but not yet enacted – to be probably implemented by the end of 2006).	—————	Strict EPL is regarded as the key barrier to hiring older workers.
Switzerland	Legal provisions banning age dicrimination is insufficient. Explicit age limit by job offers and adverts.	Both wage and non-wage costs rise according to age.	—————

Source: OECD Ageing and Employment Policies, 2006.

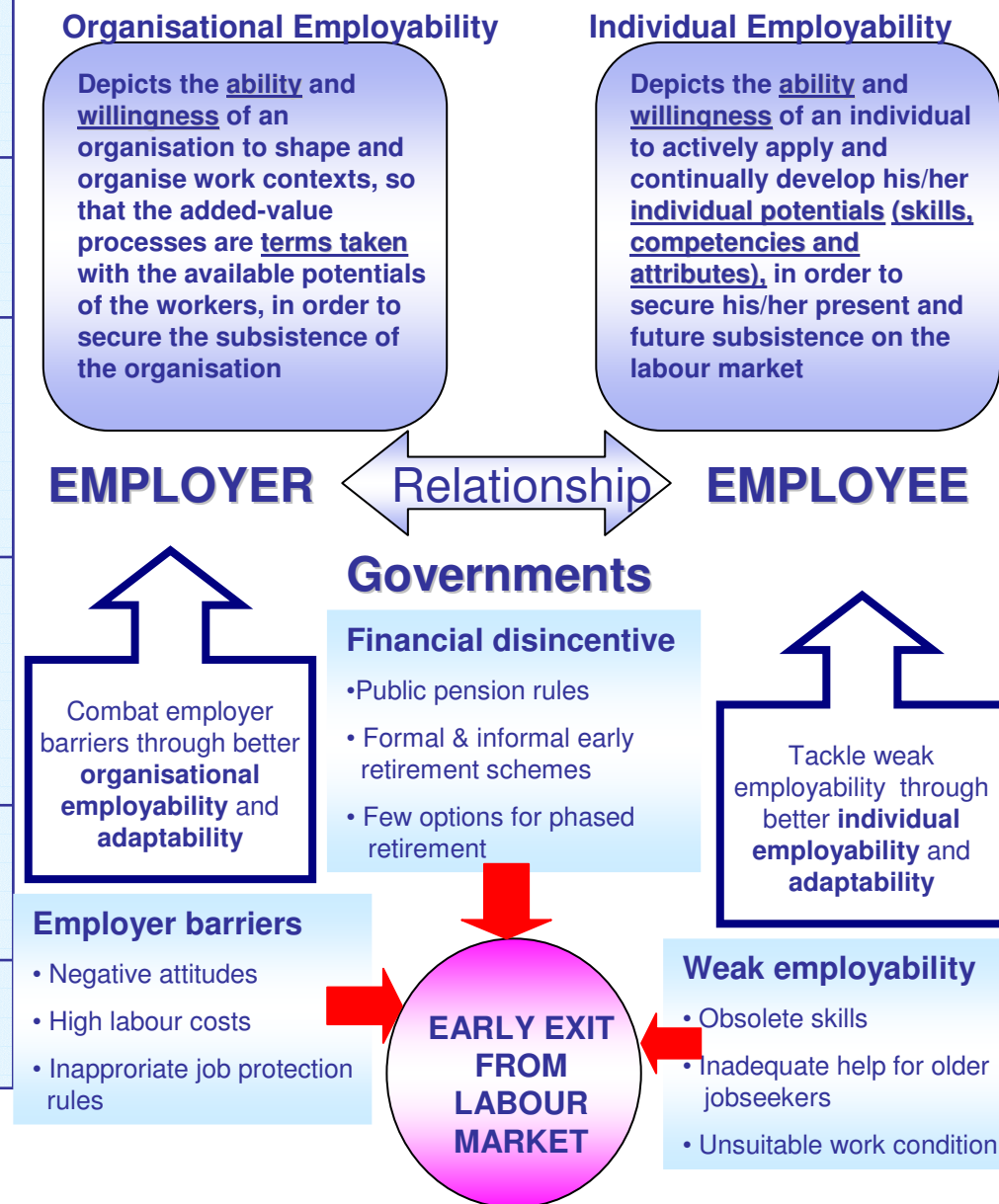
Comparison of Barriers to improving employability of older workers

Country	Low training participation	Inadequate public employment services (PES)	Inflexible schedules and poor working conditions
Austria	Lack of training opportunities, especially for unemployed people.	In the past insufficient focus of PES on older workers.	Inadequate incentives for sickness/disability preventions from employers.
Germany	Low incidence of adult training especially after 50.	Poor employment out comes of PES especially for older long-term unemployed.	Lack of part-time employment opportunities. The Semi Retirement Act (Altersteilzeitgesetz - an old age part-time employment) has been misused.
Switzerland	Participation in training declines after 50.	Older workers are underrepresented in active labour market programmes (ALMPs).	Lack of working time flexibility.

Source: OECD Ageing and Employment Policies, 2006.

Main policies currently affecting older workers in Austria, Germany and Switzerland

Strategic policy approach for the employment and retirement of older workers.	Austria, Germany, Switzerland
EU and national research and development programmes on the issue of age and employment.	EU: Austria and Germany National: All
Pension and social security reforms aimed at removing incentives to early retirement and encouraging longer work life – Gradual retirement schemes.	Austria, Germany, Switzerland
Age discrimination legislation.	EU directive: Austria 2004 Switzerland: (Enclosed in Federal Constitution)
Awareness raising campaigns among employers' associations, trade unions and general public.	Austria, Germany, Switzerland
Employment and training programmes targeting older workers.	Austria, Germany



Externalisation vs. Integration - Two Contradictory Patterns of Ageing and Employment