Policies and Programmes to promote the Silver Economy in Europe

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The European situation: challenges and policies
The Italian situation: focus on the labour market
Active ageing practices within Italian enterprises
Perspectives and conclusions
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The Italian situation: focus on the labour market

Active ageing practices within Italian enterprises

Perspectives and conclusions
Population ageing

- Longevity
- Low birth rate

Changes in intergenerational relationships

Need to offset

Alteration of the life cycle

What dimensions involved?
Main policy drivers before the crisis

- **General measures**
  - Pensions reform
  - Rising of mandatory pension age
  - Reduction of early exit schemes
  - Antidiscrimination measures
  - Life-long Learning measures

- **More specific measures**
  - Incentives for job retention and hiring of older workers
  - Incentives for delaying retirement
  - Flexibility for older workers
  - Awareness raising campaigns

- **Comprehensive approach**
  - Mix of pensions and fiscal incentives + flexibility in working time

Source: Eurofound, Impact of the recession on age management policies (résumé), 22 March 2012
Main policy measures in response to the crisis

- Early retirement reemerged together with reform of partial retirement
- Countries hardly hit by the crisis introduced reforms mainly addressed to financial stability
- National policies do not still seem to influence organization level age management practices

No policy changes in most countries

Source: Eurofound, Impact of the recession on age management policies (résumé), 22 March 2012
Current challenges: suggestions from a project

Project

Central European Knowledge Platform for an Ageing Society
Central Europe Programme
Duration: 2011 – 2013

Project consortium: 13 partners from 8 countries

Austria, Germany, Slovenia, Hungary
Poland, Czech Rep., Slovak Rep., Italy

Main results

Regional Ageing Platforms
Innovative measures/services for SMEs
development of a CENTRAL EUROPE AGE-Strategy

Current challenges identified

Main challenges in Central Europe

- low labour force participation of particular age groups
- adapt governance systems, (pensions, social services, health and care provision)
- changes in family structures
- integration of migrants
- inequality across European regions as well as within regions

The challenges impact differently on territories

Spatial dimensions of the policy challenges

- Low labour force participation of particular age groups
- Adapt governance systems, (pensions, social services, health and care provision)
- Changes in family structures
- Integration of migrants
- Inequality across European regions as well as within regions

Rural areas in Eastern CE

Rural areas in Western CE

Urban CE areas

## Current challenges: focus on employment

<table>
<thead>
<tr>
<th>The challenge matrix</th>
</tr>
</thead>
</table>
| **Rural areas in Eastern CE** | • Lack of attractiveness and capacities of (less affluent) regions in transition economies with often poor infrastructure and few investments  
• Lack of attractive jobs resulting in low labour force participation of particular societal groups (youth, women, older workers)  
• Lack of ICT access  
• Need for increase of human capital (education, life-long learning, training)  
• Gender segregation |
| **Rural areas in Western CE** | • Need for increasing productivity  
• Provision of well-paid job opportunities (e.g. good career prospects for young generation)  
• Lack of and development of skilled workers and training opportunities (e.g. for the use of ICT based services) |
| **Urban CE areas** | • Polarisation of jobs and mismatch between education and jobs  
• Lack of high-skilled workers due to the lack of high-quality and accessibility of schooling as well as of (insufficient) entrepreneurial education (missing talent identification)  
• Need to attract new investors, ensure sufficient numbers of workers at all qualification levels as well as research and innovations experts  
• Lack of knowledge transfer programmes (e.g. from experienced workers to youth, to less skilled, etc.)  
• Gender segregation |

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Positive trends in participation and employment

Source: ISTAT, 2017
Negative trends

- Between the 3° trimester of 2008 and the same period in 2016, unemployed 50-64 grew by 182.2% (unemployed 15-64 grew by 86.3%)

- This trend hit more hardly men (+205.4%) instead of women (+151.5%)

- In 2016 unemployed 50+ represented 16.1% of unemployed in the age class 15-64, (men 18.6% and women 13.3%), while they were 10.6% in 2008

- We still have a large gender gap: employment rate of men 55-64 is 61.7%, while it is nearly 40% among women
Main policy measures before the crisis (1)

Share of ESF support and other funds

Source: ISFOL, Le azioni locali per il prolungamento della vita attiva, ISFOL, 2011

Benefitsary
Main policy measures before the crisis (2)

Push vs Pull factors measures

<table>
<thead>
<tr>
<th>Pull factors</th>
<th>Total</th>
<th>ESF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement of a social environment favourable to gradual retirement</td>
<td>6.1%</td>
<td></td>
</tr>
<tr>
<td>Incentives for flexible contracts</td>
<td>1.2%</td>
<td></td>
</tr>
<tr>
<td>Information on incentives for working life prolongation</td>
<td>6.1%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Improvement of enterprise skills</td>
<td>4.2%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Crisis and firm restructuring</td>
<td>10.3%</td>
<td></td>
</tr>
<tr>
<td>Self employment</td>
<td>0.6%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Demand/offer matching</td>
<td>11.5%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Employability - adaptability</td>
<td>60.0%</td>
<td>83.2%</td>
</tr>
</tbody>
</table>

Source: ISFOL, Le azioni locali per il prolungamento della vita attiva, ISFOL, 2011
Main policy measures during the crisis

✓ Implementation of pension reform of 2011 (higher mandatory age of retirement)
✓ Labour market reform (2012) with hiring incentives for 50+ 
✓ Labour market reform (Jobs Act 2014, 2015) with tax relief for hiring 50+ workers and women, extension of social safety nets etc.
✓ 2016 Stability Law, facilitate the hiring of 50+ unemployed for more than 12 months
✓ 2015 Stability Law, INAIL (National Institute for Insurance against Accidents at Work), task of facilitating the reintegration at work of persons with disabilities originating from their job
✓ INAIL enhance the risk assessment and management of work-related stress
✓ LLL/CVET - System of "Regional networks for learning" (CPIA-education centers for adults; Technical-vocational poles; University; AFAM-Higher Artistic, Music and Dance)
✓ Definition of a "National system of certification of skills" (Legislative Decree n. 13 of 2013).
The impact on organizations: INAPP surveys

### Ageing work force in SMEs

- Investigating solutions adopted for the maintenance, the professional exploitation and the possible reintegration of older workers
- Sample survey on 2,000 private SMEs (except agriculture); 10-249 employees
- Sectors involved: industry, building, services with low added-value and services with high added-value

### Age management in large companies

- Analyze meaningful age management experiences, for facing the ageing of workers and skill obsolescence
- 152 large companies (telephone interview); 8 case-studies (in-depth interviews/focus groups).
- Sectors involved: manufacturing, building, electricity, gas, water and waste management, telecommunications, publishing, information technology, financial services

INAPP, *Età e invecchiamento della forza lavoro nelle piccole e medie imprese italiane*, INAPP, 2017

ISFOL, *L’age management nelle grandi imprese italiane*, ISFOL, 2015
The company observed an increasing of the average age of employees during last years.

Older workers can be considered...

Source, INAPP, 2014
The impact on organizations: SMEs (2)

Attention to 50+ issues within Trade unions negotiations - SMEs (%)

Human resources strategies for age management – SMEs (%)

50+ involved as tutor or coaches within SMEs (%)

Source, INAPP, 2014
The impact on organizations: SMEs (3)

Skills and competences useful in the perspective of a longer working life

- Specific task related skill: 39.5%
- Basic ICT: 25.6%
- Relational skills: 22.8%
- Foreign languages: 21.2%
- Team-working skills: 18.6%
- Specialized ICT skills: 16.9%
- Managerial skills: 16.3%
- Problem solving: 9.9%
- Oral and written communication: 7.9%
- Administration: 4.9%
- Reading, comprehension and basic math skills: 2.4%

Source, INAPP, 2014
The impact on organizations: Large companies (1)

The standard path

1. awareness of the problem
2. analysis of the demographic structure of the company
3. recognition of the mature staff needs
4. design and launching of pilot projects
5. results verification and evaluation for proper corrective actions implementation.

General aim: maintaining the overall company profitability by improving worker’s productivity

Three primary areas of action:
- training
- experience enhancing
- intergenerational dialogue

Elements of strength:
- positive approach
- communication
- convenient aims
- assimilation in plant-level bargaining
- economic sustainability
- monitoring & evaluation
- favorable external environment

Source, INAPP, 2014
The impact on organizations: Large companies (2)

- 16% of companies pay specific attention to hiring 50+ workers (sometimes due to public incentives or CSR of the company)

- 26.3% of companies provide specific training for older workers

- 15% formally plan intergenerational skills transfer by means of mentoring, coaching, tutorship for newly recruited staff or in case of job rotation

- 88% adopt management practices to enhance motivation and productivity of 50+ workers, among which:
  - intergenerational dialogue
  - recognitions and awards
  - people caring and tasks re-design

Source, INAPP, 2014
The impact on organizations: Large companies (3)

Promising practices

Promising practices were mainly addressed to:

- selection and hiring of personnel
- training
- health and safety
- career management
- retirement

Promising Practices
Actions which involved some dimensions, but not recognised yet as age management strategies

Practices focused primarily on career path

Source, INAPP, 2014
The impact on organizations: Large companies (3)

The very best practices

Only a few of the companies (15) provide the entire range of age management practices covering all the dimensions concerned.

Common features:

- Very large enterprises
- More than 30% of workers +50
- Northern part of Italy
- Part of larger corporates
- Mainly in the service sector (e.g. financial brokerage)
- Mission and organization not so much hit by the crisis
- CSR culture
- Innovative
- Skills oriented (training is considered strategic)

Source, INAPP, 2014
A best practice involving SMEs: ‘Flexibly Beyond’ Project

The partnership:

- POLITECNICO CALZATURIERO - project leader
- Formindustria Emilia Romagna - training institution
- Cisita of Parma - training institution
- For.P.In - training institution
- University «BICOCCA» of Milan – Department of Informatics
- University of Ferrara – Department of Economics
- Unioncamere Eurosportello Veneto - Promotional Institution
- CISL/CGIL – Trade Unions

The participants:

- SMEs from Footwear and Textile Sector
- More than 200 45+ workers
- Veneto & Emilia Romagna Regions

Aim of the project:

design and test innovative models of business organization and operational instruments in order to:

- Develop in the manufacturing sector both the business and the value of older workers
- Experiment alternative models of work organization to enhance senior worker and extending their working life
- Convey cultural changes in business environment
- Experiment models for intergenerational transfer of skills and competences

http://www.politecnicoocalzaturiero.it/
‘Flexibly Beyond’ Project: points of strength

- Holistic and «preventive» approach

- Win Win strategy in prolonging working life (envolvement of a lot of stakeholders, considering together Business and workers’ development)

- Cultural change in knowledge management approach: from the controll and ownership of key skills to their production via intergenerational exchange

- New inputs for learning activities: new demands for vocational training and the development of «organizational competences» in order to connect tradition and innovation in a business continuity perspective
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### Activation of the potential: the contribution of AAI

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<tr>
<th>Employment</th>
<th>Participation in society</th>
<th>Independent, healthy and secure living</th>
<th>Capacity and enabling environment for active ageing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Employment rate for the age group 55–59</td>
<td>• Voluntary work by older adults (aged 55+)</td>
<td>• Physical exercise for older adults (aged 55+)</td>
<td>• Life expectancy at age 55</td>
</tr>
<tr>
<td>• Employment rate for the age group 60–64</td>
<td>• Care to children, grandchildren by older population (aged 55+)</td>
<td>• Access to health and dental care (for those aged 55+)</td>
<td>• Share of healthy life expectancy at age 55</td>
</tr>
<tr>
<td>• Employment rate for the age group 65–69</td>
<td>• Care to older adults by older population (aged 55+)</td>
<td>• Independent living arrangements (for those aged 75+)</td>
<td>• Mental well-being (for those aged 55+)</td>
</tr>
<tr>
<td>• Employment rate for the age group 70–74</td>
<td>• Political participation of older population (aged 55+)</td>
<td>• Relative median income (for those aged 65+)</td>
<td>• Use of ICT by older adults (aged 55–74)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• No poverty risk (for those aged 65+)</td>
<td>• Social connectedness of older people (aged 55+)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• No severe material deprivation (for those aged 65+)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Physical safety (for those aged 55+)</td>
<td>• Educational attainment of older people (aged 55+)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Lifelong learning (for those aged 55–74)</td>
<td></td>
</tr>
</tbody>
</table>

“Active Ageing Index project. http://www1.unece.org/stat/platform/display/AAI/Active+Ageing+Index+Home”
also refer to Olga.Kharitonova@unece.org and Prof. Aasghar.Zaidi@soton.ac.uk University of Southampton
Labour market imbalances: a picture from AAI
Common findings

✓ Demographic ageing is still nearly unexplored by Italian companies
✓ Attention on workforce ageing grows by increasing company size
✓ Age management stabilized strategies only found in largest companies
✓ Largest companies have used human resources development to face the crisis
✓ Age doesn’t represent a parameter to determine the worker’s efficiency
✓ Training and skill upgrading play a key-role
✓ In a long-term perspective the development of a working-life cycle and a diversity management approach are envisaged

✓ Companies need tools for demographic checking, age structure analysis, project monitoring and evaluation
✓ Older workers employability requires multidimensional actions both within enterprises organizational settings and in welfare policies
Issues to be still addressed

Move from blocking strategy towards a development approach

Awareness raising
Specific national and local negotiation among social partners
Company welfare mix
Support SMEs

Measures for local labour markets

Tailored active labour market policies
Increase women participation
Address long-term unemployment
Interventions on firm crisis
Fight against irregular work
Improvement of PES
Self-employment measures

Work-related resources availability

Recruitment
Health and safety at the workplace
Career development
Training

Gradual retirement

Organizational flexibility
Intergenerational transfer of knowledge
Private pension schemes sustainability
Work after retirement
The impact of the industrial revolution 4.0

- **Big data**
  - Storage and exploitation of large quantities of information about users

- **Industrial Internet of Things**
  - Web 4.0 - Objects communicate with each other updating their routines

- **Cloud Manufacturing**
  - Flexible and continuous adaptation of industrial production

- **Advanced Automation**
  - Robot and Artificial Intelligence

- **Additive Manufacturing**
  - 3D Print

- **Wearables**
  - Various devices that can be worn
  - Augmented reality

The impact of technologies is not neutral

- **Consequences on the offer side**
- **Consequences on the quality of labour**
- **Impact on welfare**

Source: Dario Guarascio, Stefano Sacchi, *Digitalizzazione, automazione e futuro del lavoro*, INAPP, 2017
Silver economy and the life cycle

We should probably address e reconciliation among the opportunities opened up by technology, in terms of silver economy, and the life cycle.

See also