



OLD HOPELESSLY IN

The role of public policies in supporting the extension of working life

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*European Cooperation in the field of Scientific and Technical Research
- COST Action IS1409: Gender and health impacts of policies extending
working life in western countries*

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*Ministero del Lavoro
e delle Politiche Sociali*



**Programmi operativi nazionali
per la formazione e l'occupazione**

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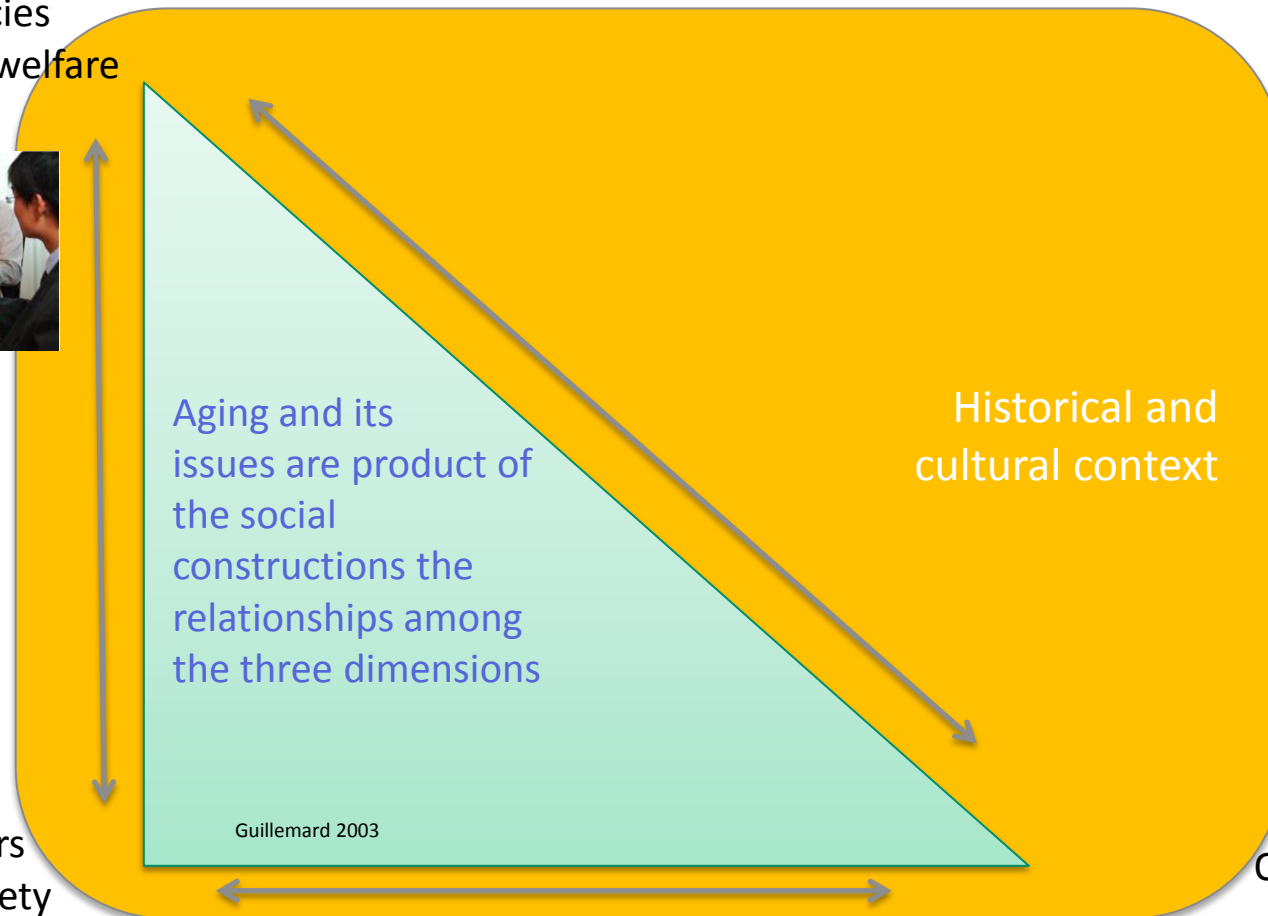
- Public policies and organizations strategies
- The Italian case (before the crisis)
- The Italian case (after the crisis)
- Perspectives of an ageing work-force
- Conclusions and recommendations

HOW PUBLIC POLICIES INFLUENCE ORGANIZATIONS STRATEGIES

Public policies
(employment, welfare
etc.)



Workers
and society



Organizations
and market

HOW PUBLIC POLICIES INFLUENCE ORGANIZATIONS STRATEGIES



- ✓ Public policies and/or social partners negotiation favour the adoption of specific strategies to face (supposed) limited employability of older workers
- ✓ Organizations adopt available strategies

AVAILABLE STRATEGIES



Type of solution chosen	Approach principle	
	Accept limited employability	Remedy limited employability
Financial measures Short term realisation	Replacement strategy (replace older workers partly by younger employees)	Blocking strategy (activate employability by limited use of early retirement funds)
Guiding measures Long-term realisation	Support strategy (stagnation requires measures aimed at suitable employment)	Development strategy (older workers and their managers must learn to improve employability)

Source: Thijssen, Rocco, Development of older workers: revisiting policies, in CEDEFOP, Working and ageing. Emerging theories and empirical perspectives, 2010

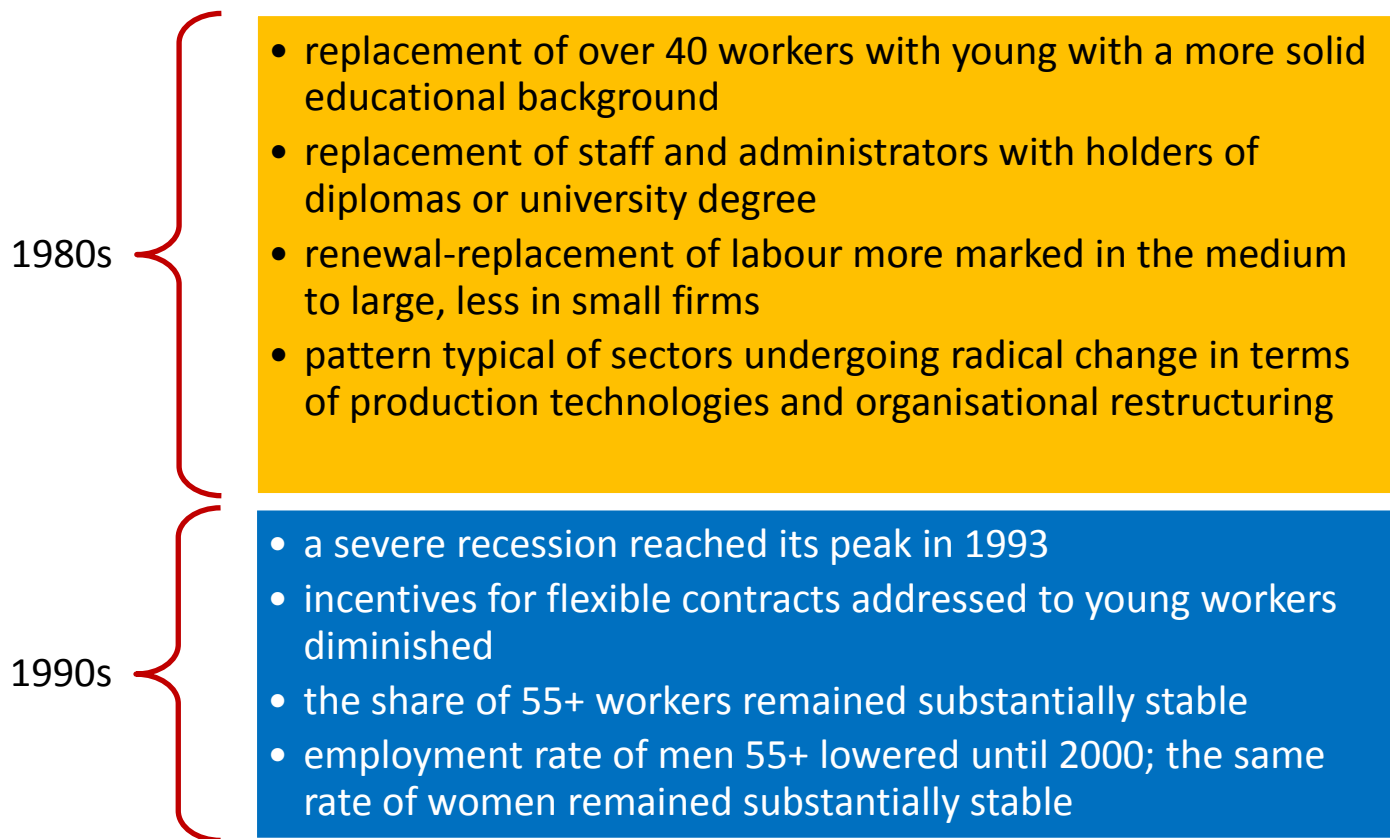
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THE ITALIAN CASE

FIRST PERIOD: PREVALENCE OF REPLACEMENT STRATEGIES

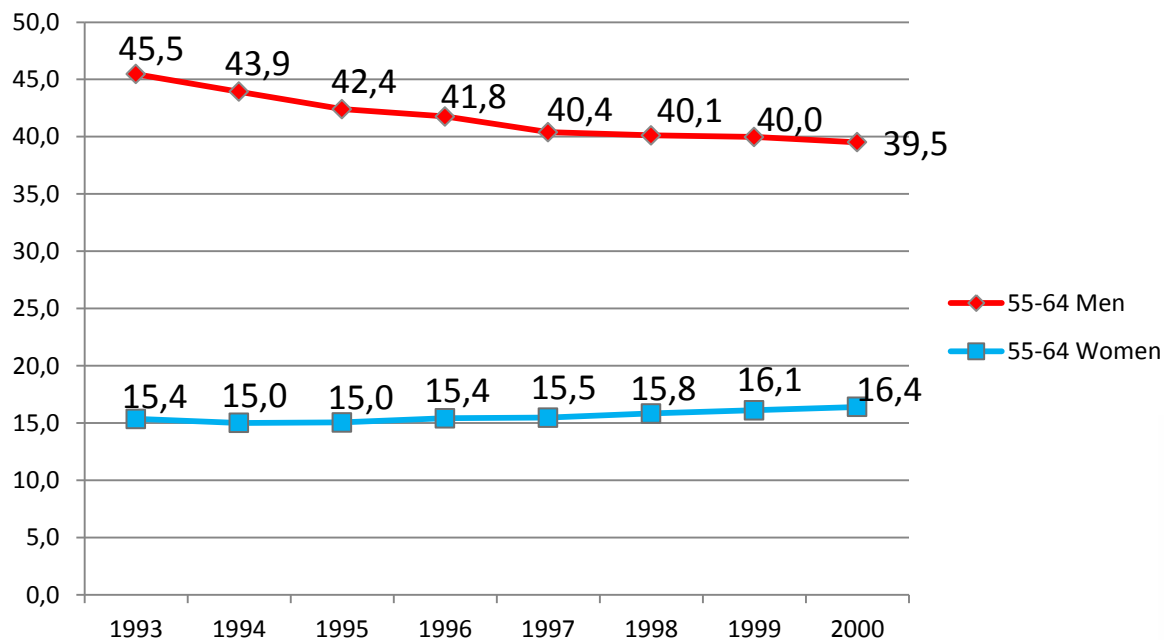


Source: Bruno Contini & Fabio M. Rapiti (1999): 'Young In, Old Out' Revisited: New Patterns of Employment Replacement in the Italian Economy, International Review of Applied Economics, 13:3, 395-415

THE ITALIAN CASE

THE SECOND HALF OF THE 1990s

Employment rate 55-64, by gender



Source: ISFOL elaboration on ISTAT data

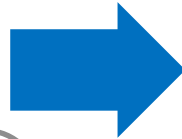


THE SECOND PERIOD: PREVALENCE OF BLOCKING STRATEGIES



Before 2001

- Progressive introduction of flexible schemes for younger workers (since 1984)
- Prevalence of replacement strategy

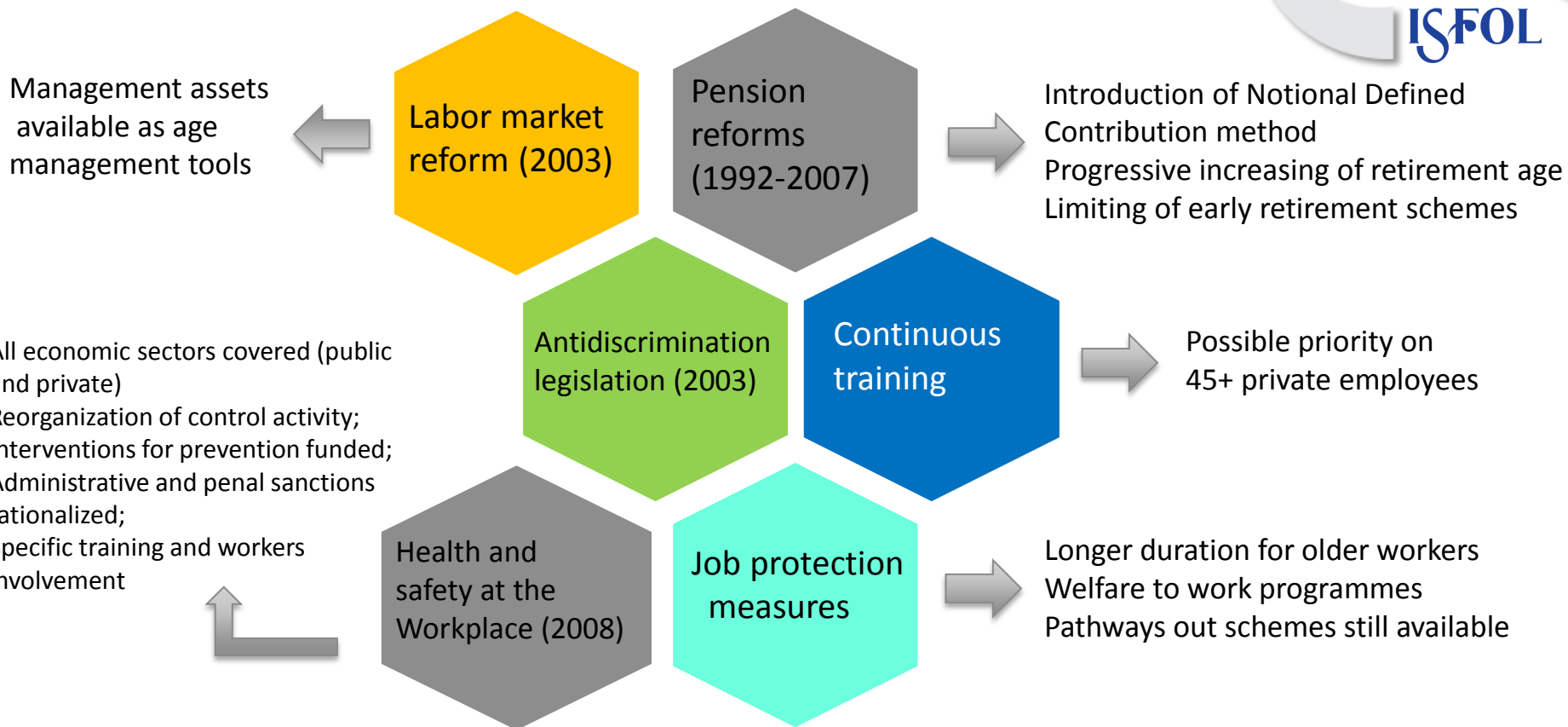


2001 - 2016

- Growing flexibility on the labor market
- Gradual introduction of blocking strategy under pressure of pension system sustainability

Introduction of development strategies with ESF support

MAIN POLICY DRIVERS BEFORE THE CRISIS



THE ESF SUPPORT 2007-2013: IN BRIEF



On one side...

- All the Operational Programmes of all the Italian Regions dealt with active ageing and older workers
- In selected cases the topic was also in pluriennial programmes for work and training
- Many CVET projects targeted explicitly over 45 or over 50 workers
- Economic incentives for hiring older workers and/or the central role of PES were often envisaged
- Almost 60% of the interventions dealing with active ageing was covered by ESF

...on the other side

- Generic identification of target groups
- Large prevalence of interventions addressing employability by means of training
- The spreading of the crisis urged ESF to be reoriented to support job protection measures, on the basis of specific State-Regions agreements



Specific ISFOL survey in 2009

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SOME FINDINGS FROM TWO ISFOL SURVEYS (2014)



Ageing work force in SMEs



 Sample survey on 2.000 private SMEs (except agriculture); 10-249 employees.

Age management In large companies




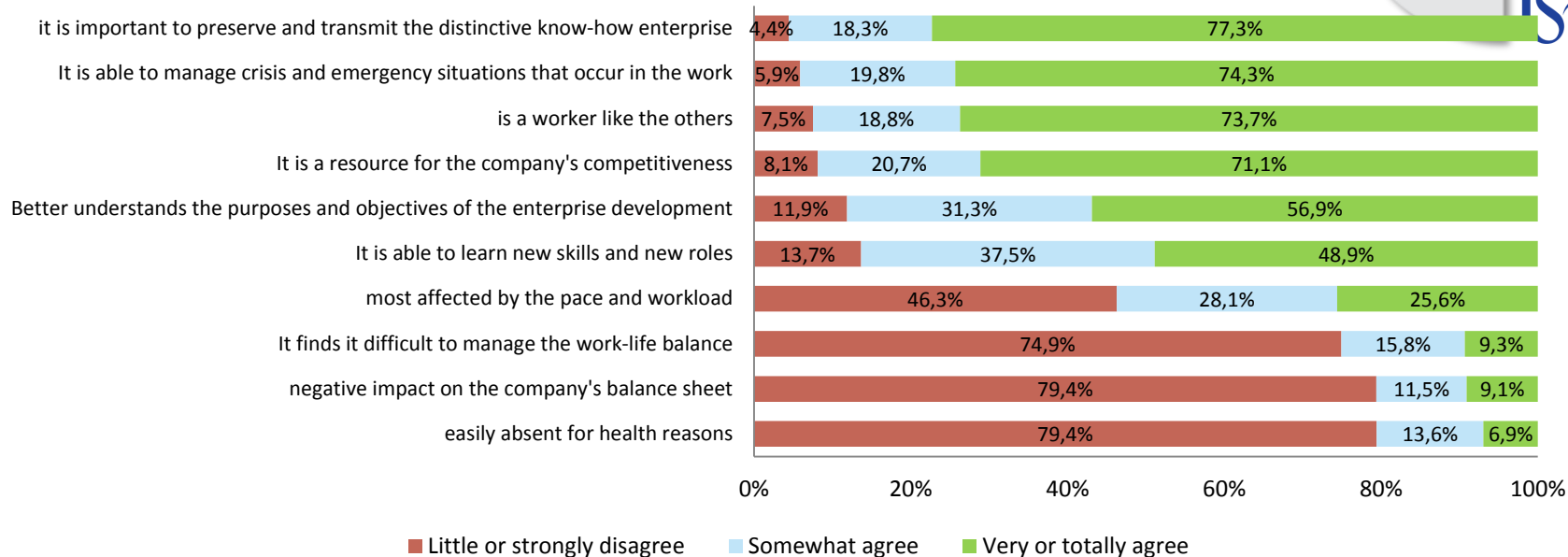
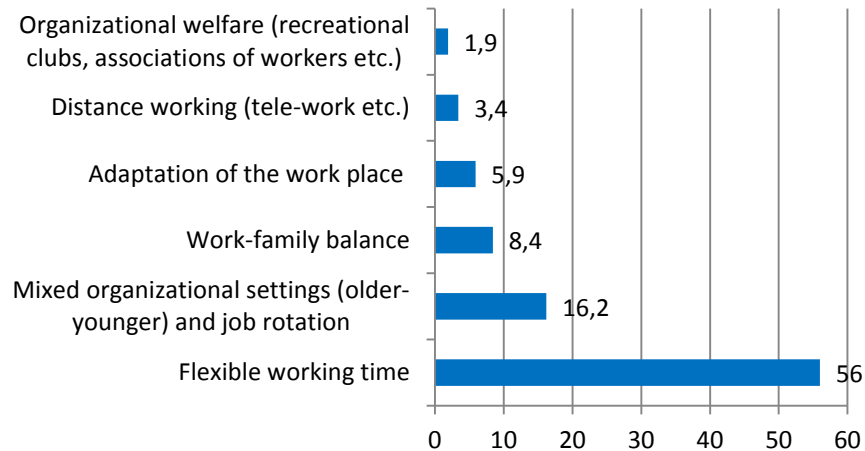
 Sample of 152 large companies , 10% of those working on industry; electricity, gas and water supply; waste management; building; telecommunications, publishing, information technology; financial services.

IMAGE OF OLDER WORKERS AMONG SME

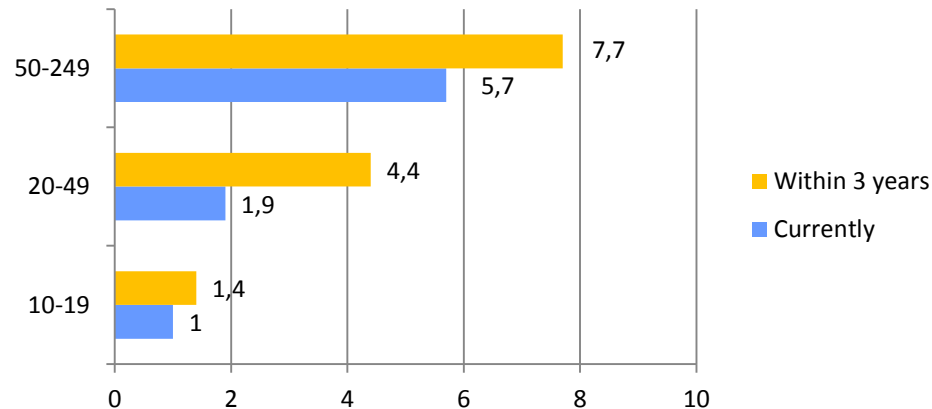


- older workers tend to be viewed as a resource for the "continuity" of the business and its core know-how;
- they are respected according to their reliability and experience, but they don't seem to be perceived as really different from the other workers;
- the organizational context and the working conditions can sometimes make it difficult to exploit their full potential.

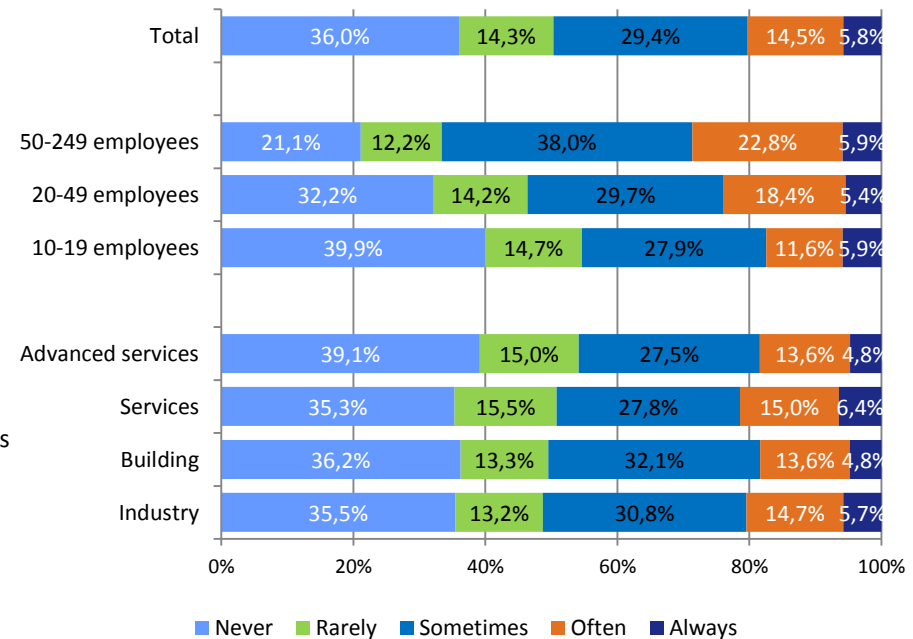
Human resources strategies for age management – SMEs (%) (ISFOL 2014)



Concern of 50+ issues within Trade unions negotiations in the following 3 years - SMEs (%) (ISFOL 2014)



50+ involved as tutor or coaches within SMEs (%) (ISFOL 2014)



AGE MANAGEMENT PRACTICES IN LARGE ENTERPRISES



Prevalence of interventions on:

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



Age management often concentrates on career management

Training is used as a transversal tool

AGE MANAGEMENT PRACTICES IN LARGE ENTERPRISES



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

AGE MANAGEMENT PRACTICES IN LARGE ENTERPRISES

Only a few of the companies provide the entire range of age management practices:

- ✓ Very large enterprises
- ✓ More than 30% of 50+ workers
- ✓ 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)



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CURRENT CHANGES IN THE LABOUR MARKET

(CNEL REPORT 2014)



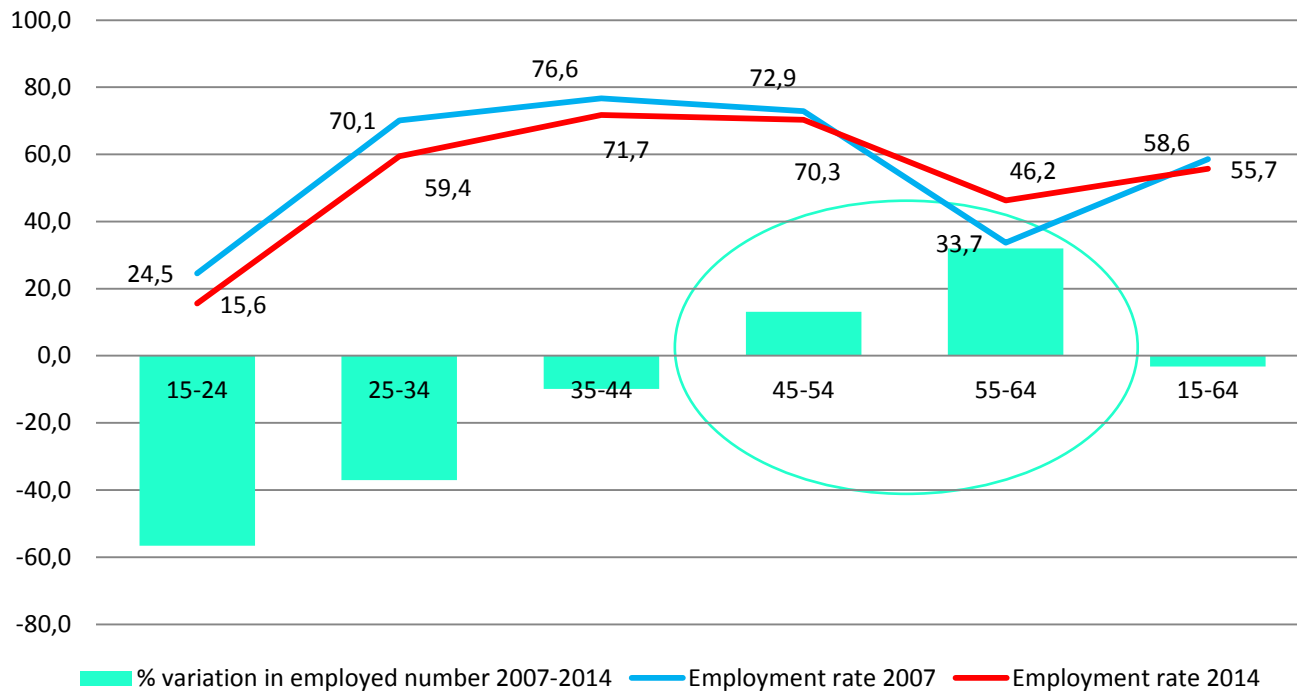
The current growth in participation rate of older workers is probably due to a slowing down in exit for retirement

In 2008, 8% of workers in specific age classes resulted retired.
In 2012 and 2013 this share resulted 4.9 and 6.2 respectively



During last 3 years the share of 60+ persons who declared to be inactive, mainly due to retirement, lowered by 11%

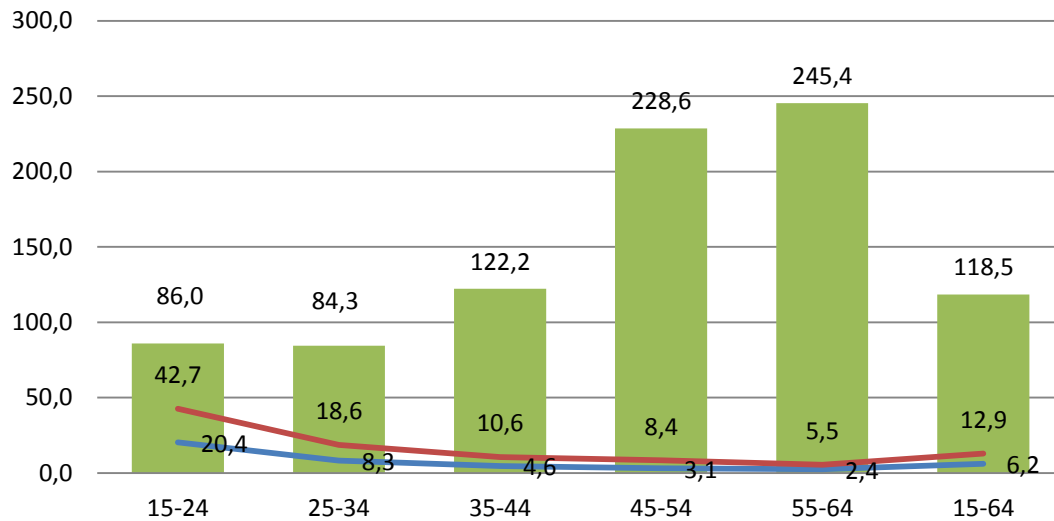
EMPLOYMENT RATE 2007 - 2014



Source: ISTAT, RCFL

- In 7 years, the employment rate of 55+ increased by 12% points, compared to a decreasing trend reported for all the other age classes
- The increase is largely due to the growth in the employment rate of women (from 23 to 36.6, +13,6%)
- Also the absolute number of 45+ workers increased in the same period

UNEMPLOYMENT RATE 2007 - 2014



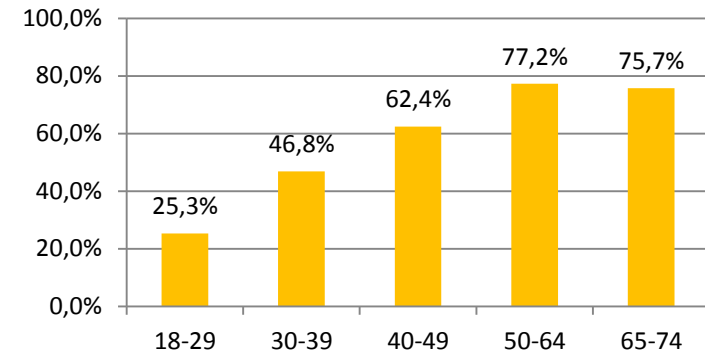
Source: ISTAT RCFL

Percentage variation 2007 compared to 2014

Unemployment rate 2007

Unemployment rate 2014

Source: ISTAT, RCFL

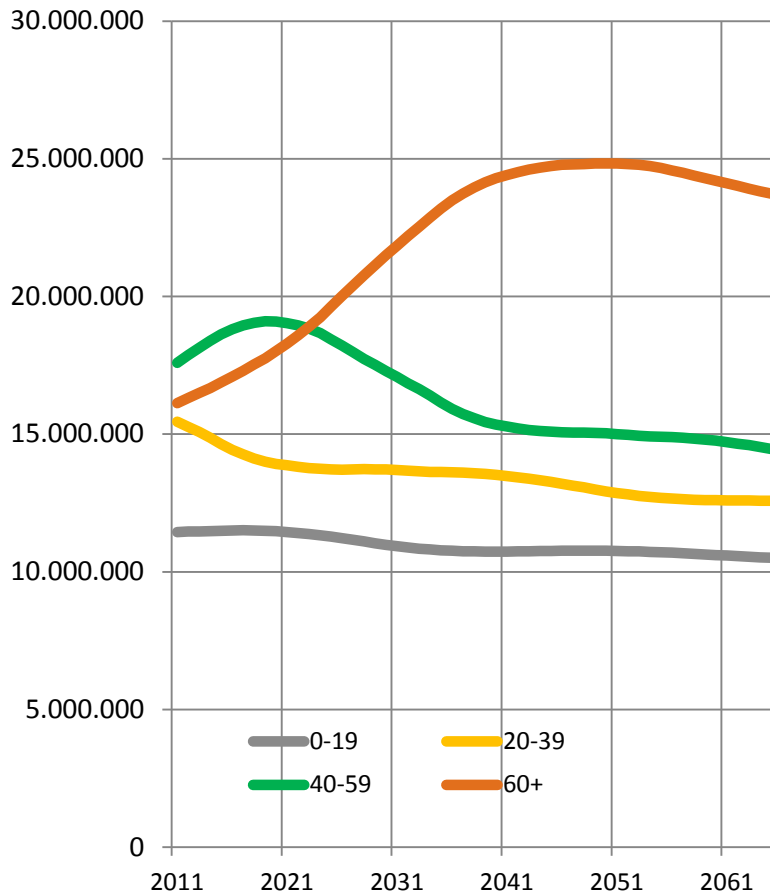


Age as a critical factor in job search among job seekers

Source: ISFOL PLUS 2014

- Relevant growth in the number of unemployed older workers
- Unemployment is already critical for 45 + workers
- Among job seekers, age is considered a critical factor by more than half of the 45+.

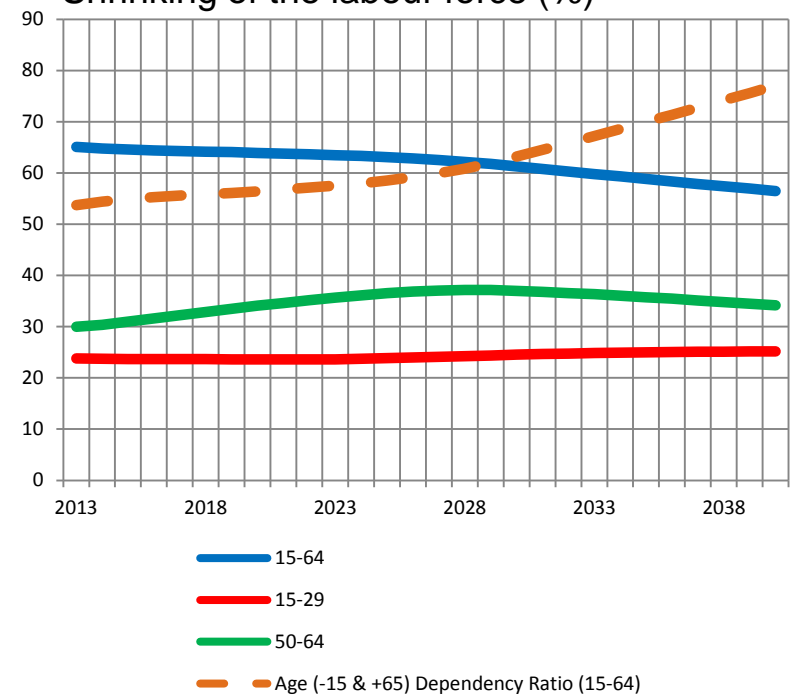
POPULATION PROJECTIONS



Source: ISTAT

Mean age of total population
2014: 44,2
2025: 46,1

Shrinking of the labour force (%)



Source: OECD

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CONCLUSION:

ACTIVE AGEING AND/OR POSITIVE AGEING?



Move from a 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

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



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Thank you for your attention!