

European Agency for Safety and Health at Work

Analysis report on EU and Member State policies, strategies and programmes on population and workforce ageing

Executive summary

Authors:

Alice Belin, Claire Dupont, Yoline Kuipers, Lise Oulès, Elena Fries-Tersch and Athina Kosma (Milieu Ltd.).

Reviewed by Juhani Ilmarinen (Juhani Ilmarinen Consulting Ltd), Gretta Goldenman (Milieu), Richard Graveling and Joanne Crawford (IOM), Maciek Dobras and Piotr Sakowski (NIOM), Lode Godderis (KU-Leuven/IDEWE), Sonja Hagen Mikkelsen (COWI) and Karl Krajic (FORBA).

Edited by Grainne Murphy, Tazio Koelb and Robert Pederson (Milieu Ltd).

Project management: Katalin Sas, European Agency for Safety and Health at Work (EU-OSHA)

This report was commissioned by the European Agency for Safety and Health at Work (EU-OSHA). Its contents, including any opinions and/or conclusions expressed, are those of the author(s) alone and do not necessarily reflect the views of EU-OSHA.

**Europe Direct is a service to help you find answers to
your questions about the European Union**

**Freephone number (*):
00 800 6 7 8 9 10 11**

(*) Certain mobile telephone operators do not allow access to 00 800 numbers, or these calls may be billed.

More information on the European Union is available on the Internet (<http://europa.eu>).

© European Agency for Safety and Health at Work, 2016

Reproduction is authorised provided the source is acknowledged.

Analysis report on EU and Member States' policies, strategies and programmes

Executive summary

This report is an analysis of policy development in relation to population ageing, more specifically the ageing of the workforce in the European Union (EU) and the four European Free Trade Association (EFTA) countries, in the relevant policy areas, including occupational safety and health, public health, employment, education, and anti-discrimination. It also analyses the various factors that play a role in the development and implementation of policies. Finally, it sets out a number of important considerations for future policy direction.¹

The European population has been ageing in recent decades, and this trend is predicted to continue and intensify: by 2040, the proportion of people aged 65 years or over is expected to account for nearly 27 % of the total EU-28 population. At the same time, the working-age population is also shrinking.

These developments have implications for society and socio-economic systems, such as pension systems and healthcare systems, leading to an increase in age-related public expenditure and putting significant pressure on the sustainability of those systems.

Governments throughout Europe have responded to these challenges by reforming pension systems and promoting the labour market participation of older workers. As a result, the employment rate of those aged 55-64 in the EU has been increasing over the past 15 years. However, people in Europe are still retiring before they reach official retirement age. The factors that explain why people leave the labour market before official retirement age are numerous and complex. They can be work-related, e.g. linked to working conditions, attitudes and behaviours in the workplace, or a lack of structures and procedures for vocational rehabilitation and return to work. They can also be individual, e.g. related to a person's health, financial situation, family situation or values. Therefore, policy-makers are faced with a major challenge when designing policies to promote extended working lives, namely how to take into account the many different interrelated factors.

This report was prepared on the basis of country studies carried out by national experts between September 2013 and June 2014, and the results of expert workshops held in 10 Member States (Austria, Belgium, Denmark, Finland, France, Germany, Greece, the Netherlands, Poland and the UK) between March and June 2014.

Concepts and factors influencing policy development

The comparative analysis of countries highlighted a number of factors that influence the development of policies addressing workforce ageing and the extension of working life.

Concepts

A number of concepts and models have emerged over the past 50 years through research into the issue of population ageing and efforts to find solutions to the challenges it poses on the micro level (the individual or worker), the meso level (the organisation or workplace) and the macro level (society). These include concepts such as active ageing, sustainable employability, sustainable work, health-promoting workplaces, well-being at work, work ability, age management. Many of those concepts and terms appear in European policy discourses and initiatives concerning demographic change and some of them form the conceptual basis for policy response to population ageing at European and national level.

¹ This report forms part of the deliverables of a three-year pilot project, initiated by the European Parliament and managed by the European Agency for Safety and Health at Work (EU-OSHA), on the occupational safety and health (OSH) challenges of an ageing workforce, including the rehabilitation of sick and injured workers in Europe. The project aimed to assess the prerequisites for strategies and systems within EU Member States to take account of an ageing workforce and ensure better protection for all throughout the working life.

Demographic development

The population is ageing all over Europe, but the magnitude, the speed and the timing varies across countries. In 2015, across the EU Member States the median age ranged between 36.4 years, in Ireland, and 45.9 years, in Germany, while the median age recorded in Iceland in 2015 (35.8 years) was lower than in any of the EU Member States. In some countries — such as Sweden and other Nordic countries — population ageing may already be slowing down; in others, the process will speed up over the coming decades. It is projected that, after 2040, Latvia and then Romania will have the highest median ages, and most countries in Southern and Central-Eastern Europe are likely to have higher than average median ages.

For a handful of European countries, particularly the Nordic countries and Germany, population ageing has been a concern since the 1970s, when they started to reflect on how to effectively address the related challenges. For many other countries, the question of population ageing has emerged only recently as a potential issue for their socio-economic systems. In 2013, a majority of these countries still had a median age and an old-age dependency ratio (OADR) below the European average.

International influences

The challenges related to population ageing were recognised by key international organisations at an early stage, and there is a considerable body of research and policy documents by the World Health Organization (WHO), the Organisation for Economic Co-operation and Development (OECD) and the International Labour Organization on the issue. International policies and recommendations have influenced policy development in European countries directly and indirectly, shaping EU policies in relation to population and workforce ageing. Recommendations from the OECD on pension reforms and employment policies for older workers are referred to in national strategies, and the WHO's concept of 'active ageing' forms the basis for numerous EU policies and national strategies related to demographic change.

EU policies

A number of EU legislative measures and policies have had an important influence on the development of national policies related to the ageing workforce. The EU occupational safety and health (OSH) and antidiscrimination legislations have played a major role in the implementation of minimum requirements on OSH and age discrimination in employment in the Member States. In the areas of employment and public health, EU policies and initiatives have also influenced national policy development.

The EU 2020 Strategy sets out increasing the employment rate of the population aged 20-64 from the current 69% to at least 75%, including through the greater involvement of older workers, through focusing on employment, life-long learning and skills development, quality of jobs and working conditions. The EU OSH Strategic Framework 2014-2020 also defines addressing the ageing of the European workforce as one of the strategic objectives.

Finally, EU funding and awareness-raising activities have supported the implementation of innovative practices in relation to age management and active ageing at national and local levels.

Economic crisis

The impact of the economic crisis and the subsequent rise in youth unemployment has shifted policy priorities in many European countries towards promoting the employment of younger people, leaving aside considerations related to the ageing workforce. Efforts to improve employability, in particular in relation to vocational education and training, have mostly focused on younger age groups.

National factors

Individual countries' policy development and implementation, in particular with regard to OSH, owe much to their legal and institutional frameworks, themselves shaped by national traditions and historical developments in relation to OSH and social welfare. Mature legal and institutional frameworks for OSH can better respond to new challenges, including those related to demographic change. Such mature frameworks are characterised by:

- Long-standing national laws regulating employers' obligations with respect to OSH and anti-discrimination, pre-dating the adoption of relevant European legislation.
- Well-developed institutional and policy frameworks for OSH:
 - a strong labour inspectorate, with a broad scope of activities, taking an advisory role as well as a traditional enforcement role;
 - a well-established system of occupational health care;
 - participation by occupational insurance institutions in OSH risk prevention and research activities;
 - a strong tradition of OSH research.
- Enduring traditions of social dialogue at all levels and well-established structures for workers' representation.
- Well-established multidisciplinary platforms for stakeholder cooperation in policy development and implementation. During the fieldwork, stakeholders in a number of countries raised their concerns that a growing number of initiatives combined with a lack of an overarching guiding framework can lead to unnecessary duplication of effort or inequalities (e.g. between different regions in countries with a high degree of regionalisation, such as Belgium or Germany).

Policy responses to population and workforce ageing

European countries have developed a variety of policies, programmes and initiatives in the fields of employment, social affairs, public health, social justice and vocational education to address the challenges posed by an ageing workforce and the need to extend working life. The analysis of the countries' policy development allowed the grouping of countries into four clusters based on a number of criteria, such as the scope and overall orientation of the policies developed, the level of integration and coordination across policy areas and stakeholders, and policy implementation.

- The first group of countries consists of Croatia, Cyprus, Greece, Iceland, Lithuania and Romania. This group is diverse in terms of population ageing and economic situation. The common feature is that population and workforce ageing and the related challenges for workplaces have not been the main priority for policy development for various reasons. The countries were hit hard by the economic crisis, and some of them still suffer from the consequences, such as high unemployment and poverty, explaining a different focus for policy development. Some, such as Iceland and Cyprus, have a young population; in addition, in Iceland the effective retirement age is higher than the official retirement age and the employment rate of older people is very high. However, pension reforms have been carried out in all these countries, and in countries with an older population the focus is on increasing the labour market participation of older people by raising the retirement age and restricting access to early retirement, as well as on economic incentives to employ older people.
- The second group of countries consists of Bulgaria, the Czech Republic, Estonia, Hungary, Ireland, Italy, Latvia, Luxembourg, Malta, Poland, Portugal, Slovakia, Slovenia, Spain and Switzerland.

This group is large and very diverse as regards demographic development and economic situation, including countries such as Ireland, which has one of the youngest populations in Europe, and Italy, which has one of the oldest. Some of the countries in the group had a relatively young population until recently but will be facing rapid ageing in the upcoming decades, with the OADR more or less doubling by 2060.

These countries have in common that policies related to workforce ageing have mainly focused on increasing older workers' labour market participation through pension reforms and employment measures, but they also include elements addressing working conditions and OSH, training and lifelong learning, or the employability of older workers. Rehabilitation systems

mostly focus on people with disabilities or, in certain cases, people who have experienced an occupational accident or illness, and their scope is in general limited to medical rehabilitation. Some cross-policy work takes place, although it remains limited.

- The third group of countries consists of Austria, Belgium, France, Norway and the UK.

Countries in this group have a relatively old population, and population and workforce ageing and the related challenges are a policy priority. There have been initiatives in several policy areas, covering employment, public health, education and OSH. The role of working conditions and OSH in prolonging working life has been recognised, and these countries have developed comprehensive measures to promote the employability of older workers and address working conditions and safety and health at work in a holistic way, including promoting vocational rehabilitation and return to work. Concepts such as ‘age management’ and ‘work ability’ are frequently referred to in policy documents; they are well known and implemented in practice. In general, social dialogue plays an important role in policy development and implementation.

- The fourth group of countries consists of Denmark, Finland, Germany, the Netherlands and Sweden.

Population ageing started relatively early in these countries and tackling the related challenges has been a policy priority for longer. The countries have developed an integrated policy framework to address the consequences of the ageing and shrinking of the workforce, covering all relevant policy areas and establishing formal coordination structures, with concerted implementation. The aim is to promote sustainable working life and employability, taking a life-course perspective. The policies are based on concepts such as sustainable work, sustainable employability, well-being at work or new quality of work, all of which entail a holistic approach. The policy framework is implemented through 7 specific programmes and actions coordinated across policy areas, and involving a wide range of stakeholders. Social dialogue and collective agreements play an important role in policy development and implementation.

As in many other policy areas in the EU, there is no ‘one size fits all’ model for a policy response in relation to the ageing of the workforce. European countries have demographics that are changing in different ways, and they are at different points in the policy development process. Therefore, their actual needs differ. The transfer from one country to another of broad policy initiatives related to the ageing of the workforce and the extension of working life is likely to be difficult, given the complexity and specificity of these policies. However, many of the policies identified have in common a number of core characteristics that lend themselves to adaptation to each country’s unique needs.

Policy-relevant findings

At national level

Despite the different contexts in terms of demographic development, economic situation and national systems across European countries, there are a number of policy elements and measures introduced in particular countries that could be applicable to national policy development elsewhere.

Policy frameworks

National policy frameworks have an important impact on the policies and practices enterprises develop in relation to an ageing workforce and they can support effective age management at company level, comprising:

- training and skills development;
- career development;
- flexible working time and work–life balance;
- OSH and working conditions;
- knowledge transfer;
- health promotion.

National governments have a key role in creating an environment supportive to age management and active and healthy ageing. Population and workforce ageing is a cross-policy issue and the challenges can be addressed in an efficient way by integrating the concept of active ageing into all relevant policy areas. This includes:

- flexible retirement policies allowing gradual retirement and the combining of work and pension, and including financial incentives to carry on working;
- promoting equal treatment in employment, removing age barriers and eliminating age discrimination;
- removing disincentives for employers to hire older workers;
- improving structures for adult education, vocational training and skills development, and promoting lifelong learning;
- creating systems for vocational rehabilitation and reintegration into labour market;
- promoting work–life balance and consolidation of work and family by developing child care and elderly care, as well as by supporting carers;
- strengthening occupational health care and introducing periodic health examinations for workers over 45 to detect problems at an early stage and allow for the development of early interventions;
- improving data collection on health, disability and absenteeism according to age, gender and occupation to support policy development and in order to develop solutions;
- focusing efforts to reduce health inequalities on the most problematic sectors and occupations and the most disadvantaged groups in the labour market;
- training occupational healthcare personnel, labour inspectors and OSH experts in issues relating to ageing and work;
- strengthening health education and health promotion as part of efforts to shift the focus from cure to preventive actions;
- promoting the concept of solidarity between generations and making efforts to change attitudes towards older people.

Supporting actions

The implementation of the policies described above can be promoted at national level through technical and financial support and through awareness-raising activities.

All relevant stakeholders should be involved in the development and implementation of integrated policy frameworks. Critical partners include social partners, labour inspectors, and other intermediaries, such as local governments, occupational insurance organisations, OSH external advisory services, non-governmental organisations, etc. The creation of formal structures for stakeholder coordination (e.g. stakeholder networks) facilitates collaboration and the efficient implementation of policies.

The needs of micro and small enterprises

Particular attention should be paid to the situation of micro and small enterprises. In line with the objective of the EU Strategic Framework on Health and Safety at Work 2014-2020, support should be provided specifically to micro and small enterprises. This support might include specific funding schemes, guidance, e-tools and awareness-raising activities.

At EU level

The review of policies developed at national level to address demographic change shows that the EU legal and policy framework is a driver for action in Member States.

OSH legislation

The current OSH legal framework is based on the principle of adapting the working environment to the needs and abilities of each individual worker, which provides a basis for taking into account diversity in risk assessment and OSH management in general.

The EU Strategic Framework

Tackling demographic change is identified in the Strategic Framework on Health and Safety at Work 2014-2020 as one of the challenges for OSH. The Framework refers to the importance of sustainable working life and, as a prerequisite for it, the need to promote safety and health at work and create a culture of prevention. It also emphasises the importance of lifelong employability. The review of the Framework, which is to take place in 2016, will offer an opportunity to propose more specific EU-level actions to address OSH in the context of an ageing workforce.

Mainstreaming age considerations into different policy areas

The ageing of the population and workforce affects many different policy areas. Cross-policy coordination at EU level is critical for the implementation of successful policies.

- Employment and economic policy recommendations on the reform of social security and pension systems should better acknowledge the potential consequences of pension reforms and raised retirement ages for workers and their health.
- Public health policies related to the ageing population should better acknowledge the impact of work on health and work as a social determinant of the health.
- The large number of court cases on the application of Article 6(1) of the Employment Equality Directive suggests that there is a need for more guidance on what can be considered equal treatment.

Supporting actions

- Guidance and tools should be developed and disseminated to support the development and implementation of national policies on sustainable working lives and return-to-work systems.
- The establishment of a specific platform to foster exchange of knowledge and good practice should be considered.
- EU-wide statistical data collection on health at work and sickness absence caused by occupational and non-occupational health problems should be improved.
- EU funding mechanisms such as the European Social Fund, the European Structural and Investment Funds and the EU Programme for Employment and Social Innovation, as well as lifelong learning programmes funded by the EU, should further promote age management and active ageing funded by the EU, should further promote age management and active ageing.

The European Agency for Safety and Health at Work (EU-OSHA) contributes to making Europe a safer, healthier and more productive place to work. The Agency researches, develops, and distributes reliable, balanced, and impartial safety and health information and organises pan-European awareness raising campaigns. Set up by the European Union in 1994 and based in Bilbao, Spain, the Agency brings together representatives from the European Commission, Member State governments, employers' and workers' organisations, as well as leading experts in each of the EU Member States and beyond.

European Agency for Safety and Health at Work

Santiago de Compostela 12, 5th floor
48003 Bilbao, Spain
Tel. +34 944794360
Fax +34 944794383
E-mail: information@osha.europa.eu

<http://osha.europa.eu>



Publications Office