



## Foundation Findings

Drawing on experience –  
Older women  
workers in Europe



European Foundation for the Improvement of Living and Working Conditions

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# The policy background



## EU targets for women in employment

Increased life expectancy and a falling birth rate across Europe present a growing challenge of demographic change in both the workplace and society. The European Union's response has produced a wide variety of policy initiatives. The Lisbon European Council of 2000 agreed a new strategic goal for the European Union, aimed at boosting employment, furthering economic reform and improving social cohesion in a move towards a knowledge-based economy. It stated that the overall aim of employment and economic policies should be to raise the employment rate to 70% by 2010 and to increase the proportion of women in employment to 60% by 2010. Following on from that, the Stockholm European Council of 2001 agreed to 'set an EU target for increasing the average EU employment rate among older women and men (55–64 years) to 50% by 2010' (with a target rate of 40% for women). The 2002 Barcelona European Council reinforced the Stockholm target by concluding that 'a progressive increase of about five years in the effective average age at which people stop working in the European Union should be sought by 2010'.

The Lisbon, Stockholm and Barcelona targets are enshrined in the European Employment Strategy, which aims to 'create more and better jobs'. The general aim is to increase labour market participation for all groups of workers and to reduce inequalities, including those relating to age. The new employment strategy explicitly includes promoting active ageing in the sense of increasing labour force participation and facilitating employment for more years.<sup>1</sup>

## Confronting demographic change

The joint report from the Commission and the Council on increasing labour force participation and promoting active ageing puts forward a life-cycle approach. The importance of a global approach to the 'working life cycle' and the need to develop new forms of solidarity between the generations based on mutual support and the transfer of skills and experience is clearly stated also in the EU Green Paper, *Confronting demographic change: a new solidarity between the generations*. In light of the limited progress achieved so far in reaching the Lisbon and Stockholm targets, the European Council

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<sup>1</sup> European Commission, *Integrated guidelines 2008-2010*, 2008.

decided in 2005 to relaunch the Lisbon Strategy and refocus priorities on economic growth and employment. As part of this effort, the new employment guidelines for 2005–2008 acknowledge a serious risk to the long-term sustainability of the EU economy and call for measures that can raise employment rates and labour supply, along the lines already put forward in the Lisbon strategy.

The Commission followed up its 2005 Green Paper with a communication issued in 2006, *The demographic future of Europe – from challenge to opportunity*. This examines the possibilities for Europe to confront the demographic challenge by drawing on the renewed Lisbon strategy for growth and jobs and the Sustainable Development Strategy; it also highlights the importance of active ageing, the banning of age discrimination and the improvement of lifelong learning to make people seriously consider working longer.

### **Solidarity between the generations**

The debate on the need to strengthen solidarity between the generations is further extended by the Commission through its 2007 communication, *Promoting solidarity between the generations*, aimed at encouraging Member States to face the demographic challenge and to achieve a better work–life balance. The Commission clearly states that the balance in European societies depends on a set of intergenerational relationships that are more complex than in the past. Equality between men and women, and equal opportunities in general, would therefore appear to be key conditions for establishing a new intergenerational solidarity. National family policies can strengthen solidarity between generations by encouraging a better response to the needs of families regarding childcare and care for dependents, as well as a more balanced distribution of family and domestic responsibilities. The anticipated outcome is a better quality of life for all, including families. The new orientations for

family policies will also contribute to growth and employment, notably by facilitating women's participation in the labour force.

### **Equality between women and men**

Equality between women and men has been one of the fundamental principles of the European Union from its inception. Despite the fact that gender equality is embedded in the Treaty establishing the European Union and in many EU policies and European law, as well as having been enforced by the European Court of Justice for several decades, gender inequalities are still widespread within EU Member States. This is the main reason why efforts to reduce gender inequalities have intensified over the past few years. Recent initiatives in this regard include:

- ➔ the publication by the European Commission of an annual report (since 2004) on developments in gender equality by the European Commission;
- ➔ the adoption in 2006 of the *Roadmap for equality between women and men* for the period 2006–2010;
- ➔ the European pact for gender equality (from a European Council meeting on 23–24 March 2006);
- ➔ the 'European Year Of Equal Opportunities For All' with gender being addressed as one of several underlying causes of discrimination in 2007;
- ➔ the establishment of the European Institute for Gender Equality (Council Regulation of 20 December 2006).

Some of the labour market deficiencies in relation to gender equality, such as the underrepresentation of women in labour market policy measures, may possibly be remedied by political intervention alone. Other shortfalls will require the support of the social partners – for instance, making working time arrangements more flexible, to allow for a better work–life balance.<sup>2</sup>

<sup>2</sup> Trinczek, Rainer, Eurofound, *Working in Europe: Gender differences*, Luxembourg, Office for Official Publications of the European Communities, 2008.



## Key findings

- Older women workers represent an increasing proportion of the workforce in the European Union, especially in the 55–64 years age group. Employment rates for older women workers have been increasing in Europe.
- Older women workers tend to work part time and a higher proportion are on temporary contracts; women aged 55 years and over are much more likely to be working on insecure contracts than men of the same age.
- The gender pay gap still exists for both older and younger women workers.
- Women are still concentrated in certain occupational groups, such as care workers, clerical workers and service and sales workers.
- The likelihood of a woman being a boss is highest in the 55+ age group.
- Older women are more likely than men to play a dual role of both working and caring, if there are care responsibilities in the family.
- Only a small proportion of companies pay specific attention to gender and there is little evidence that gender considerations have become more prominent over time. However, with the rise in the employment rate of older women workers, some companies have introduced specific policies to improve the working life of their older women workers and increase their level of recruitment.
- Women are still retiring earlier than their male colleagues. But this situation may change in coming years with the growing need to keep older people longer in the workforce.



# Exploring the issues



## Situation of older women workers in Europe

In 2006, the average employment rate for the EU rose by almost 1.0 percentage point to 64.3%. The employment rate for women rose by 1.1 percentage points to 57.1%, while that for men rose by a slightly more moderate 0.8 percentage points to 71.6%. As a result, the gender gap in employment rates in the EU narrowed further between 2005 and 2006, falling by 0.3 percentage points to 14.5 percentage points. For older people (aged 55–64 years) the employment rate rose again substantially by 1.3 percentage points to 43.5%, having increased by 1.5 percentage points the previous year. Despite improved progress in 2006, the overall, female and older workers' employment rates were still more than 5.0, 3.0 and 6.0 percentage points below the respective Lisbon and Stockholm targets for 2010.

Employment rates for women remain substantially below those for men in most of the EU Member States, despite the continuing

reduction in the disparity between male and female employment rates. Large gender differences of around 20 percentage points and more persist in Cyprus, Greece, Ireland, Italy and Spain, while in Malta the gap is almost 40 percentage points, reflecting the fact that only one in three women of working age is in employment. Only Bulgaria, Denmark, Estonia, Finland, Latvia, Lithuania, Slovenia and Sweden show a gender disparity of less than 10 percentage points. As for the older segment of the labour market, Sweden, by a wide margin, continues to have the highest employment rate for workers aged 55–64 years in the EU. It is also the only country where the employment rate of older workers is close to that of the overall employment rate (69.6% compared with 73.1%). At the other end of the spectrum are a number of new Member States – Hungary, Slovakia, Slovenia, Malta and Poland – where only up to a third of older people hold a job. Low rates are also recorded for Belgium, Italy and Luxembourg.<sup>3</sup>

## Gender differences

Data from recent Eurofound and Eurostat publications show that considerable gender

<sup>3</sup> European Commission, *Employment in Europe 2007*



differences remain in relation to work. While it is true that women have caught up in terms of educational qualifications and have increased their employment rate, family responsibilities are still the main reason for women's above-average inactivity rate. Women also continue to be more concentrated in certain economic sectors. Moreover, a gender-based entrepreneurial gap remains and women remain underrepresented in labour market policy interventions.

Differences in quality of work and employment between men and women are evident throughout Europe. Moreover, women tend to be concentrated in certain sectors and the vast majority of part-time workers (generally less well paid) are female. Because of this, women are often not covered by collective agreements in which yearly wage increases are negotiated for full-time workers. The gender pay gap results in further negative consequences for women, which accumulate over time: lower wages over a lifetime, combined with shorter contribution periods (due to taking time out of employment to care for children and elderly relatives), translate into lower pension contributions and lower pensions at retirement. In addition, more flexible working arrangements may in some circumstances lead to lower levels of access to supplementary pension schemes. Although social partners in some countries have taken action to promote greater gender equality, the issue deserves to be higher on the collective bargaining agenda.<sup>4</sup>

### Female employment rates

Female employment rates in Europe are increasing, due in part to the jobs growth in the services sector. Female employment is concentrated in selected sectors. According to the fourth *European Working Conditions Survey*, women predominate in domestic services in private households (82%), health (79%), education (72%) and other community, social and personal services (59%). Men constitute the majority of the workforce in

construction (89%), electricity, gas and water supplies (80%), transport and communications (73%), manufacturing (69%) and agriculture (63%). Women generally work part time more than men and this is also the case for older women workers. Furthermore, female workers aged 45 and over hold a higher proportion of temporary contracts than their male colleagues; in addition, female workers aged 55 and over are more likely to work in insecure jobs than men (see Figures 1, 2 and 3).

### Part-time employment

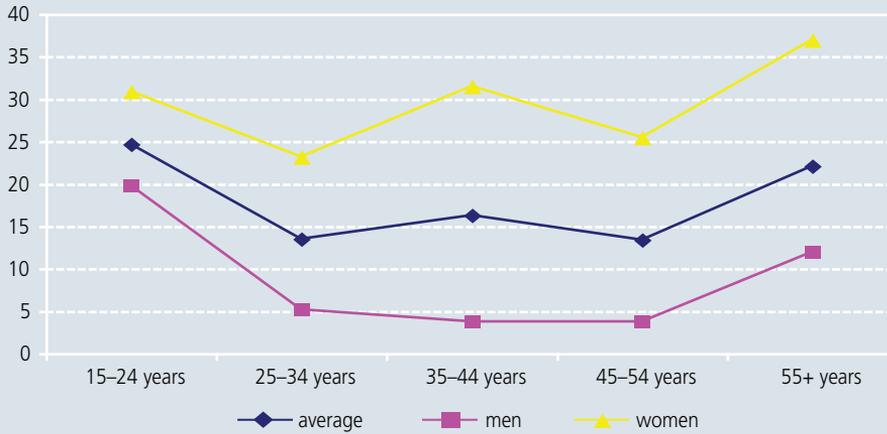
The incidence of part-time jobs is higher among young people (24.7%), declines to around 13% as age increases, rises slightly again among those aged between 35 and 44 years to 16.3%, falls to 13% in the 45–54 years age group, and rises again in the oldest age group to 22%, where more than one out of five workers holds a part-time job (22.1%). When plotted on a graph, this forms a 'U' shape (see Figure 1 overleaf).

This U shape persists even if we separate male and female workers. The U-shapes of male and female though are different, as men show considerably lower levels of participation in part-time employment across all age groups. Overall, the incidence of part-time work is four times higher among women than men (28.7% as against 7.10%), with older female workers having the highest proportion of part-time employment: in the 45–54 years age group, 25.5% of female workers work part time, as against 3.8% of their male counterparts. In the 55+ age group, 37% of women work part time, compared with 12% among older men (see Figure 1).

Part-time and fixed-term contracts have accounted for most of the rise in overall employment in recent years. A more flexible organisation of work (including such practices as working at home, temporary work and fixed-term work, seasonal work and part-time work) has been highlighted as an approach that can facilitate people in remaining at work for longer and stem the practice of early retirement.

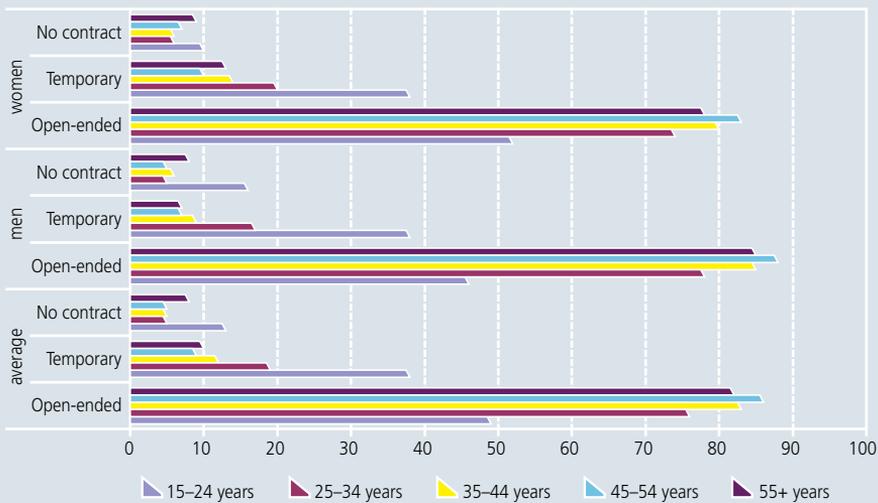
<sup>4</sup> Eurofound, *Mind the gap – Women's and men's quality of work and employment* – Background paper, 2008.

**Figure 1: Proportion of workers with part-time contracts, by age and gender (%)**



Source: Eurofound, *Working conditions of an ageing workforce*, 2008

**Figure 2: Type of contract, by gender and age group (%)**



Source: Eurofound, *Working conditions of an ageing workforce*, 2008

### Temporary employment contracts

Temporary contracts, which include fixed-term contracts, temporary employment agency contracts, apprenticeships or other training schemes, and jobs with no contract, are clearly concentrated among the youngest workers (only

49% of workers aged between 15 and 24 years hold an open-ended contract) and are also prevalent in the 25-34 age group (24%); they decline among adult workers and show a small increase in the 55+ age group, especially among women.



A greater proportion of female than male workers in the 45–55 age group hold temporary contracts or have no contracts. They also hold a lower-than-average proportion of indefinite contracts compared to their male counterparts (see Figure 2).

### Insecure employment

During the last decade, temporary employment has increased in many European countries. However the label ‘temporary job’ does not in itself indicate the degree of insecurity. What is interesting to know is the effective duration of a contract or, more importantly, the average interval between one contract and the next. However, holding an indefinite contract does not prevent workers from losing their job: such jobs may, in practice, be no less precarious than their temporary counterparts. The concept of ‘precariousness’ is a very generic one, referring to all situations where a significant uncertainty exists about employment perspectives. This applies to temporary jobs, especially when the probability of the contract being renewed is low, but it may also be applied to permanent jobs, when dismissal costs are negligible. Figure 3 shows that the percentage of older women workers having insecure employment in the 45–

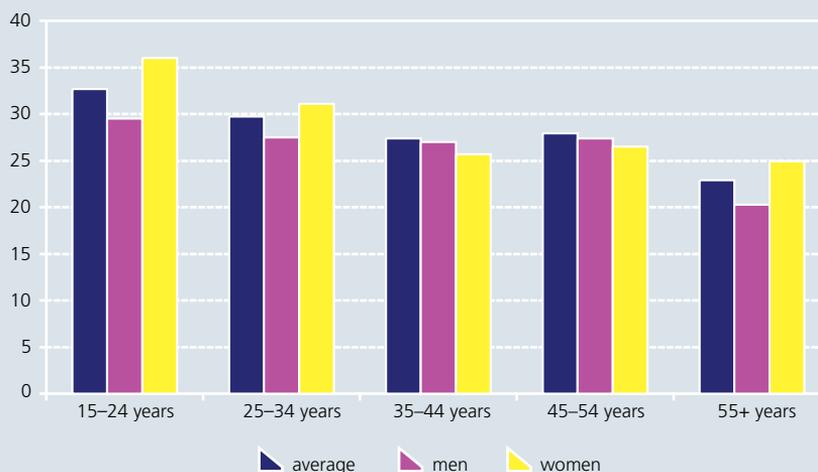
54 years age group is lower than for men (26.5% as against 27.4%), and higher for women in the 55+ age group than for men in this group (24.9% as against 20.3%).

### Occupational segregation

Despite the increase in the number of women entering the labour market, there is a marked difference between the type of jobs taken by women and those taken by men. Female workers dominate among clerical workers and service and sales workers, while the category of skilled workers and machine operators is almost exclusively occupied by men (87% and 81% respectively). Although the category of professionals is quite balanced (48% male and 52% female), men tend to predominate in the senior management echelon (71% compared with 29%).

Even in sectors with a higher female presence, such as healthcare or education, the pattern of vertical segregation holds true. While women dominate in these sectors, they occupy lower steps of the occupational ladder, such as clerical positions or middle management posts at best. According to Eurofound’s fourth *European Working Conditions Survey*, when women

**Figure 3: Proportion of workers on insecure employment contracts, by age and gender (%)**

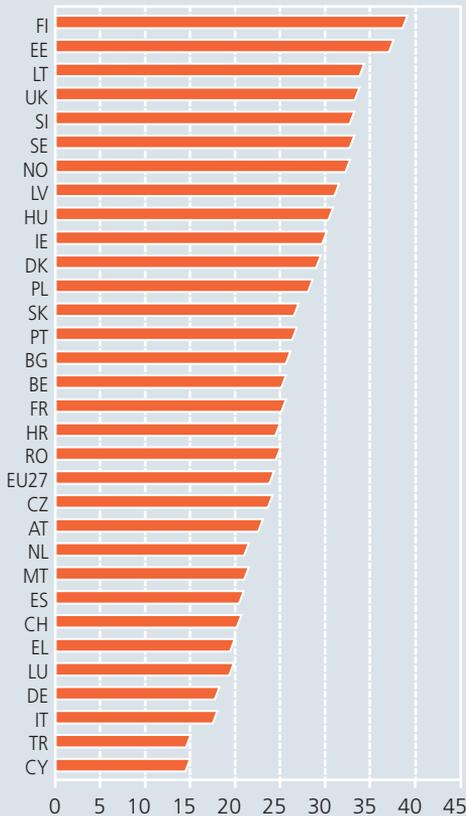


Source: Eurofound, *Working conditions of an ageing workforce*, 2008

occupy management posts, they tend to manage other women rather than men.

The data collected through the European Commission's database on 'Women in decision-making posts' also points to the fact that women rarely make it to the very top of the occupational ladder. In the EU27, in 2007, women members made up 10.3% of the highest decision-making body of the largest publicly quoted firms on national stock exchanges, with just 2.9% of chief executive positions being held by women. Overall, the proportion is higher in Scandinavian and central and eastern European countries.<sup>5</sup>

**Figure 4: Proportion of workers whose immediate boss is a woman (%)**



Source: Eurofound, Fourth *European Working Conditions Survey*, 2005

However, this trend is now slowly changing. Data from the previous editions of Eurofound's *European Working Conditions Survey* show that the percentage of workers reporting that they have female managers rose by 3.5 percentage points, from 21.3% to 24.8%, between 1995 and 2004. The increase can be attributed to the higher proportion of female managers reported in the NMS10. According to the fourth *European Working Conditions Survey*, 24.2% of managers in the EU15 were women, compared with 28.6% in the NMS10. Again, there are country variations in the percentage of workers reporting that they have a woman as their immediate boss: while the European average is 25%, it ranges from 39% in Finland to 15% in Cyprus (Figure 4).

In general, in each age group, men have more supervisory responsibilities in terms of the number of people who report to them. Among women, it is those aged 50 years and older who have the greatest supervisory responsibilities (Figure 5).

### Risk exposure and health problems

As far as risk exposure is concerned, men are subject to higher levels of exposure than women. There seems to be a trend now towards a reduction in risks with increasing age, but a worsening in conditions detected in the 45–55 years age group. This is particularly evident among women. Since data from Eurofound's fourth *European Working Conditions Survey* record the risk exposure only of those who are still in employment, it is plausible to assume that those facing the highest levels of exposure – and who are eligible to retire – have left the labour market.

In their report on older women and health, Doyal and Payne state that 'women workers are more likely than their male co-workers to report work-related psychological stress', and that 'burnout' was most frequently reported by those employed in health care and education.

<sup>5</sup> European Commission, *Database of women in decision-making*, available online at [http://ec.europa.eu/employment\\_social/women\\_men\\_stats/index\\_en.htm](http://ec.europa.eu/employment_social/women_men_stats/index_en.htm)



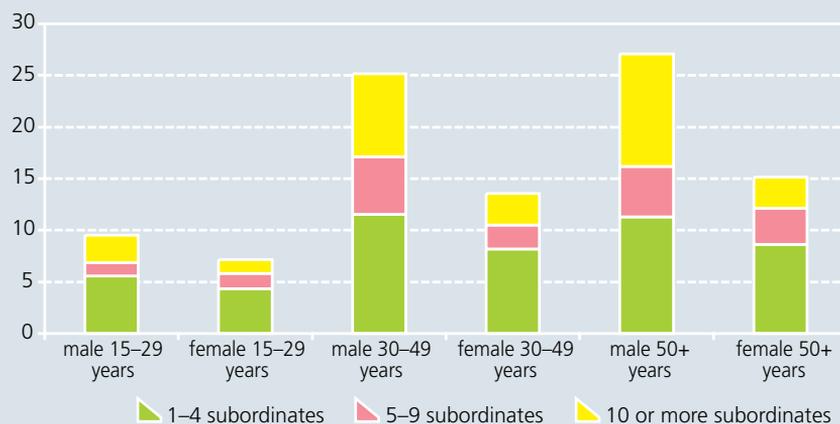
Furthermore, women are more likely to face musculoskeletal problems, due to carrying out the so-called 'light work', which is in fact physically demanding – loading, adopting awkward working postures and expending high levels of static muscular effort. Many women also face physically demanding work at home in lifting children and elderly relatives.<sup>6</sup> These problems become more evident and problematic in those aged 45 years and above, and increase further after the age of 55.

### Work–life balance and care responsibilities

Taking into account paid work (in the labour market) and unpaid domestic work (caring tasks, household duties, etc.), it has been found

that women working part time in fact work longer weekly hours than men working full time. Women, including working women, continue to shoulder a disproportionate share of household and caring responsibilities. They have not been freed from the so-called 'double burden' of household work and labour market participation, despite a generation of increasing female labour market participation. It continues to be the case that every man-hour spent looking after children or carrying out household activities is matched by three woman-hours. This situation exists for many women throughout their lifetime and continues into their retirement when they devote much more time to looking after dependant relatives, elderly persons and/or children than do their male counterparts.<sup>7</sup>

**Figure 5: Supervisory responsibilities by gender and age, EU27 (%)**



Source: Eurofound, fourth *European Working Conditions Survey*, 2005

<sup>6</sup> Doyal, L. and Payne, S., *Older Women, Work and Health – Reviewing the evidence*, London, TAEN/Help the Aged, 2006.

<sup>7</sup> Eurofound's first *European Quality of Life Survey*; fourth *European Working Conditions Survey*, and Neményi, et al., Eurofound, *Employment in social care in Europe*, Luxembourg, Office for Official Publications of the European Communities, 2006.

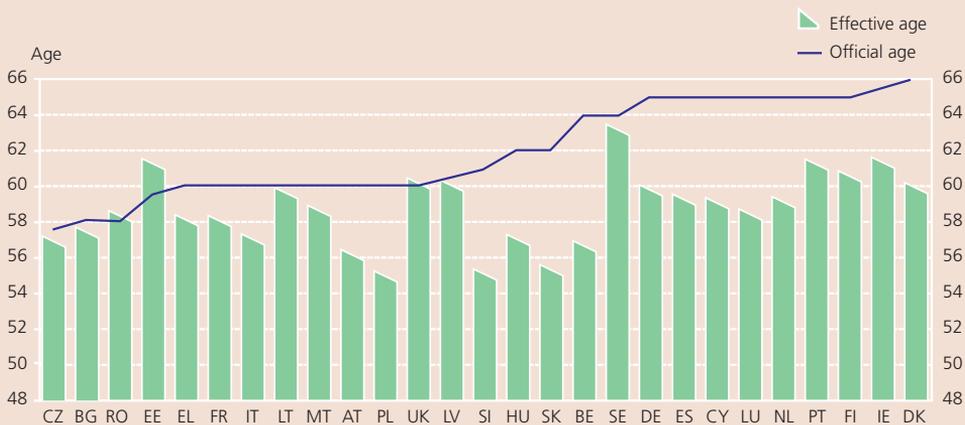


# Retirement age and its development

The official retirement age varies between 60 and 65 years for women and 62 to 65 years for men in most European countries. The effective retirement age is measured as the age at which the proportion of women or men who are

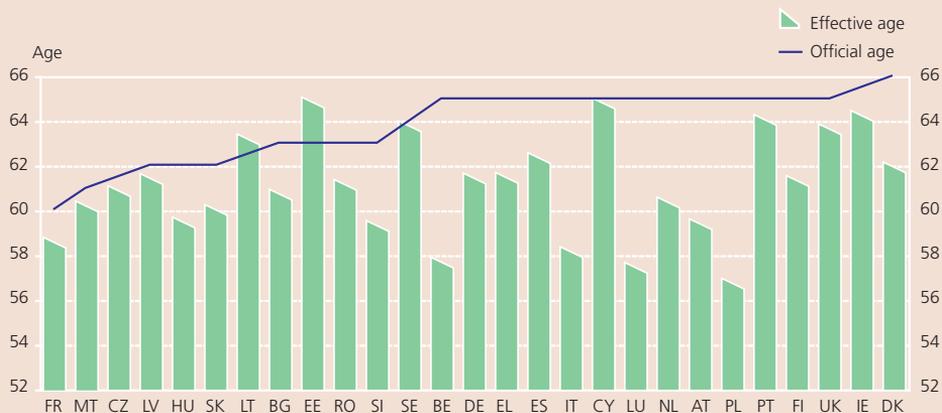
economically active has fallen to half the proportion who were economically active at the age of 50.<sup>8</sup> The effective retirement age is in most countries below the official age. In general, women tend to retire about 17 months earlier

**Figure 6: Official and effective retirement ages of women, 2005, EU27**



Source: Eurostat, *The life of women and men in Europe: A statistical portrait*, 2008.

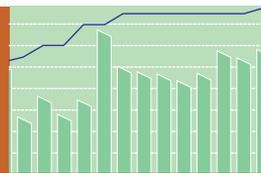
**Figure 7: Official and effective retirement ages of men, 2005, EU27**



Source: Eurostat, *The life of women and men in Europe: A statistical portrait*, 2008.

<sup>8</sup> Eurostat, *The life of women and men in Europe: A statistical portrait*, Luxembourg, Office for Official Publications of the European Communities, 2008.

# opment in the next decade



**Figure 8: Effective age of retirement of women and men, 2005, EU27 and Croatia**



Source: *The life of women and men in Europe: A statistical portrait*, 2008

than men. In 2005, the effective retirement age for women was 59.4 years and 60.7 years for men.

Women retire earlier than men in all Member States except Luxembourg. In most countries, the difference in the effective retirement age of women and men is relatively small; however, in Austria, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Spain, Slovakia, Slovenia and the UK women retired more than three years earlier than men in 2005 (Eurostat, 2008).

The effective and official retirement ages are likely to change in coming years and some countries have already moved in this direction. For example, Germany plans, by 2029, to have raised its official retirement age to 67 years, with the process starting in 2012.<sup>9</sup> A feasibility study is now underway to evaluate the situation of older women workers in Germany from now up to the new retirement age and assess the required measures and initiatives.

<sup>9</sup> Frerichs, F. and Sporket, M., Eurofound, *Employment and labour market policies for an ageing workforce and initiatives at the workplace – National overview report: Germany*, Luxembourg, Office for Official Publications of the European Communities, 2007.



# Good practice in companies



In recent years, both at EU level and in Member States, many concepts, programmes and guidelines have been developed and research undertaken to identify strategies and good practice examples that can help to promote the integration of older people into the labour market.

Over the past decade, Eurofound has carried out research into the topic of ageing and older workers; the topic has grown in importance, given the ageing of the population and the current policy thrust to raise the official retirement age. Eurofound's research has looked at the situation of older male and female workers in European public and private organisations. The initial phase of research carried out in the 1990s documented company initiatives directed at older workers in 10 of the EU15 countries.

Between 2004 and 2007, the original companies were revisited to find out if good practice regarding older workers was still being carried out. The project now covers all 27 Member States, documenting both public and/or private organisations that have an initiative in place for their older workers; the initiatives are published online in a database (<http://www.eurofound.europa.eu/areas/populationandsociety/ageingworkforceadvanced.php>). Two reports on the situation in the EU15 and the NMS12 have

been published, as well as a series of national reports and a guide to good practice in age management (see <http://www.eurofound.europa.eu/research/0296.htm>).

Eurofound applied a gender-sensitive approach throughout the research, evaluating whether recruiting more women was a priority in the companies. Although there is broad discussion of gender issues (especially at a political level) in the organisations studied, gender was seldom an explicit consideration. Measures sometimes focused on the specific needs of women, usually because women happened to predominate in those workforces. From the case studies, there is little evidence to show that gender considerations have become more prominent over time. However, the employment rate of older women workers is increasing and many case organisations have a specific policy in place aimed at improving the working life of their older women workers and employing more of them. In general, most of the case study organisations have a human resource policy that provides initiatives equally for women and men.

The following section documents some case examples where older women workers are a major focus of company initiatives.

## Filter Service, Poland

Filter Service currently employs 200 workers, 41% of whom are aged 46 years or older. The company has a gender equality policy, aiming especially to improve its female workers working conditions and boost their training. All men and women working in the company are invited to participate in periodic training, which gives them the opportunity to adapt their skills according to the technological changes being introduced into the production system of filtration materials. Furthermore, the company values highly the knowledge and experience of its retired employees and is therefore keen to develop conditions that will attract them back to work. Usually, after a period of rest, most of those who have retired (women aged 60 years or over and men aged 65 or more) decide to return to the company and work on a part-time basis. One reason for this is that the company offers these workers good healthcare benefits and, if necessary, rehabilitation. The company also makes adjustments to the workplace to meet these older workers' ergonomic requirements. These initiatives bring new energy into the retired employees' lives, support their sometimes difficult transition into retirement, and strengthen their loyalty towards the company. (<http://www.eurofound.europa.eu/areas/populationandsociety/cases/pl001.htm>)

## Mataró Glassworks, Spain

Spanish workers' cooperative Mataró Glassworks is an example of a company in which an ethos of corporate social responsibility strongly shapes policies. The company is involved in an initiative for cooperative enterprises, piloted by the Confederation of Catalan Cooperatives (Confederació de Cooperatives de Catalunya). The goal is to integrate workers aged 50 years or over into the labour market – in particular, women who are unemployed but have previously worked in companies in the region (mostly in the textiles sector, which is currently in recession). In this way, the project aims to support local employment. Most of the people involved are from Mataró or the surrounding area. (<http://www.eurofound.europa.eu/areas/populationandsociety/cases/es001.htm>)

## Food Service Centrum, Finland

The initiative introduced by Food Service Centrum of the Finnish city of Espoo is notable because it concerns primarily the situation of women. The company provides catering services for educational facilities, social and health services, and the central administration of Espoo. It is conscious of the ageing of its workforce and has invested in measures to promote their work capacity. Older workers can access a part-time pension and, if their work capacity is limited, their daily performance requirements are reduced. In addition, the company has implemented measures aimed at increasing skill levels and functional capacity. An interesting feature was the establishment of a group to discuss the health issues of women aged over 45 years, known as the Senioriitta group. Participants in the Senioriitta group were highly satisfied with the measures – particularly the information they received about the physiological and psychosocial aspects of women's ageing, and insights offered into how to manage these changes. The opportunity to discuss issues with women of the same age was rated as very important. (<http://www.eurofound.europa.eu/areas/populationandsociety/cases/fi004.htm>)

## Coop Adriatica, Italy

An Italian case shows that the context in which older workers are employed can be crucial to the success of initiatives. An initiative taken in Coop Adriatica, aimed mainly at older women returning to work, was judged a great success. The initiative was so successful that it completely changed the company's attitude towards hiring people aged 45 years or older. Greater awareness of the value of older workers has also led the company to review its career development policies, which previously favoured younger employees. However, later evidence of declining motivation among older recruits was partly ascribed to their difficulty in adapting to a working environment that had a largely young age profile. (<http://www.eurofound.europa.eu/areas/populationandsociety/cases/it003.htm>)

## Revoz, Slovenia

Revoz is the only car manufacturer in Slovenia and the biggest Slovenian exporter. In 2003, it became part of the Renault Group. One of the group's measures, aimed at boosting the employability of its workers, involves introducing ergonomics as part of the group's health and safety at work policy (a priority for the Renault Group). Although this measure is not age specific, it indirectly helps to address the issues of an ageing workforce and the employment of workers with impaired productivity. As a result of this measure, ergonomics in all units have been considerably improved. Furthermore, the employability of workers aged over 45 years, especially women, has improved. Such a development is highly advantageous for the company, particularly in light of the characteristics of the regional labour market, namely the shortage of male workers and the availability of a well-qualified female workforce.

(<http://www.eurofound.europa.eu/areas/populationandsociety/cases/si004.htm>)

## Vordingborg, Denmark

The Midland home care district in Vordingborg Municipality in southern Zealand currently employs about 100 staff, all women. The

average age of the workforce is 42 years: 25% are aged 50 years or older, and just under 10% are aged 60 years or older. The work involves personal and cleaning services for clients. Many employees retire between the ages of 60 and 62 on early retirement benefit, partly on account of the physical demands of the work, but also, more importantly, because of the mental stress involved. Varying working hours, different and changing clients, and unplanned overtime at short notice (the result of illness among staff) are the principal reasons for the home care staff taking early retirement. A project originally aimed at retaining senior employees has led to flexible working practices for all employees. The efforts to retain senior staff are based on two main elements: flexible working hours and prevention of damage to health. All staff are offered individually adjusted working hours, on a daily, weekly or monthly basis. Since there is no extra funding for such schemes, all reductions of working time are financed by the employees themselves; only the flexibility is offered. The health prevention programme is based on agreements and rules for occupational safety, overseen by a special task force consisting of occupational therapists and physiotherapists.

(<http://www.eurofound.europa.eu/areas/populationandsociety/cases/dk009.htm>)



# Policy pointers



## Policy considerations

As the 'baby boom' generation moves into retirement age, more workers will be retiring than are entering the labour market. The resulting labour shortage will pose a serious threat to macroeconomic performance and competitiveness, in spite of productivity and technological advances. From now until 2030, it is estimated that the EU will lose 20.8 million people (6.8%) of working age. In view of this development, policymakers are keen to adopt measures to retain people in employment for longer, and to recruit people of working age who are not active in employment. The age of retirement has already been raised in many European countries and working lives will be extended further in the future; meanwhile, women's increasing labour force participation continues.

## Incentives to retain women workers

In order to achieve the Lisbon and Stockholm targets, it is crucial to encourage older women workers to stay in the labour market for longer. Job quality and sustainability over the life cycle is a crucial factor in this, entailing such issues as career and employment security, health and

well-being, skills development and the reconciliation of working and non-working life. All these play a role in shaping the age structure of the female workforce.

## Increasing labour market participation

Older women workers are a key source of labour. More recruitment of women should change existing attitudes, help combat age discrimination, reduce jobs stereotyping and improve job quality and pay. Moreover, there is a correlation between the level of educational qualification and labour market participation: the higher the educational attainment, the higher the employment rate. While this finding holds true for both sexes, the correlation is much more significant for women than for men. As the educational qualification level of women increases female employments rates are also expected to rise in the near future.

## Labour market policies

Despite the fact that labour market policies in the EU Member States generally aim to achieve gender equality, and despite the positive overall

development of female employment in the EU, gender-based differences still persist in the labour market and even in labour market policy interventions, where women are still underrepresented. EU and national policymakers as well as employer organisations and trade unions will have to consider adopting a more gender-equal perspective on labour market policies in coming years. This is especially important for older women workers who still retire earlier and are over-represented in insecure jobs, compared with their male counterparts. Although most of the recent growth in employment among older women is due to younger women staying longer in employment, there are many women aged 45 years and older, and 55 years and above, who could be attracted to work of the right quality; however, they may need new skills and it may take some effort.

### **Work–life balance**

Increasingly, it is becoming clear that work–life balance is an essential factor in job satisfaction and the planning of the lives and careers of ageing staff, especially for older women workers who have often both a job and care responsibilities. Another key factor is the quality of work, which encompasses the workplace, the organisation of work, the working environment and the tasks entailed in the job; all of these impact on an employee's capacity for work. When developing and implementing age management strategies that achieve lasting benefits for both the employees and the organisation, employers must consider the overall pattern of their older employees' wishes and expectations about work. With advancing age, these increasingly encompass their personal lives outside work, such as their responsibilities for familial care. There is a need for diverse forms of part-time and flexible working time and care leave.

### **Age awareness – joint cooperation**

Age awareness must be developed further at EU level, national level and company level. At the company level human resources (HR) managers and staff representatives at all levels will have to develop company initiatives and monitor

them. In Europe, the retirement age has been raised in recent years and the trend will be for further extension of working life in the next few years. Therefore, it is important that policymakers work together with the social partners towards developing EU, national and company policies to retain an efficient, older workforce. Many companies in Europe have already developed good practice initiatives on how to deal with this issue (often with the support of the social partners and national policymakers), as the findings of Eurofound's research on age management show.

This age awareness in public policy and at company level is especially important for older women workers, because this group has the highest proportion of early retirees, and of those with family responsibilities. To develop initiatives to help such workers remain in the workplace and cope with family responsibilities is a major challenge for policymakers, social partners and companies, and especially for HR managers and staff representatives.

### **Major challenges**

The situation of working women in Europe has genuinely improved in many areas. Nevertheless, major challenges remain. Some of the labour market deficiencies in relation to gender equality, such as the underrepresentation of women in labour market policy measures, may possibly be remedied by political intervention only. Other deficits will require the support of the social partners – for example, improving flexible working time arrangements to allow for a better work–life balance. Other gender-specific aspects of work, such as the concentration of women and men in certain occupations and economic sectors, are the combined result of selective pull factors in the labour market, as well as of a certain self-selection of women and men into specific fields of the economy. This phenomenon can be explained as an effect of a gender-specific socialisation process. To successfully counteract these gender-specific modes of action is far more difficult, as they are deeply rooted in the structures of modern societies and in the everyday routines and habits of their citizens. However, ongoing demographic change, which



is resulting in a shrinking workforce across Europe (combined with the increased level of education among women), will change gender patterns in European societies faster than one might think today.

### Country codes

- EU15 15 EU Member States prior to enlargement in 2004 (AT, BE, DK, ES, FI, FR, DE, EL, IE, IT, LU, NL, PT, SE, UK)
- NMS10 10 new Member States that joined the EU in 2004 (CY, CZ, EE, HU, LV, LT, MT, PO, SK, SI)
- NMS12 10 new Member States that joined the EU in 2004, plus Bulgaria and Romania, which joined the EU in 2007
- EU27 Current 27 EU Member States

### Further information

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'It is essential that employers boost the employment of older workers – and especially of women, who all too often are victims of dual discrimination. A number of measures are therefore needed, such as promotion of training, combating age-based discrimination, introduction of working conditions geared more to the needs of older workers and, in more general terms, improvement of health and safety at work.'

**Vladimír Špidla, European Commissioner for employment,  
social affairs and equal opportunities, 2007**

Foundation Findings provide pertinent background information and policy pointers for all actors and interested parties engaged in the current European debate on the future of social policy. The contents are based on Foundation research and reflect its autonomous and tripartite structure.



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