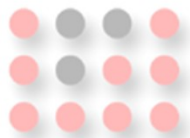


# Recruitment and retention of the young and elderly in local and regional government (The future of the workplace)

A report for CEMR/EPSU by the Labour  
Research Department  
February 2012



**Labour Research Department**

# The background report

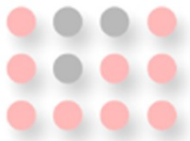
Information in report sourced from:

- EPSU
- Eurofound
- UN
- Eurostat
- National government sources

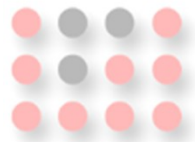


# Contents

- The workforce
- Young workers
- Older workers
- Focus on health and social care
- Case studies
- Conclusion



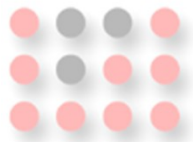
# The workforce



**Labour Research Department**

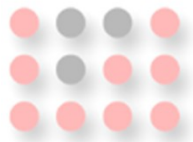
# The state of affairs

- Europeans live 9 years longer compared to 1960 plus dramatic drop in the birth rate
- Big implications for the wkforce: labour force scarcity, sustaining the pension system
- Ratio of Europeans over 65 years to the working population:
  - 21% in 1990
  - 26% in 2010
  - 34% by 2025.

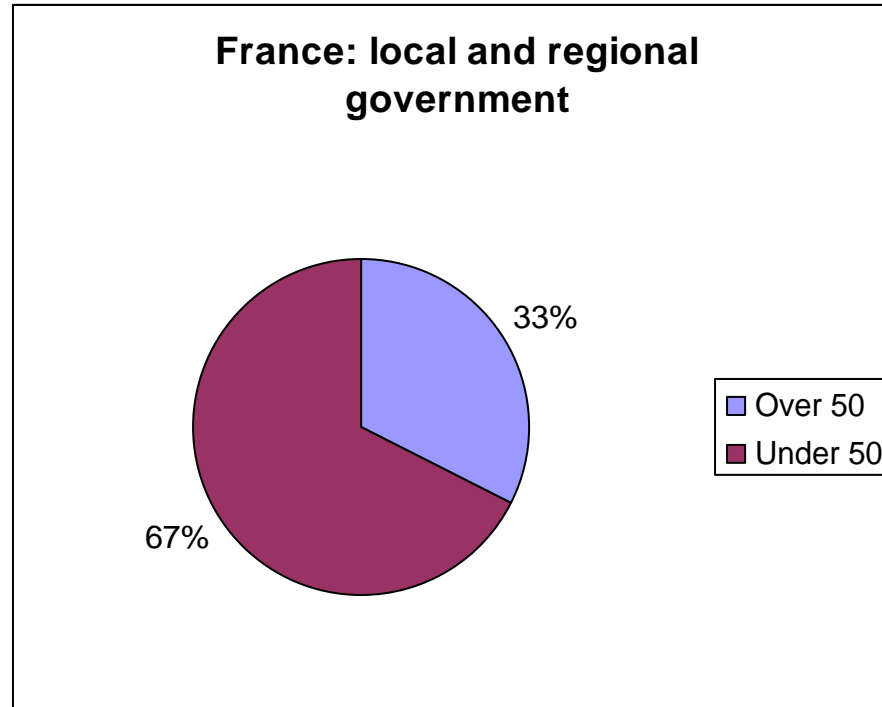


# The challenge

- Dual challenge: attracting and retaining young workers / holding on to the experience and knowledge of older workers
- All at a time of EU wide austerity cuts = cuts in public services, unemployment and lower wages, cuts to public sector jobs
- Local and regional government must anticipate impact on future employment

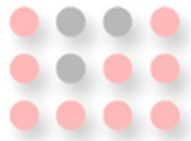


# France

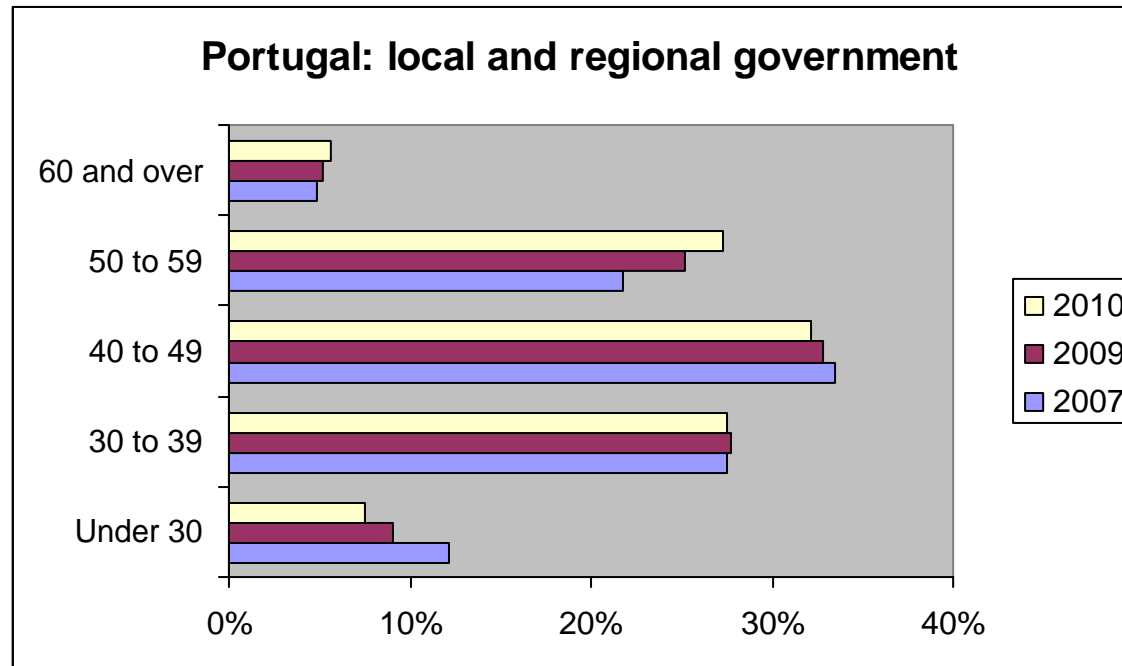


- Average age of a worker in local and regional gov is 44.2 years
- More over 50s in the public sector overall, more under 35s in the private sector

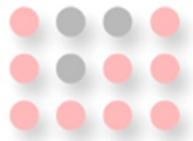
(rapport annuel sur l'état de la fonction publique 2010/2011)



# Portugal

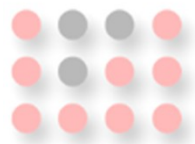


- Under 30s has gone from 12.2% in 2007 to 7.5% in 2010
- 50 to 59s has gone from 21.8% in 2007 to 27.3% in 2010





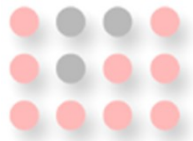
# Young workers



**Labour Research Department**

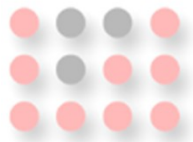
# Trend for young workers

- Young workers hardest hit by crisis – struggle to join the labour market
- EU27 youth unemployment rate – over 20%
- A long standing problem – recruitment opportunities now even more restricted and programmes to help young people cut – such as in Ireland

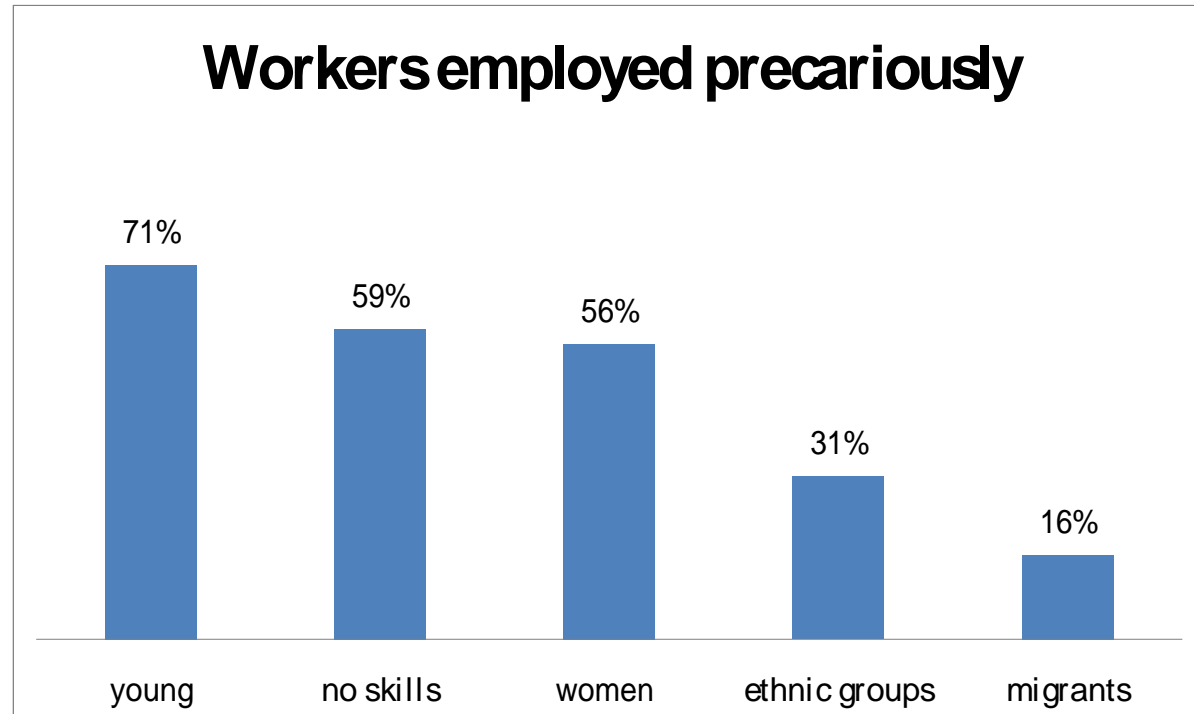


# Precarious employment

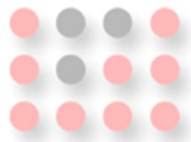
- Situation where finding any work preferable
- Temporary contracts, involuntary part-time contracts
- Lack of security, training, prospects
- Failure to develop expertise / commitment over long term
- 37 % of temporary workers aged 15–24 and 65 % of temporary workers aged 25–29 had a fixed-term contract as no prospect of permanent job. (eurostat)



# Young precarious workers



LRD report for the PSI global public sector confederation:  
public sector precarious workers most likely to be young.  
Europe - 52%



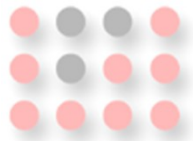
**Labour Research Department**

# Social dialogue for young workers

- Collective bargaining at sectoral level not targeted at young – negotiations can block new recruitment
- Positive action – across EU developing apprenticeships. Germany Apprenticeship Pact 2007
- Nurturing skills – Employers linking to schools/offering internships. Introducing new career paths – Denmark (source Eurofound)

# Positive agreements

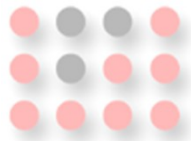
- French publisher Bayard. 3 year agreement/  
5 unions – replace older workers with under  
30s.
- Deutsche Telekom and Volkswagen  
guarantee work at end of apprenticeships



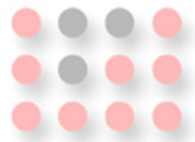
# Future concerns

- Is local and regional government seen as an attractive employer for future generations?
- Research on young French workers starting out in 2004: Higher than usual number in public sector during crisis – motivation job security. When crisis ends?
- In France local and regional gov least popular public sector option for young: 20% compared to 55% central government.

(source rapport annuel sur l'état de la fonction publique)



# Older workers

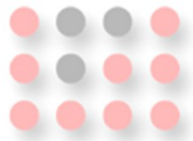


**Labour Research Department**



# Trend for older workers

- Across the EU – more older people (50 and 64) in the workplace
  - 49% in 2000
  - over 56% in 2009
- Will increase as early retirement policies reversed
- Concentration of older workers in health, education and social work sectors



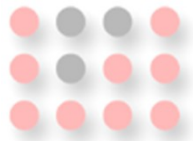
# In the economic crisis

- Faring better in crisis than young workers so far but current pressure to cut jobs in local and regional government means they will be hit
- Austria, Belgium, Hungary, Netherlands, Sweden more older workers than before the crisis.  
Findings relative/depend on social security systems.
  - Sweden: 60% of 60 to 64 year olds in employment.
  - 20% Hungary, Belgium (early retirement policies)



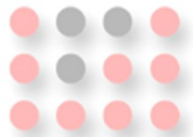
# Why working lives are getting longer

- Increased retirement age across Europe
- Pension reform – (Sweden – incentives to work longer, Belgium need 10 extra years of economic activity)
- Less attractive early retirement schemes (Netherlands – higher tax)
- Cutting benefits
- Flexible/progressive retirement policies
- Special job offers for older workers
- Legislation to counter age discrimination

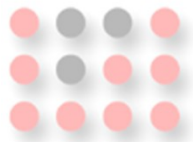


# Improving working conditions

- Age discrimination – most common form of discrimination
- Older workers less involved in new organisational developments
- Key factor in retirement = lack of job satisfaction
- Belief: Older workers poorer performers. Reality: Difference in productivity greater within age groups. Productivity can increase with experience
- Lack of training. Older workers (over 50) 30% paid training, 36% for 30 to 49 year olds
- Offering new roles: older workers want to transfer knowledge



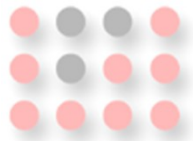
# Focus on health and social care workforce



**Labour Research Department**

# Health and social care

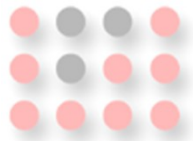
- One of the fastest growing economic sectors in Europe
- Recruitment and retention difficult: low pay, low status of caring, poor conditions
- Majority of the workforce : ageing low paid women: in some countries, at least half the workforce is aged 50 or above
- Urgent need to “ to educate, recruit and retain young practitioners while reinvesting in the mature workforce” (joint statement by EPSU and HOSPEEM, the healthcare employers’ association)



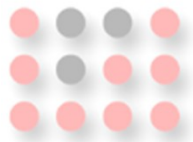
# Solutions

Call for social partners and national, regional and local authorities to develop policies with:

- lifelong learning,
- training,
- internal job mobility,
- providing management and organisation skills



# Case studies

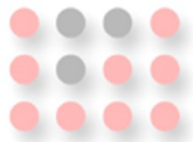


**Labour Research Department**



# Case study: Sweden, Kiruna Regional Administration

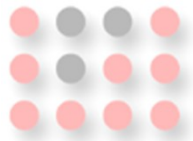
- Used to encourage early retirement
- Made the switch to longer working lives by bringing in consultants, interviewing staff, seminars with managers, union reps: heighten awareness of ageing workforce
- Has age management policy: develop skills of older workers/make them more adaptable
- Uses older employees as training mentors
- All 50+ employees annual discussions with managers on age management issues



# Example from Kiruna

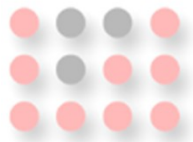
- All employees in the construction permits department discussed how to deal with changes in regulations.
- Some of the older workers worked together on the elements of the regulation that remained unchanged,
- Younger workers focused on the new aspects.
- Intergenerational working

(source Eurofound)



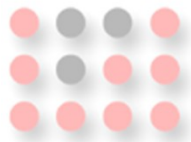
# Case study: Cambridgeshire County Council

- A third of the workforce is aged between 51 to 65
- Council strategy to encourage diversity in recruitment and promotion
- Policies such as flexible working work well for older workers. Adjust hours, times worked, work location. Previously a policy only for parents of young children.



# Cambridgeshire council continued...

- Flexible retirement policy: the right to request permanent reduction in working hours (20% or more)
- Request a role with downgraded duties (at least two grades lower), while requesting payment of accumulated pension benefits
- Helps retain employees' knowledge and skills, manage succession planning - higher grade workers with specialised skills.
- But council expecting to made redundancies (source Eurofound)

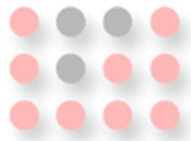


# Other sectors: Insurance

- Insurance Sectoral Social Dialogue Committee work programme: demography
- Target young and older workers

## **Programme**

- Work/life balance - important to carers of children/ elderly relatives
- Flexible working – older workers option of alternative/ less demanding work arrangements.
- Physical/ mental health of employees: exercise, nutrition, stress management advice, employee assistance helplines and medical screenings.
- Message taken to trade unions, employers, associations through meetings, joint presentations or collective bargaining

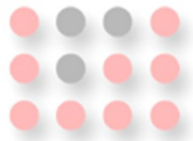


# Strategies from gas sector

## (tool kit to tackle an ageing workforce)

### Some key points

- Take a strategic approach to age management, training and skills development.
- Create training and skills development opportunities for the whole workforce
- Career development for older workers.
- Embed a culture of learning
- Job rotation and redeployment for older workers.
- Knowledge management and knowledge transfer programmes.
- Policies on health and well being in the workplace and flexible working time.
- Programmes for attracting and retaining younger workers.
- Forecast future skills and employment.
- Develop social dialogue in the workplace
- Collective agreements: to include age management, training, skills (source EPSU)



# Conclusion

- Austerity cuts have created great uncertainty around recruitment and retention at all levels
- But demographic changes needs to be addressed: the workforce is ageing
- Authorities need to think about future skills needs and what their current workforce offers / knowledge transfer
- Older workers need to be able to continue progressing their career, training, opportunity for changing pace of work, greater flexibility
- Young workers need opportunity to see what the sector offers / training / career advancement

