



# Country analyses to identify individual challenges of 55+ employment

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# 1. Introduction

In an era marked by unprecedented demographic shifts, the global landscape is witnessing a significant rise in the ageing population. As societies worldwide undergo this demographic transformation, it becomes imperative to address the challenges and opportunities associated with the employment of individuals aged 55 and above. The age at which individuals' transit into retirement is steadily increasing, and concurrently, there is a growing trend of older individuals actively participating in the workforce. Recognising the multifaceted dimensions of this demographic evolution, this document embarks on a comprehensive analysis aimed at identifying the unique challenges faced by the 55+ age group in the realm of employment.

The importance of this study cannot be overstated, considering the profound impact of an ageing population on various facets of society, including labour markets, healthcare systems, and social welfare structures. As we delve into country-specific analyses, our objective is to shed light on the intricate interplay of factors influencing the employment dynamics for individuals in the 55+ age bracket. By understanding the nuances and disparities across different regions, we strive to contribute valuable insights that can inform targeted strategies, policies, and interventions aimed at fostering inclusive and sustainable employment opportunities for the elderly.

As the global workforce undergoes a transformative shift, with a significant proportion entering the later stages of their careers, it is crucial to adapt our perspectives and approaches to ensure that the ageing demographic is integrated seamlessly into the world of work. Through this exploration, we aim to lay the foundation for evidence-based strategies

that not only address the challenges faced by older workers but also harness the wealth of experience and expertise they bring to the table.

The primary objective of this document is to conduct in-depth country analyses, to comprehensively understand the intricacies surrounding employment challenges for individuals aged 55 and above. This undertaking involves a multifaceted approach, encompassing detailed examinations of the main policy actors within each country, interviews centred on age management practices, and an overarching overview of the challenges partners, to encountered by the 55+ workforce.

The document contains reports for each country within the participating partner's regions. Explores the unique dynamics and factors influencing the employment landscape for older individuals. These reports will delve into the policy frameworks, initiatives, and actors shaping the 55+ employment scenario in each country. The inclusion of interviews on age management practices will contribute qualitative insights, capturing the perspectives of key stakeholders and shedding light on the strategies employed to address challenges faced by older workers.

To gain insights from previously conducted surveys and studies, we analysed secondary sources and obtained a comprehensive review of them, including existing literature, reports, and datasets on population ageing and employment of older individuals. To capture diverse perspectives and on-the-ground insights we conducted semi-structured interviews were conducted with key stakeholders. These stakeholders included government officials, representatives from labour organisations, employers, and experts in the field of ageing and employment. The semi-structured nature of the interviews allows for a balance between predefined questions and the flexibility to explore emergent themes.

The data obtained from secondary sources and stakeholder interviews were interpreted. Patterns and trends were identified, and qualitative data were analysed to draw conclusions. The analysis from each country has adhered to a pre-designed structure, ensuring consistency and comparability across reports. This structure included sections focusing on policy frameworks, stakeholder perspectives, age management practices, and challenges older workers face. The information gathered will be organised coherently within this framework, facilitating clear insights into the unique dynamics of each country.

Based on the interpreted findings, specific national policy recommendations were formulated and tailored to address the identified challenges and capitalise on the opportunities within each country. The aim is to provide actionable insights, that can guide policymakers and stakeholders in developing effective strategies to enhance the employment prospects of individuals aged 55 and above.

## 2. Overview

### 2.1. Context of the older workforce worldwide

#### Population ageing

According to demographic forecasts, the population is expected to age significantly, primarily due to an increase in the number of elderly individuals. This shift will result in a decreasing proportion of the productive working-age population. Consequently, the job market is facing an increasingly pronounced shortage of human resources. To address this challenge, companies must learn how to effectively harness the work ability and potential of employees across all age groups. By doing so, they can mitigate the impacts of demographic changes and ensure a more sustainable and productive workforce.

*Table no. 1: Employment Rates of Individuals Aged 55-64 in Participating European Countries and Regions (2013-2023)*

Region/Country	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EU - 27 countries (from 2020)	47.9	49.7	51.4	53.5	55.5	57.3	58.6	59	60.4	62.3	63.9
Euro area – 20 countries (from 2023)	49.5	51.2	52.9	54.9	56.7	58.5	59.7	59.7	60.8	62.5	64.1
Bulgaria	46.8	49.3	52.2	53.8	57.4	59.9	63.5	63.4	64.8	68.3	69.5
Czechia	51.6	54	55.5	58.5	62.1	65.1	66.7	68.2	69.8	72.9	74
Germany	62.7	64.6	65.2	67.6	69.1	70.4	71.6	70.6	71.8	73.3	74.6
Croatia	37.8	36.2	39.2	38.1	40.3	42.8	43.9	45.5	48.6	50.1	51.7
Hungary	37.9	41.8	45.3	49.8	51.7	54.4	56.7	59.6	62.8	65.6	69.1
Austria	43.8	45.1	46.3	49.2	51.3	54	54.5	54.2	55.4	56.4	57.3



Slovenia	33.2	35.1	36.3	38.2	42.4	46.7	48.2	49.9	52.7	55.2	54.2
Slovakia	45.2	46	48.3	50.5	54.6	55.9	58.8	60.2	60.6	64.1	66.6
Bosnia and Herzegovina	:	:	:	:	:	:	:	:	35.6	36.3	38.6
Serbia	29.1	33.9	34.5	39.6	42.2	43.2	46.6	48.6	51.4	54.6	56.7

Source: EUROSTAT <sup>1</sup>

The table presents the employment rates of individuals aged 55-64 in various European countries and regions from 2013 to 2023. Analysing the data reveals a general upward trend in employment rates across almost all listed areas. The employment rate for the EU (27 countries) increased from 47.9% in 2013 to 63.9% in 2023. Similarly, in the Euro area (20 countries), the rate rose from 49.5% in 2013 to 64.1% in 2023. This consistent growth indicates a broad regional improvement in employment opportunities for older adults.

Germany consistently shows the highest employment rates, beginning at 62.7% in 2013 and reaching 74.6% in 2023. This suggests a robust labour market for older workers. Czechia also exhibited significant growth, with rates increasing from 51.6% in 2013 to 74% in 2023, surpassing both the EU and Euro area averages. This substantial rise reflects successful employment policies targeting older adults. Austria also contributes to this positive trend, with employment rates rising steadily from 43.8% in 2013 to 57.3% in 2023, showcasing consistent growth over the decade.

Bulgaria's employment rate grew markedly from 46.8% in 2013 to 69.5% in 2023, with a notable increase between 2016 and 2017, indicating effective labour market reforms. Hungary showed one of the highest growth rates, increasing from 37.9% in 2013 to 69.1% in 2023, with rapid growth particularly evident from 2019 to 2023, likely due to recent policy

<sup>1</sup> <https://ec.europa.eu/eurostat/databrowser/view/tesem050/default/table>

impacts. Slovakia's steady rise from 45.2% in 2013 to 66.6% in 2023, with significant gains between 2020 and 2023, suggests successful employment strategies in recent years.

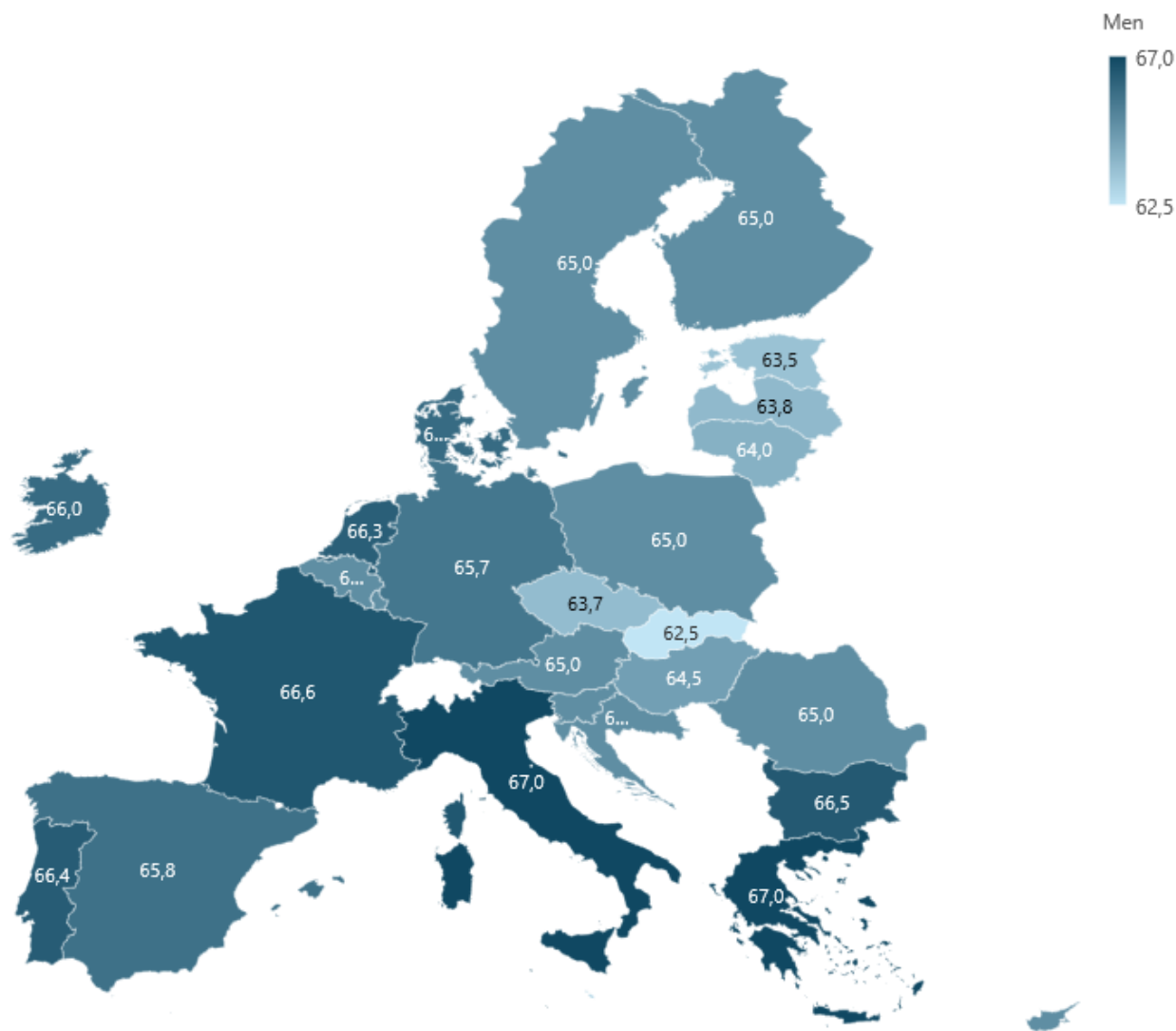
Croatia and Slovenia started with relatively low employment rates but showed improvements over the decade. Croatia improved from 37.8% in 2013 to 51.7% in 2023, while Slovenia's rates fluctuated but generally increased from 33.2% in 2013 to 54.2% in 2023. Bosnia and Herzegovina, with available data only from 2021, showed a positive trend from 35.6% to 38.6% by 2023, despite the limited timeframe for analysis. Serbia experienced a steady rise from 29.1% in 2013 to 56.7% in 2023, indicating consistent improvements in employment opportunities for older workers.

In summary, the data demonstrates a positive trend in the employment rates of individuals aged 55-64 across Europe, with some countries showing particularly rapid growth. These improvements are likely attributed to targeted employment policies and economic reforms, which have successfully enhanced labour market opportunities for older adults.

### **Official retirement age**

The official retirement age varies across countries and is influenced by various factors, in some countries including gender and the number of children raised.

Map no. 1: Statutory pension age – men



Source: EUROSTAT 2

For men, the statutory pension age ranges from 62.5 to 67 years. Greece and Italy have the highest pension age at 67 years. Many countries, including Belgium, Cyprus, Luxembourg,

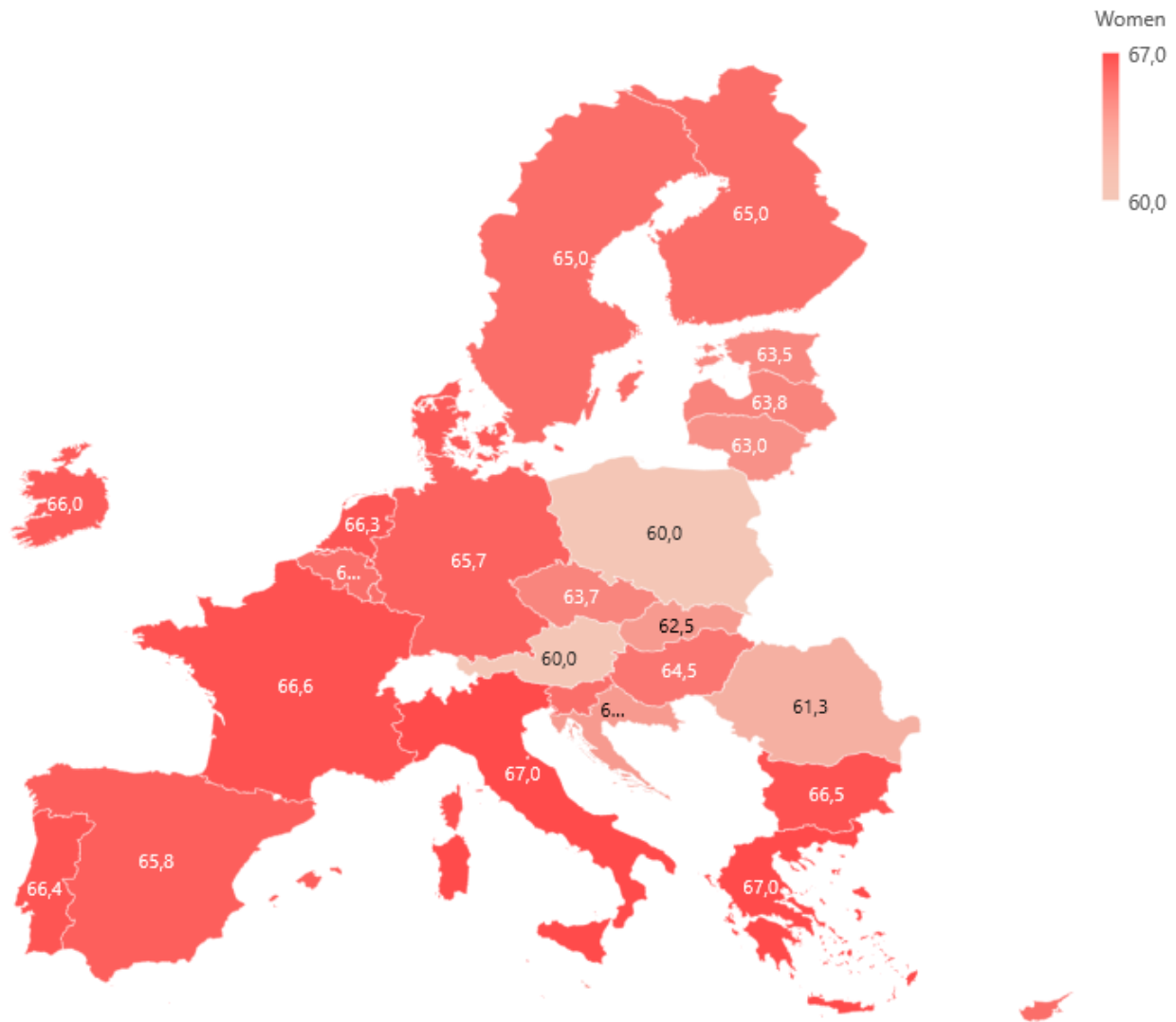
<sup>2</sup> [https://ec.europa.eu/eurostat/statistics-explained/images/9/92/Statutory\\_pension\\_ages\\_and\\_average\\_ages\\_up\\_to\\_which\\_people\\_want\\_to\\_work%2C\\_by\\_sex%2C\\_February-September\\_2015\\_and\\_2020\\_%28years%29\\_AE2020.png](https://ec.europa.eu/eurostat/statistics-explained/images/9/92/Statutory_pension_ages_and_average_ages_up_to_which_people_want_to_work%2C_by_sex%2C_February-September_2015_and_2020_%28years%29_AE2020.png)

Finland, and Sweden, have set the pension age at 65 years. Some countries, like Bulgaria and Portugal, have a slightly higher pension age at 66.5 and 66.42 years, respectively. Estonia and Slovakia have the lowest pension age at 63.5 and 62.5 years, respectively. This variation indicates different retirement policies and economic considerations across Europe.

Focusing on the project countries:

- **Slovakia** has a pension age of 62.5 years, one of the lowest in Europe.
- **Czechia** has a pension age of approximately 63.67 years.
- **Germany** has a pension age of around 65.67 years.
- **Bulgaria** has a pension age of 66.5 years.
- **Croatia** sets the pension age at 65 years.
- **Austria** has a pension age of 65 years.
- **Slovenia** has a pension age of 65 years.
- **Hungary** has a pension age of 64.5 years.
- **Serbia** has a pension age of 65 years.
- **Bosna and Hercegovina** have a pension age of 61,5 years.

Map no. 2: Statutory pension age – women



Source: EUROSTAT<sup>3</sup>

The pension age for women also varies but generally mirrors the pension age for men in most countries. Greece and Italy again have the highest pension age at 67 years. In many

<sup>3</sup> [https://ec.europa.eu/eurostat/statistics-explained/images/9/92/Statutory\\_pension\\_ages\\_and\\_average\\_ages\\_up\\_to\\_which\\_people\\_want\\_to\\_work%2C\\_by\\_sex%2C\\_February-September\\_2015\\_and\\_2020\\_%28years%29\\_AE2020.png](https://ec.europa.eu/eurostat/statistics-explained/images/9/92/Statutory_pension_ages_and_average_ages_up_to_which_people_want_to_work%2C_by_sex%2C_February-September_2015_and_2020_%28years%29_AE2020.png)

countries, the pension age for women is the same as for men, such as in Belgium, Cyprus, Luxembourg, Slovenia, Finland and Sweden, all at 65 years. However, some countries like Croatia (62.5 years), Poland (60 years), and Romania (61.25 years) have a lower pension age for women compared to men. This reflects different historical and social policies that have shaped gender-specific retirement ages.

Focusing on the project countries:

- **Slovakia** has a pension age of 62.5 years, equal to men.
- **Czechia** has a pension age of approximately 63.67 years, equal to men.
- **Germany** has a pension age of around 65.67 years, equal to men.
- **Bulgaria** has a pension age of 66.5 years, equal to men.
- **Croatia** sets the pension age at 62.5 years, lower than for men.
- **Austria** has a pension age of 60 years, lower than for men.
- **Slovenia** has a pension age of 65 years, equal to men.
- **Hungary** has a pension age of 64.5 years, equal to men.
- **Serbia** has a pension age of 63 years, lower than for men.
- **Bosna and Hercegovina** have a pension age of 56,5 years, lower than for men.

The demographic forecasts indicate a significant ageing of the population across Europe, leading to a shrinking proportion of the working-age population and a growing shortage of labour. To confront this challenge, companies must tap into the potential of employees of all age groups. Data from 2013 to 2023 reveals a general upward trend in employment rates for individuals aged 55-64, indicating improved opportunities for older workers. Germany consistently boasts the highest rates, while countries like Czechia, Bulgaria, and Hungary

exhibit remarkable growth. Retirement ages vary across Europe, with Slovakia having one of the lowest pension ages in Europe at 62.5 years. Gender-specific retirement ages also vary, reflecting historical and social policies. In project countries, pension ages generally align with European trends, though there are variations, such as lower retirement ages for women in Croatia and Austria compared to men.

### **Early retirement culture**

The extensive use of early retirement schemes has historically contributed to lower labour force participation among older workers, e.g. in Austria. In Slovakia, early retirement has proven to be a very unfortunate and problematic measure, causing numerous complications. This policy exacerbates the existing shortage of human resources. As more individuals retire early, the gap in the workforce widens, raising the critical question: who will replace these missing human resources? Addressing this issue is essential for maintaining economic stability and ensuring the continued productivity of the labour market.

Solutions to this problem may include investing in retraining programs, encouraging later retirement, and attracting younger workers through various incentives. For example, Austria encourages partial retirement programmes, allowing employees to reduce their working hours until full retirement with minor financial losses. Employers who support their employees in working part-time can benefit from subsidies provided by the public employment service. However, Austria has also faced challenges, as the extensive use of early retirement schemes has historically contributed to lower labour force participation among older workers. Austria has a particularly low tendency of older people to remain in the workforce, which can be observed as the effect of generous early retirement provisions. In Slovenia, a distinct preference for early retirement among both young and older workers intersects with limited opportunities for part-time employment among the latter

demographic, revealing the delicate balance between generational aspirations and labour market structures.

Meanwhile, in Serbia, systemic adjustments targeting severance pay and retirement age aim to integrate older workers into the labour force while simultaneously bolstering their health and adaptability to contemporary work environments.

Early retirement in Bulgaria offers specific professions and labour-intensive roles a pathway to retire before the standard retirement age, provided they meet certain criteria based on years of service and age. This system caters to armed forces personnel, state employees, firefighters, divers, and teachers, among others, allowing them to access financial support earlier in recognition of their dedicated service. The pension options include fixed-term professional pensions from professional pension funds or lifelong pensions from the National Social Insurance Institute, offering flexibility and support for retirees.

Croatia faces challenges of early retirement propelled by health concerns among older employees, prompting the need for improvements in healthcare and working conditions to prolong workforce participation and mitigate premature exits.

Germany contends with strains on its pension system due to generous early retirement schemes, prompting reforms aimed at addressing demographic challenges and fostering longer working lives despite persistent integration hurdles. Similarly, Hungary navigates the economic repercussions of an ageing society by gradually raising the retirement age and curtailing early retirement options, confronting concurrent challenges in employment and retirement policies amidst demographic shifts.

Finally, Czechia's efforts to enhance economic activity among older individuals encompass raising the retirement age and incentivizing continued work through reduced social security



contributions, highlighting a multifaceted approach to optimising workforce participation and societal resilience across the ageing continuum.

## **Understanding the global ageing phenomenon and the role of the Active Ageing Index (AAI)**

The world's population is ageing due to several concomitant factors. This demographic shift will cause significant structural changes in the economy, healthcare, and social care, affecting not only the labour market but also education, culture, household functioning, and family coexistence. Early recognition and gradual implementation of necessary changes are crucial to effectively managing the challenges associated with ageing.

### **The AAI: A Tool for policymakers**

AAI is a practical tool designed to help policymakers identify areas where the potential for active ageing among older people is not yet fully realised. The AAI measures the extent to which older people live independent lives, participate in paid employment and social activities, and possess the capacity to actively age. The index comprises 22 individual indicators grouped into four domains, each reflecting a different aspect of active ageing. Additionally, the AAI provides a breakdown of results by sex to highlight differences in active ageing between men and women.

The document titled Active Ageing Index, Analytical Report (2018), discusses the application of the AAI to EU Member States and selected subnational contexts, showcasing its potential as a tool for monitoring the implementation of active ageing policies. The AAI facilitates the comparison of countries and regions, identifies trends, and highlights domain-specific and regional specificities, providing valuable information for policymakers.<sup>4</sup>

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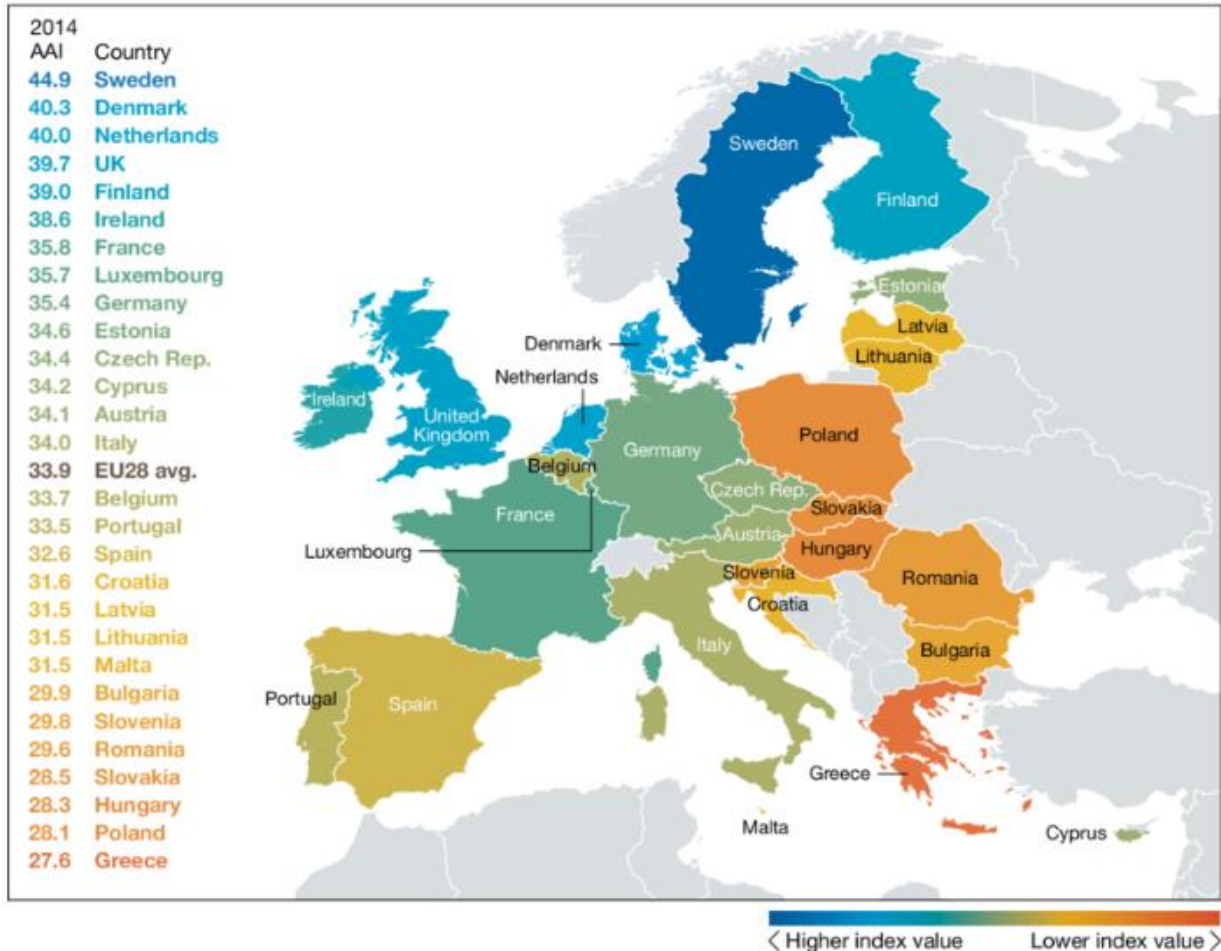
<sup>4</sup> United Nations. (2019). 2018 Active Ageing Index. Analytical Report. Geneva. [Online] Available at: [https://unece.org/DAM/pau/age/Active\\_Ageing\\_Index/ECE-WG-33.pdf](https://unece.org/DAM/pau/age/Active_Ageing_Index/ECE-WG-33.pdf) [Accessed 3 June 2024]

One of the critical insights from the AAI application is the identification of inequalities and strengths in active ageing. The index helps address inequalities that marginalise vulnerable groups, such as those with lower socio-economic status, poor health, or belonging to ethnic minorities. It emphasises the need for more detailed, age-disaggregated data, particularly for the oldest age groups, and the use of longitudinal data to understand life-course events affecting active ageing.

To enhance the effectiveness of the AAI, the document recommends focusing on future research on: Migration-related inequalities, as migrants constitute a growing share of the older population, and increased attention to the oldest age groups and their specific needs.

The document underscores the importance of using the AAI to promote active ageing, address inequalities, and develop effective policies through comprehensive data and stakeholder engagement. By leveraging the insights provided by the AAI, policymakers can better support it.

Map no. 3: The AAI in EU countries in 2014



Source: ResearchGate<sup>5</sup>

Among the project partner countries, Germany, the Czech Republic, and Austria stand out with AAI values exceeding the EU28 average. Germany leads the group with a robust AAI of 35.4, indicating a high level of active and healthy ageing. This suggests that older adults in Germany benefit from extensive opportunities for employment, social participation, and

<sup>5</sup> [https://www.researchgate.net/figure/Ranking-of-28-EU-Member-States-on-the-basis-of-the-2014-overall-AAI\\_fig2\\_275348974](https://www.researchgate.net/figure/Ranking-of-28-EU-Member-States-on-the-basis-of-the-2014-overall-AAI_fig2_275348974)

independent living, contributing to their overall well-being. Similarly, the Czech Republic and Austria exhibit strong AAI values of 34.4 and 34.1, respectively, reflecting well-integrated older populations and supportive policies for active ageing. These countries serve as exemplary models in fostering environments that empower older adults to lead fulfilling and engaged lives.

Croatia, with an AAI of 31.6, falls slightly below the EU28 average but surpasses several other project partner countries. While Croatia demonstrates relatively favourable conditions for active ageing compared to lower-ranking countries, there remains room for improvement to reach the European average.

Conversely, Hungary, Slovakia, Slovenia and Bulgaria face significant challenges with AAI values below the EU28 average. These countries struggle to provide adequate opportunities for employment, social participation, and independent living for their older populations. With AAI values ranging from 28.3 to 29.9, these countries must prioritize policies and interventions to address systemic barriers hindering active and healthy ageing. By investing in initiatives that promote employment opportunities, social inclusion, and accessible healthcare, these countries can work towards improving the well-being and quality of life of their ageing populations.

### **Importance of employment of individuals aged 55+**

In response to the demographic challenges posed by ageing populations in European countries, it is essential to increase employment rates among older workers and extend their employment duration. Despite low unemployment rates in many countries, there is a significant shortage of qualified graduates who meet the demands of the labour market. As one respondent highlighted, "anyone who has two hands and two feet" is being hired,

underscoring the urgency of the situation. To address labour market needs effectively, retaining older employees for as long as possible is a viable solution. Workers aged 55 and above possess substantial potential due to their skills and experience.

Age management is a strategy that focuses on managing individuals based on their age, abilities, and work potential. It considers the various life stages of employees, their evolving competencies, values, health, attitudes, and motivation. Age management applies to all age groups in the workplace, from new graduates to working retirees, and spans all sectors of the economy, including state and public administration. A crucial aspect of this approach is fostering motivation and willingness to work among older employees, as well as supporting their ability to acquire new knowledge, particularly in the field of new technologies. By implementing effective age management practices, it is possible to support older workers in remaining employed and contributing to the labour market for longer periods.

## 3. Country Analysis

### 3.1. Slovenia

#### Demographic situation in Slovenia<sup>6</sup>

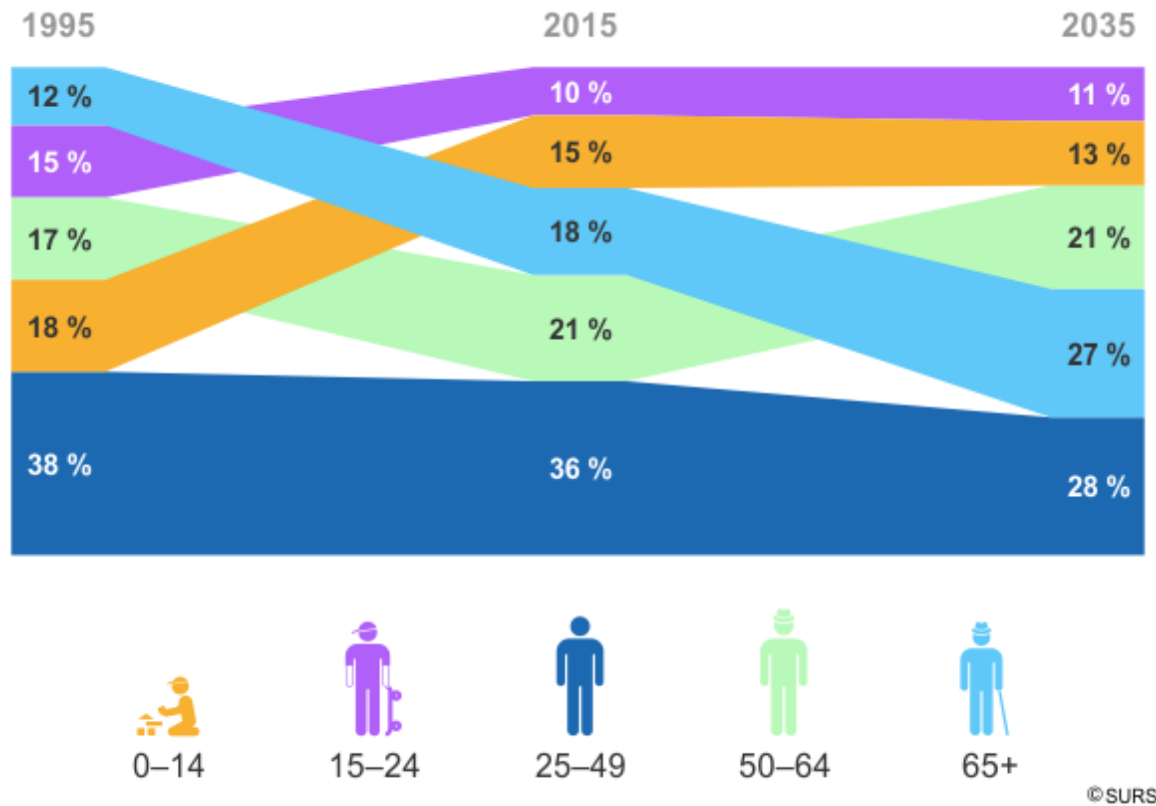
Slovenia, like many European countries, is experiencing significant demographic changes characterised by an ageing population. Despite the expected increase in the population in the coming years, which should reach its peak in 2025, we can expect major changes in the age structure. Life expectancy at birth is constantly increasing; from 1995 to 2015 it grew from 74.1 to 80.5 years, and it is projected to extend for a further 2.9 years by 2035. However, the current fertility rate (1.58 children per woman) is not sufficient for the complete replacement of the population in the long term, which should be about 2.1 children per woman.

Thus, the median age of the population will grow from 36 years in 1995 to 48.1 years by 2035. This means that the share of children under 14 years will fall by 5 percentage points. The active population between 15 and 64 years will decrease by 10 percentage points, which will largely depend on the reduction of the population of 25–49-year-olds. On the other hand, the share of the elderly is increasing, both those belonging to the older workforce (50–64 years) as well as the even older population.

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<sup>6</sup> Savarin, A., 2016. Are we becoming grey or wise? Statistical Office of the Republic of Slovenia. Available at: <https://www.stat.si/StatWeb/en/News/Index/5902> [Accessed 3 June 2024].

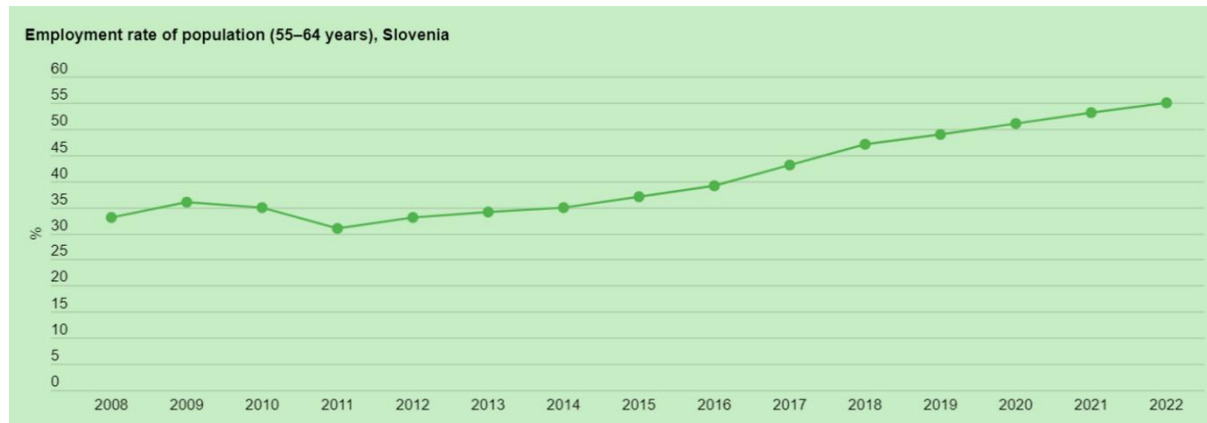
Graph no. 1: The employment rate of Slovenia's residents aged 0–65+ years



Source: SURS

The employment rate of Slovenia's residents aged 55–64 years was 33% in 2008. Three years later, it fell to the lowest level of 31% and has been increasing ever since until it reached the highest level of 55% in 2022.

Graph no. 2: Employment rate of population



Source: SURS

Reaching old age reflects a higher quality of life, largely due to great advances in science and medicine. One of the tools to reduce such strong dependence of the inactive, mainly pensioners, on employed persons is postponing retirement. Active ageing and subsequent retirement also depend on good health. Data from SILC show that, based on self-assessment of health status, the share of people who assessed their health status as good or very good is growing. Between 2005 and 2014 the share of people between 55 and 64 years who assessed their health status at least as good grew from 34% to 49%. Likewise, during the same period, the share of people aged 65 or more who made the same assessment increased from 18% to 27%. The involvement of the population aged 55–64 in the labour market grew from 31% to 35%, while the inclusion of 65–69-year-olds fell from 12% to 10%. Activity in old age does not mean only later retirement and thereby lower expenditure on pensions, but also the preservation of mental activity and physical health.

Despite large progress in achieving longer life, the indicator of the length of service, which measures how many years a person aged 15 is expected to be active in the labour market, is slowly increasing. In the period discussed earlier (2005–2014), it grew from 33.5 to 34.1



years. However, the ratio between the number of insured persons and pensioners is growing steadily. In 2005, there were 100 insured per 60 pensioners; by 2015 the number of pensioners grew to 73, and according to projections, it should reach 97 pensioners per 100 insured by 2035.

For a constructive coexistence between generations, it is necessary to maintain a positive interpersonal relationship and solidarity between the young, the middle-aged and the elderly. The Eurobarometer conducted an opinion poll in 2012 on discrimination in the EU. Results showed that in Slovenia 42% of respondents believe, that discrimination against the elderly over 55 is widespread, compared to 14% who believe in discrimination against people younger than 30 years. On a 10-level scale of "feeling if someone would occupy the highest elected political position in Slovenia" respondents expressed the opinion that it would be more normal if they were younger than 30 years (value 6.8) than if they were older than 75 (value 5). Even when it comes to equal opportunities in recruitment, the first ranked opinion with 66% was that a person older than 55 years is in a disadvantage if the company is choosing among two equally qualified candidates, compared with 14% if a person is younger than 30 years.

Similarly, on the impact of the crisis on the labour market persons over 55 were placed in the first place as most discriminated against, whereas persons under 30 were placed last. Even on the topic of active ageing, 49% expressed the opinion that people older than 55 are generally viewed positively and only 45% felt that they can contribute to society as paid workers. For this reason, it is necessary to raise awareness of the contribution and potential of each of the following age groups in raising the quality of life and enhancing human capital. Abilities and skills of the elderly are an important part of human capital; mobilization and use of these skills could strengthen the social status of the elderly and relieve the younger generation.

## Main policy actors

Addressing the challenges of 55+ employment in Slovenia involves a coordinated effort among various policy actors, including government ministries, social partners, NGOs, and international organisations. These actors work together to develop and implement policies and programs that support older workers, promote healthy ageing, and ensure economic sustainability.

### GOVERNMENT BODIES

- **The Ministry of Labour, Family, Social Affairs, and Equal Opportunities** is the primary government body responsible for labour market policies, including those affecting older workers. It develops and implements policies related to employment, social security, family policy, and equal opportunities.
- **The Employment Service of Slovenia (ESS)** is a key institution in the labour market, providing employment services, career guidance, and training programs. It plays a crucial role in supporting older workers to re-enter or remain in the workforce.
- **The Ministry of Health** is responsible for health policies, including workplace health and safety regulations. It collaborates with other ministries to promote healthy ageing and address health issues that can affect the employability of older workers.
- **The Ministry of Education, Science and Sport** oversees education and training policies, including lifelong learning initiatives that are essential for upskilling older workers.

## SOCIAL PARTNERS

- **Trade Unions** such as the Confederation of Trade Unions of Slovenia (ZSSS), advocate for the rights and interests of workers, including older employees. They engage in social dialogue and collective bargaining to improve working conditions and job security for older workers.
- **Employers' Associations:** Organisations like the Chamber of Commerce and Industry of Slovenia (GZS) and the Slovenian Employers' Association (ZDS) represent the interests of employers. They are involved in policy discussions and initiatives to create favourable conditions for employing older workers.

## NON-GOVERNMENTAL ORGANISATIONS (NGOs) AND OTHER INSTITUTIONS

- **The Slovenian Federation of Pensioners' Associations** (ZDUS) advocates for the rights and well-being of older adults, including issues related to employment and social security. They are actively involved in policy discussions and public awareness campaigns.
- **Institute for Pension and Disability Insurance of Slovenia** (ZPIZ) manages the pension and disability insurance system in Slovenia. It plays a critical role in shaping policies related to retirement age, pension entitlements, and incentives for delayed retirement.
- **Academic and Research Institutions**, such as the University of Ljubljana and the Institute for Economic Research, conduct studies and provide data to inform policymaking on ageing and employment issues.

## INTERNATIONAL ORGANISATIONS

- As a member of the EU, Slovenia aligns its policies with EU directives and strategies related to employment and social policy. EU initiatives and funding programs, such as the European Social Fund (ESF), support projects aimed at improving employment prospects for older workers.
- **The Organisation for Economic Co-operation and Development (OECD)** provides policy recommendations and research ageing and employment, which Slovenia can use to inform its national policies.

## Age management

Many times, it seems that some professions are somehow more intended for older people, and some for younger people. In Slovenia, older working people are present in a smaller percentage than the entire working population, mainly among sellers, in a larger percentage among farmers, officials and professionals, and in a slightly larger percentage also in public sector activities<sup>7</sup>.

In a narrower sense, age management means planning and implementing an active ageing strategy at the organisational level, which focuses on the continuous involvement of older employees in the work environment and the extension of their active period of life. Age management at the organisational level includes: 1) employment and retirement policy for older workers; 2) training, development and promotion of older employees; 3) developing

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<sup>7</sup> Lah, L.M., Svetin, I. and Razpotnik, B., 2013. Older people in the labor market. Ljubljana: Statistical Office of the Republic of Slovenia. (Brochures Collection / Statistical Office of the Republic of Slovenia). Available at: <https://www.stat.si/doc/pub/starejsi.pdf> [Accessed 3 June 2024]

flexible forms of work; 4) creating jobs tailored to the elderly and 5) changing attitudes regarding older employees.

There are three pillars of elderly management: 1) the **individual level**, which includes tradition, culture, gender, health and social security; 2) the **organisational level**, which contains age management, changing stereotypes, health prevention and curative, synergy and employment policy; 3) the **social level**, which includes non-discrimination, employment policy, lifelong learning, the health system and the promotion of active ageing<sup>8</sup>.

## Overview of policy initiatives and programs

Slovenia's **Active Ageing Strategy** aims to promote longer working lives, improve the employability of older workers, and enhance their quality of life. It includes measures for lifelong learning, health promotion, and flexible working arrangements.

### 1. Lifelong Learning and skills development:

- Continuous Education and Training: Programs to provide older workers with opportunities for continuous education and training to update their skills and remain competitive in the labour market.
- Digital Literacy Programs: Initiatives to improve digital skills among older adults to ensure they can adapt to technological changes in the workplace.

### 2. Health promotion and workplace adaptations:

- Healthy ageing programs: Initiatives focused on promoting healthy lifestyles and preventive healthcare to maintain the physical and mental health of older workers.

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<sup>8</sup> Wikipedia, n.d. Management starosti. Available at: [https://sl.wikipedia.org/wiki/Management\\_starosti](https://sl.wikipedia.org/wiki/Management_starosti) [Accessed 3 June 2024]

- Workplace health and safety: Measures to improve workplace ergonomics, prevent occupational diseases, and adapt work environments to the needs of older employees.

### **3. Flexible working arrangements:**

- Part-time and flexible hours: Encouraging employers to offer part-time positions, flexible working hours, and telecommuting options to accommodate the needs of older workers.
- Phased retirement: Options for phased retirement that allow older workers to gradually reduce their working hours while transitioning to full retirement.

### **4. Anti-Discrimination and Awareness campaigns:**

- Combating age discrimination: Enforcement of anti-discrimination laws and policies to protect older workers from age-related biases and unfair treatment in the workplace.
- Public awareness campaigns: Initiatives to raise awareness about the value of older workers and combat negative stereotypes.

### **5. Social inclusion and participation:**

- Community engagement: Programs to encourage the active participation of older adults in community activities and volunteering, fostering social inclusion and a sense of purpose.
- Intergenerational programs: Initiatives that promote interaction and cooperation between different age groups to facilitate knowledge transfer and mutual support.

**Employment programs for older workers:** Specific programs and incentives are designed to encourage the employment of older workers, such as subsidies for employers who hire older employees and training programs to enhance their skills.

#### **1. Subsidies and financial incentives:**

- Hiring Incentives for Employers: Financial subsidies and incentives for employers who hire or retain older workers. These incentives can help offset the perceived higher costs of employing older individuals.
- Support for Self-employment: Grants and financial assistance for older workers interested in starting their businesses or pursuing self-employment.

#### **2. Job search and placement services:**

- Tailored Job Placement: Services provided by the Employment Service of Slovenia (ESS) to help older workers find suitable employment opportunities. These services include personalised job search assistance, career counselling, and job matching.
- Job Fairs and Recruitment Events: Events specifically aimed at connecting older job seekers with potential employers.

#### **3. Training and upskilling programs:**

- Vocational Training: Courses and training programs focused on vocational skills to help older workers transition to new roles or industries.
- Re-skilling Initiatives: Programs aimed at re-skilling older workers in areas with labour shortages or growing demand.

#### **4. Public works and community service:**

- Public Works Programs: Temporary employment opportunities in public works projects, that provide older workers with income and work experience.

- Community Service Initiatives: Programs that, engage older workers in community service activities, offering them meaningful work while benefiting the community.

### **5. Consulting and Mentoring:**

- Mentorship programs: Initiatives, that leverage the experience of older workers by involving them in mentoring roles where they can guide and support younger colleagues.
- Career consulting services: Professional career consulting services to help older workers navigate career transitions and plan their professional futures.

### **Evaluations of active aging strategy and employment programs**

Evaluating the effectiveness of measures aimed at promoting 55+ employment in Slovenia involves examining various reports, studies, and analyses conducted by government agencies, research institutions, and international organisations. Here's a summary of findings from available evaluations and assessments:

#### **1. European Commission Country reports:**

The European Commission regularly publishes country reports as part of the European Semester process. These reports often include assessments of labour market policies, including those targeting older workers. According to the 2020 European Semester Country Report for Slovenia, the active ageing measures were acknowledged as crucial, but the report highlighted the need for stronger implementation and better alignment with labour market needs.

#### **2. OECD reviews:**

The OECD's "Pensions at a Glance" reports provide insights into the effectiveness of retirement and employment policies across member countries, including Slovenia. The 2019



report noted that while Slovenia has made progress in extending working lives, challenges remain in ensuring adequate income and employment opportunities for older workers.

### **3. National evaluation reports:**

Slovenia's Ministry of Labour, Family, Social Affairs, and Equal Opportunities periodically evaluates the impact of its employment programs. A 2018 report from the ministry indicated that employment subsidies and training programs had positive outcomes in terms of increasing employment rates among older workers. However, the report also pointed out the need for continuous improvement in program design and delivery to maximize effectiveness.

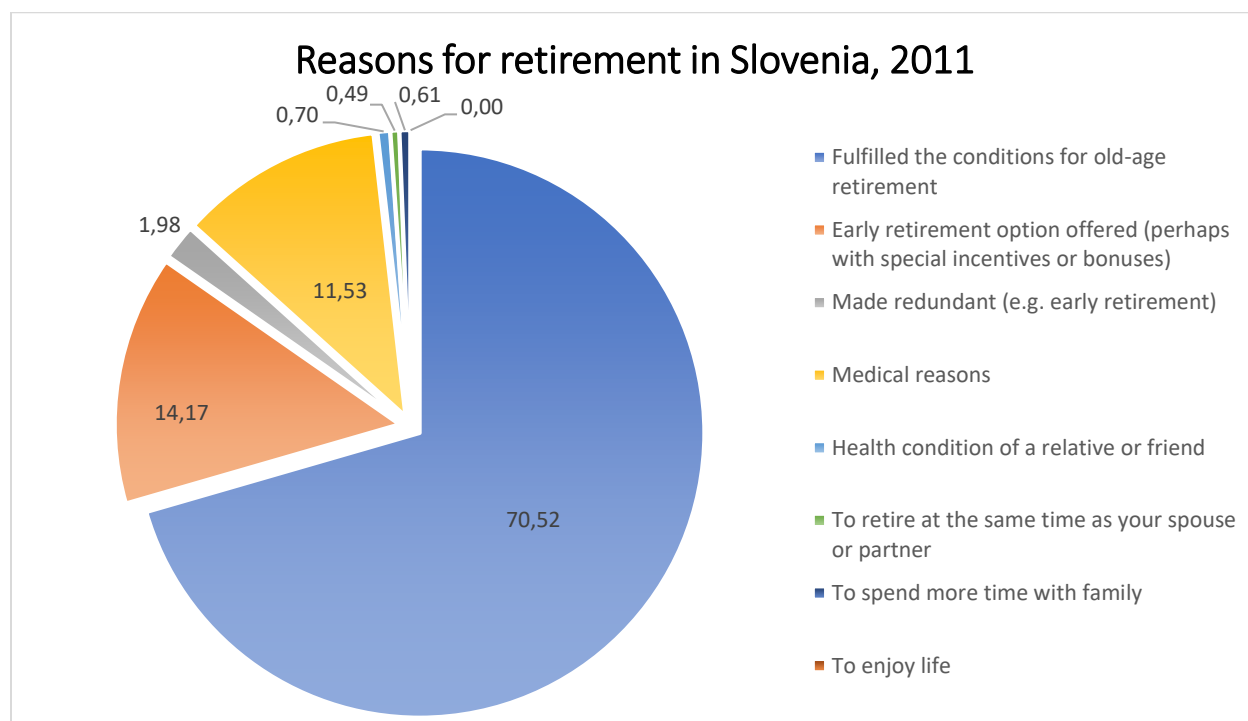
### **4. Research studies:**

Studies conducted by Slovenian research institutions, such as the Institute for Economic Research, have analysed specific programs and policies. A study from 2017 examined the impact of lifelong learning programs on the employability of older workers, finding that participants in these programs were more likely to remain in employment compared to those who did not participate. The study recommended increasing accessibility and targeting of such programs.

### **5. European Social Fund (ESF) evaluations:**

Projects funded by the ESF in Slovenia are subject to evaluation to assess their effectiveness and impact. ESF evaluations have highlighted successful initiatives that improved the skills and employment prospects of older workers, but also pointed to the need for better coordination between different programs and more comprehensive support services.

Graph no. 3: 55+ employment challenges



Source: Active and Healthy Ageing for an Active and Healthy Old Age: Analytical Report of the DP3 AHA 9

Most Slovenians want to retire as soon as possible. In Slovenia, young people also support early retirement, as they believe that this is the only way employment opportunities will open for them as well. Some countries solve this problem with the so-called gradual retirement; this means, that older workers work progressively fewer hours per week before finally retiring. Such gradual retirement can be measured by the share of older workers (50-64 years) whose working hours are shorter than full-time. Slovenia ranks among the countries

<sup>9</sup> Kavaš, D., Koman, K., Kump, N., Majcen, B., Sambt, J. and Stropnik, N., 2016. Active and Healthy Ageing for an Active and Healthy Old Age: Analytical Report of the DP3 AHA.SI Project. Institute for Economic Research. Available at: [https://www.staranje.si/sites/www.staranje.si/files/upload/images/ier\\_analitsko\\_porocilo.pdf](https://www.staranje.si/sites/www.staranje.si/files/upload/images/ier_analitsko_porocilo.pdf) [Accessed 3 June 2024]

with a low value of this share; in 2012 it amounted to 9.8%; it was less than the average share in the EU-27 by more than 10 percentage points (20.4%).

Young people in Slovenia advocate for the early retirement of older people also because they believe that this would also open more stable jobs for them. Slovenia is known for having the highest share of fixed-term employment among EU member states among young employees (15-24 years), namely 72%, and compared to this share, a relatively small share of fixed-term employment among older employees (50-64 years old), 7%.

Slovenian organisations are already implementing certain measures, namely: 1) discriminatory age restrictions do not appear in advertisements; 2) promoting the formation of age-mixed or diverse work teams and the cooperation of older and younger colleagues; 3) age-related medical examinations: care for prevention and curative care; 4) identification of health-risk jobs and risk assessment for individual (older) employees; 5) communicating with employees about retirement plans; 6) constant communication with employees regarding their intentions and wishes to extend their work activity - even beyond the retirement age; 7) identifying, retaining and transferring the key skills of the elderly; 8) exemption from working overtime for older workers. The least frequently implemented measures are: 1) promotion of active aging strategies and age management policies in organisations; 2) management training on age management; 3) extended vacations aimed at building a career; 4) option: reassignment of older employees to lower levels - lower salary, easier work and less responsibility; 5) flexible work practices (working at home, condensing work obligations to 4 days a week, etc.)<sup>10</sup>.

Many times, it seems that some professions are somehow more intended for older people, and some for younger people. In Slovenia, older working people are present in a smaller

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<sup>10</sup> Wikipedia, n.d. Management starosti. Available at: [https://sl.wikipedia.org/wiki/Management\\_starosti](https://sl.wikipedia.org/wiki/Management_starosti) [Accessed 3 June 2024].

percentage than the entire working population, mainly among sellers, and in a larger percentage among farmers, officials and professionals, and in a slightly larger percentage also in public sector activities<sup>11</sup>.

According to the Labour force survey results (SURS, 2023)<sup>12</sup>, the main reason why retired people continue working is that they enjoy working and being productive. Fewer than a tenth of respondents – more men than women – decided to continue working after they started receiving old-age pensions. The most common reasons for continuing to work are the joy of work and being productive, financial necessity and maintaining social inclusion.

In Slovenia, a little more than four-fifths (84.3%) of persons stopped working after they started to receive old-age pensions. Fewer than a tenth (8.0%) decided to continue working with or without changes. Among them, there were more men (65.0%) than women (35.0%). The gender ratio among those who decided to continue working was also similar at the level of cohesion regions - about a third were women and two thirds were men.

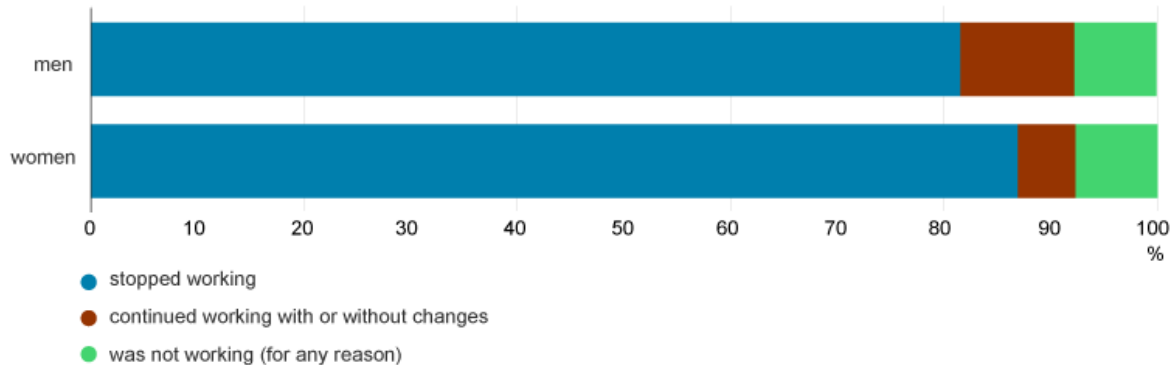
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<sup>11</sup> Lah, L.M., Svetin, I. and Razpotnik, B., 2013. Older people in the labor market. Ljubljana: Statistical Office of the Republic of Slovenia. (Brochures Collection / Statistical Office of the Republic of Slovenia). Available at: <https://www.stat.si/doc/pub/starejsi.pdf> [Accessed 3 June 2024]

<sup>12</sup> Nenadović, G. and Vratnar, H., 2024. Labour force survey results, module, 2023: The main reason why retired people continue working is that they enjoy working and being productive. Statistical Office of the Republic of Slovenia. Available at: <https://www.stat.si/StatWeb/en/News/Index/12764> [Accessed 3 June 2024]

Graph no. 4: Persons at the beginning of receiving old-age pension by activity situation

Persons at the beginning of receiving old-age pension by activity situation, Slovenia, 2023



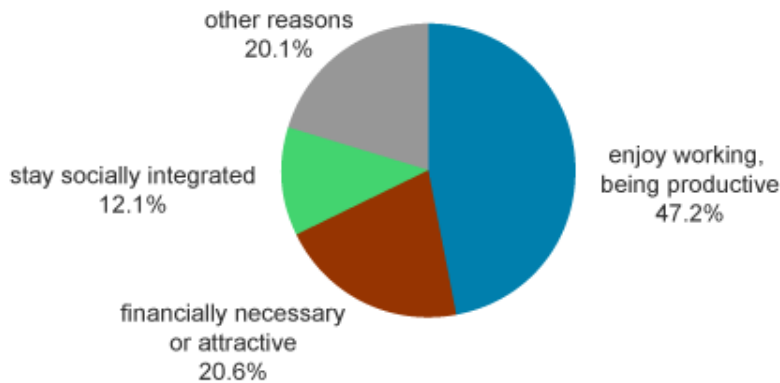
Source: SURS

The differences between cohesion regions are reflected in the share of persons, who decided to continue working at the beginning of receiving old-age pension, which was 4.6 percentage points (p.p.) higher in West (Zahodna) Slovenia (10.5%) than in East (Vzhodna) Slovenia (5.9%). On the other hand, the share of persons who were not working just before and after they started to receive old-age pension was 7.9 p.p. higher in East Slovenia (11.2%) than in West Slovenia (3.4%).

Almost half (47.2%) of respondents cited the joy of work and being productive as the main reason to continue working after they started receiving old-age pension. 20.6% of people chose financial necessity or financial attraction of the work, 12.1% chose social inclusion and 20.1% other reasons.

Graph no. 5: Main reasons to continue working at the beginning of receiving old-age pension

**Main reasons to continue working at the beginning of receiving old-age pension, Slovenia, 2023**



Source: SURS

4.3% of persons who were not working for the first six months after they started receiving their statutory old-age pension entered the labour market again and started working at least one paid job of a minimum duration of 3 months or occasional work. Among the reasons to re-enter the labour market, half (50.2%) indicated the enjoyment of work and being productive. The second most common reason was financial necessity or attractiveness (30.4%), and the rest mentioned other reasons (19.4%).

### **Secondary data with information from stakeholders' interviews**

One of the major challenges for elderly workers is adapting to fast-paced technology. Rapid technological changes create apprehension about inclusion in modern work processes. To help older workers, it's important to provide incentives that build on their skills and experience. Digitisation and health issues also impact their motivation and ability to perform tasks. Understanding, intergenerational support, and additional training are crucial. Encouragement and assistance can counter their fears and self-doubt. Staying active in the

workforce is key, but many workers over 55 are not used to the tools that can ease their workload. Supporting them in using these resources can enhance productivity and help them remain active and efficient.

Indeed, **challenges faced by older workers vary significantly across industries.** In manufacturing, mastering production automation and quickly acquiring new knowledge are crucial, requiring support to adapt to evolving technologies. In service industries, delivering fast, high-quality services is essential, necessitating investment in older employees. Physically demanding sectors, like manufacturing, pose challenges due to the intensity of the work. In the ICT sector, older workers need additional digital skills, which can be difficult for those over 55. Staffing gaps in elderly care and healthcare demand skills in caring for the elderly and sick. The nature and form of work greatly influence these challenges. For instance, healthcare has less physical burden due to a larger workforce, while social care, especially with elderly or dementia patients, is more demanding. Overall, the type and intensity of challenges depend on the specific industry and job requirements.

Preventive activities for mental and psychological health are becoming more common. Since a healthy mind resides in a healthy body, focusing on preventive healthcare can help older workers remain effective in their jobs. Prioritizing health prevention helps manage the challenges of a profit-driven society, balancing capital with empathy and respect for individual needs. For those aged 55 and older, who may lack the motivation and energy of younger workers, additional measures like employer subsidies are necessary. These measures depend on financial resources and tenders. Politics plays a crucial role in shaping rights and policies, and there are significant gaps in legislation, system arrangements, and education, especially in healthcare and nursing. Addressing these gaps requires a systematic approach from high school through retirement.

Likely projects are encouraging the employment of older workers, **but the main incentive known is that employers pay lower contributions for workers over 60.** No other major incentives are currently recognised. More could be achieved with sufficient resources and political responsibility. Improvements are being made, but social consciousness and legislation need to change to support this discourse. Employment of older workers could be encouraged with more vacation days, fewer working hours (even four hours a day), and flexible schedules. Allowing retirees to work while receiving their full pension and salary, rather than just 40% of their pension, would also be beneficial.

There are initiatives to address these issues, but the state and politics **lack a long-term strategy.** The focus should be on retaining our well-educated staff rather than relying solely on foreign labour. Maintaining our workforce should be a priority. The state should proactively legislate to guide employers in training workers from age 40 to prepare them for later work life. As an ageing society faces a labour shortage, it is crucial to keep older employees working longer. Early retirement leads to a loss of valuable knowledge and wisdom. Many larger companies already implement age management, changing perceptions about ageing, managing knowledge, and developing health management tools. They design suitable work environments, maintain older workers' mobility and efficiency, and manage intergenerational relations. Transforming human resources management is necessary to address productivity, absenteeism, adaptability, and the working environment. Larger companies offer age ergonomics, intergenerational cooperation, flexible working days, and part-time work options. Occasionally, measures or subsidies are aimed at workers 50+.

Good practices exist in modern companies investing in personnel. **When workers reach a certain age and their family obligations decrease, they appreciate being respected and welcomed at work.** These workers stay physically and mentally healthy, contributing



significantly without frequent absences. Success depends on individual attitude and a supportive environment, but such stories are rare in our health and social care sectors.

Collective agreements only define rights and do not incentivise employing vulnerable groups, especially older people. National projects aim to preserve the vitality of the elderly, but other incentives are lacking, except for those at the Employment Agency for different reasons. Measures to encourage and retain older employees and retirees, including financial allowances, exist in various institutions like the employment office. However, our social health segment does not have a strategy for this.

Mikro+Polo from Maribor, a laboratory supply company, sets an example as they strongly encourage, regardless of age, relaxed functioning in the company, hybrid working hours from home, and at work, everyone takes responsibility for quality work done. This is not usually the case in **industrial companies**, there is no listening, **it is still not recognized that personnel capital is the biggest capital in the company, regardless of age.**

Certainly, with an additional understanding of the elderly, coordinating workplaces for the elderly, encouraging movement at the workplace, working from home, regular medical check-ups, socialising, trips, etc. The Employment Service of Slovenia, unit Kranj, has an average age of employees of 45+ years. They approach it openly, and positively, in the same way as they advise and treat their users. What they teach, they also do. Partly because there are simply no younger candidates, and partly because they are aware of the value and wealth of the elderly. For as in the social healthcare trade unions, the unions are the ones who are taking some initiatives. They are trying to show some guidelines that should be followed so that these older employees can be motivated and activated in the end. But the readiness is not high, probably because of the burdens during the working life, the willingness of our older workers to extend, to work beyond the retirement age or conditions for early retirement is actually very small and rare.

**The elderly naturally react more slowly, which can be a disadvantage for employers needing quick responses.** However, **teamwork between younger and older generations can bridge this gap.** Older and younger workers can support each other, with older workers offering problem-solving experience and younger ones bringing speed and digital skills. Even less educated workers can master technology with training.

Older workers analyse and solve complex problems better due to their experience, while younger workers often make more mistakes due to speed and superficiality. Effective teamwork is crucial, ensuring all employees, regardless of their contribution, feel equal. Mentoring by older workers is important, encouraging and helping younger ones without being authoritarian. Training in organisation and prioritisation is needed as some people, regardless of age, are naturally disorganised. Modern society's emphasis on speed has led to more errors and higher complaint rates. Companies need to teach conflict resolution and recognise individual differences to ensure a harmonious work environment.

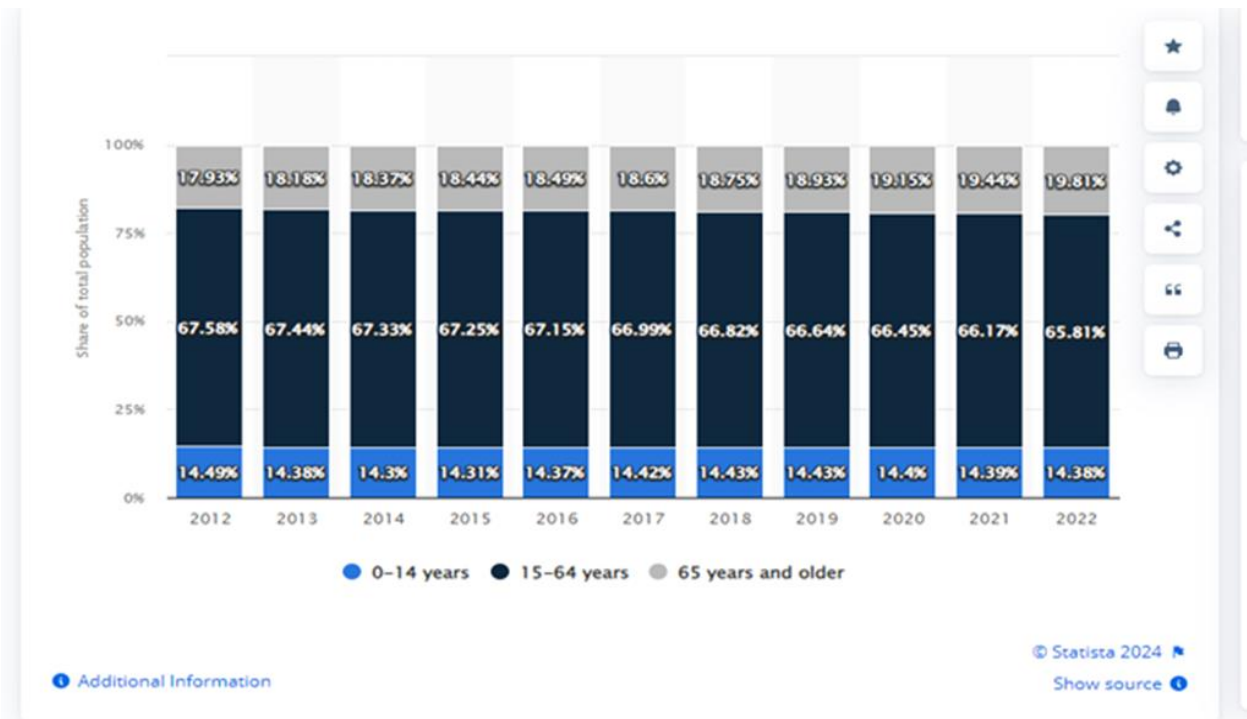
The willingness and ability to acquire new knowledge should be encouraged as lifelong learning benefits everyone. Challenges should be seen as opportunities for growth, and it's important to teach appropriately to avoid burdening employees. Embracing different cultures and perspectives enriches the workplace. The arrival of foreign labour should not be a cause for apprehension but seen as an opportunity for mutual growth.

### 3.2. Austria

#### Demographic situation in Austria

The current demographic situation in Austria shows a population of approximately 9 million inhabitants with a notable distribution across age groups. Around 65% fall within the working-age range of 15 to 64 years, constituting the workforce potential, while 15% are children under 15 and little less than 20% are 65 or older<sup>13</sup>.

Graph no. 6: Age structure from 2012 – 2022, Austria



Source: Austria - Age structure 2024 | Statista

<sup>13</sup> Austrian Press and Information Service. (2024). Population. [Online] Available at: <https://www.austria.org/population> [Accessed 3 June 2024]

As the graph indicates, the country's demographic landscape is characterised by a growing share of elderly individuals, with projections indicating a rise in the percentage of the population aged 65 and older to 24.02% by 2030 and 30.40% by 2050. These trends underscore the evolving age structure and migration patterns shaping of Austria's demographic landscape. The population is expected to reach 9.94 million by 2080, with Vienna being the most populous federal province. Notably, Austria's population growth is primarily driven by immigration, with a significant increase in net migration gains.<sup>14</sup>

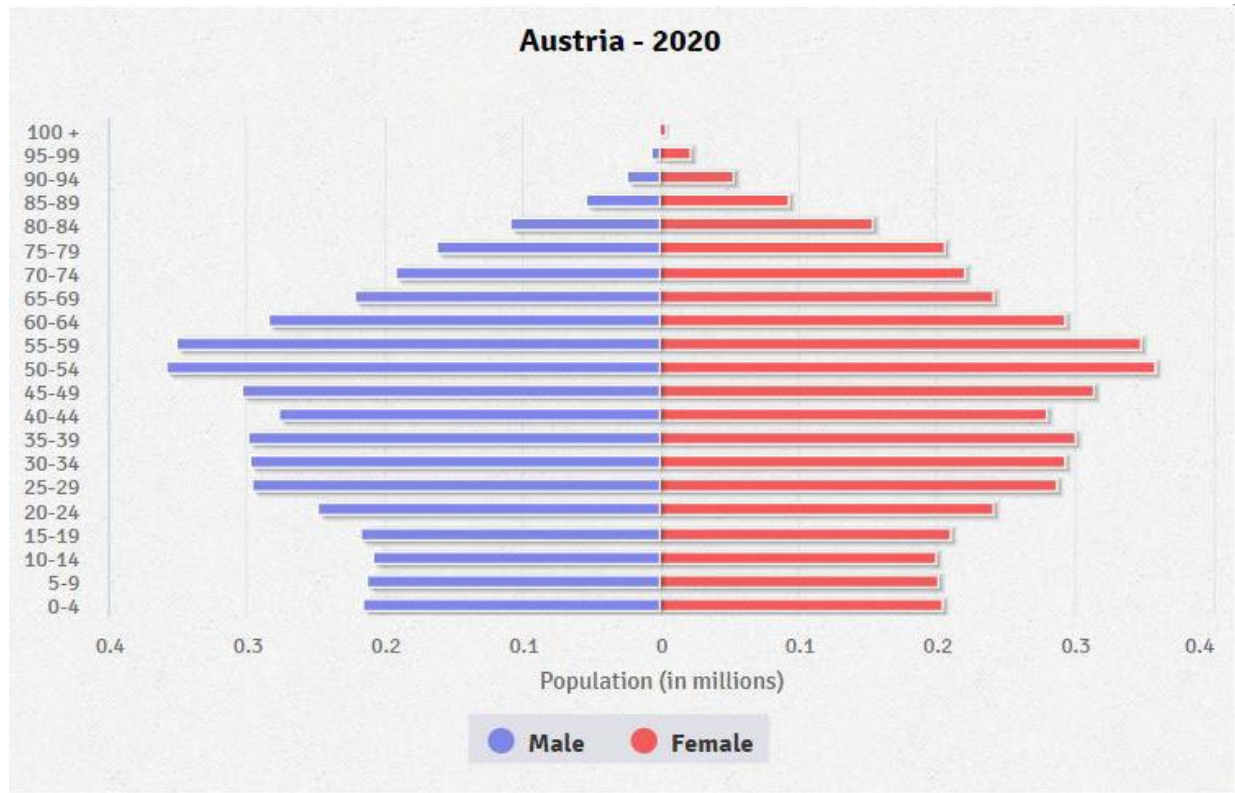
The more detailed age structure of the population in Austria<sup>15</sup> is presented in the graph below.

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<sup>14</sup> O'Neill, A., 2023. Age structure in Austria 2012-2022. [Online] Available at: <https://www.statista.com/statistics/385829/age-structure-in-austria/> [Accessed 3 June 2024]

<sup>15</sup> based on the 2020 estimates

Graph no. 7: Austria age structure



Source: CIA World Factbook

- Group 0-14 years: 14.01% (male 635,803/female 605,065)
- Group 15-24 years: 10.36% (male 466,921/female 451,248)
- Group 25-54 years: 41.35% (male 1,831,704/female 1,831,669)
- Group 55-64 years: 14.41% (male 635,342/female 641,389)
- Group 65 years and over: 19.87% (male 768,687/female 991,621)<sup>16</sup>

This means that out of the 8.93 million residents of Austria, fewer than 1.29 million are children under 15 years of age. About 5.93 million are in the 15-to-64-year range, and

<sup>16</sup>Central Intelligence Agency. (2024). People and Society. In: The World Factbook. [Online] Available at: <https://www.cia.gov/the-world-factbook/countries/austria/#people-and-society> [Accessed 3 June 2024]

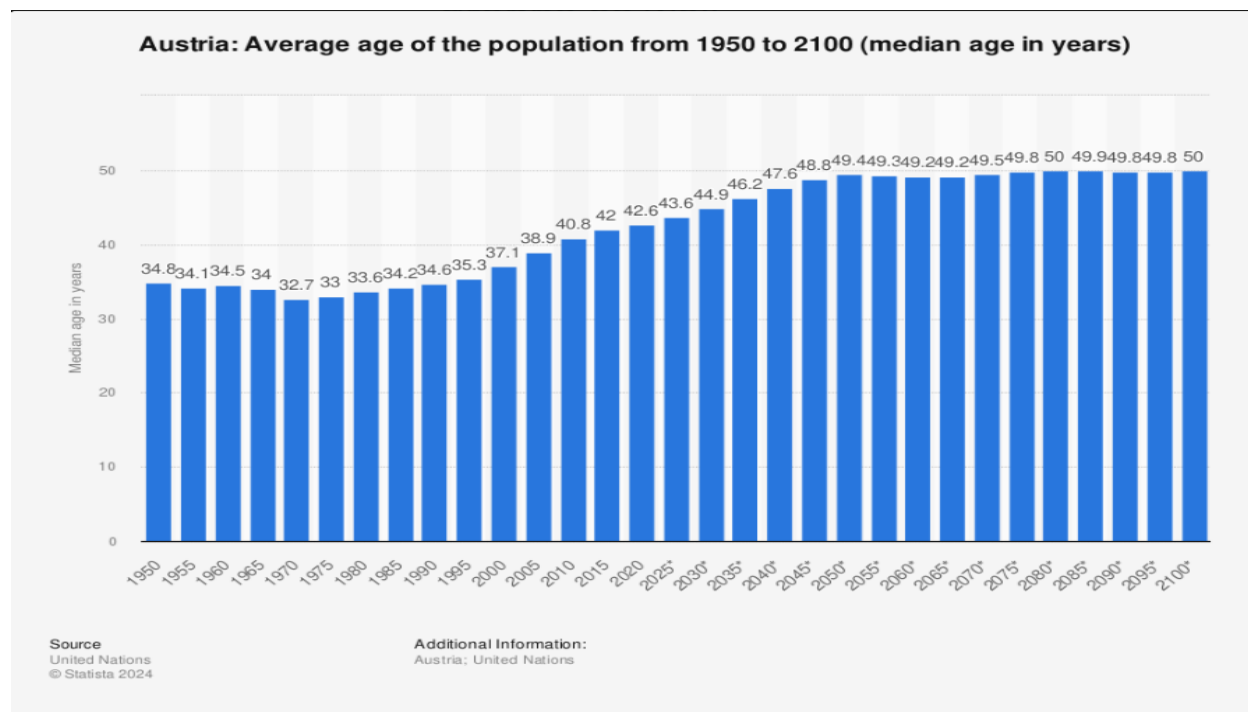
another 1.72 million Austrian men and women are 65 years or older. Fourteen point four per cent of the population are preschool and compulsory school-age children, about two-thirds (66.4%) are of working age, and 19.2% are elderly persons in retirement age<sup>17</sup>. According to the same source, there are many more women than men not only in the highest ages but generally in all age groups beginning with the age of 59. This is due to the longer life expectancy of women.

The small numbers at the top of the population pyramid are explained to have resulted from the deficit of births in World War I. However, the number of children increased considerably after the Annexation to the Third Reich in 1938 (people born at that time are now around 79 to 81 years old) only to drop again at the end of World War II as well as in the early post-war era. Due to the post-Baby Boom reduction in birth rates, which has only been partially compensated by immigration, the base of the population pyramid is quite narrow. This statistic shows the median age of the population in Austria from 1950 to 2100. In 2020, the median age of the Austrian population was 42.6 years.

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<sup>17</sup> Austrian Press and Information Service. (2024). Population. [Online] Available at: <https://www.austria.org/population> [Accessed 3 June 2024]

Graph no. 8: Average age of the population from 1950 to 2100 (median age in years)



Source: United Nations, Statista

Consequently, the number and percentage of the senior population of 65 and older is increasing considerably as the Baby Boom Generation mentioned before reaches retirement age in the prospective future. The potential workforce remains relatively stable, but the population of working age is also ageing.

With a 72% employment rate in the 15-to-64-year age range, Austria is considerably higher than the EU average (68%) and in eighth place among the 27 EU member states (2020). At 84%, the employment rate among 25 to 54-year-olds is the highest. It is lower (50%) among youth and young adults (15 to 24 years), many of whom are still pursuing their educations.

In the 55 to 64 years age group, only about 55% (increased to 57.3 % in 2023) of the population are employed; many persons of this age are already retired<sup>18</sup>.

*Table no. 2: Employed and unemployment rates by age and sex, 2020*

Age (years)	Employment rate % of population			Unemployment rate % of economic activities		
	Total	Men	Woman	Total	Men	Woman
Total	72.4	76.5	68.3	5.4	5.5	5.2
15-24	50.2	52.7	47.8	10.5	11.3	9.5
25-54	83.9	86.9	80.8	5.0	5.0	5.0
55-64	54.7	62.7	47.0	4.0	4.4	3.6

Source: Statistic Austria, Micro census, yearly average

*Table no. 3: Employed persons by economic activities, 2020*

	Total	Men	Women
<b>Employed in total (absolute)</b>	<b>4 296 900</b>	<b>2 277 500</b>	<b>2 019 400</b>
Employed in total (as %)	100.0	100.0	100.0
Agriculture, forestry, mining	4.1	4.6	3.5
Industry	24.9	36.7	11.6
Manufacturing	15.6	21.7	8.8
Construction	8.1	13.3	2.3

<sup>18</sup> Austrian Press and Information Service. (2024). Population. [Online] Available at: <https://www.austria.org/population> [Accessed 3 June 2024]



	<b>Total</b>	<b>Men</b>	<b>Women</b>
<b>Employed in total (absolute)</b>	<b>4 296 900</b>	<b>2 277 500</b>	<b>2 019 400</b>
Services	71.0	58.7	84.9
Wholesale and retail trade, repair	14.4	11.9	17.2
Transportation and storage	5.1	7.4	2.5
Accommodation and food service activities	5.3	3.9	6.8
Financial and insurance activities	3.3	3.1	3.6
Professional, scientific and technical activities	6.4	6.2	6.5
Public Administration; social security	6.8	6.4	7.2
Education	6.7	3.7	10.1
Human Health and social work activities	10.9	5.0	17.5

Source: Statistic Austria, Microcensus. Yearly average 2008

In summary, Austria's workforce includes around 57.3% of individuals aged 55 to 64, with a notable prevalence of part-time work and a gender distribution favouring woman. Compared to other European countries, Austria's employment rate for older individuals falls below the EU average but has shown an increasing trend over recent years.

The most common job areas for individuals aged 55 and above in Austria include the service sector, where more than half of men and almost nine out of ten women are employed.

Additionally, around 4% of jobs are in agriculture and forestry, while approximately 25% of employed individuals work in the production sector. Men predominantly work in the manufacturing sector, while women dominate in the health sector and trade. Part-time work is more prevalent among women, with 80% of part-time workers being women, and 47% of all working women opting for part-time employment compared to only 11% of men<sup>19</sup>.

The average salary for individuals aged 55 and above in Austria varies based on factors such as job roles, experience, and education levels. Men earn on average more than women annually.

**The ageing population in Austria is a significant demographic trend. The statutory retirement age is currently set at 65 years for men and will gradually increase to reach 65 years for women by 2033.** Women currently retire earlier than men (60 versus 65). However, from 2024, the retirement age of women will be increased by 6 months each year, so that women and men will eventually have the same retirement age. As Stieglbauer (2006)<sup>20</sup> explains, whereas older people worked considerably longer until the 1970s, at present Austria has a particularly low tendency of older people to remain in the workforce, which can be observed as the effect of generous early retirement provisions. Therefore, the pension reforms introduced lately are seen as a solution to the problem and a necessary condition for a later exit from the labour force. These reforms should provide strong incentives for people to work longer.

In Austria, there are **government programs and initiatives** aimed at supporting the employment of individuals aged 55 and above. The employment program for individuals

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<sup>19</sup> Austrian Press and Information Service in the United States. (2024). Employment & Job Market. [Online] Available at: <https://www.austria.org/employment-and-job-market> [Accessed 3 June 2024]

<sup>20</sup> Stieglbauer, A. (2006). Strategies for Employment and Growth in Austria. Eurosystem: Oesterreichische Nationalbank. [Online] Available at: [https://www.oenb.at/dam/jcr:7971d602-c710-4d80-aa1b-5cf4b6c78b9e/stieglbauer\\_tcm16-46137.pdf](https://www.oenb.at/dam/jcr:7971d602-c710-4d80-aa1b-5cf4b6c78b9e/stieglbauer_tcm16-46137.pdf) [Accessed 3 June 2024]

aged 55 and above in Austria offers various benefits to support their integration into the labour market. Some of the key programs include:

- **50+ Employment funding:** This program provides financial assistance amounting to €165 million annually to workers aged 50 and above, who have been registered with the public employment service for more than 90 days. It aims to facilitate the integration of older workers into the labour market.
- **Employment initiative 50+:** Job seekers who are 50 years old or older and face challenges in finding employment due to health issues or extended absences from the labour market can benefit from this initiative. It provides support even before the 90-day registration period expires.
- **Partial retirement support:** Austria encourages partial retirement, allowing employees to reduce their working hours until retirement with minor financial losses. Employers who enable their employees to work part-time can benefit from subsidies provided by the public employment service.
- **Incentives for employers:** The program encourages employers to retain and hire older workers by implementing age-neutral measures, preventing discrimination based on age, and promoting better retention and hiring mechanisms targeted at older workers.
- **Training and development:** The program focuses on enhancing the employability of older workers by providing access to training adjusted to their experience and learning needs, promoting lifelong learning, and setting up mechanisms for recognising and validating skills.

Overall, these initiatives aim to reward work and later retirement, prevent welfare benefits from being used as alternative pathways to early retirement, encourage employers to retain

and hire older workers, and promote the employability of older workers throughout their working lives.

Although the employment rate is said to be increasing with more than one in two individuals aged 55 to 64 working in Austria by 2023, there are several indications that older workers do have a problem in finding employment and age discrimination still exists in practice. In his latest report (2018/19), **the Equal Treatment Ombudsman** documented **427 cases of age discrimination**, which represents about 10% of all discrimination complaints<sup>21</sup>. To improve the existing situation, it is suggested that both policymakers and firms should be aware of possible discrimination against older workers. Therefore, companies must be ready to employ and retain older workers by taking measures to facilitate the longer working lives of their employees. Existing collective arrangements on seniority pay should also be reviewed by the social partners to ensure that wages are compatible with age-related productivity and longer work lives. (Stieglbauer, 2006)

Due to demographic reasons, it is necessary to increase the employment rates of older workers in Austria as well as to extend their employment times to cope with the problem of ageing populations in Austria and other European countries.

Nevertheless, some of the causes of employment challenges that individuals aged 55+ in Austria face are as follows:

**Early retirement culture:** The extensive use of early retirement schemes has historically contributed to lower Labour force participation among older workers in Austria.

**Health and employability:** The health status of older individuals significantly impacts their labour supply and employability. While older Austrians generally have good health, factors

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<sup>21</sup> AGE Platform Europe. (2023). Age barometer 2023. [Online] Available at: <https://www.age-platform.eu/barometer-2023/austria/> [Accessed 3 June 2024]

like educational attainment and living standards influence health status and, consequently, labour force participation.

**Unemployment and job opportunities:** Older workers in Austria face challenges related to unemployment rates, reemployment probabilities, and job changes. The likelihood of becoming unemployed and finding a new job decreases with age, leading to higher unemployment rates and longer unemployment spells for older workers.

In summary, the employment challenges for individuals aged 55 and above in Austria stem from low employment rates, the prevalence of early retirement practices, health-related factors affecting employability, difficulties in finding new jobs, and the need for effective policy interventions to support older workers in the workforce.

To conclude, Austria stands out with low unemployment rates for individuals aged 55 to 64, showcasing a strong labour market performance. However, compared to other EU countries like Germany, the euro area, and the EU-27, Austria faces challenges with significantly lower employment rates for older workers, emphasising the need to address the employment issues faced by this age group.

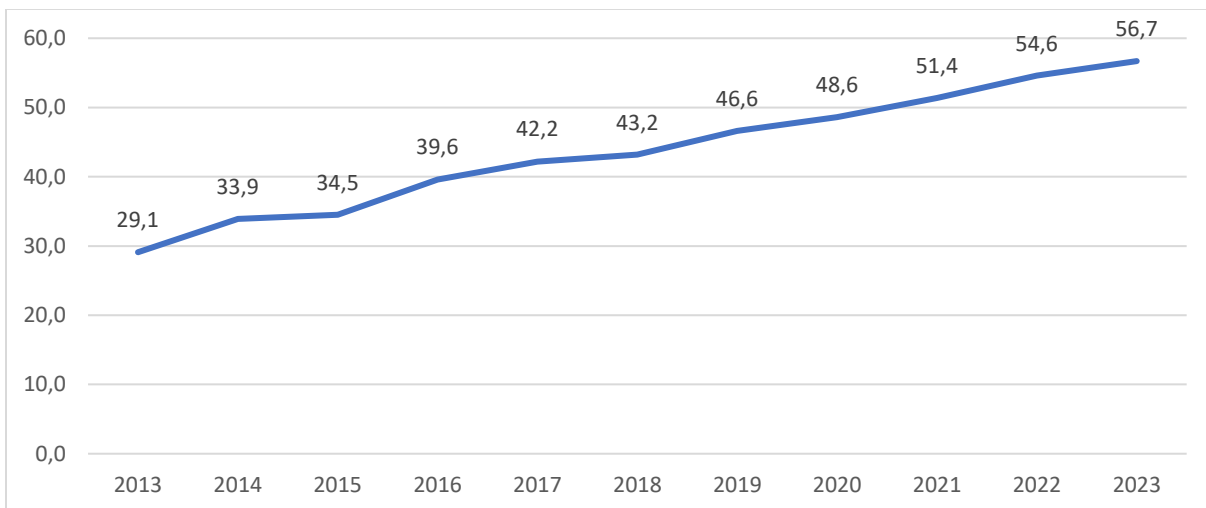
### 3.3. Republic of Serbia

#### Demographic situation of Serbia

Serbia belongs to the group of rapidly ageing European countries. According to the estimates of the Statistical Office of the Republic of Serbia and the Population Census from 2023, the population in Serbia is intensively ageing (as well as in the EU27 countries). The participation of individuals 55+ in the labour force continues to increase. During the previous decade (2013-2023), their share increased from 29.1% to 56.7%.

Ageing affects all segments of life and all generations of the population in terms of their needs, and as a result, it is recognised that it is necessary to introduce a strategic direction, which approaches the issues of population ageing in a gender-responsible, high-quality, versatile and more engaged manner. This applies to all areas of society and is equally important for the economy and the labour market, the development of democratic and equal relations in society, the social security of citizens, education and culture, health and social protection.

Table no. 4: Serbia: Persons aged 55 to 64 as labour force - Percentage of the total population



Source: Eurostat

According to current demographic trends (by 2060) Serbia will experience a decrease in the total population and an intensive aging of the population, which is irreversible in the coming decades. It is expected that the working-age population will register a dramatic decline by 2060, while the post-productive population will have a significant increase.

The Statistical Office of the Republic of Serbia announced at the end of December 2022 that according to the data of the last census in the Republic of Serbia from 2022, the total number of inhabitants is 6,647,003 (48.6% men and 51.4% women)<sup>22</sup>. The average age of the population of the Republic of Serbia is 43.8 years (average age of women 45.2 years and men 42.4 years).

*Table no. 5: Population by gender and average age, total and by region<sup>23</sup>*

Region	Number of inhabitants			Average age		
	Total	Male	Female	Total	Male	Female
Republic of Serbia	6.647.003	3.231.978	3.415.025	43,8	42,4	45,2
Belgrade region	1.681.405	794.413	886.992	42,7	41,03	44,2
Region of Vojvodina	1.740.230	845.739	894.491	43,6	42,03	45,2
The region of Šumadija and Western Serbia	1.819.318	895.840	923.478	44,3	43,1	45,5
Region of Southern and Eastern Serbia	1.406.050	695.986	710.064	44,9	43,7	46,02

<sup>22</sup> Statistical Office of the Republic of Serbia. (2022). Serbia census 2022. [Online] Available at: <https://popis2022.stat.gov.rs/sr-Cyrl/> [Accessed 3 June 2024]

<sup>23</sup> Statistical Office of the Republic of Serbia. (2022). Census 2022 - excel table. [Online] Available at: <https://popis2022.stat.gov.rs/en-US/popisni-podaci-eksel-tabele/> [Accessed 3 June 2024]

Source: The Statistical Office of the Republic of Serbia

Given the data of the last two censuses (2011 and 2022), the trend of depopulation in Serbia has intensified. The population decrease is the result of a negative migration balance and a negative natural increase (-8% in 2019). The average age has increased by about one and a half years, and life expectancy in Serbia is five to ten years shorter<sup>24</sup> than the average in the EU.

Table no. 6: Population by major age groups, by region

Region	Total		0-14		15-64		65 and over	
	Total	%	Total	%	Total	%	Total	%
Republic of Serbia	6.647.003	100	955.452	14,4	4.222.696	63,5	1.468.855	22,1
Belgrade region	1.681.405	100	254.270	15,1	1.086.113	64,6	341.022	20,3
Region of Vojvodina	1.740.230	100	254.971	14,7	1.108.342	63,7	376.917	21,7
The region of Šumadija and Western Serbia	1.819.318	100	258.234	14,2	1.143.283	62,8	417.801	22,9
Region of Southern and Eastern Serbia	1.406.050	100	187.977	13,4	884.958	62,9	333.115	23,7

<sup>24</sup> Ministry of Labor, Employment, Veterans' Affairs, and Social Affairs. (2019). Initial draft version of the Social Protection Strategy for the period from 2019 to 2025. [Online] Available at: <https://www.udruzenjesz.rs/images/PDF/nacrt-strategije-socijalne-zastite-2019-2025-27032019.pdf> [Accessed 3 June 2024]



Source: The Statistical Office of the Republic of Serbia

In the period between the two censuses in Serbia, there was a significant increase in the share of persons aged 65 and over from 17.4% (2011) to 22.1% (2022). The most unfavourable demographic situation is in the Region of Southern and Eastern Serbia, where almost every fourth person (23.7%) is over 65 years old<sup>25</sup>.

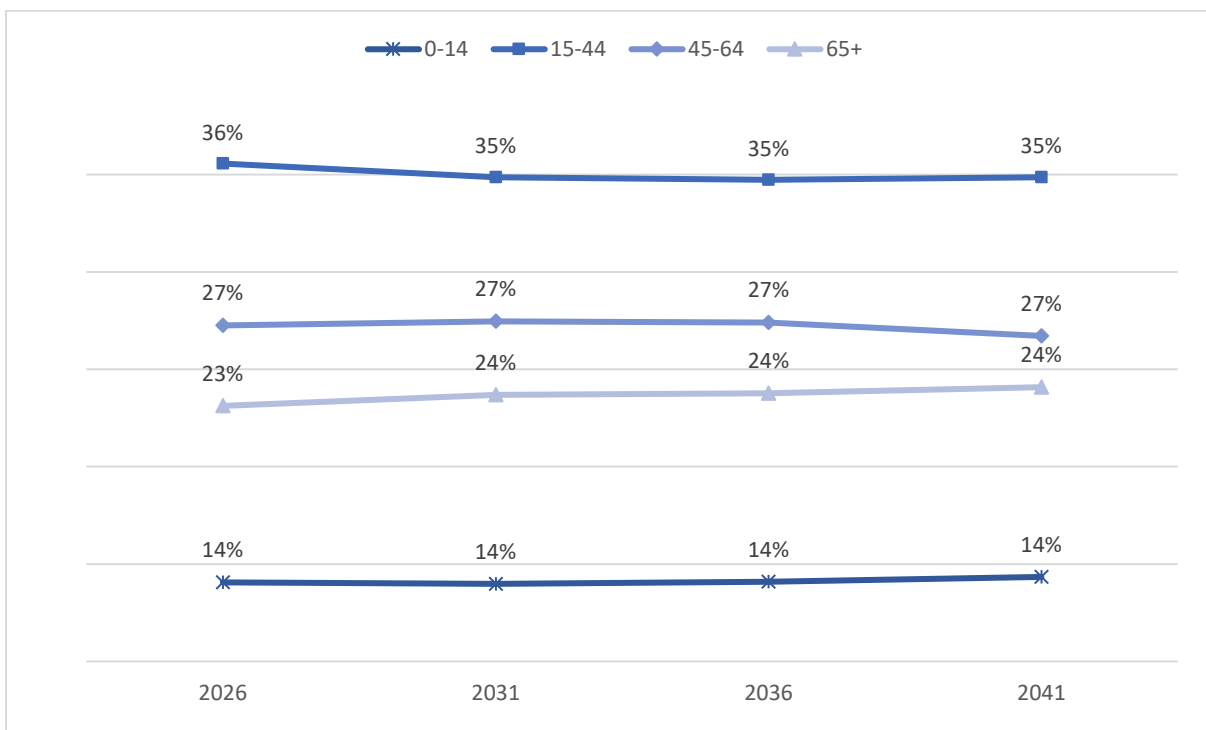
Because of the decrease in the number of inhabitants and the ageing of the population, the number of persons of working age is **decreasing**. This is reflected in the economic situation in society, as well as in lower potentials for financing social security, which is largely based on labour taxation. The ageing of the workforce and efforts to address its consequences require higher allocations for retraining and an additional one-time shorter compared to the averages in the EU. Population according to large age groups, by region, education, and potentially also for benefits in the event of unemployment and the onset of disability or a handicap situation due to the longer presence of the elderly in the labour market<sup>26</sup>.

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<sup>25</sup> Statistical Office of the Republic of Serbia. (2022). Serbia census 2022. [Online] Available at: <https://popis2022.stat.gov.rs/sr-Cyrl/> [Accessed 3 June 2024]

<sup>26</sup> Matković, G. (2018). The welfare state in the countries of the Western Balkans. Center for Social Policy, Belgrade. [Online] Available at: [https://csp.org.rs/en/assets/publications/files/The\\_Welfare\\_State\\_in\\_Western\\_Balkan\\_Countries\\_Position\\_Paper.pdf](https://csp.org.rs/en/assets/publications/files/The_Welfare_State_in_Western_Balkan_Countries_Position_Paper.pdf) [Accessed 3 June 2024]

Table no. 7: Trends forecast in the participation of the main age groups of the population of Serbia until 2041



Source: The Statistical Office of the Republic of Serbia

In previous years, institutional changes were implemented having had an impact on the improvement of the relative position of the elderly. The first change is related to severance pay, which, according to the amendments to the Labour Law from 2014, is paid only for seniority with the last employer. Before these changes, the calculation of severance pays for the entire length of service deterred employers to hire older persons, i.e. employers saw the payment of severance pay as a potential danger (in the form of high costs due to eventual dismissal) when hiring persons with long service experience. Another institutional change refers to the increase in the retirement age, which directly affected the increase in activity and employment among older persons of working age. In addition, the increase in activity was influenced by penalties for early retirement.

Changes in technology and the production process have contributed to the fact that it is **relatively more difficult for older people than others to adapt independently to the new needs of the labour market**. The biggest problem of these people is **outdated knowledge and skills**. Those persons, who have been employed in the same company for a long period of time, and whose work has ceased to be necessary to perform a certain job due to technological, economic or organisational changes, found themselves in a particularly unfavourable situation. Insufficient adaptability and discouragement due to the impossibility of finding adequate employment can contribute to these persons relatively easily slipping into inactivity.

The risk of poverty varies by age group, employment status and household type. The most vulnerable are persons aged 65 and over – 22.6%, followed by persons aged 55 to 64 - 21.6%, while persons under 54 had the lowest rate of risk of poverty. When it comes to the acquired level of basic ICT skills, it is higher among the younger population compared to the older population. The current level of education, especially of the older population, does not allow easy and simple mastering of the digital economy. The superiority of certain educational programs is one of the biggest weaknesses in the transition to the information society, together with insufficient funds allocated by the state for higher education.

According to the SORS survey from 2022, the Work Skills Module in the context of required work skills for employees, these three segments are recognised: **social skills** (communication with people in the organisation and outside the company/organisation), **manual skills** (doing heavy physical work and performing precise tasks with fingers) and **cognitive skills** (reading instructions, technical documentation and relatively complicated calculations). The **most frequently used required work skill for the job is communication with people at work** (in the work environment, oral business communication with colleagues during working hours) **as well as with people outside the**

**organisation.** The use of social skills is highlighted as important for members of both sexes, while manual skills are more prevalent in men during most of their working hours. The degree of job autonomy increases proportionally with age because older people have significantly greater partial or complete freedom in determining the sequence and content of their work tasks compared to younger colleagues. Most tasks, in the context of repetitive work, are found in the occupational group Machine and plant operators, fitters and drivers, Service and trade occupations, as well as in the Simple occupations group, with the least or no repetition of work tasks being held by employees in the Specialists and artists group. The use of digital devices is a skill highlighted as needed for less than half of working time and is most needed in the service sector.<sup>27</sup>

Sustainable Development Goals<sup>28</sup> were adopted under the auspices of the UN for the period from 2015 to 2030 and represent a set of goals related to future social and economic development in accordance with the principles of sustainability (there are 17 main goals, and within them 169 specially determined sub-goals, which are equally important for members of all generations). Among these goals, some of particular importance for the elderly can be singled out, namely: Goal number 1, which refers to the **end of poverty**, Goal number 3, which provides that by the year 2030, the realization of specially defined goals will ensure a **healthy life and promote well-being for people of all generations**, Goal number 4, which promotes **quality education and the possibility of lifelong learning**, Goal number 5, **gender equality**, Goal number 11, which refers to the **need to make cities and other settlements inclusive, safe, resilient and sustainable**, Goal number 16 which promotes **peaceful and inclusive societies for sustainable development and mandates that**

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<sup>27</sup> Statistical Office of the Republic of Serbia. (2022). The Work Skills Module. [Online] Available at: <https://publikacije.stat.gov.rs/G2024/pdf/G20241100.pdf> [Accessed 3 June 2024]

<sup>28</sup>The United Nations. (n.d.). (2024). The Sustainable Development Goals. [Online] Available at: <https://www.un.org/sustainabledevelopment/> [Accessed 3 June 2024]

access to justice be ensured for all, and envisages the building of effective, accountable and inclusive institutions at all levels.

### **Main (political) actors**

In the Republic of Serbia, organisations have been identified that are directly or indirectly responsible for creating and directing age management. All interested parties and participants in this process are bodies, organisations, natural and legal persons, associations, civil society organisations and other interested parties, who have an interest in current events on the labour market and are interested in the Employment Strategy. In Serbia, these are:

- 1) **Decision-makers at the national and local level** (Ministry of Labour, Employment, Veterans and Social Affairs, Ministry of Economy, Ministry of Finance, National Employment Service; Qualifications Agency; local self-government units);
- 2) **Representative organisations that represent the interests of key actors on the labour market - social partners** (unions, employers' associations, including the chamber system in Serbia, chambers of foreign companies, mixed chambers);
- 3) **Non-governmental sector** (civil society organisations that deal with employment issues, but also the position and rights of vulnerable groups);
- 4) **Employment agencies;**
- 5) **International organisations and donor community.**

Beneficiaries of active employment policy measures are the so-called target groups (a group of natural and/or legal persons, i.e. other interested parties that are influenced by public policy measures): job seekers, unemployed persons, inactive persons, employees, employers, organizers of adult education.

### **The Ministry of Labour, Employment, Veterans and Social Affairs of the Republic of Serbia**

is responsible for state administration affairs related to labour relations, labour rights, occupational safety and health, trade union organisation, international conventions in the field of labour, social protection system, monitoring of conditions and trends in the labour market, records in the field of employment, encouraging employment, strategy, program and measures of active and passive employment policy, employment of people who find it difficult to get employment, development of social entrepreneurship, realisation of rights based on unemployment insurance, proposing measures to improve the system of adult education, and other jobs in the field of work.

### **The Ministry of Family Care and Demography of the Republic of Serbia**

initiated the drafting and adoption of a new public policy document in 2023, which concerns age and the aging process, i.e. the Strategy of Active and Healthy Aging in the Republic of Serbia for the period from 2024 to 2030<sup>29</sup>. The strategy is based on demographic data, the concept of active aging and a holistic approach, emphasizing the needs of the elderly, their capacities and the attitudes of the social environment. This Ministry is competent in measures to prevent domestic violence and the importance of reporting violence, as well as

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<sup>29</sup> Official Gazette of the Republic of Serbia. (2023). Strategy for Active and Healthy Aging in the Republic of Serbia for the period from 2024 to 2030. ("Sl. glasnik RS", no. 84/2023). [Online] Available at: [http://www.eupropisi.com/dokumenti/SG\\_084\\_2023\\_003.docx](http://www.eupropisi.com/dokumenti/SG_084_2023_003.docx) [Accessed 3 June 2024]

the rehabilitation of elderly victims of violence, as well as the strengthening of professional capacities of multi-sector teams to work with elderly victims of violence.

### **The Ministry of Education of the Republic of Serbia**

is responsible for several measures of the Strategy of Active and Healthy Aging in the Republic of Serbia for the period from 2024 to 2030, primarily in developing intergenerational solidarity and sensibility towards the elderly (supplementing curricula).

### **The Ministry of Sports of the Republic of Serbia**

is responsible for measures related to the provision of public sports and similar institutions for sports recreation for the elderly with the aim of increasing the number of elderly people who exercise continuously.

### **The Ministry of Health of the Republic of Serbia**

is responsible for measures in promoting healthy aging in accordance with the specific needs of the elderly, research on the habits and needs of the elderly, as well as additional training of health workers and associates for work and communication with the elderly, increasing the availability of palliative care and integrated services for palliative care users.

### **The National Employment Service**

is a public service that provides services to unemployed persons and employers (the beginning of its operation is in 1921, when one of the first regulations regulating the field of employment was published). It consists of the Directorate, two provincial offices, 34 branches, 21 services and more than 120 branches in all administrative districts in Serbia. It provides support to unemployed people when they want to change jobs or start their own business or need advice on employment. The main mission is the development and improvement of human capital with the aim of efficient and effective mediation

between all actors on the labor market. Performs employment, unemployment insurance, records in the field of employment and employment abroad as well as other general tasks.

### **Commissioner for the Protection of Equality**

a state body formed based on the Law on Prohibition of Discrimination from 2009. The tasks are the prevention of all types, forms and cases of discrimination, the protection of the equality of physical and legal persons in all areas of social relations, the supervision of the implementation of regulations on the prohibition of discrimination, as well as the promotion of the achievement and protection of equality. He especially deals with the issue of aging and the protection of the rights of the elderly.

### **Chamber of Commerce and Industry of Serbia**

is a legally defined organisation of business entities and gathers the economy for more than 167 years (founded in 1857) into a single system, sectoral and regional. The members are economic companies grouped in the sectors of agriculture, industry and services, which are further grouped into 18 branch associations. Within the network of 16 regional chambers of commerce and the chamber of the capital city, professional support and efficient representation of the interests of the economy in the regions is provided. It has representative offices in several European countries, the main foreign trade partners. It represents the interests and attitudes of the economy by participating in the creation of laws and other regulations important for the business community, improves economic cooperation with foreign countries, and provides IT and analytical support to the economy. The Chamber of commerce (PKS) is active in the creation of laws and in the field of labour rights, prepares initiatives, and participates in the working groups of competent ministries



and numerous projects at the international level, thereby presenting good practices within the national community.

### **Employers' Union of Serbia**

is an independent organisation of freely associated employers and a legitimate representative of employers in the domestic social dialogue and a representative of the status interests of its members in international frameworks based on voluntary membership. It acts in accordance with the principles on which it builds relations between its members, but also with state bodies and trade unions. The Union promotes responsible business, sustainable development and improvement of the economic environment. Through its mission and activities, as a responsible social partner, it strives to contribute to the implementation and development of human rights and international labour standards, primarily those related to dignity at work and the fundamental rights of workers - the prohibition of forced labour and child labour, freedom of association, rights on organising and collective bargaining, prohibition of all forms of discrimination, gender equality, i.e. gender equality and equal participation of women and men in all areas, equal remuneration for equal work and work of equal value and other rights. It works to establish partnership relations between employers and workers' representatives.

### **Unions**

in the Republic of Serbia, there are organisations of interest that engage in the protection, achievement and improvement of members as well as their material, social and social position, as well as others and the 55+ age category of employees.

### **The Association of “Women at a Turning Point”**

is actively contributing to closing the gender gap in the labour market through economic and social empowerment and connecting women aged 45+ who have lost their jobs. The

association was founded by a group of women who combined professional experience, knowledge and contacts to solve the problem of social and economic exclusion of middle-aged and older women, while they went through similar business challenges.

**Other relevant entities:**

- Ministry for Human and Minority Rights and Social Dialogue,
- Ministry of Rural Care,
- Ministry of Science, Technological Development and Innovation,
- Association for adult education<sup>30</sup> founded to achieve goals in the field of learning and adult education,
- The Association of andragogists of Serbia<sup>31</sup> gathers all andragogists interested in the affirmation of the profession and the promotion of the concept of lifelong learning,
- The Red Cross of Serbia is a humanitarian, independent and voluntary organisation and the only national society in the Republic of Serbia, and, among other things, it deals with education on the support and care of the elderly in regular and emergency situations (such as COVID-19,
- Portal Poslovi Infostud<sup>32</sup> which, as part of monitoring information from the labour market, publishes analyses and information regarding the position of the elderly on the labour market.

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<sup>30</sup> Adult Education Society. (2024). Organisation. [Online] Available at: <https://www.aes.rs/organizacija/> [Accessed 3 June 2024]

<sup>31</sup> Society of Andragogues of Serbia – DAS. (2024). About us. [Online] Available at: <https://andragog.org/o-nama/> [Accessed 3 June 2024]

<sup>32</sup>(Poslovi.infostud. (2022). Women 45+: Too old for employers, invisible to decision-makers. [Online] Available at: <https://poslovi.infostud.com/vesti/Zene-45-Stare-za-poslodavce-nevidljive-za-donosioce-odluka/56043> [Accessed 3 June 2024]

## Age management

Age management refers to the various dimensions of human resource management within organisations with an explicit focus on aging and, more generally, to the overall management of an aging workforce through public policies or collective bargaining. The basic principles of age management include: an emphasis on prevention rather than reactive problem solving, a focus on the entire working life and all age groups, not just older workers, and a holistic approach that includes all dimensions, that contribute to effective age management. In accordance with the Sustainable Development Goals, the field of age management is covered by the following goals: 10 Reducing inequality, 1 A world without poverty and 8 Decent work and economic growth.

Therefore, it is necessary to systematically support the healthy integration of older generations of workers (55+) into the labour market, capitalizing on their knowledge while supporting them to adapt to the **challenges of new ways of working**. It is necessary to increase their participation, avoid unwanted early retirement and extend their productive life. This is why a healthy balance between work and private life adapted to age is promoted. In addition, the issue of the lack of qualified labour is becoming increasingly urgent, especially in regions where labour mobility is unbalanced, leading to a shortage of qualified professionals. By using the expertise of older workers, the project aims to alleviate this shortage and contribute to the overall development and growth of the region.

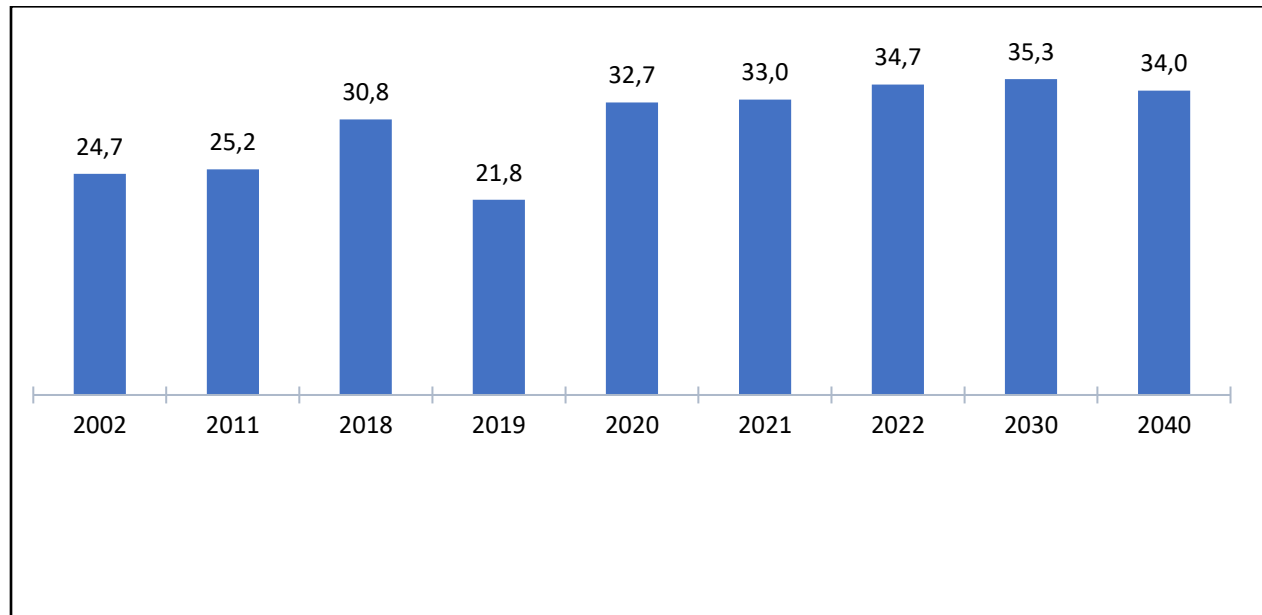
Senior citizens in Serbia are recognized as a vulnerable social group, whose needs must be considered. The Republic of Serbia has adopted strategic documents, that recognise elderly citizens as a group that must be taken care of for various reasons. The modern understanding of old age (prospective approach) is based on the fact, that years which once represented deep old age are no longer so. Unlike chronological age, which defines the elderly after a certain number of years (in many cases it is 60 or 65 years of age) - the

prospective approach shifts the focus from chronological aging to healthy life expectancy, the process of active ageing and the importance of participation of the elderly in society. Thanks to the reduction in mortality and the increase in average life expectancy, the remaining years of life for the formally older generations leave the possibility for many years of active and high-quality life, which in terms of style cannot be recognized as different from the life of younger people.

Emigration also contributes to the faster disintegration of traditional multigenerational family models, affects the increase in the share of elderly households and creates an increasing demand for care services, which are normally provided in the extended family. According to data from 2019, in Serbia, 23.8% of the elderly live in single elderly households. A third of them have serious difficulties in performing daily household activities (grocery shopping, preparing food, light and difficult household chores), and almost one in ten (9.5%) have serious difficulties in performing personal care activities (dressing, undressing, using the toilet, bathing, showering). Residents of non-urban settlements with the lowest education, as well as the poorest, are significantly more vulnerable.

The problem of dependency among the elderly is indicated by estimates that the rate of dependency among the elderly will increase in the coming years to reach 35.3% in 2030. The dependency rate of the elderly population represents the share of the population over 65 years old in the working age population (15-64 years).

Table no. 8: Dependency rate of people over 65 (2002-2040)



Source: SORS

**The National Strategy on Ageing 2006-2015** was the most significant in Serbia for the position of the elderly. All defined strategic directions were assessed as appropriate, and the **priorities are:** poverty reduction, respect for the principle of sustainability, adaptation of the pension and disability insurance system, defining and regulating the area of aging and practical connection and development of long-term care services, strengthening non-governmental organisations and private partners in the process of long-term care, more accessible lifelong education of older people, prevention and protection of older people from all discrimination and violence.

For the oldest population, the most significant is the **Strategy of Prevention and Protection from Discrimination**, which aims to reduce poverty and improve the financial situation of the elderly, prevent family and/or other violence against the elderly, provide services, health and social protection, participation in social life and education. The communication strategy

on the accession of the Republic of Serbia to the EU designates pensioners as a group sensitive to changes.<sup>33</sup>

An important document from the perspective of the position of older women is **the National Strategy for Gender Equality** (older women, rural women and women with disabilities are recognized as a particularly vulnerable group to which public policies should be directed to improve their overall social position).<sup>34</sup>

**Other documents are:** Public Health Strategy of the Republic of Serbia, Strategy for Palliative Care and Strategy for Improving the Position of Persons with Disabilities in the Republic of Serbia.

**The Constitution of the Republic of Serbia** is the highest legal act in the Republic of Serbia and guarantees the right to equal legal protection of all citizens without discrimination on any basis, including age (the elderly are mentioned as a special social group that is guaranteed the right to health care from public revenues, as well as pension insurance for the economic security of pensioners).<sup>35</sup>

When it comes to protection against discrimination, other anti-discrimination laws are also important (the Law on the Prohibition of Discrimination, which stipulates age as a separate basis for discrimination), and different types of discrimination are specifically defined, as it prohibits discrimination on the basis of age and prescribes that "older they have the right to

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<sup>33</sup> Ministry of Labor, Employment, and Social Policy of Serbia. (2006). National Strategy on Aging: 2006-2015. Belgrade: Ministry of Labor, Employment, and Social Policy. ISBN - 86-7704-018-8

<sup>34</sup> "Official Gazette of the Republic of Serbia", No. 52/21. Strategy for Gender Equality for the period from 2021 to 2030: 103/2021-4. [Online] Available at: <https://pravno-informacioni-sistem.rs/eli/rep/sgrs/vlada/strategija/2021/103/1> [Accessed 3 June 2024]

<sup>35</sup> Constitution of the Republic of Serbia (Official Gazette of the Republic of Serbia No. 98/2006), Serbia. [Online] Available at: <https://www.wipo.int/wipolex/en/legislation/details/7378> [Accessed 3 June 2024]

dignified living conditions without discrimination, and in particular, the right to equal access and protection from neglect and harassment in the use of health and other public services”.

Laws that are very important for the protection and position of the elderly in general are:

**Law on Health Insurance**, in which persons over the age of 65 are classified as a population group that is exposed to a special risk of illness and that enjoys special conditions regarding health insurance, **Law on Health protection** (by which persons older than 65 years are recognized as a special social group). **The Social Protection Act** governs the social protection system and is of great importance for the position of older citizens, especially considering that the elderly are a population that is particularly exposed to the risk of poverty and social exclusion. Social protection services that should be provided to senior citizens are assessment and planning services, day services in the community, accommodation services (home accommodation, accommodation in shelters), home assistance services, day care, boarding house and other services that support the stay users in the family and immediate environment, support services for independent living, counseling-therapeutic and social-educational services.<sup>36</sup>

The family law, which does not contain explicit provisions on the elderly, is entirely related to the arrangement of relationships in the family, which has an impact on the position of the elderly in the family and society. In accordance with the provisions of the **Law on Identity Cards**, citizens over the age of 65 can be issued an identity card without a limited period of validity at their request, on a form that does not contain a microcontroller (chip).

In the **Law on Inheritance**, the provisions related to the **Lifetime Maintenance Agreement** are important, both the term itself and the explicit definition of what the maintenance

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<sup>36</sup> The Social Protection Act. "Official Gazette of the Republic of Serbia", No. 24/2011 and 117/2022 - decision of the Constitutional Court. [Online] Available at: [https://www.paragraf.rs/propisi/zakon\\_o\\_socijalnoj\\_zastiti.html](https://www.paragraf.rs/propisi/zakon_o_socijalnoj_zastiti.html) [Accessed 3 June 2024]

obligation entails (it includes the provision of housing, food, clothing and footwear, appropriate care in illness and old age, expenses treatments and allowances for everyday common needs).

The **Law on the Spatial Plan of the Republic of Serbia** in several places contains provisions related to the rights or position of older citizens (recognizes and states the serious problems, that arise in society due to the disruption of the population and the continuation of negative tendencies regarding the demographic structure of the population and the large impact of migration on the whole of the population in the country, and it is especially emphasized that rural and hilly-mountainous areas are threatened by the aging and outflow of the population).<sup>37</sup>

The **Law on Road Traffic Safety** regulates the reduction of the period during which a driver's license is issued to persons over 65 years of age from 10 to a maximum of 5 years, according to the findings and opinion given in the health certificate. The elderly are also recognized as a special group whose characteristics affect the safe flow of traffic.<sup>38</sup>

**Agency for Qualifications of the Republic of Serbia**, which was founded in 2018, is the institution within which **the Center for Accreditation of Publicly Recognized Organizers of Adult Education Activities** (PROA Center) functions. It is an organisational unit, that performs tasks of granting approval for the acquisition of the status of a publicly recognized organizer of adult education and tasks of quality assurance in non-formal education (which are entrusted to the Agency by the Law on the National Qualifications Framework of the

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<sup>37</sup> Official Gazette of the Republic of Serbia, No. 88 from November 23, 2010. Spatial Plan of the Republic of Serbia from 2010 to 2020: 88/2010-4. [Online] Available at: <https://pravno-informacioni-sistem.rs/eli/rep/sgrs/skupstina/zakon/2010/88/2/reg> [Accessed 3 June 2024]

<sup>38</sup> Official Gazette of the Republic of Serbia, No. 24/2018. Road Traffic Safety Act: 41/2009-3, 53/2010-12, 101/2011-270, 32/2013-22 (CC), 55/2014-61, 96/2015-106 (other law), 9/2016-178 (CC), 24/2018-70, 41/2018-122, 41/2018-32 (other law), 87/2018-26, 23/2019-3, 128/2020-3 (other law), 76/2023-9. [Online] Available at: <https://pravno-informacioni-sistem.rs/eli/rep/sgrs/skupstina/zakon/2009/41/1/reg> [Accessed 3 June 2024]



Republic of Serbia). The goal is more professional performance of accreditation of all subjects and quality control of their work. The key activities of this Center are to improve the standards and conditions for the performance of adult education activities and implement the procedure for approval of the JPOA status for the performance of adult education activities that:

- acquire competences and/or qualifications for performing, improving or changing occupations, jobs, work functions or work operations,
- improve knowledge, skills and abilities, for the sake of personal and professional development and socially responsible behavior, improving the quality of life, general education and culture, and
- provide career guidance and counseling services.

In addition to the above, the Centre develops standards for self-evaluation and external evaluation of the quality of JPOA's work, conducts external quality control of JPOA's work, provides support to JPOA in the implementation and improvement of the quality system, promotes adult education at the local, regional and national level, by informing the public and business entities about conditions, advantages and importance of acquiring JPOA status, as well as the necessity of harmonising adult education with the needs of the labour market. It also keeps records and archives documents on the recognition of foreign school documents and manages the JPOA Sub-Registry to inform the public about JPOAs, that have been given or revoked approvals about approved adult education activities and about employers where JPOAs carry out practical work.

**Faculty of Medicine, University of Belgrade** is one of the examples of a strategic approach to the development of awareness and care for healthy aging through the master's program of the Faculty of Medicine of the University of Belgrade "Medicine of Longevity and Healthy Aging". Within the framework of this two-semester program, the education of professionals

is implemented, who will contribute to the longevity of the country's population, by spreading the concept of healthy aging and vitality. This study program is in line with modern trends in the field of antiaging medicine, aging medicine, longevity and vitality and other disciplines. It relies on programs accredited in many European countries, such as: Spain, France, UK, Norway, Italy and others.

The priorities of adequate and sustainable pension systems are reflected in *the White Book Agenda for Adequate, Safe and Sustainable Pensions*, presented by the European Commission in 2012. The White Paper presents the current pension challenges, which are mainly seen in the context of an aging population and include: the financial sustainability of pension systems; the adequacy of pensions, which are the main source of income for an increasingly large part of the population; increasing the participation of women and older workers in the labour market, which can largely neutralise the effects of population aging on the share of pensions in GDP. To address these challenges, the **White Book recommends:** linking the retirement age to increased life expectancy; limiting access to early retirement and other ways of early exit from the labour market; supporting longer working lives by providing better access to lifelong learning, adapting workplaces to a more diverse workforce, developing employment opportunities for older workers and supporting active and healthy ageing; equalization of the retirement age for men and women; and support for the development of supplementary pension savings in order to increase pension income. The mentioned approach practically implies the concept of active aging which includes physical functionality, appropriate lifestyle, urban environment and social inclusion.<sup>39</sup>

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<sup>39</sup> European Commission. (2012). WHITE PAPER An Agenda for Adequate, Safe and Sustainable Pensions (Text with EEA relevance). Brussels, 16.2.2012 COM(2012) 55 final {SWD(2012) 7 final} {SWD(2012) 8 final}. [Online] Available at: <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0055:FIN:EN:PDF> [Accessed 3 June 2024]

## Overview of strategies and policies (national age management concepts)

According to **the Strategy of Active and Healthy Aging in the Republic of Serbia**<sup>40</sup> for the period from 2024 to 2030, looking at the current state and position of the elderly, areas that are important for the implementation of activities are singled out, in respect of difficulties and unresolved social relationships, that make the daily life of people over 65 difficult. Along with other public policy instruments in Serbia, which already address certain domains relevant to the elderly, such as the issue of prevention and protection from discrimination or dealing with emergency situations, the key problems stand out:

1. Disrespect for diversity, gender equality, understanding of intergenerational and intergenerational solidarity by the general population and lack of (generational) dialogue;
2. Absence of the necessary stimulating and supportive environment, adapted to the elderly and their psycho-physical condition without clear support for informal caregivers, sufficiently developed and available public and alternative services for the protection of the elderly from neglect and abuse, raising awareness and the image of ageing,
3. The social participation of the elderly is not satisfactory. The capacities of the older category of the population are great, as well as the opportunities for personal development and employment. It is especially important to support the employment of the elderly to improve living conditions in rural areas. That is why the participation of the elderly and their inclusion in the processes of creating policies and making decisions according to their great life experience and potential is important;

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<sup>40</sup> Ministry for Family Care and Demography. Proposal for the Strategy of Active and Healthy Aging in the Republic of Serbia for the period from 2024 to 2030 - public debate. [Online] Available at: <https://www.minbpd.gov.rs/predlog-strategije-2030-javna-rasprava/> [Accessed 3 June 2024]

4. The knowledge and life experience of the elderly, as well as the contribution that the elderly can make to society, are not adequately valued, nor is it actively counted on the volunteer engagement of persons over 65 years of age.

The healthy and active lifestyle of the elderly has not yet taken root in the desired scope so that this category can achieve the protection of their health in an appropriate way, prevent diseases and the onset of disability and have effective institutional protection in cases of violence. The general goal of the strategy is the active and healthy involvement of persons over 65 years of age in all social and other areas. Special goals are: increased awareness of the general population about the needs and possibilities of people over 65, improved access to public services for the elderly, especially in rural areas, available lifelong learning programs, as well as sports and cultural content for the elderly, strengthened volunteer activities of the elderly, especially in local self-government units, improved institutional and non-institutional protection of the elderly (health protection, social protection and security and prevention of violence).

According to the **Employment Strategy**, it was pointed out that the Republic of Serbia, like most countries in the EU, faces the problem of an **ageing population**. The vision of this Strategy is a developed labour market, that provides access to employment under equal conditions for everyone. The strategy recognizes that the age structure of unemployed persons is unfavourable and that the participation of unemployed people over 50 years of age is around 34%. An increase in the participation of women, persons without completed secondary education and over 50 years of age, and especially women over 50 years of age, as well as a slight increase in the participation of the unemployed, who have been looking for work for more than two years, are the main trends in the structure of registered unemployment. Elderly people of working age (50-64 years old) represent a vulnerable group

on the labour market. The main recognized challenges are: the organisation and systematization of the National Employment Service, where priority is given to support functions in relation to the core activity, limited use of methods and instruments for the activation of unemployed persons, insufficient financial resources for active employment policy measures and the low degree of effectiveness of certain measures (especially training for the labour market), insufficient personnel capacities of the Ministry of Labour, Employment, Veterans and Social Affairs in the part of the organisational units whose competence is active employment policy<sup>41</sup>.

In the **Digitization Strategy**, the category of the elderly population is especially recognized because a certain number of elderly citizens do not have the basic digital skills, that others have acquired in school or at the workplace. On the other hand, they have the need to follow information on modern devices, as well as the need to be in contact with friends and family and to have access to various services in society. All this dictates the necessity of developing this type of digital interactive skills. It is therefore recommended, that as many senior citizens as possible should be trained in basic digital skills, which include learning the basics of how smartphones and the internet work together to deliver applications, information, and messages, including skills to set up new accounts and create passwords, research, search, downloading and using online and mobile applications. It is recommended, that these trainings be carried out at employers, but also in premises such as pensioners' clubs, libraries, homes for the elderly, etc. Positive effects could also be achieved through peer education, in such a way that trained older persons would carry out further training in basic

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<sup>41</sup> Official Gazette of the Republic of Serbia No. 18/21 and 36/21 – correction. Strategy for Employment in the Republic of Serbia for the period from 2021 to 2026. [Online] Available at: [https://www.nsz.gov.rs/live/digitalAssets/15/15855\\_strategija\\_zaposljavanja\\_u\\_rs\\_2021-2026.pdf](https://www.nsz.gov.rs/live/digitalAssets/15/15855_strategija_zaposljavanja_u_rs_2021-2026.pdf) [Accessed 3 June 2024]

digital skills. In 2023, a campaign to promote these trainings and education on the use of modern Internet technologies began in Serbia.<sup>42</sup>

**The education strategy** points out, that in terms of adult education (although certain advances in the availability of adult education have been identified) coverage has not been sufficiently improved because the main strategic goal related to the participation of adults in adult education programs (7% according to the Labour Force Survey) was not fulfilled. In recent years, by looking at the annual national action plans for employment, it can be concluded, that allocations for the education of the unemployed are increasing within the framework of active measures for employment and other measures implemented by the NES. Serbia is far from the EU average because the participation rate of adults in some form of formal or informal education or training at the national level was 19.8% in 2016. **Adult education is not available to all categories**, that is, the network of institutions is not functional and there are **significant systemic barriers** to its effective functioning. There are also challenges in terms of the organisation and quality of formal adult education, given the large dropout rate of participants in the adult functional basic education program, and the problems of providing transportation, the outflow and competence of personnel, the problem of the implementation of professional trainings, the establishment of a framework for monitoring and evaluation, etc. In Serbia, not all formal obstacles to the recognition of qualification, retraining or upskilling, whose removal could increase the number of users, have been recognized.<sup>43</sup>

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<sup>42</sup> "Official Gazette of the Republic of Serbia" No. 30/18. Strategy for the development of digital skills in the Republic of Serbia for the period 2020 to 2024. [Online] Available at: <https://pravno-informacioni-sistem.rs/SIGlasnikPortal/eli/rep/sgrs/vlada/strategija/2020/21/2> [Accessed 3 June 2024]

<sup>43</sup> Ministry of Education, Science and Technological Development. (2021). Strategy for the development of education and education in the publica of Serbia until 2030. [Online] Available at: [https://prosveta.gov.rs/wp-content/uploads/2021/02/1-SROVRS-2030\\_MASTER\\_0402\\_V1.pdf](https://prosveta.gov.rs/wp-content/uploads/2021/02/1-SROVRS-2030_MASTER_0402_V1.pdf) [Accessed 3 June 2024]

## Evaluation of the effectiveness of existing measures

The surveyed representatives of the institutions and the economy identified the following factors as the most important demographic<sup>44</sup> and/or economic<sup>45</sup> trends, that affect the employment of people over 55 years old: population ageing, declining birth rate, the increased retirement age for women, labour force migration to large cities and abroad, rising costs of living, technological progress, globalization, mismatch of supply and demand in the labour market, inflation and change in the traditional household structure. Such demographic data necessarily have implications, first, for the system of pension and disability insurance, health insurance, and social protection, but also the labour market. Because of all the above, the respondents pointed out, that it is necessary to take into account the fact that the **"elderly" are not a homogeneous group, that there are big differences between men and women, those who live in the countryside or in the city, those who are more or less educated, those who have health problems and /or disability and those who do not, between different ages, i.e. "older" elders and others.**

In terms of policies and regulations, the surveyed representatives of institutions and companies pointed out, that the strategic framework of the employment policy recognizes the 50+ category as a category of more difficult-to-employ persons, that should be given priority when including active employment policy measures, but that there is no special measure for this category (except subsidies for the employment of unemployed persons over 50) as there is for some other categories: young people up to 30 years of age (e.g. internship, professional practice and the like), Roma and Roma women (e.g. a special public call for a subsidy for self-employment and the like), people with disabilities (e.g. wage subsidy

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<sup>44</sup> Examples: aging population, declining birth rate, increased level of education, delayed retirement, change in family structure

<sup>45</sup> Examples: rising cost of living, changes to the pension system, financial insecurity, technological advances, globalization, flexible working arrangements, labour market demand, silver economy

for people with disabilities and similar). It was pointed out that strategic documents should recognize multiple factors, that complicate the position of older women on the labour market: age, on average a lower level of education and number of years of work experience, and, accordingly, greater discouragement. This is important because when older women are identified as a particularly vulnerable category on the labour market, then they become the primary beneficiaries of active employment policy measures. Public policies dealing with employment have not yet been harmonised and in line with policies in the field of gender equality in a way to ensure a strategic and systemic improvement of the position of women on the labour market, including the elderly.

In the context of the assessment of the effectiveness of the current laws and regulations related to the employment of persons over 55 years of age in Serbia, considering the various needs of this age group, business representatives pointed out that **it is necessary to:** improve the implementation of the legislative framework, ensure sufficient financial resources, harmonise policies, programs and measures with local needs, which requires quality analyzes of the environment. Bearing in mind all the previously mentioned problems, it is obvious that the employment policy should be improved concerning certain groups of the unemployed, who find it difficult to join the labour market. Employers from the private sector can be granted a subsidy for the employment of unemployed persons over 50 years of age. In 2023, about half of the persons who were employed with a subsidy to the employer were aged 50 and over. Due to the insufficient funds allocated for the implementation of measures of active employment policy, **only about 6.5% of persons** on the records of the National Employment Service are included in the financial measures of Active Employment Policy (professional practice, internship for young people, acquisition of practical knowledge, training for the labour market, training at the request of the employer - for the unemployed, training for the needs of the employer for the employee, functional basic education for adults, subsidy for the employment of unemployed persons from the harder-to-employ



category, subsidy for self-employment, wage subsidy for persons with disabilities without work experience, measures for persons with disabilities who are employed under special conditions, public works).

Although they believe that the Law on Gender Equality has laid down good principles and foundations, the respondents point out, that the problem is its implementation. The by-laws are unclear, so it is not clear who should submit reports on gender equality within legal entities because the by-law conflicts with the Law. Also, other regulations are not harmonized and do not follow the set principles and requirements. For policies towards people of this age to be adjusted, information and data are necessary that include opportunities and possibilities on the labour market, the educational structure of the person, opportunities for their integration through adequate training and support for employment, as well as close cooperation with the economy.

### **Challenges of employment of persons 55+**

According to the opinion of the surveyed representatives of institutions and the economy, observed in different sectors, in the case of jobs in the industry sector, technological development and automation of jobs leads to reorganisation and the appearance of technological redundancies, and due to outdated knowledge and skills, employees face problems adapting to new technologies and new work methods. There are professions (most often crafts) within the construction sector, textile industry sector, and service and production professions where the workforce is ageing and where the percentage of older workers is significantly higher compared to the percentage of young people who do not show interest in crafts. It was also pointed out that, for example, older women are employed more often in the textile industry and clothing production, while older men find work faster in the

private-technical security sector. It is also pointed out that there are numerous activities, as well as some companies, that highlight the advantages and importance of employing the elderly population.

When it comes to the inclusion of older people in the labour market, it is **necessary to provide them with an adequate offer of training and retraining**, and work should be done on flexible programs of educational institutions as well as continuous communication and formalized cooperation with the economy. Tax policy should provide adequate tax incentives for employers to employ long-term unemployed persons older than 55 years, and similarly, it is necessary to provide adequate incentives for the employment of elderly persons through subsidies and cooperation with employers within the active measures of the employment policy. It is more difficult to reactivate older women and men, because they have lost trust in the system, they feel isolated due to the loss of business and social contacts, and they have lost self-confidence.

### **Concrete examples of employment challenges 55+**

Common factors and aspects of the labour market (cultural aspects)<sup>46</sup> in Serbia, that affect the employment of people 55+:

- Due to the lack of a sufficient number of institutions for the care of children and the elderly, women often take care of dependent members of the immediate and extended family (elderly parents, grandchildren, sick household members, etc.). Most often, these obligations are the reason, why women usually do not have support in the primary family to, for example, requalify to get a job (it is common for them to devote themselves to taking care of other family members).

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<sup>46</sup> Examples: respect for elders, language barriers, intergenerational dynamics

- Unlike individuals with disabilities, older workers in the labour market share the same status as other employees; they apply for open job positions just like any other job seeker.
- One of the challenges is the lack of flexibility of employers in adapting working conditions to the needs of older workers.
- The challenge is the existence of a gender gap in the labour market in favour of men. The elderly population is especially at risk, and the analysis of the labour market confirmed, that women are far more vulnerable than men of the same age, and secondly, that their vulnerability starts much earlier, from the age of 45. Even then, women face the impossibility of realizing equal rights to work in relation to their male peers.
- It was also observed that women are more represented in non-financial measures such as workshops for overcoming stress due to job loss, self-efficacy training, job search club, functional basic education for adults, employment fairs, while, when it comes to women 50+, only every tenth woman is involved in active employment measures.
- Many older women have no work experience in the formal sector at all and it is highly likely, that they will not exercise their right to a pension. Unable to get a job, they are ready to accept jobs in the informal sector, to perform various seasonal jobs, which provides them with a certain level of flexibility and earnings, but without paying social security contributions. Therefore, when it comes to women, the largest percentage of informally employed is in the over 55 age group (60%). As a result, more than 144 thousand women over the age of 65 (14.37%) and more than 25 thousand men (4.25%) do not have a pension, which confirms the pronounced gender gap in this area of social protection.

According to the opinion of the business, the **perceived challenges of employment of people 55+**, considering their changing competencies, values, health, attitudes and motivation, are:

- Over 55s face new technologies and changes in the way they work that require **lifelong learning and flexibility**.
- Older people are **more prone to chronic and occupational diseases** that have developed over years of work and that can reduce productivity at work.
- The lack of training for retraining and acquiring new skills is a particular challenge, and the **offered training programs are often inadequate** (bookkeeping software is outdated or not in line with what companies use, or, for example, the training is not well organized, so the participants drop out), the training offer changes slowly and adapts to existing trends in the labour market.
- The surveyed respondents indicated that **discrimination in the labour market is present**, and the personal characteristics that most often appear in complaints are gender and marital and family status, primarily of women, membership in political trade unions and other organisations, disability, age, nationality, health condition.
- The **status and position of older persons on the labour market is directly related to the level of education and educational profile**. Employers from the private sector focus on the knowledge and skills of their employees, as well as the efficiency and results achieved at work. In this sense, there is no difference between the employees either by gender or by the age of their employees. In companies, all employees are treated equally, regardless of age group. Employees are provided with equal opportunities for advancement and development. Persons older than 55 are also in management positions.
- In the Republic of Serbia, any form of indirect and direct discrimination in employment on any basis, including age discrimination, is prohibited. At the same

time, in accordance with the Law on Employment and Unemployment Insurance, **the employer independently decides on the person to be employed.**

### **An example of good practice – EkoBag, an ecological social enterprise<sup>47</sup>**

*EkoBag* employs women over the age of 50 who have been impacted by transitions and face challenges in finding employment. The company's production focus is on recycling PVC foil from billboards, a material that takes up to 1,500 years to decompose in nature. *EkoBag's* mission is to advance socially responsible business practices by managing targeted waste and discovering new ways to create value and purpose. Following marketing campaigns, companies opt to recycle the materials used rather than transporting them abroad to recycling centres, thus reducing costs. These materials are repurposed as raw materials for *EkoBag*, a company that handcrafts eco-friendly, distinctive products such as bags, folders, laptop and tablet cases, and wallets. Each item created by *EkoBag* carries a unique story. These products are used for promotional purposes and as gifts for employees of the companies that commissioned their production from recycled materials. In addition to working with PVC film, *EkoBag* also specialises in recycling carpets, mesh, and various other materials. These are transformed into locker bags and a variety of other practical items.

### **Example of good practice - Our house<sup>48</sup>, catering, chocolate plum, chocolate raspberry, printing house**

*Our house* has developed a service for elderly residents, "Kitchen on wheels", which was formed to help elderly, mobility-impaired residents, who cannot leave the house and have no one to buy them food. They created this service to involve their young users in supporting

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<sup>47</sup> Ekobag. (2024). Get to know us. [Online] Available at: <https://ekobag.rs/#upoznaj-nas> [Accessed 3 June 2024]

<sup>48</sup> Our House - an association for the support of people with developmental disabilities. (2024). Our ideas, suggestions and thoughts. [Online] Available at: <https://nashakuca.blogspot.com/> [Accessed 3 June 2024]

their elderly fellow citizens. In this way, they developed a special relationship between young people and older fellow citizens who need that meal. "Kitchen on Wheels" is a community service consisting of meal preparation and delivery, event catering, Belgian chocolate praline, prune (Choco plum), chocolate and freeze-dried raspberry (Choco raspberry) pralines.

*Our house* was founded on the initiative of the parents of children with developmental disabilities and works to ensure the conditions for life and work of the developmentally disabled, their inclusion in all life courses, because they are supported in work training and employment, independence, housing and active inclusion in the community. In addition to the production of chocolate plums and chocolate raspberries, they provide catering, but also have a small printing shop where they print promotional material on paper, which they produce themselves (business cards, greeting cards, catalogues, books...)

### **An example of good practice - Radanska ruža<sup>49</sup>, Lebane**

*Radanska RUŽA doo Lebane* was founded in 2015 as a non-profit limited liability company. In addition to other groups of sensitive categories, they employ women aged 55+ from marginal groups (women with disabilities, single mothers) who traditionally process fruits and vegetables according to recipes from the south of Serbia in the company's production plant. They started production by employing 5 women, with 20 products and in search of a market they didn't have and ended 2020 with a 20-fold increase in production and over 30 women employed in production. In 2018, they started primary organic production, and in 2019, the production of finished organic products. The entire organic production is currently exported to EU markets. In the 2020/21 season the total export of organic products was over

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<sup>49</sup> Radanska ruža. (2024). About us. [Online] Available at: <https://www.radanskaruza.rs/o-nama/> [Accessed 3 June 2024]

120,000 jars. The goal of the social enterprise Radanska RUŽA is to further promote social enterprises and increase the number of employed women.

### **An example of good practice – Reteks<sup>50</sup>, Užice**

*Reteks* is a social enterprise for the collection and recycling of waste textiles within the economic program of the Women's Center in Užice. The goal of Reteks is to build a sustainable economic model of textile recycling and disposal of textile waste (municipal and post-industrial), which would enable the employment of a much larger number of women from vulnerable groups (women victims of violence, single mothers, women with disabilities) and have a positive impact on the preservation of the environment.

### **An example of good practice – Socijalna sinergija, Šabac<sup>51</sup>**

Since 2005, Socijalna sinergija, a company for social synergy and employment of persons with disabilities, has been contributing to the community through free laundry, with the aim of improving the quality of life of the most vulnerable fellow citizens and making them more dignified (a service for the elderly, infirm, disabled and other persons). More than 160 direct users were helped, and the number of indirect users exceeded 200.

### **An example of good practice - Ferdinand knedle<sup>52</sup> „Ruka ruku mi je“, Beograd**

The brand Ferdinand Knedle launched the campaign "*One Hand Washes the Other*," which was based on providing free products and delivering dumplings to people over 65 years of age. Anyone who ordered food through the website or by phone and purchased 4, 6, 8, or 12

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<sup>50</sup> Retex. (2024). About us. [Online] Available at: <https://prodavnica.zenskicentaruzice.com/o-nama/> [Accessed 3 June 2024]

<sup>51</sup> Socijalna Sinergija Šabac. (2024). About us. [Online] Available at: <https://sociojalnasinergija.rs/o-nama/> [Accessed 3 June 2024]

<sup>52</sup> Ferdinand knedle. (2024). One hand washes the other and you also support older neighbors. [Online] Available at: <https://www.ferdinandknedle.com/sr/vesti/3/ruka-ruku-mije-a-tvoja-podrzava-i-starije-komsije/> [Accessed 3 June 2024]

dumplings had the chance to provide the address of a neighbor over 65 years old. With the help of the partner courier service "Vaš potrčko," Ferdinand Knedle delivered dumplings for free to elderly neighbors. The action was created in the first wave of the COVID-19 pandemic to help the elderly when they were prohibited from moving during the state of emergency, which was aimed at protecting citizens. This campaign was joined by other food production bands (BeoFruit, Spaghetti, Lenonne Pasta Fresca) who supported the elderly in the same way. The project lasted from March to April 2020.

### **Business inclusion - equal opportunity for employment, ManpowerGroup<sup>53</sup>, Beograd**

The ManpowerGroup company deals with employment and, considering that they recognised the lack of visibility of certain groups that are more difficult to employ, with their expertise they helped their equality during employment through the pro bono project Business inclusion equal opportunity for employment. The goals of the project are empowerment for employment, greater awareness of employment opportunities, strengths and potentials of individuals, and greater awareness of the local business community, while the general goal of society is employment. Unemployed people over the age of 50 were one of the target groups of the project

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<sup>53</sup> Manpowergroup. (2024). About us. [Online] Available at: <https://manpowergroup.rs/> [Accessed 3 June 2024]



## 3.4. Croatia

### Demographic situation in Croatia

The Republic of Croatia has a population of 3,871,833, with 1,865,129 males (48.17%) and 2,006,704 females (51.83%) according to the 2021 census. Compared to the 2011 census, the population has decreased by 413,056 people, or 9.64%.

*Graph no. 9: Population according to censuses*

**Population according to censuses, 1953 - 2021.**



Data on the population structure in Croatia over the last decade reveal a gradual ageing of the population. The average age of the population has continuously increased, from 42 years in 2012 to 44.3 years in 2022. During the same period, the ageing index, which measures the ratio of people older than 60 years to those younger than 20 years, has also significantly increased, from 117.8% in 2012 to 156.1% in 2022. These data indicate an increasing percentage of older individuals in the total population, representing a significant demographic shift<sup>54</sup>.

<sup>54</sup> Croatian Bureau of Statistics (2024). Statistics in line / Population. [Online] Available at: <https://podaci.dzs.hr/en/statistics-in-line/> [Accessed 3 June 2024]

Table no. 9: Population by age and sex, average age of population and life expectancy (in thousands)

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Total</b>	<b>4.267,6</b>	<b>4.255,7</b>	<b>4.238,4</b>	<b>4.203,6</b>	<b>4.174,3</b>	<b>4.124,5</b>	<b>4.087,8</b>	<b>4.065,3</b>	<b>4.047,7</b>	<b>3.879,0</b>	<b>3.855,6</b>
0 – 4	213,3	211,3	207,9	201,9	196,2	190,6	186,3	183,4	181,5	176,1	176,4
5 – 9	204,0	206,5	209,6	210,2	209,4	208,1	204,4	199,9	194,0	182,2	179,3
10 – 14	222,9	213,7	207,0	203,9	201,8	199,1	199,9	201,4	201,7	195,8	196,3
15 – 19	246,1	245,9	243,6	239,4	230,8	218,9	208,6	201,1	197,8	189,1	188,9
20 – 24	256,1	251,9	247,9	244,5	242,5	242,1	240,8	239,3	236,0	210,6	204,0
25 – 29	282,3	278,3	271,2	262,1	257,3	248,1	241,4	238,3	237,6	214,0	218,5
30 – 34	295,5	294,7	293,2	289,1	282,5	272,5	265,2	258,1	251,7	228,4	224,6
35 – 39	284,7	286,1	288,3	288,7	289,0	286,2	282,9	281,6	279,4	256,6	251,9
40 – 44	281,0	278,4	277,1	276,5	277,9	275,0	274,6	276,8	279,1	267,6	267,6
45 – 49	303,2	299,2	295,2	286,7	277,4	271,1	267,2	266,5	267,7	260,5	259,4
50 – 54	316,2	313,2	306,3	299,8	297,0	291,9	286,9	283,0	276,2	261,4	256,4
55 – 59	318,2	315,1	315,1	310,4	306,5	302,8	299,6	293,1	287,7	280,1	275,8
60 – 64	275,0	283,8	286,8	291,2	295,8	299,9	297,4	297,9	294,6	289,4	284,7
65 – 69	205,3	209,4	219,8	236,0	251,8	253,0	261,2	264,5	269,8	278,3	281,0
70 – 74	209,0	204,9	199,3	188,0	177,9	182,1	186,1	195,7	210,9	228,8	229,2
75 and over	354,8	363,3	370,1	375,2	380,5	383,1	385,3	384,7	382,0	360,1	361,6
<b>Average age</b>	<b>42,0</b>	<b>42,2</b>	<b>42,4</b>	<b>42,6</b>	<b>42,8</b>	<b>43,1</b>	<b>43,4</b>	<b>43,6</b>	<b>43,8</b>	<b>44,3</b>	<b>44,3</b>
<b>Life expectancy</b>	<b>77,0</b>	<b>77,2</b>	<b>77,6</b>	<b>77,4</b>	<b>78,1</b>	<b>77,9</b>	<b>78,2</b>	<b>78,5</b>	<b>77,8</b>	<b>76,5</b>	<b>77,6</b>

*Source: Croatia Bureau of Statistic*

## **Changes in Total Population**

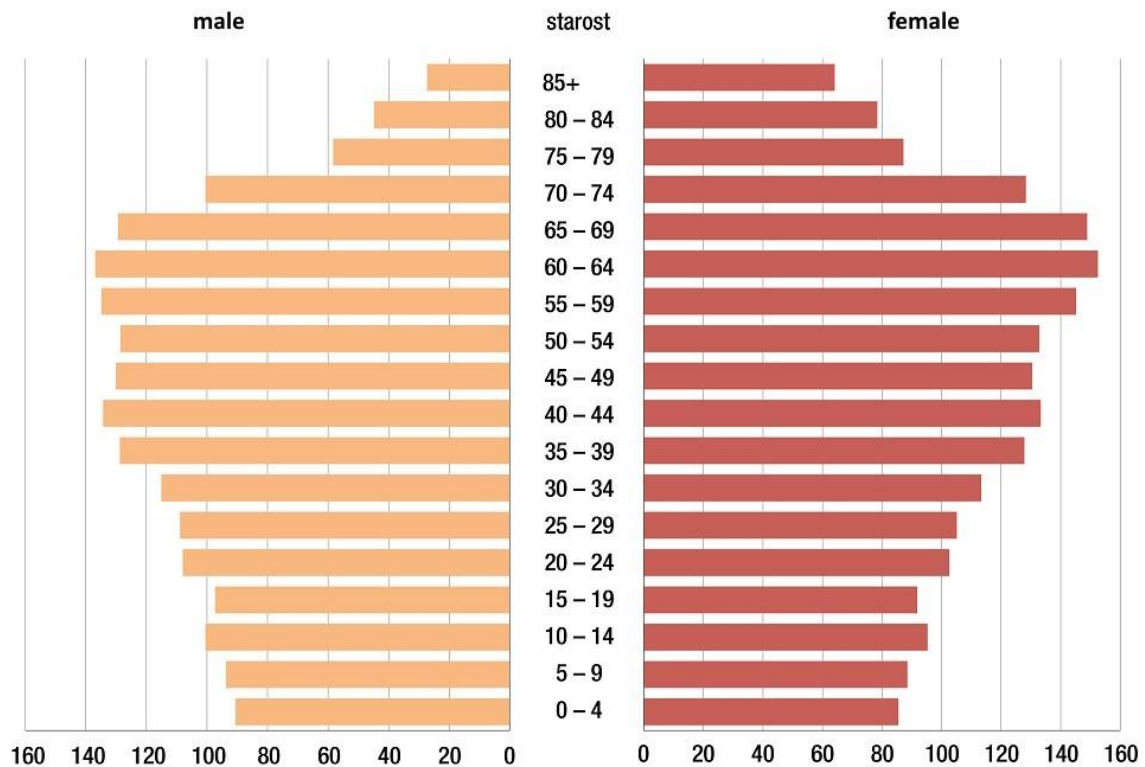
From 2012 to 2022, a decrease in the population was recorded for both males and females. The total number of males decreased from 2,058.7 thousand in 2012 to 1,860.5 thousand in 2022, while the number of females decreased from 2,208.9 thousand to 1,995.1 thousand.

## **Differences by age groups**

There is a noticeable decrease in the younger age groups (0-14, 15-24) over the last decade, indicating a decrease in birth rates or emigration of the younger population. For example, the number of male children aged 0-14 years decreased from 328.5 thousand in 2012 to 283.4 thousand in 2022, while the number of female children decreased from 311.7 thousand to 268.6 thousand.

Graph no. 10: population of the republic of Croatia by gender and age, 2021

**Population of the Republic of Croatia by gender and age, 2021 (in thousands)**



Source: Croatia Bureau of Statistic

**Population ageing**

The increase in the number of people in the older age groups (65 and over) suggests population ageing. The number of men in this group increased from 301.7 thousand in 2012 to 363.3 thousand in 2022, and the number of women from 467.4 thousand to 508.5 thousand.

**Comparison with the EU**

Population ageing is not a phenomenon limited to Croatia; similar trends are recorded in most European countries. According to Eurostat data, the average expected lifespan in the EU gradually increased until 2019 but decreased due to the COVID-19 pandemic. The

average expected lifespan in the EU is slightly higher than in Croatia (80.1 years in 2021). The highest expected lifespan is recorded in Spain (83.3 years) and Sweden (83.1 years), while the lowest are in Bulgaria (71.4 years) and Romania (72.8 years)<sup>55</sup>. The ageing index in Europe is continuously rising due to lower birth rates and higher life expectancy, as is the case in Croatia. Initiatives and policies across the EU aim to manage this through health care, pension system reforms, and older employment strategies, which can serve as a benchmark for strategies that Croatia might implement. Comparing Croatia with other EU countries highlights the need for comprehensive strategies to address the challenges associated with population ageing. It is necessary to promote policies that support the workforce of all age groups, encourage childbirth, and provide support for older individuals to remain active in the community and the labour market.

### **Natural changes in Croatia's population**

The analysis of natural population changes and data from the Croatian Bureau of Statistics show trends in births and deaths in Croatia over the decades. These figures indicate gradual changes that can have a significant impact on the country's demographic and economic structure.

*Table no. 10: Natural change in population*

<b>Years</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<i>Live births</i>	41.771	39.939	39.566	37.503	37.537	36.556	36.945	36.135	35.845	36.508	33.883
<i>Deaths</i>	51.710	50.386	50.839	54.205	51.542	53.477	52.706	51.794	57.023	62.712	56.979

<sup>55</sup> Eurostat. 2023. Demography of Europe – 2023 edition. [Online] Available at: <https://ec.europa.eu/eurostat/web/interactive-publications/demography-2023> [Accessed 3 June 2024]

<i>Natural decrease</i>	9.939	10.447	11.273	16.702	14.005	16.921	15.761	15.659	21.178	26.204	23.096
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Source: Croatia Bureau of Statistic

### **Birth trends**

The number of births has continuously declined during the observed period. In 2012, there were 41,771 births, which decreased to 33,883 by 2022. This decline in the number of births points to a decrease in birth rates, a trend that can be linked to various socio-economic factors, including economic uncertainty and changes in the life priorities of younger generations.

### **Mortality trends**

Mortality also shows fluctuations but generally increases from 51,710 deaths in 2012 to 56,979 in 2022. A particularly high number of deaths, 62,712, was recorded in 2021, likely a consequence of the COVID-19 pandemic. This increase in mortality further contributes to the demographic challenges that Croatia faces.

### **Natural increase**

Croatia continuously records a negative natural increase, meaning the number of deaths annually regularly exceeds the number of births. The negative natural increase has grown from -9,939 in 2012 to -23,096 in 2022. This trend of increasing negative natural increases indicates growing demographic challenges for Croatia.

### **Comparison with the EU**

The total fertility rate in the EU has converged over the past decades, with significant fluctuations in individual countries. By 2022, most EU countries had fertility rates above 1.30, but countries like Spain, Italy, Lithuania, Malta, and Poland were exceptions. In 2022, the average fertility rate in the EU was 1.46, while in Croatia, it was 1.53, which means

Croatia does not significantly deviate. France had the highest fertility rate, while Malta had the lowest<sup>56</sup>.

The data indicate a decrease in birth rates and an increase in mortality, resulting in an increasingly negative natural increase. This poses a significant demographic challenge for Croatia, with potentially profound long-term effects on the population structure and economic stability of the country. Strategic approaches to encouraging childbirth and improving healthcare, especially among the older population, will be key to mitigating these challenges.

## **Migration trends in the Republic of Croatia**

The analysis of migration flows in Croatia over a decade reveals significant changes in the patterns of population arrivals and departures. According to data from the Croatian Bureau of Statistics, migrations have had a significant impact on the country's demographic landscape.

### **Immigration trends**

From 2012 to 2022, the number of immigrants to Croatia has continuously increased. The total number of immigrants rose from 8,959 in 2012 to 57,972 in 2022.

### **Emigration trends**

Conversely, the number of emigrants from Croatia has also risen, but with a less dramatic increase compared to the number of immigrants. The total number of emigrants was 12,877 in 2012, rising to 46,287 by 2022. Most emigrants move to other EU countries, seeking better economic opportunities.

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<sup>56</sup> Eurostat. 2024. Eurostat Fertility statistics. [Online] Available at: [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Fertility\\_statistics](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Fertility_statistics) [Accessed 3 June 2024]

## Net migration balance

There has been a net migration loss of population from 2012 to 2022, with a total outflow of 362,856 people compared to an inflow of 262,272 people. However, 2022 shows a turnaround, with more immigrants than emigrants, partly due to the opening of the labour market to foreign workers due to local labour shortages.

## Comparison with the EU

The EU generally shows similar migration trends with variations among member states. Countries like Germany, France, and Spain record many immigrants, while countries like Romania and Bulgaria exhibit significant population outflows. For example, **Germany recorded an influx of approximately 1,200,000 people in 2022, while Romania recorded an outflow of about 300,000 people.**

Migration flows have a profound impact on the demographic structure of Croatia, increasing the influx from non-EU countries and Asia, while at the same time, many Croatians continue to emigrate in search of better living conditions in the EU. These data underscore the need for thoughtful policies that address both the influx and outflow of the population, aiming to balance the workforce and encourage demographic renewal.

The demographic landscape of Croatia shows several pronounced trends that have a profound impact on the socio-economic aspects of the country. Significant ageing of the population, continuous decline in birth rates, an increase in death rates, and dynamic migration flows are the main characteristics that shape Croatia's demographic reality.

**Population ageing** is a key challenge, with the average age increasing and the ageing index rising. These changes put pressure on pension systems, healthcare, and the labour market. Comparison with the EU shows that this is a widespread phenomenon but with variations in the intensity and effectiveness of responses to the challenges of ageing.



**The decrease in birth rates and the increase in death rates** further complicate the demographic picture. The negative natural increase has become more pronounced, and the particularly high number of deaths during the COVID-19 pandemic highlights the need to strengthen the health system and community resilience to external shocks.

**Migration flows** are also a crucial factor, with an increase in the number of immigrants, especially from non-EU countries and Asia, which could be an opportunity to rejuvenate the workforce and alleviate some demographic challenges. On the other hand, the high number of emigrants, particularly young and educated individuals seeking better economic opportunities within the EU, indicates the need to create more attractive living and working conditions in Croatia.

To successfully manage these demographic challenges, it is necessary to promote comprehensive strategies that include encouraging birth rates, integrating immigrants, supporting older individuals, and creating a more attractive economic and social environment. Strategies should be aligned with European practices and tailored to the specific needs and possibilities of Croatia.

These conclusions highlight the importance of an integrated approach in planning future policies to ensure the sustainability of the demographic structure and the overall socio-economic development of Croatia.

### **Analysis of the working-age population in Croatia by activity, age groups, and gender**

The analysis of the working-age population in Croatia reveals several key trends reflecting changes in the workforce structure. The observed years, from 2012 to 2022, show fluctuations in the size of the workforce, employment, and unemployment within different age and gender groups.

Table no. 11: Fluctuations in the size of the workforce, employment, and unemployment within different age and gender groups.

Year	2012	2013	2014	2015	2016	2017
<b>Labour force</b>						
Total	1.863,00	1.841,75	1.892,50	1.890,75	1.830,00	1.829,25
15 – 24	151,00	148,50	165,75	160,25	176,50	165,75
25 – 49	1.201,25	1.190,75	1.225,50	1.211,50	1.161,00	1.166,75
50 – 64	447,00	447,00	448,50	462,00	444,75	455,25
65+	63,75	55,50	52,75	57,00	47,75	41,50
<b>Persons in employment</b>						
Total	1.566,50	1.524,25	1.566,50	1.585,00	1.589,75	1.625,00
15 – 24	87,50	74,25	90,50	92,50	121,25	120,50
25 – 49	1.015,50	997,75	1.032,00	1.031,25	1.022,75	1.043,00
50 – 64	425,50	421,75	419,75	435,25	422,50	439,50
65+	38,00	30,50	24,25	26,00	23,25	22,00
<b>Unemployed persons</b>						
Total	296,50	317,50	326,00	305,75	240,25	204,25
15 – 24	63,50	74,25	75,25	67,75	55,25	45,25
25 – 49	185,75	193,00	193,50	180,25	138,25	123,75
50 – 54	21,50	25,25	28,75	26,75	22,25	15,75

55 - 64	25,75	25,00	28,50	31,00	24,50	19,50
<b>Inactive population</b>						
Total	1.764,00	1.780,75	1.722,00	1.694,75	1.735,00	1.716,00
15 - 24	350,75	348,50	326,50	322,50	297,25	298,75
25 - 49	244,75	244,75	199,50	190,00	220,75	196,25
50 - 64	436,75	439,00	431,75	408,00	428,25	418,00
65+	731,75	748,50	764,25	774,25	788,75	803,00

Year	2018	2019	2020	2021	2022	2023
<b>Labour force</b>						
Total	1.281,28	1.797,92	1.792,25	1.814,75	1.833,25	1.706,13
15 - 24	153,00	148,50	143,00	142,50	148,25	119,96
25 - 49	621,78	1.137,60	1.127,50	1.127,75	1.121,75	1.062,62
50 - 64	470,25	472,82	480,50	502,75	511,75	479,51
65+	36,25	39,00	41,25	41,75	51,50	44,04
<b>Persons in employment</b>						
Total	1.128,78	1.679,19	1.658,00	1.678,50	1.706,50	1.602,63
15 - 24	116,50	123,75	112,75	111,25	121,50	97,21
25 - 49	528,53	1.060,13	1.045,25	1.047,75	1.049,00	1.005,37

50 - 64	459,00	465,57	472,25	490,25	499,75	469,01
65+	24,75	29,75	27,75	29,25	36,25	31,04
<b>Unemployed persons</b>						
Total	152,50	118,72	134,25	136,25	126,75	103,50
15 - 24	36,50	24,75	30,25	31,25	26,75	22,75
25 - 49	93,25	77,47	82,25	80,00	72,75	57,25
50 - 54	11,25	7,25	8,25	12,50	12,00	10,50
55 - 64	11,50	9,25	13,50	12,50	15,25	13,00
<b>Inactive population</b>						
Total	1.723,75	1.720,85	1.719,50	1.691,75	1.673,75	1.559,00
15 - 24	303,25	298,99	296,75	289,25	275,25	264,00
25 - 49	195,75	188,26	181,50	164,00	154,00	145,75
50 - 64	407,25	402,59	386,50	361,50	346,25	306,25
65+	817,50	831,01	854,75	877,00	898,25	843,00

Source: Croatia Bureau of Statistic

## Workforce

The total workforce shows a slight recovery after a decline in the number of working-age individuals during the observed period. The number of workers aged 15-24 has decreased, indicating demographic changes such as the reduction in the number of young people in the population. However, the number of workers aged 50-64 has been continuously increasing, a result of extended working lives and an ageing population. A

significant increase in the number of workers over 65 reflects trends of staying longer in the workforce.

### **Employment**

Employment within the workforce generally shows stabilisation with a slight increase in the number of employed individuals. However, employment among the youth (15-24) shows volatility but also a general recovery in employment numbers. Employment in the 50-64 age group and the group over 65 is increasing, indicating greater integration of older workers into the labour market.

### **Unemployment**

The number of unemployed individuals is declining in all age groups, a result of more effective labour market measures. The reduction in unemployment is particularly pronounced among the youth and the elderly, indicating the success of training programs and requalification.

### **Inactive population**

The number of inactive individuals, which includes those not in the workforce, is decreasing, indicating greater mobilisation towards the workforce and demographic changes that reduce the number of young inactive people.

### **Comparison with the EU**

When comparing the situation in Croatia with trends in the EU, we can observe similar challenges faced by many EU member states. According to Eurostat, the EU also records an increase in the number of older workers in the workforce as a response to demographic changes and an ageing population. Additionally, many EU countries are implementing labour market reforms aimed at increasing the inclusion of both young and older individuals in the workforce. The employment rate for people aged 55 to 64 in the EU varies but generally shows a trend of increasing participation of older workers in the

labour market. For 2022, the employment rate for this age group in the EU was about 62.9%. In Croatia, comparable rates for the same age group show slightly lower employment (about 52%), but also a trend of gradually increasing inclusion of older workers.

European countries, including Croatia, have implemented various pension reforms that affect the older workforce. These reforms often promote longer working lives and more flexible retirement conditions to allow older workers to remain active in the labour market for a longer time. The analysis of the working-age population in Croatia indicates significant demographic and economic changes within the country.

Trends show an increase in employment and a decrease in unemployment but also challenges related to the ageing of the workforce and the integration of younger generations. Similarities with other EU countries suggest the need for a common European approach to managing changes in the labour market, with a special focus on promoting youth employment and integrating older workers.

In the context of this data, it is important to note that Croatia, despite similarities in trends with the EU, has its specific challenges, including the need for further promotion of employment among the older workforce and adaptation of workplaces to their abilities.

**Also, there is a need for continuous development of educational programs, that will enable older workers to remain competitive in a rapidly changing technological environment.**

### **Key stakeholders and strategies for managing workforce Ageing in Croatia**

In Croatia, managing workforce ageing involves a range of key stakeholders, including government agencies, business associations, educational institutions, and non-governmental organisations. These groups collaboratively work on developing and

implementing policies that support older workers and adjust to demographic changes in the labour market.

**The Ministry of Labour, Pension System, Family, and Social Policy** is a key stakeholder in managing workforce ageing in Croatia. This ministry is responsible for creating and implementing policies concerning working conditions, the pension system, and social care. Their initiatives include pension system reforms, that allow more flexible retirement conditions, promote active ageing, and encourage older workers to stay in the workforce longer. The ministry also plays a significant role in shaping policies that promote the integration and social protection of older people, and in creating a legislative framework, that protects the rights of older workers in the labour market.

**Croatian Employment Service (HZZ)** an agency of the Ministry of Labour, plays a crucial role in workforce management in Croatia, particularly concerning workforce ageing. As the central state agency for the labour market, HZZ implements a range of programs aimed at the employment, retraining, and education of workers of all ages, with a special focus on older workers. These programs include incentives for the employment of older individuals, such as subsidies for employers and retraining programs that enable older workers to acquire the skills needed to adapt to the changing demands of the labour market. HZZ also provides career advice and job placement support, helping older workers remain active and integrated into the workforce.

**Croatian Employers' Association (HUP)** represents the interests of employers across various industrial sectors. As one of the leading voices in labour market development, HUP actively participates in dialogue with the government on reforms to labour legislation, including those concerning older workers. The association promotes the development of flexible working arrangements and practices, that support the inclusion of older workers and emphasises the importance of lifelong learning and adaptation to new technologies to keep older employees competitive. HUP also helps in creating

policies, that enable older workers to extend their professional careers in a positive and productive environment.

Several other institutions in Croatia are significant in managing the ageing of the workforce:

1. **Croatian Institute of Public Health (HZJZ)** – plays a crucial role in promoting health aspects related to the ageing workforce, including programs for health promotion at the workplace and preventive health screenings, which are especially important for older workers.
2. **The Ministry of Health** – Alongside the Ministry of Labour, the Ministry of Health is essential in ensuring adequate healthcare and support for older workers, particularly through the development of policies and programs that address the specific health needs of older workers.
3. **State Office for Demography** – Although specifically focused on broader demographic challenges, this office also deals with issues related to the ageing workforce and can contribute to the development of strategies to cope with demographic changes.

These institutions, along with other key stakeholders, form a support network that enables better management of workforce ageing in Croatia.

## Challenges, strategies and policies

### Ageing workforce

The ageing of the workforce in Croatia represents a challenge, that requires thoughtful human resource management strategies. As the demographic structure ages, it is necessary to adapt approaches in recruitment, retention, training, and employee development, ensure knowledge transfer, and promote health and safety at work.



## **Demographic structure**

Demographic data show that in Croatia, as in most EU countries, the percentage of older workers is increasing. The European Foundation for the Improvement of Living and Working Conditions highlights that by 2030, more than 30% of the workforce in the EU will be over 50 years old. This requires the adaptation of workplaces and practices to ensure that the workforce remains productive and motivated.

## **Experience and skills**

Older workers bring a wealth of experience and skills, that are valuable to any organisation. In Croatia, it is crucial to implement mentorship and knowledge systems to leverage the potential of older workers and ensure knowledge transfer to younger generations, thereby strengthening corporate culture and innovation.

## **Productivity and innovation**

Contrary to common stereotypes, research shows that older workers can be just as productive as their younger colleagues. Organisations in Croatia need to develop targeted programs for continuous learning, that include digital literacy and adaptation to technological changes, allowing older workers to remain competitive in the labour market.

## **Legal framework**

Following EU directives, Croatia has developed a legislative framework that protects the rights of older workers. Proper implementation of these laws is key to avoiding legal risks and promoting a fair work environment for all workers.

## **Maintaining health at work**

Health care and safety programs need to be adapted for older workers, considering specific health challenges. In Croatia, it is important to promote programs that address

ergonomics, mental health, and preventive health screenings to minimize health-related risks in the workplace.

### **Transfer of knowledge**

As many older workers approach retirement, it is vital to develop knowledge transfer strategies. This ensures that key knowledge and functions remain within the organisation, minimizing disruptions in business operations.

Managing the ageing workforce in Croatia requires a comprehensive approach, that supports workers throughout all phases of their careers. A comparison with EU practices shows, that continuous investment in workforce development, adaptation of legislative frameworks, and promotion of health are crucial for maintaining productivity and innovation. This approach not only contributes to the success of organisations but also to the overall social and economic progress.

### **Challenges in employing individuals over 55 in Croatia**

The challenges of employing those over 55 in Croatia are numerous and cover various aspects of the work environment and social conditions. These challenges require comprehensive strategies that include legislative changes, adaptation of workspaces, and the development of programs that promote lifelong learning.

#### **Key challenges:**

##### **1. Work conditions**

Older individuals often face work conditions that are not adapted to their physical and health needs. It is necessary to introduce more flexible working hours, ergonomic workspaces, and options for working from home to improve their work efficiency and satisfaction.

## 2. Skill gaps

Rapid technological changes can result in older workers falling behind in digital skills, that are essential for the modern workplace. Training programs and requalification are crucial to ensure, that older workers remain competitive in the labour market.

## 3. Pension conditions

Many older workers in Croatia must work longer due to financial needs, often due to insufficient pensions or changes in the pension system, that have raised the minimum age for retirement.

## 4. Reasons for early retirement

Physical and mental health issues are the main causes of early retirement among older workers, necessitating better support in terms of healthcare and working conditions.

## 5. Socio-economic considerations

Workplace discrimination, including stereotypes about the productivity of older workers or their resistance to change, requires greater social awareness and the promotion of an inclusive work culture.

### Comparison with the EU

In the EU, similar challenges are present and are addressed through various EU directives and national policies, that promote active ageing, including strategies to improve working conditions, training and requalification, and flexible pension regimes. For example, programs such as "Active Ageing" in the EU promote initiatives, that enable older workers to remain active and productive.

Croatia faces complex challenges related to the employment of older workers, requiring coordinated responses at the state and private sector levels. Implementing

comprehensive strategies, that include legislative changes, workplace adjustments, and the development of public programs, that promote lifelong learning and a healthy work-life can significantly improve the integration of older individuals into the workforce. Comparing practices and policies within the EU suggests a common approach that values the contributions of older workers and ensures their integration into society and the economy.

Some challenges were highlighted by employees of institutions we interviewed, including several key stakeholders - the Ministry of Labor, Pension System, Family and Social Policy, and the Croatian Employment Service as well as other stakeholders - large companies, colleges, associations.

1. **Technology adaptation:** Older workers often see new technologies as a burden rather than an aid, which can increase their anxiety and stress.
2. **Health issues:** Frequent absences due to health issues create additional pressure as there often isn't adequate replacement.
3. **Psychological pressure:** Health problems can cause anxiety and depression, especially when frequent medical checks are involved.
4. **Burnout and financial necessity:** Some older individuals continue working out of financial necessity, which can lead to professional burnout.
5. **Skill mismatch:** Rapid technological changes can result in older workers falling behind in necessary digital skills.
6. **Social pressure and stigma:** Prolonged unemployment among older individuals can lead to social disapproval.

The interviews point to significant challenges in employing older persons, including stereotypes, lack of new skills and motivation, and the physical demands of certain jobs. There are various approaches to addressing these challenges, from formal educational

programs to less formalized methods of mentoring and support. Targeted and comprehensive strategies could be key to improving the situation and integrating older persons into the labour market in Croatia.

## Strategies and policies

The strategy for managing the aging workforce in Croatia includes a range of measures aimed at integrating and retaining older workers in the labour market. There is a focus on increasing the flexibility of work arrangements, improving working conditions adapted for older workers, and encouraging continuous education and skill development. The European Agency for Safety and Health at Work (EU-OSHA) emphasizes the importance of these measures but also highlights the need for continuous monitoring and evaluation of their effectiveness to ensure they meet the needs of both employers and employees. Ageing Workforce Management Strategies in Croatia include several key approaches to support older workers and optimize demographic challenges. Here are a few examples:

1. **Flexible working conditions:** Promoting flexible work arrangements, such as reduced working hours, remote work, and flexible retirement, allows older workers to continue working according to their capabilities and needs.
2. **Requalification and training programs:** The government (through ministries and agencies) and various educational institutions offer programs for acquiring new skills, especially in the digital area, to allow older workers to adapt to changing labour market demands.
3. **Health programs:** Implementation of healthcare programs tailored to older workers, including preventive check-ups and specialized medical services, to improve their overall health and reduce sick leave rates.

4. **Social integration and mentorship:** Development of programs, that encourage intergenerational cooperation and the leveraging of the knowledge and experience of older workers through mentoring younger colleagues.
5. **Pension reforms:** Adjustments to the pension system, that encourage a longer stay in the workforce, such as gradual retirement and flexible pension options.

These strategies reflect the broader European trend of adapting the labour market to an ageing population and efforts to keep older workers active, productive, and healthy. Strategy suggestions were also presented by employees of institutions we interviewed, including several key stakeholders – the Ministry of Labour, Pension System, Family and Social Policy, as well as other stakeholders - large companies, colleges, associations.

1. **Workplace flexibility:** Suggested approaches include more flexible working hours and adjustments to job tasks for older employees.
2. **Training and reskilling:** Training and reskilling programs, especially in digital skills, are crucial for keeping older workers competitive in the labour market.
3. **Mentorship and knowledge transfer:** Mentorship programs where experienced older workers pass on their knowledge to younger colleagues can encourage intergenerational cooperation.
4. **Health programs:** Implementing tailored health programs can help reduce absences from work and improve overall health.
5. **Social inclusion:** Activities that involve older individuals in the community, such as volunteering and cultural activities, can reduce their social isolation.

### Comparison with the EU

The strategy for managing the ageing workforce in Croatia largely reflects the practices and challenges faced by other EU member states. EU policies also encourage flexibility in

work arrangements, lifelong learning, and the integration of older workers, with the aim of maintaining a sustainable workforce despite demographic changes.

Coordinated efforts of key stakeholders in Croatia are crucial for successfully managing the challenges and opportunities presented by the ageing workforce. Comparing with practices within the EU, flexibility, innovation in policies, and inclusive approaches are necessary to support older workers and generally maintain a dynamic and productive labour market.

## **Ageing management in Croatia**

Ageing management in Croatia encompasses a wide range of activities aimed at addressing demographic challenges associated with an ageing population. These approaches include a variety of policies, programs, and initiatives aimed at improving the quality of life of older people, ensuring their active role in society, and optimizing working conditions for the older workforce. In Croatia, official institutions such as the Ministry of Labor and Pension System, the Croatian Employment Service (CES), and other agencies use various tools and programs to encourage the integration of the older workforce into the labour market. These programs are crucial for maintaining the competitiveness of older workers and promoting an inclusive and productive work environment.

### **Key aspects of ageing management**

#### **1. Social protection and pension system**

Croatian institutions strive to ensure financial security for older people through sustainable pension systems. Croatian pension system reforms are aimed at promoting longer working lives and more flexible retirement conditions, allowing older citizens to remain active in the labour market. These reforms reflect similar initiatives being

implemented in many EU countries, where older individuals are also encouraged to remain in the workforce longer to mitigate the consequences of demographic changes.

- **Example:** Pension system reform enables more flexible retirement conditions, encouraging older workers to gradually reduce their working hours until full retirement.
- **Source:** Information on legislative changes is available on the official pages of the Ministry of Labour, Pension System, Family, and Social Policy.

## 2. Health care

The healthcare system is adapting to the needs of the older population through specialized programs and services, including preventive health screenings and geriatric services. Improved access to healthcare in rural areas is key to ensuring equal access to health services. These measures are in line with EU policies that also emphasize the importance of adapting health systems to an ageing population.

- **Example:** The "For the Health of the Elderly" program includes preventive health screenings and specialized health services tailored to older individuals.
- **Source:** Details about this program are available on the website of the Croatian Institute of Public Health.

In the EU, member countries implement various programs aimed at improving healthcare for the elderly, with a special focus on preventive screenings and chronic disease management. The European Commission encourages integrated health services, that are tailored to the needs of the older population, aiming to reduce hospitalizations and improve the quality of life for older citizens<sup>57</sup>.

Some EU countries, such as Finland and the Netherlands, have implemented innovative programs that include technological solutions and home care for managing chronic

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<sup>57</sup> The European Observatory on Health Systems and Policies. (2008). Caring for people with chronic conditions. [Online] Available at: <https://eurohealthobservatory.who.int/docs/librariesprovider3/studies---external/caring-for-people-with-chronic-conditions.pdf> [Accessed 3 June 2024]



diseases among the elderly. These programs often involve multidisciplinary team that provide continuous support to patients, enabling better management of their conditions and reducing the need for acute care. Croatia can utilize experiences from the EU to develop and apply similar integrated health services. For instance, **improving the availability of gerontological and geriatric services, and developing local health programs targeted at the specific needs of older citizens**, could be key to enhancing their healthcare and quality of life.

These insights provide an overview of the opportunities for improving healthcare for the elderly in Croatia through the adoption and adaptation of successful models from the EU. Adapting these practices could significantly improve the management of chronic diseases and overall healthcare for the older population.

### 3. Education and Lifelong Learning

Promoting lifelong learning among older individuals is a priority in Croatia, enabling them to acquire new skills and knowledge, increasing their employability and activity in the community. This aligns with EU policies that encourage active ageing through education and personal development.

#### • Example:

1. **"Third Age"** programs at universities offer educational courses and workshops designed for older individuals.
2. **Educational programs:** Training and upskilling programs, available through the Croatian Employment Service and other educational institutions, enable older workers to acquire new skills, especially in areas such as digital literacy.
3. **Education vouchers:** The Croatian Employment Service offers a wide range of co-financing for education (support for upskilling, education of the unemployed, on-the-job training) including

vouchers for education that specifically subsidize digital and green programs, as well as programs in shortage areas.

• **Sources:** Universities in Croatia, open universities, and other educational service providers publish information about these programs on their websites. The CES also has all the necessary information about all educational programs available on its website.

In the EU, there is a strong focus on integrating older individuals into society and the workforce through various programs and initiatives that promote lifelong learning and social inclusion. For example, Europe has strategic frameworks like the one established in Croatia from 2017 to 2021, which focus on promoting lifelong learning as a tool to support older workers and integrate them into the workforce. These programs include various activities such as training, mentorship, and flexible working arrangements tailored for older individuals<sup>58</sup>.

Additionally, in some EU countries, there are specially designed programs that allow older individuals to remain active even after retirement, strengthening their social inclusion and mental health. These programs often include educational modules, that are tailored for older adults, focusing on digital skills and other competencies needed in contemporary society. A comparison with Croatia can reveal similarities in approaches, but also differences in availability and scope of programs. Croatia can use experiences from the EU to enhance its own initiatives, especially in the context of retraining and adapting workplaces for older workers, which is crucial for maintaining their competitiveness in the labour market.

#### 4. Labor force and labour market

Initiatives focused on older workers include retraining programs, mentorship, and the development of flexible work arrangements. Campaigns against age-based discrimination

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<sup>58</sup> European Association for the Education of Adults. (2022). European Lifelong Learning and Adult Education Strategies. [Online] Available at: <https://eaea.org/wp-content/uploads/2022/03/LLL-ALE-policies-Europe-update-2022.pdf> [Accessed 3 June 2024]

and the promotion of diversity in the workplace are also present, reflecting EU directives on equality and non-discrimination.

- **Examples:**

1. **Encouraging the employment of older persons:** The CES implements special programs designed for the employment of older workers, including employment subsidies, training, and requalification. These programs are designed to help older workers remain competitive in the labour market.
2. **"Zaželi" program:** Focused on employing women over 50 in socially beneficial jobs, this program provides an opportunity for them to return to the labour market by helping older and disabled individuals in the community.
3. **Active employment policy measures** include various training, counselling, and education programs carried out by CES, aimed at improving the employability of older persons and promoting lifelong learning.
4. **Counselling and support:** Older workers can use advisory services for information on labour market rights, pension rights, and opportunities for further education and professional development.
5. **Mentorship programs** – more experienced older workers pass on their knowledge and skills to younger colleagues, encouraging intergenerational cooperation and retaining valuable knowledge within organisations.

- **Source:** More about these programs can be found on the website of the CES.

The EU implements numerous initiatives that promote the integration of older individuals into society and the workforce. This includes programs such as "Active Ageing" and the "European Year for Active Ageing and Solidarity," which aim to increase the inclusion of older persons in all aspects of social life, including the labour market. The EU also encourages the development of flexible work arrangements that allow older workers to continue working, even if they wish to do so at a reduced intensity and supports lifelong learning programs to ensure that older workers can keep up with technological and market changes.

Germany and Sweden are examples of countries that have successfully implemented programs focused on older workers. These countries offer a wealth of programs that include mentorship, requalification, and adapted working conditions that consider the specific needs of older workers. Sweden, for example, promotes a "flexicurity" model, where flexibility at the workplace allows older workers to combine work and private life more easily, and provides security through strong social protections.

Croatia can utilize similar approaches, that have been implemented in other EU countries to improve the integration of older people into society and the workforce. This could include the development of more flexible working arrangements, as well as improving access to training and requalification programs. Additionally, implementing policies aimed at reducing age-related discrimination in the workplace can help promote a more inclusive working environment. By comparing with the EU, Croatia can develop targeted strategies to address specific challenges and capitalize on opportunities arising from an ageing population. Adapting successful EU models and practices could significantly contribute to the social and economic integration of older people in Croatia.

## **5. Community involvement**

Programs that encourage social inclusion of older people, such as volunteering and participation in cultural activities, help reduce social isolation. This aligns with EU

strategies that promote social cohesion through active participation of all age groups in social life.

- **Example:** Local retiree clubs and senior centres organise activities such as sports and cultural events for older people.
- **Source:** Information about local initiatives is available on the websites of local governments and retirees' associations.

## 6. Intergenerational solidarity

Supporting initiatives that promote intergenerational cooperation is an important element of managing ageing. These activities strengthen social bonds and bridge generational gaps, aligning with EU initiatives to promote solidarity among generations.

- **Example:** Young volunteers in homes for the elderly and joint educational programs that promote the exchange of knowledge and experience between generations.
- **Source:** Organisations such as the Red Cross publish details of these projects on their websites.

### Comparison with the EU

Similar initiatives and programs are also present in other EU countries, where the importance of integrating older individuals into society and the workforce is also emphasized. In Croatia, **initiatives for the integration of the older workforce are crucial in promoting a productive work environment that values the contributions of older workers.** Comparison with practices in the EU shows, that continuous investment in the development of policies and programs that support older workers is necessary, ensuring that their skills and experience are effectively utilized. These efforts not only help older workers remain active and productive members of the workforce, but they also contribute to overall economic development and social cohesion.

## 3.5. Germany

### Demographic situation in Germany

Germany faces significant demographic challenges characterized by an ageing population, declining birth rates, and potential strains on healthcare and social services due to the increasing number of elderly citizens. Family policy plays a crucial role in shaping demographic trends by influencing birth rates and population growth. Access to childcare is cited as a prominent example of a family policy measure, that can positively impact fertility rates. Forecasting future demographic trends poses challenges due to the uncertainty involved in predicting factors such as mortality, fertility, and migration. National statistical offices like the Federal Statistical Office in Germany provide valuable data and insights into population dynamics. International databases such as the Human Mortality Database offer standardized mortality data for comparative analysis across countries. Academic literature and research publications provide in-depth analysis and discussion on various aspects of demography, including fertility, mortality, and forecasting methods<sup>59</sup>.

The demographic evolution in Germany over two decades was notably shaped by the economic vitality of its regions and the patterns of migration. Western states such as Hamburg, Berlin, Bavaria, Baden-Württemberg, and Hesse exhibited more robust demographic metrics, underpinned by their diverse and dynamic economies. These regions attracted a considerable number of immigrants, which not only countered potential declines in population but also rejuvenated the demographic structure by lowering the average age.

In contrast, regions like Saarland, which has historically relied on heavy industry, faced demographic challenges including shrinking populations and an increasing proportion of

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<sup>59</sup> Dudel, C. (2018). Demografie. In: Voigt, R. (eds) Handbuch Staat. Springer VS, Wiesbaden. [Online] Available at: [https://doi.org/10.1007/978-3-658-20744-1\\_2](https://doi.org/10.1007/978-3-658-20744-1_2) [Accessed 3 June 2024]

elderly residents. This trend was more pronounced in the eastern states such as Saxony-Anhalt and Thuringia. These areas have struggled with economic stagnation after reunification and have not attracted significant immigration, which has compounded issues of demographic decline and ageing.

Migration has been a critical factor in shaping the demographic landscapes of the German states. The influx of migrants has generally had positive effects in the west, maintaining or increasing the population base. In 2015, Germany experienced a peak in immigration, with significant numbers arriving from conflict zones such as Syria, Afghanistan, and Iraq. This wave of migration helped to offset the declining birth rates and contributed to a younger workforce, essential for the economic sustainability of these states.

However, internal migration trends also show a significant movement from east to west, driven by the pursuit of better economic opportunities. This movement has led to demographic hollowing in the eastern states, with a notable brain drain of young, economically active individuals who relocate to the more prosperous western states.

The national birth rate in Germany has remained low, with the fertility rate consistently below the replacement level of 2.1 children per woman. This has been a persistent trend, that exacerbates the ageing of the population, particularly in areas without significant immigration to replenish the younger demographic. The eastern states, with lower birth rates and minimal migration gains, have seen the most significant increases in the median age of their populations.

The ageing population poses substantial challenges for social services, healthcare, and pension systems, particularly in regions with diminishing young populations. The federal and state governments have recognized these challenges, setting goals to enhance the integration and retention of immigrants, boost local birth rates, and develop economic opportunities to attract and retain residents.

The demographic disparities between the eastern and western parts of Germany highlight the ongoing challenges of achieving economic and social cohesion. The federal states' differing abilities to attract and integrate migrants, combined with the varying economic opportunities, suggest a nuanced approach to regional development and demographic planning is necessary.

To mitigate these disparities, policies aimed at enhancing the economic attractiveness of the eastern states, improving infrastructure, and providing incentives for families and businesses to settle in these areas are critical. Additionally, fostering educational and employment opportunities can help retain the local population and attract new residents, potentially reversing some of the negative demographic trends observed in the past two decades<sup>60</sup>.

Population projections indicated that Germany's population increased from 83 million in 2021 to around 84 million in 2022 due to significant immigration from Ukraine. However, future trends will hinge on birth rates, life expectancy, and migration. Under moderate scenarios, the population could peak at 85 million by 2031 before dropping to 83 million by 2070. Conversely, with low migration, it could decline to 75 million by 2070, while sustained high migration could push it to 90 million. Germany will witness a rise in the elderly population and a drop in the working-age populace. By the mid-2030s, retirees aged 67 and above could surge to at least 20 million, while octogenarians may remain stable before increasing. The working-age group, 20 to 66, is expected to shrink, even with high migration<sup>61</sup>.

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<sup>60</sup> Pastuszka, S. (2023). Regional demographic differences in Germany. *Studia Prawno-Ekonomiczne*, 128, 117–138. [Online] Available at: <https://doi.org/10.26485/SPE/2023/128/7> [Accessed 3 June 2024]

<sup>61</sup> Statistisches Bundesamt. (2024). Future population development. [Online] Available at: <https://www.destatis.de/DE/Themen/Querschnitt/Demografischer-Wandel/Aspekte/demografie-bevoelkerungsentwicklung.html#:~:text=Bei%20einer%20moderaten%20Entwicklung%20der,2070%20auf%2083%20Millionen%20zur%C3%BCckgehen> [Accessed 3 June 2024]



## Main (policy) actors

The Christian Democratic Union (hereinafter referred to as „CDU“) and its Bavarian counterpart, the Christian Social Union (hereinafter referred to as „CSU“), represent the centre-right in German politics. Established post-World War II, the CDU/CSU has historically attracted older individuals, churchgoers, and rural residents. They advocate for corporate tax reductions and benefits for high-income earners, while also emphasizing the importance of asylum rights with stricter application regulations. The preferred coalition partner for the CDU/CSU is the Free Democratic Party (hereinafter referred to as „FDP“).

Next up is the Social Democratic Party (hereinafter referred to as „SPD“), a centre-left party founded in 1875. With roots in social justice and trade union movements, the SPD traditionally appealed to the working class but has seen a decline in support due to internal divisions over labour market reforms. They prioritise issues such as a minimum wage and progressive taxation and seek coalition partnerships with the Green Party.

The Green Party, emerging from 1980s social protest movements, focuses on environmental concerns and infrastructure development. Their voter base consists mainly of urban, well-educated individuals, with recent support increasing among younger demographics. The Greens advocate for renewable energy, increased minimum pensions, and a progressive tax system, preferring coalition partnerships with the SPD.

Moving to the FDP, a pro-free market, neo-liberal party, which attracts self-employed professionals and business owners. They advocate for individual freedom, tax cuts, and technological advancement, opposing state intervention in housing markets. Their preference for coalition partnerships lies with the CDU/CSU.

The Left Party, formed in 2007, has its roots in the Socialist Unity Party of former East Germany. Their voter base is primarily in the former East, and they reject military missions

abroad while advocating for higher minimum wages and opposing deportations. The Left Party seeks coalition partnerships with the SPD and Greens.

The Alternative for Germany (hereinafter referred to as “AfD”), established in 2013 as a Euroskeptic party, has shifted towards far-right nationalism and anti-immigrant sentiments. They oppose refugee acceptance, advocate for preserving "traditional" German culture, and question climate change science. The AfD seeks to limit NATO's influence and replace the EU.

Finally, the Bündnis Sarah Wagenknecht (hereinafter referred to as “BSW”), a new party founded in 2024 by renegades from the Left Party. Combining left-wing economic policies with far-right stances on immigration and gender diversity, they oppose NATO, support Ukraine, and reject the shift towards renewable energy. BSW has not ruled out cooperation with the AfD<sup>62</sup>.

## Age management

The study examines age management practices in Britain and Germany, focusing on how national institutions influence employer strategies for handling older workers. It highlights differences between the two countries, particularly in terms of institutional frameworks and the emergence of new actors aiding employers in this task. The authors advocate for a more nuanced approach to researching age management within the broader socioeconomic context and call for further investigation into how policy decisions at the organisational level are influenced. They also suggest analysing the career choices of individual older workers and considering the impact of gender on age management

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<sup>62</sup> Goldenberg, R. (2024). A look at Germany's political parties. [Online] Available at: <https://www.dw.com/en/spd-green-party-fdp-cdu-left-party-afd/a-38085900> [Accessed 3 June 2024]

practices. The study was supported by the Economic and Social Research Council and involved representatives from various organisations in both countries<sup>63</sup>.

### **Overview of strategies and policies (national age management concepts)**

A study delves into the realm of age management practices within the context of German companies. It emphasises the proactive stance of these organisations in navigating and leveraging the existing institutional framework of the labour market. Unlike a passive acceptance of institutional constraints, German employers are depicted as actively engaging in the adaptation of these structures to better suit their needs in managing older workers. This adaptation reflects a nuanced understanding of the institutional landscape, in which companies seek to explore and develop options within the established system rather than merely conforming to its dictates.

Moreover, the text critiques the tendency of institutional theory to oversimplify the diversity of options available to companies within the German system. By focusing solely on historical institutions and overarching national systems, researchers may overlook the intricacies of organisational strategies and responses to age management challenges. There's a call for institutional theory to broaden its scope, recognising the multitude of options for exploration within each system and integrating the role of other institutional actors into its analytical framework.

Gender dynamics also emerge as a significant aspect of age management in Germany. The text suggests that the German system may disadvantage older female workers, hinting at potential multiple forms of discriminations faced by this demographic group. This acknowledgement underscores the importance of considering intersectionality in analysing age management practices and their impact on different segments of the workforce.

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<sup>63</sup> Muller-Camen, M., Croucher, R., Flynn, M., & Schröder, H. (2011). National institutions and employers' age management practices in Britain and Germany: 'Path dependence' and option exploration. *human relations*, 64(4), 507-530.

Additionally, the text acknowledges the contributions of various stakeholders, including participants in workshops, academic reviewers, and funding support from the Economic and Social Research Council. This collaborative effort reflects a multidimensional approach to understanding and improving age management practices in Germany, drawing insights from diverse sources and perspectives<sup>64</sup>.

A study explores scenarios where workers are hired across overlapping generations and offered life cycle contracts by employers. These contracts entail specific wages over various periods, aiming to induce effort and commitment from workers.

The paper introduces the concept of employer opportunism, where employers may renege on promises of employment security, thereby affecting the effectiveness of life cycle contracts. This opportunism allows employers to adjust labour costs by firing existing workers and hiring new ones with potentially less favourable contracts. Such actions undermine the incentive structure of life cycle contracts, leading to a need for adjustments in wage schemes.

To address this issue, the paper presents equations that calculate adjusted wages to maintain the incentive for effort among workers in the face of potential opportunism. It discusses the implications of employer behaviour on worker anticipation and overall contract effectiveness. Theoretical models and equations are presented to illustrate the interplay between employer opportunism, worker expectations, and wage adjustments.

Furthermore, the paper incorporates references to a wide array of related literature, covering topics such as the economics of personnel, labour market dynamics, age discrimination, and productivity. It cites various studies and findings related to workforce

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<sup>64</sup> Tesch-Römer, C., & Wurm, S. (2012). Research on active aging in Germany. *GeroPsych: The Journal of Gerontopsychology and Geriatric Psychiatry*, 25(3), 167–170. <https://doi.org/10.1024/1662-9647/a000067>

composition, firm performance, retirement policies, and the impact of demographic shifts on labour markets<sup>65</sup>.

The German public pension system, initiated by Bismarck in the late 19th century, was the world's first formal pension system. It was designed to provide a significant portion of retirement income based on the worker's lifetime earnings, reflecting a direct extension of their work-life earnings into retirement. Historically, this system aimed to provide social and political stability and was funded through a combination of contributions from workers and employers, with the federal government providing subsidies for non-insurance benefits.

Before reforms began in 1992, Germany had a very generous pay-as-you-go pension system. Retirement income was primarily sourced from this public system, with replacement rates high enough to maintain retirees' standard of living. The system, characterized by early retirement ages and high replacement rates, became financially strained due to demographic changes and the incentive effects that encouraged early retirement. Costs associated with pensions were significantly higher than similar systems in other industrialized countries, amounting to over 11% of GDP.

Recognising the unsustainable trajectory of the pension system, Germany embarked on a series of reforms starting in 1992. These reforms aimed to transition from a predominantly single-pillar system to a multi-pillar system involving both public and private components. Key stages of the reform included:

1992 Reform: Initiated adjustments in benefits and began increasing the effective retirement age.

1999 and 2001 Reforms (Riester Reform): Introduced significant changes including adjustments to the formula used to calculate pensions, which were pegged to net wages

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<sup>65</sup> Heywood, J. S., & Jirjahn, U. (2016). The hiring and employment of older workers in Germany: A comparative perspective. *Journal for Labour Market Research*, 49(4), 349-366.

rather than gross wages and set a framework for increasing private pension involvement through subsidies and tax incentives.

The reforms aimed to stabilize the pension system by reducing the financial burden on the public sector and encouraging private savings for retirement. By 2001, the system began transitioning to a funded scheme, complementing the pay-as-you-go system with private retirement savings plans that received governmental subsidies. The overall goal was to balance the pension system's financial sustainability with maintaining adequate retirement incomes for future generations<sup>66</sup>.

In 2019, the costs associated with long-term care for those aged 65 and older amounted to approximately 61 billion euros. A notable aspect of the expenditure is that half of this spending is allocated to nursing homes, despite only about 22.5% of the beneficiaries utilizing these facilities. The distribution of out-of-pocket expenses varies significantly between care modes, with nursing home care requiring 41% of expenditures as out-of-pocket payments, compared to just 7% for home care services.

Most of the long-term care funding comes from German long-term care insurance, supplemented by other government schemes. Interestingly, about one-third of nursing home residents rely on means-tested social assistance, indicating the high cost of care relative to the financial capabilities of many elderly individuals.

Germany faces demographic challenges, that impact its long-term care system. The population is ageing, with a significant increase in the share of individuals aged 85 and older. This demographic shift is expected to increase the demand for long-term care services while simultaneously the workforce available to provide such care is in decline.

The long-term care workforce includes both professional caregivers and informal caregivers, typically family or friends, who play vital roles in caregiving. Professional

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<sup>66</sup> Börsch-Supan, A. H. and Wilke, Ch. B. (2004). The German Public Pension System: How it Was, How it Will Be. NBER Working Paper No. w10525. [Online] Available at: <https://ssrn.com/abstract=552888> . [Accessed 3 June 2024]

caregivers must meet specific training and qualification standards, especially in settings like nursing homes. Economic implications of long-term care are significant, influenced by income and wealth disparities among the elderly, impacting their ability to afford care, exacerbated by high nursing home costs.

An example deepens understanding of social integration of Syrian migrants in Germany through analysis of their Facebook social networks. It reveals insights into social dynamics and integration processes affecting migrants post-Syria's civil war relocation.

Using de-identified Facebook data, the study assesses social integration by measuring friendships with Germans, participation in local groups, and German language use on social media. Variability in integration across German counties suggests local social environments significantly influence outcomes.

Employing a novel mover's research design tracks Syrians relocating within Germany, highlighting regional integration differences tied more to local conditions than individual migrant traits. Critical findings show integration varies with local friendliness, unemployment rates, and access to integration programs, where lower unemployment and robust courses boost migrant integration. Additionally, the document discusses causal effects of local integration courses, enhancing social integration by fostering native relationships and bolstering German language use among migrants<sup>67</sup>.

## **Evaluation of the effectiveness of existing measures**

The evaluation of existing measures regarding the challenges faced by individuals aged 55 and above in employment encompasses a multifaceted analysis of policies, strategies, and institutional frameworks aimed at addressing these issues. This evaluation seeks to

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<sup>67</sup> Bailey, M., Johnston, D. M., Koenen, M., Kuchler, T., Russel, D., & Stroebel, J. (2022). The social integration of international migrants: Evidence from the networks of Syrians in Germany (No. w29925). National Bureau of Economic Research.

assess the efficacy of current interventions, identify gaps, and propose potential areas for improvement. Drawing upon a combination of existing analyses, research findings, and qualitative insights from stakeholder interviews, this chapter delves into the intricacies of age management practices and their impact on workforce dynamics.

A critical examination of existing policies reveals a mixed landscape of initiatives designed to support older workers in the labour market. Key measures include incentives for extending working lives, such as flexible retirement options and training programs tailored to older employees. Additionally, anti-discrimination legislation aims to combat ageism in the workplace, promoting equal opportunities for all age groups. However, the effectiveness of these policies varies across sectors and regions, highlighting the need for targeted interventions.

An integral aspect of evaluating the effectiveness of existing measures involves an assessment of working conditions for older employees. Factors such as ergonomic adaptations, job flexibility, and access to healthcare services play a crucial role in promoting sustainable employment among aging workers. **By analysing workplace environments and identifying potential barriers to participation, policymakers can develop strategies to enhance job quality and longevity.**

The retraining and upskilling of older workers constitute essential components of age management strategies. Evaluating the accessibility and relevance of training programs for individuals aged 55 and above is paramount for ensuring their continued employability in evolving industries. Moreover, fostering a culture of lifelong learning can empower older workers to adapt to technological advancements and market demands.

The evaluation also scrutinizes retirement eligibility requirements and their implications for workforce participation among older individuals. Assessing the alignment between retirement policies, pension schemes, and labour market dynamics sheds light on potential disincentives to extended careers. By promoting phased retirement options and



incentivizing continued employment, policymakers can mitigate premature exits from the workforce.

The social and economic implications of aging populations underscore the importance of holistic approaches to age management. Evaluating the broader socio-economic context, including intergenerational equity, healthcare provision, and social protection systems, clarifies the interconnected nature of employment challenges for individuals aged 55 and above. Promoting inclusive growth and addressing structural inequalities are crucial for cultivating an age-friendly society.

### **55+ employment challenges**

An opening study provides an extensive overview of recent pension reforms in Europe, shedding light on the challenges and new directions emerging in this critical policy area. It delves into the complexities of pension systems across different European countries, highlighting the various changes implemented to address issues such as demographic shifts, income inequality, and labour market dynamics.

One key aspect discussed is the transition from traditional pension schemes to more modern and flexible models, with some countries abolishing mandatory funded individual accounts within their systems. Moreover, the text emphasizes the impact of pension reforms on income distribution and gender disparities in retirement income, underscoring the need for policies that promote equity and social justice.

Another significant point raised is the political dynamics surrounding pension reform, with different countries experiencing varying degrees of resistance and consensus-building in the implementation process. The text also explores the role of international organisations and transnational campaigns in shaping pension policies across Europe.

Additionally, the text touches upon the economic implications of pension reforms, particularly in the aftermath of the global financial crisis, and examines how countries

have navigated the challenges of ensuring the financial sustainability of their pension systems while addressing the needs of an ageing population<sup>68</sup>.

Moreover, the text highlights the multifaceted nature of digital solutions in the workplace, distinguishing between mere information exchange and more advanced collaboration tools. It emphasizes the crucial role of such tools in facilitating effective communication and collaboration among remote teams, thereby enhancing overall productivity and organisational effectiveness.

Additionally, the text explores the psychological and socioeconomic aspects of remote work, discussing its impact on employee motivation and job satisfaction. It underscores the importance of aligning digitalization efforts with the evolving needs and preferences of the modern workforce, particularly among younger, tech-savvy demographics who prioritize flexibility and work-life balance.

Furthermore, the text underscores the importance for organisations to navigate the complexities of digitalization with caution and foresight. It highlights the need for thoughtful implementation of remote work policies and digital tools, considering the diverse needs and preferences of employees. This involves striking a delicate balance between leveraging the benefits of digitalisation and mitigating its potential drawbacks, such as information overload and burnout<sup>69</sup>.

## Secondary data

This section provides an in-depth examination of the challenges faced by Germany in employing its elderly population. It begins by discussing the demographic transition and its impacts, highlighting the shrinking workforce and the potential role of women in addressing this issue. The importance of supporting families, especially young mothers,

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<sup>68</sup> Hinrichs, K. (2021). Recent pension reforms in Europe: More challenges, new directions. An overview. *Social Policy & Administration*, 55(3), 409-422.

<sup>69</sup> Dziubek, S., Fuchs, O., & Schwarz, S. (2022). Effects of workplace digitalisation on the motivation of German office employees. *International Journal of Business and Management*, 6(6), 39-48.

through improved childcare facilities is emphasized, along with the need to address conservative attitudes towards gender roles in family and work.

Furthermore, the text explores the potential for employing elderly individuals, noting their desire for flexible working arrangements and the necessity for legislative support in this regard. It also discusses the role of immigration in addressing labour shortages but raises concerns about xenophobia and the ethical implications of recruiting highly qualified individuals from developing countries.

Moreover, the text delves into the impacts of digitalisation and robotisation on the labour market, presenting contrasting perspectives on the potential job losses and job creation resulting from these technological advancements. It highlights the importance of education and vocational training in preparing the workforce for the digital economy<sup>70</sup>.

In a recent press release dated January 19, 2023, it was highlighted that Germany has witnessed a significant rise in the employment rate among individuals aged 55 to 64 years. This demographic, crucial for addressing the challenges posed by a shrinking workforce and skilled labour shortage, saw a commendable increase of 10 percentage points, reaching 72% employment in 2021. This surge is noteworthy considering the EU average stands at 60%.

The data, sourced from the Federal Statistical Office (Destatis), draws attention to the correlation between higher educational attainment and increased employment rates among older individuals. Over the past decade, from 2012 to 2021, Germany observed a noteworthy jump in employment rates within this age group, underscoring the country's efforts to tap into the potential of its aging population.

However, it's essential to contextualize these figures within the broader European landscape. While Germany boasts a higher employment rate for 55 to 64-year-olds

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<sup>70</sup> Eissel, D., Park, S. C., Ogawa, N., Kim, C. J., Sirivunnabood, P., & Le, T. H. (2021). Economic impacts of demographic transition: The case of Germany. *Demographic transition and its impacts in Asia and Europe*, 335-364.

compared to the EU average, surpassing countries like Sweden and Denmark, there's a recognition that this alone might not suffice to address the looming labour challenges<sup>71</sup>.

### Specific cases and examples

The "Perspective 50 Plus" program in Germany tackles the challenge of employment among older workers, a pressing issue in the face of population ageing and demographic shifts. It's part of the broader "Initiative 50 Plus" spearheaded by the German Federal Ministry of Labour and Social Affairs. This initiative is significant, covering almost 75% of the population, indicating the widespread concern and effort to address the issue.

The employment rate for older individuals in Germany exceeded the Lisbon target of 50% back in 2008, demonstrating an early recognition of the need to act. To combat the exclusion of older unemployed individuals from the labour market, regional employment pacts were established to pioneer and assess new strategies tailored specifically for this demographic. These pacts are particularly focused on aiding low- or semi-skilled long-term unemployed individuals, who face the greatest challenges in finding employment.

Former early retirement schemes have become burdensome for both employers and employees. With many employees eyeing retirement well before the age of 65, companies often prefer to hire younger individuals, further exacerbating the issue. Consequently, jobcentres and local authorities, tasked with aiding the long-term unemployed since the implementation of the "Hartz IV" legislation act in 2005, find integrating individuals over 50 into the workforce a daunting task.

The regional employment pacts aim to involve various stakeholders to ensure better employment opportunities for older workers. These partnerships take a cross-sector approach, encompassing labour market, employment, social, and health policies. A

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<sup>71</sup> Statistisches Bundesamt. (2024). Employment of older people in Germany and the EU markedly up in the last 10 years. [Online] Available at: [https://www.destatis.de/EN/Press/2023/01/PE23\\_N003\\_13.html](https://www.destatis.de/EN/Press/2023/01/PE23_N003_13.html) [Accessed 3 June 2024]

diverse array of tools and instruments are employed, including profiling, assessments, specialised training, internships, wage subsidies, and public awareness campaigns.

The program operated in phases, with the first phase running from 2005 to 2007 and the second from 2008 to 2010. The Ministry of Labour and Social Affairs collaborated with various partners at both the federal and local levels to ensure the program's success. There was a substantial financial commitment to the program, with significant funding allocated for both the first and second phases.<sup>72,73</sup>

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<sup>72</sup> OECD. (2006). Germany "Perspective 50 Plus" - Employment Pacts for Older Workers in the Regions. [Online] Available at: <https://www.oecd.org/cfe/leed/37729545.pdf> [Accessed 3 June 2024]

<sup>73</sup> OECD. (2009). Germany "Perspective 50 Plus" - Employment Pacts for Older Workers in the Regions. [Online] Available at: <https://www.oecd.org/local-forum/database/country-factsheets/germany2.pdf> [Accessed 3 June 2024]

## 3.6. Hungary

### Demographic situation in Hungary

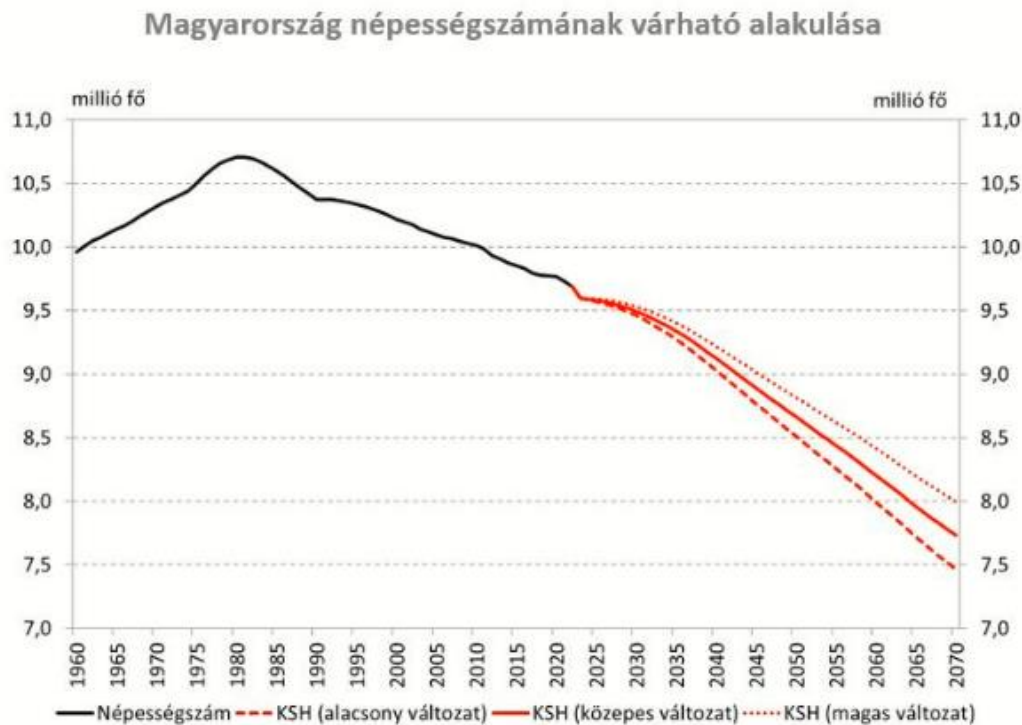
In 2022 the population of Hungary was 9,689,010. Although the average life expectancy at birth in Hungary, as in developed countries, shows an increasing trend, the population of the country is steadily declining. This is partly caused by large-scale emigration. In the decade following the accession to the EU emigration rates were continuously increasing, which peaked in 2015, when nearly 33,000 people left the country. Meanwhile in the same year only cca. 15,000 Hungarian citizens returned from abroad. In 2020, for the first time in decades, the number of emigrants (19,322) was lower than the number of returnees (23,104). This is largely due to the impact of the Covid-19 pandemic and is not expected to become a significant trend in the long term<sup>74</sup>.

According to the forecasts of the Hungarian Central Statistical Office (KSH), the population change is expected to show a severely negative trend. Based on KSH calculations, Hungary's population may decrease by further 1 million to around 8.7 million people by 2050. If the current trends continue, by 2070 the population of Hungary could drop to as low as 7.7 million people. Such a population decline could lead to serious labour market problems, especially in view of Hungary's ageing population.

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<sup>74</sup> European Commission. (2024). Hungary. [Online] Available at: <https://eurydice.eacea.ec.europa.eu/hu/national-education-systems/hungary/magyarország-nepesseg-demografiai-helyzet-nyelvek-vallasok> [Accessed 3 June 2024]

Graph no. 11: 1 shows population projection up to 2070, based on KSH estimations. The figure shows actual data from 1960 to 2023, then the extreme values of models using different assumptions and their average.



Source: KSH

The shrinking labour market has a negative impact on economic output, state budget, labour shortages and old-age dependency ratio. While in 2020 there were 3 elderly (65 years or over) citizens for every 10 people of working age (15-64 years), by 2050 this number is expected to rise to almost 5 elderly people for every 10 citizens of working age. The retirement age would have to be gradually increased by 8.4 years to stabilize the old-age dependency ratio (the ratio of working-age and elderly citizens) by 2050<sup>75</sup>.

<sup>75</sup> Berde, É. and Drabancz, Á. (2021). The Changing Role of the Elderly in the "Workplace of the Future" – Analysis of Discrimination in Employment of the Elderly. Új Munkaügyi Szemle, 2(3), p. 46. [Online] Available at: <https://www.metropolitan.hu/upload/00be75ea3a6b70d07a44259852e1afe81bc2e4f4.pdf> [Accessed 3 June 2024]

The ageing of Hungarian society is **one of the most pressing demographics challenges** the country's labour market must face. An increase in average life expectancy at birth combined with falling birth rates contribute to the ageing of the population. This trend could have some negative economic and social consequences. At the same time, the ageing of society poses not only challenges but opportunities as well. The **older employees have many valuable qualities**, with which they can contribute to the labour market, **such as experience, commitment or mentoring and consulting skills**.

Therefore, the challenges of the real economy arising from this demographic challenge could be partly reduced by encouraging the labour market activity of the older age group. This process, however, can only be successful, if the employees are both willing and able to work in their older years, which largely depends on their physical and mental health. Further key factors are the work environment, the attitude of co-workers and employers, discrimination, opportunity of further training or retraining, as well as the option of atypical work.

It is also important to note that the rising rates of the employment of older workers **are often driven by personal difficulties and they undertake a job only out of necessity**. Although this compulsion is inherent in an ageing society, if not properly managed and regulated, it can lead to further physical and mental health problems. Ideally, working in older age should be an integral part of active ageing, and atypical work opportunities should support the economic contribution of older workers.

### **Brain drains**

If we look at Hungary's demography from labour market perspective, we must reflect on a specific type of emigration. The phenomenon when highly qualified workers or workers with specialised knowledge migrate from one area to other areas or abroad in significant numbers is called brain drain. In 2022, more than one-third of those who emigrated from



Hungary had higher education qualifications, meaning that 6.8% of citizens with higher education left the country<sup>76</sup>.

This phenomenon often (but not exclusively) affects fresh or recent graduates in higher education, who move abroad in search of a better life, higher benefits and more opportunities for professional development. In this way, emigrants make use of their knowledge, skills, experience and creativity in another economy. **Brain drains phenomenon is inversely proportional to age**, therefore it is less likely to be observed among ageing workers. Elderly citizens have fewer opportunities to achieve success abroad, they find it harder to overcome language barriers and cope with cultural differences, in many cases they are restrained by health issues and are more strongly bound by their family.

Brain drains has significant negative effects on Hungary, since the declining human capital hinders the country's economic and technological development, contributes to labour shortages especially in areas of key importance and causes financial losses for the state from several aspects. This includes, for example, the loss of revenues from personal income tax (which is usually higher than the average for highly educated people), pension payments and public education tuition fees.

In addition, brain drain has some moderate positive effects on the labour market of the country. Hungarian emigrants facilitate networking and organisational cooperation with more developed countries. Certain research has demonstrated that a significant number of young emigrants return to Hungary over time, bringing the acquired knowledge, experience and connections back with them.

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<sup>76</sup> Erdélyi, D. (2023). The Global Brain Drain is Underway, Hungary is Also Affected. [Online] Available at: <https://index.hu/gazdasag/geocompass/2023/12/30/magas-kepzettseg-elvandorlas-tudas-alapu-tarsadalom-agyelszivas-human-toke/> [Accessed 3 June 2024]

## Age-based stereotypes and productivity

The labour market situation of ageing workers becomes particularly acute when they must look for a new job. They often face age discrimination during the recruitment process, as employers tend to favour younger candidates. As a result, it usually takes longer for an older job seeker to find a new job, and even if they succeed, they often get a job with lower benefits and less responsibility than younger candidates with similar qualifications. Therefore, older workers often find jobs in atypical ways, casually working for people they know or becoming self-employed out of necessity.

In many cases, ageing workers in Hungary end their careers in uncertain employment status, exposed to the risk of marginalisation and exclusion. **Hungarian organisations tend to see older people as a “reserve team” to be deployed only in case of labour shortages and most of them consider employment after the age of 60 undesirable.** Furthermore, Hungarian employers are still less inclined to offer their ageing workers real employment alternatives – such as phased retirement, change to a less demanding job or flexible employment – as opposed to immediate retirement.

Relevant literature lacks consistency with regards to the issue whether the productivity of older workers is increasing or decreasing over time: ageing workers are generally considered more reliable, consistent, cautious and conscientious than their younger colleagues. In addition, they cause fewer accidents at work and are less likely to quit, thus reducing human resources. On the other hand, their healthcare costs are higher, they are less flexible in adapting to new methods and less willing to participate in further training. Studies describing empirical research have found different correlations between age and productivity: some authors suggest that after a certain age (typically 50-55 years) the individual's productivity may decline, while other researchers have shown that the productivity of workers peaks at the age of 40-45 year without significant decline until 60 years of age.

Only a small percentage of Hungarian employers have an elaborated strategy for retaining and recruiting ageing workers and it is put into practice even more rarely. Many employers do not offer atypical, more flexible forms of employment for ageing workers, even though there is a high demand for them. Roughly 90% of retired people considering additional income-generating activity would partially re-enter the labour market if they were employed in some atypical form of employment (flexible work schedule, remote work, part-time work).

### **Main (policy) actors**

There are identified organisations that are directly or indirectly responsible for the creation and direction of age management within Hungary.

#### **Ministry of National Economy State Secretariat for Employment Policy<sup>77</sup>**

The tasks of the State Secretariat include legislation, preparation of legislation (in areas such as employment relations, civil servants, wage policy, employment promotion, support for jobseekers, labour relations, labour inspection, and labour market services), employment policy programming, forecasting, monitoring employment trends, monitoring changes in labour supply and demand.

Management Board of the Labour Market Fund, Labour Mediation and Arbitration Service, Labour Inspection Support Board, Public Employment Service), and the establishment and maintenance of international relations with competent professional organisations (e.g. International Labour Organisation).

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<sup>77</sup> Website of the Hungarian Government. (2024). Ministry for National Economy. [Online] Available at: <https://2010-2014.kormany.hu/en/ministry-for-national-economy/offices-of-the-ministers-of-state> [Accessed 3 June 2024]

The State Secretariat is also responsible for the regulation and registration of vocational and adult education, the related programming and the management of the back-office institutions (National Institute for Vocational and Adult Education). By the very nature of its activities, it is involved in organising and conducting social dialogue by coordinating sectoral reconciliation of interests at national level and by further developing the institutional system of reconciliation.

### **National Employment Service**<sup>78</sup>

**The National Employment Service** (hereinafter referred to as “NFSZ”), is Hungary's largest networked and most extensive job placement organisation. It provides free services and employment programmes to job seekers, employees and employers. In line with the Government's employment policy, it helps the labour market to function efficiently, activates actors, promotes social inclusion, equal opportunities and equal access for all. Its mission is to promote and expand employment, to actively assist jobseekers and employers in finding the right job and the most suitable workforce as quickly as possible, and to determine benefits and employment subsidies.

The organisational system of the NFSZ consists of the employment and labour market services of the Ministry of National Economy, the employment and labour market services of the Government Office of the Capital and Customs County (Employment Department) and the employment and labour market services of the district (capital district) offices of the Government Office of the Capital and County (Employment Department).

### **Employment departments of district and district offices in the capital**<sup>79</sup>

In Hungary, each municipality has a local employment department that offers free services to its residents. The Employment Departments are responsible, among other

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<sup>78</sup> The National Employment Service. (2024). [Online] Available at: <https://nfsz.munka.hu/> [Accessed 3 June 2024]

<sup>79</sup> The National Employment Service. (2024). [Online] Available at: <https://szervezet.munka.hu/> [Accessed 3 June 2024]

things, for the registration of jobseekers, the establishment of jobseeker's allowance, pre-retirement jobseeker's allowance, cost reimbursement, the suspension and interruption, termination, cancellation and recovery of these and previously established jobseeker's allowances and benefits. They liaise with employers, partner organisations and non-profit organisations and municipalities. They receive notifications of labour needs and provide job placement services. Examining the conditions for issuing certificates of entitlement to benefits for the elderly, in accordance with the Act on Social Administration and Social Benefits - Organising and monitoring public employment.

### **Employment Pacts**

The Employment Pacts<sup>80</sup> are a framework in which employers, local authorities, training institutions, social institutions, NGOs and employment offices develop a joint strategy and coordinate their activities to improve the employment and economic situation in the area. This partnership allows the projects and activities of the various players in the labour market to reinforce each other, making them more effective in a synergetic way.

An employment pact, also known as a partnership, is an open form of cooperation, which means that any organisation can join a local partnership on an ongoing basis. An important starting point for partnership cooperation is that improving employment quality cannot be achieved without bringing together labour market actors and coordinating economic and human resource strategies.

The pacts are funded by the Operational Programme for Spatial and Urban Development. The Department of Employment Services of the State Secretariat for Employment Policy of the Ministry of National Economy is responsible for the professional management of the TOP programmes, the coordination activities supporting the implementation of the TOP programmes, the communication between the pacts, the dissemination of good practices, and the provision of differentiated professional and methodological assistance

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<sup>80</sup> The National Employment Service. (2024). [Online] Available at: <https://nfsz.munka.hu/> [Accessed 3 June 2024]

to the pact actors in need of it. It supports the strengthening of the coordinating umbrella function of the county pacts, with the aim of coordinating local pacts, assisting their activities and providing professional support. The Department's coordination activities are aimed at promoting the effective implementation of the TOP programmes by ensuring an appropriate flow of information and professional support. Its activities do not include the tasks of the intermediate organisational and managing authorities in relation to the granting, use and control of aid.

### **OFA National Public Employment Nonprofit Ltd.<sup>81</sup>**

The OFA Nonprofit Ltd. is a public benefit organisation, the aim of which is to promote employment and job preservation, to support innovative forms of employment, to implement programmes and projects for employment and labour market integration.

Through its activities, it aims to contribute in a measurable way to the development, mediation and provision of the resources necessary to promote employment, to the development of innovative tools for labour market interventions, to the generation of processes leading to additional employment and job retention, and to the management of labour market crises.

The Company contributes to the public benefit activities of:

- launching labour market programmes and organising their implementation,
- initiating and implementing development programmes and projects using national and international resources,
- developing and implementing labour market and adult education programmes,
- development, organisation and provision of labour market services,
- mitigating the negative consequences of collective redundancies,
- meeting the complex needs of large numbers of workers,

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<sup>81</sup> OFA National Public Employment Nonprofit Ltd. (2024). About us. [Online] Available at: <https://ofa.hu/bemutatkozas> [Accessed 3 June 2024]

- meeting the specific job needs of the SME sector,
- public service tasks to support the professional activities of civil sector organisations.

Other relevant entities:

- Ministry of National Economy,
- Ministry of Public Administration and Territorial Promotion,
- National Labour Inspectorate,
- National Association of Entrepreneurs and Employers,
- National Association of Hungarian Employment Agencies,
- Civil Centrum Public Benefit Foundation,
- Club for Ageing Consciously,
- Követ Association for a Sustainable Economy,
- NGOs active in promoting employment,
- trade unions.

## Age management

In Hungary, a key strategy to reduce the economic burden of the ageing society is the gradual raising of the retirement age. Since 1997, the retirement age has increased from 55 years for women and 60 for men to 65 years for both sexes by 2022. At the same time, the possibilities of early retirement were gradually reduced and since 2012 the option of retirement on the grounds of accident, disability, early and reduced early old-age pension have been almost fully eliminated.

Raising the retirement age increases the age at which people typically retire from the labour market, i.e. the effective retirement age. In addition, the increased voluntary labour market activity of older workers, resulting from longer healthy life expectancy and in some cases from financial necessity, has also increased the effective retirement age.

In recent years, the employment rates of older workers (aged 55-64) have steadily increased in the EU and in Hungary as well. In 2019, 74.3% of the working-age population of Hungary aged 55-59 and 41.7% of the working age population aged 60-64 worked. In the EU, these rates were 72.8% and 46% respectively. Curiously enough, both in Hungary and in the EU the employment rates of people aged 55-59 exceed the employment rate of the working-age population aged 15-64. In 2019, the latter was 70.1% in Hungary and 69.2% in the EU.

The possibility of raising the retirement age after 2022 is partially constrained by the fact that the previously steady and intense increase in life expectancy has unfortunately slowed down in recent years. While between 1992 and 2018 life expectancy at birth increased by 6.9 years for men and 4.7 years for women, i.e. respectively 0.35 and 0.24 years per year on the average, between 2012 and 2018 it only increased by 1.1 and 0.9 years i.e. 0.18 and 0.15 years per year (which is only roughly half of the numbers of the previous period).

A similar trend can be observed in most of the more developed countries, the growth of life expectancy also slowed down in the EU and life expectancy at birth even declined in the United States<sup>82</sup>.

In addition to the raising of the retirement age, pensioner cooperatives established in 2017 also increased the employment rates of older Hungarian citizens, since pensioners who worked in these cooperatives, just like their employers, were exempt from paying contributions, with only the employee having to pay the 15% personal income tax. From 2019, these benefits were extended by the government to all retired workers, further encouraging the employment of elderly people.

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<sup>82</sup> Berde, É. and Drabancz, Á. (2021). The Changing Role of the Elderly in the "Workplace of the Future" – Analysis of Discrimination in Employment of the Elderly. *Új Munkaügyi Szemle*, 2(3), p. 46. [Online] Available at: <https://www.metropolitan.hu/upload/00be75ea3a6b70d07a44259852e1afe81bc2e4f4.pdf> [Accessed 3 June 2024]



Although raising the retirement age can be an effective strategy for keeping older people in the labour market and reducing labour shortages, it can also have several negative consequences on their physical and mental health. Furthermore, their accession to employment or changing jobs is often made more difficult by discrimination against them. Stereotypes against them are still present both among the employers and the younger workers, often more strongly among the latter.

In response to the various challenges, it was necessary to develop a policy on ageing in Hungary, which resulted in the preparation of a **National Strategy for Ageing**<sup>83</sup>, with long-term objectives until 2034. The aim of the strategy is to keep older people active and independent for as long as possible, while enabling them to prepare for the challenges of ageing in a timely and appropriate manner. The timeframe for achieving these objectives is divided into two timetables, with the first one running from 2010 to 2022 and the second one from 2023 to 2034, so that the necessary improvements can be achieved through a series of action plans running in parallel. This will ensure that the timetable for implementing the Strategy can follow the country's economic development and adapt to socio-economic policy, giving the government of the day the opportunity to define the necessary development interventions in the light of the current socio-economic context.

### 55+ employment challenges

In recent years, the employment of older workers has been on the rise in Hungary. Keeping older workers in work is both an economic and a social policy challenge in an ageing Hungarian society. In parallel, most labour market analyses show, that the chances of finding a job become more difficult after the age of 45 and almost impossible after the age of 50. Older workers, when they become unemployed, find it much harder to find work than younger workers or, when they do find work again, often face lower wages and

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<sup>83</sup> Ministry of Social and Labour Affairs. (2024). National Strategy for the Elderly. [Online] Available at: <https://gyor.hu/easy-docs/5dc971efbcb6f> [Accessed 3 June 2024]

difficulties in moving up the organisational hierarchy. People aged 40-45 and over report more unpleasant work situations than younger people. It needs to be clarified to what extent these **phenomena can be attributed to the actual decline in performance that comes with age, or whether they are more a consequence of age stereotypes.**

As the world is changing fast, their original qualifications are almost irrelevant. In terms of digital competences, there are significant differences between the generations, so over the years, 55+ employees were forced to bring in backlogs related primarily to digitization tasks to maintain their competitiveness.

Where fast and advanced digitalization processes and expectations are characteristic, there are more significant challenges. Digital skills matter less in areas where there is more human interaction like customer service etc. In these areas there is a greater emphasis on social skills, in which the elderly are not at a disadvantage compared to the younger generation.

According to EU-OSHA demographic projections, by 2030, one in three active European workers will be in the 55-64 age group, which, in addition to the disadvantages, can also have several advantages.

A 2019 Deloitte survey of more than 10,000 companies found that two-thirds of firms see it as a competitive disadvantage to employ more 55+ workers. Although "fluid" intelligence tends to decline with age, making it harder to process information and solve complex problems, the effects are only felt over 65.

However, experience "crystallized" intelligence (wisdom), social and coping skills increase with age, which compensates for the losses.

## **Employment**

Extensive research on the working capacity of older workers has identified the underlying factors that influence individual working capacity. The findings of this research can be

illustrated in the form of a four-tiered "work capacity house" (Ilmarinen, Finnish Institute of Occupational Health, 2006)<sup>84</sup>.

The bottom three levels of the house represent individual resources: i) health and functional abilities, ii) competence, iii) values, attitudes and motivation. The fourth level covers life at work. Work capacity is the balance between work and individual resources; if work and individual resources are well matched, work capacity is good.

Positive and negative experiences at work feed into level 3, which then either has a positive or negative balance. Level 3 represents workers' subjective perceptions of their work - their opinions and feelings about various factors related to their daily work. Both factors affect the worker's ability to work daily. Personal networks of relationships and human interactions influence values, attitudes and motivation. Thus, by improving or worsening the balance between work and individual resources, a person's work performance is influenced by two drivers outside the workplace.

The unpredictable dynamics between levels of the house make it difficult to strike the right balance between work and individual resources. Level 3 reflects and sums up our work situation. The flow of information from different levels and from outside the workplace can easily change a worker's values and attitudes, his or her commitment and dedication to the job. The more positive the balance at level 3 (respect received, trust in the employer, fair treatment, commitment to work), the more likely the employee is to have a good life at work and a longer career.

### **Satisfaction and motivation**

Research on the subjective attitudes of workers shows, that there is no difference in job satisfaction between older and younger workers, and that they generally value similar aspects of their jobs.

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<sup>84</sup> Ilmarinen, Finnish Institute of Occupational Health, 2006

However, 55+ workers are less adaptable to the demands of the modern labour market. While they invest little energy in their personal development, they increasingly find routine activities meaningless, often experience high levels of stress and show signs of burnout. They forget the values, that guide their actions and decisions. Age-specific training and development at the workplace can help a lot to address this problem.

Usually, their children are already out of the house, so if there is a willingness, they are flexible about working hours. It's important that they feel useful, that their expertise and experience is valued. Many people indulge in hobbies, that they did not have time for at a previous stage of their lives. At the other extreme, work is their life. It is also typical that they have little desire to work more than one shift.

### **New times, new perspectives**

On the one hand, the behaviour of profit-oriented companies is understandable, they expect quick and cheap success, fresh energy boosts. However, there is a growing body of research showing that other skills and experience are more important, such as emotional intelligence, problem-solving and stress management, where older people are clearly better and more successful.

Members of Generation Y and Z are in many cases over-stretched at a young age and will therefore burn out earlier than members of today's 55+ generation. They are more stable, more patient and more effective in dealing with stressful situations. More and more people are recognising the importance of adaptability, agility, communication and efficiency at work, which improves with age.

It can be an advantage, that the more generations are represented in a team, the more colourful, creative and effective it becomes, yet today only 8-10% of companies have recognised these benefits and are using them as a strategic approach. **Yet this is the future.**

The life experience and career skills of older workers are of enormous value to younger employees. Employers who are open to this can capitalise on it and provide development opportunities for older workers (involvement in mentoring programmes and apprenticeships).

In conclusion, the development of industrial technologies will lead to a major struggle to maintain active labour market status, which requires a different approach from both the employer and the employee in their attitudes and methods. **Solidarity between different generations and cooperation between employees** (and their representatives), employers and managers are essential, and they are in the interests not only of the aging population but of all ages. Developing solutions to stimulate activity and productivity in old age, helping the aging and the elderly to return to the labour market, and ensuring lifelong learning together call for a wider application of age management.

***Qualitative information from interviews with stakeholders** - working conditions, skill gaps, retirement eligibility requirements, reasons for early retirement, and social economy considerations.*

In Hungary, since the 1980s-1990s, the number of children has been decreasing, the population has been falling, and the labour market has become noticeably more saturated in the last 10 years, making it harder to find workers. In the meantime, the retirement age has risen, with the current system requiring people to work until the age of 65. Anyone who has completed at least 20 years of service is entitled to an old-age pension. If you do not have 20 years of service but have at least 15 years, you are entitled to a partial old-age pension. Unfortunately, Hungary has abolished the possibility of early retirement, which in some cases could be very beneficial for both the employee and the employer. Since 2011, women who have not yet reached retirement age can retire with 40 years of service (known colloquially as "Women 40"). Up to 8 years of service can be counted as child-raising leave.

Hungary's society is ageing, and the composition of the population is changing as the average age rises, with an increasing proportion of older people. Employment, health and social security analyses highlight the need to change current practices in ageing to avoid the collapse of public finances. In parallel, labour market analyses show that the chances of finding a job become more difficult after the age of 45 and almost impossible after the age of 50. Older workers, when they become unemployed, find it much harder to find work than younger workers or, when they do find work again, often face lower wages and difficulties in moving up the organisational hierarchy.

People aged 40-45 and over report more unpleasant work situations than younger people. It needs to be clarified to what extent these phenomena can be attributed to the actual decline in performance that comes with age, or whether they are more a consequence of age stereotypes.

## 3.7. Bulgaria

### Demographic situation in Bulgaria

Demographic situation in Bulgaria in 2022 is characterised by the following tendencies:

- number of populations decreases, and population ageing continues;
- number of live births decreases;
- number of deaths decreases;
- infant mortality decreases;
- number of marriages decreases and
- number of divorces decreases.

As of December 31, 2022, the population of Bulgaria was 6 447 710 persons, representing 1.5% of the EU population. Compared to 2021, the country's population decreases by 34 774 persons or by 0.5%.

By the end of 2022, the number of persons aged 65 and over were 1 515 383, or 23.5% of the country's population. Compared to 2021, the share of the population aged 65 and over increases by 0.1 pp. The share of females aged 65 and over is 27.4%, compared to 19.3% of males. The difference is due to the higher mortality among the male population and consequently - lower life expectancy<sup>85</sup>.

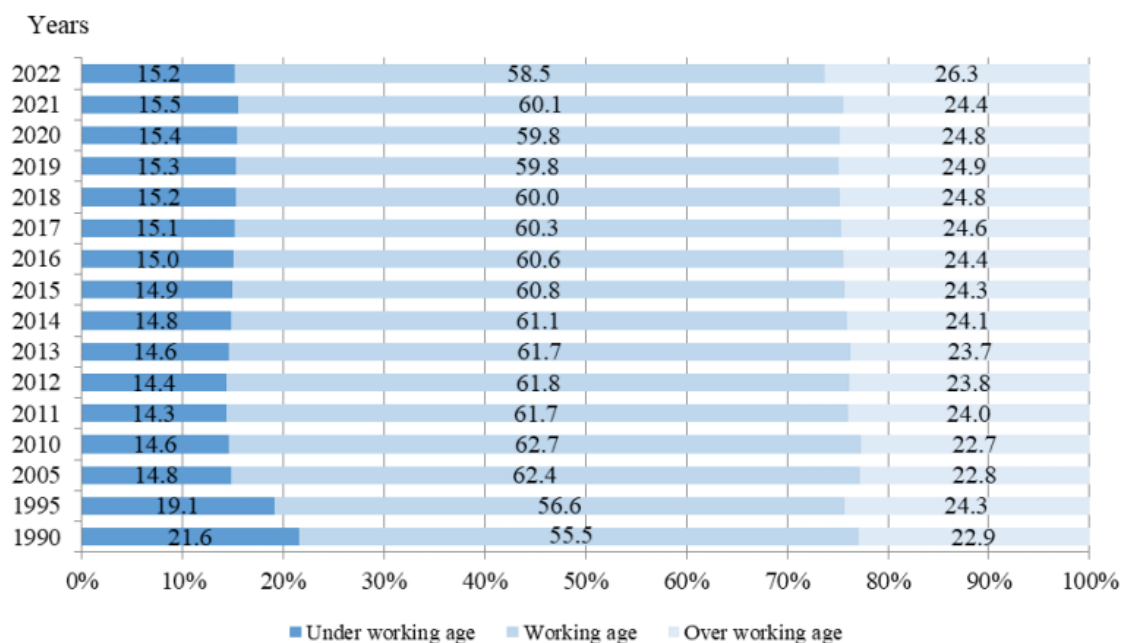
The number of population and relative share of population under, at and over working age changes. The last are influenced not only by the population aging, but also by legislative changes concerning the retirement age. In 2022, at working age are women up to completion of 61 years and 10 months and men up to completion of 64 years and 5 months.

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<sup>85</sup> National Statistical Institute of the Republic of Bulgaria. Population and Demographic Processes in 2022. [Online] Available at: [https://www.nsi.bg/sites/default/files/files/pressreleases/Population2022\\_en\\_3C3NKZD.pdf](https://www.nsi.bg/sites/default/files/files/pressreleases/Population2022_en_3C3NKZD.pdf) [Accessed 3 June 2024]

The number of working-age population as of 31. 12. 2022 was 3 775 thousand persons, or 58.5% of the total population, of which males were 1 975 thousand and females were **1 800 thousand persons.**

Table no. 12: Population under, at and over working age as of 31. 12. 2022, Bulgaria



Source: NSI<sup>86</sup>

By the end of 2022, the number of populations over working age is 1 695 thousand persons, or 26.3%<sup>87</sup>.

The reproduction of population at working age is characterised by the coefficient of demographic replacement, showing the ratio between the number of persons entering working age (15-19 years) and the number of persons exiting it (60-64 years). As of 31. 12. 2022, the coefficient of demographic replacement was 66. For comparison, in 2001, every 100 persons exiting working age have been replaced by 124 young people.

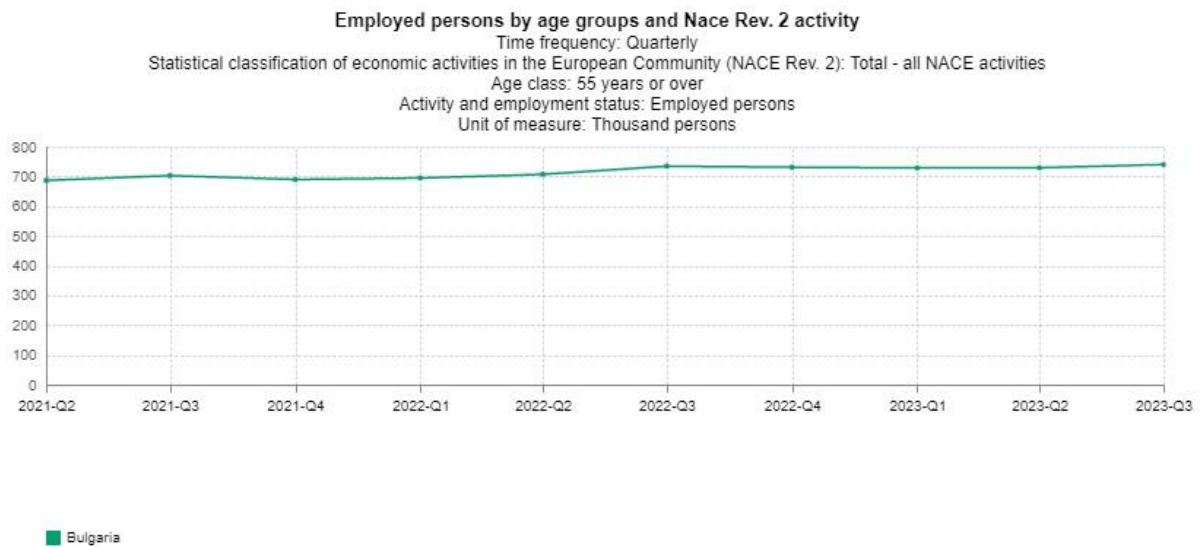
<sup>86</sup> Source: NSI, Bulgaria (Population under, at and over working age as of 31. 12. 2022), available at: [https://www.nsi.bg/sites/default/files/files/pressreleases/Population2022\\_en\\_3C3NKZD.pdf](https://www.nsi.bg/sites/default/files/files/pressreleases/Population2022_en_3C3NKZD.pdf)

<sup>87</sup> Source: NSI, Bulgaria (Population under, at and over working age as of 31. 12. 2022)



As the statistics shows the number of employed persons from the age class 55 years old or over is increasing in the period 2021-2023.

*Graph no. 12: Employed persons by age groups and NACE*



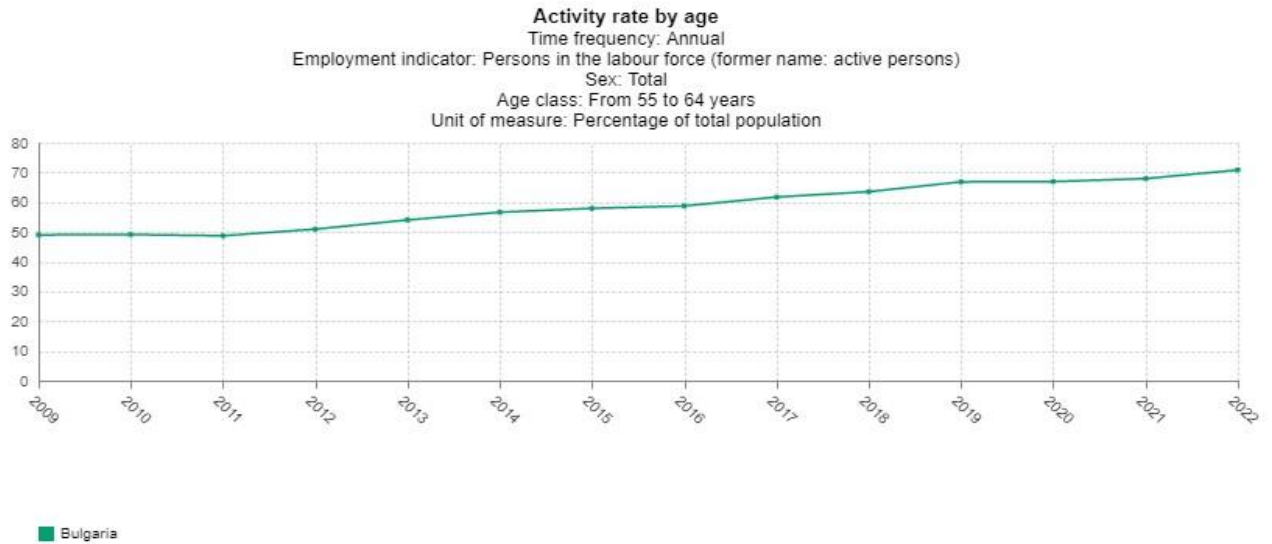
Source of data: Eurostat (online data code: four\_ifsq2r2)  
 Last update: 03/01/2024 23:00

This graph has been created automatically by ESTAT/EC software according to external user specifications for which ESTAT/EC is not responsible.  
 General disclaimer of the EC website: [https://ec.europa.eu/info/legal-notice\\_en.html](https://ec.europa.eu/info/legal-notice_en.html)

Source: Eurostat

The percentage of economically active people aged 55+ in the workforce in Bulgaria is increasing steadily in the period 2009-2022 – from 40.9% to 70.8%.

Graph no. 13: Activity rate by age

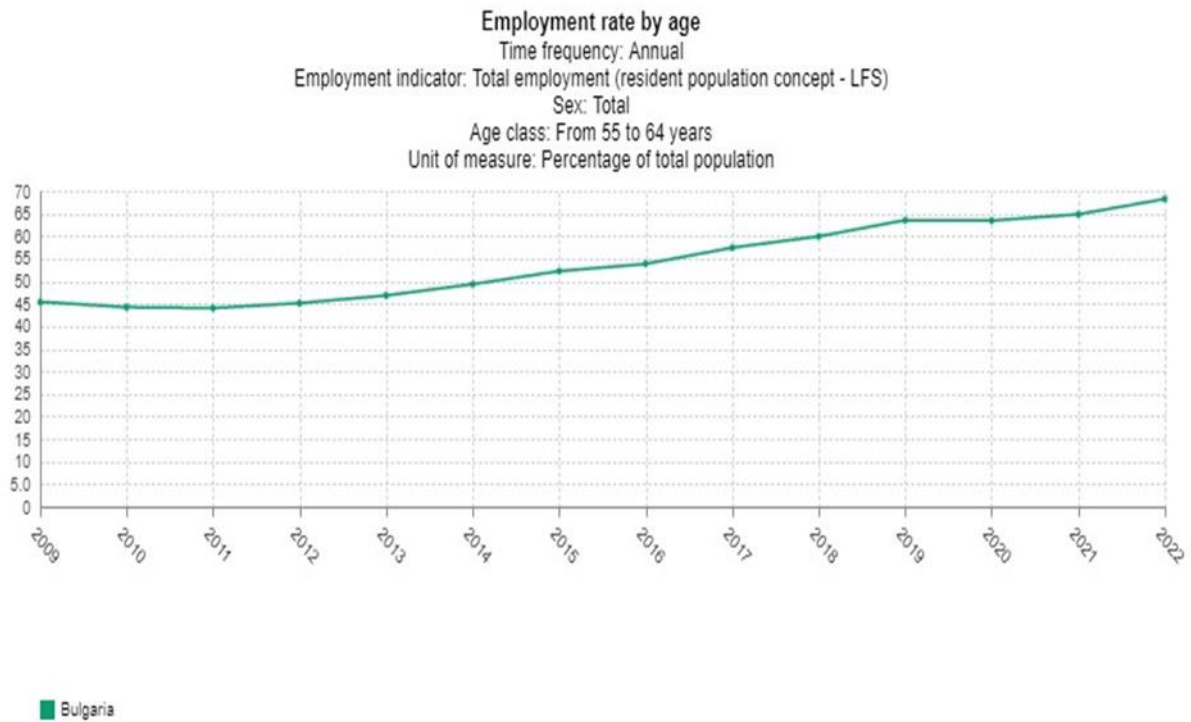


Source of data: Eurostat (online data code: teprs\_wc160)  
Last update: 14/12/2023 23:00

This graph has been created automatically by ESTAT/EC software according to external user specifications for which ESTAT/EC is not responsible.  
General disclaimer of the EC website: [https://ec.europa.eu/info/legal-notice\\_en.html](https://ec.europa.eu/info/legal-notice_en.html)

Source: Eurostat

Graph no. 14: Employment rate by age



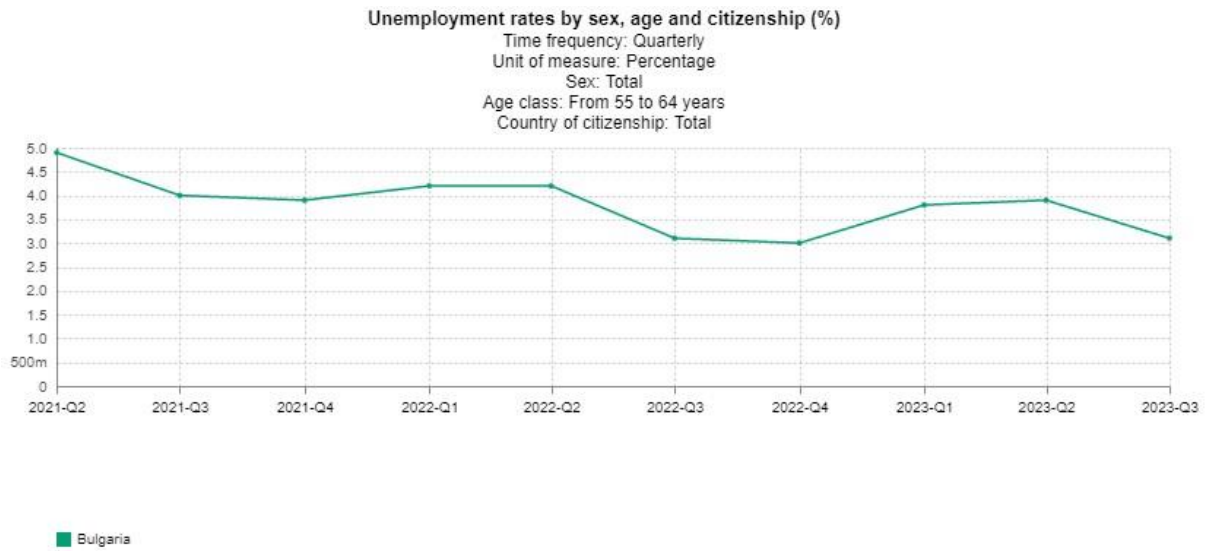
Source of data: Eurostat (online data code: tepsr\_wc110)  
Last update: 14/12/2023 23:00

This graph has been created automatically by ESTAT/EC software according to external user specifications for which ESTAT/EC is not responsible.  
General disclaimer of the EC website: [https://ec.europa.eu/info/legal-notice\\_en.html](https://ec.europa.eu/info/legal-notice_en.html)

Source: Eurostat

The same tendencies could be observed in the chart for employment rate by age – increase of the number of persons aged 55+ in employment during the period 2009-2022. At the same time the percentage of unemployed people aged 55+ is decreasing in the period 2021-2023.

Graph no. 15: Unemployment rates by sex, age and citizenship.

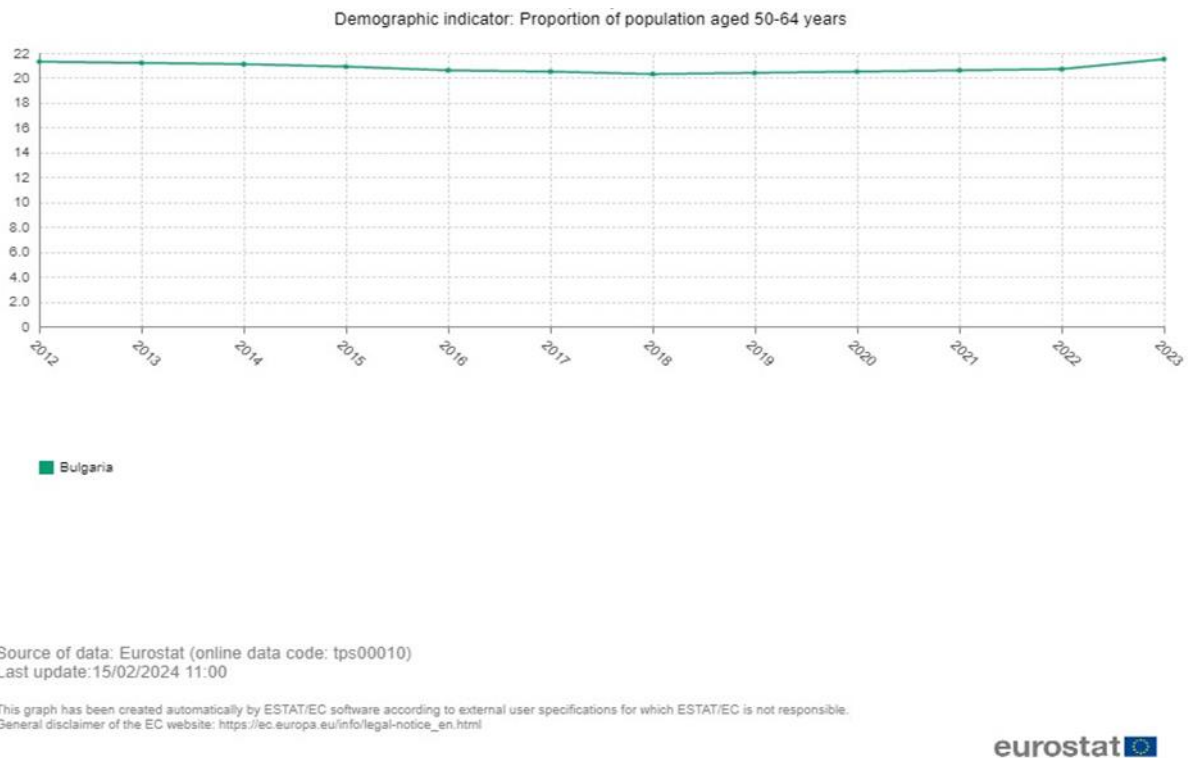


Source of data: Eurostat (online data code: ifsq\_urgan)  
 Last update: 03/01/2024 23:00

This graph has been created automatically by ESTAT/EC software according to external user specifications for which ESTAT/EC is not responsible.  
 General disclaimer of the EC website: [https://ec.europa.eu/info/legal-notice\\_en.html](https://ec.europa.eu/info/legal-notice_en.html)

Source: Eurostat

Graph no. 16: Population by age group. Proportion of population aged 50-64 years.



Source: Eurostat

Bulgaria is undergoing a profound socio-economic transformation brought about by extraordinary demographic change. Between 1950 and 1988, its population grew from 7.3 million to almost 9.0 million, but then fell to 7.5 million by 2010 in half the time. Low birth rates, high mortality rates and significant emigration explained the slow population growth before the 1990s as well as its steep decline over the last two decades. Emigration alone has contributed to a 10 percent decline of the economically active population since the 1990s.

Bulgaria is heading for the steepest drop in working-ageing population of any country. This will potentially impose a heavy burden on the economy. According to UN projections, Bulgaria's labour supply is projected to decline by up to 40 percent by 2050. Its old-age dependency ratio, i.e., the share of elderly in the total population, is expected to double

over the next four decades. By 2050, one in three Bulgarians is projected to be older than 65 and only one in two Bulgarians will be of working age. Since the proportion of the population that works is a key determinant of a country's income level, its decline is likely to depress growth<sup>88</sup>.

## Main (policy) actors

### Ministry of Labour and Social Policy (MLSP)

The MLSP manages, coordinates and controls the implementation of public policy in the field of demographic development, as well as the activity of analysing, evaluating and forecasting demographic processes in cooperation with other state bodies, social partners and non-governmental organisations. MLSP coordinates and monitors demographic policy, maintaining an institutional framework and a national mechanism for policy implementation. The MLSP carries out the coordination and management of an interdepartmental working group on demographic issues, which includes representatives of key government agencies, the National Statistical Institute, the National Social Security Institute, the Bulgarian Red Cross, the National Association of Municipalities in Bulgaria, NGOs.

**The Ministry of Education and Science:** contributing to the implementation of Priority 1 and Priority 2 of the National Strategy for Active Life of the Elderly in Bulgaria

**National Employment Agency:** contributing to the implementation of Priority 1, Priority 2 and Priority 3 of the National Strategy for Active Life of the Elderly in Bulgaria

**Agency for Social Assistance, MLSP:** contributing to the implementation of all priorities laid down in the National Strategy for Active Life of the Elderly in Bulgaria

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<sup>88</sup> World Bank. (2016). Active Aging: How Can Bulgaria Tap the Potential of the Elderly? [Online] Available at: <https://www.worldbank.org/en/events/2016/06/22/active-aging-how-can-bulgaria-tap-the-potential-of-elderly> [Accessed 3 June 2024]

**The Ministry of Health:** contributing to the implementation of Priority 3 of the National Strategy for Active Life of the Elderly in Bulgaria

**The Ministry of Internal Affairs:** contributing to the implementation of Priority 3 of the National Strategy for Active Life of the Elderly in Bulgaria

**The Ministry of Transport, Information Technologies and Communications:** contributing to the implementation of Priority 3 of the National Strategy for Active Life of the Elderly in Bulgaria

**Trade Unions:** contributing to the implementation of all priorities laid down in the National Strategy for Active Life of the Elderly in Bulgaria

#### **Association of organisations of the Bulgarian Employers (AOBE)**

The AOBE is a union of the officially recognized representative organisations of employers in the Republic of Bulgaria - AIKB, BSK, BCCI and KRIB. AOBE is aimed at consolidating the interests of the nationally representative organisations of employers in Bulgaria - both internationally and nationally. The association is contributing to the implementation of all priorities laid down in the National Strategy for Active Life of the Elderly in Bulgaria.

### **Age management**

Overview of strategies and policies (national age management concepts)

#### **The National Strategy for Active Life of the Elderly in Bulgaria (2019 - 2030)<sup>89</sup>**

Special emphasis on meeting the demographic challenges of the population aging is also placed through the National Strategy for Promoting the Active Life of the Elderly (2019 - 2030). The strategic goal is to create conditions for active and dignified life of the elderly

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<sup>89</sup> Ministry of Labor and Social Policy. National Strategy for Active Living of Elderly People in Bulgaria (2019 - 2030). [Online] Available at: <https://www.mlsp.government.bg/uploads/1/national-agieng-strategy-2019-2030.pdf> [Accessed 3 June 2024]

by providing equal opportunities for their full participation in the society's economic and social life, which will be achieved by implementing the following priorities by 2030.

- ***Priority 1: Promoting the active life of older people in the field of employment;***

The institutions responsible for the implementation of the specified measures under Priority 1 are the Ministry of Labour and Social Policy (MLSP), the Ministry of Education and Science (MES), the National Employment Agency, the Agency for Social Assistance (ASP), the National Insurance Institute (NOI) and the social partners.

- ***Priority 2: Promoting the active life of older people in the field of participation in society;***

The institutions responsible for the implementation of the specified measures by competence under Priority 2 are: MLSP, Ministry of Education and Science, Ministry of Culture (MK), Ministry of Youth and Sports (MMS), ASP, Bulgarian Red Cross (BRC) and social partners.

- ***Priority 3: Promoting the active life of the elderly in the field of independent living;***

The institutions responsible for the implementation of the specified measures by competence under Priority 3 are: MLSP, Ministry of Health, Ministry of Internal Affairs, Ministry of Transport, Information Technologies and Communications, Agency for Social Assistance, Agency for People with Disabilities and social partners.

- ***Priority 4: Creating capacity and a favourable environment for active living of older people at a national and regional level;***

The institutions responsible for the implementation of the mentioned measures under Priority 4 are MLSP and all interested parties, including social partners.

**National Strategy for Demographic Development of the Population of the Republic of Bulgaria 2012 – 2030**



One of the main priorities laid down in the national strategy is: *II. Overcoming the negative effects of population ageing and improving the quality characteristics of human capital*. The accomplishment of the second priority includes taking measures to meet the challenges created by the ageing of population. The measures are directed to overcoming the negative effects of the growth of unfavourable changes in age, e.g. the decreasing size and aging of the active population, the growing burden on the social insurance system and the state budget. The measures help improve the requirements for the quality and extending the scope of health care and social services for elderly people; and providing better opportunities for education and formal and informal learning as a basis for professional realization on the labour market and a means of development of human resources in the process of life-long education; conducting a consistent policy for encouraging the labour activity of the elder workers.

The specific tasks, measures and activities for the accomplishment of the mentioned strategic priority include:

***Adopting an integrated cross-sectoral approach for promoting active and productive ageing in good health. Adaptation of social systems to demographic change and population ageing – namely labour market, pension system, social assistance and care, health, education, culture, etc...;***

- Adaptation of the labour market to the ageing of the population and to the necessity of improving the quality of life of older people;
- Adaptation of the social insurance system to the ageing of the population and to the necessity of improving the quality of life of older people;
- Adapting the system of social services to the ageing of the population and to the necessity of improving the quality of life of older people;
- Adapting the system of health care services to the ageing of the population and to the necessity of improving the quality of life of older people;

- Adapting the system of education and training to the ageing of the population and to the necessity of improving the quality of life of older people;
- Development of volunteering, of intergenerational solidarity, of positive public image and of understanding of the social value of elderly people;
- Development and implementation of a National intersectoral program for promoting the active ageing.

### ***Developing solidarity among generations***

- Distributing and diversifying the responsibilities connected with the long-term care for elderly people;
- Active inclusion of people at retirement age in volunteer networks for solidarity and caring for the very old;
- Elaboration of schemes for passing on the experience of the elderly to younger people;
- Cultivating social sensitivity and understanding to the problems of the elderly;
- Forming a sense of responsibility and close monitoring of the impact of policy and administrative decisions upon the future of younger generations.

### ***Raising the general educational, spiritual and cultural level, qualifications, abilities and skills of the population of all age groups***

- Creating conditions for the full inclusion of children in kindergarten and pre-primary education;
- Providing equal access of all children to education at all levels of education, irrespective of ethnicity, gender, origin, religion, social status, etc.;
- Broader inclusion of students in compulsory education and prevention of dropping out of the education system;
- Eradicating illiteracy among the poor and disadvantaged groups;

- Providing high quality education by improving the content of educational process and equipment, improving the qualifications of teachers and providing the schools with information technology means;
- Building skills for working with high technology;
- Building habits for lifelong learning, providing the best conditions for continuing professional education, and developing the system of training, retraining and continuing education;
- Taking measures aimed at socializing and providing conditions for the integration of students with special educational needs and specific disabilities into mainstream schools;
- Creating the favourable conditions for convergence of educational models of the inhabitants of large cities and those living in small towns, especially in the poor rural areas;
- Increasing the effectiveness of education provided in specialised schools for children with mental retardation;
- Overcoming social exclusion through educational programs;
- Restructuring and reforming of Correctional Boarding Schools (CBS) and Social childcare boarding schools (SBS): redirecting the existing capacity and resources to alternative social services;
- Taking special measures to develop into students their sense of national identity and belonging to the Bulgarian nation;
- Priority introducing of measures for the cultural centres to turn into centres of spiritual growth and development of people's cultural identity;
- Formation of knowledge –based culture.

## National concept for promotion of active ageing (2012-2030)<sup>90</sup>

The National concept for promotion of active ageing is a continuation of one of the key lines of action of the Updated national demographic strategy of the Republic of Bulgaria with a horizon to 2030: Overcoming the negative effects of population ageing. The Concept offers a clear perspective for dealing with the effects of demographic ageing in the context of an integrated approach tailored to the specificities of the issue. The strategic objective of the National concept for promotion of active ageing is to create conditions for active and decent living of elderly people by ensuring equal opportunities for full economic and social participation.

The national concept for active ageing comprises six operational objectives and targets.

- Operational objective No 1: Promoting active working life for older people.
- Operational objective No 2: Ensuring the financial stability of the pension system, conditions for an active and decent life, and reduction of poverty among retired individuals.
- Operational objective No 3: Ensuring access to health services and prolonging life in good health condition.
- Operational objective No 4: Ensuring access to education, promoting life-long learning, further trainings and requalification of older people for the purpose of enhancing labour market mobility.
- Operational objective No 5: Developing and modernising long-term care and promoting access to social services; encouraging “silver economy”.
- Operational objective No 6: Promoting volunteering.

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<sup>90</sup> Council of Ministers. (2012). National Concept for Promoting the Active Living of Elderly People (2012-2030). [Online] Available at: <https://www.strategy.bg/FileHandler.ashx?fileId=2463> [Accessed 3 June 2024]

## 55+ employment challenges

Five interviews with representatives of the following stakeholder groups were conducted – NGO, employers' organisation, trade union, university and ministry. The main conclusions are as follows:

- A quickly decreasing and ageing population, a high degree of inequality in terms of labour market outcomes and a substantive poverty risk among large parts of society are among the biggest challenges. The population loss, in combination with rapid population ageing, will have major economic consequences, including on labour supply and the financial sustainability of the social security system.
- Employees aged 55 and older face a variety of challenges in the workplace, which can be both professional and personal including age discrimination, technology skills gap, physical and health mental issues, generational differences, work life balance, lack of training and development opportunities, feeling undervalued or marginalized.
- Promoting the mental health and well-being of individuals aged 55 and above requires a multifaceted approach that addresses their unique needs and challenges. In our case it includes access to additional health care, creating age-friendly working environments that support the mental health and well-being of older employees.
- Fostering collaboration and knowledge transfer between employees of different age groups, including those aged 55 and above, is essential for creating a dynamic and inclusive work environment. This includes reverse mentoring, cross generational teams, team-building activities, flexible work arrangements.
- Enhancing work-life balance requires a combination of individual strategies and organisational support. The individual strategies include set boundaries, prioritize tasks, manage time effectively etc. The business strategies include promote

flexible work arrangements, encourage work-life balance culture, offer training and development.

- The desire for a positive work-life balance is a major concern in modern society including the people 55+. However, it has been put under pressure by the aging society, economic downturn and current trends in family formation.
- The challenges related to the remote work requires a combination of support from employers, policies that promote age diversity and inclusion, and individual strategies for maintaining health, skills, and career satisfaction.
- More initiatives that promote cross-generational mentorship should be developed including skill-sharing workshops, lunch-and-learn sessions, cross-generational team projects. These initiatives not only facilitate knowledge transfer and skills development but also promote a culture of collaboration, inclusion, and respect across generations within the organisation.
- The aging population also lead to labour market challenges: with a shrinking working-age population, the country may face labour shortages and skills gaps in certain industries. Addressing these challenges may require strategies to encourage workforce participation among older individuals, as well as investments in education and training to develop skills among younger workers.
- Despite legal protections, age discrimination remains a prevalent issue in many workplaces. Older employees may face bias in hiring, promotion, or training opportunities, leading to feelings of marginalization and reduced job satisfaction.
- Addressing the challenges and harnessing the opportunities associated with an aging population requires comprehensive policies and strategies that promote healthy aging, support active participation of older individuals in society, and ensure sustainable social and economic development for future generations. In my opinion there are not sufficient measures laid down in the strategic documents that are dealing with the issue of the aging population.

- Organisations that prioritize age diversity and provide resources for training, health and wellness, and retirement planning can create environments where employees aged 55 and above can thrive and contribute effectively.
- One way to mitigate the demographic, social, and economic challenges is to encourage healthy aging. Healthy aging initiatives can help older Bulgarian citizens be active, independent, and productive members of society.
- The concept of healthy aging lacks popular support due to prevailing ageism and negative stereotypes of older adults.
- Healthy aging policies should be encouraged and adopted to reduce the social and economic pressures placed on the nation.

### Early retirement

Early retirement in Bulgaria offers a pathway for individuals in specific professions and challenging labour conditions to transition from their careers earlier than the standard retirement age. The eligibility criteria vary depending on the nature of the work and the type of pension scheme. For instance, armed forces personnel, certain state employees, investigators, firefighters, and divers may qualify for early retirement after accumulating a designated period of social insurance cover within their professions. Additionally, teachers can retire early under special conditions, provided they meet age and service requirements outlined by the Teachers' Pension Fund. Bulgaria's pension system allows for both fixed-term professional pensions from professional pension funds and lifelong pensions from the National Social Insurance Institute. Individuals insured in professional pension funds can receive fixed-term pensions if they meet specific conditions related to their years of service and proximity to the standard retirement age<sup>91</sup>.

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<sup>91</sup> European Commission. (2024). Bulgaria - Pensions. [Online] Available at: <https://ec.europa.eu/social/main.jsp?catId=1103&langId=en&intPageId=4437> [Accessed 3 June 2024]

## Specific cases and examples

**Project: Active Ageing: the way to success**<sup>92</sup> (Joint actions of the social partners for adapting the working environment to the specific ageing needs of different generations with the aim to promote a longer working life and workability).

*Donor programme:* European Social Fund, Operational Programme Human Resources Development

*Objectives of the project:*

- To adapt human resources management policies and industrial relations to changing demographic trends and ageing workforce and creating prerequisites for the development of the so-called "silver economy" through active social partnership.
- To contribute to overcoming some of the labour market challenges in Bulgaria in terms of labour shortages and the need to adapt enterprises and entrepreneurs to the changing needs of employees over the age of 54.

*Activities:*

- Research and analysis in the country and abroad of social partners related to identified problems in the field of human resources management.
- Development of methodological guidelines and sectoral strategic documents for social partnership and introduction of policies and practices related to identified problems in the field of human resources management.
  - Development of methodological guidelines for the introduction of partnership policies and practices in human resource management, with an emphasis on providing a working environment tailored to the specific age

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<sup>92</sup> Bulgarian Industrial Association - Union of the Bulgarian Business (BIA). (2020). Active Ageing: The Way to Success. [Online] Available at: <https://activeageing.bia-bg.com/en/> [Accessed 3 June 2024]



- needs of different generations and promoting a longer working life and ability to work.
- Development of sectoral strategic documents for social partnership and introduction of policies and practices in human resource management related to active workforce aging and the intergenerational approach.
  - Conducting sectoral (branch) meetings of the social partners.
  - Development, pilot testing and testing of innovative tools and models for analysis and adaptation of the work environment to the specific age needs of different generations of the workforce and the need for transfer of knowledge and experience between generations at work.
    - *Guide for managing generational differences*
    - *Guide for mentors on techniques in the transfer of knowledge and experience between generations*
  - Activities to introduce and implement approved instruments and strategic documents on active aging and the intergenerational approach in enterprise practice.
  - Developing and signing a National Framework Agreement for the implementation of the Autonomous Framework Agreement of the European Social Partners on Active Aging and the Intergenerational Approach.

The activity includes the development of a strategic vision of the social partners in the formation and implementation of joint policies and tools to promote active aging and the intergenerational approach. The agreement, which will be developed because of the activity, will be available to all stakeholders, will be used at national level and will be an auxiliary tool in the process of collective labour agreements. The activity is within the competence of the representative organisations of employers and employees at the national level. The Autonomous framework agreement on active aging and the intergenerational approach (signed on 8 March 2017 between BUSINESSEUROPE, The European Centre of Employers and Enterprises providing public services, The European

Association of Craft, Small and Medium-sized Enterprises and The European Trade Union Confederation) is a document adopted in the framework of the European Social Dialogue. As a member of BUSINESSEUROPE, BIA is directly involved in the implementation of all measures of the Autonomous Framework Agreement in Bulgaria.

The following tools were created and tested:

- Guide for managing generational differences.
- Guide for mentors on techniques in the transfer of knowledge and experience between generations.
- Guides for adapting jobs and activities to the specific needs and capabilities of people with chronic diseases.
- Model for description, ergonomics and design (reorganisation) of the workplace, in accordance with the needs of age and the promotion of longer working life and ability to work.
- Electronic tool for age-related safety and health risk assessment at the workplace.
- Electronic tool for assessing the factors in the work environment causing professional exhaustion (burnout).

### **Evergreen Talents 55+ platform<sup>93</sup> – there mission is to return people 55+ to the labour market**

Evergreen Talents 55+ supports the employment of older adults. The initiative aims to create a sustainable business model with a social cause, uniting job seekers, employers, partners, municipalities, and the state in a single ecosystem.

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<sup>93</sup> Evergreen Talents 55+. (2024). About Us. [Online] Available at: <https://evergreentalents.bg/> [Accessed 3 June 2024]

In the context of the economic crisis caused by COVID-19, unemployment, the aging population in our country, Europe, and globally, such initiatives give this demographic group a chance to find a job and be an active participant in the labour market.

People over the age of 55 are a large and growing group with great potential. Their active involvement in the work processes benefits the business, municipalities, the state, and society. The workforce in this age group has strengths such as loyalty, emotional intelligence, appreciation of teamwork, the employer, and remuneration. Evergreen Talents 55+ focuses on manufacturing and services and works for a change in the employers' attitude towards people over 55. The organisation provides training for the candidates, helps them find a suitable position, issues certificates for qualification, and finds employers.

#### *Possibilities of the platform*

- to study and consider the individual requirements of each employer,
- to evaluate and consider the individual possibilities of the candidates in the process of employment,
- to support the processes of demand and supply,
- to support candidates with the acquisition of necessary new skills - mainly IT skills.

#### *Approach of the platform*

- to search contact with the candidates and possibly in an individual conversation specifying the competences and expectations of the candidates,
- to clarify the possible positions for people 55+, as well as the expected competencies and pay levels during meetings with employers,
- to select the most suitable and prepared candidates,
- to ensure the connection between employer and candidate.

## 3.8. Czech Republic

### Demographic situation in Czech Republic

Demographic development in the **post-war period** was uneven. This was largely due to government measures aimed at increasing the birth rate, e.g. by giving preferential treatment in the allocation of flats to families with children, extending the length of the maternity leave period, by offering favourable loans to newly married couples.

**After 1989**, the demographic processes were brought into line with the West European pattern: life expectancy has increased, the birth rate has fallen, and the ages at marriage and the age of women at the birth of their first child have risen. In 1996 the total fertility rate (average number of children per woman) fell below 1.2, from a level of 1.89 in 1990. It was not until 2004 that fertility exceeded 1.2 children per woman and the number of children born rose to over 100 thousand. This increase in fertility and natality was primarily because large 70's women cohorts reached reproductive age. In recent years, the total fertility rate was 1.7 children per woman, but by 2022 this figure had fallen to 1.62. In the same year, 101.3 thousand children were born in Czechia; the average age of mothers at the birth of their first child has been steadily increasing since the 1990s, reaching 28.8 years in 2022. The proportion of births outside marriage has also increased significantly since the 1990s (48% in 2022 compared to around 10% of children in the early 1990s)<sup>94</sup>. The life expectancy at birth has a long-term increasing trend, however, in 2020, for the first time in post-war history, it fell compared to the previous year due to the Covid-19 pandemic. In 2022, life expectancy was 76.1 years for men and 82 years for women.

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<sup>94</sup> European Commission. (2024). Czechia. [Online] Available at: <https://eurydice.eacea.ec.europa.eu/national-education-systems/czechia/population-demographic-situation-languages-and-religions> [Accessed 3 June 2024]

## Demographic population aging

Czechia, like most other European countries, is facing demographic population aging. In 2022, the pre-productive population part (0–14 years) represented 16.2%, the productive part (15–64 years) 63.4%, and the post-productive (65 years and more) 20.4% of the total population. According to the development forecast, the population will be aging mainly due to higher age groups, i.e. the number of elderly people will increase while the proportion of the productive part of the population will decrease.

## Distribution of the population by age

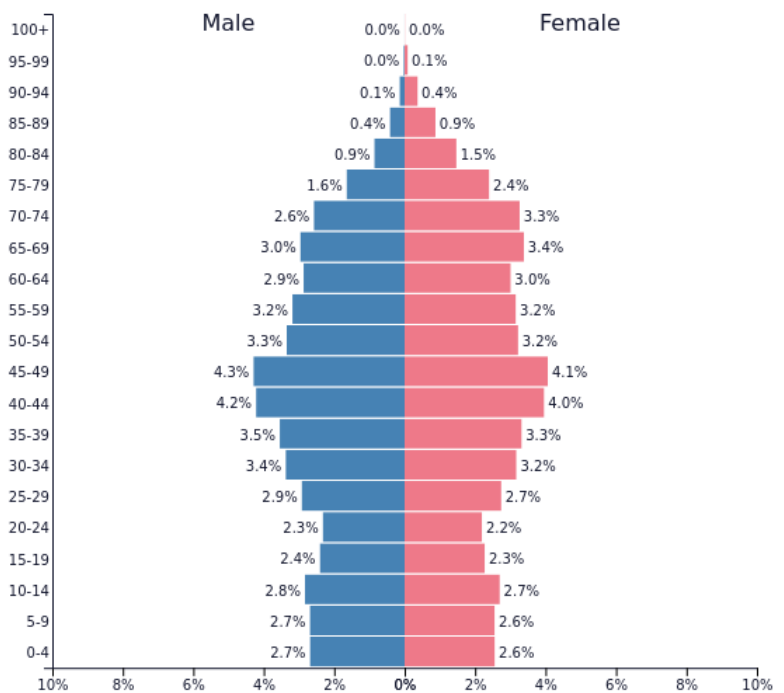
Table no. 13: Population (in %)

Years	1995	2000	2005	2010	2015	2020	2022
<b>0–14</b>	18.3	16.2	14.6	14.4	15.4	16.1	16.2
<b>15–64</b>	68.4	69.9	71.1	70.1	66.3	64.8	63.4
<b>65+</b>	13.3	13.9	14.2	15.5	18.3	20.2	20.4
<b>Total</b>	<b>10 321 344</b>	<b>10 232 027</b>	<b>10 251 079</b>	<b>10 532 770</b>	<b>10 578 820</b>	<b>10 701 777</b>	<b>10 827 529</b>

Note: As of 31 December of the given year.

Source: Czech Statistical Office

Graph no. 17: Population by gender, Czech Republic, 2021



PopulationPyramid.net

**Czech Republic - 2021**  
Population: **10,510,750**

Source: PopulationPyramid.net

Table no. 14: Vital and employment statistics

	2000	2005	2010	2015	2020	2022
Life expectancy of men at birth	71.65	72.88	74.37	75.8	75.3	76.1
Life expectancy of women at birth	78.35	79.10	80.60	81.4	81.4	82.0
General unemployment rate <sup>1)</sup>	8.8	7.9	7.3	5.0	2.6	2.2
Employment rate <sup>1)</sup>	55.1	54.7	54.2	56.4	58.3	58.8
Natural increase <sup>2)</sup>	-1.8	-0.6	1.0	0.0	-1.8	-1.8

	2000	2005	2010	2015	2020	2022
Net migration <sup>2)</sup>	-0.6	3.5	1.5	1.5	2.5	30.6 <sup>3)</sup>
Total increase <sup>2)</sup>	-1.1	3.0	2.5	1.5	0.7	28.9 <sup>3)</sup>

1) Population aged 15+; Source: Labour Force Sample Survey (LFSS), in Czech Republic.

2) Per 1000 inhabitants.

3) Values affected by migration due to the armed conflict in Ukraine.

Source: Czech Statistical Office

Demographic developments have thus led to a 7% decline in the number of people of working age over the last 10 years, and we expect a more moderate decline or stagnation by 2031. A comparison of the Czech population with the populations of neighbouring countries shows, that we are following a common trend of decline in the number of people of working age with Slovakia and Poland. Within this trend, the Czech Republic is rather average. The following chapter shows, how demographic developments affect the employment of people of working age. Finally, it should be noted that demographic developments affect not only the number of people of working age, but also their age structure. The change in the age structure is undoubtedly an important consequence of the ageing of the population, but from the point of view of the instruments to be used, it is significant that employment policy has other instruments at its disposal to adapt to the changing age structure than those it can use to compensate for the decline in the number of people of working age. While age management tools address shifts in the age structure, other strategies focus on activating individuals not currently in the workforce or increasing the working-age population to counteract population decline.

Boosting the economic activity of older individuals is a key method for augmenting the labour supply. There are **two main ways of increasing the economic activity of older people**: raising the retirement age and/or increasing the motivation of older people to work, both before and after retirement. The economic activity rate of people aged 60-64 will be 52.5% in 2021 (see Table no. 14). While their economic activity will naturally

increase as the retirement age rises, there will still be considerable scope for them to participate more in the labour market. For example, around one third of older people retire early; a significant proportion of older people retire at retirement age only because they can, not because they cannot continue to work. Therefore, pension policies such as reducing social security contributions for working seniors at retirement age or increasing early retirement penalties can make an important contribution to increasing labour supply. A 10-percentage point increase in the economic activity of 60–64-year-olds alone means an increase of 61,000 to 65,000 people in the labour market.

However, in addition to financial incentives, the prolonged exit of seniors from the labour market also raises the issue of adapting the working environment to seniors or lifelong updating of skills. Therefore, one of the key issues for the coming period is age management and lifelong learning and their support by the Ministry of Labour and Social Affairs.

### **Main (policy) actors**

In the Czech Republic, the main policy actors involved in age management include:

1. **The Ministry of Labor and Social Affairs (MoLSA):** Responsible for labour-related policies, including those affecting older workers, such as retirement age, pension schemes, and employment rights.
2. **The Ministry of Health:** Involved in policies related to workplace health promotion, occupational health and safety, and healthcare access for older employees.
3. **Government Council for Senior Citizens:** A government body focused on addressing issues related to aging population, including employment and social inclusion of older adults.



4. **Czech Confederation of Industry:** Represents employers and advocate for policies that support older workers, provide resources, and offer guidance to member companies.
5. **Trade Unions:** Organisations such as the Czech-Moravian Confederation of Trade Unions (ČMKOS) advocate for the rights and interests of older workers, negotiate with employers, and promote age-friendly workplaces.
6. **Academic and Research Institutions:** Universities and research organisations conduct studies on aging workforce, provide expertise on age management practices, and contribute to policy discussions.
7. **EU:** As a member state, Czech Republic is influenced by EU policies and directives related to age discrimination, employment rights, and social inclusion of older adults.
8. **NGOs and Advocacy Groups:** Non-governmental organisations focused on aging, labour rights, and social welfare advocate for policies that support older workers and provide services or support for this demographic. An example of such an organisation is Age management registered association, which supports the development of the concept of age management and working ability exclusively on a scientific basis and the transfer of good practice from abroad.
9. **Czech National Centre for Gerontology:** A research institute focusing on issues related to aging population, including workforce participation and social inclusion.
10. **Legal and Regulatory Bodies:** Czech Republic has legal bodies responsible for enforcing anti-discrimination laws, labour standards, and occupational health and safety regulations, which are relevant to age management policies.

These actors may collaborate with each other and with employers, employees, and other stakeholders to develop and implement age management policies tailored to the specific needs and challenges faced by older workers in the Czech Republic.

## Age management

**The Strategic Employment Policy Framework 2030**<sup>95</sup> responds not only to long-term trends in the labour market, such as demographic ageing, but also to new phenomena - in particular the development of new technologies, robotization and automation of work, and artificial intelligence.

At the beginning of 2018, the Ministry of Labour and Social Affairs conducted an analysis of long-term registered jobseekers. This analysis showed that low education, older age and health limitations are the main factors contributing to long-term unemployment.

Age 55+ is considered a disadvantage on the labour market, hence active employment policy instruments and measures that aim to maximise employment (job creation, counselling, retraining, etc.). In practice, it turns out that the modern labour market requires a more comprehensive approach for certain groups of disadvantaged people, which cannot be applied to the extent needed in the current system.

**Employment Policy Strategy 2020**<sup>96</sup> - one of the objectives was to increase the employment rate of older workers aged 55-64 to 55%. Between 2010 and 2018, the employment rate of older workers increased by 18.6 percentage points, from a baseline of 46.5% to 65.1%. The target of 55% was reached in 2015.

The Strategic Framework of the Czech Republic 2030 also pays attention to the issue of support and development of the so-called silver economy and lifelong learning, as well as support for the return of seniors to the labour market and intergenerational solidarity and exchange or transfer of experience.

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<sup>95</sup> Government Resolution No. 871 from August 24, 2020. Strategic Framework of Employment Policy until 2030. [Online] Available at: [https://www.mpsv.cz/documents/20142/1357303/SRPZ\\_2030.pdf/148b2fc5-d7a6-f9c7-cc50-13b52a62e86e](https://www.mpsv.cz/documents/20142/1357303/SRPZ_2030.pdf/148b2fc5-d7a6-f9c7-cc50-13b52a62e86e) [Accessed 3 June 2024]

<sup>96</sup> Ministry of Labour and Social Affairs. (2014). Employment Policy Strategy until 2020. [Online] Available at: <https://www.mpsv.cz/documents/20142/848077/strategiepz2020.pdf/a666485c-355f-3d35-4fe7-0692661e271a> [Accessed 3 June 2024]

A personalised approach to people moving in the labour market should become a fundamental principle of employment policy in the next decade, particularly in providing job placement and employment support for disadvantaged groups. **A personalised approach should be a comprehensive approach.** That is, employment policy measures should form a modularised whole, responding to the needs of disadvantaged people and tailored to them. Therefore, employment policy instruments and measures must be interlinked, reflecting the nature of disadvantages of groups at risk, while it is necessary that, if necessary, a disadvantaged person does not receive only one type of support, but that the solution to his/her problem is approached in a comprehensive and interdisciplinary manner. At the same time, however, support must not be limited exclusively to the employment policy framework but should also be linked to other support according to the nature of the disadvantage (e.g. around housing, social and family situation, health). To this end, all relevant actors should be linked, not only employment services (the Labour Office), but also other institutions and organisations such as social services, health facilities, doctors, non-governmental non-profit organisations, local governments and other relevant institutions and organisations. An important aspect of the individual approach is also the emphasis on the activation of the supported persons' own internal resources and their motivation. Within the framework of individualisation, the primary objective is to ensure access to suitable employment for all persons who are on the labour market or who wish to enter it. In doing so, comprehensive packages of measures must, depending on the needs of the clients, **include elements of activation, motivation, promoting employability in the sense of developing human capital** and, finally, if necessary, **creating suitable job opportunities.**

## Action Plan to implement the Strategic Framework for Preparing for an Ageing Society 2023-2025<sup>97</sup>

The Action Plan for the implementation of the Strategic Framework for Preparing for an Ageing Society 2023-2025 describes the active employment policy instruments and other measures for the sustainability of employment of older people. These include support for the retraining of seniors and senior citizens and lifelong learning for people 50+. The Labour Office is mandated to manage individual and comprehensive retraining programmes for older people aged 55+ immediately after registration (unemployment registration). A summary of recommendations is to be developed to support individual and comprehensive retraining programmes for seniors, including in the areas of mental health prevention and stress management. Attention is given to tools to facilitate business start-ups, including counselling, coaching, targeted grants, soft loans, tax write-offs and exemptions from social security payments. Finally, the plan aims to raise awareness of the principle of age management among employers. The promotion of socially responsible entrepreneurship is also part of the Action Plan, in particular the campaign to promote environmentally and socially responsible entrepreneurship, the purpose of which is to encourage companies to implement this approach and to support the monitoring of reporting on the implementation of ESG in relation to the responsible employment of seniors.

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<sup>97</sup> Ministry of Labour and Social Affairs. (2023). Action Plan to Fulfill the Strategic Framework for Preparing for an Aging Society for the Period 2023-2025. [Online] Available at: <https://www.mpsv.cz/documents/20142/372809/III.+Ak%C4%8Dn%C3%AD+pl%C3%A1n+k+napln%C4%9Bn%C3%AD+Strategick%C3%A9ho+r%C3%A1mce+p%C5%99%C3%ADpravy+na+st%C3%A1rnut%C3%AD+spole%C4%8Dnosti+na+obdob%C3%AD+2023-2025.pdf/600fc1c4-2fd9-4540-7a62-b076af25aa8c> [Accessed 3 June 2024]

## 55+ employment challenges

According to Focus' 2014 research on discrimination in the Czech Republic, age was the most frequently perceived source of **discriminatory tendencies**, in many cases when looking for a job, 38% of them when performing a job. The 2014 STEM survey also focused on discrimination in the Czech Republic, with 73% of respondents believing that discrimination occurs in the labour market. In 2014, the Institute for Evaluation and Social Analysis INESAN conducted a research survey on the attitudes of the Czech population towards the employment of people over 50 years of age, in which the issue of positive discrimination came up. Over half of the respondents agreed with the statement that people over 50 should not have any benefits in their employment. There was a marked age differentiation, with 60% of those under 30 agreeing with this statement.

Several surveys show that employers perceive the relationship with modern technology, adaptability, flexibility, rigidity and coping with change as a weakness of older employees. In addition, there is less willingness to participate in further training and development, which other studies have also identified as a common stereotype that results in workers 55+ not developing their skills and knowledge.

The positive attitudes towards older workers identified in the surveys were loyalty, reliability, work ethic and responsibility. These are typical positive stereotypes about older workers. It was repeatedly stated that older workers in some cases handle demanding jobs better than younger workers and this may be a matter of having the right attitude to work. Older workers are more committed, precisely because they have more resources to cope with the demands. The decline in ability may be balanced in other levels of employee performance. It has also been found that age itself is less important than individual skills or health status in terms of organisations' performance. The absence of attitudes tending to perceive the outdated skills of older employees and the fact that older employees create conflict is also a positive finding of the survey. These negative attitudes have been linked to a high risk of job loss in research by Meng, Sundstrup and Andersen

(2022). In particular, the critical attitude linking older employees to conflict creation was rejected by many informants in the empirical investigation conducted.

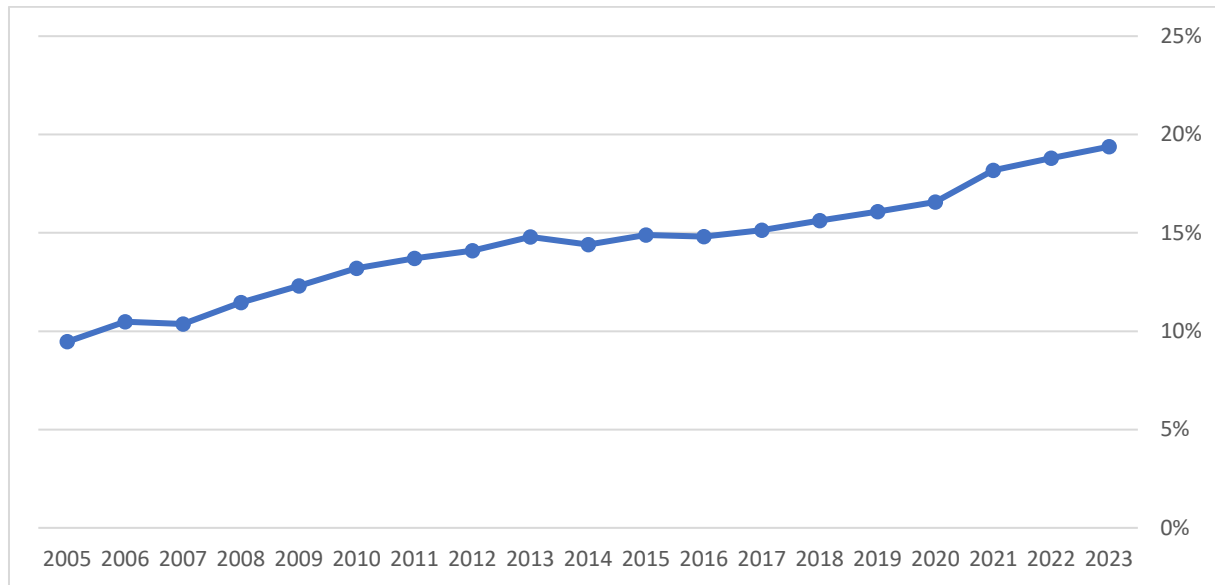
## 3.9. Slovak Republic

### Demographic situation in the Slovak Republic

Slovakia, along with other EU countries, is facing an **ageing population**, which will have significant implications for the labour market. Eurostat forecasts indicate a significant increase in the proportion of people aged over 65 and a **rise in the median age**.

Slovakia's demographic landscape is evolving, with the **average age of the population steadily increasing over the coming decades**. This shift is mirrored in the labour market, where gender variations across age groups reflect changing employment patterns. While **younger age brackets tend to be male-dominated**, there's a transition towards **higher female workforce participation in mid-to-late adulthood**. However, there's also a gradual decline in employment rates among older age groups. **Different sectors demonstrate varying degrees of inclusivity towards older workers**. Some facing challenges in attracting or retaining them, while others show higher proportions of older employees. This highlights the importance of tailored strategies to address the evolving dynamics of Slovakia's labour market and ensure inclusivity across age and gender demographics.

Table no. 15: Share of workers aged 55+ in the total labour force in Slovakia from 2005 to 2023

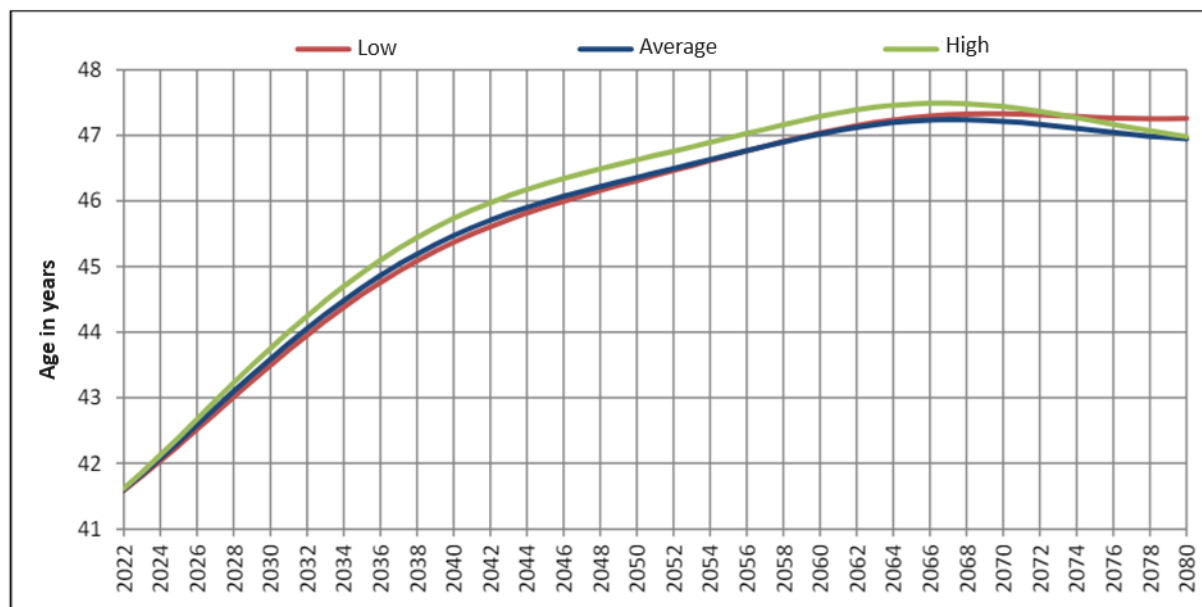


Source: The Statistical Office of the Slovak Republic

The data from 2005 to 2023 showcasing the share of workers aged 55+ in Slovakia's total labour force paints a compelling picture of demographic evolution and its impact on the workforce. Starting at 9% in 2005, the percentage steadily climbed, reaching 19% by 2022, where it remained stable in 2023. This upward trend signals a significant demographic shift towards an aging workforce, potentially influenced by factors like improved healthcare, changing retirement patterns and evolving attitudes towards work and aging.



Graph no. 18: Forecast of the development of the average age of Slovakia's population from 2022 to 2080

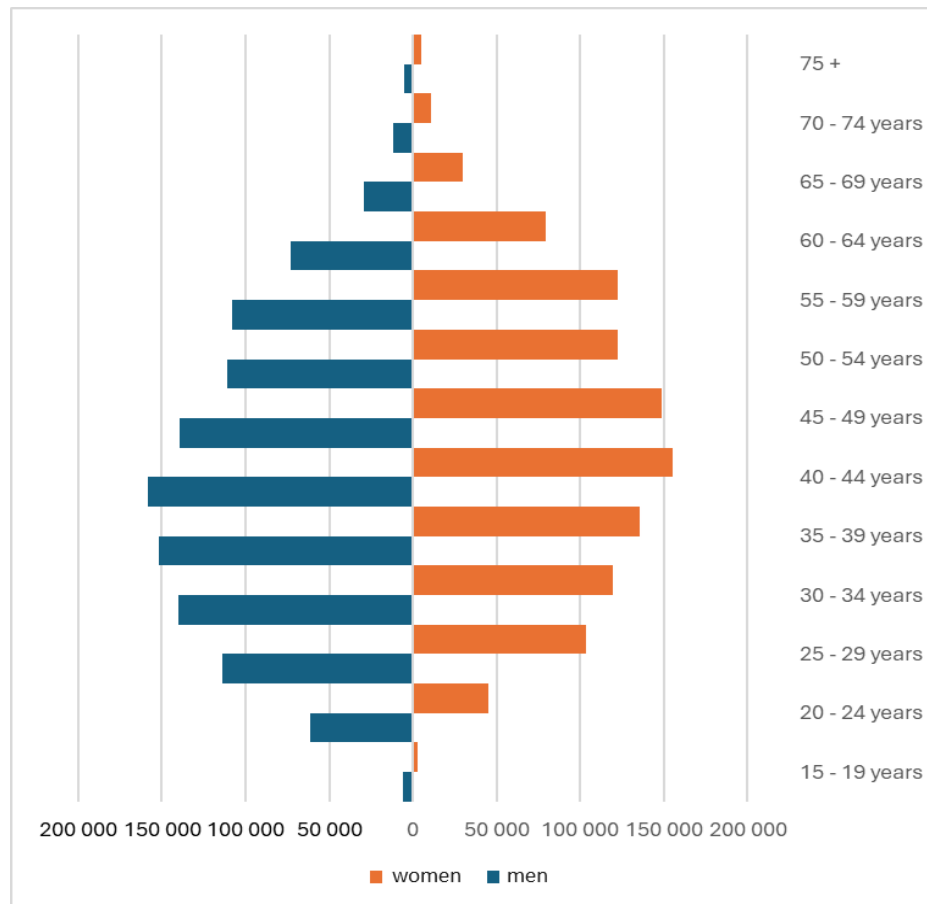


Source: The Statistical Office of the Slovak Republic in cooperation with the Institute of Statistics and Informatics

**Over the next four decades, Slovakia's average age will increase significantly, nearly 4 years by 2040, with an annual rise of about 0.2 years during this period.** However, the growth rate will slow down after 2040, with the average age expected to increase by less than 2 years between 2040 and 2065. **By around 2065, long-term growth is projected to stagnate, with the average age reaching just below 47.5 years, historically the highest value observed.** Following this, a stagnation in the average age slightly above 47 years is anticipated, with a very slight decrease expected by 2080, reducing it by approximately 0.3 years. By then, the average age should be around 47 years, marking an increase of 5.4 years or 13% compared to the start of the forecasted period<sup>98</sup>.

<sup>98</sup> Vaňo, B. (2022). Description of construction procedures, analysis, and evaluation of the obtained results of population forecasts of individual variants. Infostat, Bratislava. Available online [cited 2 May 2024]. Available from: [https://www.scitanie.sk/storage/app/media/dokumenty/SODB2021\\_prog\\_obyv.pdf](https://www.scitanie.sk/storage/app/media/dokumenty/SODB2021_prog_obyv.pdf)

Graph no. 19: Age pyramid of employed persons in Slovakia according to the Population and Housing Census 2021

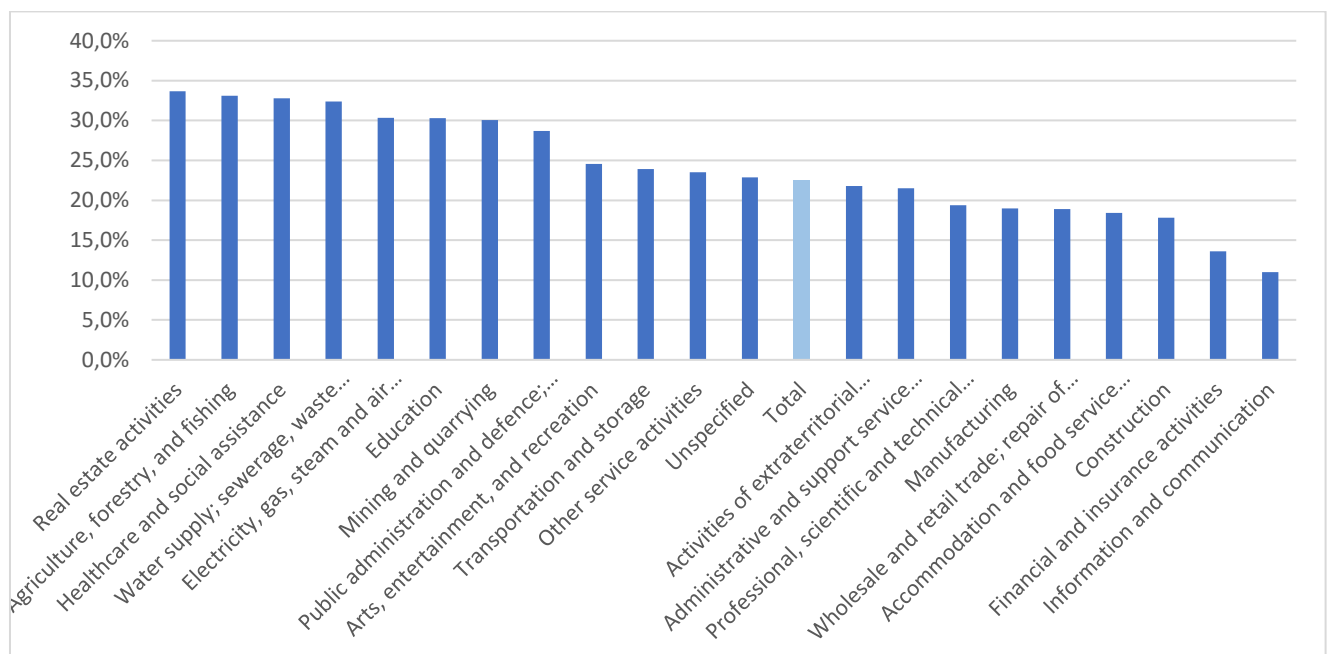


Source: Population and Housing Census 2021

**In age groups 15-19 and 20-24, we observe a higher proportion of male representation in the workforce**, aligning with the broader trend of males dominating early career stages. For instance, in the 15-19 age group, 5,8k individuals are employed, with 3,1k being male, showcasing a significant presence of young males in the labour market. Similarly, **in the 20-24 age group, there are 61,3k employed males compared to 45k females**, illustrating a gender disparity favouring males in this age cohort. However, as individuals progress into mid-to-late adulthood, we witness shifts in employment dynamics. **In the 45-49 age group, for example, while there are 139,3k employed males, the number of employed females rises to 148,5k**, indicating a

transition towards higher female workforce participation during these years. Furthermore, our analysis highlights a gradual decline in employment rates among older age groups, with notable gender variations. **In the 60-64 age cohort, there were 73,4k employed males compared to 79,2k females**, reflecting a higher proportion of females remaining in the workforce at this stage of life.

*Graph no. 20: Share of employed persons aged 55+ broken down by NACE economic sectors in Slovakia according to the Population and Housing Census 2021*



Source: Population and Housing Census 2021

The distribution of employees aged 55 and above across various sectors in Slovakia reveals compelling insights into workforce demographics and sectoral dynamics. Sectors "Construction," "Financial and Insurance Activities," and "Information and Communication" demonstrate the lowest proportions of older workers, with percentages notably falling below 20%. These sectors may face challenges in attracting or retaining older employees, potentially due to factors like physical demands, technological advancements, or the preference for younger talent. **Conversely, sectors like "Real estate activities", "Agriculture, forestry, and fishing", and "Healthcare and social**

**assistance" demonstrate higher shares of older workers, hovering above 30%.** This indicates that these sectors may offer conditions or incentives that appeal to older workers, such as stability, job security, or opportunities for continued professional engagement post-retirement. The healthcare sector is facing a shortage of human resources, with doctors retiring at a later age.

*Table no. 16: Occupations with the Oldest Employees and Their Share of 55+ vs. Occupations with the Youngest Employees and Their Share of 55+ in Slovakia according to the Population and Housing Census 2021*

<b>Occupations with the Oldest Employees</b>	<b>Share of 55+</b>	<b>Occupations with the Youngest Employees</b>	<b>Share of 55+</b>
Waste disposal workers and other unskilled workers	40%	Other armed forces	0%
Cleaners and helpers	37%	Non-commissioned officers	1%
Personal care workers	30%	Commissioned officers	1%
Street vendors and related sales workers	28%	Information and communication technology specialists	6%
Food preparation assistants	26%	Farmers, fishermen and hunters (self-employed)	11%
Agricultural, forestry, and fishery labourers	25%	Information and communication technology technicians	12%
Legislators, senior officials, and top managers	25%	Administrative, support, and business operation specialists	12%
Market-oriented agricultural workers	24%	Assembly line workers	13%
Teachers and educational professionals	23%	Customer service administrative workers	13%
Drivers and mobile plant operators	23%	Salespersons	14%

Occupations with the Oldest Employees	Share of 55+	Occupations with the Youngest Employees	Share of 55+
Electricians and electronics workers	22%	Science and technology specialists	15%
Health professionals	22%	Legal, social, and cultural professionals	15%
Healthcare specialists	21%	Legal, social, and cultural professionals and similar workers	15%
Skilled workers in metallurgy, mechanical engineering, and related trades	21%	Administrative, support, and business operation managers	16%
Other clerical support workers	21%	Numerical and material recording clerks	16%

Source: Population and Housing Census 2021

The analysis of occupational age demographics in Slovakia uncovers complex patterns and shows how age distribution interacts with sector dynamics. **Occupations with the oldest employees show significant proportions of workers aged 55 and above, with waste disposal workers and other unskilled workers leading at 40%, closely followed by cleaners and helpers at 37%, and personal care workers at 30%.**

Conversely, occupations with the youngest employees demonstrate minimal representation of older workers, with other **armed forces**, non-commissioned officers, and commissioned officers each registering **only 1% aged 55 and above**. Furthermore, street vendors and related sales workers, food preparation assistants, and agricultural, forestry, and fishery labourers show considerable shares of workers aged 55 and above, ranging from 24% to 28%. Conversely, **information and communication technology specialists and information and communication technology technicians, critical in driving innovation, display relatively lower shares of older workers at 6% and 12% respectively.**

## Main (policy) actors

The document summarises information about the policy actors responsible for the creation and direction of age management within the Slovak Republic. The efficacy and of the implementation of these measures, as well as their resulting success, are subject to ongoing evaluation. **The Ministry of Labour, Social Affairs and Family of the Slovak Republic** (hereinafter referred to as “MPSVaR SR”) created **the National Program of Active Aging for the years 2021-2030**<sup>99</sup>, (hereinafter referred to as „NPAS”) and it's a key document on this topic. The program deals with all areas of people's lives in the process of their ageing. The NPAS serves as a national tool for active ageing policies, aiming to support and harness the potential of people of all age groups. The overarching goal of the document is to create the best possible conditions in terms of values, resources, and institutions.

Developed in a participatory manner involving representatives from various sectors of society, including government, local government, civil society, and independent experts, the document's collaborative approach could facilitate its implementation. Comprising more than 80 measures across nine domains supporting active ageing, it represents a comprehensive strategy for addressing the needs of older adults. Their implementation is funded primarily from the state budget, as well as from the **Recovery and Resilience Plan and the Partnership Agreement for the years 2021-2027**<sup>100</sup>. Despite the document containing several measures related to the ageing population, the question remains regarding the degree of success in their implementation.

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<sup>99</sup> Slovak Republic. (2021). National Active Aging Program for the Years 2021-2030. Available online [cited May 2, 2024]. Available from: <https://www.employment.gov.sk/files/sk/ministerstvo/rada-vlady-slovenskej-republiky-prava-seniorov-prisposobovanie-verejnych-politik-procesu-starnutia-populacie/narodny-program-aktivneho-starnutia-roky-2014-2020/narodny-program-aktivneho-starnutia-roky-2021-2030.pdf>

<sup>100</sup> MIRRI. Partnership Agreement of the Slovak Republic for the years 2021-2027. Available online [cited May 2, 2024]. Available from: [https://mirri.gov.sk/wp-content/uploads/2021/10/Navrh-PD-SR-2021-2027\\_aktualizovane-znenie-S-TITULKOU.pdf](https://mirri.gov.sk/wp-content/uploads/2021/10/Navrh-PD-SR-2021-2027_aktualizovane-znenie-S-TITULKOU.pdf)

The target group of the NPAS **is not defined by any specific age limit or life situation.** The document **focuses on all individuals actively preparing for ageing, including older persons who (due to their age) could potentially face disadvantages in accessing public services or other forms of support.**

Another significant policy actor is the **Government Council of the Slovak Republic on the Rights of Seniors and the Adaptation of Public Policies to the Population Ageing Process**<sup>101</sup> – which proposes coordinates, and monitors **measures aimed at eliminating the negative consequences of the ageing population process on the economy, labour market, pension system, and other areas of societal life.** It submits proposals to **the Government of the Slovak Republic** for increasing the level of support, protection, and observance of the seniors' rights. Additionally, it processes proposals and initiates the development of partial and systemic measures to advocate for the interests of seniors in addressing issues of living conditions, equal opportunities, and equal treatment of seniors, as well as to improve the observance of seniors' rights. It participates in creating, updating, and evaluating the implementation of the NPAS. The Council collaborates with ministries and other central authorities of state administration; bodies of local and regional self-government; non-governmental organisations; scientific research institutions and academic institutions to ensure appropriate implementation of measures.

The Ministry of Education, Research, Development and Youth of the Slovak Republic (hereinafter referred to as "MINEDU") also plays a key role in implementing active ageing, responsible for several measures from the NPAS 2021-2030. MINEDU concentrate on topics of Lifelong Learning and focuses on educational programs **designed for older individuals. These programs aim to improve employment opportunities and**

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<sup>101</sup> Ministry of Labor, Social Affairs and Family. (2024). Government Council of the Slovak Republic for the Rights of Seniors and Adaptation of Public Policies to the Aging Process of the Population. Available online [cited May 2, 2024]. Available from: <https://www.employment.gov.sk/sk/ministerstvo/rada-vlady-sr-prava-seniorov/>

**support older workers in staying active in the job market.** MINEDU also considers **the impact of the Fourth Revolution, emphasising digitalisation and providing essential skills through reskilling initiatives.**

**The Ministry of Health of the Slovak Republic** (hereinafter referred to as “MZ SR”) is pivotal in **ensuring sufficient healthcare and support for older workers.** This is primarily achieved through developing policies and programs tailored to address the specific health needs of this demographic. Regarding the measures of active ageing, the primary focus lies in implementing educational and advisory activities by **Regional public health authorities.** With the cooperation of Regional public health offices are implementing educational and counselling activities on matters related to promoting active ageing, healthy lifestyles, and physical activities for older people conducted individually, in groups, and collectively.

MPSVaR SR is responsible for creating and implementing policies concerning working conditions, the pension system, and social care. The ministry also plays a significant role in shaping policies, which promote the integration and social protection of older people, and in creating a legislative framework that protects the rights of older workers in the labour market. They are also responsible for motivating employers to employ individuals aged 50+ in the field of social economy.

**The Institute for Labour and Family Research**<sup>102</sup> – (hereinafter referred to as “ILFR”) is a state contributory organisation of MPSVaR SR. It is focused on research and the sociological studies in social and family policy, labour market and employment policy, industrial relations and working conditions and in the field of occupational safety and health. The results of the studies are in the creation of laws, and strategies. Publications activities are focused on family and family policy affairs, children's rights, equality of opportunities between men and women, **social protection of elderly and disabled**

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<sup>102</sup> Institute for Labour and Family Research. (2024). About us. Available online [cited May 2, 2024]. Available from: <https://www.ceit.sk/IVPR/index.php?lang=en>



**people**, employment issues and the labour market development, wage policy and occupational safety, health affairs and working conditions monitoring.

**The Association of Universities of the Third Age of Slovakia** (hereinafter referred to as “ASUTV”) was established as an initiative of Slovak universities and other institutions of higher education. ASUTV actively supports the implementation of education programs, which promote key competencies for lifelong learning. These programs are centred on digital literacy, personal development, and mental health, all within the context of labour market demands and employment needs. Furthermore, ASUTV advocates for education tailored to older individuals, aiming to enhance their employment prospects or facilitate their continued participation in the labour market. These efforts are particularly significant considering the key trends associated with the fourth industrial revolution.<sup>103</sup>

**Universities of the third age for senior education** (hereinafter referred to as “UTAs”). Study at the UTAs is in the form of a non-qualifying interest study. Elderly students participate in lectures covering a diverse array of study programs, ranging from medical care and design to architecture, history, arts, and crafts. UTAs also offer education programs in the field of financial literacy. The cost of studying the program is either €60 or €80 (if the elderly student is employed). The UTA in Slovakia came into existence in 1990 and was established at Comenius University in Bratislava and immediately many others followed the educational activities for senior citizens. However, participation in the education of seniors could still be improved. There are currently 7200 senior students out of 1 million pensioners in the whole of Slovakia involved in UTAs. Today, apart from UTA at Comenius University and the Slovak Technical University in Bratislava. UTAs exist in Nitra, Martin, Banská Bystrica, Zvolen, Košice, Trenčín, Trnava, Žilina, Liptovský Mikuláš, Prešov, Dubnica nad Váhom and Ružomberok<sup>104</sup>.

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<sup>103</sup> The Association of Universities of the Third Age of Slovakia. (2024). Aims. Available online [cited May 2, 2024]. Available from: <https://english.asutv.sk/aims/>

<sup>104</sup> The Association of Universities of the Third Age of Slovakia. (2024). Introduction. Available online [cited May 2, 2024]. Available from: <https://english.asutv.sk/>

Other relevant entities crucial for the implementation of measures supporting age management are **the Ministry of Investment, Regional Development, and Innovation of the Slovak Republic** (hereinafter referred to as "MIRRI"). The project "**Improving Digital Skills of Seniors and Distribution of Senior Tablets**" responds to the current situation and the impacts of the pandemic on the most vulnerable population groups. The project is implemented as an investment of No. 7 Component 17 (Digital Slovakia) of the Recovery and Resilience Plan of the Slovak Republic<sup>105</sup>.

**The Employers' Federations** (Federation of Employers' Associations of the Slovak Republic; The Confederation of Trade Unions of the Slovak Republic; The National Union of Employers; Employment Institute) are responsible for supporting the maintenance and improvement of employees' **work ability** through age management and the results of **Work Ability Index (WAI) assessment**. However, the actual level of success in implementing age management practices and improving work ability remains unclear.

**Ministry of Culture of the Slovak Republic** with its budgetary organisations implements non-formal education for adult education and specifically for seniors through its Cultural Institutes, e.g. **Národné Osvetové Centrum**<sup>106</sup> (National Educational Center). **Ústredie ľudovej umeleckej výroby** (The Centre for Folk Art Production - hereinafter referred to as "ÚĽUV") brings together experienced and recognised experts, who are masters in their field – traditional crafts. Usually, elderly experts pass on their traditional skills through courses to the younger generation. ÚĽUV has been systematically organising educational activities focused on folk art production and crafts under the name "The School of Crafts ÚĽUV". The various educational programs take place in the Regional Craft Centres of ÚĽUV located in Bratislava, Banská Bystrica, and Košice. In 2015, ÚĽUV's School of Crafts was

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<sup>105</sup> Slovak University of Technology in Bratislava. (2024). ILLL projects. Available online [cited May 2, 2024]. Available from: [https://www.stuba.sk/english/university-workplaces/institut-of-life-long-learning/illl-projects.html?page\\_id=3102](https://www.stuba.sk/english/university-workplaces/institut-of-life-long-learning/illl-projects.html?page_id=3102)

<sup>106</sup> National Educational Center. (2024). About us. Available online [cited May 2, 2024]. Available from: <https://www.nocka.sk/o-nas/>

listed among the Good Safeguarding Practices of Intangible Cultural Heritage in Slovakia<sup>107</sup>.

The goal of our educational activities is to enhance the public's understanding of traditions and cultural heritage while also contributing to the care, preservation, and development of folk-art production in Slovakia. All courses are taught according to approved methodology, and most of them are accredited by the MINEDU in the field of further education.

**The Ministry of Environment of the Slovak Republic** implements informational and educational programs for older people focused on environmental issues and their impact on people's lives and active ageing<sup>108</sup>.

**Local self-governments** are responsible for the support of Senior clubs and other organisations of artistic, educational, recreational, and sports activities.

### **The role of the nonprofit sector**

The nonprofit sector contributes significantly to the implementation of age management strategies through various initiatives, programs, and advocacy efforts aimed at supporting older individuals in the workforce. **Nonprofit organisations often provide training, resources, and support services tailored to the needs of older workers, helping them adapt to changing job requirements, acquire new skills, and navigate career transitions.**

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<sup>107</sup> The Centre for Folk Art Production (ÚĽUV). (2024). About us. Available online [cited May 2, 2024]. Available from: <https://uluv.sk/en/about-us/>

<sup>108</sup> Slovak Republic. (2021). National Active Aging Program for the Years 2021-2030. Available online [cited May 2, 2024]. Page 21. Available from: <https://www.employment.gov.sk/files/sk/ministerstvo/rada-vlady-slovenskej-republiky-prava-seniorov-prisposobovanie-verejnych-politik-procesu-starnutia-populacie/narodny-program-aktivneho-starnutia-roky-2014-2020/narodny-program-aktivneho-starnutia-roky-2021-2030.pdf>

**Slovak Association of Age Management** (hereinafter referred to as “SAAM”) with its partners reaches everyone interested in the topic of age management. Throughout the educational and conference centre Intenzíva, s. r. o., they are solving problems related to the ageing workforce, unemployment, working seniors or school leavers concerning demographic and technological developments.

The main goals of the SAAM are to support changing attitudes towards age; and to combat age stereotypes and age discrimination. To increase the prestige and authority of the concept of age management; to develop cooperation with relevant entities at the national and international levels in the exchange of experiences and transfer of good practices.

SAAM presents proposals and collaborates with state authorities in formulating and implementing legislative, organisational, and financial measures mitigating the negative consequences of demographic changes. Engages in research in human resource management; develops and implements specific educational programs in the field of age management. SAAM also provides consultancy services and organises conferences and activities to promote awareness and mutual exchange of experiences and carries out publishing activities to popularise age management<sup>109</sup>.

**Aptet n.o.**<sup>110</sup> – a non-governmental institution, which helps people with reduced work ability and supports activities of active ageing and pre-senior education. They cover the whole range of activities, from individual counselling and education, to support in getting and keeping a job. They are partners in several international projects, thanks to which they bring innovations to Slovakia and systematically work to improve the quality of life in the region. They are trying to create a community of people who are interested in the concept of age management.

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<sup>109</sup> Czech and Slovak Association of Age Management. (2022). Archive of the section: SAAM Activities [online]. [cited 2024-05-02]. Available from: <https://www.agemanagement-eu.com/category/aktivita-saam/>

<sup>110</sup> Aptet n.o. (2024). Who are we? [online]. [cited 2024-05-02]. Available from: <https://www.aptet.sk/socialny-podnik-neziskova-organizacia/>

**Bagar, o.z.** – manages the site [www.senior.sk](http://www.senior.sk)<sup>111</sup>, where they publish articles for seniors in the field of health, healthy nutrition, active lifestyle, media literacy and critical thinking. In 2015 they implemented a project “Je najvyšší čas na vekový manažment”<sup>112</sup> (It's time for an age management). The goal is to motivate employers, their organisations, and trade unions to implement age management and active ageing.

**Business Leader Forum**<sup>113</sup> – an informal association of companies that are committed to being leaders in promoting the principles of responsible business in Slovakia. They issued recommendations for responsible businesses on the topic of active ageing in the workplace<sup>114</sup> and age diversity. Recommendations with examples of good practice were focused on six areas of age management.

**The Association of Adult Education Institutions** (hereinafter referred to as “AIVD SR”) is a non-governmental, apolitical, non-profit, voluntary organisation. As an umbrella organisation coordinates Lifelong Learning Week<sup>115</sup> in Slovakia. AIVD SR has been a member of the European Association for the Education of Adults<sup>116</sup> (hereinafter referred to as “EAEA”) since 2008 and the European Basic Skills Network<sup>117</sup> (hereinafter referred to as “EBSN”) since 2017. AIVD SR brings together institutions, which deal with adult education. For 30 years they have been bringing innovations, forming international

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<sup>111</sup> Senior.sk. (2024). About us. [online]. [cited 2024-05-02]. Available from: <https://www.senior.sk/category/o-nas/>.

<sup>112</sup> It's high time for age management. (2015). Published by Občianske združenie Bagar in 2015 as part of the project "It's high time for age management." ISBN 978-80-971932-7-0. [online] [cited May 2, 2024]. Available from: <https://www.employment.gov.sk/files/slovensky/ministerstvo/rada-vlady-sr-prava-seniorov/brozura-je-najvyssi-cas-vekovy-manazment.pdf>.

<sup>113</sup> Business Leaders Forum. (2024). About Business Leaders Forum [online] [cited May 2, 2024]. Available from: <https://www.blf.sk/en/about-business-leaders-forum/>.

<sup>114</sup> Business Leaders Forum. (2013). Topic: Active Aging at Work. Published by Nadácia Pontis. [online] [cited May 2, 2024]. Available from: [https://www.nadaciapontis.sk/data/files/Odpor%C3%BA%C4%8Dania%20BLF/Odporucania\\_BLF\\_Aktivne%20starnutie\\_april2013.pdf](https://www.nadaciapontis.sk/data/files/Odpor%C3%BA%C4%8Dania%20BLF/Odporucania_BLF_Aktivne%20starnutie_april2013.pdf).

<sup>115</sup> Week of Lifelong Learning. (2024). About the Project. [online] [cited May 2, 2024]. Available from: <https://www.tcu.sk/o-projekte>.

<sup>116</sup> European Association for the Education of Adults (EAEA). (2024). Slovakia. [online] [cited May 2, 2024]. Available from: <https://eaea.org/country/slovakia/>

<sup>117</sup> The European Basic Skills Network (EBSN). (2024). Welcome to the EBSN website. [online] [cited May 2, 2024]. Available from: <https://basicskills.eu/>.

partnerships, and actively contributing to the development of adult education in Slovakia and abroad.

## Age management

For a long time, Slovakia lacked a comprehensive document on the issue of active ageing as a national policy, even though many applied measures and policies corresponded to the principles and interests in this area. The change occurred in 2013 with the completion of the **national project Strategy of Active Aging**, which was aimed at the detailed elaboration of the connections between demographic ageing and the labour market and the pension system, including the incorporation of strategic goals in this area and the proposal of measures. The concept of age management in Slovakia is currently attracting attention from the academic, business, and political spheres.

Spontaneous projects incorporating elements of age management frequently emerge, primarily within NGOs or international corporations. However, they often lack not only systematicity but also sustainability. The effects of actions taken today will only become fully apparent over decades. Consequently, obtaining relevant data and achieving the desired effect is not feasible without a certain form of coordination. Collaboration among stakeholders to monitor progress and adjust strategies as needed over time is also important.

Age Management is gaining increasing recognition in Slovakia, particularly within the academic community, translating into practical applications through contributions at various professional conferences and within the topics of final theses. Despite this, age management as a comprehensive concept has not firmly established itself in corporate practices in Slovakia up to the present day. In some projects, fragments of age management emerge, primarily focused on **supporting employee health rather than addressing the nature of work conditioned by age diversity**. With the development of

socially responsible business practices, there is a growing emphasis on **challenging stereotypes prevalent in the workplace, particularly concerning older employees.**

Since 2014, the Slovak Republic has been implementing **The National Program for Active Aging for years 2014-2020**<sup>118</sup> as the first strategic document aimed at supporting people's active ageing. In 2017, the MPSVaR SR developed in cooperation with all relevant entities, a document **Definition of age management and the creation of age management principles for employers (in private and public administration)**<sup>119</sup>. The document presents the elements and principles of age management, as well as its benefits. It describes **the work ability model** and the **Work Ability Index for employers**. The options for employers to utilise the measurement results derived from the WAI measurement. The topic of returning to work which provides support for individuals to return to work as quickly as possible after injury or illness and assisting employees with chronic conditions to remain in their jobs, brings benefits to employers. In some cases, this may involve temporary or long-term adjustments to the workplace or retraining for different tasks. **It also addresses part-time work arrangements** if a full-time return to work is not feasible in certain situations. Chapter on **active ageing** through longer and better-working lives of employees is dedicated to enlightened practices and measures in this area. In Slovakia, **a relatively small percentage of employers still devote more attention to supporting the harmonisation of their employees' work and family lives.** Progressive Slovak employers understand the importance of age management and

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<sup>118</sup> Slovak Republic. (2021). National Active Aging Program for the Years 2021-2030. Available online [cited May 2, 2024]. Page 21. Available from: <https://www.employment.gov.sk/files/sk/ministerstvo/rada-vlady-slovenskej-republiky-prava-seniorov-prisposobovanie-verejnych-politik-procesu-starnutia-populacie/narodny-program-aktivneho-starnutia-roky-2014-2020/narodny-program-aktivneho-starnutia-roky-2021-2030.pdf>

<sup>119</sup> Ministry of Labor, Social Affairs and Family of the Slovak Republic. (2017). Definition and Principles of Age Management for Employers (in Private and Public Sector). Prepared by the Ministry of Labor, Social Affairs and Family of the Slovak Republic in collaboration with relevant stakeholders. Available online [cited May 2, 2024]. Available from: [https://www.upsvr.gov.sk/buxus/docs/SSZ/Definicia\\_vekoveho\\_manazmentu\\_a\\_vytvorenie\\_zasad.pdf](https://www.upsvr.gov.sk/buxus/docs/SSZ/Definicia_vekoveho_manazmentu_a_vytvorenie_zasad.pdf).

utilise it in line with the needs and preferences of their employees, as evidenced by examples of good practice.

The current key document, already mentioned above, is **The National Program for Active Aging for the years 2021-2030**<sup>120</sup>. As a national tool for active ageing policies, aims to achieve active ageing by supporting and enhancing the potential of individuals across all age groups. **The document was drawn up in a participatory manner**, meaning that representatives of various sectors of society were involved in its preparation – from the state administration, local self-government, civil sector, and independent experts.

Furthermore, MINEDU plays a crucial role in implementing active ageing and is responsible for numerous measures. These measures include tailored education programs designed for older individuals to enhance their employment opportunities and retention in the labour market, while also acknowledging the key trends of the Fourth Industrial Revolution.

MINEDU supports the creation and implementation of education programs fostering key competencies for lifelong learning, emphasising digital literacy, personal development, and mental health in response to labour market demands. Moreover, MINEDU ensures skilled human resources for working with older adults in the context of **Silver Digitalisation**. This involves preparing a qualification card and description for "senior education instructors", serving as the basis for accreditation under the Lifelong Learning Act. MINEDU also supports the stabilisation of personnel capacities at universities with established Third Age Universities, covering the agenda of active ageing within lifelong learning for older individuals.

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<sup>120</sup> Slovak Republic. (2021). National Active Aging Program for the Years 2021-2030. Available online [cited May 2, 2024]. Page 21. Available from: <https://www.employment.gov.sk/files/sk/ministerstvo/rada-vlady-slovenskej-republiky-prava-seniorov-prisposobovanie-verejnych-politik-procesu-starnutia-populacie/narodny-program-aktivneho-starnutia-roky-2014-2020/narodny-program-aktivneho-starnutia-roky-2021-2030.pdf>



In addition, MINEDU promotes lifelong informal education for older people as a tool to support social inclusion and intergenerational cohesion. Furthermore, is responsible for developing and regularly updating qualification and assessment standards for individual qualifications needed for the labour market, serving as a framework for the preparation and implementation of retraining programs, with a special focus on the age category 50+. Additionally, MINEDU oversees physical and sports activities for older people, recognising them as tools to support physical and mental health, self-realisation, and the maintenance of social contacts. In cooperation with the Forum for Senior Assistance, MINEDU supports initiatives aimed at facilitating interaction and collaboration between different age groups, fostering positive attitudes, and promoting mutual understanding among them.

A foundational element of age management is "**work ability**", which recognises additional dimensions of personal resources (not only health but also knowledge, skills, personal attitudes, values, motivation, education, and functional capacity) and their balance with work requirements. Unfortunately, in practice, we do not observe many tools specifically aimed at preventing the preservation and development of **work ability**, or other comprehensive tools that would effectively respond to the ongoing and escalating demographic changes. In Slovakia is the concept of work ability exclusively linked to health. More commonly is used term "**work disability**". We believe that change in terminology could contribute to a change in perspective on the issue of age management (it could lead to greater focus on prevention and support)<sup>121</sup>.

The legislative framework for age management in Slovakia is established through several important acts, including **Act No. 568/2009 Coll. on Lifelong Learning**. The law specifically does not regulate age management or the issue of education for older individuals. The system of monitoring and forecasting educational needs, as outlined in

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<sup>121</sup> SAAM. (2021). Concept of Work Ability and Measurement of Work Ability using the Work Ability Index™ method. Available online [cited May 2, 2024]. Available from: <https://www.agemanagement.sk/work-ability-index-wai/>

the law, establishes a vital link between lifelong learning and age management strategies. By publishing a forecast of educational needs every three years, the law ensures a proactive approach to addressing skill gaps and evolving demands in the labour market. This forecast, encompassing quantitative definitions of job vacancies, qualitative descriptions of required qualifications, and regional specifications, serves as a crucial tool for counselling institutions and government bodies in guiding lifelong learning initiatives<sup>122</sup>.

The document **Strategy of Lifelong Learning and Counselling for the years 2021-2030** (MINEDU, 2021)<sup>123</sup> responds to the need to ensure lifelong learning and counselling, where citizens encounter problems as individuals or where systemic deficiencies in skill areas for the population or specific target groups have been identified. The main objective of the strategy is to ensure that every citizen has lifelong access to opportunities for education, skill development, and competency enhancement throughout their lives at every stage and in consideration of individual needs and circumstances, so that everyone can realise their potential in personal, professional, and civic life. The document considers population ageing, longer working hours, and the need to maintain the work skills of older individuals.

**Act No. 5/2004 Coll. on Employment Services**<sup>124</sup> - this law regulates legal relationships related to the provision of employment services. **Act No. 448/2008 Coll. on Social Services**<sup>125</sup> - this law regulates legal relationships concerning the provision of social

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<sup>122</sup> Act No. 568/2009 Coll. on Lifelong Learning. [online]. Available from: <https://www.epi.sk/zz/2009-568>

<sup>123</sup> MINEDU. (2021). Strategy of Lifelong Education and Counseling for the Years 2021-2030. Available online [cited May 2, 2024]. Available from: <https://www.minedu.sk/data/att/489/22182.e97c91.pdf>

<sup>124</sup> Act No. 5/2004 Coll. – Employment Services Act. [online]. Available from: <https://www.iz.sk/sk/projekty/kniznica/zakon-5-2004>

<sup>125</sup> Act No. 448/2008 Coll. on Social Services and on Amendment of Act No. 455/1991 Coll. on Trade Licensing (Trade Licensing Act) as amended by later regulations. Available online [cited May 2, 2024]. Available from: <https://www.zakonypreludi.sk/zz/2008-448>

services, the financing of social services, and the supervisory activities related to social services.

The **Act No. 275/2020 Coll** regulates conditions for a pension system. **The pension system in Slovakia** provides financial support for elderly individuals. At its core is the first pillar, which serves as the primary source of income for retirees. This pillar encompasses various benefits, including old-age, early old-age, disability, and survivor benefits. It operates as a public, mandatory, pay-as-you-go system, with benefits determined by a defined benefit and earnings-related scheme, commonly referred to as a point system. **Early old-age pension** – one of the reasons for early retirement for older employees is an inability to find employment/loss of job, dissatisfaction with the work environment etc. Early old-age pension less than 2 years before reaching retirement age or after 40 years of work can opt for early retirement. The period of study and the period of receiving unemployment benefits are not included in the years of work. **An old-age pensioner can work (full-time job) and receive a pension.**

**Act No. 311/2001 Coll. – the Labour Code**<sup>126</sup> holds a predominant influence not only on working life during the productive age, but also on the overall quality of life in old age, including the implementation of educational activities focused on preparing for ageing and work in the later stages of one's career. Age-appropriate working conditions, intergenerational relationships, and organisational leadership attitudes towards employing older individuals significantly impact the timing of retirement and the consequences of work activities, both positive and negative, that individuals carry into the post-productive stage of life. The Labour Code does not explicitly state **how to protect older workers from long-term unemployment**. However, provides protection for any worker in the event of a change in work organisation and requires retraining and changing working positions or types of work if necessary. The Labour Code provides, that the

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<sup>126</sup> Act No. 311/2001 Coll. – the Labour Code. Available online [cited May 2, 2024]. Available from: <https://www.zakonypreludi.sk/zz/2001-311>

employer must not violate the principle of equal treatment regarding access to employment during the recruitment process. This protection is supplemented by the Law on Equal Treatment in certain areas and on protection against Discrimination, which also provides for the protection of age discrimination<sup>127</sup>.

As part of its strategic initiatives, Slovakia is focusing on implementing age management practices to ensure the well-being and productivity of its workforce. Within this framework, three primary goals have been established, with the SAAM leading the charge:

1. **Enhancing work ability:** SAAM spearheads the preparation and execution of measures aimed at bolstering employees' work ability. By leveraging age management strategies and utilising the WAI assessment tool, efforts are directed towards maintaining and enhancing the workforce's capacity to perform optimally.
2. **Strategic Human Resource Management:** SAAM oversees the implementation of a strategic human resource management tool tailored for age management across various sectors of the Slovak economy. This involves conducting initial audits, developing personalised implementation plans, practical applications, and ongoing monitoring and advisory services. Furthermore, SAAM conducts output and control audits to ensure the effectiveness of these measures.
3. **Work ability assessment:** SAAM conducts comprehensive assessments of employees' work ability throughout Slovakia utilising the standardised WAI tool. This assessment serves as a pivotal foundation for forecasting the development of work ability among employees across different professions as they age, thereby informing proactive interventions to maintain workforce vitality.

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<sup>127</sup> AGE Platform Europe. (2023). Barometer 2023: Empowering older people in the labour market for sustainable and quality working lives. Brussels, Belgium: AGE Platform Europe. Available online [cited May 2, 2024]. Available from: [https://www.age-platform.eu/content/uploads/2023/11/AGE-Barometer-2023\\_vf\\_EN.pdf](https://www.age-platform.eu/content/uploads/2023/11/AGE-Barometer-2023_vf_EN.pdf)

By placing a strong emphasis on age management practices and work ability assessment, Slovakia aims to foster a supportive and conducive environment for its ageing workforce, ensuring sustainable productivity and well-being in the years to come.

**The Occupational Health Service**<sup>128</sup> (hereinafter referred to as "OHS") currently extends to all categories of employees, with employers being legally obligated to provide it. Following the completion of the OHS, employers are required to implement recommendations and warnings outlined in the assessment report provided by the OHS provider. This ensures the maintenance of optimal working conditions and safeguards the lives and health of employees against detrimental factors. The central legal regulation governing the Occupational Health Service is **Act No. 355/2007 Coll.** on the protection, support, and development of public health and amendments to certain acts, and Decree of the Ministry of Health **No. 208/2014 Coll.** It specifies the details, scope, and content of the performance of the Occupational Health Service, the composition of the team of experts performing it, and the requirements for their professional competence.

### Specific cases and examples

**The Institute for Labour and Family Research** published a publication entitled **Safety and health protection at work and risk factors for employees aged 50+**<sup>129</sup>, which provides results of the survey of working conditions and attitudes to active ageing and employment of persons of the generation 50+, which was done in 2013 in enterprises in the scope of the regional labour inspectorates. This document states that: From the point of view of protecting health at work and ensuring its safety, it is important that the difficulty of the work performed by a person is appropriate to his functional capacity and

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<sup>128</sup> Office of Public Health of the Slovak Republic. (2024). Occupational Health Service. Available online [cited May 2, 2024]. Available from: <https://www.uvzsr.sk/web/uvz/pracovna-zdravotna-sluzba-pzs>

<sup>129</sup> Kordošová, M., & Novotný, M. (2013). Risk factors of employees in the age category of 50+: Employment of older individuals in the work process and proposals for measures at the level of selected sectors and enterprises. Research Report No. 2341. Bratislava: Institute for Labour and Family Research. Available online [cited May 2, 2024]. Available from: <https://www.ceit.sk/IVPR/images/IVPR/vyskum/2013/Kordosova/2341.pdf>

work ability/ability. This means, that it does not create an unreasonable load on any part of the human body, which could result in risk or even damage to health. However, it is always necessary to assess a specific person (senior worker) individually, in the context of the demands of the job. This involves evaluating the individual's abilities in relation to the job requirements and their age, the impact of working conditions and the working environment. When addressing the employment of older individuals, it is especially crucial to address the aspect of change:

- in an individual's working life (for example, a change in assignment to a certain position, an unemployed older person starting work), which may cause a higher burden in connection with a "new" job than in a comparable younger worker,
- especially the changes that have generally occurred in recent years in the world of work, for which their impact and influence on managing work tasks and thus also on the health and safety of older workers has not yet been sufficiently explored.

Among them, the following factors represent "**threats**" for this group of employees:

- diversity and complexity of work requirements and methods,
- learning new things and improving personal skills,
- increased importance of cognitive thinking, rational thinking, and decision-making,
- learning new languages and technologies,
- learning new work procedures and skills,
- tighter schedules and increased workload,
- variety of employment contracts/agreements, threat of dismissal and unemployment,
- increasing importance of cognitive demands for work, regardless of employment.

These new trends place increased emphasis and greater demands primarily on the cognitive capacity of the worker, on knowledge of a new kind, and on higher flexibility and faster adaptability.

In 2019, The Institute for Labour and Family Research published a **Survey of activities, obstacles, and interest in work among older jobseekers**<sup>130</sup>, which presents the results of empirical research on a sample of 1,116 jobseekers over the age of 50, registered at employment offices throughout Slovakia. The unemployed over the age of 50 stated the following obstacles to their employment in the labour market:

- lack of proficiency in a foreign language,
- lack of computer skills.,
- disability,
- age over 50 years old.,
- whether he/she is Roma, responses vary,
- gender stereotypes,
- to be away from work for a long time,
- lacks the skills for the job,
- limited education,
- missing experience in the field,
- lack of vacancies in the region,
- missing the necessary acquaintances and contacts,
- possessing a conventionally attractive appearance.

According to older individuals who are unemployed, they believe that the barriers to their employment in the labour market exist externally, rather than being inherent to them. They see it as mainly prejudices – these are obstacles due to old age (89.5% of respondents said yes and rather yes) and gender – 57.5% of women perceive it in that manner. Furthermore, according to them, it is the lack of vacancies in the region (72.2% respectively). The older unemployed also attribute the high degree of their failure in the

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<sup>130</sup> Bednárík, R. (2019). Survey of Activities, Barriers, and Interest in Employment among Older Job Seekers. Research Report. Bratislava: Institute for Labour and Family Research. Available online [cited May 2, 2024]. Available from: [https://ivpr.gov.sk/wp-content/uploads/2019/11/prieskum\\_aktivit\\_prekazok\\_starsich\\_uchadzacov\\_bednarik\\_2019.pdf](https://ivpr.gov.sk/wp-content/uploads/2019/11/prieskum_aktivit_prekazok_starsich_uchadzacov_bednarik_2019.pdf)

labour market to the fact that they do not have the necessary acquaintances and contacts with suitable employers (67.8% of respondents answered, "definitely yes" and "rather yes" together). As for the reasons on the part of the job seeker himself, the older unemployed mention them to a lesser extent: we can conclude that these are "objective" reasons.

Older respondents mostly acknowledge specific gaps in their knowledge – lack of knowledge of foreign languages (together "definitely yes" and "rather yes" 48.8% of them), not being able to work with a PC (44.7% of them), lack of skills for the job offered (42.3% of them) or lack of experience in the field (40.8% of them). Relatively fewer of them declare their general shortcomings – low level of education (35%) or disability (30.2%). 43.2% of respondents stated that they were out of work for a long time as an obstacle to applying on the labour market.

**A comprehensive analysis of the baseline situation in the field of employment of 50+**<sup>131</sup> was carried out as part of the project **Employment of 50+** at the regional level. In this analysis, barriers and limitations were identified in terms of the employability of the 50+ target group:

- Weaker level of command of foreign languages and low motivation to increase this skill,
- Weaker ability to work on a PC, need for training for a larger number of participants,
- Weak ability of assertive communication in most participants (especially in the field of solving conflict situations, argumentation, rather they prefer resigned behaviour),
- Weak ability to manage people and delegate, most lack managerial skills,
- Less proficient in time management, especially prioritisation and delegation,

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<sup>131</sup> Behanovská, M., Gažovičová, T., Hullová, D., et. al. (2019). Comprehensive Analysis of the Initial Situation in the Field of Employment of 50+. Available online [cited May 2, 2024]. Available from: <https://mashnp.sk/downloads/Komplexn%C3%A1%20anal%C3%BDza%20v%C3%BDchodiskov%C3%A9ho%20stavu%20v%20oblasti%20zamestn%C3%A1vania%2050.pdf>.



- Very poor level of presentation skills in most of the participants,
- Participants with primary and secondary education without a high school diploma need support in writing CVs, motivation letters and support in handling contact with HR or directly with a potential employer (how to handle an interview and know how to say what I want, assert myself),
- Minimal readiness and fear of the majority to start their own business (little information, courage...),
- Almost zero willingness of the majority to change their place of residence due to employment (no interest in moving, strong ties),
- A need for power appears to be minimal in the group of participants (motivation to lead and manage people).

According to this publication, the results of scientific research really destigmatize the competencies of people aged 50+. Scientists record significant changes in the level of cognitive functions only from the age of 60 to 65 years. This means that from the point of view of science, it is not appropriate to make a difference in the perception of the cognitive abilities of most people aged 50+ and younger people.

They also state, that from the point of view of selected job applicant competencies, research indicates that abstract thinking, willingness to take risks, flexibility and self-reflection weaken with age. On the contrary, creative thinking, breakthrough, perseverance, communication, presentation skills, problem solving, leading and motivating people, readiness to work in a team, independence, orientation to expertise, IT and foreign languages should not weaken with age.

In 2022, **the Institute for Public Issues published the publication Older People Among Us**<sup>132</sup>, which deals with the issues of the **position of older people in our society**. It takes a comprehensive look at this population group and reveals the fact, that in

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<sup>132</sup> Bútorová, Z., et al. (2022). Older People Among Us. Where We Are, Where We Are Heading. Bratislava: Institute for Public Affairs. ISBN: 978-80-8287-002-5. Available online [cited May 2, 2024]. Available from: [https://www.ivo.sk/buxus/docs/publikacie/subory/Starsi\\_ludia\\_medzi\\_nami\\_2022.pdf](https://www.ivo.sk/buxus/docs/publikacie/subory/Starsi_ludia_medzi_nami_2022.pdf).

Slovakia we perceive older age in a stereotypical and homogenising way, even though it is a period of life that spans several decades. The document explores the concept of active ageing, presenting both statistical and qualitative findings regarding its significance for our society. It provides a critical reflection on this issue. The active ageing stems from the recognition, that as the average lifespan increases, there is a growing need to better utilize the experiential, intellectual, emotional, and broader societal potential of older people. It emphasises that this potential should be developed not only during youth but also throughout subsequent phases of the life cycle. Older individuals should continue engaging in diverse socially useful activities for as long as possible and to remain independent and healthy. The concept of active aging is based on the established understanding, that actively involving older people in society is not only a necessary condition for coping with the consequences of population ageing but also beneficial for the older individuals themselves. The document raises reflection, which helps understand it in its complexity.

Even though the Slovak legislation excludes discrimination, employers give priority to younger workers. Therefore, from 2015 to 2018, the national project **“Chceme byť aktívni na trhu práce (50+)” - (We want to be active on the Labour Market (50+))**<sup>133</sup> was implemented and financed through the European Social Funds. The aim of the project was to improve the position of disadvantaged jobseekers of citizens over 50 years of age, increase their employability and employment. The national project aimed to support this group of jobseekers for integration into the labour market. Project was implemented by Office Labour, Social Affairs and Family.

In response to the challenges and opportunities presented by digital transformation, **DIGICROSSGEN**<sup>134</sup> (Projekt APVV 19-0581 – “Medzigeneračné podnikanie v dobe

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<sup>133</sup> Central Office of Labour, Social Affairs and Family. (2015). We Want to Be Active in the Labour Market (50+). Available online [cited May 2, 2024]. Available from:

[https://www.upsvr.gov.sk/buxus/docs/SESEF/Opis\\_NP\\_Chceme\\_byt\\_aktivni\\_na\\_TP\\_1.pdf](https://www.upsvr.gov.sk/buxus/docs/SESEF/Opis_NP_Chceme_byt_aktivni_na_TP_1.pdf)

<sup>134</sup> Diggicrossgen. (2022). About the Project. Available online [cited May 2, 2024]. Available from: <https://diggicrossgen.fmuk.eu/o-stranke/>

digitalizácie: pragmatický prístup” = “Intergenerational Entrepreneurship in the Era of Digitalization: A Pragmatic Approach”) aims to pioneer an innovative approach: intergenerational business in the age of digitalisation. By fostering collaboration between different age groups, this project seeks to leverage the strengths of each generation while facilitating the transfer of knowledge and skills. At its core, DIGICROSGEN aims to develop a conceptual model for intergenerational business in Slovakia, recognising digitalization not only as a significant trend but also as a potential enabler for this collaborative endeavour.

A European Erasmus+ project called **The Inspirer Project**<sup>135</sup> aims to promote equality and diversity in the workplace through innovative and integrated approaches for companies employing both younger and older generations. Inspirer provides the necessary tools to eliminate age discrimination and segregation in the workplace and to create positive and inclusive working environments for older generations. The results, the above-mentioned tools, for companies, organisations, managers, and employees, are training courses on intergenerational workplace culture. Aimed at managers dealing with cross-generational teams and HR managers. The "**360-degree tool for assessing multigenerational workplace culture**" offers a comprehensive method for evaluating a company's culture and implementing intergenerational or reverse-age mentorship in digital technologies. It serves as both a platform and guide for integrating reverse mentoring into a company or organisation.

Introducing the **educational program Advisor of Age management**, accredited by MINEDU, developed under the international Erasmus+ project "Age management Uptake"<sup>136</sup> with the goal of introducing participants to the basic principles of age management, its tools, targets, possibilities of implementation and Work Ability Index

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<sup>135</sup> Project INSPIRER. (2024). About Us. Available online [cited May 2, 2024]. Available from: <https://inclusiveworkplace.eu/about-us/>

<sup>136</sup> AIVD. (2024). Age Management Uptake. Available online [cited May 2, 2024]. Available from: <https://aivd.sk/age-management-uptake/>

measurement. A huge benefit of this activity is preparing future experts highly knowledgeable in the areas of age management and work ability.

**The project Age management uptake** provides education professionals, human resources managers, and policymakers with a curriculum on age management, enabling them to acquire relevant knowledge and skills. This will help to expand and develop their competencies, empowering them to become advisors in the field of age management<sup>137</sup>.

Another interesting internationally acclaimed educational program aimed at improving career management, motivation, and mental well-being of employees in Slovakia and the Czech Republic is called “**PROFESNÍ SENIORITA® – Towards Successful Seniority**”<sup>138</sup> is a Topics of the educational program:

- A satisfied employee = a productive employee,
- Reduced employee turnover = cost reduction,
- Supporting employees leads to better quality of their work,
- Enhanced motivation for employees to engage in lifelong learning,
- Prevention of employee burnout syndrome and depression,
- Extension and enhancement of professional life/prevention of early retirement of highly skilled employees,
- Active employee approach to changes brought by INDUSTRY 4.0,
- Utilization of the high potential of age diversity in the workplace Towards successful seniority.

Authorised companies offering this educational program are: Aptet n.o, DM drogerie markt, s.r.o., Slovak Association of Age management and University of Žilina.

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<sup>137</sup> Luducrafts. (2019). What is this project about? Available online [cited May 2, 2024]. Available from: <https://invisiblewave.eu/sk/o-projekte/>

<sup>138</sup> Aptet. (2024). PROFESNÍ SENIORITA® – Towards Successful Professional Seniority. Available online [cited May 2, 2024]. Available from: <https://www.aptet.sk/vzdelavanie-a-poradenstvo/profesni-seniorita/>

## 55+ employment challenges

AIVD is a member of the European Association and is involved in international projects. Although a focus is on Slovakia, AIVD strive to learn from good examples abroad. In the interview, the respondent emphasised the difference between the Slovak model of education from the approach in Finland, Estonia, and Austria as well. During the interview, highlighted that **significant progress influenced by technological innovations is occurring in the field of education in general**. New technologies, like artificial intelligence and machine learning, are reshaping the methods people use to approach learning and gather information. **However, it was also noted, that in the Slovak context, there is still a lot of work to be done, particularly in adult education**. This observation underscores the need for targeted efforts and initiatives to modernise and improve adult education programs, ensuring they are aligned with contemporary technological advancements and educational methodology.

**It is also necessary to emphasise and give greater attention to the significance of lifelong learning and the development of skills** in Slovakia. When comparing Slovakia to other countries, **significant disparities are primarily observed in funding allocation and the duration of educational courses**. There is also a need to build educational capacities and a systematic approach to adult education in Slovakia. Respondent also **mentioned the importance of the new adult education law, which should support such activities**.

Systemic measures need to be implemented **in financing adult education**, as well. Participants of the interview mentioned that the Austrian education system has a specific system for financing adult education, which is different from Slovakia. Austria has various types of funding that allow greater accessibility to adult education. Conversely, in Slovakia, most people **must finance their education from their own source, or if their company pays for it instead of them**. It was emphasised, that Slovakia lacks support for the

education system, and therefore **individually allocated education accounts would help them.**

According to respondents, Slovakia is **missing approaches to ensuring the quality of adult education.** Respondent from AIVD highlighted Estonia's information system, which allows to monitor the development of education and to identify areas for improvement. In contrast, **Slovakia's quality assurance system is fragmented among several accreditation commissions with different rules and criteria, leading to inefficiency.** The respondent proposed the creation of a unified quality assurance system, which would be cross-sectoral and include various areas of adult education. As a positive example, he mentioned the existence of a unified information system in Estonia, which allows for monitoring the development of education and identifying areas for improvement.

The growing presence of older individuals in the labour market has prompted discussions about the need to develop specific guidelines aimed at providing physical assistance to this demographic. For example, the Employment Services Act allows individuals with disabilities, who wish to work, to receive **assistance allowances.** Employers are considering customised job roles for older individuals, which may include accommodations such as larger keyboards or mobile devices.

Regarding unique labour market aspects, respondents also noted **a high proportion of physically demanding sectors.** There are sectoral differences, in which employees are employed. In some sectors, there are more older workers. Typical occupations, where older people are commonly found, might include public administration, education, healthcare, and agriculture. Railways are also confronted with challenges in recruiting employees, given our data indicating a significant proportion of older workers. But for example, in the industrial automotive sector you don't have older workers, at least not in production. The industry often operates on a model, where employees work for a limited duration (typically around five years) before transitioning out of the workforce.

**The most significant challenges faced by employees over 55 years old include competence in technology, health problems, and motivation.**

Surveys indicate that older employees often do not actively seek **to enhance their competencies or cultivate new skills**. However, they **are highly loyal**. They are also less demanding in terms of salary because they are typically not going through stages like mortgages or loans anymore. This does not affect the older generation as much. They prioritise remaining in the workforce, and income is not as crucial to them.

In recent years, language barriers (the ability to speak foreign languages) have been less of an issue, but previously it was evident, especially in businesses with international components, where communication skills in languages like German or English were required. While the younger generation now typically has no problem with this, older individuals may still struggle.

**Specific labour market policies and measures can have varying impacts on the employment of individuals over 55 years old.** Regarding the solution for the unemployed, there is a whole article that designates those aged 55+ as disadvantaged and gives them priority when someone wants to offer a job position. Employment offices used to specifically announce projects to support the employment of older individuals, but it seems that it didn't work out well for them. There was a project for employing disadvantaged individuals as well.

It was mentioned that it is important to pay attention to age management and **to support effort of older individuals to expand their skills**. In businesses undergoing production changes, older workers are often required to adapt more significantly. The same is true for healthily disadvantaged people, in a case where there is no support - it does not work.

Demographic and economic trends indicate a breakthrough era, where they meet the shortage of qualified workers in various industries. The greatest shortage is evident in the

IT sector and healthcare. These industries require many more professionals than a few years ago. Many positions have changed or been replaced by automation and artificial intelligence. Given the increasing age of employees over 55, their future employment will depend on their **ability to adapt to new requirements and technological changes.**

Overall, the transportation sector is grappling with an ageing workforce and with challenges in recruiting younger talent from vocational schools. The average age of employees at Railways of SR and Cargo Transport Companies exceeds 55 years, highlighting the prevalence of older workers within these organisations. Efforts are underway to retain these seasoned employees, who frequently encounter discrimination during recruitment processes across various sectors. **Adaptation measures, intergenerational cooperation specifically mentoring are being employed to address these issues.** Flexible work arrangements are only sporadically addressed, largely, due to the nature of the work itself. Many employees at Railways Cargo Slovakia are aged 55 and above. Cargo has recruitment tactics including stabilisation and recruitment benefits, available to all regardless of age. However, there is a shortage of graduates from vocational schools, leading to difficulties in recruitment. Legislative changes in qualification requirements have enabled greater flexibility in job roles, with individuals from diverse backgrounds, such as chefs, being able to undergo training to become train drivers within a span of 12 to 13 months.

Considering demographic trends, it will continue to be necessary to employ older people. Measures to address these challenges include providing incentives for older employees to remain in the workforce rather than opting for early retirement. If they continue working after reaching retirement age, they receive additional financial incentives alongside their regular salary. Recognise the experience and skills of older employees, while acknowledging potential drawbacks such as f. e. fatigue. In operational professions, experience is highly valued. Cargo also regularly employs retirees – former employees, on contracts (part-time job) - especially in locations with lower activity of transportation.



However, retirees also must meet all criteria - including health check-ups. **Intergenerational cooperation is encouraged through mentoring programs and adaptation initiatives for younger colleagues, which are rewarded.** Psychological counselling and support services (including yoga and exercise) are available, along with remote work options for administrative staff, even though in limited numbers. Some administrative positions require on-site presence in the stations. Therefore, home offices are not as common in transport companies.

Initially, older employees tend to reject **new technologies**. They were provided with tablets, enabling them to perform administrative tasks electronically. At first, they faced challenges with this transition, but eventually embraced it. **Resistance to change and to new technologies is a common occurrence of employees of 55+.** In the past, older employees often resisted hiring graduates from non-vocational schools, questioning their ability to repair machines. However, as technology has advanced, such skills have become less essential.

**Challenges faced by employees aged 55+ are mainly fatigue** – this is the primary issue, along with inflexibility - for instance, there were difficulties with electronic pay slips, and there is a challenge in accepting and adapting to new technologies. Employees struggle to adapt, but with sufficient explanation and training, they eventually accept the change. For improvement of technological skills for employees aged 50+ were conducted training sessions.

**The implementation of shortened work intervals** is viewed as problematic within the transport sector, as only a few individuals are on part-time contracts. This poses complications due to the scarcity of human resources and the associated financial costs. Certain positions have reduced working hours.

**Measures and employee training are implemented for all age groups. Technological changes, automation, and robotics are impacting the sector,** so it's expected that

fewer human resources will be needed in certain areas in the future. **Accumulating professions is also a solution. The need for accumulating professions already exists and will continue to grow.**

Expansion of railways is planned, driven by the increasing demand for environmentally friendly transportation. It's not expected that human resources will be recruited from third countries or abroad. There are positions, where Vietnamese or Ukrainian workers are employed, but not all positions can accommodate them since they have language barriers. **Certainly, measures will need to be put in place for employing older people.**

**AIVD** focuses on promoting the quality of adult education. The organisation actively engages in lobbying for recognition of the adult education sector in legislation, as well as advocating for financial instruments to support education. They also emphasise efforts to create a registry of verified institutions for individual educational accounts.

Regarding age management, AIVD proposed a qualification standard for age management and developed **the occupational standard "Age Management Advisor"**, which was subsequently accredited. Among its endeavours, it offers specialized courses like the "Age Management Advisor," catering to HR professionals and managers seeking to deepen their understanding of age management principles and implementation strategies. This course exemplifies the AIVD's commitment to fostering excellence in managing age-diverse workforces, thus contributing to more inclusive and effective workplace environments. AIVD also collaborates with the ministry on projects aimed at introducing age management into companies, focusing on specialised training for HR professionals and managers of labour offices. Their goal is to prepare them for project management and effectively implement age management practices.

In the past, some companies only conducted intergenerational education as part of projects funded by public or European sources. However, this approach was not entirely effective in fully integrating age management into corporate structures. Therefore,

companies need to focus on other forms of employee education and age management, not just through funded projects. The respondent highlighted the importance of an integrated approach to age management, which includes not only intergenerational education, but also other initiatives and measures aimed at improving the work environment for people of different ages.

Initially, age management may be perceived as solely concerning seniors, but it essentially encompasses individuals transitioning from school to employment and how age management principles apply to them.

MPSVaR SR published a document, about **managing older workers regarding their optimal transition into retirement**, or the period from when they age to how they are accounted for and the various roles they can hold in the company. The document contains recommendations and different instructions on how to help them. According to respondent from **Institute for Labour and Family Research – Age management** is a lively European topic. Several empirical studies were conducted in Slovakia, including a 2019 survey on the socio-economic situation of seniors. These studies, focused on the labour market position and challenges, faced by older individuals. Notably, one survey targeted retired individuals, while another focused on older unemployed individuals. There was also research conducted about older unemployed people 55+.

Respondent from **The Slovak Chamber of Commerce and Industry** (hereinafter referred to as “SCCI”), mentioned that individuals aged 55 and above are not specifically identified as a special group. Some NGOs focus on age management, but they also address topics such as women on maternity leave and returning to work after maternity. As for the Age management strategy, the respondent mentioned (in the interview), that they do not have information about it. Regarding legal frameworks concerning age, there are no legislative frameworks with age restrictions. However, government and public administration have age restrictions, as do railways, but the private sector does not.

Certain areas within age management could benefit from improvement, particularly in addressing the needs of individuals aged 55 and above. Specifically, there appears to be a lack of initiatives tailored to this demographic. Respondent believed, **that supporting this demographic could be beneficial due to their wealth of experience and the potential they bring to teams.**

Furthermore, respondent did not have information provided regarding support for employing people aged 55+. And it's unclear, if there are initiatives in place to assist disadvantaged applicants with no confirmation, that Chamber members utilise such support. Lastly, SCCI has not addressed age management with its members in the past. SCCI primarily focuses on various initiatives and legislative matters in business and other sectors. Challenges around the ageing population, also known as the "Silver economy", include the impending shortage of the labour force. Companies are increasingly focusing on attracting younger generations, potentially overlooking the valuable contributions of individuals aged 55 and above, who bring stability and extensive experience to the workforce. It is essential to implement initiatives, that motivate older workers to remain in the workforce and fully utilize their skills and expertise.

The measurements around early retirement implemented by the Slovak government were deemed counterproductive. People should have the option to remain in the workforce even after reaching retirement age, perhaps in different capacities. They can bring many positives to a company.

**Considering challenges in employing individuals aged 55 and above**, particularly regarding health situations, attitudes, and motivation, this issue has not been addressed. It is crucial to adopt more individualised approach to these individuals and to reach a mutual agreement. While health issues may arise with age, they typically do not face challenges related to childcare or caring for their parents. From various perspectives, this

demographic is stable. Therefore, it would be beneficial to consider offering benefits in healthcare, such as supplementary health services.

Respondent had no information about specifically targeted programmes for this category. Companies have vouchers for relaxation, fitness culture, multi-day stays for employees - and recovery for physically demanding professions. Surely this kind of programme makes sense for this group.

Skill development for individuals aged 55 and above remains a challenge, as there are no courses specifically tailored for this group. The rapid pace of technological advancements, including the emergence of AI, further complicates matters for this demographic. It is imperative to explore methods to ensure, that this age group stays current and maintains their competences.

Inclusion and age diversity programs are not widely known in Slovak companies. These initiatives are predominantly observed in foreign companies. Regarding gender issues, women working in the chamber have equal conditions to men. In Chamber they are not aware of any differences in conditions or salaries; they are the same for both genders.

Older employees typically occupy higher positions, and younger ones are expected to acquire knowledge from their more experienced counterparts; this transfer should occur naturally. However, respondent was not aware of a formalised system for transferring experience from older to younger employees; it's left to individual companies to establish such a system. Additionally, top management should not hesitate to share information.

The approach to employees nearing retirement lacks measures from the employer's perspective. There is no preparation in place. Respondent believes, that reducing performance standards for older employees is not ideal. It's important to maintain the quality and efficiency of work regardless of age. However, there are alternative approaches that can be considered to support employees in physically demanding roles,

such as providing health benefits, ergonomic workplace adjustments or flexible work arrangements. These measures can help older employees to contribute continuously and effectively while maintaining their health and well-being. Additionally, job sharing for physically demanding positions (such as craftsman's work) is an option worth considering. This approach allows for the workload to be divided between two or more employees, reducing the strain on each individual while ensuring that tasks are completed efficiently.

**It is crucial to prioritise the health support of employees regardless of their age.**

This approach promotes a positive workplace culture and ensures the well-being of all workers. However, making health support mandatory may not be the most effective strategy, as it could lead to resistance or pushback from employees. Instead, companies should strive to create a supportive environment where employees feel encouraged to prioritize their health and well-being voluntarily. This is particularly important in the context of labour shortages, as maintaining a healthy and motivated workforce is essential for business sustainability and success.

People aged 55 and above generally don't have issues with going to work. This demographic is often able to focus on their work and may not require special accommodations. However, if older individuals are interested in utilising flexible work arrangements, they should be encouraged to do so. On the other hand, if a significant percentage of older workers struggle to accept flexible work options, particularly in adapting to new technologies, additional support and training may be necessary.

In summary, individuals aged 55 and above are not categorised as a specific group. They generally exhibit a reluctance towards adopting new technologies, preferring instead established systems, and find satisfaction in their work routine. However, health remains a significant concern throughout their professional lives. It's important to focus on this demographic and define where they fit within the company. Each team should ideally comprise both young, innovative individuals and older, more experienced workers who

think rationally. This diversity is crucial for the strategic development of the company. Older workers tend to be more stable employees. However, their effectiveness may vary depending on the position and their physical condition, particularly in trades or crafts.

**The Transport Company of the City of Košice**, (hereinafter referred to as "DPMK"), monitors the analysis of age structure, and nearly 30% are aged 55 and above, which indicates there will be the need for rejuvenation. It's anticipated that those employees will retire. When it comes to income, experience, and qualifications, not age, are considered. DPMK does not distinguish employees by age, there are no specific advantages or disadvantages. They did not utilise any support mechanisms for employing older workers, nor did they register or deal with such matters. In the reward system, they have an age bonus for years worked, with rewards increasing every five years.

They pay great attention to skills development. Especially for new types of trams, buses employee needs to be retrained. New technologies are introduced, necessitating the retraining of maintenance workers. They acquire certification and subsequently impart their knowledge to other employees through training sessions. Older employees, due to their extensive experience, are familiar with the composition of vehicles. They tend to grasp new knowledge faster during training sessions. There is currently no active transfer of experience occurring between older and younger employees.

DPMK has an internal directive for the training of new employees. They have an education plan that includes legally required training and supplementary sessions. Each organisational unit is responsible for overseeing this plan. Training sessions are conducted using basic forms, and new hires are trained by supervisors or colleagues. Importantly, there is no age limit for participation in these training programs.

There are positions where one employee, upon reaching retirement age, passes on their experience and responsibilities to a new employee. To maintain qualifications and stay updated on legislative changes, departments set requirements for education. They have

own driving school and training centre, where they conduct their own qualification courses. DPMK has its own auditors, an environmental expert, and a firefighter, ensuring expertise in various. They do not have internal experts (e.g., for forklift operation, welding), they organise external training. Training is provided equally to all employees regardless of age, reflecting a non-discriminatory approach within our workforce structure. **Age is not a factor considered in training or the overall composition of workforce.** DPMK does not anticipate that demographic trends will pose a problem during the transition to retirement as we have already undergone rejuvenation. 5% of employees have opted for early retirement – which was deemed counterproductive.

Health support includes recuperative, and rehabilitation stays funded by the social fund. 50% of the costs are covered by the social fund, and employees also utilise recreational vouchers and the multisport card. Additionally, we have our own recreational facilities, such as a chalet where employees can relax.

The workplace concept is unfamiliar to DPMK. DPMK allows adjustments to working hours for mothers, including flexible working hours from 6:00 to 8:00 in the morning and from 14:00 to 16:00 in the afternoon. Administrative staff make up 15% of our workforce. The home office is only applicable in specific cases and is used sparingly. Older employees show more interest in home office and hybrid work arrangements.

Regular medical check-ups for employees include age-specific screenings, as well as psychological assessments. These check-ups are mandatory for those working night shifts and various other professions. In addition to legal requirements, we also demand specific examinations, for instance, for employees working night shifts or operating forklifts. Employees also undergo medical check-ups during extraordinary events. Medical check-ups are also tailored according to age.

Retired employees aid assistance and coverage due to their experiences.



## Evaluation of the effectiveness of existing measures

Slovakia has implemented several measures related to age management, both at the systemic level and on practical level within non-profit organisations and mostly in international companies (corporations). **The efforts to integrate age management practices into various facets of legislation, education, and counselling are extensive, encompassing supportive laws, educational initiatives, and counselling programs.** However, despite these concerted efforts, enforcement appears to be insufficient. In interviews conducted as part of the IntegrAGE project, a participant from Slovakia underscored the significance of the NPAS and the necessity of maintaining high standards in educational programs focused on age management. Certification in this domain emerges as a crucial aspect in ensuring quality and adherence to established standards. Acknowledging successful initiatives in this area is also crucial. For instance, initiatives such as **the Age Management Award** commend companies for their dedication and accomplishments in fostering active ageing. Moreover, the respondent highlighted the contributions of the SAAMS in fostering conducive environments and favourable conditions for diverse organisations. Such recognition and support are instrumental in advancing age management practices effectively.

Despite the presence of numerous educational programs in Slovakia, there is a notable absence of a systematic approach to oversee their **quality** and **facilitate their financing**, thus hindering interested individuals, particularly those aged 55 and above, from attending courses. **Beyond financial assistance, other forms of support are essential to encourage adult participation in education.** For instance, offering flexible learning schedules, access to online resources, and customised educational materials could greatly enhance their involvement in learning activities.

There are **significant efforts towards training and development for older employees in various areas**, including online festivals and webinars for seniors organised by

companies. These initiatives, initially viewed sceptically, have proven to be successful and attractive to the target group.

Research on **the educational needs of adults**, especially those aged 55 and above, is lacking. Additionally, there is a specific absence of study focusing on this age group's educational requirements.

## 3.10. Bosnia and Herzegovina

### Introduction

Interest in the study of ageing and old age has recently been on the rise, which is certainly a reflection of obvious demographic changes and projections - demographic global ageing and life expectancy extension.

The decrease in mortality and declining fertility led to a decrease in the number of children and an increase in the number of elderly people in the total world population. The proportion of elderly people (60+ years) increased from 9.2% in 1990 to 11.7% in 2013. According to UN forecasts, at the global level, the number of elderly people will reach 21.1% by 2050. The number of people over 80 is also increasing. The expected increase in the share of 80-year-olds is from 14% in 2013 to 19% in 2050. (UNDESA, 2013).<sup>139</sup> The share of women is higher in the elderly population. A comparison of data in the period from 2010 to 2015 shows that women live 4.4 years longer than men on average. (UNDESA, 2015)<sup>140</sup>

The life span is extended. According to data from the World Health Organisation, in the period from 2000 to 2015, life expectancy globally increased by 5.5 years.<sup>1</sup> In the period 2010-2015. years, life expectancy was 78.6 years in developed countries and 68.1 years in developing countries. Demographic estimates show that in the period from 2045 to 2050, life expectancy will reach 83 years in more developed countries and 75 years in less developed regions. (HelpAge International, 2014)<sup>141</sup>

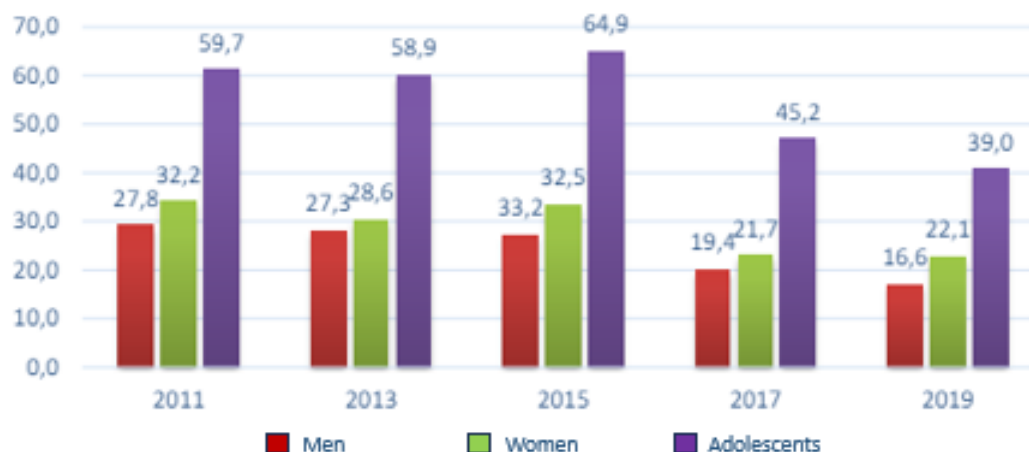
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<sup>139</sup> UNDESA/ United Nations, Department of Economic and Social Affairs, Population Division, (2013.). World Population Ageing 2013. ST/ESA/ SER.A/348.

<sup>140</sup> UNDESA/ United Nations, Department of Economic and Social Affairs, Population Division, (2015.). World Population Ageing 2015. (ST/ESA/ SER.A/390)

<sup>141</sup> HelpAge International, (2014.). Global AgeWatch Indeks – GAWI. London: HelpAge International

Graph no. 21: Unemployment rate, 2011- 2019



1. Unemployment rate by gender and age group, FBiH, 2011-2019<sup>142</sup>

Bosnia and Herzegovina is also facing significant demographic changes and an ageing population. According to the last population census from 2013, the share of the elderly in the BiH population has doubled compared to the situation in 1991 (from 6.5% to 14.2%).

The share of children under the age of 15 is almost equal to the share of the population aged 65 and over in the total population – 15.4% of children and 14.2% of the elderly. (Emirhafizović and Zolić, 2017)<sup>143</sup>

According to EUROSTAT data for 2015, the share of young people (ages 0-14) in Bosnia and Herzegovina is on average for the EU28 countries, while the share of old people aged 65 and over is less than two percent above the average. By 2050, the share<sup>144</sup> of young people (0-14) in Bosnia and Herzegovina will decrease by an additional 4% compared to 2013, while the share of the elderly (60+ years old), who will represent more than a third

<sup>142</sup>([https://parlamentfbih.gov.ba/v2/userfiles/file/Materijali%20u%20proceduri\\_2021/Prijedlog%20Strategije%20zapo%20C5%A1ljavanja%20u%20Federaciji%20BiH%20-%20bosanski%20jezik.pdf](https://parlamentfbih.gov.ba/v2/userfiles/file/Materijali%20u%20proceduri_2021/Prijedlog%20Strategije%20zapo%20C5%A1ljavanja%20u%20Federaciji%20BiH%20-%20bosanski%20jezik.pdf) )

<sup>143</sup> Emirhafizović, M. i Zolić, H. (2017.). Dobna struktura i reprodukcija stanovništva Bosne i Hercegovine. U. Cvitković, I. (ur.), Demografske i etničke promjene u BiH / urednik. Sarajevo: Akademija nauka i umjetnosti Bosne i Hercegovine, 2017., 160. str.

<sup>144</sup>[https://www.who.int/gho/mortality\\_burden\\_disease/life\\_tables/situation\\_trends\\_text/en/](https://www.who.int/gho/mortality_burden_disease/life_tables/situation_trends_text/en/)

of the population (40.5%), will increase significantly. (UN, 2015).<sup>145</sup> With the extension of life expectancy, the share of the elderly population will also increase (Emirhafizović and Zolić, 2017).<sup>146</sup>

According to the analysis of the BiH Agency for Statistics (2018),<sup>147</sup> the estimated life expectancy at birth for the population of BiH is 76.9 years (74.4 years for men and 79.4 years for women). Life expectancy at the age of 65 for BiH is 17.41 for women and 15 for men. It has become increasingly evident that human lifespans are extending, leading to longer journeys towards the end of life. However, it is equally apparent that the world is confronting significant global challenges. A century ago, individuals over the age of 70 were uncommon, and societies, irrespective of their level of development, lacked the opportunity to gain practice or experience in addressing the challenges associated with demographic ageing and old age. On the one hand, the increase in the share of the elderly in the entire population and the extension of life expectancy represent the successes of civilization, that is, they are the result of civilizational development and progress, and on the other hand, great challenges, because demographic changes have multiple socioeconomic implications.

Demographic changes are reflected at all levels and affect all aspects of life – the individual, family, community and society in general, which requires not only individual adjustments, but also adjustments of the entire system and society. Establishing social cohesion of society, respecting the rule of law, preventing non-discrimination, establishing intergenerational solidarity, adapting the economy to the labour market, ensuring secure incomes, adapting social and health services, etc., are just some of the challenges. What is perhaps the most important to begin with, in order to start with all the mentioned and

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<sup>145</sup> UNITED NATIONS (2015.). World Population Ageing [highlights], United Nations, New York Van Groenou, M.B. &

<sup>146</sup> Emirhafizović, M. i Zolić, H. (2017.). Dobna struktura i reprodukcija stanovništva Bosne i Hercegovine. U. Cvitković, I. (ur.), Demografske i etničke promjene u BiH / urednik. Sarajevo: Akademija nauka i umjetnosti Bosne i Hercegovine, 2017., 160. str.

<sup>147</sup> Agencija za statistiku Bosne i Hercegovine (2018.). Žene i muškarci u BiH. Tematski bilten Thematic Bulletin 3, Sarajevo, Bosna i Hercegovina

other necessary adjustments, is to change awareness and views on aging and old age and to eliminate prejudices in society, because their presence cannot ensure respect for human rights and the realization of the potential represented by the elderly persons. (UNFPA, 2012)<sup>148</sup>

Linear and one-dimensional views on ageing and old age and the understanding of old age only from a biological and medical perspective, which see old age primarily as a period of decline or deterioration of functions, addiction and disease (Green, 2010),<sup>149</sup> today cannot contribute to adequate responses of society, and that they don't keep up with the fact that today we live longer, that it can be influenced and that we can adapt to the changes that life brings with it. Likewise, viewing the elderly mainly as a group that represents an attack on the pension or health system, and exclusively as passive recipients of aid and goods and as someone who cannot, or who is not expected to contribute to the development of society and the shaping of his life, it can only deprive society of the resource that the elderly represent. At the same time, such views can lead to discrimination and their social exclusion, which, again, can reflect on their quality of life, but also on the social cohesion of society.

Ageing in the 21st century differs from that of the 19th and 20th centuries. Addressing issues faced by the elderly helps solve our own problems, as we age daily, and political solutions are often slow. If we want to live peacefully and with dignity, we have to face the problems that today's elderly people face. Population ageing is a global trend and requires urgent action, in which all segments of society should be involved.

Ageing is not a "tsunami" that comes quickly and disappears leaving nothing behind, and it certainly does not represent an obstacle to social and economic development, but a

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<sup>148</sup> UNFPA & HelpAge International, (2012). Ageing in the Twenty-First Century. A Celebration and a Challenge,

United Nations Population Fund (UNFPA). New York. HelpAge International. London

<sup>149</sup> Green, L. (2010.). Understanding the Life Course: Sociological and Psychological Perspectives. 1st edition, Cambridge: Polity Press

multidimensional process that sets a new context for policies in the coming decades. (European Commission, 2014)<sup>150</sup>

The basis of all actions, responses and the creation of adequate policies are a good insight into demographic trends, the position of the elderly in society and an understanding of the concept of social inclusion, which enables the position of the elderly to be seen in various aspects of social participation, meeting needs and achieving quality lifestyles.

## Main (policy) actors

### Public Employment Services:

- *The Federal Employment Institute (Federalni zavod za zapošljavanje)*<sup>151</sup> and the *Employment Bureau of Republika Srpska (Zavod za zapošljavanje Republike Srpske)*<sup>152</sup> offer programs and initiatives aimed at supporting older workers, including retraining and job placement services.
- *The Ministry of Labor and Social Policy*<sup>153</sup> - oversees policies and programs related to employment and social welfare, including initiatives specifically designed for older employees.
- *The Chambers of Commerce*: entities like the Foreign Trade Chamber of Bosnia and Herzegovina (VTK BiH)<sup>154</sup> and local chambers of commerce often run programs to support businesses in managing an aging workforce, providing training, and promoting age-friendly workplace practices.

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<sup>150</sup> European Commission (2014.). Population ageing in Europe, Facts, implication and policies. Luxembourg, Brussel: European Commission

<sup>151</sup> <https://www.fzzz.ba/>

<sup>152</sup> <http://www.zzrs.org/>

<sup>153</sup> <https://fmrsp.gov.ba/>

<sup>154</sup> <https://komorabih.ba/>

- Non-Governmental Organisations (NGOs) – the Centre for Promotion of Civil Society (CPCD)<sup>155</sup> and others may offer programs and advocacy for the rights and support of older workers.

## Strategies and action plans

Bosnia and Herzegovina have recognised the importance of addressing the needs of an ageing population, and several initiatives and action plans have been developed to tackle these issues. Key action plans and strategies include:

- **Strategija o unapređenju položaja starijih osoba 2018 - 2027**<sup>156</sup> (*Strategy for Improving the Status of Older Persons 2018 - 2027*), focuses on enhancing the quality of life and overall well-being of older adults in Bosnia and Herzegovina. It includes various measures to address the challenges faced by the elderly population, including:
  1. Healthcare improvement:
    - Enhancing access to healthcare services tailored for older adults.
    - Improving geriatric care facilities and training healthcare professionals in geriatric care.
  2. Social protection:
    - Ensuring that social protection systems are robust and adequately funded to support older adults.
    - Providing financial assistance and social services to those in need.
  3. Active ageing:
    - Promoting the concept of active aging, encouraging older adults to remain active in their communities.
    - Creating opportunities for lifelong learning and social engagement.

<sup>155</sup> <https://www.mott.org/grants/200600113-01/>

<sup>156</sup> <https://fmrsp.gov.ba/wp-content/uploads/old/stories/Strategija%20o%20unapreenju%20poloaja%20starijih%20osoba%20-%20juli%202018.docx>



4. Employment support:
    - Implementing programs to support the employment of older adults, including retraining and flexible working arrangements.
    - Encouraging businesses to adopt age-friendly workplace practices.
  5. Housing and living conditions:
    - Improving housing conditions for older adults, including support for home adaptations to meet their needs.
    - Increasing the availability of assisted living and nursing home facilities.
  6. Legal and institutional framework:
    - Strengthening the legal framework to protect the rights of older adults.
    - Establishing and supporting institutions dedicated to addressing the needs of the elderly.
- **Strategija socijalnog uključivanja Federacije Bosne i Hercegovine za period 2021-2027**<sup>157</sup> (Social Inclusion Strategy of the Federation of Bosnia and Herzegovina for the period 2021-2027). This strategy aims to promote social inclusion and reduce poverty and social exclusion among all vulnerable groups, including older adults. Key components of the strategy include:
    1. Inclusive policies:
      - Developing and implementing policies that promote social inclusion across various sectors, such as education, employment, healthcare, and social services.
      - Ensuring that these policies are aligned with European Union standards and best practices.
    2. Employment and economic opportunities:

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<https://www.unicef.org/bih/media/6491/file/Strategija%20socijalnog%20uklju%C4%8Divanja%20Federacije%20Bosne%20i%20Hercegovine%20za%20period%202021-2027.pdf>

- Creating programs to increase employment opportunities for vulnerable groups, including older adults.
  - Providing vocational training, skill development, and support for entrepreneurship.
3. Education and Lifelong Learning:
- Promoting lifelong learning opportunities to enhance skills and employability.
  - Ensuring access to education for all age groups, including older adults.
4. Healthcare and social services:
- Improving access to healthcare and social services for vulnerable populations.
  - Enhancing the quality and availability of services to ensure they meet the needs of all individuals.
5. Community development and participation:
- Encouraging community development initiatives that foster social inclusion.
  - Promoting active participation in community life and decision-making processes.
6. Housing and living standards:
- Improving housing conditions and living standards for vulnerable groups.
  - Providing support for affordable and accessible housing solutions.
7. Monitoring and evaluation:
- Establishing mechanisms to monitor and evaluate the effectiveness of social inclusion policies and programs.
  - Using data and feedback to continuously improve and adapt strategies to better meet the needs of vulnerable populations.

These strategies represent comprehensive approaches to addressing the needs and improving the status of older adults and other vulnerable groups in Bosnia and

Herzegovina, focusing on health, social protection, employment, education, and overall social inclusion.

## **55+ Employment challenges**

Bosnia and Herzegovina is experiencing an ageing population, with a growing proportion of individuals aged 55 and above. Economic challenges, including high unemployment rates and a shifting labour market, significantly impact older workers.

The labour market in Bosnia and Herzegovina is characterised by a high level of informality, limited job opportunities for older workers, and cultural attitudes that may undervalue the contributions of older employees. There is a strong emphasis on family support structures, influencing the work-life balance of older adults.

Rapid technological advancements demand ongoing learning and adaptation, which can be challenging for older workers unfamiliar with digital tools. Age-related health issues may impact productivity and attendance. Decreased motivation can stem from perceived lack of career advancement and recognition. Challenges differ by sector: manual labour industries face physical limitations, while service industries struggle with adopting new technologies. Stakeholders highlighted the need for more comprehensive policies addressing retraining and lifelong learning for older workers. There is also a need for better healthcare support and incentives for companies to hire older employees.

Existing policies are seen as insufficient and not effectively tailored to the diverse needs of the aging workforce. There is a consensus on the need for stronger enforcement and more targeted initiatives.

## **Age management strategies**

Some organisations have implemented age management strategies, such as flexible working hours, health programs, and mentorship schemes. However, these are not

widespread. Successful initiatives include training programs tailored for older employees and inclusive hiring practices. Challenges include resistance to change and lack of awareness about the benefits of age-diverse workforces. Some companies adopt specific strategies like targeted recruitment campaigns and retention programs. However, there is still a significant gap in widespread adoption. Some organisations offer more inclusive hiring practices, while others lack structured approaches. Best practices include recognising the value of experience and providing age-friendly work environments. Organisations offer varying levels of training and development opportunities. There is a recognised need for more comprehensive programs that focus on digital literacy and adapting to new technologies. Common skill gaps include digital proficiency, adaptability, and modern communication skills. Older workers often possess strong problem-solving abilities and leadership skills but need support in technological adaptability. Some businesses offer skill development programs, focusing on digital literacy and modern workplace competencies. However, there is a need for more targeted and accessible training. Gaps exist in the availability of training programs, particularly for those in remote or rural areas. Connections between older employment and the social economy include involvement in community projects, volunteer work, and social enterprises. Initiatives promoting integration include skills exchange programs and community engagement activities. Organisations promote cross-generational collaboration through mentorship programs, team-building activities, and knowledge-sharing platforms. These initiatives enhance workplace cohesion and leverage the strengths of a diverse workforce.

### **Myths and prejudices about ageing**

Attitudes about ageing significantly impact life development and behaviour towards the elderly. Negative attitudes, stereotypes, prejudices, and ageism create an unfriendly and discriminatory environment for older people. This often leads the elderly to internalise these negative views, causing them to believe that their societal role is unimportant, and that old age is marked by illness and incapacity. Therefore, it is very important to eliminate

prejudices and promote an inclusive environment and society for all generations. A negative image of older people is a way of age discrimination and often a prelude to violence against older people. Eliminating prejudices is a prerequisite for an adequate response to demographic ageing, planning and coordination of relevant policies and services, and, among other things, a prerequisite for the promotion of active and healthy ageing. Prejudices and facts that reject these prejudices according to WHO (Ritsatakis, 2008<sup>158</sup>; Voljč, 2009) are:

***Ageing can take its toll on mental and physical health.***

This prejudice is partly true. The mental and physical condition can be maintained even in old age. We can influence or mitigate declines in function or losses. Practising a healthy lifestyle, healthy diet, exercise and any other physical activity that makes the elderly happy (e.g. gardening, walking) certainly helps in this. Social activities, such as hanging out with friends, also affect health. We can also include volunteering, which has many positive effects on older people. Volunteering enables them to actively participate in the community, improve their psychosocial state and well-being, socialise, enjoy the feeling of usefulness, and generally affect their psychosocial health. (Greenfield and Marks, 2004<sup>159</sup>) Treatment is not just about taking medication.

***Creativity and contribution to society are characteristics of younger generations***

Creativity knows no age limits. The policy of forced retirement supported the idea that older people were unable to contribute economically. People today want, and many must, to remain active even after they meet the requirements for retirement. Many communities overlook the value of the role of older people in the family.

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<sup>158</sup> Ritsatakis, A. (2008.). Demystifying the myths of ageing. World Health Organisation, Regional Office for Europe. Copenhagen

<sup>159</sup> Greenfield, E. A. & Marks, N. F. (2004.). Formal volunteering as a protective factor for older adults' psychological well-being. *Journal of Gerontology, Series B, Social Sciences*, 59(5), 258–264.

In many families, especially in less wealthy ones, the contribution of the elderly through work, caring for sick and disabled family members, babysitting, offering accommodation (apartment, house) to young families and providing financial assistance enables younger families to survive. It is true that wishes for active age, as we described in prejudice no. 2, under the influence of various factors, but the fact is that older people want, and many must, to continue their active lifestyle. The desire for active aging, in terms of maintaining the quality-of-life functions, is especially present in intellectual professions. Contributions to the community are not just employment. Older people can help a lot as informal caregivers, helping family and neighbours.

### ***The experience of the elderly is less important today***

The fact is that many older people do not have the energy, and many of them do not even have the opportunity to integrate into the digital world. But that world is very sensitive. In many acute situations (power outages, numerous diseases, floods, landslides, ...) the world will need the experience and knowledge of the elderly, therefore the community that plans the future should make sure that the young generations acquire the knowledge that their grandmothers or grandmothers and grandfathers. Even highly educated parents cannot fully meet the requirements of today's education system. A community without history is impoverished. The memories, knowledge and experiences of the elderly, passed on to younger generations, are of the greatest importance for future generations.

### ***The elderly want to retire and have peace***

Older people are insecure in today's age of information technology, that's why they are afraid of contacts with younger generations, because they don't want young people to see their ignorance. On the other hand, within the family, at some stage of the aging of the mother and father, a leap occurs, when the children become the parents of persons who lead independent lives and begin to direct the lives of their parents as well. Many elders do not want this and start to close themselves off in front of dominant children. It is true

that older people do not give up opportunities for social contacts and activities if we give them the opportunity and if the environment is encouraging. Many achieve this desire within volunteer organisations, preferably within organisations of older people. The desire to socialize remains all the time, they just need to be offered opportunities. Older people are interested in events in their environment and society. The elderly today are more educated and informed than before. They know a lot about health and feel a greater need to be active and to maintain or improve their quality of life. Older people today are more organized, they are involved in the formation of their communities and societies, and they are defenders of the rights, not only of their own, but also of all other groups in society. Older people are the most loyal voters, and the outcome of many elections today depends on older voters. They are involved in politics, where they have a decisive influence on the life of society.

### ***Hospitals are the most important in health care for the elderly***

Hospital treatment is often more advanced than primary health care because doctors in hospitals hold the highest social status. However, hospital care is more expensive, yields poor cost-benefit results, and can worsen the health of elderly patients. European studies show that hospitalising the elderly is often inappropriate, unnecessary, and harmful. Access to primary health care and necessary medications should be free and easy, as this is crucial for every community. Primary health care, which includes financially and geographically accessible doctors and specialists, is essential for children and the elderly. Managing chronic diseases in health centres is more beneficial and less stressful for elderly patients than hospitalizing them, as they receive the same medications. Experts recommend hospitalizing the elderly only when absolutely necessary.

### ***It is best for the elderly to live with their families***

Mass employment in the twentieth century led to the breakdown of multigenerational families, resulting in many seniors living alone. Older adults' quality of life depends on their autonomy and independence, but they also need an effective social network for

long-term care as they become frail. In many countries, elderly care is still primarily provided by children, often women, who juggle employment and their own families, leading to burnout. Developed areas address this with professional long-term care, often free or subsidized. In less developed countries, professional support for informal caregivers is essential.

### ***Employment of the elderly and pensions reduce resources for the young***

Trade unions often oppose the employment of pensioners, whose poor pensions do not enable them to live a dignified life, with the thesis that they take away jobs from the youngest workers. Retired people have life experience in workplaces, where they worked and can be excellent mentors for new workers. Pensioners have been paying for pensions for at least three decades, and society was the one that managed the money paid. Pensioners in countries where life expectancy is short and do not receive as much money as they paid during working hours. In addition, the fight for better pensions benefits the young more than the old. First, an independent elderly person does not burden the budget of young families. Secondly, for the active part of the population, those who work, good pensions, on the day they retire, can ensure a quality life.

Promoting and motivating older people to stay active through various programs in the community (e.g. learning, centres for active aging, volunteer work of older people, intergenerational centres) to use the social network can reduce the need for care or treatment.

### ***Older people are not suitable for modern jobs***

Depending on the type of work we do, it also depends on how many years we need to do it, that is, when to stop. Adapting the work environment to individual differences is key to maintaining activity. Research has also shown that older people think strategically, are more careful and careful to rationalise and make logical decisions and take things more comprehensively. Older people are also loyal to the company, are less absent from work



and are more committed to work. The system of forced retirement is related to the idea that as we approach retirement, our abilities deteriorate, and we are less effective in the workplace. It is precisely in this sphere that old workers differ greatly. In their retirement, an individual approach is needed, which is what good companies do. Older people, due to stereotypes about older workers, often become depressed, affected, so many accept forced retirement, even though they don't want it. Retirement under pressure is perceived not only as a reduction in normal income but also as a loss of their identity, normal way of life, sociability and friends.

### ***Elderly people are not capable of learning and acquiring knowledge***

Older people are more motivated than their younger counterparts in learning. This can be related to the fact that adults learn, because we are more aware of what we need, and because we want to use the acquired knowledge as soon as possible. If they are mixed with younger ones, they can achieve better results. They can also be an example to younger people and with their motivation and perseverance have a positive influence on younger people as well. Elders relate learning and novelties to their experiences, which allows them to better understand. Of course, it is important to adapt the way of learning and respect the principles of adult learning. It is important that in learning we have more practice than theory, which corresponds to other years. This is also proof that what is good for the elderly is also good for others. Learning and adapting for older employees also allows for a less stressful or "less painful" transition to retirement and preserves the desire for different activities when they retire. The ability to learn should be maintained in later years. It is true that education, previous habits and the level of previous learning greatly influence the form or type of learning in old age, and educational activities must be organized accordingly. Unfortunately, in many communities, the activities of the third university are paid for, so they are not available to many older people, which means damage to the community.

## Things will sort themselves out

The development of any society must be connected with the activities and contributions of all generations. The quality of each age refers to the past life, behaviour, personal and family situation, socioeconomic status, accessible services, cultural, social, economic, physical environment and way of ageing.

A healthy and active lifespan is generally associated with the image of the entire society, its structure and culture. Therefore, **promoting healthy and active ageing, it is necessary to start very early, from childhood onwards.** Education is key. To eliminate prejudice, we are all responsible – from the individual to the government and vice versa. An elderly individual can influence the positive attitude of his environment towards himself by living an active and healthy life. Society and government are responsible for creating an appropriate environment and an environment that promotes a healthy and positive attitude towards ageing and, in general, active and healthy ageing. In this way, we cannot in any way ignore the different needs of the elderly and the fact that there will continue to be those who are vulnerable and dependent on foreign assistance.

## Active and healthy ageing

The concept of active ageing warns that the elderly are not a homogeneous group. In old age, there are large differences between individuals in terms of health, physical abilities, cognitive functioning, socioeconomic status, and social integration abilities. Older people participate more actively in the social, cultural, economic and political aspects of society, in paid and unpaid roles, in the family, domestic environment and the community in general.

## Lower costs associated with medical treatments and health services

Kožuh Novak (2011)<sup>160</sup> also talks about the preventive goal of active ageing and its goal of adding "life to years". Active ageing means maintaining good living conditions with various activities in old age so that the period of dependence on the elderly in the environment is shortened as much as possible. The author adds that elderly people's active ageing needs:

- **Sufficiently large pensions**, which would enable them to age with dignity and live independently;
- **Developed incentive mechanisms at the national level**, to keep older people as long as possible on the labour market, to enable them to contribute their knowledge, life experiences and wisdom;
- **Community support through programs** that would enable the elderly to participate in recreational, cultural, educational and artistic programs, which would simultaneously promote the preservation of their mental and physical health, i.e. functioning;
- **Promotion and support of the activities of self-help organisations** for the elderly at the local and national level and the active, planned inclusion of the elderly in the development activities of the local community and the state. If we add to that self-responsibility and care in preserving health through a healthy and active lifestyle, then we get the approach advocated by active aging policies and programs. Active aging applies to individuals and population groups. It is based on three pillars, health, cooperation and safety, and depends on various influences and determinants, among which are: determinants of personality, social, economic, physical environment and behavioural factors. To this we add gender, culture, norms and values of society.

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<sup>160</sup> Kožuh Novak, M. (2011.). Aktivno staranje – kaj je to? Zlata Leta. Preuzeto sa <http://zlataleta.com/aktivno-staranje-kaj-je-to/> .

All these factors interact and play an important role in the development of the individual at his age and his quality of life.

### **Investments in active ageing**

Active and healthy ageing are critical concepts that emphasise the importance of lifelong investments in maintaining and improving the well-being of older adults. Initiatives should start early, including educational programs and social frameworks that support active engagement throughout life. These investments yield better outcomes, such as extending life expectancy and delaying functional decline. Additionally, societal factors like educational status significantly influence health, participation, and economic security in older age. Late investments in physical activity, nutrition, and combating social isolation also contribute positively to quality of life. Overall, creating environments that support older adults' abilities and functional capacity is key to promoting healthy ageing.

### **Older volunteers in a lifelong perspective**

Demographic changes, population ageing, and increased life expectancy have also increased interest in volunteer work for older people. Involvement in volunteer work has very positive effects on an individual's mental and physical health and life expectancy (Musick and Wilson, 2008).<sup>161</sup> The health and well-being of older people is important for the whole society. (Zaidi, 2015)<sup>162</sup> The theoretical bases for involving the elderly in volunteer work are found in psychological and sociological theories. Activity theory argues that older people engage in volunteer work to compensate for lost traditional roles in life, such as employment or family responsibilities, e.g. It is also claimed that older people can more easily adapt to life transitions, retirement for example, if they are active. Based on this theory, older people have more time for volunteering, but this claim does not receive

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<sup>161</sup> Musick, M. A. & Wilson, J. (2008.). *Volunteers: A social profile*. Bloomington, IN: Indiana University Press  
Musick, M.A. & Wilson, J. (2003). *Volunteering and depression: The role of psychological and social resources in different age groups*. *Social Science & Medicine*, 56, 259-269.

<sup>162</sup> Zaidi, A. (2015.). *Ageing and Development*. GSDRC Professional Development Reading Pack no. 25. Birmingham, UK: University of Birmingham

statistical support, because today it is increasingly obvious that having free time alone is not enough to get involved.

Rational choice theory also states that involvement in volunteering increases with retirement because people have more free time, because volunteering is seen as an activity with which a person creates something. Continuity theory explains that previous roles, habits, patterns of behaviour reflect the image of older volunteers. Older people thus try to preserve previous habits, while some look for completely new opportunities, or even change their lives. Social exchange theory claims that by volunteering, the elderly try to replace the psychological and social benefits they previously received from paid work. Social resource theory, however, says that the decline in volunteering in old age is as great as the social integration after retirement. (Wilson, 2000)<sup>163</sup>

Role theory explains the concept of internal continuity during adaptation to change. Volunteering helps to preserve social roles, status in society, affects the preservation of a positive self-image, identity and well-being throughout life. Previous roles and status affect the level of desire and the need to preserve status and role, and therefore volunteer work. The relationship between roles, experiences, habits and connectedness of life (influence of significant others) is discussed in the perspective of life courses. The social significance of an event, such as retirement, is an integral part of how experiences will affect the attitudes, or behaviour, of individuals.

To this we can add the environment in which the individual lives, culture, values and other factors in the individual (gender, health, habits...), as well as in his environment. We can also consider the theory of resistance or empowerment. Simply put, it suggests that good begets good.

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<sup>163</sup> Wilson, J. (2000.) Volunteering. *Annual Review of Sociology*, 26, 215–240.

Older volunteers can, according to summarised theories and a lifelong perspective, be divided into three groups (Davis Smith, 2000):<sup>164</sup>

1. **Lifelong volunteers** – those who volunteer because they have always done it and because it is their way of life;
2. **Serial volunteers** – those who once volunteered and who joined later, after retirement or after finishing family obligations;
3. **"Challenged" volunteers** - those who were challenged to volunteer only after retirement.

Older volunteers bring maturity, wisdom, experiences that help them better understand and solve problems. They are more capable of empathy, they are better accepted by the users of aid, that is, they establish contact with the users more easily. Older volunteers approach children and young people in a different, more responsible way. (Age UK, 2009)

<sup>165</sup> Organisations also have special benefits. Older volunteers are generally well motivated and trained. Unlike younger generations, working with older people requires less investment in training (for example, a retired teacher will not need additional instruction on how to work with children). Older volunteers are able and willing to devote a lot of time to volunteering.

They bring experience, knowledge, can establish contacts with different generations and communicate at different levels. Integration into society, good knowledge of the system and social connections are very useful.

Seniors approach their work seriously and responsibly and expect the same from the organisation in which they work. They represent the most numerous and loyal group of volunteers. (Dingle, 2001; Kujundžić and Huzejrović, 2006; Age UK, 2009)<sup>166</sup>

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<sup>164</sup>Davis Smith, J. & Gay, P. (2005.). Active Ageing in Active Communities: Volunteering and the Transition to Retirement. Institute for Volunteering Research (UK)

<sup>165</sup> Age UK (2009.). Older People as Volunteers Evidence Review. London: Age UK

<sup>166</sup> Age UK (2009.). Older People as Volunteers Evidence Review. London: Age UK

## Motives, obstacles and determinants of voluntary activity among the elderly

The participation of older people in volunteer work is influenced by several factors, such as: personal characteristics (physical and mental health), active social role, religiosity, values, professional experience, social and economic status (financial resources, contacts with friends and integration in social networking), characteristics of the environment in which older people live (possibilities and opportunities for involvement in volunteer work), satisfaction with life in their environment and others. (Komp, Tilburg in Groen, 2012<sup>167</sup>)

Rutherford (2006)<sup>168</sup> divides the factors that influence the involvement of older people in volunteer work into four groups:

- **Better socio-economic situation** - the current generation of seniors is richer than those in the past, but, of course, this does not apply to everyone;
- **Health** - today it is proven that many people remain healthy and active until late in old age;
- **Social conditions** - opportunities for involvement in volunteering increase if a person lives longer in the same neighbourhood and has stronger social ties. Caring for other family members (partners, grandchildren) has a significant impact on lower volunteer activity. However, if older people live alone, they also have greater opportunities for loneliness, so the inclusion of isolated older people benefits both the organisation that includes them and the older people themselves;
- **Gender** - since women live longer than men, the proportion of women increases with age group. Women are traditionally more involved in volunteering than men, which results in a higher number of female volunteers among the elderly. Hogg

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<sup>167</sup> Van Tilburg, T. (2012.). Six-year Follow-up on Volunteering in Later Life: A Cohort Comparison in the Netherlands. *European Sociological Review*, 28(1), 1–11.

<sup>168</sup> Rutherford, J. (2006.). *A Golden Opportunity: A guide to attracting and retaining older volunteers*. London: REACH

(2011)<sup>169</sup> believes that volunteering in social activities and motivation for volunteering in old age can only be understood by taking into account previous experiences with volunteering and paid work, taking into account the political context and systemic regulation of the state.

The main motives and reasons for involvement in volunteer work were presented by the older volunteers themselves, who, when asked what motivated them to become involved in volunteer work, answered, among other things, the following (Kujundžić and Huzejrović, 2006):<sup>170</sup>

- They were offered to get involved; someone asked them or asked for their help;
- The need and desire to provide help in the community in order to somehow compensate or owe the community (they notice the problems not only of the elderly in society but also of other groups, i.e. other problems, try to solve them, raise awareness about them and try to motivate others to contribute to solving those problems and in the community in general);
- Personal satisfaction - volunteering gives meaning to their lives and positively affects their self-image, as well as self-esteem;
- Social contacts, socialising; - The opportunity to show what they know, to use their knowledge and skills and to feel useful;
- An opportunity to try something different and new in life.

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<sup>169</sup> Hogg, E. (2011.). The Demographic Opportunity: volunteering in older age. Prilog predstavljen na the Social Policy Association Annual Conference 2011., University of Lincoln, 4-6 Julij Holloway, University of London

<sup>170</sup> Kujundžić, H. i Huzejrović, V. (2006.). Volonterski rad starijih ljudi. u H. Kujundžić, Moć osmijeha i lijepe riječi: stariji ljudi za sebe i za brži razvoj njihove zajednice. Gračanica: Društvo za psihosocijalnu pomoć i razvijanje dobrovoljnog rada "Osmijeh"



Davis Smith (2000) points out that when older people get involved in volunteering, the barriers that may deter them from getting involved in volunteering should be taken into account.

These include low income, lack of information about volunteer opportunities, age restrictions imposed by volunteer organisations, and lack of time due to commitments and other leisure activities.

Dingle (2001) <sup>171</sup> divides barriers into:

**1. Prejudices, and ageism, within organisations that work with volunteers:**

- Setting age limits for the involvement of volunteers;
- Focusing exclusively on younger volunteers;
- Wrong beliefs that older people are too weak to be volunteers, that it is not worth motivating the elderly to motivate because they will not stay long;
- Not offering activities or areas of activity for all ages or ages;
- Assumptions that the elderly can be satisfied, that is, they should only be involved in undemanding and uncomplicated activities (e.g. making tea, keeping candles);
- The opinion that the elderly prefer to act and work with their peers and that they want to continue doing the same things as they did in the past, when they were working.

**2. Attitude of the elderly:**

- The elderly simply want something else and to do other things (dancing, traveling, looking after grandchildren, etc.);
- Some seniors simply choose passive roles and withdraw from society;
- Older people may doubt their abilities or harbour prejudices against certain age groups (for example, working with young people).

**3. Practical obstacles:**

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<sup>171</sup> Dingle, A. (2001.). Involving older volunteers. A Good Practice Guide. The Institute for Volunteering Research (UK)

- Mobility – some are unable to participate due to loss of physical mobility and health, do not have available, cannot or do not want to use cars, public transport;
- Financial resources – for some, poverty is an obstacle.

Experience shows that older people, as is the case with younger volunteers, do not want us to treat them "by the way" and approach their work superficially. They expect professionalism, structure, order and support from the organisation. In particular, they want to do work for which there is a proven need, and they want to see that their contribution is meaningful and welcome. They expect equal treatment within the organisation and an approach that is in line with their wishes, motives, and above all their knowledge and competences. They are most bothered by age discrimination, prejudice and stereotypes in general. (Kujundžić and Huzejrović, 2006).<sup>172</sup>

### **Volunteer work is related to health**

Health, integration, and cooperation are interconnected. Health is crucial for active participation in the labour market and volunteering, which in turn positively impacts health. Social integration and volunteering enhance self-esteem, well-being, and personal satisfaction, especially among the elderly. Physical activity, even moderate, helps prevent chronic diseases and improve cardiovascular and cognitive functions.

Volunteering involves physical activities like walking, driving, and various tasks that provide mental stimulation, helping to maintain cognitive functions. Active participation supports roles that enhance self-esteem and give meaning to life. It also offers opportunities for social interaction, preventing loneliness and reducing depression.

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<sup>172</sup> Kujundžić, H. i Huzejrović, V. (2006.). Volonterski rad starijih ljudi. u H. Kujundžić, Moć osmijeha i lijepe riječi: stariji ljudi za sebe i za brži razvoj njihove zajednice. Gračanica: Društvo za psihosocijalnu pomoć i razvijanje dobrovoljnog rada "Osmijeh"

Studies show that elderly volunteers gain better health, satisfaction, and reduced mortality compared to non-volunteers. Volunteering strengthens social capital, benefiting both individuals and society. Thus, active aging through volunteering has significant preventive and positive effects on the physical and mental health of the elderly, contributing economically and socially to the community.

## 4. Comparative analysis across countries

### 4.1. Employment challenges of individuals aged 55+

#### Retirement

- Early retirement schemes have historically lowered labour force participation among older workers.
- Pension conditions also compel older workers to remain in the work longer due to financial needs, often exacerbated by insufficient pensions or changes in pension systems that raise the retirement age.
- Many older women have no work experience in the formal sector at all and it is highly likely that they will not exercise their right to a pension.

#### Health, psychological and life conditions

- Health conditions, influenced by educational attainment and living standards, significantly impact their employability.
- Older people are more prone to chronic and occupational diseases that have developed over years of work and that can reduce productivity at work.
- In some countries, the lack of sufficient child and elder care institutions means women often care for dependent family members, hindering their ability to requalify for new jobs.
- Psychological factors such as stress, anxiety, and depression can also affect older workers, impacting their job performance and ability to adapt to new work environments

## Working conditions and training

- Lack of flexibility of employers in adapting working conditions to the needs of older workers.
- Over 55s face new technologies and changes in the way they work that require lifelong learning and more flexibility.
- The likelihood of becoming unemployed and the difficulty of finding a new job increase with age, leading to higher and longer unemployment rates.
- The lack of training for retraining and acquiring new skills is a particular challenge, and the offered training programs are often inadequate, the training offer changes slowly and adapts to existing trends in the labour market.
- Addressing the challenges of an aging workforce requires thoughtful human resource management strategies. It is necessary to adapt recruitment, retention, training, and employee development approaches, ensure knowledge transfer, and promote health and safety at work.
- Demographic structure (increasing number 55+) requires the adaptation of workplaces and practices to ensure that the workforce remains productive and motivated.
- It is crucial to implement mentorship and knowledge systems to leverage the potential of older workers and to ensure knowledge transfer to younger generations, thereby strengthening corporate culture and innovation.
- It is crucial to support generational mix to ensure the transfer of knowledge.
- Challenges in employing individuals over 55 require comprehensive strategies that include legislative changes, adaptation of workspaces, and the development of programs that promote lifelong learning.
- Rapid technological changes can result in older workers falling behind in digital skills that are essential for the modern workplace. Training programs and requalification are crucial to ensure that older workers remain competitive in the labour market.

## All types of discrimination

- Existence of a gender gap in the labour market in favour of men. The elderly population is especially at risk, and the analysis of the labour market confirmed that women are far more vulnerable than men of the same age, and secondly, that their vulnerability starts much earlier, from the age of 45.
- Discrimination in the labour market is present, and the personal characteristics that most often appear in complaints are gender and marital and family status, primarily of women, membership in political trade unions and other organisations, disability, age, nationality and health condition.
- Age discrimination remains a prevalent issue, with individuals aged 55 and older often experiencing prolonged unemployment despite their extensive experience. This suggests that ageism significantly hinders their job prospects, regardless of their qualifications.
- Workplace discrimination, including stereotypes about older workers' productivity or resistance to change, highlights the need for greater social awareness and the promotion of an inclusive work culture.
- Physical and mental health issues are the main causes of early retirement among older workers, necessitating better support in terms of healthcare and working conditions.

## 4.2. Differences among countries

### Retirement

When comparing the pension ages for men and women across the project countries<sup>173</sup> - we observe diverse approaches to retirement policies, reflecting both historical and social influences. Slovakia, Czechia, Germany, Bulgaria, Slovenia, and Hungary have established

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<sup>173</sup> Slovakia, Czechia, Germany, Bulgaria, Croatia, Austria, Slovenia, and Hungary

the same pension age for both men and women. This indicates a strong trend towards gender equality in retirement policies. By aligning the pension ages, these countries acknowledge the importance of equal treatment in retirement planning and aim to eliminate gender disparities in this area. This approach is likely influenced by broader efforts to ensure gender equality in the workplace and social systems.

**In contrast, Croatia and Austria maintain lower pension ages for women** compared to men. In Croatia, the pension age for women is 62.5 years, which is 2.5 years lower than the 65 years for men. Austria shows an even greater disparity, with women retiring at 60 years, 5 years earlier than men. These differences reflect historical and social policies, that have traditionally prioritized earlier retirement for women, possibly due to the recognition of **women's dual roles in the workforce and home**. Such policies might aim to provide women with earlier access to retirement benefits, acknowledging the additional societal roles they often undertake.

## Slovenia

In Slovenia, 42% of respondents believe age discrimination against those **over 55** is widespread, with this group often being the **most disadvantaged in the labour market**. Addressing this requires coordinated efforts from government, social partners, NGOs, and international organisations to **develop policies, that support older workers, promote healthy ageing, and ensure economic sustainability**. Recognising and leveraging the skills of the elderly can enhance their social status and benefit younger generations. NGOs e.g. Slovenian Federation of Pensioners' Associations – Advocates for older adults' rights and well-being, focusing on employment and social security, and participates in policy discussions and awareness campaigns. Slovenia's Active Ageing Strategy aims to promote longer working lives, improve the employability of older workers, and enhance their quality of life. It includes measures for lifelong learning, health promotion, and flexible working arrangements.

Specific programs and incentives are designed to encourage the employment of older workers, such as subsidies for employers who hire older employees and training programs to enhance their skills.

### **Support measures for older workers in Slovenia**

1. Subsidies and financial incentives:
  - Financial subsidies for employers hiring or retaining older workers.
  - Grants for older individuals starting businesses.
2. Job search and placement services:
  - Personalised job search assistance and career counselling by the Employment Service of Slovenia (ESS).
  - Events connecting older job seekers with employers.
3. Training and upskilling programs:
  - Courses to help older workers transition to new roles.
  - Programs for re-skilling in high-demand areas.
4. Public works and community service:
  - Temporary jobs in public projects.
  - Engagement in community activities offering meaningful work.
5. Consulting and mentoring:
  - Mentorship Programs - older workers mentoring younger colleagues.
  - Services to help older workers with career transitions.

Measures commonly Implemented by Slovenian Organisations for Older Workers are:

- Exclusion of age restrictions in job ads.
- Promotion of age-diverse work teams.
- Age-related medical examinations and preventive care.
- Identification and assessment of health-risk jobs.
- Communication about retirement plans.



- Regular discussions on extending work activity beyond retirement age.
- Identification, retention, and transfer of key skills of older workers.
- Exemption from overtime for older employees.

## Austria

Austria faces a significant ageing population trend. Currently, the statutory retirement age is 65 for men and will gradually rise to 65 for women by 2033. Women, who currently retire earlier, will see their retirement age increase by 6 months each year starting in 2024, eventually aligning with the retirement age for men. **Austria has a notably low retention of older workers in the workforce**, largely due to generous early retirement provisions. Recent pension reforms aim to address this issue by offering strong incentives for people to work longer, thus encouraging later retirement and helping to mitigate the problem.

Austria offers various benefits to support their integration into the labour market. Some of the key programs:

- Provides financial assistance to workers aged 50 and above, who have been registered with the public employment service for more than 90 days. It aims to facilitate the integration of older workers into the labour market.
- Job seekers who are 50 years old or older and face challenges in finding employment due to health issues or extended absences from the labour market can benefit from Employment initiative 50+.
- Partial retirement, allowing employees to reduce their working hours until retirement with minor financial losses. Employers who enable their employees to work part-time can benefit from subsidies provided by the public employment service.
- Encourages employers to retain and hire older workers by implementing age-neutral measures, preventing discrimination based on age, and promoting better retention and hiring mechanisms targeted at older workers.

- The program focuses on enhancing the employability of older workers by providing access to training adjusted to their experience and learning needs, promoting lifelong learning, and setting up mechanisms for recognising and validating skills.

## Republic of Serbia

In the Republic of Serbia, the working-age population is projected to register a dramatic decline by 2060, while the post-productive population will experience a significant increase.

Technological and production process changes have made it harder for older workers to adapt to new labour market demands, primarily due to outdated knowledge and skills. Those employed long-term in the same company, where their roles have become obsolete due to technological, economic, or organisational changes, face significant challenges. Their insufficient adaptability and discouragement from struggling to find suitable employment can lead to increased inactivity among this group. **Educational levels of the elderly hinder their adaptation to the digital economy. This issue, along with inadequate state funding for higher education, represents a significant weakness in transitioning to an information society.**

In Serbia, as of 2019, 23.8% of the elderly reside in single-person households. Among them, one-third face significant challenges in daily household tasks, including grocery shopping and household chores. Representatives from institutions and companies in Serbia noted, that while the strategic framework of employment policy acknowledges the challenges faced by the 50+ age group in finding employment, **there are no specific measures tailored for this demographic besides subsidies for their employment.** In contrast, **other groups like young people, Roma, and people with disabilities have specialised programs.** Older women face compounded challenges due to age, lower education levels, and fewer years of work experience, leading to greater discouragement in the job market. Harmonizing employment policies with gender equality initiatives is

crucial to strategically and systemically improving the employment situation for older women and the elderly in general.

## Croatia

Croatia is undergoing significant demographic shifts, with a noticeable rise in older workers aged 50-64 and over 65. Older individuals are increasingly choosing to extend their working lives, adapting to the challenges posed by an ageing population. Unemployment rates have dropped across all age groups, showcasing substantial progress in reducing both youth and elderly unemployment. This success underscores the impact of training programs and requalification efforts. Croatia's situation mirrors broader trends observed in the EU, where similar challenges, such as workforce ageing and pension reforms promoting longer working lives, are being addressed. Although Croatia's employment rates for older age groups slightly trail behind the EU average, there's a positive trajectory towards improvement.

The management of workforce ageing in Croatia necessitates collaboration among government agencies, business associations, educational institutions, and NGOs. **Key strategies involve pension reforms, employment programs, and health initiatives tailored for older workers.** The Croatian Employment Service plays a pivotal role in executing these workforce management programs. Challenges in employing individuals over 55 include **adapting work conditions, addressing skill gaps, and ensuring sufficient pension conditions.** To tackle these challenges, strategies focus on enhancing workplace flexibility, providing training, mentorship, and tailored health programs for older workers. Croatia places a strong emphasis on lifelong learning initiatives to bolster the employability and social inclusion of older individuals, aligning with EU policies that advocate active ageing through personal development.

Initiatives aimed at promoting social inclusion and fostering intergenerational cooperation are essential in managing ageing. Programs such as local retiree clubs and joint educational activities serve as bridges across generational gaps, fostering social

cohesion and reflecting EU strategies for encouraging active participation across different age groups.

## Germany

Germany's contemporary landscape is multifaceted, encapsulating intricate demographic shifts, nuanced political dynamics, and evolving economic reforms. Demographically, the nation contends with the ramifications of an ageing population and diminishing birth rates, which strain social services and exacerbate labour market pressures. Migration patterns, both internal and external, further shape Germany's demographic makeup, **with significant inflows of migrants contributing to regional disparities while underscoring the nation's ongoing efforts to integrate diverse populations.**

Politically, Germany's landscape is characterised by a spectrum of ideologies represented by major parties like the Christian Democratic Union (CDU), Social Democratic Party (SPD), and Green Party. Coalition governments, reflective of the proportional representation electoral system, underscore the necessity for consensus-building in policy formulation. These political dynamics intersect with economic reforms, notably in the realm of pension restructuring, aimed at balancing the financial sustainability of social welfare systems with the imperative of addressing demographic challenges and ensuring equitable retirement provisions.

Economically, Germany grapples with the imperatives of digital transformation and workforce adaptation in an increasingly globalized environment. The COVID-19 pandemic has accelerated trends toward remote work arrangements, prompting reflections on productivity, job creation, and workforce well-being. Initiatives such as the "Perspective 50 Plus" program underscore the nation's commitment to addressing employment challenges among older workers, while ongoing efforts to navigate the complexities of digitalization underscore Germany's proactive stance in fostering inclusive growth and sustainable development.

## Hungary

Hungary is experiencing a significant demographic shift with a declining and ageing population, projected to fall to around 8.7 million by 2050. This trend is driven by low birth rates and substantial emigration, particularly among young, educated individuals. The increasing proportion of elderly citizens and a high old-age dependency ratio pose challenges to sustaining economic growth and maintaining social services. These demographic changes threaten the workforce availability and the socio-economic stability of the nation.

To address the challenges posed by an ageing workforce, **Hungary has implemented several age management strategies aimed at maintaining the employability and productivity of older workers.** The gradual increase in the retirement age to 65 by 2022 is one such measure, designed to keep older individuals in the workforce longer. Additionally, the establishment of pensioner cooperatives in 2017 has facilitated employment for retirees by providing tax incentives for both employers and employees. **However, despite these initiatives, older workers often face significant barriers, including age discrimination and difficulties in adapting to the fast-evolving job market.** To mitigate these issues, targeted training and development programs are essential. These programs focus on enhancing digital literacy and other relevant skills, thereby helping older employees remain competitive. Furthermore, fostering a supportive work environment that values the experience and expertise of older workers can enhance their job satisfaction and productivity, ultimately benefiting both employees and employers.

The ageing population in Hungary presents challenges and opportunities for the socio-economic landscape. The National Strategy for Ageing aims to keep older adults active and independent, promoting lifelong learning and flexible working conditions. Employment rates for older workers (55-64) have increased, but stereotypes and discrimination remain significant barriers. Addressing these issues involves raising

awareness about the value of older workers and implementing anti-discrimination policies. Leveraging the skills of the older workforce can help mitigate the economic impacts of ageing and create a more inclusive labour market.

## Bulgaria

Bulgaria faces intricate demographic dynamics characterised by population decline and ageing patterns. The 0.5% decrease in 2022 underscores multifaceted challenges, spanning economic ramifications to social welfare concerns. This demographic shift, alongside a 23.5% elderly populace, underscores the pressing need for tailored age management strategies. Evolving workforce landscapes necessitate policies enhancing the employability and productivity of older adults. **The delicate equilibrium between sustaining senior labour force participation and fostering youth opportunities highlights the complexity of age management initiatives within Bulgaria's socio-economic framework.**

Addressing the multifaceted facets of ageing within Bulgaria's demographic landscape necessitates a comprehensive approach encompassing health, employment, and social integration. With initiatives like the National Strategy for Active Life of the Elderly, the focus extends beyond mere workforce participation to encompass holistic well-being and societal engagement. As Bulgaria navigates the challenges posed by an ageing population, the imperative lies in fostering environments conducive to healthy and productive ageing. This entails not only adapting healthcare systems to **meet the evolving needs of seniors but also creating inclusive workplaces and communities that value the contributions of older adults.**

In response to the profound demographic shifts, Bulgaria endeavours to navigate the intricate terrain of age management through collaborative policymaking and innovative interventions. Initiatives such as the Evergreen Talents 55+ platform signal a concerted effort to harness the potential of older adults in the workforce while addressing age-related barriers to employment. However, the effectiveness of such endeavour's hinges

on a nuanced understanding of age-related dynamics and the implementation of targeted measures that reconcile the aspirations and capabilities of different age cohorts. As Bulgaria charts its course amidst demographic transitions, the pursuit of sustainable age management strategies emerges as a pivotal determinant of its socio-economic trajectory in the years ahead.

### **Czech Republic**

In the Czech Republic, demographic ageing presents a significant challenge, with a notable proportion of the population aged 65 and above. This demographic shift has spurred the development of comprehensive strategies to address the ageing workforce and ensure sustainable employment opportunities for older individuals. Active employment policies, including job creation initiatives, counselling services, and retraining programs, are being implemented to maximize employment prospects, particularly for those aged 55 and above. These efforts are underpinned by the recognition of the valuable skills and experience that older workers bring to the workforce, highlighting the importance of leveraging their contributions for economic growth.

Central to these strategies is the Strategic Framework of the Czech Republic 2030, which underscores the need to support the silver economy and promote lifelong learning initiatives tailored to older individuals. Additionally, personalized approaches to employment support are prioritized, acknowledging the diverse needs of older workers and disadvantaged groups. Efforts are also directed towards raising awareness among employers about the benefits of age management and fostering age-friendly workplaces. This includes initiatives to promote socially responsible entrepreneurship and encourage companies to implement practices that support the integration and retention of older workers.

Despite positive attitudes towards older workers' qualities such as loyalty and reliability, challenges persist, including perceived barriers to adapting to new technologies and accessing further training opportunities. Addressing these challenges requires a

multifaceted approach, combining targeted retraining programs, flexible work arrangements, and efforts to combat age discrimination in the labour market. By actively engaging in the development and implementation of policies to manage the ageing workforce effectively, the Czech Republic aims to harness the potential of older workers for both economic sustainability and social inclusion.

### **Slovak Republic**

Slovak republic has **implemented various age management measures at systemic and practical levels, particularly within non-profit organisations and international companies**. These efforts include supportive legislation, educational initiatives, and counselling programs. However, enforcement of these measures remains insufficient. The IntegrAGE project highlighted the importance of the NPAS and maintaining high standards in educational programs on age management, with certification being crucial for quality assurance.

Recognition initiatives like **the Age Management Award** commend companies for promoting active ageing, and organisations like SAAMS contribute to creating favourable conditions for diverse entities. Despite numerous educational programs, Slovakia lacks a systematic approach to ensure their quality and financing, making it difficult for individuals, especially those aged 55 and above, to participate. Additional support, such as flexible learning schedules and access to online resources, is needed to encourage adult education.

Training and development initiatives for older employees, including online festivals and webinars, have been successful. **However, there is a lack of research on the educational needs of adults, particularly those aged 55 and above, highlighting the need for targeted studies in this area.**



## 4.3. Evaluation of findings

### Slovenia

- Effectively addresses issues concerning the silver generation through coordinated efforts among various stakeholders.
- Implements financial incentives for employers hiring older workers and provides grants for older entrepreneurs.
- Offers personalised job search assistance, job fairs, courses, and re-skilling programs.
- Provides temporary job opportunities, community service roles, mentorship programs where older workers mentor younger colleagues, and career transition support.
- Organisations adopt several measures to support older employees.

### Austria

- Retirement age adjustments – gradual increase of women’s retirement age to align with men’s by 2033.
- Due to generous early retirement provisions, the retention of older workers is low. Therefore, Austria offers incentives to work longer, encouraging later retirement.
- Existing support programs includes:
  - Financial assistance for workers aged 50+.
  - Employment initiatives for those 50+ facing employment challenges.
  - Encouragement of partial retirement and age-neutral employment measures.
  - Training programs for older workers to enhance employability.

## Republic of Serbia

- Decline in working-age population – significant reduction expected by 2060.
- Older workers struggle with outdated skills and technological changes.
- Insufficient support – limited measures tailored for older workers exist beyond employment subsidies.
- Facing gender-specific issues: older women encounter compounded challenges due to age, education, and work experience disparities.

## Croatia

- Demographic shifts – increase in older workers, decrease in younger workers.
- Reduction in unemployment across all age groups due to training and requalification efforts.
- Collaborative efforts – government, business associations, educational institutions, and NGOs working together to address issues of the silver generation.
- Specialised healthcare programmes and initiatives promoting social inclusion and intergenerational cooperation.

## Germany

- Ageing population: challenges with low birth rates and migration patterns.
- Political and economic reforms: pension restructuring and workforce adaptation to digitalisation.
- Employment programmes: "Perspective 50 Plus" program to address older worker employment challenges.

## Hungary

- Declining population – projected decrease to 8.7 million by 2050.
- Age Management strategies – retirement age increase, pensioner cooperatives.
- Employment barriers – age discrimination and adaptation difficulties.
- National Strategy for Ageing – focus on active and independent ageing, lifelong learning, and flexible working conditions.

## Bulgaria

- Population decline and ageing (0.5% decrease in 2022, 23.5% elderly population).
- National Strategy for Active Life of the Elderly.
- Balancing senior labour force participation with youth opportunities.
- Collaborative efforts – policies enhancing employability and productivity of older adults.

## Czech Republic

- Demographic ageing – a significant proportion of the population aged 65 and above.
- Employment strategies: job creation, counselling, and retraining programmes.
- Strategic framework: support for the silver economy and lifelong learning.
- Age-friendly workplaces: promotion of socially responsible entrepreneurship and integration of older workers.

## Slovak Republic

- Has implemented various age management measures at systemic and practical levels, particularly within non-profit organisations and international companies – supportive legislation, educational initiatives, counselling programmes.
- Recognition initiatives: Age Management Award and contributions from SAAMS.
- Lack of systematic approach to Age management in general, quality assurance and financing of educational programmes for older adults.
- There are successful training initiatives such as online festivals and webinars. There is a need to establish WAI in organisations.

## Bosna and Hercegovina

- Bosnia and Herzegovina is facing significant demographic changes and an aging population. According to the last population census from 2013, the share of the elderly in the BiH population has doubled compared to the situation in 1991 (from 6.5% to 14.2%).
- Limited job opportunities for older workers, and cultural attitudes that may undervalue the contributions of older employees.
- Social exclusion and economic poverty are affecting elderly individuals. Systemic discrimination to ensure that elderly individuals are not excluded from economic, social, political, and cultural life needs to be adressed.
- The memories, knowledge and experiences of the elderly, passed on to younger generations, are of the greatest importance for future generations - to support generational mix is crucial.

## 4.5. Evaluation

Overall, the selected countries exhibit **various degrees of advancement and challenges in managing an ageing workforce**. Key findings include:

1. Across Europe, the population is aging, leading to a future shortage of human resources. Keeping older employees in work for as long as possible is one solution.
2. Age management refers to strategies and practices aimed at optimizing the performance, well-being, and engagement of employees of all age groups within an organization. It acknowledges the diversity in age demographics within the workforce and seeks to leverage the strengths and capabilities of employees at different stages of their careers, including older workers.
3. Retirement age adjustments: Austria, Hungary, Czech Republic, and other countries are adjusting retirement ages to encourage longer workforce participation.
4. Employment support programs implementing programs to support older workers and emphasising financial assistance, retraining, and flexible work conditions, are implemented in many countries. Austria, Croatia, Slovenia, Hungary, Germany, Czech Republic, Slovakia. However, this varies by country, and in some places, such support is limited, for example, it is only provided partially or at the level of international corporations. In most countries, systematic support is absent, and awareness of the importance of age management, work ability, and work-life balance is low.
5. The age group 55+ is not specifically designated in almost any country. In the context of unemployment, the age group 50+ is often mentioned. Job seekers aged over 50 have a disadvantaged status in Slovenia, Austria, Serbia, Croatia, Germany, Hungary, Bulgaria, Czech Republic, Slovak Republic, Bosna and Hercegovina. Participants in employment support programmes receive personalised, long-term

information regarding life, labour market opportunities, and the regulatory framework in their desired destination country. Additionally, they receive financial support to overcome any potential challenges. In the Czech Republic, Slovenia and Slovak Republic, there is free mediation of employment and unemployment benefits. However, mentoring in Slovakia is sporadically provided. Jobs seekers allowance is offered between 90 days up to half a year under specific conditions. Active employment measures are training and education, recruitment incentives, job creations (public works and social entrepreneurship), self-employment promoting.

6. Health and social inclusion: Croatia and Bulgaria are focusing on integrating health services and promoting social inclusion, which are critical for maintaining the well-being of older populations. Social inclusion and gender balance is key topic for Bosnia and Hercegovina and Serbia as well.
7. Challenges with adaptation: every country encounters substantial hurdles in developing skills and competencies for older workers, particularly in digital and technological areas. Serbia and Hungary reported that they face significant barriers related to outdated skills and technological changes, highlighting the need for ongoing training and development.
8. Recognition initiatives and awards demonstrate the importance of acknowledging and promoting best practices in age management.
9. Educational initiatives: despite numerous training programs, many countries lack a systematic approach to ensure quality and accessibility, particularly for the 55+ age group. In this context, it is important to explore educational methods that are friendly to older people, such as a slower learning pace for the development of digital competencies

10. Anti-Discrimination and awareness campaigns: Multiple countries are addressing age discrimination through targeted campaigns. For instance, in Slovenia, 42% of respondents believe discrimination against individuals over 55. Similar concerns are noted in different European countries, where older workers often face biases in recruitment and workplace opportunities. These findings highlight the need for comprehensive anti-discrimination and awareness campaigns across various countries to combat age-related biases and promote the value of an inclusive, age-diverse workforce.

**Effective management of an ageing workforce requires comprehensive and multifaceted strategies, including legislative adjustments, targeted support programs, lifelong learning initiatives, and collaboration among government, business, and educational institutions. Addressing discrimination and promoting inclusive workplaces are crucial for leveraging the potential of older workers and ensuring socio-economic sustainability.**



## 5. Recommendations for Age management

Below, we present the areas for recommendations that emerged from the text. Considering that the level of implementation and knowledge of age management is weak in several countries, it is necessary to disseminate and popularise this issue.

### 1. Increase awareness of Age management

- Launch targeted campaigns for executives, HR managers, and employees to raise awareness about age management practices through various channels like webinars, social media, and company newsletters.
- Implement LinkedIn campaigns and podcasts highlighting the benefits of age diversity and inclusive practices.
- Conduct public information campaigns to combat age stereotypes through stories and interviews with older workers.
- Distribute brochures and conduct lectures emphasizing the value of employees aged 55+, showcasing their skills and experience.
- Host workshops and create educational materials to motivate employers to hire and retain older workers.
- Introduce incentives for employers, such as tax benefits or recognition programs, to support an inclusive work culture.

### 2. Support tools development for age management

- Implement a standardised age management methodology.
- Develop comprehensive training materials and methodologies to eliminate ageism, addressing the needs of different age groups, from new graduates to older employees.
- Expand the implement Work Ability Index – or other similar measurements.

**3. Flexible working conditions**

- Introduce flexible working conditions for older employees. Allow adjustments to working hours, including flexible hours, remote work, and job-sharing options, particularly for physically demanding roles.

**4. Reduce age discrimination**

- Reduce incidents of age discrimination. Create and enforce guidelines with clear sanctions for age discrimination, promoting the recognition and value of older employees' qualifications.

**5. Support development of skills and competencies employees 55+**

- Enhance digital and technological skills of employees aged 55+. Develop tailored training programs to improve digital literacy and technological skills, with specific modules for older employees.
- Launch media campaigns and podcasts promoting lifelong learning and continuous skill development.

**6. Establish mentoring programs**

- Create guidelines for mentoring programs that facilitate knowledge transfer between generations, including reverse mentoring.

**7. Implement comprehensive health support programs.**

- Raise awareness about health and safety.
- Ensure workplaces are ergonomically adapted for older employees and include mental health resources and stress management programs.

**8. Propose legislative changes to promote age diversity and inclusion (systemic measures)**

- Ensure anti-discrimination laws.
- Ensure equal job opportunities, and pension policy reforms to protect older workers' rights.
- Ensure a fair recruitment process for human resources without discrimination against older individuals.

**9. Set and implement international quality standards in adult education and ensure sustainable funding**

- Develop a quality assurance system for adult education that meets international standards, ensuring consistency and effectiveness.
- Secure sustainable funding for adult education programs. Implement systemic measures to finance adult education, ensuring accessibility and continuity of learning opportunities for older employees.

This recommendation applies to countries where the system has not been implemented or is ineffective.

These recommended areas of measures should form a comprehensive strategy that promotes an inclusive work environment, values the contributions of older employees, and ensures continuous learning and skill development, thereby enhancing overall company engagement in age management practices. These recommendations will be further elaborated in different deliverables and are based on preliminary analyses. They are intended as initial guidelines and are not yet precisely defined.

## 6. Conclusion

Presented document is the synthesis of analysis and common findings across 10 analysed countries – Slovenia, Austria, Republic of Serbia, Croatia, Germany, Hungary, Bulgaria, Czech Republic, Slovak Republic, Bosna and Hercegovina. A comprehensive summary highlights overarching trends, challenges, and best practices. This synthesis aims to distil valuable insights that can inform cross-country strategies and initiatives, fostering a collaborative and informed approach to addressing the employment needs of the ageing population. By presenting both country-specific challenges and overarching patterns, this document seeks to contribute substantively to the development of effective policies and interventions that support meaningful and sustainable employment opportunities for individuals aged 55 and above. Based on the analysis findings, recommendations for national policies were formulated. These recommendations offer insights to policymakers, stakeholders, and relevant authorities. sustainable employment opportunities for individuals aged 55 and above.