



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from: Working Party on Social Questions
to: Permanent Representatives Committee (Part I) / Council (EPSCO)
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Subject: Ageing as an opportunity for the labour market and for the development of social services and community activities
- Draft Council Conclusions

In view of the forthcoming European Year for Active Ageing and Solidarity between Generations (EY 2012)¹ the Presidency has tabled this set of conclusions on a topic gaining an ever greater importance in the EU.

Delegations will find attached the draft Council Conclusions on which agreement was reached at the level of the Working Party on Social Questions.

Cyprus indicated that it will enter a Statement to the Council minutes on paragraph 3 (ADD 1).

The Committee is invited to forward the draft Conclusions to the EPSCO Council for adoption.

¹ Decision No 940/2011/EU O.J. No. L246/2011.

AGEING AS AN OPPORTUNITY FOR THE LABOUR MARKET AND FOR THE DEVELOPMENT OF SOCIAL SERVICES AND COMMUNITY ACTIVITIES

DRAFT COUNCIL CONCLUSIONS

THE COUNCIL OF THE EUROPEAN UNION,

RECALLING:

1. The European strategy for smart, sustainable and inclusive growth, EUROPE 2020², which pointed to the acceleration of ageing as one of the three structural challenges facing the European Union and stressed the need to mobilise all possible reserves to deal with the problem of a shrinking workforce, including through the involvement of older people and the building of solidarity between generations based on a high level of activity in all age groups. The urgent need to implement the structural reforms required by ageing societies was stressed in the Communication from the Commission "Dealing with the impact of an ageing population in the EU"³;
2. Guidelines 7 and 8 for the employment policies, which called on Member States to aim to raise to 75% the employment rate for women and men aged 20-64 in the EU, including through the greater participation of *inter alia* older workers. Guideline 10 called on Member States *inter alia* to concentrate their efforts on ensuring equal opportunities at different stages of people's lives, including through access to high quality, affordable, and sustainable services, in particular in the social field⁴.

² Communication from the Commission of 3 March 2010 "EUROPE 2020 A strategy for smart, sustainable and inclusive growth", COM(2010) 2020, and European Council Conclusions of 17 June 2010 adopting the strategy, EUCO 13/10.

³ COM(2009) 180.

⁴ Council Decision of 19 May 2011, 2011/308/EU.

3. The Joint Employment Report in the context of the Annual Growth Survey 2011, which gave political guidance on employment policies, encouraging Member States *inter alia* to increase the effective retirement and exit ages by reducing early retirement schemes and adapting pension rights to developments in life expectancy, to link pension entitlements more closely to contributions paid and to increase active ageing policies, including access to training and better health and working conditions for older workers⁵. Addressing premature exits from the labour market was also a vital element of the Council Recommendations concluding the first European Semester;
4. The EPC-SPC Joint Report on Pensions, which stressed *inter alia* that growth prospects, appropriate work incentives, open labour markets and increasing effective retirement ages are needed to enable more people to work more and longer; and that extending working lives would contribute to improve the sustainability and adequacy of pension systems⁶;
5. Member States and the Commission have been invited to create common principles specific to employment policies for active ageing through the Employment Committee (EMCO) and with the cooperation of Social Protection Committee (SPC), in line with their Treaty-based mandates, in the context of the overall common principles for active ageing⁷;
6. "The Agenda for new skills and jobs"⁸ stresses the need for the enhanced implementation of flexicurity through a new balance within and between its four components⁹, which may be an effective means of increasing the activity of all age groups, including through the creation of opportunities to better adapt jobs to individual needs, and therefore constitutes a factor that facilitates career extension and transitions of older people from unemployment to re-employment;

⁵ Council Conclusions of 7 March 2011, doc. 7397/11.

⁶ Doc. 15886/10.

⁷ Council Conclusions of 6 December 2010 on the impact of an ageing workforce and population on employment policies, doc. 18132/10, Council Conclusions of 7 June 2010, docs 9489/10 + COR(1+2+3).

⁸ "An Agenda for new skills and jobs: A European contribution towards full employment", COM(2010) 682.

⁹ The four components consist of: (i) flexible and reliable contractual arrangements; (ii) comprehensive life-long learning; (iii) Active Labour Market Policies; (iv) modern Social Security Systems.

7. "The European Platform against Poverty and Social Exclusion"¹⁰ indicates increasing labour market participation as an important factor in reducing poverty and social exclusion, and stressed the need to ensure the adequacy and long-term sustainability of pensions systems for preventing and tackling elderly poverty and the need to ensure access to care services;
8. The European Pact for Gender Equality 2011-2020¹¹ reaffirms the need to promote a better work-life balance for women and men throughout the life course by improving the supply of adequate, affordable, high-quality childcare services and the provision of care facilities for other dependants and by promoting flexible working arrangements and various forms of leave for both women and men;
9. The Council Conclusions "Equal opportunities for women and man: active and dignified ageing", which recognised that, throughout the Union, older women and men face serious challenges as they seek to live active lives and to age with dignity, and proposed a number of measures to Member States and Commission, including the promotion of active ageing policies, taking into account the different situations in the various Member States and the different challenges faced by women and men¹²;
10. The Decision of the European Parliament and of the Council on the European Year for Active Ageing and Solidarity between Generations (EY 2012)¹³, which seeks to promote active ageing, to increase awareness of the contribution of older people to society and to do more to mobilise the potential of the rapidly growing population in their late 50s and over;

¹⁰ Communication from the Commission of 16 December 2010 – "The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion", COM(2010) 758.

¹¹ Council Conclusions of 7 March 2011 adopting the European Pact for Gender Equality 2011-2020, doc. 7370/11.

¹² Council Conclusions of 8 June 2009 on "Equal opportunities for women and men: active and dignified ageing", doc. 10412/09

¹³ Decision No 940/2011/EU O.J. No. L246/2011.

TAKING INTO CONSIDERATION:

11. The opinion of the European Economic and Social Committee¹⁴, which explores opportunities and needs in relation to making greater use of older people's employment potential, as well as the growing importance of the "silver generation" for the economy as a whole, and presents a package of specific measures needed to promote work that accommodates older people;
12. The Council Resolution of 22 February 2007, which emphasises the importance of older people for the economy and society and the consequent need for these people to remain active, and indicates the opportunities to improve the competitiveness and growth potential of the European economy and to create jobs by meeting the growing demand of older people for specific, tailored goods and services ("silver economy");
13. The outcome of the Presidency conference "Challenges and Opportunities for Employment vis-à-vis Demographic Changes", which took place on 10-11 October 2011, contributing to better identification of barriers and opportunities for employment of older persons;
14. The Council Conclusions of 3 October 2011 on the role of voluntary activities in social policy, which underline the importance of voluntary activities in supporting active and dignified ageing, and solidarity between generations;¹⁵
15. The Council Conclusions of 3 October 2011 on Managing demographic challenges: Institutional cooperation of the Member States on demographic issues and reconciliation of work and family life – towards compatibility of career and family;¹⁶

¹⁴ "The future of the labour market in Europe - in search of an effective response to demographic trends", SOC/400 – CESE 1171/2011.

¹⁵ Doc. 14552/11.

¹⁶ Doc. 14553/11.

WELCOMING:

16. The EMCO report on "Reaching the Employment Target: Progress and Thematic Surveillance", which presents *inter alia* the incentives and disincentives to employment of older workers in the Member States;
17. The work on ageing developed by the social OMC, stressing the importance of a comprehensive approach towards implementing active ageing strategies and the progress made by the SPC in the context of its 2011 work programme to enhance its work relating to the ageing challenge and the establishment of the SPC working group on ageing with a view to contributing to the development of a healthy, active and dignified ageing agenda;

EMPHASISING:

18. The importance of increasing the labour market participation of older people to achieve the necessary increases in employment and to prevent poverty in old age, which is in many Member States higher than overall poverty and particularly affects women, in order to meet the headline targets of the Europe 2020 strategy;
19. That policies towards demographic changes should combine the readiness to meet the challenges and the ability to fully benefit from the opportunities resulting from these changes, including e.g. the growing demand for products and services adjusted to the needs of older persons ("silver economy") and the rising potential of older persons to contribute to the wellbeing of society through involvement in activities building social cohesion and solidarity between generations in their communities;
20. That the development of the "silver economy", including social services, generates opportunities to create new, decent jobs for all working age groups as well as to improve the competitiveness and growth potential of the whole European economy;

21. The positive impact of postponing the exit of older workers from the labour market on the sustainability of public finances and the capacity to finance adequate and sustainable social policies and for balanced approaches to finance social security schemes. Timely use of these advantages is of particular importance in times of economic downturn;
22. That there is a positive relationship between the employment of young and older people: Member States with the highest employment rates among older people also have the highest employment rates among younger workers¹⁷;
23. There is a mutual relationship between successful transitions on the labour market and professional adaptability, mobility and the capacity to maintain and upgrade skills. Thus, the employability of older workers depends strongly on their former career paths. It is equally important to ensure that labour markets remain open to older workers.
24. That actions combating poverty and social exclusion in old age, particularly amongst women, should benefit from a life-cycle approach, primarily with regard to labour market activation and retention. In that respect, providing access to care services is of vital importance, especially for women, who primarily undertake care responsibilities which exposes them to the risk of becoming detached from the labour market;
25. The need for greater involvement on the part of civil society and social partners in the implementation of social and employment objectives, the development of innovation partnerships for active and healthy ageing and the active ageing initiatives at the level of the European Union, individual Member States, regions and local communities;

Taking into account their respective competences as well as the subsidiarity principle, and using the momentum created by the European Year for Active Ageing and Solidarity between Generations 2012;

¹⁷ *Pensions at a Glance 2011*, OECD 2011, p. 76.

INVITES THE MEMBER STATES AND THE EUROPEAN COMMISSION:

26. To adopt, by the end of the year 2012, common principles for active ageing, covering areas of employment, in line with the five orientations laid out in the Council Conclusions of 6 December 2010¹⁸, and areas of participation in society and healthy, independent and dignified living as indicated in other relevant Council Conclusions¹⁹, taking into account the different challenges faced by women and men and respecting the different national labour and social law systems;
27. To use the EY 2012 to strengthen active ageing policies across Europe and promote opportunities for economic growth and job creation resulting from the development of "silver economy", including in the care and healthcare sector, and thus to contribute to improved efficiency and to the sustainability of public finances;
28. To combat negative stereotypes regarding older persons in general and older workers in particular by raising awareness of the importance and usefulness of active participation of older people in family, social and economic life. It is also important to promote among older people a positive perception of their role in the labour market and in society, particularly by raising awareness of the benefits of extending their working life in good health and pursuing community activities;
29. To promote lifelong learning, mobility and the lifecycle approach to labour market transitions so that the skills of workers, particularly as they become older, match the needs of the labour markets and thus enhance their employability;

¹⁸ Doc. 18132/10.

¹⁹ See Council Conclusions of 8 June 2009 on Social Services as a tool for active inclusion, strengthening social cohesion and an area for job opportunities, doc. 10052/09, and Council Conclusions of 6 December 2010 on adequate, safe and sustainable pensions for all European citizens, doc. 16513/10.

30. To encourage and create innovation partnerships and foster the development of better knowledge on active and healthy ageing, notably in the context of the pilot European Innovation Partnership on Active and Healthy Ageing²⁰, facilitating increased activity and autonomy on the part of the elderly and the development of the "silver economy";
31. To promote older persons' involvement in community activities, *inter alia* through the promotion of volunteering;
32. To promote active participation in the EY 2012, with the involvement of a wide range of stakeholders, to take this opportunity to further develop long-term measures to anticipate and manage demographic challenges more effectively and to, with respect to media freedom and freedom of expression, encourage the media to promote awareness of the positive aspects of ageing and the value of older people to society;
33. To share information on their activities and possible commitments concerning active ageing, solidarity between generations and the "silver economy" on the EY 2012 website, and provide for the participation in this exchange of all relevant stakeholders in 2012 and beyond;
34. To identify in the forthcoming Joint Employment Reports policies aimed at improving the participation of older workers in the labour market and to better use the job creation potential of the "silver economy";

INVITES THE MEMBER STATES to:

35. Take due account of active ageing in their National Reform Programmes with a view to devising and implementing their policies in the context of the Europe 2020 strategy, and where appropriate consider the adoption of specific employment targets for older workers, taking account of Member States' relative starting positions and national circumstances, and according to their national decision-making procedures²¹;

²⁰ Doc. 17165/10.

²¹ Council Conclusions of the 6 December 2010 on the impact of an ageing workforce and population on employment policies, doc. 18132/10, paragraph 39.

36. Promote the employment of older workers through the better management and development of human resources, including special patterns of life-long learning, life-long guidance and counselling, improving access to activation measures, better work-life balance and the adaptation of working conditions to the needs and abilities of older employees by involving employers and social partners. It is equally important to simultaneously promote good working conditions for all age groups and develop the quality of working life during the whole career in order to support work ability through preventative measures and to avoid work-related illnesses and other barriers to employment;
37. Promote, with the cooperation of the social partners, age management of human resources among employers, *inter alia* by raising their awareness of the possible benefits of the life-course approach in hiring, training, retaining and reintegrating in employment and making the best use of older workers' potential, including by encouraging them to pass on their professional expertise to younger generations;
38. Combat age-related discrimination regarding employment and occupation, given that ageism is a factor of labour market exclusion for older men and women;
39. Intensify efforts, in cooperation with social partners, to raise the effective retirement age, in line with the Council Conclusions of first European Semester, *inter alia* by reducing incentives for early retirement, implementing effective incentives for longer working lives and promoting later and gradual exit from the labour market;
40. Consider how Employment Services may improve their outreach and engagement capacity for older workers through the development of services that can keep these workers active in the labour market. In this context, the exchange of experience within EMCO and the Public Employment Services network should be considered;
41. Facilitate the development of social services to help in independent, dignified and active lives of older people;

42. Continue to engage and use more efficiently the existing capacities of European financial instruments to increase the participation of older men and women in the labour market and society as a whole, develop projects aimed at mobilising older persons and making better use of their potential in the economy and in the social sphere, in accordance with the national priorities and specific situations in regions or localities;
43. Include in the public debate on various forms of activation of older persons a wide spectrum of actors, such as social partners, employment services, representatives of science and education, business, healthcare and non-governmental organizations – particularly those representing the interests of older persons;

INVITES THE EUROPEAN COMMISSION to:

44. Analyse the potential for job creation from the development of the "silver economy"; identify barriers to the use of these opportunities and ways to overcome them;
45. Take into account the needs of an ageing population when launching a new momentum for flexicurity, recognise the obstacles as well as good practices in this field and present conclusions that will provide the Member States and other stakeholders with effective implementation methods;
46. Reflect under the Mutual Learning Programme in 2012 on how to make the most of labour market opportunities resulting from demographic change as well as possibilities and experiences in the development of social services and community activities for ageing societies.