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Active and Healthy Ageing in the EU Workforce:

Delivering Productivity & Social Inclusion

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Facing the Challenge (*Wim Kok, 2004*)

An active ageing strategy requires a radical policy and culture shift away from early retirement, towards three key lines for action:

- providing the right legal and financial incentives for workers to work longer and for employers to hire and keep older workers
- increasing participation in lifelong learning for all ages, especially for low-skilled and older workers
- improving working conditions and quality in work

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Active & Healthy Ageing

- Work is an important part of 'Active' ageing
- Good jobs are good for physical & psychosocial health and for social inclusion and for enhanced productive capacity
- Older workers leaving the workforce rarely transfer their know-how adequately
- Smart employers are working hard to retain these skills



Ageing Workforce – Quick Facts (1)

- Across the EU there are twice as many workers aged 50 years or more than are aged 25 years or younger
- Across the OECD effective retirement age for men in 1968 was 68.6 years – now 63.5: this trend needs to be reversed
- In UK about 8.27 million workers are now over the age of 50 and 871,000 of them are 65 or older
- UK workers aged 50 or over are working an average of 26 days overtime per year – 11 days more than in 2002

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Ageing Workforce – Quick Facts (2)

Proportion of people aged 65-69 years still working (OECD)

50% or
more

Iceland, S Korea, Mexico

25%-50%

Ireland, Norway, Portugal,
USA, Canada, Australia

Less than
10%

Belgium, France, Spain,
Germany, Hungary,

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Workforce Health is a Productivity Issue

- Sustaining health among older workers should be a policy priority
- Work demands support maintenance of cognitive function for older workers
- Healthcare systems do not prioritise work as a Clinical outcome for older workers
- The Chronic Conditions reflection process currently understates the health benefits of work

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Example: Ageing & Work in Australia

- New data focusing on health & work in the 45-64 year-old population
- Ill-Health is a major cause of premature withdrawal from the Labour Market
- Co-morbidity strongly increases the chance of being outside Labour Market for older workers
- Ill-health related job loss among 45-64 year olds has major economic impact
- Prevention of LTCs will help older workers stay in work & increase revenue to fund healthcare

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Annual Economic Impact (45-64 year olds only)

Loss of personal income

\$18 billion

Lost income tax revenues

\$1.5 billion

Increased welfare payments

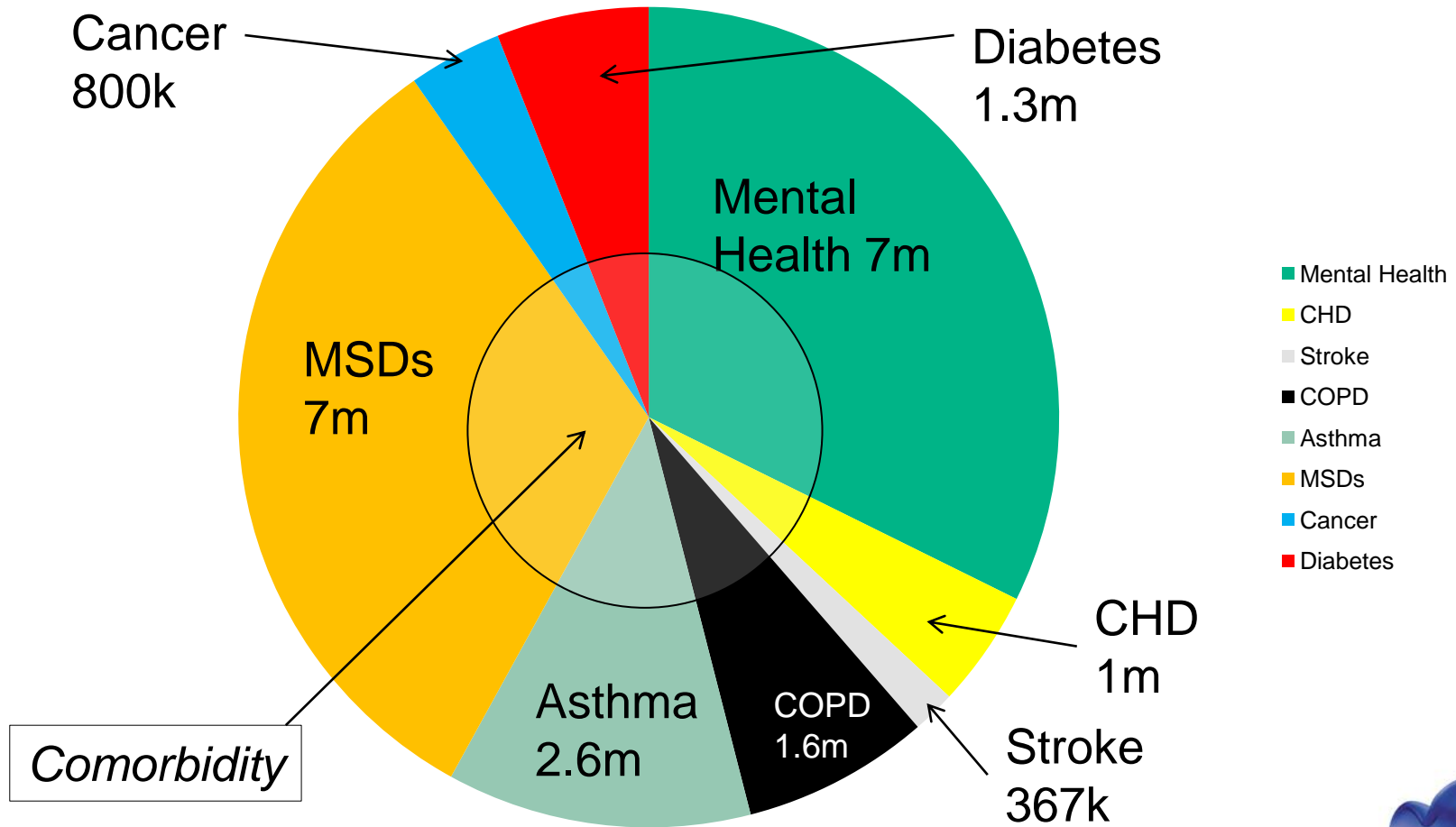
\$2.1 billion

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Example: The UK

LTCs in the UK Working Age Population - 2030



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Mental Health of the UK Workforce



- Serious mental illness 'flat' but devastating
- Trebling of depression & anxiety since early 1990's
- In UK Mental Health accounts for 2% of GDP – at least as important economically as Poverty
- 16% of adults of working age have a mental illness, of whom up to a half are seriously ill
- Accounts for over 40% of the flow onto disability benefits
- Comorbidity, self-stigma & disclosure issues
- Intensification of work and reduced autonomy



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Musculoskeletal Health in the EU Workforce: A Ticking Timebomb?

MSDs in the EU Workforce

Major cause of incapacity in the workforce

Over 40m EU workers have MSDs

MSDs – cause 49% of absence from work



Major & growing impact on productivity, labour market participation & social inclusion as the workforce ages & health spending is scrutinised

MSDs cost €240 bn each year – 2% of GDP

Some workplace risks for MSDs growing

Pre-existing MSDs & psychosocial factors understated

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Responses

- Active labour market policy to support job retention and return to work for older workers
- Clinical interventions which prioritise 'work' as an outcome
- Adoption of flexible working policies which allow greater choice over working time
- Practices to support knowledge-transfer & retention of know-how



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