

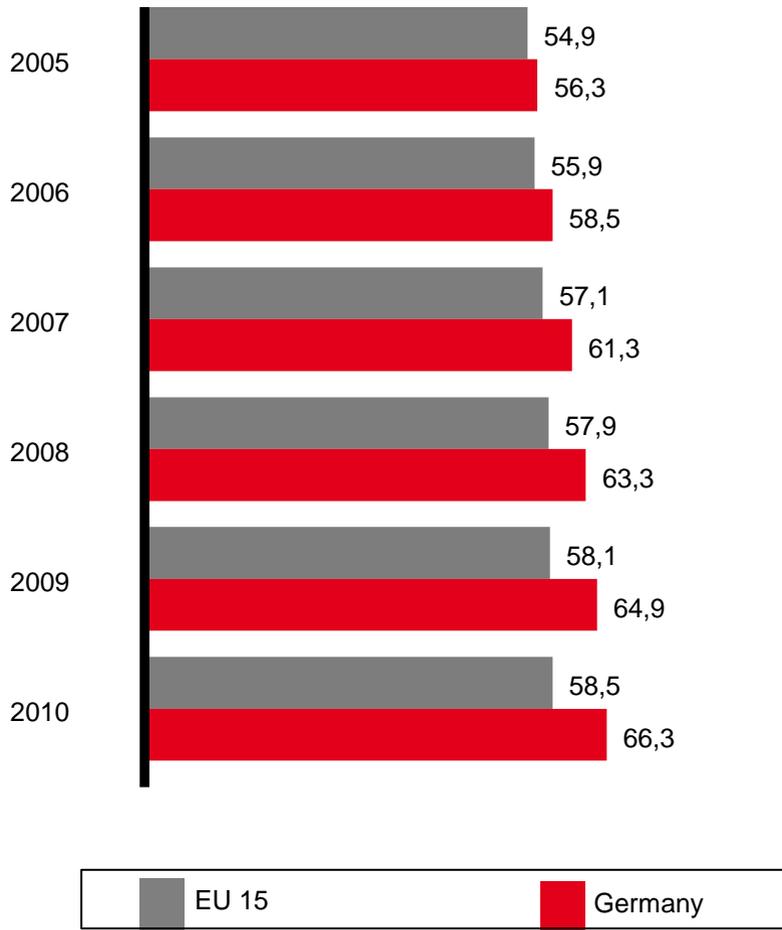
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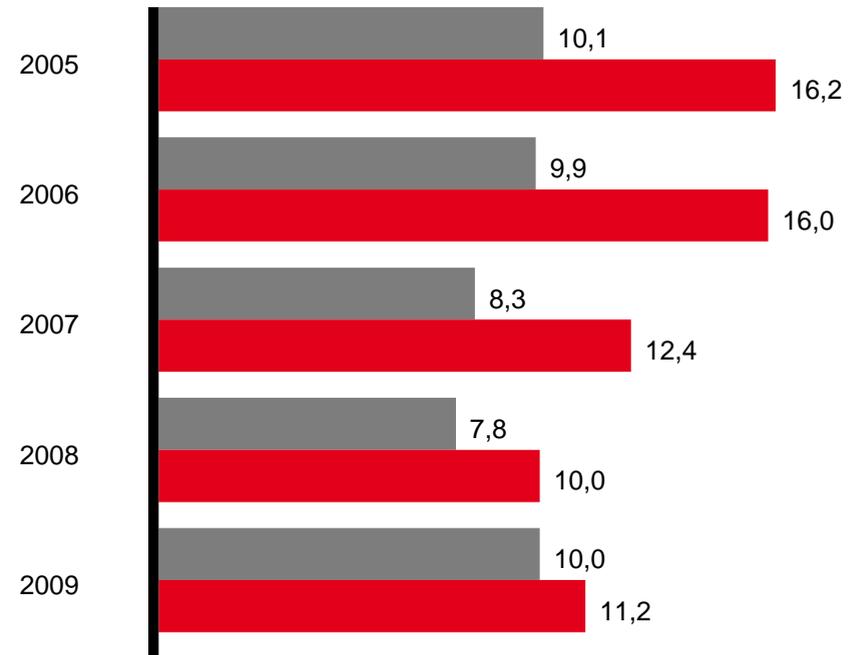
PES and older workers

The Labour Market for Older Workers in Germany

The employment rate of the age group 50-64 has increased

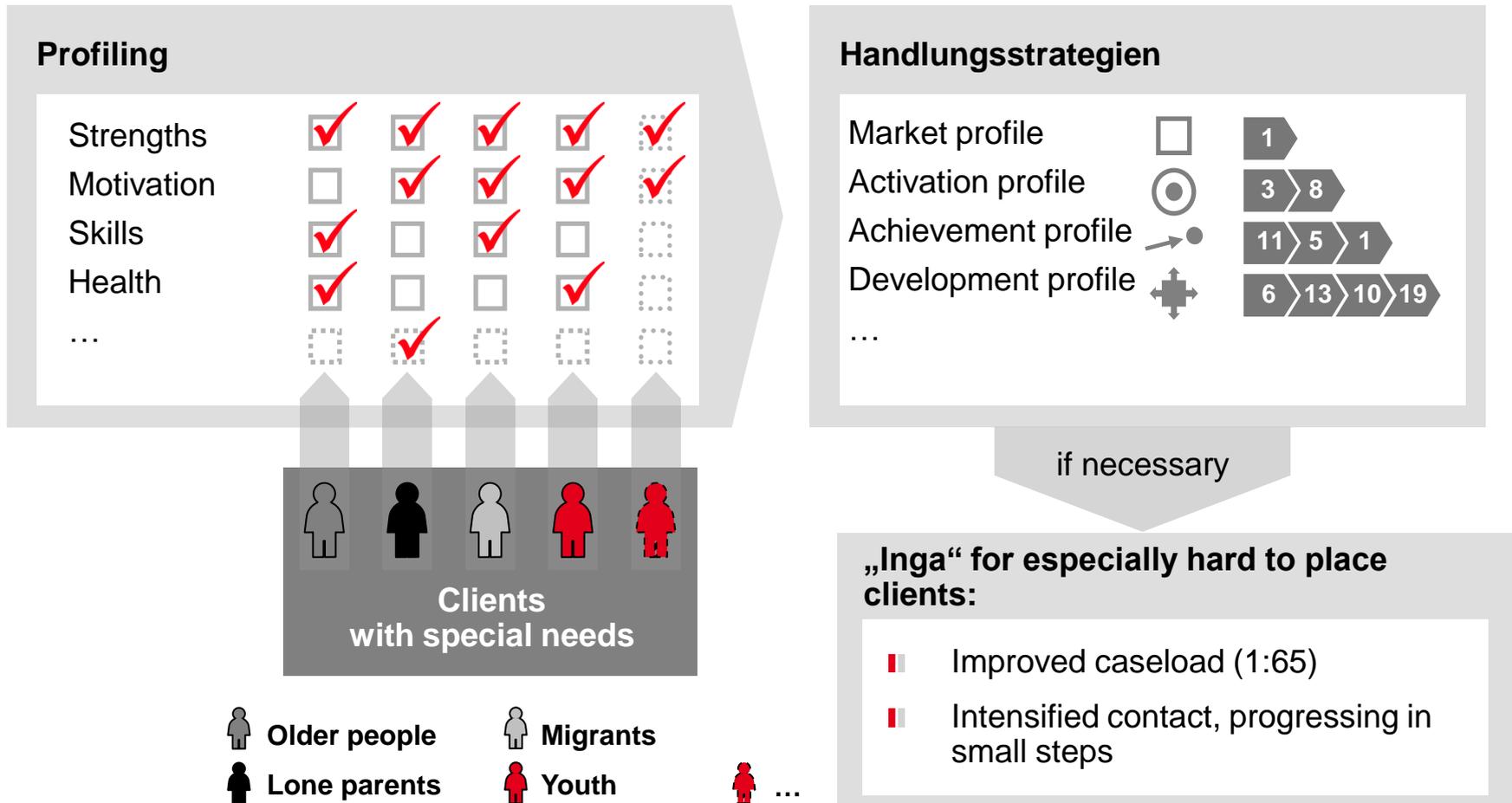


The unemployment rate of older workers has reduced significantly



The Individual Approach in Placement and Counselling

The 4 Phase Model



The Preventative Approach

The BA supports, where employees and employers are not able to help themselves:

- Awareness-raising with respect to the employment issues of older workers
- Skills and qualification counselling for small and medium-sized enterprises
- Promotion of training measures for employees (low qualified and/or older workers in SMEs)

Skills and qualification counselling for small and medium-sized enterprises

During the last years, three models have been piloted:

Basic model

- Counselling by the regional employers services regarding questions on further training

Cooperation model

- Counselling by the regional employers services regarding questions on further training
- Support for the implementation of specific training measures in firms
- Initiation of qualification networks

Funded network model

- Assignment of private providers in charge of
- Counselling and identifying firm-specific qualification and skills needs
 - Establishing an industry-specific qualification network
 - Setting up a joint programme of further training

- Nearly 800 enterprises have participated in the different counselling activities
- The duration of the counselling has ranged from three months up to two years
- The proportion of older workers participating in further training has differed from model to model.
- In the cooperation model, 30 percent of the participants were older than 45 years, in the funded network model the proportion lies at 40 percent

Further Training of older employees (WeGebAU)

Objectives

The objectives of the WeGebAU programme are:

- increasing the company's interest in the further training of older employees
- intensifying further training of employees
- identifying the skills potentials in a more intensive way
- improving the skills level of employees, and
- supporting the improvement of skills levels through assistance

WeGebAU - Details

- WeGebAU is designed for three groups of employees
 - low qualified (independent of age and company size):
→ focus on vocational qualification
 - employees under 45 in SME } → focus on further training
 - employees over 45 in SME

- For employees over 45: up to 75 percent of the training costs can be financed
- Requirements:
 - company < 250 employees
 - certified training measure outside the company
 - minimum duration 4 weeks/ 160 hours
 - employer covers min. 25 percent of training costs
 - employer guarantees leave of absence with continuation of payment

- In 2011, about 5,100 older workers were supported through WeGebAU.

WeGebAU - Results

Analyses by the IAB show:

- Almost half of all companies know that BA supports the further training of older employees.
- Almost one quarter of the companies that knew WeGebAU made use of these funds.
- Microenterprises are particularly hard to reach with regards to on-the-job training.
- 85 percent of the companies that used WeGebAU rated the results positively.

WeGebAU – Success factors and challenges

Success factors:

- Labour market conditions: rising labour force shortages promote companies' concerns about further training measures
- Public relations: companies have to be aware of existing promotion possibilities
- Counselling: helps companies in identifying their needs for upskilling and qualifying their employees

Challenges (IAB company survey):

- companies see no need for upskilling and qualifying (73%)
- labour slack is hard to compensate (15%)
- administration effort is too high (16%)
- employees are not interested in further training (12%)
- further training is hard to organize (12%)
- costs are too high or promotion is too low (11%)

Source: IAB

Older unemployed participate in regular ALMP measures

Participation of age group 50+ in ALMP measures:

ALMP Measure	2009	2010	2011
	Share of 50+ (per cent)	Share of 50+ (per cent)	Share of 50+ (per cent)
Placement measures	18	18	21
Activation and integration measures	18	17	18
Further training	15	15	15
Integration subsidies	24	27	29
Self employment grant	14	16	17
<i>Unemployed</i>	25	28	31

A Successful Measure for long term unemployed: Perspective 50plus

- Supporting older long-term unemployed within the legal sphere of SGB II is part of the perspective 50plus federal programme funded by the Federal Ministry of Labour and Social Affairs.
- The federal programme started in October 2005 and has now entered its third programme phase.
- It follows a regional approach and now is the umbrella for 78 regional pacts covering 421 job centres.
- The objectives of the perspective 50plus federal programme are above all:
 - integration of older unemployed persons in the labour market
 - development and implementation of innovative strategies and approaches in the regional context: local responsibilities – model projects – testing – sustainability
 - initiation and establishment of binding network structures in the regions
 - raising enterprises' awareness of the demographic change: employment of older workers in enterprises
- The overall yearly budget is € 350 million
- In 2011, 200,000 older long-term unemployed participated in the programme, and 90,000 took up employment .

Conclusions

- To overcome the consequences of demographic change is one of the most challenging tasks for the coming years – for all parties involved.
- Efforts not only to ensure that older workers remain in employment, but also to help them get a new job in the case of unemployment should be increased.
- To contribute to these efforts, the BA has two strategies: Increased integration efforts and stabilising employment relationships
- Experience in recent years show that placement activities and measures work best if they are individualised and tailor-made.
- The BA can create added value in stabilising employment relationships by intensive employer counselling especially for small and medium-sized enterprises

