Dealing with Stress and Burnout

- Survey showed much stress and burn out.
- Now many teachers are sent on 2 week course, "educated and guided" in how to handle difficult children with behavioural problems or difficulties adjusting to their environment.
- Free consultations with psychologist offered all teachers under pressure.

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Flexible work arrangements

- Difficulty in recruiting; high turn over
- Over past 6 years municipality worked hard to improve working environment for teachers.
- Those with reduced work capacity given "light duties" in flex job. Flex job has supplement (up to 2/3 normal pay) to boost pay to normal level.
- Hence teachers with disability or illness not excluded from labour market.
- Special allowance awarded to 62+ teachers as incentive to stay.
- For 60+ teachers, hours reduced by 175 yearly.

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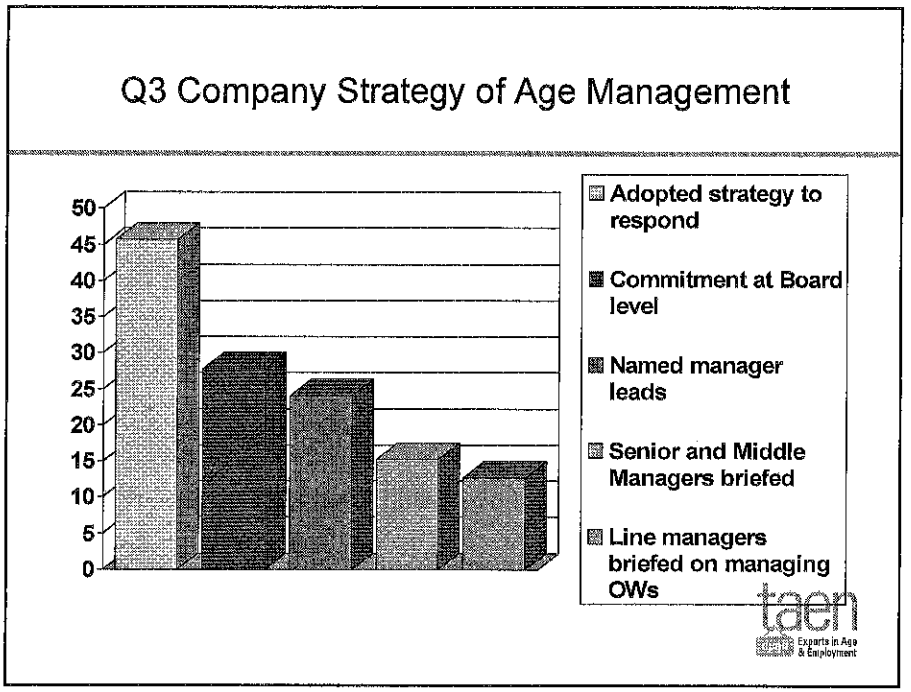
Q3 Company Strategy of Age Management
50
45
40
35
30
25
20
15
10
5
0
Adopted strategy to respond
Commitment at Board level
Named manager leads
Senior and Middle Managers briefed
Line managers briefed on managing OWs
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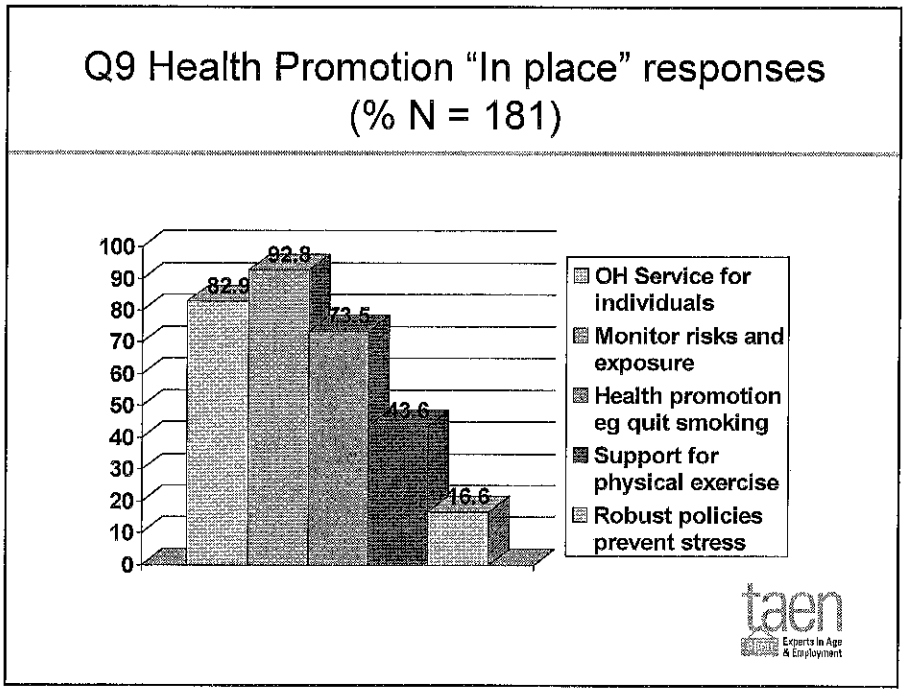
Q9 Health Promotion "In place" responses
(% N = 181)
100
90
80
70
60
50
40
30
20
10
0
82.9
92.8
73.5
43.6
16.6
OH Service for individuals
Monitor risks and exposure
Health promotion eg quit smoking
Support for physical exercise
Robust policies prevent stress
taen
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What should insurance employers do?

- Collect and appraise existing practice sector wide.
- Emphasise age and demographics as crucial elements in company HR / CSR strategies.
- Thought leadership, tools, employee engagement, the business case.
- Age management as response to demographic risks.
- Support "silver workers" but also support retention of employability throughout life.

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Alliances supporting fourth pillar work?

- World interest in age management and 50 + worker initiatives (AARP best employers award, ESF Age Network etc).
- A strengthened fourth pillar approach to influence thinking and practice.
- Finnish insurance industry example.

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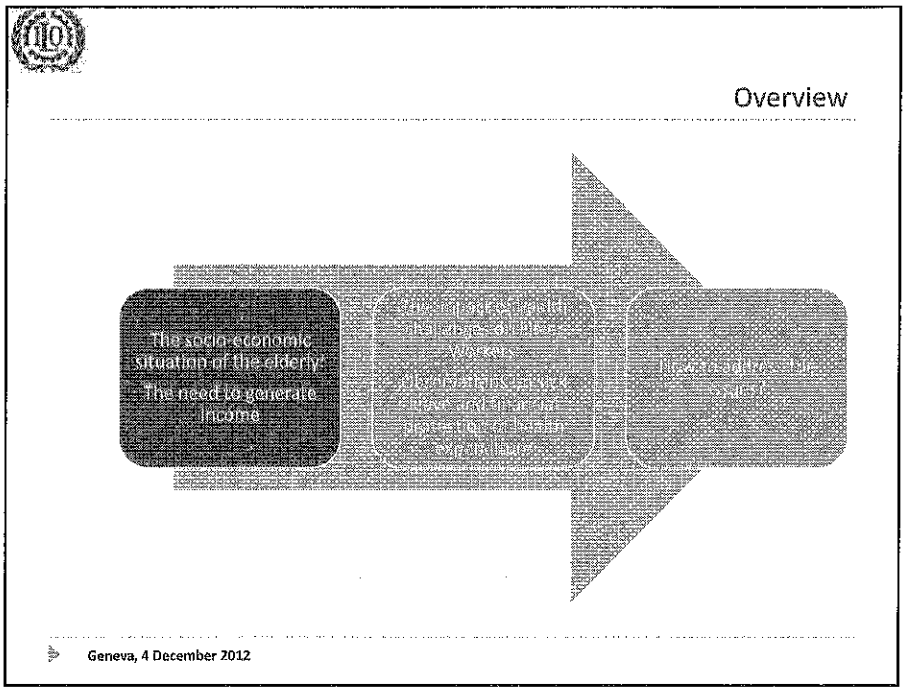
TAEN 2012

Health Challenges of Silver Workers—Observations on Sick Leave of the Employed Elderly and Gaps in Financial Protection of Health Expenditures

Xenia Scheil-Adlung



What is the global evidence on the socio-economic situation of people aged 60+?

33 % of people 60 + are employed, while 66 % seek employment

- Forced retirement, high levels of unemployment and difficulties to access the labour market for the 60 + impact on income security

53 % of people 60+ find it (very) difficult to pay for basic services

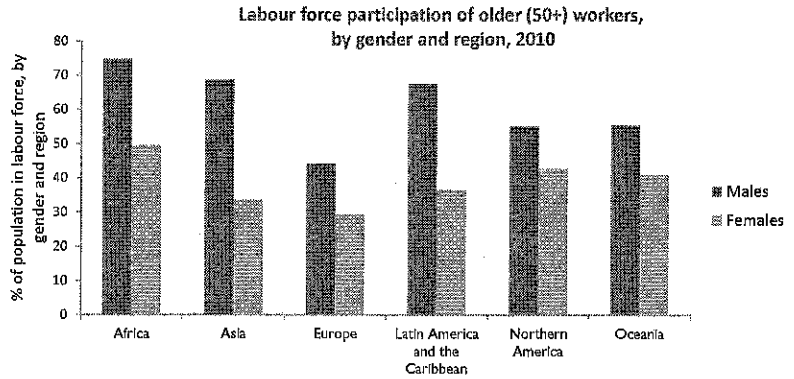
34 % of people 60+ find it (very) difficult to access health care if needed

- Access to affordable medicines is the most often reported problem

Source:
UNFPA, Global survey on Ageing, Ageing in the 21 century, 2012

Geneva, 4 December 2012

Do Silver Workers equally participate in the labour market?



Labour force participation of Silver Workers is unequally distributed among and within countries:

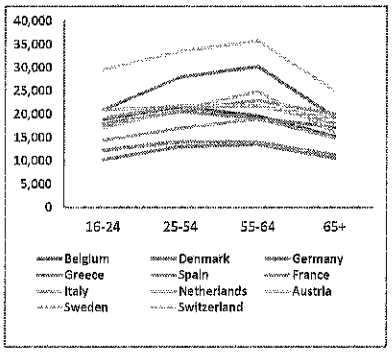
- It reaches around 45 % in Europe where it is globally lowest and highest rates of about 75 % in Africa
- Globally, women are less likely to participate than men

Geneva, 4 December 2012

Source: ILO Laborsta 2012

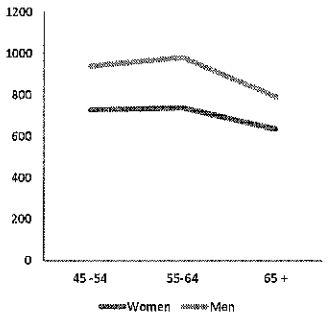
What is the income of older persons?

Europe: Median equivalised net income by age group
(EURO, selected European countries, 2010)



Source: Eurostat 2012

USA: Median weekly earnings of full time workers by age and gender, USD, 2010



Source:
Bureau of Labour Statistics, 2012

In countries observed, as of age 55 income decreases significantly

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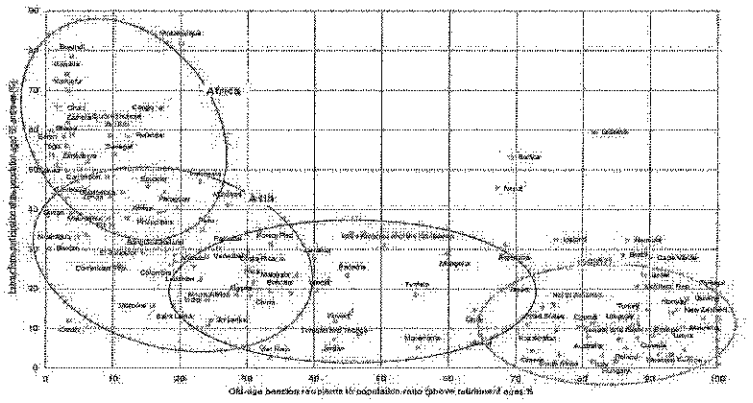
What is the link between labour market participation and old-age pensions?

Persons above retirement age receiving pensions and labour force participation of the population aged 65 +



High labour market participation is associated with the lack of old-age pensions for Silver Workers

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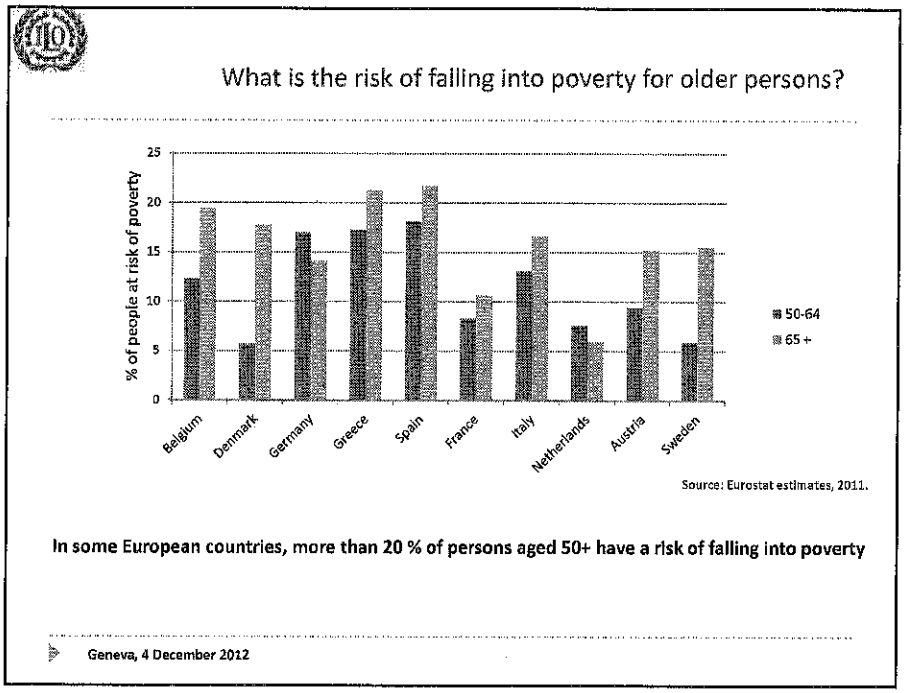
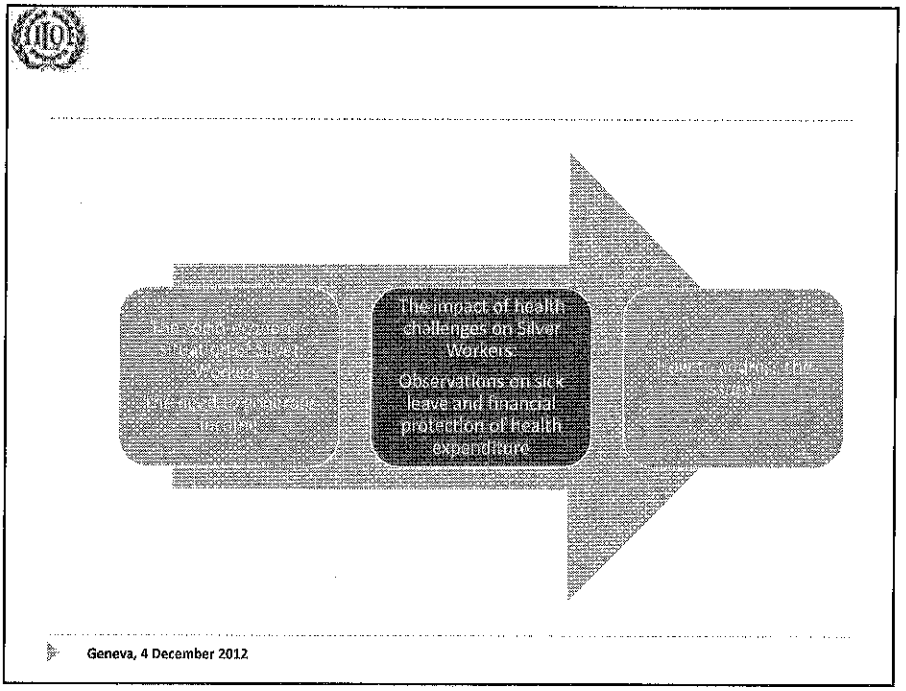
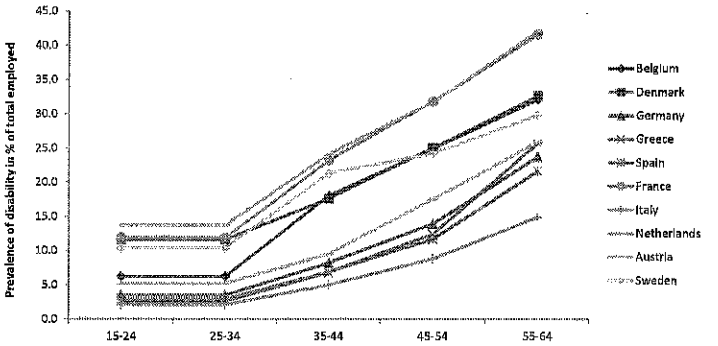
Source: ILO, latest available year percentages)


What is the risk of falling into poverty for older persons?
% of people at risk of poverty
25
20
15
10
5
0
Belgium
Denmark
Germany
Greece
Spain
France
Italy
Netherlands
Austria
Sweden
50-64
65 +
Source: Eurostat estimates, 2011.
In some European countries, more than 20 % of persons aged 50+ have a risk of falling into poverty
Geneva, 4 December 2012


The impact of health challenges on Silver Workers
Observations on sick leave and financial protection of health expenditure
Geneva, 4 December 2012

Health challenges of Silver Workers: The risk of disability ....

Prevalence of disability among the employed by age group, 2002



(Source: Eurostat)

Up to 40 % of Silver Workers are challenged by disability

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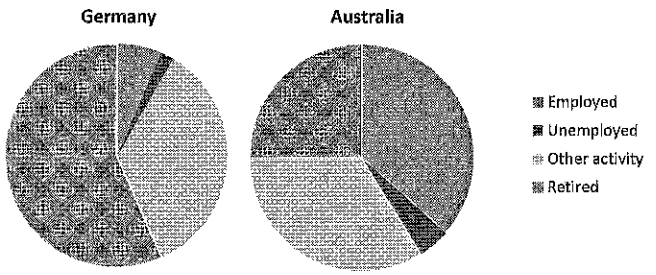
... productivity and job loss

Labour force status of disability beneficiaries 2 years after exiting the benefit



Source: OECD, Employment Outlook 2009

The employment of ex-disability beneficiaries is not sustainable and often results in unemployment and retirement

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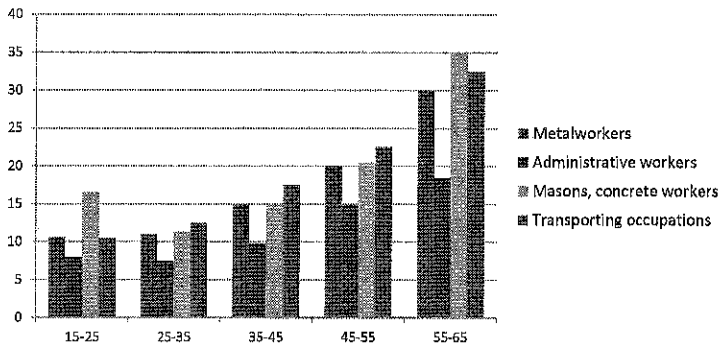
Health challenges: Are all workers equally concerned? - 1
Observations on sick leave days by economic sector

Total days of sick leave, by age and selected professions, Germany, 2010



Workers in sectors demanding physical labour take up more days of sick leave than those in other sectors

Source: BKK Gesundheits-report 2011

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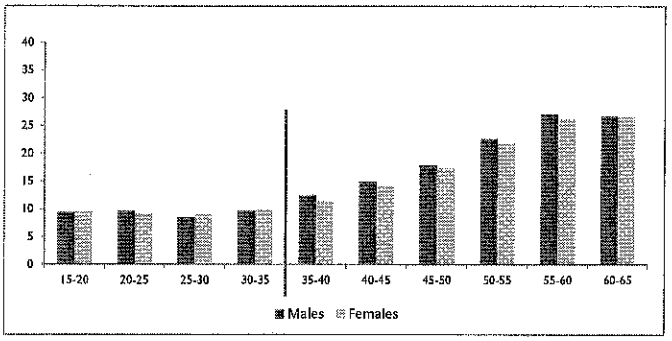
Health challenges: Are all workers equally concerned? - 2
Observations on sick leave days of Silver Workers by gender

The example of Germany:
Total days of sick leave by age group and sex, 2010



Source: BKK Gesundheitsreport 2011

Men aged 35+ spend more days on sick leave than women

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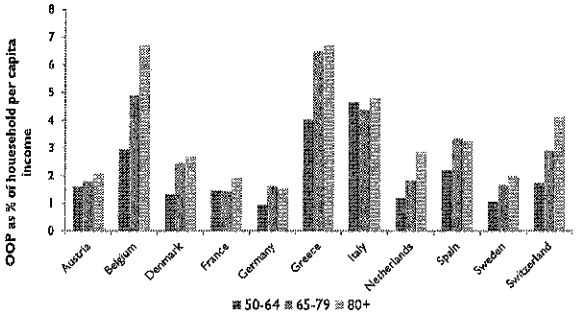
Health challenges:
What is the impact of health care costs on the income of the people aged 50 +?

Out-of-pocket payments in % of household per capita income by age
Selected European countries, 2004



Gaps in financial protection during ill health reduce the income the elderly by up to 7 %

Source:
Scheil-Adlung & Bonan, 2012.

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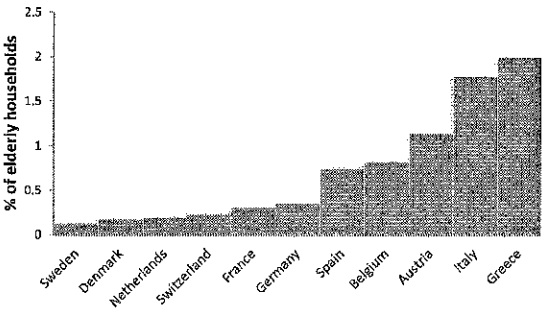
Health challenges:
How frequent is financial ruin of the 50+ due to private health expenditure?

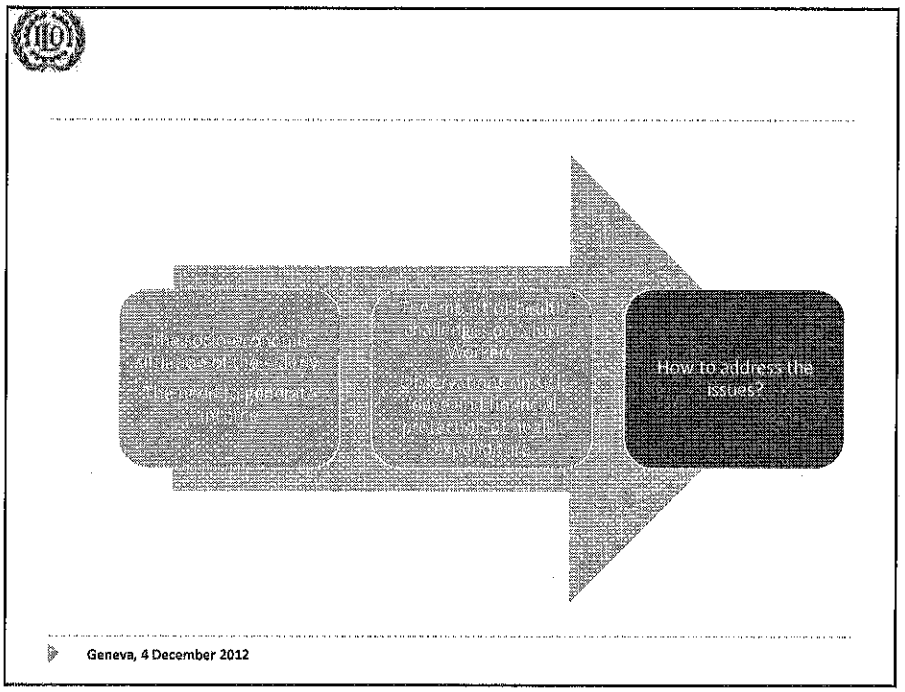
Share of elderly households paying more than 100% of household annual gross income for health care

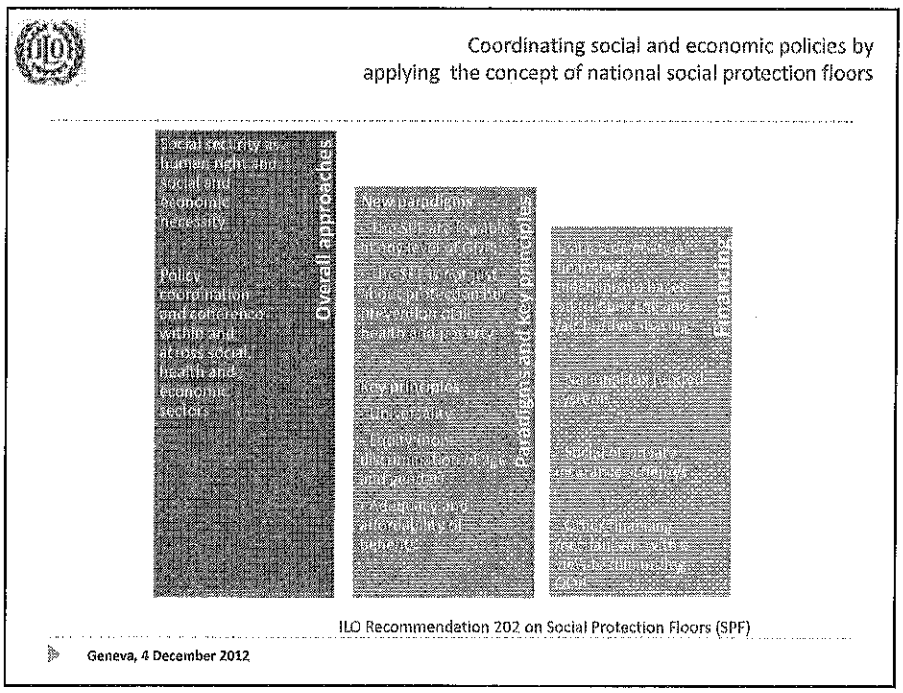


Source: Scheil-Adlung & Bonan, 2012.

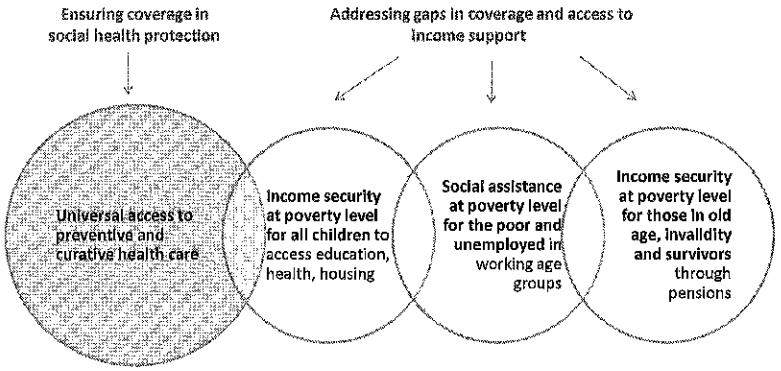
Financial ruin of the elderly due to private health expenditure occurs in all European countries and may concern up to 2 % of all elderly households

Geneva, 4 December 2012


How to address the issues?
Geneva, 4 December 2012


Coordinating social and economic policies by applying the concept of national social protection floors
Overall approaches
Paradigms and key principles
Elements
ILO Recommendation 202 on Social Protection Floors (SPF)
Geneva, 4 December 2012

Developing and implementing national social protection floors



Social Protection Floor:
Extending coverage and proving for basic guarantees to prevent and alleviate ill health, poverty, unemployment and other vulnerabilities

Geneva, 4 December 2012

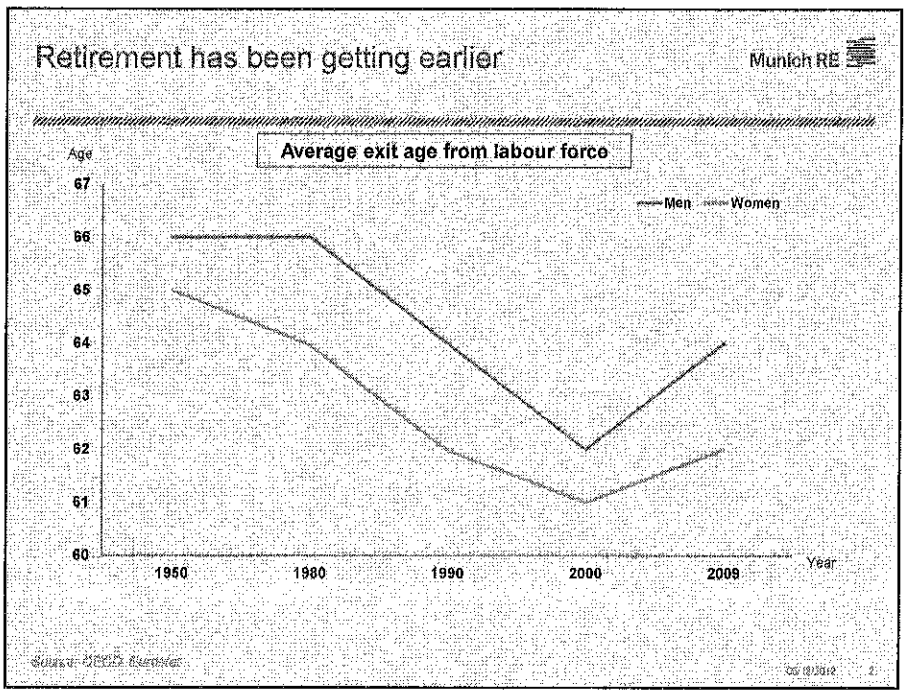
Thank you !

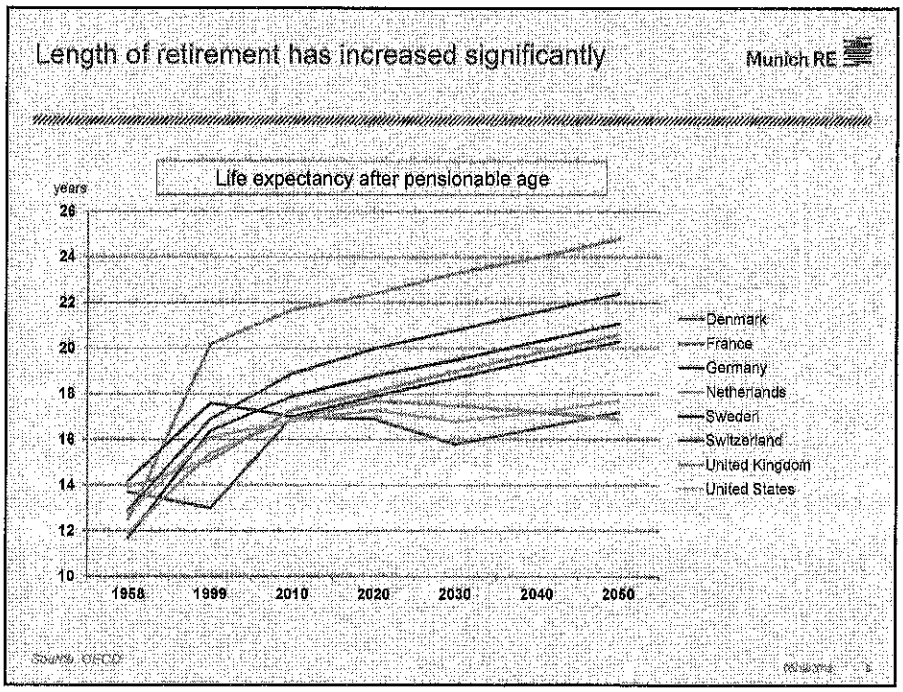
scheil@ilo.org

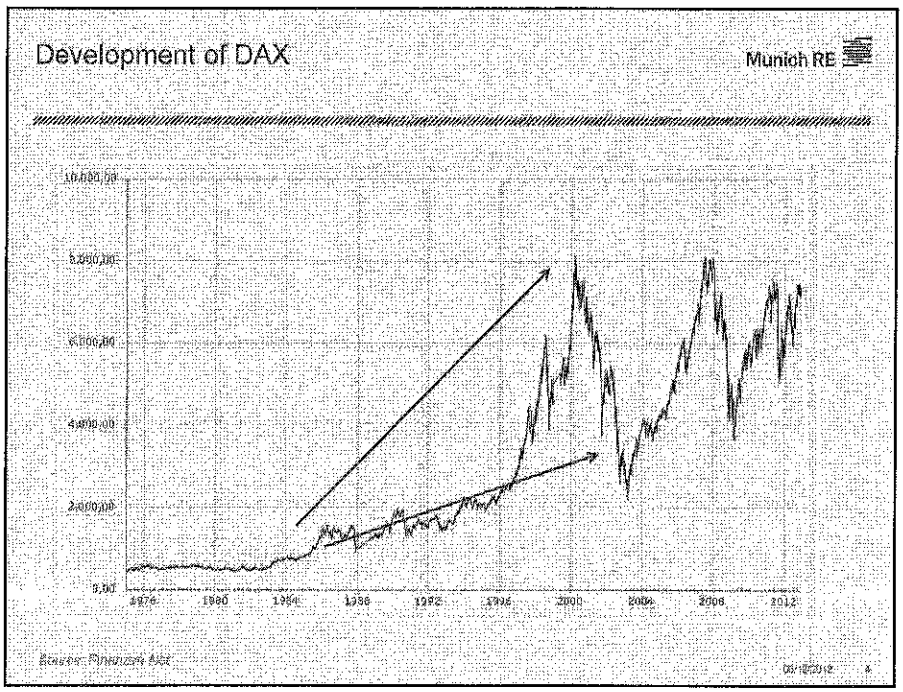
Geneva, 4 December 2012

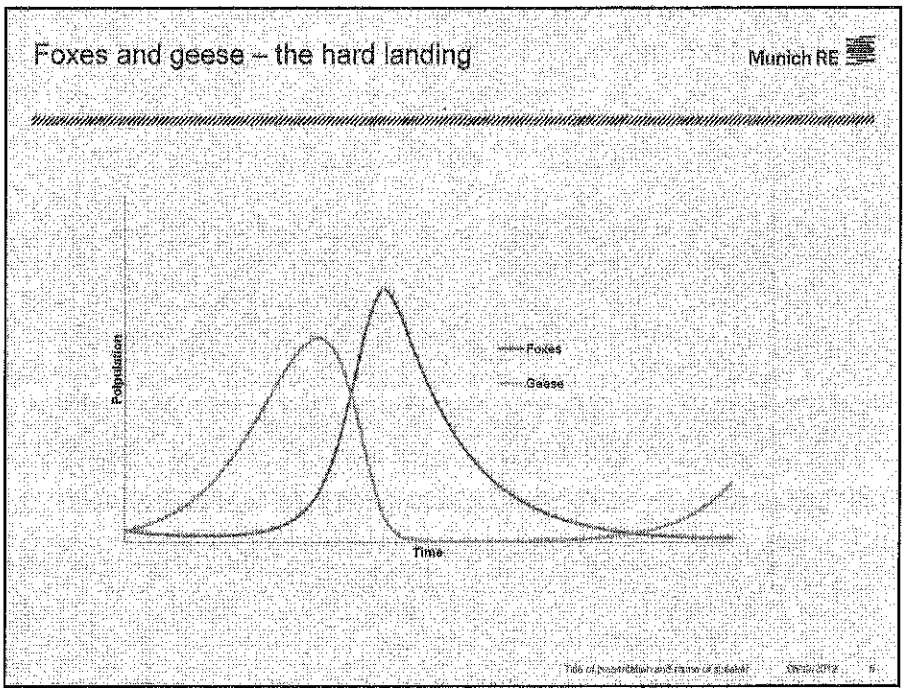
Aiming for the Soft Landing

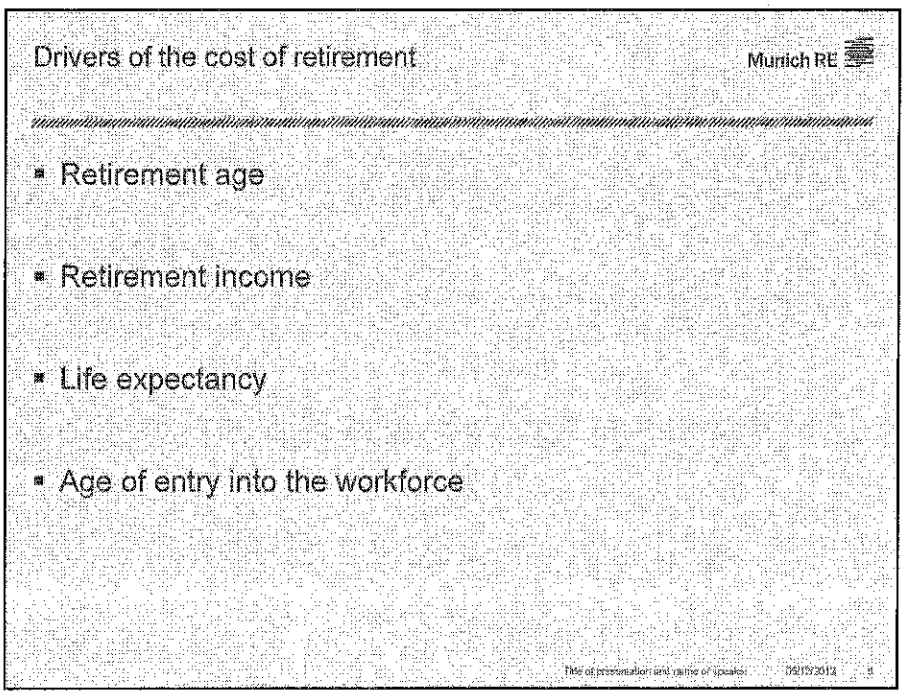
Andrew Rear



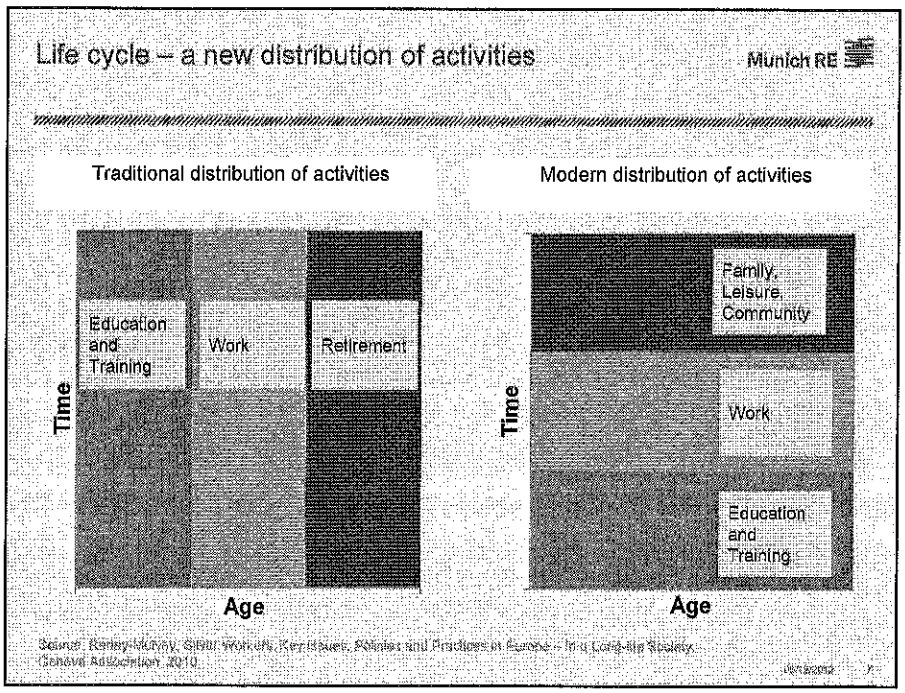

Length of retirement has increased significantly
Munich RE
Life expectancy after pensionable age
years
26
24
22
20
18
16
14
12
10
1958
1999
2010
2020
2030
2040
2050
Denmark
France
Germany
Netherlands
Sweden
Switzerland
United Kingdom
United States


Development of DAX
Munich RE


Foxes and geese – the hard landing
Munich RE
Population
Foxes
Geese
Time


Drivers of the cost of retirement
Munich RE
Retirement age
Retirement income
Life expectancy
Age of entry into the workforce

236


Life cycle – a new distribution of activities
Munich RE
Traditional distribution of activities
Modern distribution of activities
Education and Training
Work
Retirement
Time
Age
Family, Leisure, Community
Work
Education and Training
Time
Age

World Life Expectancy and Future Longevity Scenarios

Daria Ossipova Kachakhidze

Plan

1 Trends in the International Framework – Health Transition

2 Future longevity scenarios

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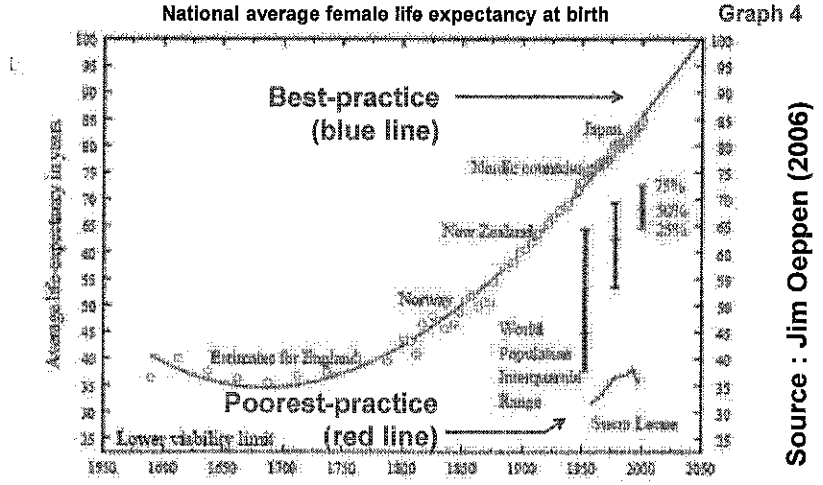
Life expectancies have been diverging until 1950. Since then we observe a convergence to best-practice levels from the countries with low life expectancy but a divergence from those at the top of the distribution of the world population

National average female life expectancy at birth Graph 4



Source : Jim Oeppen (2006)

SCOR

3

Mortality trends: review

- Overview

Historical demographic regimes (Europe: up to mid-XVIIIth century)
- Prevalence of infectious diseases
- Significant fluctuations due to epidemics, famines (bubonic plague - mid XIVth century)
- High mortality

Receding of infectious pandemics (Europe : mid-XVIIIth century – beg. 1980's)
- The epidemics become rare
- Infectious diseases back off
  - Mortality declines, fluctuations decrease

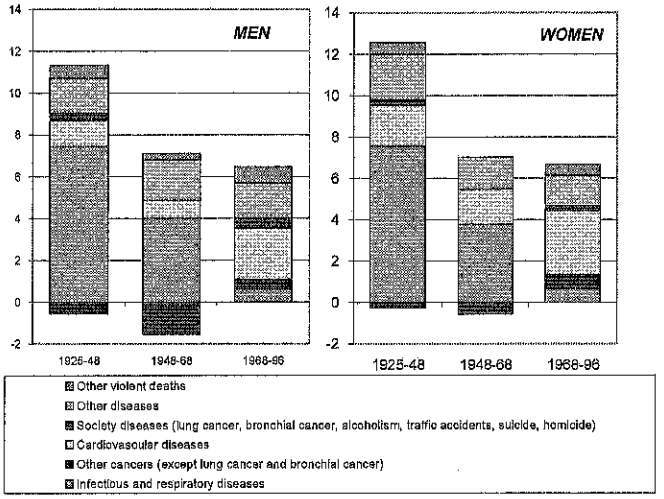
Cardio-vascular revolution (Europe : from 1970s)
- Reduction infectious diseases contribute little to the increase of life expectancy
- Cardio-vascular diseases become the main driver of mortality decrease
- Society diseases make less deaths

A new stage? (mid 80-s+)

SCOR

4

Cause-of-death components of changes in life expectancy in France 1925-1996



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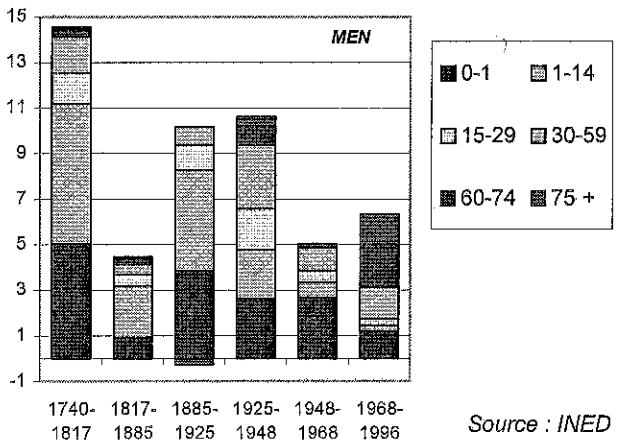
5

Age components of changes in life expectancy in France



Source : INED

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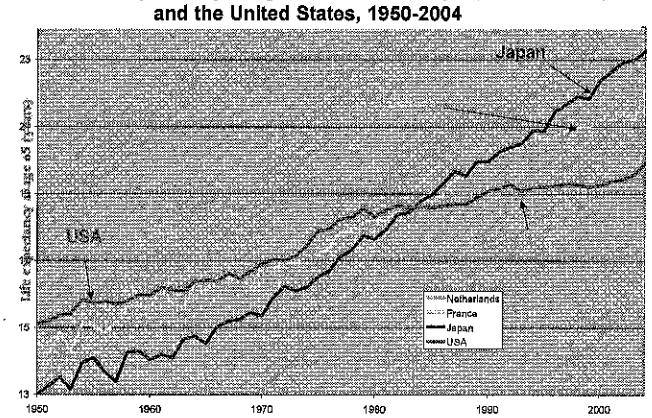
6

Evolution of longevity: France and Japan versus the USA and the Netherlands

Female life expectancy at age 65 in France, Japan, Netherlands, and the United States, 1950-2004



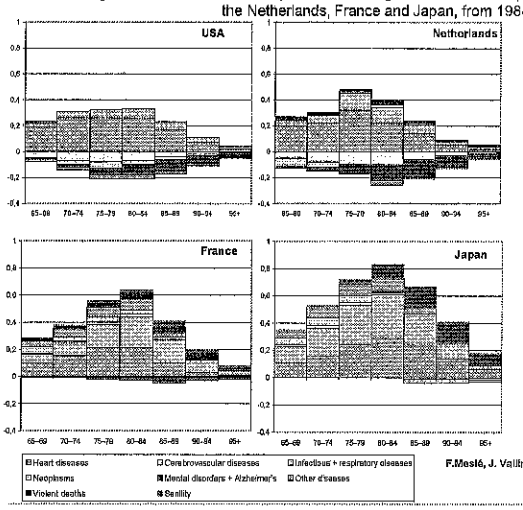
Source : Human Mortality Database. University of California, Berkeley (USA), and Max Planck Institute for Demographic Research (Germany). Available at www.mortality.org (downloaded in May 2012)

SCOR

7

A new stage in health transition?

Age and cause-of-death components of changes in female life expectancy at age 65 in the USA, the Netherlands, France and Japan, from 1984 to 2000.



A new stage? (mid 80-s +)

- Mortality reductions at increasingly older ages
- Treatment and prevention of cerebrovascular diseases
- Greater attention paid to the health of the elderly

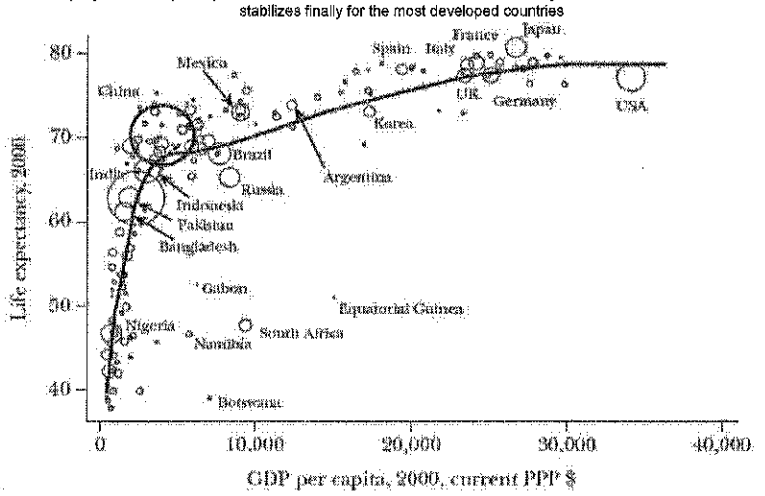
F.Meslé, J. Vallin « Diverging trends in female old-age mortality: the United States and the Netherlands versus France and Japan »

SCOR

8

GDP per capita and life expectancy

The Preston curve : a "I" curve that relates the average life expectancy to the level of the GDP per capita : life expectancy first rises rapidly with GDP per capita for low income countries and then slows brutally for intermediate income countries and stabilizes finally for the most developed countries

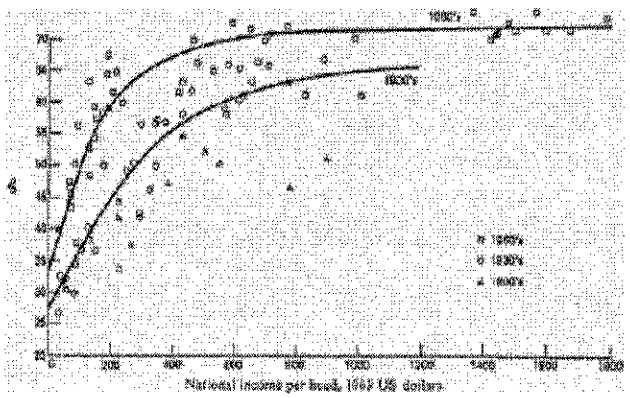


Source: Deaton (2003)

9

Preston curve.

- **Figure 5 Preston curve, Preston [7], 1975**



10

Plan

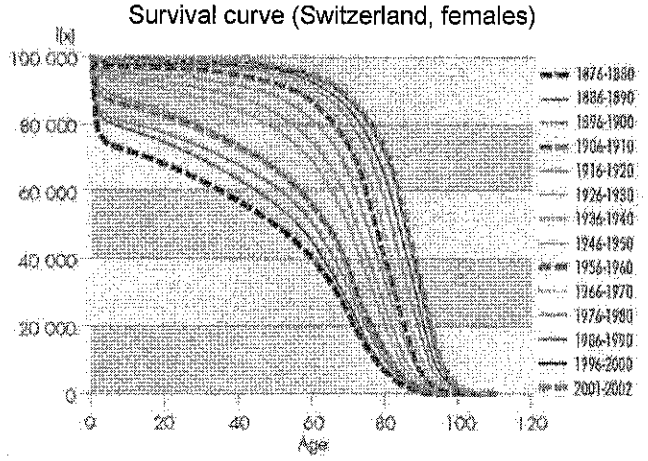
1. Trends in the international framework: health transition
2. Future longevity scenarios

SCOR

11

Rectangularisation?

Survival curve (Switzerland, females)



Source: Cheung, Robine, Paccaud, 2005

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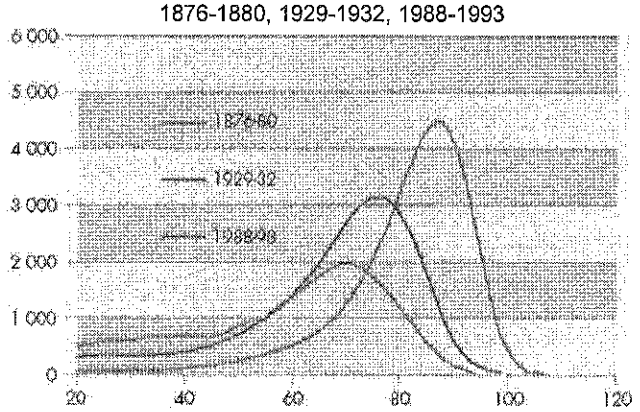
12

Age at death distribution

Switzerland:

1876-1880, 1929-1932, 1988-1993



Source: Cheung, Robine, Paccaud, 2005

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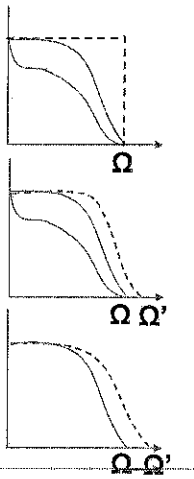
13

Future survival curve



1. Rectangularisation and mortality compression

2. Shifting mortality scenario - delay of ageing

3. An extension of limiting age and "de-rectangularisation"

SCOR

14

Impact on the insurance industry

1. Rectangularisation

- nearly no uncertainty as to the duration of human life :
  - pure saving products instead of insurance products;
  - possibly demand for accidental death cover or long term care protection in case the standardisation of human life durations is not accompanied by the standardisation of healthy life durations

2. Shifting mortality scenario

- continuing uncertainty in the individual's life duration and longer life spans:
  - demand for protection products at increasingly older ages
  - increasing demand for annuities and long-term care products

3. De-rectangularisation

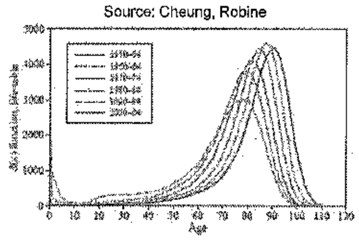
- greater heterogeneity in life durations; a number of persons surviving much longer than average:
  - longevity insurance business facing a major shock
  - demand for protection products at increasingly older ages
  - increasing demand for annuities and long-term care products
  - depending on whether the longer life is predictable (ex. genetic predisposition) new insurance products might emerge

SCOR 15

From compression of mortality towards a shifting scenario?

Distribution of ages at death for women in Japan, 1950-54 to 2000-04, HMD data

Source: Cheung, Robine



Changes in the distribution of age at death:

- Modal age at death **M**
- Standard deviation of ages at death above the mode **SD(M+)**

Compression or shifting mortality scenario?

Many countries studied (Cheung, Robin[1] et al.; recently Ouellette & Bourbeau[2])

M is continuously increasing in all low mortality countries !

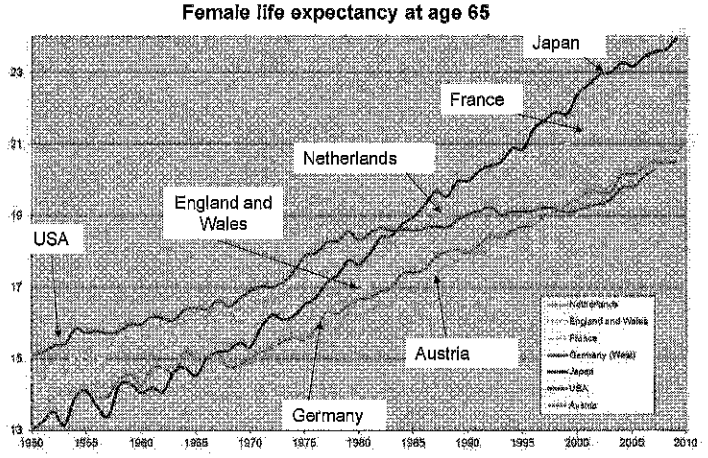
SD(M+) still decreasing for some populations [1,2] → Individual life durations ending above the mode are compressed into a smaller age range above the mode, *relative compression of mortality*

Stagnation of SD(M+) in Japan (since 1980-90) [1,2], and for French Canadian, US women recently [2] → The whole distribution of individual life durations ending above the mode is sliding proportionally to higher ages, *shifting mortality scenario*

SCOR 16

Identifying the current trends

Female life expectancy at age 65



Source : Analysis based on data from the Human Mortality Database. University of California, Berkeley (USA), and Max Planck Institute for Demographic Research (Germany). Available at www.mortality.org (downloaded in May 2012)

SCOR 17

Conclusion

- For the nearest future relative compression scenario seem to be the case; the modal age at death continues to increase and the length of life continues to be difficult to predict.
- The recipe to forecasting the future lies in understanding the past progress and the nature of advances that may lie ahead. International comparisons, inputs from demography, biomedicine, social and biological sciences are all very valuable in understanding and forecasting mortality trends.
- The need for old age protection and pensions will stimulate the demand for private coverage, especially in the case of a government's partial disengagement.
- The demographic future is going to be very different to what we have seen in the past, and it will have profound implications on society. The balancing act between insurance and the state's social provision for the elderly is going to become an extremely important dynamic going forward in addressing the insurance needs of the older age population.

SCOR 18

Pay-as-you-go and Funded Retirement System—A German View

Johannes Lörper

Pension system in Germany

Private system faces criticism

Pay-as-you-go as alternative

Ways of improving the funded system

Conclusion

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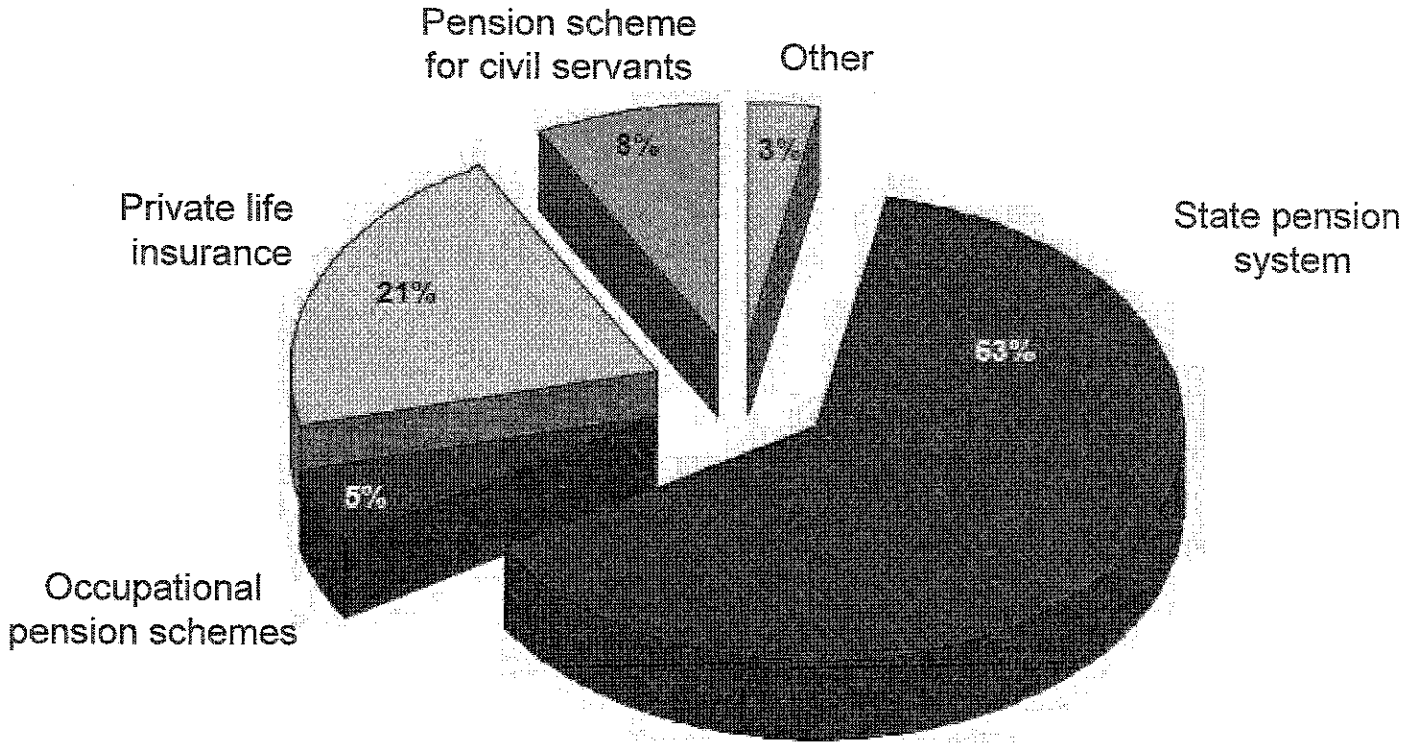
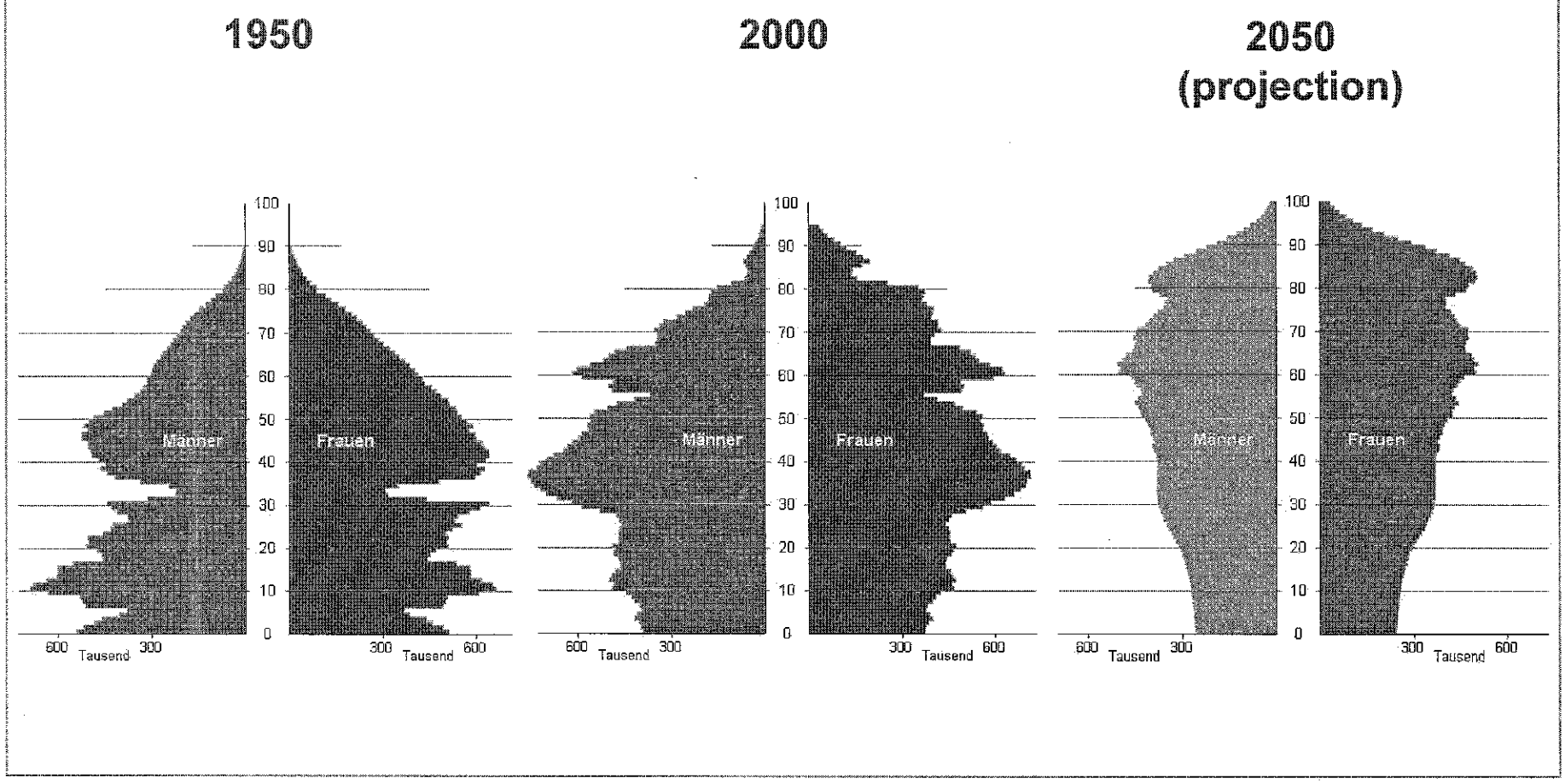
Sources of old-age income



Source: Altersicherungsbericht 2005, GDV

21-4

Age pyramid in Germany

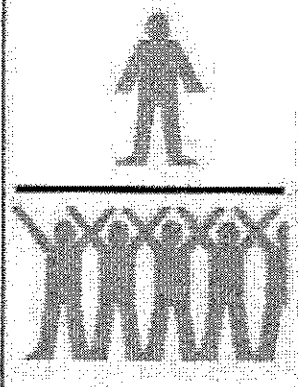
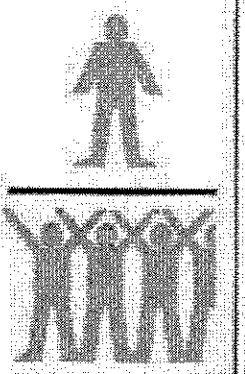
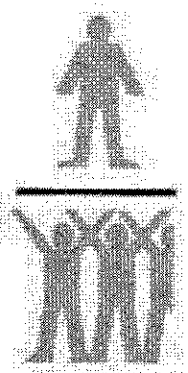
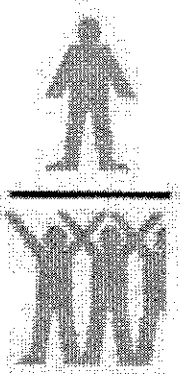


Source: Destatis

Less contributors will have to pay for more pensioners

ERGO

Old-age dependency ratio

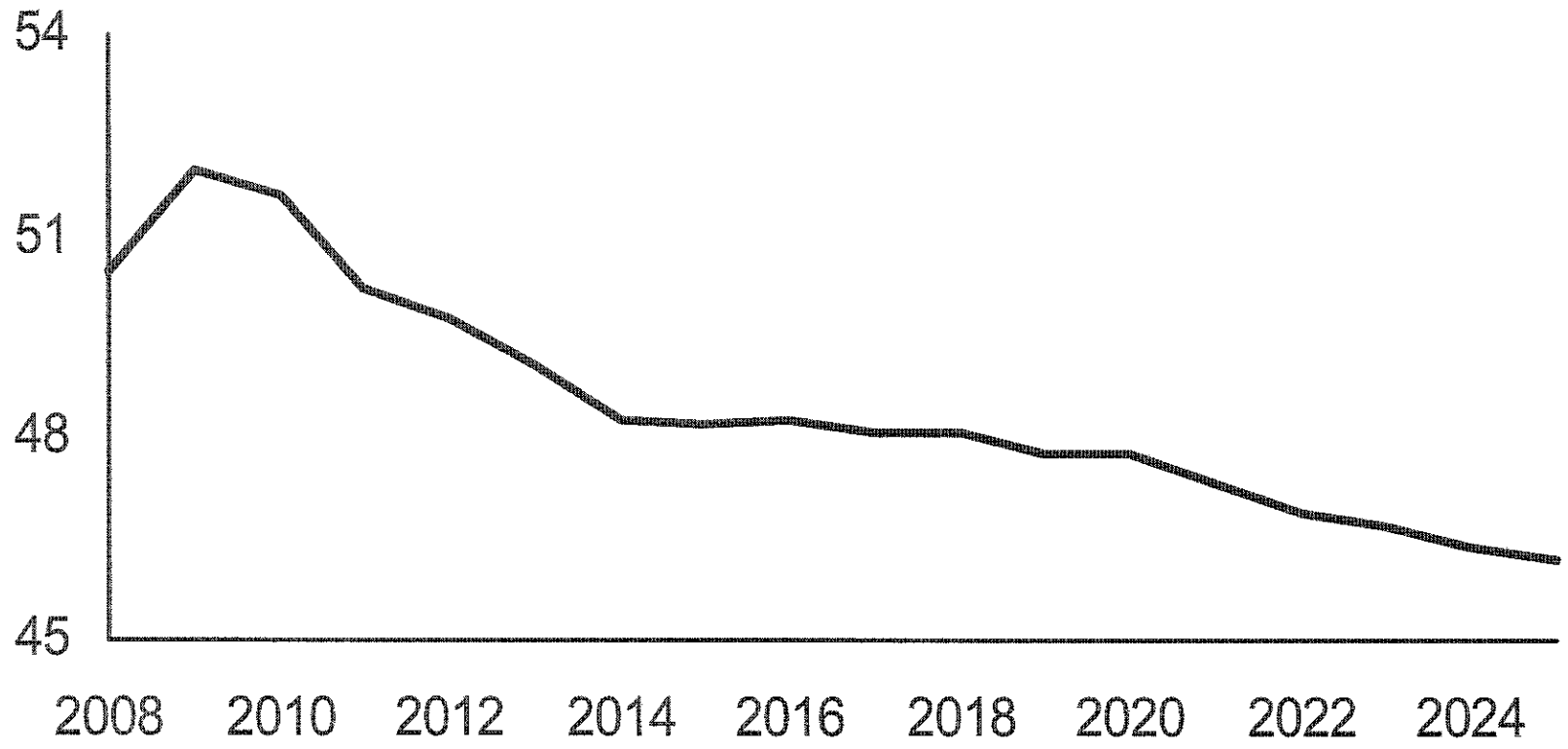
Year	2000	2010	2020	2030
Pensioner / Contributor				
Ratio	*4,13 : 1*	*3,25 : 1*	*2,87 : 1*	*2,20 : 1*

Source: Rürupbericht 2003

Sustainability of state system is achieved by raising the age of retirement to 67 and decreasing the pension level

ERGO

Benefits in state pension system (in % of gross income)



Source: Rentenversicherungsbericht 2011

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