

## **The Programme “Solidarity across generations. Measures aiming at increasing the economic activity of people over 50”**

### **INTRODUCTION**

When compared to other EU countries, Poland ranks last as regards benefiting from the potential of people aged over 50. Their early withdrawal from the labour market leads to a serious loss of human capital; this also means a necessity to allocate public funds for their financial support. The early escape into inactivity is also a social problem as many people who retire loose social bonds that are often job-related, which evokes the sense of solitude, depression and social exclusion.

Prolonging the working life of employees over 50 constitutes one of the EU’s priorities. In accordance with the provisions of the Lisbon Strategy adopted by EU countries in 2000, one of the goals of the European Union is to increase the employment rate for people aged 55-64 to at least 50%. In Poland this rate amounted to 29.7% in 2007, which means that it represents one of the lowest levels among all EU countries.

The government has therefore prepared a package of measures directed at increasing the employment of people over 50 in Poland, that is a programme entitled “Solidarity across generations. Measures aiming at increasing the economic activity of people over 50”. The main goal of the programme is to achieve the employment rate for people aged 55-64 set by the Lisbon Strategy by 2020.

The programme “Solidarity across generations” introduces the measures that, on the one hand, increase incentives for entrepreneurs to employ people over 50, and on the other hand, foster the improvement of qualifications, skills and effectiveness of work of older people. Some of the solutions offered in the programme are also addressed to younger generations, mainly those over 45. This results from the expert analyses which suggest that in order to maintain the economic activity of people over 50 it is necessary to adopt appropriate measures towards younger people too.

The programme presents an intergenerational approach, which means that the designed measures relate to the promotion of access to employment during the whole period of working life. Active-ageing policy does not exclusively concentrate on the people over 50 but pertains to the whole life cycle. For instance, the initiatives from the area of occupational health and safety of employees of all ages as well as the emphasis put on the prevention of age-related problems (such as lower productivity) will contribute to the longer economical activity of future generations.

Designing the “Solidarity across generations” programme the government tried to make it comprehensive and include in it all four flexicurity components, which are: flexible and reliable contractual arrangements, comprehensive lifelong learning strategies, effective active labour market policies and modern social security systems.

## MEASURES AND GOALS

International experiences indicate that there are three key measures necessary to prolong the working life of people over 50, namely:

- promotion of the employment of older people, combined with the development of the age management policy in companies and public measures for the improvement and modification of qualifications and competences of people over 45;
- organisation of activation programmes for the unemployed aged 45/50 that have a clear goal, that are effective and appropriately implemented by competent entities, including Public Employment Services and providers of employment services commissioned outside PES;
- limitation of the inactivity strategy by reducing the opportunities for early retirement or other benefits facilitating withdrawal from the labour market.

The following detailed goals of the programme correspond with the above-mentioned measures:

- 1) improvement of the working conditions, promotion of employment of people over 50 and age management (through spreading knowledge among employers and employees on age management, promoting the benefits from employing people over 50, implementing age management strategies in companies, adjusting working conditions of people over 50 to their needs, and health prevention);
- 2) upgrading skills and qualifications of employees over 50 (through creation of conditions for building their education pathways, popularisation of life-long learning for people over 45, and adjusting training offers to their needs);
- 3) reduction of labour costs related to the employment of people over 50 (through exemption from the contributions to the Labour Fund and the Guaranteed Employee Benefits Fund for people in the pre-retirement age, and reduction in the number of days of disease for which the remuneration is paid by the employer);
- 4) activation of the unemployed or people threatened by unemployment that are over 50 (through popularising labour market programmes, development of individual action plans and adjustment of the offer of active labour market programmes to the needs of people over 50);
- 5) activation of the disabled (through setting up stable legal frameworks for employment and occupational rehabilitation of the disabled, the activation and integration of these people into the labour market will also be encouraged). The campaigns aiming to raise the awareness of the advantages of employing the disabled will substantially complement these measures;
- 6) expanding the opportunities of employment for women (through development of services that allow to balance the career and the family life, simplification of regulations on the establishment of kindergartens, support for the development of a kindergarten net, especially in rural areas (financed *inter alia* from the European Social Fund), enabling to finance the company-based kindergartens from the company's social benefit fund, and support for other forms of childcare);
- 7) limitation of employees' withdrawal from the labour market within the social benefit system (detailed goals focus on the rise of the effective retirement age and a gradual equalising of the retirement age of women and men).

## **IMPLEMENTATION:**

The social debate on the programme that took place between March and September 2008 was the first phase of the implementation of the “Solidarity across generations” programme. Its results were also included in the programme. Public debate on social and economic activity of the elderly persons is still vivid, which is itself an important achievement of this governmental initiative.

The next phase of the programme’s implementation will be the drafting of an implementation document that will contain a systematic and detailed set of legislative and extra-legislative measures together with entities responsible for carrying out these tasks. It is worth emphasising that a number of measures introduced by the programme, in particular legislative ones, is in the final stage of implementation, that is waits to be adopted by the Polish parliament.

The preliminary financial assumptions show that in the perspective up to 2015 approximately 12 billion PLN will be allocated for the implementation of the programme, of which 9.9 billion PLN will come from the Operational Programme Human Capital, co-financed by the European Social Fund, and approximately 2.1 billion will be financed from national funds (the Labour Fund).