



Germany

“Perspective 50 Plus” - Employment Pacts for Older Workers in the Regions

Framework and setting

Geographic scale The “Perspective 50 Plus” - Employment Pacts for Older Workers in the Regions are implemented across all regions (Länder) in Germany. The population covered by the “Perspective 50 Plus” pacts is almost 75%.

Policy framework The “Perspective 50 Plus” Programme is part of the “Initiative 50 Plus” of the German Federal Ministry of Labour and Social Affairs. The employment rate of older people in Germany was over the Lisbon target of 50% in 2008 (for those aged 55+). Addressing population ageing and demographic change is a priority issue for the society and the government. The ministry has therefore implemented a specific strategy to promote more and better employment for elderly people, including both the “Perspective 50 Plus” Programme and other measures such as an increase in the pension age to 67 until 2020.

Partnerships at work

Rationale The exclusion of “50 plus” unemployed persons from the labour market is no longer tolerable. A programme of regional employment pacts was thus launched to initiate and evaluate new strategies targeted towards older people. The people supported by this programme are predominantly the low- or semi-skilled long-term unemployed. Former early retirement schemes have become a “burden” for both employers and employees, because a majority of employees now envisage a retirement age of well below 65, and companies tend to dismiss older employees, usually hiring people aged between 25 and 45. The 444 jobcentres and local authorities that have been responsible for long-term unemployed people in Germany since 2005 (following the so-called “Hartz IV” legislation act) find the activation and integration of long-term unemployed over 50 a particular challenge.

Objectives Raising awareness on this issue, changing the attitudes of employers and enterprises e.g. through public campaigns, re-activating and reintegrating the 50+ group, evaluating impacts, and identifying and mainstreaming best practices and innovative tools.

Functions The regional employment pacts for older workers aim to involve all appropriate regional and local actors to assure more and better employment of older workers, and to find new strategies and instruments for a better integration of this group into the labour market.

Policy areas This new form of regional co-operation takes a cross-sector approach; including labour market, employment, social and health policies.

Policy tools/ Instruments The regional pacts use a wide range of different tools and instruments, including profiling, assessments, special training measures, internships in companies, placement activities (adapted to the special needs of the target group and to the region), wage subsidies for enterprises, time management, and publicity campaigns to raise awareness of the challenges of demographic change. There is also a commitment to developing better governance of the issue (at local and between local and national levels).

Timeframe The first phase was implemented from 1 October 2005 until 31 December 2007. Phase 2 has been running from 1 January 2008 until 31 December 2010.

Partners The main partners at the federal level are: the Ministry of Labour and Social Affairs, 237 Jobcentres or local district authorities, the Institute for Work, Skills and Training (Institut Arbeit und Qualifikation an der Universität Duisburg-Essen, IAQ) and the Institute for Applied Economic Research (Institut für Angewandte Wirtschaftsforschung e.V., IAW), which are responsible for the national evaluation of the programme. At the local level the main partners include small or micro-enterprises; large companies and medium-sized companies (SMEs), training providers, chambers of commerce and crafts, consultants and intermediaries, charities, church institutions, employment agencies, politicians, health insurance providers, scientific institutions and universities, and other important local stakeholders in employment issues and demographic change.

Contracts The Gsub - social business consulting mbH (Gesellschaft für soziale Unternehmensberatung mbH) has a consulting contract with the Federal Ministry of Labour and Social Affairs. The regional or local pacts contract external institutions, such as agencies, consultancies, private placement services and publicly financed third sector organisations (NGOs). Sometimes the pact sets up a public-private partnership (PPP).

Legal status Most of the 62 pacts, which were approved by the Ministry of Labour and Social Affairs in autumn 2005 after a call for proposals, have created steering committees involving the most important local and regional actors. The lead partners are the Jobcentres or local authorities in the regions, who often commission an intermediary to act as project manager.

Sources of Financing The total amount of pact financing, EUR 204,064,936 (without consulting, monitoring and evaluation costs) was provided by the Federal Ministry of Labour and Social Affairs for the first phase (2005-2007). The second phase covers a planned budget of EUR 275,000,000 for the period 2008-2010 (target: 200,000 activated long-term unemployed and 50,000 persons integrated into the labour market).

Results During the first phase (2005-2007) more than 22,000 persons with an average unemployment duration period of four years had been integrated into regular jobs. In the first phase a broad range of new instruments had been developed, such as “progressive wage subsidies”; “learning duos: young guides old”; regional employment and growth funds for demographic change; “best-agers-campaigns”, a special coaching scheme for business start-ups by older unemployed people; healthcare; housing and tourism projects.

The second phase (2008-2010) is strongly orientated to “activation” and “integration”, targeting sustainable jobs for older long-term unemployed. The new ideas developed in the first phase have been partly “mainstreamed” in the second phase. The regional pacts expanded from 93 involved Jobcentres (2005) to 237 Jobcentres (2009). By 2010, roughly 350 Jobcentres (75% of all German Jobcentres) are expected to be involved. In 2008, 19,000 unemployed older workers were integrated into regular jobs. Despite the economic and financial crisis, the first months of 2009 show the same tendency. One of the most important results so far is the simplification of administrative rules after the reduction of the number of indicators related to the global budget. The project seems to represent a new approach in the German labour market policies which may change or at least challenge the traditional, centralised system.

Contacts **Partnership co-ordinators at national level**

Gsub - social business consulting mbH (Gesellschaft für soziale Unternehmensberatung mbH), Reiner Aster, Director, Oranienburgerstraße 65, 10117 Berlin, Germany, Tel.: +49 / 30 / 28409 100, e-mail: reiner.aster@gsub.de, www.gsub.de

Partnership co-ordinators at regional/local level

For all registered co-ordinators please visit www.perspektive50plus.de.