

PARTNERSHIP IN THE ESF
PRACTICE DESCRIPTION

Name of practice:

Perspective 50plus

Stage of use:

Add x to the table where applicable

OP Analysis and design	X
OP Delivery planning	X
Call for and appraisal of proposals	
Animation during Implementation	
Monitoring and Evaluation	

Partnership success factors that are addressed:

Promoting an enabling environment, good cross-sectoral relations and a culture of cooperation (OP Analysis and design)

Integrating relevant stakeholders into the programme through setting up mechanism and guidelines for stakeholder involvement (OP Delivery planning)

Author:

Reiner Aster

Country:

Germany

Summary:

The exclusion of “50 plus” (long-term) unemployed persons from the labour market is no longer tolerable. According to the Finish scientist and founder of the “Work-ability-index”, Prof. Illmarinen, worldwide currently only half of the 55 to 64 year-old population being able to work are in jobs. In this respect, a crucial problem in particular in Germany, but also in many other

EU-countries, is the increasing amount of older long-term unemployed. Therefore, designing employment strategies for elderly unemployed has become an issue of highest priority for the public and the government in Germany during the last years. Since then, the Ministry of Labour and Social Affairs in Germany has implemented a number of strategies to promote more and better employment for elderly people, including the “Perspective 50plus” Programme, as well as various other measures such as an increase in the pension age to 67 until 2020.

The “Perspective 50plus” Programme (www.Perspektive50plus.de) addresses the different German regions by launching regional pacts since 2005 and is part of the “Initiative 50plus” of the German Federal Ministry of Labour and Social Affairs, which encompasses a number of strategies to promote more and better jobs for older workers, targeting at companies, employees and the social partners.

The target group of the “Perspective 50plus” Programme are predominantly low- or semi-skilled long-term unemployed people. The 438 Jobcenters (i.e. local employment agencies for long-term unemployed and former social welfare recipients) and local authorities that have been in charge for the long-term unemployed in Germany since 2005 (following the so-called “Hartz IV” legislation act) regard the activation and integration of long-term unemployed above 50 years of age as a particular challenge. The focus of the “Perspective 50 plus” Programme is therefore to re-activate and reintegrate these persons into the labour market, to raise public awareness of this issue, to change attitudes of employers and enterprises e.g. through public campaigns, and to identify and mainstream best practices examples and innovative tools.

The regional employment pacts mentioned above 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 sustainable integration of this group into the labour market. This new form of regional co-operation takes a cross-sector approach by including labour market, employment, social and health policies. 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 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).

The diversity of approaches within the "Perspective 50plus" programme is remarkable. Some of the projects aim to enhance collaboration between the regional actors and to create jobs for older workers by founding regional associations and alliances. Other pacts focus on directly addressing employers and encouraging them to hire older workers. In addition, many pacts test new instruments or experiment with an innovative combination of instruments, resulting in effective integration strategies for older workers. In the first phase a broad range of new instruments have been developed, including progressive wage subsidies, "learning duos: young guides old", regional employment and growth funds for demographic change, best-ager-campaigns, a special coaching scheme for business start-ups, healthcare, as well as housing and tourism projects. The second phase (2008-2010) is strongly orientated towards activation and integration, targeting at the creation of sustainable jobs for older long-term unemployed. Many of the new ideas developed in the first phase have got mainstreamed in the second phase.

The regional pacts expanded from 93 involved jobcentres (2005) to 348 jobcentres (January 2010). Further regional expansions are planned during the year 2010. In 2010, the sum of pact financing amounts roughly to 250 million Euro (excluding costs of consulting, monitoring, and evaluation of the Programme). During the first phase (2005-2007) more than 22.000 persons with an average unemployment duration period of about four years were integrated into regular jobs. Despite the financial crisis, the year 2009 also turned out to be very successful: 31.113 older long-term unemployed were integrated into regular jobs. Thus, the challenging target of 50.000 job placements in 2010 is not out of reach.

Format and language:

Websites: www.perspektive50plus.de (in German), www.gsub.de (short information in English available)

Testimonies from users (weak and strong points):

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. Thus, in the early twenty-first century the German government agreed on a "turnaround of 180 degrees" launching the "Initiative 50plus" to combat unemployment of older people and to change the direction of active employment policies towards maintaining employees longer in

jobs and re-integrating long-term unemployed people. Due to the efforts of the last decade, the employment rate of people aged between 55 and 64 years in Germany surpassed the Lisbon target of 50 percent in 2008 and reached 57 percent in the second quarter of 2009.

Table 1: Employment Rates of Older employees 2003 and 2008 in Germany

Member State	Germany
2003 total 55 – 64 years	39,9 %
2008 total 55 – 64 years	53,8%
2003 women (55 – 64)	31,6%
2008 women (55 – 64)	46,1%

Source: Eurostat

For the German Federal Ministry of Labour it was the first time after decades of centralised labour market policies to implement a new approach addressing directly the regional level and offering them a special budget for the re-integration of the older long-term unemployed. The programme is financed by the Ministry of Labour, while all former programmes and centralised instruments have been financed by the Federal Employment Agency. This new strategy has been very successful so far. It was already in 2006, i.e. after one year of implementation, that the Minister of Labour and Social Affairs, Mr. Müntefering, stated in a press conference: "The pacts show what is needed for success: that industry, trade unions, joint agencies, local authority agencies and the actors in the regions pull in the same direction with all their strength to create more jobs for older people". Another success factor, confirmed by the evaluation, is a free-to-use budget and a consequent simplification of administrative rules. It is in this respect that the Programme can be regarded as a forerunner towards an institutional reform. In addition, the success of the Programme encourages the management of the Jobcenters to aim towards institutional reforms not only for the age group 50plus, but for the entire organisation. Summing up, the project represents a new approach in the German labour market policies which may change or at least challenge the traditional, centralised system.

Implementation guidance

The first phase of the “Perspective 50plus” Programme was implemented from October 2005 until December 2007. The second phase covers the years 2008 to 2010. The main partners on the federal level are the Ministry of Labour and Social Affairs, 348 Jobcenters or local district authorities, and the IAQ (Institut Arbeit und Qualifikation of the University Duisburg-Essen) and IAW Tübingen (Institut für angewandte Wirtschaftsforschung e.V.), which are responsible for the national evaluation of the Programme. At the local level the main partners include mainly small and medium-sized companies (SMEs), training providers, chambers of commerce and crafts, consultants and intermediaries, charities, church institutions, employment agencies, politicians, health insurances, scientific institutions and universities, as well as other public and private bodies, which can be regarded as important local stakeholders in employment issues and demographic change. The gsub (Gesellschaft für soziale Unternehmensberatung mbH), based in Berlin (www.gsub.de), has a service 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 pacts set up public-private partnerships (PPP). 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 Jobcenters or local authorities in the regions, who often commission an intermediary to act as project manager. Half of the pacts collaborate with universities and other scientific institutions in order to evaluate their activities.

The most important condition to make this Programme a success is that the responsible bodies and persons recognise the issues of demographic change, an ageing workforce and in particular the situation of the older long-term unemployed as a crucial challenge of labour market and employment policies. While young people usually are better educated in terms of modern professional skills, like IT-skills, older employees show a high performance through experience, in-depth knowledge, accountability, and commitment to work. These features have traditionally been crucial assets for raising competitiveness and productivity in companies of all kinds. Moreover, it is important that the regional pacts have the opportunity to adapt the Programme to their regional and local needs which becomes possible through a rigorous simplification of administrative rules.

Contact person for more information:

Name: Dr. Reiner Aster

Organisation: gsub - social business consultancy mbH

E-mail: Reiner.Aster@gsub.de

Telephone: +49 (0) 30 - 28409-100

Web address: www.gsub.de

Skype Address:

Name: Erik Eggert

Organisation: Federal Ministry of Labour and Social Affairs

E-mail: Erik.Eggert@bmas.bund.de

Telephone:

Web address: www.perspektive50plus.de

Skype Address: