



# Germany

## “Perspective 50 Plus” – Employment pacts for older workers in the regions

### Framework and setting

**Geographic scale** Germany

**Policy framework** The “Perspective 50 Plus” Programme is part of the new “Initiative 50 Plus” of the German Federal Ministry of Labour and Social Affairs. The employment rate of elderly people in Germany was roughly 45% in 2006 (for those aged 55+). Demographic change is an issue of the highest priority for the public 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 and a national programme of publicly financed jobs for unemployed persons aged 58 or over.

### Partnerships at work

**Rationale** The exclusion of “50 plus” unemployed persons from the labour market is no longer tolerable. A new 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** 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), 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** 1 October 2005 to 31 December 2007

**Partners** The main partners at the federal level are: the Ministry of Labour and Social Affairs, 93 Jobcentres or local district authorities, and the IAT (Institut für Arbeit und Technik in Gelsenkirchen), which is responsible for the national evaluation of the programme. At the local level the main partners include: large companies, small and medium-sized companies (SMEs), chambers of commerce and crafts, consultants and intermediaries, charities, church institutions, employment agencies, politicians, health insurances, scientific institutions and universities, and other public and private bodies: all important local stakeholders in employment issues and demographic change.

**Contracts** Gsub – 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. Half of the pacts (31) have commissioned universities and other scientific institutions to carry out evaluation.

**Sources of Financing** The total sum of financing is roughly EUR 250,000,000 for the two-year implementation phase. The budget derives from the national government.

**Results** At the end of June 2006, a large number of unemployed persons over the age of 50 had been activated, and about 10% of them had been integrated into regular jobs. A broad range of new instruments has 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 schemes for business start-ups by older unemployed people, healthcare, housing and tourism projects.

## Contacts **Partnership co-ordination at national / sub-regional level**

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## **Partnership co-ordinators at regional / local level**

For all registered co-ordinators please visit [www.perspektive50plus.de](http://www.perspektive50plus.de).