

“Globale Seniorer”

Right to Work and Access to the Labour Market – and pensions

The Labour market and pension schemes: For older persons in Denmark the welfare of the citizens has to a large degree built on a well-organized labour market and a universal access to a pension. In the last part of the 19th century the Danish state introduced a guaranteed pension benefit to all, starting from a certain age, it was not a poverty benefit where you lost your citizens' rights, but a universal right.

This pension still exists today side by side with a labour market pension which, as time passes by will be – or has become – an essential element in the compiled pension of the workers. The well-organized labour market has been determining for the fact that employers and employees in unison have established and maintained a labour market pension through collective agreements. The cooperation is essential for both the security and for the democratic influence on the business management of the pension companies. However, good pension conditions should never be taken for granted. The employees must continuously work to adapt the conditions to the challenges of the globalization and ensure that the pension is not being hollowed out.

Challenges for right to work, access to the labour market and pension schemes

No flexible transition: The existing legislation is a barrier for keeping the older people longer time on the labour market, and this does not open an option for a flexible transition from work to pension. The employment benefit as well as the payment from pension schemes are elaborated with a sharp limit between working life and pension life.

Difficulties maintaining qualifications and training: Many older people have qualifications, that are requested on the labour market and they want to maintain the affiliation, but it requires jobs that are adapted to their situation with regards to working hours and character, and furthermore the jobs should be flexible.

Age discrimination on the labour market is a general threat to the welfare of older people. Despite a legislation against age discrimination, it is documented that older people are discriminated against when hiring and when reducing employees. Furthermore, older people who lose their jobs have great difficulties in getting back into the labour market.

Rigid retirement age has been raised and it is regulated according to the higher life expectancy. This offers potentially a possibility for older people to be employed for more years and thus benefitting the society itself and the older person. However, this is not an option for everyone. Some older people are worn out

from a long working life with a burdensome physical or mental work, others experience to be discriminated because of age and forced out of the labour market.

Regulation of pensions: In Denmark, the age pension is no longer regulated according to the average development of the employees' salaries.

The labour market pensions are still more prevalent and the inequality among the pensioners is thus increasing, and we risk leaving those behind, who are only loosely attached to the labour market.

Limited access for some: Securing fair pension conditions for foreigners who live and work legally in Denmark is a specific issue, whatever it concerns refugees or citizens from other countries within and outside the EU.

Recommendations: We therefore recommend the government, and the labour market parties – nationally and internationally to work for:

- Focus on fighting discrimination of older people on the labour market
- Carry out systematic documentation of discrimination due to handicap, gender, ethnicity and age on the labour market
- Recommend ILO to prioritize the effort against discrimination at the labour market
- Secure a flexible transition between work and pension by promoting the development of specific, flexible types of jobs and working conditions adapted to seniors' needs
- Secure a legislation that does not prevent a flexible transition from working life to pension life
- Secure options for early retirement with a pension for worn out employees on the labour market
- Secure a universal right to pension – not charity. The right must fulfill older peoples' needs for a decent pension and for basic security and safety in older age
- Secure that the size of the pension follows the income development in the society