



Political Science and Public Administration Alumni Association,

Input on the "Right to Work and Access to the Labour Market"

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Apart from retirement age and health and safety regulations, working conditions in Greece are sector or even job-specific (when it comes for example to leaves, remuneration, life-long learning and distance working). As a member of the European Union, Greece obeys European regulation on labour market and is characterized by condition similar to those of other European countries, especially of the European South.

Labour force in European countries is ageing rapidly. Unless action is taken to ameliorate the labour market situation of older persons, this could lead to unsustainable increases in social expenditures and stagnant living standards. At the same time, policy reforms (mainly in the OECD countries) have led to an increase of older persons' (55-64) participation in the labour market by 8% since 2008, reaching an average of 64% in 2018 (OECD, 2019:5). Yet progress in participation rates remain uneven<sup>1</sup> and gender-sensitive, with women having a lower participation rate.

More specifically, Greece ranks the highest in terms of labour market insecurity among the OECD countries while has the second highest employment gap between prime-age men and disadvantaged groups, including women and older people. Greece also records the second highest share of working-age persons living with low income, indicating the deep social and economic impact of the crisis.

When it comes to policy reforms, reducing incentives for early retirement and rewarding employment at an older age is at the heart of the agendas. But increasing the retirement age (dominant practice) is not enough. The goal should be to increase the opportunities available to older persons. Emphasis should be placed on encouraging employers to employ and retrain older workers. However, the limited training opportunities given to older workers make it difficult for them to remain employed.

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<sup>1</sup> Participation rates for 55-64-year-olds vary from less than 50% in countries such as Poland, Slovenia, Greece and Turkey to more than 70% in Iceland, Sweden and New Zealand (Ibid: 8).

Perhaps surprisingly, one third of workers aged 55-64 in OECD countries have no computer skills.

Greece does not escape this general trend, with the national statistical authority (ELSTAT) claiming that the biggest threat to quality employment in later age is the gap in digital skills and the lack of distance working opportunities in Greece. Women remain more disadvantaged than men, especially in the category of older people (over 60), indicating the low commitment of women to labour market. The reforms aiming at tackling these problems have mostly remain in the real of increasing retirement age and increasing flexibility of the labour market. The high gender labour income gap (4<sup>th</sup> among OECD members) reflects the relatively low employment rate for women, (partially) reflecting low public expenditure on childcare and the limited availability of flexible working arrangements.

What is needed is a comprehensive approach that will include all social partners (state, employers and employees) and focus on rewarding later retirement. Possible measures for achieving this could be the restriction of mandatory retirement (in collaboration with workers' representatives) and the general discouragement of early retirement. At the same time, improving access to welfare benefits (e.g. unemployment or disability benefits) should be a priority. When it comes to training, the approach should be double-edged: on the one hand, it should focus on bridging the skills (especially digital) gap between old and young workers, aiming at increasing the employability of older persons. On the other hand, it should provide guidance to employers to manage efficiently an age-diverse labour force. Finally, an effort should be made to improve the working conditions of older persons through better regulation on work safety and remote-working while improving the role of labour inspecting bodies.

#### References:

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