

A comparative analysis of the active ageing policies in the Baltic countries



2014

This report is part of the MOPACT project – Mobilising the Potential of Active Ageing in Europe. The report is an input in the research field Extending Working Lives, Task 2: overview of the “state of the art” of current innovative, successful and sustainable approaches to working and learning longer. This report covers three Baltic countries – Estonia, Latvia and Lithuania.

The analysis was commissioned by

Authors:

Kirsti Nurmela, Praxis Center for Policy Studies

Liina Osila, Praxis Center for Policy Studies

Reelika Leetmaa, Praxis Center for Policy Studies

In addition to the authors, this work has been made possible with the contribution from:

Miko Kupits, Andres Võrk (Praxis Center for Policy Studies, Estonia), Julija Moskvina, Inga Blaziene (Lithuanian Social Research Center, Lithuania), Marija Krumina (BICEPS, Latvia)

Praxis Center for Policy Studies is an independent nonprofit think tank in Estonia that supports engagement and analyses-based policy making. Praxis has conducted policy research for more than ten years and are one of a kind in Estonia. The mission of Praxis is to improve and contribute to the policymaking cycle by conducting independent research and promoting public debates.



Praxis Center for Policy Studies

Tornimäe St 5

10145 Tallinn, Estonia

Ph +372 640 8000

www.praxis.ee

praxis@praxis.ee

Contents

1. Introduction	4
2. Baltic context: comparing Estonia, Latvia and Lithuania	5
2.1. Position within the welfare state models	5
2.2. Comparing the situation of active ageing in the Baltic countries.....	5
3. National level: policies for extending working lives and lifelong learning	11
3.1. National level strategies for active ageing.....	11
3.2. Incentives in social security system to prolong working lives: pension system	15
3.3. Employment protection legislation	21
3.4. Labour market measures	24
3.5. Occupational health in the labour market.....	26
3.6. Lifelong learning measures.....	29
4. Age management at organisational/company level.....	33
4.1. Overview of previous research	33
4.2. Company level practices	36
4.2.1. Estonia	37
4.2.2. Latvia	39
4.2.3. Lithuania	41
5. Summary.....	44
References	47

1. Introduction

This report is part of the MOPACT project – Mobilising the Potential of Active Ageing in Europe¹. The report is an input in the research field Extending Working Lives, Task 2: overview of the “state of the art” of current innovative, successful and sustainable approaches to working and learning longer. This report covers three Baltic countries – Estonia, Latvia and Lithuania.

The aim of this report is to provide an insight into practices implemented in Estonia, Latvia and Lithuania to support active ageing in the labour market and lifelong learning in older age. The report is divided into three main parts. Firstly, a contextual chapter is provided for putting the comparison of Baltic states into perspective – what is the welfare state typology represented in these countries and what is the statistical picture of the macro-level indices when comparing the three countries?

Second, national level policy examples are described from all three countries with the aim to support longer working lives and lifelong learning in older age. This chapter is not a full picture of all policy initiatives implemented in Baltic countries. Instead, the chapter brings out highlights from these countries that have a noteworthy role in active ageing policy in the country. The analysis concentrates on different policy fields, including national level strategies, social security system (including pensions), employment protection legislation, labour market measures, occupational health and safety policies and lifelong learning policies for older age groups.

Third, attention is turned on available information of practices implemented at company level. The chapter provides an overview of available research results on national level as well as some examples identified based on expert interviews conducted in each country. This chapter is a good starting point for further identification of good practices on national level. This chapter will be further complemented by good practices implemented by various non-governmental actors in Baltic countries. Collection of these practices will take place during August – September 2014.

The report aims at identifying “good practice” and particularly “social innovations” on national level. The definition of “social innovation” or “good practice” is rather difficult to pinpoint and it is largely dependent on the national context. However, we generally speak of social innovation if there is an intentional, purposeful new configuration of social practices realised by a certain group of stakeholders respectively constellations of stakeholders whose objective is to solve socio-political problems or satisfy needs better than it would be possible on the basis of established practices (Naegele and Bauknecht 2013, 16). This means that it is about the founded and explicitly intended integration of various constellations of stakeholders and practices into new socio-political methods of operation and organisation (Naegele and Bauknecht 2013, 16).

The report aims to identify measures that have an impact on both workability and employability of the ageing workforce. Based on the differentiation used in the conceptual framework and agreed between project partners, we differentiate between workability and employability in the following manner: Workability refers to individual characteristics: skills and personal resources, affected by lifelong learning and training, health, motivation (willingness to work) etc. Employability also contains factors such as work demands, workplace stereotypes, career perspectives, working conditions, job quality, labour market conditions (such as high or low demand for certain skills, which is also affected by tertiarisation etc.) (Naegele and Bauknecht 2013, 26).

¹ More detailed information on the project available at: <http://mopact.group.shef.ac.uk/>

2. Baltic context: comparing Estonia, Latvia and Lithuania

The current chapter aims at providing a context for reading the following chapters of the report and create a picture of the similarities/differences of the Baltic countries based on macro-level statistics.

2.1. Position within the welfare state models

In comparing the policy context of active ageing in the Baltic countries, a good starting point that is based on macro-level indices are the welfare state models and the position attributed to Baltic countries by different authors. The position of Baltic countries within various classifications of welfare models has changed over time and across different approaches to welfare regimes. The initial model by Esping Andersen (1990) did not include Eastern European countries. The next approach was to fit the Eastern European countries within the existing models (Beblavy 2008). Different studies have fitted the Eastern European countries under the liberal regime (Ferge 1997; Ferge 2001) or as a “transitional state”, moving towards the existing welfare regime types (Esping-Andersen 1996). After realising that these countries were not developing into the existing welfare types, new typologies were created. Two main approaches can be identified – either a single Eastern European model approach or the multiple models approach which finds variations within the region.

Several authors have been trying to separate Eastern Europe countries into one distinct group which would compose a regime that does not fall into Esping-Andersen’s trilogy (e.g. Oorschot and Arts 2005; Wehner et al. 2004; Aidukaite 2004; Kääriäinen and Lehtonen 2006).

Other authors make a distinction between the differences within the region. For instance Beblavy (2008) divides ten Eastern-European countries into five welfare models. Latvia is considered under the invisible model – a very small welfare state with much smaller redistributive efforts than others. Estonia and Lithuania compose the liberal light model - the state is much smaller than those of European states usually classified in the residual model (low in size of social protection expenditure, low in absolute redistributive effort; high in relative redistributive effort). Fenger (2007) on the other hand divides 19 Eastern European countries into three distinct models. Estonia, Latvia and Lithuania are combined under a single model with Belarus, Russia and Ukraine – former USSR type model. The grouping of countries largely depends on the number of countries included into the analysis and the level of similarity or difference, and also the number of end result i.e. the number of models or regimes generated. Also, the similarities and differences of the Baltic countries can vary across time. The following chapter provides a comparison of the Baltic countries regarding some statistics on active ageing.

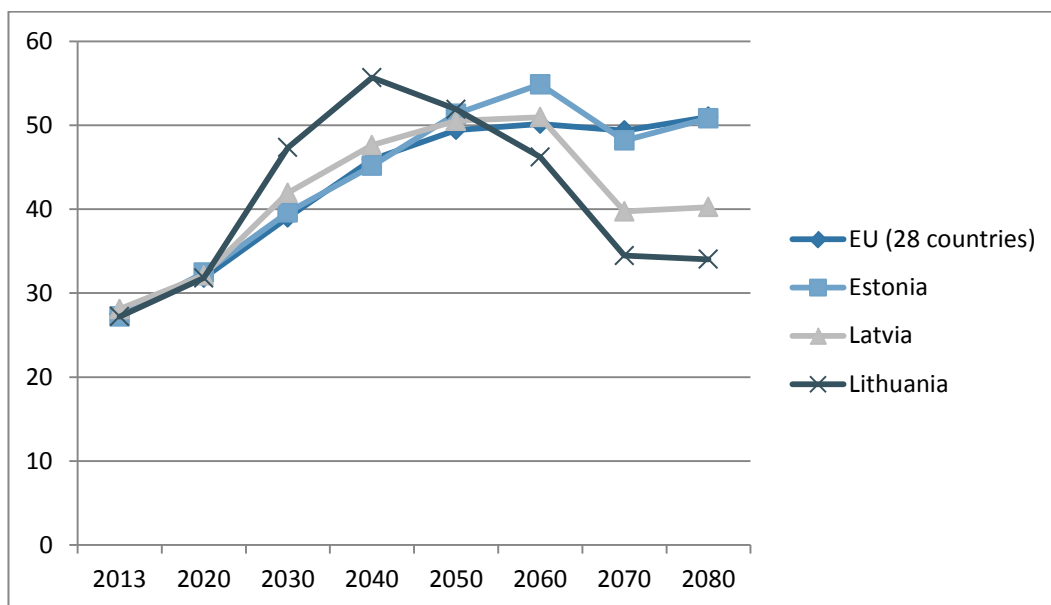
2.2. Comparing the situation of active ageing in the Baltic countries

Demographic developments

In 2011, Eurostat reported that the Baltic states are among the eight Member States where population has declined during 2011 (Robustillo et al. 2013). In 2011, population decline in Estonia was solely due to negative natural change, which offset positive net migration, while in Latvia and Lithuania, population declined mostly due to negative net migration supplemented by negative natural change (Robustillo et al. 2013).

Population ageing is a general process across the EU Member States and is expected to continue in the coming decades (Robustillo et al. 2013). The Baltic countries are no exception in this respect. Old-age dependency ratio is an indicator reflecting the relative size of the older population (aged 65 and over) expressed as a percentage of the working-age population (aged 15-64). According to Eurostat on-line database, in 2013 the old-age dependency ratio in the EU-28 was 27% (i.e. there is almost four persons aged 15-64 per one person aged over 65). All three Baltic States have a starting point indistinguishable from the EU average (27-28% in all three countries) (see also Figure 1). All three countries are expected to go through a decline in old-age dependency ratio which is followed by stabilisation period, although the decline will start earlier in Lithuania than in other countries. These trends can at least partly be explained by increasing fertility rates and an expected shift from population outflow due to migration into population inflow (see further below). By the end of the forecast period (2080), Lithuanian population is projected to be the most youthful out of the three Baltic countries while Estonia shows highest share of old-age population relative to working-age population.

FIGURE 1. OLD AGE DEPENDENCY RATIO



Source: EuroPop2010, Eurostat.

The trends described above can be explained by the following main indicators, forming the basis for population projections (EuroPop2013 projections by Eurostat²) – fertility rates, life expectancy at birth and net migration. Increasing fertility rates are expected in most EU countries during the projection period, including the Baltic countries.

Among the three Baltic countries, a convergence in life expectancy is projected by 2080. Out of the three countries, life expectancy at birth is expected to increase the most among Lithuanian men, who have the lowest starting point as at 2013 (68.7 years). Among the EU countries, Lithuania and Latvia

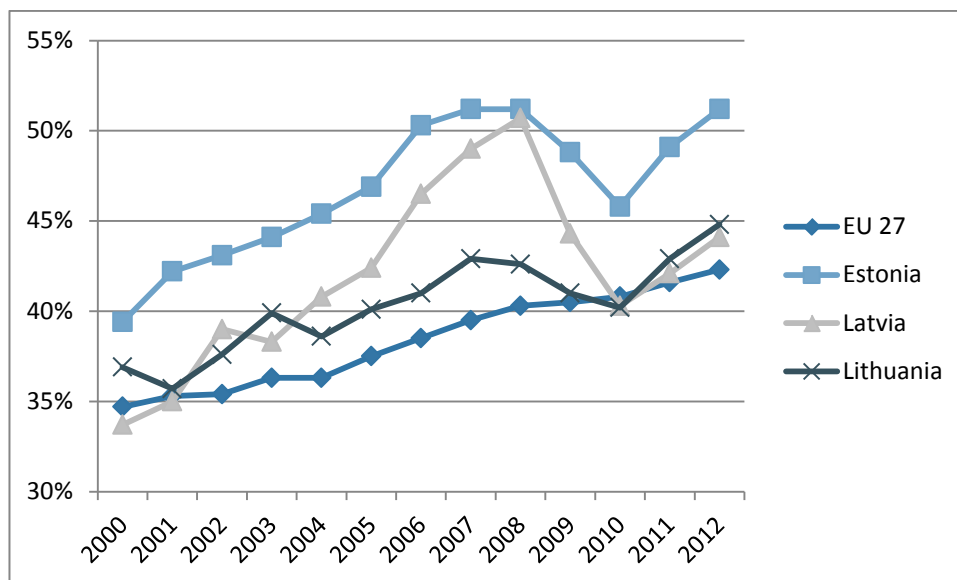
² For more details on EuroPop population projections, see http://epp.eurostat.ec.europa.eu/cache/ITY_SDDS/en/proj_13n_esms.htm

stand out with the lowest male life expectancy at 2013 (68.7 and 69.1 years respectively). Estonia has fifth lowest life expectancy for males (71.6 years). By 2080 this will not change, although differences between EU countries are expected to diminish. Also, these are the countries which are expected to make through the highest increase in male life expectancy over the projection period. The trends in female life expectancy are rather similar to that of males, although female life expectancy is considerably higher than that of men. Women can expect to live between 9.7 and 10.9 years longer than men in 2013 in the Baltic countries while the differences are expected to diminish to 5.1-5.3 years by 2080.

According to the EuroPop2013 projections, all of the Baltic countries are expected to go through a steep increase in population outflow due to migration in 2020-2030 which is expected to turn into a small population inflow by 2040 in all three countries. Population outflow is projected to be the steepest in Lithuania.

Employment of older age groups in the Baltic countries has been above the EU average for most years since 2000. Employment rates in Baltic countries for people aged 50 – 74 have been growing and have maintained their relative position above the EU average. As seen from Figure 2, during the boom years employment rates in Latvia and Estonia were climbing more rapidly but the ensuing crisis also had a stronger effect on the employment rates of older people. Starting from 2010, all three Baltic states are showing accelerated growth in their employment rates and are every year getting further away from the EU average. In 2012, employment rate of 50-74 year olds in Estonia (51.2%) was recorded the second highest among EU countries, after Sweden. Latvia and Lithuania were also among the ten countries with highest old-age employment rates in EU, rising above the EU average.

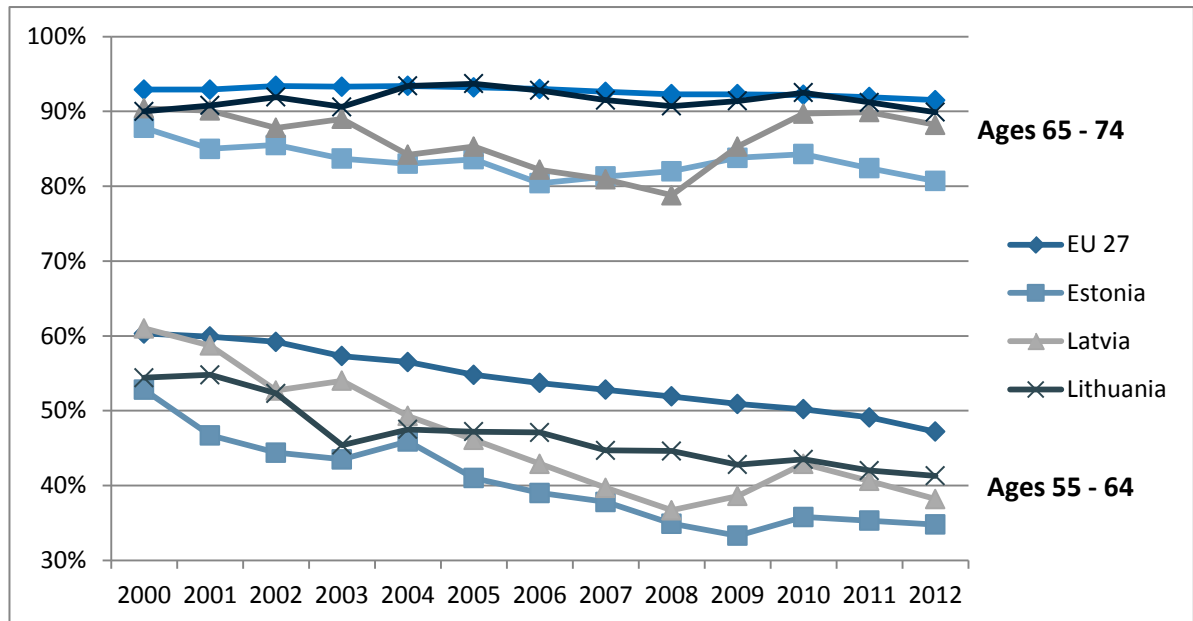
FIGURE 2. EMPLOYMENT RATE, AGE GROUP 50 - 74



Source: Eurostat

Another important measure to express the labour market situation for the elderly is inactivity rate, showing the amount of people who have left the labour market altogether. As seen on Figure 3, the total inactivity rates for age groups 55 to 64 and 65 to 74 have been declining in Baltic States and in the EU as a whole. Trends show that inactivity after the economic crisis show a noticeable increase only in Latvia, indicating that older age groups started to move more often from employment to inactivity after losing their jobs.

FIGURE 3. SHARE OF INACTIVE POPULATION BY AGE GROUP (AGES 55 TO 64 AND 65 TO 74), 2000-2012



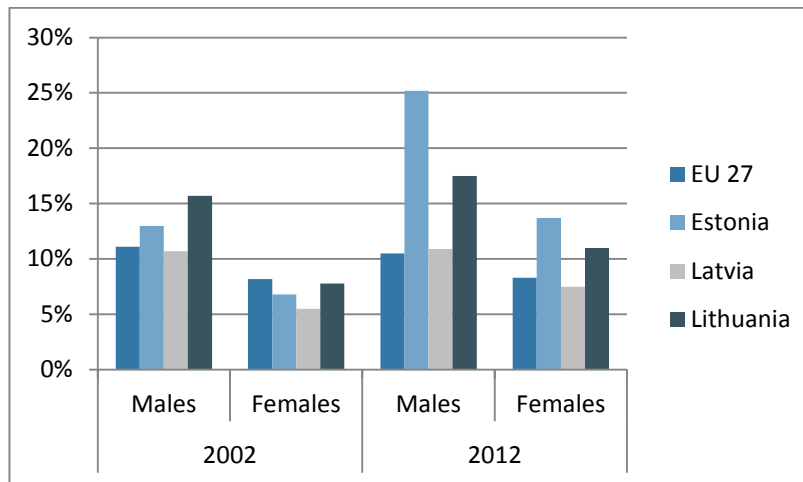
Source: Eurostat

Over time there has also been significant decrease in gender differences. For example in the case of Latvia in the 55-64 age group the inactivity rate in 2000 was 72% for females and 46% for males. By year 2012 the inactivity rate was 39% for females and 37% for males. There was also a trend of similar strength in Estonia and Lithuania but in the case of the latter there is still a gap between the female-male inactivity rates (45% and 35% respectively).

Being retired is the main reason for inactivity for people aged 55 to 74. In 2000 in Latvia almost every inactive person was retired (98%). In Estonia and Lithuania the figure was 86% and 91% respectively. Those figures were significantly higher than the EU average of 67%. While the EU average has risen, the share of people in the Baltic States, whose main reason for not seeking employment is retirement, has been decreasing. Latvia has seen the biggest decrease by 15 percentage points.

The second most common reason for being out of the labour market is presented on Figure 4. The figure identifies a cause for concern for Estonia and Lithuania where respectively 25% and 17% of males were inactive in 2012 due to an illness or disability. In the case of Estonia the figure has almost doubled in ten years. Situation for women is better compared to men, although the share of inactive women who are not seeking employment due to health problems has also increased over time in the mentioned countries.

FIGURE 4. SHARE OF INACTIVE POPULATION AGED 55 – 74 WHO ARE NOT SEEKING EMPLOYMENT DUE TO OWN ILLNESS OR DISABILITY BY GENDER (2002 AND 2012)



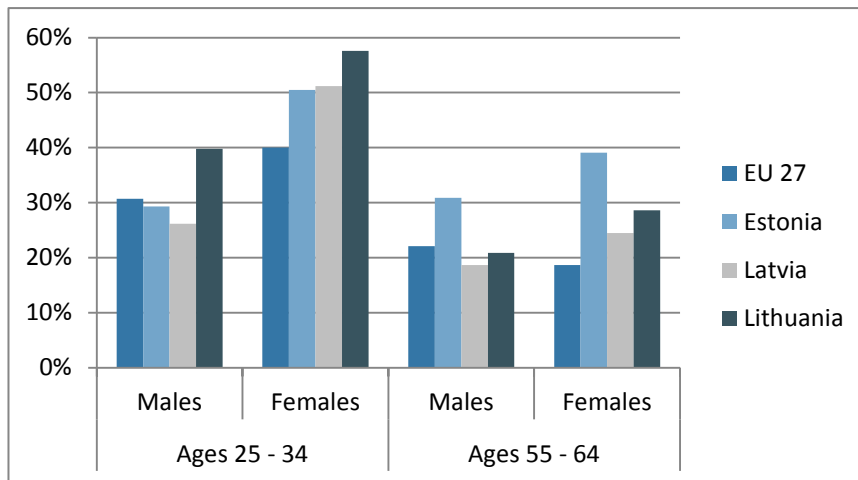
Source: Eurostat

Against this background, an issue of concern is the number of expected healthy life years. Expected healthy life years at birth are over 61 years for both men and women in the EU on average and the changes over time have been minimal. The women in Baltic States are closer to the EU average than men. The worst situation is in Estonia where the women are four years and men 8 years below the EU average. In Latvia the figures are 3 and 7 and in Lithuania men are 5 years below the EU average and women have managed to caught up to the average woman in the EU. The situation for Baltic States has improved since 2004 but the growth of healthy life years has stopped and regressed a little for Estonia and Lithuania.

The current report is also concerned with the **lifelong learning** trends among older age groups. In general, older age groups in Baltic States have considerably higher education than in the EU on average. In age groups of 25 to 34 and 35 to 54 the share of people in Baltic States who only have education corresponding to ISCED levels 0-2 is roughly three times lower than the EU average for those age groups. Attainment of tertiary education (ISCED levels 5-6) in Lithuania and Latvia is slightly above the EU average while Estonia has considerably higher figures.

Figure 5 shows the attainment of tertiary education by age groups in 2012 and highlights a worrisome educational gap between the sexes. In the older age group the EU wide average difference between men and women is 3.4% points. In Latvia and Lithuania the gap is 6% and 7% points and in Estonia the difference is nearing to 10% points. But gender differences in attainment of tertiary education are even bigger for the younger age group. EU average is 30% for men and 40% for women while in Baltic States the gap varies from 17 to 25% points meaning that future older generations can expect even bigger gender differences in their education levels than they experience now.

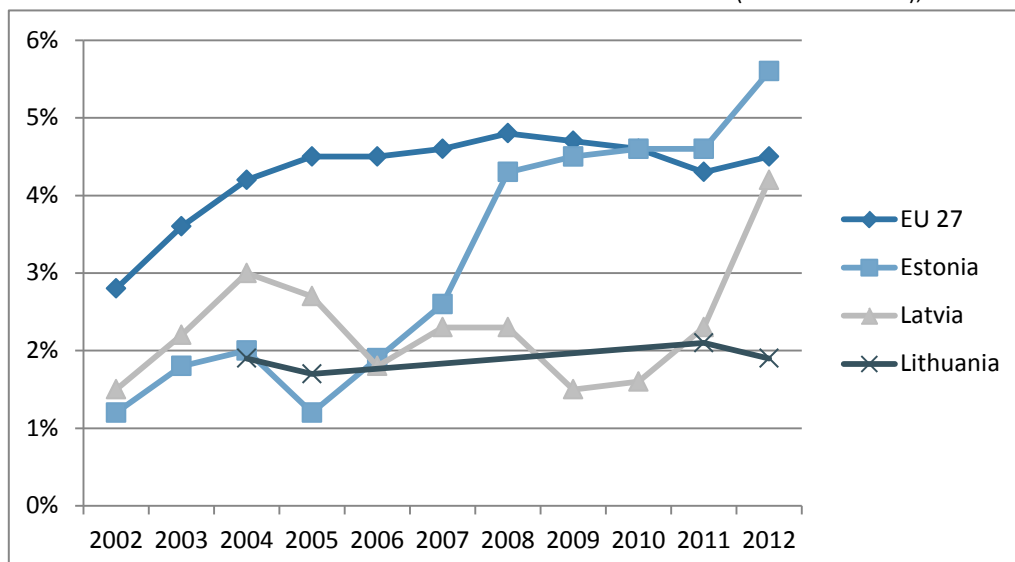
FIGURE 5. ATTAINMENT OF TERTIARY EDUCATION IN 2012, BY AGE GROUP AND SEX



Source: Eurostat data, author

Figure 6 presents the participation rate in education and training for people aged 55 to 64. Baltic states all started from a lower level compared to the EU average but by 2012 both Estonia and Latvia reached participation levels close or above the EU average. Participation rate for Lithuania has not changed over the years but not much should be read into it due to the fact that Lithuania has missing data points and the validity of the data comes into question. In 2012 in Lithuania there were no gender differences in the rate of lifelong learning participation among people aged 25 to 34 and only slight advantage towards women in Estonia and Latvia. For the older age groups women have noticeably greater participation rates than men in all three Baltic states.

FIGURE 6. PARTICIPATION RATE IN EDUCATION AND TRAINING (LAST 4 WEEKS), 55 TO 64-YEAR-OLDS



Source: Eurostat

3. National level: policies for extending working lives and lifelong learning

This chapter focuses on national level policies that are somehow noteworthy in terms of their impact (either positive or negative) on working and learning longer. The aim is not to provide a comprehensive overview of every existing measure/ policy in the Baltic countries, but to bring out examples of significant/ noteworthy policies of how active ageing is tackled on national level. The chapter is based on national reports from Estonia, Latvia and Lithuania which were compiled based on available policy documents and expert interviews.

3.1. National level strategies for active ageing

Out of all the three countries, **Estonia** is the only one which has introduced a strategic document guiding the implementation of active ageing policies on national level. In Estonia, there have been two strategic documents that have been the basis for implementing active ageing on national level. The first document was introduced in 1999 – “Principles of Elderly Policy” (Ministry of Social Affairs 1999) and its implementation plans for the years 2002-2005 (Ministry of Social Affairs 2002) and for the years 2007-2009 (Ministry of Social Affairs 2008).

In year 2012, that in Europe was dedicated to promote active ageing and solidarity between generations, the Ministry of Social Affairs started to develop a national Development Plan of Active Ageing for the years 2013-2020 (Ministry of Social Affairs 2013). The aim was to elaborate a policy framework for older persons aged 50 and older that associates the issues of four different policy fields – health care, life-long learning, civil society and labour market. Both, the policy paper made in 1999 and the new Development plan for 2013-2020 stem from holistic approach meaning that to change the situation, actions in different areas of life need to be carried out. While the Implementation plans for the new Development Plan for 2013-2020 have not yet been published, the representative of the Ministry of Social Affairs expressed opinion that overall the two strategic documents (the one from 1999 and from 2013) differ quite extensively. Also, the role of the Ministry of Social Affairs has increased being the main lead and the role of Elderly Policy Committee that is an advisory body for the Ministry of Social Affairs has decreased compared to earlier period.

The Development Plan for 2013-2020 was finished early 2013 and around 60 different stakeholders were involved in the process, including representatives from different institutions (e.g. Estonian Unemployment Insurance Fund), universities, NGOs, think-tanks, local governments, ministries, social partners. The Ministry of Social Affairs is planning to draw up four Implementation Plans all made for two year periods to carry out the Development Plan. However, the process of elaborating the first Implementation Plan for the years 2013-2015 has been suspended. Mainly because it was not the priority for the previous government as several other extensive reforms were on the table and because the new government that took the office in the end of March 2014 has not yet had the chance to focus on the issue. Still, the representative of the Ministry of Social Affairs remained positive as the current Minister for Social Welfare is also the member of the Elderly Policy Committee and therefore well informed of the whole issue and development plan. The representative of the Ministry also argued that although there currently are no confirmed implementation plans, it does not mean that no actions have been taken. She brought out as an example that thanks to the existence of the new Active Ageing Development Plan for 2013-2020, different measures directed to older people were included in the new Lifelong learning strategy 2014-2020 to support the implementation of the aims set in the development plan.

In **Latvia**, *Comprehensive Active Ageing Strategy for Longer and Better Working Lives* - the first single policy document in the field of active aging and extending working – is in preparation, to be ready by the end of 2015. The Ministry of Welfare with a financial support from the EU PROGRESS 2007-2013 programme started to work on the development of the strategy in March 2014. The project has two main activities: the first one is to evaluate the main challenges for active aging and possible policy changes (main areas analysed: employment, health, social security); and the second - to develop active aging strategy based on the evaluation made during the first stage of the project³.

In **Lithuania**, there is currently no strategy specifically focused on active ageing issues. The first strategic document - National Strategy on Overcoming the Consequences of Ageing (“The National Strategy on Overcoming the Consequences of Ageing” 2004) (“the Strategy”) – was approved in 2004. The Strategy aims at providing, in compliance with the principles of active ageing, older people with conditions for a full life, seeking for their experience to be valued, and making them certain of their future. The content of the Strategy was approved as fully meeting all the criteria of active ageing laid down by the World Health Organisation (WHO) (Adomaitienė et al. 2007).

In 2005, the Government of the Republic of Lithuania (GRL) approved the 2005-2013 Action Plan for the Strategy (“The 2005-2013 Action Plan for the Strategy” 2005). This document covered such measures as income guarantees, employment, health and social services, full life opportunities, participation in society, and creation of the image of older people. The Ministry of Social Security and Labour (MSSL) and institutions subordinate to it were in charge for the most of the measures. Following the provisions of the Action Plan, the Lithuanian Pensioner Affairs Council⁴ was established at the MSSL. Although the MSSL is assigned a greater degree of responsibility for coordination and implementation of national goals and objectives contributing to the goals of acting ageing policy, there is the lack of inter-institutional coordination. Therefore, establishing a common strategy or a responsible function on Government’s level would probably contribute to the more effective management of active ageing on national level.

Even though introducing a national level strategy for active ageing has succeeded to a different extent in the three countries, all of the countries report that active ageing is at least partly included in various other national level strategies. For instance, in **Estonia** the necessity of prolonging working lives was also stated as an overall principle in strategic documents, for example, the strategy of “Estonia 2020” highlighted that in the future it is getting more and more important to provide measures to older persons in order to prolong their working life or getting them back in the labour market (State Chancellery 2013). However, there are no specific activities introduced to reach this aim.

In **Latvia**, almost all of the current main strategic national documents recognise the importance of active aging policies, and include at least some measures aiming at increasing employability of older people.

- *Latvia’s Sustainable Development Strategy 2030*⁵ includes programmes for prevention of age discrimination, the development and inclusion of a programme in social responsibility assessments and enterprise audits, long-term investments in human capital to increase its productivity, training and socialisation programmes for people in retirement and pre-retirement age.

³ Direct communication, Ministry of Welfare, 2014.

⁴ <http://www.socmin.lt/lt/veikla/tarybos/lietuvos-pensininku-reikalu-taryba.html>

⁵ Adopted by the Parliament of Latvia in June 2010.

Latvia's Sustainable Development strategy 2030 is highly evaluated by the Trade Union Confederation and considered to be the only document that explicitly emphasizes involvement of old-age people in the labour market.

- *Latvian National Development Plan 2007-2013; Latvian National Development Plan 2014-2020* also include aging related measures such as promotion of lifelong learning, access to education, training and skills development, unemployment preventive measures for pre-retirement age workers, sustainability of the state social security system, the provision of health care services, flexible working time arrangements.

- *National Reform Programme of Latvia for the Implementation of the Europe 2020 Strategy*⁶ have measures on ensuring the sustainability of the pension system and integration of pre-retirement age population into the labour market using special public work programme, subsidised employment and training (ICT skills and foreign language skills), reducing discrimination and promoting investments in research.

- In 2008, the importance of the labour market participation of older individuals was emphasized by the Latvian government and included as a horizontal priority '*equal opportunities for everyone independent of age*' in the Ministry of Welfare guidelines to an application for joint funding from the European Social Fund and Latvian government. The main aim of the guidelines is to ensure that all members of society, regardless of gender, age and disability can have equal opportunities to participate in ESF projects and to benefit from their implementation. The guidelines are not binding and their application has to be assessed individually. However, they have a crucial role while deciding on possible financing and choosing from similar projects. Projects addressing issues of equal opportunities are prioritised for getting funding over otherwise similar projects not addressing the issue.

These guidelines were very positively evaluated by the Trade Union Confederation and Latvian Pensioner's Federation. Yet the post-assessment of the measure acknowledged that only small share (6%) of all projects' beneficiaries in the structural funds were older workers. Majority of the projects with horizontal impact have been in the areas of education and employment. (SIA "Corporate Consulting" 2013)

In **Lithuania**, the issues of population ageing and the measures to tackle these issues within a period from 2004 to 2013 were reflected in the Governmental Programme ("The Programme of the GRL" 2008). In order to tackle issues related to demographic ageing, the programme provided for improving the social insurance system, fostering a relative increase in the size of the old-age pension, establishing a more effective system for the provision of social support, enhancing the provision of social care and social protection, and strengthening the community spirit and solidarity between generations. Furthermore, the "The National Demographic (Population) Policy Strategy" 2004 (adopted in 2004) provided, *inter alia*, for measures related to the tackling of population ageing problems, i.e., improve the quality of life of Lithuania's population, reduce morbidity, mortality and inequality in order to increase life expectancy. The non-discrimination action plan (2012-14) ("The Interinstitutional Action Plan for Promoting Non-Discrimination" 2011) also helps encourage the elderly to lead active lives and fosters their dignity. The measures by which this plan is implemented cover various educational events and support for the activities of non-governmental organisations aimed at reducing discrimination on various grounds, including those related to age. Implementation

⁶ Approved in 2011.

of “The National Program on European Active Aging and Intergenerational Solidarity” 2012 was aimed at bringing the problems associated with demographic ageing and intergenerational solidarity to the attention of the public, raising the awareness of the activities being undertaken in this area, and providing new opportunities for synergies and collaboration.

The review of the relevant documents defining employment and social policy development shows that the Ministry of Social Security and Labour (MSSL) continues to play the key role in this area. There are two main documents defining Lithuania’s tasks in pursuance of active ageing provisions for a period from 2014 to 2020, namely, “The 2014–20 Programme for Employment Increase” (2013) and “The Action Plan for Enhancing Social Inclusion in 2014–20” (2013). The Programme sets a strategic objective to raise employment levels as much as possible so that every person would be able to find a job that meets his or her qualifications and to secure an adequate standard of living. This objective is based on three tasks: (1) to promote creation of jobs and labour demand; (2) to improve the match between labour skills and market needs; (3) to integrate and retain free labour resources in the labour market. Although all the objectives and tasks indirectly contribute to the implementation of active ageing objectives, inclusion of older people in the labour market is specifically identified only in the third objective of the Programme which reads “to encourage older employees to stay in the labour market longer”. This objective is to be achieved by creating favourable conditions to work at retirement age, promoting training of older employees by means of application of flexible training forms for adults, providing older unemployed persons with skills refreshment and reskilling opportunities, applying target incentives to admitting older persons to work, supporting the transfer of work experience of older people to youth by various means of experience transfer. Responsibility for achievement of the qualitative targets of the Programme (increase of the employment rate up to 53.5% in people aged 55–64 and extension of the average age to exit the labour market up to 64) is vested upon the MSSL, too. Preparation of specific measures to promote active ageing is also envisaged within the framework of Programme implementation.

The Action Plan for Enhancing Social Inclusion provides for obligations of the MSSL to develop timely and effective health services in the area of *healthy ageing* in order to keep elderly people in the labour market as long as possible and to reduce their social exclusion risks. The Plan also provides for the improvement of coordination, management and monitoring of preventive health services with a view to ensuring better effectiveness thereof in territories with the poorest health indicators, reducing health inequalities among various social groups, and ensuring possibly *longer healthy ageing*, as well as supporting projects in the area of healthy ageing. In addition, the Plan provides for the reduction of health inequalities by improving the quality of and access to health services, including ensuring opportunities for the elderly to stay active in the labour market and in their usual social life.

In addition, **Latvia** has reported an example of an advisory council to the issues of active ageing. In 2013 the Ministry of Welfare initiated the creation of Seniors Advisory Council. The Council consists of the representatives of the main Latvian pensioners’ organisations (Latvian Pensioner Federation, Latvian Senior Alliance, regional pensioner organisations), as well as representatives from the Ministry of Welfare, the Ministry of Health and State Social Security Agency. The main task of the Council is social dialogue between the parties involved, discussion of the planned reforms, strategies and policies in the field of health care, employment, lifelong learning and financial position of the aged people. The assessments of these activities by different stakeholders are rather controversial⁷;

⁷ <http://www.la.lv/senioru-padomes-darbs-tuvplana/>

still the council increases the opportunity for social dialogue and chances of the pensioners' opinion to be heard by policy makers.

Starting from its creation in 2013 the Council have had 8 meetings. The main topic covered has been mostly devoted to the issue of pension indexation. Several indexation scenarios have been discussed and the one selected for implementation, i.e. indexation of small pensions (took place in autumn 2013).

On the contrary, **Lithuania** has reported that parties other than state/government agencies lack recognition as that of independent participants in the planning and implementation of active ageing policy in the country. The role of the social partners or older people themselves is rarely defined in strategic or accompanying documents. Sometimes these documents provide for state support for certain NGOs (usually of older people) implementing provisions of strategic documents in the area of population ageing. However, the social partners as a rule are not identified in such documents as strategy/programme implementing institutions.

3.2. Incentives in social security system to prolong working lives: pension system

As a measure to prolong working lives, all Baltic countries have reported an **increase in pension age**. All three countries have set their aim to equalise retirement age for men and women (Latvia already has equal retirement age for both genders) and reach the retirement age of 65 by 2025-2026 for both men and women. In **Lithuania**, increase in pension age was considered as one of the measures to ensure the continuity and financial sustainability of the state social insurance system (Lazutka 2013).

In parallel, **Latvia** has also reported an increase in the minimum number of qualification years for a pension from 10 to 15 years in 2014, and will be further increased to 20 years by 2025. A longer insurance period and a later retirement age will ensure a higher old-age pension than under the existing regime.

An option to leave the labour market prematurely is offered by **early retirement options**. However, the popularity of these options tend to vary across the three countries. For instance, in **Lithuania** and **Latvia**, early old-age pensions are subject to relatively strict regulations (see also Table 1 below). At the same time, their popularity increased in the economic crisis – according to the Eurostat ad-hoc module on transition from work to retirement in the Labour Force Survey, the share of early retirement among people who receive an old-age pension is 10.9% in Estonia, 19.1% in Lithuania and 35.1% in Latvia in 2012 compared to 39.1% in the EU28 on average. Also, early old-age pensions are lower than regular old-age pensions and it also has a negative impact on the old-age pensions. For instance, in **Latvia**, starting from 2009, the early retirement pension is 50% of the value of a person's old-age pension (till 2009 – 80%). In **Lithuania**, early old-age pension was LTL 618 or EUR 179 in 2013, by 27% lower than regular old-age pension⁸. This makes a strong financial incentive to continue working and not to use the option of early retirement when possible.

In order to further discourage the use of early old-age pensions, in 2009 the early retirement pension was cut from 80% to 50% of the value of a person's old-age pension. However, the share of early retirees in those retiring in 2009 and 2010 actually increased as compared with earlier. This affect

⁸ <http://www.sodra.lt/index.php?cid=283>

was partially explained by the further even more unfavourable changes in the pension system, thus the early-retirement by many individuals was considered to be the best option.

Furthermore, **Lithuania** reports a further decreasing trend in early old-age pensions. In 2013, there were 11,599 recipients of early old-age pensions in Lithuania compared to 598,700 recipients of old-age pensions. Although access to early old-age pensions was improved in 2012 (the requirements to have a 12 months' period of registered unemployment prior to applying for the payment of early old-age pension was abolished ("The Law on State Social Insurance Old Age Pension Prepayment" 2012)), the number of recipients of such pensions keeps decreasing in the country.

At the same time, in **Estonia**, use of early retirement options is quite common - 19% of all people who entered old-age pension scheme used early retirement in 2011 and 2012.⁹ As the duration of unemployment benefit is short in Estonia and work-incapacity pensions are low (about 60% of old-age pensions), people choose early retirement scheme as only available way to leave the labour force. The entry rate was higher during the recent crisis when unemployment increased– 25% in 2009, 24% in 2010. Leetmaa et al (2004a) show that majority of people who enter early retirement scheme come from unemployment or inactivity – about 80% of those have not had employment income before entering the early retirement scheme. More recent studies have shown the continuation of the same pattern – during 2005-2012 about 75% of people in early retirement did not have an official employment income before entering the scheme (National Audit Office of Estonia 2014).

⁹ Authors' calculations based on annual reports „Pensioners“ by Estonian National Social Insurance Board

TABLE 1. MAIN CONDITIONS FOR EARLY OLD-AGE PENSIONS, BALTIC COUNTRIES.

	Lithuania	Latvia	Estonia
Maximum time before retirement age to collect early old-age pensions*	5 years	2 years	3 years
Minimum social security contribution history	At least 30 years	At least 30 years	At least 15 years
Employment	A person should not be employed under any form of contract or self-employed	Should not be employed, although a person can receive the status of early retirement and continue to work**	Simultaneous labour earnings are not allowed until reaching statutory pensions age
Relations with old-age pensions	The amount of old-age pension to persons awarded early old-age pensions are reduced for the whole period of retirement.	Early retirement reduces the amount of the full state pension received by individual (the level of a state pension depends on the age when the person retires as one of the factors).	For each month of early old-age pensions, old-age pension is reduced by 0.4%.

*The age of early old-age pensions increases with general retirement age.

** This is because of the fact that early retirement was designed as a supportive mechanism for people who have lost their job shortly (2 years) before the official retirement.

Source: national reports of Estonia, Latvia and Lithuania

Withdrawal from the labour force early is also influenced by the legislation that grants many people right to retire before the general retirement age via special pension schemes. In such cases the retirement serves a somewhat different objective than the ordinary old-age pension: it recognizes the work done on certain positions and services before the society, puts value on raising children, compensates working in difficult conditions or in conditions harmful to health, redresses repression, social or other injustice. In **Estonia**, according to the National Pension Insurance Act the following people are entitled to receive an old-age pension up to five years before the official retirement age: a parent of at least three children or parent of a disabled child; unlawfully repressed people who have been in penal establishments or in exile; people who worked in liquidating the consequences of the Chernobyl nuclear power station. In addition, there are special old-age pension systems in **Estonia** for people who have worked in difficult conditions or in conditions harmful to health, and for representatives of certain professions (ballet dancers, aviation and marine workers, children's home teachers, textile workers), where it is assumed that their professional work ability reduces with age or disappears altogether, and prevents them from continuing in the same field or position. People who

have worked in harmful or difficult working conditions or on certain professions are entitled to retire up to 10 years earlier than other workers, whereas this right is acquired regardless of their actual state of health or working ability¹⁰.

Research has shown that people who entered these pension schemes (pensions under favourable conditions and superannuated pensions) during 2010-2012 in Estonia did not have poorer health compared to the average in the same age group (National Audit Office of Estonia 2014). For instance, in 2012 there were 14-25% of people (depending on the age group) permanently incapacitated for work among those who received pensions under favourable conditions and 10-24% among those receiving superannuated pensions compared to 17-31% among the respective age groups in general (National Audit Office of Estonia 2014). It was also shown that the share of people with disability is lower among people in the respective pension schemes compared to the general population (National Audit Office of Estonia 2014).

There is, however, one prerequisite for receiving the pension – such persons should not continue working in harmful or difficult conditions or in the field that entitled him or her to the right to receive superannuated pension. They have to leave the labour market or find a new job. Such special laws are also in force for various persons in civil service, providing them with early retirement options. Police officers, for example, have a right to early retirement at the age of 50 (Leetmaa, Võrk, and Kallaste 2004a). It has been criticised that people who have worked in the respective conditions often find it difficult to enter labour market again due to their very specific skills composition (National Audit Office of Estonia 2014). Thus, there is a need for a system of additional and retraining for these people (National Audit Office of Estonia 2014). The described pensions are in essence early retirement pensions, which allow people to withdraw from the labour market before the general retirement age. Unlike formal early-retirement pension, the described pensions include also other benefits, such as more generous calculation of pension qualification period or linking the amount of pension to an earlier wage. All these benefits may motivate persons to change profession or a job, or withdraw from the labour market. Even though the rules of pension under favourable conditions do not force anybody to leave the labour market, there is still the risk of inactivity evident in it. The pension is granted only if the person has stopped working in the industry, profession or position that entitled him or her to this pension. (Leetmaa, Võrk, and Kallaste 2004a)

In **Estonia**, it is reported, that it is also possible to **defer retirement** and for each month the pension is then increased by 0.9%, which is higher rate than actuarially fair. Despite a high bonus (0.9% per month) for delaying retirement, it is used rarely. In 2012, 2.0% of pensioners who entered into the old-age pension scheme, had used the option to delay retirement. The share has been low also in previous years, but one can see a small trend of increase – 0.95% in 2009, 1.0% in 2010, 1.4% in 2011, 2.0% in 2012.¹¹ There have been no studies on the reasons why the use of this option has been so low, and how this could influence the labour market participation.

Higher employment in older age is also motivated by relatively **low size of old-age pensions** and **possibility to receive simultaneous income from work** in the Baltic countries. For instance, the at-risk-of-poverty rate among people aged 65 and over is relatively high in Lithuania (18.7%) and Estonia (17.2%) while it is lower than EU-28 average in Latvia (13.9%) in 2012 (Eurostat data). Also, Baltic states outstand with relatively high gender differences in this regard – female at-risk-of-poverty rate is higher in all countries. Gender differences are highest in Estonia with 8.9% points, while it is 7.4 and

¹⁰ Regulated by Pension under Favourable Conditions Act and Superannuated Pension Act.

¹¹ Authors' own calculations based on annual reports „Pensioners“ by Estonian National Social Insurance Board

7.9% points in Lithuania and Latvia respectively. The EU average gender differences are 4.3% points. At the same time, despite the motivation to remain in employment, it is also noted in the example of **Estonia**, that some people with a very low pension insurance component may lose motivation to do additional work, as they do not see any opportunities to receive higher old-age pension than the national pension (i.e. the minimum guaranteed pension level). The fixed level minimum income (at the rate of national pension) is guaranteed to those older people in Estonia, whose pensionable service period is very short or whose earnings levied with social tax have been very low throughout their career.

The need to provide sufficient household income is the main reason in all three Baltic countries for continued employment among people who receive pensions – 78% of people aged 50-69 in Estonia, 58% in Latvia and 47% in Lithuania keep working after retirement for this aim (based on 2012 ad-hoc module “Transition from work to retirement” for the Labour Force Survey, Eurostat). In Latvia and Lithuania, it is also more often shared with the aim to establish/increase future retirement pension entitlements (for 20% and 32% of respondents respectively). These are considerably above the EU average of 37%. All three Baltic countries report the lowest shares in the EU of non-financial reasons to continue employment (after Romania and Slovakia) with 8-9%. In the EU on average, almost a third of people who continue employment in retirement age, do so due to non-financial reasons.

As a crisis measure, in 2009 it was decided in **Lithuania** to reduce social insurance pensions (Lazutka 2013) in order to balance the budget of the SSIF. The reduction was entrenched in the Provisional Law on Recalculation and Payment of Social Benefits (“The Provisional Law on Recalculation and Payment of Social Benefits” 2009) effective in Lithuania during 2010-2011 (i.e. the initial level of pensions was restored since January 2012). The provisions of this law did not apply to persons receiving social insurance pensions below LTL 650. By virtue of this law, pensions to not employed retired persons were cut by 7.88% on average, whereas the employed persons at the retirement age received a pension that was cut by 24.58% on average (Ministry of Social Security and Labour 2011). In fiscal terms, it was one of budget-balancing measures, but it was stricter than in Europe on average (Aidukaite, Moskvina, and Skučienė 2014). Statistical data suggests that this approach had implications, although minor, for employment indicators of persons aged 65 and over.

Similar decisions were made in **Latvia** during the economic crisis. Old-age pensions were reduced by 10% and pensions of working pensioners by 70% (the amendments to the 2009 budget). The changes were introduced with a short notice and forced many retirement-age employees, who otherwise would continue working, out of their jobs, causing an extremely negative effect on the labour force participation of older people (immediate implications for the participation rate of older workers with a 42% reduction in the number of working pensioners from June 2009, being 60.8 thousand to July 2009 - 35 thousand) (Ministry of Welfare 2009). In December 2009 the Constitutional Court acknowledged that the government’s action was unconstitutional and that the reduction in benefits should be reversed. Following this judgment, pension deductions were cancelled from 1st February 2010 and the deductions made for the period from 1 July 2009 to 1 February 2010 were reimbursed in April 2010 (Vanags and Krūmina 2012). But it was impossible for many pensioners to go back to their former employers or to find another job¹².

In **Estonia**, in addition to the possibility to receive simultaneous income from work and pensions, working after pension age also ensures a higher pension in the future (even for a person who already

¹² Direct communication, Ministry of Welfare, 2014.

receives pensions). The monetary effect depends on the relative monetary values of the insurance component and the base component. For example, each year of working with average wage (assuming that there are no contributions to the compulsory funded pension scheme) added 4.7 EUR to the monthly pension in 2013. As the base amount is indexed at more rapid pace, additional year of working contributes relatively less to pensions over time. Additional working year with average wage would add 1.5% to the average pension in 2013 and 1.4% in 2030.

In **Estonia**, an important role in the move from labour market to retirement is played by **work incapacity pensions**. To illustrate, in the beginning of 2013, about 16% of men aged 55 to official retirement age received various types of old-age pensions, and 26% received work-incapacity pensions. Among women, the share of old-age pensioners is slightly higher (22%) and share of work-incapacity pensions lower (24%). In the last decade the inflow into the pension system through work-incapacity pension scheme was influenced by the recent economic crisis. In the structure of new pensioners the share of people retiring via work-incapacity pensioners peaked in 2011-2012, when it reached 50% of total new pensioners.

Incapacity for work pension (or shortly incapacity pension or invalidity pension), either on the grounds of an illness or injury, is one of the major reasons for inactivity in Estonia among people aged 45 to pension age. Since the beginning of the 1990s the number of persons receiving a disability pension (until 2000) and that of persons receiving pension for incapacity for work (since 2001) has grown rapidly both in absolute figures and as a share from the population.¹³

The growing number of persons receiving a disability pension (incapacity pension) could have many explanations: general deterioration of health in the population, increased awareness of impairments among employees and medical staff, larger share of people applying for disability pension because of increased unemployment.

The attractiveness of the disability pension has been also large, because it is bigger than unemployment assistance benefits.

In Estonia, receiving an incapacity pension does not exclude working at the same time. On the one hand, this kind of situation promotes employment; on the other hand, it motivates some people to apply for incapacity pension even without any prerequisite health conditions.

The government is preparing an incapacity for work reform that should be implemented from July 2015. Compared to current system, the plan is to move away from evaluation of incapacity, and instead assess an individual's capacity to work on the basis of not only health, but also taking into account suitable conditions of employment and a reasonable job. According to the new system, benefit eligibility rules will be changed so that people with a partial capacity for work will be eligible for benefit, only if they are employed, unemployed and actively seeking a suitable job or participating in active employment services, or take part in formal education. The aim is to support employment among people with partial incapacity for work and reduce the share of people receiving disability pensions.

The reform also foresees changes in the social and vocational rehabilitation services to provide further help and assistance to employers in improving and adapting the work environment and

¹³ Various legislative changes from 1991, 1993 and 2000 do not allow the values to be compared directly. The main change in 2000 was that the incapacity pension may be granted only to people in their working age. For a more detailed overview on the legislative changes see the overview in Leppik 2003.

working conditions. It is hoped these measures will support reactivation and employment opportunities. The Ministry of Social Affairs foresees that the reform should take the number of people on disability pensions down to 80,000 by 2020. In 2012 the number stood around 95,000 and it has increased continuously (National Audit Office of Estonia 2014). Whether these aims will be filled, remains to be seen in the future.

In the current situation, there are some preconditions created by the Estonian labour policy and social policy for increasing the employment of disabled people. Firstly, people receiving an incapacity pension can also receive employment services and, for example, be employed with the help of the subsidy to employer for employing a less competitive person. Secondly, the state alleviates the tax burden of those incapacity pensioners who work, by paying the social tax on an annually specified amount.

In addition, disabled people can receive special social benefits (in addition to incapacity pension), the aim of which is to help them cover the extra expenses arising from their special needs. Such extra expenses are primarily expenses related to education, going to work, rehabilitation, care, use of special aids, transport, and other services. Some social benefits, such as education allowance, rehabilitation allowance, and further training allowance, are more specifically aimed at promoting the integration of disabled persons into the labour market. According to the Social Welfare Act, the local governments offer disabled people counselling, rehabilitation, housing services; personal assistant, welfare and other social services, which support independent living, improve the quality of life and support social integration. In addition, state aid includes among other things the funding for the rehabilitation of people with mental disorders, support to services connected with living and working, and to providing technical aids, which are all indirect measures facilitating employment. However, it is important to note that the choice and availability of services depends greatly on the priorities and means of a specific local government, and can therefore vary. (Leetmaa, Vörk, and Kallaste 2004a)

Also, the current reform plan has received criticism from various parties. For instance, representative organisations of people with disabilities held a picket in front of the parliament building on 17 June 2014 criticising the poor employment opportunities available for them – these are not ensured by the current reform (ERR 2014). In addition, experts have criticised the lack of a comprehensive approach to the reform and lack of coordination between various public bodies involved in the process, lack of measures to prevent job loss for people with health problems and reduction in employability (Veldre 2014).

3.3. Employment protection legislation

In general, older workers seem to be covered by more strict rules in Latvia and Lithuania while Estonia has moved towards a more flexible model. Older workers have higher employment protection compared to younger people based on two main principles: higher employment protection to people who are in pre-retirement age (or reached retirement age) and higher employment protection to people with longer job tenure (based on the assumption that older people have more often longer job tenure). Though there is no evidence from research allowing to judge on the impact of this additional protection on employment opportunities of older workers, we may presume that this could act as disincentive for employers for hiring older workers.

Estonia does not have any special conditions for people in pre-retirement age. At the same time, **Lithuanian** employment legislation includes several special clauses, including the following:

- According to the Art. 130 of the Labour Code of the Republic of Lithuania (LC), employer is entitled to terminate an employment contract by giving a written notice to the employee against signature 2 months in advance (employees who will be entitled to the *full old-age pension in not more than 5 years*, persons under 18 years of age, disabled persons and employees raising children under 14 years of age *must be given a notice of dismissal from work at least 4 months in advance*);
- According to the Art. 129 of the LC, an employment contract with employees who will be entitled to the *full old-age pension in not more than 5 years*, persons under 18 years of age, disabled persons and employees raising children under 14 years of age *may be terminated only in exclusive cases* where the retention of an employee would substantially violate the interests of the employer;
- Article 135 of the LC enshrines the right of *priority to retain the job in case of redundancy*. According to this Article, in the event of reduction in the number of employees on economic or technological grounds or due to the restructuring of the workplace, the right of priority to retain the job shall be enjoyed *inter alia* by employees who will be *entitled to the old age pension in not more than three years*;
- According to the Art. 127 and 140 of the LC upon the termination of an employment contract without any fault on the part of the employee concerned, *in any case he shall be paid a severance pay in the amount of his two monthly average wages if employee became entitled to the full old-age pension working in that enterprise, establishment or organisation*.

In **Latvia**, in case of a formal lay-off procedure, preference to continue in employment is given to those employees who have higher performance results and qualifications. If performance does not substantially differ, the Labour Law determines priority groups of employees to be kept in work in case of redundancies. Older employees for whom less than five years remains to retirement age are one of this predefined priority groups (along with nine other categories of employees).

In all three countries, job tenure provides additional protection in cases of layoffs and termination of employment contract. In the example of **Estonia**, Labour Force Survey indicates that in the age group of 50-74, almost half of people (49%) have a job tenure of 10 or more years compared to 24% among people aged 25-49. Thus, older workers have more often longer job tenure and special conditions based on job tenure also increase labour market protection for older age groups.

With the labour law reform in 2009 in **Estonia**, the protection of workers in the labour market moved towards more flexibility. The EPL in general took a considerable leap towards the high-flexibility model. According to its most recent calculations, OECD considers Estonia among the countries with highly flexible EPL (after New Zealand, United States, Canada, United Kingdom, Chile and Australia) (OECD 2013).

Against this background, the protection of workers in the labour market based on their job tenure has moved towards more flexibility as well. For instance, length of notice periods has been reduced by one month in case of individual dismissals (1.5 months for people with job tenure of up to 1 year). Since 2009, severance pay for employers is no longer dependent on job tenure, meaning that the expenses for dismissal of employees with longer job tenure has become cheaper for employers reducing by 1 – 3 month average salary, depending on the length of job tenure. Also, until 2008, people with longer job tenure had a preferential right to keep a job during layoffs in certain cases. These preferential rights have not been included in the new Employment Contracts Act.

As at March 2014, people with longer job tenure hold slightly higher protection in the labour market regarding advance notice periods in cases of dismissals. Different levels of employment protection can be brought out for people with up to 1 year (advance notice period at least 15 calendar days), 1-5 years (notice period of at least 30 calendar days), 5-10 years (at least 60 calendar days), and 10 or more years (at least 90 calendar days). In addition, severance pay varies according to job tenure, although this variation is covered by Unemployment Insurance Fund, not the employers.

In **Lithuania** and **Latvia**, longer job tenure ensures mostly higher redundancy benefits. According to the Art. 140 of the LC in **Lithuania**, upon the termination of the employment contract on the initiative of an employer without any fault on the part of an employee, the dismissed employee shall be paid a severance pay in the amount of his average monthly wage *taking into account the continuous length of service of the employee concerned* at that workplace. Severance pay vary from 1 average monthly wage in case the length of service is less than 1 year up to 6 average monthly wages in case the length of service is more than 20 years. In **Latvia**, Labour Law determines the that the amount of redundancy compensation increases with the length of tenure (redundancy compensation is equal to one month average earnings if the employee has been employed by the relevant employer for less than five years; two months average earnings - for five to 10 years; three months average earnings - for 10 to 20 years; four months average earnings - for more than 20 years)¹⁴.

In order to increase labour market protection even further, **Latvia** has reported cases when retirement age employees volunteer to be part of collective redundancies if they are trade union members, as they tend to receive higher redundancy settlements as part of their collective agreement¹⁵.

On the contrary, labour market protection was reduced slightly for older workers temporarily in **Lithuania** during the economic recession. Temporary changes of the LC were applied in Lithuania during the crisis – during August 2009-December 2010 shorter periods of notice (accordingly – 1 and 2 month instead of above mentioned 2 and 4) were allowed in case it was agreed in collective agreement. Moreover during this period collective agreement might stipulate restriction to terminate employment contract (except exclusive cases) with employees who will be entitled to the full old-age pension in not more than 3 years (instead of 5 years).

Both **Latvia** and **Lithuania** report that despite the relative strict regulations, employers try to avoid these conditions in practice. As social dialogue is underdeveloped in Lithuania, employees are often unable to defend their rights or, what is even worse, they do not know their rights. The fact that people often do not know their rights and thus labour law requirements are not followed, has been confirmed in a research on the implementation of Employment Contracts Act in **Estonia** (Masso et al. 2013). Both Latvia and Lithuania have reported cases where employment contracts were terminated “by agreement between the parties” or people left the job “voluntarily”, i.e. without the aforementioned notice periods and/or severance pays, see for instance Gruzevskis and Blaziene (2013), Kamerade (2012).

Latvia still reports laws that limit the opportunities available to older employees, setting the legal age limits for individuals working is specific sectors or professions i.e. civil servants, as well as judges, prosecutors, police officers, border guards (The Civil Service Law, the Office of the Prosecutor Law and the Military Service Law). Civil servant after reaching the retirement age loses the status of civil

¹⁴ These compensations are paid by the employer.

¹⁵ Direct communication, Free Trade Union Confederation, 2014.

servant, and his/her work unless there is a special permission (issued by the director of the organisation or the ministry) for them to continue work. Age limits have been also applied to¹⁶ the Law on Institutions of Higher Education until 2003 when the Constitutional Court has recognized these restrictions illegitimate (Kamerade 2012). Similar provisions were declared invalid in **Estonia** in 2007. In 2007 the Estonian Supreme Court declared invalid the articles of the Public Service Act that legally permitted the dismissal of public sector employees aged over 65 years, merely on the basis of their age. Moreover, if the dismissed employee had an employment history of more than five years, the compensation for dismissal based on the employee's age was smaller than that of regular redundancies. Similar articles of the Employment Contracts Act affecting private sector employees were changed a year earlier, in 2006 (see also Nurmela and Karu (2007)).

3.4. Labour market measures

There are mostly no special targeted active labour market measures to older workers in any of the Baltic countries. Instead, older workers are offered labour market measures within the general package of activation measures.

Latvian report brings out three active measures that were popular among older workers.

The '*work experience with a stipend*' programme (in place until the end of 2011) has been particularly popular among older individuals. The measure aimed to provide work and income support for those unemployed who no longer receive unemployment benefits, but are willing to engage in community jobs in municipalities, performing low-skilled non-commercial work such as cleaning, development and maintenance of public infrastructure and local social services. Within this programme, local authorities created new (mainly unskilled) jobs for unemployed people where they could work for up to six months and receive a stipend of LVL 100 (EUR 142) (Latvijas Lauksaimniecības and Meža Zinātņu Akadēmija 2011). In 2011 the amount of allowance was reduced to LVL 80 (EUR 114).

According to SEA data, 36% (19052 individuals) of all participants (total number of participants – 52821) of the programme in 2010 were individuals 50+, and 41% (20507 individuals) respectively in 2011 (the total number of participants being equal to 50628).

Despite high participation rates and overall very positive evaluation (Latvijas Lauksaimniecības and Meža Zinātņu Akadēmija 2011), the programme was also criticised in the media for bringing only short-term benefits, as it does not create permanent working places and programme participants are not socially insured.

The subsidised workplace programme is another initiative provided by the SEA for older individuals. This initiative is considered to be particularly efficient in promoting older people employment as well as continued employment (after the end of the subsidy period). "The aim of the measure is to facilitate the development of sustainable and long-term working places for unemployed with lower productivity level and preserve their skills and competencies" (LR Labklājības Ministrija 2012). In this programme, private employers provide jobs subsidised by the SEA and offer them to unemployed people for a period up to 12 months. Those over 50 years of age were 31%, 32% and 36% of all beneficiaries of the programme in 2010 (the total number of participants - 2131), 2011 (the total number of participants - 1577) and 2012 respectively. The programme had a positive impact on

¹⁶ The age limits (up to 65 years old) were applied to administrative positions and academic positions in the state research institutions and organisations, as well as positions in elected collegiate scientific institutions, to university professors, assistant professors and administrative positions (rector, vice-rector, dean)

continued employment, according to SEA data; around 26% of individuals of pre-retirement age after their participation in the programme were able to find a permanent job in 2011 (LR Labklājības Ministrija 2012). Around 74% of individuals of pre-retirement age who took part in this programme found a job within three months of it ending¹⁷.

'*Training with employer*' was also rather popular (LR Labklājības Ministrija 2012) – almost 20% of all participants of the measure both in 2010 (the total number of participants - 1129) and in 2011 (total number of participants - 1094 individuals) were people in the age group 50 and over. This measure provided the updating of professional skills and competences, while attending SEA provided training on the basis of employers' pre-orders. The measure was offered starting from 2009 and is still in place up to the middle of 2015. There are no evaluation studies on the impact of this measure available.

Prior research in **Lithuania** has also identified more successful measures for older workers. According to Peer PES Paper ("Peer Review 'PES and Older Workers'." 2012), 13,600 individuals over 50 years of age participated in active labour market policy measures in 2011 (25.4% of total participants). In 2011, the monitoring of active measures for older workers showed that 6 months after the measure: 70% of them were employed after participation in subsidised employment, 47% - after vocational training, 20% - after public jobs (community work). Likewise, persons over 50 account for quite a big share of those starting activities under a business certificate: in 2013, they accounted for 22%¹⁸ of the total number of unemployed persons who started employment under business certificates. It can be therefore concluded that more active participation of persons in this age group in the above-mentioned active measures could significantly improve their employability.

Lithuania has also provided some interesting examples of special activities/programmes aimed at activation of older age groups. A cooperation agreement was signed by the Lithuanian Labour Exchange (LLE) and Lithuanian Pensioner Affairs Council back in 2005. One of the results of this agreement is LLE's initiative called the 'Bank of Seniors', which aims to provide information on potential employees to employers willing to hire older workers. Jobseekers at the retirement age can directly log in to the 'Bank of Seniors' database on the LLE's website. Employers have a direct access to the database. However, this CV base has not earned much attractiveness yet: from 2007- to 2012, about 4,000 pensioners were registered in the Bank of Seniors. In 2013, approximately 1,000 older jobseekers were registered at the Bank of Seniors (of whom nearly every fifth was over 60 years of age) (Mrazauskaitė 2013). For comparison, in 2013, there were 34,408 unemployed persons aged 55-64 registered with the LLE ("Lithuanian Labour Market in Figures 2013" 2013). Persons looking for low-skilled jobs (blue-collar worker, cleaner, auxiliary worker) appear to be dominant in the Bank of Seniors. According to employer surveys carried out by the LLE, 90% of employers cooperating with the LLE do not use the Bank of Seniors ("The Results from the Evaluation of the Services for the Employers. 2012 Survey Data"). Therefore, this measure can be said to be a low contribution to increasing employment of older persons.

¹⁷ Projektu un kvalitātes vadība, *NVA nodarbinātības pasākumu novērtējums* (Evaluation of SEA employment measures), Rīga, 2013; *NVA pakalpojumu darba devējiem novērtējums* (Evaluation of SEA services for employers), Rīga, 2012

¹⁸ Lithuanian labour market 2012/02. 2014. LLE. <http://www.ldb.lt/Informacija/DarboRinka/Publikacijos/Attachments/2953/LIETUVOS%20DARBO%20RINKA%202014-02.pdf>

According to the information provided by the Ministry of Social Security and Labour (MSSL)¹⁹, collaboration at regional level is being developed with Lithuanian Pensioners Union 'Bočiai' in the area of information, knowledge and experience exchange. In order to help older workers to maintain their jobs, to allow them to use LLE's information technologies, consulting services and the labour market measures, in 2012 a cooperation agreement was signed between the LLE and the Lithuanian Association of the Elderly People ("Peer Review 'PES and Older Workers'." 2012). In implementing this agreement the LLE organises meeting with the heads of organisations, presents them services provided by the LLE (including "Bank of Seniors")²⁰.

The role of the European Social Fund should also be acknowledged in supporting various active labour market measures/programmes for older age groups. For example, in **Lithuania**, on 2 January 2014 the LLE started ESF-funded project 'Stay in the labour market' intended for the working-age population aged 50 and over and integration of long-term unemployed persons into the labour market. It is expected that almost 15,000 unemployed persons (more than 8,300 long-term unemployed persons and 6,300 persons aged 50+) will participate in project activities. Most of older project participants will be included in the measure of subsidised employment²¹. While implementing the project unemployed also participate in subsidised employment, support for acquisition of skills and job rotation measures.

In **Estonia**, ESF financing for labour market measures is implemented through the measure "Increasing the Availability of Qualified Labour Force". ESF support under this measure is implemented through national level programmes and projects funded through calls of proposals that support return to the labour market of different labour market groups. During the EU financing period of 2007-2013, five rounds of calls for proposals have been held under the measures of "Increasing the Availability of Qualified Labour Force". Three rounds have focused among other target groups also on supporting projects targeted specifically at older workers. Altogether 52 projects across Estonia have identified older people aged 50-74 as the (or one of the) target group of their project²².

ESF support is also implemented through national level labour market programmes. For instance, the programme "Development of Labour Market Policy 2009-2013" (Ministry of Social Affairs 2009a) in Estonia foresees special activities targeted at supporting labour market entry and competitiveness for older age groups. The activities include research on older age groups in the labour market as well as attitudes of employers towards older workers, knowledge campaigns targeted to older age groups as well as employers to support active ageing and continuous policy development in the area.

3.5. Occupational health in the labour market

Occupational health and safety are subject to different regulations and restrictions in all Baltic countries. The following chapter aims to bring out some examples of activities that have a potentially positive impact on older workers in the labour market.

¹⁹ Lietuvos Respublikos Socialinės apsaugos ir darbo ministerija. Nacionalinės gyventojų senėjimo pasekmių įveikimo 2005-2013 metų strategijos priemonių įgyvendinimo 2009-2010 metais ataskaita. 2011-04-15. Nr. (26.4 -35) – SD.) http://www.lrv.lt/Posed_medz/2011/110427/12.pdf

²⁰ <http://www.ldb.lt/Informacija/Veikla/Naujienos/UserDisplayForm.aspx?ID=6884>

²¹ www.ldb.lt

²² For further information, these projects are listed in:

http://esf2007.sm.ee/index.php?id=186&theme_id=14&county_id=0&target_id=12

One of the activities of the State Labour Inspectorate (SLI) in **Lithuania** is the initiative to develop economic means to encourage employers seek a reduction in the number of accidents at work and occupational diseases. Amendments to the Law on Social Insurance for Occupational Accidents and Diseases were introduced in 2008. Amendments provided for the differentiation of the amount of insurance contributions paid by the insurer, depending on the number of accidents at work. Furthermore, it refers to the methodology of ascribing insurers to the groups of rates of social insurance contributions of accidents at work and occupational diseases, adopted by the GRL²³. Seeking to reduce the number of accidents at work caused by inebriated workers, it has been laid down that a person representing an employer in an undertaking might permanently dismiss from work a worker who fails to comply with occupational safety and health requirements.²⁴

In **Estonia**, the planned occupational accidents and illness insurance scheme could potentially support healthy ageing at the workplace. A tripartite agreement between the government, employers and trade unions that foresaw the creation of occupational accidents and illness insurance scheme was concluded already in 1993, but since the parties have not been able to reach an agreement, it is still up in the air (for previous debates see Karu and Nurmela 2009; Osila 2011). Employers have pointed out that they will not agree to the scheme due to already high tax burden and because it would increase their expenses even further (Karu and Nurmela 2009). They have however brought out that they would consider the scheme in case social tax is reduced to an equal extent so that employers would not face an increase in their expenses (Karu and Nurmela 2009).

For several years, fringe benefit tax on employers' expenses to improve employees' health has been the subject of heated discussions in **Estonia**. While both, employers and trade union representatives have supported the abolishment of the tax (Kallaste 2007; Osila and Turk 2011), the state has opposed it (Tamm 2010). The state argues that the abolishment of the tax is not in accordance with its expected effect as it would decrease social tax revenues and thereby have a negative effect on the health and pension insurance financing (Tamm 2010).

Estonian employer representatives have also brought out the need to review the sickness cash benefit system that was implemented in July 2009. At the time, the aim was to improve Estonia's budgetary position by reducing public spending in order to fulfil the Maastricht criteria and adopt euro (Osila and Nurmela 2010). The new system increased the number of days not covered by the sickness benefit from two to three days, the rate of the benefit was reduced from 80% to 70% of the average wage of the employee and first five paid days of the illness will be financed by the employer (after that by the Health Insurance Fund). The government has argued that one of the aims of the new system was to motivate employees to more seriously take care of their health and employers to improve their work environment so that employees fall ill less frequently (Osila and Nurmela 2010). However, the new system has been criticised by employers who found that this will shift the responsibility and expenses from the state to employees and employers (Osila and Nurmela 2010). Other organisations have also criticised the benefit system - the Estonian Patient Advocacy Association expressed their fear that under the new system, persons, especially with low income would not stay sick at home, but would still work in order to not suffer any loss in pay (Osila and Nurmela 2010). According to available statistics, the number of sick leaves has dramatically decreased

²³ Resolution No 1368 (20 12 2005)

²⁴ Sixth report on implementation of the European Social Charter (Revised) (2008). Reporting Period: From 1 January 2005 to 31 December 2007. Council of Europe. 22/12/08 RAP/RCha/. LI/VI(2008)
http://www.coe.int/t/dghl/monitoring/socialcharter/reporting/statereports/Lithuania6_en.pdf

after the system was changed from 283,000 in the first half-year of 2007 to 146,000 in the first half-year of 2011 (Niitra 2011). However, the available statistics does not include information on all sick leaves as many employers do not send the information on sick leaves that last up to 8 days and are now financed by employers to Estonian Health Insurance Fund. According to a poll conducted by Estonian recruitment service provider CV Keskus in January 2013, 86% of employees go to work while ill because they do not want to lose in pay (Velsker 2013).

As a positive development that could encourage working in older age in **Estonia**, a Supreme Court decision reduced discrimination faced by older workers based on their health in the labour market. In 2011 the Supreme Court declared unconstitutional provisions of the Health Insurance Act according to which persons older than 65 years had the right to shorter sickness benefit compared to younger persons (250 days compared to 90 days) and lower limit on consecutive days of sickness leave (182 days compared to 60 consecutive calendar days) (see also Leetmaa and Nurmela 2012).

ESF financing also has an important role to play in supporting active ageing, healthy workplaces and increasing healthy life years in the society. In Estonia, during 2007-2013, two ESF measures supported these aims: measure 1.3.2 “Improving the Quality of Working Life” and measure 1.3.4 “Health awareness”. Below, some of the highlights of these measures are outlined regarding supporting healthy working environment.

Under the measure “Improving the Quality of Working Life” activities are implemented as a national measure and as projects funded through calls of proposals. The activities focus on health of workers, but also employment relationships, flexible working opportunities etc. The projects funded under this measure have mainly focused on assessing and improving the working environment in individual companies. Under the national programme, more wide-spread activities are implemented. For instance, several knowledge campaigns have been conducted regarding health risks at work, including prevention of falls (2009), guidance and training of employees regarding occupational safety (2009), raising awareness among employers and employees regarding their rights, healthy and safe working conditions (2012), working environment management in companies (2012), campaign on psychosocial risks at workplace (2012) (see also Ministry of Social Affairs 2010; Ministry of Social Affairs 2009b).

An interesting example implemented under the ESF financed national programme is also collection and dissemination of best practices regarding the work environment. With the financial support of ESF, Labour Inspectorate collects descriptions of good and innovative examples from Estonian enterprises regarding their measures of work environment and work organisation. The examples represent cases where companies have contributed more to their employees’ welfare than is required by legislation. During the ESF financing period, Labour Inspectorate has developed a template for the collection of good practice and has created a database of best practice²⁵ which have been subject for continuous development. According to the Labour Inspectorate, they have received feedback that people active in work environment topics regularly follow the database and have found several interesting ideas. Also, the visiting statistics of the web site of Labour Inspectorate confirms that the database is among the highest visited sites on their page. In 2013 the aim was to reach 185 good examples in the database (by the end of 2012 the database included 165 examples). In addition to the database, since 2010 three best practices are chosen annually to provide special recognition. (see also Ministry of Social Affairs 2009b; Ministry of Social Affairs 2010)

²⁵ As at June 2014, best practice database is available on the website of Labour Inspectorate: <http://www.ti.ee/index.php?page=1128&>

The ESF financed measure “Health Awareness” focuses on reducing inactivity in the labour market due to health reasons and prevention of health problems in the society. The activities under this measure are also implemented as a national measure and as projects funded through calls of proposals. The projects are mostly initiatives of different local governments to assess the health situation at the local level and plan measures accordingly (mostly financing different sporting events for the local community). Some of the examples implemented under the national programme include management and development of the Network for Workplace Health Promotion²⁶. The network was started already in 2005, since 2006 its activities are coordinated by the National Institute for Health Development. With the ESF support, the network is widened with new members. Also, members receive opportunities to participate in training and receive counselling regarding workplace health promotion. As at 4 June 2014, the network had 222 members (different enterprises, organisations).

3.6. Lifelong learning measures

In **Estonia**, a new lifelong learning strategy has been introduced recently, which turns attention to both economic gains and personal development through participation in lifelong learning. The general aim of the strategy is to “provide learning opportunities that are in accordance of the needs and abilities of all Estonian people during their whole life course and to ensure possibilities for self-realisation in the society and in family and personal life” (Ministry of Education and Research 2014). Thus, at least in rhetoric, there has been a shift towards acknowledging the life-course perspective and the need to address all age groups in the society. It has been stressed that “learning should become an integral part of an active way of life, including among older age groups” (Ministry of Education and Research 2014). The aim is to ensure flexible opportunities and versatile choice in learning, i.e. provide conditions that support participation in learning for those groups who have not been participating in learning so far (Ministry of Education and Research 2014). Also, career counselling should support making informed decisions in learning, avoiding usual gender and age stereotypes (Ministry of Education and Research 2014). However, as at April 2014, the action plan for implementing the strategy has not yet been introduced so specific activities to achieve the above mentioned goals have not been introduced yet.

In addition, “Active ageing strategy 2013-2020” was introduced in 2013 in **Estonia**, which also addresses participation in lifelong learning among older age groups. According to the strategy, the aim is to address attitudes towards learning among older age groups and their knowledge on available learning opportunities (Ministry of Social Affairs 2013). Also, the strategy takes the aim to improve opportunities for learning among older age groups, including providing innovative solutions to support learning, raise awareness among teachers and trainers on the specific needs of the older age groups, improve cooperation between different parties to create suitable opportunities for learning among older age groups, widening the lifelong learning target group to older age groups and providing learning opportunities related to social welfare and activeness in the community (rather than only labour market related training) (Ministry of Social Affairs 2013). However, again there is no clear action plan or timetable introduced to reach the aims introduced in the strategy.

At the same time, the impact of the **Lithuanian** lifelong learning strategy on older age groups is assessed relatively low. Implemented since 2004, the *Strategy for Ensuring Lifelong Learning* (2004)

²⁶ Web-site of the Network is available at: <http://www.terviseinfo.ee/et/tervise-edendamine/tookohal/tervist-edendavate-tookohtade-tet-vorgustik>

seems to have had no influence on the participation of this age group in LLL (“Applied Research on Adult Education” 2011). This opinion is supported by the president of Lithuanian Adult Education Association, Vilija Lukošūnienė²⁷, who notes that the objectives addressing integration of older people into lifelong learning activities that are set in strategic documents (*Strategy for Combating the Consequences of the Population Ageing 2005-13; Programme for Employment Increase 2014–20*) are rather declarative in general and often not supported by any financial mechanisms. In addition, from the point of view of the experts (Lukošūnienė, Totoraitis²⁸), the group of older people is not strictly defined in the context of lifelong learning policy.

A national audit of 2013 (National Audit Office of Lithuania 2013) in **Lithuania** revealed that financial injections to non-formal adult education increases the supply of this type of education but does not ensure inclusion of the groups of the population for whom such education brings most benefits (including older people (55-74)), whereas the share of adult learners remains to be relatively small in Lithuania (about 5% in 2007–12). Currently, non-formal adult education is organised and coordinated without having priority trends setting out main guidelines, financing priorities and principles, while funding is allocated without having identified the training needs²⁹. About 96% of non-formal adult education funds are allocated for non-formal vocational training of adults (National Audit Office of Lithuania 2013).

A good example of targeting older age groups is highlighted in **Latvia**. Evaluating measures that specifically target older age group or target this group among other vulnerable groups, *Lifelong learning measure for employed persons* (a preventive measure) was the one to be definitely mentioned (in place from 2010 till the end of 2013). The purpose of this measure is to ensure the opportunity for employed persons to supplement and develop knowledge and skills necessary for work, by acquiring vocational in-service training and informal educational programmes related to working life³⁰. This measure can be considered to be extremely important, raising the competitiveness and productivity of the employed individuals. Persons that have less than 5 years left till the retirement age were within privileged groups, receiving 100% SEA financial support for the training (max 355 EUR). Other groups had to make co-financing of 30% of the training costs. In the beginning of 2012 – 10% of all LLP participants were individuals 55 and over.

A good practice implemented in the area of non-formal education has been identified in **Lithuania**. The National program on European active aging and intergenerational solidarity 2012 (Ministry of Labour and Social Research 2012) stated that non-formal adult education institutions are considerably contributing to the education of the elderly; the potential of Universities of the Third Age (UTA) are to be strengthened. UTA activities have been identified in the national audit report of 2013 as a good practice of including older people into non-formal adult education (National Audit Office of Lithuania 2013). At the end of 2012, the total number of UTA students was around 6,000 in Lithuania (almost double the number in 2008). Women aged 60-75 with at least vocational education attained account for most of UTA students (“Social Information and Training Agency. Analysis on the Third Age

²⁷ Interview with Mrs. Vilija Lukošūniene, President of Lithuanian Adult Education Association, performed on 15 04 2014.

²⁸ Interview with Mr. Ričardas Totoraitis, the head of the Academic Mobility and Continuing Education Division of the Department of Higher Education, Science and Technology, Ministry of Education and Science, conducted on 24 04 2014

²⁹ Giedrė Švedienė (Auditor General) Press release. Jul 9, 2013; <http://www.youtube.com/watch?v=OI3vTajDO6k>

³⁰ The participants can choose their own field of training from predefined ones. In reality the choice is almost unrestricted (very broad categories).

Universities System's Performance." 2012). On national adult education policy level, UTA activities are considered to be the main education and training measure for older people. Development of non-formal education services and creating new learning opportunities to third-age learners is foreseen within the framework of the currently implemented national project "Development of the adult education system by providing generic competences to learners"³¹ (carried out by the Ministry of Education and Science and the Education Development Centre). The projected and implemented activities for older people are also mainly related to UTA³².

It is interesting that the growing number of UTA students is in part inconsistent with statistics on the motivation of older people to participate in learning: according to the Eurostat's data, 95.2% of non-participants in lifelong learning in age group 55-64 indicated that they do not want to participate in education and training. Lukosuniene explains this contrast by assuming that when asked about their willingness to participate in education and training older people tend to answer negatively because they often identify this with returning back to the formal education system, whilst motivation of UTA students is usually based on the willingness to improve, broaden their horizons and have pleasant communication with new people, i.e., reasons not related to the participation in the labour market ("Social Information and Training Agency. Analysis on the Third Age Universities System's Performance." 2012). This leads to the conclusion that older people are more willing to participate in non-formal training sessions focused on personal development rather than in education and training related to improvement of professional competencies. And UTA activities contribute to older people's learning longer, not to working longer.

Various financing programmes play an important role in financing lifelong learning opportunities for older adults.

The assessment of EU structural funding in 2007-13 in the area of lifelong learning in **Lithuania**, carried out in 2014 (PPMI Group 2014), has shown that the majority funds were allocated for the training of high-skilled employees, unemployed persons and those facing redundancy in the area of public services. Quite significant support was allocated for companies to promote their investment into employee training. However, companies also invested most into the continued training of highly skilled employees. Training of unskilled and low-skilled workers who represent more than half of total labour force in the country has been insufficiently emphasised so far. Therefore, in the period between 2014 and 2020 such workers are to be offered financial incentives to assess their competencies and complete general education or vocational training programmes. In addition, it is planned to provide opportunities for older people to attain the first higher education and for seniors – to study at universities of the third age.

For instance, the Nordplus programme – the Nordic Council of Ministers' programme in the area of lifelong learning provide financing for institutions involved in lifelong learning and folk high schools through their Nordplus Adult programme. The project database³³ brings out some interesting examples of projects targeted at older age groups in the Baltic countries.

Project: Late Life Learning - Discovering the Pathways for Cooperative Partnerships. The project is implemented during June 2015 – May 2015. Partners include Utena Third Age University (Lithuania),

³¹ Project webpage: <http://www.suaugusiujusvietimas.lt/lt/apie-projekta/apie-projekta/>

³² Interview with Ms. Jūratė Tamošaitytė, Project manager at Education Development Centre, conducted on 16 04 2014.

³³ Project database available at: <http://www.nordplusonline.org/eng/Projects2/Project-database>

Utena A. and M. Miskiniai Public Library (Lithuania), Pärnu Central Library (Estonia), Campus Lidköping Adult Education School (Sweden), Riga Central Library (Latvia), Public Library of Lidköping (Sweden) and Lidköping Municipality, Community Care Services Department, Senior Center (Sweden). This project will unite trainers from 4 Nordic/Baltic countries around a common idea of late life learning, accelerate their learning, cooperation and experience exchange. The aim of the project is to improve project partner institutions' potential in the older adults training through strengthening inter-institutional partnerships, sharing experiences, and exchanging ideas. In order to fulfil this goal, partner institutions will offer exchange opportunities for groups of seniors' trainers. They will have an opportunity to get acquainted with different approaches applied in partner countries.

Project: Libraries for Information access for elder people. The project is implemented during September 2012 – May 2014. Partners include Martynas Mažvydas National Library of Lithuania (Lithuania), Tallinn University (Estonia), Latvian Adult Education Association (LAEA) (Latvia), Kobenhavns Universitet Institut for Engelsk, Germansk og Romansk (Denmark), UAB LearnKey (Latvia). The goal of the project is to create online interactive, multimedia based training module for elder people to improve their ICT skills for better usage of e-services that are provided by the libraries. This training module with specific topics for elder people will be accessible on the internet platform, integrated into public libraries web pages, and disseminated via public libraries.

Also, the Grundtvig programme finances the voluntary service for people aged 50+ to support citizen activity in the age group (Grundtvig Initiative on Volunteering in Europe for Seniors). During 2010 – 2013 8 projects for senior volunteering exchange have been financed in **Estonia**. In **Lithuania**, the programme has been implemented since 2009. Within the framework of these projects in Lithuania, seniors have volunteered in ten countries: Bulgaria, the United Kingdom, Estonia, Greece, Italy, Poland, Romania, Turkey and Germany. The majority of the Grundtvig projects have been implemented in the area of social support for people and societies. There have been training and cultural events held in this context³⁴.

Activities of **Lithuanian** Caritas are also focused on senior volunteering in the social sphere (training and seminars on opportunities for volunteers: trainings have been attended by more than 300 persons learning the principles of social work and sharing their volunteering experience).³⁵

In **Latvia**, a project "Get Connected, Latvia" (introduced in 2008) has been outlined. This is a unique project to reduce the digital divide implemented in cooperation between the Latvian government and Lattelecom (Internet service provider and Telecommunications Company in Latvia). The initiative provided free computer courses available for anyone interested aged 50 and over. According to Lattelecom data, 1500 individuals aged 50+ participated in the activity in 2008. During the next year participation number increased more than four times, being 6680 participants in 2009.

³⁴ <http://www.paf.lt/main.php/id/281/lang/1>

³⁵ <http://www.caritas.lt/index.php?id=new&new=21>

4. Age management at organisational/company level

The current chapter illustrates some of the examples identified as company level practices to support active ageing in the Baltic countries. The chapter is based on the national reports from Estonia, Latvia and Lithuania. Also, some research results are outline to illustrate the implementation of various activities to support active ageing.

4.1. Overview of previous research

People in the Baltic countries generally believe that flexible working opportunities or training is not widely available to older age groups in the labour market. An Eurobarometer survey on active ageing has outlined that when asked about the reasons that might potentially stop people aged 55+ working, the results are:

- As people get older, they are more likely to be excluded from training in the workplace (67% of respondents in Estonia, 69% in Lithuania and 70% in Latvia consider this an important reason to potentially stop working against the EU27 average of 71%);
- There are not enough opportunities to retire gradually by reducing working hours (63% in Estonia, 73% in Latvia and 62% in Lithuania consider this an important reason to stop working against the EU average of 72%);
- Work places are not adopted to the needs of elderly people (60% in Latvia, 61% in Estonia and 61% in Lithuania consider this an important reason against 57% in the EU on average). (TNS Opinion & Social 2012)

This is also confirmed by various national level surveys. For instance, a research in **Latvia** has indicated that there are 28% of employers who have never organised any training of their employees aged 55+, 52% never adjusted a workplace, 36% have never provided any additional holidays and 42% have never given an option for those aged 55+ to work part time ("Pirmspensijas ledzīvotāju Ekonomiskā Potenciāla Izvērtējums [The Assessment of Economic Potential of Pre-Pension Aged Individuals]" 2014).

Recent research in **Estonia** has indicated that only a small proportion of enterprises has special measures targeted to older workers while most of activities supporting longer working lives are targeted to all employees in the company or necessary action is taken on a case-by-case basis (Espenberg et al. 2012).

Role of different organisations in implementing active ageing

An Eurobarometer survey has outlined that in tackling the challenges of aging population, most positive role is believed to be played by:

- 1) religious organisations and churches (67% in Latvia, 62% in Estonia and 54% in Lithuania consider their role as positive on national level against the EU27 average of 63%);
- 2) older people's organisations and other NGO's (58% in Latvia and Lithuania and 69% in Estonia consider their role as positive against EU average 70%) (TNS Opinion & Social 2012).

Perceptions on the positive role of other organisations varies across countries. For instance, in Latvia the role of media and journalists is also considered positive by 55% of respondents while the shares fall slightly below 50% in other countries (in EU on average the role of media is considered as positive only by 39% of respondents). Also, in Estonia, the role of local government institutions is considered as positive by 56% of respondents while the shares are considerably lower in Latvia (46%) and Lithuania (24%). The role of all other organisations is considered positive by less than half of all respondents, including the national government and businesses. (TNS Opinion & Social 2012)

It is stressed in the **Estonian** active ageing strategy, that there are different parties that have a role to play in supporting active ageing in the society and the implementation of the strategy requires cooperation by all parties, including the state, local government, non-profit and the private sector (Ministry of Social Affairs 2013). In addition to the age group 50+, who is the direct target group of the strategy, the document brings out as different important parties: policy makers at state and local government level, employers, social and health care workers, cultural and educational specialists, media, representatives of different age groups, family members and carers of older people etc (Ministry of Social Affairs 2013). The strategy 2013-2020 provides a framework for action for the state, local governments, non-profit and private sector to proceed from in implementing the active ageing strategy into practice (Ministry of Social Affairs 2013). Thus, at least on strategic level, there are different parties that have a role to play in supporting active ageing in the society in addition to the national level.

Role of social partners/ collective agreements

According the Eurobarometer survey on active ageing, the role of trade unions is considered as positive in tackling challenges of the ageing population by just a third of respondents in all Baltic countries (36% in the EU27 on average) (TNS Opinion & Social 2012). However, there are some examples of collective agreements that might support active ageing in company level.

In **Latvia**, almost none of the pre-defined conditions in the collective agreements are designed specifically to target aged employees but affect all employees irrespective of age. Conditions that may stimulate older workers to stay longer in the workplace and improve their health and working conditions as well as work organisation are included in some of the collective agreements (about 13% of all collective agreements have issues on medical services, health insurance and supplementary pensions; in 6% of all agreements - conditions in terms of work and family life balance (work from home or telecommuting opportunities, flexible working hours, additional holidays), 13% cover principals of gender equality and principals of equal opportunity). In order to popularize collective agreements among small and medium size enterprises and provide financial incentives to sign collective agreements, experts of the Free Trade Union Confederation are intensively working on tax reduction initiative for social responsible enterprises, i.e. enterprises where collective agreements are in place.³⁶

In **Lithuania**, the interviewed representatives of the social partners noted that data on organisation/company-level practices is not known/gathered/filed. However, where possible, the organisations of social partners take part in various projects, including those related to the target group of older workers.

³⁶ Information based on interviews with the Free Trade Union Confederation

One of such projects was identified³⁷ as one of more successful: EQUAL project “Support network for reintegration into the labour market in the counties of Utena and Vilnius”. Target group – pre-retirement age (40+) population. The project objectives were (a) increasing access of the pre-retirement age people to the labour market in the counties of Vilnius and Utena regions by fighting discrimination which they experience and by promoting equality; (b) creating the support mechanisms to assist pre-retirement age people in returning to the labour market, qualification and competence development, and staying in the labour market with the help of the created support network. The project was implemented by 9 Lithuanian organisations, it joined the efforts of private and NGO partners, representatives of trade unions, employers and vocational training providers. The activities implemented in the area of reintegration of pre-retirement age people into employment served for creating a cooperation network of active organisations in the counties of Utena and Vilnius, and organisation of vocational training for the target group (older people). Following activities were implemented during the project: research, design and implementation of support network for the integration of pre-retirement age people into the labour market, motivating work with target group, training activities, information campaign. Though intentions of the partners implementing the project were rather ambitious, from our point of view the main result of the project was that it increased abilities of project participant themselves, first of all – in creating the networks, knowledge sharing, research and so on.

In general, the conducted interviews suggest that the Lithuanian social partner organisations are currently actively involved in activities promoting the dissemination of knowledge in the area of age management. The Lithuanian Trade Union Confederation initiated international project funded by the European Commission (DG Employment, Social Affairs & Inclusion. Social Dialog, Industrial Relations) – “Age Management Strategy for Sustainable Growth in Era of Crisis”. During the project, experts from various countries will exchange their experience in the area of age management. The project will contribute to developing competencies of Lithuanian employers and their representatives in the area of age management. Trade unions and old age NGOs from Poland, Romania, Spain, Montenegro and Great Britain are participating in the project. Training seminars and national level meetings are organised during implementation of the project; it is planned to issue the Age Management Manual at the end of the project activities³⁸.

In addition, the Siauliai Chamber of Commerce, Industry and Crafts is implementing activities under the Best Agers Lighthouses Project³⁹ focused on age management interventions in Siauliai State College. As it was mentioned by Daiva Jonuškienė⁴⁰ during an interview, the project is particularly important for allowing to change negative attitudes of employers and employees to the ageing phenomenon and to learn how to manage such processes at specific workplaces. In 2013, the Lithuanian Real Estate Development Association⁴¹ started the ESF-funded project “Improvement of the professional qualifications of employees in the Lithuanian real estate sector”. During the project, 64 employees will seek professional development, including older employees. According to

³⁷ Interview with Mrs. Janina Matuiziene, Secretary General of the LPSK

³⁸ It is planned to present more information about the project in June 2014 at www.lpsk.lt

³⁹ [http://www.best-agers-](http://www.best-agers-project.eu/Portals/18/Activities/Lighthouses/Best%20Agers_Lighthouses%20in%20a%20Nutshell.pdf)

[project.eu/Portals/18/Activities/Lighthouses/Best%20Agers_Lighthouses%20in%20a%20Nutshell.pdf](http://www.best-agers-project.eu/Portals/18/Activities/Lighthouses/Best%20Agers_Lighthouses%20in%20a%20Nutshell.pdf)

⁴⁰ Interview with Daiva Jonuškienė, Senior Officer at the Chamber of Commerce, Industry and Crafts, conducted on 16 04 2014.

⁴¹ Interview with Mindaugas Statulevičius, Director of the Lithuanian Real Estate Development Association, conducted during the project “Ageing society: how are we prepared?” (Lithuanian Social Research Centre)

Mindaugas Statulevičius, employers are interested in retaining all employees who are receptive, willing to work and adapt to today's reality (e.g., digital design, computer literacy, knowledge of foreign languages, being ready for trips, etc.).

In **Estonia**, the role of collective agreements in active ageing has been analysed in 2003. Research analysing the role of collective agreements in age management at company level has indicated that 60% of all collective agreements analysed contain some sort of differing conditions for older workers (Leetmaa, Võrk, and Kallaste 2004b). Based on the analysis, there are three main types of provisions included in collective agreements: 1) financial support for long job tenure (including financial support on jubilee, financial bonus or additional vacation days for length of employment); 2) additional support in case of ending employment contract with a person in pre-retirement age; 3) preferential treatment for older workers in case of layoffs (Leetmaa, Võrk, and Kallaste 2004b). At the same time, it is important to keep in mind that collective agreements are not very common in Estonia. In 2009, Working Life Survey indicated that 6% of enterprises have concluded a collective agreement and 33% of employees say they are working in a company where a collective agreement has been concluded. Collective agreement coverage varies considerably according to age group – 41% of 50-64 year old employees work in a company with collective agreements compared to 27-29% among 15-49 year olds. Thus, collective agreements have more potential in influencing the working conditions of older age groups. However, due to problems with data access, it has not been possible to analyse up-to-date information on collective agreements contents.

Access to training

The share of enterprises providing training to their employees varies across Baltic countries. According to Eurostat data, 68% of all companies in Estonia, 52% in Lithuania and 40% in Latvia provide training to their employees. However, access to training for older age groups is probably further limited.

Increasing interest of older workers in participating in training is an important prerequisite to support lifelong learning among the age group. According to a survey of **Latvian** employers, ICT training, increase in flexibility, more interest in training and requalification and overall change in stereotypes in society are considered to be factors that may increase competitiveness of elderly people in the labour market by 20%, 19%, 12% and 9% of all entrepreneurs correspondingly (“Pirmspensijas ledzīvotāju Ekonomiskā Potenciāla Izvērtējums [The Assessment of Economic Potential of Pre-Pension Aged Individuals]” 2014).

According to Tadas Tamošiūnas et al (2005), in **Lithuania** employers mainly recognise the need of education for administration staff; executive officers and professionals are ranked the second and third respectively. According to employers, in the overall structure of employee groups, the need of education and training is the lowest for blue-collar workers.

4.2. Company level practices

A good starting point for identification of company level practices are various awards/recognition issued to socially responsible enterprises. An example of a “senior friendly enterprise” award comes from **Latvia**. National Action Plan of the European Year (2012) for Active Aging and Solidarity between the Generations included several activities mostly focused on the intergenerational cooperation, addressing of stereotypes and elimination of age discrimination in the labour market. One of them has been “senior friendly enterprise” nomination. The Ministry of Welfare together with Free Trade Union Confederation, the Employers’ Confederation and Institute for Corporate Sustainability and

Responsibility (responsible also for the above mentioned Sustainability Index) identified best practices in the field and as a result five enterprises⁴² were awarded a “senior friendly enterprise” status.

The main aim of the award was to promote best practices regarding seniors' employment and to show and explain with practical examples how to create suitable working environment for seniors and to develop appropriate motivation policies.

The process was implemented in two stages. First of all, additional questions regarding aged employees were added to the regular questionnaire of the Sustainability Index activity. Secondly, enterprises (from those who participate in sustainability index activity) employing individuals of pre-pension and pension aged were selected. These enterprises were asked to submit their good practise examples of the employment of elderly people.

Experts from the Welfare Ministry, the Latvian Free Trade Union Confederation and Institute for Corporate Sustainability and Responsibility participated in the evaluation. Five enterprises submitted their best practise examples in the second round of competition and were granted a “senior friendly enterprise status”. The list of senior friendly enterprises is publicly available online⁴³.

2012 was the first and the only one year when such evaluation was implemented. The Ministry of Welfare identifies that the evaluation contest might be on in future, earliest from – 2015, depending on how EU Structural fund supported activities will be organised.

In **Estonia**, good occupational health and safety practices are acknowledged on the initiative of Labour Inspectorate. With the financial support of ESF, Labour Inspectorate collects descriptions of good and innovative examples from Estonian enterprises regarding their measures of work environment and work organisation and organises them into a single database⁴⁴. The database currently includes around 200 examples. The examples represent cases where companies have contributed more to their employees' welfare than is required by legislation. In addition to the database, since 2010 three best practices are chosen annually to provide special recognition. (see also Ministry of Social Affairs 2009b; Ministry of Social Affairs 2010)

4.2.1. Estonia

A company example often presented as a good practice regarding implementation of an active ageing strategy at the workplace is the Estonian energy company, Eesti Energia (see also Panteia 2013). Eesti Energia Group is the biggest employer in Estonia with 7,680 employees. Eesti Energia's main economic activity is electric power generation, transmission and distribution. Since in a few coming years almost one third (ca 2,500 employees) of company's personnel will become older than 50 years, it became clear that the ageing workforce will become an obstacle for the company in the longer perspective and in order to maintain company's sustainability, immediate action needed to be taken.

Implemented measures were chosen after careful consideration and research of best practices that companies with similar profile have implemented in different countries. In addition, the company organised a study tour to one company in Sweden that had tackled similar obstacles. Time factor was the main criteria for choosing these particular measures, since the company needed measures that

⁴² SIA Rimi Latvia, AS Latvijas Balzams, SIA Grifs AG, VAS Starptautiska Lidosta Riga (Riga Airport), SIA Janis Roze

⁴³ <http://www.puaro.lv/lv/puaro/par-senioram-draudzigiem-atziti-pieci-uznemumi>

⁴⁴ As at June 2014, best practice database is available on the website of Labour Inspectorate: <http://www.ti.ee/index.php?page=1128&>

would have recognisable results in limited time period and that could be implemented right away and without significant preliminary work. Therefore this factor was important since for example the training of new/young employees (mentorship and on-site training) to the level where their skills would match the skills of their older colleagues generally takes up to 5 years.

The target group was chosen by the personnel service together with department managers, who developed the strategy. The target group of these measures was chosen based on age (had to be 50 or older) and work difficulty as it is harder to find qualified and experienced employees to workplaces with complicated and difficult work assignments.

The company's age management strategy includes four different measures:

- 1) Shared jobs- (as older workers capacity to work decreases with age, they were offered shorter flexible (part-time) and trainees were recruited. This enabled to utilise older workers work experience and help trainees to settle in better; 3 cases
- 2) Mentorship programme- older and experienced workers are mentors for their younger colleagues who have moved up in their career ladder (this helps to keep and share the valuable knowledge in the enterprise); 30 cases
- 3) Training- some of the workplaces in Eesti Energia demand very specific skills/knowledge, which are not taught in universities, therefore young and inexperienced workers will have on-site work training under older and much experienced workers; 85 cases
- 4) Personal stories of different older vibrant employees, with a long tenure, still working in Eesti Energia are shared through intranet within the company in order to show that Eesti Energia values all its employees irrespective of their age and to set a positive example to other employees. 5 cases

Different research have also identified some company level practices in Estonia. There are various types of financial benefits provided by employer that are paid upon leaving employment (early retirement, redundancies etc) for older workers or people with long job tenure in the company. According to analysis of collective agreements, the most common type of benefit to older workers in collective agreements is higher benefits than required by legislation in case of ending the employment contract (Leetmaa, Võrk, and Kallaste 2004). This is typically provided to people in (pre-)retirement age upon ending their employment contract and it is conditional upon employment tenure – mostly starting from 10-15 years of employment with the same employer (Leetmaa, Võrk, and Kallaste 2004). These types of support mostly add 1-2 monthly salaries to the support foreseen by legislation (Leetmaa, Võrk, and Kallaste 2004). Estonian Social Survey has shown that these one-off payments by employer upon retirement are very rare – only a few cases were detected in the nation-wide representative survey in 2012 making any generalisations to the whole population unreliable.

In addition to one-off payments, collective agreements also foresee benefits similar to early retirement pensions paid by employers – in cases of lay-offs of people in pre-retirement age and in case the person remains out of employment, employer pays a monthly benefit until retirement age, mostly in the amount of national minimum wage, a certain proportion of the previous salary of the person or the size of the pension (Leetmaa, Võrk, and Kallaste 2004). This is also mostly conditional upon employment tenure and in case the person has up to 2 years until retirement age (Leetmaa, Võrk, and Kallaste 2004).

However, more recent data from 2012 (Estonian Social Survey) has shown that these one-off payments upon retirement from employer are very rare and only very few cases have occurred during the year making generalisations to the whole population unreliable.

The main advantage of these types of benefits is that they reward long employment in the company and provide higher financial support compared to statutory benefits for older workers or people with long job tenure. Also, they probably hold employment of older workers in the company more stable compared to the situation without these benefits (Leetmaa, Võrk, and Kallaste 2004). At the same time, they might be supporting early retirement and reduce incentives to find a new job after redundancy. These also make it more expensive for employer to lay off older workers. However, since these require rather long employment history in one company, they probably do not influence considerably recruitment decisions of older workers (Leetmaa, Võrk, and Kallaste 2004).

Regarding flexible working time opportunities, Different research results have also indicated that older workers do not have much opportunity to make decisions on their working time. A survey of older people in Estonia has shown that just 14% of older people have the opportunity to make decisions on their working time while another 14% say they have this opportunity sometimes (either in their current workplace or previous workplace if already retired or unemployed) (Espenberg et al. 2012). European Working Conditions Survey (European Foundation for the Improvement of Living and Working Conditions) has indicated that similarly to the EU average, slightly less than half of older workers can vary their start and finishing time of work in Estonia. In 2010, 59% of Estonian employees had fixed starting and finishing time of work. There is not much difference by age – 63% among 30-49 year olds compared to 58% among 50+ age group.

Eurostat data also shows that reducing working hours in the move towards retirement is not common either in Estonia or EU on average – 6.5% of 55-69 year olds say they have reduced their working hours due to reaching retirement in 2012 (the share is the same in Estonia as well as EU-28).

Although data shows relatively low share of flexibility in the working time of older people, only a small share has requested this from their employer. Survey of older people in Estonia indicated that 89% of the age group have not requested a change in their working time from their employer, although 23% would like to work part-time (Espenberg et al. 2012). Also, employers have not initiated these changes – only 4% of older people say that their employer has made them an offer to reduce working time (Espenberg et al. 2012).

At the same time, survey of employers shows their readiness to offer flexible opportunities to older workers – 54% of enterprises offer an opportunity to reduce working hours for older workers and another 4% is planning to introduce this opportunity in the future (Espenberg et al. 2012). Around a third of companies say that it is possible to change working schedule for older workers in their company, it is possible to reduce physical intensity of work or adapt working conditions in accordance to age (Espenberg et al. 2012). Comparing this to the relatively low level of flexible work practices among older workers in general shows that the relatively positive attitudes of employers have not been implemented in practice very often. Furthermore, according to a recent Eurobarometer survey, 63% of Estonians think that the lack of opportunities to retire gradually by reducing working hours is an important reason why people over 55 might stop working (although it is considered a larger problem in other EU countries with the average standing at 72%) (TNS Opinion & Social 2012).

4.2.2. Latvia

The most common measure in the companies is pay for longer tenure. Companies recognize those with longer years worked in a company and include opportunities for third tier pension level funds in their offers, which is a serious incentive for aged individuals. Health insurance and regular annual health check-ups are also among the measures provided by employers. From the list of supporting

longer working lives and lifelong learning in older age measures most of companies use listed measures, not focusing exactly on pre-pension or pension age employees⁴⁵.

Pharmaceutical company Grindex Personnel Manager commented, that the title of senior friendly company Grindex received, because of the fact that 10% of all Grindex employees⁴⁶ are people in pension age.

The areas where experienced older people work are mainly technical areas, where practical knowledge and experience of technical processes is needed. Experience of the long term employees in Grindex is very valuable; it could not be acquired quickly and just theoretical knowledge is not sufficient.

For the company it is very important, that technical knowledge is passed on, therefore older employees do serve as mentors.

Company is ready to accommodate the needs of their aged employees, in the form of shorter working hours, switching work to less physically and stress demanding jobs and considering ergonomic needs.

Still, eventually situation is determined by the operational needs of the company production process and employee's willingness or unwillingness to work and meet the needs of the company. If both sides are willing to cooperate, then working hours or ergonomic needs are accommodated. When employee is willing to carry on working after pension age, next decision is about how much longer it will go. Very few employees keep working until age of 70. In general in the legislation there is no restriction in how long person carries on working.

Speaking about the recruitment process (work applications of elderly people), it was admitted that there are practically no job applications from pension age people, probably, because of the fact that work at Grindex requires specific skills.

The interview with the Head of the Personnel Department of the Retail Supermarket chain **Rimi** was started with the comment from the Rimi representative on the prejudice and stereotypes that widely exist in society.

Rimi also received the title of the Senior Friendly Company. Employees aged 45-50 represent around 20% of the staff and the age group of 55-64 accounts for 11% of the total staff of 5100 employees. There are a few employees over 70 year old and one aged over 80 years. Personnel policy in general is supportive to social risk groups and Rimi employ people with disabilities, older people and teenagers during school holidays in summer.

Primary decision to work depends on the ability and willingness of the person. Most of the work in Rimi is simple and rather physical. The policy of Rimi allows its employees to choose the intensity of their work (how many hours to work per week) themselves.

Rimi has a practice of financial benefits for longer tenure. In addition to standard package of the medical insurance, employees with longer tenure receive supplementary dentist insurance and medication allowance, but this is related to all employees with long tenure, not just pension age ones. Discussing mentoring it was mentioned that work in Rimi is not complicated; therefore becoming a mentor is not linked to the age but to willingness and experience. Ergonomic, health and safety matters are looked at for all age workers in Rimi.

⁴⁵ Based on interview with the Executive Director of Association of Personnel Management

⁴⁶ The total number of Grindex employees is about 720 people.

4.2.3. Lithuania

One of a few studies - “The opportunities for the integration of older people (50+) into the labour market (or vocational activity): the view of employers, employees, and the unemployed” – was conducted in Lithuania in 2011 within the framework of the Best Agers project⁴⁷. The study covered interviews with companies based in Northern Lithuania (N=27) in order to find out the situation about employment of older people.

All the respondents said their companies do not apply individual agreements about wages/salaries to pension-age employees; there are no special conditions set for older employees in terms of working time. In the respondent companies, older employees were usually included in team work in mixed age groups (N=12). Other findings of the study are as follows: experience of older employees is applied in multiple areas (N=10); they are offered adequate and attractive workplace within the company (N=9). The areas used the least included mentoring programmes (N=1), competence development (N=1), career opportunities (N=1), special technical/ergonomic infrastructure (N=1), and wellness/sports programmes (N=2) for older employees. Mentoring programmes, competence development, horizontal career opportunities still represent novelties and are assimilated with difficulties by employers in Lithuania. It is quite probable that these areas will be better developed in the future.

The interviews with employers showed that according to their views key activities and initiatives likely to contribute the most of all in maintaining older people in employment longer are economic incentives (i.e. possibility to receive both – the old age/early pension and wage) and better social work environment (positive attitudes of employers and employees to older workers, working conditions adopted to the needs of older employees). The respondent employers also identified the following measures as important for extending working lives of older employees: working hours and work content individually adapted to older employees, competence development and better technical-ergonomic infrastructure.

Data of the qualitative research “The job placement and retention of the older employees in Lithuanian organisations. Incentives and Barriers”⁴⁸ carried out in 2013 confirmed the dominant negative attitude of Lithuanian employers towards older workers (50+). According to the research findings, “employers’ prejudice and low older workers’ competence levels often result in older workers being ignored and discriminated in the labour market. Common barriers for older workers being more recognized in the labour market are a lack of transferable skills, post-Soviet attitude towards work and employers’ prejudice. Measures that would enhance employability and retention of older workers may include promotion of life-long learning culture, raising awareness of benevolent human resource management policies and practices, and forming a positive societal attitude. Liberalizing the labour law (first of all – abolishing of additional EPL for older employees) and support

⁴⁷ Laima Miklintaitė. The opportunities for the integration of older people (50+) into labour market (or vocational activity): the view from the employers, employees, and the unemployed. Project "BEST AGERS – the best use of the professional knowledge and experience to promote business and entrepreneurial skills in the Baltic Sea region". Research report. Šiauliai, 2011. http://www.nrda.lt/files/Best_Agers_tyrimo_ataskaita.pdf

⁴⁸ Irena Pupienienė. The job placement and retention of older employees in Lithuanian organisations. Incentives and barriers. ISM University of Management and Economics. Master thesis. Vilnius, 2013. http://archive.ism.lt/bitstream/handle/1/298/ETD2014-1_Irena%20Pupienien%C4%97.pdf?sequence=1. The empirical results have been obtained from semi-structured interviews. During this qualitative research 20 representatives from different business sectors were interviewed. Respondents: 16 HR management officers and managers of HR management units, as well as 4 CEOs of organisations.

for job creation (job subsidies) would also help integrating older workers into the labour market. It is important to note that according to the employers, the problem of an aging workforce is not relevant at the moment. Employers do not give attention to forming a favourable work environment or adjusting their human resource management practices to older workers“.

As regard HR management practices or policies used in Lithuanian organisations in respect of older workers, the overwhelming majority of respondents reported not applying any special measures dedicated to employ or retain older workers in employment. Some single practices mentioned by the respondents as applied specifically to older workers usually included thanking employees for work experience (mentioned 6 times), congratulations on the 50th and/or 60th anniversary (mentioned 4 times), better retirement conditions by paying additional compensation (mentioned 4 times). The respondents also mentioned that they apply additional leaves that accumulate on the basis of the length of work record in accordance with the Labour Code of the Republic of Lithuania (mentioned 8 times). The practice of mixed working groups is quite common in Lithuanian organisations, but such groups are formed naturally, without any special purposes or intentions.

The problem of retaining older workers at work is not very relevant in organisations; a part of the respondents do not see the sense in such retaining at all. More than half of the respondents mentioned that, as far as the retention of older workers in employment is concerned, employees should not be differentiated by age groups at all, whilst employers should respect all employees and try to retain all their workers and uphold their motivation. The adaptation of workplaces and the use of older employees' potential in transferring knowledge and experience may be useful for organisations both now and in the future. Retirement-disincentive policies also appear to be important in the view of employers (mentioned 6 times). In order to retain older workers at work, it is very important to raise their qualifications (mentioned 5 times).

The fact of mixed-age teams being quite actively applied by Lithuanian employers (whether naturally or intentionally forming HR management strategy in the organisation) has been also confirmed by the results of the National Responsible Business Awards organised by the Ministry of Social Security and Labour. Out of more than 40 nominees who filed applications in 2012, many socially responsible enterprises reported applying job coaching or "fellow" programmes at work⁴⁹. Although these measures are focused on the integration of young professionals in the workplace, participation of older workers in the process shows that employers recognise and use the experience of this age-group employees.

In order to identify good practice examples applicable in Lithuanian companies and organisations in the area of age management, national umbrella organisations of employers and employees were contacted. It should be noted that at first all the contacted representatives said they had not heard anything of such initiatives, but they voluntarily offered to carry out mini-surveys in their organisations. This method enabled to identify the aforementioned Best Agers Lighthouses project (part-financed by the EU (European Regional Development Fund); Best Agers Lighthouses <http://www.best-agers-lighthouses.eu/>). In Lithuania, it is implemented by the Siauliai Chamber of Commerce, Industry and Crafts and Siauliai State College. During the project, employees of the College were surveyed (N=200) in order to identify the impacts of age on employees' work. Questions of the survey dealt with such aspects as work engagement, motivation, health and age management

⁴⁹ Interview with Jelena Polijančuk, senior officer at the Division of Labour Law, Ministry of Social Security and Labour, conducted on 28 04 2014.

practices. The survey revealed that ageing topics are avoided in the College in general, whilst the employer is not interested in retaining older employees at work longer due to the unfavourable demographic situation (decreasing number of young students).

The national project developer (Siauliai Chamber of Commerce, Industry and Crafts) preferred mild intervention techniques to implement age management methods in the College. The following activities were implemented: trainings for the managers "Age management and workability" using biiugi platform⁵⁰ and face to face reflection moderated by external advisor, as well as trainings for the managers and employees of different age groups ("Conflict solutions and stress management", "Age influence on decisions making", "English course for 55+"). The internet technologies enabled to implement a part of the trainings online (using biiugi platform).

As it was mentioned by Jonuškienė during the interview, today we can already say that the project activities had an impact on the attitude of older workers themselves towards ageing and their future perspectives in the labour market, mobilised the staff to independently look for ways to mitigate the negative consequences of ageing.

Another example of good practices is the experience of small construction company Elis Electric (up to 50 employees) which successfully applies practices of adaptation of older workers (including those at the retirement age) to working conditions. This example is also interesting in that the company does not identify itself as a socially responsible enterprise and was randomly selected during a pilot survey⁵¹. As far as 55+ persons are concerned, it was pointed out that, in order to retain skilled and experienced workers at work, they are offered various opportunities enabling them to fully use their professional potential and, at the same time, reconcile their family and work obligations, perform tasks that meet their health condition. For example, experienced older electricians are offered to perform only a part of the task that requires high-level qualification, preciseness and proficiency, whereas tasks related to heavy physical loads, endurance or climbing (e.g., lifting heavy loads, working at height, etc.) are delegated to younger workers who are less experienced but physically stronger. In addition, formation of mixed-age teams indirectly contributes to improving qualifications of younger-generation employees. The following examples of more flexible work organisation applicable in the said company can be mentioned: flexible working schedules (adapted to individual needs), part-time work, transfer to other positions. Furthermore, the retired ex-employees, at their request, are invited to do one-off jobs requiring specific skills under fixed-term employment contracts. Older workers of the company are also provided additional health insurance covers.

It is interesting to note that the head of the company would like to apply training incentives for older workers. However, he faces the problem that older workers themselves are not willing to participate in training.

⁵⁰ For more information please see: <http://biiugi.eu/content/history-biiugi-0>

⁵¹ Interview with the head of the company was conducted on 24 03 2014 during the pilot survey under the research project "An aging society: how we are prepared?" (Lithuanian Social Research Centre).

5. Summary

This report is part of the MOPACT project – Mobilising the Potential of Active Ageing in Europe⁵². The report is an input in the research field Extending Working Lives, Task 2: overview of the “state of the art” of current innovative, successful and sustainable approaches to working and learning longer. This report covers three Baltic countries – Estonia, Latvia and Lithuania.

The aim of this report is to provide an insight into practices implemented in Estonia, Latvia and Lithuania to support active ageing in the labour market and lifelong learning in older age. The report consists of three main parts.

First, the report started out from creating a picture of the **Baltic context** and the macro-level similarities/differences of these countries. The chapter showed that as far as welfare state models are concerned, Baltic countries are most often fitted under a single model. Although the grouping of countries largely depends on the number of countries included into the analysis and the level of similarity or difference, and also the number of end result i.e. the number of models or regimes generated. The following statistical overview also showed that the similarities and differences of Baltic countries can vary across time or specific indicators analysed. Based on Eurostat population prognosis (EuroPop2010), the demographic developments have a similar starting point in the Baltic countries in 2013 as well as compared to EU average – there is almost four people aged 15-64 per one person aged over 65. After an initial increase in old-age dependency ratio, all three Baltic countries are expected to go through a decline in old-age dependency ratio which is followed by stabilisation period, although the decline will start earlier in Lithuania than in other countries. By the end of the forecast period (2080), Lithuanian population is projected to be the most youthful out of the three Baltic countries while Estonia shows highest share of old-age population relative to working-age population.

Employment in all Baltic countries has been above the EU average for most years since 2000 with a growing trend. After a set-back in the years of economic crisis, the employment rate of people aged 50-74 has started increasing again in the Baltics, moving further away from the EU average level. By 2012, all three countries were among the ten countries with highest old-age employment rates in EU. At the same time, a worrying trend is that inactivity due to illness or disability in the 55-74 age group is considerably high in Estonia and Lithuania, especially among males (25% and 17% respectively). There are also notable gender differences in the expected healthy life years – in Estonia women are four years and men 8 years below the EU average, in Latvia the figures are 3 and 7 and in Lithuania men are 5 years below the EU average and women have managed to caught up to the average woman in the EU.

Regarding lifelong learning, older age groups in Baltic States have considerably higher educational level than in the EU on average. Although, again attention should be turned to the high gender gap in tertiary education attainment (highest in Estonia at 10% points, 6 and 7% points in Latvia and Lithuania respectively among the 55-64 age group). Furthermore, gender differences are even higher in younger age group, thus indicating a future trend in older age groups as well. Similarly, participation in lifelong learning is to the advantage of women in all three countries.

⁵² More detailed information on the project available at: <http://mopact.group.shef.ac.uk/>

The second part of the report concentrates on **national level policies for extending working lives and lifelong learning** in older age groups based on the country reports from Estonia, Latvia and Lithuania. Main conclusions by the topics covered in the report are as follows:

- *National level strategies for active ageing:* only Estonia has managed to introduce a strategic document (in 2013) guiding the implementation of active ageing policies on national level. However, in this case as well, a specific action plan has not been introduced yet to assess the implementation of the strategy. In Latvia, an active ageing strategy is due to be finalised by March 2014 while there is no such initiative in Lithuania. Still, all countries report that several strategic documents on national level cover active ageing as a horizontal principle across various policy documents and programmes.
- *Incentives in social security system to prolong working lives:* in the support of longer working lives, all Baltic countries are going through an increase in pension age for both men and women. In the economic crisis, the popularity of early retirement option was relatively popular in Latvia (at EU average level) compared to Estonia and Lithuania, despite relatively strict regulations applied. Estonia shows the most flexible regulations of early retirement. In the example from Estonia, majority of people who enter early retirement scheme come from unemployment or inactivity. A relatively strong incentive to work after retirement age in all the Baltic countries are low size of old-age pensions and possibility to receive simultaneous income from work. This is confirmed by Eurostat data - the need to provide sufficient household income is the main reason in all three Baltic countries for continued employment among people who receive pensions. 78% of people aged 50-69 in Estonia, 58% in Latvia and 47% in Lithuania keep working after retirement for this aim (Eurostat data). Estonia is the only country where it is reported that an important role in the move from labour market to retirement is played by work incapacity pensions. A respective reform is planned from July 2015, with the aim to move away from evaluation of incapacity, and instead assess an individual's capacity to work.
- *Employment protection legislation:* in general, older workers in Latvia and Lithuania seem to be covered by more strict rules of employment regulation while Estonia has moved towards a more flexible model. Latvian and Lithuanian employment regulation ensures some level of higher protection to people in pre-retirement age while Estonia has no such regulations. At the same time, all of the Baltic countries have higher employment protection to people with longer job tenure (based on the assumption that older people have more often longer job tenure). In Estonia, this is based on length of advance notice periods in case of layoffs, while in Latvia and Lithuania, longer job tenure ensures mostly higher redundancy benefits. In Estonian case, redundancy benefits are higher as well in cases of longer job tenure, although these costs are not covered by the employer, but by the Unemployment Insurance Fund.
- *Labour market measures:* there are mostly no special targeted active labour market measures to older workers in any of the Baltic countries. Instead, older workers are offered labour market measures within the general package of activation measures, the report highlights the most successful examples based on prior research. An interesting example is outlined in Lithuania, where the Lithuanian Labour Exchange and the Lithuanian Pensioner Affairs Council initiated a "Bank of Seniors", which aims to provide information on potential employees to employers willing to hire older workers. However, this has not proved to be popular among employers. The importance of European financing mechanisms in providing active measures to older age groups is also highlighted. For instance, in Estonia, 52 projects

across Estonia have identified older people aged 50-74 as the (or one of the) target group of their project during 2007-2013.

- *Occupational health in the labour market*: within the wide array of occupational health and safety measures and regulations, the report aims at highlighting some examples supporting longer working lives, including: reducing number of accidents at work (Lithuania), planned occupational accidents and illness insurance scheme (Estonia), supporting employer's expenses on the health of employees (Estonia). Again, the role of ESF is highlighted based on the example from Estonia. For instance, EU financing supports collection and dissemination of best practice regarding work environment and Network for Workplace Health Promotion in Estonia.
- *Lifelong learning measures*: the importance of older age groups in lifelong learning measures tends to vary across the Baltic states – all three countries seem to be in a different starting point. For instance, in Estonia, the respective strategic documents stress the importance of lifelong learning participation among older age groups and life-course perspective in rhetoric, although whether this will be backed up by specific measures or financial incentives, remains to be seen in the near future as the specific action plans will be approved. In Lithuania as well, the impact of lifelong learning strategy on older age groups is assessed relatively low. Although some good examples in the area of lifelong learning are also highlighted, including higher financial support for work-related training for people in pre-retirement age (less than 5 years until retirement age) in Latvia and Universities of the Third Age in Lithuania, senior volunteering in Lithuania and project "Get connected" in Latvia as well as projects financed by Nordplus programme and Grundtvig across all Baltic countries.

The third part of the report concentrates on **age management practices at organisational/ company level** based on national reports from the three countries. The chapter brings out previous research results on the topic and highlights national level examples from company practices. This chapter will be a starting point for further investigation of good practice examples from the Baltic countries, which will be collected during August – September 2014.

Prior research shows that opinions why people might stop working after the age of 55 in the Baltic countries tend to be similar to the EU average level – exclusion from training, lack of opportunities to retire gradually by reducing working hours and lack of workplaces adapted to the needs of elderly people. The lack of supporting opportunities is also confirmed by national level research. The chapter also highlights the importance of collective agreements and social partners in regulating the practices at company level. Although these are just some examples since social partnership in the Baltic countries is not very strong and thus the impact of collective agreements on national level tends to remain low.

Recognition and awards issued to socially responsible enterprises have proved to be a good starting point for the identification of good practice. This includes for instance, "senior friendly enterprise" award in Latvia and award for good occupational health and safety practices in Estonia. The report follows by highlighting some good examples in all three countries, including for instance a comprehensive active ageing strategy in energy company Eesti Energia in Estonia, pharmaceutical company Grindex and supermarket chain Rimi in Latvia, Best Agers Lighthouses project and Elis Electric in Lithuania.

References

- Adomaitienė, R, S Vozbutas, A Juozulynas, V Alekna, and J Prapiestis. 2007. "Lithuanian Social System of Active Aging Policies from the Perspective of Structural Functionalism." *Gerontology* 8 (1): 7–16.
- Aidukaite, Jolanta. 2004. *The Emergence of the Post-Socialist Welfare State - The Case of the Baltic States [Elektronisk Resurs] : Estonia, Latvia and Lithuania*. Stockholm: Manne Siegbahn-laboratoriet. <http://su.diva-portal.org/smash/get/diva2:191772/FULLTEXT01.pdf>.
- Aidukaite, Jolanta, Julija Moskvina, and D Skučienė. 2014. "Lithuanian Welfare System in Times of Global Financial Crisis of 2008/2009." In *European Welfare Systems. Applied Research on Adult Education*. 2011. http://www.suaugusiujuvietimas.lt/modules/document_manager/documents/3/Taikomasis%20suaugusiuju%20svietimo%20tyrimas.pdf.
- Beblavy, Miroslav. 2008. *New Welfare State Models Based on the New Member States' Experience?* SSRN Scholarly Paper ID 2403764. Rochester, NY: Social Science Research Network. <http://papers.ssrn.com/abstract=2403764>.
- ERR. 2014. "Galerii: Piketipäev Tõi Puuetega Inimesed Toompeale Meelt Avaldama." *Uudised | ERR*. <http://uudised.err.ee/v/eesti/75ee4cfb-b3f3-4558-9479-7520aad2e5e>.
- Espenberg, Kerly, Sille Vahaste, Marek Sammul, and Reelika Haljasmäe. 2012. *Vanemaealised tööturul*. Tartu: Centre for Applied Social Sciences (CASS), University of Tartu. http://www.sm.ee/fileadmin/meedia/Dokumendid/Toovaldkond/uuringud/Vanemaealised_t%C3%B6%C3%B6turul_l%C3%B5ppraport.pdf.
- Esping-Andersen, Gøsta. 1990. *The Three Worlds of Welfare Capitalism*. Princeton, N.J: Princeton University Press.
- . 1996. *Welfare States in Transition: National Adaptations in Global Economies*. SAGE Publications.
- Fenger, Menno. 2007. "Welfare Regimes in Central and Eastern Europe: Incorporating Post-Communist Countries in a Welfare Regime Typology." *Contemporary Issues and Ideas in Social Sciences* 3 (2): 1–30.
- Ferge, Zsuzsa. 1997. "The Changed Welfare Paradigm: The Individualization of The Social." *Social Policy & Administration* 31 (1): 20–44. doi:10.1111/1467-9515.00035.
- . 2001. "Welfare and 'Ill-Fare' Systems in Central-Eastern Europe." In *Globalization and European Welfare States Challenges and Changes*, 127–53. Basingstoke: Palgrave.
- Gruzevskis, B, and Inga Blaziene. 2013. *Reforms of Employment Protection Legislation in Lithuania (2008-2012)*. European Employment Observatory.
- Kääriäinen, Juha, and Heikki Lehtonen. 2006. "The Variety of Social Capital in Welfare State Regimes – a Comparative Study of 21 Countries." *European Societies* 8 (1): 27–57. doi:10.1080/14616690500491399.
- Kallaste, Epp. 2007. "Employers Propose Sharing Social Security Tax with Employees". Article. <http://www.eurofound.europa.eu/eiro/2007/02/articles/ee0702019i.htm>.
- Kamerade, Daiga. 2012. *Impact of the Recession on Age Management Policies: Latvia*. Eurofound.
- Karu, Marre, and Kirsti Nurmela. 2009. "Employers Reject Proposed Work Accidents and Illness Insurance Scheme". Article. <http://www.eurofound.europa.eu/eiro/2009/03/articles/ee0903019i.htm>.
- Latvijas Lauksaimniecības, and Meža Zinātņu Akadēmija. 2011. *Atklāta Konkursa Novērtēšanas Pētījums "Aktīvā Nodarbinātības Pasākuma "Apmācība Darba Iemaņu Iegūšanai Un Uzturēšanai, Ja Darba Devējs Ir Pašvaldība Rezultātu Novērtējums" (Assessment of the Public Work with Stipend Activity Implementation – among Others)*. Rīga.
- Lazutka, Romas. 2013. *Socialinis Draudimas Lietuvoje: Kontekstas, Raida, Rezultatai (Social Insurance in Lithuania: Context, Development, Results)*. Vilnius: Lietuvos socialinių tyrimų centras.
- Leetmaa, Reelika, and Kirsti Nurmela. 2012. *EEO Review : Employment policies to promote active ageing, 2012 : Estonia*. Aruane. Tallinn: Poliitikauuringute Keskus Praxis. Y:YY_RaamatukoguPraxis publikatsioonidAruanded2012.
- Leetmaa, Reelika, Andres Võrk, and Epp Kallaste. 2004a. *Vanemaealine töajõud tööturul ja tööelus*. Toimetis 19. PRAXIS Working Paper. Tallinn: PRAXIS Centre for Policy Studies. Y:YY_RaamatukoguPraxis publikatsioonidAruanded2004.

- http://www.praxis.ee/fileadmin/tarmo/Projektid/Too-ja_Sotsiaalpoliitika/Vanemaealine_toojoud/Eakad_Toimetiste_formaadis.pdf.
- . 2004b. *Vanemaealine töajõud tööturul ja tööelus*. Toimetis 19. PRAXIS Working Paper. Tallinn: PRAXIS Centre for Policy Studies. Y:YY_RaamatukoguPraxise publikatsioonidAruanded2004. http://www.praxis.ee/fileadmin/tarmo/Projektid/Too-ja_Sotsiaalpoliitika/Vanemaealine_toojoud/Eakad_Toimetiste_formaadis.pdf.
- Lithuanian Labour Market in Figures 2013*. 2013. Lithuanian Labour Exchange. <https://www.ldb.lt/Informacija/Veikla/Documents/Ataskaitos/Darbo%20rinka%20skai%C4%8Diais%202013.pdf>.
- LR Labklajības Ministrija. 2012. "Informatīvais Ziņojums 'Par Personu, Kuras Vecākas Par 50 Gadiem, Iesaisti Mūžizglītībā Un Aktīvās Darba Tirgus Politikas Pasākumos.'"
- Masso, Märt, Janno Järve, Kirsti Nurmela, Sten Anspal, Mari Liis Räis, Katrin Uudeküll, and Liina Osila. 2013. *Töölepingu Seaduse Uuring*. PRAXIS Centre for Policy Studies. http://www.praxis.ee/fileadmin/tarmo/Projektid/Too-ja_Sotsiaalpoliitika/TLS_uuring_raport.pdf.
- Ministry of Education and Research. 2014. "Eesti elukestva õppe strateegia 2020." <https://valitsus.ee/UserFiles/valitsus/et/valitsus/arengukavad/haridus-ja-teadusministeerium/Eesti%20elukestva%20C3%B5ppe%20strateegia%202020.pdf>.
- Ministry of Labour and Social Research. 2012. "National Program on European Active Aging and Intergenerational Solidarity 2012". Order No 156 (15 03 2012).
- Ministry of Social Affairs. 1999. "Eesti Vanuripoliitika Alused." <http://www.sm.ee/sinule/eakale/taiendav-teave/eesti-vanuripoliitika-alused.html>.
- . 2002. "Implementation Plan of The Principles of Elderly Policy in Estonia for the Years 2002-2005." http://www.sm.ee/fileadmin/meedia/Dokumendid/Sotsiaalvaldkond/Eakad/taiendav_teave/vanuripoliitika_1_2002-2005.pdf.
- . 2008. "Implementation Plan of The Principles of Elderly Policy in Estonia for the Years 2007-2009." http://www.sm.ee/fileadmin/meedia/Dokumendid/Sotsiaalvaldkond/Eakad/taiendav_teave/Eakate_poliitika_tegevuskava_2007-2009.pdf.
- . 2009a. "Programm 'Tööturupoliitika arendamine 2009-2013.'" <http://esf2007.sm.ee/files/programm/Tööturupoliitika%20arendamine%202009-2013.pdf>.
- . 2009b. "Tööga Seotud Terviseriskide Vähendamine Ja Töösuhte Kvaliteedi Parandamine 2009." http://esf2007.sm.ee/files/TI_programm_uuend.pdf.
- . 2010. "Tööga Seotud Terviseriskide Vähendamine Ja Töösuhte Kvaliteedi Parandamine 2010-2014." <http://http://esf2007.sm.ee/files/programm/2014%20program/T%C3%B6%20seotud%20terviseriskide%20v%C3%A4hendamine%20ja%20t%C3%B6%20suhte%20kvaliteedi%20parandamine%202010-2014.pdf>.
- . 2013. "Aktiivsena vananemise arengukava 2013-2020." http://www.sm.ee/fileadmin/meedia/Dokumendid/Hoolekandestatistika/Aktiivsena_vananemise_arengukava_2013-2020/Aktiivsena_vananemise_arengukava_2013-2020.pdf.
- Ministry of Social Security and Labour. 2011. *Social Report 2009-2010*. Ministry of Social Security and Labour.
- Ministry of Welfare. 2009. *Informatīvais Ziņojums Par Realizētajiem Un Plānotajiem Sociālās Aizsardzības Pasākumiem (Report on Implemented and Planned Social Protection Measures)*. Latvia: Ministry of Welfare.
- Mrazauskaitė, L. 2013. "Employers Do Not Need Seniors' Experience." *Lithuanian News*, August 28. zinios.lt/lzinios/Ekonomika/senjoru-patirties-darbdaviams-nereikia/162074.
- Naegele, Gerd, and Jürgen Bauknecht. 2013. "WP 3 Conceptual Framework."
- National Audit Office of Estonia. 2014. *Riigi pensionisüsteemi jätkusuutlikkus*. Tallinn. <http://www.riigikontroll.ee/DesktopModules/DigiDetail/FileDownloader.aspx?FileId=12963&AuditId=2313>.
- National Audit Office of Lithuania. 2013. *Report on the Development of Non-Formal Adult Education*. Vilnius: National Audit Office of Lithuania.
- Niitra, Nils. 2011. "Haiged Inimesed Ei Tihka Võtta Haiguslehte." *Postimees*, November 28. <http://tarbija24.postimees.ee/648945/haiged-inimesed-ei-tihka-votta-haiguslehte>.
- Nurmela, Kirsti, and Marre Karu. 2007. "Supreme Court Bans Dismissal of Older Workers in Public Sector." *European Industrial Relations Observatory On-Line*, November 19. <http://www.eurofound.europa.eu/eiro/2007/10/articles/ee0710019i.htm>.
- OECD. 2013. *OECD Employment Outlook 2013*. OECD Publishing.

- Oorschot, Wim van, and Wil Arts. 2005. "The Social Capital of European Welfare States: The Crowding out Hypothesis Revisited." *Journal of European Social Policy* 15 (1): 5–26. doi:10.1177/0958928705049159.
- Osila, Liina. 2011. "Occupational Insurance Scheme Still up in the Air". Article. <http://www.eurofound.europa.eu/eiro/2011/09/articles/ee1109029i.htm>.
- Osila, Liina, and Kirsti Nurmela. 2010. "Employers Oppose Change in Sickness Cash Benefit System". Article. <http://www.eurofound.europa.eu/eiro/2009/12/articles/ee0912019i.htm>.
- Osila, Liina, and Pirjo Turk. 2011. "Unions Propose Progressive Income Tax and Higher Social Security Benefits". Article. <http://www.eurofound.europa.eu/eiro/2010/12/articles/ee1012019i.htm>.
- Panteia. 2013. *Guidance in employers' age management strategies. Supporting longer working lives of older workers. Annexes part 2 - Case studies.*
- Peer Review "PES and Older Workers". 2012. Peer PES Paper – Lithuania. Germany: The European Commission Mutual Learning Programme for Public Employment Services. DG Employment, Social Affairs and Inclusion.
- Pirmspensijas ledzīvotāju Ekonomiskā Potenciāla Izvērtējums [The Assessment of Economic Potential of Pre-Pension Aged Individuals]. 2014. http://www.nva.gov.lv/docs/30_534671ac5b2150.12520375.pdf.
- PPMI Group. 2014. *The Strategic Assessment of the Priorities of the EU Structural Funds 2014-2020 Programming Period on Education and Science. Final Report.* http://www.esparama.lt/es_parama_pletra/failai/fm/failai/Vertinimas_ESSP_Neringos/Ataskaitos_2011MVP/Svietimo_ir_mokslo_srities_prioritetu_2014-2020_programavimo_laikotarpiui_strateginis_vertinimas.pdf.
- Robustillo, Silvia Andueza, Veronica Corsini, Monica Marcu, Katya Vasileva, and Ettore Marchetti. 2013. *EU Employment and Social Situation.* Quarterly Review. Special Supplement on Demographic Trends. Luxembourg: Publications Office of the European Union. http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KE-BH-13-0S2/EN/KE-BH-13-0S2-EN.PDF.
- SIA "Corporate Consulting." 2013. "Pētījums Par Horizontālās Politikas „vienlīdzīgas iespējas lieviešanas Efektivitāti 2007.-2013. Gada Plānošanas Periodā (Assesment of the Horizontal Priority “equal Opportunities for Everyone Independent of Age 2007-2013)”. Riga.
- Social Information and Training Agency. Analysis on the Third Age Universities System's Performance.* 2012. Vilnius.
- State Chancellery. 2013. "National Reform Programme 'Estonia 2020.'" <http://valitsus.ee/UserFiles/valitsus/en/government-office/growth-and-jobs/Estonia%202020%20in%202013/ENG%20national%20reform%20programme%20Estonia%202020.pdf>.
- Tamm, Merike. 2010. "Tööandja Kulutused Töötajate Tervisele Jäävad Erisoodustuseks." *Postimees*, September 6. <http://e24.postimees.ee/274160/tooandja-kulutused-tootajate-tervisele-jaavad-erisoodustuseks>.
- Tamošiūnas, Tadas. 2005. *Situation of Non-Formal Adult Education and Attitudes of Citizens and Employers towards Non-Formal Adult Education.* Research Report. Vilnius: Ministry of Education and Science. http://www.smm.lt/svietimo_bukle/tyrimai_sb_archyvas.htm.
- "The 2005-2013 Action Plan for the Strategy." 2005. GRL Order No 5 (10 01 2005).
- "The 2014-20 Programme for Employment Increase." 2013. GRL Decision No 878 (25 09 2013).
- "The Action Plan for Enhancing Social Inclusion in 2014–20." 2013. Order No A1-588 (22 10 2013) of the Minister for Social Security and Labour.
- "The Interinstitutional Action Plan for Promoting Non-Discrimination." 2011. GRL Decision No 1281 (02 11 2011).
- "The Law on State Social Insurance Old Age Pension Prepayment." 2012. OG No 114-5116.
- "The National Demographic (Population) Policy Strategy." 2004. GRL Decision No 1350 (28 10 2004).
- "The National Program on European Active Aging and Intergenerational Solidarity." 2012. Order No 156 (15 03 2012) of the Minister for Social Security and Labour.
- "The National Strategy on Overcoming the Consequences of Ageing." 2004. OG No 95-3501.
- "The Programme of the GRL." 2008. Parliament Decision No XI-52 (09 12 2008).
- "The Provisional Law on Recalculation and Payment of Social Benefits." 2009. OG No XI-537 (09 12 2009).
- The Results from the Evaluation of the Services for the Employers. 2012 Survey Data.* Lithuanian Labour exchange. https://www.ldb.lt/Informacija/DarboRinka/Puslapiai/Apklausa.aspx?AspXPage=g_74BA386F45D541BEA55864260B990FA9:%2540ID%3D33.

- TNS Opinion & Social. 2012. *Active Ageing*. 378. Special Eurobarometer. Brussels: European Commission, DG for Employment, Social Affairs and Inclusion.
http://ec.europa.eu/public_opinion/archives/ebs/ebs_378_en.pdf.
- Vanags, Alf, and Marija Krūmiņa. 2012. *Employment Policies to Promote Active Aging in Latvia*. European Employment Observatory.
- Veldre, Vootele. 2014. "Reformiks Õige Reformiplaani?" *Praxis Mõttemõnik*.
<http://mottemomik.praxis.ee/reformiks-oige-reformiplaani/>.
- Velsker, Liis. 2013. "86 Protsenti Töötajatest Käivad Haigena Tööl." *Postimees*, January 29.
<http://tarbija24.postimees.ee/1119098/86-protsenti-tootajatest-kaivad-haigena-tool>.
- Wehner, C, P Abrahamson, F Murphy, R Clark, A Hahighasemi, and S.O. Hort. 2004. "The Role of the Different Actors in the Development of Social Policy."