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# Études et Dossiers

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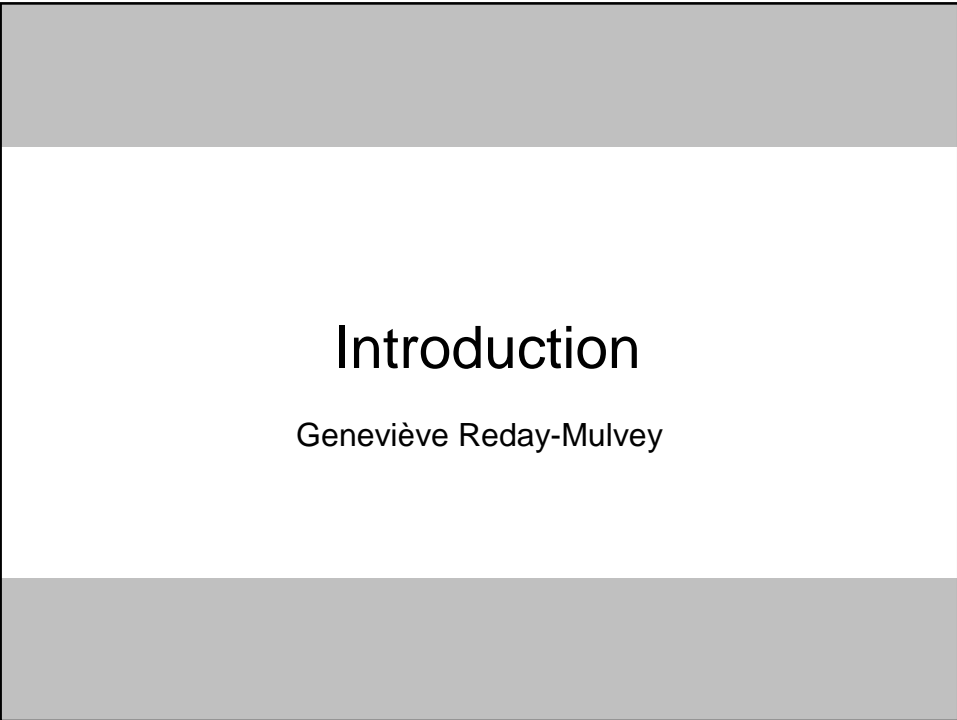
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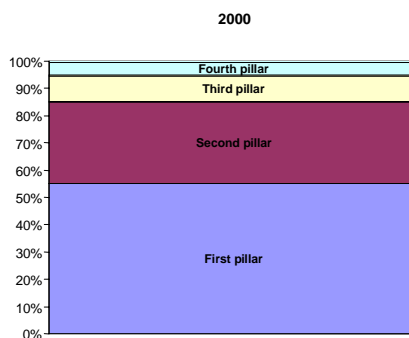
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Layout & Distribution: Pascal Clerc & Valéria Kozakova



**What is the 4<sup>th</sup> pillar ?**  
**Share of income from the four pillars, as a percentage of**  
**the total income of retirees**

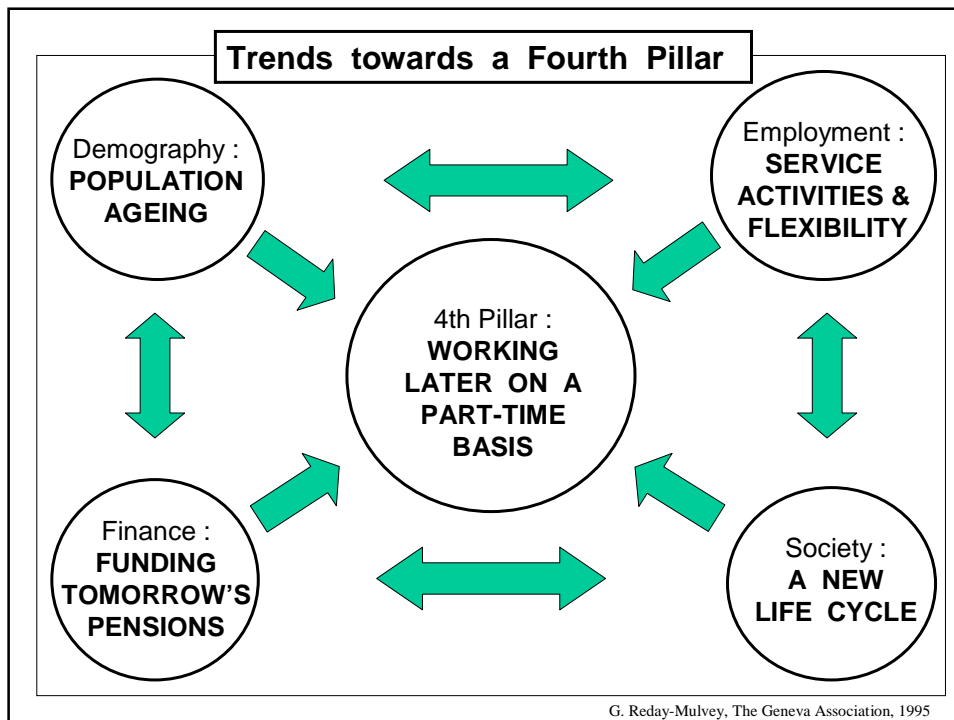


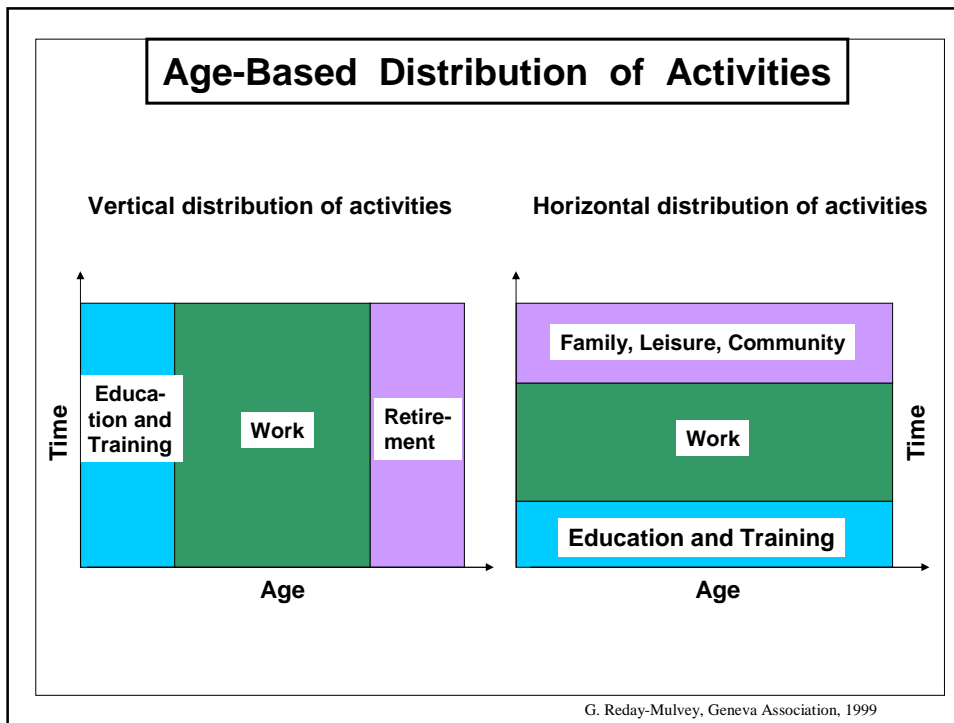
Source: The Geneva Association, 2002.

## Extension of retirement

	Average age of exit from work		Life expectancy at 65		Retirement expectancy	
Denmark	61.9	59.8	15.4	18.3	18.5	23.5
<u>France</u>	<u>58.9</u>	<u>58.8</u>	16.9	21.3	<u>23.0</u>	<u>27.6</u>
Germany	61.1	60.3	16.0	19.6	19.9	24.3
Italy	60.2	59.7	16.5	20.4	21.3	25.7
Netherlands	62.9	61.6	15.6	19.3	17.7	22.7
<u>Sweden</u>	<u>63.4</u>	<u>63.1</u>	16.9	20.0	<u>18.5</u>	<u>21.9</u>
UK	62.7	61.9	15.7	18.9	18.0	22.0

Source : OCDE, 2004, and own calculations

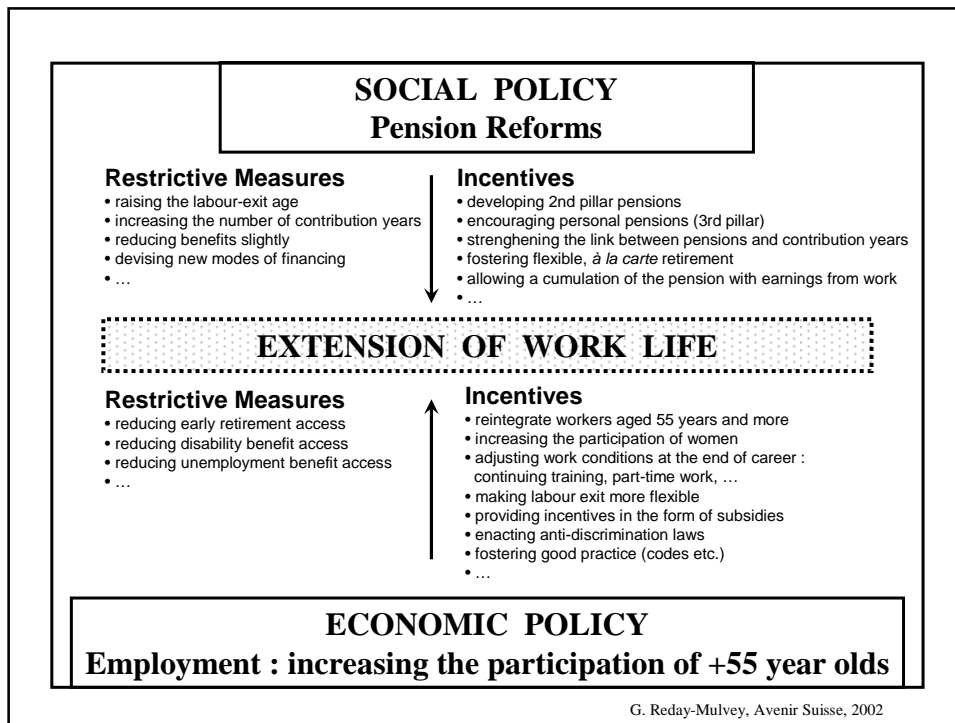




### The Timing of Retirement

<b>Labour Market</b>		
<p><b>1975 – 1995</b> <b>The old consensus</b></p> <p><b>EARLY RETIREMENT</b></p> <p><b>The State :</b></p> <ul style="list-style-type: none"> <li>• v. high unemployment</li> </ul> <p><b>Enterprise :</b></p> <ul style="list-style-type: none"> <li>• reduce workforce</li> <li>• increase productivity</li> </ul> <p><b>Trade Unions / Workers :</b></p> <ul style="list-style-type: none"> <li>• reduce exit age</li> <li>• increase years of retirement in good health</li> </ul>	<p><b>since 1995</b> <b>An emerging consensus</b></p> <p><b>FLEXIBLE, GRADUAL &amp; LATER RETIREMENT</b></p> <p><b>The State :</b></p> <ul style="list-style-type: none"> <li>• reform of pensions</li> </ul> <p><b>Enterprise :</b></p> <ul style="list-style-type: none"> <li>• ageing of workforce</li> <li>• future shortage of workers</li> </ul> <p><b>Trade Unions / Workers :</b></p> <ul style="list-style-type: none"> <li>• age discrimination</li> <li>• work conditions at end of career</li> <li>• new life cycle</li> </ul>	<p><b>CONDITIONS</b></p> <p><b>1. Policies :</b> Better coordination between Social and Employment policies</p> <p><b>2. Trends :</b> Soon, the number of entrants on the labour market will be smaller than the number of exits.</p> <p><b>3. Social Dialogue :</b> A much needed public debate followed by negotiations involving all actors</p>
<b>Social Trends</b>		

G. Reday-Mulvey, Geneva Association, April 2001



## Need to rethink in a long-life society

1. Pensions
  - public
  - occupational
  
2. Work
  - public policies
  - Company policies 'New age management'
  
3. Life cycle
  - Combining work with family/care activities
  - Transitions

## **Reduce working time to work longer**

- Replace full early retirement by partial early retirement
- Implement pension reforms and increase participation of 55-65 and over (eg. Firms, Arcelor, British firms)
- Provide a transition between work and full retirement (eg. Laboratoire Boiron)
- ...

## **Benefits of part-time work**

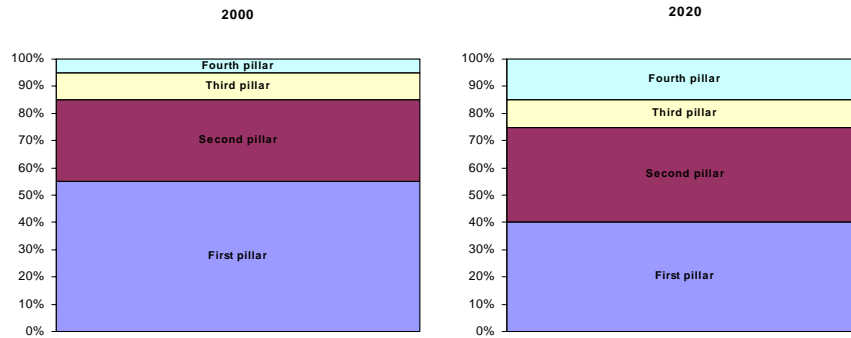
### **For the employer:**

- Reduces cost of 'older' workers
- Reduces absenteeism
- Retains skills & experience (transition)
- Better age-management

### **For the employee:**

- Provides a transition
- Adapts to changing abilities
- Reduces stress and increases recuperation time
- Increases choice and satisfaction

**Share of income from the four pillars, as a percentage of the total income**



Source: The Geneva Association, 2002.

