

A diverse group of people of various ages and ethnicities, including a man in a suit with a stethoscope, a woman in a yellow top, and a woman in a white lab coat, are smiling and looking towards the camera. They are positioned behind a large white diagonal graphic that separates the header from the main content.

▶ Active Ageing: key challenges, lessons and good practices

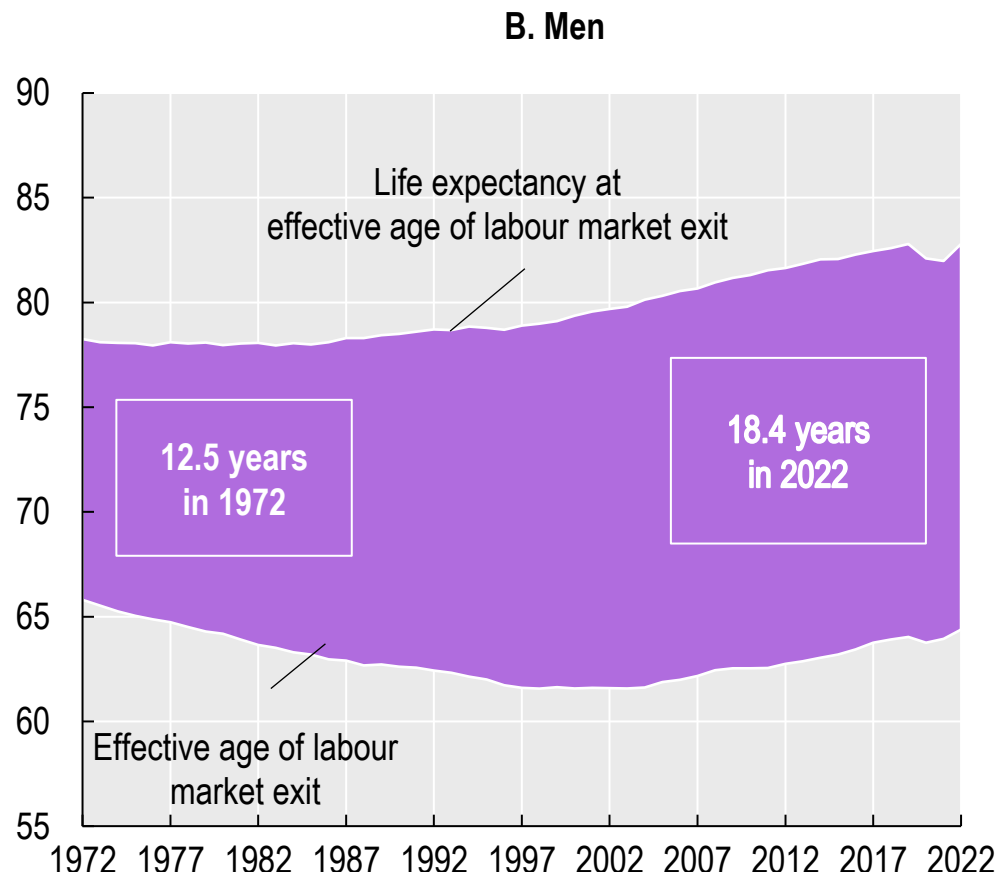
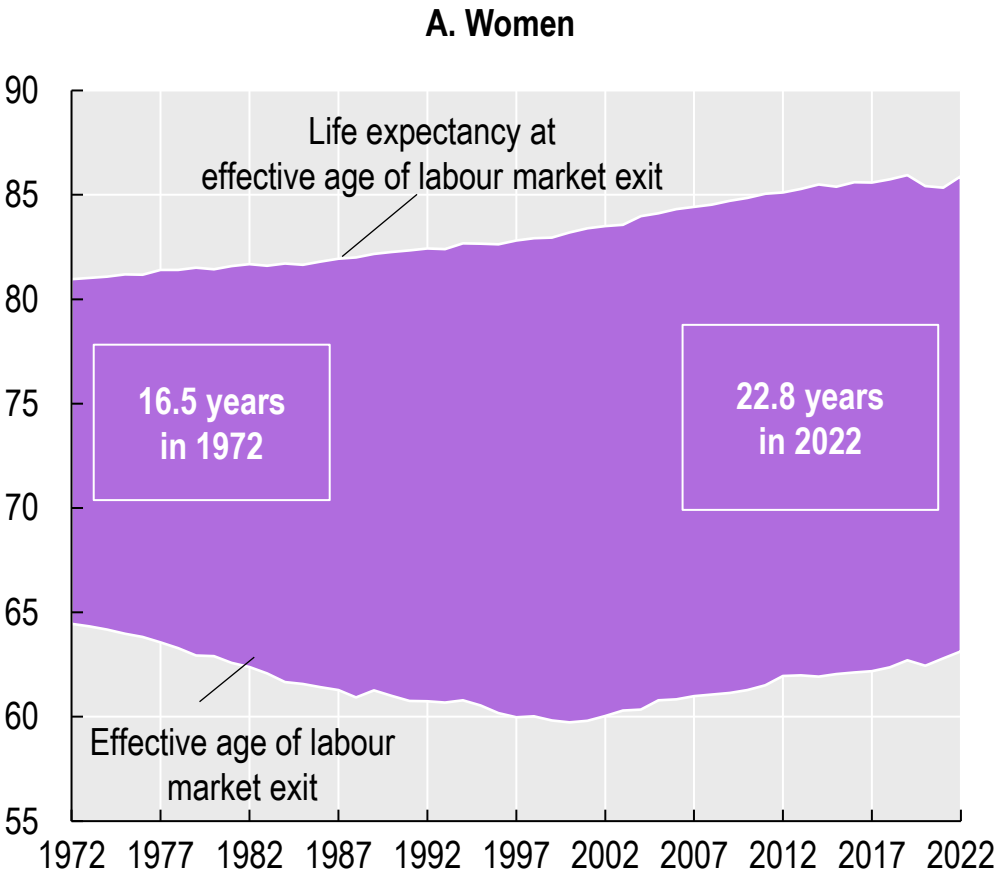
Shruti Singh

Senior Economist, Employability Division

Directorate for Employment, Labour and Social Affairs, OECD

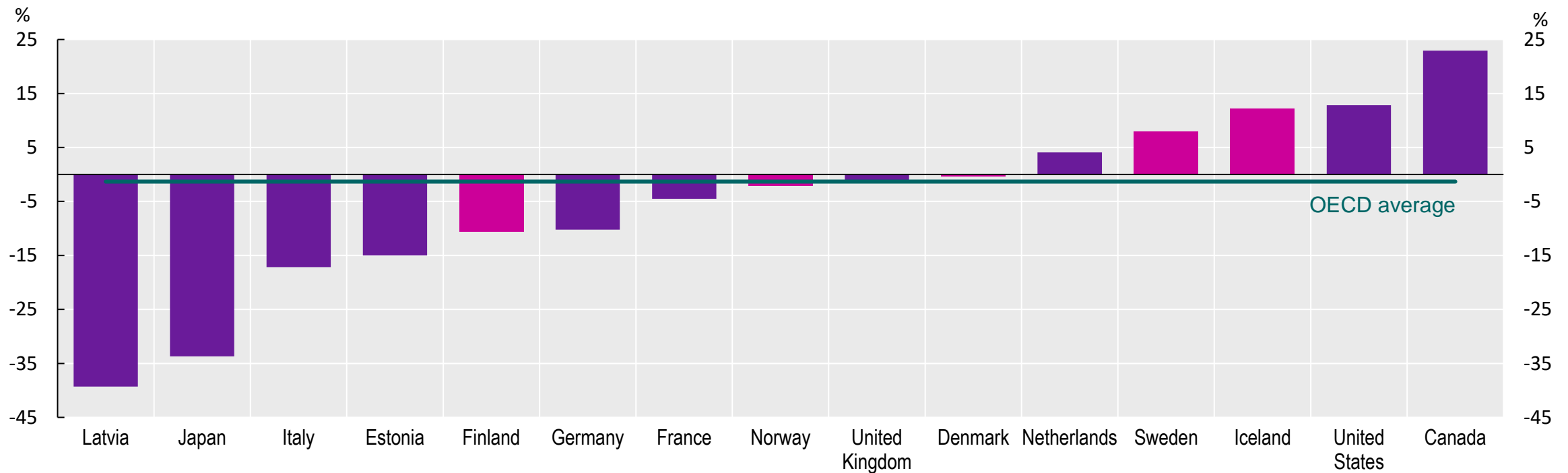
CHALLENGES AND OPPORTUNITIES IN AN AGEING WORKFORCE

The average length of life after labour market exit is rising over time



The working-age population will decline in many OECD countries

Projected percentage change in the working age population (20-64), 2024-2062

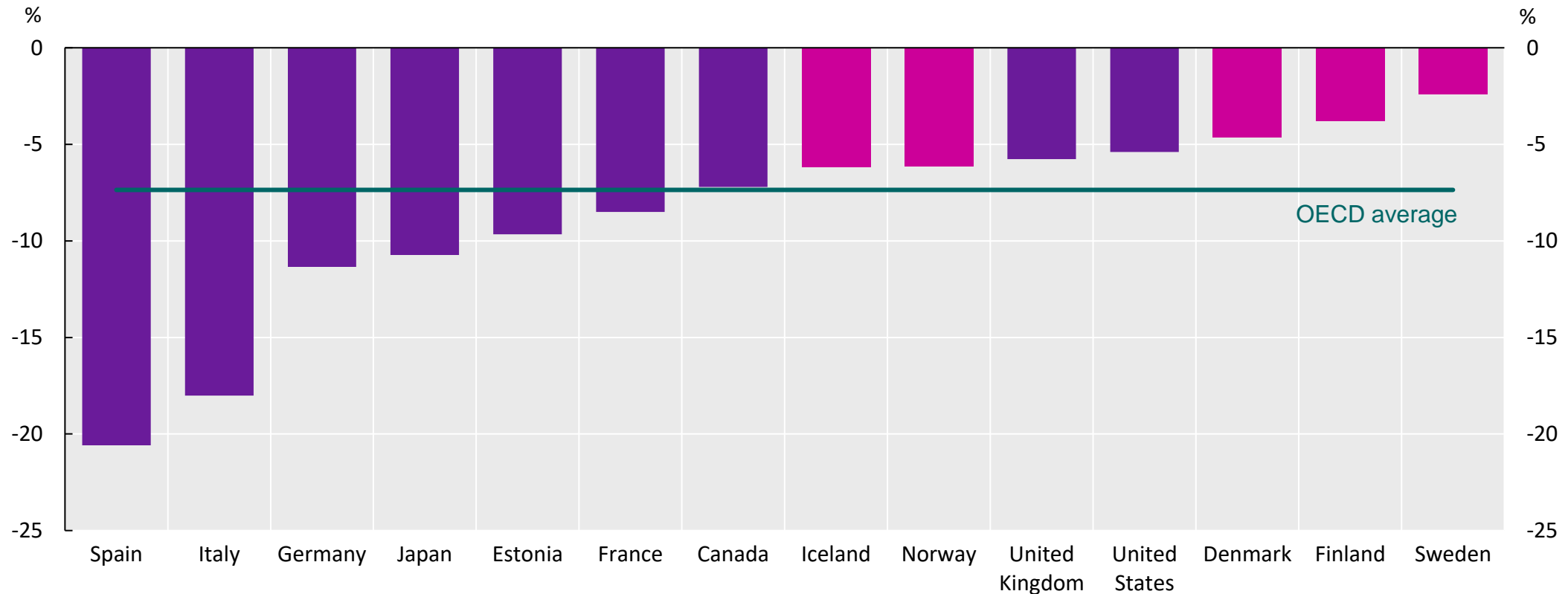


Source: [OECD Data Explorer • Population projections](#)



Large projected declines in GDP per capita because of population ageing

Change in real GDP per capita (2021-2050) with constant employment rates

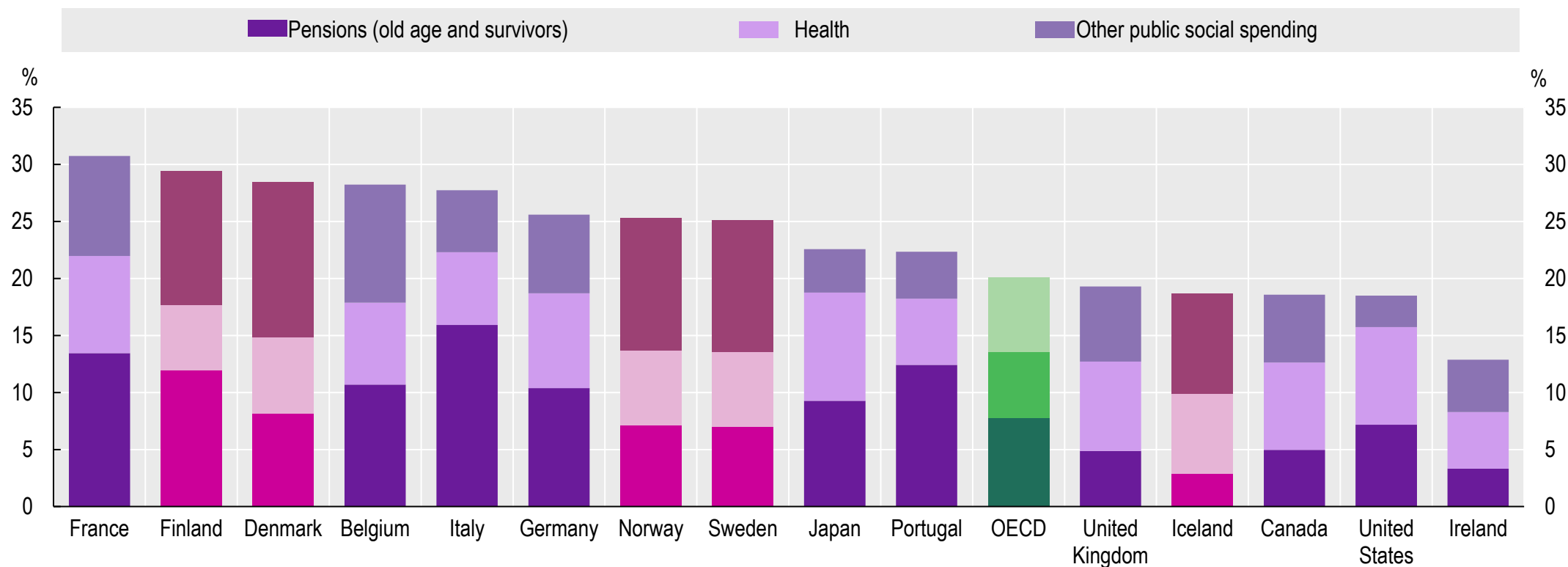


Source: André, Gal and Schief (2024), OECD ECO Working Paper 1807



Most public social spending already goes to pensions and health

Public social spending by broad area, in percentage of GDP, 2019

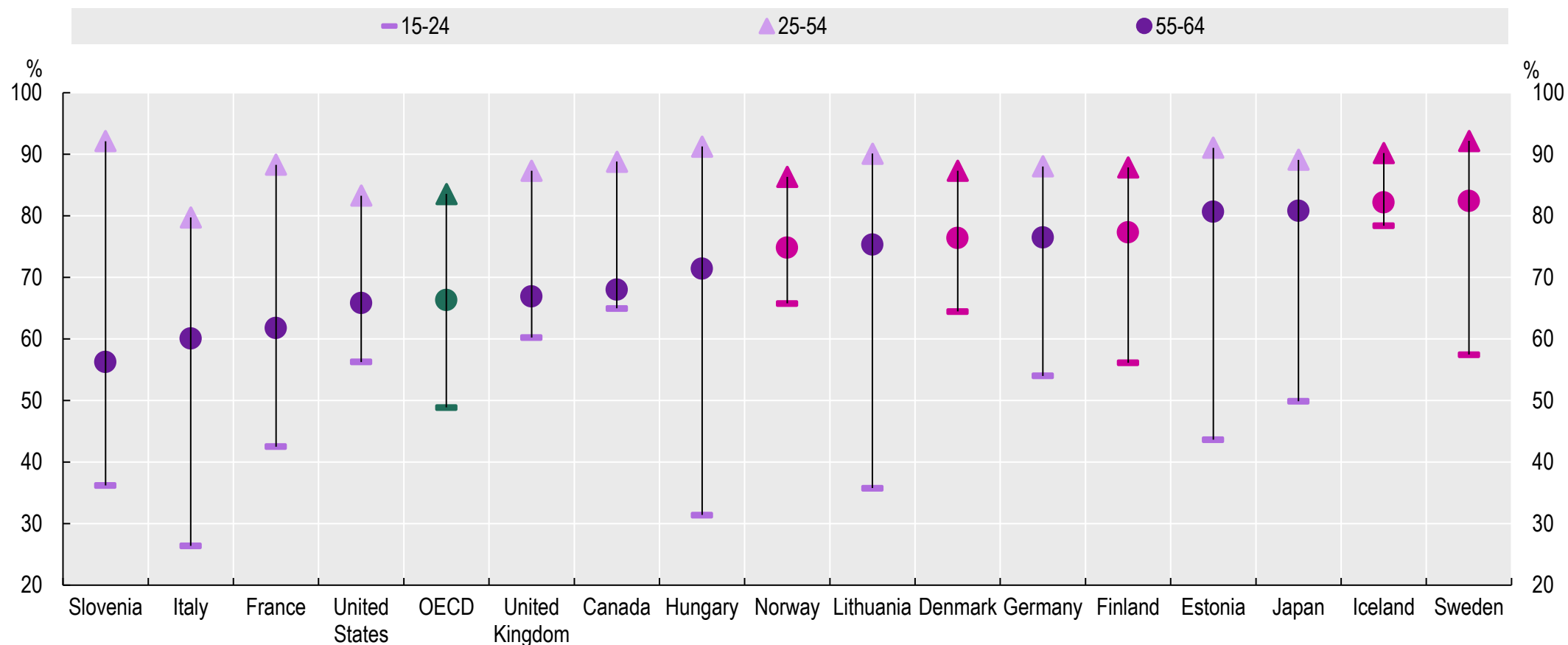


Source: OECD Society at a Glance 2024



Promoting labour market activity of older workers

Labour force participation rates by age, 2023

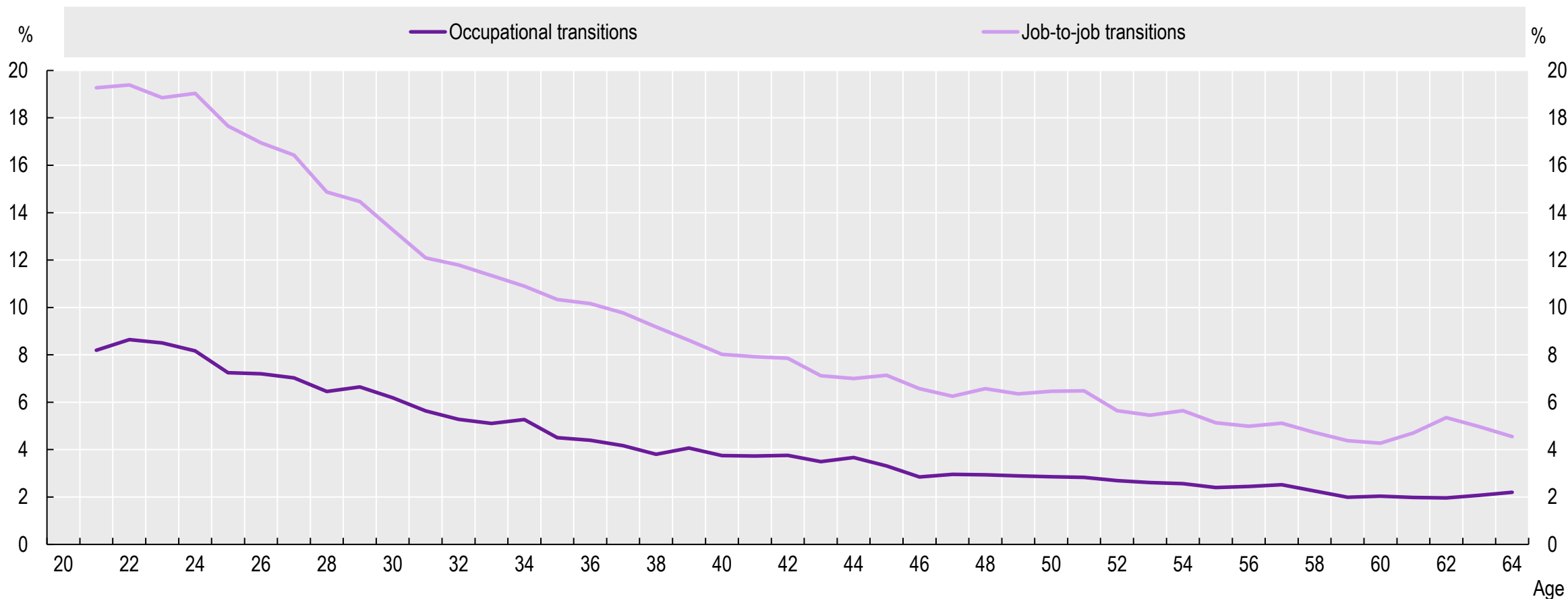


Source: [OECD Data Explorer • Employment and unemployment by five-year age group and sex – indicators.](#)



..and job transitions and progression at older ages

Job-to-job and occupational transitions over the life cycle, average of selected OECD countries, 2017-20



Note: Data show the unweighted moving average of the 27 countries.

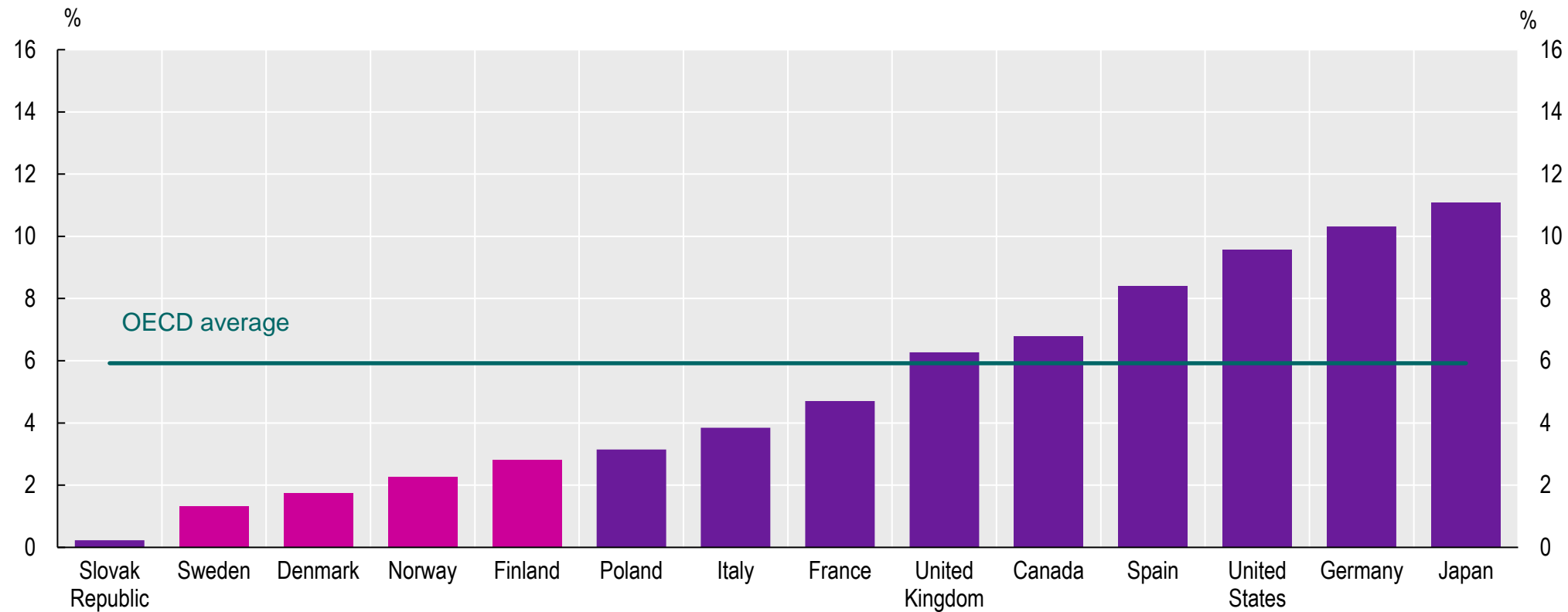
Source: OECD (2024) Promoting Better Career Choices for Longer Working Lives.



WHAT BARRIERS HAMPER LABOUR MARKET PARTICIPATION FOR OLDER WORKERS?

Seniority wages hinder hiring and retention of older workers

Predicted wage growth for older workers (50-60) moving from 10 to 20 years of job tenure, 2011/12 or 2014/15

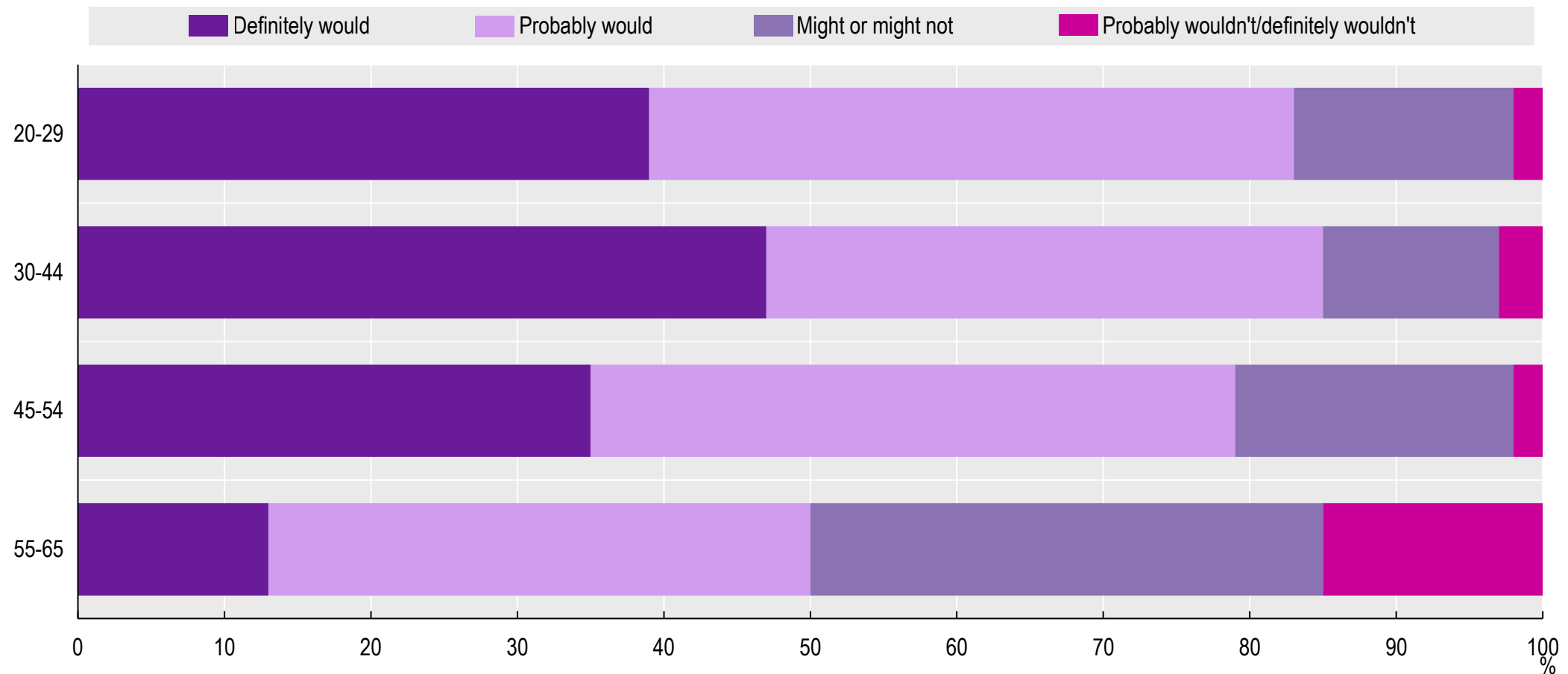


Source: OECD (2019), Working Better with Age, Ageing and Employment Policies.



Employers are least likely to hire older job candidates

Likelihood of hiring candidates for entry-level or intermediate roles, by candidate age

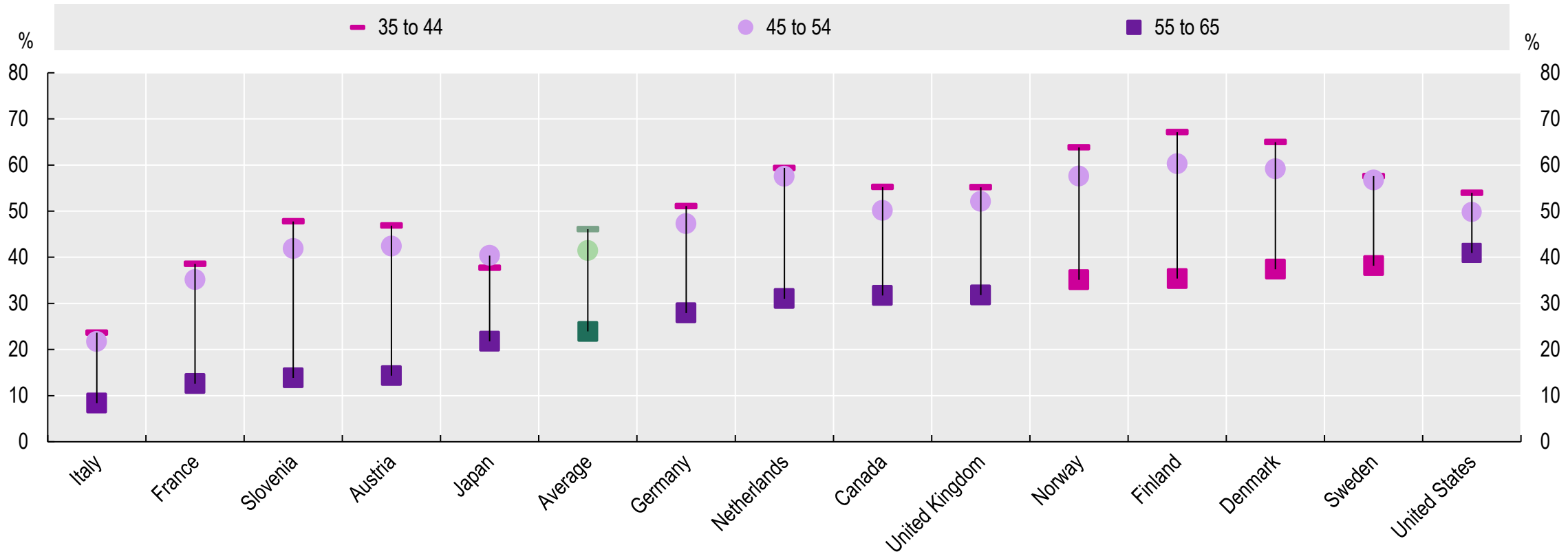


Source: 2023 Generation/OECD survey



Mature workers are less likely to participate in training compared to younger workers

Share of adults who participated in formal or non-formal job-related training over the previous 12 months



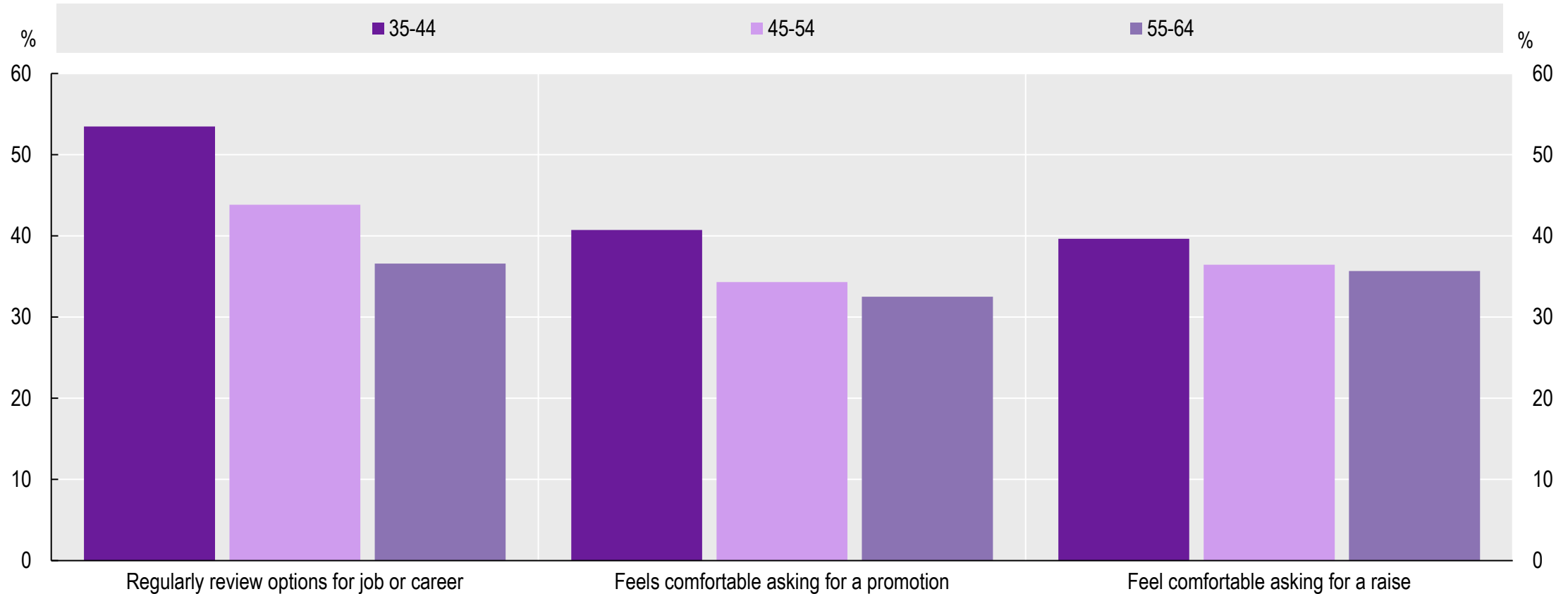
Note: The average comprises the 28 member countries who were part of PIAAC in 2012 and 2015.

Source: Survey of Adult Skills, PIAAC, <https://www.oecd.org/skills/piaac/>.



Opportunities to discuss career options become less common with age

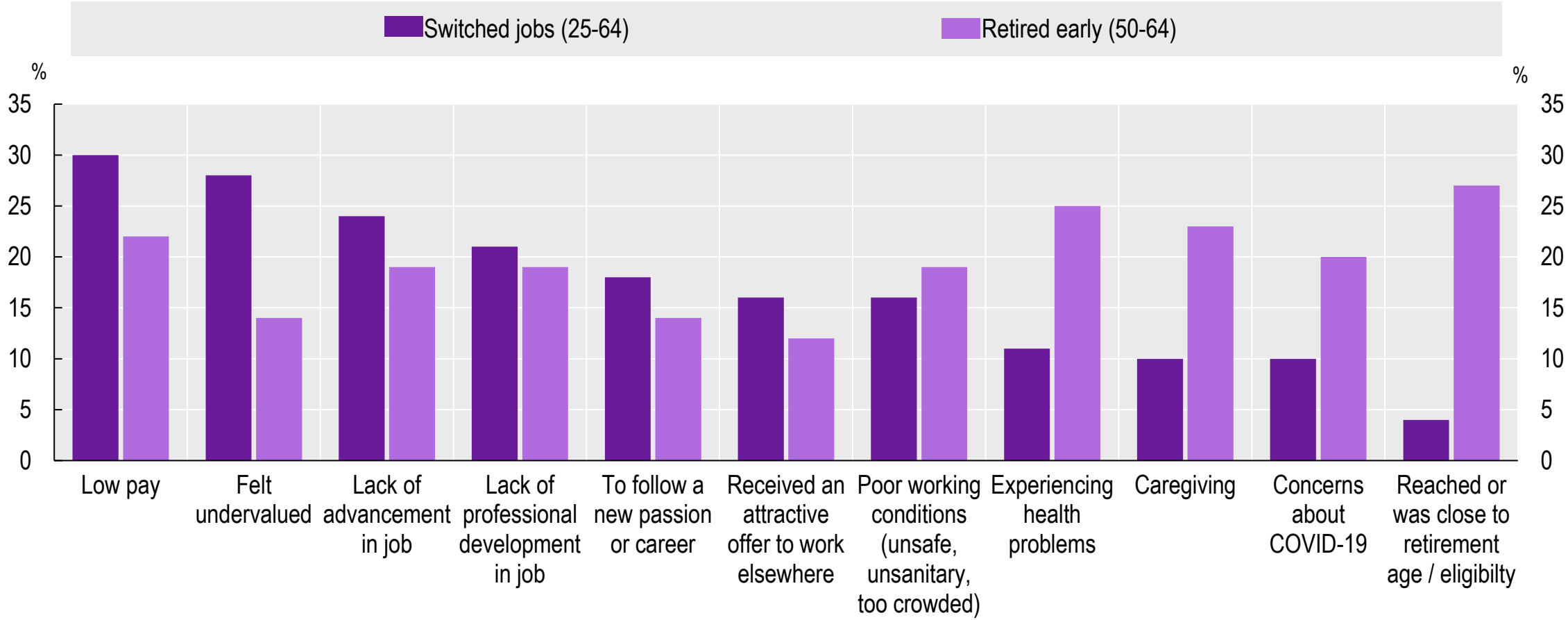
Share of workers (35+) who responded "Agree" or "Strongly agree" to the following statements about their job



Source: OECD (2024), Promoting Better Career Choices for Longer Working Lives



Poor quality jobs are key reasons why people change job

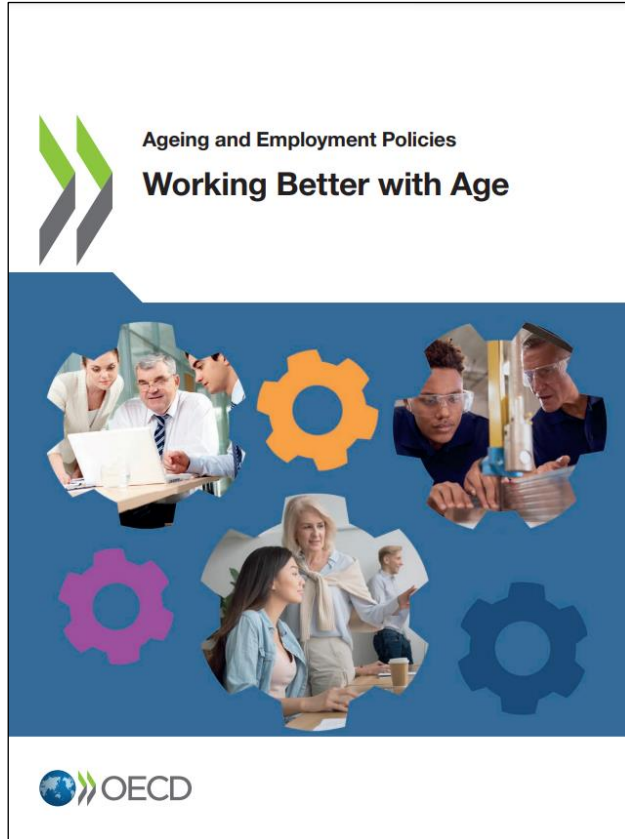


WHAT ARE POTENTIAL SOLUTIONS AND GOOD PRACTICES?

OECD policy agenda for better work choices at an older age



Policies to reward work and later retirement



Reforming retirement systems

- Restricting early retirement pathways, no mandatory retirement, etc.

Promoting more flexible forms of retirement

- Phased retirement, part-time work, etc.

Providing financial incentives for longer working lives

- Combining income and pension, pension bonuses, etc.



Policies to encourage employers to retain and manage an age-inclusive workforce



Tackling age discrimination

- There is persistent bias in hiring and promotion despite legislation

Aligning labour cost with productivity and competences

- Delinking wages from seniority, no special employment protection, etc.

Managing an age-diverse workforce

- Adapted work organisation, mid-career planning and progression, working-time policies, reverse mentoring and job-rotation



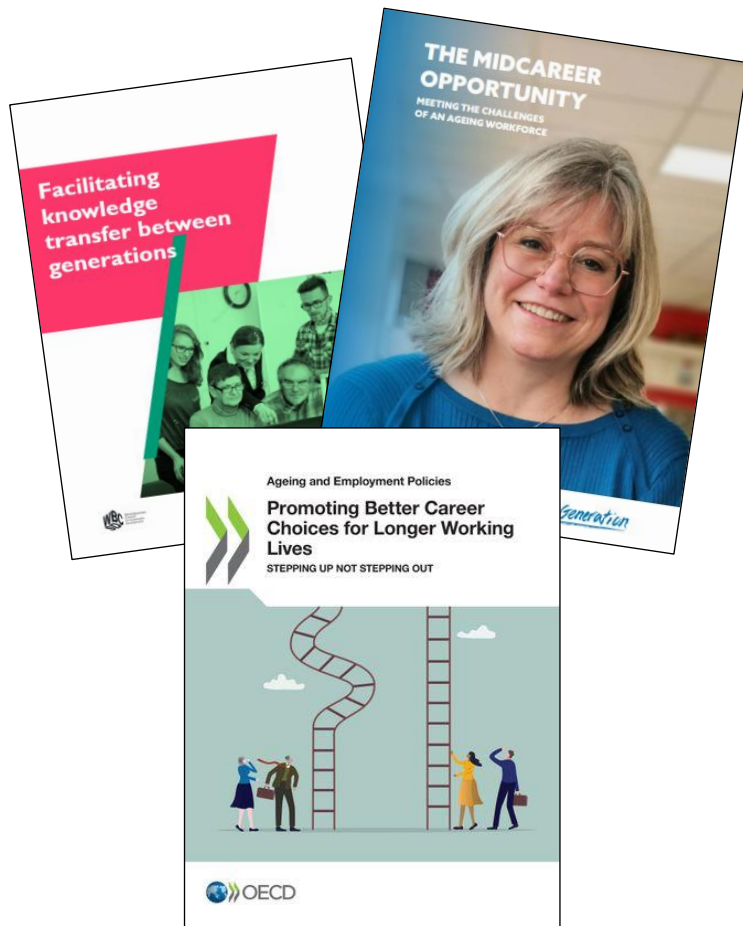
Policies to facilitate career mobility and employability throughout working lives

Adapting skills to the evolving labour market over the course of a career

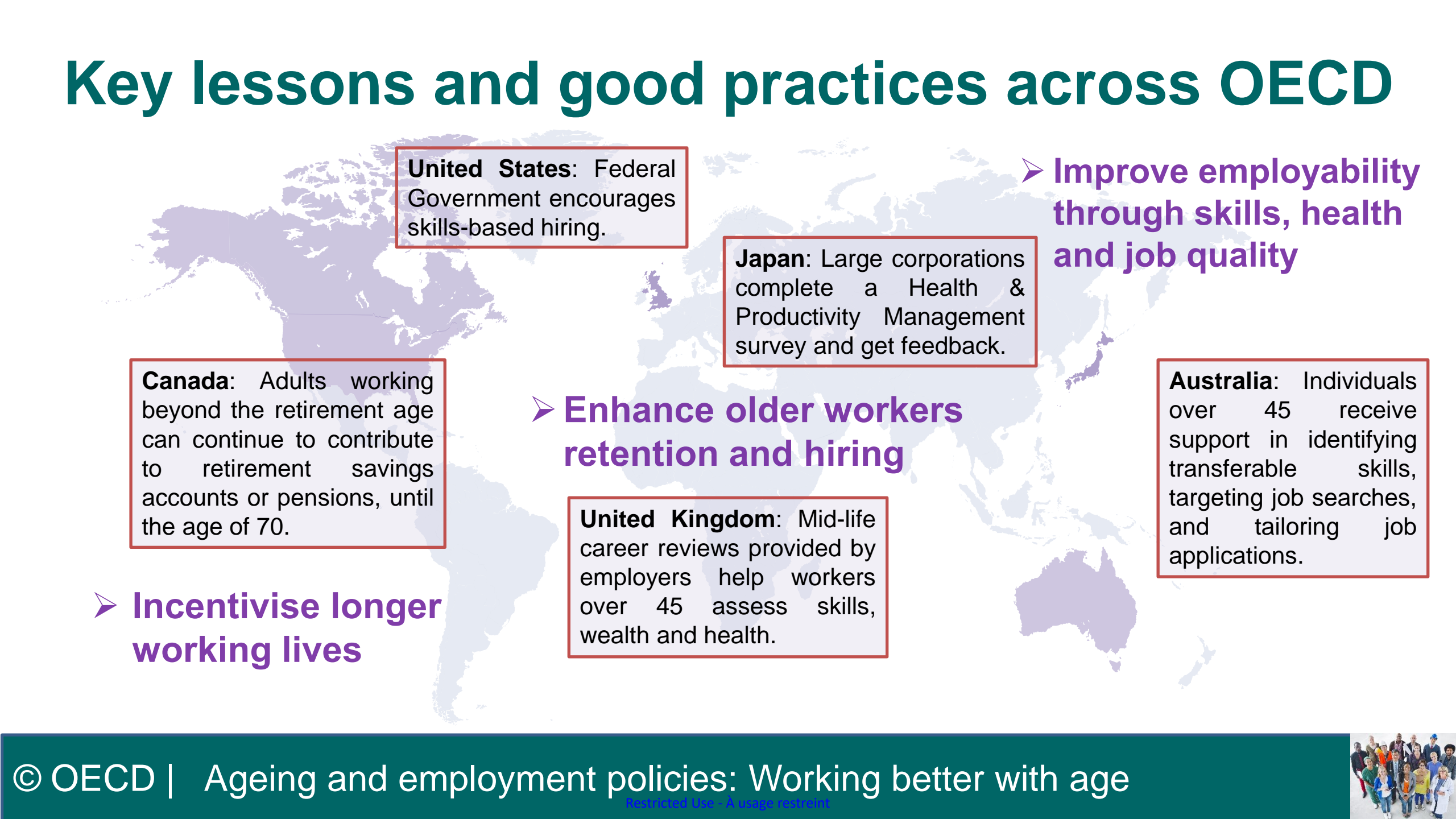
- Tailored training for the needs and preferences of older workers
- Certification and validation of skills

Improving employee health and wellbeing

- Better regulations on working-time and safety
- Promotion of healthy working conditions



Key lessons and good practices across OECD



United States: Federal Government encourages skills-based hiring.

➤ **Improve employability through skills, health and job quality**

Japan: Large corporations complete a Health & Productivity Management survey and get feedback.

Canada: Adults working beyond the retirement age can continue to contribute to retirement savings accounts or pensions, until the age of 70.

➤ **Enhance older workers retention and hiring**

Australia: Individuals over 45 receive support in identifying transferable skills, targeting job searches, and tailoring job applications.

United Kingdom: Mid-life career reviews provided by employers help workers over 45 assess skills, wealth and health.

➤ **Incentivise longer working lives**

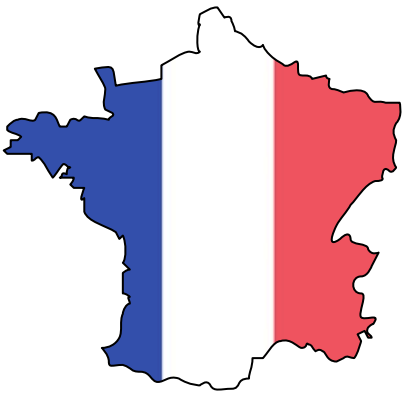


Key lessons and good practices across the OECD

Schneider Electric: Design the Last Miles of Your Career

Boost engagement and employability of older workers with training for managers and senior talent:

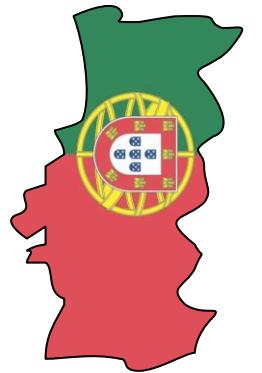
- ✓ Career conversations: One-on-one manager-employee discussions
- ✓ Group career workshops: explore career scenarios and company support
- ✓ Coaching sessions: One-hour personalised guidance



BNP Paribas Portugal: Built to Shift Programme

Update skills of long-tenured workers to ensure expertise and career growth:

- ✓ Digital tools - latest ICT advancements
- ✓ Future trends - evolving banking sector
- ✓ Soft skills - critical thinking, flexibility, communication



Key lessons and good practices across the OECD

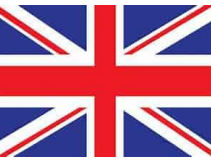
Australia: Career Transition Assistance



For individuals 45 years and over, Australia offers assistance to get ready for work by:

- ✓ Identifying transferable skills
- ✓ Targeting job search
- ✓ Tailoring job application

United Kingdom: Supported pathways for coal plant workers



With the closing of Ratcliffe-on-Soar power station, unions worked with the owner to put in place a transition plan for workers:

- ✓ Internal and external transfer opportunities
- ✓ Enterprise training support
- ✓ 'Peoples Hub' created as on-site job centre



Thank you!



► Contact

Shruti Singh
Senior Economist, Employability Division
Directorate for Employment, Labour and Social Affairs
shruti.singh@oecd.org