



Federal Ministry for
Family Affairs, Senior Citizens
Women and Youth



EUROPÄISCHE KOMMISSION
Directorate General for
Employment, Social Affairs
and Equal Opportunities

Information

European Congress “Demographic Change as Opportunity: The Economic Potential of the Elderly”

Berlin, 17–18 April 2007

Documentation

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Demographic

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Foreword

Ladies and Gentlemen,

almost all member states of the European Union are heading for the same development: While birth rates and population counts steadily decrease, the population of people over 65 years old rises. In Germany, alone, it will double and reach 30 per cent by 2050. Until now, the negative effects of demographic change on society, economy and social systems have prevailed in discussions. But the Federal Ministry for Family, Seniors, Women and Children has been placed in the foreground. With the European Congress, **“Demographic Change as Opportunity: The Economic Potential of the Elderly,”** that was produced in partnership with the EU Commission, we are directed for the first time to the competence and potential of elderly people. They are needed in our society for improved relationships between generations, as well as for economic growth that will secure Germany’s presence global competition, well into the future.



For two days, the 400 some participants from the EU member states, the USA and Turkey, from politics, economics, administration, science and civil society discussed the new market potential of products and services, which are tailored to the needs of elderly people. The older generation has a very high purchasing power. When it happens smoothly, more or less, incorporating the elderly in the civil society will present many new potentials, for instance, economically in the development of new products, in corporate consulting or in the service sector. Elderly people can supply a wealth of knowledge and experience both as employees and as entrepreneurs.

The interesting lectures and discussions in which working groups led the participants to understand the potential that demographic change offers Europe’s economic growth and increased employment, and which profits can be linked to the changes. Not only for business profits, but, foremost, for the elderly generations of today and tomorrow. Their quality of life can markedly increase through new products and services, which are tailored to their needs, and everyone benefits from this increased consumption. It is up to all of us to use this potential.

The available conference documentation contains all lectures and discussions from the specialized conference during 17–18 April, 2007 in Berlin. For all those interested in this theme but unable to attend the conference, this programme demonstrates how the economic strength of elderly Europe can create a dynamic and competitive economic area by 2010.

A handwritten signature in black ink, appearing to read 'Ursula v. der Leyen', written in a cursive style.

URSULA VON DER LEYEN
FEDERAL MINISTER FOR FAMILY AFFAIRS, SENIOR CITIZENS,
WOMEN AND YOUTH, GERMANY

berlin congress centre, 17–18 April, 2007

European Congress

„Demographic Change as Opportunity: The Economic Potential of the Elderly“

Tuesday, 17 April, 2007

from 08:30 a.m. **Registration of participants**

10:00 a.m. **Welcome Coffee**

11:00 a.m. – 11:10 a.m. **Welcome by presenter:** Petra Diroll, German television
ARD / Bavarian Broadcast Corporation

11:10 a.m. – 12:30 p.m. **Experience is the Future – The Importance of Older People
for Economic Development**

- Ursula von der Leyen, Federal Minister for Family Affairs,
Senior Citizens, Women and Youth
- Vladimír Špidla, EU Commissioner for Employment, Social Affairs
and Equal Opportunities
- Marjeta Cotman, Minister of Labour, Family and Social Affairs (Slovenia)
- Margret Suckale, Management Board member, Deutsche Bahn AG

12:30 p.m. – 2:00 p.m. **Lunch break**

2:00 p.m. – 3:30 p.m. **Forum A: Older People as Consumers (I) –
New Products for an Ageing Society**

- Introduction: Prof. Dr. Roger Coleman, Royal College of Art
- Klaus-Peter Wegge, Siemens Accessibility Competence Center
- Stefan Gundelach, Nintendo of Europe
- Dr. Hans Joachim Lindner/Dr. Werner Koch, Ford Research Centre,
Aachen
- Comment: Dr. Marion Gierden-Jülich, State Secretary, Ministry for
Inter-Generation and Family Affairs, Women and Integration for
North Rhine-Westphalia
- Presenter: Dr. Elisabeth Mestheneos, 50+Hellas

Forum B: Older People as Producers (I) – Successful in Industry

- Introduction: Dr. Willy Buschak, European Foundation for the
Improvement of Living and Working Conditions
- Thomas Thorsøe, NETTO Supermarket International
- Dr. Manfred Diederichs, Karl Diederichs KG
- Mike Crisp, HouseHubbies Handyman Service
- Comment: Henry Lourdelle, European Trade Union Confederation
- Presenter: Monika Sieradzka, Polish Television TVP

3:30 p.m. – 4:15 p.m. **Coffee Break**

4:15 p.m. – 5:45 p.m. **Forum C: Older People as Consumers (II) –**

Innovative Services for an Ageing Society

- | Introduction: Prof. Dr. Björn Bloching, Roland Berger Strategy Consultants
- | Leo Novobilsky, Marienbad Kur & Spa Hotels
- | Jan Slagter, Broadcast MAX
- | Juan Carlos Guzmán, Europ Assistance Spain
- | Comment: Walter Link, BAGSO – Lobby of the elderly
- | Presenter: Dr. Elisabeth Mestheneos, 50+Hellas

Forum D: Older People as Producers (II) – Partners in Industry

- | Introduction: Dr. Johannes Meier, Bertelsmann Foundation
- | Dr. Franz Schoser, Senior Expert Service
- | Heidi Evers, Vilans
- | Gianni Pavesi, Italian Business Angels Network
- | Comment: Richard Baker, Age Concern UK
- | Presenter: Monika Sieradzka, Polish Television TVP

7:30 p.m.

Reception in the Rotes Rathaus with evening buffet and supporting programme

- | Welcome Speech: Ingeborg Junge-Reyer, Mayor and Senator for Urban Development, Berlin
- | Welcome Speech: Dr. Hermann Kues, Parliamentary State Secretary, Federal Ministry for Family Affairs, Senior Citizens, Women and Youth
- | Dinner Speech: Nikolaus van der Pas, Director General for Employment, Social Affairs and Equal Opportunities, EU Commission

Wednesday, 18 April, 2007

9:00 a.m. – 09.30 a.m. **Report from the forums**

- | Prof. Dr. Gerhard Naegele, University of Dortmund
- | Robert Anderson, European Foundation for the Improvement of Living and Working Conditions

9:30 a.m. – 10.30 a.m. **Active Ageing**

- | Prof. Dr. Alan Walker, University of Sheffield
- | Anne-Sophie Parent, AGE – the European Older People's Platform
- | Questions/comments from the plenum

10:30 a.m. – 11:00 a.m. **Coffee break**

- 11:00 a.m. – 12:50 p.m. **Accepting the Challenges of Demographic Change – Encouraging Innovation and Competitiveness**
Podium discussion – moderated by Petra Diroll, German television ARD
- | Jérôme Vignon, EU Commission, Director General Employment, Social Affairs and Equal Opportunities
 - | Rolf Myhrman, Ministry for Social Affairs and Health, Finland
 - | Nicole Prod'homme European Economic and Social Committee (EESC)
 - | Katja Praefke, Unilever Germany
 - | Sara E. Rix, Ph.D., AARP Public Policy Institute
- 12:50 p.m. – 1:00 p.m. **Concluding remarks:** Gerd Hoofe, State Secretary, Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, Germany
- 1:00 p.m. – 2:00 p.m. **Lunch**
- 2:00 p.m. **Official closing of the Congress**
- 2:00 p.m. – 4:00 p.m. **Accompanying programme**
City-Circle-Tour by ship on the river Spree

Opening Panel:
Experience is the Future –
The Importance of Older People
for Economic Development



Thanks to



Petra Diroll, ARD, leading moderator for the programme.



Dr. Elizabeth Mestheneos, 50+Hellas, and Monika Sieradzka, Polish Television TVP, moderators of forums A through D.

Ursula von der Leyen

**Federal Minister of Family Affairs, Senior Citizens,
Women and Youth**



Commissioner Špidla,
Ms. Cotman, Ms. Suckale,
Representatives of the European Parliament and the German Bundestag,
and other esteemed guests,

I would like to extend my warm thanks to you for attending today's conference and for joining the European Commission in an examination of the theme, **„The Potential of Demographic Change.“**

Theologist and religious philosopher Romano Guardini once said, “People speak about the increasing ratio of elderly people to the entire population with much apprehension. I have, however, still never encountered the question of whether the real apprehension exists in the fact that the older people of today have no more real function.”

We need a new picture of old age. We must make ourselves aware of the potential that exists in a long life and of how our “golden years” can be enjoyed with the help of good health and bodily and spiritual fitness.

I am therefore thankful to the European Commission – and specially to you, Commissioner Špidla – for leading us in this view of the possibilities of demographic change; a view that has the potential to cause change, starting at the heart of the issue.

Some 500 million people live in the 27 member states of the EU. But during the next decade, this population will decline. The population age group between 15 and 65 years old will decline by ca. 50 million. But more importantly, the number of people over 80 years old will almost triple. This is due to the facts that we are living longer and that fewer children are being born.

In more than half of the EU countries, we will witness the phenomenon of shrinking societies. The ageing process will affect us all. But some states are more prepared for this than others.

We base our EU Council Presidency upon the motto: “Recognize demographic change as potential, and support equal opportunity rights in career and society.” Our actions are embedded in the revived Lisbon Strategy for growth and sustainable development. We occupy ourselves with demographic change from both ends, figuratively speaking: from the viewpoint of the youth – the children and their middle-aged parents, who have a lot on their shoulders – as well as from the older generation's perspective, with which we are intensively grappling at this congress.

We have, thus, founded an European alliance for families. Its goal is to understand this process of change and then to design a system in which adults have time for children as well as time for good work; they will receive support from the older generation, who – for their part – want to play a role in the design of our Europe.

Within the perimeters of this alliance, the Commission has established a high-ranking expert group to deal with the questions of demographic change. The team presidency came to an understanding of common work programmes with Slovenia and Portugal. All of these initiatives are in close agreement with the existing structures on Europe-wide levels, especially with the Committee for Occupation and Social Affairs.

Ladies and Gentlemen, the central questions at the beginning of this new decade are: How will we live with one another in the future? What can we expect for our children and grandchildren, so that they don't collapse under the weight? Also relevant to this context, is the question of how to design a society with fewer people? What does that mean for us? What does that mean for Europe?

Fewer people – that affects economic growth, tax increases, work productivity, innovation potentials, and the generational balance – our relationships to one another. Fewer people – that means fewer possibilities for encounters. The effects begin in the family, continue across our acquaintance and friendship circles, and pass through our social lives and on into the whole of society.

Our picture of old age must change, three-dimensionally:

I We must discover the active, productive and innovative elderly.

I We will not let the social value of the elderly's experience go to waste.

I We will strengthen the consumption power of the “silver economy” within the European economic structure.

How can we discover the active, productive and innovative elderly? The sounder integration of an elderly workforce is a key prerequisite for this. During the next 20 years, the average age of Europe's working population will continue to rise. Within 10 years in Germany, 40 to 50 year olds will already become the largest age group in management. At the same time the number of women and men of working age years will decline. We need these elderly, in fact!

But life and work in old age is a consequence of what we do up until then. He who was taught as a child to train his body and his mind, to take care of his social relations and his health, to continuously reorient himself and to cope with transitions and losses has greater chances to maintain these abilities in old age.

Future older generations – the current middle-aged and younger generations – must engage themselves much more with the practices of lifelong learning. Incidentally, this also makes a lot of sense for modern family politics. Exams, first career phases and desires for children cannot continue to be pressed into our 30's.

The three main blocks – education, career or family, then retirement – cannot really continue in this format. There will be work times fatherhood times, motherhood times, caring times, further education times, and free times. All of these phases will be altered in the future and extended into older age.

Mixed-age teams represent the optimal groups for research into the workplace. That has been known for a long time. After all the old expression, “New brooms sweep clean, but the old ones know where the dirt lies” still holds true.

And, with that, I will come to the second question. How can we make sure that the social value of the elderly’s experience does not go to waste? These days, if someone goes into retirement or pension, he still has a quarter of his life ahead of him – a long time, for which many of today’s elderly and their environments are not prepared.

In earlier times, older people maintained the role of advisor. They had instructive, curative and judicial functions. They were specially esteemed and venerated. In some countries, this is still the case. As an old African saying goes, “When an old person dies, it is as if an entire library had burned down.” It is this wealth of experience from an entire lifetime, which is valid for all to use.

Currently, the 60–70 year old age group is developing itself for “honorary commitment” or civil service with the most preparation. But this is also valid: citizen commitment requires that structures be in place, so that time spent and experience gained can be most effectively collected. In Germany, we are, therefore, developing multi-generational housing. Old and young meet under one roof. They exchange experiences and help one another with day-to-day business. Everyone has something to offer, and everyone gets something out of the equation. Everyone – children, young adults, and elderly – is utilised in coping with general tasks.

Another valid point for generational, interdisciplinary volunteer service is whether people can give one hour, one day, or one week per month, we can create possibilities for everyone, which meet their capabilities.

Lastly, how can we strengthen the consumption power of the “silver economy” within the European economic area? Generate new markets for the products and services of old age. That will benefit us all if we utilize them. The “silver economy’s” market is large. It is amazing that it remains so untapped. The marketing activities of retailers, banks and production industries are mainly focused on young target groups.

But, the “50 plus generation” is already responsible for half of today’s European cosmetic sales. Luxury automobile sales to older buyers already amount to 80 per cent. In Germany, seniors now account for the highest buying power of all time. The German Institute for Economic Research calculated that the generation over 60 years of age accounts for a buying power of over 316 billion euro. That means that every third euro of private consumption is spent by elderly customers. By 2050, this figure will have increased by more than 40 per cent.

The well-rated senior products sector is one with good growth potential. New growth perspectives also exist in the household services sector. Elderly people are not only a highly attractive target market as consumers, they also act as producers, offering specialty services. This conference's panels will delve deeply into these aspects.

Companies are therefore beginning to reorient themselves, as well as their old employment structures, to meet the demands and preferences of the elderly. If we adapt ourselves to the needs of the elderly early on, Europe can position itself at the forefront of the world markets.

We cannot stop the demographic development. But, we have the chance to take the appropriate action. The following message should be taken from this congress: elderly people are an asset to our society. They have competence and potential. Elderly people are becoming necessary to our society. We need them for a better unity between the generations, for economic growth, and for an improved job market. And, with the "silver economy," Europe can develop a mature and lucrative market and become a worldwide trendsetter.

Let us inspire good examples with this congress, and find answers to how we can convert alleged problems into potentials!

Vladimír Špidla

**EU-Commission for Employment, Social Affairs,
and Equal Opportunities (Brussels)**



Ladies and Gentlemen,
Minister von der Leyen,
and Minister Cotman,

I am very pleased to be able to begin this conference, specially because I have the privilege to present it with you, Minister von der Leyen, Minister Cotman and Mrs. Suckale. I know that you regard today's theme as highly as I do.

This conference reflects a general but palpable change in consciousness, which the European Commission toasted in March, 2005 with its Green Book on demographic change. And it wasn't without reason that my colleague Joaquin Almunia and I gave the 12 October, 2006 EU Commission memorandum the title, "The Demographic Change in Europe – from Challenge to Potential." We thought then, and continue to think now, that it is high time to stop lamenting over declining populations and an ageing Europe! Of course demographic change is a challenge. But we should also not forget the potentials, which accompany every challenge. The great French author André Gide once wrote: "To consider old age a decline is just as offensive as only recognizing a promise in youth. Each age is capable of a special perfection." And, he was right!

Applied to the situation of ageing societies, this means that what we should better recognize and appreciate the experience, knowledge and services of elderly people. Therein lies a valuable potential. If we develop it for the benefit of all, then we can use the great potential, which the demographic challenge holds for us.

The elderly must receive a new significance in our societal and economic lives. We must discharge the adopted practices of identifying the elderly with retirement, stagnation or inactivity. Elderly people have extensive experience and skills at their disposal. A change of opinion has been introduced and promoted through the increased percentage of elderly people in society. Today we already know that that the number of those over 65 years of age will double to 30 per cent of the European population by 2050. Within the same time span, the percentage of those over 80 will triple to well over 11 per cent. After all, life expectancy will continue to rise. It could increase by a Europe-wide average of five years by 2050, according to forecasts. The elderly are booming!

Our conference will devote itself – above all – to the question of how we in Europe can better develop the economic potential of elderly people.

Therefore, I would like to concentrate on the following three points:

1. At first I will explain that elderly people represent a large and too often overlooked market as consumers, employees, entrepreneurs or consultants.
2. Based on this, I will agree that the elderly can only develop their potential if the economies and societies set the course now. This means that we must take their needs seriously, support active ageing and facilitate a sustainable senior economy.
3. In my conclusion, I will address the issue of what we can do on European levels in order to develop the economic potential of elderly people.

Now to address the first point: rising population percentages mean that senior citizens will become increasingly important as consumers. Studies at the German Institute for Economic Research show examples of a third of Germany's consumer spending currently resulting from the over 60 population and that this percentage could rise to 40 per cent by 2050. Beyond that, an ageing population also needs new products. Until now, many thought of elderly consumer behaviour only in terms of heating pads, arthritis relief or the infamous "Kaffeefahrt," a free trip for afternoon coffee during which goods are sold by the sponsoring firm. But, the European Foundation for the Improvement of Living and Working Conditions has calculated that automobile sales figures could rise five to eight per cent if they would only better meet seniors' needs. My opinion is also applicable to information and communication technologies. Up to now, a digital ditch runs through society's generations. But computer, Internet and Co. don't have to be a Book of Seven Seals for the elderly; instead, they should be better tailored to their requirements. A growing market is also hidden in the technologies and services for the daily support and aid of the elderly: video telephones, voice-activated programmes, emergency and aid services, etc. could make independent life more possible for them. Moreover, during the course of the population's ageing, the question of relevant health and social services will also increase in importance. Those specialising in these fields today are guaranteed future job security! Last, but not least, senior citizens will also become more interesting as a target market for the tourism industry. In place of the already referenced Kaffeefahrten, perhaps wellness packages could gain relevance as a regular activity for this evermore relevant market.

But, the economic potential of the elderly doesn't only deal with consumption. Why shouldn't seniors start their own businesses? Or, why shouldn't they work as consultants? There are, indeed, already many encouraging examples of how some elderly entrepreneurs can help younger founders with business start-ups. Their longstanding experiences are irreplaceable contributions and of great benefit. Lastly, we always underestimate the skills of the elderly employee. Here lies dormant an ever increasing and important potential for the job market of the future. By 2030, the number of employees in Europe between 55 and 64 will reach 14 million. Demographic number games aside, more and more of today's businesses are considering the competence of elderly employees. If different generations work together, they complement each other's knowledge and experience. It sets off a synergetic effect. Young spirit joins aged experience and all parties profit from this connection. In addition, due to demographic developments, some professions are already seeing a lack of young specialised labour. This refers, again, to the question of elderly employees.

The economic potential of the older generation is obvious. This brings me to my second point. What we need now are appropriate economic and societal strategic agendas in order to bring this potential into development. First, we must recognise and seriously consider the concerns of elderly people. The conditions for this are appropriate analyses of their needs or their consumer trends. This is a first step in supporting a sustainable senior economy. Based on this, businesses can create appropriate products and services. Also, with the modernisation of the social and health care services, we must take the elderly situation into strong consideration. Finally, we should support the work lifestyle of the active elderly. This could mean, for example, to support the entrepreneurial activities of elderly people with self-sufficient business intentions. Concretely, in Europe, we should finally depart from the culture and practice of early retirement. For this, it is not enough to simply minimise the practice. Above all, we need incentives, which make professional life attractive to – and possible for – the elderly. During my time as Prime Minister of the Czech Republic, we introduced a system in which pensioners earned more according to the number of months they remained in the workforce beyond the established retirement age. In effect, the average retirement age was raised by 1.7 years to 60.6 between 2000 and 2005. This is markedly higher than the European average of 59 years old, but is still not enough. Besides, a rolling stone gathers no moss! Much more than before, we need lifelong education for all age levels, and Germany must specially do something in this area. We require flexible forms of work organisations, in addition, which take elderly employees into account. Why not introduce broader elderly part time work, if it would allow these employees to stay in their job, and to then make fluid transitions into retirement? And finally, appropriate measures for health and security – in the workplace as well as in private lives – are necessary to these people's staying fit and to their enjoying active lives.

With the third focal point, I would like to outline what we can do within the European framework in order to better develop and utilise the economic potential of the elderly. With their 22 February, 2007 meeting, the Council for Employment and Social Affairs prompted the EU Commission to support the seventh research framework programme on the development of goods and services for elderly people. In this manner, the chances are increased for making Europe a model for the senior economy. Here is my opinion of what needs we should consider above all else: the analysis of appropriate goods or services, the support of new progress in these areas and the testing of their practicality and marketability. Additionally, the Council asked the member states to devise adequate frameworks of needs for the development of new markets within the senior economy. The ministers suggested again that reasonable structural funds be made available on local, regional and national levels, for projects to move the demographic change in positive directions. These projects should support the active elderly and therefore help the job market to reach the potential that they represent. The Council also asked that the Commission report the adjustment of the economic and social structure to the needs of the elderly. We will meet with them on this. Finally, the Council proposed to support an exchange of best practice, experiences, knowledge. We should lead an extensive dialogue throughout the existing process. Along with that, it will be important to develop lasting cooperation and to include social partners and non-governmental organisations. The Commission will take action on its own part in the production of activities like a biannual European demographics forum, where the annual demographic report – first published at the end of April, 2007 – may be discussed, or where members of

demographic expert groups will exchange knowledge and analyses of demographic trends. It will also join the EU in the fight against age discrimination. This is one of the European guidelines for equal opportunity employment, which we are currently revising and implementing. We are also spreading consciousness about the European Year of Equal Opportunities for All, which began at the end of January, 2007.

The Lisbon Strategy exemplifies an important strategic framework for the economic development of elderly people. As part of our work, we have set ourselves a quota to reach by 2010: a 50 per cent increase in the number of elderly employees. We are not too far off with the current approximate of 42.5 per cent. A multilevel consciousness change is necessary here. This conference will certainly contribute to this change in the economic areas, in the promotion of the senior economy and in giving a boost to the active elderly. But we should not only think in economic terms in regard to the experiences of the elderly population. In other areas of societal life, be they familial or other personal relations, we can profit from the experience of our elders. The bottom line is that demographic change offers the potential to define the relationships between the generations. A reconsideration of these matters is already under way, and the more areas of society it reaches, the better. Then, André Gide would also be right after all with his statement: “Every age is capable of a special perfection.”

Marjeta Cotman

Minister of Labour, Family and Social Affairs (Ljubljana)



Dear colleagues,
dear Commissioner Spidla
and dear guests,

Europe has experienced unprecedented progress within the fields of economic and technical development and standards of living during the period since the Second World War. Today, average Europeans have access to material goods and technical achievements which their ancestors could not even have dreamed of. One of the results of scientific progress, health, diet, improved working conditions etc. has been the increased life expectancy for humans, which undoubtedly represents one of the most impressive achievements of the 20th century. Average Europeans are however today also confronted with challenges which were completely unknown to our ancestors.

The everincreasing life expectancy and higher standard of living go hand in hand with the phenomenon of the decline of the birth rate which has led to unprecedented demographic changes.

In Slovenia, we have been aware of demographic challenges for well over a decade. Up until now, we have attempted to react in a variety of sectors. An initial measure was the strategy for the protection of older citizens with which we have for example attempted to permit older persons to remain in their familiar surroundings for as long as possible. We have aimed to increase competition among the providers of care services, in particular with the introduction of specialised services.

During the previous year, we compiled a new strategy for the protection of older citizens up to the year 2010 entitled “Solidarity, cohabitation and the qualitative ageing of the population” in the form of an inter-ministerial document. Numerous participants have aided its creation: in addition to the governmental ministry responsible for older citizens, several other ministries, state authorities and private organisations have cooperated in the preparatory phase. The new strategy is not exclusively limited to the older generation, but also focuses on demographic changes and their effects observed from a substantially broader perspective. It is our opinion that demographic changes affect many aspects of society and also all age-groups of the population. The strategy’s framework will therefore incorporate the areas of work and employment, pension and invalid insurance, social security, the family, the protection of health, education and professional training, culture, science, housing and environmental planning policy and transport and safety. Simultaneously, we have resolved to establish a council for the joint cohabitation of generations and for the qualitative ageing of the population. This council will consist of governmental representatives, service providers and private organisations and its task will be to meet all requirements necessary for the implementation of the strategy.

The strategy for safeguarding the interests of older citizens is a good response to impending demographic change. We are however well aware that this strategy can only form the initial framework of our future activities. For this reason, we are and will remain open to new suggestions for both well-established practical concepts and new ideas which are born at conventions such as this congress. Challenges originating from demographic changes provide one of the most important topics for current discussion in Slovenia and other nations. We analyse projections and trends, attempt to identify the causes of radical changes and search for answers to these problems. We are preparing further reaching strategic guidelines: for example, we are introducing measures to aid and strengthen employment, the family and a child-friendly environment, active ageing and also migration policies. We do not yet have the solutions and answers for all problems, but are aware that, as at this congress today, we must always continue to view demographic challenges as an opportunity.

For this reason, I very much welcome the decision on the part of the German government and Minister von der Leyen to make demographic change the central theme of this year's discussions. It is with great satisfaction that I register that this topic is a common priority among the countries Germany, Portugal and Slovenia. There is much that we can achieve together within a year and a half.

Slovenia intends to continue these discussions next year: perhaps we will convene for a similar congress in Slovenia this time next year. We particularly aim to increase awareness for opportunities offered by an intensified cooperation between different generations. The commission's Green Book on the reactions to demographic change provides a focus on the systematic preoccupation with the solidarity between different generations in solving the four acute demographic challenges in the Europe of today and tomorrow: the increase of the birth rate, improved incorporation of the younger generation in the employment market, the long-term retention of the middle generation in work processes and the guarantee of qualitative ageing and care for an ever increasing proportion of older citizens.

The young, middle and third generation in European families are becoming progressively less involved with one another, both within the core family unit and in society as a whole. Without closeness and mutual familiarity, solidarity within society will steadily decrease. If we aim to create a new solidarity between generations under current conditions, we must develop new programmes for the interactive cooperation of all generations. These programmes must ensure that all generations become familiar with each other in a positive sense and that they recognise the possibilities of reciprocal complementary enrichment and benefit. The development of methods and programmes for the learning of a high-quality reciprocal communication is essential to achieve of this aim.

Due to rapid technical developments and the ever more distinctive alienated way of life, the basic cell of society – i.e. the family – has also changed. It is not that long ago that family units consisted of several generations, frequently three or even four generations together. Nowadays, there are an increasing number of single-generation families and natural close attachments between different generations are dying out. Above all, older people live isolated from the middle and specially the young generation: this results in intense loneliness and the feeling of being superfluous, and experiences which were formerly passed down from one generation to the next are no longer transferred and do not come into play.

In Slovenia, several institutions have, for over 15 years now, furthered the development of scientific and effective programmes to improve the contact between all generations. These programmes were introduced to facilitate. The individual organisations have achieved great success in disseminating information on these tasks and the programmes for their solution and also increasing the awareness of all members of the population. Several thousand volunteers of all ages have been trained to initiate contacts between generations, and these come together in pairs or small groups for a minimum of one hour a week. Success has also been achieved through brief 12-hour training courses for family members, for example those with elderly persons in the family: the courses include training to enable younger persons to better understand the needs of older persons and older persons the needs of the younger generation, education for the achievement of a higher quality of life following retirement and other subject areas.

There are currently over 20 different practical programmes being implemented within the new social network between different generations in local organisations; all programmes are based on a common new model involving a local centre for contact between generations.

Slovenia has a population of two million (only Malta, Cyprus and Estonia have smaller populations). The percentage of over 65s reached 15.75 per cent in the middle of the previous year, a figure close to the European average. The birth rate (1.25) is however substantially below the European average and is at the lower end of the European scale. In comparison with other European countries, we also have a low proportion of older citizens in employment, despite our efforts to achieve the aims of the Lisbon Strategy through the implementation of employment policy measures. Results are already visible; we are however aware that there is great potential still to be exploited, particularly in the increase in the employment rate for older citizens and specially for older women. We are searching for new solutions within the area of active employment politics for the integration of older citizens in the employment market and/or the postponement of their retirement. Here we have concentrated on the following measures: (1) mentoring and instructor schemes aimed at the reciprocal transfer of experience, knowledge, skills and competences among employees; (2) programmes for the encouragement of the transfer of know-how to the young generation combined with the process of retiring from employment and (3) the development of opportunities combining part-time work and partial retirement with the aim of keeping older persons more active which would also have the side-effect of later retirement.

Older citizens represent a special group of employees as they are able to implement their knowledge and experience significantly to achieve a higher integrated approach to work, particularly for young people just embarking on a professional career; older employees can offer their services as qualified mentors and subsequently gradually retire from professional life according to their own preferences.

With the implementation of pension reform, we are also encouraging later retirement, attempting to delay the point of retirement and are considering the possibility of an improved interaction of active work and retirement.

It is my view that the economic contribution on the part of older citizens for the development of society is consistently underestimated. This is certainly currently the case in

Slovenia and there is still great potential to be utilised. We must create suitable conditions and undertake further measures to stimulate the employment of older citizens. I am equally convinced that in the face of an ever increasing proportion of older citizens, the economic sector in particular, but also society as a whole, must react for its own interests and demands, and must offer an ever increasing volume of services and products which are primarily aimed at the older generation. This is a double-track process which older citizens can significantly intensify through both their knowledge and experience of production processes and their knowledge and high standards as consumers. Our future lies within this process.

I am convinced that with the increasing proportion of older citizens in society, their economic potential will prove to be a first-class opportunity for positive influences in many areas. We must all recognise and utilise these opportunities: governments, employers, employees, social partners, non-state organisations and consumers alike.

Margret Suckale

Management Board Member, Deutsche Bahn AG (Berlin)

Dear Minister von der Leyen,
Commissioner Špidla
and Minister Cotman,

I am very pleased about the opportunity to follow and supplement my three previous speakers with a picture of my practical experience.



Companies and enterprises view the ageing of the population, above all, as two main topics: elderly people, on one hand, as consumers and on the other, as employees. First of all, I will discuss the former aspect. Elderly people, generally speaking, will become one of the most important **customer groups** of the future. By 2030, the numbers of over 67 year olds – those who will have reached the newly allotted retirement age with plenty of time for enjoyment and consumption – will grow from today's count of 13 million to 20 million people. The population group under 20 years old, in contrast, will markedly decline from today's 16 million to 13 million by 2030. Likewise, the population of those between 20 and 67 years old will decrease from 52 million to 47 million. The ageing and simultaneous shrinking of the population is not a new trend, but instead a development, which has already been in progress for years. For companies it is crucial to take into account that this demographic development is a longterm and stable process which cannot be influenced in the medium term.

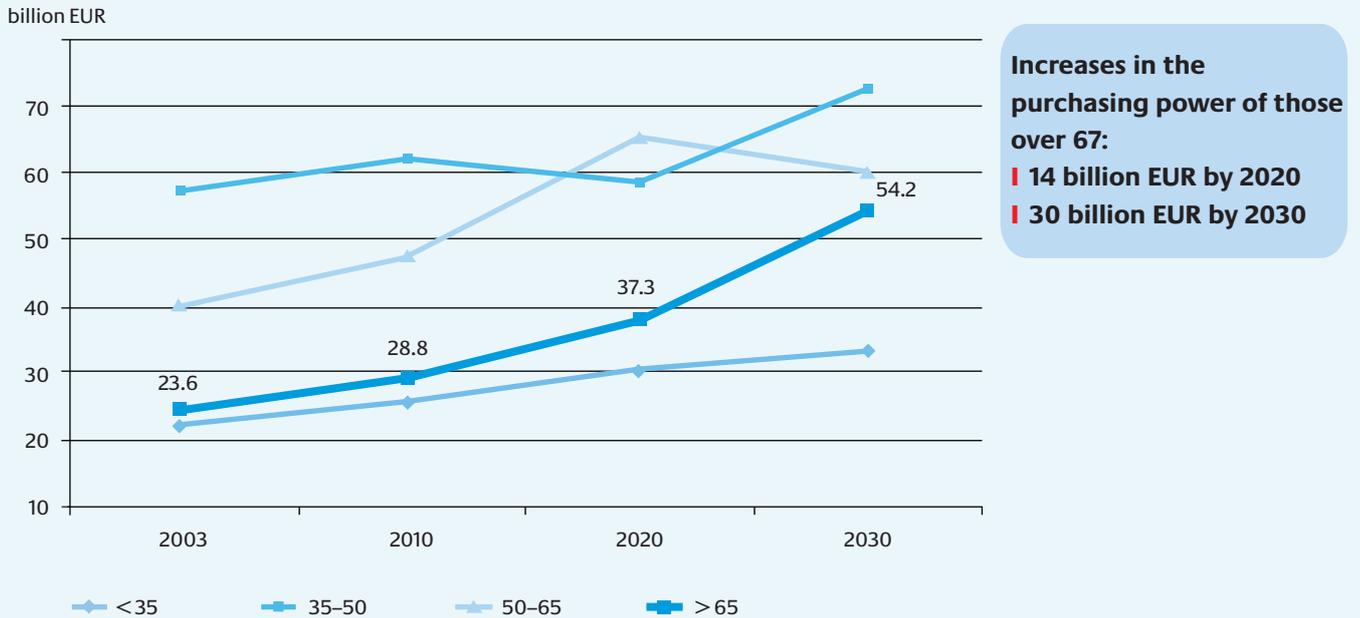
At first, the population decrease effected negative expectations of its results for enterprises like Deutsche Bahn AG. We are a transportation enterprise that operates on local, regional and long distance stretches transporting 2.5 billion people per year. In a matter of a few days, we transport just as many travellers as large airlines serve in an entire year. On the rails, alone, this comes up to over 5 million people every day.

Deutsche Bahn must therefore calculate that with such a decrease, the number of commuters and students who travels will decrease. We also know, from numerous simulations, that the urban populations will continue to increase, thus enhancing the development of industrial centres. Appropriately, the long distance transportation in rural and peripheral areas will considerably reduce. Deutsche Bahn must take this development into consideration, as it provides the largest railway system in Europe – a total of 34,000 kilometers.

For the mobility business, opportunities and risks follow – not only in terms of sinking numbers of travellers, but also regarding adjustments to customer service. The elderly generation will become a decision-making consumer group in the future. This fundamental shift in age structure will considerably influence the rules of customer driven markets. Addressing the specific ideals and requirements of elderly people, holds just as much market potential as challenge for companies.

Purchasing Power of Senior Citizens Will Sharply Rise until 2030

Development of real expenditures according to age groups



Source: German Institute of Economic Research, 2007

The elderly generation is not only fast growing, but also a very financially strong target group. It has at its disposal income and wealth, but handing down this wealth and extreme savings have lost their importance. The forecasted spending within the transportation market of the over 65 year old age group will grow to around 14 billion euro by 2020 and to around 30 billion euros by 2030. A change in values toward active lifestyles is also scheduled, and already being recorded. Vacation holds the top position of free time activities for senior citizens. No other population group travels more often, longer and farther – and spends more – on vacation travel than the elderly generation. This travel-happy consumer group can count as an important driving force for the future growth of tourism, specially for Germany as a travel destination.

The elderly generation will, on one hand, become more and more active and mobile. And, on the other hand, they will expect special offers, which address their needs directly. They will take their values with them into retirement – and an ever increasing number of women will take their drivers licenses with them as well. The automobile remains the number one transportation method of the elderly. But, with increasing age, the total spending for public transportation and mobility also rises. For example, the use of trains also increases with age: from 5.5 per cent in the 50–59 year old population to 8.2 per cent in the over 70 population.

Wherein lie the current demands and the special needs of senior citizens in terms of mobility products? Even, if the elderly generation, contrary to many clichés, is a very heterogeneous group, and will become increasingly more so in the future, it is still possible to determine the general requirements for age-friendly products and services. The following points are at the focus: the receding physical strength of the elderly, their rising security insurance needs, and the relative obstacles between them and new technologies. Therefore, they expect:

- ! comfortable and suitable transportation means
- ! simple and safe access
- ! dependability, punctuality, and sufficient information, and
- ! for cost-conscious senior citizens: affordability.

Deutsche Bahn has already done some of its homework. To name one example:

- ! BahnCard 50, for people over 60 to travel half price, including free fares for up to two accompanying grandchildren and free city tickets in over 100 cities.
- ! DB service offer, “Travel Packet,” for only 12.50 euro with seat reservation, personal service upon entry, transfer and exit, as well as luggage transport in train stations and coupons for further comfort deals, i. e. with car rentals and hotels.
- ! Travel tips, specials and information for elderly travellers are found on the Internet under www.bahn.de/55plus.

We take care that access to our transportation experiences is as easy as possible. We are increasingly installing elevators in our many train stations where required and introducing lower busses for our city transport.

Now, we will direct our attention from elderly customers to **elderly employees**. We must also adjust the employment potentials of an ageing and shrinking population. At Deutsche Bahn, the number of elderly employees will clearly increase in the future. Already today, one third of the workforce in Germany is 50 years old or older; the average age is 44, and it will rise to 50 by 2015.



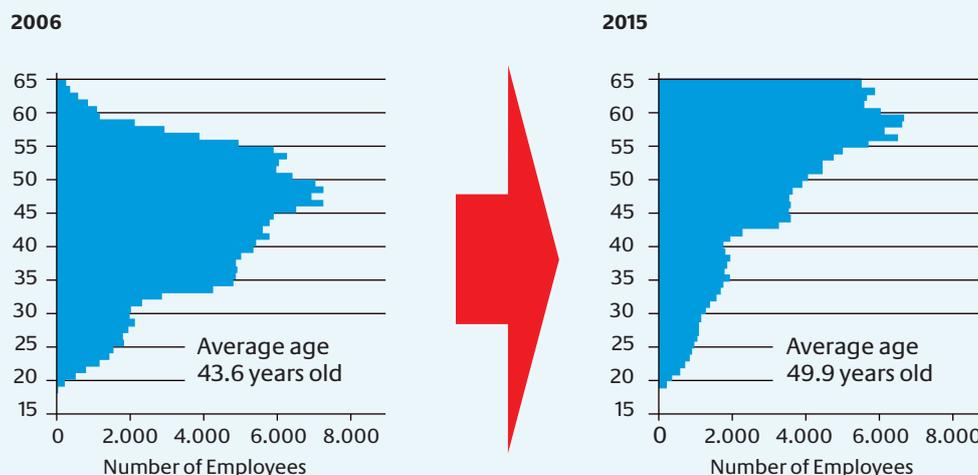
**Für Junggebliebene:
BahnCard 50 zum halben Preis.**

Und das Sparen geht weiter...

Reisende ab 60, schwerbehinderte Menschen (ab GüB 70) und Erwerbsunfähigkeitsrentner zahlen für die ermäßigte BahnCard 50 in der 2. Klasse nur 106 Euro. Damit reisen Sie mit 50% Rabatt auf den Normalpreis. City-Ticket in über 100 Städten inklusive. Kinder und Enkelkinder unter 15 reisen mit Ihnen kostenlos, wenn sie vor Reisebeginn auf der Fahrkarte eingetragen sind. Genaue Informationen überall, wo es Fahrkarten gibt, und unter www.bahn.de. **Die Bahn macht mobil.**

BAGSO EMPFEHLEN

Between 2006 and 2015, the Percentage of Deutsche Bahn AG Employees over 50 Will Double from 30% to 60%.



Source: Deutsche Bahn AG, Margret Suckale

In response to this, we have been concentrating on this issue at the top level of our group as part of the “Demography” project since 2005.

It is gratifying that businesses see people in the 50+ age group as sources of potential. One reason for this is the knowledge of the economic boom in Germany. The extension of the life labour phase through a strict handling of early retirement rules and the raising of the retirement entry age also play an important role. In additions, the technical progress allows people to work longer in most jobs. But the regard for elderly employees is still picking up. Companies will perceive them, more and more, as valuable assets to a balanced and productive workforce structure. They bring large quantities of experienced knowledge, dependability and consciousness of quality. They generally identify with their company more and this is reflected in a lower rate of flucuation. But elderly colleagues are also interesting, because they can be exactly the right contact people for an ageing clientele. It is gratifying, that sensibilities are markedly rising and that a self-reflective rethinking within company personnel management has already been introduced.

The younger and stronger can profit from the long experiences of elderly employees. Therefore, we are putting a structure of mixed-age teams and individual tandem solutions into practice. Then, through that, the development of a larger innovation potential than that of a homogenous age-group workforce is possible. The competences of the elderly and the young are not competitive, but complementary. They should supplement one another and experience each other as new knowledge pairs in order to advance the companies through feasible innovation.

Businesses need employees of all age groups. Therefore, against the backdrop of demographic change, the Deutsche Bahn enterprise set itself the goal of recruiting sufficiently qualified young talent, specially in areas where there is a shortage, and at the same time to keep their elderly staff in employment longer. The introduction of new qualified positions with Deutsche Bahn in 2007 means, in particular:

- | around 2,300 new positions for trainees and 250 new positions for cooperative education students;
- | “Opportunity Plus” – around 500 internship positions for the successful gaining of entrance qualifications,
- | “50Plus Initiative” – as of February 2007, 12 per cent of the new hires are in the age group 50 plus.

We secure the preservation of employment abilities and the productivity of our workforce through appropriate measures in views of:

- | qualification and motivation, (i. e. through individual further education offers and personal talent development, or “job rotation”);
- | support of good health, (i. e. lotteries of 100 coupons for wellness weekends, with priority given to employees with challenging shifts and transitory service),
- | age appropriate employment terms, (i. e. flexibility of shift and schedule planning or support of elderly part time work).

There is no general limitation to the ability to learn and perform with increasing age. Therefore, continuous training and preparation and the taking on of new assignments are even more important to remaining personally independent. We need a lively, active culture of lifelong learning, which supports that new responsibilities result in self-confidence. We at Deutsche Bahn follow the realisation of this goal through age friendly personnel policies.

Elderly people are a valuable potential – as employees as well as customers. This potential will account for even more in the future, in demographic change.

Forum A:
The Elderly as Consumers (I) –
New Products for an Ageing Society



Prof. Dr. Roger Coleman

Royal College of Art (London)

For the past 16 years I have been working on design and ageing, and more recently on inclusive design. On understanding how we make products and services more appropriate for an ageing society, where all of us can look forward to a long period of active life after retirement, but also reasonably expect to be disabled for a portion of our lives. I am based at the Royal College of Art in London, a unique, wholly post-graduate university of art and design.



My initial research focus was the implications for design of ageing populations. Suggesting that design should take account of the needs and aspirations of older people is one thing. Getting business and industry to take note is another. So one of the first things I did was to look at the scale of the ageing marketplace. Population ageing is not a new thing, although it has never happened before. It started in the UK over 150 years ago, alongside the Industrial Revolution, and in Europe the process is well advanced, with Japan taking the world lead quite recently. In the UK, over the past century we have added about 25 years to the average lifespan. By 2020 almost 50 per cent of UK adults will be 50 or over, while the under 50 age groups have hardly changed in number over the past 100 years.

The result is that every additional consumer on the street is aged 50 or over. The mature market has been with us for some time now, but business, industry and government have not really noticed until recently. The general public is also waking up to the fact that life does not end at 65 or 70, but goes on to 80, 90 and beyond a 100. Prior to the Industrial Revolution life expectancy at birth was 40 years or less, now it is close to 80, and it is important to remember that because this condition is new and unprecedented we have no map, no guide for how to live, plan, manage and enjoy the extraordinary gift of longevity.

In order to understand some of these issues I did several things early in my programme at the Royal College of Art. First I brought older people in to the college to work with our design students from all disciplines.

We further carried out a study with older people in a leading UK supermarket, which allowed us to explore the design implications of ageing in a practical, hands-on way. It also gave me a platform on which I could build the next initiative, a design challenge and award scheme for my students and later for professional design companies. These award schemes produced the design exemplars that were needed to take the message to a wider public, and demonstrate what age-friendly design could look like – how it could work. Inclusive, mainstream products and services that can work better for everyone; age-friendly designs to make life easier for older people; and better equipment to enable independent living and high quality care.



The next step was to dig deeper into the changing lifestyles of older people. To do this I collaborated with the Henley Centre for Forecasting, a leading UK think tank and consumer research consultancy. The Henley Centre conducts a series of regular trend surveys and so had a rich data source to draw on.

What I suggested was that they re-analyse the data from, in this instance, their leisure tracking survey of 1966, and instead of following the convention of segmenting the younger age bands and putting all the over 50s together, they do the reverse: segment the over 50s and put the younger age groups in one comparative bag.

Although there is so much data to grapple with, we can tease out some very interesting trends. For example, older people love going out to restaurants, but dislike traditional pubs or beer houses. An important message for the brewing industry – turn your pubs into restaurants – a move which has proved profitable for those who took notice. Walking, though initially popular as a leisure activity, gives way to driving as people get older and more infirm, and becomes a lifeline for many. This has huge implications for car manufacturers, and also for government, transport planning and combating global warming.

World leading Japanese car manufacturer Toyota has been developing highly accessible cars in response to the ageing market trend. Its early offering, the PORTE, was well designed, but the car did not do well. Reworking the marketing from a family and leisure viewpoint has made later variations much more profitable, and the emphasis is now on lifestyle, well-being and togetherness. Learning how to market age-friendly design is an important step forward, and something that I shall return to.

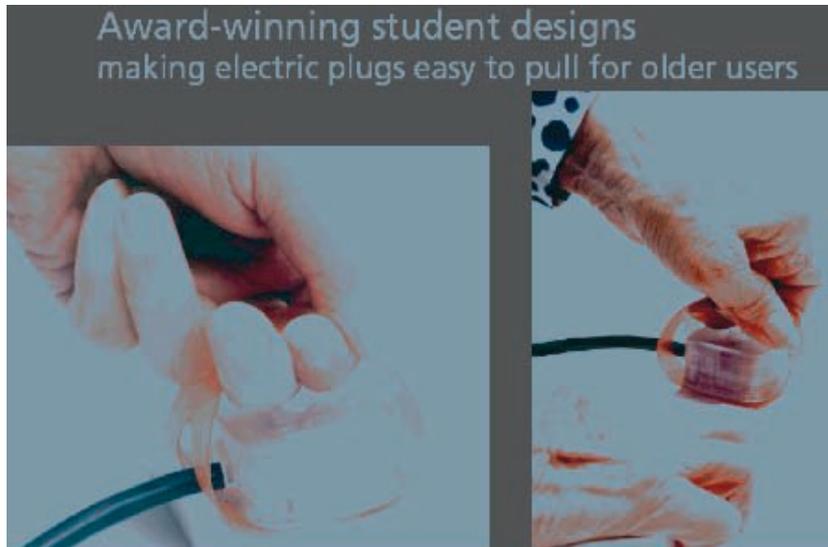
A further area of interest is home improvement, which we in the UK call 'do-it-yourself' or DIY. We spotted a market opportunity here, as older people display an interest up to retirement age, which then tails off just when they have the spare time to enjoy it. Perhaps that is because the tools are all designed for young men, and so difficult for older people to use.

We took this idea to leading UK DIY retailer, B&Q and worked with an unconventional group of users who we thought would challenge design assumptions: older women, often living alone; young women with new homes to improve; and retired craftsmen and tradesmen – expert users with changing capabilities. The result was a range of lightweight, age-friendly power tools that would appeal to women as well as men. Launched for Christmas 2002 they were an immediate success. The second generation was targeted more directly at this newly discovered female market, and they featured in a top 100 list of 'must-have' gadgets for Christmas 2005. Since then B&Q has adopted an inclusive design approach to its product range.

Not everything has been commercial good news. Top UK retailer Marks & Spencer learnt the hard way. In 1994 my team produced a video for the management team called 'Fashion after 50'. We pointed out that remarkably, in the UK as a whole, the over 65 age group was spending far more on clothing than 15 years previously, while the 20 to 24 age group was spending less, and being outspent by the over 65 group. The same was true of the over 50 sector as a whole. But over the same period Marks & Spencer sales to the over 65s had actually fallen. They were targeting the wrong age group and losing core consumers who had previously been very loyal.

We suggested talking to older women, understanding what they wanted – which was good quality, fashionable clothes that fitted their older body shapes – and featuring them in advertising and marketing. No one took any notice then, but 12 years later the penny dropped, Marks & Spencer changed direction, got the clothes and the message right, using fashion icons aged over 60, and are now doing well again.

Why is this all so important? First, the facts are very clear, population ageing is here to stay and older people have plenty of money to spend ... if they are offered the right goods and services. Second, the competition is hotting up. For example, design-led US company OXO has seen phenomenal growth through its Good Grips range. Launched 16 and a half years ago with just 15 products, the company turned over 3 million dollars a year later, and



the range now extends to over 750 household products. It has won over 100 design awards and boasts a 30 per cent annual growth rate. All built around an inclusive design approach.

In Japan, a network of some 130 companies, including many of the most important brands – Panasonic, Toyota, Sony, NEC, Nissan, Fujitsu and others – has been working on these issues for several years now, launching itself publicly in 2004. I am an advisor to the network and this is the sort of future offering being considered: mobility for all in the form of the latest Toyota concept car. The i-unit reclines and sits up, is easy to get in and out of, intelligent, can be driven automatically at speed and will probably be voice controlled. A great indicator of where the ageing market is taking us, and I have no doubt what my choice for the future is.

Klaus-Peter Wegge

Siemens Accessibility Competence Center (Paderborn)

Treatment of the Concept of Universal Design at Siemens



Preliminary Statements

Do we really need products specially designed for senior citizens, and if so, why? Sometimes in life it catches up with all of us – often slowly and unnoticeably but occasionally suddenly and unexpectedly: the realisation that using an appliance has become increasingly arduous – that accidental misuse occurs more frequently and that friends, family, co workers and colleagues are relied upon more often for servicing certain equipment. Acquiring a new product is often accompanied by a feeling of astonishment towards the myriad new functions and technological advancements that have been added to it. The user is therefore confronted with a product that has considerably changed in how it is to be operated. This observation holds true for all areas of life: from the change to digital television to a company’s acquisition of a new photocopier or telephone system; from the conversion of a branch bank to a cash point system to a company’s online relocation of its service; from the conversion to automatic dispatches for rail traffic to the acquisition of a new coffee machine or digital camera that can do everything. Ultimately, it is difficult for many people to accept that their problems using such products and services are often due to an age and health related decline in their abilities.

The frustration of ageing citizens and those with disabilities is constantly growing; it is difficult to understand why products and services, which they have always used with ease at home or at the workplace, have suddenly become so difficult to operate.

Universal design is the magic formula with which we can make our products more accessible to user groups – that is, accessible for as many people as possible with the inclusion of older persons and persons with disabilities.

Background

By now, the so-called “double ageing effect” of our society has become well known: the population is ageing while fewer and fewer children are being born. Furthermore, it is a well-established fact – albeit not willingly admitted – that there is a correlation between age and declining abilities. Accordingly, 64 per cent of people with disabilities recognised by the state are over 60 years old, while those in the 35 to 60 and 15 to 35 age groups make up 28 per cent and 6 per cent respectively. 85 per cent of all disabilities are caused by sicknesses.

For the implementation of the concept of universal design in our products, special consideration is given to the user's limited abilities. We do not focus on the age of the user or the cause of his or her disabilities, as we want to make the products accessible for all people with disabilities, younger users included. After all, it would not be in anyone's interest to exclude 34 per cent of the limited target group or those with temporary disabilities due to injury. On account of longer life expectancies, the concept of universal design is even becoming increasingly important within the workplace.

Customer Groups

We categorically differentiate between four customer groups, each of which place fundamentally different demands on our company:

Consumers: universal design expands the range of potential users for a given product. Consumers buy everyday products such as household appliances, cordless telephones and navigation systems for their own use. In their purchase, consumers are self-reliant in regards to decisions made about which products correspond to their individual needs and abilities. Accordingly, a person who is visually impaired would place high value on an especially large and easily readable display, while someone who is hearing impaired or blind would consider such a display an unnecessary cost factor. In theory, the manufacturer of the product should take all disabilities into equal consideration. However, this is not usually the case in practice, as either the various demands made on the product by those with disabilities are often incompatible, or other customer groups would not accept the product or the product itself is too expensive to produce. It is important for the manufacturer to ensure that the sum of the products in a product group covers the demands of the various handicaps as much as possible. This is what enables the buyer to choose.

Government Agencies and Service Providers: accessibility is a precondition for persons with handicaps to be able to use cash points, self-service machines, internet portals, software, public passenger services and other products and services designed for public use. In order to achieve accessibility for the disabled, it is often necessary to take measures, which raise the cost of the product and potentially discriminate against the "standard" user.

Persons with Disabilities: they often require auxiliary devices such as hearing aids or special keyboards in order to (at least partially) compensate for their limited abilities. Such aids offer optimal assistance for the person's individual needs. Manufacturers need to ensure that such aids are compatible with their products.

Specialists: they need products that are specially designed for their particular work environment and fitted for highly individualised use. It is of utmost importance that the products allow for safe and effective working. Personal training is often necessary to operate these special products.

Definitions

In 2003, the German Standards Institute (Deutsches Institut für Normung – DIN) published technical report 131, “Guidelines for standards developers to address the needs of older persons and persons with disabilities.” The report is the German version of a set of guidelines published by the European Committee for Standardization (CEN) und the European Committee for Electrotechnical Standardization (CENELEC) as Guide 6. In turn, these guidelines trace back to guidelines of the same name published by the International Organization for Standardization (ISO) in 2001. The technical report 131 defines accessible design as follows:

“Design focussed on principles of extending standard design to people with some type of performance limitation to maximize the number of potential customers who can readily use a product, building or service.” (ISO/IEC Guide 71)

According to the Commission of the European Communities there are three main strategies for universal design (COM (2005)425 final):

- I design for most users without modifications;
- I design for easy adaptation to different users;
- I design with a view to connect seamlessly to assistance devices.

The Siemens Accessibility Competence Center

The task of the Siemens Accessibility Competence Center (ACC) is to advise both the various divisions of the Siemens Company as well as our customers in regards to the sensible and efficient implementation of universal design. To simplify matters, we employ the term *accessibility*. The ACC is not only involved in the dissemination of general information and in the training and advising of engineers and designers, but also in the early stages of product development. Experience has shown that in this stage, necessary modifications can still be implemented easily and economically. The tests take place within the company itself. Because some of our very own accessibility experts are themselves affected by such modifications, they are able to decide – based on their own experiences – whether the measures taken in product development are useful. In order to learn more about the demands of the users and to gain insight on the topic of accessibility, we actively take part in conferences and trade fairs regarding research and development projects. Maintaining contact and exchanging information with disabled persons and their associations, as well as with the manufacturers of various aids for the disabled is specially important to us.

The Siemens Corporate Statement on Disability Access and Universal Design provides the basis for our activities. An internal network devoted to the coordination of activities and exchange of information plays a crucial role in the process. Collaboration with other companies through corresponding national and international lobbies, as well as the exchange of ideas with lawmakers is also of central importance. Only when all parties are involved in working towards the common goal of implementing universal design can the idea become reality. The international accessibility standards – in whose development we are actively involved – function as a common basis of understanding between all parties.

The Challenge

The demands of older persons and persons with various disabilities in regards to every day products and services are predominantly the same worldwide. In this sense, companies develop their products for a global market. In practice however, problems often stem from the following sources:

- | different terms and definitions;
- | different national regulations;
- | inconsistent national standards;
- | contradictory guidelines and recommendations,
- | contradictory demands of the users.

Despite often being labelled as such, older persons are by no means a homogeneous group. Further, reaching the various subgroups of those 60 and older is no easy task. In order to call attention to the specially designed products and services, it is necessary to gather specific information from customers, buyers, planners and architects. It is often the proper assembly and configuration of the product that ensures its simplicity of use. Accordingly, specific information and instructions regarding the product can be extremely helpful. However, the question of who is making the decision to buy for whom remains. The role that testing the usability of the product plays in its purchase also remains unclear.

The question of whether a product is accessible cannot be answered abstractly, as accessibility can only be subjectively assessed in regards to an individual's age, experience, practice and degree of disability. Thus, the question of accessibility is not simply answerable with a yes or a no, as it is not easily measurable. For the individual buyer, the established rule still applies: first inform yourself and then try it out!

Instructions for specific disabilities such as those found in individual reports of the German non-profit consumer organisation for product testing, (Stiftung Warentest), are informative and offer support for the individual user. Nevertheless, product details and labels that go beyond informative descriptions can oftentimes be unsuitable and misleading for the consumer with special demands. Large companies in particular can rely on their own name to speak for the quality of their products and therefore do not need the validation of a certifying third-party.

With every new product the same questions are raised: how much universal design is reasonable? How much does the customer want and how much can the customer accept? How much universal design has the customer paid for? The challenge lies in winning new clientele in accordance with universal design while simultaneously not neglecting previous user groups.

New Ideas for New Products

Through innovative thinking and employing the most up-to-date technology, new products are created which offer older persons and persons with disabilities an entirely new level of comfort. This also means that the individual consumer should be open for such innovations. It is convenient for everybody when the robotic vacuum cleaner automatically cleans the apartment when the occupants are gone. It would be strange but certainly sensible if the lift-oven would raise the food to the adequate working height, making it safely accessible from all sides. It is a sign of various technologies growing together when the cordless phone can give notification of the washing machine in the basement ending its cycle, or if the rinse aid in the dishwasher has run out. This is how new possibilities and product applications are born.

We are committed to ensuring that our products are convenient to operate and make everyday life easier for *all* persons, irrespective of age or disability.



Stefan Gundelach

Nintendo of Europe GmbH (Großostheim)

A representative of the video game industry is certainly an unexpected addition to a congress like this one. After all, we all know – or think we know – that video and computer games are for children and the youth, and for boys, as a rule, who more or less lose themselves in the game worlds of their consoles or televisions, a world to which adults don't have access. Senior citizens and videogames? The two don't fit together at all. Or do they?

A quick look at Japan shows how my colleagues there addressed the issue. Japan, more than anywhere else, provides an interesting example because, there, demographic change set into motion much earlier than it has for us here.



“How fit is your brain?” is a software programme, which was developed our portable game console Nintendo DC. It allows you to train your brain in a playful way. Incidentally, Dr. Kawashima really exists. He is a brain scientist at the Tohoku University in the Japanese city of Sendai. The exercises to be solved in this game are based upon his knowledge, and they serve to train the grey cells.

From the viewpoint of passionate video game players, the game is – graphically and game-wise – unspectacular. But yet, to the surprise of all of those in the know, it was the most successful video game of the year in 2006. Over 450,000 people have added this title to their collection. But what does this have to do with this report's theme? Quite simply that the enormous success of “Dr. Kawashima's Brain Jogging” is due to the fact that older players are just as involved as the youngsters. Around 43 per cent of its purchasers were older than 40. But the game is only specially striking evidence of many vanguard moves that Nintendo has taken in the development of generation-crossing videogames.

Why is Nintendo a Vanguard?

The key role of our company is to follow, for one, its Japanese roots, and, for another, its affiliation to two different economic branches: the games and the entertainment electronics branches.

Nintendo's homeland market, Japan, is the country, which is mostly affected by demographic change. The societal development in Japan is taking many measures that will need to be taken in Germany in only a few years to come.

Today, Japan has the oldest population of all industrialised nations. So, they are under higher economic pressure to produce age-related products and design. This is eased only by the general open mindedness of the Japanese in terms of new technology. Through companies like Nintendo, Europeans can profit from the experience of the Japanese.

Also, the toy industry, to which Nintendo belongs, feels the challenge of demographic change due to the fact that the population of their classic, young target group will get smaller and smaller, ... as the numbers of the elderly continue to increase. How to develop game offers for the elderly is the future question of many companies in this field. The electronic entertainment industry, on the other hand, should be critical of the fact that, until now, it has hardly reflected on the challenges and opportunities posed by demographic change. All those who have ever struggled with cryptic television or video recorder instruction manuals will know why.

According to a 2003/04 leading survey carried out by the German lobby for the elderly BAGSO¹, two thirds of all people over 50 have problems with electronic appliances; 64 per cent of those asked complained about inadequate directions, 56 per cent criticised the too-small or incomprehensible text and symbols, 54 per cent consider the operation too complicated, 38 per cent find the switches, buttons, and keys too small, and 30 per cent find the organisation of the operational elements complex. On the basis of the market demand in its home country, Japan, and its affiliation with the toy industry, Nintendo is almost automatically placed in the role of vanguard for senior-related products. Our company has followed a business strategy for years, in which its goal was to develop video games that old and young – and when possible, the whole family – could use together.

Challenge as Chance

And, it is more than just a cliché when I say that we see challenges as opportunities. Our branch now faces a fundamental change. In a few years, the video game for people over 50 will become as much of an independent free time activity as it is for children and youth. The so-called “silver gamers,” as resourceful marketing strategies refer to these elderly consumers, are already the fastest growing group among all video game players.

According to the American Entertainment Software Association, 20 per cent of all US-Americans over 50 are already using computer and video console possibilities for playing. In 1999, it was only nine per cent. In Germany, the numbers in 2006 had already reached 19 per cent, according to TNS Infratest. The count of over 40 year olds here, who use portable video game systems like Nintendo DS has doubled in the last four years, according to statements from the Society for Consumer Research. Some companies in our branch, haven't got the message yet. But whoever doesn't recognise this growing market is gambling with his economic future, in the short or long term.

¹ “Administrative polls for ageing users. Survey results “Material needs and technological appliances in the household,” BAGSO. Sponsored by the Federal Ministry of Consumer Protection, Nutrition, and Agriculture, Bonn, 2004.

Nintendo's Strategy

How does Nintendo's strategy for reacting to demographic change look now? We have consciously decided, by no means, to offer separate senior products. We don't want to exclude the elderly, or to separate them as a certain niche. Instead, we want to include them in the community of the video game players. That means, we will develop playing consoles and game content that appeals to the old and young alike and that can function cross-generationally. We understand senior-friendliness as an important measure for general user-friendliness. To attract a new and specially older, target group, two conditions must be met: the hardware, specifically the game console, must be intuitively easy to handle. Our starting point for this is the following: if we reduce the threshold for technological inhibitions to a minimum, we are not only doing 70 year olds a huge favour, but also 7 and 17 year olds. And secondly, the games themselves must present such a wide spectrum of differing genres and possess such quality of content that the expectations of the older players are satisfied. That means that we need sports and racing games just as much as thought and strategy games, adventure and action games just as much as creative or educational software, which train the spirit and bodily fitness. This two-sided strategy – easy operation of the console, combined with appropriate and diverse game content – have been implemented by Nintendo in the last years in the form of two totally new product lines for portable and TV-bound video games. To put it another way: we have left the well trodden path of 25 years and have some extent reinvented the video game.

The First Step: Nintendo DS

The first step in the new direction was the portable Nintendo DS, which was launched in 2005. The special aspects of this appliance are its integrated microphone, two picture screens and touch screen. The games for this gadget are easy to control, through touch screen use and through speaking into the microphone. One of the first Nintendo DS games was not directly marketed toward seniors, but much more toward girls and young women, who also do not belong to the classic video game branch target groups. The game is called "Nintendogs" and it deals with the nurturing of virtual pets. The player can pet the dog on the touch screen or talk to him using the microphone. The first great success with – but not only with – seniors was the aforementioned game, "Dr. Kawashima's Brain Jogging." Incidentally, its namesake, the brain scientist Dr. Kawashima, was originally sceptical. He had to be persuaded that the new technology of Nintendo DS was optimal for thought training, and that it would effectively spark more brain activity. Nintendo DS made exactly this possible as the exercises could be solve by either written or verbal responses. So, the visual, auditory and tactile senses as well as the speech centres of the brain are addressed, to the same extent. Meanwhile, Nintendo has introduced more games and learning software, to better meet this criteria. There is, for example, "English Learning," a game that provides beginners and advanced learners with a basic knowledge of the English language. A Sudoku game also belongs to Nintendo DS's new registry. We have even created a new label for these Nintendo DS games: "Touch! Generations."

With this label, we signal to potential buyers that it deals with cross-generational games; that children, parents and grandparents, can enjoy them to the same extent... and all together as well. Just how future oriented this strategy is, is shown by Nintendo DS sales figures. In 2006, with one million copies sold, it became – by far – the most sold video console in the German market.

The Revolution: Wii

A paradigm change in user-friendliness throughout the entire electronic entertainment branch is represented, in my opinion, by our new TV-bound console, Wii. It was launched in December 2006. The future of all gadget measures rests upon Wii. Everything following must be as engrossing and easy to operate as this. Thanks to Wii, the small buttons, control pads and joysticks of former control challenged video games will soon be a thing of the past. The Wii brings a sense of movement to the game and will completely change our beliefs about video game playing. This is made possible through motion sensors that are integrated into the equipment. Totally natural hand and body movement of the user changes the actions of the game figure accordingly on the TV set. For instance, the game, “Wii Sports”, is a five sport simulation. For this, one swings the Wii remote control like a real tennis, golf, or baseball bat. You can also simulate the throw of a bowling ball with natural movement. In another title, the racing game, “Exite Truck”, one holds the remote control on both ends like a steering wheel and steers his virtual auto with the exact motions of real driving. In short: the game technology practically explains itself. The user’s brain must no longer make abstract transfer between a button push. He can immediately get playing and fully concentrate on the contents of the game, instead of troubling himself with the technology. This is exactly what appeals to elderly players.

Beyond that, there are two more points which are important to most video game players, and which specially applies to the elderly. Of the over 50 year olds who were questioned by the Institute for Barrier-free Design and Mobility about their preferred characteristics of electronic gadgets, 80 per cent answered “easy operability”, while only 11 per cent were interested in multi-functionality. The majority feels overwhelmed by multi-functionality and look for specific appliances. From all of the market research surveys, we can deduce that the social possibilities are a main stimulus for playing games. This is a need that Nintendo recognised early on. We at Nintendo have always placed the highest value on developing games that are accessible to multiple players. The picture of the lonely video game player, who sits alone in front of his screen, has nothing to do with our product, and it is long passé. We see video game playing as the community activity of the future, also and precisely in an increasingly ageing society.

“Administrative polls for ageing users. Survey results “Material needs and technological appliances in the household,” BAGSO. Sponsored by the Federal Ministry of Consumer Protection, Nutrition, and Agriculture, Bonn, 2004.

Dr. Hans-Joachim Lindner

Ford Research Centre (Aachen)

Along with everyone else, the automotive industry is forced to confront the issue of an ageing society and age-based products. My remarks will briefly describe research compiled by my colleagues Clemens Marek, Dr. Werner Koch and myself at the Ford Research Centre in Aachen.

The research centre is in charge of the European brands of the Ford Motor Company which include Ford, Volvo, Jaguar and Land Rover. As an introduction, here is a good example of how new products should *not* look in an aging society:



“The products that we offer are easier to operate.”

While the current demographic development has been abundantly described and documented with numbers and statistics, the following sentence seems to summarise its general trajectory: “Two out of three people over 65 who have ever lived live today.”(Financial Times, 08.03.1994) This is of great economic interest not only to the automotive industry, but to industry at large.

In the following, I would like to concentrate on three main questions. I will attempt to answer these questions with examples taken from professional experience.

1. What does our customer profile look like?
2. What do our customers expect?
3. How can the prospects and needs of older people be conveyed to a young development engineer?

Ford recognised the problem of demographic transition long ago. Thus, in 1994 the company teamed up with Loughborough University in England to conduct a survey of 600 senior citizens on the topic of “Third Age Car Users, their Characteristics and Needs.” The most important results can be described as follows:

1. The physical and psychological capacities of older people are often reduced.
2. For the majority of those surveyed, the idea of life without a car is unimaginable.
3. To their advantage, older persons are more experienced in traffic situations.
4. Older persons avoid potentially risky and stressful situations.

According to our evaluation of the study, the customer’s most important needs and demands can be summarised as follows:

1. Vision is fundamentally important. The circumferential visibility, the view in the rearview mirror, and the ability to estimate distance to other cars must all be improved. This also means that the instruments themselves must be constructed sensibly and ergonomically.
2. Because of decreased manoeuvrability and changes in the musculoskeletal system, many seniors see the ease with which they can enter or exit the vehicle as a deciding factor. Other important factors include having a comfortable seat height as well as enough head and leg room.
3. Manual control elements are also extremely important. This means that the radio, pedals, gearshift, handbrake and seatbelts must all be easily accessible.

How Do We Implement these Insights in Practice?

Using special computer programmes such as the Ramsis simulation model we analyse the details of car entry in the initial stages of the vehicle’s construction. Such simulations are conducted for all of our models. We also aim to allow for the greatest possible circumferential visibility, even for relatively small cars.

We further attempt to arrange the manual control elements so that they are easily accessible, as well as to furnish them with relatively large knobs and switches. This allows the radio to be operated in a simple and logical fashion. For other elements it is important to consider the so-called “operational power” it takes to use them. A perfect example of this is the handbrake. It can be assumed that an in-shape 40 year old man has a pulling force of circa 295 Newton. The average out-of-shape 60 year old woman has a pulling force of only 100 Newton. Such factors need to be taken into consideration during the initial stages of construction.

Together with the University of Loughborough, Ford also developed a so called “third-age-suit”. Incorporated into the suit are bandages which limit manoeuvrability. Using special glasses and neoprene gloves, we were also able to simulate impaired vision and a decreased tactile sensibility. By wearing the suit, young engineers can get a feeling for the physical limitations brought on by age. Usually after a certain period of time, people are able to get used to a decline in their abilities. By using the “third-age suit” however, test subjects are forced into the physical state described above in an abrupt fashion, thereby leaving a lasting impression.

This is what allows us to investigate the details of entering and exiting a car, as well as the accessibility of knobs and switches. This way, conceptual improvements can be made and immediately tested.

Third-Age Suit



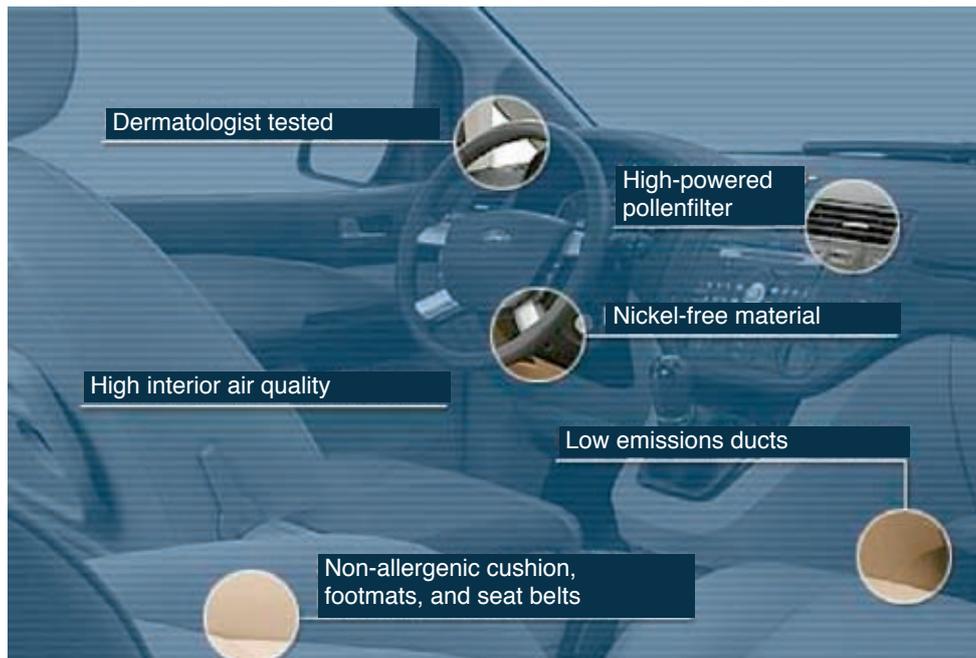
Third-Age Suit Simulation

- Development: University of Loughborough, GB
- Bandages: restraint of free movement
- Specialty Glasses: failing vision
- Neoprene Glove: minimized sense of touch

- Young Engineer: experiences restraints of free movement with his own body
- Test: entry/exit, accessibility of switches and levers, etc.
- Conceptual improvements directly developed and tested

 Research & Advanced Engineering

In addition, health issues are at the forefront of our interest in developing new products. Accordingly, almost every new car we manufacture has received the independent certificate of inspection for a non-allergenic interior. Ford is the only car manufacturer worldwide that has received this certificate.

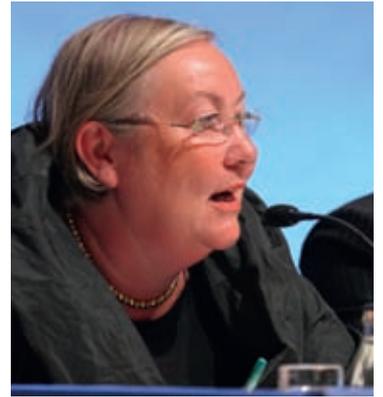


Non-allergenic Interior

From our perspective, the message can be summed up as follows: the growing number of older consumers is an important and meaningful constituency for the entire automotive industry. Improvements made for this constituency benefit everyone. Measures taken in the design and construction of Ford production vehicles make operating them easier for all customers. In our opinion, there is no need for specially designed production vehicles.

Dr. Marion Gierden-Jülich

**State Secretary, Ministry for Inter-Generation and Family Affairs,
Women and Integration for North Rhine-Westphalia (Düsseldorf)**



In my article, I would like to introduce the project known as “Senior Economy”, through which we plan to implement the opportunities demographic change poses in North-Rhine-Westphalia.

Background Development of the “Senior Economy” in North Rhine-Westphalia

One of the reasons for the “Senior Economy” initiative in North-Rhine-Westphalia was the fact that until a few years ago, the importance of elderly people as consumers was not being adequately exploited. An improved quality of life in old age is at the core of this undertaking. We propose that products and services be created and promoted, which are aimed at a physically more active and materially more affluent increasingly older generation. In connection with this, there are new ways to consider the stage of life known as “old age.”

The following are our basic assumptions: The 60+ generation in Germany is largely affluent, active, healthy and well educated. They lay claim to over 650 billion euro of today’s purchasing power and their net assets average 2 billion euro. With the population’s ageing comes a material demand for new goods and services, which will not only satisfy the quality of life of older people, but which will also have positive effects on the job market and on economic growth. This somehow “new addition” generation also stands for opportunity among demographic change, according to the North Rhine-Westphalia state government. As ministers, we view ourselves as initiators and motors for anchoring these opportunities in all regions and their diverse branches. We support studies concerning the needs and implementation strategies and support the communities, industries and trade business in their implementation.

Our Areas of Action in the “Senior Economy” in North Rhine-Westphalia are:

- quality assurance of the installation of household services;
- implementation of appropriate offers in elderly education;
- nutrition and exercise;
- senior citizen appropriate retail organisation, (i. e. with wide hallways, adequate assortment of goods and qualified personnel);
- financial services for elderly clients and their newly established companies servicing seniors;
- culture from and for elderly people;
- including the elderly with an immigrant background.

All in all it concerns in many ways the question: how do we want to live in old age? Demographic change brings with it special responsibilities for politics and society. We must overcome the prejudices against old age, and replace them with a new image of the elderly. The older generation views itself as being on the threshold of a new phase of life and not as belonging to the scrap heap. However it is important not to treat the elderly generation as a homogenous group and to consider all the current life situations.

The Specific Potential and Needs of Elderly Women

Experts are more and more aware of the fact that, despite the generally good income situation of the elderly population, the larger percentage are elderly women and that they demonstrate lower incomes. To paint a clearer picture of this, the Ministry of Generations, Family, Women and Integration has commissioned a study, which should research the specific needs of elderly women and their consumer behaviour with regards to age class. The results of this study are being evaluated for publication. The most important result is that elderly women have specific needs, which should be closely considered. For example, in the selection of goods and services, women place higher value on service and consultation. They are not as willing to take risks as men are with investments. Therefore, women invest more than men in the state-sponsored and safe pension plan created by former Minister of Labour, Riester. The study also shows that poverty among the elderly is a phenomenon, with which many women are faced, despite the generally good economic situation of the elderly. These findings pose a challenge to senior politics and the senior economy.

Specific Potential and Needs of Elderly People for Immigration History

Elderly people with immigrant backgrounds form a new field of senior politics. In 2006, the total number of those over 60 with immigrant backgrounds in North-Rhine-Westphalia was estimated at around 650,000. This will grow by an additional 200,000 in the next five years. We know from the gerontological research of other countries with longer immigrant traditions that the so-called ethnic roots – specially the religious roots – become important in old age. That also applies to those immigrants who can be considered well integrated. From These facts indicate that senior-specific offers must be sensitive to their culture. Stationary and ambulatory help, upon which the elderly depend, must specially consider members of the older generation with immigrant backgrounds. They too want to live their life as independently as possible for as long as possible. In 2006, I invited an expert group to address the issue of economic potential of the elderly with immigrant backgrounds. The basis of which was a report published in May, 2006 by The Research Society for Gerontology and The Foundation Centre of Turkish Studies, “Developing a Senior Economy for Elderly Immigrants.” The expert group, to which specialists with immigrant backgrounds were also invited, worked on suggestions for the following areas: housing and home services, recreation, tourism, culture, new media, health, sports and exercise. These recommendations should now, during the next weeks, be discussed amongst the social workers, the trade associations, the housing industry, the community and the societal groups. Furthermore, we will present this project to a wide, interested public in November 2007 during a congress in Oberhausen. Projects and measures that deal with the implementation of these suggestions will also be presented. approaches available in North-Rhine-Westphalia has already begun to act on some areas, for example in the fields of new media, multi-generational housing, and housing and services for old age. It is important that the planning and implementation of these measures actively include the elderly with immigrant backgrounds.

The Contribution of North-Rhine-Westphalia to Europe's Anchoring of the Senior Economy

Because the demographic change and the necessity to use these opportunities doesn't stop at the North-Rhine-Westphalia borders, we are working together with other regions. The SEN@ER network already includes 17 European regions, (in addition to North-Rhine-Westphalia, Andalucia, the Burgenland, Dolny Slask, Extremadura, Gelderland, Limburg, Limousin, Niedersachsen, the Mid-East Region, the Midland Region, North-West Region Opolskie, Scotland, the West Midlands, and Yorkshire and Humber are active). The kick off event for this European collaboration took place – at the initiative of the state of North-Rhine-Westphalia – in 2005 with the first European conference on the Senior Economy. The second European conference was organised in 2006, in the Dutch town of Kerkrade. Our partner region, Andalucia, will host the third conference in Sevilla at the end of November, this year. The partner regions of this network come together four or five times per year, in order to work together on planning and evaluation. The special interest groups, "Ageing Well," "Culture and Ageing," and "Financial Services," will work on the contemporary and important issues in the different areas in the Senior Economy. The results of these special interest groups will be communicated in the form of congresses, workshops and votes to the EU institutions as well as to the regions and current partner regions. The network's endeavours have already borne fruit. The European Union Council for Employment, Social Policy, Health and Consumer Protection in Brussels adopted the development of "The Potentials and Challenges of Demographic Change in Europe" on 22 February, 2007, and it took a prominent position in the Senior Economy. Experts proceed from the assumptions that we will experience the effects as well as the structures of demographic change early in North-Rhine-Westphalia. That poses, for us, both incentives and challenges, simultaneously.

**Forum B:
The Elderly as Productive Forces (I) –
Successful in Business**



Dr. Willy Buschak

European Foundation for the Improvement of Living and Working Conditions (Dublin)

The European Foundation for the Improvement of Living and Working Conditions has concerned itself for years with the question of what the social partner should take on in order to integrate elderly workers into the production process. Many representative surveys provide a wealth of data on the situation of elderly employees. I would like to present a selection of the most important results in the following talk.



Elderly Workers: the legend ...

- | Europe's worker is becoming senile.
- | As soon as they turn 50, they strive only for retirement.
- | Elderly lack flair for new technology.
- | Elderly employees are too expensive.
- | Through employment initiatives for the elderly, job positions for younger talent are taken away.

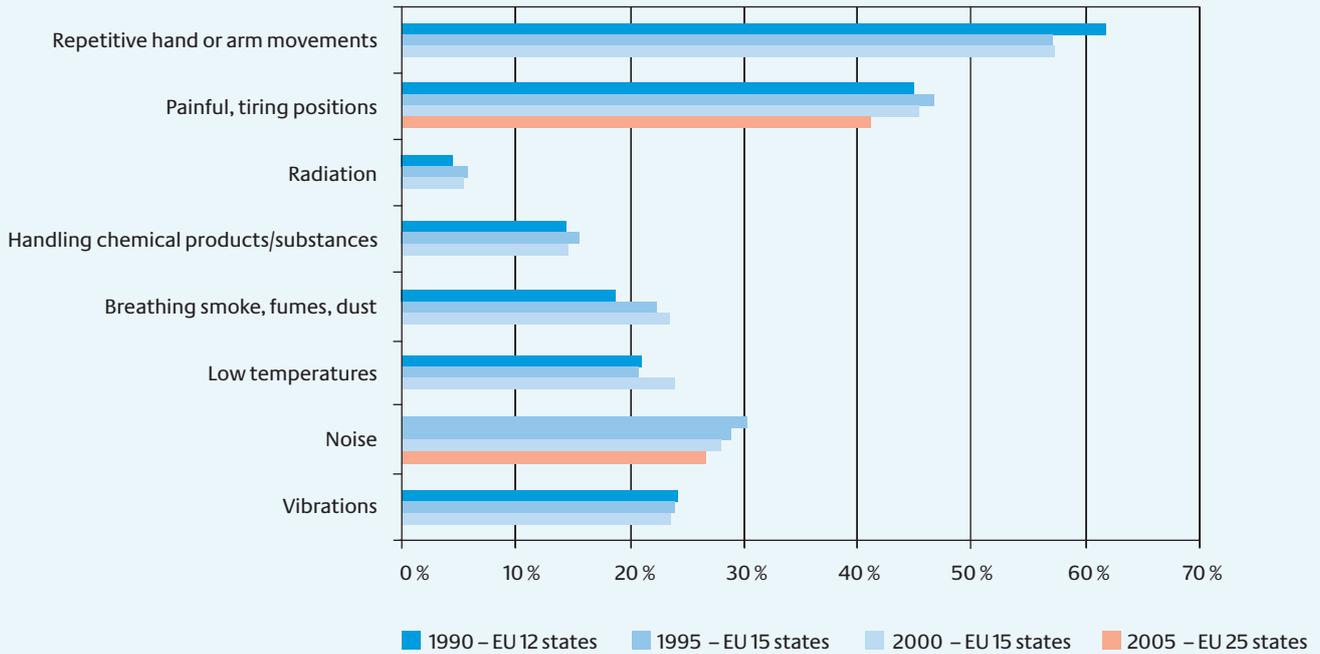
... and the truth

- | Rising life expectancy means that men and women of 60 years old are, by no means old.
- | 70 per cent of workers in Germany can imagine continuing to do their job at 60 years old.
- | Learning abilities do not decrease with age.
- | The elderly help to keep costs down and make business competitive.
- | More jobs for the elderly mean more and better jobs for all.

Where Must this Be Dealt with?

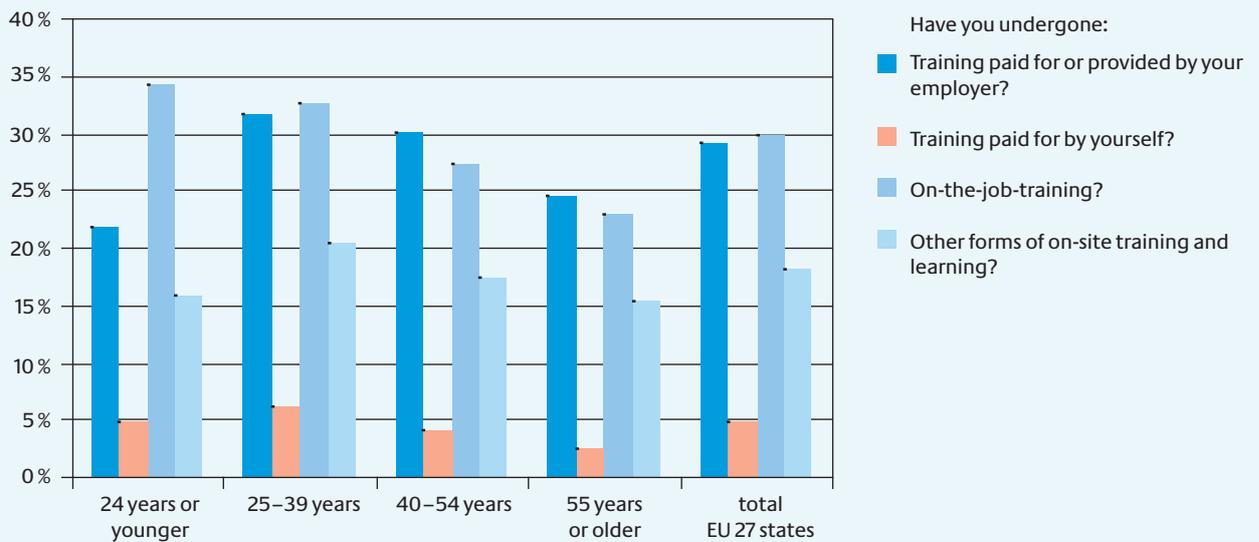
Working Conditions

The demographic challenge facing Europe highlights, once again, how necessary it is to lead a debate on employment and working conditions within the different age groups. The demographic challenges facing Europe reinforce the need for debate on the employment and working conditions of workers as they age. To enable workers to remain in employment for longer, working conditions need to be improved.



Source: European Foundation for the Improvement of Living and Working Conditions, 4th European Survey on Working Conditions

The working conditions must be changed so that all workers can profit from them. The above diagram shows that the physical stress of the work place has only slightly changed since the nineties. A need for action remains here. The most important measures for the improvement of working conditions are on the level of personnel recruitment the renouncement of age barriers in personal selection processes.



Source: European Foundation for the Improvement of Living and Working Conditions, 4th European Survey on Working Conditions

In the area of education, the concept of lifelong learning is important. Work should be wisely organised in a way as to promote learning and development.

An analysis of the qualification needs and the continual review of the employees knowledge provide the basis for an appropriate, development oriented training which takes into account current requirements.

Additional Fields of Action

A flexible work time design is another bridge to the improvement of working conditions. This only functions for elderly workers if the company has flexible working time rules for all employees. They can't be offered to only a portion of employees, as it creates lack of trust and acceptance. Early retirements, specific vacation rules, as well as the exemption of overtime and shift work, are measures that can be implemented. They add up to the improvement of life and working conditions and are already in practice in many European companies.

In the areas of health care and health support, awareness is a keyword. With surveys on how the employees feel, designing, an ergonomic workplace and preventive measures a lot can be undertaken in order to improve the working conditions of employees of all ages.

With the transfer into retirement, flexible transition forms and retirement rules, coupled with consultancy offers and contact care to employers are advised. All in all, a holistic approach should be followed, which encompasses the entire work life and all age groups.

This strategy, aside from contributing to raise the employment rates of older people, will benefit workers of all ages. According to a survey by the German market research institute, Allensbach, done in 2004, the spending capacity of Germany's senior citizens is 90 billion Euro per year – equivalent to the gross domestic product of oil exporting Venezuela. The over 50s own half of Germany's wealth. Although some older people only have the bare minimum for subsistence, many older people live quite comfortably. Furthermore, older people may have more time to spend the money. So, with age profile rising in all EU member states, it is not surprising, that some sectors are seeing the growth potential in their older customers improve. Tourism is one of the sectors where national associations are developing products to meet the needs of older people. Less time will be spent on each trip, but these shorter breaks will become more luxurious and more money may be spent. The need to cater for the more discerning new consumer, driven by the demand for customised products, will lead to a micro-segmentation of the market. With changes in the pension system and a shifting of the burden responsibility towards the individual citizen, demand is growing for private pension funds, life insurance and other financial products designed to ensure a good standard of living. America's retiring baby boomers do not trust the skills of financial services companies, however, which was one of the driving forces for Deutsche Bank to diversify its workforce and improve its capacities to cater for the needs of retirees.

A proactive response to the needs and interests of the elderly could generate hundreds of thousands of jobs throughout the European Union. North Rhine-Westphalia's government estimates that some 100,000 new jobs could be created in Germany's largest state, by investing in the silver economy. The sales of cars could go up by five to eight per cent, if only cars were more senior-compatible.

Age management in businesses should generally adopt a holistic approach. It should apply to all age groups and not be based on only short-term effects. Instead, it should follow lasting and sustainable measures. Age management certainly occurs on enterprise levels but doesn't function without accompanying measures. Support is required from public authorities, specially through job agencies and their appropriate training programmes.

The improvement of working conditions is, and will remain, central to good age management in light of health risks and flexible working time regulations. Furthermore, careful planning and the continuous cooperation of all parties involved, particularly the management, on one hand and the trade unions on the other is essential. Regular verification and evaluation of the measures put in place are of great importance, so as to continually adapt and optimise them.

Employment initiatives for the elderly provide more and better jobs for all.**What Do Businesses Gain?**

- | avoid losses of competence and therefore maintain their competitive positions;
- | control of costs;
- | increase of collective qualification levels;
- | improved motivation;
- | increased productivity;
- | satisfied customers;
- | better image.

What Do the Employees Gain?

- | better working conditions for all;
- | further possibilities for learning and developing;
- | better work and health safety;
- | more solidarity and trust between the generations.



Thomas Thorsøe

NETTO Supermarket International (Copenhagen)

The over 50 Grey Warrior

I want to tell you about our experience with older employees in our company. Netto opened its first store in Denmark in 1981 as a small competitor to the Aldi markets. Today Netto is the market leader in Denmark with 380 shops and we are represented in four other countries: Germany, Poland, United Kingdom and Sweden. In 1998 we opened the first store with a staff of older employees all over the age of 45. This is what they remember:



Here in this fantastic town of Berlin we have two projects. In 1999 we opened two stores with all employees over the age of 45. We advertised for eight employees to fill the positions in the first store and you can imagine our surprise when we received over 2,000 applications. These eight employees who had been out of work for a period of time got huge media coverage and demonstrated that there is a chance of getting back into the labour market.

So what motivated our company to start this project? We were aware of the fact that to attract customers, employees' competencies and attitudes have to be in line with those of the customer. Therefore we were interested in hiring people where customer contact would be a natural thing. We also wanted employees with more experience of life working in our stores. As the average age of our employees is 22, these older employees were essential.

When a new way of thinking is launched in an organisation there will always be some critics. There will be a lot of people in the organisation who cannot see the positive aspect of

getting involved in such a project. In a short period of time we saw that we had some difficulties in getting support from the store managers. The managers had some criticism because they thought the older employees had less knowledge about new technologies, were high cost because of high salaries, had a high rate of sick days, were slow and had physical problems.

We however also had older people who were afraid of getting into this business. They said: “It’s too difficult for me, the salaries are too low, it is fast-paced and I’m afraid of being rejected because of my age and the physical demands placed on me”.

This is a picture of Arne:



Arne was the first employee in our company. He was responsible for the return of bottles and he was 71 years old. From our point of view there are certain qualities that apply to the young and others that apply to the older people:

Qualities

Young People Ask How?

- | Physical strength
- | Pace
- | Mobility
- | Change agents
- | Risk oriented
- | Plan for their career and the future

Older People Ask Why?

- | Life experience
- | Stable
- | Loyal
- | Service oriented
- | Organisational talent
- | Focus on standard

What are Netto's experiences with older employees? Older employees have a much higher salary than their younger colleagues based on their wide range of competencies and experience. A great asset is the quality of customer service, job stability, better standard, lower rate of sick leave, a higher rate of loyalty and team spirit that they bring with them. The older employees give our stores a better image in the local society. The best argument for recruiting older people is not about getting a better return on investment, but rather in a wider perspective as to how you position yourself at the level of corporate social responsibility. I would say that Corporate Human Resources (CHR) creates long-term value for the customer and therefore also for the company as does a high quality customer service. Our experience shows that in our field only having older employees is not good business. We therefore recommend our district managers to employ a mix of younger and older people thus offering a wide range of competencies. This ensures a balance between the experience of the older employees and the fast pace at which the younger employees can work. The bottom line is that we recruit employees for their skills, experience, attitude, motivation and personality.

At Netto, it is not age but a sense and ability for business and leadership that counts. I would like to end with three pieces of advice:

1. Storytelling: this simple but very effective tool helps us successfully integrate our older employees. So identify the positive experiences that prevail and share the good stories within the organisation. Tell them to the managers, use your in-house magazine and by doing so also gain acceptance for new Human Resources policies. Tell the good stories externally, tell it to the customer, use the media, use the newspaper and the radio because that will boost your CHR image.
2. Be patient with older employees because the training period is longer. The result is a very loyal and committed person.
3. You have to be determined, because future customers want the right product for the right price with the right service provided by your older employees.

Dr. Manfred Diederichs

Karl Diederichs KG (Remscheid)



I would like to start my speech with a food for thought. If you don't belong to the very young generation, please think back: could you imagine your grandfather in sports gear, on a bike tour with his mates? Could you imagine a clothing shop for seniors today only selling mostly black or at least dark blue clothes, like I remember my own grandmother wearing? And when married couples over the age of 65 can take a refresher dance course before leaving on their next fun-trip on a cruise ship, do you find it astonishing or rather normal? And: do you believe, your grandparents would have ever thought of this?

A clear change in perception in the 65+ age group has occurred. This development can be seen in numbers. From 1960 to 2004, the average life expectancy has increased from 70 to 79 years. As encouraging as this increase in life expectancy is, it is a disadvantage to our pension system. Pension payments are prolonged because of increased life expectancy. In the 1960s, pensions were paid over an average time span of 10 years. In 2004, that period of time had already increased to 17 years, which is an increase of 70 per cent. In the past, German politicians as well as unions and management set wrong goals by propagating early retirement and part-time work for the elderly. Due to these measures, employee desires for early retirement grew, if their income had reached a tolerable level thanks to additional public benefits and bonuses, which were agreed upon by the unions. Indeed, employees had to make do with a little less money, if they didn't use their newly acquired spare time for some kind of lucrative auxiliary income. In any case, they received gifts of money, which they would not have received had they retired at normal retirement age. From this point of view, it made economic sense to retire as soon as possible. Large companies used this loophole considerably to down on personnel.

As a middle-sized business, who doesn't want to cut down on employees, I have never welcomed paying those employees who wanted to retire early more than those who worked honestly until they were 65. To put this in numbers: at an hourly wage of 15 euro, an early retiree earns 25 euro per hour. This early retirement regulation applies only till the age of 63. But after that period of time, I have to compensate the early retiree. This severage package is meant to cover cut in the pension associated with early retirement, and is justified by the fact that the respective person has lost his job. But, I never wanted to get rid of him.

Now even German politics has realised that this was a wrong approach and want to raise retirement in future. Even if the man on the street doesn't like it, Minister of Labour Müntefering has raised the retirement age from 65 to 67 years. From the perspective of demographic development and empty coffers, that is surely the right approach to trying to cope with increased life expectancy. Whether a prolonged working life is an option for every single employee will have to be assessed on a case by case basis.

Concerning my enterprise, I am generally not in favour of working life ending at a mandatory fixed date. Whoever doesn't feel healthy enough to fulfil his contract should naturally have the right to apply for retirement. But why should I deprive an experienced employee the chance to work longer and pass on know-how gained in the many working years? An old saying goes: "New Brooms sweep clean but older ones know where the dirt lies!" If a truck driver prefers to keep trucking through Europe rather than sitting on an allotment garden bench, should I deny him that simply because he was born more than 65 years ago? If complete industry sectors make a living from the fact that the ageing person stays healthy and keeps fit, when each and everyone is required to adapt to the greatly increased life expectancy, why should this not also affect working life? Since 1960, the average expectancy of life has increased by nine years. An extension of working life of two years is equivalent to less than a quarter of that nine year increase.

Raising the retirement age from 65 to 67, for example will impact on many sectors. I personally had to quit the advisory board of my professional association, because an age limit was set at 65. Many labour laws will also have to be changed, because in our union districts, the protection against dismissal of the elderly and the assurance of salary only applies until 65 and no longer.

At least two preconditions must be met in order to enable working into older age. First, it is necessary to be physically and mentally healthy. I belong to the 65+ age group myself, but I do not have to start over three times when attempting a foreign telephone number, yet. Of course, at this age, one should be thinking well in advanced about developing the leadership high potentials. I have therefore arranged that qualified people are available in case of a sudden emergency. The other condition is a positive attitude towards ones career. On this point, I agree with Cunfucius: "Choose a career that you love – and you will never have to work a single day in your life". And I can assure you that my wife is happy that I go to work every day instead of staying home and reorganising her household. Why should I burden my co-workers' wives when they are happy to see them work beyond 65?

Even if my enterprise were processing steel, we wouldn't consider employees over 65 as belonging to the scrap heap, but would value them as old-timers due to their great wealth of experience. And "experience" is one of the few things that you can share with others without losing something yourself.

Mike Crisp

HouseHubbies Handyman Service (Manchester)

The British Government provides no serious financial or practical support that would enable the over 50s to start their own enterprises, so as well as talking about how and why HouseHubbies was started, I'm going to argue that if individuals over 50 were helped, just a little, many could start their own businesses and provide help and inspiration to others in the same position.



Only about 1.5 per cent of UK jobseekers who are under 25 will still be looking for work and claiming state benefits after 12 months, but for those over 50 it's a very different picture, 30 per cent will still be unemployed after a year and 13 years later 10 per cent, that's 14,000 people per month, will still be in the same position, that's 14,000 people, not apples, oranges or statistical numbers, but people. So either the British over 50s are unemployable and ready for the scrap heap or there is something else at work here, and I would suggest that something is age discrimination.

Our government would argue that by implementing the European directive outlawing age discrimination in employment, they've taken a major step toward helping older people into work. And maybe it is a step in the right direction, but our government increases the penalties for crime quite regularly, and still there are not enough prisons in the UK. We have race relations laws, religious hatred laws, all kinds of laws, but governments can pass as many laws as they like, legal argument will not change discriminatory attitudes in people.

In the UK, older jobseekers know that age discrimination is alive and well. I was 58 when I left university with a newly acquired law degree, I applied for job after job, gradually working my way down the salary ladder until I was applying for anything at all. At one interview I was actually told I was unemployable because of my age, the interviewer didn't think his company would have me in their employ for long enough; and those were his words. So I became one of the age discrimination statistics, part of the academic exercise, it made me bloody angry then and it still does.

After a year and a half of doing odd jobs it finally dawned on me that there was no way I was going to get permanent employment, and certainly not employment with any prospect of advancement. I had been doing a lot of odd jobs for people, and thought perhaps I had the makings of a business. Ideally I would have loved to have started HouseHubbies as a, sort of, social enterprise, but I couldn't get any help and had to abandon the idea. I searched the internet, looking for a business model that might inspire me, and I found other handyman companies, in different countries, that provided me with the basics I needed. Since there was no government funding available, and access to private sector capital is practically nonexistent, again it was actually back to the internet looking for any sort of help, and I came across an organisation called PRIME. PRIME is a not-for-profit company, an associate of the charity Age Concern, and their stated aim, and I quote, is to release the untapped potential of the over 50 enterprises; it was only with the help of PRIME that I was able to become self-employed. However I realised that with limited funds, HouseHubbies would be bankrupt in no time if I started paying professionals such as solicitors and accountants. So I had to teach myself how to operate accounting software, build a website and incorporate companies.

But I don't consider myself to be an entrepreneur in the accepted sense, just a guy making a living and trying to help others whilst I do it. HouseHubbies is a small company, just one of the thousands in Britain. There are an estimated 4.3 million business enterprises in the UK, and 73 per cent of these, that's 3.2 million, have no employees, they are run by just one person, and these enterprises have an estimated turnover of nearly 200 billion pounds.

I'm in my 60s now but I have no thoughts of retirement, I don't want to retire. I don't even like the word, and for the obvious financial reasons, that's the sort of mind set, that our government would like to instil into all older workers. But in order to further that aim, older people have to be persuaded through practical help that their government really cares. Just a few years ago British pensioners were offered a rise of 70 pence a week, that's about 1 euro, and is just about the price of a packet of peanuts. How any government was persuaded that such a thoughtless and insensitive offer would be well received is beyond me. A cynic might say it does say something about government priorities, and the position that older people like me currently occupy in those priorities. The British state pension has always lagged behind that of countries like Germany and France, but now the occupational pension system that made up for this, is in real trouble, and the government has to come up with initiatives; if the demographic trends continue, they must do it quickly; for the bottom line is that by 2050 Britain will move from having three and a half workers for every pensioner to fewer than two and a half.

Older workers are going to be in demand in the future, and there will be increasing numbers looking for work. This is going to require a major shift in attitudes from employers and employees as well as governments. I believe one of the really major challenges facing older workers, is that after years of unemployment, discrimination and negative conditioning, a person's confidence and self-belief can suffer. Ageist attitudes are endemic in British society, it is acceptable to be patronising and show condescension to older people, in ways that would be totally unacceptable when addressing other social groups; and older people can become conditioned to believe they are over the hill, and ready for the scrap heap. And they may even start to behave in a manner that self-fulfils this belief, I've experienced the condescension and patronising attitudes myself, I know the awful effect it can have. But I would say to any older person out there, that there are a multitude of reasons for staying in work; your health, memory, general fitness, self-esteem; as well as your bank balance.

But people have to be helped to recognise their own skills, their achievements and marketability, and this requires serious mentoring; someone has to take time out at a personal level. But whether the problem is drugs, teenage sexually transmitted diseases or age discrimination, the mentor has to be one who has been there and done it, someone who knows the pitfalls and how to avoid them, only such a person can provide the necessary support. In my experience even a well meaning person who has yet to reach 40 and never been unemployed, is unlikely to have the necessary qualifications.

As a solution I would return to the PRIME model again, because I've experienced it, and it's effective. If our government were really ambitious for older people, then they would have included a PRIME service as part of the LinkAge Plus pilots, these pilots are being run in about ten different regions in the UK, to establish the viability of one-stop shops for social services, the type of services that are going to be required by the increasing number of people that are being encouraged to stay in their own homes as they get older. These pilots would seem to me to be a wasted opportunity to develop a service that would have had real value to older people who can't get work. It was a chance for the government to be proactive by focusing on the promotion of individual wellbeing and independence, long before health and social care services might be required.

The British Government is well aware that age discrimination exists, and that it prevents thousands of older workers from gaining employment; it has passed laws to outlaw the practice. Why then does it provide no serious financial or practical support that would enable the over 50s who suffer the discrimination, to start their own enterprises. It makes no sense to me, but then neither does a 70 pence wage rise. Just to get some idea of the numbers we are talking about here; there are about 3.5 million people living within the city limits of Berlin, in Britain, there are nearly 4 million people, aged 50 to 65, who are not even earning an income. Imagine this city full of unemployed people, all over 50, and we start to get some perspective. And the situation is not going to get any better, as numbers increase it's going to get worse.

At the end of the day what I wanted as an unemployed older person was no different from a younger worker, I wanted a job, a reason for getting up in the morning, and to experience the feeling that I was worthwhile, and part of the human race. And that is the feeling I had when I started my little enterprise, but without the help of a charity I might never have made it. In the UK for a large number of older people that can't get jobs, because of discrimination, the choice is a stark one; they must start their own businesses, or rely on state handouts, perhaps for the rest of their lives.



Henri Lourdelle

European Trade Union Confederation (Brussels)

To start my speech, I would like to thank the organisers of this conference for giving the European Trade Union Confederation, which I represent, the possibility to talk about elderly people and specifically about their character as „producers“. Thank you for inviting us to comment on the presentations given during this workshop. Simultaneously, I would like to accentuate the fact that the European Trade Union Confederation and its professional and national organisations are particularly concerned with an issue that can be summarised as follows: how can the world of production and in particular the world of enterprises be arranged in such a way that doesn't imply an exclusion of the elderly? We are so deeply committed to that subject that after this conference has ended, I will be driving to Warsaw, in order to moderate a European seminar for unionists there. We will discuss our practices and exchange experiences in order to understand today's true challenges. Then by using what we have learned and also that which reflects the convictions of the European Trade Union Confederation, one can identify a set of conditions that must be met in order to enable elderly people to reach their potential as “producers” – which means people who produce – not just simply consumers or object of assistance-oriented products and services.



European Trade Union Confederation logo

Most of all, one has to acknowledge the contribution of elderly people. In opposition to all prejudices, (I will return to this point later), elderly people not only maintain their professional qualities in spite of their age, but they also collect a large amount of experience. Nevertheless, there are clear business strategies toward targeting the elderly as the first group to be laid off. By discharging elderly people instead of encouraging a transfer of knowledge and know-how, one threatens one's own productivity, (time spent in training new co-workers), and miss out on the benefits of investing in the development of elderly employees competences.

A further precondition to be met is encouraging elderly people to be self confident, for example, by asking them to mentor younger co-workers and also to aid in transferring the enterprise's culture to the next generation. This negates prejudices toward the elderly, like their supposed lack of productivity or the belief that it is more expensive to include them in programmes for advanced training.

In order to keep elderly people within the working environment, the concept of lifelong learning has to be developed. Accordingly, European social partners within the wage discussions have agreed on a “frame of action“ in order to encourage such a development. Indeed, it is very often too late to start training a person at the age of 50! One needs time to be able to develop professional and personal abilities.

Keeping Elderly Employees in the Employment Market Requires Conducting and Developing Negotiations between Social Partners, Particularly Regarding:

- | the conditions of employment;
- | health and safety in the working environment;
- | the fight and prevention of illnesses;
- | the fight against work-related stress (and European social partners have also reached an agreement on this point),
- | and in the organisation of working time.

On the other hand, the balance between family life and working life has to be increasingly facilitated, which is culturally conditioned to apply mainly to women. Childcare, but also care for the dependent elderly, have to be developed and the school hours must be reviewed, in order to relieve women from being forced into part-time work involuntarily. But possibilities also have to be designed to protect women from being excluded from the working environment altogether, after they temporarily leave it to raise children.

The hours of work also need to be reviewed and adjusted to the interest of the employees. The organisation of work today is still too restrictive and too heavily based on hierarchies. Due to that, employees don't have enough space for self-determination, can cope only partly with their work, and are not able to implement their work adequately. Therefore, they gradually lose interest in their work. It would be better if one could utilise one's abilities to the fullest and be rewarded for them.

Also the regulations for early retirement have to be reviewed. For some jobs (strenuous work) and within the process of redeployment, it will always be necessary to design possibilities for a pre-term drop out from work, which is called early retirement. But in fact, enterprises have used this instrument of social protection as an age management tool, which in fact allows them to get rid of elderly employees easily. It is therefore advisable, to return the system of early retirement to serve its original purpose. Because the elderly should not be regarded as an obstacle to the success of enterprises – which effectively turns the elderly into victims – but should be seen as positive investments.

Regarding the transition into retirement, that can only mean that employees must have the choice between:

- | their right to a pension for retirement at the legally set age, without penalty.
- | the right to retire later, according to their wishes, and adequate reward for this decision (for example, by the means of a bonus to their pension).

Accordingly, flexible retirement settlements have to be developed in order to prevent breaches between employee generations within the companies and to reinforce inner solidarity. The European Trade Union Confederation (ETUC) opposes the opinion of those who demand a raise of the legally set retirement age due to demographic change. Surely the ETUC knows that this should neither be ignored nor exaggerated but it underlines the fact that before being bound to longer labour times, employees must, first of all, have the possibility to work until the end of their working life, (which is the legally set retirement age). Because, on a European level, it is indeed the case that only about one third of the employees between 55 and 65 are able to continue their professional work!

As I have pointed out earlier, it also is very important to change working attitudes. Because of certain disinterest in work and the lack of self-determination, which grows out of the way work is organised, there is a general ambition within an entire generation to leave work as soon as possible. Society, as a whole, must endeavour to appreciate the work of the elderly. In conclusion I would like to pick up again on what we have just heard in five key points.

The Elderly Employees Turn Into Producers if:

- | they receive appreciation and recognition for what they do. This is, therefore, a question of attentiveness and of changing the societal and business mentalities;
- | they have the choice of giving up working life or carrying on with it;
- | the concept of lifelong learning succeeds;
- | the negotiations between the social partners are simultaneously developed, concerning the sense of responsibility of individuals in the realisation of flexible retirement age and the balance between family, personal and professional life, etc.
- | know-how and self-confidence receive a higher priority.

To summarise this in one sentence:

Work has to be adjusted to people, and not the other way around.

**Forum C:
The Elderly as Consumers (II) –
Innovative Services for an Ageing
Society**





Prof. Dr. Björn Bloching

Roland Berger Strategy Consultants (Munich/Hamburg)

My contribution deals with the question of the effect of an increasingly ageing population on the demand for goods and how it will specially affect the service markets, and the opportunities that are connected with this development.

How Will the Increasing Significance of Elderly People in Society Structurally Change the Demand for Goods and Services?

Already today, the 50+ population is responsible for nearly 50 per cent of consumer spending. With that, they are much more influential as consumers as is suggested by their minimal presence in advertisement. Households of 50 to 64 year olds have the highest comparable consumer budgets – in Germany this is, on average, 1,550 euro per household, per month, (not included spending on cars and apartments). On reaching retirement, household spending decreases by about 20 per cent, and there is a further 20 per cent decrease in private spending for the over 75 age group households. People of different ages consume differently. The over 75s, for example, spend as much on health care and services as the 20 to 49 year olds, but only half as much on transport and services.

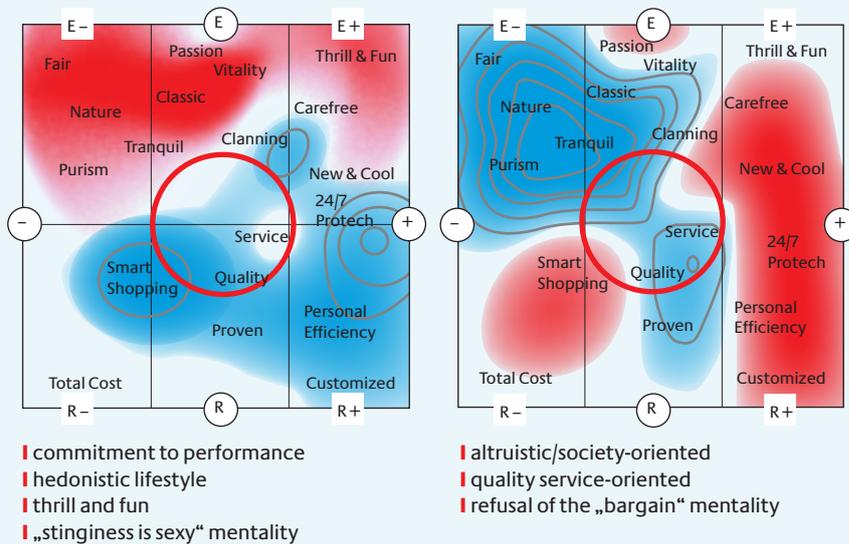
The study “Age as a Motor of Economy,” conducted by Roland Berger Strategy Consultants for the German Federal Ministry of Family Affairs, Senior Citizens, Women and Youth, used a multi variable analysis to project the effects of ageing on Germany’s consumption structure. Within a typical ideal system of demand, the most important determinants of change in consumer behavior were determined based on an income and consumption random sample from the Federal Statistical Office. A comprehensive number of factors were taken into consideration: consumer behaviour among the age groups was measured over time and for various household characteristics, (income, size, number of children and earning structures). As a result, it can be demonstrated that ageing and the respective changes in preferences lead to a significant change in demand. Therefore, ageing will have a significant impact on the goods and services markets. From this base of knowledge, the effects on national consumption structures in a macro-economic system can be deduced. Among others, the changes in income distribution, (due to political reforms, for example), and changes to the household compositions have been considered in their respective scenarios. The elderly are truly a motor of economy. While the age groups of the under 20s and the 20 to 49 year olds will lose around 6 per cent of their share of the macro-economic consumption – which is equivalent to a decrease of about 12.5 per cent – the share of the elderly will rise to 58 per cent. Specially those consumers over 65 years old will gain from this.

This will imply a change of “content”, specially within the two categories of care and health care, and travel and tourism. Due to demographic change alone, their share of spending will significantly increase until 2035. Keeping in mind that in addition to its effect on consumer demands, demographic development significantly affects the systems of social security and inter-generational income distribution. Health care, which has a share of overall consumption that amounted to around five per cent in 2003, to increase by up to about 40 per cent.

Travel and hotels, which together with the recreation category amounted to a share of 13 per cent of overall consumption, will gain about 10 per cent.

The Elderly Have Differing Needs and Consumption Structures

Needs – mapping 30-39 year olds vs. the 60+ age group – Basis RB-Profiler



Present Percentages Fit At 60+

- > 7% (very) good
- > 22% neutral
- > 71% (very) bad

Source: Roland Berger Power Study

This hypothesis is also supported by Roland Berger’s “Brand Power Study”, for which we interviewed more than 2,000 people living in Germany about their preferences. The answers were classified according to a system based upon 19 general indicators, which are important to consumer preferences, and which we identified through a random sample of 150,000 interviews that we conducted across 15 countries. These indicators are combined selectively, in order to make consumer behaviour a great deal more describable and predictable.

All in all, it can be said that the elderly have clear distinctions within their conservative consumer profile. They are in favour of values like altruism and criteria like good service and quality. At the same time, they show a low sensitivity to prices – which is interesting to entrepreneurs and which is shown in their strong rejection of values like “smart shopping” or “total cost.”

Many companies have yet to realise the importance of this important target group. Although this group will make up nearly 60 per cent of macro-economic consumption in the future, many entrepreneurs have not yet reacted to this with marketing strategies. Our “Brand-Fit” study shows, that only seven per cent of the investigated brands were well adjusted to the expectations and needs of this target group and that 71 per cent had bad or very bad brand fit matches.

What Demands are Specially Placed on the Service Industry?

The processes of enterprise adaptation are already hidden within the previously mentioned macro-economic projections. The increasing amount of professional events, publications and reports that led to an increasing boom in the area of the senior market during the last few years cannot be overlooked.

Now at quite an advanced stage, the senior market can no longer be reduced to denture cleaners, medicinal spirits and walkers. Many entrepreneurs have already reacted to the increasing life expectancy, and lifestyle changes and development of needs that come along with it. Seniors today tend to behave as the 40 year olds previously behaved: they are pleasure and service orientated, and they are ready to consume.

Much of what the now elderly dreamt of in their youth, they can afford today. Respective niche markets are already in place. Men realise their dreams of youth with motorised status symbols. A Harley Davidson – once the vehicle of angry young men – has become a means of transport common to distinguished older men. According to the latest studies, general beliefs that the elderly generation is not interested in new technologies have been a false prejudice. Many increasingly regard the Internet and other technological innovations as allies in ageing because they allow an independent lifestyle. The upcoming generation of seniors already uses those possibilities quite naturally, for instance online-shopping or conducting bank transactions from their homes; but also building contacts and keeping in touch with their families, friends and contemporaries, for instance via Internet forums and portals which specialise in networking or dating for seniors. Other sectors, too, have now adjusted to the needs of the elderly. There are special offers and agencies for “expert seniors”, and academies and universities for seniors are emerging.

From the service industry sector, I would like to single out two fields as examples: age-based housing and financial services.

In the field of age-based housing, integral concepts of housing in the sense of retirement communities are increasingly being developed. „Sun City“, in the U.S.A. surely is a precursor of that idea, but first approaches of such concepts of housing might be seen as well in southern France, Spain and Germany. Such concepts offer a wide range of services, such as services of safety and care taking, senior-based medical supply (among others 24/7-offers for first aid and the moving of sick persons), senior-based offers of spare time activities (among others sports, libraries, theme-evenings, communal rooms), if needed assistance with public administration or catering. Demand and purchasing power are there, and innovative services are accepted easily.

In the financial services field, banks and insurance companies increasingly offer products, which are specially designed for the needs of an elderly target group. Insurances offer services, which significantly surpass adjusted health or long term care insurances. Simultaneously, many entrepreneurs have started to train consultants to serve that specific customer group.

Which Opportunities Lie in the Senior Market?

Looking back on the activities of enterprises in different sectors, the following can be observed:

- So far the understanding of the needs structure of “golden agers” is not at all well developed. Specially in that there are only few attempts towards internal differentiation of the target group, although the group is anything but homogenous.
- Offers are only communicatively and partly adjusted “to the needs of the elderly”. However, there are a very few genuinely innovative ideas and good approaches in universal design, which have been accepted by the elderly.
- Brands address the target group only minimally.

The potentials of the senior market have not been exploited yet by all sectors and not by a majority of the enterprises. The already running experiments with specialised department stores and supermarkets for seniors can't hide the fact that there are possibilities of market development in retail trades – spanning from the size of changing rooms in the clothing stores, to the labelling of products and to adjusting the spaces between the racks in supermarkets. Thus retail trade through its selection of goods and its direct contact to customers has an important role to play in passing on the relevant information about the market and communicating senior consumer preferences for manufactures who stock consumer goods and packaging.

Unlike groundbreaking technological changes – for example the emergence of new electronic media, which in only a few years has led to a shift of paradigms in communication – in spare time behaviour, in consumption, in working processes and in the conduct of economical transactions, changes in the senior market, will develop more slowly. The pace of this “silent revolution” will be dominated by the increasing ageing of the population and its substantial effects. We are at the beginning of an accelerating process of development and innovation. Increasing trading volumes, positive returns of investment and a shift of relative prices will successively increase the intensity of concurrence on the senior market – and its pace of development.

In our macro model, we have demonstrated that ageing is not a risk for the path of macro-economic growth, but that, on the contrary, a strengthening of domestic demand can contribute to the increase of economic growth and employment. But that only counts if that process is supported by respective reforms. Those include the further increase of labour participation among elderly and women, household consolidations and investments in the enhancement of our ability for innovation.



Leo Novobilsky

Kur & Spa Hotels (Marienbad)

I come from Marienbad, the second largest spa in the Czech Republic which is famous historically also because Edward VII visited there nine times and Goethe fell in love there very late in life. First of all I would like to talk about the challenge the market poses and where we see our place. We are competing in a very mature market because Germany has over 350 spas, the Czech Republic over 45 and Europe as a whole has over 1,000 spas all competing for the segment share of the market.

Competing means implementing the highest standards, individual care and service and aiming at the four and five star segment. Your ultimate selling points (USP's) have to be promoted as do your natural resources, history, medical know-how and a safe environment. In addition innovation and creative ideas have to be pushed and use of the latest technology is a given. This can be attained by always being one step ahead of your competition, looking out for a new market niche, for new products and new ideas. As Hilton used to say it's about location, location, location today I would say it's about marketing, marketing, marketing because all of it is only possible today with a clear market focus. There is no alternative because the social and health systems in Europe are failing and they have to be pared down. A marketing cooperation with Sybillenbad in Germany was possible for this reason and was realised as a five year EU-project with a budget of over 700,000 euro. As it was a very successful project it was extended by a year because both sides benefitted. Sybillenbad is a small spa 25 kilometers by air from the Czech border. It is a new spa, has natural resources and is also a medical spa. Both spas profited from this project and this provides an example as to how countries and spas can work together to achieve higher goals.



EU cooperation project between Marienbad in the Czech Republic and Sybillenbad in Germany

I want to say a few things about the latest trends in the spa business in Europe and Marienbad. Clearly, what we see now is driven by a higher expectation on the visitors' part as they are paying customers and therefore more demanding. Furthermore, there is a demand that individual needs are catered for which may also lead to the customer individualising his or her stay at a spa with a travel agent. It seems that children introduce their parents to a spa experience and as the mother-daughter bond is a strong one, we see two generations coming to the spa at the same time. Spas are recommended by the younger generation to the older and vice versa. Local treatments using local resources is a major feature as is food going back to the basics. Another point worthy of mention is the use of the Internet allows for shorter booking.

In conclusion we think that the good spas in Europe have a chance of success if they maximise their USP's. European spas that perform well have a secure future, but only with a market focus. We believe the European Union and local governments should strongly promote European spas, for they are unique and as valuable as European history and culture. Health insurance companies should be encouraged to offer more spa stays to people of all ages to promote a longer and active life for as long as possible.

Our new active ageing project at the Danubious Hotels Group which is being launched now aims to enrich our guests' lives and broaden the health spa experience. This is based on several pillars: firstly a reasonable nutritional plan based on diet with fruit and vegetables, secondly an active lifestyle where people keep themselves busy, thirdly stress reduction and finally a safe environment.



Jan Slagter

Broadcast MAX (Zoetermeer)

I founded MAX in 2002. At that time, the Public Broadcasting System in the Netherlands was heavily influenced by the advertising world. Targeting people aged 20 to 49, believing that anyone over 50 had already determined their brands of choice and wasn't likely to change their behaviour. As if a person over 50 is still the same as 40 years ago. Advertisers and broadcasters alike also forgot that people over 50 were the fastest growing demographic group in the Netherlands. As we speak, almost one in three people in the Netherlands is 50 or older.

In September 2005, MAX had gathered the necessary 50,000 paying members and was approved by the Ministry of Culture and is now a recognised broadcaster within the Dutch Public Broadcasting System. This broadcasting system is a very complex one and unique in its kind. It is subdivided into 20 individual organisations, historically all representing a certain group in society, nine larger ones and 11 small ones. They represent various groups such as Christians, youth, Muslims and with the entrance of MAX, also people over 50. These 20 organisations together deliver content for three television channels, six radio stations and 20 digital television channels and of course websites.

In 2002 only few people within the Public Broadcasting System asked themselves some relevant questions. How do we incorporate the fact that society is changing with the growing number of over 50s into our strategy? And what do we know about the way elderly people are portrayed in the media? How can we incorporate the valuable life experience of people over 50 into our programming? What mechanisms of stereotyping play a role?

Did you know that young people base their views on elderly people mainly on what they see on television? And the problem is that the media portray a completely incorrect picture of these people. Therefore most young people see the elderly as people with canes and walking aids. The media, perhaps unwillingly, encourage the negative views on older people in our society. And guess what, most advertisers are young people. No wonder they don't want to change their target audiences.

How Do We Make Programmes for People over 50 and What Do We Absolutely Not Do?

One important aspect that differentiates MAX is in the way we produce content.

Research Shows that People over 50 are Mostly Annoyed by:

- | too flashy edits;
- | loud music, specially combined with voice-overs;
- | cursing;
- | too much sex;
- | too much violence;
- | People who don't hear each other out.

MAX has translated these key annoyances into criteria for production. Further the way in which people over 50 think has led us to determine some additional rules for production:

- | Portray older people as personalities, not as stereotypes.
- | People over 50 are, whenever realistic, portrayed as vital and interesting adults.
- | Avoid typical over 50 problems, but focus on the solutions.
- | People over 50 are shown in current settings with up to date beliefs.
- | Do not make cheap jokes about people over 50.

MAX has a few themes based on which we try to make programmes. I'll name you a few: health (no operations, but how to stay fit), finance and justice, spare time and vacation, family, art and culture, computers and the Internet, grandparents and grandchildren and nostalgia.

The main interests and beliefs of people over 50 are always the focus of our programming. Our starting point is the modern person over 50 and not the old-fashioned image of inactive and unproductive people.

MAX has been broadcasting for about one and a half years now. One of our great successes is our early evening talk show MAX & Catherine. This show is hosted by a well-known Dutch presenter who has just turned 60 and is comprised of various items: a main guest, short news items, fashion makeovers, auto tests, music and a debate about a typical over 50s subject. Around 700,000 people tune in every day. With market shares between 15 and 20 per cent and more than 90 per cent of viewers over 50 this programme has become the MAX flagship.

Last September the Public Broadcasting System in the Netherlands also launched an over 50 radio station, Radio 5. MAX goes on air three hours a day on this station and we play music from the 40s, 50s and 60s. The audience has given this station the highest ratings ever.

When MAX started in September 2005, we had about 62,000 members and now, after one and a half years, we have 100,000 members. With that, we are the fastest growing public broadcaster in the Netherlands. In December 2008, we aim to have over 150,000 members, which means that we will be granted a higher status in the Dutch Public Broadcasting System, giving us more airtime.

MAX is also very active on the Internet. Our site welcomes more than 100,000 visitors a month. Recently we have launched MAX Meeting Point, an online database where our audience can register to find a companion to go out with or share a hobby with. More than 20,000 people have registered so far and it is considered the largest over 50 online community in the Netherlands. We are proud of this success.

MAX is more than a broadcaster. We want to host a full community service for people over 50. For example we organise Atlantic cruises together with the largest magazine aimed at the over 50s in the Netherlands, in December we host the 4th MAX Proms, a musical event with more than 21,000 people, and on the coming Sunday we expect almost 4,000 guests at our annual members' day.

People over 50 are a Very Interesting Target Audience

People over 50 spend two-thirds of all money spent in the travel industry representing around 2.1 billion euro in the Netherlands alone. People over 50 buy half the cars in Holland. PLUS magazine, the largest magazine for this demographic group in the Netherlands has 300,000 subscribers and is the largest monthly magazine in our country. Only five years ago, all the ads in PLUS magazine advertised special needs products such as walking aids, special mattresses and products for people with medical needs. Now, all big advertisers are on board to advertise. One more example: the over 50s fair attracts more than 100,000 people a year and can now count car brands, banks and travel organisations as their returning stand holders. More and more advertisers are discovering this wonderful group of people. Perhaps marketing managers are also getting a little older.

Europe is on the brink of a huge demographic change. A change that should not be considered a threat or a problem. Governments have a large responsibility to act on this in a positive manner and incorporate it into their policies. Marketing managers have to start taking older people seriously. It is essential that both government and large companies develop a long term vision on this change in society. I call on you, from this day on, not to see the issues that come with the changing demographics as a problem, but to consider them an opportunity.

Juan Carlos Guzmán

Europ Assistance Group España (Madrid)



It is a great pleasure for me to share with you my experience in the branches of elderly service, which I was able to attain with Europ Assistance.

The statement, which I will present to you, is based on the different professional services that we offer the elderly. After many working years, the companies, which I represent, launched a wide range of services to simplify the lives of senior citizens. To get a complete vision of our philosophy, we will quickly analyse the characteristics of the ageing societies of contemporary Europe.

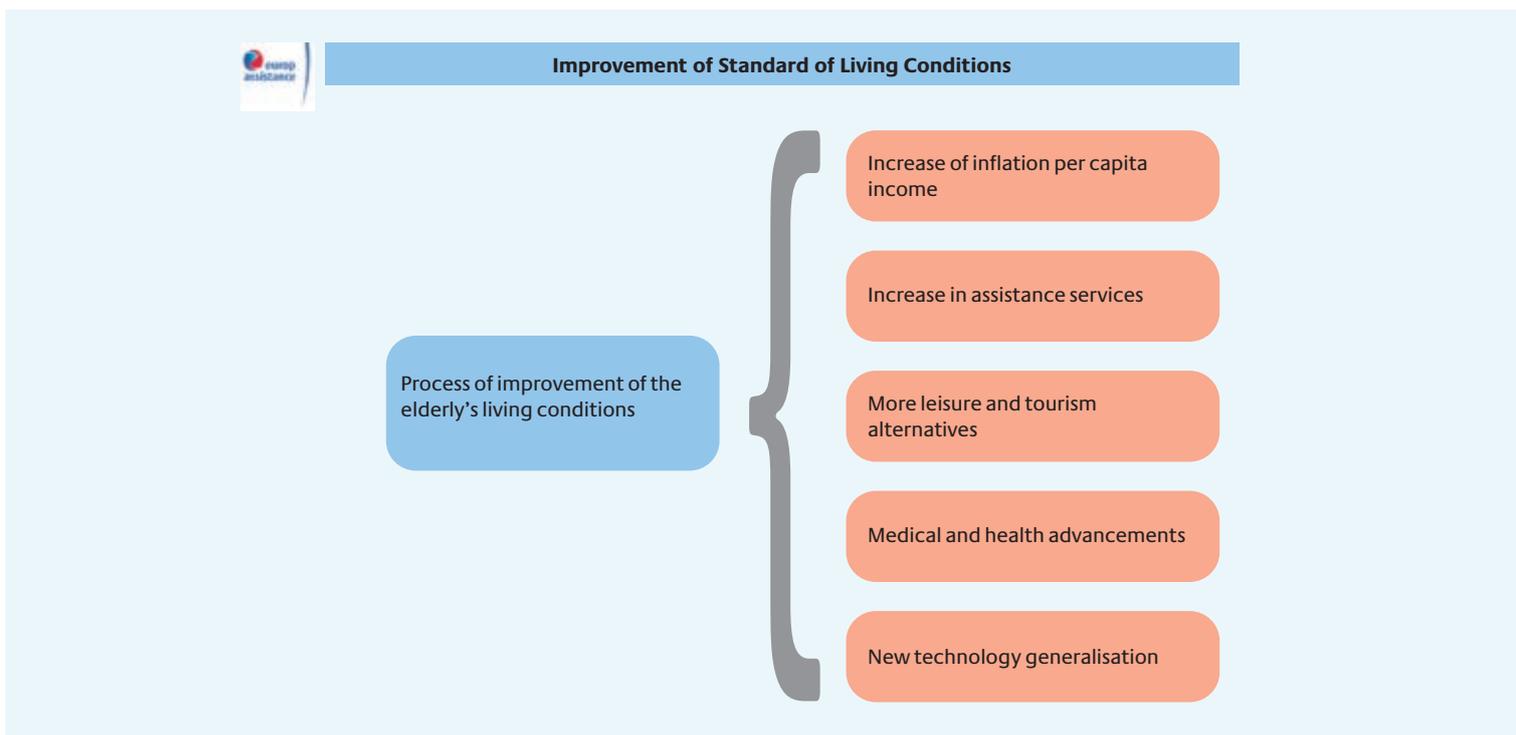
At the moment, elderly people represent the fastest increasing European population group. Within the next 10 years and for the first time, the five strongest economic powers in Europe will have population majorities of 40 years old and older.

The number of people over 50 will considerably rise while the percentage of the population between 20 and 40 years old will sink. In the long run, this development will accelerate, and by 2050, the population of the working age will be a mere fifth of what it is today. The percentage rates of people over 50 will amount to 41.5 per cent in Europe and 35 per cent in the United States by 2020.

Life expectancy is rising, and in Spain it stands at 75.6 years for men and 82.9 for women. This is the highest in all of Europe.

This doesn't all mean that these demographic change messages are bad news or that they have effects on all areas of the economy. But, it is obvious that they carry changes, new rules, and totally new challenges with them.

Within the family, it was traditionally the women who ensured that the sick, the children and the elderly were taken care of. But this "informal" support has experienced changes in light of the changes in family structures. The disappearing large family, which made resources and help available to all its members, has been converted into reduced, core families: couples, single parents and singles. The new definition of the family profile as an institution is seen in high divorce rates and multiple marriages and divorces. The rising geographic mobility of single family members further removes them from one another and weakens the network of family solidarity. And, above all, the deeply pervasive changes to the social position of the woman have affected her role within the family.



One may, on no account, forget the steady improvement of senior citizens' life quality. In the last ten years, the changes in Spain were rapid and significant, and they show the following elements:

- | an increase in gross domestic product and per family income,
- | more nursing care;
- | more alternatives for recreation and tourism;
- | progress in the areas of medicine and health;
- | a general access to new technologies: Internet, mobile phones, automated systems;
- | an increased number of residences (primary residences and second homes).

In terms of residence, on the Spanish coast, 3.8 million second homes have been built. 1.7 million belong to foreigners, of which 52 per cent are British, 22 per cent are German, eight per cent are French, three per cent are Belgian, three per cent are from northern countries, and six per cent are Italians.

For tax purposes, most owners are not registered, and they leave Spain during the summer months of July and August in order to rent their homes to friends or acquaintances. They have difficulties with the Spanish language and form relationships to their countrymen via clubs. They are mainly couples with access to high incomes.

Their motivations to live near the Spanish coast are mainly the lifestyle and the climate, the open attitude of the Spanish people and the high quality of medical facilities. In the past six years, immigration has considerably accelerated. The numbers of immigrants from South America, the former East Bloc and African countries have risen from 1 million to 4.8 million. These immigrants represent an affordable and available labour force. As the South Americans have similar characteristics, (language, culture, religion, respect for

elders), they are on the same wavelength when dealing with elderly people. Therefore, immigration is the largest factor for the economic increase in the service sector of individual provinces, especially in Catalonia, Valencia, and Madrid.

In this context, new technologies allow us to tackle changes in our daily lives. The expedience of mobile phones, computers, the Internet, digital photography, the further development of 24-hour emergency services and digital television allow us – in every moment – to choose according to our wishes. They are also important methods of developing services, which address the needs of elderly people.

Through these methods, the Europ Assistance Group would like to find a solution to their needs. One of our campaigns succeeded with the help of the Generali Group, a forerunner of the Care Concept 1963, which has served 57 million worldwide customer wishes, (in 208 countries), since then. With the help of a powerful network, 400,000 chosen and tested service providers remain available to offer the best customer service expected.

In the past years the situation has become apparent to Europ Assistance Spain that it is necessary to react to the needs of foreign societies living in our coastal regions in search of a higher quality of life. This was also the point at which “Club Azul” was founded –, with a service concept tailored to the needs of the elderly, whoever they might be, and when the figure of “I’ami azul” was created.

One should differentiate between third and fourth age groups. The needs can be very different. The first case, (60 to 75), involves people who have a lot of free time and who want to simply enjoy life, with total security and without risk. It is a group that would like to have access to information, are critical and without economic worries.

The solution for integrative services, like at-home care, health information, travel assistance for people as well as for automobiles or luggage, recreation, daily services like drivers, barbers and veterinarians are in high demand.

When one has reached the fourth age group, (75 and older), nursing care service needs become more important, and care services have to be more specific and professional. Then the demands for 24-hour emergency services and for elderly residences are highest, mainly from the children of these elderly who don’t have the time to directly care for them themselves.

It is our consultants and our company professionals who can bring special support closer to elderly people, in the form of advice, direct accompaniment, organisation of resources, supervision and moral support.

We can differentiate the sectors like this:

- | The health department provides immediate access to medical progress, to physical and psychological maintenance programmes, and to alternative medicine methods like acupuncture, homoeopathy, etc.
- | The technology department mainly deals with training and consultation of those who are integrated within the functions of their new homes and their day-to-day-lives. 24-hour emergency service is one of the most important of these.
- | The administrative department includes all services dealing with taxes, legal issues and financial advice.

This development is only the beginning of a series of services that will improve and aid the elderly generation and hold them in the highest regard.



New Services for the Elderly

Health

- | Immediate access to medical progress
- | Alternative medicine (Homoeopathy, Acupuncture, etc.)
- | Physical and psychological maintenance programmes

Technology

- | Technical advice for new technologies
- | Training in the use of domestic technologies
- | Advanced domotics (domestics of the use of robotics)

Management

- | Administrative management
- | Economic and legal management of wealth
- | Financial advice (inverse mortgages, pensions)

Walter Link

Lobby for the Elderly – BAGSO (Bonn)

I was very pessimistic at the turn of the century. But at the moment, I am quite optimistic that we can master the problem of demographic change not only in Germany, but all of Europe. Why was I pessimistic? I spent many years as a member of the German Bundestag, the Lower House of Parliament. In the early nineties I managed the Senior Committee of the Parliament and later led the Enquiry Commission on Demographic Change for eight years. In the Enquiry Commission, we worked together with experts and thoroughly analysed the situation. The Commission presented two intermittent reports and one final report to the German Bundestag. The reports included suggestions for action, three quarters of which were developed with the help of the various Bundestag factions. The most important dealt with questions about the economy and the work force, the social security system, retirement, health, nursing care insurance and unemployment insurance. Issues concerning the family and their social background, like migration and integration were also addressed. Working with these themes intensively made it clear to me that demographic change poses great challenges.

Today – and specially since becoming the Chairman of BAGSO – I am more and more optimistic because I see the huge amount of work many organisations – not only BAGSO and our 95 organisations and 12 million members – have accomplished over the last few years.

Representing the interests of elderly needs is one of our association's main concerns. This deals not only with consumer protection, but also with the dialogue between senior citizens and the economy. Both sides profit from products that meet users' needs and from services that fit the requirements of the consumer. For the elderly generation, there is more emphasis on quality of life and of maintaining independence. For the companies, this poses interesting opportunities for new markets and profits. We would like to use this win-win situation.



What Does BAGSO Do?

Our activities include regularly questioning senior citizens on themes of housing, travel or more current topics like supermarket shopping.

Important knowledge is gained from these surveys. According to our most recent survey, 97 per cent of Germany's elderly citizens wish to continue living within the privacy of their own four walls as long as possible. A very important area of the senior economy addresses this fact. Homes must be designed to suit their residents' ageing needs. A central key phrase for housing in old age is, therefore, the elimination of barriers. Additionally, we need the widest variety of services for such housing. In light of this, I am pleased that we have successfully draw attention to demographic change not only in state federations but also at the local level, as communities play an specially important role.

My second example touches on the theme of travel. In Germany, people over 60 years old account for 30 per cent of all vacation travel. In many European countries, or at least West European countries, the numbers look the same. This is also a very important area of the senior economy. Let's pay close attention to the trend of health and wellness travel here. And, furthermore, to the fact that two thirds of those asked could imagine taking their wellness vacations in the traditional health spa regions of our neighbouring eastern countries. This looks particularly good for your Marienbad facilities, Mr. Novobilsky!

The third theme that I mentioned – supermarket shopping – has to do with the example of wide enough aisles between shelves, enabling purchases to be packed slowly and comfortably and with seating possibilities. The elderly generation is more negatively affected by such hindrances and problems. But appropriate improvements can serve all generations well in the long run.

What Else Does BAGSO Do?

The multifaceted spectrum of BAGSO activities is best clarified through further examples. We try to utilise the potential which comes from the heightened awarness associated with the older generation. So, with the help of volunteer customers from over 1,000 pharmacies, we have tested locations with regard to accessibility, the facilities and the quality of their consultation and service. We could award the BAGSO Consumer Recommendation over 700 times. But many pharmacies must upgrade in order to reach the quality demands that we have set. According to our studies, the elderly generation is clearly less price-oriented, which makes them specially valuable customers.

Next, let's examine banks and the saving banks. It is common knowledge how difficult getting a loan can be and that some obstacles apply to senior citizens particularly. The same applies to insurance, which is not exactly open to older clientele who may want to take advantage of their offers.

Additionally, we support the elderly's access to computers and the Internet as well as to services surrounding new media. We are working together with the Deutsche Bahn and the public transport system in the Rhein/Ruhr Region on the theme of mobility in old age. We also cooperate with the electronics branch in order to create things in the interests of senior citizens. This all means that our work leads to concrete improvements.

Within the framework of this congress, we can draw comparisons between BAGSO and the American Seniors Organisation, AARP. The AARP has 38 million members, and due to this fact alone, their working methods and experience cannot be directly transferred to the European situation. Nevertheless, we should maintain a dialogue, not only within Europe, but also across borders, in order to approach and solve the problems together. In its various facets, demographic change plays a worldwide role. Slogans like "Grey Society" or "Pensionerville" by no means allow us to tackle the challenges posed.

**Forum D:
The Elderly as Producers (II) –
Partners in Business**



Dr. Johannes Meier

Bertelsmann Foundation (Gütersloh)

Elderly people, 67 and older, as productive partners in the economy is an unusual topic for me. Before working for the foundation, I managed an information technology company with 4,000 employees. The average age of the employee was about 30 and hardly any of them were older than 50. The older people may be featured as well-off consumers in a company's statistics, but not as business partners in industry. The question of whether elderly people are seen as such can be, thus, clearly negated. It would be a cynical perspective, and my impromptu lecture, would come quickly to an end. Instead, I would like to present a counter position consisting of ten hypotheses. The first three will describe the present-day situation (hypotheses 1–3). Then I would like to point out three complications faced when coming up with solutions (hypotheses 4–6). Finally, I would like to present three solutions (hypotheses 7–9). The last and tenth hypothesis serves as a conclusion and evaluation.



The Present-Day Situation

1. I am convinced that a successful economy and social cohesion go hand in hand. Without social coherence, industry has to pay added costs in the form of strikes, unrest and insecurity. At the same time, however, only a successful economy and continuous productivity growth create the means to finance the wish for, which dominates in Europe, and the effective social security systems.
2. Our idea of biography, consisting of three stages, namely education, profession and (early) retirement, no longer meets the requirements of modern industry. A number of studies – as well as this conference have referred to the rapid progression of knowledge, the increasing demand of flexibility in various dimensions and new and changing profession profiles.
3. As a consequence of the demographic change, Germany will have to deal with a significant scarcity of key qualifications in the next 10 to 20 years. A lot of qualified and well-trained baby boomers will retire in the next 20 years, leaving large professional gaps in the job market. Even today Germany has a shortage of 20,000 engineers.

Difficulties

4. A lot of the incentive systems today are only focused on gainful employment and monetary privileges so that they could be called reductive. What cannot be evaluated in economic terms seems to be without value. But where is the quest for meaning explicitly mentioned? In other and more direct words: on what are the “ethics of a happy life” (Kant) based? If you start reflecting about these questions only after retirement, answering them will be difficult. Although, according to statistics, you will still have 25 years time to ponder. A satisfying life has to embrace the complete lifetime. I think it is very significant – and the new political economy has already acknowledged that it is not always about “self-interest” but also about “interest in the self.”

5. Our antiquated image of age is being reduced and reconsidered. Still, we have a lot of negative connotations for the term “old”, despite modern neurological research showing that the brain still maintains an amazing plasticity in the older years. Therefore, physical and sensorial constraints should not be associated with mental constraints.
6. The quota of further education and training amongst elderly people is insufficient. Specially in Germany, lifelong learning offers for elderly people are underdeveloped, as are the demands for such programmes.

Solutions

7. Elderly people have to make a big contribution to the coherence of society. This concerns financial transfer between the generations, specially from the older to the younger ones. In the context of social cohesion, abolishing inheritance tax would be not acceptable from my point of view. But we also have to take into account that in an intergenerational relationship financial transfers from the older to the younger already take place before death. Then you have to add the indirect support of the grandparents, (including the volunteer work as substitute grandparents), in the fields of childcare and education as well as the elderly taking care of the chronically ill. The social activities with which elderly people in the neighbourhood are involved in every day life are specially remarkable. Through the Bertelsmann Foundation projects, we often see that a high degree of mutual help and solidarity between the generations develops in suitable surroundings, for example well-organised neighbourhoods and residences.
8. The groundwork for the elderly to keep active in an individually and collectively meaningful way must be laid during the pre-retirement employment phase. An active society is the ideal. More flexible transitions serve the individual and the economy, even if they have been scarcely realised thus far. For this reason, voluntary social engagement studies are extremely interesting. They point to the connections between activity levels in the job phase and during retirement. The frightening picture, which we can draw from the inverted conclusion, is that those who had successful professional careers will remain active afterwards. One of the most important questions we have to ask concerning this solution is: how can we start at an early stage to build several different pillars within a differentiated society where, due to the employment situation, hardly anyone spends his whole life in the same community and where the ties to church and labour unions have become weaker and weaker? I think we need new ties and new pillars so that the activity of earlier years can also be maintained after retirement.
9. Elderly people with key qualifications will be sought after in 20 years. The significance of senior experts for the industry will certainly increase, but they also need to be prepared for their new roles. A manager who ran a company will not be automatically successful in the non-profit sector. The respective systems of incentives and references are fundamentally different, as well as the types of management each system depends upon. Therefore, the transfer from one system to another requires awareness. The central question with regard to a predictable lack of key qualifications is the following: how will we manage to make the legal and social framework so flexible that – in practice – one will be able to freely choose his age of retirement? Can we live with the advantages and disadvantages necessarily connected to higher flexibility? In 2007 the Bertelsmann Foundation awarded the “Active Ageing” prize to Finland for its impressive “governance” of the changes to the image of ageing and to the social security systems. Finland’s example

showed that society will agree to such reforms, as long as the human fears aroused by them are addressed at an early stage.

Conclusion

10. I think we would be lying to ourselves if we tried to position elderly people over 67 as direct producers in a strict economic sense or as partners in business. This only applies to a very small group of people with key qualifications. It is the greater contribution of elderly people working indirectly and thus helping to stabilise society, which should not be underestimated in value. We have to quantify this value so that it will be noticed. Specially for the industry – which relies on societal cohesion – elderly people mean added value, which has to be paid tribute to.



Dr. Franz Schoser

Senior Experte Service (Bonn)

I would like to introduce the Senior Expert Service (SES) to you and, additionally, to provide an example of how senior citizens organise themselves in order to make use of their experience – based on the slogan “Future needs Experience” –, after having retired from their professional lives. The slogan “making use of knowledge gained in the past for the future” is most certainly not accepted everywhere, and it is completely correct that each generation has to learn from their own experience. Listening to elderly people from time to time is a question of intelligence and consideration.

The SES was launched in 1983. In 1986 the four founders set up the non-profit organisation SES-GmbH, (SES Ltd.). Today it is backed by the Foundation of German Industry for International Cooperation, which was established in 2003.

The Founders are:

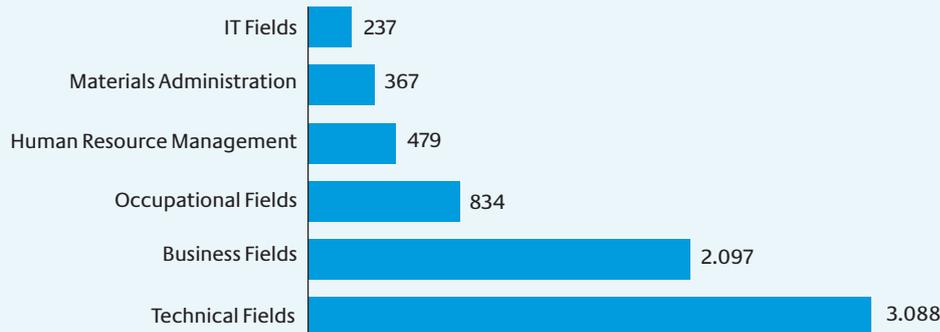
- BDA** Bundesvereinigung der Deutschen Arbeitgeberverbände
(the Federal Confederation of German Employers' Associations, Berlin)
- BDI** Bundesverband der Deutschen Industrie
(the Federal Association of German Industry, Berlin)
- DIHK** Deutscher Industrie- und Handelskammertag,
(the Association of German Chambers of Industry and Commerce, Berlin)
- ZDH** Zentralverband des Deutschen Handwerks
(the German Confederation of Skilled Crafts, Berlin)

129 people work at the headquarters in Bonn. 75 of them are volunteers, which is very noteworthy. In my opinion, we can never overestimate the cooperation between these two groups – since we cannot take for granted that someone who had a responsible position within a company for a long time, now fits with a team consisting of full-time professionals and volunteers. And it works out well, since all of them are enthusiastic about the aim of lending support as elderly people and aiding projects, above all in the developing countries. From the beginning, the BMZ (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung – the Federal Ministry for Economic Cooperation and Development) has been an important partner. At the moment, we have about 5 million euro from the budget for development cooperation at our disposal for activities abroad.

Back to the organisation: we have 14 offices in Germany, which do marketing, establish contacts and keep in touch with the elderly volunteers. And we have about 102 voluntary representatives in 62 countries.

Which qualifications do the senior experts bring with them? Engineers make up the largest group of the 7,200 senior experts. They are followed by business and educationalists. The latter is very important, as abroad we are often asked, “Where can we learn from you?” This is not always a meticulously planned education and training as in Germany, but rather a “learning on the job” experience. Other professional areas are human resources, materials management and the IT area is growing.

Senior Expert's Expertise 2007



How has the potential of senior citizens been developing? We started with 800 senior citizens and 83 operations in 1983, now we have about 7,200 senior citizens and 1,480 operations a year. Where do the senior experts come from? They are motivated by personal contacts. Specially in this area, people you trust play a very important part. You can see who has done what through exchanges and regional meetings. We have a very active information system, also supported by publications. Public relations make up the second source. As soon as the media mentions examples, we get a feedback from volunteers and interested people.

We check very carefully, who joins us, and we also take a close look at the foreign experience of each candidate, so that he might be sent to the country he already knows. Where exactly do the operations take place? Asia has the biggest percentage, followed by Europe, specially eastern and south-eastern Europe, then Latin-America. Operations in Africa also make up a growing percentage, with all the connected problems of adapting oneself to the respective country, and finding people you trust there, but we are making progress. A small proportion of the operations take place on a national level. Why only such a small amount? Numerous organisations that support similar projects exist within Germany and we do not want to compete with them, the focus of our work is in other countries. We increasingly respond to small and medium-sized companies, which would like to have an expert at their side.

The senior experts are mainly employed in the industry as shown in the diagram above. It is followed by supporting activities in the infrastructure. Requests in the educational area are gaining significance and are in strong demand. Crafts and agriculture follow. The demand in the service industry in the widest sense is new.

We do not only register but also check the contents and sustainability of the operations. The documentation of the results shows that training is the most significant aspect (65 per cent), followed by the necessity to make the work processes more effective (50 per cent). Then we have products and processes which were newly introduced (47 per cent). The competitiveness was improved (25 per cent), jobs were secured (22 per cent) and environmentally friendly processes introduced (25 per cent): These are only the main focuses, the spectrum is much wider.

The SES slogan apart from its goals and its strategy – is “assisting self-help”.

It is about helping people in other countries to solve their problems themselves. This, however, also requires a certain humbleness on the part of the senior experts. They cannot go somewhere and claim to know everything better. In spite of all their knowledge and capacities they have to be ready to transmit their knowledge to the people and convince them to apply this knowledge to certain situations. Training is a very important element. They see what can be achieved, namely stimulating economic development, specially through small and medium-sized companies, strengthening company marketing positions, so that they acquire a stable position and thus support the overall economic development through a higher level of productivity and efficiency. This demands a lot of idealism. This is the only way to act and the way the SES has developed. And I am sure that it is the only way the SES will have a future.

Heidi Evers

Vilans (Utrecht)

In this speech I would like to share the experiences of my organisation in inviting older people to cooperate on a voluntary basis in usability tests or comparative product research in order to help enhance usability of products, public areas and services.

At this congress, a lot of information I wanted to draw your attention to about the advantages of the “Design for All” strategy have already been expressed. I am happy about that fact, because it means there is a widespread consciousness of the importance of Design for All. So in my speech I will try to focus more on the experiences we have in usability research with older people.

First I would like to introduce our organisation: Vilans is a Dutch non-profit organisation. Our slogan is: “knowledge that works in the care sector”. Vilans develops and distributes practical and useful information and knowledge for professionals and clients in the care sector that:

- ! equips professionals to meet the demands of their clients;
- ! equips clients to find suitable services that match their situation and needs.

We aim for a better quality of life for the elderly, the physically and mentally challenged or the terminally ill, so that they with their limitations are able to participate fully within the community.

I work in a section of Vilans that focuses on technology in care, living and working. One of our tasks is developing unbiased information about assistive technology. This can, for example, give information about availability, functionality and user-friendliness. To collect information about user-friendliness we conduct usability tests and also do comparative product research. Besides, we try to stimulate “Design for All” in the field of consumer products, public areas and services.

Design for All

Design for All means that at every step in the designing process of a product, public area or a service, the designer tries not to exclude groups of people with special needs. That is why Design for All is also sometimes referred to as “inclusive design”. The idea is that people with a handicap are less handicapped if more facilities are “Designed for All”.





Counters should be accessible for every person

This picture shows a bad example. The person in the wheelchair cannot properly communicate with the person behind the counter. A simple solution, for example by lowering a section of the counter, would have made it accessible for the person in the wheelchair as well.

Following the Design for All strategy, older people can be an important ergonomic point of reference for many design parameters. Mr Nayak, from the United Kingdom once said: “Design for the young and you exclude the old. Design for the old and you include the young.”



Products should be easy to open for elder people

This picture illustrates yet another problem. This bottle contains a hazardous liquid and is therefore made childproof. The designer made it very difficult for young children to open and thus excluded younger people from using the product. Unfortunately the designer forgot to include older people! For many older people the bottle is also impossible to open.

Older People as an Ergonomic Point of Reference

For many reasons, older people can and sometimes should be used as an ergonomic point of reference. Here are some examples of reduced abilities that are common to older people. However it should be emphasised that there are great differences in abilities between individuals.

- | reduced sight (reading glasses, cataract, colour contrasts, sight in darkness);
- | reduced hearing (high tones);
- | shrinking body length;
- | reduced strength, mobility and joint flexibility;
- | slower reading, acting, reacting;
- | slower learning and imprinting (repetition);
- | less familiar with modern products (ICT).

And the way of learning differs from younger people.

The Economics of Design for All

At this conference many have already emphasised that besides the social effects, there is important economic advantage in including older people. As there are a growing number of older people, including them means enlarging the group of potential customers. In addition, this group is economically stronger than before and has more time for leisure!

Methods of Involving Older People in the Design Process

There are different ways of including older people in the design process. A few examples are using ergonomic data concerning older people and using knowledge on product experiencing,

stigma and product acceptance by older people. In the design process this is valuable information, but it still is very difficult to predict the context and the way in which older people might use the specific new product. That is why in many cases it is very interesting to survey needs, demands and usability problems concerning the product with the older users themselves. This can be done in many ways, but two important tools are a panel discussion or a product evaluation in a usability test. Both methods are easy to carry out, and provide a lot of important information. Not least because older people have a great ability to communicate the advantages and usability problems they experience.

Panel Discussion

Inviting five to eight people for a panel discussion is sufficient and that makes it quite easy to arrange. During the discussion experiences with existing products can be “discovered”, but also for new products in an early design stage, a lot of information can be collected about the context and the way in which the (new) product will be used. Older people who contribute to these sessions like doing so, because it gives them a chance to assist in product enhancement and it provides them with a way to express their dissatisfaction with products. Besides this, participating is seen as a pleasant social activity!

In a panel session useful information is collected, but it has to be noted that it only provides information on what people say, not about what they actually do or about problems that are not obvious because people find a way to compensate for reduced abilities or malfunctioning product elements. A nice example is that of an older lady while testing a DECT telephone with me some time ago. She was doing very well in the test and afterwards I asked her some questions about the product. Concerning the menu structure she said: “Well for me it is all right, but for older people it is definitely too difficult.” I looked at her then and asked how old she was and she said “86” and then she started to laugh loudly, because she realised that she belonged to the group of very old DECT telephones users herself. In a usability test you discover what actually happens when the test person is using the product. In this case, although she said the menu structure would be difficult for older people to use, the lady herself didn’t have any problems with it.

Usability Test

Inviting six to seven people from the focus group for a usability test serves its purpose. A usability test is usually conducted on an existing product or a realistic prototype. Though a bit more time consuming than a panel discussion, a usability test is a relatively quick way to collect a lot of information. For the older people who participate it is a pleasant activity and a chance to learn about (new) products.

In a usability test further insight about the interaction and usability problems of the tested product is gained. Critical properties can be indicated, for example, product elements that cause problems in understanding, reading, hearing or handling. Besides information about problems, a usability test can also provide important clues for redesigning the product.



Usability test for a telephone by an older person

Another example about different test methods is a test with older people that we conducted lately on a new payment system for public transport in the Netherlands. For this test we had a panel session and carried out a usability test. In the panel discussion a lot of questions came up about how the payment system works and how costs can be verified and whether there would be enough loading points for the chip card. In the usability test, these questions didn't emerge so clearly, because people had to focus on the practical problems they faced in actual use of the system, like buying and loading a card and checking in and out for the journey.

Result

To summarise, I would like to emphasise that there is a lot of useful information that older people can provide in the process of enhancing usability of products, public areas and services. This information can be utilised in order to make the products suitable for use and bought by a larger group of potential customers. It very importantly, of course, improves not only profits of the manufacturing companies and service providers, but also improves the wellbeing of the large group of older people as well, specially if the products are user-friendly and designed for all.

Besides testing for product improvement from the perspective of Design for All, Vilans conducts usability tests on products for people with special needs. For people with disabilities who depend on an assistive device it is very important that the device they use meets their needs, is suitable to their circumstance and supports the activities they wish to carry out. For assistive devices Vilans indicates important usability aspects together with the user group and we try to indicate the differences between products for different needs.

Comparative usability research provides us with this information and using this we try to create transparency and provide insight into specific functionalities, qualities and aspects of usability for assistive devices and products.

The information can be presented for example in the form of a product label or a factsheet.

For example, some wheeled walkers are of more use if you need a heavy vehicle that provides a lot of support, but for other people who have only slightly reduced mobility, it might be much more interesting to have a wheeled walker that is light weight and easy to transport in a car. On the product label we have developed for wheeled walkers, the so called LuQy Label (Label for Usage Quality), these different levels of usability are indicated by a score on a scale of one to three dots. This makes it possible to compare products.

Gianni Pavese

Italian Business Angels Network (Turin)

Business Angels: The Role of the Elderly in the New Economy

Elderly and New Economy at first sight may sound contradictory, but if we look at the role of Business Angels we will discover how well they support each other. Some people look at Business Angels just as pure investors, others understand the role of Business Angels as a kind of coach or consultant. In fact Business Angels are both plus something more. A Business Angel is normally an experienced entrepreneur or a senior executive who provides capital, know-how and relations for a business start-up in exchange for equity. The person invests his or her own money and time to support young entrepreneurs to start and develop a new business and helps convert ideas to business. Other usual sources of funds, such as bank financing are usually not available for most early stage ventures. Friends and families rarely provide major amounts of money. Venture capital funds, due to high fixed costs, rarely consider deals under one million euro.



Business Angel Capital Fills the Gap

Due to the high risk involved in a start-up, the investments are focused on the New Economy in fields with high growth potential, such as IT, multimedia and high tech. In order to increase the business value, the Business Angel does not bring just funds to the new companies: an “intelligent capital” is delivered. What do I mean by “intelligent capital”? I mean the wealth of know-how, management experience and relations accumulated in the business field. This is the reason why Business Angels are mostly people between 45 and 65 years old. It is very important that Business Angels do not act just as individuals but as a group, or syndicate of experienced investors not only to share the investment risk, but specially to cover different fields of knowledge and geographical areas. In my 15 years of experience as a Business Angel investor in Italy, Germany, Spain, the US and Canada, I always had knowledgeable local support who helped the new entrepreneurs to become mature ones. To achieve this goal the role of local networks such as IBAN, Italian Business Angels Network, which today I represent, has been of value.

The international interest in Business Angels investment is growing. To understand their impact on the economy let us look at some numbers. First of all it is important to note that due to the informal nature of this activity the following numbers may be approximate.

According to the Centre for Venture Research, there were 225,000 active Business Angel investors in the US in 2005. From the late 80s, Business Angels started to pool together and form informal groups with the goal of sharing deal flow and due diligence work, and pooling their funds to make larger investments.

Business Angel groups are generally local organisations made up of 10 to 150 accredited investors interested in early stage investing.

In 1996 there were about 10 Business Angel groups in the US, as of 2005 there are over 200.

In 2004, according to the Centre for Venture Research, 18.5 per cent of deals that got through early screening by Business Angels and were presented to investors attracted funding, up significantly from 10 per cent in 2003, which is about the historical average. But since this figure discounts the substantial initial screening, the percentage of all companies seeking Business Angel financing that actually receive funding is closer to 0.5 to 1 per cent (but still higher than the 0.2 to 0.25 per cent of applicants who receive funding from venture capitalists).

Approximately 45,000 US companies received Business Angel funding in 2004, and on average, each raised about 469,000 dollars. The lion's share went to the New Economy. In 2005 in the US, 227,000 Business Angels financed 49,500 venture projects with a global investment of 23.1 billion dollars. The figure is even higher than the global investment of Venture Capital Funds which financed 3,008 companies for a total of 22.1 billion dollars. Business Angels have traditionally been the largest source of seed and start-up stage capital in the US and Business Angels continue to favour these stages.

Business Angel networks play a key role in establishing a contact between capital demand of entrepreneurs and capital supply of investors. In 2005 alone they helped to create 198,000 new jobs in the US. Business Angels in Europe generally invest from 25,000 to 250,000 euro in each company. In the UK the figure may rise to 400,000 euro. The European average in more mature countries is 80,000 euro for each venture. When they pool and form "syndicates" Business Angels may invest 2.5 million euro in some countries.

In Europe, in 2004 there were over 12,000 Business Angels active in the networks, the number of projects submitted to the investors was over 9,000 and more than 500 deals have been closed.

Italian Business Angels Network (IBAN), with over 200 active associates

- receives and checks 350 venture projects every year;
- selects 150 projects every year;
- started 80 new ventures for 16 million euro.

At present IBAN is starting the first Italian Investment Fund (IA, Italian Angel Fund) focused on the development of small companies and start-up businesses.

For me Business Angel investment has been:

- | a chance to participate in the newest economic and technological trends;
- | a way to share my know-how and business experience;
- | an opportunity to play a privileged role by exploiting my economic potential;
- | a fascinating entrepreneurial venture.

Last but not least it has always been compatible with a flexible use of my time and in a phase of life in which time is a very valuable resource, this really makes the difference.



Richard Baker

AGE Concern UK (London)

The theme of the event is about the economic potential of older people in the context of rapid and permanent demographic change and this session is important because it focused on a particular group of older people who are making significant contributions of economic value in different ways, even after a date when the stereotypical understanding is that they have stopped being economically active because they have left the formal labour market.

I suggest that the core message which had been received from the session was that an ageing society can be, and is, a very productive one – and that older people make a wide range of economically valuable contributions – sometimes into very old age. I remarked that Dr. Meier had reminded us of the need to be holistic in our view of these contributions. As he said, economic contribution is about employment throughout life. For many people, lifecourses are very much more diverse than the traditional model that permeates our thinking and our policy. Few people now go through the simple model of education, work and retirement and many will work and contribute in employment after retirement ages whilst others face economic inactivity in later life for reasons not linked to their retirement as a result of lack of training and poor health.

Dr. Meier also pointed out the importance of other roles – such as volunteering and caring – which are both economically valuable and aid social cohesion. In this context, one of the key issues was that of motivation and a key aspect of his presentation and those which followed was the notion of reciprocity. Older people want to be motivated and stimulated in what they do and their contribution also helps them to continue to feel included and valuable. The notion of reciprocity is a key one to focus on – with the contribution of older people in non-paid roles being both valuable to the economy and valuable to the individual.

I want to reflect on the three presentations which we had heard and drew out how each of them demonstrated contributions made by older people which were economically valuable, but not simply traditional employment models.

Dr. Schoser discussed the highly impressive senior experts service where the skills built up over a lifetime by hundreds of retired professionals are recycled in support of their previous industries. The impressive growth of the project shows the untapped potential of an ageing society in Europe and more globally if these resources can be captured and spread.

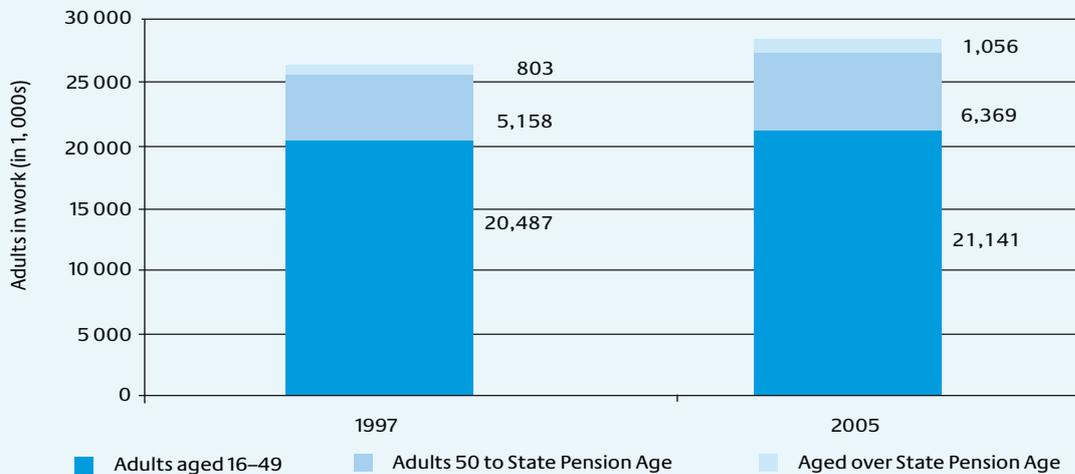
Mr. Pavesi described a network of Business Angels who use a range of different personal resources – time, experience and finance – to support the ideas of new entrepreneurs – across the generations. They worked together with younger people and each other to support innovation, taking risks and also mentoring people to be successful. In the course of this they were helping to push back the barriers of our economies.

Ms. Evers talked about the crucial importance of understanding what older people need from public health and care services and the contribution that older people themselves can make in shaping these services. She challenged the notion that older people are seen as passive recipients, and the notion of reciprocity was also present here – in this case a well designed and responsive service was good for the provider and the recipient alike.

I want to introduce some of the slides in my paper – and show the figures we produced in the UK which sought to value the economic contribution of older people – I want to demonstrate the huge value of the older population:

Adults in Work

**1997–2005 – 1.5 m More Over 50s in Work (69 % of the 2.1 m Jobs Created)
¼ m of These are over State Pension Age**

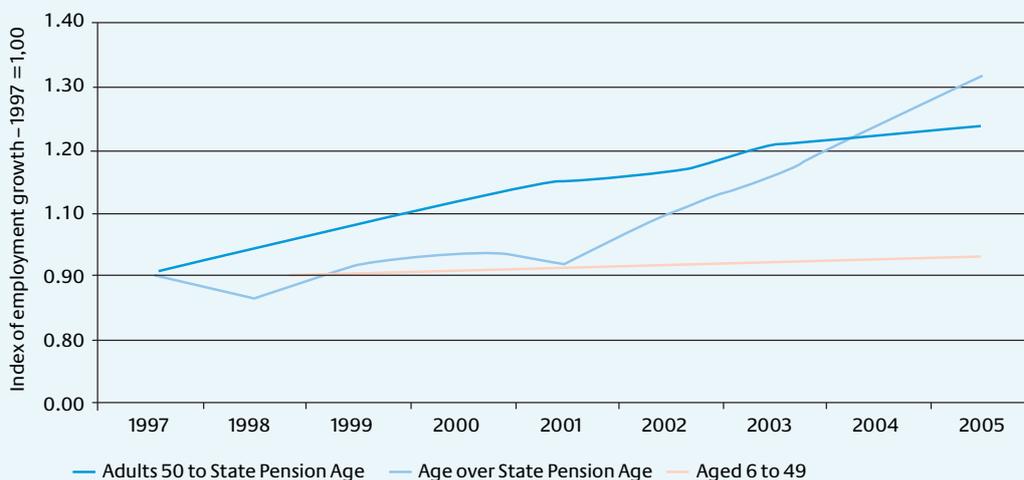


Source: Labour Force Survey, UK, Spring quarters

... and also the potential that is there:

Index of Employment Growth

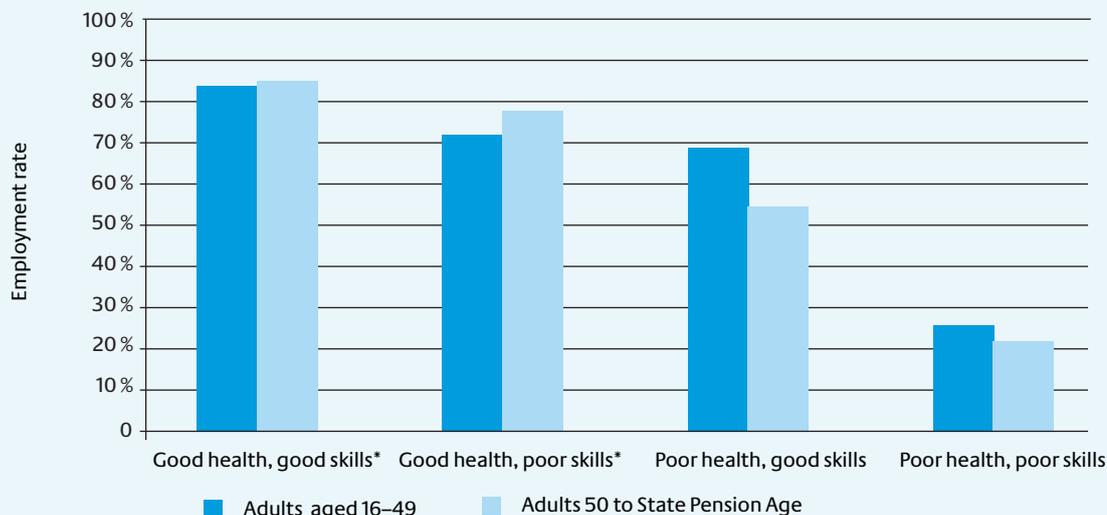
1997–2005 25% More Older Workers Compared to 3% More Aged 16–49



Source: Labour Force Survey, UK, Spring quarters

I want to mention the challenges in terms of keeping skills updated and enhancing and preserving health.

Employment Rate, Skills and Health Status 1997–2005



*Derived estimates; Source: Labour Force Survey UK 2002–2004

As can be seen from the above bar chart, people with poor skills and in poor health have only a one-in-three chance of working and there appears to be additional age-related risks for people in poor health.

I want to conclude and go back to Vladimír Špidla's speech when he had remarked that we need to do more to value and mobilise the untapped potential of older people as consumers, workers and employers. I agree with him, but I also want to add that in actual fact the session had shown that older people's contribution was already massive in many different ways and that we needed to think of an ageing society as one where there was huge potential if we recognise the contribution of older people in the roles he mentioned, and also as mentors, researchers, sponsors, social entrepreneurs, carers, volunteers and community leaders as well.

Report from the Forums





Prof. Dr. Gerhard Nägele

Institute for Gerontology, University of Dortmund

It was, without a doubt, a good decision of the planners of this event to take both perspectives of the elderly's economic potential into account – the consumption and the production perspectives. Yesterday's forums were appropriately divided. The following report concerns forum A and C, which were both dedicated to the consumer perspective. In forum A the interests surrounding new products for an ageing society were highlighted, while forum B focused on innovative services.

The guidelines for the work done by these forums were presented in the introductory lectures. Federal Minister von der Leyen explicitly mentioned the economic competence and potential of the elderly as “motors” or driving forces of the demand side of the consumer goods and services market. EU Commissioner Špidla went one step further by speaking out in favour of the sustainable political support of the senior economy and calling on industry to take appropriate initiatives. In his opinion, the support of businesses in the senior economy plays a decisive role in the development of new markets, products, and services. Slovenian Social Affairs Minister, Cotman also pointed out these consequences in her articles.

Forum A dealt, at first, with strategies in the context of new products for the older generation. Here, “Design for All,” introduced in a report by Roger Coleman from the Royal College of Art in London was the basis for discussion. His core statement can be summarised as follows: Products which are successful in the senior market are those that can ideally be used by all age and consumer groups. In this statement, one can recognise an implicit rejection of age specific products and a plea for generation-spanning product design, which according to his thesis is the secret to a successful senior economy. But this doesn't mean that special products that take the needs of the elderly with special handicaps into consideration should not be developed.

Product examples from various fields were introduced. Roger Coleman reported on Design for All success stories in the packaging industry, and for do-it-yourself tools. The Nintendo company, represented by Stefan Gundelach, markets very successful video games, which are simultaneously attractive to young and old. Nintendo's formula for success seems to be based on inclusive products. The convincing statement about senior-friendliness being a part of the general concept of user-friendliness at Nintendo and that easy to operate products instead of complicated multi-functionality is a success story is one I can identify with.

Klaus-Peter Wegge argued similarly for the Siemens Accessibility Competence Centre. When he introduced the Siemens Design for All concept. This concept favours developing products designed for people with special limitations, rather than an age-specific design. Hans-Joachim Lindner and Werner Koch from the Ford Research Centre in Aachen also saw no need for special senior cars, but see the necessity of age-friendly adjustments. Meeting physical and psychological limitations, specially with the respect to “good visibility”, “com-

portable entry and exit”, “easily to handle operating instruments”, and ‘High safety’ play an important role.

The result of Forum A is that product orientation – as exemplified by the Design for All concept – has great prospects for success in the senior economy. It has an obvious edge over age-specific design. We know indeed, and this was confirmed in Forum C that one cannot apply this fully to all market segments. There will always be products that can successfully be put on the market for specific age groups.

Innovative services was the central focus of Forum C. At the very beginning it was clear that analysing products and services separately in the forums was sensible and legitimate. With regards to the latter, there are very clear age-specific needs, specially in the areas of care and health care, travel and tourism, housing, education, entertainment and financial services – the core topics of the introductory reports by Björn Bloching from Roland Berger Strategy Consultants. He points out that there are discrepancies between the consumer relevant general values of the elderly and the image of the products and services on offer. He came to the conclusion that the success of the senior economy could still be improved.

The first practice oriented example in Forum C was that of the Marienbad Kur and Spa Hotels in the Czech Republic presented by its General Director Leo Novobilsky. There is a hotel chain that specialises in health resort travel specials for the elderly. The second example came from Holland, where the radio and television programme, MAX, introduced by Jan Slagter, targets an elderly public. And, lastly, Juan Carlos Guzmán of Europ Assistance Spain, reported on services that supported independence in the elderly in the household area.

All contributions, confirmed Björn Bloching’s premise; thus, age-specific service needs exist, which provide potentials for senior economy initiatives. The interdisciplinary results of the three practical examples show, in my opinion, that special service offers to the elderly will be accepted if they succeed in simplifying daily routines, improving the quality of life, relate to goals like activity and health in old age and are simultaneously, affordable.

In both forums, there were expert wrap-up remarks. In Forum A, North-Rhine-Westphalia State Secretary, Marion Gierden-Jülich, stressed the necessity for actively supporting the state's "senior economy" initiative. Walter Link, the Chairman of the Lobby for the Elderly (BAGSO), called for an interest in elderly consumption through product development and product design.

Let us summarise the common knowledge of each forum, in the sense of suggestions for the improvement of the senior economy, as follows:

1. All players in the market must meet the consumer needs and interests of the elderly.
2. Marketing concepts – mainly advertisements – should be appropriately adjusted.
3. The development of new products and services and their design should be in consultation with the elderly.
4. The market players must form networks.
5. Elderly people's social networks and families, should be included as co-consumers, so to speak.
6. The special needs of people with physical limitations and handicaps must not be excluded.
7. The interests of elderly with migration backgrounds are also to be considered by the senior economy.
8. The preservation and protection of the elderly purchasing power – partially through measures in retirement politics – is a prerequisite to a positive development of the senior economy.
9. The senior economy needs the support of compatible policies and public sponsorship.
10. The senior economy must consider the aspects of consumer protection.

Robert Anderson

European Foundation for the Improvement of Living and Working Conditions (Dublin)



Delighted to report back to you from Forums B and D. The good news is that everyone turned up. The speakers were as in your programme and we had an excellent chairperson who facilitated eight inputs, mostly from practice and two discussions. The bad news is that I don't have time to review each of the presentations. So I give you a very personal and selective account of what happened yesterday afternoon.

Essentially we discussed the economic contribution of older people and we looked at their contribution in both paid and unpaid work. We acknowledged and paid attention to demography, both in relation to the changing population in Europe and the changing workforce in Europe. We were aware that chronological ages were also themselves of changing significance. So that what it meant today to be 45 or 55 or even 85 was different to two or even the last generation before us and some interesting words were said about how the baby boomer generation would behave differently both in paid and unpaid work. When we looked at paid work we had plenty to say about workers aged 45 and over or workers aged 55 to 64 but we found there was not much literature on workers aged 65 or 67 or over in employment, even if two of our companies' case studies, NETTO and Diederichs KG, involved workers beyond retirement age and demonstrated the productivity of workers beyond retirement age in paid employment.

The case studies were best practice. They were examples of companies which had paid attention to the needs, expectations and potential of their ageing workforce. We could think of many more examples of companies who were not paying attention to the potential of the ageing workforce. So, too, we had examples of workers in these companies who were motivated, enthusiastic and committed to employment beyond the age of 60, but we could also think of many individuals in our countries who wanted to leave employment, whose motivation and enthusiasm was for freedom outside paid work. The case studies allowed us to bridge the gap between the myths and the stereotypes of old age and some of what was happening in practice, but the myths and the stereotypes were exceedingly powerful. So, too, the case studies gave us examples of what can be done, what is being done in practice to change working conditions, to rethink working times, to reorganise work but we were aware that these same opportunities were not being taken in many other companies.

Why weren't the opportunities being taken? We emphasised the myths and the stereotypes, indeed the prejudices against older workers. These were evidenced in both the earlier and the later case studies. One of the best practice examples spoke about the prejudices of younger managers towards older workers and we discussed how to overcome these prejudices. The case study NETTO emphasised the importance of sharing good news but so, too, in both sessions we heard about the prejudices older workers hold against them-

selves – their poor self-image, their poor self-esteem and the need for support to develop motivation for employment. We heard about the training and skill deficits of older workers but also how these could be overcome. However we were aware that in many cases older workers are not being exposed to training or they are not taking advantage of this training.

In conclusion, with regard to paid work we realised that often we were having a discussion that we could have had 10 or even 50 years ago, that attitudes were very slow to change, that the mentality of workers and managers were very slow to change as were those of employers and maybe also trade unions. We also learnt that working conditions are slow to change, and although we know what needs to be done in large to improve the situation for older workers, it is not happening. And some of you will be aware that at the European business summit earlier this month a spokesperson from business said that only six per cent of European companies are preparing for demographic change. So, whatever the awareness of demographic change and the values of an ageing workforce, the commitment is not there, the implementation is not there. It was reported that retaining older workers is easier than recruiting them but there is a need to be more inventive in order to retain these workers and recognise the significance of health as a factor that influences workers leaving employment.

We learnt, as we all know, that prevention is best, preventing health problems, skill deficits, lack of interest in career etc. But we have at least one generation of older workers who may not have received the benefits of our wisdom about age management and we need to consider that generation of workers today aged 30, 40 and 50 who have not received the kinds of support that we now understand are necessary. Another point was that older workers may be expensive to pay and to train, but at least in the case studies presented to us it was argued that their value was greater. They stayed in employment for longer, they were loyal and they produced quality goods and services.

There was some preoccupation with what older workers would do if they were not in employment. One concern that they would be at home, getting in the way, didn't seem a very informed commentary when we realised that today so many older workers are women. The proportion of older workers is increasing amongst the female workforce much faster than amongst the male workforce, nor does the opinion pay attention to all the activities of economic significance that older workers take on outside paid work. We emphasised this in the second afternoon session looking essentially at the unpaid work of the older population. And central to that of course is the unpaid work in care that older people provide, caring for their grandchildren, caring for each other, caring for their parents. We were given indications of the massive economic contribution of unpaid work both by those in employment and those outside employment, so much that it would not be unreasonable to suggest that the unpaid work of older people was the cornerstone of our welfare societies.

We learnt, too, about the key role of older people in improving quality of life and promoting social cohesion. The Senior Experts Service in the Netherlands presented older workers as volunteers in business and experts indeed in business, older people as volunteers in consumer affairs and experts indeed in consumer affairs. We learnt about the importance of reciprocity; about social as well as economic capital and the importance of social networks in developing volunteering and other social contributions. However, in the more systematic approaches to developing the unpaid contributions of older people there is need for training of volunteers, organisation of volunteers and support of volunteers to contribute effectively. We learnt about their value not only in economic terms but also in terms of social cohesion and solidarity.

Indeed one of the messages going through both sessions was in relation to intergenerational solidarity and the importance in both volunteering and paid work of mixed age measures bringing together younger and older workers, providing support to young entrepreneurs by older entrepreneurs, sharing of experience through mentoring and coaching, developing networks and teams of older and younger workers with different skills and competencies. In conclusion I'd like to suggest that we emphasise four points from our session:

1. First of all, the need to really recognise the contribution of older people in unpaid work, to go beyond lip service and to develop ideas about how we can maintain a balance between paid and unpaid work through the course of life.
2. Secondly, to reduce the tensions between paid and unpaid work, between having time for work and time for care, time for work and time for volunteering, time for work and time for personal development. Sometimes unpaid work can't be done by those who have paid work responsibilities. So, too, some of those who want to do unpaid work and care in particular can't combine that with paid work and there is a need to get beyond work life balance as an issue for younger people with children.

3. We need to reinforce the opportunities for older people to contribute in paid work. We broadly know what needs to be done, what the elements are of effective age management. The problem is to implement these measures, and the key to that is changing mentalities, removing barriers in the minds of employers and workers, younger managers and older employees themselves.
4. Finally we need to rediscover the role of public policy which did so much to change the participation of older workers in paid employment and which now may not be doing enough to offer opportunities to older workers to return to or remain in employment, particularly self-employment.



Introductory Note: Active Ageing





Prof. Dr. Alan Walker

University of Sheffield

Thank you very much for the kind invitation to address this important conference. I want to start by congratulating the Federal Ministry and the German EU-Presidency for staging this important event and indeed for providing a lead to the other member states of the European Union in taking a positive approach to demographic change because too often the opposite is true: ageing is seen as a threat not an opportunity.

My topic is “active ageing” and I am going to briefly go through what it is, how we can move from a narrow to a more comprehensive approach, and most importantly, how we can go from theory to reality. Active ageing has the potential to prevent many negative effects of ageing at both the individual and the societal levels. If you want to put it in a more positive way we could say that active ageing is an important method to realise the economic potential of older people, but – and it’s a very big but – it must be comprehensive in terms of demography, the groups it covers, in terms of activities and in terms of policy – and it must be empowering, not only top-down, but also bottom-up. It must enable and facilitate. The background no doubt is familiar to you and because it has been explored quite fully in the conference already, I will not go through it again.

Obviously, employment and participation rights are critical to economic potential and active ageing. But let us not forget that so too is health. The following information is from the annual report published recently by the International Monetary Fund on age-related spending in the so called G7 countries (Canada, United States of America, France, Germany, Italy, Japan, United Kingdom) projected to 2050. The bulk of the spending increase is expected to come from additional health costs. So pensions and long term care are important, and participation is crucial to active ageing, but if we overlook the health dimension we miss a great deal about what enables or prevents older people from remaining economically active. If we want to contain such costs and promote the economic potential of all people as they age the solution is active ageing.

What is active ageing, what does it consist of? There is no time to trace the evolution of active ageing but it goes right back to the 1950s in the United States. I am going to focus on the present, and what we have seen in the new millennium is the development of a comprehensive approach to active ageing, led by the World Health Organisation (WHO) which focuses inevitably on health. A WHO report in 2002 states that “active ageing is the process of optimising opportunities for health, participation and security in order to enhance quality of life as people age.”

Recently the European Commission has also adopted a comprehensive approach and in 2006 stated that “active ageing constitutes in itself a comprehensive and sustainable approach which must employ a range of tools beyond retirement reforms. In order to be able to seriously consider working longer, people must not be faced with discriminatory prejudices, they must have been prepared to update and make the most of the skills they have gained with experience and have access to more flexible retirement schemes, and they must not only be in good physical and mental health but also have good prospects of remaining so for a long time to come.” (COM(2006) 571 final)

Apologies for presenting my own version but it began in joint work with colleagues in the European Commission:

“Active ageing should be a comprehensive strategy to maximise participation and well-being as people age. It should operate simultaneously at the individual (lifestyle), organisational (management) and societal (policy) levels and at all stages of the life course.”

As you can see it is more circumspect than the other definitions. It says “should” rather than “is” because nowhere in Europe is active ageing a reality. What this definition does, is to highlight the multilayered idea of active ageing, not top-down, but involving all of the relevant levels of society. Also it emphasises the importance of a life course focus. It is based on the notion of a cycle of wellbeing which emphasises that activity and participation, including economic participation, are crucial for wellbeing and they reinforce each other in a positive way.

I will go through some of the key influences of activity on wellbeing. Let me just emphasise the critical role of employment and American data shows that employment is an important component of quality of life for older workers and indeed older people. Why is the life course focus so important? Because the risk factors for disabling diseases occur through the life cycle. They are not peculiar to older workers but occur among all age groups. In other words if we want to heighten the capacity of older workers we have to pay attention to the risk factors through the entire course of life.

So, putting all that together, we can say these are the basic principles of active ageing, everything that contributes to wellbeing, a preventive concept that spans the life course of not just older workers but all older people even very frail older people. It should be based on intergenerational solidarity, include both rights and obligations, be empowering and respecting cultural diversity. These are some of the key elements that would be part of a strategy of active ageing.

You have heard about the importance of challenging and removing ageism and age barriers, encouraging active participation, enhancing social care, to enable older people particularly older women who are caught between caring for family members and entering the labour market.

So much for the theory. How do we make it reality? In practice we find two different policy perspectives in Europe, a narrow one and a broader one. Let me put it very bluntly, the first one will not succeed. To increase pension or retirement ages without other measures to enable people to work longer will end up with older workers being discriminated against in the labour market, experiencing social exclusion and being forced out of the labour market because their health and wellbeing are not sufficient to sustain them in economic activity. So, the first narrow option will not work on its own. What we need is a broader strategy and that is what I want to concentrate on now.

My main point is to emphasise that it is not the role of government or employers or indeed ageing people or employees alone to realise active ageing, but, in fact, it is everybody's job. Unless everyone is involved in this endeavour it will not succeed. Ageing individuals from the beginning of their work history must prepare for ageing. Organisations need age management as we have heard. Some have implemented this, but not enough of them. The social partners need to be involved in promoting good practice. Policy makers must coordinate across policy domains – pensions, employment, health, wellbeing and so on – and at the European Union level there is an important role played by the “Method of Open Coordination” and through the promotion of good practice. A good example is the EQUAL initiative which has developed a series of dynamic development partnerships which have pioneered new approaches to active age management.



In other words everyone must be involved in the promotion of active ageing. There are plenty of examples to draw on. You heard about many of them during this conference. Another portfolio of examples of good practice in age management and geared towards organisations has been published by the European Foundation. So, if we spiral down to organisations, active ageing can be enabled across five dimensions of age management. As time is short, I'll take just one example and that is the importance of ageing appropriate job design. If workers are subject to risks such as, repetitive work routines, heat, noise, dust, tight deadlines and so on then it is inevitable that their working capacity will fail. It becomes a self-fulfilling prophecy. Therefore we need to take action and provide ergonomic work place design, foster

healthy work processes, reduce time pressure and limit deployment times. Overall to promote and maintain good health, motivation and qualification throughout people's working life. This is a broad catalogue of what age management can mean in practice at the organisational level. It is important, too, for us to recognise the major potential of information and communication technology applications for an active ageing strategy. They can assist with competent support, preventive measures and in compensation and you don't need me to tell you that there is significant business potential with new profitable markets at relatively low risks.

Let's summarise the potential benefits of active ageing: individual control over careers, health and wellbeing, optimisation at the organisational level of human resources, maximising the economic growth potential, making sure as many people are involved in this endeavour as possible and of course sustaining our social security systems. In other words there is massive positive potential for active ageing on all fronts and this is a truly remarkable opportunity. It is rare in public life to find something that is potentially good for everyone. Ideally it combines economic and social policy goals with business goals. Again, it is very rare to find such a win-win-win situation.

In conclusion, what I have done, very briefly and inadequately, is to review what active ageing is, show how a more comprehensive strategy has begun to emerge, but also warned that it is not yet embedded in any country in Europe, and then, thirdly, I have tried to indicate how we can move from theory to practice and make it reality.

Going right back to the beginning: my key message is that active ageing has huge potential for both individuals and for society as a whole, but it must be comprehensive and it must be enabling or empowering. In other words it is a combination of individual responsibility and social responsibility and only together can the economic potential of older people be realised.



Anne-Sophie Parent

AGE – the European Older People’s Platform (Brussels)

Active Ageing: An Opportunity or a Necessity for the European Society?

I would like first to thank the German EU Presidency for its invitation to present the views of our member organisations on a topic of utmost importance for older people. AGE is a European network bringing together some 145 seniors’ organisations from the 27 member states of the European Union. Our main mission is to act as a bridge between our members and the European institutions and to advance the interests of the 24 million senior citizens gathered in our network. We call for an “age-friendly” society where older people are valued as individual citizens and enjoy equal rights and opportunities in all areas of life.

I have been asked to present AGEs views on the concept of active ageing.

From what we have heard in this congress, we can see that there are two different meanings attached to the term “active ageing” which are linked to the two visions addressed during the conference: older people as “producers” and older people as “consumers”.

Older People as “Producers” or Active Ageing Meaning Keeping People at Work for Longer

Active ageing in European jargon is the term used to refer to the active participation of older workers in the labour market. It is defined in terms of employment rate of workers aged 55 to 64 and related issues such as dependency ratios, increased public spending for pensions, etc. This concept has a purely economic dimension and it is a top priority of the European Employment Strategy and the Lisbon Strategy because extending working lives is considered rightly to be essential in keeping a healthy economy and promoting growth in today’s context of demographic change and globalisation. It is also considered essential to extend working lives if we want to preserve the main characteristic of our social models and to be able to continue to provide social protection for those who need it in the long term.

The conditions and circumstances in which European labour markets function have changed rapidly in recent decades and AGE is of the opinion that labour law needs to respond to the social, economic and demographic changes which are taking place. The impact of evolutions such as globalisation, population ageing, ongoing restructuring and the move towards an increasingly knowledge-based economy need to be addressed, specially in relation to the specific needs of the growing number of older workers, in particular older women, whose employment rate is the lowest of all categories and those seeking to re-enter the labour market over the age of 50.

The concept of active ageing and older workers' rights and requirements have important labour market implications and need to be integrated into these discussions. The increasing dependency ratio will have important ramifications for public services, health care provision, social security schemes and pensions systems and it is therefore necessary to create an age-friendly working environment which is more inclusive of workers at both ends of their careers, i. e. a workplace more open to both young and older workers.

Creating a Better Working Environment and Working Conditions for All Including Older Workers

AGE was pleased that the issue of quality of work was chosen by the German EU Presidency as the main topic of the Informal Council in January 2007 and was debated further in the conference on the European social model in February 2007 in Nuremberg. There are growing concerns among citizens about the deterioration of working conditions for all and in particular the obstacles older workers face to remaining in or re-entering employment. Older workers often lose out in the labour markets as a result of employment policies and employers' approaches and they suffer disproportionately from periods of unemployment. This is particularly true for older women who have taken time off paid employment to care for dependent relatives.

Equal opportunity and fair treatment is the basis for a solution to older workers' problems in the labour market and action is needed from employers as well as governments to deliver results. This is why such a conference can be useful in promoting a better image of older workers and in demonstrating that they can still play a valuable role as "producers".

There is an EU wide legislation combating discrimination in employment including on the ground of age and this directive has finally been implemented throughout the EU although quite late in Germany. However, legislation is not in itself enough to help retain older workers in employment or to delay the average effective retirement age. Promoting a positive approach among employers to older workers is essential to raising the employment rate of those over 50 years of age. Active labour market policies targeting this specific age group are needed as part of a life cycle approach together with effective supportive measures to ensure a change of culture and approach to older workers.

This means that employers must be ready to adapt working conditions to the needs of older workers, agree to implement flexible working hours and part-time retirement. Workplace and working time adjustments can be effective tools for convincing workers to delay their decision to retire. Incentives should not be limited to financial advantages but should address the whole range of valid reasons which lead people to retire early. Working conditions, the attitude in the work environment, a better jobs-skills match and the specific difficulties that older workers, in particular older women, face in reconciling work and family life should be addressed. There is a need to provide an inclusive, attractive, safe and adaptable work environment which takes on board the needs and expectations of the ageing workforce and provides opportunities for their training and updating of their existing skills.

However, while AGE feels that active ageing should be considered as a positive strategy, encouraging and enabling older workers to extend their working lives, if they wish and are able to do so, we want to point out that other workers – in particular those in high stress or employed under difficult working conditions or those with heavy caring responsibilities for dependent relations – may wish and need to retire early. There should be no attempt to compulsorily oblige all older people to continue to work regardless of their physical capacities, state of health, economic situation and family circumstances.

The Added Value of Older Workers

Older people make a useful contribution to society and would be capable of a far greater involvement in all areas of societal and community life if they were empowered to fulfil their potential as “producers” both in paid employment and volunteer capacity. However, too many barriers still prevent their full participation, particularly in the labour market. For instance, many are excluded because of out-dated skills, structural barriers, mobility problems, age discrimination and caring demands.

The prevailing approaches to the employment of older workers in the EU will have to change and employers will need to understand the benefit of retaining and developing skills in their existing ageing workforce. In the context of debates about raising retirement ages, AGE considers it imperative to recall that with the employment rate of workers aged 55 to 64 still averaging only around 40 per cent (31.7 per cent for older women), real gains are to be made in enabling both men and women to work productively as long as they wish. High unemployment and underemployment affect the older workers’ group more than others and specific attention needs to be paid to meeting their needs and developing the right incentives and supportive measures.

For example, when looking at family-friendly policies to enable women to reconcile work and family life, we hope that the future European Family Alliance will not restrict itself to policies targeting families with young children but will look at the lifelong duties that family carers (mostly women) face. Most of them usually move on straight from raising their own children to caring for elderly dependent relations and grandchildren. Although the need to address the lack of care services for the dependant is acknowledged at least on paper by policy makers, no real commitment is made to agree to specific targets for eldercare as is the case of childcare. There is EU legislation, the so-called Barcelona targets for childcare, but nothing similar exists for eldercare yet despite the fact that everyone agrees that this is the prerequisite to increasing employment rate of older women.

AGE believes that member states must commit themselves to giving a higher priority in their National Reform Programmes to achieving the commonly agreed Lisbon objectives, including mechanisms to ensure greater security of employment for all and for women in particular, and not just greater flexibility for employers. The tendency of some member states to force older workers to take low and poor quality jobs is not the right approach and we are concerned that the EU legislation on non-discrimination in employment, which has now been transposed in all member states, does not seem to protect older workers from age discrimination. We are surprised, for example, that the new German General Equal Treatment Act (*Allgemeines Gleichbehandlungsgesetz*) does not cover dismissals. This means that employers can continue to choose to dismiss an older worker rather than a younger one on the ground of their age despite the EU employment directive.

Good and fair working conditions are essential. Older workers will be more inclined to remain in employment if they are offered jobs and working conditions which enable them to make the best use of their skills and experience and where their performance and contribution continue to be valued.

We have seen that self-employment is another important option for older people and can provide them with the flexibility to reconcile paid work with other responsibilities or commitments. AGE would however like to express a word of caution here. Moving to self-employment should not result in a decrease of the social security level as is the case in many member states, and the gender dimension of moving to self-employment should be better explored. Employers should be made more aware of the untapped labour reserve of older workers and of the value of recruiting and (re)training them. Employers might also be interested in skills transmission from older workers to the young as a way of addressing possible skill shortages. An eventual aim of such measures could be to convince employers that “ageist” policies are not only morally and socially unjust but also work against the employers’ own economic interests and image. When the population is ageing rapidly, discrimination becomes counterproductive in terms of business interests. The examples presented in the workshops demonstrate that there is a business case for widening labour market participation. However this will require leadership from governments who should actively engage other stakeholders i. e. NGOs in debates on employment. Here again, AGE must commend the German EU Presidency for its strong commitment to a social partnership with NGOs. The labour market must be adjusted in a way that gives all people a fair chance to earn a decent income and play an active role in society. New labour laws should consider the need for investment in human resources and lifelong learning as preconditions for a sustainable labour market. The current system of workplace-related security measures should be replaced by transverse labour market measures covering employees’ lifelong involvement with the labour market. Europe must build up a labour market and social security systems that can guarantee a high level of social security under different employment conditions, contractual terms and different employment and life cycles. Such a system should allow people to move flexibly from job to job, from sector to sector, from country to country and from part-time to full-time work or vice versa, while preserving their social rights including their right to an adequate income in old age.

Furthermore, AGE believes it is the duty of public authorities as well as of the social partners to promote a more positive image of older workers and to challenge ageist assumptions. For instance, as an OECD study in 2006 found, there is evidence to show that workers' productivity does not decline with age as diminishing physical ability is easily compensated for by qualities and skills acquired through experience. Good quality work must be available for older workers, including older women, before early retirement schemes can be gradually reduced and it should be ensured that those who wish to work beyond state pension age can do so and are not deterred by inflexible policies which restrict such a choice.

Older People as “Consumers” or “Users”

The concept of older people as “consumers” can be linked to the concept of active ageing in the language of the WHO, i. e. healthy ageing, independent living and social inclusion. This is a much broader concept which focuses on the right of the individual to participate fully in society, a concept based on fundamental rights and freedom of individual choice.

AGE welcomes the growing awareness in the industry of the demographic change and the opportunities offered by the growing number of older consumers. While we agree that there will be an increasing demand for special products and devices to meet the specific needs of an increasing number of dependent persons and people with chronic diseases, we feel that there is a business case for mainstreaming older people's needs and expectations in the development of all products and services. AGE very strongly supports the concept of Design for All in all areas of life: public transport, urban development, ICT, services of general interest as well as ordinary goods and services offered to the public.

Public authorities can help convince the industry to adopt the concept of Design for All by making it a prerequisite for public procurement contracts. This is already the case for public transport in some member states and those who have adopted this approach on a voluntary basis have seen a sharp increase in the number of passengers (for example the city of Grenoble has witnessed an increase of 30 per cent on their new accessible tramways).

In our view, it is vital to adapt all our products, facilities and services to the needs of the ageing population and this can only be done by taking their needs on board from inception. The concept of Design for All will remove most of the barriers preventing older people from participating fully in society. It will delay the onset of dependency as many barriers are created by inaccessible goods, facilities and services.

In addition to mainstreaming the needs of older people in daily products, it is necessary to develop innovative products and devices to overcome disabilities and help people live as independently as possible in a safe environment.

The industry has found new markets for example by providing new types of services which will be particularly attractive to older citizens, as well as to younger customers: home monitoring systems which can be used by anyone living alone and adapted to individual needs, a range of services such as dry cleaning and grocery services which can be delivered to your home (for those who have mobility problems) or to your office (for those who work late), etc. There already exist several interesting examples of new products or services. But much more needs to be done to ensure full access to all products and services aimed at the general public and not just to the happy few who can afford to buy expensive tailor made products.

Active ageing in an older person's view means many different things, but it can be summarised in a few words: remaining happily involved in all aspects of society, be it the labour market (for those who wish to work longer), be it volunteer activities or providing informal care to loved ones, taking part in sport or cultural activities, being able to exercise one's choice as "consumer" as anyone else and for as long as possible. Active ageing means something different for every individual because needs and expectations vary and as people grow older, their social and family environment change and their health and wealth evolve.

Too often discussions around the ageing of the population have tended to work with a homogenous notion of older age and have neglected the reality that people aged 50 years and above form a very diverse group characterised by a variety of characteristics, only one of which is their age. As the older population continues to expand, this diversity among its constituents will further increase. Society and the economy are thus in urgent need of adaptation.

Older people can't all be labelled as wealthy, healthy, pre-retired people willing to spend a lot to improve their wellbeing and enjoy themselves as some tend to present the concept of "silver economy". Neither can they be categorised as vulnerable dependent people in need of special assistive technologies to help them live at home independently and at a lower cost for society. These two pictures do not reflect the growing and increasingly diverse group of older citizens today.

This is why AGE welcomed the initiative of the German EU Presidency to organise a conference on the economic potential of the elderly, both as "producers" or "consumers". Demographic change is indeed an opportunity that needs to be grabbed to help our ageing population fulfil its economic potential, whilst responding to the social challenge of ensuring equal opportunities for all.

AGE feels that everyone, including older people, should be given the opportunities to participate fully in society, be it as "producers" in paid employment, as volunteers or informal carers or as "consumers" or "users", a more adequate term to define those consuming for example social services or services of general interest.

Enabling older people to fulfil their economic potential is not only an opportunity for business to develop new markets and for public authorities to save money, it is also a necessity for today's European society, a must for all economic players (business, employees and service providers) as well as for policy makers who have the responsibility to promote the well-being of everyone and to ensure that older people are empowered to fulfil their personal expectations and to contribute to society in order to enjoy a good quality of life in old age.

Podium Discussion: Accepting the Challenges of Demographic Change – Encouraging Innovation and Competitiveness



Podium Discussion:

1. Katja Praefke, Unilever Germany
2. Sara E. Rix, Ph. D., AARP Public Policy Institute
3. Rolf Myhrman, Ministry for Social Affairs and Health (Finland)
4. Petra Diroll, German television ARD (Moderator)
5. Jérôme Vignon, EU-Commission, Directorate General of Employment, Social Affairs and Equal Opportunities
6. Nicole Prud'homme, European Economic and Social Committee



Petra Diroll



Rolf Myhrman



Nicole Prud'homme



Sara E. Rix



Jérôme Vignon



Katja Praefke

Statements from the Podium Discussion

Elderly in the Job Market

Petra Diroll:

What possible influences does the EU have to raise the elderly employment rates?

Jérôme Vignon:

I think we have different influential possibilities. One is the Lisbon Agenda with its employment strategy for Europe. This employment strategy has already been underway for five years. It specially stresses the participation of elderly employees. In order to support this strategy and to apply further pressure to businesses and social partners, we have developed indicators, which will be annually checked. Also, we can influence the employment of the elderly through the allocation of social funds. Finally, we have the anti-discrimination guidelines, which also help to reduce discrimination on the basis of age. A whole collection of measures also exists on European levels, with the goals of realising the whole strategy of promoting elderly participation.

Petra Diroll:

Ms. Prud'homme, how can we come to a Europe-wide conclusion on the politics of early retirement? How do we lead an "active elderly" group that can grow older in the job market? Does age still count as a problem in the job market? How do we deal with this?

Nicole Prud'homme:

You spoke about early retirement and I am a little surprised to hear that people can still feel old at 50. I believe that there is another aspect, because it doesn't have anything to do with early retirement, but should be handled as a problem of unemployed people who are of no work and who are told by their society that they are of no use after 50. They can no longer meet their own needs by the fruits of their labour. To me, this seems dramatic. I realise that all the different views on demography, ageing and employability of the elderly that reached the European Economic and Social Committee were held by a lot of civil society protagonists for a long time, namely employers, employees and other parts of society. I believe the time has now come to bridge the gap between strength of the elderly employee, (all the events that we have attended in the past days have shown that these people still have much to offer to society), and to address their exclusion. I believe that we are all waiting for a spark – a jumpstart to the struggle with this phenomenon, which incidentally is faced not only by employees, but also employers. I am convinced that one can be very uneasy about the future economy, whether from the perspective of the employer – "How does the society of the future look? Is it shrinking?" – or the employee – "How will my family and social life be affected?"

I would like to mention a number that relates to France's economy. The money transfer within the family – be it from grandparent to child or to grandchild – amounts to 34 billion euro per year. That shows the about economic importance of the elderly within the family structure. That means, that the elderly people who pass their money on, even if they are not particularly rich, are helping to bring about economic change. Specially in terms of their children, who may find themselves unemployed at 50 but still in need of paying for their own children's

studies. One can really see the significance that the elderly have as consumers. The second part of your question, regarding all of the opinions that have been expressed by all the committees, some are initiatives that arise within the committees, and others are opinions formulated by the answers from the Commission. We are not in disagreement with the Commission; on the contrary, we support them. And I have the feeling that, today, with the law-making tools, the Commission is well equipped. And this is exactly why I said, in my first comment, that we are lacking the will. I don't agree that we should applaud the Commission, and even if I sympathise greatly with Mr. Vignon, whom I know very well, I must say that based on the opinions of this theme, we have no dissent. And we are confident that we have a lot of regulations, which are moving in good directions and which should promote this theme of what the elderly population faces in terms of employment.

Petra Diroll:

Mr. Myhrman, in past years, the Finnish government has received the Carl Bertelsmann Prize in Germany for its successful politics, which favour elderly employees and employers. Ten years ago, the employment rate of the elderly age group was lower than here in Germany. But, you have made enormous strides. What have you managed in Finland?

Rolf Myhrman:

Thinking about what the old age economic expenditure ratio right now is and what is required to maintain the same level of expenditure in 2050, implies that the present age of staying in employment between 60 and 70 has to be raised to 70. It seems 70 is a magical figure and is this task possible? It's not impossible but we require tools and in Finland we have developed the concept of work ability which essentially has four fundamentals, two for the employees and two for the employers. On the employer's side, they are responsible for management leadership, age management and also quality of the work environment. Employees are responsible for their quality of competence and also their health. Thus both parties have responsibilities, as do their social partners who are also involved in this process that is run by the government. I am also pleased to say that the EU was very interested in this process and reviewed it twice a year. So this best practice can be adopted by all European countries. The key idea that led to success at the practical level was the cooperation between ministries. The Institute for Occupational Health played a vital role in facilitating this process as it is positioned between governmental, ministerial and company level. Subsequently the best practices are moved to the root company level where they are applied. This institute is also a research institute that provides a free and speedy service enabling the findings to be implemented as quickly as possible. Currently we are researching the effectiveness of our measures. Are we seeing the kind of behaviour expected and what do the results tell us about what can be expected? A multi-level system such as this has advantages.

Petra Diroll:

Ms. Praefke, have you already noticed appropriate changes within your company? Is enterprise culture becoming something else, or does it still seem like 40 year old employees think, "Won't you finally retire and give me a chance at your position?" Is there something of a change in mentality taking place?

Katja Praefke:

To be completely honest: no. We should also not speak lightly about this situation. Our company cannot currently hire new people, because we don't have the necessary growth for expansion. This is also due in part to the market in which we are operating. In the food, body care and cleaning product branches that we work in, there is almost no current growth. One must find and approach new target groups, but this takes time. We are unfortunately not in the position to increase our employee base, and because of this, such discussions inevitably do not take place at all.

Petra Diroll:

Ms. Rix, your organisation, AARP, has some 38 million members. Our only approximate comparison is the German Automobile Club (ADAC), and everyone who lives here knows the strength of the German drivers' lobby. Would you say that the elderly lobby in the USA is strong enough to determine decisive legislation?

Sara E. Rix:

Well, there has to be pressure from members. AARP in general is not going to work on an issue if its members don't see it as an important issue. We do have 38 million members, individuals who are for the most part aged 50 and over and they certainly are a significant voting voice in the United States. I don't want to say they are a block because that would be doing a disservice to those 38 million Americans. Older people do not vote as a single entity as many politicians have found, however there are issues of prime concern to them: social security for example.

I would like to mention that AARP is now legally the name of the organisation. It is no longer the "American Association of Retired Persons" and the reason is that nearly half our members are in the labour force and the term retired no longer applies. In order to continue to attract members we dropped the name American Association of Retired Persons and adopted just the acronym and I think that is a significant reflection of what is going on in the country as more US-Americans perceive a need or a desire to continue working no longer. Nonetheless the legislative push at AARP even though we are moving more in the direction of lobbying on behalf of older workers and employment issues that is not what our members are pushing for. For the most part and it is something to keep in mind as this conference winds down, retirement is one of the great success stories of the 20th century. People look forward to retirement, have more and more to do in retirement and we as a society created that. Some say we have created a monster, but we created it over a period of decades and it is going to take a period of time to change that and our members' sentiments – although 80 per cent of baby-boomers say they expect to and indeed want to work in retirement they are not demanding of us efforts on the employment front.

The Elderly as Consumers

Petra Diroll:

It is my impression that the elderly are highly welcome in the economy as consumers. I am surprised by how many statistics on this theme are circulating at the moment and wonder about where these statistics about how many millions lie in which savings accounts come from.

Katja Praefke:

If we want to spark new economic impulses, then we must be open to the elderly population as a target group. The mind-blowing success of our pro-age campaign for Dove shows that we have made an important point. We have really opened a door with this target group and shown that they are suddenly, once again, ready to spend money on brand goods. It is economic necessity that requires all of us as companies to take such initiatives. My tip to the political decision makers, is to see where the opportunities lie and to utilise this potential to the maximum. Our electing a campaign that presents undressed elderly women with dignity is perhaps not the way that is chosen by political decision makers. But, for us it was a way to offer products like deodorants, shower gels and body lotions to a very large and very economically important target group, which may previously have not seen these products in such a way.

Petra Diroll:

Are there in fact markets, which we may not have not paid sufficient attention to in this regard?

Jérôme Vignon:

I wouldn't place such an emphasis on the markets, but instead on the infrastructure, which can simplify or support the development of markets.

In the conception of cities, of housing, of transportation, of services and with the coordination of infrastructures, Europe hasn't done so badly, thus far. The European city has for many centuries had a tradition of not ghettoizing, but integrating and, now, the focus is on achieving a multi generational coexistence. I see – in many cities in Germany, France, Spain and, of course, also in Scandinavia – some innovative changes in public transportation and in the school system that are more in line with the changing needs of in the population.

Petra Diroll:

The health economy is also offered potentials for growth through the course of demographic change. But if the health insurances suffer under financial bottle necks, then the state must deal with it. How can we, in Europe, solve the dilemma of, on one hand, supporting the health market, and, on the other hand, following the warnings of the EU Commission about adapting our social system for the future?

Rolf Myhrman:

The health system is a very difficult issue. Nowadays preventive health care is being focused on a lot. Finland, the lobbyists ensure that highly educated and qualified people are paid very well to provide the population with the best health care possible. At present the health care services are being used a lot. In the future it is important to properly organise a preventive health care service. The government has to take a tough stance and lower salaries and allocate further resources to preventive health care measures which in turn can keep health costs low. The central nation patient negotiation system also plays a role. The prevalent discussion on how to allocate funds to preventive care has led to some radical reforms. The current discussion makes a case for moving larger hospitals out of sparsely populated areas to larger towns and maintaining smaller units in the less populated areas.

Jérôme Vignon:

The problem of modernising the health care services, specially long-term care, is, in fact, a key question. It depends, very much, on reforming the health care system in a constructive and lasting manner. The guidelines of financing and the modernising the offers are always the same. In the end, it has to do with the sustainability of access for everyone. That is the core of the reform concepts all across Europe. The central issue is the quality of the service and we hope that this improvement of quality can lead to reduction in costs.

Petra Diroll:

Does this mean that women who have provided healthcare in the framework of the family have new chances on the labour market?

Jérôme Vignon:

Yes, that is correct. That specially applies to the new member countries, where many women who are over 50 years old don't have a job. They have very low pension claims and would possibly be available to meet the increasing demands for health care.

Petra Diroll:

At the beginning of the year, a three-part broadcast, titled "The Revolution of the Elderly", was shown. It presented a very drab picture of the future. Will such awful scenarios come to pass in reality?

Jerôme Vignon:

I view these scenarios, rather, as useful. The danger remains that the retirement and health care reforms in Europe lead to large asset and income discrepancies within the elderly age group. During the last century in Europe, we have got used to the asset discrepancies declining, thanks to the universality of the social security system. If the reforms only support those who at the end of his working life find themselves in the best situations, then these politics are really risky. The numbers from the OECD study and from our own examinations show that the income irregularity of those Europeans over 60 years old is once again increasing. If we, in fact, want to use the right strategy of leading the elderly and their potential to success, then we must absolutely avoid excluding a large group of those with insufficient purchasing power from access to the resultant advantages. The average purchasing power of the 50+ generation is very high, but there is an ever increasing part of this population

that will have no access to these new products and services. It is the doubt and scepticism displayed by this particular group that could lead to the failure of the whole strategy. This is exactly why, we must make sure that retirement and health care reforms are socially appropriate and fitting. Financial sustainability is undoubtedly important, but we must not forget about the social sustainability. That is really an essential point. We must guarantee our common social goal, which also determines the social appropriateness of future pensions. That must also become clear in the Lisbon Strategy. I can assure you, that we in the EU Commission will do our best to see that the social appropriateness of pensions is also anchored as a central common goal of Lisbon Strategy.

Generational Cohesion

Petra Diroll:

The politics will strengthen care within families. Simultaneously, we should work more to sustain the economic growth in Europe in light of a shrinking population. We must be more productive in order to generate this growth, and we should continue this through life long learning. The middle generations are under multiple stresses. Ms. Prud'homme, how should we achieve all of this?

Nicole Prud'homme:

We should stay positive, despite the number of rather negative reports about the elderly population, of which I am also a member. It seems to me that the demographic and birth rate issues facing some member states has jolted politics into a state of awareness because most member states tend to be confronted with the problem of a declining population and they want to prevent their countries "disappearing". The population is decreasing and ageing and I think that is why in a lot of the member states there is a growing awareness in favour of increasing the birth rate. The Commission presented a number of suggestions as to how immigration could pose one – but not the only – solution. Here I underline the wish that people support the population by having children, and I am certain that with the knowledge of these birth rate statistics, politics can be set in motion. Only then, in light of the ageing phenomenon and all of its consequences, is a collective awareness and the working out of politics that favour the ageing population made possible. I have at least a little bit of hope.

Petra Diroll:

Must we give up on the hope that the elderly will be in demand by industry as much as we all would like and do we instead have to focus on honorary work as a central theme?

Jérôme Vignon:

The EU Commission follows the politics of compatibility of family life, social life and working life. We want to achieve this, above all else, through a societal dialogue. Not only the companies, but also the employees must exert themselves. The recognition of unpaid work should come from the authorities and conform with efforts on the company level to integrate job and family for life to both men and women. Here, looking for improvements will also be a task of

expert groups, which will be established within the context of the European Family Alliance. One of these essential challenges will be to develop new, innovative approaches to the evaluation of unpaid work, in order to present the theme to the whole society, not just to business.

Petra Diroll:

Ms. Rix, in Europe, the belief that elderly people in the United States are forced to work longer in order to improve their retirement exists. Is this a realistic belief?

Sara E. Rix:

As a result of the shift from defined benefit pension plans to defined contribution pension plans, older individuals are at risk on the market and as result of the market downturn in 2000 many workers pushed back the date of their retirement. Relatively few retirees returned to the workforce despite the market downturn. In the United States research on workers aged 65 and a similar age group not in the labour force showed that older people in the workforce were healthier, better educated and wealthier than their peers who were not. While there may be a need for lower income individuals to remain in the workforce longer they find it more difficult because they lack the skills and abilities employers require. The better educated individual more frequently has the means to retire comfortably. The picture is a very mixed one in the United States. An increase in labour force participation rates in the over 50 and the over 65 age group started around 1985. It might be possible to raise these rates to 40 per cent in that critical 65 to 69 age group, but a lot of the burden is going to fall on a group that we have given relatively short shrift to during this conference. We have talked about employers and governments, but have neglected the employees themselves except when it comes to preventive health care measures. In the United States there is no return to the work force at upper ages because once you are out of the work force you are generally out for good. The US age discrimination in employment act indicates that while it may have had an adverse impact on hiring older workers – the European Union should consider this as it begins to monitor anti age discrimination legislation – that legislation does seem to have had a positive impact on retention of older workers who want to remain in the labour force longer, as they do have opportunities and I think they will have increasing opportunities as some industries – not all industries – begin to experience the types of labour shortages that we see in the health care industry.

Picture of the Elderly

Petra Diroll:

Ms. Praefke, no one likes to discuss old age while in the midst of youth. Do you think this discussion can involve the whole society? In the future, will people think more about how to map out their later years?

Katja Praefke:

I believe, as our Dove ad campaign has just shown, that this discussion is taking place and that it will, occasionally, be a polarised one. Had we announced three months ago, that we planned to picture naked women between 55 and 65 years old, we would have been taken for crazy. Now, if we talk about this campaign, which was really an ad for a cosmetic product, the feedback across the board has been positive. The time has come to talk about our view of the elderly and people are also ready to discuss this. In my opinion, it is specially gratifying that the issue of the elderly, who is viewed as a societal phenomenon that exists and should be addressed as such. The people should be represented as they are: multifaceted and beautiful. So, I would say it's the right time for discussion and, at the moment, we are also profiting from this discussion.

Petra Diroll:

Ms. Rix, can you recognise an increasing readiness to grapple with old age?

Sara E. Rix:

When I first started as a young researcher to attend these conferences and I would see many of my older colleagues at meeting after meeting and I used to say: When will they ever retire and give us an opportunity? And I know that people are saying that about me as well. And as I look at the audience I do see some young faces but here again those of us who are up here and organising events like this need to do a better job of reaching out to the younger generation because if we are remaining in the labour force longer we are all going to have to work together longer and I feel it is important that we recognize the needs and concerns of the generations of older workers who are coming after us.

Petra Diroll:

Mr. Myhrman, is it your view that a new awareness has developed in Finland, bearing in mind that you have succeeded in integrating more elderly workers into the work process? Is there a new form of coexistence between the generations, or is there something of more respect from the youth?

Rolf Myhrman:

There has been a huge shift in attitudes in Finland in the last 15 years and now we respect older employees in quite a different way. I would like to make some comments concerning goods and the way they are produced. We tend to polarise to the two extremes, the private and public goods and perhaps overlook the unpaid work which is done within families or non-governmental organisations in producing some of these goods. Goods produced for the market are given a lot of attention, but it should be noted that there is an ethical difference if they are produced by commercial enterprises or by charity organisations or in structures where close family members are taken care of. Turning to the point about new models of inter – generational living, we have no statistics, but as we grow up we talk about caring for older people within the family structure as opposed to an institutional one and how to actively involve them in society.

Petra Diroll:

Mr. Vignon, keyword: mentality change. Do you detect a change?

Jérôme Vignon:

Yes, without a doubt. Björn Bloching pointed to this in his report today. He explained here, that the younger and older generations are all consumers and that the purchasing power of the elderly should generally be paid more attention to. There are however differences, in meaning that the young and old attach to consumption. The elderly generation tends more toward altruism than the younger generation. If we can use the experience and the social competence of the elderly, then we will conquer many of our problems. A change in awareness will positively affect firms and public institutions. I am quite sure of this. The young and the old can complement each other and the appreciation will increase. There is certainly a regional problem: what happens in the countries, cities and communities, in which there is almost no younger generation and in which over 90 per cent of the population is over 50 years old? It is a great challenge on the European level to create new perspectives for these regions. Social reform can help with this, but it must also be accompanied by self-confidence within such regions.

Petra Diroll:

Ms. Prud'homme, do you have a concrete example of the aforementioned mentality change from your own environment?

Nicole Prud'homme:

Thank you for bringing my family experience to mind. I have children and grandchildren and my children often ask about their future in light of the difficult employment situation and the rising real estate costs, which represent large problems for our youth. In some cases, the break up of the family unit, which no one talks about is also a problem. However, I believe that older people can play a central role should the family unit disintegrate. Some others say that they might not get any pension and, so turn to private insurance system. I see a danger here as they ask themselves why they should pay in to a pension scheme from which they won't profit, when it's really about paying pension to an increasingly important older generation. I believe that social cohesion could suffer damages in this area. Mr. Vignon, in my opinion, is also right about the deterioration of the community. It seems to me that the development of new technologies, specially the Internet, and the access to such technologies from anywhere allows the youth to live in rural regions and profit from a higher quality of life and advantageous property prices, while still meeting up in important economic centres during the week. For me, societal cohesion is based on a system of social protection, which is based on solidarity. If we fail to recognise this as a valuable aspect of our society, by the year 2030, we will be dealing with other people who are isolated and in despair and this would be the worst possible path to go down. This is the reason why the European Economic and Social Committee suggested a kind of social pact between the generations. Otherwise, we are on course for a social catastrophe. I consider the idea of an European alliance for the family put forward by the German EU Presidency highly interesting because I believe our

society in different ways is based on the family. If we reach consensus on the family alliance we can approach Europe with solidarity and solve the problems of ageing in a more positive manner. If you look not only at the distance between our children and grandparents, but also at the setting up of nursing homes and kindergartens in our cities which allow the little ones to get to know old people and not be scared of them, then I believe that through such intergenerational living we can build a society of hope instead of a society of despair.

Concluding Remarks

Gerd Hoofe

**State Secretary, Federal Ministry for Family Affairs, Senior Citizens,
Women and Youth (Berlin)**



Dear Mr. Vignon,
dear Ms. Prud'homme,
dear Ms. Rix,
dear Ms. Praefke,
dear Mr. Myhrman,
dear representatives,
ladies and gentlemen,

Just as the concept of old age began in earlier times, today marks the beginning of a new phase of life, full of self-confidence and ideas. The elderly of today want to enjoy quality of life just like in their younger years. And a lot of them are able to put this into practice. The “new” old people make up society’s fastest growing age group. This conclusion will be unquestionable at the end of our conference on “Demographic Change as Opportunity: The Economic Potential of the Elderly.”

In the past few days, we have spoken about the exciting possibilities of the economic potential of our elderly citizens and about the chances, which the ageing of our European societies offer to economic growth and employment. The conditions, however, are that the potential of elderly people has to be acknowledged and made use of in a more effective way.

Mr. Špidla underlined in his speech that the societal and economic course needs to be set now. The examples we heard from the industry illustrate that a growing number of companies are already setting this course on an internal level.

A glance at the media also shows that a change is taking place. Agencies, advertising and media companies are finally correcting their image of elderly consumers and throwing overboard their opinion of the elderly as thrifty, poor and hardly ever enjoying life – a formerly dominant opinion.

For too long, youth has been equated with curiosity, eagerness to learn and optimism. But does “being old” automatically mean a lack of innovation, of open-mindedness towards new ideas and stronger fears of the future? Is that so? Can elder societies not be as open towards new things as the younger ones? And, who defines and decides if and when we are considered “old”? Each phase of life is important. Older age is connected with knowledge and experience, which younger people can benefit from – specially during a development phase in European societies, where we have to cope with a lot of adaptations and changes. Economy and industry will make far more adjustments to an ageing Europe than before – ranging from a wider selection of single portion packages in the supermarket to easier to use articles of everyday use. The fields of leisure, tourism, living, finance and health care also need to adapt more intensely to the target group of elderly people.

Senior citizens are prepared to invest their money in services tailored to their needs and wishes. Half of the elderly people are even prepared to pay more in exchange for more adequate services. From an economic point of view, it would also make sense to take the interests of elderly people into account, as they are a profitable consumer group.

But the economic potential elderly people is far-reaching. They result in New chances for society and economy are created, if elderly people are actively integrated, for example in the fields of product development, consulting or sales. During this conference, we have heard a number of interesting examples of elderly people who are still working or bringing their experience into the economic process – post-retirement – as employees, as entrepreneurs, as business people or as senior experts.

It becomes more and more obvious that offers directed at the different phases of elderly life promise to provide more comfort and quality of life. But – and this is a third important aspect regarding the economic potential of elderly people – not only the elder generation will benefit from it, but society as a whole. In this context, “design for all” is the decisive key phrase.

A new chance is opening up to the market: multigenerational customers with money to spend can be reached with products and services suitable for them.

We know that Europe has to compete on a global level. In response, the European model of combining free markets with social balance is more modern than ever. We are on the right path with our single European market and our single currency. The Lisbon Strategy correctly outlined our further aims.

Again and again I have the impression that Europe has no problem with formulating goals, but it does have problems implementing the goals agreed upon. We now need more focussed action at both European and national levels in order to make Europe more competitive. Therefore, we still have to implement the necessary structural reforms for more innovation and employment.

Let's take a look at Brussels: The EU member states' leaders confirmed the following at the summit on 8–9 March, 2007: "The demographic change poses complex and interconnected challenges to the member states".

The EU Commission has taken action with the Green Paper on Demographic Change and the October 2006 report based on it. In her opening speech, Minister von der Leyen explained how we were inspired by such impulses to develop the social and economic potentials of the elderly citizens, and how this is also reflected in the focus of the German EU Council Presidency. The EU Employment and Social Affairs Council accepted a resolution on the Germany-initiated topic of "The contribution of elderly people to the economic and social development." It contains concrete suggestions about how the potentials of elderly people can be utilised within the economy and society, for more intense cooperation and better relations between the generations.

This conference is meant to be another element in the establishment of this topic on a European level.

How can we now put all this, including the results of this conference, into practice and make it sustainable? How must the framework be laid so that Europe will adopt a pioneer position in the growing market "silver economy" and thereby make a significant contribution to the goals of the Lisbon Strategy?

Together with the Commission, we Want:

1. to find ways of stressing the opportunities introduced by the economic potential of the elderly, in regards to quality of life on the one hand and to the factors of growth and employment on the other;
2. to show national governments possibilities for adapting innovative techniques and employment policies to meet the needs of a "silver economy";
3. to integrate the "silver economy" into different EU programmes in order to support specially small and medium-sized companies with regard to the new markets;
4. to develop ideas and suggestions for successful political methods concerning elderly people, above all in the areas of voluntary and non-profit engagement.

Despite it all, we should rather make use of existing instruments than create new structures without the need to do so.

An interesting mix of practitioners, scientists and politicians have gathered at our congress in Berlin. In my opinion, this is also a sign of the diversified and gainful potentials of our beliefs.

A successful event, which will motivate us - in Germany and in Europe - to highlight the opportunities of demographic change along with the advantages, achievements, and potentials of the elderly people. Despite the differences within each EU country, this topic concerns all of us. And last but not least: this congress proved that we can learn a lot from each other and benefit from the experience of the others. Thus we will have to continue the discussions and the dialogue on a broad level, and let all the countries that have been present during the last two days participate.

Take home a lot of new ideas and inspiration, develop them and let us all share your knowledge and experience and thus benefit from one another. In conclusion I would like to thank you all – the participants and speakers – for having accepted the invitation and I would like to thank the EU Commission for supporting us and cooperating with us.

Keep in touch. Have a good and safe journey home and come back soon. We need you.
Auf Wiedersehen.

To all of those who worked behind the scenes on preparation and have added to this successful course of events, we extend an honorary thanks.



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