

STATEMENT BY THE SECRETARY OF STATE FOR SOCIAL SECURITY OF SPAIN, OCTAVIO GRANADO, AT THE UNECE MINISTERIAL CONFERENCE ON AGEING 2007-11-06

LEON, 7 November

**ROUND TABLE: “LIVING LONGER- WORKING LONGER CHALLENGES FOR EDUCATION, LABOUR MARKET AND SOCIAL PROTECTION.-
Basic reference text to check against delivery**

The Madrid International Plan of Action on Ageing (MIPAA) and the European Regional Strategy (RIS) which develops it for the European region, are designed on the need of an integrated and transversal approach to ageing. This approach, if taken in relation to the topic of this roundtable, requires a coordination of interventions from education, training, employment and social protection policies in favour of extending working lives, preventing disability, active ageing and social protection of older persons.

As Odille Quintin rightly stated, “The aim would be that the gains on life expectancy will be shared between employment and retirement”. To that end, it is very important to pay attention to permanent training throughout the lifecycle, to support adequately labour transitions, to maintain work capacity, to open labour market and to maintain in it older workers, to desincentivate early exits from the labour market and achieve a voluntary postponement of the effective retirement age.

From this perspective, delayed entry of the young people in the labour market, difficulties related to the absence of proper qualifications by older workers, as well as difficulties in access to training are very important questions to be considered.

In addition, when speaking about labour market, active ageing and access to retirement – although it is not nothing new – it is important to stress, even today, that it would be ideal to articulate a more gradual transition between active life and retirement. For that reason, it is important to eliminate rigidities in regulation of retirement.

On this regard, efforts would be taken towards avoiding that a worker doesn't change suddenly, and drastically, from working 40 hours a week to work 0 hours. In a nutshell, it is very important to promote more flexibility and graduality, supported by different public policies and decisions by relevant actors, in order to allow for an adequately managed and postponed transition.

It would also be good to say from a national perspective that our reform is supporting those workers that voluntarily decide, having good health conditions to do so, to continue in their labour activities with individual benefits. Support for prolonging working lives is fully included in the Recommendations of the so-called “Toledo Pact”, strategic framework of Spanish reforms on Social Security. One of the objectives on this regard was that effective retirement age get closer to legal retirement age.

On the other hand, it can be said that the traditional conception of work as a scarce good and the prolonging working life of older workers limits labour opportunities for the young is not longer sustainable. It is important to deconstruct this false dilemma about sharing of work between young and older generations. The maintaining of higher levels of unemployment rates of young people in countries which have been using during years the resource to prejubilation and early retirements put into question this supposed intergenerational conflict.

Other key question for the success of the strategies on active ageing and prolonging working lives is ensuring the coherence between different interventions. It is not possible to speak of promoting active ageing and prolonging working lives and, at the same time, favour early exits for certain economic sectors or collective groups, or maintain incentive measures for early retirement in social security regulations, or easy exits at early ages through invalidity, unemployment or social assistance regulations.

Let me conclude my intervention by saying that social protection systems, in particular social security systems, have a contribution to make to address challenges and opportunities of ageing and the need of prolonging working life. Social Security today, more than ever, is an important social stabiliser for European countries. Addressing ageing challenges demand to consolidate our social protection systems, to ensure that our pensions are at medium and longterm sustainable, and to ensure that they provide adequate pensions.

León, 7th of November