

Policy Changes and the Labour Force Participation of Older Workers: Evidence from Six Countries*

Martin Cooke
University of Waterloo

RÉSUMÉ

En réponse aux pressions bientôt exercées par le vieillissement de la population, des gouvernements nationaux et des organismes supranationaux comme l'Organisation de coopération et de développement économiques (OCDE) et l'Union européenne (UE) ont préconisé l'adoption de politiques visant à encourager les travailleurs âgés à demeurer ou à revenir sur le marché du travail. L'élimination récente de l'obligation à la retraite en Ontario en est un exemple, et certaines autres politiques comportent des modifications aux régimes nationaux de pension ainsi qu'aux programmes d'assurance-invalidité et d'assurance-emploi, des politiques d'intervention active sur le marché du travail et la promotion de la retraite graduelle. Le présent article examine les différentes approches politiques prises par les six pays participant au projet *Workforce Aging in the New Economy* (WANE), un projet sur le vieillissement de la population active face à la nouvelle économie qui place les approches politiques canadiennes en relation avec celles de l'Australie, de l'Allemagne, des Pays-Bas, du Royaume-Uni et des États-Unis. Les approches politiques faisant l'objet de discussion ici ne tiennent pas compte de l'hétérogénéité du cours de la vie des travailleurs âgés ou des domaines connexes de la santé et de la famille. De même, les modifications apportées jusqu'à maintenant ne semblent pas vouloir mener à une participation accrue des travailleurs âgés au marché du travail, et certaines peuvent entraîner, pour les travailleurs âgés, un plus grand risque de trouver seulement un emploi moins bien rémunéré.

ABSTRACT

In response to the anticipated pressures of population aging, national governments and supranational bodies such as the Organisation for Economic Co-operation and Development (OECD) and the European Union (EU) have promoted policies to encourage the labour force participation of older workers. The recent elimination of mandatory retirement in Ontario is an example of such a policy, and others include changes to national pension systems and changes to disability and employment insurance programs, active labour-market policies, and the promotion of phased or gradual retirement. This paper reviews the different policy approaches taken in the six countries included in the Workforce Aging in the New Economy (WANE) project, placing Canadian policy approaches in relation to those taken in Australia, Germany, the Netherlands, the United Kingdom, and the United States. From the life course perspective, the policy approaches discussed here do not consider the heterogeneity of older workers' life courses or the related domains of health and family. As well, the changes made thus far do not appear likely to lead to increased labour force participation by older workers, and some may leave older workers at greater risk of low income and low-wage work.

* I would like to acknowledge the support of the Workforce Aging in the New Economy SSHRC INE Project and thank Dr. Julie McMullin, several WANE investigators, and the three anonymous reviewers for their helpful comments. I also thank Dr. Kerry Platman for exposing me to Günther Schmid's work. This paper contains material presented at the Canadian Association on Gerontology Annual Meetings in October, 2003 and at a joint session of the Canadian Sociology and Anthropology Association and Canadian Population Society in June, 2005.

Manuscript received: / manuscrit reçu : 6/10/04

Manuscript accepted: / manuscrit accepté : 28/07/06

Mots clés : vieillissement, politique de retraite, travailleurs âgés, cours de la vie

Keywords: aging, retirement policy, older workers, life course

Requests for offprints should be sent to: / Les demandes de tirés-à-part doivent être adressées à :

Martin Cooke

Sociology Department and Department of Health Studies and Gerontology
University of Waterloo
200 University Dr. W
Waterloo ON N2L 3G1
(cooke@watarts.uwaterloo.ca)

Introduction

The aging of the population and labour force of industrialized countries has become a major factor in public policy making, affecting health policy, pensions, and labour and industrial policies at the national and supranational levels. A relatively smaller population in typical working ages has raised concerns about the solvency of public pension plans, health care financing, levels of taxation, and the potential consequences for economic productivity in Europe, as well as in North America, where large baby boom cohorts are nearing retirement age. At the same time as concerns over population aging have arisen, they have been exacerbated by a trend towards the shortening of working life, with longer time spent in education and training and a trend toward earlier retirement.

These changes have led the Organisation for Economic Co-operation and Development (OECD) and the European Union (EU) strongly to encourage their member states to develop policies aimed at keeping older workers in the labour force. An important goal of policies such as the OECD's *Active Aging* is to promote a delay in the transition from work to retirement (OECD, 2000). In Canada, there has been similar concern and the federal government's Policy Research Initiative (PRI) has recently released a report entitled *Encouraging Choice in Work and Retirement* proposing various policy options to lengthen working life as a response to population aging (PRI, 2005). The economic implications of an aging population are also part of the rationale behind the recent debate about ending mandatory retirement in Ontario (Ibbott, Kerr, & Beaujot, 2006).

As Ibbott et al. point out, it is not entirely clear that ending mandatory retirement and addressing other forms of age discrimination will have the intended effect of increasing older worker labour force participation. Retirement decisions are affected by the demand for older workers and by the benefits available from pension plans as well as by other factors. Policies aiming to promote labour force participation by older workers should also consider other important changes in work and family lives. These include a fragmentation of working lives and

the decline of continuous full-time, full-year employment, the increasing labour force participation of women, and the increasing diversity of family and household types.

Some of the approaches that have been suggested in Canada and internationally (e.g., OECD, 2000; PRI, 2005) propose taking a *life-course perspective* on policies supporting older worker labour force participation: Attention is focused on transitions made by individuals in the domains of work and education and also in the related domains of family and health. However, it is not clear whether these policy approaches truly consider these interrelated domains, taking into account the importance of age as a dimension of social inequality and the heterogeneity of the life courses of older workers. This paper reviews recent policies with respect to the retirement and labour-market participation of older workers in the six countries represented in the Workforce Aging in the New Economy SSHRC INE Project (WANE), from the perspective of the life course. The countries were chosen because of their representation in the WANE project. Australia, Canada, Germany, the Netherlands, the United States, and the United Kingdom have each undertaken specific measures to encourage labour force participation by older workers. First, I briefly describe the use of a life-course perspective as a framework for examining these policies. Then, I outline the demographic and labour force situations in each of these countries and describe the various policy approaches taken. Finally, I discuss some implications of these policies for older workers, from the perspective of the life course.

Theoretical Framework: Work, the Life Course, and the Welfare State

In the last few decades, the life-course perspective has been applied to the study of a variety of processes and outcomes in a number of disciplines. This perspective considers individual trajectories through events in the domains of family life, work and education, and health, among others (Elder, 1994; Marshall & Mueller, 2002). Individual life courses can be characterized by the timing and order of transitions in these domains, such as the transition from school to work,

from singlehood to marriage or cohabitation, and from work to retirement. Individual trajectories within these domains are shaped by social structures, including gender and social class, by people's relationships with others, and by the experience of historical events, as well as by the decisions of individuals themselves. Critical to this approach is the idea that the experience of earlier events forms the context of later events and decisions (Elder, 1994). One aspect of this is the accumulation of advantage or disadvantage over the life course, with poverty or poor health earlier in the life course affecting the risk of later "negative" trajectories and transitions (Marshall & Mueller, 2002).

The welfare state can be seen as a crucial factor influencing individual life courses. The general shape of the life course, including the now traditional tripartite progression through education, work, and retirement, has been created by the welfare state, and particularly by the development of public pension systems, public education, and laws against child labour (Kohli, 1986). Welfare state policies can be considered life-course policies insofar as they affect the timing and experience of these various life-course transitions.

These policies should also be considered in the context of other wide-reaching changes to life courses in the past several decades. The highly developed countries considered here have seen major changes in the operation of labour markets and in the types of employment contracts that are available. In all of these countries, the economic importance of the resource and manufacturing sectors has declined in favour of service sector employment and knowledge-based, *new economy* work. Although some claim that the demise of full-time, full-year work has been exaggerated (Schmid, 2002, p. 184), others have argued that this transition has meant the rise of flexible labour, including temporary and part-time work (Duffy, Glenday, & Pupo, 1997). As well, whereas employment had been somewhat dominated by large employers with well-developed internal labour markets, global competition for manufacturing jobs may mean that small employers and external labour markets have become more important and that employees are more likely to make several job changes over their lifetimes.

These labour-market changes have coincided with technological changes that have made skills and education more important in employment (Murphy, Riddell, & Romer, 1998). There is debate about the increasing importance of education for actually performing work (Livingstone, 1998), but little doubt that qualifications are increasingly valued in the

labour market and that technological change is seen by many as requiring that workers retrain and upgrade their skills. In some industries, there may now be a premium placed on experience and training certificates, rather than long tenure at a single company. For information technology workers, for example, it may be necessary for career advancement to have experience with a number of companies and the flexibility to make these transitions between employers as well as between work and training (Schmid, 2002, p. 164).

Another important change in work in these countries has been the movement of women into paid work, although the six countries differ somewhat in terms of women's labour force participation. This has meant simultaneous change in the domains of work and family. As well, although there is also variation among the study countries in this respect, cohabitation, divorce, and remarriage, along with blended and inter-generational families, have become increasingly common in affluent countries since the 1960s (Carnoy, 2001, p. 312; Connidis, 2001).

In light of these changes, theoretical perspectives suggest that life courses are becoming more diverse and individuated. Beck, Giddens, and Lash (1994) have proposed that, in an era of "reflexive modernization", the individual life course is more and more a product of individual agency and choice than of social structures such as class and gender. Although the "traditional" male and female life courses may never have been a reality for the majority of the population (Settersten & Meyer, 1997), these theorists suggest that there is now more freedom for people to shape the courses of their own lives.

The risk of poverty over the life course may also have changed. Beck (1992, 1999) argues that the risks of negative effects due to economic downturns or environmental catastrophes are increasingly shared, and that the risk of poverty has become democratized, reaching well into the middle classes. He also argues that poverty has become temporalized and is now more likely to last for relatively short periods in an individual's life course, although more are likely to experience it (Beck, 1992).

Despite these arguments that the middle class may be more at risk of at least short periods of low income, these social risks remain unequally distributed. Gender, race/ethnicity, and social class still affect the likelihood that one will experience poverty in these countries. Equally important, the risk of low income varies systematically across the life course and is particularly acute at times of transition. Risky transition points include the transition by younger people into work, transitions by women from unpaid work

into paid work, and transitions into retirement (Schmid, 2001). Age, itself, is an important dimension of inequality, and there is considerable evidence of age discrimination in the workplace (Remery, Henkens, Schippers, & Ekamper, 2003; Taylor & Walker, 1994). Older workers are often stereotyped as unable to adapt to new technology, as less trainable than younger workers, and as more susceptible to health problems. Although technological change may hold out some promise of extending working life, it appears that it often results in older workers' being defined as obsolete (MacDonald & Weisbach, 2004). Employers may target older workers for redundancy because they are perceived to cost more due to their seniority and may generally invest less in the training of older workers because they fear loss of that investment through retirement (McMullin & Marshall, 2001). As well, in the context of globalization and the shift to a service economy, older workers have disproportionately been located in old economy industries and have, therefore, been especially affected by economic restructuring. There is evidence that older workers tend to remain unemployed for longer and that, for some, lengthy bouts of unemployment can turn into withdrawal from the labour force and retirement (McMullin & Marshall, 2001; Rowe & Nguyen, 2003).

Another important change has been a steady decline in the labour force participation of older workers, especially older men, over the past few decades. The institutionalization of early exit from work is the largely unintended result of a number of factors, including the maturing of public pensions, the creation of institutional pathways to early retirement, and, in Europe, prolonged high unemployment rates (Maltby, de Vroom, Mirabile, & Øverbye, 2004). Early retirement has thus become a key issue for governments seeking to counteract the potential effects of an aging workforce. In each of the six countries in the Workforce Aging in the New Economy (WANE) project, there have been policy changes intended to encourage higher labour force participation among older workers. The next section briefly describes the demographic and policy contexts in which these changes have taken place.

The Context of Policy Change

The policy changes that have been made or proposed in each of the study countries have taken place in different political and economic contexts. The general characteristics of the welfare state have important implications for the types of policies undertaken, and European and North American countries can be expected to differ in their general orientations.

As well, the population of the North American countries and of Australia is somewhat younger than that of European countries, mainly because of higher immigration and of large baby boom cohorts (Ibbott et al., 2006, p. 165); this might also affect the types of policies adopted. These and other factors have resulted in some differences in the discourses surrounding population aging in the study countries, despite many similarities in policy approaches.

The context in which work and retirement policies are created includes various welfare state programs, employment insurance, pensions, and the institutions surrounding school-to-work transitions. Pierson (1994) has identified ways in which welfare state transformation is *path-dependent* and new changes to the welfare state depend greatly on the system that is already in place. According to Esping-Andersen (1999), the United Kingdom, Canada, Australia, and the United States fall within the *liberal regime* type and, with the aim of not creating work disincentives, provide lower benefits and fewer comprehensive programs. As well, these countries have lower rates of unionization, and bargaining is more likely to take place at the firm rather than at the industry, sector, or national levels. Germany follows the continental European model, in which the state tends to reinforce class and status divisions (Esping-Andersen, 1999). The Netherlands occupies a somewhat intermediate position between the continental model of Germany and the comprehensive social-democratic model of the Scandinavian countries. The Dutch *poldermodel* of cooperative policy making includes bargaining among a variety of *social partners*, including governments, unions, and employers (de Vroom, 2004).

In each of these countries, the aging of the population has been an important driver of public policy. Concerns have been expressed about the ability of an older and smaller working population to "support" a growing retired population. The potential for increased pension and health care costs has led to speculation about higher taxes and reduced economic competitiveness (OECD, 2001). Some have suggested that an older workforce will be a less productive one, further threatening economic growth (Guillemette, 2003). As well, concerns about skills shortages in the context of an aging labour force have been voiced, raising the possibility of a labour force that will be less adaptable to technological and market-driven shifts in demand (McMullin & Cooke, 2004).

There have been some differences in the discourse about population aging in these countries. In North America, more than in Australia or Europe, there have been concerns about the transfer of wealth between

generations in the context of a larger cohort of older people. *Inter-generational equity* debates have developed, in which the tax contributions to pensions or health care by those now young are compared to the benefits received by those now old, who made smaller contributions when they were themselves young (Kotlikoff, 1993). Foot and Venne (2005) predict that inter-generational equity will be of increasing importance in Canada as the population ages. However, it is notable that it is in North America, where demographic aging occurred later, that the emergence of a politics of age is strongest (Cooke, 2004).

The six study countries have faced somewhat different labour force and economic challenges due to globalization and economic restructuring. The European countries faced high unemployment in the 1980s, and Germany had a unique problem following reunification, with the challenge of integrating workers and industries from the former East. Part of the response to high youth unemployment in Germany and the Netherlands was the institutionalization of programs that encouraged early retirement (Ebbinghaus, 2000, p. 4). However, all of the six study countries have experienced a dramatic drop in the labour force participation of older workers since the 1970s. Figure 1 shows the labour force participation of men aged 55 to 64 over the past three decades. In each country, there has been a long-term trend to earlier exit from the labour force, a trend also found by those examining average ages of retirement (Blöndal & Scarpetta, 1998). Partly because of their less comprehensive systems of state income provision, economic cycles have tended to have more effect on labour force participation by older workers in the Anglo-American

countries than in Europe (Ebbinghaus, 2000), and, as Figure 1 shows, there is evidence of increased labour force participation in some of these countries beginning in the late 1990s. Recent research has reported that the trend toward early retirement may be reversing in all of these countries, although it remains too soon to be sure as to the cause of this change or whether it is likely to last (Maltby et al., 2004, p. 3; Quinn, 2003).

Recent Policy Changes and Older Workers

The policies that have been adopted in the study countries in order to increase the labour force participation of older workers fall into five main types. These include anti-discrimination policies, including policies with respect to mandatory retirement; changes to the ages at which public pensions can be claimed; policies closing alternative routes to retirement; active labour-market policies; and attempts to implement phased retirement. Each of these policy approaches is discussed below.

1. Mandatory Retirement and Age Discrimination

One of the approaches taken to increasing the labour force participation of older workers in the six countries has been to try to reduce ageism in the workplace and age discrimination in hiring and firing. Older workers are often the first to be made redundant, partly because seniority may make them more expensive but also because of stereotypes about their productivity, attendance, and ability to learn new skills (Remery et al., 2003; Taylor & Walker, 1994). In the restructuring of industrial labour forces that has occurred since the 1970s, firms, governments, and

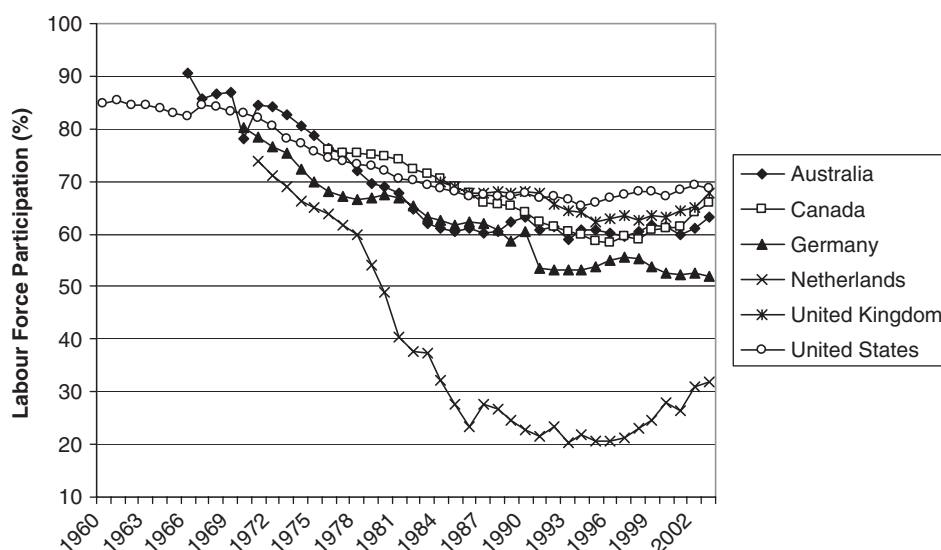


Figure 1: Percentage of Men aged 55–64 in the Labour Force, 1960–2002

Source: OECD (2005); Author's Calculations

labour organizations have turned to the retirement of older workers as a source of flexibility (Ebbinghaus, 2000). One of the mechanisms through which this has taken place is writing mandatory retirement ages into employment contracts. Although contractual mandatory retirement appears to be voluntary, in practice it is often set unilaterally by the employer and serves the firm's interest in flexibility (Kesselman, 2004).

In Australia and the United States, mandatory retirement is prohibited as a form of age discrimination (Encel, 2002; Equal Opportunity and Employment Commission, 2005; O'Meara, 1989). In Canada, age is established as an unacceptable basis for discrimination in the Charter of Rights and Freedoms; however, provincial human rights commissions have interpreted this as only protecting those under 65 from discrimination in employment. Currently, Manitoba and Quebec have made it illegal for employers to set mandatory retirement ages, and there is no longer mandatory retirement in the federal civil service (Kesselman, 2004). Legislation to end mandatory retirement in Ontario will come into effect at the end of 2006 (Ontario Ministry of Labour, 2005).

Mandatory retirement and age discrimination policies in the EU countries are about to be affected by the European Employment Directive, which identifies age as an unacceptable basis for discrimination and mandates that member states have anti-age discrimination policies in force by 2006, making employer-directed mandatory retirement ages illegal (Council of the European Commission, 2000). With respect to age discrimination in employment, the United Kingdom currently has a voluntary code of conduct, and it remains legal for firms to establish mandatory retirement ages (Taylor, 2002). A discussion paper by the U.K. Department of Trade and Industry (DTI), in response to the EU directive, proposed a national mandatory retirement age of 70, after which "employers could require employees to retire without having to justify their decision" (DTI, 2003, p. 6). Before that age, employers would be able to mandate retirement, under certain rules. The British Chambers of Commerce responded by lobbying for a set mandatory retirement age of 65 (Chamber Online, 2004). The resulting legislation, set to come into effect in 2006, prohibits unjustified age discrimination in employment and vocational training, while allowing employers to impose mandatory retirement on workers aged 65 or older. Employers will be required to inform employees of their mandatory retirement 6 months in advance, in order to "allow people to plan for their retirement" (DTI, 2005).

Mandatory retirement is still allowed in Germany as well, and in the Netherlands, a bill was recently

debated that would prohibit age discrimination in hiring, training, and promotion. However, that bill did not address age discrimination in dismissal, and thus would not have prevented mandatory retirement (de Vroom, 2004).

Despite references to population aging in the mandatory retirement debates in Canada, there is little evidence that banning mandatory retirement has had an effect on labour force participation in other countries (Encel, 2002; Meadows, 2003; Taylor, 2002). For one thing, mandatory retirement is not universally practised and therefore its abolition would only affect a portion of the labour force. There is some evidence that, in Canada, this might prove to be a large number of workers. Using 2002 data, Morissette, Schellenberg, and Silver (2004) found that 12 per cent of a sample of Canadian workers who retired in the late 1990s or early 2000s reported that they might have kept working were it not for mandatory retirement. Nonetheless, the elimination of mandatory retirement would not prevent firms from offering attractive buy-outs to induce voluntary retirement (Ebbinghaus, 2000). As well, there are powerful incentives for older workers to leave the labour force, including public and private pensions.

2. Changes to Pension Eligibility Ages

Despite differences in welfare state regimes, each of the study countries has public systems of income provision in old age, and the most well-developed sets of policy changes have targeted these systems (Taylor, 2002). Pension policies are complex, but in general these changes have had two aims. The first has been to increase the solvency of public pension plans by either increasing contributions or by reducing the total amount of benefits paid by the system. Second, changes have been made to reduce the extent of early exit by increasing the ages at which older workers can make claims on public pensions.

Table 1 presents the ages at which a worker in the study countries could claim a full public pension in the mid-1990s. The United States has since gone furthest in increasing pensionable ages. The regular age for claiming Social Security is set to increase gradually to 67 by 2027 for both men and women, with incentives for those retiring later (Rix, 2000). In Australia, there are incentives to defer drawing a pension until age 70 (Taylor, 2002). The United Kingdom has recently increased the pensionable age of women from 60 to 65, the same as for men. A recent report of the U.K. Pensions Commission has proposed increasing this age gradually to 68, along with thoroughgoing changes to the public pension system

Table 1: Economic and labour force statistics for study countries

		AUS	CAN	GER	NLD	UK	US
Full Pensionable Age (1995)	Male	65	65	65	65	65	65
	Female	60	60	65	65	60	65
Average Age of Retirement (1995)	Male	61.8	62.3	60.5	58.8	62.7	63.6
	Female	57.2	58.8	58.4	55.3	59.7	61.6
Unemployment Rate (2002)	25–54	5.3	6.2	7.5	2.6	3.9	3.8
	55–64	4.7	5.8	11.2	1.9	3.3	3.1
	65+	0.8	3.1	1.0	—	2.9	3.7
Employment-Population Ratio (2002)	25–54	76.7	80.3	78.8	82.0	80.3	79.3
	55–64	48.7	50.1	38.6	42.9	53.1	59.5
Poverty Rate ¹ (1990s)	Total	14.3	11.9	7.5	8.1	12.9	16.9
Poverty Rate (1990s)	65+	29.4	5.3	7.0	6.4	20.5	20.7

1 Poverty rate is the proportion of the population with disposable incomes half of median national incomes. Poverty rate data are for year 1994 for all countries except Canada and U.S. (1997) and UK (1999).

Sources: Auer and Fortuny (2000); Blöndal and Scarpetta (1998); Luxembourg Income Study (2003/2006).

(U.K. Department for Work and Pensions [DWP], 2005). Germany has increased the age at which full pensions can be claimed to 65 for most workers. For the long-term unemployed and the disabled, retirement pensions can be claimed earlier, but the ages here too have been increased (Teipen & Kohli, 2004). Reforms in Canada and the Netherlands have focused on ensuring solvency of pension systems by changing the way they are funded rather than by increasing pensionable ages (Haverland, 2001; OECD, 2001, p. 112).

Any effects of these changes will depend on the importance of public pensions in the overall income package of retirees. In the Netherlands, Germany, and Australia, most workers have access to flat-rate public pensions, as well as earnings-related occupational pensions (U.S. Social Security Administration, 2004; 2005a). In Canada and the United States, the public pension system has both a means-tested, flat-rate component, and an earnings-related public pension (U.S. Social Security Administration, 2005b). As well, in Canada, the United States, and the United Kingdom, workers have access to tax-sheltered investment savings plans, encouraging individuals to save for their own retirement. Of the six countries considered here, public transfers currently constitute the largest share of retirement incomes in Germany, followed by Australia. In Canada, the United Kingdom, the Netherlands, and the United States, occupational pensions, capital income, and earnings are nearly as important as public pensions, as proportions of the total income of retirees

(Pedersen, 2004, p. 13). Changes to Social Security proposed by President Bush would dramatically increase the private savings component of the pension system in the United States (Feldstein, 2005). Reforms in Germany in 2001 and 2004 also increased the importance of private savings through so-called *Reister* pensions (Börsch-Supan, 2005). These private sources of retirement income are not as amenable to government intervention, and the age of retirement may also be affected by a number of other factors, including general economic conditions. As Table 1 shows, Blöndal and Scarpetta (1998) have found the average age at retirement in the mid-1990s to be well below the official pensionable age. As Ebbinghaus (2000, p. 5) puts it, “[w]ith the secular trend toward early exit, the ‘normal’ pension age as a transition from work to retirement has lost its clear-cut defining edge” (Ebbinghaus, 2000, p. 5). This may be even more the case as income sources other than public pensions increase in importance (Pedersen, 2004).

3. Closing Other Paths to Retirement

Public pensions remain an important path to retirement, but several of the study countries have other pathways, both formal and informal. Exits from the labour force by older workers can take place through disability benefits, as well as through prolonged unemployment benefits that provide a bridge to public pensions. Furthermore, in the European countries in the study, there have been specific programs to allow early retirement, intended to combat high youth unemployment in the 1980s. These countries have

now made some policy changes to restrict the avenues of early exit from the labour force.

The Netherlands' early retirement program, the VUT, was a major route to the retirement of older workers in the 1980s and 1990s. As Figure 1 shows, labour-force participation has been much lower among older Dutch workers than among those in the other study countries. In the context of prolonged youth unemployment, the VUT allowed firms to shed older employees in a "socially acceptable" way and provided a bridge to retirement for those not yet eligible for full pension benefits (de Vroom, 2004). Because the VUT agreements were not strictly welfare state programs but were agreements made among unions, firms, and social partners, the state has not been able to dismantle them directly. However, it has been able greatly to reduce their popularity by withdrawing financial support (de Vroom, 2004). Nonetheless, early retirement mechanisms remain a part of many labour agreements (Remery et al., 2003). Early retirement schemes in Germany and the United Kingdom have now also been scrapped (OECD, 2000, p. 22).

These changes have made the interdependence and substitutability of other welfare state programs more clear. In the Netherlands, disability benefits were increasingly taken up by those who would not otherwise qualify for full pensions, following the restrictions to the VUT (van Dalen & Henkens, 2002). The widespread use of disability benefits as a bridge to retirement became known as the "Dutch disease", and was, in some cases, encouraged by relatively lax requirements for medical verification (de Vroom, 2004). In recent years, these rules have been tightened in the Netherlands, as well as in Germany and the United Kingdom (OECD, 2000, p. 22). However, unemployment insurance claims by older workers have since increased, which is evidence of the interconnectedness of these welfare state programs (van Dalen & Henkens, 2002).

Neither Canada, the United States, nor Australia has had similar state programs promoting early retirement, although early pensions may be claimed with reduced benefits. It is likely that these countries have also seen disability programs used as bridges to public pensions, especially by unemployed older workers. In the United Kingdom, Taylor (2002) reports that arthritis, depression, and "unspecified disorders of the back" were the conditions behind the major rise in disability claims in that country in the 1980s and early 1990s, and that about one third of these claimants had moved to invalidity benefits directly from jobseekers' allowances. However, in each of these countries, governments have focused on

returning the unemployed, as well as the disabled and older workers, to the labour force through so-called *active* labour-market policies.

4. Active Labour-Market Policies

As part of the European Union's European Employment Strategy, active labour-market policies have become increasingly important, as they have in North America and Australia. Generally, active measures include policies and programs that require particular behaviours on the part of firms or workers if they are to receive benefits and are often contrasted with so-called *passive* income support programs (Auer, 2002). In the area of social assistance, for example, beneficiaries in these countries are increasingly required to undertake employment-related activities, including participation in counselling, guided job searches, and training, as a condition of receiving assistance (Human Resources Development Canada, 2000). With respect to older workers, the OECD has promoted what it calls *active aging*, including programs targeting older workers for retraining (OECD, 2001). This has included tax incentives for firms investing in training and employment counselling and support for older workers. Firms in Germany, Australia, and the Netherlands can receive subsidies for hiring older workers who have been unemployed for extended periods (de Vroom, 2004; Taylor, 2002, p. 25).

Active labour-market policies in Canada tend either to be age-neutral or to target younger workers (Leblanc & McMullin, 1997). Canada has had only a few pilot programs aimed specifically at the employment or retraining of older workers (McMullin & Tomchick, 2004, p. 11). These include the Program for Older Worker Adjustment (POWA), which provided some financial assistance to older workers who were in geographic regions hit by large layoffs in the early 1990s due to restructuring. The program was terminated in 1997. The Older Worker Pilot Projects Initiative (OWPPI) began in 1999 and was "designed to re-integrate displaced older workers into sustainable employment, or maintain in employment older workers threatened with displacement" (Treasury Board of Canada Secretariat, 2004). However, funding for this project was limited (CAN\$15 million) and was not guaranteed past March 2005 and Ontario, Alberta, and British Columbia did not participate in the project.

In the United Kingdom, active labour-market policies have come in the form of the New Deal and the New Deal 50 plus programs (Taylor, 2002). The New Deal 50 plus consists of employment counselling and support for those 50 and older who are

receiving pensions, job-seekers' allowances, disability benefits, or pensions. As well, an income-tested working tax credit is available for the first 52 weeks of work (DWP, n.d.). However, although the New Deal 50 plus program provides help with organizing and finding training opportunities, it does not provide financial support for training older workers.

Although there have been some calls for more labour-market policies that are specifically aimed at older workers (Leblanc & McMullin, 1997), there have been some problems associated with this targeted approach to increasing older-worker participation. One is that age-specific policies may tend to increase inter-generational equity debates and undermine social cohesion. By providing training and hiring incentives targeting older workers, policies may make age a more salient aspect of workplace relations and may undermine policies against age discrimination (Taylor, 2002). Hiring and training programs that are not age-specific might avoid this problem, although they might also have less impact on the labour force participation of older workers. Moreover, some commentators have noted that targeted programs tend to be ad hoc and not coordinated with other employment and retirement programs (Schmid, 2002; Taylor, 2002). This certainly appears to be the case in Canada, where programs for older workers have only existed sporadically. A more thorough criticism of programs targeting older workers is that they do not adequately consider the entirety of the life course and ignore the pathways that may have led to economic marginalization. Attempting to retrain workers only near the end of their working careers, without helping them upgrade skills and knowledge throughout adulthood, may be ineffective and does not constitute *life-long learning* (Marshall & Mueller, 2002, pp. 11–12).

5. Flexible and Part-Time Retirement Policies

The fifth broad policy approach of the study countries is to promote flexible or part-time work by older workers. The OECD has encouraged countries to establish programs through which older workers could partially retire or withdraw from the labour force gradually. These programs would adjust the ways in which additional earnings are taxed back for those receiving pensions, allowing workers to take partial pensions and supplement them with part-time work (OECD, 2000, p. 91). The policies are better developed in Europe than in North America or Australia but have not become widespread in any of the study countries (Taylor, 2002).

Germany's experience with flexible retirement, described by Teipen and Kohli (2004), illustrates some potential pitfalls of this approach. The 1989

Part-Time Work in Old Age Act was intended to allow people to combine pensions and part-time work. However, it met with very little success, as its programs were not financially comparable with other routes of exit, including disability pensions and early retirement provisions. The Act was rewritten in 1996 and made flexible enough for those between 55 and 65 to combine part-time work and time off in a variety of ways. An older worker would be able to work half-time for 5 years, and receive 70 per cent of his or her previous earnings, with 50 per cent coming from the employer and the 20 per cent from the federal government. This was expected to make continued part-time work attractive to older workers and to make part-time older workers attractive to employers. Unfortunately, this flexibility led to arrangements whereby workers would work full-time for the first 2.5 years, and then stop working, effectively using the program as a pathway to early exit and indicating the continued attractiveness of early retirement for workers and firms (Teipen & Kohli, 2004, p. 105).

Other countries are considering some changes to pension plans to encourage combinations of work and retirement. In the United Kingdom, proposed changes would allow employees to continue to work for their employers, while drawing their occupational pensions (DWP, 2005). In Canada, a PRI report recommends that the Canada Pension Plan and Quebec Pension Plan (CPP/QPP) be changed to eliminate the 2 month work cessation test and that workers be allowed to continue to contribute to pension plans while also drawing from them (PRI, 2005). Australia has already made changes in this respect, removing the requirement that workers retire completely before claiming employer-sponsored superannuation benefits (Commonwealth of Australia, 2004, p. 10).

There is evidence that, at least in Canada, about one fifth of recent retirees would have remained in the labour force had they been able to work part-time or have flexible hours (PRI, 2005, p. 19). However, changes that make pension income easier to combine with employment income do not address the ways in which firms organize work. There are other barriers to the implementation of part-time work for older workers, including costs to individual workers in terms of foregone pension benefits but also costs to employers of reorganizing work as part-time (OECD, 1998).

Although European countries have perhaps done more to encourage part-time work in later life, part-time work among older workers is more common in the liberal welfare states than in Europe. However,

in the United Kingdom and North America, part-time work is often a bridge to complete retirement for workers who are not yet eligible for public pensions and who find themselves unemployed, rather than a way for older workers to continue working and to balance work with other activities (Encel, 2002; OECD, 2000; Walker & Maltby, 1997). Part-time work, in this context, may be more likely to be insecure or low-wage work than a phased movement from full-time work into retirement.

Labour Force Participation of Older Workers: Policy from a Life-Course Perspective

Legislation against age discrimination in employment, changes to pension policies, active labour-market policies, and attempts to encourage part-time work have been implemented to varying degrees in each of the six study countries as part of a response to population aging. The changes in Canada have been similar to those in other countries, especially insofar as none of the study countries appears to have a coherent set of policies integrating pensions, training and labour-market policies, and anti-discrimination policies. The recent provincial changes to mandatory retirement in Canada lag behind those made in the United States and Australia but are ahead of the EU countries in which mandatory retirement is still allowed. Canada has not made major changes to the ages of eligibility for public pensions, as the other liberal welfare states in our study have done. Unlike the European countries, Canada has not had formal early retirement programs that have needed to be restricted. Compared to the United Kingdom, Australia, and the Netherlands, Canada has relatively undeveloped active labour-market programs directed at older workers, and there have been no serious attempts to implement phased or part-time retirement in Canada.

It remains unclear how much the changes that have been made in these countries may affect the labour-force participation of older workers. Some commentators have expressed rather serious doubts that any effects will be long-lasting (de Vroom, 2004). Recent increases in labour force participation may be due more to lower stock market prices affecting private pension holdings, to general shifts from defined-benefits to defined-contributions pensions in occupational pension plans, or to the effects of general economic conditions than to deliberate policy changes (Disney & Hawkes, 2003; Taylor, 2002, p. 21).

As was suggested at the outset of this paper, the labour force participation of older workers should be considered within the context of broad changes to

work and family life. One factor working against the success of these initiatives may be the increased pressure of global competition and firms' desire for a flexible workforce. This is an important aspect of the approach proposed in a publication by U.K. and North American employer think tanks (Robson, 2001) and can also be seen in the negative response of the British Chambers of Commerce to the end of mandatory retirement there and in the response of some Canadian employers' organizations to similar initiatives (Ibbott et al., 2006). In the context of globalization, firms are likely to continue to find ways to avoid hiring older workers or to lay them off in the face of pressure to keep wages low (McMullin & Marshall, 2001). The potential tightening of the labour supply due to population aging has not yet been felt at the firm level. Remery et al. (2003) found that in the Netherlands, employers generally did not yet feel as though they needed to consider retaining or hiring older workers, even in the context of falling unemployment. Perceptions of older workers as less capable and more expensive seem likely to continue, despite anti-discrimination laws and evidence that older workers are indeed capable of learning new tasks and tend to have higher loyalty and less absenteeism (Taylor, 2002). Even with mandatory retirement illegal in some of these countries, firms may still desire to shed older workers through voluntary buy-outs.

From the perspective of older workers, leaving the labour force at an earlier age may continue to be attractive or necessary. The popularity of early retirement programs in some of the study countries and the use of other programs as routes to early exit is evidence that retirement is desirable for many. Some older workers may embrace the possibility of retirement as an opportunity to pursue other interests. Those who can afford to retire because of private pensions or other income may well continue to do so, while those who cannot may look for other routes of exit from paid work. The result of the desires of both employers and older workers may well continue to be extensive early exit from the labour force. Unemployment rates and employment-population ratios for older workers and other age groups are presented in Table 1. Except for Germany, the unemployment rates for those aged 55 to 64 are lower than for those under age 55. These may reflect a better labour market for older workers but may also be a result of older workers, unable to find work, withdrawing from the labour market. The employment-population ratios indicate a wide variation in older worker employment in the study countries as well as the importance of previous early retirement plans in Germany and the Netherlands. The lack of a

clear relationship between unemployment rates and labour force participation among potential older workers would seem to indicate the complexity of retirement dynamics.

If it is true that the life courses of individuals in the study countries are increasingly heterogeneous, we might expect older workers to reach retirement ages with an increasing diversity of resources. These include financial resources, such as savings and occupational pensions, but also social capital and networks of social support. Education and skills, acquired formally and informally over the life course, can be expected to produce quite different opportunities for continued employment by older workers. This diversity in work and education trajectories might be matched by diversity in the related domains of family and health. Older people may live in an increasing diversity of family forms, as a result of lower fertility and higher rates of divorce and remarriage. Most older people are active members of families, whatever their form (Connidis, 2001, p. 5), and for some, this activity may include caring for adult dependent children, for younger children or grandchildren, or for spouses. For some, caregiving responsibilities may make working in older age financially necessary, while for others it may make balancing paid work and caregiving impossible. Similarly, although healthy life expectancy has been increasing in the study countries (Ibbott et al., 2006, p. 170), there will remain significant proportions of older people for whom poor health will be an obstacle to continued work, particularly in physically demanding settings, and health and changes in health status are important determinants of retirement (Au, Crossley, & Schellerhorn, 2004; Disney, Emmerson, & Wakefield, 2004).

Some of the policy approaches taken here, including increasing full pensionable ages and restricting other institutional pathways to retirement, therefore, have the potential of forcing some to continue to work, while the increasing role of private retirement savings may allow others to continue to retire early. Table 1 provides poverty rates for those 65 and older and the total populations in the study countries. The Anglo-American welfare states had elderly poverty rates in the 1990s that were considerably higher than the total poverty rates in the other countries, while older people in Germany and the Netherlands fared much better. The exception to this pattern is Canada, which had the lowest elderly poverty rate among the study countries. This success is generally attributed to Canada's public pension system and particularly to the income-tested Guaranteed Income Supplement (GIS) and Old Age Security (OAS) (Myles, 2000; PRI, 2005). The high poverty rates

among older people in the other liberal welfare states suggest that older people remain at considerable risk for low income in the absence of income security programs.

Ultimately, the drawback of many of the policy approaches to encouraging higher labour force participation in later life is that they do not consider the life course as a whole, including the relationships among earlier and later life-course events, and between the domains of work and education, health, and family. Rather than aiming only at slowing the transition from work to retirement, policies should recognize that this transition is affected greatly by earlier experiences. The PRI (2005), for example, found that those with higher education tended to contribute more lifetime hours to paid work, suggesting that training or retraining over the whole of working life may be more effective than policies targeting only unemployed older workers. Likewise, policies should recognize that it is often at these transition points, such as that to retirement, that people are at risk of low income.

One potentially useful way of looking at policies from a life-course perspective has been suggested by Günther Schmid (2002). Schmid proposes that, by encouraging flexible and secure transitions between education and paid work, unpaid caring work, education and training, and full- and part-time work over the entire life course, policies might be able to encourage older people to remain in paid work. People might be willing to work into older ages if they were able to balance paid work and caring work better in young adulthood or to make supported career changes in mid-life. At the same time, facilitating transitions over the life course would help to prevent poverty and social exclusion and would encourage gender equity in employment (Schmid, 2001). Schmid argues that policies and institutions supporting these transitions should consider the risks faced by firms as well as by individuals, and that firms often desire flexibility in hiring and employment because of real competitive pressures. For neither individuals nor firms should flexibility come at the cost of security (Schmid, 2002, p. 164).

Conclusions

It remains unclear exactly how Schmid's suggestions for life-course policies would be implemented or whether they would even be possible in countries with liberal welfare state models. However, they do provide a rough sketch of what might be the major features of policies that would encourage longer working life by encouraging flexible and secure

transitions across the life course. To this point, the policies adopted in the study countries to promote labour force participation and later retirement by older workers have included changes to mandatory retirement and age discrimination legislation, changes to public pension eligibility ages, closing other institutional pathways to retirement, active labour-market policies, and the promotion of flexible and phased retirement. From the perspective of the life course, current approaches tend to ignore the inter-related domains of work and education, family, and health, and to focus primarily on later-life transitions, ignoring the importance of earlier transitions and the heterogeneity of life courses. Therefore, these policies may fail to encourage higher labour force participation among older workers, while simultaneously increasing inequality at older ages.

References

- Au, D., Crossley, T., & Schellhorn, M. (2004). *The effect of health changes and long-term health on the work activity of older Canadians* (IZA Discussion Paper No. 1281). Bonn: Institute for the Study of Labour.
- Auer, P. (2002). Flexibility and security: Labour market policy in Austria, Denmark, Ireland, and the Netherlands. In Günther Schmid & Bernard Gazier (Eds.), *The dynamics of full employment: Social integration through transitional labour markets* (pp. 81–105). Cheltenham: Edward Elgar.
- Auer, P., & Fortuny, M. (2000). *Ageing of the labour force in OECD countries: Economic and social consequences* (Employment Paper 2000/2). Geneva: International Labour Office.
- Beck, U. (1992). *Risk society: Towards a new modernity*. London: Sage.
- Beck, U. (1999). *World risk society*. Cambridge, UK: Polity Press.
- Beck, U., Giddens, A., & Lash, S. (1994). *Reflexive modernization: Politics, tradition and aesthetics in the modern social order*. Stanford, CA: Stanford University Press.
- Blöndal, S., & Scarpetta, S. (1998). *The retirement decision in OECD countries* (OECD Working Papers Vol. 6 No. 38). Paris: Organisation for Economic Co-operation and Development.
- Börsch-Supan, A. (2005). Mind the gap: The effectiveness of incentives to boost retirement saving in Europe. *OECD Economic Studies*, 39, 111–144.
- Carnoy, M. (2001). The family, flexible work and social cohesion at risk. In M.F. Loutfi (Ed.), *Women, gender, and work* (pp. 305–325). Geneva: ILO.
- Chamber Online. (2004). *Government's change of heart on retirement age is good for business*. Retrieved 14 Dec. 2005 from <http://www.chamberonline.co.uk/YTa1Gi10arMi4g.html>.
- Commonwealth of Australia. (2004). *A more flexible and adaptable retirement income system*. Retrieved 20 Dec. 2005 from http://demographics.treasury.gov.au/content/_download/flexible_retirement_income_system/flexible_retirement_income_system.pdf.
- Connidis, I.A. (2001). *Family ties and aging*. Thousand Oaks, CA: Sage.
- Cooke, M. (2004). *Population and labour force ageing in six countries* (WANE Working Paper #4). Retrieved 15 Dec. 2005 from <http://www.wane.ca/PDF/WP4.pdf>.
- Council of the European Commission. (2000). *Council directive 2000/78/EC*. Retrieved 20 Dec. 2005 from http://ec.europa.eu/employment_social/news/2001/jul/dir200078_en.html.
- Disney, R., Emmerson, C., & Wakefield, M. (2003). *Ill health and retirement in Britain: A panel data-based analysis* (IFS Working Paper W03/02.). Retrieved 14 Dec. 2005 from http://www.ifs.org.uk/publications.php?publication_id=1879.
- Disney, R., & Hawkes, D. (2003). Why has employment recently risen among older workers in Britain? In R. Dickens, P. Gregg, & J. Wadsworth, (Eds.) *The labour market under New Labour: The state of working Britain II*. London: Palgrave.
- Duffy, A., Glenday, D., & Pupo, N. (Eds.). (1997). *Good Jobs, bad jobs, no jobs: The transformation of work in the 21st century*. Toronto: Harcourt.
- Ebbinghaus, B. (2000). *When labour and capital collude: The varieties of welfare capitalism and early retirement in Europe, Japan, and the USA* (Program for the Study of Germany and Europe Working Paper 004). Retrieved 15 Dec. 2005 from <http://www.ces.fas.harvard.edu/publications/Ebbinghaus.pdf>.
- Elder, G.H., Jr. (1994). Time, human agency, and social change: perspectives on the life course. *Social Psychological Quarterly*, 57(1): 4–15.
- Encel, S. (2002, December). *Public policy, ageing and work: report on Australia*. Paper presented at Symposium on Ageing at St. Catherine's College, Cambridge.
- Equal Opportunity and Employment Commission. (2005). *The Age Discrimination in Employment Act of 1967*. Retrieved 14 Dec. 2005 from <http://www.eeoc.gov/policy/adea.html>.
- Esping-Andersen, G. (1999). *Social foundations of postindustrial economies*. Oxford: Oxford University Press.
- Feldstein, M. (2005). Structural reform of social security. *Journal of Economic Perspectives*, 19(2), 33–55.
- Foot, D.K., & Venne, R. (2005). Awakening to the inter-generational equity debate in Canada. *Journal of Canadian Studies*, 39(1), 5–21.

- Guillemette, Y. (2003). *Slowing down with age: The ominous implications of workforce aging for Canadian living standards*. (C.D. Howe Institute Commentary No. 182, May 2003). Ottawa: Renouf.
- Haverland, M. (2001). Another Dutch miracle? Explaining Dutch and German pension trajectories. *Journal of European Social Policy*, 11(4), 308–323.
- Human Resources Development Canada. (2000). *Reconnecting social assistance recipients to the labour market: Lessons learned*. Ottawa: HRDC. Retrieved 14 Dec. 2005 from <http://www11.hrsdc.gc.ca/en/cs/sp/hrsdcc/edd/brief/2000-000598/sarlm.shtml>.
- Ibbott, P., Kerr, D., & Beaujot, R. (2006). Probing the future of mandatory retirement in Canada. *Canadian Journal on Aging*, 25(2): 161–178.
- Kesselman, J.R. (2004). *Mandatory retirement and older workers: encouraging longer working lives* (C.D. Howe Institute Commentary No. 200). Toronto: C.D. Howe Institute.
- Kohli, M. (1986). The world we forgot: A historical review of the life course. In V.W. Marshall (Ed.), *Later life: The social psychology of aging* (pp. 271–303). Beverly Hills, CA: Sage.
- Kotlikoff, L. (1993). *Generational accounting: Knowing who pays, and when, for what we spend*. New York: Free Press.
- Leblanc, L.S., & McMullin, J.A. (1997). Falling through the cracks: Addressing the needs of individuals between employment and retirement. *Canadian Public Policy*, 23(3), 289–304.
- Livingstone, D.W. (1998). *The Education-Jobs Gap: Underemployment or Economic Democracy*. Boulder, CO: Westview Press.
- Luxembourg Income Study. (2003/2006). *Key figures*. Retrieved 18 Oct. from <http://www.lisproject.org/keyfigures/povertytable.htm>.
- MacDonald, G., & Weisbach, M.S. (2004). The economics of has-beens. *Journal of Political Economy*, 112, S289–S310.
- Maltby, T., de Vroom, B., Mirabile, M.L., & Øverbye, E. (2004). Introduction. In T. Maltby, B. de Vroom, M.L. Mirabile, & E. Øverbye (Eds.), *Ageing and the transition to retirement: A comparative analysis of European welfare states* (pp. 1–5). Aldershot, UK: Ashgate.
- Marshall, V.W., & Mueller, M.M. (2002). *Rethinking social policy for an aging workforce and society: Insights from the life course* (CPRN Discussion Paper No. W/18.) Ottawa: Canadian Policy Research Networks. Retrieved 12 Sept. 2003 from <http://www.cprn.com/en/doc.cfm?doc=57>.
- McMullin, J.A., & Cooke, M., with Downie, R. (2004). *Labour force aging and skills shortages in Canada and Ontario* (CPRN Research Report No. W/24). Ottawa: Canadian Policy Research Networks.
- McMullin, J. A., & Marshall, V.W. (2001). Structure and agency on the retirement process: A case study of Montreal garment workers. In C.D. Ryff & V.W. Marshall (Eds.), *The self and society in aging processes* (pp. 305–336). New York: Springer.
- McMullin, J.A., & Tomchick, T. (2004). *To be employed or not to be employed? An examination of employment incentives and disincentives for older workers in Canada* (WANE Working Paper No. 7). Retrieved 14 Dec. 2005 from <http://www.wane.ca/PDF/WP7.pdf>.
- Meadows, P. (2003). *Retirement ages in the U.K.: A review of the literature* (DTI Employment Relations Research Series No. 18). Retrieved 14 Dec. 2005 from <http://www.dti.gov.U.K./er/emar/errs18.pdf>.
- Morissette, R., Schellenberg, G., & Silver, S. (2004). Retaining older workers. *Perspectives on Labour and Income*, 5(10), 15–20.
- Murphy, K.M., Riddell, W.C., & Romer, P.M. (1998). *Wages, skills, and technology in the United States and Canada* (NBER Working Paper No. 6638). Retrieved 15 July 2006 from <http://papers.nber.org/papers/w6636>.
- Myles, J. (2000). *The maturation of Canada's retirement income system: Income levels, income inequality, and low-income among the elderly* (Analytical Studies Branch Research Paper Series No. 147). Ottawa: Statistics Canada.
- O'Meara, D.P. (1989). *Protecting the growing number of older workers: The Age Discrimination in Employment Act* (Labour Relations and Public Policy Series No. 33.) Philadelphia, PA: University of Pennsylvania, Wharton School Industrial Research Unit.
- Organisation for Economic Co-operation and Development. (1998). *Maintaining prosperity in an ageing society*. Paris: Author.
- Organisation for Economic Co-operation and Development. (2000). *Reforms for an ageing society*. Paris: Author.
- Organisation for Economic Co-operation and Development. (2001). *Ageing and income: Financial resources and retirement in 9 OECD countries*. Paris: Author.
- Ontario Ministry of Labour. (2004). *Providing choice: A consultation paper on ending mandatory retirement*. Retrieved 14 Dec. 2005 from <http://www.labour.gov.on.ca/english/news/2004/04-92cp.html>.
- Ontario Ministry of Labour. (2005). *FAQ: Mandatory retirement*. Retrieved 14 Dec. 2005 from <http://www.labour.gov.on.ca/english/news/2005/05-141faq.html>.
- Pedersen, A.W. (2004). The privatization of retirement income: Variations and trends in the income packages of old age pensioners. *Journal of European Social Policy*, 14(1): 5–23.
- Policy Research Initiative. (2005). *Encouraging choice in work and retirement: Project report*. Ottawa: Author.

- Pierson, P. (1994). *Dismantling the welfare state? Reagan, Thatcher, and the politics of retrenchment*. Cambridge, UK: Cambridge University Press.
- Quinn, J. (2003, September). *Main patterns in older workers' emerging responses to recent changes in their environments involving retirement*. Paper presented at the Statistics Canada Symposium on New Issues in Retirement, Ottawa.
- Remery, C., Henkens, K., Schippers, J., & Ekamper, P. (2003). Managing an aging workforce and a tight labour market: Views held by Dutch employers. *Population Research and Policy Review*, 22, 21–40.
- Rix, S.E. (2000). Restructuring work in an aging America: What role for public policy? In V.W. Marshall, H. Heinz, K. Krueger, & Z. Verma (Eds.), *Restructuring work and the life course* (pp. 375–396). Toronto: University of Toronto Press.
- Robson, W.B.P. (2001). *Aging populations and the workplace: Challenges for employers*. Toronto: British–North American Committee.
- Rowe, G., & Nguyen, H. (2003). Older workers and the labour market. *Perspectives on labour and income*, 3(12), 23–26. Ottawa: Statistics Canada.
- Settersten, R.A., & Mayer, K.U. (1997). The measurement of age, age structuring, and the life course. *Annual Review of Sociology*, 23, 233–61.
- Schmid, G. (2001). Enhancing gender equality through transitional labour markets. *Transfer: European Review of Labour and Research*, 17(2), 227–243.
- Schmid, G. (2002). Towards a theory of transitional labour markets. In G. Schmid & B. Gazier (Eds.), *The dynamics of full employment: Social integration through transitional labour markets* (pp. 151–195). Cheltenham, UK: Edward Elgar.
- Taylor, P. (2002). *New policies for older workers*. Bristol, UK: Policy Press.
- Taylor, P., & Walker, A. (1994). The ageing workforce: Employers' attitudes towards older people. *Work, Employment, and Society*, 8(4), 569–591.
- Teipen, C., & Kohli, M. (2004). Early retirement in Germany. In T. Maltby, B. de Vroom, M.L. Mirabile, & E. Øverbye (Eds.), *Ageing and the transition to retirement: A comparative analysis of European welfare states* (pp. 93–119). Aldershot, UK: Ashgate.
- Treasury Board of Canada Secretariat. (2004). *Older Workers Pilot Projects Initiative (OWPPI)*. Retrieved 14 Dec. 2005 from http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/owppi-ippta/2002-2003_e.asp.
- U.K. Department of Trade and Industry. (2003). *Equality and diversity: Age matters, age consultation 2003*. Retrieved 15 Dec. 2005 from http://www.dti.gov.uk/er/equality/age_consultation.pdf.
- U.K. Department of Trade and Industry. (2005). *Equality and diversity: Age discrimination in employment and vocational training*. Retrieved 14 Dec. 2005 from <http://www.dti.gov.uk/er/equality/age.htm>.
- U.K. Department for Work and Pensions. (n.d.). *New Deal for jobseekers: Summary of New Deal 50 plus*. Retrieved 14 Dec. 2005 from <http://www.newdeal.gov.uk/newdeal.asp?DealID=50PLU&Show=SUMMARY>.
- U.K. Department for Work and Pensions. (2005). *Executive summary: Overall conclusions and outline recommendations*. Retrieved 14 Dec. 2005 from <http://www.pensionscommission.org.uk/publications/2005/annrep/executive-sum.pdf>.
- U.S. Social Security Administration. (2004a). *Social security programs throughout the world: Europe, 2004*. Retrieved 14 Dec. 2005 from <http://www.ssa.gov/policy/docs/progdesc/ssptw/2004-2005/europe/index.html>.
- U.S. Social Security Administration. (2004b). *Social security programs throughout the world: The Americas, 2003*. Retrieved 14 Dec. 2005 from <http://www.ssa.gov/policy/docs/progdesc/ssptw/2002-2003/americas/index.html>.
- U.S. Social Security Administration. (2005). *Social security programs throughout the world: Asia and the Pacific, 2004*. Retrieved 14 Dec. 2005 from <http://www.ssa.gov/policy/docs/progdesc/ssptw/2004-2005/asia/index.html>.
- van Dalen, H., & Henkens, K. (2002). Early-retirement reform: Can it and will it work? *Aging and Society*, 22, 209–231.
- de Vroom, B. (2004). The shift from early to late exit: Changing institutional conditions and individual preferences: The case of the Netherlands. In T. Maltby, B. de Vroom, M.L. Mirabile, and E. Øverbye (Eds.), *Ageing and the transition to retirement: A comparative analysis of European welfare states* (pp. 120–153). Aldershot, UK: Ashgate.
- Walker, A., & Maltby, T. 1997. *Ageing Europe*. Buckingham, UK: Open University Press.