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Statement submitted by AARP, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 30 and 31 of Economic and Social Council resolution 1996/31.

* E/2012/100.



Statement

Since the theme of the annual ministerial review is “Promoting productive capacity, employment and decent work to eradicate poverty in the context of inclusive, sustainable and equitable economic growth at all levels for achieving the Millennium Development Goals”, we cannot ignore the current global economic crisis that has affected many older workers who have been forced out of the workforce and whose retirement benefits have been severely reduced. AARP, a non-profit, non-partisan social change organization with 38 million members whose mission is to improve the quality of life for all as we age, provides research showing that older populations have suffered the worst during the current economic recession. A 2010 study by the organization showed that, from 2000 to 2009, the number of unemployed aged over 55 years in the United States of America grew by 331 per cent.

The link between employment and poverty eradication therefore cannot be discussed without bringing older persons into the conversation. United Nations statistics show that, owing to improved longevity, global life expectancy has increased by more than 20 years since 1950 to reach its current level of 68 years. World Health Organization statistics indicate that in the next five years, for the first time in human history, the number of adults aged 65 and over will outnumber children under the age of 5. By 2050, older adults will outnumber children under the age of 14. On the occasion of World Health Day, the Secretary-General announced the statistics that, in the middle of the twentieth century, there were just 14 million people in the world aged 80 years or older but that, by 2050, there will be almost 400 million people in this age group, 100 million of whom will be in China alone. This enormous shift in the age of the world’s population is closely linked to economic and social development, he stated. He went on to say that, owing primarily to global public health successes in improving childhood survival and adult health, people are living longer in most parts of the world. Many high-income countries are already facing rapidly ageing populations. In the coming decades, low- and middle-income countries will see equally dramatic increases. Many low- and middle-income countries have neither the infrastructure nor the resources to deal with existing needs, let alone to cope with the much greater demands expected in the future. The Secretary-General suggested that there are many practical and affordable solutions that Governments can put in place to help their older citizens to lead healthy and active lives. In addition, countries that invest in healthy ageing can expect a significant social and economic return for the whole community.

However, according to research provided by HelpAge International, the lack of a secure income in older adults is one of the biggest problems facing people in developing countries. Few people in poverty can afford to save for older age, family support for older people is under pressure and fewer than one in five people over 60 receive a pension. Coupled with income security is the issue of age discrimination in the workforce. Not only are older workers not being hired, but often they are the first to be retrenched.

As the President of the organization notes, the proportion of younger workers will decline. For example, according to data from the Urban Institute in Washington, D.C., over the next decade, instead of having nearly all increases in employment coming from people aged 25 to 54 years, fewer than one in three (31 per cent) of the added workers will be in this category. Nearly half of the additional workers will

come from the 55-and-older category, while about one in five will come from the youth labour force.

The President of the organization suggests that, when viewing employment, innovative models should be explored so as to accommodate a multigenerational workforce. Although some might note that this is a point of contention, there is the opportunity of mentorship and for harnessing the experience and knowledge that older workers provide. Some companies are already engaged in innovative initiatives, as witnessed through the organization's international innovative employer awards programme. These include flexible working time accounts that allow employees to bank compensatory time for sabbaticals or time off for family caregiving; pre-retirement seminars; and employer-provided elder care services. Others offer corporate retirement housing options; one-on-one training to enhance the confidence and employability of older retail workers; and a back-to-nursing training programme for former nurses wishing to re-enter the workforce. Yet others have created the position of a corporate demography officer to ensure that demographic dynamics inform corporate decision-making at all levels. Several organizations are conducting research projects on demographic change and the workplace. Therefore, attracting and retaining mature and experienced employees will become increasingly critical for employers seeking to retain their competitive edge in the labour market. While this will present some challenges, it also offers major opportunities to capitalize on the enormous potential of mature workers. Proactive efforts in addressing ageing workforce issues against the backdrop of a severe global recession make it a business imperative for effective age management, and creating a road map for the workplace of tomorrow.
