

Towards more inclusive strategies for extended working lives



PATHS2INCLUDE



Older workers: A growing share of the workforce

The employment rate of older workers (55–64) in the EU rose from 43.7% in 2010 to 65.2% in 2024.

This upward trend reflects both structural and policy-driven changes: longer life expectancies, pension reforms that raised statutory retirement ages, the gradual closure of early retirement schemes, and tighter access to disability benefits.

Why do we need more inclusive strategies?

Not everyone benefits equally: Older workers in vulnerable situations (low skills, precarious or physically demanding jobs, poor health, caregiving duties) often leave employment early, and often involuntarily.

Limited access to opportunities: These workers are less likely to receive training or flexible work options and more likely to face long-term unemployment or exclusion.

Key research findings

Individual level

Several individual characteristics shape the opportunities for extended working lives:

- **Health-related limitations** increase the risk of exclusion and involuntary labour market exit.
- **Women with caregiving duties** are about 50% more likely than men to plan early exit, especially when formal care provision is limited.
- Individuals in **higher income quintiles** face a significantly lower risk of exclusion.
- **Intersectionality matters:** Gender, health, and caregiving responsibilities increase vulnerability to labour market exit. Financial resources largely determine whether these challenges result in an involuntary departure.

Organisational context

Beyond individual characteristics, organisational context shapes the inclusion of older workers:

- **High effort and low reward:** Workers experiencing this imbalance are over four times more likely to want early retirement.
- **Digital skills and telework matter:** During COVID-19, remote work slightly reduced exclusion risk, but post-pandemic trends show telework now increases exclusion likelihood—reflecting rising digital skill demands and adaptation challenges for older workers.
- **Older workers remain an underused hiring pool:** performance-related stereotypes, age-biased job descriptions and screening tools often exclude older applicants at the early stages of recruitment.

Country context

Country context shapes labour market exit. Individual characteristics account for only a modest proportion of variation in early-retirement intentions, while country-level factors explain a substantially larger portion:

- **Exit routes** differ between countries: Northern and Western European countries show more diversified exit patterns, combining public, occupational, and private pensions. In contrast, Southern and Eastern European countries rely mainly on public pensions.
- **Integration of older workers varies across countries:** In Romania and Poland, retention is driven by productivity expectations and labour shortages, often without additional training. Norway treats age diversity as a resource, supported by institutionalised intergenerational practices. In Germany, retention frequently focuses on safeguarding niche or specialised expertise.

Policy recommendations

Pillar 1 – Remove structural barriers to longer working lives

- Adopt a comprehensive approach beyond raising statutory retirement age.
- Develop sustainable and flexible exit pathways.
- Tailor European objectives to national contexts.

Pillar 2 – Create inclusive recruitment

- Bridge the gap between legislation and practice.
- Promote age-inclusive recruitment through fair practices and incentives.

Pillar 3 – Create inclusive working environments

- Strengthen support for carers and caregivers.
- Normalise flexible work options.
- Enhance workplace design and job quality for older workers.
- Promote gender-sensitive workplace policies.

Pillar 4 – Lifelong learning

- Invest in lifelong learning and digital upskilling for older workers.
- Support intergenerational knowledge and retain expertise.

PATHS2INCLUDE is a 3-year research project funded by Horizon Europe that investigates the multi-dimensional aspects of discrimination, policies that could reduce inequalities and promote social inclusion in European labour markets and risk factors of vulnerability that may arise in the future of work. The research focuses on three key labour-market processes: recruitment; career paths; and early exit from working life, giving particular attention to labour-market participation at the intersection of gender, ethnicity, age, health, disability and care responsibilities.



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