

SUMMARY

On behalf of the The Norwegian Association of Local and Regional Authorities (KS), Econ Pöyry has surveyed the status of senior policy in the Norwegian local government sector. An internet-based survey was sent to the person responsible for senior policy in all municipalities and county municipalities in February 2011. We received answers from 15 out of 19 county municipalities and 58 per cent of the municipalities.

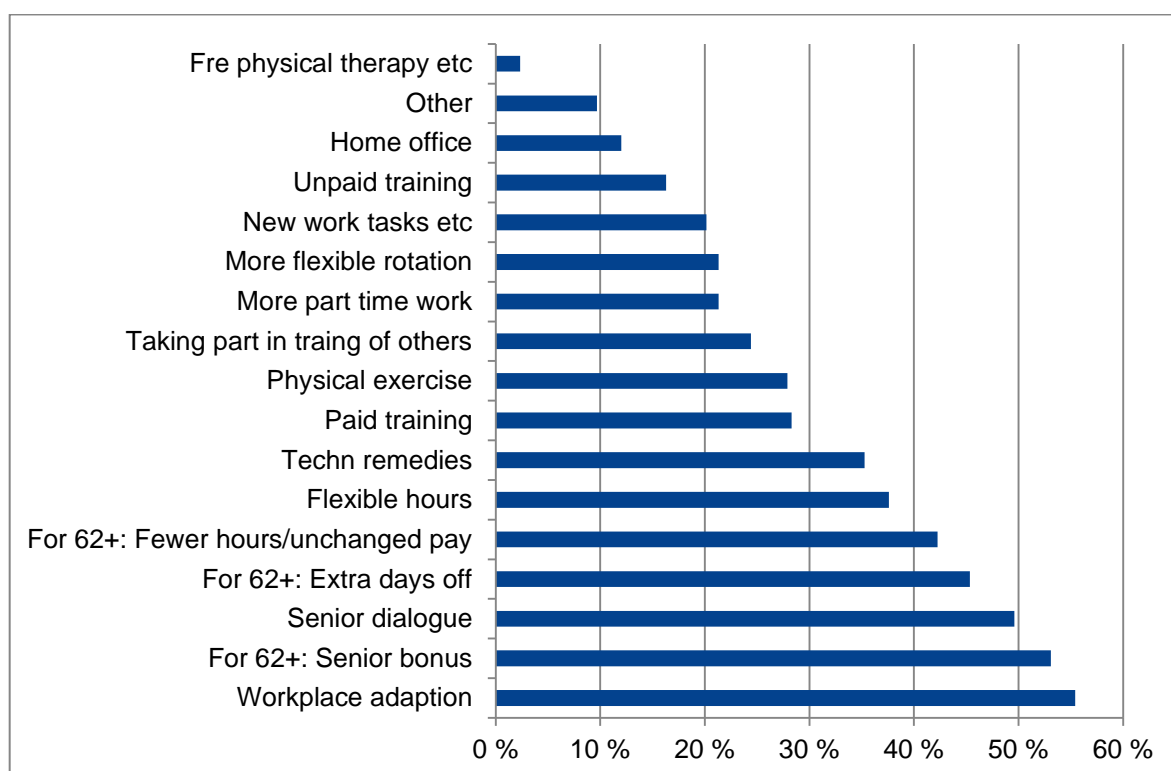
Nearly everyone has a senior policy

Approximately 9 out of 10 municipalities and county municipalities claim to have a senior policy. 7 out of 10 have established senior policy targets, whereas 6 out of 10 have compiled a plan for their senior policy. Senior policy is somewhat more present in large than in small municipalities. However, there is a substantial majority of having a senior policy among municipalities of all sizes.

Adaption at the workplace is the most frequent measure

Adaption at the workplace is the kind of measure that most municipalities offer (slightly above 50 per cent). A large fraction of the municipalities also offer specific incentives for employees older than 62 years of age. These measures include an annual bonus for 62+ employees to remain in work and the possibility for 62+ employees to reduce working hours while maintaining full time pay. An overview of measures offered is given in Chart A.

Chart A Share of municipalities offering different types of senior policy measures. Per cent.



Economic incentives for 62+ employees considered most effective

We asked the respondents to give marks from 1 (no or minimal effects) through 6 (large effects) for the various measures' effects in rising the effective retirement age from work.

Among the 4 most effective measures were all incentive measures for 62+ employees such as senior bonus and reduced working hours at unchanged pay. Also adaption at the workplace was among measures considered most effective. Other measures such as individual senior dialogue, flexible working hours got high marks as well.

Most municipalities see economic gains in senior policy

Approximately 3 out of 4 municipalities consider senior policy profitable for the organisation. However, the answers depend upon what mode of financing the municipality has for its pension expenditures. The fraction considering senior policy profitable is much higher among municipalities with an independent insurance company or otherwise pay for pensions for their “own” employees, than municipalities that are part of a “pension pool”. In the latter case, the gain of one municipalities reducing early retirement is distributed equally on all members of the pool.

In general, the concern on economic gains from senior policy is less in municipalities that are part of a “pension pool” than in other municipalities.

Retrenchment and change

Approximately 1 out of 5 municipalities report that there have been cut-backs in senior policy in 2010 and 2011, and of expected cutbacks in the 2012 budget as well. In the two recent years the economic situation has been difficult in the local government sector.

We get a clear impression from the survey that the responsible for senior policy in the local government sector have great faith in the using resources on senior policy. Nevertheless, there seems to be a rather widespread uncertainty as to the actual effects of the different programs and measures offered. Several municipalities say that they are undertaking or planning to undertake reviews and evaluations of their senior policy, in order to get a better idea of what the effects are.

There seems to be an increasing attention towards programme costs, and a number of municipalities mention cost-effectiveness as a consideration that is being increasingly emphasised.