

Industrial Relations Research Association of Israel



**An International Seminar in cooperation with
International Labour Organization
and Friedrich Ebert Stiftung in Israel**

**Industrial Relations Research Association of Israel
Ministry of Economy
The New Histadrut
Manufacturers' Association of Israel**

**Ageism at labour market ,
Retirement Age
Social movements Protest- Two years after**

**Wednesday- Thursday, 9-10 October 2013
Crowne Plaza Hotel**

Preliminary Survey

AGENDA ITEMS

After considering several items for the two day seminar organized by IIRRA Israel to take place in Israel, Tel Aviv **Oct. 9-10, 2013**, the steering committee proposed a program for the seminar that was acceptable to the ILO officials.

Item 1: Ageism: Retirement Age - main item

Preface

Why did the IIRRA, with its associates the ILO and the Ebert-Stiftung Foundation, choose to devote most of its entire annual seminar to the issue of Ageism: its notion, scope and implications on labour market?

The concept and issue of ageism, while still in the nascent stages of research and practice, is a disturbing problem which has a central role in the field of labour. In the past, other forms of discrimination, such as religious, racial, or gender-based were much more acute and called for extensive study and treatment. However, researchers and others have recently begun focusing on the subject of Ageism as unprecedented changes, such as dramatic increase in life expectancy, improved medical care, automated methods and updated technology at workplaces, extensive innovation, growing significance of the high tech sector, diminishing of seniority value, sharp movements from one career to another and among workplaces, and economic crises resulting in layoffs of older workers, drew researchers' attention to this issue.

In fact, it appears that the problem of ageism will continue or even worsen.

The present ongoing financial crisis could cause younger generations who are trying to enter the labour market to feel that veteran workers are preventing

them from getting desirable well paid jobs, or any jobs at all. Others may believe that older workers are blocking them from advancement or promotions leading to promising careers.

Ageism: Definitions

Both the very term Ageism and in-depth research on the subject are fairly recent. The first scholar who used the term Ageism was Robert Butler in a 1969 essay comparing ageism to racism and arguing that the source of ageism is a prejudice of one age group against another or others¹. Anyone 30 years of age and over can discriminate and be a victim of discrimination at the same time. This age group does not rely on juveniles and vice versa. Butler concludes his essay by differentiating Ageism from racism, noting that people do not change color over the years but they do indeed grow older (at least all of us certainly hope so).

Ageism is a systematic and ongoing process of discriminating against people simply because they are older. Just as racism and sexism are related to skin color and gender, with ageism, older individuals are labelled as senile, rigid in their thinking and behavior and old fashioned regarding morality and expectations. Ageism enables younger generations to view older people as completely alien to them and thus cease sympathizing with them as human beings.

Palmore finds a positive aspect in Ageism in contrast to the negative phenomena of prejudice, racism, sexism and other forms of discrimination. Focusing on the cultural aspect of ageism in societies, Palmore suggests that discriminatory ageism developed in modern societies, while the dignity and appreciation of the old is maintained in more traditional societies.²

¹ Butler R.N., 1969. "Age-ism: Another Form of Bigotry." *The Gerontologist* 9, pp.243-246

² Palmore, E.B., 1999. *Ageism: Negative and Positive*, New York: Springer. 2004
Journal of Cross Cultural Gerontology 19, pp. 41-46.

A positive aspect of ageism projects the image of the elderly as wise, happy and polite. In addition, there are policies favoring the elderly, such as those granting them benefits, including special rates in cinemas, public transportation, taxes and government allowances. On the negative side, ageism results in modern society's policy of forced retirement, which can harm senior citizens.

More recent research takes a more integrative approach towards Ageism, exploring its emotional and cognitive aspects, including the fear of aging and approaching death. Modern researchers avoid the concept of discrimination, and discuss instead such terms as "stigma" They use the term "stigmatic" and "stereotype" instead of the notion of discrimination. (Doron I., 2008³).

ILO Declaration on Fundamental Principles and Rights at Work and its follow-up, adopted by the International Labour Conference at its Eighty-sixth Session, Geneva, 18 June 1998:

2. Declares that all Members, even if they have not ratified the Conventions in question, have an obligation arising from the very fact of membership in the Organization to respect, to promote and to realize, in good faith and in accordance with the Constitution, the principles concerning the fundamental rights which are the subject of those Conventions, namely:

(d) the elimination of discrimination in respect of employment and occupation

³ "Ageism and Anti Ageism at Ruling of High Court": *H'amishpat* 14, pp. 25-37. Beer Sheva: Ben Gurion University.

The Israeli Legal Framework and Labour Market

Israel has been and is still an immigrant country. The ethos that dominated the country for years before it became an independent state, of a young and completely different generation arriving in and building the country, still prevails in Israel.

Workforce statistics covering at least two decades demonstrate that modern life and the desire for economic improvement attract more workers to employment opportunities and increase the labor participation rate. A significant share of the new workers is recruited from private sectors, and they often lack social and employment security. Most of them are employed at temporary jobs, projects with fixed-term contracts, part-time jobs or as manpower agency workers.

Of the new entrants to the labor market, new immigrants are getting mostly nonprofessional, blue collar jobs, at least when they first start working. While these entry level jobs provide them with a basic acquaintance with labour market demands, they are earning low wages at jobs that are not congruent with their real capacities and working abilities. As a result, such workers are unable to earn even close to an average income, especially if they are in their fifties when they enter the labour market.

These workers, like others, will usually get a low occupational pension upon their retirement.

A growing segment of the workforce is continuing to work after retirement age since pensions are not sufficient to maintain even close to the average standard of living. Pensions from workplace sources or occupational pensions, which are the main source of pension income, have decreased at the rate of 15%–25% since the 2003 pension fund reform. Nonetheless, a recent

study shows that the income of the elderly aged 65–74 years old has grown by 27% during the last decade, since many of them continued working. Similarly, the incomes of those aged 75 or more who continued working rose by 22%, although some of this increase could be explained by higher pensions⁴. The picture that emerges of increasing incomes for the elderly who continue working after retirement age is an accurate one, in spite of the fact that labour market is not eager to recruit older workers, especially untrained ones over 45 years old.

Israel's Declaration of Independence, considered as a fundamental legal document setting forth the nation's basic constitutional values rejects discrimination based on religion, race or gender and calls for equal access to education and other opportunities. However, Ageism and other discriminatory practices are not mentioned in the document. In 1952, the law on gender equality, with rather general provisions, was enacted. Only in 1988, inspired by American legislation, was the law for equal opportunities in employment relating to all kinds of discriminatory practices enacted. This was followed several years later by laws forbidding not only ageism but other forms of discrimination, such as discrimination based on political inclinations, parental status, sexual preferences and more.

It is significant that these anti-discrimination statutes gave judges the authority to award financial damages to workers who had been discriminated against unfairly even if the workers had not been able to prove specific damages in the Labor Court.

The law also eases the burden of proof on workers or potential workers who have not been hired after applying for employment and shifts that burden to the employer. In a discrimination suit, the employer has to prove that no

⁴ *The Marker*, p. 24, 23/10/13, source The Taub Center. "Exploring the Social Policy in Israel,"

discriminatory act was committed when making his or her hiring decision. While Labor Court judges have proven sensitive to ageism discrimination at work, the Israeli Supreme Court remains conservative on the issue, declaring that this sort of discrimination is not as harsh and blunt as other forms that have traditionally been known and recognized throughout the years.

It should be noted that workers began exercising their rights under this law several years ago.

The law against workplace discrimination also established an Equal Employment Opportunities Commission. This Commission specializes in cases of discrimination at work and sometimes gets involved in suits against employers. Its representatives can join any case in the Labour Courts in order to assist in a case under submission, thus helping to create new precedents in anti-discrimination law.

Several panels and presentations shall take place at the seminar on both items as it is shown at the program of the seminar attached
Main themes for presentations, panels and discussion by ILO and Israeli experts, Employers' and Union representatives-

The issues being discussed at the seminar include the definition and scope of ageism, its implications on employment, other issues of discrimination in the labour market concerning ageism, means of combating Ageism, developing targeted occupations for adult workers in the labour force, finding specific solutions for elderly, burned-out workers in certain sectors, specific training for elderly workers and the consequences for social security.

Retirement Age

Since 2004, the law governing the retirement age states that the retirement age is 67 years old, while that for women is flexible, from 62 to 67 years old,

according to the woman's personal decision. Last year, the National Labour Court decided that under certain circumstances, employees had the right to approach their management and demand a formal hearing to determine the possibility of postponing retirement past the age of 67. This newly iterated right parallels the right of any worker to demand a hearing when terminated. In such a hearing, the workplace management must thoroughly consider the degree to which the employee's position is essential. The management must also issue a written decision that is subject to further judicial review.

In the particular case under determination last year, there had been an internal written practice that had been used for other employees regarding postponement of retirement. The court decided condoned this practice, and found in favor of the appellant, granting her a sum of money as a civilian fine but not awarding any restitution.

At the same time, the National Labor Court also analyzed the question of whether the principle of a mandatory retirement age contradicts constitutional values or whether it creates discrimination in the labour market. The Court made no ruling on that important question, leaving it open for discussion and for further consideration by the legislative authority or by the Supreme Court.

This question of whether a mandatory retirement age is constitutional now stands for consideration before the Supreme Court. There is also pressure from the Ministry of Finance to postpone the retirement age to 70 for men and women alike, due to the financial situation of pension funds and changes in life expectancy in Israel.

Questions for Consideration: Retirement Age

Some of the questions regarding retirement age include: should retirement age be flexible; should it be subject to postponement; should it be determined solely by the individual; what is its impact on the financial situation of the pension funds; what response should there be to workers who are burned out before the official retirement age?

Item 2: Social Protest Movements in Israel and in Other Countries -Two Years Later

After a wide-scale social protest two years ago in Israel involving middle class citizens in particular, a retrospective follow up is needed, asking, among other things, what social progress was actually achieved?

The protest, coming from various sectors, drew many thousands of people to the streets, all with different, often unfocused grievances. Young mothers complained about rising food prices and demanded subsidies for kindergartens. Other groups protested against rental costs, especially in the center of the country, as well as the difficulty of purchasing an apartment. These are just a few of the many problems that were raised during the social protest; however, neither wages nor social benefits appeared to be critical to the protest movements.

It is possible that one year later, there was an aftershock effect when the Histadrut took up the case of manpower agency workers and other services providers and initiated a sympathy strike in support of these workers. This sector of workers could not even galvanize public participation on their own, because they were so weak, unorganized and intimidated by their employers' possible responses.

The Histadrut subsequently opened collective negotiations with the public sector employers and simultaneously negotiated with the private sector employers' federation to secure improved social benefits and wages for these workers. For the first time, the unions pressured the users of manpower services, both government and private employers, over the cost of labour governed by contracts between them and the manpower agencies. The negotiations with the public sector have been concluded, and the agreement is now being carried out. The private sector negotiations are moving more slowly, as several Employers' Organizations raised some objections about some issues in the final arrangements for their sector.

Several achievements can be measured on issues that the protest movements raised. More work is in progress and discussions are still ongoing in the Knesset and in the relevant ministries. No doubt the protests led legislators and ministers to bear in mind social and economic inequalities when making decisions, having been made aware that public opinion is sensitive about these matters and that they will be scrutinized, especially for the impact of their deeds or failures to act.

Dilemmas for Consideration

Has the protest movement had a meaningful impact on labour relations to date? Is the protest movement still alive and kicking? What are the meaningful achievements of this protest? Did this movement turn into a political movement and what is the potential for articulating new and further goals?

The deliberations on this item include several presentations and panel discussions that are going to deal in depth with agenda items, as can be seen in the attached seminar program.



International
Labour
Organization



האגודה הישראלית
לחקר יחסי עבודה

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Invitation

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**Ageism at labour market ,
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Social movements Protest- Two years after

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145, Ha'yarkon str. Tel Aviv

SEMINAR PROGRAM

9/10/13

Gathering and Registration

14.00 - 14.30

Opening Session- Chairperson- **Mr. Y. Kara**, Histadrut Delegate to ILO,
Board Member IIRRA

14.30 -15.15

Adv. N. landau, IIRRA Chairperson, Law Offices Landau

Mr. Frank Hoffer, Senior Specialist, Workers' Activities, ILO

Dr. Werner Puschra, Executive Director, Friedrich Ebert Stiftung

Adv. S. Itzhaki, Chief Labour Officer, Ministry of Economy, Board
Member IIRRA

First Session- Chairperson- Prof. **H. bar-mor**, Natanya College, Board
Member IIRRA

The Financial Soundness of National Insurance Institute- Can we Stay
Reassured and Calm?

15.15-16.00

Ms. E. Dominisini, Former DG NIL, Chairperson Haddasah

Protest Movements- TWO Years After

Mr. a. Nisankorn, Chairperson, Union Division, the New Histadrut

16.00-16.30

Break

16.30-17.00

Second Session- Chairperson- Prof. **R. Chermesh**, Ben Gurion
University, Board Member IIRRA

Social Protest – its Impact on Legislation and on Set of Priorities

Panel Discussion:

Mr. N. Shtressler, Journalist, H'arretz Newspaper, **MP. Itzhik Shmuli**

17.00-17.45

Social Protest Movements- their Impact on Industrial Relations

Mr.Vincenzo Spiezio, Senior Economist, International Institute for
Labour Studies, ILO

17.45 –18.15

Open Discussion

Dinner

10/10/13

Gathering

9.00-9.30

Third Session- Chairperson- **Dr. O. Carmi**, Academic College ONO,
Board Member IIRRA

9.30-10.00

Ageism and Labour Market, **Prof. I. Doron**, Haifa University

The Demographic Revolution- Challenges and Significance,

10.00-10.30

Prof. R. Ben- Israel, (Prof. AM.) Law Faculty, Tel Aviv University

Forth Session- Chairperson- **Mr. M. Drill**, Project Manager, Friedrich
Ebert Stiftung

10.30-11.00

Ageism in Employment, Retirement Age- ILO's Position and Policy

Mr. Frank Hoffer, ACT/TRAV, ILO

Break

11.00-11.20

Fifth Session- Chairperson- Moderator and Opening Remarks-

Dr. R. Nathanson, DG,. Macro Center for Political Economy, Board
Member IIRRA

11.20-11.50

Ageism, Retirement Age and Gender Issues at Labour Market

Panel Discussion- **Adv. Tziona Koenig-Yair**, Equal Employment opportunities
Commissioner, ministry of Economy, **Adv.E. Deutch**, Lahav, Self employed
Organization, **ACC. Z. Chushinski**, Chairperson, Social Security Division,
the New Histadrut, **Ms. G. Volloch**, Chairperson Naamat, **Ms. N. Kassir**,
Bank of Israel

11.50-13.15

Too Young to Retire -Too Old to Work – Latest Findings from
International Workshop on Ageism carried out in Tel Aviv University

Ms. E. Hertzberg- Druker, Labour Studies, Tel Aviv University

13.15-13.40

Open Discussion

Closing Session- Chairperson- **Mr. Y. Kara**, **Ms. N.Landau**, **Mr. M. Drill**,

13.40-14.00

Mr. Frank Hoffer

lunch

9/10/13

Opening Session – Mr. Yousef Kara, Chairperson.

Mr. Yousef Kara, the Histadrut delegate to the International Labor Organisation (ILO) and IIRRA board member

Mr. Yousef Kara gave the opening address in the seminar opening session. After praising the long-term professional collaboration between the IIRRA and the other seminar organizers, the International Labor Organization and the Friedrich Ebert Foundation in Israel, he congratulated the new director of the Ebert Foundation in Israel, Dr. Werner Puschra. He commended the foundation staff for their professionalism and especially praised Mr. Micky Drill's active involvement in the planning, preparation and organisation of the seminar.

He also congratulated the guest experts from the International Labor Organization, Dr. Frank Hoffer and Dr. Vincenzo Spiezio .

Speaking on the seminar topic, protest movements and their impact on labor relations and the labor market, he stated that in addition to the question of whether these movements will achieve their goals through parliamentary activity of their main representatives or should they continue the protest activities in their original manner, we should ask whether these movements have influenced the labor world and the social structure.

The parallel negotiations the Histadrut held with the employers' representatives from the public sector and from the private sector are a result of the protest movements. The negotiations wouldn't have occurred without the Histadrut involvement in the protest activities a year earlier.

The main subject for the following day discussion was ageism, discriminating on the basis of age. He said that until a few years ago it wasn't a major problem compared to other kinds of discrimination, such as sexism, racism, etc. Ageism has become a pressing subject because of the changes in perceptions and technologies in the labor market. Longer life expectancy result in problems not only for those worrying about the future of pension plans but also result in putting off retirement – if for good reasons such as wishing to go on producing and contributing, or for less good reasons such as worry about the drop in standard of living because of the eroded pension fund values. Older employees are pushed out of the labor market because of prejudices about their ability to adjust to new technologies and changes in the work structures and processes. The slogan 'the world belongs to the young' is very relevant in Israel because of the great importance of the high tech industry, which emphasizes the gap between older and younger people. Increasingly, older people lose employment security, since they work in temporary jobs, are employed through employment agencies, are ejected from the labor market and find it more and more difficult to find a job even when they lower their salary demands and professional expectations. This seminar is intended to ask the advice of professionals, and the government representatives, the organizations representatives, and our guest experts are invited to provide suggestions for improving the current situation – both the formal situation and the perceptions behind it.

Adv. Neomi Landau, IIRRA Chairperson, Law Offices Landau:

Adv. Landau greeted the seminar participants, and noted that there is great interest in the seminar subject, which brought a large and diverse audience to attend. She spoke about the fruitful cooperation with the Ebert Foundation and the International Labor Organization, which helps IIRRA by various means, among which are the attendance of experts on the seminar subjects.

She mentioned especially Mr. Frank Hoffer, who attended the event for the second consecutive year and who was scheduled to talk about ageism as a factor in the international labor market and the policy of the International Labor Organization concerning that matter. Adv. Landau asked to pass on her congratulations to the new Director General of the International Labor Organization. She also emphasized the structure of IIRRA, which includes academicians and the tripartite parties of labor relations: representatives of the government, representatives of the employers, and representative of the labor unions, a structure which suits the principals of the International Labor Organization and serves as a basis for its activities.

She thanked Mr. Spiezio for coming despite such a short notice. Mr. Spiezio was scheduled to talk about protest movements around the world and their impact on labor relations and the labor market. She also asked to send greetings to Mr. Torres, head of the Institute for Labor Studies in the International Labor Organization who couldn't make it to the seminar this time. Dr. Werner Puschra, the new Executive Director of Friedrich Ebert Stiftung, was also congratulated. She thanked him for the foundation contribution and its activities in Israel in the social field and in the labor relations field.

The chairperson went on to congratulate the steering committee of the seminar and its chairperson, Mr. Kara, for their preparation work and the choice to raise such interesting subjects. She had warm words for Mr. Kara's connections and his constant work on bringing experts to lecture and strengthening the relationship with the International Labor Organisation. She thanked Adv. Shlomo Yitzhaki for his increasing involvement in the management and mentioned his positions and ideas which help to advance IIRRA activities.

Referring to the subject of the seminar she said that ageism is a relatively new issue in the labor relations and labor market field. It raises a lot of interest as a

unique phenomenon existing simultaneously with other discriminations in the labor market with which we have had to deal for years.

She stated that ageism is a difficult, complex and interesting subject. It hasn't been much discussed so far. This subject affects the individual who is discriminated against, if by blocking his entrance to the labor market, or by suffering disrespect, having his position harmed or being denied promotion in the workplace. Ageism hurt a sector of experienced, hardworking, persistent workers and their contribution to the economy is prevented by not letting them participate in the labor market, or by causing them to lose motivation as a result of denying them promotions. Ageism has widespread impact on macroeconomics since the resources which are not used could have raised both the GNP and the productivity.

Ageism is also related to retirement age. Israel was one of the first countries to raise retirement age to 67. Doesn't the decision on mandatory, uniform retirement age hurt workers and constitute an act of discrimination? This is a serious question which should be discussed and investigated.

As for IIRRA activities – the subjects chosen for the seminar discussions raise much interest since they are very relevant and a matter of concern to all of us. IIRRA is special in its ability to see the labor world as a complex and diverse world by working in a variety of disciplines and bringing together academicians who are themselves senior researchers and lecturers and representatives of the organizations of which the labor market is made: employers, employees, and the government. IIRRA is planning to focus on forming working teams to deal with major subjects that are relevant and interesting to the labor market. Adv. Landau called everybody interested in the audience to take a part in these discussions, to deepen and inspire the thinking and recommended solutions regarding the subjects under discussion. These working papers will be used by IIRRA representatives when they appeal to public opinion leaders – the media, parliament, senior

government officials and ministers – in order to influence the government thinking and policy.

Dr. Werner Puschra, Executive Director, Friedrich Ebert Stiftung.

In his first appearance in an IIRRA event, Dr. Werner Puschra stated that the seminar was a good opportunity to discuss subjects on the public agenda and which are connected to labor relations and the labor market. The Ebert Foundation has about 110 branches around the world which invest in social activism and encourage dialogue between all social and political actors. He admitted that he was not familiar with ageism but he thought this concerned developed countries more than developing countries. The structural changes in markets around the world, the changes in family structure which impacted work life, the mobility of employees – both physical and professional – changes in birth rates, all those influence and impact the labor market and challenge us to find new solutions. Dr. Puschra said he was recently in New York and was witness to the Occupy Wall Street movement. This movement represents the middle class and fight against the stark inequality in the American economy – where 3% of the population enjoy 97% of the cake. The enduring crisis from 2008 doesn't seem to be ending, and has worsened the inequality. Occupy Wall Street, like similar movements, demands fair jobs and social security, after its members invested in relevant studies and training in order to be part of the middle class. The international financial establishments which wish to encourage enduring economic growth weren't necessarily right in their predictions and actions.

You can map out the protest movements which have sprung up in recent years according to their backgrounds – political or economic. North Africa, Israel, Greece, the US. You can also say that the issues in question have been raised in more than 100 countries, even when they weren't accompanied by protest movements.

He greeted the seminar audience and expressed his hope for continuing cooperation.

Mr. Frank Hoffer, Senior Specialist, Workers' Activities, ILO

Mr. Hoffer commented on the importance of the seminar and said the ILO wouldn't have existed without dealing with labor relations system and its dynamics.

He identified 3 types of economic models: the totalitarian model, the state model and the democratic model. The totalitarian model appears initially to be the ultimate success of capitalism since employees have no rights whatsoever. Many workers are employed in informal economy with no long term rights, no employment security and no safety regulations. The democratic model is under pressure from the other models. It should be improved on a daily basis and its stability must be gauged constantly. That's why the discussion and the relationship between this seminar and the ILO are so important. Mr. Hoffer said that both seminary subjects are actually one: demographic changes and social unity. Can society cope with absorbing young employees while retaining or absorbing older employees, and so utilize all resources? What are the effects of these processes on the general population? The issue is not only eroded pension plans. Retaining durable growth and production level will help in maintaining the pension value. Last year the ILO held a general discussion about demographic changes and their impact on society and the labor market. We discussed the ways we could keep humanitarian and fairness values while needing more and more nursing support for an aging population. As a population, we are not prepared for this situation. Services and treatment for the aging population will cost much more than not eroding the pension plans. We must reflect on the subject and ask the right questions in order to progress in the right direction and take calculated risks.

**Adv. S. Itzhaki, Chief Labour Officer, Ministry of Economy, Board
Member IIRRA**

Adv. Itzhaki said that there is good cooperation between the Ministry and the IIRRA. The Ministry would like this cooperation to be even closer. Ageism is controversial topic and Supreme Court Justices have expressed their opinion that ageism isn't among the discriminations prohibited as contradicting fundamental rights. Following the social protests the Ministry has initiated some legislation proceedings. The social protests have emphasized that labour isn't a commodity, and so the Ministry had initiated the law enhancing enforcement of labor laws which included better instrument for protection of employees' rights. The Ministry has also passed a law concerning all service providers. The employers' organizations and labor unions have cooperated with the legislation process. The ministry also deals regularly with centralization in the market and its effect on the cost of living, lowering food prices and legislation regarding price rises in the market.

**First Session- Chairperson- Prof. H. Bar-Mor, Natanya College, Board
Member IIRRA**

Prof. Bar-Mor presented some data from the report of the committee which investigated The Financial Soundness of National Insurance Institute.

**The Financial Soundness of National Insurance Institute- Can we Stay
Reassured and Calm?**

Ms. E. Dominisini, Former DG NII, Chairperson Haddasah,

The views about social security have changed gradually. In Bismark days retirement age was determined and pension became mandatory. Beveridge had some recommendations to end poverty and unemployment. The next stage was the welfare state and establishing social security went on the public agenda. The world moved from empathy to poor people to recognition of

rights by law which would assist people in need. We pay for these rights for many years and deserve in return to receive benefits in case of a crisis. This in fact the basis of social security foundations.

The relative poverty rates in Israel are among the highest in the OECD states. The increase in the number of poor families has stopped and the rate dropped from 19.9% to 19.4 % which is still high. Poverty prevalence among children is very high at about 35%. Raising the old age benefits has halted the raise of poverty prevalence among older people.

One worrying phenomenon which stands out is the increasing number of poor families with one or two breadwinners.

Taking the long view, in 40 years there will be a problem with the National Insurance resources. The fund, which has 170 billion NIS nowadays will start eroding at 2018 and will run out of money at 2031. The same thing happens in the US, where the money will run out at 2036. At the UK this is set to happen in 2070.

On the other hand, Canada read the signs and took steps to prevent such an outcome. It carried out a huge reform. It is important to learn from the Canadians and implement the lessons from their actions.

The dramatic changes in life expectancy, the ageing of the population and the ever -increasing number of people receiving benefits – all those erode the National Insurance funds.

From this viewpoint, the world actually belongs to the old, when you measure their influence on the market. You have to check the rates of labor force participation, the salary level, the rates of monthly payments (for pension, study funds, etc) and capital market returns. All those are important parameters for the soundness of the National Insurance. Other subjects that merit attention: cost and structure of old age nursing, which is an expensive component in the system. We are about to have to cope with the retirement of the Baby Boom generation. This huge number of retirees will be a heavy burden on the system.

Dependency ratio – the ratio between employees and retirees used to be 1/6 but is now 1/3. Since the system is based on 'pay as you go' and is not an accumulation system, there will be a problem of financing benefits and services because of the aforementioned factors.

A central and structural problem is the connection between the National Insurance fund and the state budget. Even if there was no other reason to cut benefits, there is a structural pressure towards that since the state purchases state bonds with money allocated to the National Insurance. This way a deficit is created when the goal is to maintain or lower the state deficit. And so there is a link between the National Insurance fund and the state budget, a link that appears to cause a national deficit problem – which is why this link should be discontinued.

There is wide social legislation that has bad effect on the future deficit in the National Insurance reservoir. Employers' participation in National Insurance payments for workers has been lowered. This contradicts the international trend to raise insurance fees, which are relatively lower in Israel.

Raising the retirement age – there was a struggle against raising the age of women's retirement from 62 to 64. The decision has been put off. It's necessary to raise both men's and women's retirement age due to the longer life expectancy and considerations of financial soundness.

There is a trend to minimize the participation of the Ministry of Treasury and so benefits are lowered and the National Insurance carries the burden alone – also because of financial pressure and budget deficit. The state gradually participates less in those benefits where it has to pay one NIS for every one NIS the social insurance pays.

It's important to make both medium-term and long-term decisions, since the trend of the social insurance fund running out of money is absolutely clear.

The main conclusions of the committee for investigating the financial soundness of the national insurance (the entire report can be found on the national insurance website) which has been formed on my initiative, is that

the national insurance fees should be raised by 1.6%, most of which paid by the employers.

Also, in order to create security, the reservoir must be disconnected from the state budget and its influences.

Protest Movements- TWO Years After

Mr. a. Nisankorn, Chairperson, Union Division, the New Histadrut

The protests that sprung up in the streets of the big cities in the summer of 2011 were based on a few demands: protest against the cost of housing – in the first quarter of 2013 135 average salaries were required to purchase a 3 room apartment – while only 103 salaries were needed in 2008. Since the protests began, house prices continue to rise.

For a 4 room apartment you need 142-144 salaries.

Regarding cost of living there were demands to lower prices of food, electricity, water, etc.

The government responded with a few actions and also conveyed a message of wishing to lower the cost of living.

The protests expressed a feeling of inequality among protesters, especially among the middle class. According to the OECD data, inequality in Israel is still growing. The new government has acted to lower the national deficit and so increased inequality in the short term – children benefits were cut, the VAT was raised by one percent, some tax exemptions were cancelled and there is a wish to increase the income tax rates. All those are acts that bring about greater inequality.

Since the protests were based on demands by the middle class, the lower classes didn't have a meaningful voice, and that's where the real poverty is. So the questions are: how do we fight centrality in the market which causes ever higher prices of products and services, how to dismantle monopolies, how to help the truly needy?

The Histadurt has a part to play but it doesn't have the authority of the government and it doesn't control the country. The more vulnerable workers want to improve their situation. They usually belong to specific work sectors, where they are paid low wages, hold part-time jobs, work through employment agencies, and have no employment security and continuity. It's problematic to enforce even basic rights (mainly based on protection laws) in these sectors.

The Comprehensive Pension Insurance agreement and the extension order which followed it led to an important change in the labor relations system. The agreement is implemented and so more than a million people are included in pension plans since 2008. The alternative of income insurance exists but isn't reliable since it might be cut and isn't a stable source of income. The rate of pension contributions is rising and is expected to reach the standard market rate, 17.5%, in 2014.

Putting the responsibility on those who order work from employment agencies, the users, is done through the new law increasing enforcement of labor laws which passed in 2012. This applies especially to security workers and cleaning workers. The law is effective and employers are increasingly more afraid of breaking it by ignoring the employment agency activities and whether or not they meet their duties towards their workers

The number of labor law enforcement inspectors has been raised from 30 to 150-160 following the Histadrut strike in 2012. This number is close to the standard of other OECD countries. The inspectors' work should be focused on the relevant sectors.

Negotiations about employment conditions of security and cleaning workers: our goal was for these workers to become directly employed by the de facto employer. We didn't succeed in that and so the negotiations focused instead on improving their employment conditions, mainly in the public sector, while ensuring they receive equal conditions in some areas. The negotiations

improved their conditions in the public sector by 30%. From the already-improved salary of NIS 4,300 per month (the minimum salary required by law was NIS 3850) their salaries were further raised to NIS 4600.

We also aspired to equalize pension plans for all regular workers and raise the monthly payments from 17.5% to more than 20%. It was also agreed that all public sector workers, even when employed through employment agencies, will receive savings'/study funds, meals, holiday gifts – things which are really a part of respectful treatment of human beings. The collective agreement we have reached, which applies to employment agencies workers as well, was also confirmed through legislation. The legislation process applied the agreement to already-existent government tenders and was meant to change the situation. Unfortunately, despite the legislation not all government-owned companies adhere to the agreement. Our demand is to implement immediately all parts of the agreement and to increase enforcement against those who ignore it.

As for the private sector – a collective agreement has been signed recently with a relatively new organisation of the cleaning workers – the agreement is in accordance with the principals outlined in the agreement we reached with the public sector employers. The previous agreement with private employers wasn't honored and they object to extending the new collective agreement by an extension order. The Minister of Economy will have to decide whether to extend both collective agreements to include more workers. There is also an argument regarding an agreement signed with the National Histadurt. The speaker thinks direct employment is vastly preferable to all the distortions and complications caused by indirect employment.

Seaport reform- the government is entitled to plan the port infrastructure and decide on the necessity of more ports. Before the state budget was approved, this issue was investigated by experts who stated in their report that a new port will have minimal effect so it's doubtful whether it's really necessary. We should reach an agreement about the employment and remuneration for the

seaport workers. All seaport workers, everywhere, should hold full time jobs, and in the new port it's important to have equal pay.

A comment regarding private sector employers – in the not-so-distant past we used to reach agreements instead of engaging in fights meaning strikes.

Second Session- Chairperson- Prof. R. Chermesh, Ben Gurion University,
Board Member IIRRA

Social Protest – its Impact on Legislation and on Set of Priorities

Panel Discussion:

Mr. N. Shtressler, Journalist, H'arretz Newspaper, MP. Itzhik Shmuli

Before the discussion the chairperson showed clips from MP. Itzhik Shmuli's speeches during the protest movement activities in 2011, and also paragraphs from Mr. N. Shtressler's articles in Haaretz.

Mr. N. Shtressler: contrary to the statements that the social protest had no results, actually some meaningful changes have occurred. We don't talk only about the political promotion of two members of parliament who were among the leaders of the protest movement, but also about a more profound change. The thick Trachtenberg report which was submitted 6 weeks after the Trachtenberg committee was formed. The government policy changed drastically following this report. Lowering taxes for the wealthy was halted, and so was lowering company taxes. Kindergartens for 2-3 year old children became free, as did after-school programs for older children. Working fathers received two more tax credit points, which was a more effective step since men, usually, earn more than women.

There have been a few attempts to lower house prices, but so far with no success.

Cost of living – taxes and custom fees on industrial products and electronic products were lowered. Nothing was done to reduce the prices of food and

countries where other products and accessories are much more expensive than here still have lower food prices than we do. Due to political reasons and their worldview the opposition doesn't put pressure on the government to lower the prices of food products such as dairy products, in order not to hurt dairy farmers. However, there is no way to justify the current prices when the salaries in Israel are lower than in western Europe and the US. As the Israeli market learned in the eighties, lowering taxes on imported products makes the local producers more efficient.

Another result of the protest – the Sheshinski report that recommended 60% tax on the natural gas would have never been approved has it not been for the protest movement. Even the Supervisor of Banks is starting to voice objections to the large bonuses bank managers wish to receive.

The general atmosphere informs the acts of the politicians who fear public reactions to their decisions, and the trend now is to try to prevent prices from getting higher, and to think about public opinion before taking any step.

As for the governance issue– he believes that Israel should implement a Mixed-member proportional representation system, which would represent all parts of the population better and will make the politicians closer to their electoral base.

MP. Itzhik Shmuli: we are not talking about mere nostalgia. The results of the last elections show that the public longs for a change. The public punished those who had promised and hadn't delivered on their promises. The protest movement never had homogenous goals. That's why some criticize its lack of focus. The fact is that once the protests started every sector found its niche and tried to change things. I was always for dialogue and not letting the protests turn violent. Every weekend protest should have resulted in an achievement on the following day. Changes are achieved through accumulating political power. The protests should have succeeded through dialogue and legislation, through using democratic means, and not through violence. That was what brought about the Trachtenberg report.

The housing situation, despite being one of the main issues the protest focused on, didn't become any better. The government doesn't offer real solutions and the opposition doesn't have the ability to carry out plans. The real wages have gone up by 3% while at the same time house prices went up by 70%.

It's possible to lower food prices even without lowering custom fees. The high poverty rates and the decreased public spending cause young people to emigrate. On a personal note I can add that I would have never believed that my father would find himself at his age employed through an employment agency with no job security.

The student unions broadened their world view – they didn't fight for improving their own conditions but developed a much broader civic agenda. It was an important moment when students didn't seek only to pay lower tuition fees but fought for the bigger goals of the general population.

We all have to consider today not what would be said in the parliament but how the public would react to any step which we consider taking. The protest movement hasn't succeeded so far in reducing the cost of living and house prices, but perhaps we will see another wave of protest. We can be optimistic. The next protest can be national or local. Also, the Trachtenberg committee didn't discuss welfare and health issues. The labor legislation isn't bad, but it's problematic to enforce the laws when it comes to employment agencies workers. When we reach a point where it's necessary to legislate regarding toilet breaks during work hours, it means that the situation is unreasonable and fundamental rights are not respected.

Israel has two separate societies: one is protected, earns well and unionized – government-owned companies and parts of the public sector. The other society is made of employees in the private sector – who are not unionized, earn low salaries and have no employment security. That's where you find frequent restructuring and salary cuts. We should act to help those employees

to get unionized. The senior managers earn 150 times as much as the minimum salary.

The voting rate has actually gone up and you can't explain the success of Yesh Atid party without the protest movement and its impact.

As for governance and the political system – we should support the establishment of a constitution and make internal changes in the government system.

Social Protest Movements- their Impact on Industrial Relations

Mr.Vincenzo Spiezio, Senior Economist, International Institute for Labour Studies, ILO :

Social protest movements express dissatisfaction in more ways than can be found in the legal institutions designed for the expressions of this dissatisfaction. In countries without the right to strike, the very fact of holding a strike is an expression of protest. Spontaneous strikes are meant to protest against what the protests see as injustice, inequality, and food crisis because of raising food prices. In Arab countries devoid of other ways for democratic expression, young people feel they don't have opportunities, and that the press isn't free – every one of these things can become a reason for a protest movement.

How do we measure the protest? We have a few indexes relating to the number of young people in these movements, the prevalence of government corruption, political establishments, political stability or instability, economic stability, the judicial system and its acts against corruption, human rights and democracy.

When does a protest movement start? There are no validated theories about the timing. With the same reasons in the background, sometimes you will see a protest movement forming and sometimes you will not. Sometimes subjective feelings are the trigger and sometimes the protest begins when a number of reasons come together and a trigger appears and move people to protest. So there is a great difficulty in measuring these things.

The ILO developed a Social Unrest Index, but it doesn't solve all of the aforementioned problems. Four main measures were developed: confidence in government – 35%, standard of living (getting better or worse) – 30%. Local job market – 20% and freedom in life – 20%. Internet access accounts for the other 5%.

The index doesn't measure these variables in retrospect by estimate on the basis of these measures the potential for the creation of a trigger that will start the protests.

Which elements affect the potential for protest?

Available income increasing/decreasing, changes in the GNP, food price raises, unemployment rates. The index has proved to be quite reliable. Comparing the year 2007 to the year 2012 show that the protest potential in the EU has increased significantly because of the economic crisis in these countries – the Social Unrest Index went up by 12%. In Greece and Spain the social unrest index went up even more significantly.

Does the changing sensitivity have anything to do with developing the Social dialogue – or damaging it?

In the political context, the legal institutions are devalued in the public opinion. Legal protections decrease. The coverage of collective agreement has gone down in countries like Cyprus, Spain, and Ireland. (Greece wasn't included in the calculations since the happenings there began later)

The public confidence in government is going down. In Spain, a popular cry was created: "you don't represent us." The reason for this is the inability to provide solutions. Countries with many immigrants are especially vulnerable. A major problem is the inability of the government to find solutions for real problems raised by the public, because of political unwillingness to deal with these issues. The problem is with the parties and elected representatives – elites that can reach key positions without having the skills to solve the voters' problems. The public opinion is that strong sectors determine the standards

for weak sectors. When confidence is lost, the weak refuse to accept those standards anymore. Key positions became less representative of the population, which mean the public interest is neglected and, accordingly, the public confidence is lost. The main casualties are young people who don't belong to influential political parties and usually don't belong to professional unions either. They find work in untraditional fields and so don't join any influential blocks. They want to express themselves and influence things. They want satisfactory jobs, reasonable housing and necessary services.

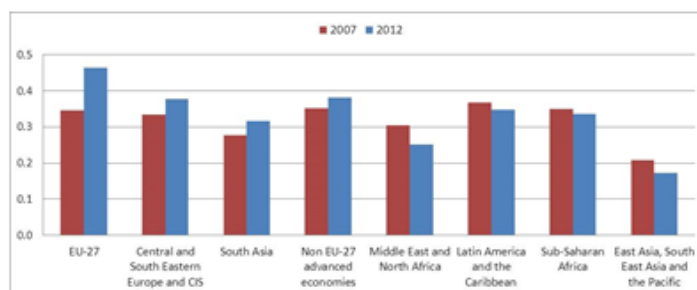
How do we give voice to such relevant classes?

Social dialogue has three dimensions: negotiations, employers and employees. The part of the government is to facilitate and regulate the dialogue. Dealing with social structures requires increased cohesion. We need to take the social dialogue in the direction of economic democracy: equal opportunities, including employees in managements, raising the living standard, social contexts, extending the improvements and benefits to more parts of the population, focusing the activities of welfare institutions while investigating how they benefit citizens, rational distribution of wealth, etc. we should establish and strengthen a relationship between the public sector and the rest of the population. It's important to give voice to all sectors so as not to leave them sidelined and dissatisfied, which could lead to political radicalization.

The decrease in social and employment security was investigated by a few teams of the ILO. Encouraging investments and a policy of active labor market are of the utmost importance.

The professional unions must broaden their fields of activity and respond to the public by extending the social dialogue. We need to increase the involvement of unions in making decisions that are bound to have effect on the participation of the general population, on future employment and on improving the standard of living. It's also the right thing to do from a democratic point of view.

Change in the social unrest index: Pre-crisis (2007) versus post-crisis (2012)



- Small differences across regions in 2007
- Large cross-region differences in 2012

Enlarging social dialogue to economic democracy

- Workers participation in company boards
- Secondary income distribution
- Management of the social welfare institutions
- Provision of public services

Forward – rate of employment among older people, and their incomes.

The Bank of Israel annual report mentions an increase in the rates of employment among retirement-age people and those close to this age. Their incomes have also increased significantly. The report estimates that because of the raising of retirement age in 2004, people in this age group continue working or find alternative jobs for the jobs they retired from, mainly for financial reasons and because of their wish to maintain the standard of living

they used to have when they were employed. Another explanation refers to the improved health of this age group.

The reports of the Taub Center, which was quoted in De Marker, bolsters those findings: between 2001 and 2011 the employment rate among men aged 54-64 went from 60% to 70%. The employment rate among women in the same age group went from 35% to 53%. During these years the average income for people aged 65-74 went up by 27%. Similar data from OECD countries show the same trends, but in more moderate rates. The age group of the 75 and older also enjoyed an income increase of 22%.

One of the main reasons for increased income among older people of both sexes is the level of education which helps find employment at this age.

We can assume that due to the fact that the labor market has a big share of part-time jobs – 28% of all workers were employed in part-time jobs, according to the Central Bureau of Statistics, a relatively high rate – the number of older employees is expected to grow because of the low pensions associated with part-time jobs. The data above doesn't refer to the rate of part-time employees among older people, not does it measure the quality of the jobs.

10/10/13

Third Session- Chairperson- Dr. O. Carmi, Academic College ONO, Board Member IIRRA

Ageism and Labour Market,

Prof. I. Doron, Haifa University – the world is changing before our eyes. Life expectancy has increased dramatically. Getting old shouldn't be measured by the number of accumulated years but by leaving ideals behind. Butler was the first one to coin the term Ageism and he described it as stereotyping of people

because of their age. They are old fashioned and labeled as senile, and so the world of the young views them as 'others'.

The absurd thing about ageing is that people of any age see people older than they are as old people, and so we can't say there is a uniform definition of what 'old' mean. Even children view young people in ageist way, and don't identify with them. The number of young people around the world is decreasing all the time while the number of old people is increasing constantly.

Israel is getting old faster than any other country in the western world because of the steep increase in life expectancy – and the high birth rate compared to the rest of the western world. The world is destined to become a world of old people. The age pyramid is turned upside down.

The Zionist movement strove against the bent, old-looking diaspora Jew. The young natives of Israel, young and handsome, were glorified instead. The militarist views also supported preference to the young look. Ageism is based on stereotypes and can be found everywhere.

Grandparents – following the Holocaust, an entire generation grew up without grandfathers and grandmothers. The current generation is the first to experience a generation of grandparents.

Stereotypes penetrate through humor and so we can experience ageism. The only group which doesn't have the ability or motivation to fight the stigmas is that of the old people.

The current legal world suffers from ageism: judges, lawyers, lawmakers. In the Scroll of Independence you don't find any mention of ageism and struggle for equality in the face of it.

The Supreme Court discussed ageism in case 4482/06, which was filed by a veteran pilot, Dr. Kelner, who was denied a job because of his age – 76. The same thing happened in the case of Malka Drozdovsky (2828/06) and Uzi Sade (8957/07).

In the case of Libi Weinberger (209-111) we finally saw positive signs and support from the National Labor Court.

Up till this case the National Labor Court shows an anti-ageist spirit., it's different in the Supreme Court.

There is a private bill regarding functional retirement, but we don't yet know where it will lead

We need to achieve a substantial change in perceptions that would improve society positions regarding ageism. Professional training should be given on a professional basis at every age.

Butler's definition of ageism:

- Ageism can be seen as a process of systematic stereotyping of and discrimination against people because they are old, just as racism and sexism accomplish this for skin color and gender. Old people are categorized as senile, rigid in thought and manner, old-fashioned in morality and skills [...] Ageism allows the younger generations to see older people as different from themselves, thus they subtly cease to identify with their elders as human beings

Ageism impact on the labor market

- The reality in Israel – ageism is prevalent.
- Every person aged 40 or older who is looking for a job will suffer open and covert discrimination because of his age.
- The chances of finding a job decrease, while the probability for employed individuals to feel pushed out increases.
- When competing against younger candidates older candidates usually lose out without real justification.

The Demographic Revolution- Challenges and Significance,

Prof. R. Ben- Israel, (Prof. AM.) Law Faculty, Tel Aviv University:

Among the new phenomena of our age are lower birth rates, longer life expectancy, and advanced medicine. Another age was added, beyond the third age – a fourth age, if you will. Modern medicine created a generation of well, healthy people aged 60-80. To them was added a generation of people aged 80-100.

As a part of social changes we can say that families aren't tribal anymore which is why old people need to rely on caregivers and nursing services. The mandatory retirement age was determined many years ago and doesn't fit the situation anymore. Employees were promised pension, but we don't have reasonable pensions for everybody. Society doesn't supply tools for coping with the change, either by fighting prejudices or by adjusting the physical environment to the needs of older people.

The demographic revolution extended active labor life past the official retirement age of 67.

These changes force us to deal with the additional years, as regards pension funds, income insurance, etc. finding solutions to these problems will require us to make drastic changes.

In the labor market, it's necessary to move from mandatory retirement to functional retirement—retirement based on the fact that the

individual can't do their job properly anymore. That change will make it possible for older people to go on working. It's necessary to prove retirement is justified and not automatic. The age consideration is irrelevant in view of the advances in medicine. Burning out isn't a relevant consideration either since the work week and workdays were shortened.

Intergenerational justice – the claim that older people have to evacuate their places in favor of young people – this creates an unjustified conflict between old and young people. Studies have shown that retirement isn't the solution for young people looking for jobs because of technological developments, new fields of employment and the unwillingness of the young to be employed in the jobs older people held. The status of work today – it has been long time since a job was considered merely a means of earning livelihood. Today people wish for engagement, creativity and self-actualization. In addition to hurting their livelihood, forcing older people to retire prevents continuation of creative and active lives, prevents promotions and hurt people self-esteem, as well as their cognitive abilities. Putting off retirement respects the employee's rights and shows respect for human beings.

Mandatory retirement contradicts the right to work and is a form of discrimination. It hurts the individuality of the person. Burning out is the result of monotonous work, not of age, and it can be avoided by going from one-dimensional careers to multi-dimensional careers.

Everyone has 10-15 years of top productiveness, after which there is a decline. Career refreshing can develop different brains cells, which help maintaining the sharpness and efficiency of the individual.

To sum up: adopting the concept of functional retirement, encouraging structured leisure activities and promoting multi-dimensional careers are three vital steps which will advance the right to live in dignity.

The Supreme Court is scheduled to discuss in February 2014 the question of mandatory retirement as a discrimination violating the right to work. Prof. R. Ben- Israel joined the petition filed by a group of academicians. She objects to not raising the retirement age for women – in contrary to the position of women's organizations in Israel.

The courts don't help those who are fired or made to retire because of their age. Only some of the laws in Israel refer to age as a cause of discrimination.

Forth Session- Chairperson- Mr. M. Drill, Project Manager, Friedrich Ebert Stiftung

Ageism in Employment, Retirement Age- ILO's Position and Policy

Mr. Frank Hoffer, ACT/TRAV, ILO

The challenges related to ageing and the labor market: ageing is a great success of the western world, which was made possible by advanced medicine, higher standard of living, and better food. The problem: every year 5 million children die because of incompetent medicine. Young people die in work accidents. We have a window of 15-20 years to solve the issue of ageing – and indeed it's solvable. We have a pyramid turned upside down – by 2050 we will have to create 14-16 millions more jobs because of population growth. The dependency ratio (employed people aged 18-64 and the rest of the population – children and old people) will get worse especially in Asian countries. The growth in the labor market results from both population growth and productivity growth. As long as we see economic growth the situation is good, but the enduring economic crisis which hurts the European economies reduce growth rates significantly. The bigger investments are, the more we increase productivity and the number of jobs. Improving the productivity and efficiency of the labour force involves improving the health of the population and providing adequate training – these things don't happen in developing countries. We need to invest in supportive infrastructure such as public transportation. Retirement must be planned gradually and based on long-term thinking. At age of 25 people should already think about their retirement. In some jobs it's possible to put off retirement while in others people don't usually reach retirement age. Young people are more creative than older people. We need to adopt different ways of thinking – that's true for both employers and employees.

In times of economic growth, discrimination problems tend to disappear, but in times of crisis and unemployment ageism become a pressing problem.

Older people who lost their jobs in 1936 because of the depression in the U.S were returned to work during the war years, when they were an important asset for production.

Partial employment in part-time and temporary jobs creates complicated problems with pensions, and the benefits from the government become a burden on the public. The ILO policy is that it's necessary to determine a minimum income for the retirement years, which will be available to everybody. In addition to raising the retirement age it's also recommended to raise pension monthly payments – as long as productivity improves and there is economic growth, this is a feasible step to take.

Is it possible to solve the intergenerational conflict? It can be done by working fewer hours, long preparation for retirement, and letting people who don't wish to retire to go on working. There should be life-work balance. Pension savings are private and don't belong to the public. In order to ensure the fund, the companies invest in real estate and buy shares. Young people who are poor will not buy shares and so the value of the savings decrease – both the real estate and the shares lose values because of the low demand. That's why, from a macroeconomic point of view, we should invest in developing real assets and not in passing capital and money from hand to hand. Only economy which is open to creativity and raised productivity will have answers for the challenges before us – unlike close economy which doesn't produce new money.

We should invest in health services, so the next generation isn't hurt. We don't talk about ageing in dignity but about the pension values and nursing services. Caring services for children get better all the time while caring for older people get worse all the time. It's true that it requires many resources, but that's the key for solidarity among the population. Today, caring for old people isn't done for solidarity reasons but as a source of profit for private companies. We should aspire for a situation where the older person provides the money for his needs while the family provides the moral and social

backing. In order to cope with all the aforementioned problems it's necessary to both increase the GNP and the public spending share – for the reasons we have explained before.

Israel was among the first countries to raise retirement age to 67.

During the legislation process the Ministry of Treasury held negotiations, mainly with the employers' organizations, and reached an agreement that the employers will not object to the law and will receive in return a special budget to take care of employees in professions where burning out is common.

After years of discussion a nonprofit organization called 'Maagalim' was formed by collaboration between employers' organizations and labor unions. The Ministry of Treasury supervises it. The organization determined criteria for burning out and prepared treatment plans for employees for whom their employers will submit a request.

Two main tracks are available: one focuses on training workers in an alternative field, so they can find another job based on their skills and experience, while the other is dedicated to providing partial pay for workers who can't be helped by the first track.

Fifth Session- Chairperson- Moderator and Opening Remarks-

**Dr. R. Nathanson, DG,. Macro Center for Political Economy, Board Member
IIRRA**

Ageism, Retirement Age and Gender Issues at Labour Market

**Panel Discussion- Adv. Tziona Koenig-Yair, Equal Employment
opportunities Commissioner, ministry of Economy, Adv.E. Deutch, Lahav,
Self employed Organization, ACC. Z. Chushinski, Chairperson, Social
Security Division, the New Histadrut, Ms. G. Volloch, Chairperson**

**Fifth Session- Chairperson- Dr. Roby Nathanson, D.G Macro- Political
Economy Center, IRRA board member,**

The chairperson opened the session with the statement that there are clear trends of dramatically longer life expectancy and decreasing birth rates in Israel and abroad. Compared to other developed countries Israel has longer life expectancy and higher birth rates. In 1950 the average birth rate in the world was 5 children per family, today it's 2.2 and will soon be 2.

Dependency ratio- in 1950 it was 1/8, today 1/3.9, and in 2050 it will be 1/2. In Israel the current ratio is 1/5, we tend to reach the numbers of the rest of the developed world a few years later.

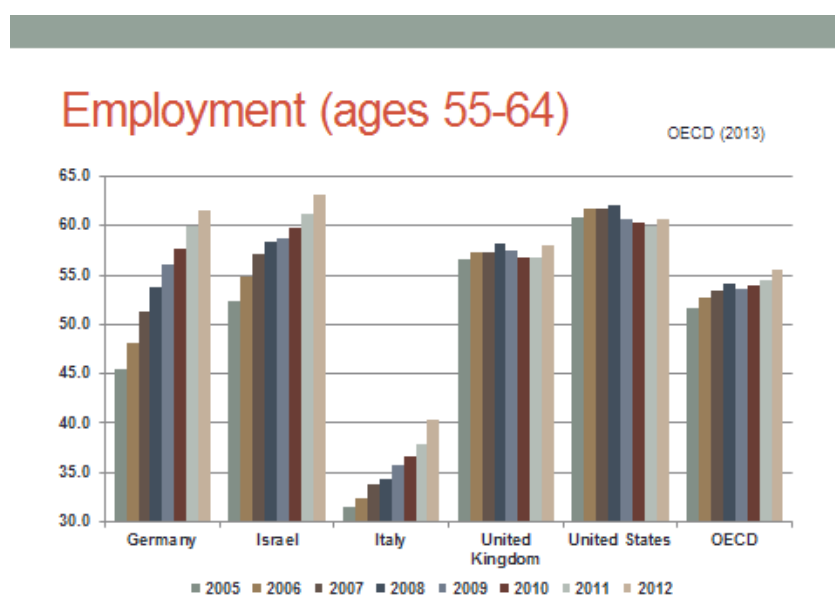
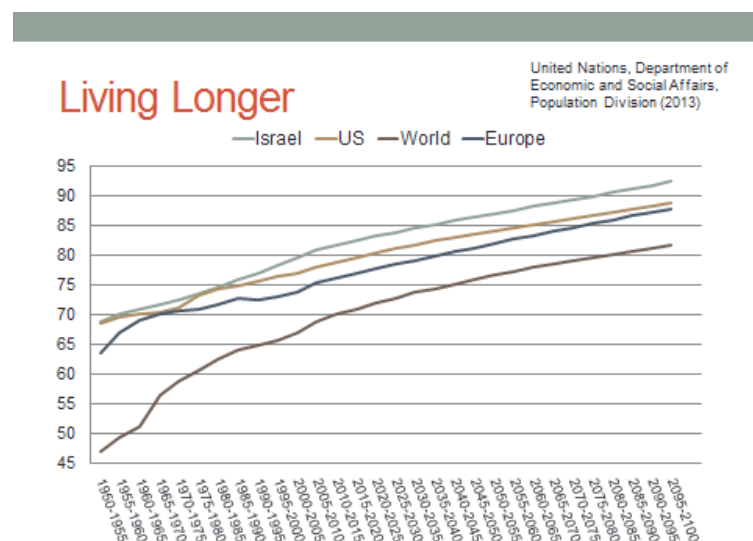
Participation in labor force rate in Israel is becoming better. There are problems with pension financing and we have recently heard about that following the interest-rate cut.

The additional generation of very old people creates nursing problems which requires careful planning.

We need to change an approach. Things have changed since Butler's raised the issue of ageism. Today ageism exists not only between young people and old people, but even between young people and other young people who are

older.

Continuing the training of employees throughout their employment years is vital in this context. We also have to encourage Arab women to start working, by implementing a positive policy that determines basic conditions that will help them get employed.



Panel

Ms. N. Kassir, Bank of Israel

The labor force participation rate in Israel is good except when we look at employment rates among Ultra-Orthodox and Arab people. The employment rate of women isn't high enough. There is a connection between employment and poverty rates. In the past, a family with two breadwinners was above the poverty line. Today even among such families the poverty rate is 6.2%. Workers from Arab sector in Israel retire earlier than average because 70% of them are employed in physical jobs. The early retirement age among this sector is high also in comparison to Arab countries. Another feature: more awareness of benefits among this sector. Culturally, children in big families support their ageing parents. The rate of participation in labor force among Arab women has tripled, but it is still low in comparison to Jewish women, whose rate of participation in the labor force has also increased. Arab women care for their children and leave the labor market. There are also problem of access relating comfortable public transportation. About 75% of Arab women express a wish to work. 60% are employed in the public sector, mainly as teachers. The multi-annual plan to increase the participation of Arab women in the labour force has succeeded and the current participation rate is beyond the original goal. In the Arab and Ultra-Orthodox sectors, the participation rate is about 35% and we aim to reach a participation rate higher than 50%. There is a problem in the market which is why the general demand for workers is expected to go down, but specifically in the Arab and Ultra-Orthodox sectors the rate of employed people will rise. These two sectors constitute 30% of the population but in the poverty statistics they account for 66% of poor people. It is possible to increase their employment rates. There is also an increase in the number of employed older people. The rate of employed older women, though, is low in comparison to other developed

countries. Women's retirement age is also relatively early. Retirement or not – this is not a factor which affects employment among the young. We need to take complementary steps – raising awareness of rights and implementing effective enforcement methods. Employment rates in different sectors should be dealt with separately and not generally considerations.

Adv. Tziona Koenig-Yair, Equal Employment Opportunities Commissioner, Ministry of Economy

The gap between employed men and women shows more at the age group of 55-64 than in the age group 45-54. It's expressed in income, salary, retirement age and pension. The gap is the result of chosen profession, salary conditions, work conditions and rate of participation in labour force. The older women are when entering the labour force, the less professional they are. There are some professions where older women are pushed out in favor of young ones – secretaries, for instance. We need to see the labour market and the gender problems through women's glasses in order to design correct policy. A market with high rates of employed women grows faster because of their contribution- and it's also a testimony to the general success of women in that society.

From data recived from Mrs. Hanna Kopfer, director of research department in the Equal Opportunities Office, we see that the number of ageism-related applications has increaed but since 2009 there has been no increase in the rate of such applicaions. In the last three years the rate of ageism-related complaints stabilized around 11-12%.

Adv.E. Deutch, Lahav, Self Employed Organization

Lahav represents 400,000 businesses unionized in 40 organizations. For example: insurance agents, media workers, artists. These businesses employ

about 600,000 people. Freelancers in independent professions struggle to survive. The lack of social security and regulation cause many of them to turn to self-employment not necessarily out of choice. They don't enjoy mandatory pension, sick days or insurance against unemployment. They continue working because they need to make a living. There is no legislation to insure them having pension, the way there is in Spain for example. They find it hard to collect payments for their services both in the private sector and in the public sector – the payments are continuously delayed. There is no address they can appeal to about discrimination – the Equal Employment Commission isn't authorized to help them. There is some thinking going on about ways to help them, but it is still at a very preliminary stage. When the self-employed try to solve problems and coordinate steps regarding payment conditions and other issues, they have to fear the anti cartel law.

Self-employment can be flexible, done from home and at almost any age, but disturbing problems in this field must be addressed.

Adv. Gali Etzion, legal counselor, Naamat:

The universal retirement age according to the law is 67. From this age a person is entitled to receive old age pension from the National Insurance. There is a catch 22 situation for women in their forties. When younger they take care of their children. Later when the woman becomes free to work, the labor market considers her too old, unprofessional, and many times she can only find a part time job. Secretary jobs are blocked for older women and the demand is for young women to hold these jobs. Ageism exists all over the world – as well as in Israel. It's necessary to change the law so that women can receive old age pension beginning at 62 – the earliest age women retire from work. The structure of the labour market must be changed first before we consider raising women's retirement age so it's equal to men's. Women's pensions are lower. We need to act according to the minority opinion in the Netanyahu committee that recommended changing the situation in the labour

market and only later changing the retirement age. Late retirement age will cause women to spend their savings since they will not be able to find a job at an older age before this retirement age. Also, raising the retirement age will not increase significantly the pensions associated with partial, non-professional jobs. The discussion about raising the retirement age has been postponed in 5 years, but so far the professional committee which was supposed to be formed to discuss this issue hasn't been formed. In Israel, we are way behind other OECD countries when it comes to women's employment.

"Too Young to Retire -Too Old to Work" - Latest Findings from International Workshop on Ageism carried out in Tel Aviv University

Ms. E. Hertzberg- Druker, Labour Studies, Tel Aviv University

The emphasis is on checking the numbers of employed people – those participating in the labour force – and not the number of the unemployed. There is an increase in the rate of employment among older people and there are studies which show that young people's entry to the labor market isn't blocked by raising the retirement age. Older people establish work standards and norms and make it easier for young people to enter the labor market. Women whose husbands continue working are usually encouraged by that to go on working themselves or to look for a job.

Closing Session-

Chairperson- Mr. Y. Kara,

Ms. N.Landau, Mr. M. Drill, Mr. F. Hoffer

It was noted that the seminar raised much interest among old and new audiences, despite the late notice. The speakers put the emphasis on the fact

that the seminar structure has been established. A suggestion was put forward for the event to be called 'conference' instead of 'seminar'.

It's important for ageism to be dealt with and given all proper attention. The subject is important and central enough for IIRRA to lead and participate in every initiative to discuss the subject in a comprehensive and meaningful way.

IIRRA and its leadership have come to acknowledge the importance and relevance of ageism both in the labor market and for those who are retired on the basis of age alone. Policymakers must give precedence to this issue when deciding on their policy regarding the issues discussed in the seminar.

In conclusion:

Continuing IIRRA work on the subject of ageism-

IIRRA will hold comprehensive discussions on ways to continue its activity on the issue of ageism, if through focused conferences in cooperation with other bodies, first and foremost with his partners the ILO and the Ebert Foundation, and by forming discussion groups to deepen the knowledge about ageism. Relevant materials and suggestions for improvement will be sent to everybody interested among IIRRA members, the seminar attendants and the general public.

IIRRA leadership will act to reach clear conclusions on this critical subject and will initiate contact with public opinion leaders – parliamentarians, ministers, media people and relevant senior officials who contribute to policymaking, in order to influence forming an active policy on ageism.