



Republic of Bulgaria  
ECONOMIC  
AND SOCIAL COUNCIL

## **OPINION**

**on**

**"ACTIVE AGEING AND SOLIDARITY BETWEEN GENERATIONS"**

**(own-initiative opinion)**

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ESC/3/004/2012 Budget, Finance, Insurance and Social Security Commission

Social Policy Commission

The 2012 Action Plan of the Economic and Social Council envisions the elaboration of an own-initiative opinion on the topic of:

**"ACTIVE AGEING AND SOLIDARITY BETWEEN GENERATIONS"**

The elaboration of the opinion was assigned to the Budget, Finance, Insurance and Social Security Commission and the Social Policy Commission.

Pursuant to the decision of both commissions Prof. Dr. Sc. Neno Pavlov was appointed rapporteur on this opinion.

The following external experts were invited to participate in the realisation of the project: Mr. Ivan Neykov and Mrs. Borislava Borissova.

At their joint meeting of 24 October 2012 the Budget, Finance, Insurance and Social Security Commission and the Social Policy Commission discussed and adopted the draft opinion.

At its Plenary Session held on 16 November 2012 the Economic and Social Council adopted this opinion.

## I. MAIN CONCLUSIONS

1. ESC believes that the development of a society more tolerant to older and younger people is a guarantee for:
  - 1.1. Positive attitudes to recognising the value of different age groups and their contribution to society and solidarity between generations;
  - 1.2. An open and friendly labour market that provides access to paid employment for younger and older people alike, which supports the transfer of knowledge between generations and allows workers to combine their work and family lives;<sup>1</sup>
  - 1.3. A more active involvement in volunteering, cultural, sport and recreational activities to generate and/or maintain social networks and contacts, learning new skills that contribute to personal development and well-being;
  - 1.4. A wide access to continuing education and intergenerational education to acquire new knowledge and skills regardless of one's age;
  - 1.5. Social protection systems based on intergenerational and intergenerational solidarity aimed to prevent poverty or mitigate its consequences, to ensure adequate income for older people and financial stability of pension schemes for both current and future generations, to provide access to quality health and social services and informal care throughout life;
  - 1.6. Conditions and opportunities for "growing" and "ageing" in good mental and physical health through disease prevention and promoting physical activity, a healthy diet, good health and health education as well as preventing key social factors leading to the deterioration of health.

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<sup>1</sup> Among various problems related to demographic ageing which are included in the political agenda of the European Union, this opinion reviews with higher priority the active involvement of older people in the working life as well as the solidarity between generations.

2. The Economic and Social Council of the Republic of Bulgaria shares the vision of the European Economic and Social Committee that "active ageing" should not be limited to full physical participation in the labour market and the continuous and regular inclusion of people aged "55+" in social, cultural, spiritual activities.
3. Bulgarian society is also facing the unknown in scale, long-term challenge of a steadily increasing share of older workers. ESC supports the major tasks indicated in the "National Concept for Promoting Active Ageing" that need to be addressed during the forthcoming decades:
  - 3.1. Providing adequate conditions for an active working life of older people;
  - 3.2. Removing barriers to the active social life of people of retirement age;
  - 3.3. Ensuring conditions of access to health services and extending life expectancy for older people in good health;
  - 3.4. Providing an environment for access to education, lifelong learning, opportunities for training and retraining to improve the labour adaptability and social mobility of older people;
  - 3.5. Developing long-term care and equal opportunities for access to specialised social services for older people;
  - 3.6. Developing volunteerism and solidarity between generations.
4. ESC expresses its consistent position that the gradual and long-term solution to these problems will significantly contribute to achieving the following major objectives:
  - 4.1. Establishment of enduring economic growth;
  - 4.2. Sustainable development of social systems;
  - 4.3. Improving the standard and quality of life of older people;

- 4.4. Building a society ready to face and deal with the emerging challenges of demographic ageing.
5. ESC believes that ageing should not be seen solely in terms of the demographic dependency ratio represented by older people and people of working age. Today the key factor for stabilising security systems is the economic dependency ratio reflecting the number of people receiving benefits, and those who make contributions to social funds.
6. Improving the economic dependence requires a significant increase in the employment of all age groups involved in the labour market, including older people. The Republic of Bulgaria is to use effectively the vast available labour potential by deploying stronger and more effective policies and measures to create more opportunities to access the labour market and to prevent being excluded from it, including lifelong learning and retraining.
7. ESC calls that the debate on the demographic challenges should not be limited to the issue of the retirement age. Much stronger emphasis should be placed on job quality and the productive use of working time. In a truly open labour market with quality jobs people will be both willing and able to stay active longer. ESC also recommends to employers to implement with a greater priority an individual approach to negotiating employment contracts with older people in order to help them remain in the labour market longer.
8. According to ESC it is necessary to undertake additional measures and incentives for job creation which are sensitive to the specific capabilities and needs of older workers with a view to extend paid employment of older people and reduce the risk of long-term unemployment among them. Extensive public information campaigns should help to eliminate stereotypes and prejudices against older workers and facilitate the transferring of their experience to younger co-workers. ESC appreciates highly the impact of the deployed good practices for the recruitment of older workers, aged 55+, as mentors and as paid employees with flexible or reduced working hours.

9. ESC expresses its support for the implemented integrated approach of dealing with demographic challenges developed by the Ministry of Labour and Social Policy and approved by the Bulgarian government in 2012. Key strategic documents concerning the demographic development of Bulgaria include: the Updated National Strategy for Demographic Development of Bulgaria (2012-2030) and the National Concept for the Promotion of Active Ageing (2012-2030).
10. The existing measures and initiatives promoting active ageing<sup>2</sup> which are included in the National Working Programme for Bulgaria's participation in "European Year for Active Ageing and Solidarity between Generations – 2012<sup>3</sup>" are primarily directed to assisting persons in this target group who are in need of additional care. The initiatives "personal assistant" and "housekeeping assistant" are useful to many beneficiaries, but they barely coincide with the essence of the main pillars of active ageing in the areas of employment and participation in public life.
11. ESC attributes crucial significance on the implementation of active measures to promote the independence of older people, the extension of their healthy life and prevention of their social exclusion. It is unthinkable that any discrimination of older people may be allowed in areas such as healthcare, education financial services, etc. – such as Eurobarometer data show for Bulgaria<sup>4</sup>. ESC calls for breaking the prejudices against older people which turn them into an isolated community. Active ageing through the full participation of older people in community activities and

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<sup>2</sup> All official documents of Bulgarian public administration employ the term "activeageing", which is sometimes translated into Bulgarian as "активен живот на възрастните хора" (literally: "active working life of ageing people") but also includes the active and independent life in all areas of life until very old age.

<sup>3</sup> Their scope includes the following schemes: operation "Care in a Family Environment for Independent and Dignified Life of People with Different Disabilities and People Living Alone - activities "Social Assistant" and "Housekeeping Assistant"; operation "Refining and Improving the Service "Personal Assistant" for People with Different Disabilities and People Living Alone"; operation "Alternatives".

<sup>4</sup> Special study of Eurobarometer on active ageing:  
<http://europa.eu/ey2012/ey2012main.jsp?catId=971&langId=bg>

initiatives, as well as in the process of decision making, plays an important role in the positive development of this issue.

12. With a view to increasing the social security of the people ESC repeatedly expressed its position to further build upon the potential of the second and third pillars of the pension system based on individual accounts of the insured persons in order to reduce the severity and demographic pressure on the public budget and on the country's fiscal stability. Given the key role of healthy lifestyle, ESC once again supports prevention and prophylactic treatment as the most inexpensive and the safest ways to maintain good health. A step towards alleviating the financial burden on the healthcare system may be the personal health insurance<sup>5</sup> which however has stirred a merely marginal interest among the population.
13. According to ESC, too little attention is paid to solidarity and the social contract between generations. Young and older people are the two groups in the labour market exposed at the highest risk of long-term unemployment. Moreover, according to the principle of solidarity, today's young people of working age bear an increasing social and economic burden for maintaining ageing generations. The quantitative imbalance in favour of those exiting the labour market, combined with the record levels of youth unemployment, raises the threat of unleashing an avalanche of social unrest accumulated over the years. While older people are afraid of their financial security in future years, young people face a constantly increasing number of uncertainties and obstacles.
14. ESC fully shares the vision that promoting solidarity between generations is the right way to achieving active participation and involvement of all age groups in various forms of social life and providing them with adequate support and protection.
15. ESC supports the cohesion policies aiming to bridge the gap between generations in the context of the European Year for Active Ageing. I may

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<sup>5</sup> Regardless of its high supply on the insurance market by almost all insurers offering products in the area of life and health insurance, the interest of consumers in Bulgaria to this kind of health insurances is very limited.

be noted that the cohesion measure of bridging the gap between older people and students has proved effective at the European level. It was conducted in many European schools in the days around April 29 – the International Day of Solidarity between Generations. Just as the older people are valuable as tutors and mentors for the young, the younger people are also of equal value in showing to the older the opportunities and benefits of innovation and technology in a knowledge-based economy. Improving the dialogue between generations can be seen as a major step towards reducing the social isolation of older people.

## **II. POPULATION AGEING AND THE SOLIDARITY BETWEEN GENERATIONS**

16. According to the European Commissioner for Employment, Social Affairs and Inclusion, László Andor, the European Year for Active Ageing and Solidarity between Generations should create policies and conditions that ensure a better future for both the young and the older people in our ageing societies. The key lies in enabling people to participate and contribute to the economy and society, to take care of themselves and other vulnerable groups as they age, which lies at the heart of the concept of active ageing.
17. Active life enables people of all ages to enjoy the benefits of greater life expectancy and reduces the risk of conflict between younger and older generations. At the same time, ESC has never evaded the discussion, which has its supporters in society, about the opposition between old and young workers. The usually advanced question is: will active ageing policies affect negatively the employment opportunities for young people? ESC agrees that there is no information giving rise to the conclusion that in Bulgaria there is actually a conflict of interest and direct competition in the labour market between "young" and "old" workers.
18. ESC finds that there is definitely a difference between jobs for which young people are preferred and those for which older workers are sought.

It is a guarantee to keep the status quo on the labour market as well as the professional capacity of each generation of employees, incl. in the area of entrepreneurship and self-employment.

19. ESC repeatedly noted in a number of opinions and resolutions the steady trend towards an ageing population. According to ESC's research and analysis as well as Eurostat estimates, it is expected that the population of Member States will age increasingly by 2050. As a result, the demographic dependency ratio for the whole EU<sup>6</sup> will almost double (from 25.9% to 50.2%) during the period 2010-2050. ESC notes with concern that this aggravating process constitutes one of the most serious challenges facing European labour markets in the medium to long term.
20. ESC is also concerned about the increasing challenges posed by the irreversible process of intense demographic ageing of the population in Bulgaria. They require solutions to be sought not only in the mechanical changes of basic demographic indicators, but rather in the implementation of an integrated policy for the mobilisation and utilisation of productive employment opportunities, available human resources and targeted investment in order to improve the quality of human capital in the country.
21. In Bulgaria the share of the population aged 65 increased from 16.8% in 2001 to 18.5% in 2011. Meanwhile in 2001 persons under 15 years of age made up 15.3% of the total population, while in 2011 their share declined to 13.2%<sup>7</sup>. As of 1 February 2011 the working-age population amounts to 4,576,904 people, equivalent to 62.2% of the population. The number of persons under working age is 1,039,949, respectively. 14.1% of the population, and nearly a quarter of the total population (23.7%) is above working age – 1,747,717 persons.

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<sup>6</sup> Considered as the ratio between the number of people above 65 years of age and those aged 15-64.

<sup>7</sup> The largest share of the population aged 65+ is in Vidin - 25.5%, Montana and Gabrovo - 24%, Lovech - 23.3%, and Kyustendil - 22.8%. The lowest share of the ageing population is in Blagoevgrad, Varna and Sofia (the capital) - 16%.

22. The type of reproduction of the labour force is characterised mainly by demographic replacement<sup>8</sup>. In 2001 in Bulgaria 100 persons exiting working age limit were replaced by 124 young people. After 2008 this trend is reversed – 100 people exiting working age are replaced by 91 young people, in 2009 – by 82 young people, and in 2010 – by 74 people. According to data from Census 2011 this ratio dropped to 70 people, which shows that the country runs into deeper a stagnation in terms of the rejuvenation and regeneration of the active population.
23. ESC once again draws the attention of the responsible authorities to the fact that the increasing number and proportion of older people (65+) poses serious problems facing the Bulgarian social security system, social welfare, healthcare and education. Generally, targeted social transfers for people aged over 65 will grow steadily in the coming years.
24. According to ESC the relatively high mortality in older people still slows down the ageing process of the population towards the top of the age pyramid. The forecasted stabilisation and reduction of mortality (infant, total and among older age groups), as well as the respective rise in life expectancy in the future, will require a much greater need for long-term care for older people, especially those over the age of 75. The estimates of UN experts expect by 2025 their share of the adult population to reach 26.2% in Eastern Europe.<sup>9</sup> This raises new challenges for the construction and financing of an adequate network of specialised institutions that offer a broad package of social services mostly related to medical care.
25. ESC finds with particular concern that the continued increase in the proportion of older people in society raises another important issue for the national economy related to the capacity and quality of human resources. The increasing the number of people of retirement age and the low birth rate in time naturally lead to a considerable reduction of skilled personnel.

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<sup>8</sup> The ratio between people entering working age (15-19) and the number of those exiting working age (60-64 years).

<sup>9</sup> National Strategy for Demographic Development of the Republic of Bulgaria(2006-2020), p. 17.

This is a problem that prevents innovative development and functioning of entire sectors of the economy and spheres of social life. ESC believes that the situation becomes even more critical if to the negative effects of the demographic crisis one adds the impact of increasing emigration. The situation on the Bulgarian labour market today and in the next decade will be determined in the context of demographic ageing, decreasing number of people of working age, and "leakage" of skilled workforce of working age to wealthy European labour markets.

26. ESC perceives the demographic trends facing Bulgarian society as a systemic, complex and layered, yet a natural and objective process. The development of civilization, culture and living standards and the achievements in the field of medicine in the 21<sup>st</sup> century predicate a continuous increase in life expectancy. In this respect, there is no prevention for the process of population ageing, yet there are solutions to the problems that arise as a consequence of it.
27. ESC supports the notion that active ageing policies will gradually lead to a significant reduction in discrimination based on age. With the improvement of the social situation of older people in Bulgaria – through the transition from a state of being considered a "burden" to a state of becoming "active members of society" – it is logical to expect a positive change in restricting discriminatory attitude towards people of older age.

### **III. THE EUROPEAN RESPONSE TO THE CHALLENGES OF POPULATION AGEING**

28. In the Communication to the European Parliament, the European Economic and Social Committee and the Committee of the Regions entitled "Dealing with the impact of an ageing population in the EU" of April 2009. The Commission defines population ageing as particularly important and significant problem in all social spheres. It is expected that in EU Member States public spending related to population ageing will increase by an average of 4.75 percentage points of GDP by 2060 and by

more than 5 percentage points in the Eurozone, mainly through spending on pensions, healthcare and long-term care.

29. Forecasts claim that European policy reforms in public expenditure are expected to lead to greater participation of older workers in the labour market. This can be also attributed to the statutory relationship between the size of pensions and that of targeted contributions – an additional incentive for longer participation in the labour market. Although the employment rate of older workers increased over recent years, there is still a large margin to achieving full use of their potential. Results show that only about 50% of EU population is still actively working when they turn 60 years of age.
30. The European Parliament and the Council, by its decision of September 2011 put forth active ageing as a common priority in creating a sustainable active ageing culture in Europe based on building a society for all ages. Within this objective the European Year initiative supports the efforts of Member States, their regional and local authorities, social partners, civil society and business groups, including small and medium enterprises to "promote active ageing and to put more effort in using the potential of the rapidly growing population in their late 1950s and above."<sup>10</sup>
31. According to the European Commission, one of the most important dimensions of active ageing in the employment policy is to encourage older workers to participate longer in the labour market. This policy requires a number of changes in current employment conditions and above all – bringing these conditions in line with the health status and needs of older workers; improving their skills through access to lifelong learning; implementing tax incentives and bonus systems to ensure the effectiveness of active ageing initiatives.

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<sup>10</sup> Decision № 940/2011/EU the European Parliament and of the Council of 14 September 2011 on the European Year for Active Ageing and Solidarity between Generations - 2,012

32. To achieve these objectives, EU institutions target new active policies and innovative measures to the following areas:
- 32.1. investment in education and training to promote employment among young and older people, including improving the coordination between the systems of education and training and the structural needs of the labour market, investments in human capital and labour productivity as determinants of economic growth;
  - 32.2. policies on gender equality and combating gender segregation in the labour market (including among older people) with a view to expanding the participation of women in the labour market, bridging the gap between women and men, improving the quality of professional development, reducing the negative impact of motherhood and fatherhood on employment by involving older people in the provision of childcare;
  - 32.3. impact policies against the "hereditary" devolution of poverty and social exclusion across generations;
  - 32.4. increasing the participation of older people in the labour market and facilitating a long and healthy working life through better management of age capacity at the workplace and in the labour market, investing in adequate competencies and skills, including lifelong learning by improving the access to and the conditions for health and safety at work;
  - 32.5. undertaking measures to provide equal opportunities by improving the conditions for family life and raising children, as well as through better reconciliation of work, private and family life for both women and men, including in the context of a more active participation in employment of older people;
  - 32.6. adopting anti-discrimination policies, including measures to eliminate negative stereotypes and prejudices towards persons in

vulnerable position with a view to facilitate their full integration in society and the labour market;<sup>11</sup>

33. A very important contribution to resolving the challenges of demographic population ageing is made by the following key strategic EU documents: Green Paper on "Confronting demographic change" (2006), EC Communication on "The demographic future of Europe – from challenge to opportunity" (2006), EC Communication on "Dealing with the impact of an ageing population in the EU" (2009), Council Conclusions on "Active Ageing" (2010), Council conclusions on "Harnessing the demographic challenges" (2011), Decision № 940/2011/ES EP and the Council on the European Year for Active Ageing and Solidarity between Generations – 2012, "Europe 2020" Strategy (2010).
34. ESC supports these integrated approaches, policies and efforts of EU institutions in establishing and creating a European environment favourable for active and healthy ageing, for continuing the full participation of older persons in paid employment in the labour market and in social activities, greater economic independence, better quality of life in the ageing process and for effective implementation of the social contract between generations.

#### **IV. POSSIBLE ACTIONS IN SUPPORT OF ACTIVE AGEING AND THE SOLIDARITY BETWEEN GENERATIONS**

35. ESC believes that one of the key challenges is the sheer scale of the process of dealing with the effects of population ageing. This requires that all strategic documents relating to the labour market, the competitiveness of the workforce and the development of human capital, as well as the

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<sup>11</sup> "Manifesto of Stakeholders for Creating an Age-Friendly European Union by 2020," "Platform to Address the Issues Related to Older People - 2011; Decision № 940/2011/ES the European Parliament and of the Council of 14 September 2011 on the European Year for Active Ageing and Solidarity between Generations - 2012.

annual plans for their implementation, should mandatorily include analyses, recommendations and concrete measures to ensure the active working life of older people and strengthen the solidarity between generations.

36. The sustainability of the policies for creating an environment that provides better prospects for both young and older people in an ageing society requires a gradual transition from standard subsidized solutions to policies for the development of a package of economic and legal incentives to encourage both entrepreneurs and employees.
37. When approaching retirement age people are more concerned about their personal, economic and social future. The reason for this is partially the growing economic dependence, insecurity and uncertainty. ESC proposes the deployment of an extensive information campaign for all employees, especially those aged 50 and above, to make them aware of their rights and benefits related to continuing work in retirement. It is also important to use a network of easily accessible information sources concerning vocational schools, universities and training centres, social partners and NGOs to involve older persons in appropriate education and training courses, as well as in European programs and initiatives related to active ageing and healthy lifestyle.
38. ESC believes that it will take systematic and continuous work to overcome the prejudices and the negative stereotypes of older people as active employees and retirees. Persons of older age should be regarded in terms of their ability to work, their knowledge and their skills – rather than as a financial burden and long-term care consumers. The utilisation of their human capital can be beneficial for many areas of the economy and society.
39. ESC recommends that the Bulgarian government should develop and put into effect in 2014 an intersectoral National Programme for the Promotion of Active Ageing based on the National Concept for the Promotion of Active Ageing 2012-2030.

40. ESC believes that it is necessary to develop and implement a National Programme of legal and financial incentives designed to create a favourable environment for the introduction in businesses and organisation of practices to pass the experience of older workers on to younger generations. Mentoring – as an approach to assess the human resource development and the use of knowledge and skills of older persons – can help organise professional apprenticeship in a working environment or use older mentors in order to achieve better results in the organisation's activity or to overcome problems associated with the lack of professional skills and trained staff in enterprises.
41. It is necessary to provide equal and free access to academic training not only for young people but also for non-traditional students – older and/or working people through supplying flexible learning paths and introducing an adequate system for the accumulation of European Credit Transfer System (ECTS) credits.
42. Meanwhile ESC proposes to develop alternative means of access to higher education – through intake based on the recognition of previous informal learning in higher education institutions, through formal recognition of a certain amount of academic credits provided that students can prove that they possess the required knowledge, skills, competencies and professional experience.
43. It is necessary to introduce a model of flexible learning which will enable students to freely determine their own annual workload through a customised training programme, viz. "Individual Training Plan" including an academic degree agreement, an academic credit agreement, and an examination agreement.<sup>12</sup>

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<sup>12</sup> Within the framework of the academic degree agreement, students may freely choose their workload for the respective academic year. Within the framework of the academic credit agreement, students may enroll to different courses to acquire a certain amount of credits in order to receive a credit certificate for one or more curriculum units. Within the framework of the examination agreement, students may enroll only for examinations to obtain a degree or a credit certificate for one or more curriculum units.

44. In the course of preparation of this and its previous opinion ESC found deficiencies in social statistics concerning various aspects of adult participation in the labour market. They create difficulties in the formulation of relevant policy objectives and designing appropriate measures for their implementation. Overcoming these difficulties requires the government to provide the necessary managerial and financial capacity of the National Statistical Institute to carry out long-term in-depth studies of the trends of increase in older population and those of reduction in the share of children and younger people.
45. ESC calls on the Bulgarian government to strengthen and develop the existing administrative capacity of the Ministry of Labour and Social Policy working in the field of demographic policies and proceed to build a national administrative mechanism and focal points at the national and regional level concerning demographic issues in all institutions responsible for the implementation of demographic policies in the future.
46. ESC believes that it is necessary to pay special attention to improving the quality of jobs. It is unacceptable for the aspiration toward increasing financial results to take precedence over the protection of the health and safety, as well as the personal development of the employees. Many individuals would pursue their career even after retirement age if they are provided with suitable working conditions, a safe working environment, respect for their rights and dignity. Socially responsible and professionally competent older workers possessing the experience and the wisdom of age are useful as guarantors of stability at every managerial level.
47. In this respect the state also has the crucial role of protecting the public interest by providing adequate bonuses to promote additional employment activity beyond retirement age. Another positive approach to increasing the employment of older people should focus on the behaviour of employers. The mechanisms of social security and taxation can be used to stimulate the employment of older workers as well as to sanction discriminatory dismissal of employees close to retirement. Especially

important in their implementation is the clear distinction between the purpose of social assistance and that of pension insurance.

48. ESC believes that even after his or her retirement an older person can remain active and be useful to his or her family, vulnerable groups, and society at large. Active ageing can guarantee a dignified and fulfilling life for older people through their involvement in healthcare, participation in public activities, including child care, sick care, volunteering, cultural events, etc.
49. Ensuring equal access to services in all areas of life is essential for the wholesome existence of older people and improving intergenerational solidarity. If this is not achieved, intellectual differences between ageing people and younger generations will continue to deepen with regard to understanding life, communication skills, the use of science and innovation. Enhancing dialogue and collaboration between generations will help to bridge this gap, while exchanging experience and knowledge will make both groups more competitive in paid employment and entrepreneurship.
50. In connection with the growing presence of older people in the labour market ESC proposes to the social partners to design, develop and maintain reliable tools with which to monitor and analyse the impact of age on the development of an adequate competence model. This "audit of the impact of age" should cover skills and abilities important to employers, such as:
  - a. Physical and mental health, hearing and vision, the ability to respond and adapt;
  - b. Ability to learn and use specialised professional knowledge;
  - c. Flexibility, composure, discretion, loyalty and devotion to the company, ability to assess situations at work;
  - d. Reliability, diligence and responsibility at the workplace, consciousness about quality, intelligence, targeted action planning;

- e. Systematic thinking, creative flair, skill, teamwork, cooperation and communication.
51. ESC believes that in view of the possible consequences of demographic changes more criteria should be added due to their particular relevance for companies and organisations, such as:
- a. increased staff turnover;
  - b. loss of current and relevant knowledge about the sustainable development of companies (corporate know-how and innovation);
  - c. increased competition among companies for young employees as well as for skilled professionals;
  - d. increased physical and mental load of the individual at the workplace as a result of the assignment of more and more diverse functions.
52. ESC found no long-term national and sectorial strategies to address the shortage of skilled workers – which in effect becomes an arduous obstacle to economic growth. The results of the studies of the European Centre for the Development of Vocational Training (Cedefop) show that the occupational structure in Europe is moving toward jobs requiring more skills. Forecasts for employment according to the criterion of qualification indicate that the demand for highly qualified and medium qualified workers, even for lower positions, will continue to grow, while the demand for low (or no) qualification workers will continue to decline. It is expected that the share of jobs that require high qualification skills to grow from 29% in 2010 to about 35% in 2020
53. The economy based on knowledge requires training based on competences. The context of the global economic crisis is changing the requirements for modern vocational education and training, including that for older people, the main objective being to increase the employability of the workforce under the dynamically changing conditions and requirements of the labour market.

54. According to ESC, this situation means that in the next 30-40 years new approaches will be needed to overcome these deficiencies – different from those applied in the previous century and based on population growth. The good practices providing the necessary human capital capacity in developed industrialised societies are based on new models and mechanisms for education and vocational training of older people. ESC notes with concern that the education system in Bulgaria does not show enough flexibility to meet the needs of the restructuring economy. The qualification and age structures of the specialists and qualified professionals in different sectors of the economy are not sufficiently analysed and evaluated. There is an actual danger that whole industries may be "stripped off" qualified personnel and thus their effective activity may be completely blocked.
55. ESC notes with concern that the structural problems in education and training are aggravated due to the ageing of teachers in secondary and higher education, the lack of incentive for younger people to dedicate themselves to the teaching profession, the insufficient interest, expertise and practical knowledge about the processes in the real economy, its technological innovation, the business environment, etc.
56. In its previous opinions and resolutions ESC has repeatedly concluded and drawn the attention of the Bulgarian society and government institutions to the alarming scale of population ageing in the country. In this regard, ESC repeats its unaltered position that Bulgaria's priorities should include the following measures and activities connected with active ageing and improving intergenerational solidarity:
- a. Improving the quality and adequacy of the jobs for older people;
  - b. Activating positive motivational techniques to keep older people in the labour market and extend their working lives without raising the retirement age;

- c. Overcoming prejudices, barriers and negative stereotypes associated with the capacity for full participation and contribution of older people to the development of society;
- d. Removing age discrimination in key areas such as the labour market, healthcare, education and improving their access to various services;
- e. Promoting and developing a wide range of volunteer activities performed by older people as a preventive measure for the preservation and furthering of their skills, social contacts, reducing social isolation and social exclusion, and supporting the mutual benefit of social groups.

Prof. Lalko Dulevski, Ph.D

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