**Abstract**

**TR-127**

Title: "Recommendations for expanding the active ageing practice and improving the quality of life of older generation based on the analysis of the Active Ageing Index dynamics"

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1. **Research aim:** to formulate recommendations to expand practices of active ageing and improving the quality of life of older generation based on the analysis of the Active Ageing Index (AAI) dynamics, assessment the dynamics of employment and participation in lifelong learning older people, and research of Russian and international experience in policies increasing the capacity of active ageing.
2. **Methodology:** (a) desk research methods of domestic and foreign scientific and expert publications on the topic of employment in older ages, pension systems reforming; (b) analysis of the normative legal base on professional training and additional professional education, social policy in regard to older people and active ageing policy; (c) multidimensional statistical and econometric methods (descriptive analysis, survival analysis); (d) methods for modeling financial flows in the medium and long term.
3. **Empirical base of research:** (a) normative legal acts of the Russian Federation and subjects of the Russian Federation on the topic of social policy in regard to older people, active ageing policy; (b) data of Federal State Statistics Service, Ministry of Labour and Social Protection, Ministry of Economic Development, Ministry of Finance, Federal Service for Labour and Employment, Federal Tax Service of Russia; (c) microdata from various population surveys: the Labor Force Survey of Rosstat for 2013-2019, the Russian Longitudinal Monitoring Survey – Higher School of Economics (RLMS-HSE) for 2010-2018, Comprehensive Survey of Living Conditions (CSLC) – 2018, Sampling Observation of Household Income and Participation in Social Programs (SOHI) – 2018, Sample Survey on the Using Information and Communication Technologies – 2018, survey «Public Perception of Socio-Economic Changes in Modern Russia» – 2017; (d) forecast estimates of the Vnesheconombank Institute of the Russian Federation, the HSE Centre of Development Institute, and other foreign and Russian research centres.
4. **Results of research:**

* The dynamics of employment and unemployment of people of pre-retirement and retirement ages in 2013-the first half of 2020 showed that the overall increase in the employment rate in older ages was primarily due to increasing informal employment, especially among people with a low level of education. In the second quarter of 2020, there was a noticeable change in the unemployment rate, that is consequence of the pandemic and restrictive measures for the population and businesses. Based on the survival analysis methods, the factors that influence on the decision of older people to maintain or terminate employment are identified. «Good» jobs (with official and full-time employment, in large enterprises) help to retain employees in the labour market, and any active strategies – changing jobs and / or professions, getting an education – are more likely to lead, at least, to temporary termination of work. A review of foreign experience in supporting employment of older generation shows that measures that encourage employers to retain «silver» age employees, and to postpone retirement for older people, are widespread in developed countries;
* Analysis of planned and achieved rates of coverage people in pre-retirement age (in 2020 – persons aged 50 years and older, including people in pre-retirement age) by professional training and additional professional education showed that in 2019 the figures exceeded planned. As of July 2020, figures are completed by 71.5% through employment services and by 83.4% through the Union "WorldSkills Russia". Due to the spread of COVID-19, in the first half of 2020, almost 2/3 people who were sent for training by employment services used distance technologies;
* The value of the Active Ageing Index of Russia for 2018 was 29.9%, that is higher than in 2017, but does not yet allow to talk about positive dynamics (in 2010-2017, the Russian AAI was steadily declining). Like the absolute value of the Active Ageing Index, Russia's relative position in the EU-28 ranking was steadily deteriorating. In 2010-2012, Russia was 18th in the ranking European countries ranking, but by 2017-2018 it dropped to 27th place. Pilot assessments of AAI in 15 regions of the Russian Federation showed uneven development of the potential for active ageing in the Russian regions. In addition, certain areas of active ageing are rather unevenly developed: the same regions may lead in some domains and lag significantly behind in others;
* Generalization and systematization of active ageing policy measures in the regions of the Russian Federation taken in 2019-2020 showed that most of the measures are continuation of the Federal project «Older generation» and concentrated in the field of health and social services. In response to the spread of COVID-19, the subjects of the Russian Federation introduced quarantine measures for older people to reduce the risk of disease. Only some regions introduced measures of material and informational support, measures in the field of care for the elderly. Among the Russian regions that provide the broadest support to older people during the pandemic, on the one hand, regions with a high level of morbidity prevailed, and on the other, regions with a relatively young population, where the target group is relatively small;
* The review of pension reforms in 2018-2019 in the world revealed the main directions of changes in pension legislation in the world practice: harmonization of legislation in regard to current and future pensioners, increasing the flexibility of pension plans for employees, employers and pension funds, spreading pro-social approach to first-level pensions, and adjustment of ongoing reforms depending on the socio-economic situation in the country. One of the perspective directions for reforming the Russian pension system may be the development of voluntary pension provision based on the principles of auto-subscription. Estimates based on the survey data «Public Perception of Socio-Economic Changes in Modern Russia» (2017) showed that 4.2-6.9% of the working-age population can become potential participants of the guaranteed pension plan, or 0.7-1.2% people who are ready to save on other expenses in order to make contributions to a future pension. A serious barrier to the development of the new system is the low awareness of the population about the projects discussed by the Ministry of Finance. Modeling of voluntary pension savings over the medium and long term showed that such savings can provide increasing pension approximately equal to 10% of the salary before retirement, provided by 6% contribution rate, and contribution period comparable with the length of the working career. At the national level, due to the low coverage of the working-age population by the new system, voluntary pension savings will not have much investment potential;
* Possible losses of extra-budgetary funds as a result of the introduction of anti-crisis measures to support the economy are estimated from 621 billion rubles to 2.9 trillion rubles, depending on the reduction of the wage fund (from 20% to 40%) and the period of economic recovery to the level preceding the crisis (from 6 to 18 months). The projected increase in transfers from the Federal budget to extra-budgetary funds to compensate for these losses is 20-60% in 2020 and up to 28% in 2021. As possible solutions to the problem of compensating for lost income, authors may recommend using funds of the Sovereign Wealth Fund, changing the structure of insurance premiums (for example, transferring part of the obligations to the Federal budget), and reforming the pension system.

1. **Level of implementation, recommendations on implementation or outcomes of the implementation of the results:** The work was carried out in the interests of the Government, the Ministry of Labor and Social Protection, the Ministry of Finance of the Russian Federation on the development and implementation of active ageing policy in the Russia and its subjects, including the issues of reforming the pension system, improving professional training and additional professional education, etc. Provisions of the Concept of Active Ageing Policy in the Russian Federation, prepared by working group members for expert development of the Concept of Active Ageing Policy in Russia project on the basis of the Higher School of Economics, were formulated in the form of recommendations for changes in the Actions Strategy in the interests of older citizens until 2025 and the Action Plan of the implementation of the second stage of the Strategy for 2021-2025.