



Foundation Seminar Series 2005
"Age and work – connecting the generations"
Kranj, Slovenia, 23-25 May, 2005

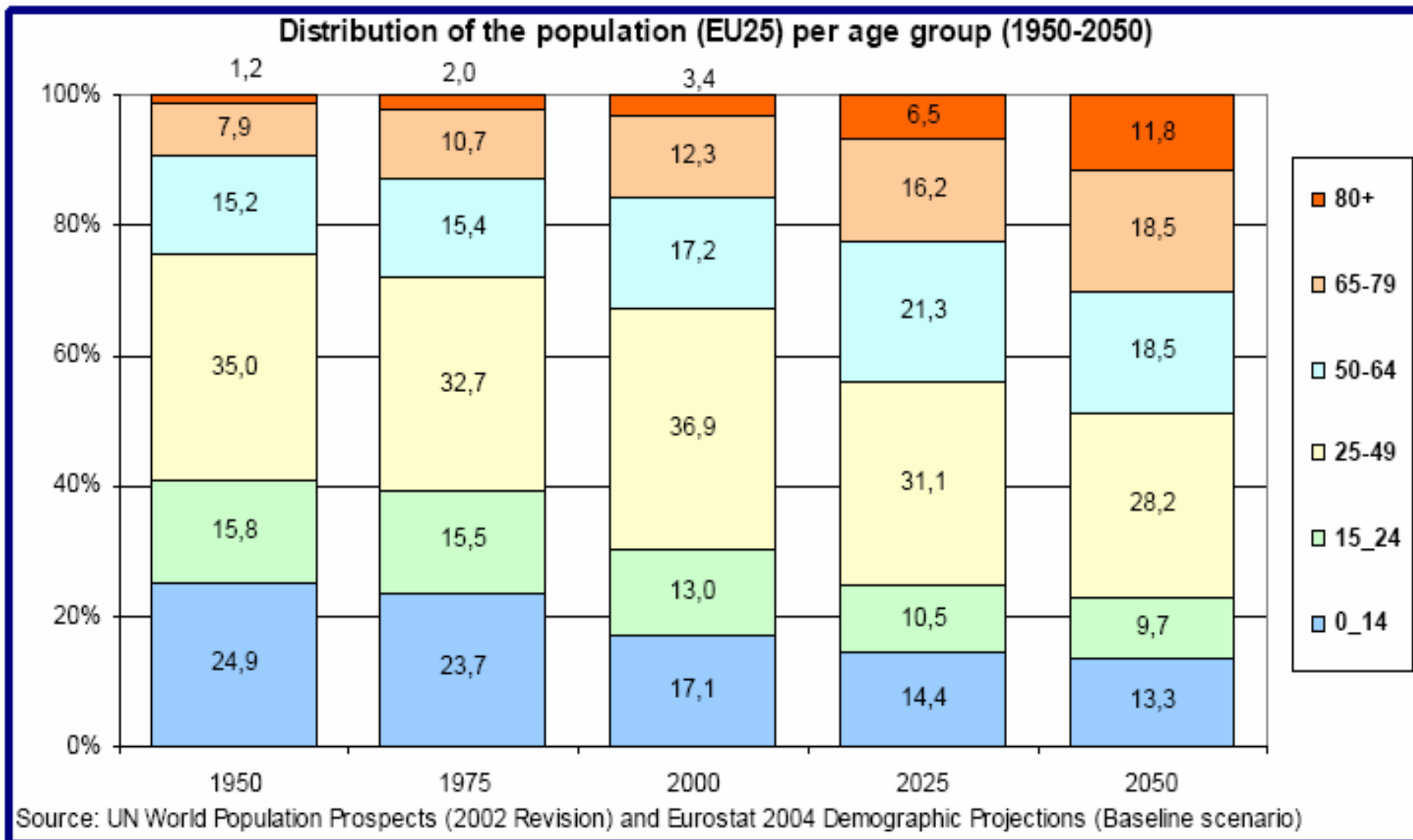


**"Emerging Markets" –
Responding to the Demand of
an Ageing Society
Lessons from the "Silver
Economy" in
Northrhine-Westphalia**



Wolfgang Potratz
Institute for Work and Technology - Science Centre NRW
Gelsenkirchen, Germany

Ageing Europe



Source: CEC Green Paper "Confronting Demographic Change ...", 2005:19

Germany ages – threefold!

**absolute numbers of
elderly (60+) go up:**

2001: 20 mio.

2030: 28 mio.

**share of elderly in
total population
goes up:**

2001: 24%

2030: 34%

2050: 36,7%

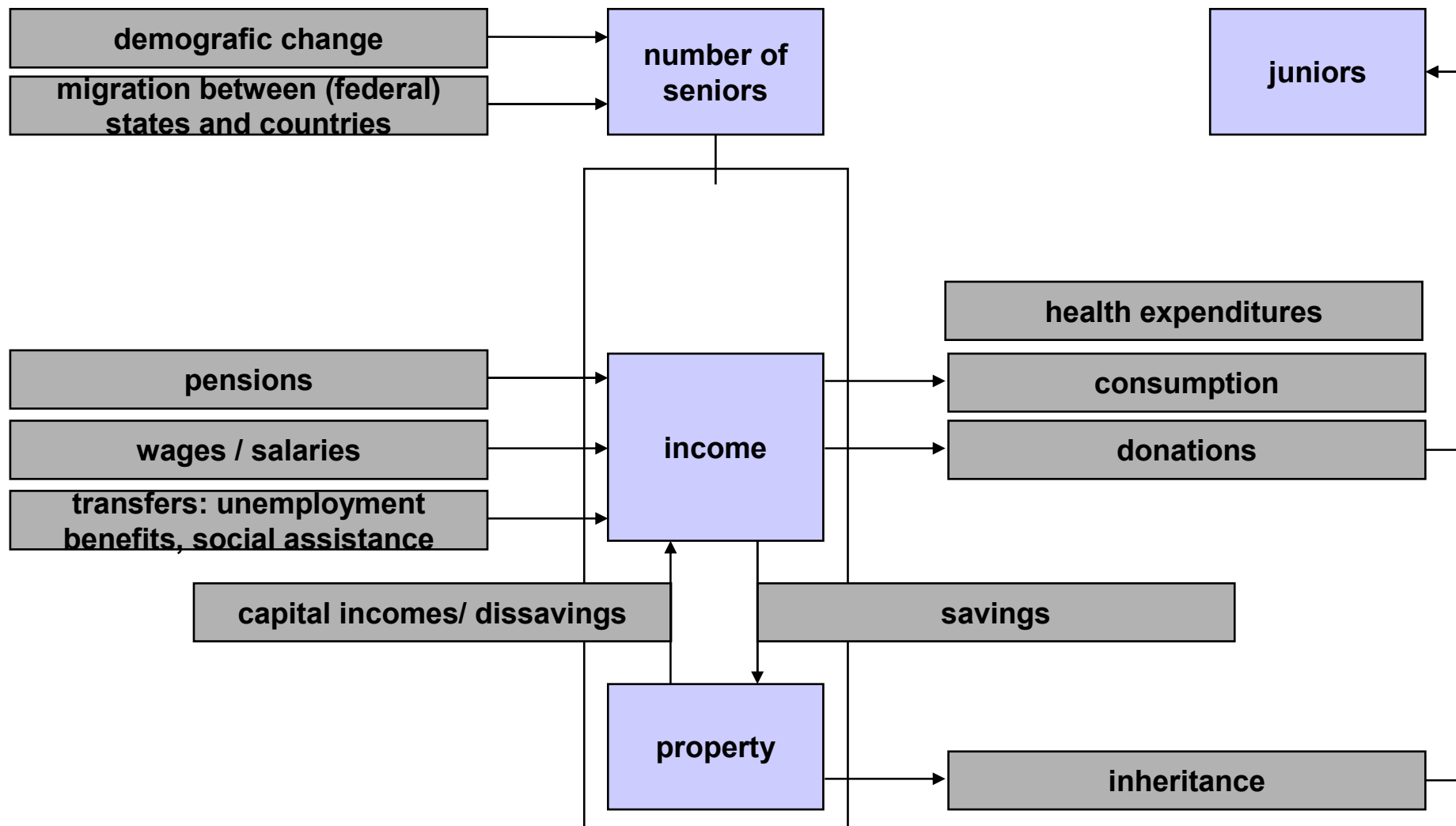
**numbers of high aged
(80+) go up:**

2003: 3,2 Mio.

2030: 5,7 Mio.

2050: 9,1 Mio.

Seniors in the economy



Money is not the bottle neck!

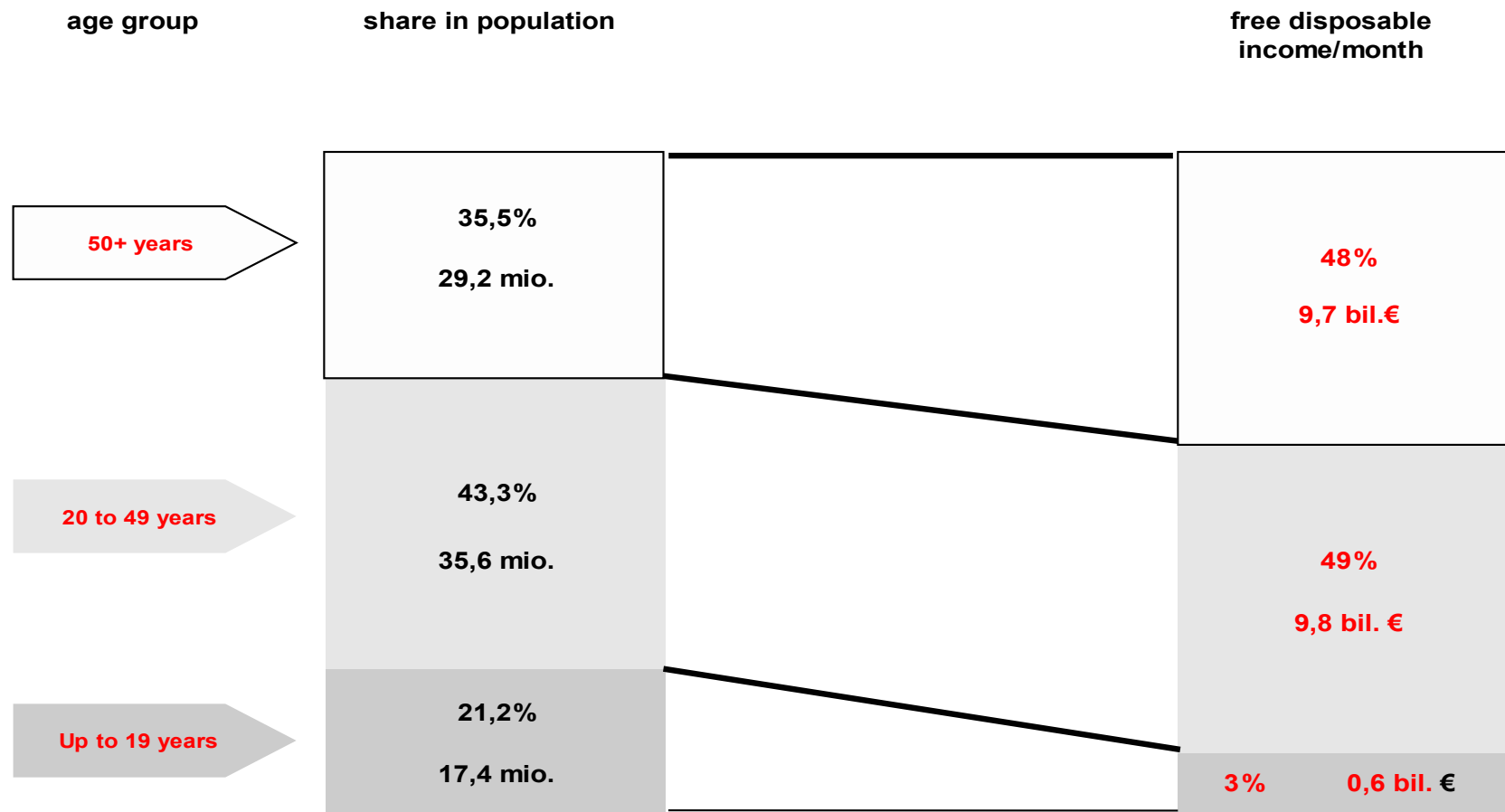
income situation of the elderly

NRW-income study 55plus:

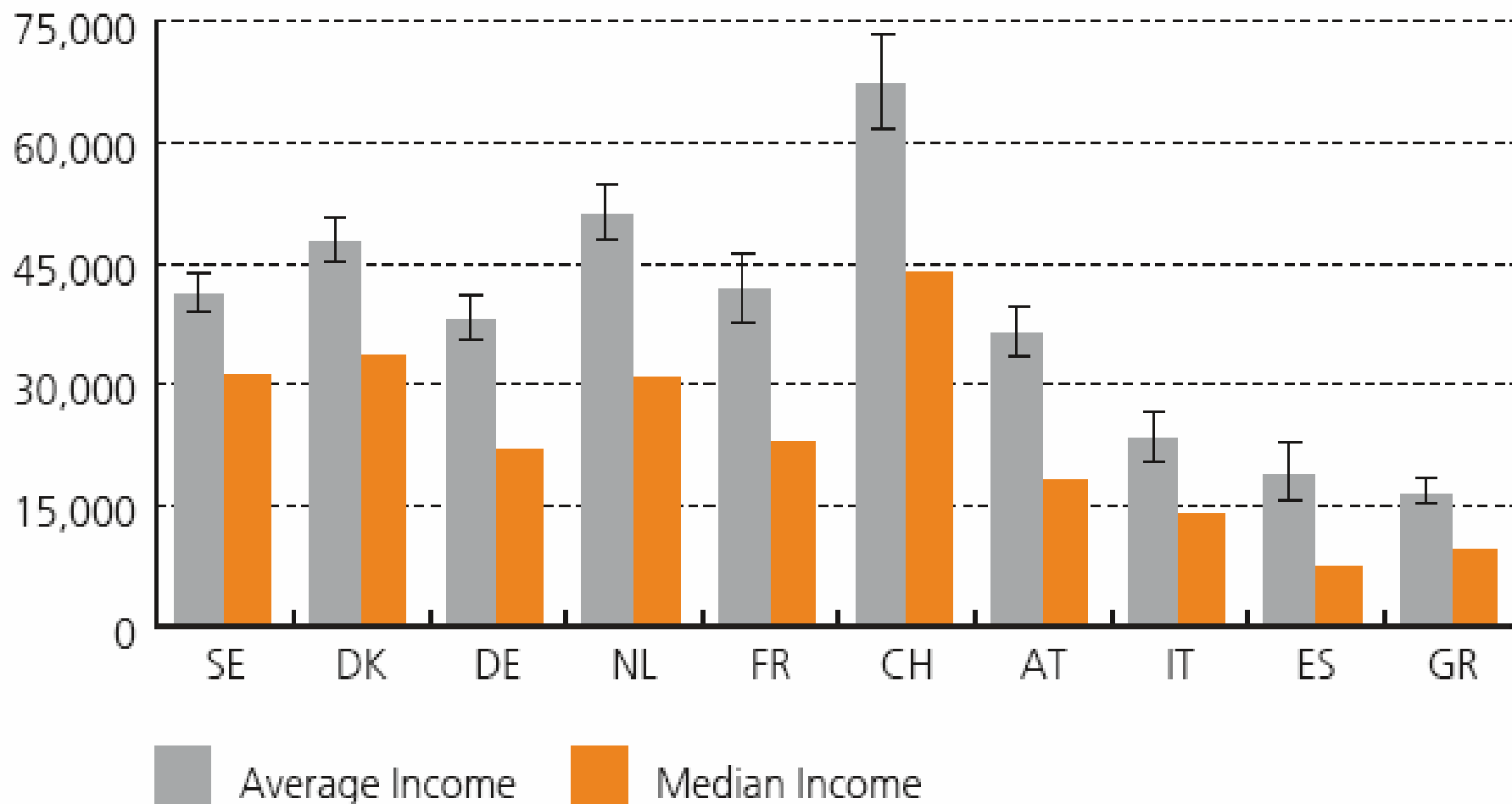
household income average ca. 2500 €/month

- disposable income: Ø 710 € per head and month
- importance of income other than pensions is growing
- average pensioner household property : 225.000 €
- **Note:** old age poverty is low but still 20 % of 55plus households have poor incomes

Disposable income across age groups

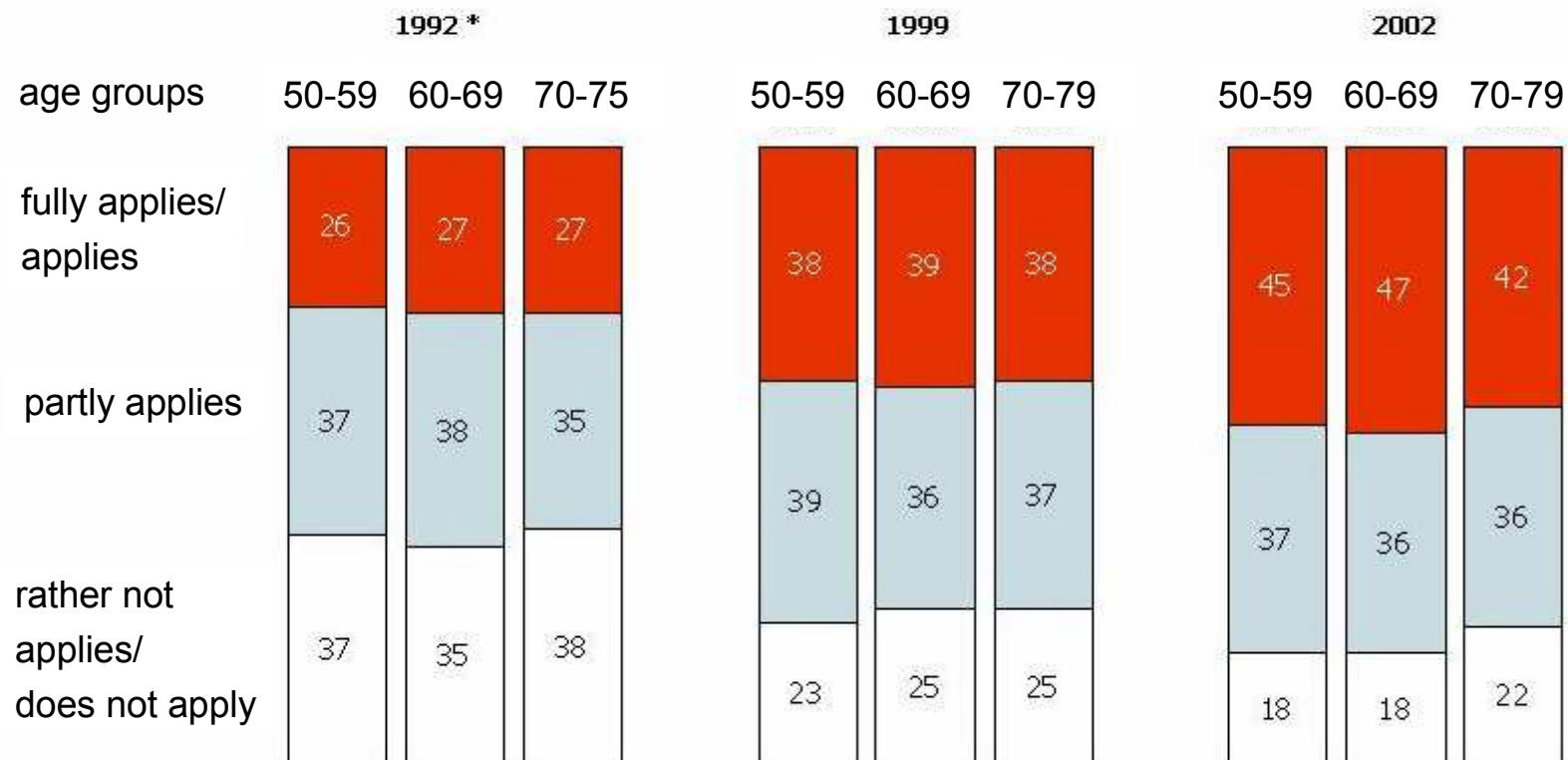


Household incomes compared



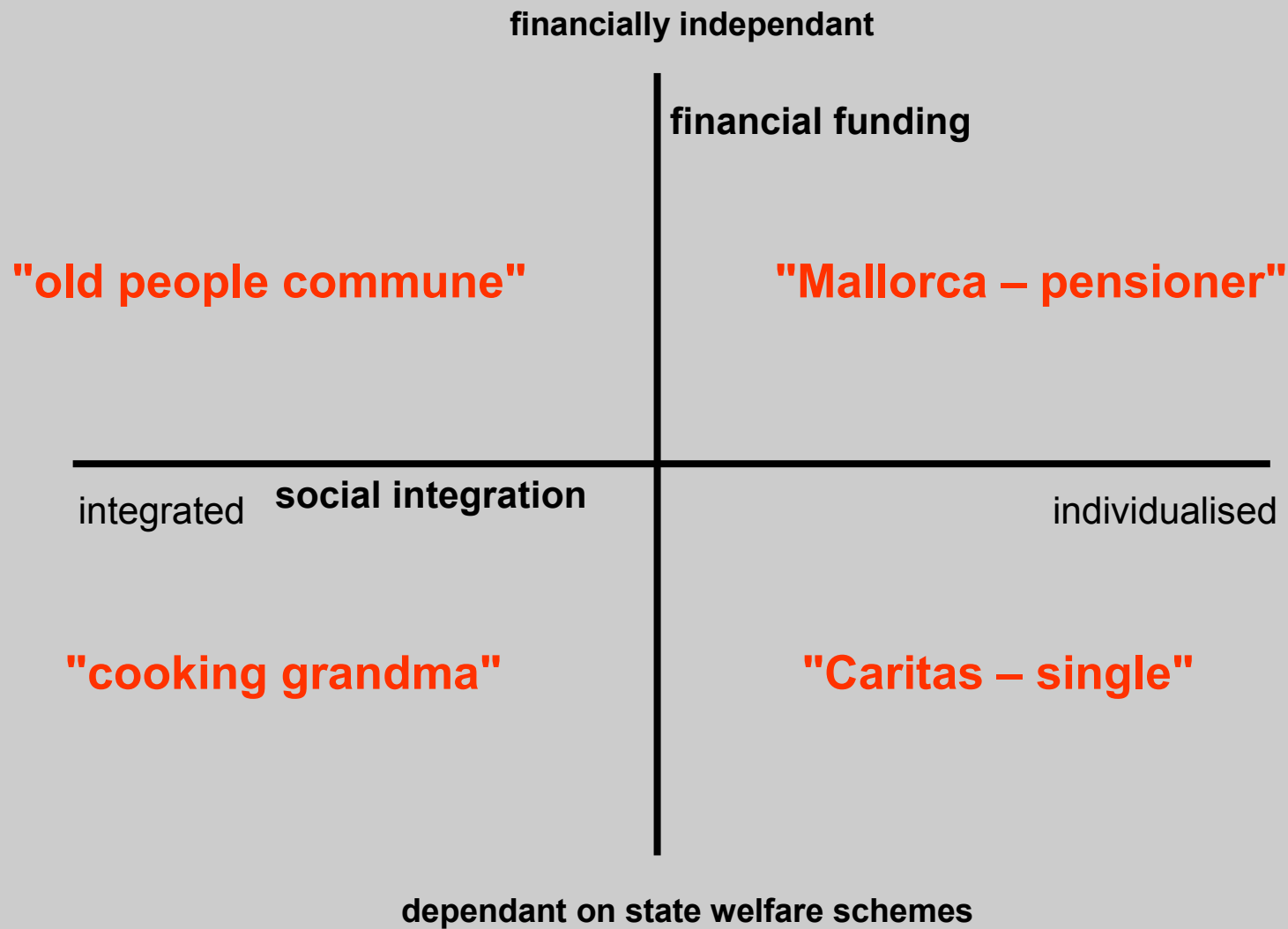
50plus: quality of life instead of saving for the heirs

...% of households, who agree to the statement: "I rather live in comfort than save my money"



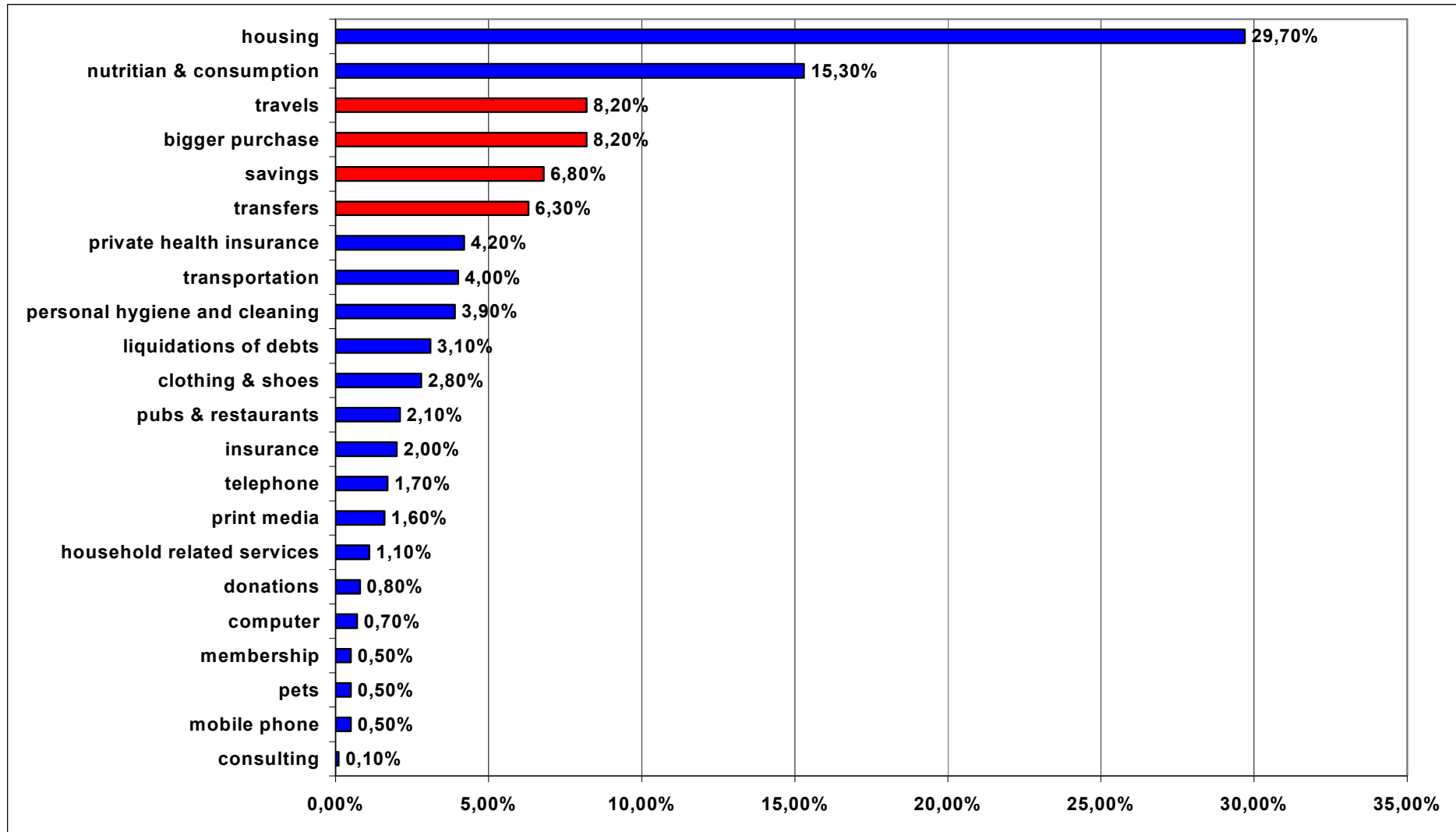
source: GfK Wirtschaftstrendforschung, 50plus 2002

Heterogeneity of age: patterns of living & housing



source: Hypovereinsbank 2001

NRW – households 55plus: expenditures



source: Reichert/Born 2003: 29

The 'silver generation' - more demanding and critical!

growing demands:

health conscious, mobile and
independent, more interests in
travelling, culture, technology, fashion
etc.

growing self-confidence and self-esteem:

well funded, critical,
quality and service oriented

what is meant by 'silver economy'?

- ⇒ housing, adaptations, accompanying services to enhance quality of life in age
- ⇒ products and services supporting everyday-life
- ⇒ leisure, travel, cultural and entertainment offers cut to the interests of senior citizens
- ⇒ educational offers and new media for senior citizens
- ⇒ clothing and fashion for the silver generation
- ⇒ geriatric care & assistance services
- ⇒ anti-ageing: pharmaceuticals, nutrition and exercise

"Initiative Silver Economy NRW" – the objectives

- ➔ improve the quality of life of elder citizens
- ➔ extend employment in enterprises which supply products and services for senior citizens
- ➔ mobilise purchasing powers of the elderly
- ➔ present NRW as a location competent in all matters concerning age and ageing

methods and strategies

- sensitizing the public
- identification of supply gaps and new fields of action to improve quality of life and employment
- kick off of pilot projects
- building and establishing networks
- strengthening international contacts
- marketing of NRW silver economy competences
- providing orientation and initiating qualification measures

organisational structure

- political responsibility: **Ministry for Health and Social Affairs NRW**
- scientific management: **Institute of Gerontology, University Dortmund (FFG) & Institute for Work and Technology, Gelsenkirchen (IAT)**

working groups

**office
'silver economy'**

**telecommunication and new
media for seniors**

**housing, crafts and service
supplies**

**leisure, tourism, sports,
culture and wellness**

- **proposals for measures and projects**
- **scientific control and evaluation**
- **organisation of conferences and workshops**
- **identification, focussing and marketing of
comopetences**
- **management and coordination of the initiative**

supply gaps in the silver economy

products and services for more quality of life in age in the market
show a gap between needs and supply – e.g.:

housing supply in middle price levels is insufficient

travelling tourist destinations lack convenience
and quality

services household services are absent
or too expensive

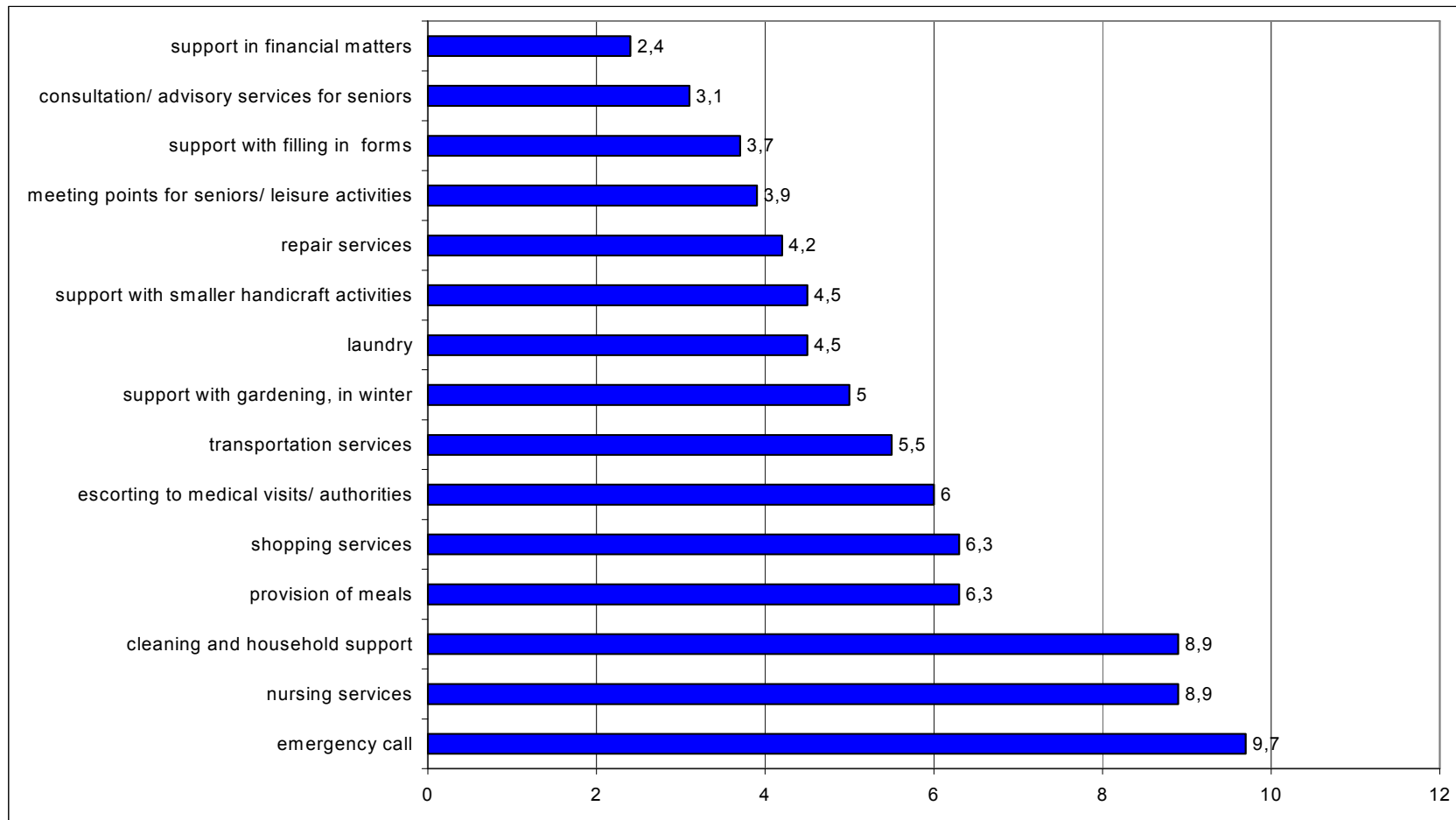
communication focused on emergencies and too little on
social communication and mobilisation

tourism:
active and intergenerative



pilot region health- and silver tourism:
Teutoburger Wald and Lower Rhine

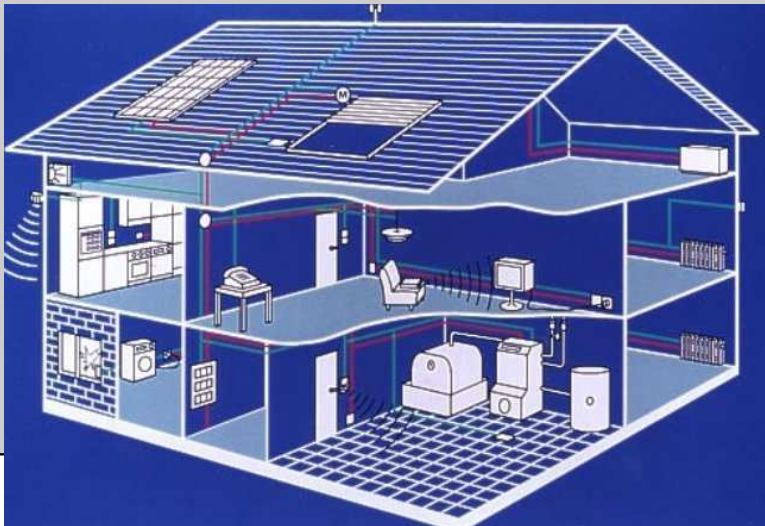
demand for household-services by 50plus-households



source: GfK 2002

support of independent living by technology

- concept 'intelligent living'
- quality standard "convenience & quality"
- inHouse – innovation centre 'intelligent house'
- TV communication technologies
- virtual retirement home
- telehealth-monitoring



don't be afraid of
technology

**new media:
device for better
services**



telTV



Bildtelefon-System für den Privatgebrauch, das den vorhandenen Fernseher zur Bild- und Tonwiedergabe nutzt und an das ISDN-Netz angeschlossen wird.

Konzipiert insbesondere für Senioren, die so auf einfache Weise mit anderen Menschen, z.B. ihren Kindern oder Betreuern / in Kontakt treten können.



Eine Fernbedienung mit wenigen aber großen Tasten erleichtert den Wahlvorgang. Personen, die angerufen werden sollen, können entweder über das gleiche System oder über ein herkömmliches Bildtelefon verfügen.

**development
and projects:**

- extended home emergency services
- telehealth-monitoring
- internet based logistics
- support of nursing families

institutional fabric in support of the silver economy NRW

- research and development for geronto-technologies and intelligent housing
- silver tourism, health tourism, provision of prevention- and wellness facilities
- technology network building
- organisation of 'health in old age' campaign
- development of integrated prevention- and health care concepts
- vocational and further training
- silver economy as an accent in local economic development strategies

'silver economy NRW' - a first balance

- growing **awareness** for health and silver economy – many new big projects coming up
- **foreign trade**: cooperation of enterprises to establish foreign trade relations with Japan
- big **branch organisations** join in:
 - qualification centre 'silver economy' of the crafts in NRW
 - silver economy marketing campaign in collaboration with the Chambers of Commerce
- **welfare organisations**, associations of municipalities and associations of elder citizens collaborate
- concept and structures are imitated in other German states

silver economy impact: employment estimates until 2015

- additional employment induced by

	GER	NRW
ageing (care, ...)	350,000	70,000
household services, adaptation of homes	340,000	68,000
"repatriation" of incomes spent abroad	35,000	7,000
(silver, health) tourism	25,000	5,000
fitness	66,000	13,000
overall estimate	800 – 900,000	160 – 180,000

source: Cirkel, Hilbert, Schalk 2004: 101 ff.

silver economy – the future: 2 scenarios

eyes-closed-scenario

- illusions about sustainability of the social security system
- continuing neglect of adequate working conditions for older workers
- low response to age-specific demand for goods and services
- underestimation of age as incentive to innovation

take-up-the-challenge-scenario

- reform of the social security system: high level basic supply for all plus private additions
- decided advancement of private & public "silver" services and products
- innovation in organisational and technological design
- extension of the labour market and improvement of working conditions for older workers

Age is the only way to a long life!

Thank you for your attention