



# ACTIVE A.G.E.

## Managing Change: Impact of demographic ageing for cities

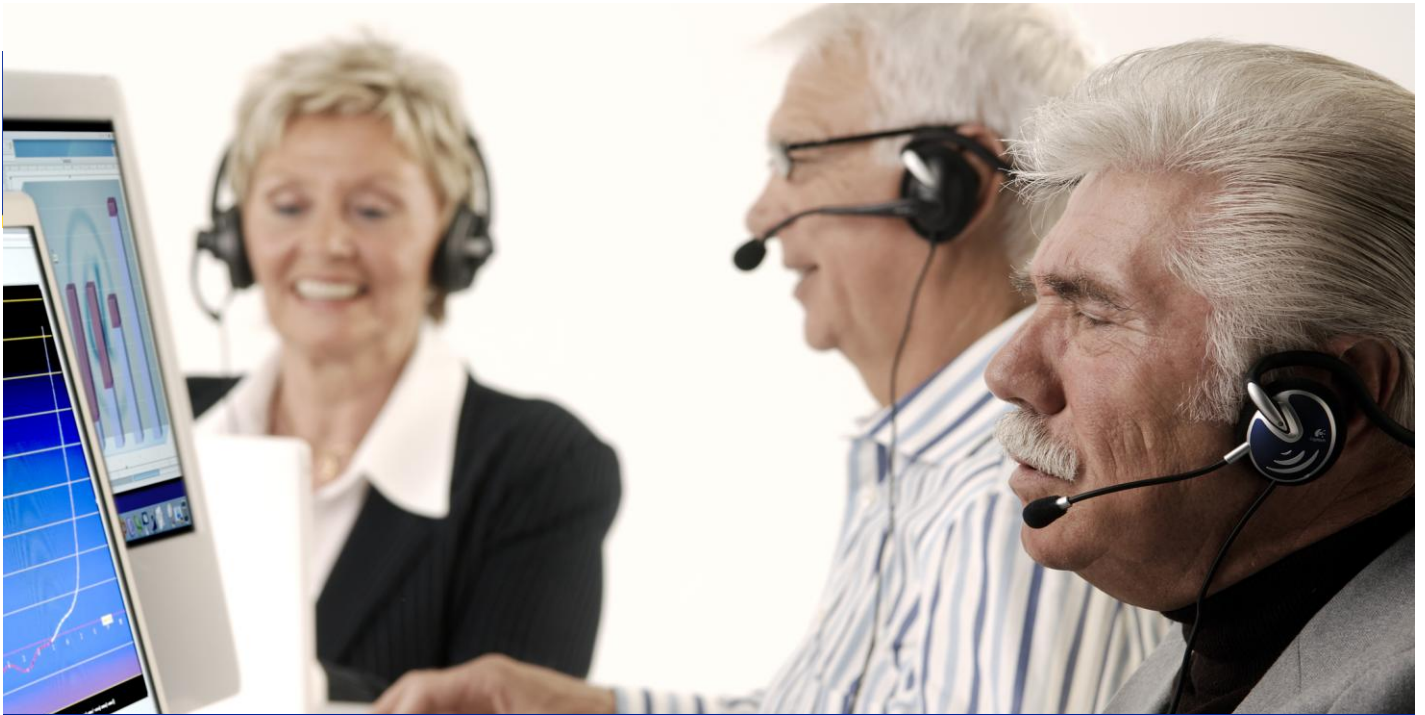


Connecting cities  
Building successes



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# LOCAL ACTION PLAN

MUNICIPALITY OF THESSALONIKI, GREECE

## Introduction

It has been a trip to form a local action Plan for Thessaloniki during the last nearly 3 years. When we applied the financial situation in Greece and in Thessaloniki was totally different of what it is today. We changed our government and our prime minister, the ruling party changed, and our parliament increased by 2 more parties', we are involved in the worlds ever biggest financial crisis, Greece even worst, since we have asked for IMF to loan us money, together with EU, the municipalities finances and not the best. We had a change in Mayor, both as a person after 12 years but also as a party.

The policies that the Municipality of Thessaloniki intended to implement before and during the first year of the project, is these day much more difficult to implement due to all the above reasons, but most important due to reduced finances.

Financially the municipality have been cut with 35%. With the new "Kapodistrian Law ", we have decreased the municipalities in Greece with nearly 80% by combining all smaller ones into a big one, the prefectures have been replaced by Regions since the beginning of 2011.

As you can understand to write a LAP with all the above changes is not an easy task, since everything is changing nearly in a monthly basis.

We have therefore chosen to present our LAP as the policies, with some adjustments, that we could pick up during this period of changes

## THE AGEING & ECONOMY FACTS

### 1. A short socio-economic introduction

Greece is among the member states that are in the highest rank of Low birth rate. To be more specific Greece is among the 3 first european countries with low birth rates. Some of the reasons are:

- Higher education.
- Increase of isolation due to urbanization of the society.
- Wanting to see and live before having a family.
- Unemployment and financial crisis.
- "Modernization of the society".

The above reasons have hit Thessaloniki quite hard the last decades which have increased the age among the inhabitants. People are getting older and the "renewal " is not in the rhythm it should be to keep the age of the population young.

This together with the medical breakthrough and the more healthy way of living is increasing the age of the population. The above factors together with the financial crisis that have been in Greece since late 2005, with rising unemployment, moving factories to low wage countries, and other economical factors are a dangerous combination for the people over the age of 55.

A consequence of this is that the demographic picture of Thessaloniki is increasing for the elderly people. Its calculate that the age of 40 to 65 years of age is around 35% of the city population, and for over the age of 65 its close to 15 %. These are very high percentages and not so positive for the city area as regards to the growth of the city, financially, and socially.

As it is evident from the introductory presentation Thessaloniki is facing the following problems in the field of Age and the Economy:

- increasing share of the elderly (older than 65 years);
- a rapid increase of unemployed persons, especially the elderly (older than 50 years);
- a rapid increase for the unemployed women over the age of 50;

- increasing share of the elderly living on the brink of poverty;
- increasing social exclusion,
- self-perception of socially excluded elderly persons and persons living on the brink of poverty is deteriorating, which adversely affects the health of these population groups.
- modernization of the society;
- vivid elderly, over 55 age, with will to work but no company or organisation to work for.;
- even among the elders that are over the age of 60 and are in pension we have financial crisis, since they are obliged to help their children that are facing either unemployment or decrease of income due to the whole financial situation for Greece at this point;
- family restructure. All family members are working. This creates a domino of negative effects to the whole society.

From the on side we have vivid elderly that are between the ages of 50 to 65 and are unemployed due to a long period of crisis in the region of Thessaloniki, which creates social, psychological and demographical problems. This group of people have no economical power to either boost the market by purchasing or helping the market with their valuable experience.

From the other side we have seen, during the last years and increase in the vivid pensionable elderly that have to help their children financially due to the unemployment rate increasing even among the young people, and the inflation, increase of food basket, and more, which also decreases their purchasing power and like a domino creates a weak market for the whole region, which increase the unemployment and the difficulty to employ both younger and older people.

A third side of the above situation is an isolation of the vivid elderly, with staying more at home or keeping to themselves, while before they went outside, or they even visited their own villages..

### 2. The IMF period

Since January 2011, a different local government structure has been formed in Greece. More power have been given to the local authorities. As a example we can mention that the municipalities have decreased with nearly 80%, by having many

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smaller municipalities to be absorbed by the biggest one in the area, and there are now regions in Greece, while before we had prefectures.

What does this mean in reality. The municipalities have much bigger budgets, but with even greater responsibilities. The regions have also their own budgets and are like smaller ministries that have responsibility for the municipalities. All policies that existed before 2011 in their majority exist today but are undergoing major reconstruction, to adapt to the new reality. This together with the very strict financial program that Greece is undergoing due to IMF entrance has made many policies very difficult to execute during this period.

Of course this whole situation is preliminary since the major plan is to strengthen the economy and increase the policies for the weak groups. But it will take its time. For the municipality of Thessaloniki this means a decrease of finances since there has been a cut of over 35 % during the last years in their finances. Not painting everything black we have to say that Thessaloniki, with an increase of unemployment, unofficial figures put the rate nearly up to 20% are keeping the policies for the elderly as they have been. For example:

- Increase the activities of the KAPI (elderly social centres);
- Increase the help to local organisations and companies to employ older people to get their experience shared and to educate the young co-workers;
- Develop new educational (partly financed programs);
- Finance the organisations partly in order to employ women in various positions for a period of time;
- Closer cooperation among KAPI, Municipality and OAED (national unemployment office), Exchange of information;
- Organising local dissemination events and obtaining media coverage.

Of course we have to take under consideration that the new local authority of Region has just been formed and that it will need some time before changes can adapt, be executed and results validated and verified.

The municipality of Thessaloniki is undergoing major changes in its socioeconomic facts, its political facts, change of Mayor after 12 years, reduction by 35% of its finances, new collaboration with New local

body, Region. The city has been hit by this financial crisis harder than any other big Greek cities. The big organizations (which are few) are cutting down on its human resources and few new personnel hiring is happening. The economical pillars that are keeping the city working are under big pressure. Construction, services, tourism and some production are having problems.

The private house construction has nearly stopped, the tourism period has just started but with some figures pointing down. The service sector is also pointing down, and the production has major cut down. The categories that are just showing down are because their period have not yet made a full circle and thus it is difficult to draw conclusions.

For our project the majority of the employment have been in the service field.

The key problems that occurred during our meetings were; how are we going to handle this situation where the employment positions are getting fewer and fewer.

- Is it possible to put up goals during this financial crisis?
- What kind of goals?
- Do we need to downgrade our goals due to the financial crisis?
- If yes, how much?
- Do we need to postpone some political actions, if yes, for how long?
- Are organizations in the need to hire new personnel of the age Over 50 years?
- Are they going to be able to pay them what they are worth or are they going to pay them low, as a no experience?
- What kind of national help must be offered to the organizations / companies to hire over 50?
- What kind of training is necessary for the people over 50 years of age to be able to be competitive in this crisis days?
- What kind of resources do we need to put in, human and financial, and from what authorities?
- How are we going to increase the funding or the initiatives to the companies so that they will keep on hiring?
- How will we use the EU funds that are aimed for unemployed women or first time business starters?

A brainstorming session took place between the people from municipality of Thessaloniki, Chamber of Commerce of Thessaloniki, trade unions, Unemployment office of the city, National Unemployment office, and the president of the KAPI. The objectives that were identified:

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1. To increase the collaboration between the above mention parts.
2. To circulate better the information to both employees and employers regarding the possibilities they have.
3. To circulate better the information through all the offices involved with newsletters and leaflets, and the municipality radio stations and in some cases even the municipality TV channels.
4. To inform better the KAPI and all the people visiting these houses

## 3. Municipal Policies

The following policy applies for the majority of the over 50 years of age unemployed.

In the case of an unemployed person, and more specific an unemployed over the age of 50, wants to find a new job, or have been out of the job market for a longer period and wants to re enter, ( example a woman who become a mother and now wants to work) the municipality of Thessaloniki have established:

1. Quota policies for the employees of the municipality;
2. Close collaboration with the chamber of commerce and the big industries around the city limits.;
3. A municipality owned unemployment office, which is separate from the national unemployment office.

In the case of wanting to re-enter from a social aspect the municipality offers:

1. KAPI which are social houses for people over the age of 50 where common activities and other are organized centrally for everyone wanting to participate;
2. Special educational and support programs where over 50 years of age who have psychological problems, Foreigners with language and feeling excluded problems, woman with low confidence due to being a housewife and now wanting to enter the labor market, are being offered by the municipality in corporation with municipality owned organizations and educational institutions.

Let us present the common case of an unemployed person and how he can act to find a job through the municipality.

The municipality of Thessaloniki are in very close cooperation with the:

- Chamber of Commerce of Thessaloniki;
- Trade unions,
- IKA, (National and central health and pension security organization);
- Unemployment office of the city;
- National Unemployment office;
- KAPI;
- Specialized programs of psychological and mental support.

What, how, where and when can a unemployed do to help him self, and what is the city helping him:

When a person becomes unemployed for any reasons and are over the age of 50 he/ she has the following choices to find a new job or to find support. First of all the Municipality have an information office for unemployment (inside the Municipality both organizational and location). This office cooperates together with the above mentioned organizations and more in particular cases. This office has many jobs posted from various organizations around the city limits with specific job and salary descriptions, and requests of qualification. If he/she wants to apply for any of the posted position but does not know or have the self confidence the personnel from the office helps Him/her to apply for the specific position and books an personnel interview.

It happens that he/she is interested in a specific position but does not have the education or knowledge on a specific tool that is described in the position requirements. Then the municipality provides the unemployed the education (short term) and after being is close cooperation with the national unemployment office some financial help is offered to the company hiring this person.

In the case that there are no positions suited for the applicant the municipality offers, in time, a quota for people over the age of 50 to the positions the municipality is searching for.

In the case there are no opening at the municipality at that specific time, the unemployed enters either education, or support programs in order to keep a good humor and feel part of the social life of the city. For the people over the age of 50 common activities are being offered, or educational trips or IT courses since most of the unemployed over 50 have no computer literacy, which is described in the job qualifications of the majority of the asked positions. Of course the unemployed over 50, with children under the age of 18 have even higher priority to find



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a job, through the municipality, national or local unemployment office trade unions, or chamber of commerce. The municipality of Thessaloniki has policies for other categories of people which are tailored made for each specific target group. For the target group of abused woman it's important to mention that the municipality have an office and houses for abused women, where social, mentally, and financial aid is provided to help them re-enter our local society.

In the municipality we also have specialized course, (Social and mental support) depending on the case and depending on the grade of support needed. Through national and local collaboration an unemployed is also being offered STAGE positions. Stage which is an European initiative and help. Its important to mention that untill mid 2010 the unemployment rate inside the municipality for this target group, have been reduced by 30%. All the above mentioned programs have helped the over 50 Years of age to find the jobs needed and have helped them to get back socially.

After mid 2010, thes figures are changing towards the negative direction, especially after Greece seeking help from the IMF and the EU. In the case of he/she does not find a job position and to be bale to be involved with the social life of the municipality and feel included, get support, the unemployed (not only) have the possibility to visit the KAPI which are day centers where the elderly can find people from their own age to discuss, activate them selves and more. The KAPI are very often organizing common activities, Health tests, day trips, visits to Cultural centers, visits to other natural reserves, and more. Since the starting of the KAPI the over 50 years of age but also the elderly have increased their social involvement and are part of the local society. They feel that there is a meaning in life even in the most difficult time of either unemployment or feeling loneliness.

## 4. Focusing on policies at local level

The policy at local level in Thessaloniki is oriented to solve the given problems mentioned above trough:

1. Improve employability of older workers
2. Improve adaptability of older workers

### Specialized

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and financial aid is provided to help them re enter our local society. In the municipality we also have specialized course, (Social and mental support) depending on the case and depending on the grade of support needed.

Through national and local collaboration an unemployed is also being offered STAGE positions. The experience of STAGE during all the years it exists in Europe is that STAGE is not helping the root of the problem but is helping the local authorities get by the problem for a shorter period of time and at the same time those involved who work under STAGE gathers experience for application both in public but also in private sector business. Its important to mention that the unemployment rate inside the municipality for this target group, have been reduced by 30%. All the above mentioned programs have helped the over 50 Years of age to find the jobs needed and have helped them to get back socially.

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## 5. Guidelines

The guidelines for this Local Action Plan and its realization have been a very difficult task to realise for Thessaloniki, for the following changes taking place from our application until today:

- The biggest financial crisis Europe have seen;
- The biggest financial crisis from Greece ever;
- Change of Government;
- Change of political party being in the Government;
- Reduction of local Authorities budget by 35%;
- Reduction of amount of municipalities by nearly 80%;
- Change from Prefecture to major regions;

- Greece seeking help from IMF and EU in order to get a loan of 120.000.000.000€, the biggest ever given to avoid Greece, and Europe Bankruptcy;
- The majority of Greeks and seeing the glass half-empty.

Taking the above bullets into account we need to refresh our memory with the guidelines of the LAP of Active AGE.

Increase the awareness of older people about their possibilities,

- Promote the idea of being active for people over 50s;
- To promote social aspects of older people's life through:
  - Development of informative system;
  - Organisation of discussions with stakeholders;
  - Creation of informative materials;
  - Improve the working opportunities of older people;
  - Improvement of older people's skills and knowledge;
  - Motivate employers to employ older people (aged 50 and over);
  - Stimulate the interaction among employers and training organisers (local authorities);
  - Promote the flexible work arrangements

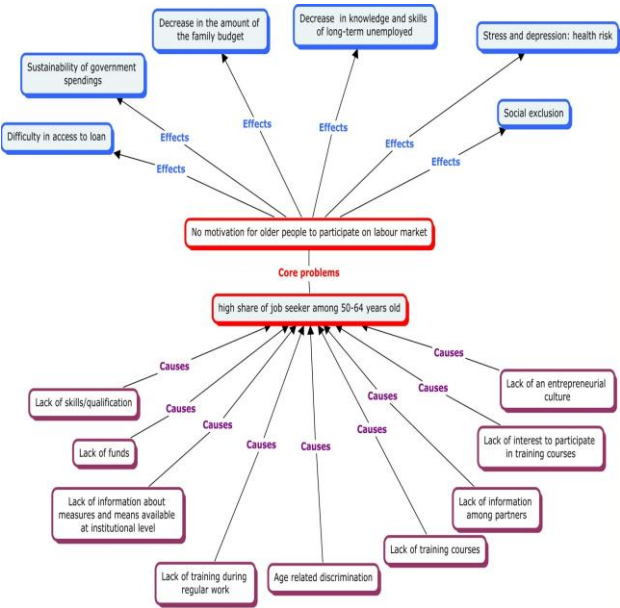
## 6. Problem Analysis

According to the above and additional problems to the above is the bureaucracy that exists in the Greek society, the closed profession, and the limitations of investing due to different authorities having different sayings.

From January 2011, major changes have taken into effect. With combining authorities and organisation all this is limited, which in return creates a more open business environment for investing in the area. The effect of all these changes will take some time. Also other major problems, especially these days are:

- Lack of motivation from the elderly;
- Lack of Finances;
- Lack of healthy organisations that can employ people;
- Lack of extra training courses;
- Increase of isolation due to financial crisis;
- Postponing political planned actions

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Its described very analytically in the below graph with the dependencies clearly defined.

## 7. Objective, activities and target

Since January 2011, a different local government structure has been formed in Greece. More power have been given to the local authorities. As a example we can mention that the municipalities have decreased with nearly 80%, by having many smaller municipalities to be absorbed by the biggest one in the area, and there are now regions in Greece, while before we had prefectures.

What does this mean in reality. The municipalities have much bigger budgets. The regions have also their own budgets and are like smaller ministries that have responsibility for the municipalities. All policies that existed before 2011 in their majority exist today but are undergoing major reconstruction, to adapt to the new reality. This together with the very strict financial program that Greece is undergoing, since their entrance to the IMF, have made many policies very difficult to execute.

Of course this whole situation is preliminary since the major plan is to strengthen the economy and increase the policies for the weak groups. For the municipality of Thessaloniki this means a decrease of finances since there has been a budget

cut of over 35 % during the last years in their finances.

Not painting everything black we have to say that Thessaloniki, with an increase of unemployment, unofficial figures put the rate nearly up to 20% are keeping the policies for the elderly as they have been. For example:

- Increase the activities of the KAPI (elderly social centres);
- Increase the help to local organisations and companies to employ older people to get their experience shared and to educate the young co workers;
- Develop new educational (partly financed programs);
- Finance the organisations partly in order to employ women in various positions for a period of time;
- Closer cooperation among KAPI, Municipality and OAED (national unemployment office), Exchange of information;
- Organising local dissemination events and obtaining media coverage

Of course we have to take under consideration that the new local authority of Region has just been formed and that it will need some time before changes can adapt, executed and results validated and verified.

## 8. The main goals of Thessaloniki city Age and economy

1. Effective collaboration among local authority body's, organisations, NGO's and more;
2. Combining efforts, tasks, goals, and local policies in the region;
3. Coordination of activities, tasks, goals, and targets in the region;
4. Producing common information for all organisations and departments in a leaflet that will be available to all seeking for the whole region;
5. See what kind of new resources can be available for the increase of effectiveness;
6. Investigate what kind of EU funds is available for the over 50 years of age unemployment, now not only as a municipality but with a cooperation with the region.

With these goals we will try to contribute to:

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- Establishing socio-economic mechanisms for helping elderly enter the labour market again.

What are / will the effects for the local community be:

- Increase of positive attitude, ( this is the most important effect);
- Reducing social exclusion of the elderly;
- Increase of employment;
- Exchange of experiences;
- Hand over from one generation to another;
- Help the economy of the city to increase and give a boost to the local market, due to increased finances among elderly;
- Positive attitude among elderly, which in many cases is translated to healthier local community.

## Targets

There has been set up targets from the municipality of Thessaloniki due to its involvement in this project and another EU and national funded one that have the following targets.

Increase:

- number of courses (training programmes);
- number of training materials;
- quality of training material offered to participants;
- number of participants attending courses by age, working conditions, gender and level of education

Force through the additional unemployment office:

- number of attendants of courses;
- number of inactive people who attended this course and who have started looking for a job;
- users satisfaction level;
- level of improvement of knowledge;
- percentages of success.

Statistics will be held for:

- number of unemployed people who participated in this courses and who have found a job after one year;
- users satisfaction level;
- level of improvement of participants' knowledge

## I. Increase awareness of older people about their possibilities

The second objective of increase the awareness of older people about their employment possibilities can be achieved through following operative objectives:

- A. Establish an Information centre for older people
- B. Development information materials
- C. To organise panel discussions

## Information Centre

Before the cut of nearly 35% of the municipal budget, there was a decision to immediate create an information centre inside the municipal unemployment office. Due to the crisis, we have minor delays in this information centre which will be a pilot, to after be used in all the surrounding municipalities of the region of Makedonia. The directive is the following: To establish an information centre for people over 50 years of age.

During the last years there has been an initiative of starting an information centre inside the municipality unemployment office that will use resources, unemployed people over the age of 55 and that will have direct information on job vacancies but also have various initiatives of EU funded opportunities, such as for unemployed women there are funding opportunities if they want to start their own business. Also there are initiatives for both women and men, to get funds for education or learning new technologies.

Last, but not least in national level a policy is to fund business if they hire people over the age of 50. in return they get complete funding of all social charges of a salary, for a period of time.

All the above policies together with any new that will be created are educated to the personnel of the Information centre. This will help them become experts in finding solutions and opportunities for the elderly unemployed that are interested in finding a solution to their unemployment.

After the initiation of this information centre the elderly un-employed will be able to visit this centre and get information, proposal, and solution to his/her problem, by either getting a job, getting funds for starting a business, or getting funds for starting and education.

Of course this centre will be disseminated in all KAPI, national unemployment office, through radio and newspapers.

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## Outcome & Output

- number of people who visit the KAPI and the combined Unemployment offices, municipal and National every day;
- number, quality and usefulness of information they receive;
- level of accessibility to the KAPI;
- number and quality of the service;
- level of satisfaction about the service;
- number of older people who participate in the courses thanks to the information they receive there;
- level of improvement of older people's condition

## II. Creation of information materials for older people

### Action

Information center that will provide information to older people about their employment possibilities.

### Outcome & Output

- number and quality of the materials issued
- number of people who ask for materials
- usefulness of these materials
- quality of the web pages
- number of people visited the web pages

## III. Benefits from the above action

### Action

Organise discussions on topics related to population changing and employment difficulties and opportunities.

### Outcome & Output

- users satisfaction level
- number of people who were not active and started to look for a job
- number of people participating in the discussions
- number of panel discussions organised
- quality of the discussions organised
- quality of the authorities and experts participated in the panel discussions
- users satisfaction level
- level of improvement of older people's conditions

- number of people who were inactive and started to look for a job

## IV. Motivate employers to employ older people (aged 50 and over)

We need to consider that Greece is under the moment under the finances of IMF and until at least the year of 2013, the national as well as the local finances are going to be very limited for organising common activities between the private organisations and the unemployment.

This possibility increases though, with all other measures taken by the Municipality, newly founded Region and decrease of Bureaucracy.

The increase of Awareness and presenting all the positive issues and actions an organisation is gaining by hiring, employing an elderly person is the first step of the municipality of Thessaloniki, by:

- number of open workshops;
- number of participants on workshops;
- employers who after this employ older people;
- people employed under a flexible work arrangements;
- older people remaining employment;
- better information

When the information centre is established and running, information of all the opportunities of the elderly and also of the business that are willing to hire elder people by getting % of the total salary funded for a specific period.

## Resources & Fund raising Objectives

- Information Centre
- Effective collaboration among local authority body's, organisations, NGO's and more.
- Producing common information for all organisations and departments in a leaflet that will be available to all seeking for the whole region.
- Contribution for longer economic activity
- Fostering the Entrepreneurship
- Initiate public Campaigns
- Program Stage
- Funding Programs.

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- Thessaloniki Municipality Budget
- Municipality and national unemployment offices.
- Call for proposals, national and EU

## Timetable & Budget

1	Research & Organization	2011-2014	€ 25.000,00
2	Overcome of the deficit of ICT skills (seminar)	2011-2014	€ 15.000,00
3	Training courses to develop self entrepreneurship	2011-2014	€ 15.000,00
4	Life-long learning courses	2011-2014	€ 35.000,00
5	Information centre	2011-2014	€ 20.000,00
6	Organisation of panel discussions	2011-2014	€ 15.000,00
7	Monitoring	2011-2014	€ 9.000,00
8	Communication	2011-2014	€ 20.000,00
9	Informative seminars	2011-2014	€ 20.000,00

## Note

After Greece entered the IMF and the EU loan –era, and after the change in the municipalities due to the Kapodistrian law, and the change of prefecture to regions, and the cut down of municipal budget up to ~35%, many of the policies, have been put on hold or been altered due to the IMF suggestions.

Policies have changed from the beginning of the project and until today. Although all these changes and major alterations the municipality of Thessaloniki is still believing and are in the process of finalising many of its policies, of course after the new standards.

Of course the new standard does not mean that all existing policies are disappearing, but to put it on our era's new motto, our policies are becoming more effective and pragmatic.

