

Demographic change and the public sector labour market – a research project of Martin Luther University in Halle (Saale), Germany

The dramatic tone in which the topic of demographic change is discussed in the mass media, is due to several reasons. On the one hand, the demographic change is a problem which is bound to have substantial repercussions in the future. On the other hand, there is no solution which could compensate the effects of the increased ageing of the European society. Furthermore, the development of population is seen as a development which cannot be changed in a short period of time.

All social functional systems are concerned with the current population development – beginning with the educational institutions, to the social systems and labour markets of the public sector social infrastructure – and there is no central agent responsible for the development of coping strategies.

For a long time scholars have limited their attention to the problem of population development without attempting to elaborate an explanation model that would allow for different kinds of solutions in the face of complexity of contemporary society. Now several actors in politics, science, as well as in various social groups try to see the demographic change as a challenge and not only as an inevitable menace. Such a challenge should mobilise the available resources and the creativity of scientists and organisations. Examples of creative responses in the field of politics in the Federal Republic of Germany are a new family policy at the national level and specific measures at the municipal level.

Current scientific research also focuses on action models that help to analyse coping strategies. An innovative research project lead by Profes-

sor Dr. Reinhold Sackmann¹ has existed since 2006 at the Institute of Sociology of Martin Luther University in Halle (Germany) with the topic *Demographic change and the public sector labour market*. The project is part of the Collaborative Research Centre (Sonderforschungsbereich 580) *Social developments after structural change: discontinuity, tradition, structural formation* funded by the German Research Foundation (DFG).

The Collaborative Research Centre (CRC) was founded in July 2001 at the Universities of Jena and Halle (both located in Germany). It deals with the long-term consequences of the change in society in East Germany and other socialist societies after the political turn in 1989/90. Within 15 sub-projects sociologists, political scientists, psychologists, lawyers, historians, economists and medical scientists do research on the new challenges in the fields of economy, politics and social services, which originated in the course of the changed regime.

The sub-project B8 *Demographic change and the public sector labour market* deals with the question of how cities and municipalities handle the change in the number and age structure of the population. The idea is that the scope of action that different municipalities have and the way they use it is decisive for the consequences of the demographic change. It deals specifically with the question of how different municipal personnel policies contribute to overcoming the problem of demographic change.

The aim of the project is to identify similarities and differences in the way municipalities react to demographic change. This will help to assess the consequences of the demographic change for municipalities and on the way they exercise their duties. This is a comparative study, which investigates the staff flexibility of the public sector in Germany and Poland.

During the first stage of the project, interviews and discussions with experts were conducted in seven municipalities² in the study areas of the former East Germany, former West Germany and Poland. These included two municipalities with a relatively large growth in population, two municipalities that experienced a relatively large loss of population and two municipalities that had stable population figures from 1990 to 2006. For the purpose of comparison, one metropolis is represented in each of the groups.

The preliminary conclusions already made clear that the demographic change is an unintended consequence of the transformation process.

¹ Other members of the project team are: Walter Bartl, Dr. Bernadette Jonda, Katarzyna Kopycka, Dominika Pawleta, Christian Rademacher.

² Significant for the choice were the relative variances of the population in 1990.

Combined with the inflexible labour market structure of the public sector, which is also a general principle for the national labour market, this will be very hard to handle. The results of the first project phase show that:

1. The almost identical challenge, in the form of a falling demand in the public education sector, leads to totally different employment policy responses. For example in Poland, you can find constancy or a little increase of employment. At the same time in Eastern Germany, there is a tendency towards staff reductions. The autonomous transition country Poland adopts a much riskier educational innovation policy than the affiliated transition country East Germany.
2. In terms of the central administration of the municipalities and the strategy of overcoming the personnel problem, one can find a great amount of consistency and agreement between the countries. A demographic change in staff is seen to be the answer, albeit an inadequate one, to the problem of the downturn in demand.
3. The personnel policy response of the municipalities follows the logic of the institutional regimes in both countries, which see the reproduction of the inner labour market as a kind of natural preference. However, there are still innovations to be found even in the more demography-sensitive fields, which increase the variance and make new paths possible. For example: a division of staff into core and periphery workforce through introduction of fixed term contracts and the extension of the school offer in Poland; redundancies, or reduction of working time and in remunerations in Germany. New combinations of internal and external personnel policy measures gain more and more relevance, also due to privatization.

In the second stage of the project, the current findings will be tested for their generalisability. The responses on different administrative state levels will be investigated as well.

Just as all other projects of the CRC 580, the research project B8 *Demographic change and the public sector labour market* will not only be theoretically relevant but it can also contribute to finding solutions to certain socio-political problems.

A very important part of the project is a regular exchange with other scientists. In order to present the research results and to discuss the topic

of *Demographic change and the public sector labour market* in a wider context, conferences are being organized in which scientists from different research disciplines and institutions from both, Germany and abroad take part. This year's international conference will be held on 7th and 8th December 2007 in Halle. The topic is *Varieties of Public Sector Labour Markets: Transformed?*

Renowned scientists as well as young researchers are expected at the conference and will make presentations and allow discussion in four different panels:

- *Changing Forms of Public Sector Employment*
- *Cases and Protagonists of Public Sector Modification*
- *Inequalities and Public Sector Development*
- *Impacts of Public Sector Modification.*

In the first part of the conference (*Changing Forms of Public Sector Employment*) Jean-Philippe Fons from the University of Rennes and Jean-Louis Meyer from the University of Metz (both from France) will present the topic *Changing Forms of Public Sector Employment in an International Perspective. Forms of Public Sector Employment* using Poland as a case study will be introduced by Barbara KoXuch from the Jagiellonian University in Krakow. Afterwards Peter Fairbrother from Cardiff University (Great Britain) will extend the perspectives of the discussion over European borders with his contribution *Changing Forms of Public Sector Employment in Great Britain and Australia.*

The presentation of Ernesto Noronha from the Indian Institute of Management in Ahmedabad (India) titled *From Opposition to Partnership: Privatization in Cochin Port Trust, India* will follow and open the second part of the conference (*Cases and Protagonists of Public Sector Modification*). His lecture will be accompanied by eastern and western European contribution. Eva Hejzlarová and Hana Tenglerová from Charles University Prague (Czech Republic) will speak about *Public Administration Employment in the Czech Republic: Case Study on Flexible Working Patterns*. Philippe Mehaut from the CNRS in Aix en Provence (France) deals with *Hospital's Labour Market and Work Organisation: Convergence and Divergence in five European Countries.*

In the next part of the conference titled *Inequalities and Public Sector Development* three scientists turn their attention to Eastern Europe. Sabina Augustyn from Krakow University of Economics (Poland) will present her comparative analysis of Krakow and Kiev (Ukraine) with the topic

Unemployment and Political Transformation: How did Young People Manage New Opportunities? Vladimir Gimpelson and Anna Lukiyanova from the Centre for Labour Market Studies in Moscow (Russia) formulate the question concerning wage gaps between the private and public sectors in Russia (*Public Servants Underpaid in Russia? Estimating the Public-Private Wage Gap*).

In the fourth and last part of the conference (*Impacts of Public Sector Modification*) the attention will focus on the German context. *Working Efficiently: Serving Markets by Referring to Clients' Needs?* – This question will be presented for discussion by Brigitte Aulenbacher from Leibniz University Hannover and Birgit Riegraf from the University of Bielefeld. Subsequently, Beate Hollbach-Grömig from the German Institute of Urban Affairs in Berlin will pose the question: *How does Demographic Change Affect Local Institutions?* Finally Sabine Kuhlmann (University of Potsdam) is going to speak about *Performance Management in the Public Sector: Approaches and Impacts in European Local Governments*.

All above-named contributions will be commented by a co-presenter.

We are looking forward to an interesting and amazing conference that will enhance our understanding of demographic changes with regard to the Public Sector Labour Markets.

The papers contributed to the conference will be published as an anthology presumably in 2008.³

Bernadette Jonda*

³ Contributions to the German-Polish symposium in 2006 *Demography as a Challenge for the Public Sector* are to be published by VS-Verlag (Wiesbaden) in 2007: Reinhold Sackmann, Bernadette Jonda, Maria Reinhold (Hg.) *Demographie als Herausforderung für den öffentlichen Sektor*.

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