



Submission to the Mid-Term Review of the Pathways to Work 2021-2025 Strategy

*Age Action is Ireland's leading advocacy organisation on ageing and older people.
Age Action advocates for a society that enables all older people to participate and to live
full, independent lives*

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About Age Action

Age Action is the leading advocacy organisation on ageing and older people in Ireland. We advocate for a society that enables all older people to participate and to live full, independent lives, based on the realisation of their rights and equality, recognising the diversity of their experience and situation. Our mission is to achieve fundamental change in the lives of all older people by eliminating age discrimination, promoting positive ageing, and securing their right to comprehensive and high-quality services. We welcome the opportunity to contribute to the mid-term review of the Pathways to Work 2021-2025 Strategy and to highlight the needs and circumstances of older workers that the Strategy should account for.

Introduction

The absolute number of workers aged 55+ has tripled since 1998, up to 500,300 in 2022 versus 168,200 in 1998, and they now represent 18.7% of the labour force versus 9.9% in 1998. Within these figures, one in nine people aged 66+ is at work (approximately 80,000 people), despite nearly all of them having an entitlement to the State Pension. The proportion of workers aged 66+ has grown by 50% in five years. Research from 2014 and 2016 indicates that Irish employers see workers as being older from the age of 52 or 51, respectively.¹ Given the traditional retirement age of 66, this means for 14-15 years of a person's career, they are perceived as an older worker. Employees are also increasingly likely to work for longer into older age, and government policy encourages this. This demonstrates the importance of ensuring workplaces do not side-line, under-value, or mistreat older persons, but rather promote their independence and quality of life.

The United Nations Economic Commission for Europe stated that "it is desirable for persons to be able to remain in employment as long as they are fit enough and wish to work".² Policy should not place pressure on older persons to work for longer. They should still retain the option to retire with an adequate income, and retirement should offer opportunities for other forms of fulfilment and participation. Relatedly, while extending working lives can be associated with a better quality of life, this is only the case if people have good jobs.³ This means that older people need to be incentivised to remain in work by attractive employment opportunities, rather than financial need or work being the only means of remaining involved in a community.

Pathways to Work 2021-2025 dedicated a section to ensuring older workers and returners are not left behind. Age Action supports the content of this section, such as the acknowledgement of the positive attributes associated with older workers or the specific ways in which COVID-19

¹ McCarthy, J., Heraty, N., Cross, C., Cleveland, J. N. (2014). Who is considered an 'older worker'? Extending our conceptualisation of 'older' from an organisational decision maker perspective. *Human Resource Management Journal*, 24(4), 374-393. doi:10.1111/1748-8583.12041; and William Fry Employment Report. (2016). *Age in the Workplace*. Dublin: Ireland; cited in Slowey, Maria, and Tanya Zubrzycki. "Living longer, learning longer—working longer? Implications for new workforce dynamics." (2018): 1-110. https://doras.dcu.ie/23438/1/living_longer_learning_longer_-_working_longer_implications_for_new_workforce_dynamics.pdf

² Quoted in Slowey, Maria, and Tanya Zubrzycki. "Living longer, learning longer—working longer? Implications for new workforce dynamics." (2018): 1-110. https://doras.dcu.ie/23438/1/living_longer_learning_longer_-_working_longer_implications_for_new_workforce_dynamics.pdf

³ Broughan, Christine. "An evidence based approach to creating an age-friendly culture." *Strategic HR Review* 12.3 (2013): 138-144.

disadvantaged older workers, though there is an opportunity to go into further detail or develop new commitments.

Research on and Engagement with Older Workers

While it is worthwhile engaging with employers on recruiting older workers, to which the Strategy commits, it is equally important to engage with older workers themselves. Given the strategy's commitment to evidence-based policy, it should prioritise learning more about the experiences of older workers, which is an under-researched area. Any gathering of data on the Irish workforce should reflect that older persons are not a homogenous group and that categories like "55+" or "65+" capture a large number of people at different life stages. As such, data should be broken down by decade of age, e.g., workers in their fifties, workers in their sixties. Research should also distinguish between older workers who have not yet reached State Pension age and those who have. Improved research will reinforce pre-existing aims from the Strategy, such as the delivery of bespoke job promotions and recruitment events. There is also a wealth of international research on which to build policy that encourages the employment of older persons.⁴

An evidence-based approach to policy design and implementation will also require a holistic examination of the policy landscape and recognizing and eliminating conflict and incoherence across frameworks, including for example the policy commitment to encourage longer working lives and the regulatory impediments to that in other areas, such as burdensome requirements around renewing driving licenses.

Guidance to Employers

Pathways to Work commits to engagement with employers. This should include discussions on the situations of older workers. Employers may struggle to ensure their workplaces are attractive to older workers in the absence of practical guidance. Moreover, what guidance does exist is likely to be more suitable for larger employers than smaller employers. In 2019, 98.4% of businesses in Ireland employed less than 50 employees, although 53.9% of workers were employed by businesses with 50 or more employees.⁵ Still, some policies, such as data collection on age or peer support groups for carers, may be less achievable for the many smaller businesses in Ireland. It may then be necessary for the state to intervene and support these organisations to be age positive. This intervention should involve guidance on fulfilling their positive duty to prevent discrimination on the grounds of age under the equality acts. Business in the Community has endorsed Age Action's approach to age inclusivity in the workplace, which is a useful resource for employers.⁶

Ageism in the Labour Market

The World Health Organization identified ageism as a grave social problem internationally, which can have grave consequences on the health and well-being of older people.⁷ Age Action recently commissioned polling that demonstrated the prevalence of ageist attitudes in Ireland.

⁴ Vodopivec, M., Finn, D., Laporšek, S. *et al.* Increasing Employment of Older Workers: Addressing Labour Market Obstacles. *Population Ageing* 12, 273–298 (2019). <https://doi.org/10.1007/s12062-018-9236-4>

⁵ <https://www.cso.ie/en/releasesandpublications/er/bd/businessdemography2019/>

⁶ <https://www.bitc.ie/newsroom/how-to-manage-ageism-in-the-workplace/>

⁷ <https://www.who.int/teams/social-determinants-of-health/demographic-change-and-healthy-ageing/combatting-ageism/global-report-on-ageism>

When presented with seven ageist opinions, more than a third of adults (37%) agreed with two or more of them.⁸ Ageism should be prioritised in workplace EDI policy and practice, which currently tends to focus on other forms of discrimination.⁹

While it is true older workers are likely to remain in the same job,¹⁰ this is in part because of the barriers they face in seeking new employment. One of the barriers is the ageism that is pervasive at the recruitment stage. In the polling commissioned by Age Action, unemployed people were disproportionately likely to report having been discriminated against on the basis of age in the past few years.¹¹ While sometimes this discrimination can be acute and direct, other times it can manifest in processes which are unsuitable for many older users. For example, advertisement of positions that occur exclusively online will disproportionately exclude potential older candidates.

While workplaces can be a nexus for ageist attitudes and practices, they also hold many opportunities for combatting discrimination and improving the quality of life of older persons. Age positive employment policies and practices have social benefits beyond the workplace, including in terms of ensuring adequate incomes and improved independence in older age, promoting intergenerational friendships and social connections, as well as personal growth and learning.¹² They can also effectively undermine ageist attitudes and assumptions, for example about older workers being 'stuck in their ways' and resistant to change, which cause harm in the workplace and beyond.

The WHO determined that one of the key strategies for eliminating ageism from society was facilitating intergenerational contact. The workplace is a perfect setting for such initiatives, given that it can bring together people of different ages who may not otherwise interact. Facilitating mentoring and sharing of institutional wisdom between older and younger worker benefits everyone involved.¹³ Employers should be educated on the importance of intergenerational relationships and trained in effectively managing intergenerational teams and workplaces.

In eliminating ageism in the labour market, government policy should take an intersectional approach that recognises the situations of, for example, older people with caring responsibilities; older disabled people; and older women. Efforts to encourage better recruitment of older workers among employers should highlight the greater degree of ageism faced by older women, in terms of their skills being undervalued and weaknesses being over-estimated.

Elimination of ageism will require ensuring older persons are explicitly included in general labour force policy and services. This requires a rejection of the inherently ageist concept of "working age", in all areas including unemployment policy and training. It should never be a guiding principle in the design of policy or the measuring of policy outcomes. Instead services and

⁸ https://www.ageaction.ie/sites/default/files/are_we_ageist_poll_findings_december_2022.pdf

⁹ Smeaton, Deborah, and Jane Parry. "Becoming an age-friendly employer: evidence report." *United Kingdom: Centre for Ageing Better* (2018).

¹⁰ IZA Discussion Paper 2018 (John Martin): Live Longer, Work Longer: The Changing Nature of the Labour Market for Older Workers in OECD Countries

¹¹ https://www.ageaction.ie/sites/default/files/are_we_ageist_poll_findings_december_2022.pdf

¹² Grosch, James W., and Juliann C. Scholl. "Designing age-friendly workplaces: An occupational health perspective." *Current and emerging trends in aging and work* (2020): 429-451; Ilmarinen, Juhani. "Promoting active ageing in the workplace." *European agency for safety and health at work* (2012): 1-7.

¹³ Slowey, Maria, and Tanya Zubrzycki. "Living longer, learning longer—working longer? Implications for new workforce dynamics." (2018): 1-110. https://doras.dcu.ie/23438/1/living_longer_learning_longer_-_working_longer_implications_for_new_workforce_dynamics.pdf

supports should be available to any economically active adult, distinct from those who have transitioned to reliance on a pension or savings. Also, the prioritization of ensuring a just transition will require a recognition of older workers as a target demographic for re-skilling and protection from potential job losses.

Carers at Work

Adopting such an intersectional approach will involve providing support to older carers. As the number of persons remaining in work for longer grows, so too will the number of persons with caring responsibilities.¹⁴ Both are related to the changing age demographics of our society. The Census demonstrates that the more unpaid hours someone spends providing care, the less likely they are to be in employment.¹⁵ It will also weaken their access to an adequate pension in older age. Currently the eligibility requirements for carer's benefit disincentivizes engagement in paid work, which ought to be remedied. UK research found that employees with caring responsibilities often felt their work, and their psychological well-being, had been negatively impacted by care.¹⁶ This strongly interacts with gender inequality given that unpaid care work is predominately performed by women. Pathways to Work should commit to strengthening the supports for carers seeking and in employment. This will involve committing to legislation that guarantees and provides a facilitative framework for increased flexibility in the workplace.

Unemployed Older Workers

Unemployed older workers should be supported to return to work and allowed to live with dignity, through an adequate income, while they are looking for work. The incentive/disincentive argument is weakly supported by psychological evidence and is, at least in part, ideological rather than technical, and therefore inappropriate for the design of a public service.¹⁷ Job matching (matching people's capabilities with appropriate jobs) is far more important than avoiding delays in returning to work as the benefits to people and the economy from good job matching are much higher than the cost of a few week's welfare payment that may be necessary for a person to find an appropriate job, rather than accepting the first offer made to them regardless of fit. NESCC has identified characteristics associated with effective delivery of employment services to those most distant from the labour market. These include tailored supports; case workers having adequate time with the service user; recognition of the interests of the individual; and the importance of trust building, on an organisational level as well as in the context of individual relationships.¹⁸

¹⁴ Slowey, Maria, and Tanya Zubrzycki. "Living longer, learning longer—working longer? Implications for new workforce dynamics." (2018): 1-110. https://doras.dcu.ie/23438/1/living_longer_learning_longer_-_working_longer_implications_for_new_workforce_dynamics.pdf

¹⁵ <https://data.cso.ie/table/E9053>

¹⁶ Employers for Carers forum, Carers UK in association with Nomura (2011). *The Caring at a Distance: bridging the gap study*. London. United Kingdom; cited in Slowey, Maria, and Tanya Zubrzycki. "Living longer, learning longer—working longer? Implications for new workforce dynamics." (2018): 1-110.

https://doras.dcu.ie/23438/1/living_longer_learning_longer_-_working_longer_implications_for_new_workforce_dynamics.pdf

¹⁷ For a development of this argument, see for example, Wright, S. (2012). 'Welfare-to-work, Agency and Personal Responsibility'. *Journal of Social Policy*, 41(2), 309-328. doi:10.1017/S0047279411001000, and Schroeder, D. (2000). *Work Incentives and Welfare Provision: The 'Pathological' Theory of Unemployment*, Routledge. <https://doi.org/10.4324/9781315201948>

¹⁸ http://files.nesc.ie/nesc_research_series/Research_Series_Paper_12_Low_Work_Intensity_Households.pdf

Age Action supports INOU's repeated call for the Public Employment Service to be capable of serving adults of all ages regardless of the social welfare payment they are on and regardless of whether they are unemployed or changing from one job to another.

Training

Older persons' under-representation in the workforce is both reinforced by and reflected in their low participation in training. While there is an association between age and the lack of new knowledge or skills in the workplace, this may be explained by inadequate training being delivered to older workers or ageist assumptions about older persons and their capacity or willingness to learn.¹⁹ Older persons are just as capable of learning as younger persons, but learning processes change,²⁰ and too often the design of training excludes older workers. Characteristics of training appropriate for older persons include being self-paced, "hands on", and off-line where preferred.²¹ Older persons will benefit when they are able to relate what they are learning to experience they already hold.²²

Employers can feel that they will not reap the benefits of training older workers as older workers will not stay with them for as long as younger workers. In fact, there are many short-term benefits to training, and while older workers may be closer to retirement, they are more likely to stay in the same job rather than seeking employment elsewhere compared to younger workers;²³ this means that the risk of an employee leaving employment shortly after receiving training is the same regardless of their age.²⁴

Many jurisdictions have employed different methods for encouraging uptake of training by older workers, including tax incentives, training funds, subsidies, and "individual learning accounts" held by workers. To develop evidence-based policy that encourages the participation of older workers in the labour market, the government should review such case studies.²⁵ There also needs to be effective communication to employers that older workers often have learning needs and preferences that are not reflected in the teaching methods of conventional training.

Mandatory Retirement

Along with other bodies including UNECE³ and the OECD,⁴ Age Action is calling for mandatory retirement to be abolished. It prevents older persons' participation in society, it insults their dignity, and it denies their diversity. The Employment Equality Acts should be amended to

¹⁹ Grosch, James W., and Juliann C. Scholl. "Designing age-friendly workplaces: An occupational health perspective." *Current and emerging trends in aging and work* (2020): 429-451.

²⁰ Ilmarinen, Juhani. "Promoting active ageing in the workplace." *European agency for safety and health at work* (2012): 1-7.

²¹ Appannah, Arti, and Simon Biggs. "Age-friendly organisations: The role of organisational culture and the participation of older workers." *Journal of Social Work Practice* 29.1 (2015): 37-51.

²² Slowey, Maria, and Tanya Zubrzycki. "Living longer, learning longer—working longer? Implications for new workforce dynamics." (2018): 1-110. https://doras.dcu.ie/23438/1/living_longer_learning_longer_-_working_longer_implications_for_new_workforce_dynamics.pdf

²³ Appannah, Arti, and Simon Biggs. "Age-friendly organisations: The role of organisational culture and the participation of older workers." *Journal of Social Work Practice* 29.1 (2015): 37-51.

²⁴ Slowey, Maria, and Tanya Zubrzycki. "Living longer, learning longer—working longer? Implications for new workforce dynamics." (2018): 1-110. https://doras.dcu.ie/23438/1/living_longer_learning_longer_-_working_longer_implications_for_new_workforce_dynamics.pdf

²⁵ Vodopivec, M., Finn, D., Laporšek, S. *et al.* Increasing Employment of Older Workers: Addressing Labour Market Obstacles. *Population Ageing* 12, 273–298 (2019). <https://doi.org/10.1007/s12062-018-9236-4>

remove the provision that allows for mandatory retirement, and the related provisions which allow for maximum ages for job recruitment and the offering of fixed term contracts to persons over the 'mandatory retirement age'.²⁶

The case for mandatory retirement rests on flawed assumptions about the labour market that are not borne out in empirical research. For example, allowing older persons to keep their jobs in no way disadvantages younger workers in the workforce. Where there may exist marginal benefits to employers in enforcing mandatory retirement, these are outweighed by the significant cost endured by the worker. Whether retirement was the result of the worker's own choice or not is one of the key determinants of their quality of life post-retirement. Forcing older workers to retire does long-lasting damage to their health and well-being and is further linked to income inadequacy in older age. It also promotes dangerous stereotypes about older persons and denies their worth, individuality, and ability to contribute to a workplace. Rather than being respectful of workers or rendering any wider social benefits, the practice of mandatory retirement has been categorised as a means of shirking managerial responsibilities, in which a crude metric is used to force workers to retire, instead of employers being responsible for managing the performance of workers on the individual level, and, if necessary, instigating normal dismissal procedures.²⁷

An older worker will struggle to feel valued and empowered in their work if they know that they will soon lose their job, not because of any decline in their ability or contributions, but because they have reached an arbitrary birthday. A commitment to supporting older people in work necessitates the abolition of mandatory retirement.

Summary of Recommendations

The Pathways to Work 2021-2025 Strategy can support older persons to access appropriate employment through adopting the following goals:

1. Greater research on the experiences of older workers in the Irish context is needed, in part to identify positive incentives for older persons to remain in work for longer (i.e., 'pull' rather than 'push' factors).
2. Research on what longer working lives will mean for health and well-being.
3. The development of practical guidelines for employers in establishing an age-positive workplace and eliminating ageism.
4. Rejection of the concept of 'working age' in all policy and service design and replacing it with the concept of being 'economically active.'
5. Explicit inclusion of older workers in just transition policy.
6. Specific supports for older workers seeking employment that recognise the barriers faced by older women, including through broadening the accessibility of the Public Employment Service.
7. The reform of social welfare to remove disincentives to carers engaging in work.
8. Stronger entitlements to time off work for workers with healthcare needs and/or caring responsibilities.
9. Incentivization of training uptake by older workers.

²⁶ Employment Equality Acts 1998-2022, SS34(5) and 6(3)(c).

²⁷ McNair, S., Flynn, M. and Dutton, N. 2007. Employer responses to an ageing workforce: A qualitative study Research Report No. 455 (Leeds, DWP). Available online at: <http://www.researchonline.org.uk/fskills/search/download.do?ref=B6253/>

10. The abolition of mandatory retirement.