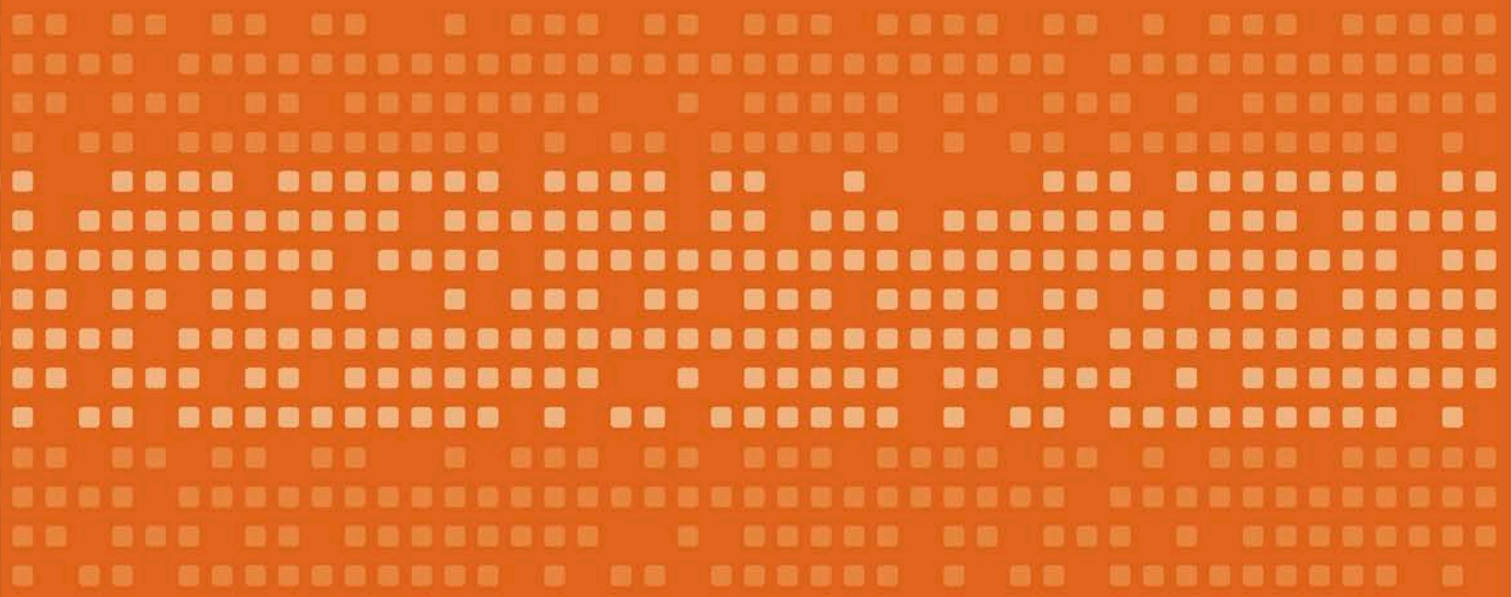


Ageing Workforce Report:

Employer readiness to support the needs of Australia's ageing workforce

2019



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Key findings

- Australia's population is ageing, and workers will both need and want to remain in the workforce for longer, adding to societal pressure for people to remain in the workforce beyond the age of 65.
- A survey of medium to large businesses and organisations operating in Queensland was conducted between November 2018 and February 2019. One thousand and seventeen (1017) responses were received, mainly from managers, across a broad range of industry types.
- Almost half the respondents identified that they consider someone aged 60 years to be an older worker, increasing to 60% of respondents considering that someone aged 65 is an older worker.
- Almost 36% of respondents identified that there was 'no particular age' that they considered someone to be an older worker.
- Younger respondents tended to consider an older worker to be slightly younger (e.g. 54 years for 21-30 year-olds and 56 years for 31-40 year-olds)
- Most respondents indicated that they believed workers are too old for full time work by age 65.
- Negative stereotypes of older workers include a perception that they have more health concerns, are more resistant to change, are more prone to injuries and are forgetful. Most respondents disagreed or were neutral on these negative stereotypes, suggesting negative views of older workers may be shifting.
- Positive stereotypes of older workers include being less likely to leave the organisation, being reliable, better at problem solving and better at dealing with customers. Most respondents were inclined to agree with many stereotyped positive characteristics of older workers, suggesting organisations are aware of the benefits of hiring and retaining older workers.
- Organisations are not experiencing increased risks, incidents or injuries with older workers. Whilst this may appear positive, it may also mean that strategies to ensure the health, safety and wellbeing of older workers are not being implemented.
- Of concern, the results suggest that a large proportion of organisations don't have comprehensive strategies in place to manage work health and safety for their overall workforce, let alone specific strategies for older workers.
- Some organisations are anticipating the need to make changes if the age profile of their workforce shifts to include more older workers; though very few reported they have a clear and achievable plan for doing so, which raises questions about the level of commitment that exists.
- Organisations appear concerned about labour shortages, though this does not appear to have stimulated a desire to better attract and retain older workers.
- More than half the respondents reported their organisation is not even considering strategies to attract and retain older workers, and do not have any policies in place regarding older workers.
- It is encouraging that organisations, which are taking the time to support the health and safety needs of older workers, appear to be experiencing a range of positive results. Of note is the higher levels of job satisfaction, decreased absenteeism and turnover, and increased engagement amongst older workers. It is also positive to see that many organisations have experienced greater inclusiveness, improved attitudes to older workers, and greater awareness of the needs of older workers amongst their broader workforce.

Introduction

Medical and technological advancements have seen significant increases in our average lifespan. People are living longer and the way we live our lives is gradually shifting. Life expectancy in developed countries has increased by more than 50% over the past century, and the limits to mortality for humans are still unknown. In the coming years and decades, the ageing population will have significant implications for health, work, housing, social services, and demand for skilled labour. However, social, economic and employment policy may not be changing swiftly enough to address the pressures created by a population that is ageing, particularly with respect to older worker health and labour force participation.

The issues of the ageing population and retention of older workers in active employment is considered as one of the most significant issues facing individuals, public and private sector organisations, and governments^[1]. The dependency of non-working Australians on working Australians has increased, with fewer individuals of working age (15-64) for every individual aged over 65^[2]. The current Australian pension eligibility age is 66 and this will increase by 6 months every 2 years until the pension age is 67 on 1 July 2023^[3]. To reduce the dependence of non-working Australians on the working population, it is critical to influence change and encourage prolonged paid workforce participation amongst older Australians. Change is happening slowly; Australia is starting to observe a slow shift in the number of Australians aged over 65 remaining in the workforce. In 2016-17, 20% of Australians aged 45 and over intended to work until age 70, compared to just 8% in 2004-05^[4].

The reality of Australian's choosing to work longer has presented employers with a challenge – ensuring that the health and safety of these workers is adequately managed. Concerns regarding the interactions between older workers, their health, and their work, are apparent. However, many of the concerns about the capacity of older workers may not reflect reality. They also may act as a deterrent to implementing sound strategies to retain and support older workers.

To better understand the beliefs and practices of Australian employers, and the extent to which they are engaging in positive action to support workers to remain in the labour force, the Australian National University, Office of Industrial Relations (Qld) and Safe Work Australia partnered on a research study examining the readiness of Australia employers to adopt strategies to retain and support older workers¹. This report discusses the findings of this research, and practical steps Australian employers can take to better prepare for increasing rates of work beyond the age of 65.

The health and safety of older workers

The relationship between health and ageing is complex. The increased proportion of older people in the population should not just be considered in terms of the pressure placed on public funding^[5], however, understanding and supporting healthy ageing is a key consideration for planning to reduce this pressure. It is also of considerable importance to Australian businesses. Anecdotally, according to Workplace Health and Safety Queensland's (WHSQ's) inspectors and advisors, businesses are more frequently querying how they should manage the health and safety risks associated with ageing. Whilst there may be a strong need to support the retention of older workers, there are concerns about the interactions between work and health for older Australians, such as:

- increased risks of injury and illness associated with a decline in physical and cognitive performance and psychological wellbeing

¹ The research study is Study Three of the Australian Research Council Linkage Project: "Working longer, staying healthy and keeping productive" being undertaken by the Australian National University in partnership with the Commonwealth Department of Social Services, Commonwealth Department of Employment, Brotherhood of St Laurence, Safe Work Australia and the Office of Industrial Relations (Qld), and in association with the University of Melbourne and University of New South Wales.

- the extent to which work may contribute to or exacerbate health conditions
- difficulties with finding new opportunities for older workers whose skills are redundant or are no longer capable of carrying out their work role.

Research does suggest that older workers who are in good health are expected to be less inclined to exit the workforce^[5]. Nevertheless, it is important to consider the extent to which the concerns about work and health in older workers is legitimate, and what needs to be done, regarding physical and psychological wellbeing, and cognitive performance.

Physical health

There tends to be a considerable emphasis on chronological age when considering issues associated with older workers, with factors such as appearance even playing a role in discrimination^[6]. Researchers suggest that to address this, awareness training should be run in organisations on topics including functional age, physical age, appearance, perceptions of age, and lifecycle stage^[1]. Most importantly, employers and workers should recognise the effects of ageing differ from person to person^[7]. It is indisputable that with ageing comes some degree of change in physical functioning. Normal aging is associated with gradual losses in aerobic capacity, muscle mass, muscle strength, spinal flexibility, hand grip, physical balance, and bone tissue^[6].

Whilst aging is generally associated with a decline in physical health, there are a range of individual factors that will impact on the extent of this decline and at what age it may occur. Such factors include fitness level, lifestyle, weight, and genetics^[8]. Research suggests that physical activity declines rapidly around 55 years of age^[5], likely impacting poorer health outcomes. To combat this, organisations can encourage active ageing, which involves the maintenance of functional capacity, and thus workforce participation. Active ageing is supported by practices such as lifelong learning, continuing to work beyond retirement age, graduated exit from the workforce, and engaging in activities that sustain good social, emotional, physical and psychological health^[5].

Whilst some may believe that older workers are at greater risk of being involved in a health and safety incident due to their diminished physical health and ability, research suggests older workers experience a lower frequency of work-related injury and illness as compared to the general working population. However, the injuries sustained tend to be more severe and more likely to be fatal than those sustained by younger workers^[8-10].

Psychological health

It is important to consider the psychological wellbeing and mental health of older workers. Psychosocial working conditions may play a significant role in the decline of health in older workers, particularly low job control, leading to psychological health outcomes as well as poor physical health^[11]. Workers are more likely to report feeling older than their age when exposed to higher rates of workplace stressors^[6]. As such, reducing work-related stress will promote the health and wellbeing of older workers^[12]. This is particularly the case given other psychosocial stressors, such as imbalances between effort and reward and work-life conflict, may also lead to increased blood pressure, hypertension and depression^[11].

Older workers express a greater need than younger workers to remain employed^[13]. This may mean that older workers are more inclined to remain in an unsatisfactory work environment than their younger counterparts. This is attributed to concerns about the negative consequences of speaking up, job security, and capacity to secure alternative employment^[8]. This is concerning given research on workers with chronic disease showed that those with low psychosocial resources were more likely to be unemployed at a three year follow-up, when compared to healthy workers^[14]. Older workers experiencing difficulties coping, with little control over their work and capacity to improve their situation, may feel inclined to leave the workforce for the betterment of their psychological wellbeing. This suggests that increasing psychosocial resources and decreasing work demands is likely to improve

employment outcomes for older workers. Greater attention needs to be given to mental health of older workers and the encouragement of better self-care^[5]. At the organisational level, employers are very well positioned as a key point of influence due to the number of older workers and scope to target messages at this cohort.

Cognitive functioning

Understanding the relationship between age and cognitive performance is also complex. Whilst some aspects of cognitive performance generally decline with age, such as reduction in reaction time, processing speed and the precision of perceptual processes, other aspects of cognitive performance tend to increase with age, such as improved control of language and the ability to process and solve complex problems, and intelligence also tends to remain stable^[6, 8]. Though reaction time slows, in part due to slowing of central processing, an increase in caution combined with knowledge and experience, see a trade-off between speed and accuracy that may actually result in improved performance, safety, and quality outcomes for older workers^[9].

Job conditions and roles that offer older workers challenging work that is substantively complex, and affords the worker an element of control, have been shown to increase intellectual flexibility and functioning^[15, 16]. There is a strong relationship between the cognitive functioning of older workers and the cognitive demands of the jobs in which they work^[16]. Work that offers sufficient intellectual stimulation and challenge may then promote successful ageing, i.e. maintaining good physical and psychological health, through improved cognitive performance^[12].

Whilst there is evidence that some aspects of physical and cognitive ability decline with age, older workers tend to possess good capacity to compensate for cognitive decline through their experience, learning, and efficient use of resources, particularly in environments where job demands are low and there is flexibility, allowing for selection of lighter tasks when needed^[6, 8, 9]. Older workers also tend to use more rational and problem-focused coping strategies than younger workers, and are more effective at emotion regulation, which is important in maintaining positive interpersonal relationships^[8]. There is certainly no evidence to suggest that Australian employers should be concerned about the neurological effects of ageing.

The research project

Given there is an increase in the number of older workers in Australia, and this has presented concerns for employers that may not necessarily be well founded, it is important to investigate how this might be impacting on health and employment outcomes for older Australians. Furthermore, if the health needs of older Australians are not addressed, their health may become a barrier to labour force participation, which will lead to a range of negative social, economic and public health impacts.

The “Working longer, staying healthy and keeping productive” research project, led by the National Centre for Epidemiology and Population Health at the Australian National University, presents an opportunity to explore and better understand these issues. This project addresses five key areas: jobs, workers, workplaces, precedents, and solutions.

The Office of Industrial Relations (Qld) and Safe Work Australia partnered with ANU to focus on one of these areas, workplaces, to better understand the readiness and capacity of Australian employers to adapt policies and strategies to meet the health-related needs of older workers.

Aims

The aim of this study was to explore the extent to which Australian employers are prepared for the ageing workforce, the steps taken to prepare, and factors that may hinder their preparation. In order to

design effective educational, support and regulatory strategies, it is necessary to know which workplaces may be least prepared and why, what problems are anticipated, and what supports workplaces need, including service supports for workers.

Method

The workplace survey was developed and tested using stakeholders of WHSQ. Questions contained in the survey were informed by background literature (see Introduction above for a summary). After refining questions, it was sent to senior human resources and occupational health and safety personnel, asking for their views and current organisational practices to support older workers, and the capacity and willingness of their organisation to adapt jobs to fit health and health care needs. The survey was distributed to the key contacts for WorkCover Queensland policy holders with declared wages of \$1,000,000 or greater. This cut-off was applied as a surrogate to select medium to large businesses, as these were more likely to have specific resources applied to human resource and work health and safety support for their workers. This also reduced the sample size from more than 150,000 to approximately 7800.

Survey participation was voluntary. Responses were anonymous and confidential. A consent form gaining agreement to participate was embedded in the survey. Respondents were permitted to withdraw at any point during the survey. Responses to questions were not required, and as such, there were varying response rates throughout the survey. The number of respondents for each question is reported throughout this reported, as reflected by “n=” where “n” is the number of responses received.

Participants

Researchers received a positive response to the survey with one thousand and seventeen (1,017) individuals responding. Respondents were predominantly from industries that are prioritised by health and safety regulators due to their size and risk profile, and as such may be organisations more engaged with the Office of Industrial Relations (Qld), and particularly, WHSQ. **Figure 1** shows the percentage of respondents by industry.

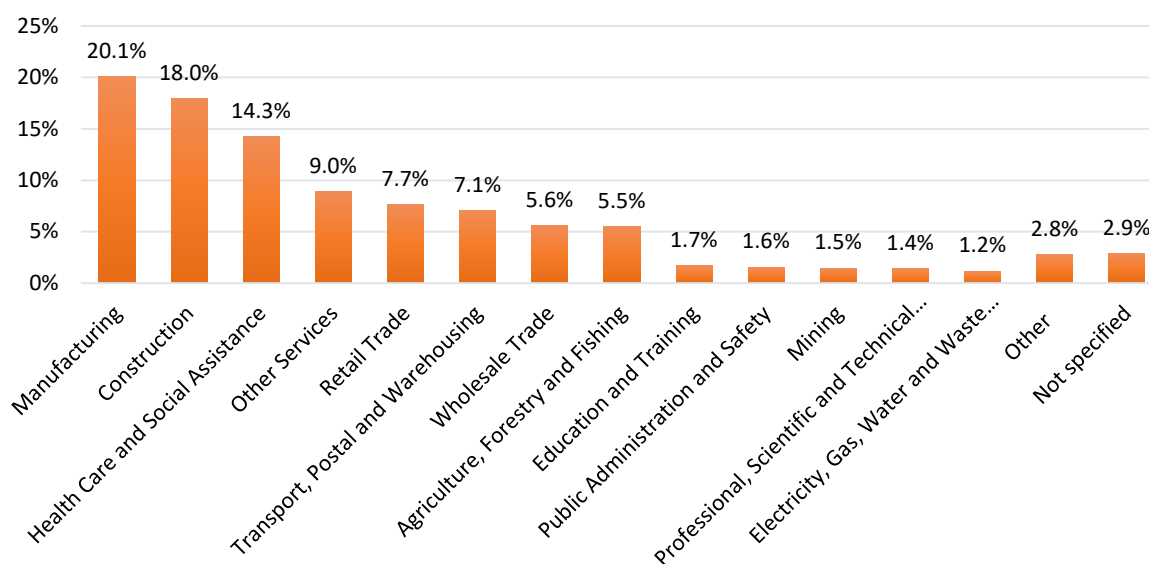


Figure 1. Percentage of respondents by industry.

Respondents were also asked to indicate how many workers their organisation has, which included contractors, labour hire workers and volunteers. **Figure 2** shows a breakdown of the proportion of respondents by organisation size. Respondents were predominantly from small to medium enterprises, which reflects the predominance of this size business in Queensland (and Australia).

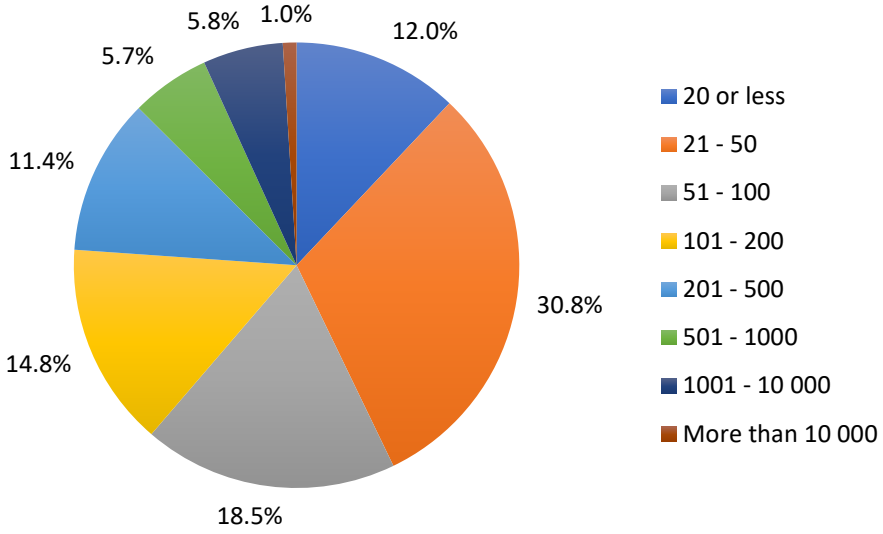


Figure 2. Percentage of respondents by organisation size.

To further understand the structure of respondent organisations, and distribution of the workforce, respondents were also asked to indicate the type of organisation they work with, as depicted in **Figure 3**.

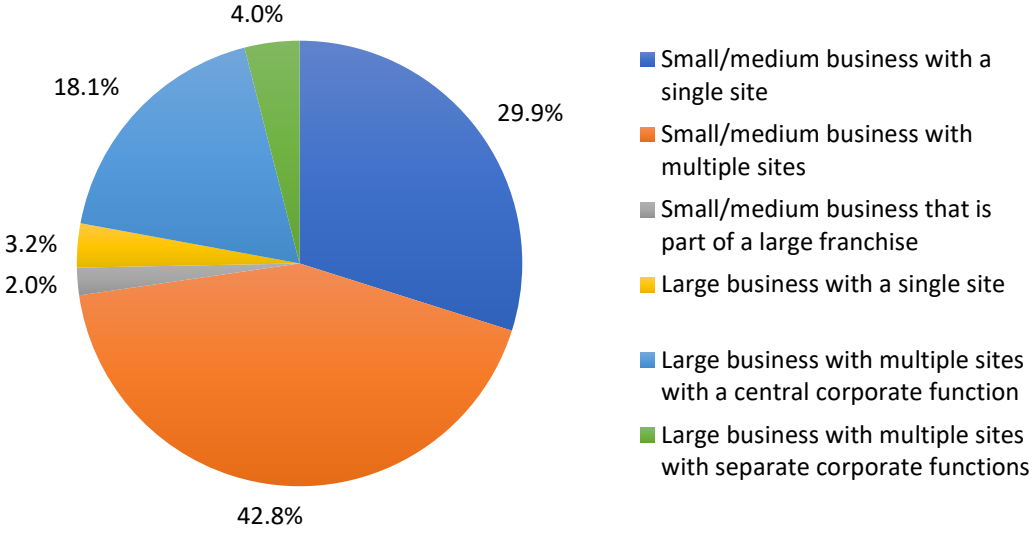


Figure 3. Percentage of respondents by organisation structure.

Respondents were asked questions about themselves, to help gain further insights into responses. The age of respondents was felt to be particularly important for this survey. **Figure 4** demonstrates that the greatest proportion of respondents were aged between 51 and 60.

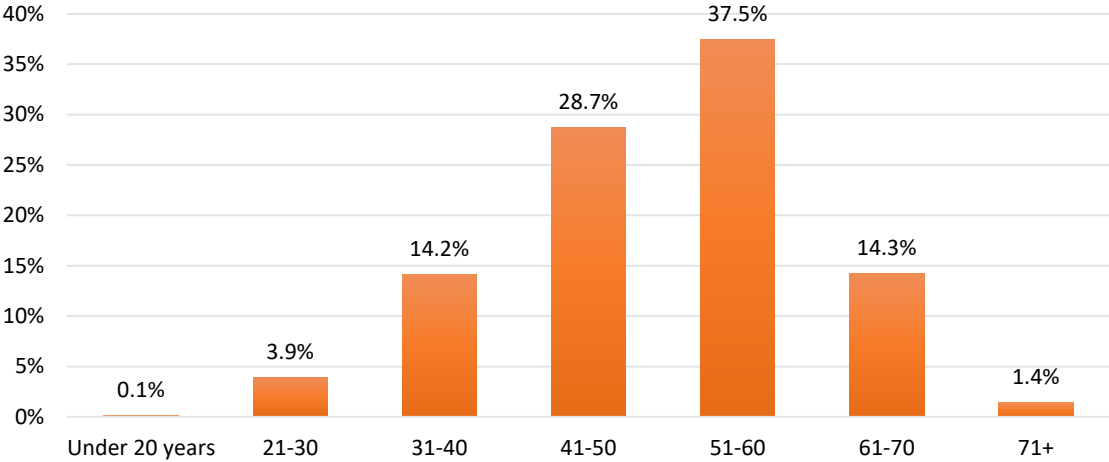


Figure 4. Percentage of respondents by age category.

Given the research was targeting health and safety and human resources professionals, respondents were asked whether they work in their organisation’s HR function. Approximately 11% of respondents reported their organisation doesn’t have a HR function. Of the remaining respondents, 72% reported they did work in the HR function. **Figure 5** represents the positions held by respondents and shows that the greatest group represented was senior managers.

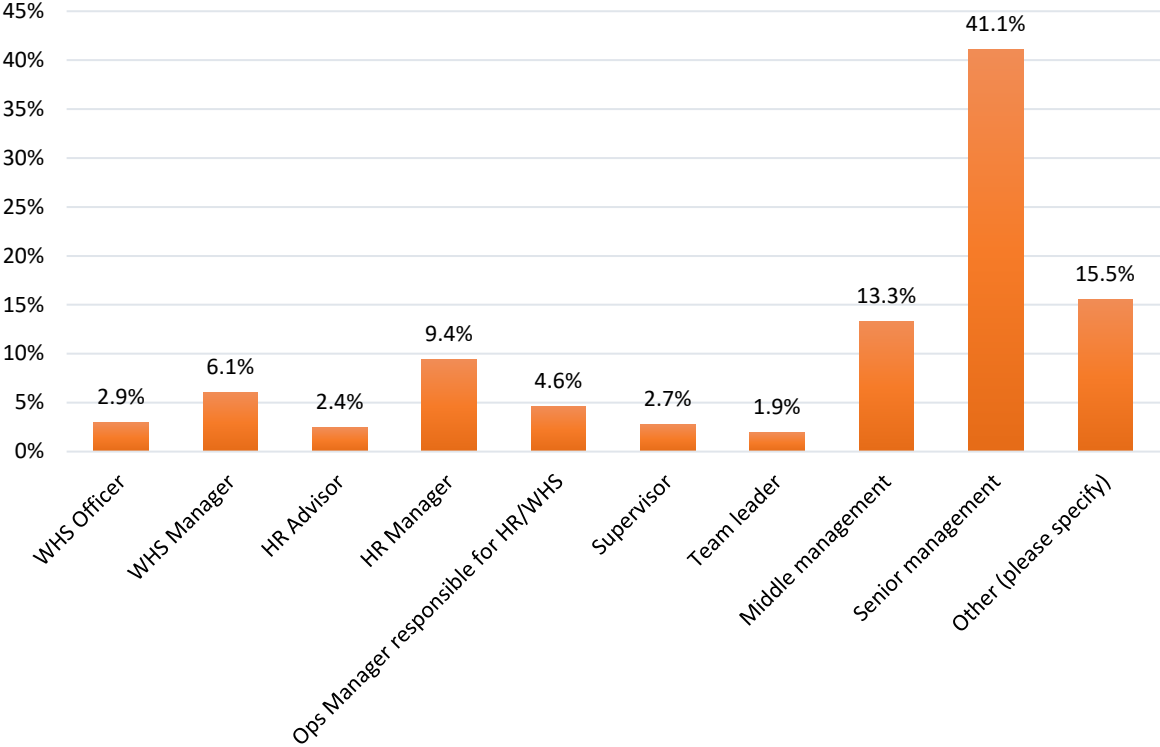


Figure 5. Percentage of respondents by position type.

Research findings

Perception of the age of older workers

There is no accepted definition in the Australian context of the age at which someone would be classified as an ‘older worker’. To better understand the perspectives of Australian organisations, survey respondents were asked at what age they would consider someone to be an older worker.

Of the respondents that answered this question (n=979), just over one third (35.6%) indicated that there is “no particular age” they would consider someone to be an older worker. Of the 64.4% that specified an age, responses indicated there is a lot of variability in perceptions of who is an ‘older worker’, with answers ranging from 30 to 80 years of age. Almost half of the respondents considered that someone aged 60 was an older worker. **Figure 6** demonstrates respondent perceptions of ages at which someone would be regarded as an ‘older worker’. **Figure 7** shows that there is a slight effect of age of respondent on their perception of the age at which someone is an older worker.

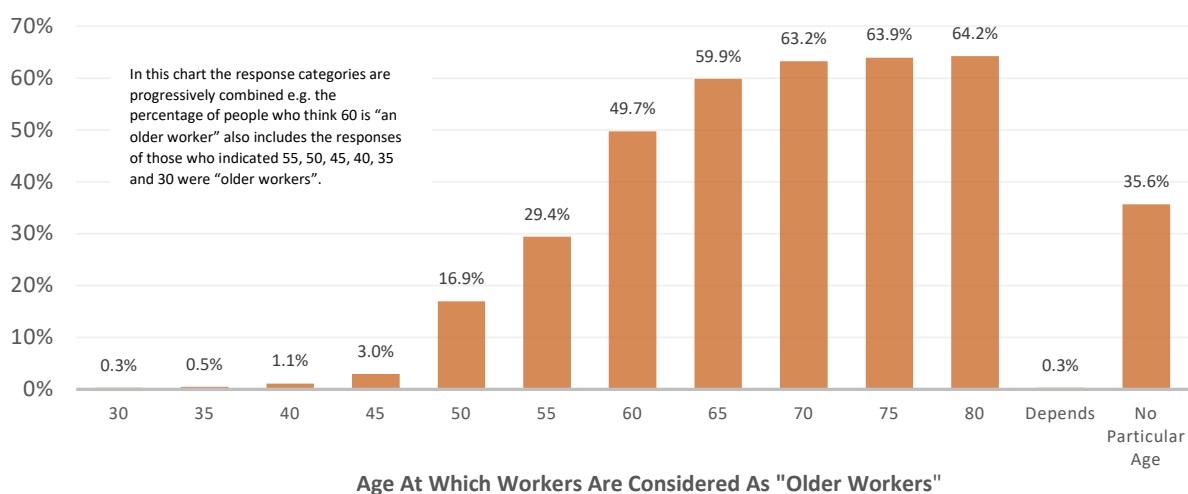


Figure 6. Perception of the age of an ‘older worker’.

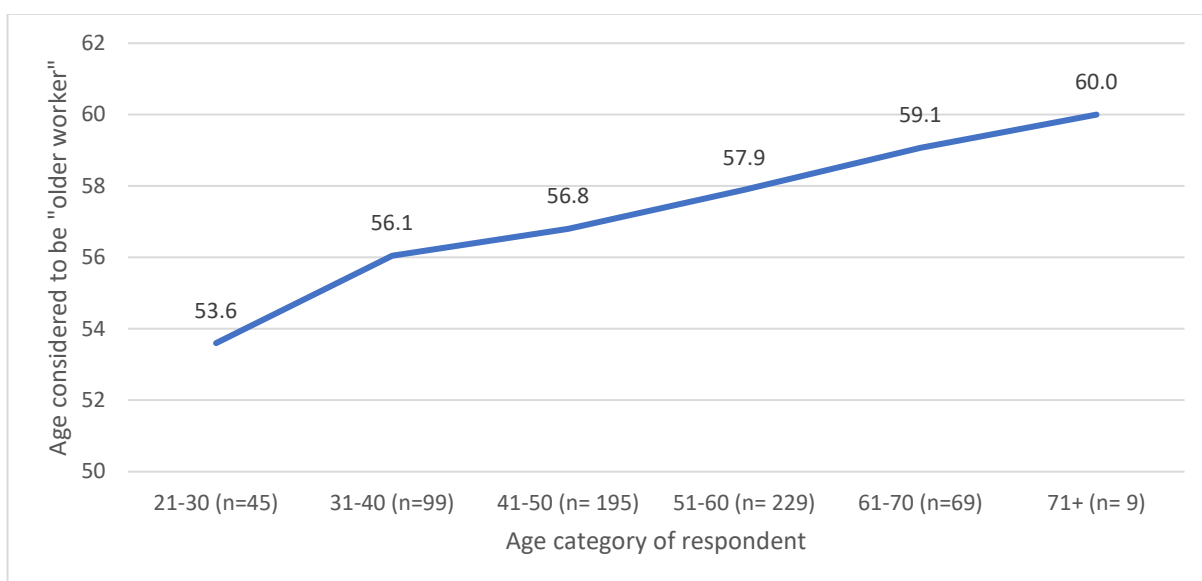


Figure 7. Effect of age of respondent on perception of the age of an ‘older worker’.

To further understand perceptions of older workers, respondents were asked at what age they felt a worker would be too old to work, with consideration for both full-time and part-time employment. The data shows that for respondents that provided a response for both employment types (n=928), the age threshold tended to be slightly higher for part-time work, as depicted in **Figure 8**. Most respondents indicated that they believed workers are too old for full time work by age 65.

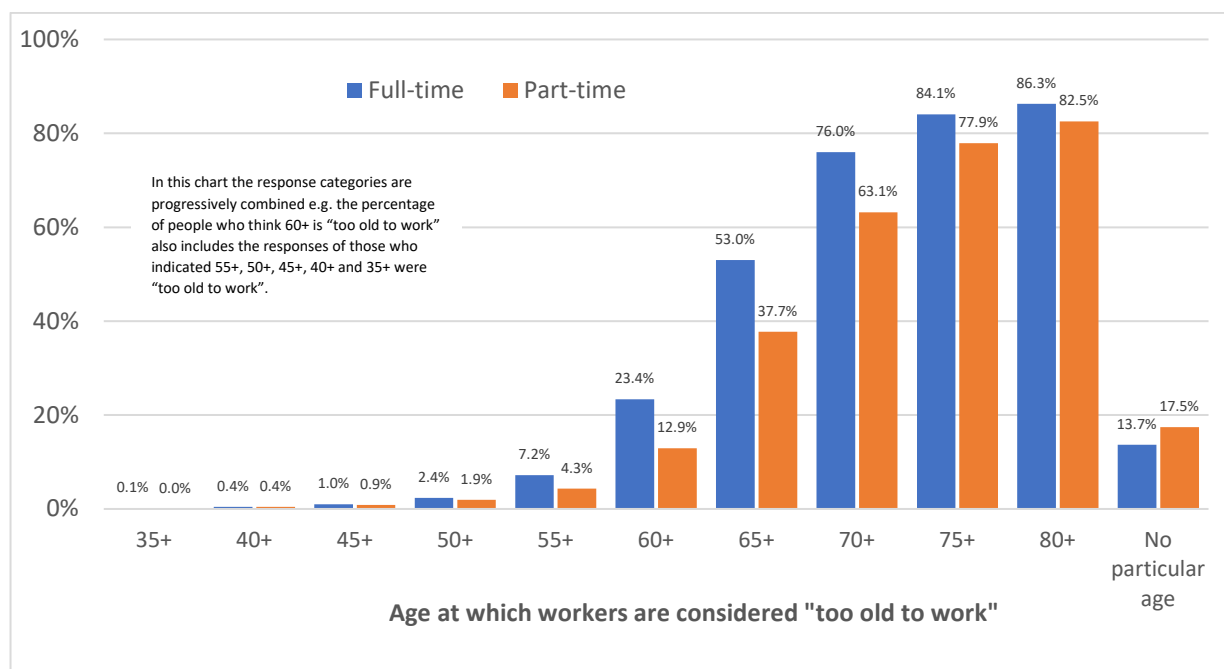


Figure 8. Frequency of perceived age at which workers are too old to work in part and full-time capacities.

Attitudes towards older workers

Research has consistently found that organisations possess negative attitudes towards older workers, and these tend to be based on stereotypes^[7, 12]. Continued stereotyping of older workers creates disadvantage for these individuals in the labour market. For example, researchers have suggested that the most likely reason for discrimination in hiring decisions, with respect to older workers, is negative stereotyping^[17]. In a recent study, the Australian Human Rights Commission^[18] found that over a quarter of people aged over 50 had recently experienced age discrimination, many when applying for a job, resulting in a significant number of older Australians giving up on seeking employment.

The prevailing beliefs and attitudes, which employers and managers have about older workers, impact upon their behaviours towards these workers^[19]. To better understand employment barriers and employer reluctance to make reasonable adjustments to support the continuing employment of older workers, survey respondents were asked to indicate the extent to which they agreed with a series of positive and negative stereotypes about older workers. As outlined in **Table 1**, most respondents tended to disagree or were neutral on most of the negative stereotypes, suggesting negative views of older workers may be shifting.

Table 1. Extent of agreement with stereotyped negative characteristics of older workers as compared to younger workers.

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	n=
Have more health concerns	3.5%	22.3%	28.8%	40.6%	4.7%	950
Are more resistant to change	2.7%	23.0%	31.9%	35.8%	6.6%	950
Want to work less hours	5.6%	32.5%	34.5%	25.9%	1.6%	946
Are more prone to injuries	6.0%	33.3%	34.5%	21.9%	4.3%	949
Have less physical strength	2.5%	26.7%	48.2%	19.2%	3.4%	950
Are more forgetful	7.0%	37.2%	44.3%	10.1%	1.5%	953
Are more expensive to employ	11.8%	48.6%	30.0%	7.7%	1.9%	948

Conversely, respondents were inclined to agree with many stereotyped positive characteristics of older workers, as shown in **Table 2**. This suggests organisations are likely aware of the benefits of hiring and retaining older workers.

Table 2. Extent of agreement with stereotyped positive characteristics of older workers as compared to younger workers.

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	n=
Are less likely to leave the organisation	2.3%	9.0%	13.8%	57.2%	17.7%	953
Are more reliable	0.7%	3.2%	22.7%	55.1%	18.3%	951
Have fewer absences from the workplace	1.9%	10.7%	24.1%	49.9%	13.4%	951
Are better at problem solving	0.5%	7.0%	33.9%	46.8%	11.7%	950
Are better at dealing with customers	1.3%	7.3%	47.4%	36.0%	8.1%	950
Are more productive	.3%	8.1%	53.3%	33.9%	4.4%	951

Experiences of health and safety issues of older workers

To gain a better understanding of the perceived challenges of retaining older workers and managing health and safety concerns, respondents were asked about their recent experiences of managing the health and safety of older workers. Respondents indicated that they were not experiencing increased risks, incidents or injuries with older workers, when compared to the general workforce, as shown in **Table 3**. Although this is positive, it may also lead to increased risk in the longer term, as organisations don't appear to see older workers as vulnerable or consider that older workers may have different needs. This means that it is likely there is less perceived need to take steps to tailor work health and safety strategies to meet the needs of older workers.

Table 3. Organisational experiences of responding to health and safety matters amongst older workers

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	N/A	n=
Experienced a higher rate of injury amongst older workers	14.5%	46.2%	22.9%	11.6%	2.6%	2.2%	939
Spent more time supporting older workers than younger workers returning to work after injury	13.3%	40.7%	26.5%	10.9%	3.6%	5.0%	940
Found that the cost of injuries are the same across all age categories	3.5%	15.8%	27.8%	45.2%	3.6%	4.1%	938
Identified higher risks of safety incidents and injuries occurring amongst older workers	11.5%	45.8%	27.5%	11.4%	1.6%	2.1%	940
Concerned that older workers could pose greater health and safety risks to themselves and others	12.7%	40.1%	27.4%	15.2%	3.3%	1.3%	939

Implementation of health and safety strategies that consider older worker needs

To further explore tailored strategies for older workers, respondents were asked what measures they have taken to manage health and safety issues across their broader workforce. They were also asked to specify whether these strategies had been specifically tailored to consider the needs of older workers.

Figure 9 shows the percentage of respondents that had undertaken each specified strategy and the percentage that have also tailored this strategy for older workers. These responses suggest that most organisations are not tailoring health and safety approaches for older workers and are likely implementing one size fits all approaches that do not consider diversity of their workforce.

The results also suggest there is a large proportion of organisations that don't have comprehensive strategies in place to manage work health and safety. That is, it appears that many organisations are not managing work in a way that reduces work health and safety risks, and not implementing strategies to improve the physical working environment; both are basic health and safety requirements of all Australian employers.

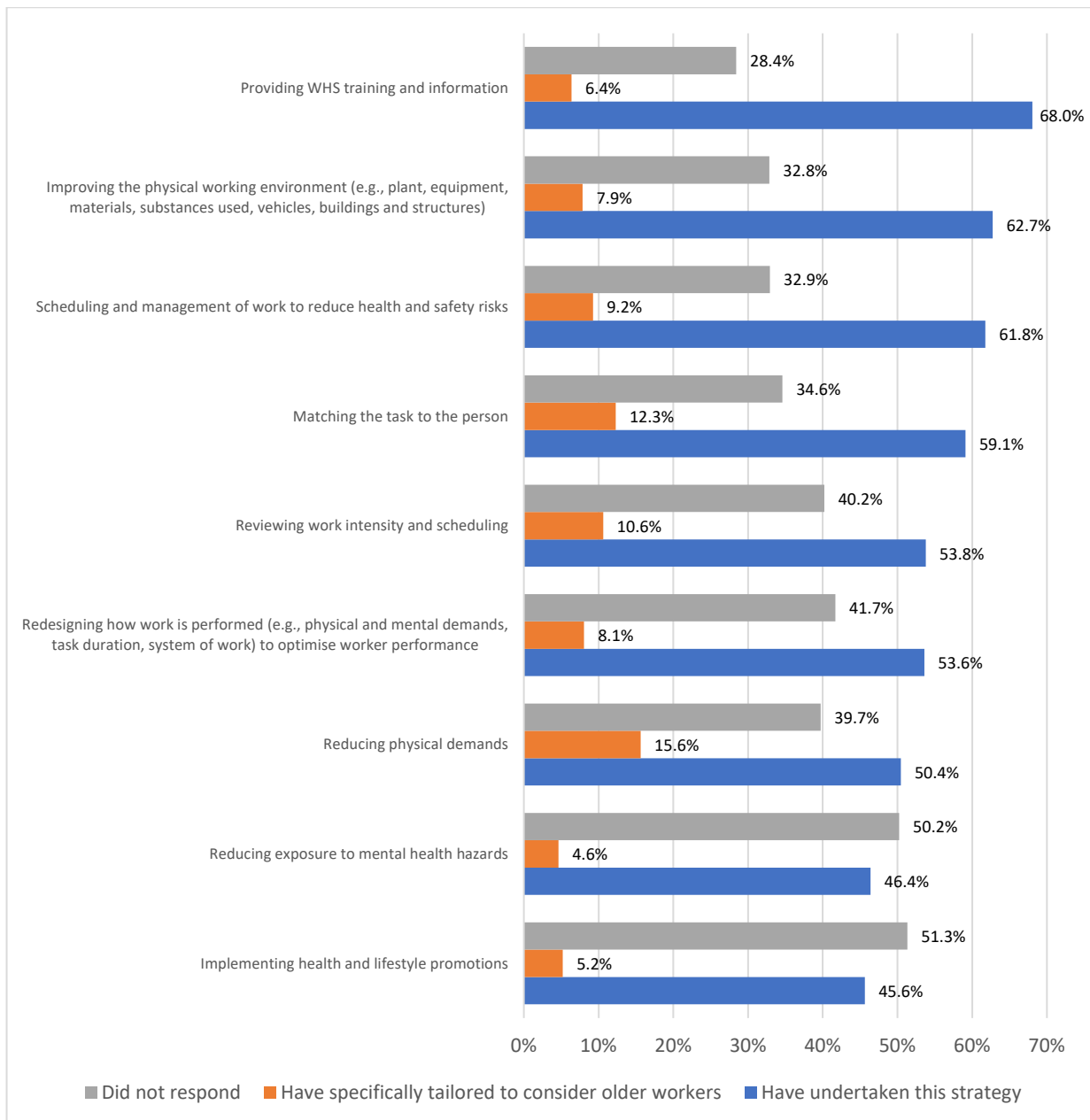


Figure 9. Measures organisations have undertaken to address work health and safety, and extent to which these have been tailored to consider specific needs of older workers.

Readiness for change

For organisations to be mobilised and ready for change, there should be a level of awareness of changing workforce trends and understanding what this will mean for Australian employers. Respondents were asked to what extent their organisation is aware of issues, to help determine if there is a perceived need for change. The figures on **Table 4** suggest that Australian employers are aware of issues regarding our ageing population and are also concerned about labour force shortages.

Table 4. *Awareness of ageing workforce and impacts to organisations.*

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	n=
My organisation is aware of changing workforce trends in Australia	1.8%	6.1%	18.7%	61.9%	11.5%	851
My organisation is concerned about labour force shortages	2.4%	16.6%	23.7%	41.0%	16.4%	849
My organisation is clear about how we will be impacted as a result of the ageing workforce	1.8%	15.7%	38.9%	36.2%	7.5%	849
Senior leaders in my organisation think it's important that we implement strategies to support older workers	3.3%	13.3%	46.4%	31.8%	5.3%	852

Respondents were also asked whether they agree their organisation would need to make certain changes should the proportion of older workers increase. **Table 5** demonstrates around one third of organisations are anticipating the need to make changes if the age profile of their workforce shifts to include more older workers, while a third are not doing so and a further third are neutral on this.

Table 5. *The extent to which organisations believe they will need to make changes if their workforce ages.*

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	n=
Will need to change the way it operates if the proportion of older workers in our workforce increases	3.3%	29.7%	30.2%	31.9%	5.1%	832
Will need to change the way jobs are designed if the proportion of older workers in our workforce increases	2.9%	29.9%	31.5%	31.2%	4.6%	833
Will need to change the way that roles and tasks are allocated if the proportion of older workers in our workforce increases	2.6%	26.7%	30.1%	35.5%	5.2%	832

In addition to understanding the perceived need for change, respondents were also asked about the extent to which their organisation has already 'set the wheels in motion' by committing to organisational actions required to support older workers. These responses are shown in **Table 6**.

Whilst most organisations suggest they are committed to supporting an ageing workforce, very few reported they have a clear and achievable plan for doing so, which raises questions about the level of commitment that exists.

Table 6. Organisational commitment to addressing the ageing workforce.

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	n=
My organisation has a clear and achievable plan for addressing the ageing workforce	4.6%	29.8%	49.3%	15.5%	0.9%	827
My organisation is committed to make any necessary adjustments to support older workers to remain in the workforce	1.1%	10.8%	36.8%	47.6%	3.8%	826
My organisation is ready to adapt policies and procedures, as required, to accommodate the needs of older workers	1.2%	10.2%	37.2%	47.5%	3.9%	825
My organisation is committed to retaining older workers	1.9%	5.3%	27.0%	56.7%	9.1%	827

This is further explored in the questions, reported in **Table 7**, which sought to understand other factors that may impact the capacity of organisations to retain and support older workers.

Table 7. Experiences of factors that may impact capacity to retain and support older workers.

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	n=
My organisation has a good system in place to monitor workforce trends and health and safety data to inform health, safety and wellbeing strategies across the workforce	1.2%	12.8%	30.4%	49.2%	6.4%	826
My organisation's health and safety strategy considers the needs of older workers	1.0%	16.3%	36.3%	44.0%	2.4%	822
My workforce has the skills and resources needed to ensure older workers are supported	1.1%	15.1%	33.9%	47.1%	2.8%	822
Senior leaders in my organisation are concerned about the health and safety implications of retaining older workers	2.9%	26.4%	39.4%	27.7%	3.7%	823
Senior leaders in my organisation are concerned about the anti-discrimination and industrial relations implications of exiting older workers	2.8%	23.2%	41.6%	26.6%	5.8%	823
I am aware of government programs and supports available to assist us to retain older workers	10.5%	44.2%	26.0%	17.6%	1.7%	822

Organisational strategies to attract, retain and support older workers

To determine how committed organisations are, respondents were asked about actions their organisations have taken to attract, retain, and support older workers. Actions taken by employers will significantly influence whether older workers want to, and are able to, remain in the workforce. However, available evidence suggests employers may lack knowledge, awareness and skills in developing and maintaining diverse and inclusive workplaces^[18]. Organisations that have a strategic approach to older workers tend to be larger, unionised, and have higher proportions of white-collar workers and women^[1]. The inclination to hire and retain older workers may vary considerably across industries, with European research suggesting that employers in construction and services sectors are more likely to recruit older workers than the public sector^[20]. As with the personal circumstances of older workers, the circumstances of a particular organisation or industry will shape their ability and desire to take action.

Though attitudes towards older workers may be shifting, a significant proportion (around 40%) of Australian organisations still suggest they wouldn't be willing to hire someone over the age of 65^[18]. Yet many Australian employers also experience difficulties in finding the talent they need^[21]. A shift in thinking about hiring older workers could result in wide-ranging benefits - older workers will help to narrow skills gaps and will be an important economic force for organisations trying to maintain productivity^[21].

Older worker outcomes will also be improved through employer desire to retain workers. In addition to considering propensity to recruit older workers, it is important to consider factors that contribute to retention. Organisational culture and climate are significant drivers of continued older worker participation. The motivation of older workers to continue working is influenced by the degree to which managers appreciate their work, support their health and wellbeing, provide learning opportunities, and facilitate career development^[12]. The presence of psychosocial stressors has been associated with exit from the labour force. For example, poorly managed organisational change is a predictor of early retirement, and poor job development climate has been shown to decrease the intention of older workers to remain with their organisation^[9, 22]. The health and wellbeing of older workers can be improved by reducing exposure to such stressors, and ensuring older workers have meaningful work and opportunities to participate in organisational decision-making^[12].

Respondents were asked whether they have in place a range of strategies considered good practice in recruiting, retaining and supporting older workers. As shown in **Table 8**, more than half the respondents reported their organisation is not even considering strategies to attract and retain older workers, and do not have any policies in place regarding older workers. Respondents indicated their organisations are more inclined to have general strategies in place that may positively impact on older workers, or go some way to addressing workforce planning issues brought about by the retirement of older workers and exit from the labour force, particularly strategic workforce planning and succession planning.

There are also a range of economic and employment trends to be considered that will shape the context for older worker retention. It is likely that increasing concerns regarding labour and skill shortages will result in pressures for organisations to address the recruitment and retention of older workers^[22]; such pressures may be used to some advantage in setting government policies and addressing inequities in the ways in which older workers are treated in Australian workplaces. Despite this being the case, and respondents to this survey reporting their organisation is concerned about labour shortages, it seems this has not yet stimulated a desire to better attract and retain older workers.

Table 8. Strategies implemented by organisations to support older workers and/or address the ageing workforce

	Yes	No, but considering	No, not considering	I don't know	n=
A strategy to attract older workers	7.8%	15.2%	63.8%	13.2%	884
A strategy to retain older workers	16.5%	18.9%	51.3%	13.3%	873
Policies on employing older workers	10.8%	13.5%	61.8%	13.9%	879
Policies on equal employment opportunity (EEO)	62.9%	8.2%	22.4%	6.5%	878
Strategic workforce planning	37.6%	21.4%	28.9%	12.1%	875
Succession planning	53.5%	22.3%	15.7%	8.5%	880
Mentoring programs	40.8%	23.8%	26.6%	8.8%	865
Education/awareness programs on diversity and inclusion	29.9%	20.5%	39.1%	10.6%	880
Strategy to retain workers with a disability	19.4%	15.3%	48.1%	17.2%	876
Disability inclusive recruitment practices	19.8%	14.8%	48.3%	17.1%	876
Re-skilling/re-training programs	24.6%	21.4%	41.7%	12.3%	873
Transition to retirement	26.1%	21.6%	38.9%	13.4%	879

Barriers to progress

Respondents to this survey have reported commitment to retaining and supporting older workers, and yet there is limited evidence that these organisations have engaged in the types of strategies known to increase the likelihood of older worker retention and support for their health needs. It is expected that whilst many organisations may appreciate the need for change and have a desire to implement good human resources and work health and safety practices, there may be some barriers to progress that they first need to navigate. To explore such barriers, respondents were asked about factors anticipated to create challenges. Results in **Table 9** demonstrate that respondents were more inclined to agree that they are experiencing barriers that may hinder efforts to support older workers.

Table 9. Factors that will challenge organisations in support older workers in the future.

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	n=
Budgetary constraints in developing and implementing new policies, strategies and programs	2.0%	21.1%	33.9%	36.7%	6.4%	815
Resourcing constraints (e.g. people, systems) in developing and implementing new policies, strategies and programs	6.4%	16.8%	33.1%	42.0%	6.4%	816
Lack of knowledge within the workforce to design new policies, strategies and programs	1.6%	21.5%	39.0%	34.0%	3.9%	815

There are a range of supports that may be beneficial to assist organisations to better support older workers. Respondents were invited to indicate which supports they thought their organisation would benefit from, and their responses are depicted in **Figure 10**.

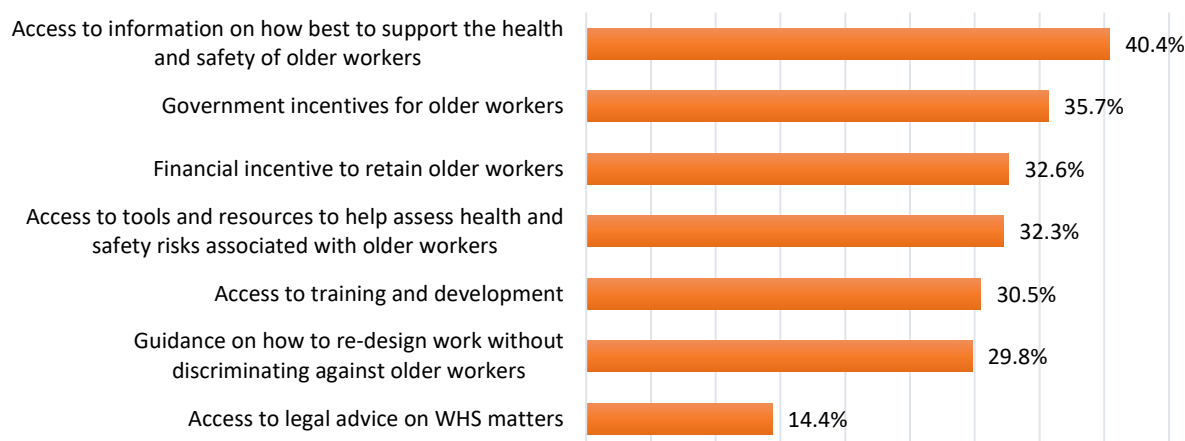


Figure 10. Percentage of respondents reporting the supports their organisation requires in addressing the health and safety needs of older workers.

Organisational strategies to address the health and safety needs of older workers

A range of organisational strategies are likely to support improved outcomes for older workers. Researchers^[20] found that the policies adopted by employers in support of older workers largely fall into three categories:

1. Strategies to adjust tasks or capabilities
2. Measures to balance work and leisure in more suitable manners
3. Interventions targeted at preventing high levels of fatigue amongst older workers.

The first of these, adjustments to tasks and capabilities, was least commonly applied. Fatigue and work-life balance initiatives were used at least twice as much. Close to half of employers implemented ergonomic interventions and extra leave opportunities. The researchers suggest that it is the more passive rather than active policies most commonly implemented, indicating more effort could be expended on supporting older workers^[20].

To find out more about the current experiences of Australian employers, survey respondents were asked for information specific to their health and safety actions in relation to older workers. Less than half of respondents (38.9%) agreed that their organisation’s health and safety strategy considers the changing health needs of older workers as they continue ageing. A greater proportion (76.6%) believed that the health and safety needs of a worker aged 65 would be at least slightly different to that of someone aged 50. This suggests that respondents believe the health and safety needs of workers change as they age, but their organisation has not necessarily taken any action as a result.

In understanding actions that may have been taken, respondents were asked whether they agree with a range of statements regarding their health and safety practices. These are outlined in **Table 10**.

Table 10. *The extent of actions taken to support the health and safety needs of older workers.*

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	n=
Has a strategy that differentiates between older workers who are still approaching retirement (i.e. aged in their 50s) versus those that have passed retirement age (i.e. aged pension eligibility of 65).	8.1%	49.1%	34.9%	7.7%	0.3%	807
Tailors our health and safety strategy to meet the needs of every individual	3.2%	21.6%	28.7%	41.1%	5.3%	805
Supports managers to have conversations with employees of all ages about their individual health and safety needs	1.6%	10.0%	21.4%	57.0%	10.1%	804
Takes active steps to retain workers aged over 65	5.0%	22.5%	47.6%	21.8%	3.1%	806
Takes active steps to attract workers aged over 65	10.6%	22.5%	46.0%	7.3%	1.0%	800
Has an effective approach to engaging workers aged over 65	8.4%	27.4%	48.0%	14.7%	1.5%	802

Respondents were further asked if their organisation has made reasonable adjustments to support older workers. Of the 810 respondents that answered, 364 (44.9%) said yes. These 364 respondents were asked a series of questions about the type of adjustments offered. **Table 11** helps us understand that while many organisations may not be actively trying to retain older workers, they also aren't encouraging them to leave through age limits on work and incentives to retire.

Table 11. *Strategies implemented by organisations to support older workers and/or address the ageing workforce*

	Yes	No, but considering	No, not considering	I don't know	n=
Part-time early retirement	57.8%	17.9%	15.3%	9.0%	346
Additional leave from work/extra days off	57.2%	11.0%	24.0%	7.8%	346
Allowing flexibility in taking rest breaks	53.4%	15.7%	22.9%	8.0%	350
Age limits for irregular work	10.4%	12.5%	55.1%	22.0%	345
Exemption from working overtime	25.7%	11.2%	48.7%	14.4%	347
Flexible working hours	77.3%	9.2%	9.0%	4.5%	357
The option to choose less demanding work at a lower rank and pay package	39.5%	20.5%	26.5%	23.5%	347
Offering incentives to retire	6.3%	11.5%	66.6%	15.6%	347

Respondents were asked what factors would prompt discussion about making reasonable adjustments for a worker. The most common responses were when a worker raises a health and safety concern, and when the worker makes a formal request, indicated by 3 out of 4 respondents. Approximately half of respondents did suggest that a manager raising a performance issue would also prompt such a discussion.

Finally, we asked respondents what sort of improvements they observed as a result of these interventions, both for their older workers, as well as their broader workforce more generally. These results are displayed in **Figure 11** and **Figure 12**.

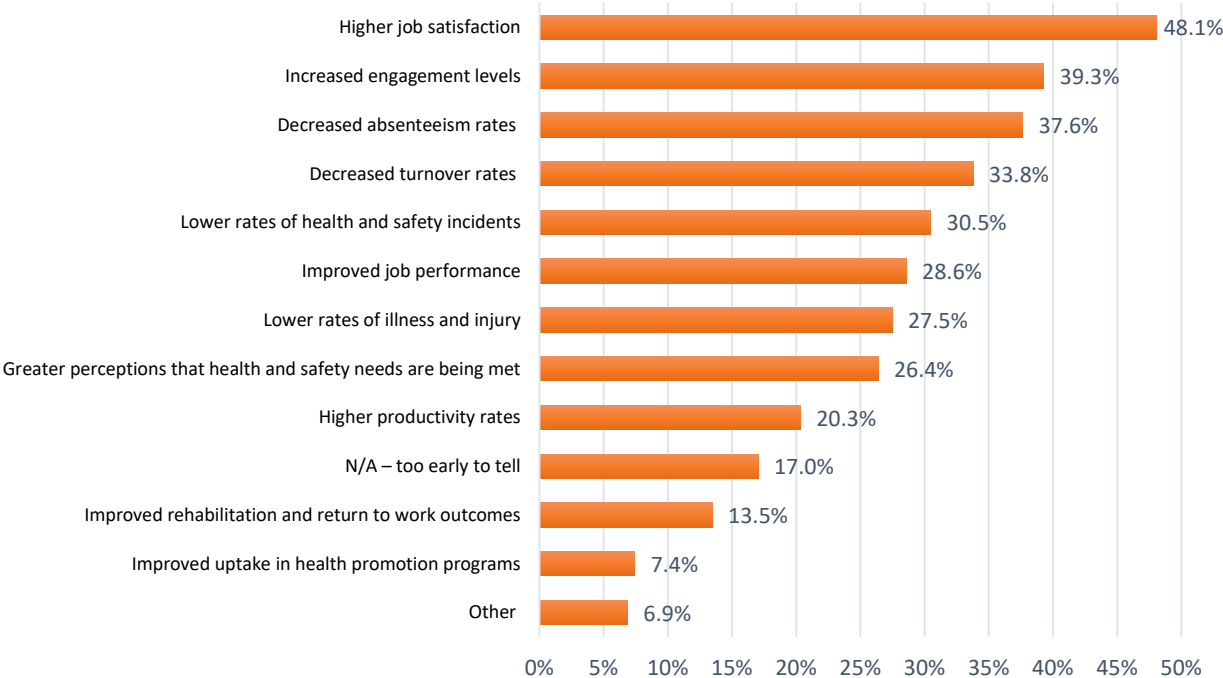


Figure 11. Percentage of respondents reporting improvements observed for older workers as a result of health and safety strategies to support older workers (n=364 had implemented strategies).

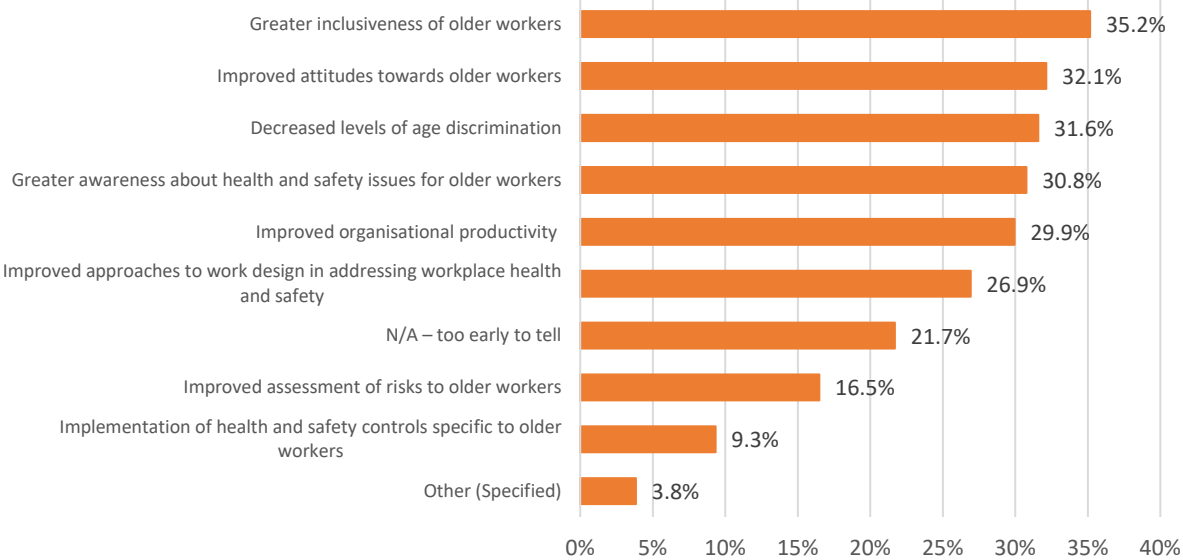


Figure 12. Percentage of respondents reporting improvements observed for the broader workforce as a result of health and safety strategies to support older workers (n=364 had implemented strategies).

Encouragingly, organisations taking the time to support the health and safety needs of older workers appear to be experiencing a range of positive results. Of note is the higher levels of job satisfaction, decreased absenteeism and turnover, and increased engagement amongst older workers. It is also positive to see that many organisations have experienced greater inclusiveness, improved attitudes to older workers, and greater awareness of the needs of older workers amongst their broader workforce.

Concluding observations

Australia's population is ageing, and workers will both need and want to remain in the workforce for longer. The health and wellbeing of older workers will likely be improved through delaying retirement, improving primary health care, implementing cost effective prevention programs, and increasing social interaction and activity^[5]. As a result, there will need to be a strong response from government, industry and businesses across Australia to support the retention of older workers. Organisations have a significant role to play in prolonging employment and providing meaningful and supportive work opportunities for older Australians. This research shows that support for the retention of older workers may still be limited amongst many managers and employers; government policies and strategies aimed at increasing labour force participation rates will likely have limited effects if businesses do not take more committed action towards older work retention and support^[19].

For organisations considering strategies to address their ageing workforce, monitoring workforce metrics and understanding the workforce is critical. Organisations should collect data on factors such as age, retirement intentions, training participation, employee performance, and use of flexible work arrangements^[1]. This will help to build strategic workforce plans that can inform organisations on what skills they will need in the future and how to mobilise their workforces to meet future demands. Research shows that employers will seek to increase their use of contingent workers in coming years^[21], which may provide positive opportunities for older workers who don't want to retire but want to transition into more flexible work arrangements.

It is clear the organisations stand to benefit enormously by supporting the retention of older workers. The findings of this research are supported by other studies, demonstrating that interventions to support older workers result in benefits such as knowledge and skill retention, increased loyalty and commitment, decreased turnover and absenteeism, and increased productivity and job satisfaction^[6]. Much can be done to encourage workforce participation amongst older workers, including providing flexibility to allow a suitable transition to retirement, offering greater job control, part-time options, and redesigning jobs to ensure best fit with workers' skills, abilities and needs^[1]. More so, employers need to consider how they best develop and maintain age-friendly workplaces that value diversity and the contributions of workers of all ages^[12].

Recommendations for Australian employers

In working towards good practice in supporting an ageing workforce, it is recommended employers consider the following activities in collaboration with staff:

Proactive consultation with older workers about their needs. Employers should proactively consult with workers to understand shifting needs as they age, appropriate adjustments that can be made, and suitable initiatives to support working longer, staying healthy, keeping productive, and feeling satisfied at work. Consultation may take many forms, including seeking views through employee opinion surveys, supporting managers to have one-on-one discussions with staff, and ensuring older workers are represented through worker consultation process for health and safety management.

Tailor health and safety practices. Employers should review health and safety management practices to ensure they meet the changing needs of workers as they age, with consideration of implementation of reasonably practicable strategies to manage risks and create a positive, healthy and safe working environment.

Identify and address discrimination. Employers should have appropriate processes in place to ensure employees are aware of anti-discrimination requirements and understand how they can raise issues of age discrimination in the workplace. Complaints processes should be reviewed to ensure they are fit for purpose, and workers are actively encouraged to report concerns.

Build a culture that values diversity and is inclusive. Employers should consider the extent to which their organisation values diversity and is inclusive of workers of a range of ages, as well as gender, religion, culture etc. A more diverse and inclusive environment will facilitate collaborative, supportive, and respectful behaviours that increases employee engagement and participation. Where this is an area for development, employers should consider activities that will improve organisational culture.

Identify and remove disincentives. Employers should review current policies and practices to identify any factors that may disincentivise older worker retention and ensure that workers are provided with the necessary information, support and flexibility to continue working, if this is their desire. Incentives to retire may be overt or may be less obvious including avoidance of provision of career and development opportunities for employees over a certain age.

Monitor and review workforce metrics. Employers should monitor workforce trends, observe what is happening in the workplace, and review metrics such as absenteeism, turnover, health and safety incidents, employee performance, engagement and intentions to retire to assist in planning for the future. Employers should consider organisational impacts of increasing turnover rates due to labour force exit, and the implications of losing talent amongst their older workers.

Remove bias from selection processes. Employers should review any policies and practices that actively discourage hiring older workers, and ensure that recruitment and selection processes are fair, equitable, and consider the range of benefits and value that older workers bring to the workforce.

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