

## Overview

- The EU Strategic Framework on Health and Safety at Work 2014–2020 includes ‘taking account of the ageing of the EU’s workforce’ as one of the three major health and safety challenges over the period.
- In this report, we contribute to the debate on the ageing workforce and the role of working conditions and worker health and safety in extending working lives.
- In Ireland, according to the 2018 Labour Force Survey, there are currently 396,060 workers aged 55 and over, accounting for 18 per cent of the employed population.
- The Department of Public Expenditure and Reform (2016) predicts that expenditure on state pensions and welfare-related schemes will increase from almost €7 billion in 2016 to €8.7 billion by 2026 due to ‘demographic pressure’.
- Extending working lives has been identified as an important element of public policy to address the needs of an ageing population.
- At a national level, the *National Positive Ageing Strategy* set ‘inclusive employment options’ as a key national goal.
- Active Ageing is a major policy goal in the *Europe 2020* strategy, which aims to increase work participation to ‘raise employment and productivity’, but also to foster wellbeing and ‘intergenerational solidarity’.
- There is a strong imperative across Europe to increase employment among older workers to contribute to the sustainability of welfare systems.
- Generally, the Irish workforce retains older workers better than the EU28 average. While this trend is generally positive, we note that simply extending working lives is not a sustainable answer to work longevity.
- The employment rate of those aged 50 to 74 is higher in Ireland than in the EU28, with more men extending their participation than women.

### Older Workers Demographics

- Irish life expectancy continues to increase.
- The latest ESRI projections suggest that life expectancy will rise to 83 for men and 87 for women by 2030.
- The CSO predicts that Ireland's older population (those aged over 65) will increase from 629,000 in 2016 to between 1.5 and 1.6 million in 2051.
- By 2031, it is forecast that at least 32 per cent of the labour force in Ireland will be aged over 50 years, up from 26 per cent in 2016.
- Population ageing brings a set of challenges including :
  - that of ensuring adequate income during retirement and
  - striking a balance between the numbers paying into the taxation system and the numbers dependent on welfare supports (including state pensions).
  - As a result, policymakers across Europe are encouraging older workers to remain employed.

## Policy Findings

- Until very recently, Irish policy documents on employment and jobs had surprisingly little to say about the ageing workforce
  - The recently published Future Jobs Ireland 2019 has belatedly addressed this issue sets a target to increase the participation rate among those aged over 55 from 34 per cent to over 38 per cent by 2025.
- Longer employment is only sustainable if the working conditions are compatible with the needs of older workers.

These can include:

- reduced working hours,
  - adjustment to workplace designs,
  - redeployment away from hazardous positions to work that is less demanding, and
  - assistance to return to work for those who have been absent due to sickness/disability.
- Greater participation is to be encouraged through more flexible work arrangements:
    - By promoting the development of age-friendly workplaces to accommodate those wishing to continue to work,
    - improving attitudes of employers around the productive capacity of older workers,
    - and removing disincentives to working beyond retirement age.
  - Also, voluntary early exits (early retirement) are strongly linked to income security
    - availability of finances have a strong negative effect on workers' intentions to work beyond the age of 65.

## Policy Findings

- Extending working lives is now a central element of active ageing policy in Ireland.
- Providing sustainable employment for older workers has been identified as a key issue for the economy and welfare state in Ireland.
- The European Agency for Safety and Health at Work (EU-OSHA, 2016a) emphasised that chronological age is a poor predictor of biological age and productivity
  - the authors conclude that there is little evidence that ageing is associated with a decline in productivity since older workers compensate for deterioration in some physical functioning through greater experience and skill.
  - there is a high degree of variation in the health status of older age groups.
- A central element of this picture is the health and working conditions faced by older workers.
- A multi-pronged policy response is necessary including :
  - part-time hours and flexible work options,
  - access to training/lifelong learning opportunities,
  - organisational strategies to accommodate those with illness/disability and
  - to rehabilitate those re-entering following an absence.
- The strong occupational and sectoral patterns in retention, reasons for early exit and fatalities suggest that interventions focused on particular industries and jobs may also prove fruitful.

- The Labour Force Survey explores the occupations and sectors that best retain older workers :
  - Regarding overall retention, we found that Ireland has a higher rate than the OECD Average.
  - agricultural and construction sectors have particularly high retention rates of older workers.
  - These sectors have high levels of self-employed workers who have greater freedom to determine their age of retirement and may also have a greater financial imperative to continue to work due to differences in pension coverage.
  - Among employees only, retention rates are highest in the public sector and in administrative sectors.
  - Professional positions have a low retention rate among all occupations.
  - The lowest retention rates overall are in health, education and industry.
  - The proportion of older workers that left due to illness or disability is 19 per cent.
  
- Early exits in public administration may be related to choice rather than constraint :
  - facilitated by more generous pensions in the public sector.
  - A similar process is likely to operate in the education and health sectors, which also have a higher proportion of public sector workers.

### Older Workers Jobs

- Studies show that continued cognitive challenges and physical activity are important for maintaining function, our analysis of the European Working Conditions Survey (EWCS) shows that many older workers themselves also perceive a health benefit to working.
- Workers aged 55 and over represent a larger share of workers in :
  - The agricultural sector (47 per cent),
  - The transport sector (27 per cent) and
  - public administration (22 per cent),
  - compared to their share of total employment (17.3 per cent).
- The share of older workers is much smaller than average in :
  - the retail sector (14 per cent),
  - accommodation sector (14 per cent) and
  - information/financial sector (10 per cent)
- Older workers (aged 55 or more) are over-represented in skilled agricultural, plant operator occupations and managerial locations.
  - the highest retention rates are observed in the agriculture and construction sectors.
  - This is due in part to the high concentration of self-employed workers in these sectors, who tend to work longer.
- On average, older workers have equal or better working conditions than workers under 55.
- Older workers report better subjective health and are less likely to believe that their health and safety is at risk due to work.
- Over half of early leavers cite retirement as the reason for leaving.
- Mainly, older workers tend to work both longer and shorter hours, and are much more likely to be self-employed.
- Labour Force Survey data show that the proportion of workers that are self-employed increases sharply with age.
- Self-employment is much more common among older workers.
- Working beyond state pension age is much more common among those who are self-employed.
- Older workers are less likely to work in shifts or at night.

## Older Workers Health

- The European Agency for Safety and Health at Work (EU-OSHA, 2016a) undertook a detailed review of the implications of ageing for the health and safety of the workforce.
  - The key message of the review is that the age at which changes in physiological and cognitive functions start to take place, and the extent of such changes, vary widely across individuals and social groups
  - Another key conclusion of the review is that there is little evidence that changes in cognitive function affect work performance since older workers 'compensate... with an increase in knowledge, experience and judgement.
- Older workers are more likely to believe that their work affects their health positively than younger workers.
- HSA statistics on workplace fatalities:
  - Although most fatalities occur among workers under 55, the rate of fatalities per 100,000 workers is highest for workers over 65.
- Though Irish research finds that injury declines with age.
- Studies in Ireland and elsewhere show that younger workers and inexperienced workers are the most at risk of workplace injury:
  - while injury rates are lower for older workers, accidents involving older workers are likely to result in more serious injuries.
- Research published by the ESRI and HSA found that rates of work-related musculoskeletal disorders are more common among older age groups.