

Employment Problems of Older Workers

By J. W. WILLARD

THE growth of industrialization with its speeded up processes and dilution of skills, the concentration of population in urban areas; and the prolongation of human life have all contributed to what may well be a type of long run under-employment of older workers. Only under conditions of full employment and over employment has this situation been alleviated. Added to this chronic employment difficulty is the particular susceptibility of the older worker to cyclical unemployment when economic conditions are unfavourable. The downward path in employability for men begins around the ages 40 to 45, for women five to ten years earlier. An age often considered "the prime of life" has become for many a period of increasing employment handicaps.

The mechanization of industry and mass production techniques have led to increasing speed in industrial processes and, as a result, speed of reaction of the worker has become a prime consideration in many occupations of modern industry. Since reaction time slows up when middle age begins, age limits have been placed on many types of employment.

This same industrial development has led in many instances to a dilution of skills through which many skilled trades have been converted to semi-skilled or unskilled occupations. It is not so long ago that there was reasonable assurance that a skill, once acquired, would be good for life. To-day, in a highly dynamic economy, it may become outmoded by

new processes within a few years. Under such conditions the labour force must be continually readapted to the changing needs of industry. And in this adaptation process the older workers frequently bear a disproportionate share of technological unemployment. Once on the labour market, their chances, as unskilled labourers, of obtaining re-employment in new trades are seriously restricted by competition with younger workers.

With the rise of industrialization and the relative decline in the importance of agriculture in our economy there has been a steady increase in the proportion of industrial workers. And since farm work does not raise the employment handicaps of age to the same extent as industry, the trend towards industrialization and urbanization has increased the employment problems of the aged.

But the magnitude of the problem has taken on even larger dimensions because of demographic trends. Modern medicine and public health, together with a higher standard of general welfare, have increased life expectancy considerably. For example, expectation of life at birth for male whites in the United States jumped from 48 years at the beginning of the century to almost 63 years in 1940. The lengthening of the span of life, combined with a marked decline in the birth-rate until a few years ago, and the lack of any significant immigration in recent decades, is resulting in a fundamental change in the age structure of the population.

The United States no longer has a young population. From 1870 to 1940 the proportion of persons 65 years of age and over in the population more than doubled, and it is anticipated that in

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the 60-year period 1940 to 2000 this sector of the population may double again. Current population projections indicate that by the end of this century one out of every eight persons in the United States will be 65 years of age or over.

The desire of the worker for security and leisure time in later life and the preference on the part of many employers for younger workers constitute a formidable force towards early retirement. The limits to which retirement age can be lowered, if we are to maintain a high standard of living, will depend on such factors as the level of employment, average manhour productivity and the amount of leisure time taken by productive workers for vacations, holidays, shorter work week, and so on. With the proportion of older persons steadily increasing, the lowering of the retirement age results in a growing loss of effective manpower and at the same time places an added burden of maintenance on a proportionately smaller productive labour force.

For the individual, the psychological consequences of being continually refused employment because of age are very serious. The frustrations of being unable to use his skill, experience and training, of being denied a means of economic self-support and of feeling that there is no place for him in the present economic society are bound to crowd our mental hospitals and increase the case load of outpatient clinics with complaints that are basically mental rather than physical.

While the effect of employment on physical well-being has not been fully explored, many psychologists and medical men believe, on the basis of their clinical observations, that life is prolonged by work that is enjoyed and is geared to one's capacity. The Nuffield Report on the needs of the older worker in England has stated that there is much evidence to show that continuous occupation is a

means of delaying many of the effects of age.

In many instances age discrimination in employment is making an attack upon the very core of our society—the family. Today more than half our young people do not become employed before they are 18 and many are still financially dependent upon their parents at 22. The trend towards longer educational training of young people before entering the employment market coupled with youths' own employment problems have served to lengthen the period of family maintenance, and the cost of this support becomes increasingly more expensive in later 'teens. Thus, at a time when the wage earner's family responsibilities are heaviest, he reaches the period when age discrimination in employment becomes increasingly acute.

For men 40-64 years of age and women 35-60, and for men over 65 and women over 60 who desire to continue to work either on a full time or part time basis, employment opportunities are of prime concern rather than the provision of retirement benefits. It is imperative that these persons be social assets and not social liabilities.

However, to many employers older workers appear as *cost-increasing* and *output-reducing* factors of production which serve only to reduce profit. Some employers argue that older workers mean a higher cost of compensation insurance, increased rates for group insurance and the weakening of private company pension plans, all of which are *cost-increasing* considerations. It is also contended that older workers are *output-reducing* factors because old age results in a physical decline and a lessening of productivity. Added to this is the argument that many older workers have experienced a loss or obsolescence of skills.

But evidence does not show that industrial accident rates increase with advancing years and thus cause higher insurance compensation costs. While it has

been found that susceptibility to accidents in general increases with age, the reverse is true in the case of industrial accidents. Statistical data show that the accident frequency rate is higher for the age group 20 to 24 than for the age group 30 to 55. It should be mentioned, however, that although involved in fewer accidents the older worker is slower to recover from injury and illness, which tends to balance accident costs with those of younger age groups.

With regard to group insurance, premiums are slightly higher for older workers but the importance of this as a factor favouring younger employees has been greatly exaggerated. The premium rates quoted by a large Canadian life insurance company were \$6.27 annually at age 25 for \$1,000 of group life insurance compared with \$7.85 annually at age 40, or an increase of only \$1.58 per \$1,000 of insurance per year.¹ Relative to total payroll, the addition caused by such a differential is comparatively unimportant. Further, a very large proportion of the group insurance held is on an employee contributory basis involving no cost to the employer.

The situation with respect to pension plans differs with the type of plan. In some plans, higher contributions must be paid on behalf of older persons while in others a minimum pension is provided regardless of the employee's age of entry to the plan. Under such circumstances the employer can advance a fair argument for a preference for younger employees. However, one very common type of pension programme provides for employer contribution on the basis of a certain percentage of the wages paid to the employee, irrespective of his age. Since the pension is then computed on the length of service of the employee with the company, the employer is not penalized by being obliged to make larger contributions in the case of older persons. A number of plans do not include employees

who are older than some particular age; other plans provide for the return of contributions upon retirement if the pension earned is below some specified annual amount. However, if some company pension plans are to become barriers to the employment of older workers, then it is time action was taken to provide public old age retirement pensions that are universal in coverage and have adequate benefits.

The experience of World War II, when hundreds of thousands of older workers accepted new occupations and performed efficient service, indicates that much of the criticism that older people resist change and are not readily adaptable to new situations is sheer prejudice. A survey¹ sponsored by the United States National Association of Manufacturers, revealed that about one-sixth of the employers found the adjustment of older workers to new situations more difficult than in the case of younger workers, while about one-half of the employers felt there was no difference, and one-third indicated that older workers adjust themselves more readily to changed conditions. There is much evidence to support the contention that while greater care is required in selection of older workers for jobs, once they are suitably placed they tend to be more reliable and efficient.

In the war production retraining courses at Harvard University in 1943, where there was a fair cross-section of older workers, it was found that, with adequate incentive, these older workers not only could retain and master new information but, because of their past experience in industry, could contribute new ideas of definite originality and value.²

When economic conditions are favourable, labour turnover is a very serious and costly problem in industry. The data available indicates that where working

1. "The Problem of the Older Worker," *The Labour Gazette*, Department of Labour, Canada, Sept., 1947 p. 1255.

2. Ross A. McFarland, "The Older Worker In Industry," *Harvard Business Review*, Vol. 21, No. 4, Summer Number, 1943.

1. Arthur MacNamara, Deputy Minister of Labour, *Industrial Canada*, Vol. XLVIII No. 4, Aug. 1947.

conditions are reasonably good and rates of pay are "fair" the rate of labour turnover is greater in the lower than in the higher age groups. There appears to be less tendency toward boredom on the part of the older workers where the task is routine and repetitive. Further, the older person usually has greater responsibilities to himself, his family and the community in which he lives, all of which tend to make him less mobile.

There is, on the average, some diminution of productive efficiency with age, but it must be emphasized that the decline is slight and usually counterbalanced by other assets such as greater experience, maturity of judgment and stability. Unfortunately, the employment differential which operates to the disadvantage of the older worker is often the beliefs which employers, and even workers themselves, have concerning the question, rather than the actual employability of the person. Because of this, the adverse differential has been unduly exaggerated. Further, the whole approach to the problem has, in many instances, been so perverted that emphasis is placed upon the faculties an individual lacks, regardless of whether they are needed for the particular job, rather than on those he possesses. Full recognition has not been given to the fact that very few jobs require *all* human faculties.

Old age itself has no chronological date stamp. Because we use chronological age as an index in everyday life, we frequently forget that it does not represent functional or physiological age. Physical stamina in older persons may vary so much that chronological age is not a reliable guide. The physical condition of some men at 65 is comparable to that of others at 50. For some persons mental senescence may come prematurely while in others mental faculties may show little or no effect with age.

Too often the chronological age stated on an application for employment auto-

matically eliminates a worker whose functional age might be much younger and wholly satisfactory for the job. It is to industry's advantage to sift prospective employees by means of aptitude tests and tests of individual physiological and mental reserve so that ability and efficiency may be valued independently of chronological age. If age is to be used at all as an attribute in selection it is the "functional" age of the worker that industry must know, that is, the worker's vision, motor skill and so on, translated into the requirements of a specific job and its environment. The real usefulness of an older worker will depend, therefore, upon how effectively he has been placed, and upon his physical and mental fitness for that specific job rather than upon his age.

The assets and liabilities of older workers might be briefly summarized then as follows. Older workers have a smaller labour turnover; their output usually equals that of younger workers; they have fewer industrial accidents; they tend to be more responsible, mature and stable and are particularly valuable where little supervision is required. On the other hand there is greater loss of time because of illness. Older workers, on the average, may be somewhat less adaptable to sudden changes in certain types of employment and, with increasing age, they have less muscular strength and agility.

Having an appreciation of the assets and disabilities of older workers in our present day can we seek to alleviate and, indeed, to correct, this fundamental disequilibrium in the utilization of our labour force?

As with so many of our economic and social problems a high degree of employment is of fundamental importance. The experience of the past two decades has amply demonstrated that older workers are a marginal group in the labour force whose employment opportunities are very intimately dependent upon a

high level of economic activity and employment. Further, it appears that it may be only in periods of overemployment, such as have existed for a few years in this decade, that the problem will diminish to insignificant proportions. For even under present favourable economic conditions, the question is again one of serious concern. And it is apparent that the impact of even a slight business recession would fall with particular severity upon this extremely sensitive sector of our labour force.

Since many of the prejudices leading to age discrimination against these older workers are unfounded, educational efforts directed at correcting some of these erroneous beliefs are needed. This is an area in which employment advisory committees, on which there is employer-employee representation, might play a particularly useful role. Since the war, regional and national employment committees in Canada have been giving this whole question a considerable amount of study. As a part of an educational programme, the Canadian Department of Labour has appealed to employers on behalf of older workers through the radio and the press and on the screen. This kind of an approach serves not only to correct misapprehensions concerning age liabilities but also to cultivate a better appreciation of age assets.

Research concerning employment of older persons has already been carried out to a considerable extent; but much still remains to be done in order to provide us with an adequate understanding of the problems involved. It has been suggested that, just as during the war research was undertaken to improve our knowledge of the soldier, sailor and airman under adverse environmental conditions and in combat, so now investigations should be carried out on the physiological, psychological, social and economic problems of old age.

Every effort must be made to prevent the worker from becoming technolog-

ically and physiologically obsolete as he grows older. As his physical and mental condition changes he should be re-assigned to positions that will utilize experience and training rather than strength and agility. From the technological standpoint, industrial retraining programmes should be available to enable the continual re-adjustment of the older worker to work that is commensurate with his functional age.

In the case of the older worker who becomes unemployed, the ordinary placement service often falls short of meeting the need. An evaluation of the experience, the skills and the physical capacities of a particular worker must be accompanied by an analysis of both the job itself and the environment related to the job. Frequently, in ordinary placement operations, the heavy volume of work permits only lip service to be given to this procedure.

For a large number of older workers effective placement demands a *detailed* analysis of both people and jobs which would not be feasible in the case of ordinary types of placement. More than that, this kind of placement requires counselling and vocational guidance on the one hand and an energetic man-marketing service on the other.

A special service of this type requires skilled and experienced staff and takes considerable time, so that it is a costly procedure. Because it is costly, special placement activity for unemployed older workers must be limited to those who cannot obtain suitable employment through placement channels. In these cases the added expense would be small when set against the increase in productivity of a person suitably employed, and the physical and psychological benefits that accrue to the individual from useful employment.

In many instances, selective placement may require more than counselling, vocational guidance and energetic placement promotion. The older worker may have

physical defects which are remedial; he may need a training course to fit him for a new vocation. For older workers who need rehabilitation an integrated programme of special placement training and remedial health services is needed. This is the approach adopted and widely acclaimed in the rehabilitation of handicapped veterans. It should be applied with equal vigour in the case of unemployed older workers who have productive potential but who cannot gain re-employment through normal placement channels.

With our ageing population, problems of the older worker will constantly grow and become more urgent and pressing. Both for the sake of the individual and of society it is imperative that effective action be taken to meet them. It will serve no purpose to gloss over and obscure any deficiencies that may come with age. The real danger is that they will be misrepresented and exaggerated. Further

research and educational programmes can help to overcome misunderstanding and prejudice. However, in spite of such efforts, much of a stubborn and difficult problem will remain to be dealt with through a rehabilitation process which provides selective placement, counselling, training and certain remedial health services, each of which must be translated into individual terms so that the worker receives personal attention for a personal problem.

Like persons in all other age groups, the older worker has his own special weaknesses and his own special qualifications. His experience and stability are required as much as the fresh approach and enthusiasm of youth. And he needs the opportunity to work, and the assurance of a useful place in society, as much as he needs the promise of security that is offered through retirement pension schemes.

Trends in Workers' Education in Canada

By A. ANDRAS

UP to quite recently, workers' education on this continent was by and large an uninvited (and pretty much ignored) guest of the educational world. Its origins were far from being respectable. Its methods were questionable. Its objectives were disturbing. It was far removed from the calm of the campus, and its student body—if such a term was permissible—was uncouth and illiterate.

In its earliest forms, which date back to the beginning of this century and before, workers' education frequently reflected the aspirations of the radical movements of Canada and the United States. Workers' schools developed pro-

grams which sought to win adherents to a particular political outlook as well as to provide enlightenment in a broader sense. Some of these still exist. The Rand School in New York is probably the best-known, with a record of activity going back to 1906.

Within the labor movement itself, there were always those to whom the "pure and simple" trade unionism of Samuel Gompers was never adequate. They believed that unions had much broader functions and social purposes. As a result there were always sporadic efforts to establish "labor colleges," organized and backed by unions, and drawing on sympathetic university professors and other intellectuals for their faculties. For the most part, these col-