



## **TAEN ANNUAL CONFERENCE LONDON, 29 OCTOBER 2008**

A government minister and a host of expert speakers from as far as the United States and Finland made key contributions at TAEN's successful annual conference at the Apothecaries' Hall, London, on Wednesday 29 October. The conference was sponsored by Unum, one of the UK's leading providers of group income protection insurance.

The conference, billed as *Staying the Work Course- making the job fit for the person and the person for the job*, brought together those interested in public policy, business and organisational performance, and in age and employment issues covering health, skills, work design, career development and fair treatment.

Backed up by a range of lively questions from the floor, the speakers were able to share their knowledge and ideas on the important issue of helping people stay the course and benefit from healthy, active and productive working lives. The conference was sponsored by Unum, the income protection provider.

The morning speakers were Maria Eagle MP, Parliamentary Under-Secretary in the Government Equalities Office; John Hayes MP, Conservative Shadow Minister for Lifelong Learning, Further and Higher Education; Dr Bill Gunnyeon, Health, Work and Well-being Director at the Department for Work and Pensions (DWP); Professor Juhani Ilmarinen of the Finnish Institute of Occupational Health; Professor Michael O'Donnell, Unum's Chief Medical Officer, and Tim Wollerman, AARP Manager of Workforce Resources, based in Washington DC.

The afternoon session was dominated by an employer panel discussion on ageing and work, chaired by Chief Executive Chris Ball. The invited panel spoke of their experience of developing and implementing progressive policies and practices that attract and retain older workers. The contributors were Melanie Flogdell of Centrica, Dennis Gissing of the BT Group, Amanda Jones of The Co-operative Group and Nigel Appleton of Contact Consulting.

Opening the conference, Chris Ball said that to some extent it had been overshadowed by the global banking crisis. Turning his attention to employers who would be reviewing their short-term business strategies in the light of the economic downturn, Chris Ball urged them to consider the special needs of older workers before deciding who they might have to lay off.

Older employees, added Chris Ball, might be more difficult to rehire when the economy picks up and companies should be extra sensitive to their fears that they might face a premature end to working life.

“Staying the course is a challenge to us all, including older people,” Chris Ball told delegates. “And it’s a particular big challenge to government and employers to keep older people at work. Like everyone they have economic needs.

“Making sure that staff are able to maintain their productivity, motivation, skills and health over longer working lives is of key importance to employers and employees alike.”

Maria Eagle, who is also deputy minister for women and a former minister for the disabled for four years, spoke of the aims behind the government’s Equality Bill to extend age discrimination regulations.

She said her previous experience as a solicitor working in employment law before becoming an MP gave her real insight into how people believed they were stereotyped at work and how some older workers felt ‘cast off’ when they were made to leave their jobs early.

She hoped the Equality Bill, which was still being drafted, would bring together many elements of anti-discrimination legislation covering the past 40 years. “The government is committed to end ageism and we are looking to bring transparency into private sector practices which will be valued by both employers and workers. The bill would also extend the scope of anti-discrimination legislation into the supply of goods, facilities and services.

“Some people get very upset when they are cast off from work at 60 or 65 and we need to look at that.” The minister also spoke of the extension in the bill of the public sector duty to age and how important that might be.

“We want to shine a light on age employment in this country and by positive action extend the scope and strengthen enforcement of the bill. It’s a tough job but drafting of the new bill is making good progress.”

Ms Eagle then cited the case of a pensioner aged 84 who, after a scan showed that she did not have angina, had to go through a long battle with her hospital to have an operation for her diagnosed condition. “Fortunately this woman was a strong character, otherwise she might not have been able to stand up to her consultant who failed to understand why she wanted an operation at her age.” Ms Eagle said she also wanted to know why some insurance companies continue to charge high premiums to drivers over 60 when the evidence suggested they pose less risk.

Examples like these showed the extent age discrimination remains in society, the minister told conference. “With the new bill we want to send out a powerful message that age discrimination does not belong in a modern economy. But it has to be carefully written. We want to make sure we get rid of age discrimination that is harmful and open to stereotyping, but only after we consult widely with business and groups like TAEN.

“We know we can’t get rid of institutional age discrimination overnight and that’s why we are undergoing a wide consultation. We don’t want to get into a situation where we have framed legislation that smacks of political correctness gone mad.” Ms Eagle also acknowledged that progress and implementation in areas like health and social care might take longer.

In a strong attack on government policies aimed at equipping older workers for the modern economy, John Hayes, Conservative Shadow Minister on Lifelong Learning,

Further and Higher Education issues, said the challenge for today's hard times was one of unlocking people's potential to benefit both them and wider society.

On the issue of lifelong learning, John Hayes said the UK's record in equipping and re-equipping people with the relevant skills for today's economy "do not match our French and German competitors." Reading and literacy skills continued to cause concern and business leaders frequently complained of the UK's low productivity levels.

"The adult learning sector is on the point of collapse," claimed John Hayes. "We need to invest much more in skilling up the older worker, otherwise the crisis we face will continue.

"By 2020 one third of the workforce will be aged over 50 and the evidence shows that we can't rely only on the younger worker for our future. But this government is just not meeting the challenge of upskilling older employees for life at work after 50.

"To build a strong society we have to support all our people, including those looking for a second chance. A Conservative government will focus on skilling up those older people who bring experience, knowledge and commitment to the workplace. It's reported that 70 per cent of employers have a high regard for their older staff but we have to invest in them if we are to look forward to a prosperous future."

Mr Hayes said a future Conservative government would introduce a £100million adult and community learning fund to rebuild the UK's training infrastructure and provide access opportunities for all as well as proper advice for people still at work or planning to return.

"We plan to offer career advice support for everyone. Employers will be given a £2,000 bonus for every apprentice they take on and we are committed to giving people of all ages the opportunities to learn new skills. For too long this whole debate has been stifled and it really is time to provide proper training for all."

John Hayes concluded by saying: "Our vision for the future involves social justice, cohesion and lifelong learning. When we get into government we will rejuvenate adult and lifelong learning in this country and make it fit for a modern economy."

In reply to questions from the floor, John Hayes said some parts of the business community needed to be re-educated culturally about the value of older workers. "Adult learning is not just about utilitarian matters like the need to earn a living but also about what makes us happier as individuals and in the broader society. We need to think differently about adult learning and how we deal with mature people. There has to be a more grown-up approach to the issue but so far it has only been piecemeal and that has to change."

Confirming that Dame Carol Black's review of the health of Britain's working age population was expected to bring a government response by the end of November, Dr Gunnyeon of the DWP said the report showed that reducing numbers on benefit does not just mean helping people to move from benefits into work.

"It also means helping people to stay in work or return to work quickly when health problems start," he said.

Professor Dame Carol Black's review, which was published earlier in the year, concluded that the cost to the economy of working-age ill health was in excess of

£100 billion per year – greater than the annual NHS budget and equivalent to the GDP of Portugal – and that for many people a new approach was needed.

Too often the assumption had been that people with health problems needed to be protected from work, “when the reality is that for many people, particularly those with mental health problems, being in a job is a key part of getting better.” The Black review “provided compelling evidence of the economic and social case for investing in the health of the working age population.”

Dr Gunnyeon, addressing the theme of working for a healthier tomorrow, said that future prosperity depended on more people working up to the state pension age. “Roughly four times as many people today are in employment compared with one person living on a state pension but within 40 years the ratio is expected to be only two to one.”

For government and policy makers this represented a real challenge, he warned, and the implications were clear. Unless action was taken billions could be lost in production and sickness absence and in mental health problems.

“More support is needed for people at work or those planning to go back, irrespective of their age. Working life after middle age inevitably brings some health issues and the right medical support is vital,” said Dr Gunnyeon.

Creating a sustainable workforce for the future involved issues of improving health, preventing work related illness and injury, better managed chronic health conditions and supporting people to continue working in later life.

According to Dr Gunnyeon, “all the evidence suggests that work is good for us. Lack of work is often linked to poor health and can reverse the effects of being unemployed. Work can also be therapeutic and overall its beneficial effects outweigh the negative.”

And he added: “Most people with mental health problems go back to work feeling better. One quarter of children in poverty have a parent with a disability or health condition - their own risk of poverty is 30 per cent compared with 22 per cent of children overall.” Among the current initiatives his colleagues were engaged in included introducing employment advisers in GP surgeries and improving access to psychological and therapy programmes.

Addressing the key issues of age management and maintaining workability during ageing, Professor Juhani Ilmarinen reported on the Finnish experience in the late 1980s when politicians and policy-makers realised that the country faced a poorer future unless people were equipped with the skills to work longer.

Professor Ilmarinen said the central issue faced by social partners in Finland, including management and trade unions, “was that working up to state pension age and perhaps beyond was the only option for the good of society and proper future funding of the state pension.”

The professor acknowledged that workability of individuals and work groups might decline if left unaddressed as they age but pointed out how timely and appropriate intervention can improve it.

“Public policy is important in driving the age and employment agenda forward but the main reason for achieving a wide consensus in my country was the support of

management and supervisors,” said the professor. The Finns had a good track in inculcating in the young the need to prepare for a long working life, “but the more difficult task was about redefining work for the worker aged 55 and over.

“In Finland our experience showed that improving the workability of the older person depends on accessing proper health services, individual skills and attitudes, support from family and friends and good co-operation at the company level. If there are tensions at work you won’t get good workability,” said Professor Ilmarinen

“There have been few problems in Finland because we have been able to do it together.” And good training for managers was vital. “If we want people to work longer, so much depends on management and supervisors. If managers don’t get trained in age management they cannot behave differently and make the right adjustments.”

The financial returns in encouraging older Finnish workers to remain productive had been huge - the investment had surpassed the country’s IT budget but had proved good business, Professor Ilmarinen told delegates.

In Finland the state pension age is 63 but people can defer their retirement until they’ve reached 68 and earn another 4.5 per cent for each added year.

Addressing the conference on the health and performance aspects of ageing, Professor Michael O’Donnell, Unum’s Chief Medical Officer, said the reasons people often cited for wanting to retire early centred round “It just seemed a good idea at the time” or worries about using the latest computer equipment.

In the 1980s there had been pressure on older people to leave early because of the availability of strong pension funds. Now we lived in a different world and there was pressure to reverse the trend and encourage people to work longer.

Professor O’Donnell dismissed the ‘old stereotype’ that older people were more liable to take more time off. “It’s just not true that we slow up as we get older. Change is not always predictable and the effects of ageing can be delayed by stopping smoking and learning to take more exercise.”

While it was true that ageing did have its physical aspects- though eyesight and hearing issues could be accommodated – “accident and injury rates are no worse among older workers and any reduction in agility could be compensated by taking fewer risks,” said Professor O’Donnell.

Employers who wanted their older workers to stay on “should offer more flexi-time, get younger workers to do more of the heavy lifting and play to older people’s strengths by using their experience.”

However, Professor O’Donnell reported that some organisations like the police “had actually taken away so-called lighter admin jobs and roles that had in previous years been used to take older employees out of more stressful and physically demanding roles.

“Giving these roles to people who were not actually trained police officers was a retrograde step and denied a number of opportunities to older officers. More opportunities would be created if people were allowed to step down or move sideways so their knowledge and experience were not lost but could continue to be used to the advantage of both themselves and their employer.”

Professor O'Donnell concluded: "Things can work both ways - the young can be discriminated against, too. But the best advice I can give is to treat people as individuals and really understand the value of diversity."

Tim Wollerman, discussing the AARP workplace assessment tool, said the mission of his non-governmental, non-political organisation of 40 million members was to improve the lives of the over-50s in the US and lobby for political and social change.

In America, he told conference, almost one third of the workforce would be over 50 by 2012. "The business case for hiring older people has joined the mainstream although AARP still has work to do convincing some employers that older people are not resistant to IT and new workplace methods."

AARP, he explained, provided bottom line data which showed that taking on older people was good for American business. Its assessment tool was a recruitment audit available to employers, providing data on how to assess potential skill shortages, flexible work arrangements and other challenging areas for companies.

AARP had also set up a raft of best practice procedures, including CEO round tables, programmes to encourage the 'best employers for workers over 50' and ageing workforce advisory councils. Its website gave details of employer best practice and Tim reminded conference that its Innovative Employers' Award was now open to employers outside the US. Four of this year's winners had come from the UK.

Following Tim Wollerman's contribution, Chris Ball told conference it was planned to adapt a number of elements of the AARP workplace assessment tool for the TAEN website.

In the employer panel forum and question and answer session, Nigel Appleton, Principal of Contact Consulting, said he no longer asked candidates for their ages in job applications.

As the owner of a small consultancy in rural Oxfordshire, he said he often took on mature staff on grounds of their self-reliance and ability to work efficiently on their own. His company's flexible leave arrangements were popular with older staff keen to do more overseas travelling. "The flexibility my older employees are looking for has given my company the approach it needs. Certainly in my experience having a strong relationship with older staff is vital to our success."

Amanda Jones, Head of Diversity at the The Co-operative Group, which promotes itself as an ethical business, said the company dispensed with its retirement age policy in 2006. After some initial concern its policy of greater diversity had been a success. "We genuinely embrace talent and we've found that that is more important than how old people are. Over the past couple of years we have doubled our number of workers aged over 65. There is an issue of letting people go with dignity but that is beyond age," said Ms Jones.

Replying to a question about the challenges employers faced in the economic downturn and whether this might force the Co-operative Group to abandon its commitment to diversity, Ms Jones said 'employers need to have a sense of perspective and stick to their values if they want to survive and succeed.'

Dennis Gissing of BT said his company planned to remove its age limit. "Two years ago we had 14 people over 60, now it's 2,000. Thirty-four per cent of our workforce

are now over 50. This has changed our profile and we're now making our pension arrangements more flexible for employees."

BT supported flexibility and choice and encouraged staff with carer responsibilities. "We do have a programme for people who want to change jobs within the company. There can be a physical aspect to this but it's certainly a growing development, particularly in the IT sector. But it is important to tackle the myth of the older worker. We haven't had to send older people away and the issue is much less important than it was."

Melanie Flogdell, Head of HR Policy at Centrica, said the company covered a number of sectors, including oil and the office environment, and fully supported the business case for diversity among its 29,000 employees. "Age is part of our diversity model as a company and has been for a number of years," she told conference.

The company's engineering sector was particularly diverse with an emphasis on recruiting and retaining staff across the age range. "We've recently taken on a new worker aged 59 and lifted our upper age limit for apprentices to 24. But elsewhere in the company one of our call centres has taken on a man aged 44 as a team leader. The company 'Workwell' agenda also supports flexible working.

"Our default retirement age remains 65 but there are opportunities to work beyond that age," said Ms Flogdell in the question and answer session

In the final conference contribution, Chris Ball said TAEN would continue to champion good employment practices in support of the older person. Many of the solutions in the age and employment debate lay in the social and legal field, and improving the quality of leadership training and research into the issues.

"Sometimes we find the problem is just a lack of awareness by employers of the older worker and how they handle the issue. We can't do it on our own but there is a great deal we can do together. "

But, in a final call to action, Chris Ball said he sensed "that we are beginning to see a greater degree of awareness of the issues out there - even if it just means promoting better food in the canteen or encouraging people to take more exercise.

"Still too few companies take up the issues of age and employment and we have to press them to do that. But there is a tremendous buzz out there these days and I strongly believe we have a great agenda to promote."