

Section 5: Guide to the 90 minute presentation

Introduction

Structure

90-minute Presentation Content

Guide to the 90 minute presentation

Introduction:

This 90-minute presentation is designed to run as a seminar or it may be broken into three 30-minute sessions. It builds on the 25-minute presentation to provide an in-depth examination of the critical issues and debates surrounding the ageing population and its implications for business.

Structure:

This presentation can be run in three 30-minute blocks or in a seminar format over 90 minutes.

Part One:

Slide Number: 1 to 12

Topics:

1. Ageing Australia
2. The Ageing Workforce

Part Two:

Slide Number: 13 to 27

Topics:

3. The Experience of Older Workers
4. Stereotypes about Older Workers

Part Three:

Slide Number: 28 to 35

Topics:

5. The Tangible Benefits of Older Workers
6. Creating Age-balance in Business

Additional Material:

- Slides for Activity One and Two
- Slide Template with suggestions for local content that tailor the presentation to local conditions.

90-minute presentation Content:

Heading Slide



Part One Content:

Slide One:



Presenter's Notes One:

The reality is that as Australia ages, business will be forced to embrace older workers. This presentation encourages business to reflect on current organisational practice and consider how these will need to change in order to attract and retain a skilled workforce in the future.

The presentation provides an overview of Australia's ageing population and the implications of ageing on the workforce and industry. It describes current workplace practice in relation to older workers and cautions business about the negative impact that the limited development and attachment of workers as they age may have to the organisation. There will also be a focus on how organisations can secure a continuing supply of skilled labour by attending to the growth and retention of workers as they age.

Slide Two:

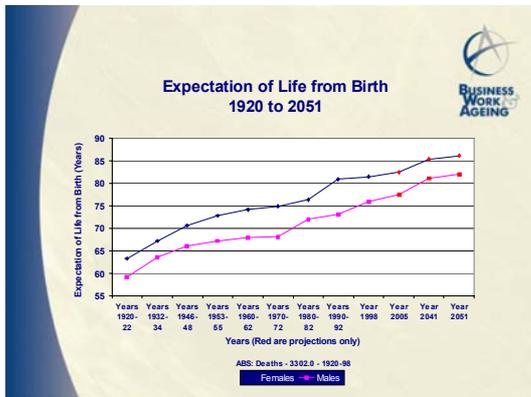


Presenter's Notes Two:

The population of Australia is ageing; we are faced with population trends that have never been experienced before. One striking statistic that demonstrates this is the fact that two thirds of all people who have ever lived beyond 65 are alive today. ¹

¹ BRW, 1999

Slide Three:



Presenter's Notes Three:

A look at life expectancy and fertility rates in Australia offers some insight into why the Australian population has aged.

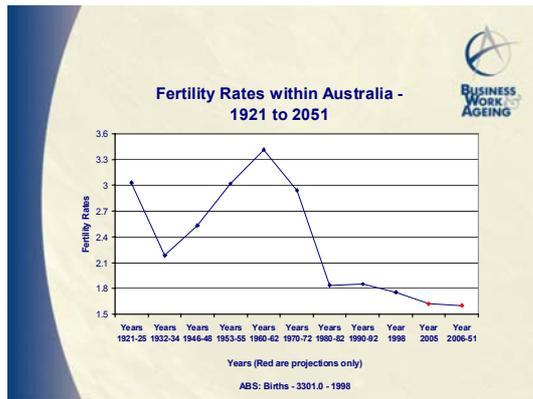
Throughout the last century the life expectancy of both men and women in Australia has increased substantially (by about 20 years) and will continue to increase into the future.

Today the average life expectancy of a female is 81½ years of age and for a male, 76 years. By the year 2051 the life expectancy for females will be 86 years and 82 years for males.²

In the past a worker at the age of 60 was often worn out by a lifetime of physical work and was at the end of their life expectancy. Whereas today the increasing demand for knowledge rather than physical workers and the increased life expectancy combine to provide the opportunity for individuals to choose to work productively for a longer period.

² ABS Cat: 3302.0 1920 – 1998 Deaths

Slide Four:

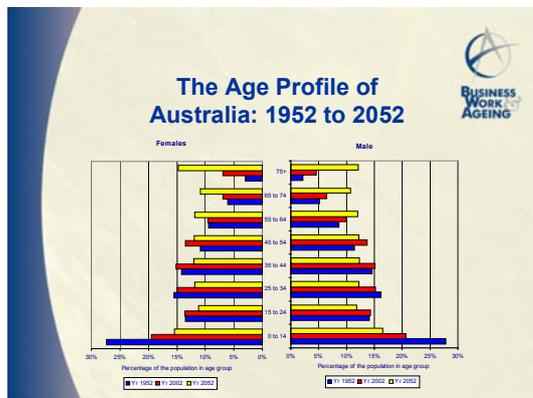


Presenter's Notes Four:

Fertility rates have declined in Australian society since their peak in the 1960's when the average fertility rate was 3.4 children per women. Today the fertility rate is just 1.7 and it is expected to fluctuate around 1.6 into the future.³

Coupled with the increased life expectancy of Australians, decreasing fertility rates, have and will continue to create an ageing society.

Slide Five:



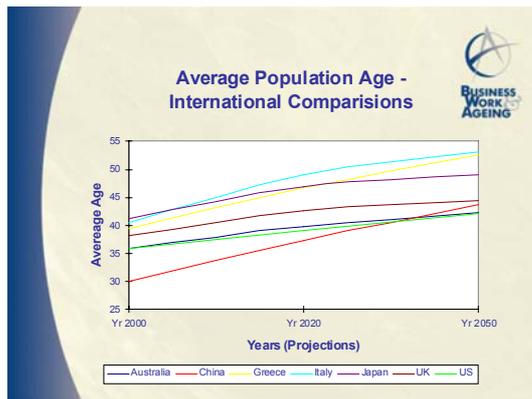
Presenter's Notes Five:

This chart illustrates that the demographic profile of Australia has shifted significantly over the last half century and this shift is going to continue. For example, today close to two-thirds of the population are aged under 45 years, yet in 50 years, younger people (age under 45 years) will represent just over half of the population.⁴

Slide Six:

³ ABS Cat 3301.0 1998 Births

⁴ ABS Cat 3222.0 Population Projections



Presenter's Notes Six:

The ageing of the Australian population, is part of a worldwide trend. The countries that are most affected today by population ageing tend to be countries that are more economically wealthy (based on OECD comparisons). Given that ageing is a global phenomenon, Australia's capacity to continue growing economically depends to a large extent on the ability of other trading countries to manage the challenges of their ageing populations.⁵

⁵ ABS cat 4102.0

Slide Seven:



Presenter's Notes Seven:

Industry has and will continue to experience the impact of ageing in Australia, on both their demand and supply side. On the demand side consumer needs will change. This will affect the volume and type of consumption, which in turn will alter organisations' target markets.

The supply of labour will diversify, as the pool of labour aged under 45 years declines. This change will have implications for human resource practices in relation to recruitment, retention, training, occupational health and safety practices and workplace discrimination.

Across all domains of government the demographic shift towards an ageing society, is requiring the review of current policies, budgets and programs. The area most acutely affected by the population ageing is health and welfare policy due to the potential for increased demands on health and aged care services.

Taxation, superannuation and pension policies are increasing areas of policy focus as governments come to terms with the need to manage reduced tax incomes and increased welfare expenditures.

The development of employment, education and training strategies that ensure workers have the opportunity to maintain their skills and attachment to work as they age will play an important role in managing industry's access to appropriate levels of labour, while offsetting the costs associated with population ageing.

Slide Eight:

The Ageing Workforce

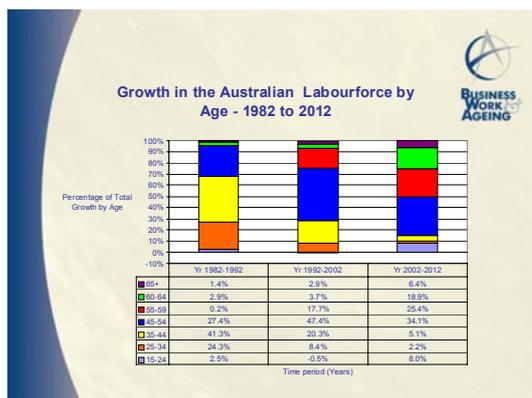
“Peter Drucker views the ageing of the workforce to be the single most significant issue for Human Resource managers over the next century”

– Peter Senge, People, Profit and Ageing Conference, 1999

Presenter’s Notes Eight:

The population of Australia is ageing. The demographic parameters of the workforce need to mirror this change in order to service the supply of labour and reflect changing consumer needs.

Slide Nine:

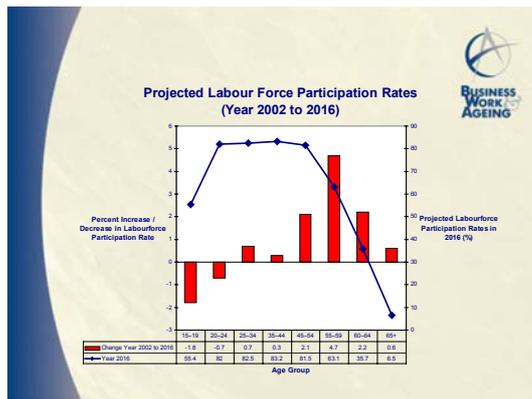


Presenter’s Notes Nine:

Future projections of the overall increase in the number of participants in the labour market show that the supply of workers will be insufficient to service future labour demand.

Of the growth that will occur, increasingly it will centre on mature aged people. From 1982 to 1992 68% of labour-force growth was concentrated in the 15 to 44 age group. However, over the past decade growth has fallen in this age group to 28% with a corresponding shift in growth of 72% in the 45 and over age group. The next decade will see the contribution to labour force growth of 15 to 44 year olds reduce even further to 15.3%.

Slide Ten:



Presenter's Notes Ten:

As discussed, there is likely to be insufficient growth in the labour market to meet future demand. The projected continuation of low levels of labour force participation by people aged 45 and over will exacerbate the supply scenario.

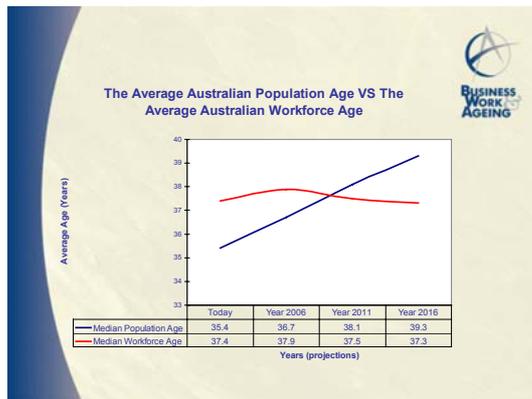
On average there is projected to be a 2% increase, in the level of participation by people aged under 45 years between 2002 and 2016. Over the same period the proportion of population that will be aged 45 and over will increase by 7%.

This future level of labour force participation by older people shows that rather than improving, participation levels are expected to drop significantly in coming years.

A key focus of government and business policy should be to increase the rate of participation in employment, particularly by people aged 55 years and over. Currently only 49% of people in this age range in Australia are participating in employment compared to an average of 70% across Sweden, Norway, Japan and Iceland and 56% for New Zealand, Denmark and the U.S.⁶

⁶ OECD, 2000, Statistical and Analytical Information on Ageing

Slide Eleven:



Presenter's Notes Eleven:

Given the above variables, the average age of the population will increase into the future, while the average age the workforce will decline based on current trends.

Slide Twelve:



Presenter's Notes Twelve:

The implication of an ageing population and low labour force participation rates amongst people aged 45 years and over is ongoing supply shortages. There will also be a greater dependency on the active economy to support the growing pool of inactive older people. Currently the dependency ratio in Australia is '1 older person supported by 4 employees'. If circumstances remain unchanged, in 30 years the dependency ratio will worsen with '1 older person been supported by 2.5 employees'.

Research undertaken by Access Economics estimates that if participation in the workforce by people aged 55 to 70 increased by 10 percentage points, per capita annual incomes would increase by around 4 per cent.

To effectively manage supply shortages and increased dependency on the active economy the private and public sectors must promote and engage in the recruitment, training and retention of older people in the workforce.

Simply an effective response to the ageing of the population and its impact on the national economy is to promote and provide the opportunity for people to maintain their connection to employment as they age.

Part Two Content:

Slide Thirteen:



Presenter's Notes Thirteen:

To recognise and understand age discrimination, it is necessary to monitor age stereotypes in the workplace and re-educate employers about the true capacity of older workers. This discussion aims to introduce these themes showing the tangible benefits of retaining older workers in an organisation, discussing both the direct financial gains and the benefits older workers bring to the culture of the organisation.

Slide Fourteen:



Presenter's Notes Fourteen:

Extensive research has been carried out that documents widespread age discrimination in Australia recruitment practice. Employers and recruitment agencies can discriminate on the basis of age. In general, research shows that employers are reluctant to recruit anyone older than 56. One-third of employers would 'rarely' hire employees over 45, given that the optimum age for new recruits as judged by 500 employers and human resource managers was 31 to 40 years of age.

Slide Fifteen

Recruitment

The Experience of Older Workers

- Discrimination from employers
- Stereotyping
- Internalising the negative stereotypes relating to age
- Lack of transparency and feedback

BUSINESS WORK AGEING

Presenter's Notes Fifteen:

Older workers experience age discrimination throughout the recruitment process. Research shows that employment agencies do not tailor the job search process to be responsive to the needs of older people. There is also a lack of transparency and feedback throughout the recruitment process, which restricts older applicants ability to re-skill, or redirect their job search.

Employers often screen applicants according to an age criterion, judging older aged applicants by appearances and perceiving them as 'old economy'.

The capacity of older job seekers to remain motivated to continue job seeking may be undermined as unsuccessful applicants internalise the negative stereotypes relating to age.

Slide Sixteen:

Retention

Mature Age Retention Research Findings

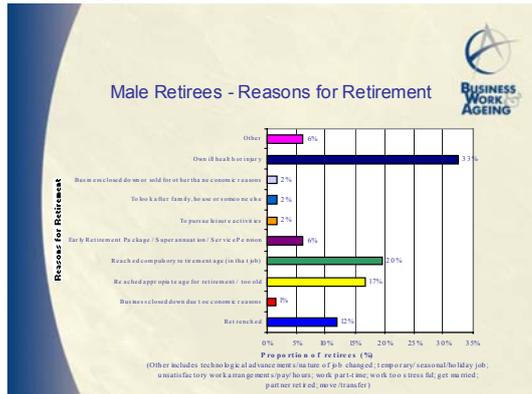
- Organisations and governments continue to encourage older workers to retire early.
- Older workers are the most likely subjects in organisational restructuring and downsizing

BUSINESS WORK AGEING

Presenter's Notes Sixteen:

A wide body of research into the retention patterns of mature aged workers found that organisations and governments continue to encourage older workers to retire early. Moreover, older workers are the most likely subjects in organisational restructuring and downsizing.

Slide Seventeen:



Presenter's Notes Seventeen:

Eighty nine percent of workers retire before the age of 65.⁷

Evidence of poor human resource practice in relation to the retention of older workers is revealed by reviewing the reason people aged 45 and over retire.

This chart lists the major reasons male workers aged 45 and over retired.

The primary reason was their ill health or injury (33%). This indicates a lack of management by businesses of the changing needs of workers as they age in relation to occupational health and safety issues.

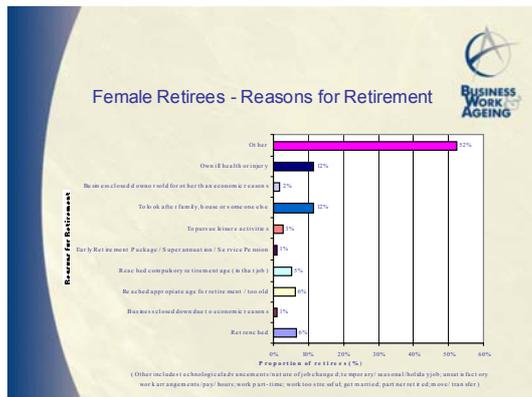
The next main reason workers retired is that they reached the former compulsory retirement age. (20%) This figure brings to the forefront the slow pace of change Australia has had in response to the abolition of compulsory retirement in the 1990's.

Another major reason males retired from the workforce was they were considered 'too old', reaching the appropriate age for retirement (17%). This reason shows the fundamental importance of changing perceptions and stereotypes about the capacity of workers to continue to work into older age.

The fourth most common reason males retired from the workforce was because they were retrenched (12%). Human resource strategies for managing retrenchment based on age are in danger of losing the core skill and experience base of an organisation

⁷ ABS Cat 6238.0 1997 Retirement and Retirement Intentions

Slide Eighteen:



Presenter's Notes Eighteen:

The primary reasons females aged 45 and over retired included:

- Other work structure and work arrangements related reasons (52%)
- Ill health or injury (12%).
- Care responsibilities for family, house or someone else (12%).
- They were considered 'too old', reaching the appropriate age of retirement (6%).
- They were retrenched (6%).

Slide Nineteen:



Retention

The Experience of Older Workers

- Continuing covert and overt pressures to retire early.
- Targeted in downsizing and re-engineering to new technologies.
- An internalisation of the stereotype that they are 'too old' and blame themselves for being retrenched.
- A limited range of retirement options.
- A lack of post-retrenchment support.

Presenter's Notes Nineteen:

Older workers experience:

- Continuing covert and overt pressures to retire early, with over 6% of Australian males retiring through early retirement packages/
- Being targeted in downsizing and re-engineering to new technologies, with over 12% of males retiring due to retrenchment.
- An internalisation of the stereotype that they are 'too old' and blame themselves for being retrenched.
- A limited range of retirement options.
- A lack of post-retrenchment support.

Slide Twenty



Training

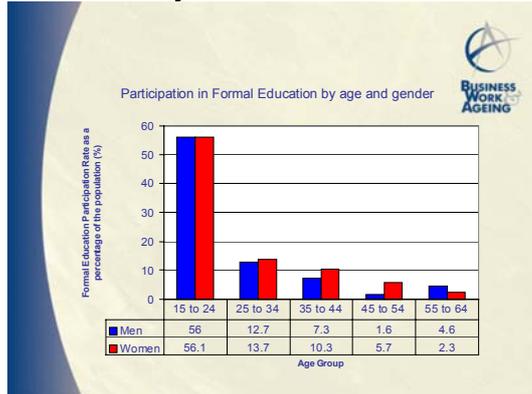
Mature Age Training Research Findings

- Older workers receive 24% less opportunities to undertake employer supported external training and in-house training, compared to employees aged between 35 to 44 years.
- Older people participate in formal education 7 times less than younger people.

Presenter's Notes Twenty:

Mature age training research findings show that older workers receive 24% less opportunities to undertake employer supported external training and in-house training, compared to employees aged between 35 to 44 years. Older people also participate in formal education 7 times less than younger people.

Slide Twenty-one



Presenter's Notes Twenty-one

Although there is an acknowledgement of the need for people to formally re-skill throughout their working life, older people participate in formal education seven times less than younger people.

Slide Twenty-two

Training

The Experience of Older Workers

- Costs inhibit their access to vocational training.
- Structural barriers impede their access to training.
- Negative stereotypes.
- Lack of access to information about where they can find and gain access to appropriate training.

Presenter's Notes Twenty-two

Older workers experience:

- Structural barriers which impede their access to training due to age-based award wages for training and apprenticeships.
- Negative stereotypes of older workers as lacking in adaptability limit their training in new technologies.
- A lack of access to information about where they can find and gain access to appropriate training.
- Cost and time limitations that inhibit their access to vocational training.

