

ILO EMPLOYMENT Podcast

Global challenges – Global solutions

Transcript for:

Challenges and opportunities of an ageing workforce: A worker's perspective

**With Plamen Dimitrov, President, Confederation of Independent
Trade Unions in Bulgaria and Member of the Workers' Group of
the ILO Governing Body**

Welcome to the ILO Employment podcast, Global Challenges, Global Solutions. I'm your host Tom Netter...and today we're going to talk about a growing trend in the world of work...an ageing workforce.

When authorities wanted to restart a major power plant recently after several years of inactivity, they faced a unique situation: the technology had been unused for so long that there was a dearth of workers with the skills and experience to bring it back online.

The solution? Hire back a group of workers who'd retired but knew how to make things work.

This trend in seeing more ageing workers at the workplace is part of what some have referred to as "the Silver Tsunami".

There are many elements to this. It describes a significant demographic shift caused by the increasing number of older adults in society and the workplace. The United Nations estimates that by 2050, the proportion of the world's population over the age of 60 will nearly double.

Of course, many of them will have retired. But many more will choose to keep working, either because they want to or because they have to, or because they have the skills that younger workers don't.

So, what are the implications of this for older workers and their representatives? What are the challenges for the trade unions? What about wages and pensions and what is called an intergenerational workforce? Here to shed light on this is Plamen Dimitrov, President of the Confederation of Independent Trade Unions in Bulgaria and a member of the Workers' Group of the ILO Governing Body. And, by the way, he's also an expert in this field.

Tom: Plamen, welcome to the podcast. So, let's begin with an overview on trends and issues for the growing numbers of older workers in the labour market.

Plamen: Yes, thank you for inviting me for this very interesting and important exercise. Between 2000 and 2022, the share of workers aged 55 or more in the labour force increased from 13 to 22.5 per cent in high-income countries, and almost doubled from almost 10 per cent to 17.8 per cent in the upper middle-income countries. In contrast, the share of older workers slightly decreased with less than 1 per cent in low-income countries, and so only a minor increase from 11.4 to 14.4 per cent in lower middle-income countries. The trends reflect a broader recognition that the ageing workforce will need continuous development to adapt to the changing nature of work.

So, ILO estimates that by 2030, the share of older workers, over 55 years, in the labour force will increase by 75 to 80 per cent in the developed and emerging economies, both, and only by 2.5 per cent in the developing economies. So, in my country, in the next 20 years, in Bulgaria, the number of older workers will reach 48 per cent. This means half of the workforce. It is a very, very important development and a worrying, let's say, forecast. It is necessary to change the focus, so it means all we should look from the organization to the people. This means that everyone should be valued and respected, which leads to developing their potential and abilities.

Tom: Well, thanks for that very interesting introduction. Those are quite startling figures. What are some of the challenges facing trade unions or the trade union movement as a result of the growth of an ageing workforce in terms of organizing, representation, and bargaining?

Plamen: Labour market is changing very rapidly. And we have moved now from the three generations towards four and five. And this definitely creates some challenges to the unions. Ability to transform the differences into our competitive corporate assets, putting added value, is a serious challenge to the company's human resource management policies. Prejudices and stereotypes that we saw in a survey made both by employers and unions, in my country, towards age are deeply rooted in the public consciousness, which means that they manifest themselves in the working environment as well. Researchers call this phenomenon, Ageism, which means misunderstanding, bias, negative attitude towards individuals and groups based on their age. The problem is that according to the results of the research, about 70 per cent of the managers surveyed share such wrong attitudes and older workers often have different needs and priorities compared to younger employees.

This means that companies need to adapt their organizing strategies to effectively engage an ageing membership base. Older workers prioritize job security, healthcare and retirement benefits over other issues. Additionally, technological barriers exist as older workers may be less comfortable with digital platform that unions increasingly use for communication and organizing. Older workers also prioritize pension protection while younger members might focus on the wage increase and career development opportunities.

Balancing these diverse interests requires unions to carefully navigate internal politics and ensure all voices are adequately represented. Furthermore, older workers may be less willing to or able to participate in union activities or attend meetings, particularly if they have health issues or caregiving responsibility. That leads to the fact that as a workforce ages, there is an increased demand for better health and retirement benefits, which can become a significant point of contention in collective bargaining, and employers may resist these demands due to the increased costs associated with an ageing workforce leading to more protracted and complex negotiations.

Tom: Now, one of the points you've just raised is that the ageing workforce is not a homogeneous group and workers will have different aspirations in their late careers. So how can trade unions help support older workers, particularly unemployed workers, in finding employment or re-employment within the context of extended working life, and also making sure that they have a voice?

Plamen: The task of trade unions is to promote understanding between generations at the workplace, and to demand better and fair working conditions and pay for all. This means that the protection of workers from ageism is not only a matter of social justice, but also of sustainable labour development strength. When employees of all age groups feel valued and respected, they're more likely to contribute actively to the success of the organization. And unions are also advocating for more opportunities for lifelong learning, and retraining role of my organization for training of half a million adults to digital skills is a very good example that I could refer to, but particularly for older workers who may need to update their skills to remain competitive in the labour market. This may include workshops, webinars, and other educational resources as well as partnerships with vocational schools and colleges, ensuring that workplaces are ergonomically designed to reduce physical strain and accommodate age-related physical changes is crucial.

Unions can push for investments in ergonomic assessments and improvements. And workplace accommodations include advocating for adjustments like modified duties or reduced physical demands, which can help older workers continue to contribute effectively without compromising their well-being. Unions should advocate for policies that prevent bias in hiring, promotion, and layoffs, and ensure that older workers are treated fairly in the workplace. And finally, unions can collaborate with agencies, employment services, employers and non-for-profit organizations providing services for older workers to provide comprehensive support for their members. This can include connecting unemployed older workers with a job search, resources, training programmes, and financial assistance.

Tom: Thanks, Plamen for that interesting answer. Now, while migration and advances in technology are expected to meet some of the demands for workers, employers will also have to look to older workers to fill some of this demand. It's also important to note that businesses don't just need more workers, they need workers with relevant skills and experience. So what role can trade unions play in supporting the transition of older workers into jobs which make better use of their skills and experience?

Plamen: First, I have to say that there are jobs for older workers, but also there are jobs for younger workers. So, there is no competition between them, as some are saying in some discussions and some analysis. Secondly, trade unions in my country also engaged in broader advocacy efforts to influence public policy in

favour of older workers. This can involve lobbying for changes to pension system, retirement age regulations, and incentives for companies that hire and retain older workers. For example, if you stay, in my country, one more year at the labour market after your retirement age, this will increase your lifelong pension, which pay-as-you-go system pays, by a four percentage till end of your life. So, it's real benefits for those who wanted to stay longer at the labour market. One of the key measures to lobbying for government funding for retraining programmes specifically tailored to older workers is actually one of the issues that we can do.

Unions also can collaborate with employers to design and offer training programmes that focus on updating the skills of older workers, ensuring that they remain competitive in a changing job market. And on the other side, unions work to ensure that hiring practices are age-inclusive by advocating for policies that prevent age discrimination, that we already said. Unions in my country are involved in collective bargaining processes where they negotiate terms that support older workers and to that we advocate for measures that ensure safe working conditions for all ages. This includes economic assessments, adjustments to workload and other accommodations that help older workers perform effectively without risking their health.

Tom: Now, as you pointed out, trade unions support older workers in a number of ways, including wage equality and protecting pension rights. What role can trade unions play in helping older workers become more aware of the options available to enhance the quality of working life? And also, can you just touch on some of the challenges of an increasingly intergenerational workforce?

Plamen: Yes, there are some challenges at the labour market, as we said in previous discussion, since we have almost five generations on the labour market, and there are some legends, myths, wrong perceptions I would just want to mention. Some older workers said in the research, in my country to just referring, to that younger (workers), probably they are looking for higher wages. They probably easily learn new knowledge and skills but are not focused enough, they're less responsible and such a thing. And the younger workers said for the older one, the old workers don't understand new technologies, they overestimate burdens and challenges and such things. And at end of the day, and all the issues that we have on the labour market between the youngest and the oldest workers is really a big discontent and discrimination, I would say, since 72 per cent of the youngsters and 43 per cent of the oldest workers have been subject of harassment based on age.

This is actually, again just to refer survey made in my country, and this is actually referred to Bulgaria only. But trade unions globally can run awareness raising campaign that specifically target older workers, informing them about the various options available to improve their working life. These campaigns may include workshops, seminars, and informational brochures that highlight opportunities for job changes, flexible working arrangements, and lifelong learning. Trade unions support the development and implementation of mentoring programmes where older workers can share their experience and knowledge with younger colleagues. Trade unions often provide career counseling services that are tailored to the needs of older workers. Unions may also assist in preparing job applications, updating resumes, and practicing for interviews, making it easier for older workers to transition into the new roles.

Tom: That's all very interesting. To conclude, can you tell us what's needed from a policy perspective to promote age-inclusive approaches to matters such as recruitment, career development, and job and workplace design?

Plamen: Yeah, actually this is the most important question, I would say, policy issues. Participation rates among older workers tend today to be higher than in previous generations with a higher female participation among today's older workers than in former cohorts. A larger share of the workers aged 55 or more is likely to be associated with the lower wage growth. To promote age-inclusive approaches at workplace, politicians shall adopt macroeconomic or macro-level policies, including the labour market, fiscal one, and social protection, including pensions.

First one, anti-discrimination legislation. Strengthening and enforcing laws that prevent age discrimination in hiring, promotion, and workplace practices is essential, especially in the era of artificial intelligence, algorithmic management and human resource practices without people. Policies should explicitly prohibit age-based discrimination and ensure that older workers have equal opportunities for employment and career progression.

Secondly, lifelong learning and upskilling. Governments and employers should invest in continuous learning and skill development programmes that are accessible to workers of all ages. Policies should promote lifelong learning

opportunities to help older workers update their skills and remain competitive in the labour market.

Thirdly, workplace adaptation. Policies should support the redesign of workplace to accommodate the physical and ergonomic needs of older workers. And this includes ensuring that jobs and tasks are adaptable to different physical capabilities and that workforce is designed with age-friendly features.

Fourthly, promoting age diversity. Governments and organizations should promote the value of age diversity in the workplace. This can be achieved through awareness-raising campaigns and incentives for employers who implement age-inclusive practices and maintain a diverse intergenerational workforce.

Fifthly, incentive for employers. Negotiated flexibility, as we said it already, offering incentives such as tax breaks, subsidies, or grants to employers who hire and retain older workers can encourage businesses to adopt age inclusive practices, and this can include support for training, mentoring programmes, and workplace adaptation and flexibility.

Sixthly, and lastly, support for second career. Older workers who seek new career opportunities should have access to career counseling, retraining programmes, and entrepreneurial support. Policies should facilitate transition into new roles or industries and help older workers leverage their experience in the new ways.

And to the end, collective bargaining. One of the main goals for unions is to prioritize this issue in their negotiations to ensure robust healthcare benefits and pension plans for their ageing membership. And there is also a noticeable trend toward advocating stronger protection against age discrimination in the workplace. Unions are pushing for policies that protect older workers, and they should do this from being unfairly targeted for layoffs, denied training opportunities, or passed over for promotions due to their age.

Tom: Plamen, that was great and those are very important points. Well, that's all we have time for today, but I want to thank you for your very insightful thoughts on this issue.

There's no doubt that there's an increase in an ageing population. We're certainly going to have to forge new policies to deal with this issue for years to come, because as the ageing workforce expands, so do the challenges facing it.

I'm Tom Netter, and you've been listening to the ILO EMPLOYMENT podcast series, "Global Challenges, Global Solutions". For more on this from a worker's perspective and some useful links, go to www.ilo.org/employment. Meanwhile, thank you for your time.