TOO OLD TO LEARN? UPSKILLING FOR OLDER WORKERS, AND THE POLICIES AND PRACTICES ADOPTED BY EMPLOYERS AND GOVERNMENTS: A REVIEW OF THE EVIDENCE

Anne Sonnet, Senior Economist
Older Workers Review
Directorate for Employment, Labour and Social Affairs, OECD

Outline of the presentation

1. Employment prospects of older workers in OECD countries: main education and training issues at stake

2. The OECD review

3. A review of up-skilling policies and practices adopted by employers and governments
1. EMPLOYMENT PROSPECTS OF OLDER WORKERS IN OECD COUNTRIES

MAIN EDUCATION AND TRAINING ISSUES AT STAKE

Opportunities to work at an older age vary considerably across OECD countries

Employment rates for people aged 55-59, 60-64 and 65-69, OECD countries, 2014

As a percentage of the age group

Source: OECD estimates based on national labour force surveys.
Once unemployed, older workers face a high risk of either never returning to work or remaining out of work for a long period.

Incidence of long-term unemployment\(^a\) by age groups, OECD countries, 2014

As a percentage of unemployed by age

a) Unemployed for more than one year.

Source: OECD estimates based on national labour force surveys.

Participation in job-related training by older workers is lower than for adult workers

Job-related training\(^a\) by age group, selected countries\(^b\), 2012

As a percentage of the employed in each age group

a) Job-related training refers to participation during the past twelve months.
b) OECD refers to the unweighted average of the 22 OECD countries having participated in PIAAC. UK refers to England and Northern Ireland; Belgium refers to Flanders.

Source: OECD estimates, based on Programme for the International Assessment of Adult Competencies (PIAAC) data.
**OECD countries have the potential to have in the future a high-skilled workforce as young cohorts are highly educated**

Provided that skills *adequately meet business needs*, this can be a major source of labour productivity gains in the coming decades.

Share of people having attained tertiary education in the age group, 2013

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**The literacy skills of older people are low relative to the younger generation, except in the UK**

Progress in literacy skills across two generations, 2012

Score on the reading scale

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Only England and Northern Ireland for the UK.
Source: OECD Adult Skills Survey (PIAAC)
2. THE OECD REVIEW

WORKING BETTER WITH AGE

2003-2006 review on older workers

- 21 country reports: *Ageing and Employment Policies*
- Agenda for policy actions in three broad areas to encourage work at an older age:
  1. Rewarding work
  2. Changing employer practices
  3. Improving employability, including education and training issues
A follow-up review launched in 2011 to assess progress and what still needs to be done

- **Comparative policy review** of recent reforms and measures and a scoreboard for older workers: [www.oecd.org/els/employment/olderworkers](http://www.oecd.org/els/employment/olderworkers)

- Seven reports *Working Better with Age*:
  - Norway (June 2013); France (January 2014); Netherlands (April 2014); Switzerland (October 2014); Poland (March 2015); Denmark (end-2015); and Korea (mid-2016)

- Policy note *Encouraging Longer Working Lives*: a charter for action (OECD recommendations)

- Synthesis report *Working Better with Age*: mid-2016

3. A REVIEW OF UP-SKILLING POLICIES AND PRACTICES ADOPTED BY EMPLOYERS AND GOVERNMENTS
DRAFT Recommendation
Enhance participation in training by workers throughout their working lives

Different approaches could be pursued to promote training opportunities for older workers:

1. Encouraging increased investment in lifelong learning at mid-career
2. Adapting teaching methods and content to the needs of older workers through, for example, the provision of short, modular courses and the recognition of prior learning and acquired experience
3. Promoting later retirement in order to encourage greater investment in training of older workers by raising the potential return on this investment through longer expected pay-off times

Measures effectively implemented:
Relate continuous learning more closely to work as an integrated part of age management

- **Denmark**: Public workplaces invest in their employees by offering them strategic competence development in the fields of, for example, project management and use of ICT, depending on the needs of the workplace and the employees.

- **France**: The Generation Contract created in 2013 promotes by a three year-subsidy
  - (i) a permanent contract for young people (under 26);
  - (ii) hiring and retention of older workers (from 55 to retirement);
  - and (iii) the transmission of knowledge and skills between generations.

- **Netherlands**: The Programme ‘Sustainable Employability’ introduced in 2012 includes all workers, regardless of age. The overall goal of the programme is to create a healthy and productive work environment where workers can work until their retirement. Through preventive action, such as through education and training, this goal can be achieved.
Measures effectively implemented:

Relate continuous learning more closely to work as an integrated part of age-management (cont.)

- **Norway:** The Center for Senior Policy assists the Public Employment Service (NAV) with programmes for skill development for all advisors of the Tripartite Agreement and Cooperation on Inclusive Workplaces (IA Agreement introduced in 2001) based on research knowledge.

- **Poland:** A National Training Fund (NTF) was established in 2014 to co-finance employer-paid training and education for workers. In the first two years of operation, the NTF will contribute to training for workers over the age of 45, but afterwards it is envisioned to become a systemic instrument to increase engagement in lifelong learning.

- **Switzerland:** Validation of formally and informally acquired experience, whether work-related or not, has been promoted by public authorities over the past decades, especially for older (female) workers whose initial qualifications might be outdated.

Conclusion: More should be done!

- Many OECD countries have carried out a series of (pension) reforms to encourage longer working lives.
- Better promoting the employability of workers throughout their working lives remains crucial.
- Governments, workers, the social partners and NGOs have to face these challenges together.
- A more comprehensive set of reforms is necessary to improve current practices in firms to upskill, retain and hire older workers in a technology-rich work environment.
- Coping with rapid population ageing ultimately requires building stronger, more inclusive labour markets.
Thank you!

For further information:
http://www.oecd.org/els/employment/olderworkers