

## Freedom 65 is not for everyone – Organizations must adapt to meet the Changing Supply and Demands of the Canadian Workforce

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The current Canadian workforce requires response by organizations in order to remain competitive. The aging Canadian population is currently having a large impact on labour force supply. In 2011, one in seven Canadians were a senior worker aged 65 or older in the workforce. As reported by Statistics Canada by 2036, this could increase to nearly one in four. Millennial workers are unique within our organizations, and have a lasting impact on workplace culture and the structure of Canadian organizations. As such if Canadian companies are going to prosper, they will need to develop strategies to attract, retain and engage older workers all while supporting younger workers in an age diverse and inclusive workplace which could contain four distinct generations.

Legislative changes enacted in 2006 significantly altered the make-up of the Canadian labour force. The *Ontario Human Rights Code* prohibits employers from discriminating against employees over the age of 18 based on age. Decisions concerning employment opportunities, training, promotion and termination cannot be made based on a candidate's age. Prior to

December 12<sup>th</sup>, 2006, age discrimination against employees older than 65 was not prohibited. As a result of these legislative changes, individuals wanting to work past the age of 65 received protection under new and current laws and could file complaints of age discrimination with the Ontario Human Rights Commission if necessary. The legislative changes made to the *Ontario Human Rights Code* foreshadowed a significant change in the Canadian employment landscape. As a result of this statutory change, many seniors continue to work well past the age of 65.

As baby boomers mature, the aging population will force businesses and governments to make adjustments to accommodate this significant demographic of people. When compared to its size, Canada has one of the largest workforces in the G8. A large portion of the Canadian workforce is in the later years of their traditional nine-to-five stages of the employment cycle, with 42.4% between the ages of 45 and 64. Within Canada, we have a substantial number of older workers in our workplace; however, they are not being used to their capacity. Further proof of the aging workforce was reported in 2011, with approximately three (3) million people aged 55 being employed. Two of the most significant factors creating the changes in the Canadian workforce is the aging of the baby boomers and the increased participation of older workers in the labour force. It is expected that the aging trend of the Canadian population will gain momentum in the coming years and organizations will need to consider this large portion of the workforce to ensure their continued success.

As such, organizations need to develop strategies to retain older workers. The mature workforce has accumulated decades of organizational

knowledge about customers and practices, therefore companies are interested in transitioning this knowledge to younger workers. Successful organizations will determine the nature of work done in their company and the technical infrastructure required by skilled workers in order to compete effectively in their industry. An increased flexible organization is able to hire and retain the best candidates whether they are old or young. In addition, successful organizations should be able to overcome obstacles and tension created by blending a variety of age groups in the workplace.

Every individual in the workplace is different and the impact of aging will vary amongst workers and field of work. An aging worker may experience cognitive, physical and sensory changes, which may have an impact on the way they perform their job. However, their experience, knowledge and insight due to their age is also important and should not be dismissed. Employers can promote a healthy, safe work environment by designing a workspace that meets the task requirements of the job and the worker. All individuals regardless of age can benefit by work environments with proper ergonomics, lighting and heating. In addition, adjustable workstations can address physical capabilities and limitations of workers. Employees are more satisfied with their jobs when they are afforded the opportunity to balance personal responsibilities and work requirements. Flexible work arrangements such as flex hours, part time employment, job sharing and the opportunity to work remotely from home (telecommuting) provide the flexibility that today's workers desire. Older workers, as well as younger workers, can benefit from training programs and mentorship. An environment that promotes learning keeps workers engaged and interested. In addressing the needs of the aging

workforce, employers will benefit from their knowledge, expertise and dedication.

The Canadian government has recognized the importance of the changing demographics of the labour force and has published a variety of literature to help employers develop age specific programs and strategies that promote employment participation while at the same time support an intergenerational workforce. Government ministers responsible for seniors at the federal, provincial and territorial levels published a document entitled "Age-Friendly Workplaces: Promoting Older Worker Participation" to assist employers. It outlines why it is important to recruit and retain older workers, dispels myths about older workers, and provides a creative approach to recruiting and supporting an inclusive and intergenerational workforce. One of the myths dispelled in this publication are that older workers are not as productive as their younger counterparts. An additional misconception addressed in this guide is that it is not cost-effective to train older workers. In today's competitive labour market, employers will benefit from an inclusive and intergenerational workforce by recruiting and retaining the most skilled workers regardless of their age. The guide suggests that even though current online recruiting tactics employed by organizations may be a cost effective way of reaching generation "Y", they may not be effective in reaching older workers. A recruitment strategy tailored to older workers with ads in 50-plus publications, a referral program or professional employment agencies may be better suited to reaching the intended audience. Several strategies suggested for employers in the retention of an intergenerational workforce include:

- (i) flexibility;
- (ii) mentorship;

- (iii) succession planning;
- (iv) pension reform;
- (v) health and well-being programs; and,
- (vi) modified physical workplaces.

By promoting the recruitment and retention of older workers, the Canadian government assists employers and also encourages them to take the necessary steps to position their organizations in order to overcome the challenges posed by the aging Canadian labour force.

Based on the changes that have occurred in the Canadian workforce due to the aging of our population, particular attention is paid to older workers as well as Millennial's or generation "Y" workers because historically they have and will have the greatest influence on Canadian organizations. Current characteristics in the Canadian labour market demonstrate how organizations need to change to meet the changing dynamics of the labour force. A turning point occurred in the Canadian labour force in 2006. As mentioned earlier in this article, the resulting legislative changes to the *Ontario Human Rights Code* effectively prohibits employers from discriminating against employees based on age. Prior to this change many Canadian workers were forced to retire at the age of 65. In addition to legislative changes, the Canadian labour force was also largely affected by the overall aging of our population. Baby boomers are reaching traditional retirement age and there is currently a shortage of skilled workers in the Canadian labour force. Companies have had to modify their organizational structure and policies in order to accommodate both the older generations and the younger workers. Many individuals have re-entered or stayed in the workforce well past traditional retirement age because they enjoy working and companies desperately need their

expertise. However, the sustainability and future success of Canadian organizations requires that the knowledge held by older workers be transferred to our younger Millennial's.

Successful companies will find ways to overcome the barriers created by age in the workforce. They will position themselves for success if they are able to develop strategies to attract, retain and engage older workers, while supporting younger workers in an age diverse and inclusive workplace that serves the needs of multiple generations.

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Haley D'Angelo was a university placement student with our firm from the fall 2016 to the spring 2017. Haley has gone on to become a Human Resources Intern with Health Science North. We wish her well in her future endeavours!