

A NEW VISION OF AGING FOR CANADA

September 18, 2013

The Honourable Jason Kenney Minister of Employment, Social Development and Multiculturalism 140 Promenade du Portage Gatineau, Quebec K1A 0J9 Canada

Dear Minister:

Congratulations on your new responsibilities for Employment, Social Development and Multiculturalism. I look forward to an early opportunity to discuss with you the issues that concern older workers with a view to introducing measures in the upcoming federal budget.

There are more older workers than ever before and they are staying longer in the workforce. Many face caregiving responsibilities, health and financial challenges which require different workplace dynamics and there is a role for government in facilitating their continued contribution to the labour force and the economy.

Older workers represent an increasing proportion of the workforce, partly because of the size of the boomer generation and partly because that group is staying in the workforce longer. They stay because they want to and increasingly because they need to. There are 3.6 million workers age 55 and over; or almost 20% of the Canadian workforce - an increase of 1.2 million since 2006. Not only is the absolute number of older workers significant but the rate at which their labour force participation has grown is also dramatic, far outpacing their population growth. [Please see attached graphs]

The surprising group is those over 65, those we don't normally think of as a priority target for recruitment or retention in the workforce. Over 650,000 seniors are in the Canadian workforce today, double the number in 2006, when there were just over 300,000 seniors in the workforce. In the same period, those aged 60 to 64 increased their participation by 46%.

¹ Statistics Canada Labour Force Survey Estimates Table 282-0001, Accessed 2013-09-16







Despite the gains in workplace equity and the more common presence of older workers in the workplace, they still face barriers in keeping the jobs they have, in getting new ones, or returning to the workforce after leaving it to care for loved ones or to recover from the devastation of their savings in the recent market downturn.

To address some of these concerns and barriers, CARP recommends that the federal government work with the provinces to develop, fund, and support phased retirement benefits and flexible work schedules; extension of workplace health and dental coverage; job match, skills training, and transition support programs; caregiver support, caregiver leave, and long-term care insurance coverage; and innovative management strategies to create, say, an emeritus role for older workers, intergenerational sensitivity, and zero tolerance for workplace age discrimination.

CARP was pleased to make these <u>recommendations</u> at the last sitting of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities [HUMA] and submitted our brief [attached]. We look forward to the committee's report.

In the meantime, we have reviewed the recent report of the National Seniors' Council: <u>Older Workers At Risk of Withdrawing from the Labour Force or Becoming Unemployed: Employers' views on how to retain and attract older workers</u> which called for much of the same measures. Finally, we were pleased to co-sponsor a survey of our membership and the resulting report on older workers: <u>Second Wind: The Evolving Nature of Retirement</u>.

The broad themes have been that older workers want or need to continue working but prefer or need to work on a more flexible or part time basis while being still able to meet their financial and caregiving obligations, including medical expenses for themselves or their loved ones.

The current tax and labour landscape does not accommodate this adequately although recent changes to the CPP to allow for continued contributions while drawing pension benefits is beneficial. More can be done, including:

- 1. Incentive for extending health coverage to part time employees, those 65 years and older and retired employees
- 2. Financial support for caregivers including through employment insurance program, refundable tax credit or new long term care insurance plan
- 3. Incentive for innovative workplace strategies such as specialized role for older workers recruiting, mentoring, corporate promotions, special projects; job-sharing
- 4. Increasing amount of exempt earnings in calculating eligibility for Guaranteed Income Supplement

Strategies are also needed to help older workers find jobs. Older workers have told pollsters they believe they are not getting jobs because of their age. This has been supported by academic studies. Therefore, far-sighted employers, who choose to target older workers in their recruiting, are highly likely to have a very receptive response. That's why CARP is very supportive of the Third Quarter initiative, which was given \$5 million over three years in the 2012 budget to match prospective employers with qualified employees. CARP chapters have also worked on establishing job fairs. CARP will continue to promote and monitor these initiatives.

Older workers want to continue to contribute to the Canadian labour force. Government leadership and support are needed, along with forward-thinking employers, to ensure that we benefit from that contribution.

I look forward to speaking with you to elaborate on these recommendations at your earliest convenience.

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Sincerely

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List of references:

CARP submission to Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities [HUMA]

http://www.parl.gc.ca/content/hoc/Committee/411/HUMA/Evidence/EV6170296/HUMAEV83-E.PDF

Older Workers At Risk of Withdrawing from the Labour Force or Becoming Unemployed: Employers' views on how to retain and attract older workers

http://www.seniorscouncil.gc.ca/eng/research publications/older workers/page00.shtm

Second Wind: The Evolving Nature of Retirement http://info.ceridian.ca/LP=692

Canada's Older Demographic Labour Force Data and Trends

Data information was taken from Statistics Canada Table 292-001- Labour force survey estimates (LFS), by sex and detailed age group, unadjusted for seasonality, monthly (persons unless otherwise noted). Table was accessed on September 6, 2013.

Table 1. Population and Labour Force counts from 2006 to 2013.

-	Age group	Aug 2006	Aug 2007	Aug 2008	Aug 2009	Aug 2010	Aug 2011	Aug 2012	Aug 2013
Population (x 1,000)	45 years and over	12673.9	13021.1	13382.3	13736.7	14069.6	14345.6	14605.5	14879.3
	55 years and over	7698.9	7938.7	8194.2	8466.7	8756.8	9033.9	9333.4	9658.7
	65 years and over	4051.1	4158	4281.1	4410.1	4546.4	4697.8	4904.1	5117.3
	60 to 64 years	1588.8	1701.2	1788.8	1868	1949.6	2011.3	2032.5	2081.6
Labour force (x 1,000)	45 years and over	6718.8	6982.6	7224.2	7494.7	7750.6	7806.7	7944	8104.3
	55 years and over	2476.7	2644.8	2772.7	2975	3168.7	3251.1	3439	3611.5
	65 years and over	326.5	364.6	429.1	456.9	529.6	545	608.3	663.5
	60 to 64 years	710	805.3	835.1	952.5	990.9	1008.6	1032.5	1129.2

Chart 1. Labour force counts in 2013 for 45 years and over, 55 years and over and 65 and over.

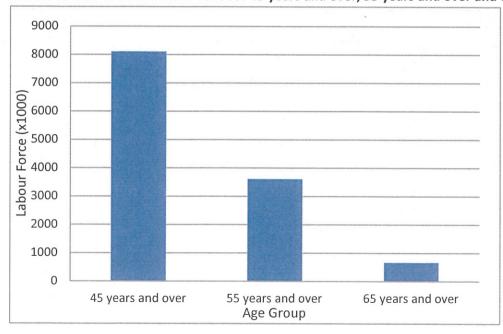


Chart 2. Percentage growth in population and labour force from 2006 to 2013 for different age groups.

