

## COVID-19 & Older Workers: Challenges for Government

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The coronavirus pandemic (COVID-19) has significantly disrupted the labour market on a global scale. Indeed, according to the [United Nations](#) (2020), COVID-19 is “more than a health crisis; it is a socio-economic crisis, a humanitarian crisis, a security crisis, and a human rights crisis” (p.5)... and “the unprecedented increase in unemployment and underemployment is dramatically impacting the livelihoods, well-being and mental health of workers and their families” (p.35). The economic impacts from COVID-19 vary considerably between groups of people and countries and depend to a large extent on the response by individual governments.

The focus of this article is to present an overview of the Government’s response to the financial impact of COVID-19 on Australia’s mature-age workforce (older workers are people aged 45 years and over), and to raise the question, will the Government’s interventions safeguard the economic security of Australia’s older workers post COVID-19?

Governments across Australia have acted swiftly and introduced a range of economic and support measures to offset the financial impact of COVID-19 on individuals, families and employers. Measures include the Federal Government’s \$130 billion JobKeeper scheme, a wage subsidy to help around 6 million workers – [the single largest government spending in Australian history](#). According to the [Reserve Bank](#), an estimated additional 700,000 workers would have lost their jobs during the first six months of the coronavirus-induced recession without the JobKeeper scheme – this would have equated to one in five being unemployed and inflated the unemployment to 12 per cent, instead of [the current 7 percent](#). Another measure is the Federal Government’s investment of \$2 billion for Australians to access new skills by retraining and upskilling them into sectors with job opportunities, as the economy recovers from COVID-19. This includes \$1 billion Job Trainer program that will provide up to an additional 340,700 training places to help school leavers and job seekers access short and long courses to develop new skills in growth sectors and create a pathway to more qualifications, but what about older workers?

Prior to COVID-19, older workers already faced diverse economic, social and personal challenges. For example, the Australian Human Rights Commission report (2016), [Willing to Work: National Inquiry into Employment Discrimination against Older Australians and Australians with Disability](#), revealed more than a quarter of Australians aged 50 years and over had experienced age discrimination in the workplace, and of great concern, a third of those who had experienced age discrimination gave up looking for work. In addition, a survey by the [Australian Human Resources Institute \(2018\)](#), found that the majority (68 per cent of employers surveyed) were reluctant to employ people over 50. What’s more,

mature-age workers tend to experience [greater difficulty finding subsequent employment](#) when they do become unemployed. The late Honourable Susan Ryan (Age and Disability Discrimination Commissioner) stated, "It is unthinkable that people who lose their jobs in their 50s may live up to another forty years without paid employment" (p.6). In fact, in 2019, of the 756,557 recipients of unemployment payments, [48 percent were aged over 45](#) and there is a growing segment of older people who are unemployed. Since COVID-19, the economic impacts of COVID-19 have [amplified the barriers](#) to employment for mature-aged workers, as evidenced with workers aged 40 years and over have experienced the greater loss of wages, and the increase in unemployment for people aged 45 – 55+ years was up by 2.4 percentage points to 10.1 percent during the period between [March and September 2020](#).

There are mixed perspectives on the Government's interventions in response to the economic impacts of COVID-19 for mature-age workers. On the one hand, there is optimism and opportunities for mature-aged workers. For example, discussions from the [second Global Access Partners \(GAP\) Virtual Business Roundtable](#) in association with the NSW Department of Communities and Justice (DCJ) and the GAP Standing Committee on Productive Ageing, reinforced that employers and employees can take positive steps to ensure mature-age worker skills meet changing market requirements. A series of recommendations include (p.7):

- Government subsidy for broadband connections and computers or phones to bridge the digital divide and ensure every Australian can participate in online work and education regardless of location or disadvantage.
- The business case for recruiting and retaining seniors should be articulated more clearly through evidence and success stories, to ensure businesses see them as a benefit, rather than cost.
- Better coordination between local, state and federal government on ageing policies and public information would help increase overall outcomes.

On the other hand, there is the perspective that the Government's interventions do not meet the long term needs of mature-aged workers, particularly mature-age, low-income people. For example, a report published in June 2020 by the [Brotherhood of St. Laurence \(BSL\)](#), argues that the economic impacts of COVID-19 on mature-age, low-income people have been particularly severe – referring to this group as "too old to work and too young to retire". They estimate nearly 400,000 Australians aged 51 to 65 have had their hours and/or employment impacted and it is growing rapidly. The BSL argue that the Government's responses to mature-age, low-income workers are short-term focussed and recommend for the Government to achieve sustained and systemic change. This view is echoed by the [Australian Council of Trade Unions \(ACTU\) \(2020\)](#) that offer a National jobs plan with optimism, hope, and determination, but emphasise that "the nature, speed, and depth of this crisis demands a powerful and sustained policy response from our governments.. national economic reconstruction can only be lead and delivered by Government." (p.4)

While the Federal Government has allocated \$41.7 million for the [Career Transition Assistance \(CTA\)](#) program to help mature jobseekers improve their digital literacy and transferrable skills, there are [fears that older workers](#) may never find sustainable work again in the wake of COVID-19. Adding to this fear is the proposed JobMaker Hiring Credit, that will provide wage subsidies to businesses if they take on extra workers between the ages of 16 and 35, who have been receiving JobSeeker, Youth Allowance (Other) or Parenting Payment. To cap job advertisements to age 35 suggests this Government intervention adds fuel to the ever-present age discrimination faced by older workers. In the case of [Virgin Blue Airlines Pty Limited](#), they were prosecuted for unconsciously discriminating against women aged over 35 by excluding them from the recruitment criteria. Indisputably, this is a lesson from the past that shouldn't be ignored. To quote [Gary Martin \(2020\)](#), "while the JobMaker Hiring Credit is well-intentioned, it will spread the tentacles of workplace age discrimination wider and deeper by making older workers more expensive". At the time of writing this article, the Federal Government is seeking submissions on the proposed [JobMaker Plan](#).

In closing, all levels of government have critical roles in shaping the economic security for Australia's workforce post-COVID-19. However, more targeted and tailored interventions for older workers are essential – a vital part of the workforce and economy. So, time will tell whether the implementation of the Government's interventions can safeguard the economic security of Australia's older workers post COVID-19. As the [Age Discrimination Commissioner, Dr Kay Patterson](#) (2019) asserts: "We need the strengths and different skills brought by all generations in the workplace if Australia is to meet the challenges of a changing workplace."



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