

**Canadian research on older workers**

Victor W. Marshall, Ph.D.  
Institute on Aging, and Department of Sociology  
University of North Carolina at Chapel Hill

Paper prepared for a symposium, "Problems of Older Workers" at the International Association on Gerontology conference, Vancouver, British Columbia, Canada

July 2001

key words: older worker      retirement      Canada

## **Abstract**

**Purpose:** This paper reviews Canadian research on older workers, identifying major projects, themes, and gaps.

**Method:** Literature review

**Results:** Canadian research on older workers is quite recent and not plentiful. Government research conducted in-house relies primarily on nationally representative surveys and this supports a general overview of working patterns by age, with limited opportunity to portray longitudinal patterns. Government-supported research and other research by academics includes secondary analyses of national data files but also includes firm- and industry-based studies. With an institutionalized retirement age of 65, Canada's actual average retirement age is 52. Labour force participation of males aged 55-64, and 65+ has generally declined but is sensitive to demand characteristics. Older persons appear to face greater labour force instability than younger persons but this inference requires further research. Work and retirement patterns are shaped by a mix of public and corporate policies, economic swings, demographic patterns and technology.

**Author contact information:**

UNC Institute on Aging, CB 1030, 720 Airport Rd. Chapel Hill NC 27599-1030, USA  
telephone: 919-966-0510; email: [victor\\_marshall@unc.edu](mailto:victor_marshall@unc.edu)

The nature of work and the nature of retirement have both been rapidly changing in Canada. The conjunction of these two factors with the demographic pattern in Canada makes the older worker an interesting topic for study. Nevertheless, there has not been extensive research in this area. I will draw on the available research to describe the situation of older workers in Canada, noting important areas of similarity and contrast to the situation in other countries. The term older worker is used differently in different countries and within countries. In Canada, age 45 and older is generally considered by government agencies as referring to older workers and, generally speaking, that is the reference age I will consider. There are two major sources of Canadian data in this area: national-level data, largely from government-sponsored surveys and the census, and firm-based studies which situate older workers in the immediate context of their work situation. Some findings on older workers are from studies not focused on the older worker *pe se* but on other issues such as labor force management or retirement.

This overview will focus on socio-demographic and labor force issues and on the sociology and social psychology of work and the life course. Important areas, such as ergonomic, occupational health and psychological factors affecting older workers, the ways in which workers confront conflicting demands between work and family obligations, and legal issues such as laws governing mandatory retirement and the right to work are omitted from consideration here<sup>1</sup>

I begin by briefly describing the macro-level Canadian context in terms of work and employment. In a second section I address the limited research on attitudes toward and discrimination against the older worker. In a third section I examine the labor force dynamics of the older worker, and in a fourth section I turn to company-based studies to look both at human resources management issues and the responses of older workers. I conclude by emphasizing

---

<sup>1</sup> An excellent general overview of Canadian older worker issues, well grounded in the existing data, is found in McPherson 1998, Ch.8, "Aging, work, and retirement". On specific topics not considered, a sense of the field can be secured from the following Canadian resources: On ergonomic, health and psychological issues, Bosman & Charness, Vézina, Vinet & Brisson 1990; on work, aging and family issues, Gottlieb, Kelloway & Fraboni 1994, Guberman & Maheu 1999, Joseph & Hallman 1996, Martin Matthews & Rosenthal 1993, McKinnon & Odynak, 1991, McGowan, Morouney & Bradshaw, 2000; on legal and right to work issues, Coutu 1990, Gunderson & Pesando 1988, Guppy 1989, Klassen & Gillin 1999, London 1989).

some important themes of continuing research and policy interest.

### **1. The Older Worker in the Canadian Context**

Canada has 31.5 million people and the population is expected, using 'medium' assumptions, to reach almost 34.5 million by 2011, to exceed 38 million by 2026, and to be almost 40 million by 2041 (Denton, Feaver and Spencer, 2000, Table 3.2). The median age, just over 26 in 1966, reached 35 by 1996 and is projected to be about 45 by 2041 (again, using 'medium' projection) (Denton, et al., 2000, p. 37). Life expectancy at birth is 75.7 years for males and 81.4 years for females (1996 estimates) (Health Reports, Winter 1999). Canada had the largest post-war 'baby boom' in the world, but has since has a 'baby bust', and the 'baby boom echo' is not nearly as pronounced as the boom that it echoes (Foot and Gibson, 1993). Fertility rates were above 1.7 until 1993 and have since fallen to under 1.6 by 1997 (Canadian Social Trends, Winter 1999: 29). As Denton, Feaver and Spencer (200: 33) note,

"the boom-bust sequence has had marked effects on aging distribution. Until 1971 about two-fifths of the population were 'young' (defined here as under age 20), but by 1996, that proportion had declined to little more than one-quarter. The reduction in the young population was offset by increases in the 'working age' population (20 to 64), which rose from just over 50 percent of the total in the early 1960s to 61 percent in 1996, and in the 'old' population (65 and older), which increased from less than 8 percent of the total in 1951 to more than 12 percent in 1996".

The baby boom posed great challenges to the Canadian economy, which managed to generate unmatched labor force growth as the boomers entered the working years (Foot and Gibson, 1993). Now many of them are 'older workers', and some early boomers are about to enter the transition to retirement (Marshall, 1995a). They do so in a period of relative economic prosperity compared to that of the 1970s, 1980s and early 1990s. For example, Canadian unemployment rates averaged 4.2% during the 1950s, 5% during the 1960s, 6.7% in the 1970s, 9.5% in the 1980s, and about 10% until the late 1990s (Foot, 1996, p. 68), but they have recently fallen to the five percent range. Thus many people who are now older workers or recently retired spent many of their working years in an environment of high, and rising, unemployment. Unemployment rates do not accurately reflect the situation because many younger and older persons unable to

find work become “discouraged workers” and leave the labor force (Monette, 1996).<sup>2</sup> Moreover, as I will note below, they are working, or leaving work, in a new corporate environment in which the meaning of work and careers has changed greatly.

## **2. Attitudes about Older Workers, and Age Discrimination**

Attitudes toward older workers have been examined in a few Canadian studies. Some of these report attitudes of managers, human resources executives or owners of small companies – in other words, the attitudes of those most likely to make decisions to hire. Gibson, Zerbe & Franken (1992) found negative attitudes toward older workers in a study of 651 managers in firms in Calgary, Alberta. They conclude that managers believe older workers are “stuck in their trades, are unfamiliar with new technologies, are afraid of new technology, have failed to keep up, are resistant and fearful of change, are unable to make dramatic career changes, and are slow to learn” (Gibson, Zerbe & Franken, 1992: 170). A larger study of 811 employers in Alberta by the same authors also found some positive attitudes: here older workers were found to have more individual initiative, stability and experience than younger employees (Gibson, Zerbe & Franken, 1993).

The Issues of an Aging Workforce project at The University of Toronto conducted six case studies of older workers at the work establishment level, of which three gathered data on attitudes of both managers and employees toward older workers (Marshall 1996) The measures, adapted from those used by Taylor and Walker (1994), were also used in two national-level Canadian studies.

The three case studies were of a large health and life insurance company, a medium-sized steel mill, and a large corporation with both petrochemical manufacturing and gas pipeline utility components (Marshall, 1966; Marshall and Marshall, 1999).<sup>3</sup> We asked both managers and

---

<sup>2</sup> Monette (1996, p. 16) notes that between 1990 and 1994 the number of retirees reporting they retired while unemployed was 30% higher than the number between 1985 and 1989.

<sup>3</sup> These case study reports, as well as three other case studies and the final report from the same project are available on-line, catalogued under “Issues of an Aging Workforce” in the digital library of the University of North Carolina Institute on Aging: [www.aging.unc.edu](http://www.aging.unc.edu).

employees a series of questions with the stem, “Thinking about the older employees in your company, please circle the number that indicates your agreement or disagreement with the following statements .... Older employees...” The individual items included statements such as “can adapt to organizational change”, “serve as mentors or teachers to younger employees”, “do now want to receive training”, “cannot adapt to new technology”, “are harder to train”. We conclude the following: 1. In general, both managers and other employees have largely favorable attitudes toward older workers in their own companies; 2. given this general pattern, the attitudes of managers are somewhat more favorable than those of employees. This suggests a hint of age-based tension (since managers tend to be older) but certainly not significant conflict; 3. The areas in which attitudes are less favorable than others are those dealing with the ability and the motivation of older workers to adapt to new “hard” technology (but there were no differences concerning adaptability to organizational change). Nevertheless, in these case studies attitudes were more favorable than not, even on these dimensions; 4. Both managers and other employees are in overwhelming agreement that older employees serve as mentors or teachers to younger employees (Marshall, 1996; also discussed in Berger, 1999).

In 1997 we conducted a national representative survey of 539 Canadian employers (Underhill, Marshall and Deliencourt, 1997a), and employing the same attitudinal measures as in the case studies as well as many measures on issues other than attitudes. Berger (1999) conducted a detailed analysis of the attitudinal data. As in the case studies, respondents reported favorable attitudes towards workers aged 45+, but reservations concerning their ability to do heavy physical work and their interest in technological change.<sup>4</sup> Using factor analysis, Berger was able to construct three distinct attitudinal indices tapping: ‘age-related decline’ (difficulty working overtime, hard to train, cannot do heavy physical work, have trouble with shift work); ‘positive experiential attributes’ (good mentors, strong communication skills can adapt to organizational change, highly respected) ; and ‘reliable and productive’ (reliable employees, productive employees). She found attitudes to older workers to be more favorable in small rather than large companies on the experiential dimension; that older employers have more positive

---

<sup>4</sup> A similar pattern of findings, less positive concerning technology but highly positive on a number of other dimensions, is reported by McDaniel (2000), based on a study she conducted

attitudes to older workers on the ‘reliable and productive’ dimension; and that women employers had more favorable attitudes to older workers on all three dimensions. She found differences on no other dimension for these three potential predictors of attitudes (size of company, age of employer, sex of employer). She did not find any differences on any dimension based on the industrial sector, proportion of older workers, or education of the employer respondent.

Attitudes and their related perceptions are not always accurate. For example, in our case studies we found that older workers were generally favorable to both organizational and technological change or, if unfavorable, no more so than younger workers, even though managers and employees were likely to view potential adaptation to technological change as problematic for older workers.

Attitudes are not the same as discrimination. It is much more difficult to conduct research on actual age discrimination than on perceptions of it. However, we found no evidence in these companies of discrimination in access to training opportunities. For example, at the insurance company we found older workers less likely than younger workers to have received on the job training, but this might partly reflect the involvement of older workers in providing such training through their mentoring and informal teaching (Marshall, 1996).

Managers in the case studies and in the national survey give some indications that there may be structural barriers to employment of older workers. These data refer not to workers currently employed but to views of managers as to the employability of older job applicants. In the three case studies, we asked managers, “Are there jobs in your company to which employees over 50 would have difficulty in adapting?”. Affirmative responses ranged from 29 percent in the steel company to a high of 53 percent at the petrochemical/pipeline company. In the national survey, 37% of respondents from small companies and 26% of respondents from large companies said there were jobs at their company to which workers 45+ would have difficulty adapting (Underhill et al., 1997a). Asked, “What age is too old for recruitment” in their own company, 43% of managers in the petrochemical/pipeline company, 41% in the insurance company, and ten of fourteen in the steel company specified an age; the age at which someone was considered too old to recruit ranged between 54.3 and 58.8 years (Marshall, 1996). In the national survey of employers, between 25% and 43% of the respondents (depending on region,

---

in Alberta.

industry and company size) indicated that there was an age at which they would consider a candidate to be too old to be hired into their company; and the mean age varied between 55 and 61 depending on these factors (Underhill et al., 1997a).

Data of this nature are not direct measures of discriminatory behavior but indicate the views of people who have some control over hiring in their own companies. Additional estimates of barriers to employment come from two other surveys we conducted. The first was a national survey (excluding Quebec) of 148 managers and 165 counselors working at Human Resources Centres of Canada (Underhill, Marshall and Deliencourt, 1997b). These offices work with job-seekers of all ages, as well as companies, to facilitate placement. They are in a good position to estimate the difficulties older people have when they are on the job market. A strong indication of the extent of these barriers is that 24% of the counselors said more than half of their older clients decided to retire; i.e., they did not find work and withdrew from the labor force. Asked in which age category applicants had the most difficulty finding jobs, 72% of counselors thought those age 60 and older would have the most difficulty, while 12% felt that clients under age 30 had the most difficulty. The barriers to re-employment are not always caused by negative attitudes or discrimination against the older worker. Counselors identified an unwillingness to relocate as an important factor, as well as fear of going back to school, lack of awareness of services available to them, lack of advanced job search skills and lack of appropriate technical skills. (Underhill, et al., 1997b). However, 62% of the counselors agreed that “Employers believe that older workers should step aside so that younger people can get jobs”; 50% agreed that “Employers believe that older workers have low productivity”; and 84% agreed that “Employers discriminate against older workers in hiring practices” (Underhill et al., 1997b). As McDaniel observes (1986: 56-58), ageist beliefs that productivity will decline with the demographic aging of a society find no empirical support. However, they are so widespread as to affect the working opportunities of middle-aged and older individuals.

### **3. The Older Worker and Labor Force Dynamics**

The general situation of the older worker can be described only in part by labor force statistics and large-scale social surveys, but knowledge of this sort is valuable to situate the understanding

of the older worker that is gained from smaller studies whose methodology perhaps allows more depth of understanding.

National-level statistics from the census, social and labor force surveys have shown that not only is the population aging, the workforce is as well, and observers suggest that the aging of the workforce per se has important policy implications for the economic and for social well-being (Denton, Feaver and Spencer 2000; Lowe 1992; Marshall 1996; McDonald and Chen 1993; Tindale 1991).

For our interests, changes in rates of employment of old and middle-aged persons can be noted. Statistics Canada has published a thorough description of these dynamics (Statistics Canada, 1998), and I can only touch on a few points. McDaniel (1995) describes female labor force participation rates of those aged 65 and older as dramatic— from almost 20% working outside the home in 1921 to 8.3% in 1971. Over the same period, she notes a “clear and precipitous decline in labour force participation” for men aged 45-64 and a similar pattern, albeit at lower levels, for women (see also LeBlanc & McMullin 1997). However, since 1971 she notes the convergence in labor force participation rates that I noted earlier and which, coupled with declining size of cohorts entering the workforce, produces a generally aging workforce. Labor force aging would have been greater had the retirement age remained stable, but instead, older male labor force participation has declined. Labor force participation of older males continued to decline in Canada after it ceased to decline in the United States (Quinn 1998) but, as in the United States, that of older women has increased before leveling off. In the age range 55-64, the decline for men was from 76.4% in 1978 to 60.3% in 1994; the increase for women was from 32.3% in 1979 to 39% in 1994.

From the Survey of Consumer Finances we know that older workers have on the whole done better in terms of employment histories than younger workers. Unemployment rates among older workers are roughly the same as those of younger workers, and their real earnings have increased over the past quarter-century while those of younger males have decreased and those of younger females have increased less (Survey of Consumer Finances 19XX). A major source of national-level data has been the (Canadian) General Social Survey, of which cycle 9, conducted in 1994, focused on issues of work and retirement (Monette, 1996). This survey found that older workers (those aged 45 and older) constituted 28.4% of the labor force, 30% of the

full-time labor force and 21.2% of the part-time labor force. Thus, older workers were slightly over-represented in more stable work situations. If laid off due to a plant closing, older Canadian workers have longer durations of joblessness than younger workers (Gray & Grenier 1994).

There is nevertheless considerable evidence of instability and uncertainty in the labor force experiences of older people. Lowe analyzed the Survey of Persons No Longer in the Labour Force and estimated that, from 1990 to 1992, about 211,000 Canadians retired earlier than they had planned to retire. This was up from a 190,000 figure in a similar period three years earlier. In the later period, about 88,000 people retired earlier than they had expected for economic reasons, up from 54,000 in the earlier period (Lowe, 1991). In another national-level survey conducted in 1991, the Survey on Ageing and Independence, almost one fifth (17%) of retirees over the age of 45 reported having returned to paid employment, with men being almost twice as likely as women to have done so (Schellenberg, 1994: 50). The earlier the retirement, the more likely the retiree would be to return to work. Another indicator of the instability in this pattern is that 76% of the men and 45% of women who returned to paid employment did so through part-time work. In the 1994 General Social Survey, about 26% of retired people aged 55-59, 16% of those aged 60-64, and 12% of those aged 65-69, reported having returned to work after retiring (McDonald, 1997: 94).

McDaniel reminds us that labor force instability in later life is nothing new for Canadians: “It is apparent that Canadians aged 45-64 tend to make multiple transitions in and out of work, and into and out of the labour force. There is no smooth transition from work to retirement for either men or women” (McDaniel, 1995: 82). She also notes important gender differences that portray women’s labor force histories as less stable or smooth than those of men (McDaniel, Lulu & Krahn 1993, cited in McDaniel 1995; see also Marshall and Clarke 1998; Marshall, Clarke and Ballantyne, 2001).<sup>5</sup> At any rate, the importance of later life instability in the lives of older workers (or non-workers) is partly shaped by the fact that social policy in Canada is predicated on a (false) assumption that stable working careers are the norm. Thus, one

---

<sup>5</sup> In fact then, McDaniel exaggerates somewhat, in that some older Canadians had much smoother labor force histories than others. As she indicates, gender is important here, but so are class, cohort and industrial sector. Marshall, Clarke and Ballantyne (2001) have shown that the differences are real enough to have health consequences.

cannot obtain maximum benefits in retirement from the Canada Pension Plan unless one's labour force participation has been much more continuous and orderly than not.

#### **4. Firms, Occupational Groups, and the Older Worker**

I have already mentioned some firm-based studies when discussing attitudes towards older workers. Such studies, and studies based on occupational groupings or specific job sectors, are few but they are insightful, because firms and specific occupational or professional settings connect people to work.

Although not strictly speaking a firm-based study, Lussier and Wister's (1995) examination of factors affecting the age structure of the British Columbia public service provides a compelling example of how corporate policies can impact a particular company or employment sector. Over the period 1983 to 1991, Lussier and Wister describe the British Columbia public service as having become 'middle aged', with only slight workforce aging, due to a combination of an upward move in the age of people hired, and increasing early retirement. The latter was induced by very attractive early retirement incentive packages. These authors warn of possible adverse consequences of workforce 'middle-aging', including morale and job satisfaction problems caused by 'plateauing' (see also Foot and Gibson 1993), having a large proportion of the workforce facing issues of eldercare, and a higher claims for long-term disability benefits (Lussier and Wister, 1995).

Both older and younger employees are affected by the recent upsurge of corporate restructuring, but the age effects are different for older than younger workers. Restructuring through downsizing of a company's employee complement became increasingly implemented and legitimated (in corporate circles) following the economic downturn that began in 1987 (Budros 1997; Lamertz & Baum 1998).

Tindale (1987) gathered survey data in 1980 from members of a profession facing pressures for early retirement: secondary school teachers in Ontario. Since the late 1970s, as the baby boom generation passed through school, enrollments began to fall in Ontario, creating pressures for downsizing throughout much of the province. Both the number of teachers and of

schools declined. The teachers, being quasi-unionized,<sup>6</sup> were somewhat protected by seniority provisions, and Tindale found this to induce some tensions between younger and older teachers. Seniority, correlated with age, allowed a teacher made redundant to ‘bump’ a teacher with less seniority at another school. Perceived pressures to retire and tensions around ‘bumping’ were highly correlated among older but not younger teachers.

In the group of case studies conducted by the Issues on an Aging Workforce project that I noted earlier when discussing attitudes towards older workers, the corporate stance to re-engineering was found to have important consequences that varied by age (see Marshall 1996 and Marshall & Marshall 1999 for overviews). The Canadian insurance company had not introduced any major restructuring activities up to the time of the study. It had a largely internal labor market, high job stability, career progression and company loyalty, when compared to a similar insurance company in the United States that had undergone extensive downsizing (Marshall & Marshall 1999; Scott 1999).<sup>7</sup> Its age structure included a broad representation of younger and older employees.

The telecommunications company had undertaken several waves of downsizing, using the early retirement incentive program. While not targeted specifically at older workers, the succession of retirement incentive plans offered by this company quite naturally appealed more to older than younger employees. Our study gathered data from people who had left the company, most of whom did so after long and stable working careers in that company. However, successive reductions were hitting younger and younger employees during the period of our study. We found among some retirees that their plans for retirement had not worked to their satisfaction, and we found a reservoir of cynicism and sometimes resentment about the company’s policies. The uncertainty in employees caused by the successive waves of downsizing, and the manner in which they were conducted, itself became a motivating factor leading workers to accept the offer to retire early (Issues of an Aging Workforce 1996a;

---

<sup>6</sup> The Ontario Secondary School Teachers Federation negotiates on behalf of teachers but is a professional association, not a union. Tindale’s analysis highlights the intersection of age, seniority and social class in the dynamics he describes, but I cannot review these here.

<sup>7</sup> Scott’s masters thesis is an implicit comparison of the two insurance companies, using

Robertson 2000).<sup>8</sup>

The steel company had undergone extensive downsizing of its workforce but it chose to do so through attrition, accompanied by very little new hiring. Thus, over time its workforce became much older than the insurance company. This was a unionized company. There continued to be considerable career mobility but it was constrained by seniority.

The gas pipeline and petrochemical company (hereafter, pipeline company) was also pursuing restructuring through extensive downsizing. However, this company recognized that it was valuable to retain a significant proportion of its older employees for their stability, corporate memory and leadership qualities. It therefore introduced several innovative ways to induce younger workers to leave the company, so that it would not have to rely exclusively on early retirement incentives to meet its downsizing goals. This company's policies created different groups of employees. One segment of its workforce was hired by contract to external companies. Their future careers depended not just on their relationship to the contractor but on the contractor's relationship with the case study company. A second segment held contract jobs with the case study company itself. These were time-limited and they faced uncertainty about renewal. The third segment, employees whose work was considered most necessary for the 'core' activities of the company, were the only segment who could be considered to have good prospects for long-term careers. They were not contractual, but rather line employees of the firm. In this environment, the pipeline company deliberately fostered a view that employees should individualize their careers. That is, they should find their career stability not in a predictable progression through the ranks of the company but rather within themselves, potentially moving from job to job and company to company over their careers.

A final Canadian case study of the Issues of an Aging Workforce project gathered data from a set of small garment industry firms in Montreal (Issues of an Aging Workforce 1996b; Marshall and Marshall 1999; McMullin & Marshall 1999). All were unionized and thus represented better working conditions than typically found in the industry. Until very recently, the structure of retirement benefits rewarded stable working careers because a worker had to

---

data from two cases of the Issues of an Aging Workforce study.

<sup>8</sup>Robertson's qualitative study is based on focused interviews and focus groups conducted

have been a union member for 20 years, the last 10 of which had to have been in continuous employment in a union shop, and be at least 65 years of age in order to qualify for the pension. The garment industry of Montreal, however, has been in serious decline over the past twenty years, partly because of the globalization of the industry. In 1997 the plan was changed to vest pensions, reduce the qualifying years in a union shop to just two, allow for early retirement with discounted benefits, and otherwise accommodate workers with discontinuous work histories. Even with the option to do so, most workers did not retire early but stayed until age 65. This was despite the fact that few workers found their jobs fulfilling and most found them physically and psychologically demanding. Taking early retirement and then returning to work outside the industry was difficult due to the limited and specialized job skills of these workers; retiring and finding a new job in the industry was difficult because the industry was in decline. Many who had retired at 65 or anticipated doing so anticipated great financial difficulties in retirement. Compared to the other cases we studied in the Issues of an Aging Workforce Project, the garment industry is one in which employees have less choice and are more subject to the vicissitudes of the employer and the industry, in a local and global context. Moreover, one response taken by the industry to survive global competition was to de-unionize in order to lower wages and benefits. This compounded the problems experienced by older workers in this industry.

An earlier study prepared for the International Ladies' Garment Workers Union (Peters, 1990) studied the impact on older workers (age 55+) of a single plant closure in the garment industry in Toronto. When the plant closed in January 1987, almost 1400 unionized workers were laid off, of whom 272 were older workers, and of these a representative sample of 74 were interviewed by telephone twenty-six months later. Few of the workers were recent immigrants, and more than 60% had worked in Canada for over 20 years. Most had worked for all of the 20 years prior to layoff, thereby qualifying them for a federal government Program for Older Worker Adjustment. Of the respondents, fewer than one in ten received information or counseling as to how to find a new job, and 96% of the respondents said they had no plans to take any training in the future. There was a huge gender difference in the chances of being re-employed at the time of the survey (more than two years after the layoff): 45% of all respondents

---

with a purposive sample of the respondents in the telecommunications study company.

but 49% of female respondents had not found a new job. Just one of the eight male was unemployed. All the re-employed men found jobs in the garment industry but some of the women found jobs in the service sector, where wages were typically lower. Mean hourly wages after rehiring fell from \$9.18 to \$8.29. Workers aged 61+ received lower wages both prior to layoff and in new jobs than workers aged 50-60. Only 37% of re-employed workers received benefits in their new job. This study, like the Montreal garment industry study (Issues of an Aging Workforce, 1996b, McMullin and Marshall, 1999) shows the importance of gender and age in affecting the fate of older workers working in a declining industry and subject to plant closure.

## **5. Important themes for Research and Policy**

Even within the restricted context of this overview, a number of important themes emerge for policy and for research. In the domain of labor force dynamics, the movement of the baby boom generation into, through and out of the years of paid employment provides one input to labor force planning, but addresses only ‘supply side’ dynamics. Very little work has been done on such ‘demand side’ issues as the age structure of employment and its impact on the opportunities or barriers to continuing employment of older workers. The age structure, indexed by mean or median age of workers, varies greatly among both occupations and industries (Betcherman & Leckie 1995, Chen 1987), and so the experience of older workers will vary on demographic grounds in conjunction with changes in economic organization and technology, especially as the service sector grows while basic manufacturing and agriculture remain stable or decline. Any policies that might be directed toward older workers must then be sensitive to the importance of industrial sector and the rise and fall of occupations and professions (a much under-researched area).

In the domain of attitudes toward older workers, I tentatively conclude that these attitudes are patterned in Canada so as to be more positive than in the United Kingdom, and are probably roughly comparable to the United States. However, the measurement of attitudes toward older workers is difficult and the evidence is by no means definitive. From a research perspective, the apparent disconnect between prejudicial attitudes and discriminatory behavior should not be surprising, given that it is well established that the attitude-behavior link is weak in

any area. It is likely that attitudes toward older workers will improve in Canada and elsewhere (1) as the workforce continues to age; (2) as successive cohorts entering the older worker category do so with higher educational attainment, technical and information technology skills; and (3) if the demand for labor, in conjunction with continuing small sizes of entry cohorts, creates incentives to retain older workers. Even if attitudes toward older workers did not improve under these conditions, it is likely that behavior would, i.e., that age discrimination will lessen, simply because the skills and experience of older workers are needed if the economy remains robust.

Downsizing can create great problems for older workers, creating tensions between older and younger workers, and displacing older workers onto a labor market that discriminates against them. Downsizing takes many forms and need not be targeted to older workers, as our case studies demonstrate. Corporate policy should ensure that downsizing is age neutral, and public policy should both enforce this principle and compensate older workers when it is violated. We know that downsizing is not always accomplished in the most socially responsible or corporately rational way. Canadian research by Mentzer (1996) has shown that downsizing is not directly related as either cause or effect to corporate profitability. When downsizing uses early retirement incentives as a mechanism, there is doubt as to just how voluntary this is (LeBlanc and McMullin 1997).

The importance of the social safety net in moderating potentially negative effects on older and younger workers begs for more investigation.<sup>9</sup> Gray and Grenier (1994) found different plant closure effects in Canada and the United States, which have quite different social safety nets, including the age-specific difference that medicare covers Canadians of all ages but Americans only if disabled or aged 65 or older. Comparative research on corporate behavior and its impact on older workers (indeed on workers of all ages) would benefit from comparisons of *different* types of work settings, occupations and industries within one country, but also between countries with different social welfare systems.

A recent OECD study (2000, p. 25) maintains that:

---

<sup>9</sup> LeBlanc & McMullin describe Canadian public pensions and other social safety net mechanisms and employment support programs in relation to older worker issues, noting

“The most important policy levers are those that are addressed to workers of all ages. These include, clearly, economic and employment policies that reduce overall unemployment. Policies directed towards older workers per se, such as those directed to age discrimination or legal retirement ages, can be important supporting tools but are unlikely to have large effects taken in isolation.”

The Canadian evidence, limited as it is, is consistent with this conclusion.

---

structured inequalities by age and gender.

## REFERENCES

- Berger, E.D. (1999). Organizational and Personal Characteristics Influencing Employers' Attitudes Toward Older Workers. M.Sc. Thesis. Dept. of Community Health, University of Toronto.
- Betcherman, G. & Leckie, N. (1995). Age structure of employment in industries and occupations. A secondary data analysis. Working Paper Series, Issues of an Aging Workforce Project. Toronto: CARNET, The Canadian Aging Research Network and Center for Studies of Aging, University of Toronto.
- Budros, A. (1997). The new capitalism and organizational rationality: The adoption of downsizing programs, 1979-1994. *Social Forces* 76 (1): 229-250.
- Chen, M.Y.T. (1987). Shaping factors of occupational age structures of the female labour force in Canada. In V.W. Marshall (Ed.), *Aging in Canada: Social Perspectives*. (Pp. 158-175.) Markham, ON: Fitzhenry and Whiteside.
- Coutu, M. (1990). Les chartes des droits et le vieillissement au travail, dans H el ene David (Ed.), *Actes du colloque, Le Vieillissement au Travail* (pp. 72-75). Bulletin no. 31-32, Montr al: Institut de recherche appliqu es sur le travail (IRAT).
- Denton, F.T., Feaver, C.H., and Spencer, B.G. (2000). The future population of Canada and its age distribution. In Frank T. Denton, Deborah Fretz, and Byron G. Spencer (Eds.), *Independence and Economic Security in Old Age*. (Pp. 27-56). Vancouver and Toronto: UBC Press.
- Foot, D. (1996). (with D. Stoffman). *Boom, Bust & Echo: How to Profit from the Coming Demographic Shift*. Toronto: Macfarlane Walter & Ross.
- Foot, D.K., & Gibson, K.J. (1993). Population aging in the Canadian labour force: Changes and challenges. *Journal of Canadian Studies* 28 (1): 59-74. Reprinted in V.W. Marshall and B.D. McPherson (Eds.) (1994). *Aging: Canadian Perspectives* (pp. 97-112). Peterborough, ON: Broadview Press.
- Gibson, K.J., Zerbe, W.J., & Franken, R.E. (1992). Job search strategies for older job hunters: Addressing employers' perceptions. *Canadian Journal of Counselling* 26 (3): 166-176.
- Gibson, K.J., Zerbe, W.J., & Franken, R.E. (1993). The influence of rater and ratee age on judgments of work-related attributes. *Journal of Psychology* 127 (3): 271-280.
- Gillin, C.T., & Klassen, T.R. (1995). Age discrimination and early retirement policies: A comparison of labor market regulation in Canada and the United States. *Journal of Aging and Social Policy* 7 (1): 85-102.
- Gottlieb, B.H., Kelloway, E.K., & Fraboni, M. (1994). Aspects of eldercare that place employees at risk. *The Gerontologist* 34 (6): 815-821.
- Gray, D. & Grenier, G. (1994). Plant closure and jobless durations: Signalling and search behavior in Canada. Dept. of Economics, University of Ottawa (November)
- Guberman, N. & Maheu, P. (1999). Combining employment and caregiving: An intricate juggling act. *Canadian Journal on Aging* 18 (1): 84-106.
- Heisz, A. (1996). Changes in job tenure in Canada. *Canadian Economic Observer* (January): 3.1-3.5.
- Gunderson, M., & Pesando, J. (1988). The case for allowing mandatory retirement. *Canadian Public Policy* 14 (1): 32-39.
- Guppy, N. (1989). The magic of 65: Issues and evidence in the mandatory retirement debate. *Canadian Journal on Aging* 8 (2): 173-176.

- Issues of an Aging Workforce (1996a). *Issues of an Aging Workforce: A Case Study of Former Employees of Bell Canada*. Toronto: Canadian Aging Research Network and Centre for Studies of Aging, University of Toronto.
- Issues of an Aging Workforce (1996b). *Issues of an Aging Workforce: A Case Study of the Montreal Garment Industry*. Toronto: Canadian Aging Research Network and Centre for Studies of Aging, University of Toronto.
- Joseph, A., & Hallman, B.C. (1996). Caught in the triangle: The influence of home, work and elder location on work-family balance. *Canadian Journal on Aging* 15 (3): 393-412.
- Klassen, T.R., & Gillin, C.T. (1999). The heavy hand of the law: The Canadian Supreme Court and mandatory retirement. *Canadian Journal on Aging* 18 (2): 259-276.
- Lamertz, K., & Baum, C.A.C. (1998). The legitimacy of organizational downsizing in Canada: An analysis of explanatory media accounts. *Canadian Journal of Administrative Sciences* 15 (1): 93-107.
- Lauzon, D. (1995). The duration of joblessness following displacement. Working Paper W-95-1., Ottawa: Applied Research Branch, Strategic Policy, Human Resources Development Canada.
- LeBlanc, S.L. & McMullin, J.A. (1997). Falling through the cracks: Addressing the needs of individuals between employment and retirement. *Canadian Public Policy* 23 (3): 289-304.
- London, J.R. (1989). The Canadian experience in mandatory retirement: A human rights perspective. In J.M. Eekelaar and D. Pearl (Eds.), *An Aging World: Dilemmas and Challenges for Law and Social Policy* (pp. 329-362). Oxford: Clarendon Press.
- Lowe, G.S. (1991). Retirement attitudes, plans and behavior. *Perspectives on Labour and Income* 3 (3): 8-17.
- Lowe, G.S. (1992). Human resource challenges of education, computers and retirement. Statistics Canada. General Social Survey Analysis Series, no. 7. Ottawa: Minister of Industry, Science and Technology.
- Lussier, G., & Wister, A.V. (1995). A study of workforce aging of the British Columbia Public Service, 1983-1991. *Canadian Journal on Aging* 14 (3): 480-497.
- Marshall, V.W. (1995a) The older worker in Canadian society: Is there a future? In E.M. Gee & G.M. Gutman (Eds.), *Rethinking Retirement* (pp. 51-68). Vancouver: Gerontology Research Centre, Simon Fraser University.
- Marshall, V.W. (1995b) Rethinking retirement: Issues for the twenty-first century. In E.M. Gee & G.M. Gutman (Eds.), *Rethinking Retirement* (pp. 31-50). Vancouver: Gerontology Research Centre, Simon Fraser University.
- Marshall, V.W. (1996). *Issues of an Aging Workforce in a Changing Society: Cases and Comparisons*. Toronto: Centre for Studies of Aging, University of Toronto and CARNET: The Canadian Aging Research Network. Available online through the digital library of the University of North Carolina Institute on Aging, [www.aging.unc.edu](http://www.aging.unc.edu).
- Marshall, V.W., & Clarke P.J. (1998). Facilitating the transition from employment to retirement. *National Forum on Health, Determinants of Health: Adults and Seniors*. Ottawa: National Forum on Health (pp. 171-207). Reprinted in *National Forum on Health, Canada Health Action: Building on the Legacy*. Papers Commissioned by the National Forum on Health. Sainte-Foy, Quebec: Editions MultiMondes (pp. 171-207).
- Marshall, V.W., Clarke, P.J. & Ballantyne, P J. (2001). Instability in the retirement transition: Effects on health and older Canadians. *Research on Aging* 23 (4): 379-409.
- Marshall, V.W., & Marshall, J.G. (1999). Age and changes in work: Causes and contrasts. *Ageing International* 25

(2): 46-68.

Martin Matthews, A., & Campbell, L. (1995). Gender roles, employment and informal care. In S. Arber & J. Ginn (Eds.), *Connecting Gender and Ageing: Sociological Reflections* (pp. 129-143). Buckingham and Philadelphia: Open University Press.

Martin Matthews, A., & Rosenthal, C.J. (1993). Balancing work and family in an aging society: The Canadian experience. *Annual Review of Gerontology and Geriatrics* 13: 96-119.

McDaniel, S. (2000). 'What did you ever do for me?': Intergenerational linkages in a restructuring Canada. In Ellen M. Gee and Gloria M. Gutman (Eds.), *The Overselling of Population Aging: Apocalyptic Demography, Intergenerational Challenges, and Social Policy*. (Pp. 130-152). Don Mills, ON: Oxford University Press.

McDaniel, S. (1995). Work, retirement and women in later life. In E.M. Gee and G.M. Gutman (Eds.), *Rethinking Retirement*. (Pp. 75-92). Vancouver: Gerontology Research Centre, Simon Fraser University.

McDaniel, S. (1986). *Canada's Population Aging*. Toronto and Vancouver: Butterworths.

McDaniel, S.A., Lalu, N.M. & Krahn, H. (1993). Labour market transitions of older Canadian women: A multistate life table approach. Paper presented at the Population Association of America meetings, Cincinnati, Ohio.

McDonald, L. (1997). The link between social research and social policy options: Reverse retirement as a case in point. *Canadian Journal on Aging/Canadian Public Policy/Supplement*, pp. 90-113.

McDonald, L. (1994). Retirement revisited: A secondary data analysis. Working Paper: *Issues of an Aging Workforce: A Study to Inform Human Resources Policy Development*. Toronto: Centre for Studies of Aging, University of Toronto.

McDonald, L. & Chen, M. (1993). The youth freeze and the retirement bulge: Older workers and the impending labour shortage. *Journal of Canadian Studies* 28 (1): 75-101. Reprinted in V.W. Marshall and B.D. McPherson (Eds.) (1994), *Aging: Canadian Perspectives*. (Pp. 113-139). Peterborough: Broadview Press.

McDonald, L., Donahue, P., & Marshall, V.W. (2000). The economic consequences of unexpected early retirement. In Frank T. Denton, Deborah Fretz, and Byron G. Spencer (Eds.), *Independence and Economic Security in Old Age*. (Pp. 267-292). Vancouver and Toronto: UBC Press.

McDonald, P. L., and Wanner, R.A. (1990). *Retirement in Canada*. Toronto and Vancouver: Butterworths.

McKinnon, A., & Odynak, D. (1991). Elder care, employees and employers: Some Canadian evidence. A discussion paper prepared for the demographic review secretariat, Health and Welfare Canada. Population Research Laboratory, The University of Alberta, 44p.

McGowan, R.A., Morouney, K., & Bradshaw, P. (2000). Managers and eldercare: Three critical, language-based approaches. *Canadian Journal on Aging* 19 (2): 237-259.

McMullin, J.A. & Marshall, V.W. (1999). Structure and agency in the retirement process: A case study of Montreal garment workers. In Carol D. Ryff and Victor W. Marshall (Eds.), *The Self and Society in Aging Processes*. (Pp. 305-338). New York: Springer.

McPherson, B.D. (1998). *Aging as a Social Process: An Introduction to Individual and Population Aging*. Toronto: Harcourt Brace Canada.

Mentzer, M.S. (1996). Corporate downsizing and profitability in Canada. *Canadian Journal of Administrative Sciences* 13 (3): 237-250.

- Monette, M. (1996). Canada's Changing Retirement Patterns: Findings from the General Social Survey. Statistics Canada: Housing, Family and Social Statistics Division. Ottawa: Ministry of Industry. Catalogue No. 89-546-XPE.
- Noreau, N. (1994). Involuntary part-timers. *Perspectives on Labour and Income* 6 (3): 25-30.
- OECD (2000). *Reforms for an Ageing Society*. Paris: Organization for Economic Co-operation and Development.
- Peters, L. (1990). The experiences of older workers following a plant closure in the garment industry. Toronto: Ontario Cloakmakers, Dress and Sportswear District Council of International ladies Garment Workers' Union. Locals 14, 83 and 92. Pp. 41.
- Picot, G. & Pyper, W. (1994). Worker displacement within the context of a dynamic labour market. Paper presented at the CERF Conference on Displaced Workers (December).
- Quinn, J. (1998). Employment and the Elderly. Review essay. *The Gerontologist* 38 (2): 254-259.
- Schellenberg, G. (1994a). *The Road to Retirement: Demographic and Economic Changes in the 90s*. Ottawa: Centre for International Statistics, Canadian Council on Social Development.
- Schellenberg, G. (1994b). *Older Workers in the Canadian Labour Market*. Paper prepared for One Voice: The Canadian Seniors Network. Ottawa.
- Scott, H.K. (1999). *Shattered Work Lives: Older Workers, the Breakdown of Traditional Employment Relationships, and the New Corporate Culture of Uncertainty*. M.Sc. Thesis, Department of Community Health, University of Toronto.
- Statistics Canada (1998). *Labour Force Update. Older Workers*. Catalogue No. 71-005-XPB. Ottawa: Statistics Canada.
- Tindale, J.A. (1991). *Older Workers in an Aging Work Force*. Ottawa: National Advisory Council on Aging.
- Tindale, J.A. (1987). Age, seniority and class patterns of job strain. In V.W. Marshall (Ed.), *Aging in Canada: Social Perspectives*. (Pp. 176-192). Markham, ON: Fitzhenry and Whiteside.
- Taylor, P. & Walker A. (1994). The ageing workforce: Employers' attitudes towards older people. *Work, Employment and Society* 8 (4): 569-591.
- Underhill, S.C., Marshall, V.W., & Delencourt, S (1997a). *Options 45+ Survey of Canadian Employers Final Report*. Toronto: Institute for Human Development, Life Course and Aging, University of Toronto, and Ottawa: One Voice: The Canadian Seniors Network.
- Underhill, S.C., Marshall, V.W., & Delencourt, S (1997b). *Options 45+ HRCC Survey Final Report*. Toronto: Institute for Human Development, Life Course and Aging, University of Toronto, and Ottawa: One Voice: The Canadian Seniors Network.
- Vézina, M., Vinet, A., & Brisson, C. (1990). Vieillesse prématurée des ouvrières de l'industrie du vêtement. dans Hélène David (Ed.), *Actes du colloque, Le Vieillesse au Travail* (pp. 136-141). Bulletin no. 31-32, Montréal: Institut de recherche appliqués sur le travail (IRAT).