Increasing Employment of Older Workers through Lifelong Learning
Comments and Statements

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The report from Iceland gives an interesting overview of the quite special situation of older workers in the country seen against the labour market and system of lifelong learning (LLL). Furthermore, it illustrates how the relationship between education (LLL or continuing vocational education and training) and employment is perhaps more complex than commonly implied in policy making - at least when it comes to older workers.

As one of the Nordic countries, the labour market and education policy context in Iceland corresponds well to that in Norway. Consequently, there are many similarities in the situation of older workers, although perhaps more in regards the labour market than LLL. Some of the comparative issues are already indicated in the report from Iceland.

1. Part I: A brief assessment of the policy context

The total population in Norway is 4.68 millions (1.1.2007). The share of population aged 55-64 years will be larger than that of young population (20-29 years) for the first time in 2009. At the moment the factual retirement age is 3-4 years below the statutory age of retirement (67 years).

1.1 Labour market situation

Like in Iceland, the economy in Norway is strong at the moment. Participation rates are high in all age groups and older workers stay active longer than in most other European countries. Unemployment is low (2.5%), also among older workers, and there is shortage of labour in many sectors. Almost 50% of the workers aged 55-74 years were employed in 2004 (65% in the age group 55-64 years), against the EU average of 40%. According to Statistics Norway there has been an increasing trend in the employment of this age group since around 1996\(^1\), also according to the very latest statistics (31.10.2007). However, among ‘younger’ older male workers (55-58 years of age) the trend has been declining (at least until 2004). Labour market activity has increased particularly among women, mostly among high-educated.

In international comparison Norway has a very active labour market, ranking on the third place after Iceland and Sweden in regards employment among workers aged 55-64 years. As the report from Iceland showed, when it comes to inactivity among the oldest workers, 65+ years, the inactivity rates are the second lowest in Norway after Iceland - albeit 20 percentage units below Iceland’s - among the Nordic countries and EU25. Nevertheless, there is also some evidence of age-discrimination in the Norwegian labour market.

Older workers have more often part-time jobs than younger workers (30% in the age group 55-74 years against 24% among the population aged 24-74 years). Part-time jobs increase starting from the age of 55 years, being particularly pronounced from the age of 60 years. The special characteristic for older part-time workers is the very low hours in job (1-19 hours weekly), especially among men. Overall, however, part-time work is more common among women, throughout the life-course. Of all employed women 43% have a part-time job.

There are some characteristics in the Norwegian labour market, which seem different from the situation in Iceland, but which are important in regards the situation of older workers. One is high sick-leave rates – an issue often raised against older workers. The total sick-leave rate is 6.5% at the moment. The statistics show that from the age of 45 years sick-leave rates start slightly to increase (there is an earlier peak among younger women), followed by a sharp increase from the age of 60 years and above. However, among the oldest workers, aged 66-69 years, sick-leave rates are very low.

Furthermore, immigration is rapidly increasing in the Norwegian labour market – an issue not referred to in the report from Iceland. Currently the rate is 8.9% of the population. This development is strongly related in the labour market situation, but at the moment it has no direct effects on the older workers’ situation. However, the employment rate is lower among the immigrants (in 2006 60% vs. 70 among the total population).

Finally, a strong characteristic in the Norwegian working life is ‘medvirkning’ (‘cooperation’ or employee ‘involvement’ and ‘participation’). Building an inclusive working life is a high political priority, and older workers are an important target group for this policy. Accordingly, it is important that measures to this end are being sought in close cooperation between various labour market parties. The two main initiatives are the Inclusive Working Life Agreement (IA-avtale) and the National Initiative for Senior Workers 2001-2005 (continuing). The latter corresponds to the national 50+ initiative in Iceland. It is coordinated by the Centre for Senior Policy (CSP)\(^2\). From the year 2005 onwards, government has continued to support the work in CSP with high agreement across the main political parties. Unions and employers play a central role in the initiatives above. Also enterprises are expected to contribute actively. Direct employee participation, however, tends to be limited to the annual ‘development talks’ in Norwegian workplaces.

### 1.2 Lifelong learning

Lifelong learning (LLL) is a strong concept in the educational policy in Norway. LLL means education for all as a principle or a perspective along which to organise education, in order to ‘meet the changes in society constructively’ (KD, 2007b). A broader meaning of the concept of LLL has been emerging during the recent years (‘from cradle to grave’). Also, more systemic unity is being sought into the traditionally clearly separately functioning educational levels and areas. This orientation seems to be stronger in Norway than what the report from Iceland suggests. The general level of education is relatively high. About 28% of the adult population has not completed education above the lower secondary level, while one out of four has completed higher education.

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The formal educational system in Norway corresponds to the Icelandic system, with the exception of the upper secondary education, and to some extent adult education. Compared to Iceland the upper secondary education is organised in a more unified manner (a reform in 1976) as a joint 3-year ‘continuing school/education’ (‘videregående skole’). All young people are entitled a study place, all born after 1.1.1978 have a statutory right to upper secondary education or training, and all adults ‘who need it’ have a right up to lower secondary education (since the Competence Reform in 2002). Besides formal education, the system gives recognition to non-formal and informal competences, with possibility to get it validated or ‘documented’.

In regards the provision non-formal adult education there are some similarities with the situation in Iceland, but also notable differences. The main similarities are the variety of the providers of this form of adult education and the low-level of central organisation and coordination of the activity in these institutes. The providers with long traditions are Adult Education Associations and the Folk High Schools. Distance education is provided by universities and university colleges, the Norway Open Universities as a national agency. The governmental institute, VOX – the Norwegian Institute of Adult Education (est. in 2000), has a mandate to analyse, develop, and disseminate knowledge about adult learning. Corresponding to the Education and Training Centre in Iceland, VOX is especially concerned about improving basic skills among the low-educated adults, informal learning, and learning among the immigrants. Although also the unions organise adult education and training, it seems that their role is less significant in Norway than in Iceland.

Participation rates. In international comparison the situation in Norway ranks well. Among the most natural countries of reference, the Nordic countries, participation rates in adult education tend to be lowest in Norway, regardless of educational background and activity status in the labour market. The Figures 2.1.1-2.1.4 in the report from Iceland describe the situation clearly. Almost half (46%) of the adult population participated in formal continuing education and training in 2005. Corresponding rate in the age group 46-55 years is 42% but in the age group 56-65 years only 27%. (The statistics showed in the report from Iceland classify the above figures as ‘non-formal education’). The participation rate in formal continuing training is only 7% (KD, 2007). Participation rates in informal learning are more difficult to be exact about, but are high also in Norway. One survey (Engesbak & Finbak, 2005) showed that almost all adults (97%) reported of having participated in some kind of informal learning activity. The difference between those with high and lowest educational background is relatively small (99.5% vs. 90%).

Currently working life is acknowledged as the most important learning arena for adults. The provision of learning and training activities shows most variety in this area, including also private providers. In the context of working life, according to a central agreement the competence needs in enterprises are the employers’ responsibility, while the government has the responsibility for the basic skills. A majority (60%) of employees report that their work is learning intensive. In 2005 86% of the Norwegian enterprises provided formal or informal learning opportunities to their employees, although with large variation across some sectors. The Third Continuing Vocational Training Survey (CVTS3) by Eurostat shows, however, that compared to the situation in 1999, there was a clear reduction in participation in company-provided courses in 2005 in Norway (from 48% to 29%).

Increasingly the learning and development needs of also older workers are being recognised in educational policy making, a particular concern being their basic skills. However, as in other countries, motivation and participation in continuing training starts to decline after the age of 50 years, being especially sharp after the age of 60 years (KD, 2007). As the statistics shown in the
report from Iceland, the participation rates in Norway are lower than in the other Nordic countries, being 15-17 %-units lower in the oldest age groups in comparison to Iceland. According to the CVTS3 participation in company-provided courses was 24% among the employees 55+ in 2005, while it was 31% among younger employees (aged 24-25 years).

2. Part II: A brief assessment of the potential transferability of the policy/measure

Besides many similarities, there seems to be some important differences with learning potential between Iceland and Norway. A major issue is the labour unions’ active role in Iceland in promoting and supporting LLL (also) for older workers. Their proactive role in reaching hard-to-reach older workers is particularly interesting. While central players in the Norwegian labour market in general, the unions’ role in promoting LLL seems less active. In case of older workers it hardly exists. A recent study (Ure, 2007) found out that neither individual employees nor the unions play an active role in promoting validation of prior learning – potentially a particularly important issue in case of older workers. The paper suggested that a thorough mobilisation of employers’ and employees’ organisations could also play a significant role in learning outcomes in terms of transfer of learning experiences.

Overall, the unions in Iceland seem also to have a clearly more active and constructive role in building connection between training and work - a case with strong learning potential to Norway.

Norway, on the other hand, has put a strong emphasis on monitoring the development of the particular situation of older workers. Besides the working life and LLL monitoring, the national age-initiative has produced a specific annual monitoring, the Senior Policy Barometer, carried out separately to employers and to the 15+ years population in both public and private sectors.

The participation rates in the labour market are high in Norway, while the participation in continuing education is less active. Still the rates are high internationally, besides the Nordic countries. This suggests that high labour market activity of older workers does not necessarily require, or relate to in a direct way, an equally high educational participation, a link sought for in Iceland.

The complexity of the labour market situation of older workers is reflected in the observation that national top-down measures, even if well-founded, do not always produce desired results on the grass-root level. Regardless of the IA-agreement and the national initiative towards older workers (see above) in Norway, only one out of five companies has taken an organisational initiative to retain the older workers longer in workplaces (Midtsundstad, 2005), mostly in the public sector organisations. Only one in ten of the private companies has done so. Could the unions’ activity and driving role in Iceland be the crucial factor for the grass-root level activity? To what extent is the more laid-back attitude of the unions in Norway playing a role in regards older workers’ learning participation?
3. Part III: Relevance to the policy areas in Norway

During the last decade, Norway has implemented several major governmental initiatives and measures to build a well-functioning, comprehensive system of LLL. The importance of the issue of older workers has been increasing. However, due to the strong economy and relatively high labour force participation rates of also older workers, the focus is the somewhat different from most other European countries. Besides the foreseen pension costs, the labour shortage in many sectors is driving the discussion in Norway. A parallel concern is the competitiveness of the Norwegian business life, pushing a focus on job-competence and quality of the learning outcomes. The need for further investments in LLL - raising both the basic skills and the job-competence (skills, knowledge, attitudes) - has been acknowledged by the government and various initiatives have been implemented. Also the regulative and financial framework has been adjusted to better support adult learners. To some extent also the employers acknowledge the need for competence development through LLL, also among older workers. Furthermore, there is a system of continuing education and training in place, for formal and non-formal learning. However, regardless of all this systemic preparedness and readiness all the way from ‘the top’, the learning outcomes ‘down’, in quantitative and qualitative terms are a reason for concern in Norway.

The concern comes clearly through in the recent list by the Ministry of Education and Research (KD, 2007) of the most important challenges to LLL in the context of working life. All of them are of importance also regarding older workers’ competence and participation in LLL. The issues were: (1) need to improve the cooperation between working life and education and training to increase the relevance of training provision; (2) the participation rates of the low-educated in continuing learning activities (lifelong learning) is low; (3) the participation of senior workers in continuing learning activities is low; (4) ‘the pressure’ (demand) for learning is weak in many workplaces, and (5) there is little focus on the learning outcomes - i.e. on putting the new knowledge and skills in use for higher quality products and services.

The paper from Iceland does not really elaborate the question about the extent to which education and training can alleviate the labour market disadvantage of older workers? As Mayhew and Rijkers (2004) have pointed out, it is not clear what role lack of skills per se plays in this disadvantage. They target their critique also to (the most typical) training provision: ‘One could not hope to offset decades of labour market disadvantage by giving an individual a couple of weeks or even months of training. This suggests the need to be modest in one’s aims. (…) The best available evidence, particularly from the active manpower policy literature, suggest very strongly that training programmes, on their own, are of limited use in bringing people out of unemployment and inactivity into jobs. (…) Education and training have only a limited role to play in the absence of accompanying policy measures.’ (Mayhew & Rijkers, 2004)

Norway has invested a good deal in some accompanying measures, with a result that, on one hand, (also) the older workers have it, in fact, quite well in the working life. On the other hand, and as shown above, regardless of the IA-agreement and the national older workers’ initiative, only one out of five companies had taken an organisational initiative to retain the older workers longer in workplaces (Midtsundstad, 2005). Most of these have been launched in the public sector organisations, while only one of ten of the private companies had done so.

When it comes to promoting LLL for older workers, major challenges seem to be found (i) in the workplace culture and attitudes, including those of older workers, (ii) in the attitudes and
competence among the providers of various forms of LLL (continuing education and training, including teachers and consultants) as well as (iii) to some extent in the national learning culture. Taken the Norwegian tripartite negotiation system and the strong unions as such, the latter obviously has untapped potential in promoting more learning favourable attitudes and higher activity in practice. The unions could play a crucial role in mobilising low-educated older workers to become more active learners, among others by promoting closer cooperation between workplaces and training institutions. They could also put a gentle pressure to mobile various providers of LLL for developing learning products, which better match the older workers needs and learning styles and skills, particularly among the low-educated.

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