National Inquiry into Employment Discrimination Against Older Australians and Australians with Disability

Healthy Ageing Paper

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# Introduction

This paper expands on the evidence presented in the *Willing to Work Inquiry* regarding the link between health and workforce participation. As a critical factor of ongoing workforce participation it is important to analyse how improvements in health and related workplace practices can facilitate and enhance policies aimed at increasing the workforce participation of older people.

Significantly, current evidence shows that:

* People with ‘fair’ or ‘poor’ health status are less likely to be employed. This effect is felt more acutely by older workers and those with multiple chronic health conditions.
* Those who retire for health reasons, retire on average earlier than those retiring for any other reason.
* There is a significant cost to government, business and individuals, as a result of this reduced workforce participation.

The *National prevalence survey of age discrimination in the workplace* asked Australians aged 50 years and older who did not participate in the workforce in the previous two years, but would have liked to, to provide their reasons for not working. The most common reason reported related to health (44%).[[1]](#endnote-1)

The Report of the *Willing to Work Inquiry*, in keeping with its terms of reference, made 56 recommendations aimed at reducing the prevalence of age and disability discrimination in employment and overcoming barriers to work currently experienced by older Australians and Australians with disability. The full report is available at [www.humanrights.gov.au/news/stories/willing-work-national-report-released](http://www.humanrights.gov.au/news/stories/willing-work-national-report-released)

The Report includes five recommendations specifically related to healthy ageing. These are listed below numbered as they appear in the *Willing to Work Report*. Taken together the aim of these recommendations is to reduce the prevalence of chronic health conditions and facilitate better support for people with chronic health conditions so that they can remain in the workforce for longer.

## Recommendations

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| **Recommendation 13:** That the Australian Government develop and implement a national healthy ageing strategy to promote evidence-based preventative health practice particularly in the employment context, and improve access to workplace adjustments. This strategy is to be supported and overseen by an expert advisory panel. As part of this strategy the government will actively engage industry groups, peak bodies and trade unions. |

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| **Recommendation 14:** That the Australian Government develop a national public education campaign that reinforces the importance of healthy ageing, and in particular, emphasises the relationship between health and work. |

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| **Recommendation 15:** That the Australian Government investigate the provision of tax or other financial incentives to encourage business and employers to adopt health and wellbeing initiatives e.g. extend the fringe benefits tax exemption to off-site fitness services, and broaden the Medicare benefits scheme to exercise programs for people with chronic conditions. |

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| **Recommendation 16:** That the Australian Government establish and fund a healthy and productive workers initiative, to be administered jointly by government departments including the Department of Health and Department of Employment to actively promote evidence-based workplace health programs, disseminate information and showcase good practice. |

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| **Recommendation 17:** That to support continuing workforce participation and to improve access to workplace adjustments for people with chronic health conditions, the Australian Government:   * expand the Employment Assistance Fund to include training for managers and co-workers about employees with chronic health conditions * develop information and resources provided by JobAccess that specifically address workplace adjustments for employees with chronic health conditions * review the current EAF guidelines to ensure they do not exclude people with chronic health conditions from accessing workplace adjustments. |

The first two sections of this paper provide an overview of the impact of health on workforce participation and highlight the case for wellbeing from individual, business and government perspectives. The final section of this paper presents potential ways to facilitate longer and healthier working lives.

# Health and workforce participation of older workers

Poor health is a leading cause of premature and involuntary exit from the workforce. It has been reported that 50% of men and 20% of women who retire from full-time work before the age of 55 years do so because of ill health.[[2]](#endnote-2)

Recent research by AMP and the National Centre for Social and Economic Modelling (AMP.NATSEM) has shown that older Australians with a self-rated health status of ‘fair’ or ‘poor’ are significantly less likely to remain in the workforce compared to those who rate their health as ‘good’ or ‘excellent’.[[3]](#endnote-3) The decrease in workforce participation with worsening health status is shown in Figure 1.

Source: AMP.NATSEM[[4]](#endnote-4)

The relationship between health and workforce participation is complex, and influenced by other factors such as job design, level of education, marital status, physical activity and body mass index.[[5]](#endnote-5) For example in terms of the influence of geographic location, a study in 2013 concluded that men and women living outside major cities were more likely to be retired for health reasons.[[6]](#endnote-6)

## The impact of chronic conditions on workforce participation

The number of reported chronic health conditions tends to increase with age. The Australian Institute of Health and Welfare estimates that 54% of 55-64 year olds have one or more chronic health conditions, compared to 21% of people aged 25-34 years.[[7]](#endnote-7) This is significant because chronic health conditions are particularly implicated in reduced workforce participation and premature retirement.

As shown in Figure 2, people with a chronic condition across all age groups are less likely to be in employment and more likely to be not in the labour force (NILF), than those without a chronic condition.

Source: Australian Institute of Health and Welfare[[8]](#endnote-8)

The difference in workforce participation between persons with and without a chronic condition increases with age, becoming most pronounced for people aged 55-64 years. This means that not only does the prevalence of chronic conditions increase with age, the negative impact on workforce participation is also more acutely felt by older people.

For example, the difference between those employed without and with a chronic condition between the ages of 25-34 is 5.6 percentage points (83.3% compared to 77.7%), while the difference for those aged 55-64 years is 17.6 percentage points (64.1% compared to 46.5%).

Similarly, there is a 3.9 percentage point difference (17.2% compared to 13.3%) for those aged 25-34 years with and without a chronic condition not in the labour force, compared to a difference of 18.5 percentage points for those aged 55-64 years (52.8% compared to 34.3%).

Co-morbidity of chronic conditions is a strong predictor of workforce participation, with the likelihood of workforce participation decreasing as the number of co-morbidities increases; this is shown in Figure 3. This is important to note because of older people with a chronic health condition, the majority tend to have more than one condition.[[9]](#endnote-9)

Source: Schofield[[10]](#endnote-10)

Schofield et al. estimates 347,000 people aged 45-64 years are out of the workforce due to a chronic condition.[[11]](#endnote-11) In this group the five most prevalent chronic conditions reported, being back problems, arthritis, mental and behavioural disorders, cardiovascular disease and depression, account for approximately 61% of those out of the workforce due to chronic conditions.[[12]](#endnote-12)

A number of common chronic conditions are also highly work limiting. Over 50% of those who report depression or mood affective disorders, heart disease, or mental and behavioural disorders, as their main condition are not in the workforce.[[13]](#endnote-13) The probability of being out of the workforce by main chronic condition is shown in Figure 4.

Source: Schofield[[14]](#endnote-14)

This association between chronic conditions and lower workforce participation is also apparent outside of Australia.[[15]](#endnote-15) A cross-sectional analysis of 16 European countries concluded that poor health was associated with early retirement and unemployment, and that chronic conditions such as depression, diabetes, lung disease, back problems or arthritis were more prevalent in unemployed and retired people.[[16]](#endnote-16)

## Trends and projections

Trends and projections indicate that health will continue to be a critical determinant of workforce participation. As a result, chronic conditions are likely to place pressure on achieving the goal of longer working lives.

Based on current health trends AMP.NATSEM modelling predicts that in 2035 one in four men and more than one in five women in their sixties will have a self-reported health status of fair or poor, with the majority of this group — 65.1% of men and 72.1% of women, likely to be unemployed.[[17]](#endnote-17)

Table 1 shows the projected increase in both the number of older people out of the workforce for health reasons, and in the number of older people employed with a chronic condition, with both groups exceeding total population growth.

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| **Table 1: Workforce status of Australians aged 45-64 years projected to 2030** | | | |
| **Workforce status** | **2010** | **2030** | **Growth (%)** |
| **Employed with a chronic condition** | **2,073,000** | **2,850,000** | **37.5%** |
| Employed without a chronic condition | 2,073,000 | 2,705,000 | 30.5% |
| **Out of the workforce for health reasons** | **347,000** | **459,000** | **32.3%** |
| Out of the workforce for other reasons | 1,086,000 | 1,116,000 | 2.7% |
| Total working population | 5,580,000 | 7,130,000 | 27.8% |

Source:Schofield[[18]](#endnote-18)

The main chronic conditions implicated in these projections are likely to remain similar to the current most prevalent conditions, although there are notable increases in the rate of diabetes and chronic pulmonary obstructive disease. The projected prevalence of chronic conditions in 2030 compared to 2010 is shown in Figure 5.

Source: Schofield[[19]](#endnote-19)

The projected growth in chronic disease prevalence is underpinned by adverse health and lifestyle trends such as physical inactivity and poor nutrition. Without prevention and intervention strategies by Government, business and individuals, these adverse health trends, coupled with population ageing, will lead to increasing numbers of people with chronic conditions.[[20]](#endnote-20)

## The impact of ageism and negative assumptions

Motivation and capacity to stay in the workforce are not simply products of age. External factors such as organisational support and access to health care play an important role. In this way age discrimination, ageist assumptions and negative stereotypes can undermine the ability or desire of an older person to remain in the workforce.

Age discrimination does occur in the workplace. The national prevalence survey showed that over a quarter of Australians aged 50 years and over reported experiencing some form of age discrimination in the last two years.[[21]](#endnote-21)

Discrimination may be direct or indirect and can be related to negative stereotypes, misunderstanding of illness or disability, and/or of legal responsibilities.

Negative stereotypes and ageist assumptions can inform the way colleagues and employers treat older people in the workplace. These assumptions can be that older people are frail, weak and in poor health, and that they are not willing to learn or motivated to stay in work.

The Commission’s *Fact or Fiction? Stereotypes of Older Australians Report* confirmed that along with feelings of shame, sadness and anger, being subject to negative stereotypes directly impacts on personal perceptions of self-worth and the person’s own view of ageing.[[22]](#endnote-22)Such attitudes also negatively impact the way an older worker is supported within an organisation. In particular, it can manifest as an unwillingness to offer support and adequate workplace adjustments or an eagerness to remove an older person from the organisation.

Furthermore, age discrimination and ageist assumptions undermine the crucial relationship between employer and employee. Consequently, where age discrimination occurs it can lead to an employee avoiding disclosure of a chronic condition, not accessing support or not wanting to stay in work.

For example, Arthritis Victoria found that ‘disclosure avoidance was reported by participants who expected to be discriminated against because of their condition, or who perceived no advantages in disclosing’.[[23]](#endnote-23) Furthermore, ‘many participants were concerned that accessing workplace supports would single them out as being a liability to the work team or organisation’.[[24]](#endnote-24)

A literature review by the Victorian Department of Health in 2012 also noted that ‘[ageism] can limit access to health care, due to beliefs that health problems are just a normal part of ageing’.[[25]](#endnote-25) Preventative health care and proper management of chronic conditions is crucial to supporting longer working lives and so where adequate health care is not accessed the probability of remaining in the workforce is reduced.[[26]](#endnote-26)

# The case for wellbeing and longer working lives

## Government

Increasing workforce participation by older people and achieving longer working lives is one way of meeting future challenges brought on by demographic changes.

As stated by the most recent intergenerational report: ‘to drive higher levels of prosperity through economic growth, we must increase productivity and participation. If we are to achieve these goals we need to encourage those currently not in the workforce, especially older Australians and women, to enter, re-enter and stay in work, where they choose to do so’.[[27]](#endnote-27)

Government policy specifically aimed at improving health and wellbeing as means of extending working lives is an important policy lever in terms of improving participation rates, increasing GDP and tax revenue and also reducing expenditure.

Without the capacity to work as a result of poorly managed health, financial incentives can be underutilised. This is because ‘once an individual’s choice is removed…the classical life-cycle trade-off between an increase in future income and leisure as a determinant of retirement becomes irrelevant’.[[28]](#endnote-28) For people who retire involuntarily as a result of ill-health, changes in the age pension eligibility or other incentives for continued work ‘will have no impact on their effective retirement age but can have an impact on their wellbeing at retirement’.[[29]](#endnote-29)

Therefore, improving health and wellbeing can enhance the effectiveness of other policies aimed at increasing workforce participation by older people. For example AMP.NATSEM suggests that a small improvement in population health could achieve a similar increase in workforce participation as raising the age pension eligibility age, but in a shorter period of-time.[[30]](#endnote-30)

Health, as shown in Figure 6, is a significant influence on retirement intentions. ABS data shows that health, as the main factor influencing the decision about when to retire is second only to financial security, and is a more significant factor than reaching eligibility for age pension. This adds weight to the potential of health as a policy lever to raise workforce participation.

Source: ABS[[31]](#endnote-31)

Improving health is also a means of improving economic sustainability. The national cost of chronic conditions as a result of reduced workforce participation, shown in Figure 7, is significant — this is both as a result of extra Government transfer payments and lost taxation revenue. For example, reduced workforce participation as a result of back problems in those aged 45–64 years incurs an estimated loss of $497 million in taxation revenue and an extra $622 million in Government spending through transfer payments.

Source: Schofield[[32]](#endnote-32)

As shown in Figure 8, projections indicate that the cost of lost workforce participation due to chronic conditions in people aged 45–64 years will continue to be large, with lost GDP being over $60 billion by 2030. This is particularly critical in the context of a shrinking workforce and increasing pressure on economic sustainability.

Source:Schofield[[33]](#endnote-33)

The importance of health as an enabler of workforce participation, along with the large national cost of chronic conditions adds to the national impetus to reduce prevalence of chronic conditions and create more work-enabling environments.

## Business

There is a strong case for business to promote the health and wellbeing of its employees. The workplace is therefore not only a key facilitator of healthy ageing, but is also a central beneficiary.

Research has shown that workplaces with formal health and wellbeing programs have a competitive advantage, reporting tangible gains in productivity, employee satisfaction and engagement.[[34]](#endnote-34)

Furthermore, the cost of employees in poor health is significant. Employers bear the cost of poor health through increases in both absenteeism and ‘presenteeism’ (not fully functioning at work as a result of a medical condition). The AIHW reports that those with chronic conditions have 0.48 days off per fortnight due to sickness compared to 0.25 days for people without a chronic condition.[[35]](#endnote-35) The estimated cost of absenteeism to the Australian economy is $7 billion, while the cost of presenteeism is nearly four times more.[[36]](#endnote-36)

In 2008 a review of 55 organisations in the UK by PwC found that 45% of those with health and wellbeing interventions experienced reductions in absenteeism. The same review also found improvements in staff turnover, employee satisfaction and a decrease in accidents and injuries.[[37]](#endnote-37)

Demographic changes and the desire to increase workforce participation of older people increases the imperative for business to support health and wellbeing. Supporting the health and wellbeing of employees is crucial in retaining older workers for two reasons:

* Firstly, because health is such a prevalent factor in retirement decisions and chronic conditions can so often be the cause of early workforce exit, promoting good health and preventing risk factors are crucial aspects of retaining experienced, highly skilled older employees.
* Secondly, health and wellbeing measures tend to increase employee satisfaction. This is important in terms of retaining older employees, as those who stay in paid work later in life tend to be those who enjoy their work.[[38]](#endnote-38)

## Individuals

Being able to work for as long as you wish to do so is an important determinant of wellbeing. Fulfilling employment can have psychological benefits, flowing on to physical benefits and also contributes to financial security.

Conversely where health becomes a limitation on the ability of a person to remain in work, involuntary retirement or unemployment, underemployment and stressful working conditions can be detrimental to wellbeing. It is therefore important for individuals to recognise that establishing a good health trajectory is crucial to being able to continue in work for as long as they wish to do so.

ABS data indicates that, regardless of their health status, people want to continue in work beyond 60 years old.[[39]](#endnote-39) However, as AMP.NATSEM reports those in fair or poor health are unlikely to remain in the workforce for this long (see: Figure 1). This disconnect indicates that in the future an increasing number of people who would like to work will not be able to do so as a result of their health.

The prevalence of ‘own sickness, injury or disability’ being cited as a reason for retirement shows the impact health can have on workforce participation. In the most recent ABS survey, this was cited as the second most common reason for retirement behind reaching eligibility age for superannuation or pension. Furthermore, where those who retired aged 55 years or less are specifically considered ‘own sickness, injury or disability’ is by far the most common reason at 20% (Figure 9a).

Source:ABS**[[40]](#endnote-40)**

Source: ABS[[41]](#endnote-41)

In addition, in the same ABS survey those who cited ‘own sickness, injury or disability’ had on average the earliest retirement age, being 53.0 and 54.9 years for women and men respectively.

Source: ABS[[42]](#endnote-42)

The financial implications of early and involuntary retirement are also significant. Financially individuals with poorly managed health conditions face a double jeopardy in the sense that they face extra costs associated with poor health and also worse employment outcomes.

AMP.NATSEM have reported that poor health will prevent one in four Australians from saving enough for retirement.[[43]](#endnote-43) Further, income, wealth and superannuation have been shown to be greatly lower for those that exit the workforce prematurely, with previous studies showing that ‘households forced to take retirement due to a shock such as illness…fare much more poorly in retirement and have a much greater drop in their standard of living post-retirement than those that have a planned, voluntary retirement’.[[44]](#endnote-44)

Source: Schofield**[[45]](#endnote-45)**

These indirect costs are on top of the direct financial costs of ill-health, which can often be very significant. Furthermore, people with multiple chronic conditions tend to experience greater financial loss.[[46]](#endnote-46)

Source: Schofield**[[47]](#endnote-47)**

Together this information highlights that while many people intend to have working lives beyond the age of 60, whether or not they will be able to is likely to be influenced by their health status. Furthermore, where people retire prematurely and/or unexpectedly it is often financially and psychologically detrimental.[[48]](#endnote-48) On the other hand well-managed health can enable people to have more control over employment and retirement decisions, and also support better overall wellbeing. Individuals should therefore, consider their health as an essential aspect of achieving a longer working life.

## International examples

The importance of healthy ageing is gaining international significance and is evident in policies in numerous countries. Often the policies involve improving workplace wellbeing and the quality of job design as a means of increasing workforce participation by older people.

There are a number of notable examples of existing policies and also numerous reviews that have sought to encourage reform towards healthy ageing. Some interesting aspects of certain policies include the joint implementation by various government agencies, significant public promotion campaigns and also targeting of ‘progressive’ businesses in initial phases. Two notable examples are described below.

One international example of using health policy as a means of increasing workforce participation was the national program on ageing workers in Finland implemented from 1998 to 2002.[[49]](#endnote-49) This program was implemented jointly by the Ministry of Social Affairs and Health, the Ministry of Labour and the Ministry of Education and covered information campaigns, research projects, and specific programs to increase the “work-ability” of older people.

The “sustainable employability” initiative in the Netherlands[[50]](#endnote-50), launched in 2012 is an initiative led by the Ministry of Employment and Social Affairs to promote direct dialogue with hundreds of employers and workers on how to maintain employability. The goals of the initiative are to prevent unemployment and sickness, improve the productivity of all workers, and develop networking activities on health. In its initial phase the initiative encouraged voluntary participation by innovative firms or those undergoing dynamic changes, with the idea that these firms would then encourage participation of other firms by disseminating examples of best practice.

# What can be done to facilitate longer, healthier working lives?

There is a clear impetus for government, business and individuals to improve health and wellbeing as a means of ensuring longer and more productive working lives. This section discusses way to facilitate longer, healthier working lives and in particular raises five recommendations for change.

As chronic conditions are often related to reduced workforce participation and premature retirement it is necessary to promote existing strategies and develop new ones to reduce the prevalence of chronic conditions in the future.

Adverse health trends in disease risk factors, particularly increases in obesity, poor nutrition and physical inactivity, underpin the prevalence of chronic conditions. This presents an opportunity for targeted, proactive health strategies to curb increases in disease risk factors. Promotion of wellbeing in the workplace will be explored further in this paper as a means of reducing the prevalence of chronic conditions.

The other aspect that will be outlined is promoting accommodations in the workplace. This is a key aspect of facilitating longer working lives because reduced workforce participation is not an inherent or inevitable consequence of having a chronic condition, rather it is strongly influenced by external factors, in particular organisational support.

The main policy challenges are to join up existing initiatives, invest in those that deliver the best results and make it easier for all stakeholders to engage with and contribute to health ageing in a sustained way. A national strategy that encompasses these two aspects of healthy ageing could outline the overarching plan and set clear objectives required to overcome existing challenges.

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| **Recommendation 13:** That the Australian Government develop and implement a national healthy ageing strategy to promote evidence-based preventative health practice particularly in the employment context, and improve access to workplace adjustments. This strategy is to be supported and overseen by an expert advisory panel. As part of this strategy the government will actively engage industry groups, peak bodies and trade unions. |

## Public education campaign - reinforcing the importance of healthy ageing

Engagement of all stakeholders is imperative to achieving healthy ageing. Government has a crucial role in broadly making the case for wellbeing to business and individuals. To facilitate changes in behaviour it is necessary for the Government to reaffirm the importance of this long-term change and to exhibit its sustained commitment to healthy ageing initiatives.

Public health campaigns and the promotion of good health through a variety of policies clearly have a role in engaging all stakeholders with the healthy ageing agenda. In Australia there have been a number of public health campaigns that have promoted the importance of good health, including better nutritional choices and regular physical activity.[[51]](#endnote-51)

In the context of aiming to increase workforce participation by older people a worthwhile government investment would be to establish a public health campaign that more specifically showcases the importance of healthy ageing and the means through which it can be achieved. This would include emphasising the benefits to overall wellbeing of meaningful work and regular exercise. Building a broad community awareness of the importance of healthy ageing will support broader elements of healthy ageing policy and in particular enhance business engagement with the message.

A campaign specifically targeting older people could also be useful as some risk factors, including physical inactivity are particularly problematic amongst this age group—61.6% males and 62.6% females aged 45-54 do not undertake sufficient physical activity.[[52]](#endnote-52)

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| **Recommendation 14:** That the Australian Government develop a national public education campaign that reinforces the importance of healthy ageing, and in particular, emphasises the relationship between health and work. |

## Facilitating good health in the workplace

The workplace is a key avenue for the prevention of chronic conditions and overall promotion of good health. As described earlier, there is also a strong case for business to invest in health and wellbeing programs.

From the perspective of Government, it is therefore important to encourage and support effective, evidence-based health and wellbeing initiatives in all workplaces, including both the public and private sector, through the provision of incentives and also information to make implementation easier. In particular, it is crucial to specifically consider incentives to attract SME.

Currently the Government provides financial incentive for businesses to provide on-site fitness services through a fringe benefits tax exemption. Financial incentives are important as budgetary constraints are often cited as a barrier to implementation of such initiatives.

A possible way to enhance this incentive, and make it more accessible to SME (which is unlikely to have on-site fitness services) is to extend the tax exemption to off-site fitness services. More information about this proposal can be found at [www.fitnotfbt.org.au/](http://www.fitnotfbt.org.au/).

There is also scope to more thoroughly investigate a range of worthwhile health and wellbeing initiatives both new and existing, to ensure that health and wellbeing programs provided in the workplace are effective and suitable to all employees, including those with existing chronic conditions.

Specialised exercise programs for people with chronic conditions can improve exercise capacity, wellbeing and reduce absenteeism and hospital admissions. Extending the Medicare benefits scheme to cover these sorts of programs is important to provide greater access to effective exercise programs that can also be promoted through the workplace.

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| **Recommendation 15:** That the Australian Government investigate the provision of tax or other financial incentives to encourage business and employers to adopt health and wellbeing initiatives e.g. extend the fringe benefits tax exemption to off-site fitness services, and broaden the Medicare benefits scheme to exercise programs for people with chronic conditions. |

The Government also supports wellbeing in the workplace through disseminating information and ensuring that the Australian Public Service is a model employer. The Investing in Experience: Working for Today*[[53]](#endnote-53)* model specifically promotes health, safety and wellbeing in the workplace as a means of facilitating longer working lives. In particular, the focus is to emphasise the crucial role that workplaces have in facilitating health of employees and provides practical guidance to more effectively recruit and retain older workers. This Comcare program is connected to the APS 200 Project: Work Ability and Ageing Framework for Action that was endorsed in 2012 by the APS Secretaries Board.

Until 2014[[54]](#endnote-54) the Australian Government had a broad healthy workers initiative under the National Partnership Agreement on Preventative Health. The partnership was agreed by the Council of Australian Governments in 2008 with the aim of facilitating preventative health strategies in various settings, including the workplace. Through this the Government invested in partnerships with state governments and established the healthy workers portal ([www.healthyworkers.gov.au](http://www.healthyworkers.gov.au/internet/hwi/publishing.nsf/Content/about)) which, provided information about the case for wellbeing and examples of good practice. Despite the federal Government initiative being discontinued a number of state-based initiatives have continued.

Reinvesting in an initiative similar to healthy workers, that is focussed more specifically on healthy ageing and includes strategies around workplace accommodations as well as preventative health, would showcase the Government’s commitment to healthy ageing and also promote a more holistic and strategic national approach.

For this sort of initiative, a co-ordinated, cross-departmental effort is crucial to promote equity and to capture the many areas where health is influential and can be influenced. Government departments that may be involved could include the Department of Health, Department of Employment, Department of Education and Training and Department of Social Services.

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| **Recommendation 16:** That the Australian Government establish and fund a healthy and productive workers initiative, to be administered jointly by government departments including the Department of Health and Department of Employment to actively promote evidence-based workplace health programs, disseminate information and showcase good practice. |

In terms of business there are a number of steps that can be taken to help ensure health and wellbeing initiatives implemented are successful. Engagement of staff and senior management is crucial to the successful implementation. This can be facilitated through open communication, involvement in decision-making by employees and training of supervisors and management as to the importance of health.

It is also important for businesses to understand their workforce in order to develop effective strategies, and to collect and evaluate data regularly to ensure sustainability. As noted on the Healthy Workers website risk factors to chronic disease vary amongst industries, this reinforces why it is important for businesses to have knowledge of their workforce.[[55]](#endnote-55)

## Organisational support and workplace adjustments

Organisational support is an important aspect of facilitating a longer working life, particularly where an employee has a chronic health condition. Flexible work arrangements, adequate workplace adjustments, good job design and a supportive manager are all elements that can help a person with a chronic condition to remain employed.

As with wellbeing in the workplace the provision of effective and consistent organisational support requires engagement of all stakeholders. The key policy challenge is to showcase the power of organisational support and to make adjustments more accessible, in order to promote more ‘health and age friendly’ workplaces.

From a business perspective it is crucial to view the provision of organisational support through the lens of improving the wellbeing of all employees to meet their needs and optimise their contribution at work, rather than as a means of meeting legal requirements. Where organisations move from an ad hoc to a more holistic approach the provision of organisational support tends to be more effective because this approach necessitates an attitudinal shift from asking *why* an employee needs support, to simply asking *what* they need.

Qualities that contribute to more effective workplace adjustment procedures are formalised policies, confidential and optional disclosure, supervisors receive appropriate training in offering support and adjustments and there is a presumption in favour of work being flexible.

The Government currently supports the provision of workplace adjustment for employees with disability through the Employment Assistance Fund (EAF). This is administered through JobAccess, which is an information and advice service funded by the Australian Government. The financial support provided by the EAF includes costs of workplace equipment and modification for employees with a health condition that meets the EAF guidelines.[[56]](#endnote-56)

Given the impact of chronic health conditions on workforce participation, it is apparent that more could be done through JobAccess and the EAF to facilitate the provision of workplace adjustments specifically for older people with a chronic health condition to support their continued participation in the workforce. Particular challenges to overcome may be that the person with the chronic health condition and/or their employer are unaware of the supports available or do not consider the condition to be a disability.

For example, the EAF could be extended to specifically include relevant training for managers and co-workers, while the information service provided by JobAccess could more explicitly outline supports that are available under the EAF for workers with a chronic health condition.

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| **Recommendation 17:** That to support continuing workforce participation and to improve access to workplace adjustments for people with chronic health conditions, the Australian Government:   * expand the Employment Assistance Fund to include training for managers and co-workers about employees with chronic health conditions * develop information and resources provided by JobAccess that specifically address workplace adjustments for employees with chronic health conditions * review the current EAF guidelines to ensure they do not exclude people with chronic health conditions from accessing workplace adjustments. |

Finally, individuals are a crucial stakeholder to engage. It is important for individuals to consult with their GP and specialists, where necessary, to understand their health and the workplace adjustments that can help them to stay in the workplace.

Along these lines the Australian Human Rights Commission has included information on healthy ageing in the Skills Checkpoint pilot program being administered through the Department of Education and Training. Specifically, this emphasises the importance of properly managing and understanding health as a means of maintaining employment.

Proper management of conditions is critical to facilitate workplace participation. There may also be scope to better equip GPs to support older workers with chronic health conditions, and potentially for the Government to promote and invest more heavily in effective preventative health and management strategies.

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