



Committee *for*  
Employment & Social Security

# Longer Working Lives

## Consultation on Draft Proposals

Longer Working Lives aims to identify ways to enable people to work up to or past State Pension Age if they want or need to.

Longer Working Lives is a piece of work that was initiated in response to the following States Resolution:

“To direct the Social Security Department, in consultation with all other relevant departments, to investigate measures aimed at supporting longer working lives and assisting older people who wish to work to remain in the workforce, and to report to the States of Deliberation with its findings no later than December 2017”.  
(Billet d’État IV of 2015)

# Executive Summary

Longer Working Lives aims to support people who want, or need, to continue to work up to or past State Pension Age to do so. There was support for this aim. However, many respondents were concerned about the pension age increasing, and whether this would impact some more than others. Whilst some respondents advocated longer working for economic reasons; others supported the project because they felt that choice about when to retire was important and that working could support people's health and wellbeing. Some respondents were concerned that supporting people to remain in work would impact opportunities for younger people to get into work or progress.

## Feedback on the proposals

There was a range of views but for the most part respondents were broadly supportive of the proposals.

There was significant support for promoting flexible working and introducing age discrimination legislation. There were also concerns about both the compliance burden on businesses and the potential for there to be unintended consequences associated with introducing new legislation – for example, employers may avoid employing older people or use contracts more frequently.

There was support for the idea of mid-life reviews but concerns that they be implemented in a way which was accessible and that any information or advice given should be reliable. There was demand for improved information about retirement finances and pensions to support people to make good decisions about when to finish work.

With regards reviewing financial support for those most affected by pension age changes, some felt this was vital; others felt that the existing benefit system was sufficient; whilst others felt that there should be a transitional arrangement in place to support people who had not prepared sufficiently for the higher pension age, but that any arrangement should not be permanent.

## Other points to consider

Some felt that more needed to be done or that there were other priorities not covered in the draft proposals and suggested areas for further investigation. These included, amongst other things, suggestions to review: financial incentives for employing older workers; access to Sickness Benefit for those over State Pension Age; encouraging people into self-employment; legal and financial intervention to support people to change career or retrain

in later life; and allowing people to defer taking the State Pension for an actuarial increase when claimed at a later date.

#### Related issues

A number of other related policy issues were raised, particularly around pensions, but also including other topics relating to economic development, health and education.

# Introduction

In 2015 the States asked the Committee *for* Employment & Social Security to investigate measures aimed at supporting Longer Working Lives.

During 2016, through in-depth discussion groups, the Project Team talked to people from a range of backgrounds including recruitment agencies, HR professionals, employers, employees, self-employed people, and people claiming benefits. The Committee drew on these discussions to identify what seemed to be people's key concerns about working for longer and formulated a set of Draft Proposals in response. These proposals included actions to:

- Continue to develop the Island's Occupational Health and Wellbeing to support people at work with health conditions and disabilities and to prevent people from developing work related illness or injury in the first place
- Promote flexible working and part time work options
- Consult on the possibility of introducing age discrimination legislation
- Provide information and advice to support people to undertake 'mid-life reviews' to think through where they are with their career, health and finances
- Work with businesses to help them to take action by providing information on why adapting to an ageing workforce is important and by helping businesses to share good practice around supporting older workers

Through June and July 2017, the Committee has asked for feedback on these draft proposals. This document summarises the feedback received.

The feedback will be used to help the Committee to agree a final set of proposals to return to the States in December 2017.

## Who was consulted and how?

The purpose of the consultation was to provide an opportunity for the public to give feedback on the draft proposals before any proposals are finalised.

The consultation included:

- An online survey which received 248 responses
- Email submissions
- Evening discussion session for people already engaged in the project
- A meeting with key business representatives
- A meeting with HR professionals
- Meetings with other Committees
- A meeting with Ageing Well in the Bailiwick Executive Committee

The consultation launch was publicised via local TV, radio and newspapers; on the States of Guernsey gov.gg website; via a mailing list of people who had already engaged with the project; and via the States of Guernsey social media accounts. Contact was also made with particular groups in order to encourage responses from a range of sectors and interested parties.

The response is not from a representative sample and should be read as an opportunity for interested people to raise pertinent points and not as an accurate opinion poll or survey. Similarly, it is worth noting that a range of views have been represented and these are views of members of the public, and should not be read as the views of the Committee *for* Employment & Social Security.

# General comments on Longer Working Lives

Comments were received supporting the general direction of travel outlined in the proposals.

## Support for the principle of working longer

### CHOICE

*“Give more people a choice and chance of working”* - some respondents supported the idea that people should have more choice when to retire and supported the removal of unnecessary barriers to this choice. They valued *“being able to retire when it is right for the person”*

### ECONOMIC

Some strongly supported the idea of working longer for reasons that seemed to be associated with their economic outlook: *“Everyone should work as long as possible”*  
And supported workforce maximisation in order to *“reduce the taxation burden”*

### WELLBEING

Others were keen to work for longer for personal reasons and felt they gained from the social interaction and activity as well as the finances:  
*“because I need to keep my brain active”*  
*“working I believe keeps you young and healthy longer”*

### GOOD RETIREMENT INCOME

If Guernsey’s population is ageing then ensuring that people have good income in retirement is key to maintaining the island’s consumer economy. Working longer may help people to choose when to retire when they have enough savings.

### CONDITIONAL SUPPORT

Some respondents seemed to support all or some of the proposals outlined but were concerned about the overall aim and about the changes in pension age.

## Concerns about working longer

### **DISADVANTAGED GROUPS, NOT FEASIBLE FOR ALL**

Some felt that manual workers and self-employed people would be particularly disadvantaged by changes in the State Pension Age and that the proposals did not do enough for these groups. Some felt that the increase in Pension Age was unfair for these groups *“it is important that those people are not marginalized and left disadvantaged”*

Others shared their personal circumstances outlining the fact that their health conditions and care responsibilities meant that they could not work until 70.

### **TIMING**

*“Having proposals is fine but change doesn’t happen overnight and people are being affected now”*

### **CONCERNS ABOUT PENSION AGE**

As outlined later in this document many people were concerned about the pension age increase

### **CONSULTATION**

One respondent felt that policy development should be more participatory: *“This needs to be a decision with people at the focus of the discussions”*

### **FUTURE UNKNOWN**

There were concerns about *“the speed of technology and the change of pace in the world”* - technological and cultural change could mean workforce issues in 2049 would be different than those the proposals seek to address which are based around people’s current concerns.

### **EFFECT ON YOUNGER WORKERS**

Some respondents believed that if people worked for longer there would be less jobs available for younger people, less promotion opportunities, and therefore less motivation for young people to move back to, or stay in, Guernsey. One respondent suggested that *‘there are a finite number of jobs’*

### **SECTOR BASED APPROACH**

There was a suggestion that more detailed proposals should be brought forward based on specific economic sectors and types of work.

### **VOLUNTEERING**

There were concerns about the impact of having more people of this age group working on the availability of volunteers. It was suggested *“support local charities to offer pay for some of their voluntary positions.”*

### **PROFIT MOTIVATIONS**

Some were concerned businesses would not change their attitude towards older workers if older workers were not value-for-money *“these priorities will not make a shred of difference... simply because the employer will do what they want”*

### **FAMILY CARE AND CHILDCARE**

There were concerns that if older workers were encouraged to stay in work for longer this could make childcare more complicated for families on the island who relied on grandparents. It was also highlighted that some people relied on the State Pension to support them to provide care, and there were concerns that increasing pension age and encouraging more people to work would limit the supply of informal care, creating costs for the public and third sector.

## Priorities

There was a comment that legislation should be a priority and some felt that it would be necessary to implement age discrimination legislation as soon as possible to ensure that employees were not discriminated against in the context of other changes.

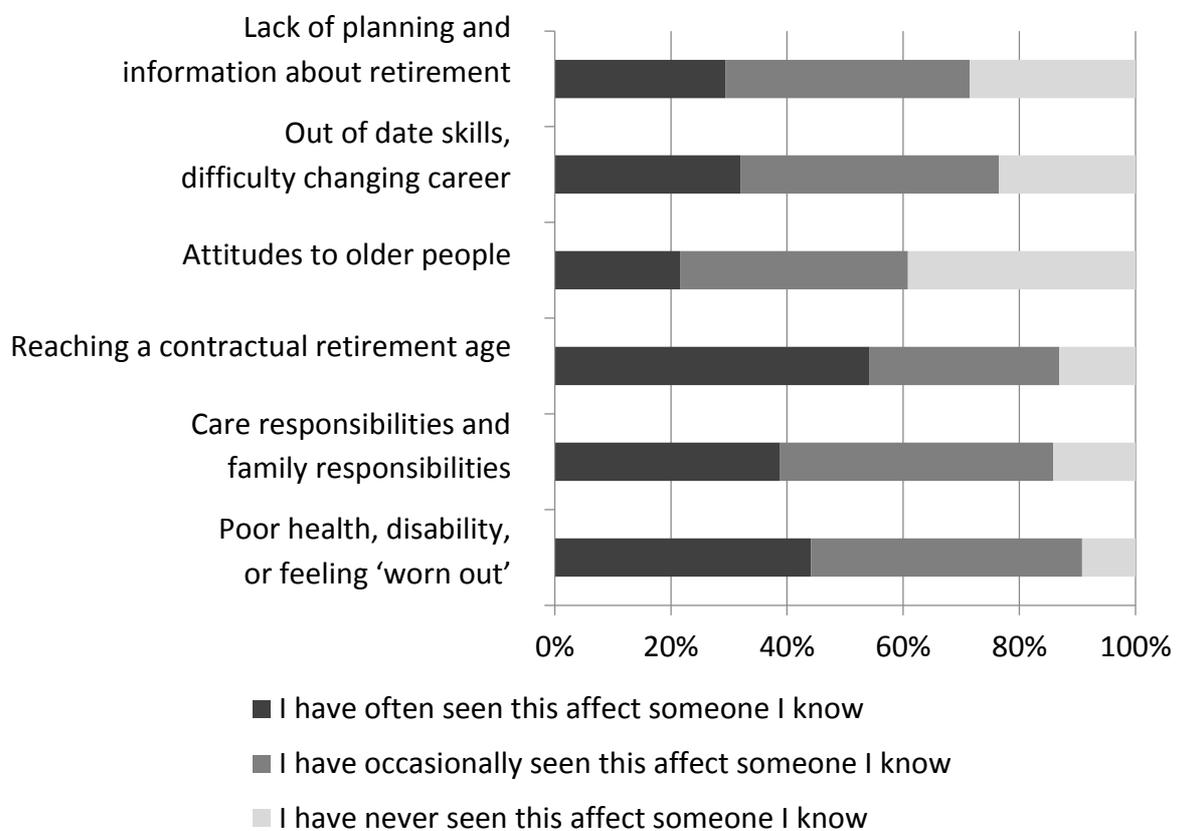
Others felt that the project should avoid using legislation and that social change was more fundamental.

## Identified causes for leaving labour market

Many of the online consultation respondents recognised the issues identified, with ‘poor health disability and feeling ‘worn out’’, ‘care responsibilities and family responsibilities’ and ‘reaching a contractual retirement age’ receiving the highest levels of recognition.

### Have you seen any of these affect someone's decision to work or not?

(246 responses)



Other comments on the causes for early labour market exit included (comments from individual respondents unless stated otherwise):

- Unexpected redundancies
- Wanting to retire at the same time as a partner who was older
- Lack of availability of pension deferral
- Not getting sick pay / sickness benefit once you have passed retirement age
- Financial necessity (4 respondents)
- Lack of part time or flexible options
- Older staff being [seen as] less productive and more expensive to employ, especially in manual labour
- Desire to do voluntary work
- Difficulty finding well paid work when older
- Lack of appropriate jobs available
- Lack of work/life balance due to demanding work and long hours
- Work related stress, workplace bullying, poor management
- The need to treat people as individuals
- Older people viewing themselves as too old to work.
- Difficulty using new technology, lack of confidence
- The risk of causing danger to others due to health problems
- Younger respondents were concerned about keeping up with technological change  
*“As someone in their mid-thirties who already struggles with technology, then care needs to be given to ensuring that we can all still work in a digitally place world.”*

Other comments on these barriers:

- Some factors are within the individual’s control, others are not
- Sometimes attitudes need to be changed to enable people to change career

# Suggested actions not included in proposals

## Issues which could be further considered

At present, some workers are moved onto short term contracts or only offered contracts of up to a year once they are approaching or past State Pension Age. Contract workers can face particular challenges when trying to stay in employment. As a way of working it often leads to less security, and less access to employment rights and pension schemes. Questions were raised about whether more could be done to support people undertaking contract based work.

*“many Guernsey employers adopt short term fixed contracts for employees once they reach retirement age. These contracts are detrimental with regard to pay and terms & conditions. They also offer no security.”*

## Suggested actions

The following actions and changes were suggested by respondents:

### CHANGES TO PENSIONS AND BENEFITS

- **Pension deferral** – it was suggested that the option of being able to defer taking the State Pension when a person reached State Pension Age in return for an actuarial increase when the pension is claimed at a later date be introduced.
- **Early access to State Pension** – it was suggested people should be able to claim their pension sooner but receive less per week if they chose to.
- **Sickness benefit and sick pay** – it was suggested that people should be able to claim sickness benefit past State Pension Age
- **Contributions based access** – some respondents suggested people should be able to access pensions once they had made a certain number of contributions.

### JOB CREATION

It was suggested that some work be undertaken to create jobs suitable for older people to undertake.

### PHASED RETIREMENT

It was suggested that the States promote phased retirement.

### CAREER BREAKS

It was suggested that more people be offered career breaks if their working lives were going to be longer

### INTERVENTIONS IN MANAGING JOB CHANGE

- One respondent suggested legally requiring employers to find employees, who were unable to continue in their current role, **a new job within the organisation** which paid them an equal or greater salary to their previous role.
- A service which could step in to **support employers/employees when someone is unable to continue** in the same capacity.
- A **resource for finding work** specifically targeted at those over 55
- Encouraging employers to **make allowances for age** and retain people.
- A back-to-work benefit **subsidy for employers taking on older jobseekers**
- New language – need to talk about working for longer in terms of opportunities to pursue new **career directions people are passionate about**

### TRAINING

- Promote services that **help people to develop computer skills** (one person suggested via the third sector)
- **Subsidised retraining** for people who can't continue in their original role
- Provide **vouchers for training** targeted at a particular age group
- Legally **requiring employers to release staff to undertake training**, whether or not relevant to their current role.
- A **careers event** for older people
- **Free training** when employers take on older workers
- A **grant to employers to retrain older workers** into new roles in the construction sector
- In order to encourage employers to invest, it was suggested that the States implement **a pay back scheme** so that all employees reimbursed their employer for the cost of training if they left soon after having completed the training.
- **Funding for retraining** should be available dependent on an occupational health assessment showing a person cannot continue in their current role.
- **Work experience and secondment** opportunities for adults

### ALTERNATIVE WAYS OF MAXIMISING WORKFORCE

It was suggested that other ways of maximising the workforce be explored, such as younger workers working longer hours to avoid working later in life.

### PRIVATE PENSIONS

It was suggested that it be made mandatory for private pension providers to **provide annual statements** to clients.

### CARERS

**Care banking** or **time banking** was suggested as an option that might help.

#### TAX AND CONTRIBUTION INCENTIVES

- Provide or subsidise **Permanent Health Insurance** for older employees
- Review **tax and contribution rules** for people past State Pension Age

#### PLANNING FOR RETIREMENT COURSES

It was suggested that a planning for retirement course be run.

#### CAREER BREAKS

It was suggested that work should be undertaken to promote sabbaticals and action should be taken to provide a legal right to career breaks

#### FUNDING FOR PEOPLE WITH DISABILITIES AND HEALTH CONDITIONS

It was suggested that the Committee investigate introducing a Guernsey equivalent to the UK 'Access to Work' Fund which provides funding to support people with health conditions and disabilities overcome barriers to work

# Responses to specific proposals

## Continuing to develop Island's Occupational Health and Wellbeing

This proposal was mentioned in the consultation but was not covered in depth. This is due to the fact that the action is likely to be progressed through the Supporting Occupational Health and Wellbeing (SOHWELL) project; consideration of what action to prioritise will be based on data gathered through the SOHWELL work, knowledge of services, and evidence from causes of sickness absence, incapacity claims and Public Health data. Depending on what is proposed, there may be further engagement at a later date. There were, however, a few comments.

Some people highlighted that they felt that workplace wellbeing was important and it was vital to take a preventative approach to stop people from needing to change role, leave work or claim benefits in the first place. The support of employers in supporting wellbeing was highlighted.

One person raised concerns about the effect of shift work on older workers. Some felt that the focus should not only be on manual workers and that sedentary office jobs were also of concern.

Concerns were also raised about stress being a factor that led people to want to leave work sooner. It was felt that budget cuts could lead to increases in stress.

It was suggested that coaching people to help them find purpose was key to wellbeing. Reference was made to the recent *Journey to 100* event.

The idea of providing medical assessments for manual workers to ensure that they were fit to continue working and would not make themselves ill by doing so was suggested.

Where it was possible, some employees felt it to be better to keep a person within a role, or at least within the same organization, through adaptation rather than finding them a new job.

It was felt that if there were additional costs to keeping someone in work these should be met in preference to that person claiming sickness benefit.

## Partnership approach – working with businesses

It was suggested that one way to encourage employers to adopt age-friendly policies would be to introduce an accreditation scheme comparing firms to their peers in order to provide motivation for adopting suitable policies. It was also suggested that there be an award for outstanding practice when it came to employing an age diverse workforce.

Several respondents commented that they were supportive of this proposal *“It is important that employers see the benefits of adapting to people working longer”*.

Some respondents commented that they felt that employers should not just treat older people equally but should pay special attention to including different age groups by adapting jobs to their needs in order to demonstrate social responsibility towards an ageing population.

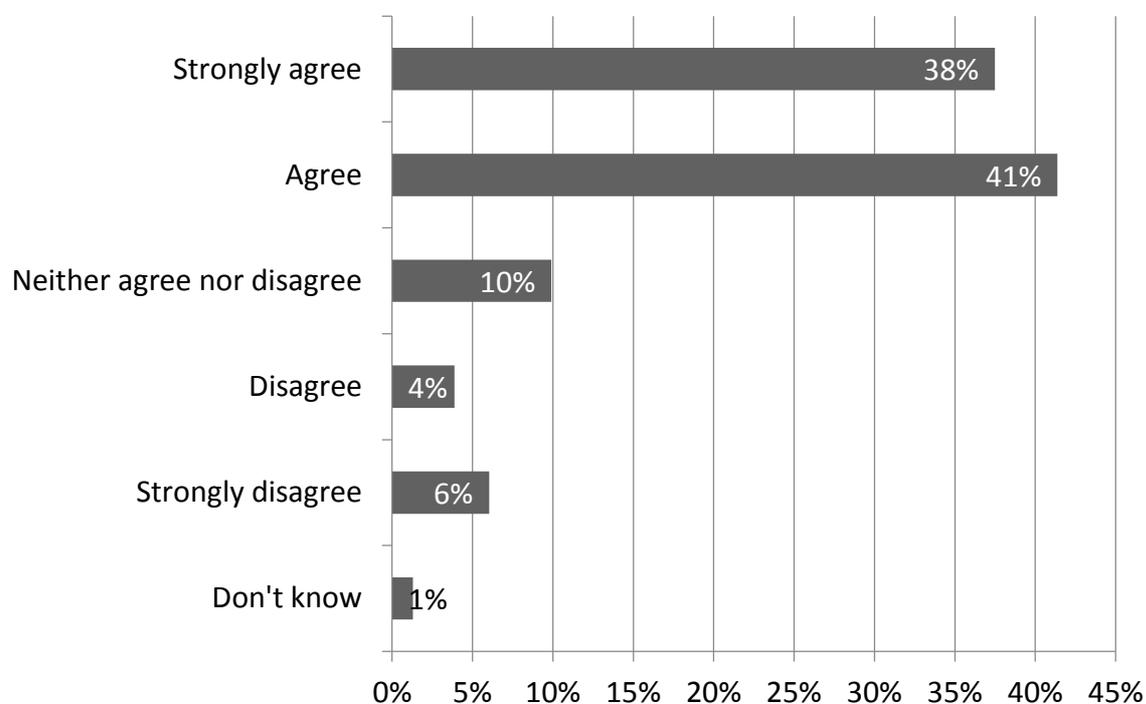
It was noted that cultural change within businesses, not just policy change, was needed – though the two could influence each other.

## Flexible working

The majority of respondents to the consultation (79%) agreed or strongly agreed that flexible working could help people to work for longer.

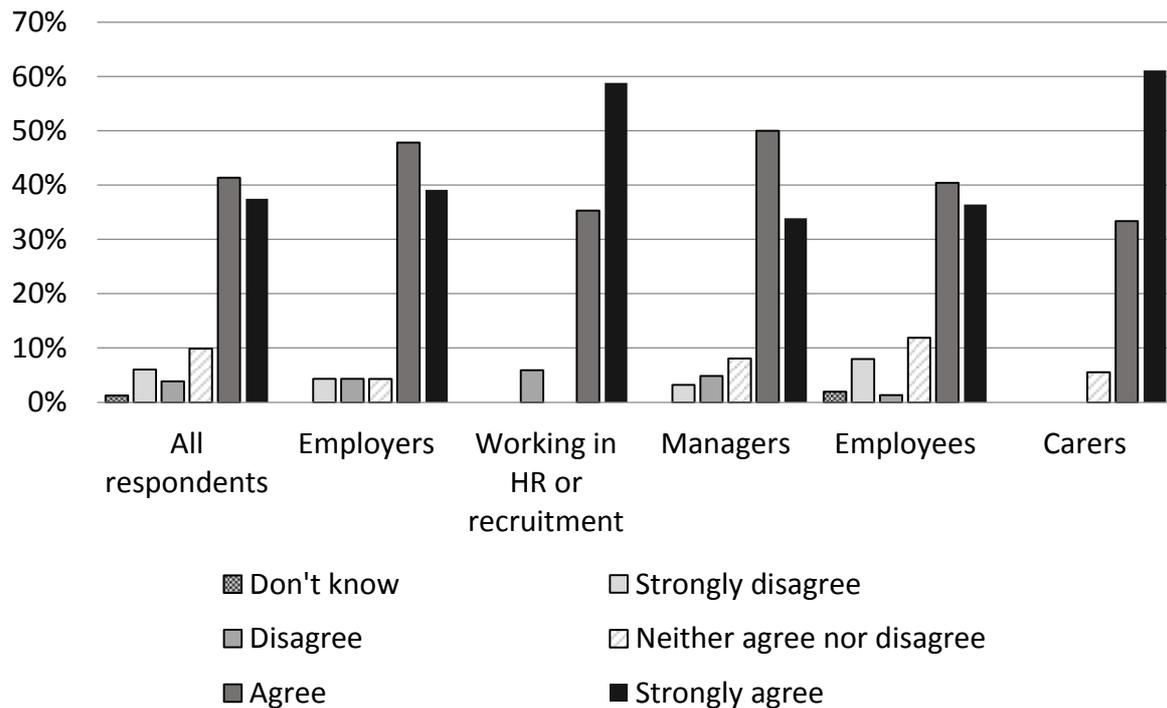
**“We think more part-time and flexible working will help people to overcome some of the challenges which prevent people from working for longer.” Do you agree or disagree with this statement?**

*(232 responses)*



Broken down by respondent type we can see that of the people that responded there is significant agreement amongst managers, employers and employees. HR professionals and people who support family members or have childcare responsibilities agreed more strongly. It should be noted, however, that the sample size for these groups is small and that this is not a representative survey.

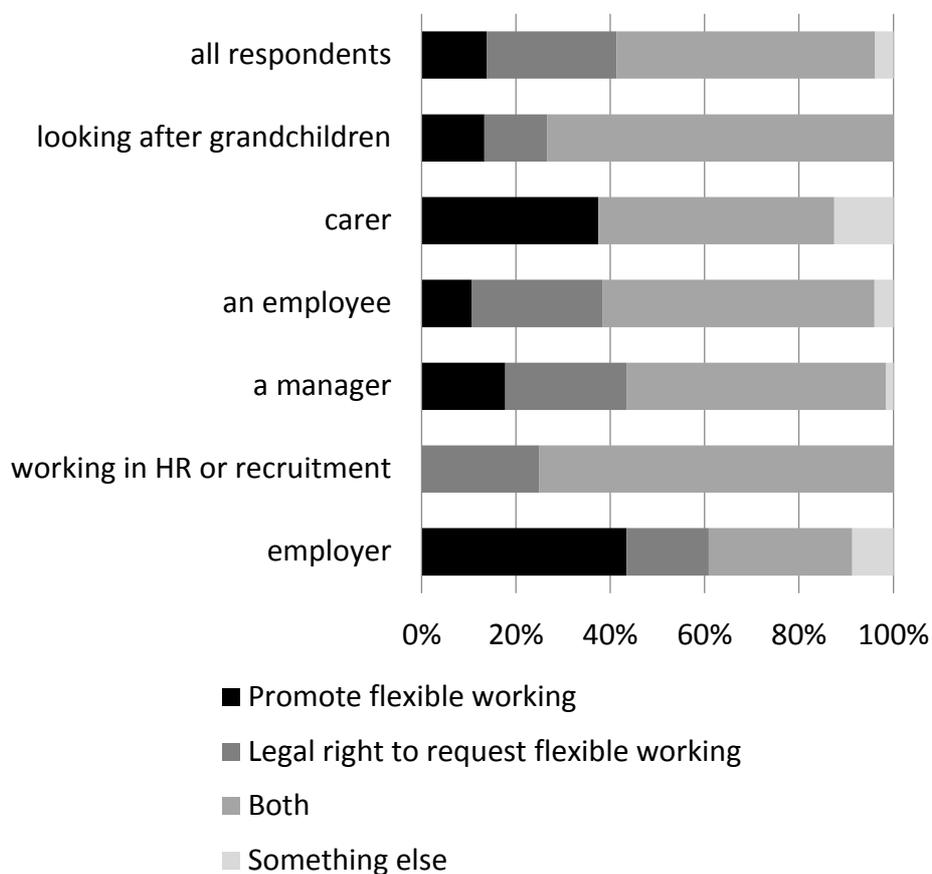
**Broken down by respondent type:**



The majority of respondents (82%) were in support of the idea of introducing a legal right to request flexible working. Whilst these groups were small and may not be representative, the group most in support of a legal right was HR professionals, and least supportive were employers and carers (carers seemed to be concerned that a right to request flexible working would lead to discrimination against them as employers would see them as ‘risky’; employers were concerned about business costs).

## The following could be used to promote flexible working – which do you think would work best?

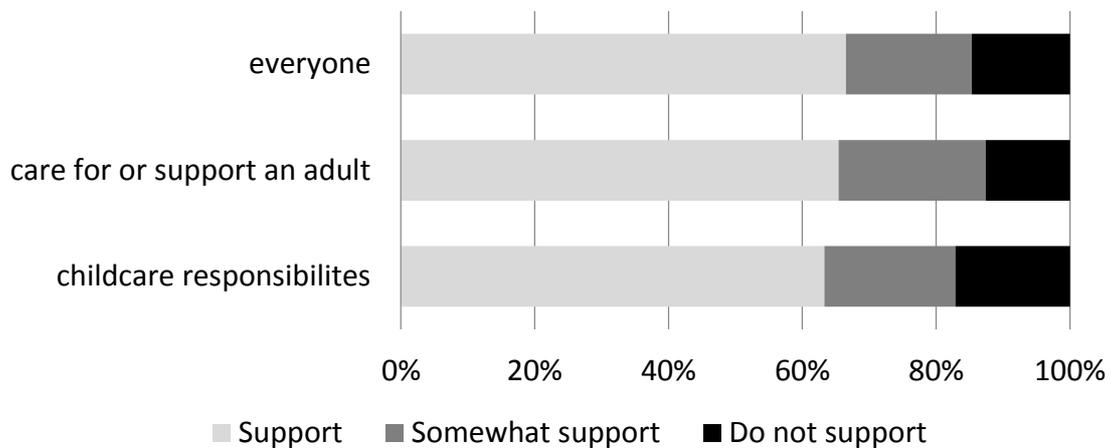
(232 responses)



There was not a lot of variation amongst respondents about *who* should have a right to request flexible working – i.e. a legal right to request flexible working would not be significantly more popular if access to the right was limited to a certain group.

**If a legal right to request flexible working were introduced, do you feel this should be available to particular groups of people or available to everyone?**

(225 responses)



In terms of groups of respondents, HR and recruitment professionals were most positive about a legal right and seemed to be more keen that the right to request flexible working be extended to everyone equally than to a particular group (e.g. carers).

In line with the above, employers were slightly less positive about the legal right being extended, but this did not vary significantly based on who it should be extended to.

## Further discussion around flexible working

Some people made comments in favour or against the principle of promoting flexible working.

### *Points in favour of promoting flexible working:*



*Concerns about promoting flexible working:*

*Red tape*

would make Guernsey a less attractive place to do business

business costs of offering flexible working

could lead to 'zero hour' contracts – people might be exploited

employers may pay people working part time or flexible hours less

no need for government to intervene – market forces will promote flexible working – already low unemployment

if more older people were working then there would be a larger number of people looking for work which could lead to employers being less likely to offer flexible hours

it would be better to support people who wish to work flexibly into self-employment

could increase discrimination against particular groups, since employers will seek to avoid offering flexible working by finding other ways to avoid hiring (or to fire) people who might be likely to make a request. One respondent suggested that the States compensate companies employing groups more likely to request flexible working in order to counter this effect.

people are not always able to specify what hours they wish to work

concerns about the need for managers to be present

how to accommodate similar requests within the same team

Difficulties recruiting when one person in a job share leaves

### *Legislation or best practice?*

Many thought that legislation was necessary for change:

“A legal right... will be absolutely essential for any headway to be made in this area”

There was a feeling that employers would not seriously consider flexible working requests unless they were required to.

Some felt that best practice was a better option.

“I do not support the use of legislation to force employers to listen to employees. Our community is small and we have an entirely manageable number of employers for promotion of flexible working to come from government and the third sector.”

It was suggested this was better for smaller businesses. It was suggested that there should be public recognition of firms that are supportive of flexible working hours because this would promote good behavior whilst employers may otherwise discriminate against carers or others in recruitment in order to avoid receiving, and needing to consider, flexible working requests. Others felt that employers were already often offering flexible working because this may be necessary to attract staff.

It was felt that ability to offer flexible working varied by sector and depended on the nature of the business.

### *Do some groups have more claim on a right to request flexible working than others?*

A significant number of respondents expressed a strong feeling that if a right to request flexible working were introduced it should be available for everyone and not just for particular groups. Reasons for this included:

- A general feeling that rights should be universal and equal, and that people may have different but equally valid reasons for making requests that a law should not try to pre-empt.
- There were concerns that there was a risk of singling out particular groups (e.g. carers) because this could make them less attractive to employers thus leading to discrimination against the group.
- There were also concerns that legal rights for particular groups would increase incidence of workplace bullying and resentment from colleagues against those individuals, whereas a universal right would reduce this effect.

- There was a suggestion that the right be available to everyone but that flexible working for particular groups be incentivised.
- A feeling that most people had care responsibilities at some point in their lives so this was a universal need and not the need of a particular group.

Some felt that employees should have to offer some kind of justification, but there might be other reasons which were valid as well as care responsibilities. Others felt that given you generally were paid less for working fewer hours people did not generally request flexible working unless they needed it for a genuine reason.

There were some concerns that higher-economic-status individuals had more access to flexible working at present and that there would be benefits in trying to extend this to all people.

One respondent felt that they would support people having flexible working for family responsibilities but not if they were supporting a friend.

One respondent felt that people with care responsibilities should have priority access to flexible working.

A few people supported the idea of flexible working for all people who were close to, or continuing to work past, State Pension Age.

A few respondents felt that people should not be given special working arrangements to help them manage childcare as having children was a personal choice and not the employer's responsibility. A few respondents felt that families should be given a priority and that flexible working was important for parents given the financial pressure for both parents to work.

### *Implementation*

The following points were raised that would need to be considered if flexible working were implemented:

- Suggestion that a right to request flexible working should be dependent on length of service with a particular employer
- Ensuring that good, clear guidance is available for employers about how to manage requests, what process to follow, how to evaluate requests, whether requests can be prioritised and what were good reasons for refusing requests.
- Consider whether flexible working arrangements could be reviewed annually rather than agreed on a permanent basis.

- Consider whether flexible working arrangements could be offered on a trial period and then reviewed.
- It was suggested that very small businesses not be required to implement flexible-working arrangements.
- One respondent suggested that employers be allowed to pro-rata benefits as well as pay – i.e. only covering half the health insurance costs of part time staff.
- It was suggested that the States could have a role in developing best practice *“Illustrating how flexible working can work for employers is important; this could be an area for ongoing involvement, to work with employers, run pilots, review where it works well and where not (for employers and employees), to better understand different working models, and continue to inform advisory information and associated initiatives”*.

#### Other Comments

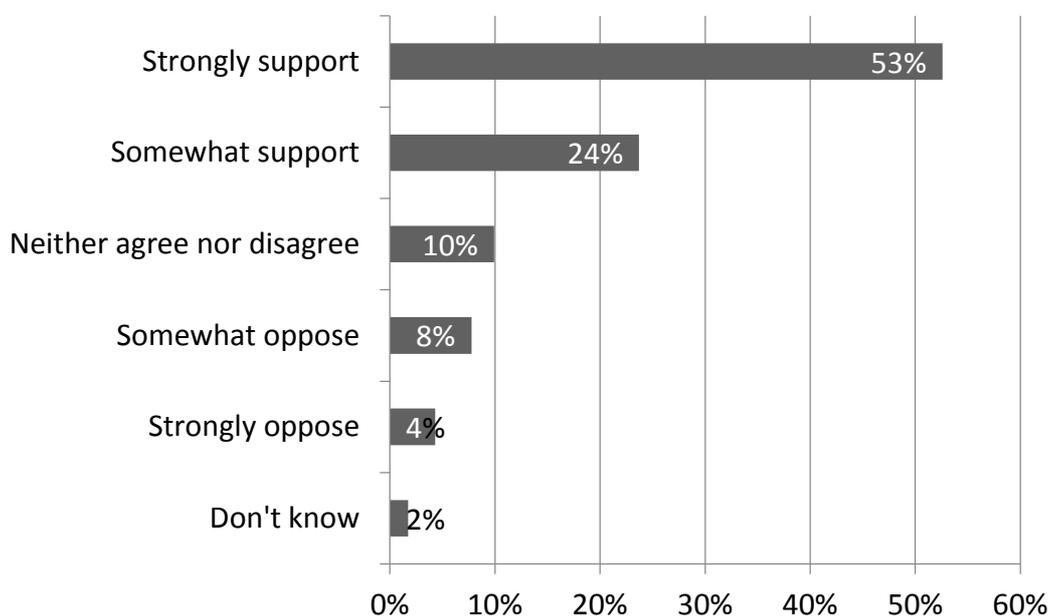
- Flexible working as a measure by itself was felt to be insufficient support for working carers, social care support for the person they were caring for, information and advice were also important.
- The gendered dimension of flexible working was mentioned. Often women were taking on caring roles and family responsibilities.
- Some people felt they were unable to afford to work flexibly, or reduce hours as this entailed lower income and they, for various reasons, had been unable to save for retirement.

## Age Discrimination Legislation

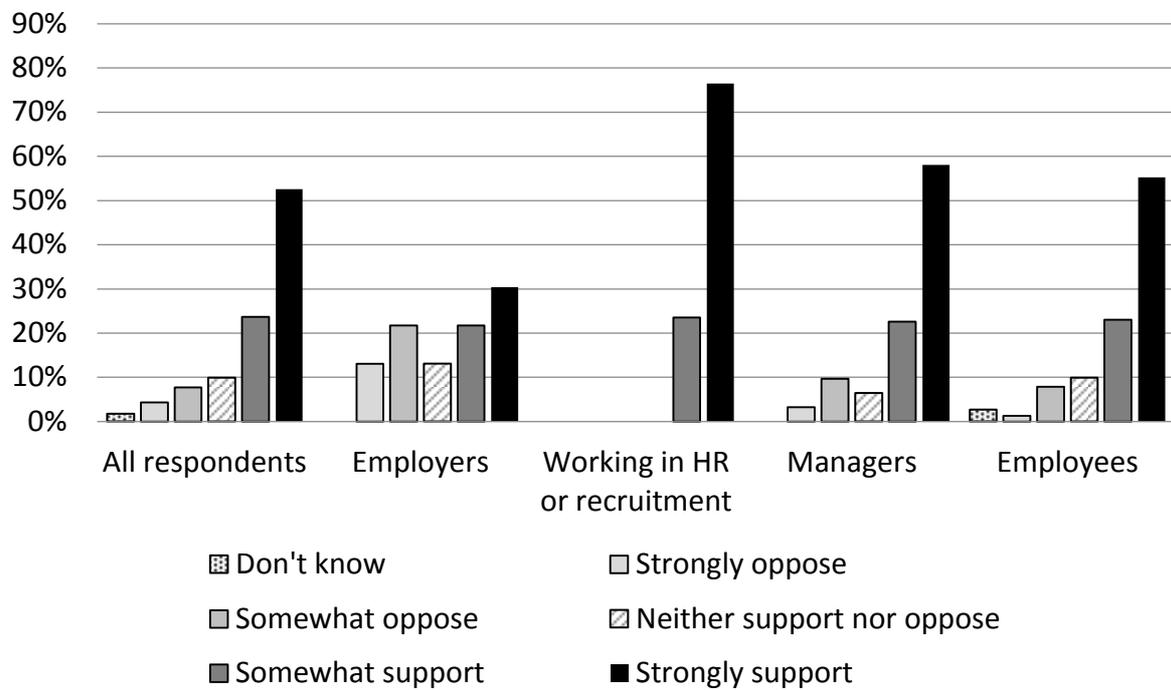
The vast majority of respondents seemed to agree that age did affect employment decisions including, but not limited to, the use of contractual retirement ages. There was more debate around whether age discrimination legislation was an effective way to address this, with 77% of respondents supporting legislation but concerns and debate raised in comments.

### Would you support the introduction of Age Discrimination Legislation?

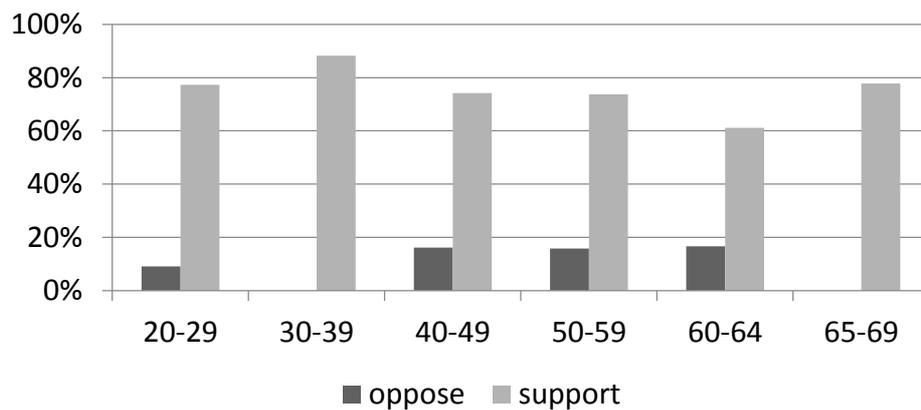
(232 responses)



There was more opposition and less support amongst employers compared to other groups, though 52% of employers who responded supported the introduction of age discrimination legislation.



There was majority support in all age groups though this was not as strong in respondents approaching state pension age.



### Equality law

One respondent suggested developing an overarching piece of equality legislation for all protected characteristics rather than focusing only on age discrimination.

## Retirement age

There was a division amongst respondents. Some felt strongly that people should be able to choose when they wanted to retire - whether this was earlier or later than State Pension Age. A small but significant minority suggested that they felt that a fixed retirement age (at State Pension Age or higher) was helpful as it helped people to plan retirement, helped employers to plan succession and gave a clear date for a performance review and discussion about continuing with the possibility of contractual working being offered from this date forward. There were concerns that in the absence of a specified retirement age there were overtones of *'work until you die'* and that a set retirement age in some way protected a person's ability to retire and was *'almost an excuse to leave work'*.

Some of those that were supportive of the idea of a fixed/default retirement age were also supportive of legislation which prevented people under the State Pension Age being discriminated against on the basis of age.

As an alternative to retirement ages specified in contracts, some companies already used incentive systems to encourage employees to give good notice about when they intended to retire so that they could use this when planning their workforce. Honest conversations could also help to plan around individual's retirement or progression into new roles or careers. If there was concern that these conversations would make employees suspicious that employers were trying to dismiss them, then it could help to develop a practice of having conversations from an early point in a person's career.

## Redundancy and discrimination

There were concerns that age discrimination legislation would not protect older workers from redundancy.

Some felt that discrimination was likely to happen through other routes if age discrimination legislation were introduced *"no policy, regulation and assistance will stop older workers being discriminated against"*.

## Insurance

There were concerns that Permanent Health Insurance and other forms of insurance were more expensive for older employees, or were not provided by insurers for people beyond a certain age. This meant that to provide the same benefits package to older staff would not be possible or would be more expensive. Some felt that older people should be provided with the same benefits, others felt that it would be against the interests of older employees

to require employers to provide the same insurance for them, as this would likely incentivise discrimination.

#### Dependent on sector

Some respondents felt that the issues associated with age discrimination were very sector-specific as age-related conditions had little effect on the ability to perform in some roles, and more effect on others.

Points respondents made AGAINST introducing age discrimination legislation:

*“having a fixed retirement age also ensures a turnaround in staff and vacancies”*

concerns about job availability for younger workers, concern about career progression, the need for people to step into different or less demanding roles as they approach the end of their career

Concerns around the dignity of employees being managed out on grounds of performance. For example:

*“I think big issues will arise with older workers no longer being able to do the job. This can result in problems for both the worker (anxiety about technology, performance issues), and the employer who will have to potentially end peoples career on a low point by using performance as a reason to terminate a contract rather than a planned retirement at a younger age.”*

*“a bitter end to a long and fruitful career”*

There were concerns that an individual would not be able to accurately judge whether or not they were continuing to perform well.

Concerns about ‘red tape’ and business costs associated with legislation:

*“Before we introduce age discrimination legislation I would like to see some meaningful statistics of incidents. Additional laws increase costs to doing business - Guernsey needs to avoid replicating the complex red tape in other jurisdictions”*

*“must not be too restrictive upon small employers”*

*“excessive burden of legislation”*

*“Legislation simply leads to cost to the employer, employee and State”*

some job roles take a significant time to train someone into and recruiting older people into these roles would mean that the cost of training would never be recuperated

organisations that discriminate will continue to do so but offer alternative explanations to mask their treatment of older workers:  
*“no policy, regulation and assistance will stop older workers being discriminated against”*

*“their salaries and perks built up over many years far outweigh what a new younger staff member would earn. The younger staff member would often reach the level of competency quickly”*

some job roles take a significant time to train someone into and recruiting older people into these roles would mean that the cost of training would never be recuperated

Concerns, from the employee’s perspective, about the quality of performance management and the potential, if performance management became more of a focus, for this to be used to *‘get rid of staff’*

age discrimination legislation would allow younger people to challenge decisions made which favoured older workers

legislation would make short term contracts and zero hour contract working arrangements more attractive to employers in order to avoid performance management

older people may benefit from different kinds of roles so there should be a focus on initiatives specifically targeted at older workers rather than a focus on equalising different treatment

employers will be more confident about employing older people on contracts – legislation could lead to unintended consequences

Where contractual retirement ages are used, it was noted that both parties choose to sign the contract

*“larger organizations will find ways around this with no problem at all for instance a fixed term contract”*

Points respondents made FOR introducing age discrimination legislation:

Some people mentioned incidences of people being asked to leave because they had reached a contractual retirement age. *“I constantly see valuable resources being forced to retire at 65”.*

*“age discrimination would also protect younger workers”*

*“Guernsey wants to sell itself as a progressive powerhouse where new industries evolve. Our out of date discrimination laws directly oppose this.”*

Many respondents felt that using age to make employment decisions was arbitrary and the important factor was performance:

*‘arbitrary cut off date of 65 seems nonsensical to me’*

*‘I know 90 year olds who look after their 65 year old neighbours’*

*‘Dad is 72 years old and he is fitter than me’*

legislation was necessary as employers would not follow best practice guidance without it

*“I cannot see attitudes changing quickly enough without legislation in place.”* Attitudes were felt to be important in making sure that opportunities were available to older people and it was felt that legislation was important in driving attitude change.

Some respondents were positive about age discrimination but were cautious about the need for there to be good performance management alongside this to ensure that people who stayed on were capable of doing their work. *“something included in the legislation to say that an Employer has rights if someone was to continue working but ended up not being capable”*

Some supported all discrimination legislation and fundamentally believed in equal treatment

access to work is vital to help to support wellbeing - legislation is necessary on these grounds

There were concerns about a myth many employers believed about people 50+ having ‘less years’ left compared to younger workers, when younger workers may leave their jobs for other employers, to relocate, or for family reasons.

*“the more choice the better”*

age discrimination legislation would offer more choice for both employees and employers with regards employment decisions.

*“Mature people have a lot to offer in the workplace”*

*“older person is better placed to deliver in certain sectors”*

Some felt that attitudes needed to change towards ‘retirement age’: *“I have already encountered an attitude from some colleagues that I will ‘be retiring soon’ despite the fact I have never mentioned it. I would like to work to age 70 and feel capable of it, and have kept up all my skills in anticipation of this”*

Some suggested that the legislation was necessary to deal with the public financial situation and the need to support people to have good income post State Pension Age.

*“no protection for individuals”*  
without

Legislation would assist older employees to gain access to training

Doesn't affect employers who have already adopted best practice, it would level the playing field.

Could save money on health and welfare and lead to long-term economic expansion.

Other comments:

- *“Don't consult just introduce the law”*
- Employees were concerned that older staff members may not receive the same sick pay or health insurance as younger workers.
- There were concerns that people were being kept on by the same employer but moved from a permanent position to a short term contract in which the remuneration package offered was less even though the work and hours undertaken was the same.
- It was suggested that employers be given the right to reduce a person's contracted hours once they reached a certain age.

- There was a concern about timing and that if the pension age were introduced gradually and age discrimination legislation were not introduced before 2020, this would give employers the opportunity to dismiss older members of staff before the legislation is introduced.
- It was requested that if legislation was introduced, good quality guidance was issued to employers about how to manage changes. A source of ongoing guidance and a place to direct enquiries would also be helpful.
- It was suggested that employers and employees did not understand the current position on using ages in contracts well, and that education on this could help employers to manage the process better.
- If legislation is not introduced it was suggested that there would be need for significant change to culture and attitudes.
- It was noted that there were special rules around judiciary at the moment and the use of peer reviews to determine competency was discussed.
- It was queried whether, if a law was introduced, this would have implications for existing contracts with ages in or whether it would apply only to new contracts.
- It was felt that if an employer wanted to retain an employee at present they would extend a contract when they reached retirement age. Consequently, it was felt that this was not a priority compared to other proposals.

## Mid-life reviews

### Overall reaction to mid-life reviews

Many people showed support for the idea of a mid-life review and thought that having this information and option available would help.

Some respondents raised concerns about mid-life reviews, the following points were made:

- mid-life reviews are a good thing but not enough on their own to support people to change career when they need to
- may be effective to provide more mid-life training opportunities and apprenticeships rather than promoting mid-life reviews
- a State-funded Careers advice service which was specifically targeted at older people would be more effective than mid-life reviews
- concerns about the cost of providing mid-life reviews and concerns about the service being contracted to the private sector
- concerns that the reviews not offer specialist information from people who were not qualified to give this information as this may give the government a liability for people

making poor decisions if this was based on poor advice, recipients also needed to be able to trust the advice they were given.

- concerns that the reviews would need to meet such a diverse range of needs in order to be effective that they would not be workable
- some people may '*adopt the "ostrich" position*' and not engage with planning for their future. Some felt that there needed to be a clear reason or incentive for people to participate.
- mid-life reviews would not help people who had 'golden handcuffs' (i.e. mortgages, and other financial commitments that require them to earn a higher salary).
- some felt the concept was patronising
- there were concerns about the cost implications of creating a facility that people actually wanted to use.
- There was a suspicion that mid-life reviews would be seen as an 'HR tool' and people would avoid them, believing that they were not in their best interests.
- It was felt that the mid-life review was not necessary as the information and advice was already available if people went looking for it and it did not need to be formalised.
- There were concerns that family responsibilities meant people could not change career in mid-life

### Age of review

There were a number of comments that suggested that there should be information and advice about pensions, savings, finances and career planning from school upwards – particularly given the expectation that people may change career several times in their lifetimes.

It was suggested that an online pension calculator be provided to help people to work out how much they needed to save in order to have a comfortable retirement. It was also suggested that the amount the States pension pays out should be more widely publicised in order to highlight that this was not enough to live on.

Others suggested that the reviews start at a younger age, with suggestions about 30 being an important age; that two reviews be offered one earlier and one later; or that reviews be offered every 10 years from age 30.

## Content

With regards the content of the reviews the following comments were received:

- It was suggested that the reviews include career guidance with referral to the Careers Service but was noted that it was perceived that the Careers Service tended to focus on school-aged people and graduates at the moment.
- It was suggested that the review could help people to create a plan focusing on what a person would need to do to achieve their goals and when.
- Several people highlighted the importance of a financial element and thought this should include:
  - o Pensions advice
  - o Mortgages
  - o Equity-release
  - o Access to pension statements
  - o Costs of long-term care to plan for
  - o Financial changes to plan for (e.g. loss of health insurance when you leave employment)
  - o Savings schemes
- It was suggested that the different types of flexible working could be considered in a review
- Care and support options for relatives
- Helping people to transform 'bad habits'
- 'peaceful parenting workshops'
- How to change career
- Health - Current health and how to keep healthy in old age; occupational health advice if needed
- Writing a will
- Capacity legislation
- Access to training courses
- The projected cost of living was requested
- Job satisfaction *"let's try to make people HAPPY in work"*

## Who should deliver?

There was some discussion about the idea that employers provide the service for their staff. Some felt that employer-led mid-life reviews would be a helpful way to manage performance. Others were concerned that this would be inappropriate as the advice provided would not be impartial.

Some respondents were concerned about the idea that private sector firms could offer mid-life reviews but not provide impartial information, which could lead to people making bad decisions. An accreditation was suggested, which people needed to earn to prove that their service was a particular standard in order to be able to offer reviews.

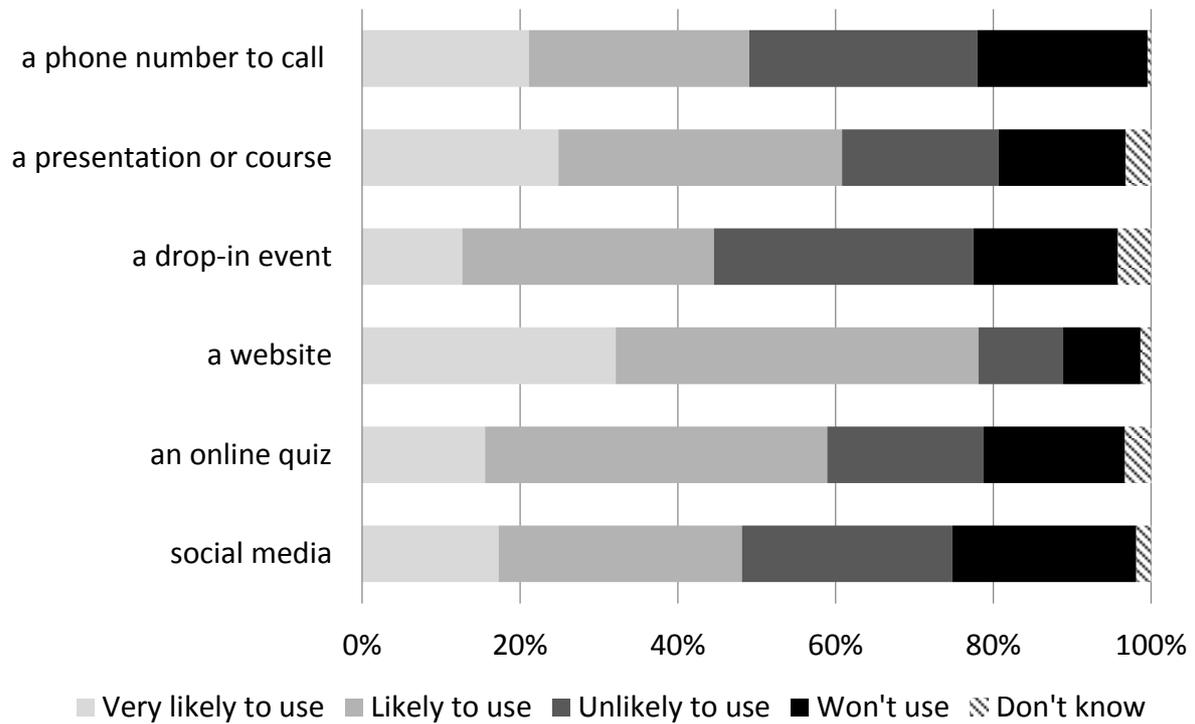
## Delivery

- Several people commented that they would prefer to see someone one-to-one and face-to-face than to use a group or web or phone based delivery.
- Involving people in their 60s to give advice in mid-life reviews was suggested.
- It was suggested that case studies should be publicised around islanders who had successfully made changes in their career, and how.
- A number of respondents suggested that a website would be insufficient and there would need to be some post/e-mail/ phone-call contact in order to engage people.
- It was suggested that having a few different options of how to engage with the information would be important (e.g. a website, a presentation, a hotline)
- Some suggested a questionnaire which could be analysed and then discussed.
- Some felt it should be mandatory, others voluntary.
- Could be marketed through tax returns
- It was important that it be personal, relevant, independent, objective, approachable
- It was suggested that there might be trigger points at which someone could be directed for a review – e.g. becoming a carer, divorce/relationship breakdown
- Some felt there should be the option for follow ups after a review
- Multimedia presentation of information was thought to be helpful as it made the information more accessible. Some preferred a printed format.
- It was highlighted that there needed to be inclusive options as not everyone had numeracy or literacy skills to read through complex information themselves.
- It was suggested that GPs could socially prescribe mid-life reviews.
- Need to ensure there are not issues with waiting times.

In terms of format, of those listed the website seemed to be by far the most popular option across all age groups.

## If you were undertaking a mid-life review, which format would you be most likely to engage with?

(229 responses)

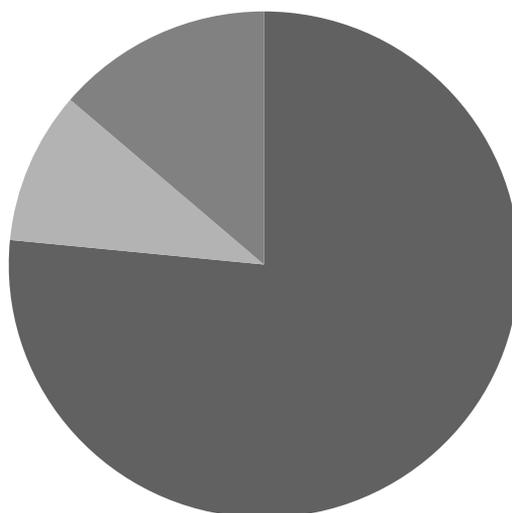


## Financial impact on those unable to continue

Most respondents supported the idea of reviewing whether there was a possible way to limit the financial impact for those who will be most affected by the change in the State Pension Age.

### **Would you like to see us review whether it is possible to limit the financial impact for those who will be most affected by the change in the State Pension Age?**

*(226 responses)*



- Yes, I would like to see you review this
- No, I do not think there should be any additional support
- Don't know

## Be proactive in making people aware of support available

It was suggested that there was a need for Social Security to be proactive in making people aware of the support available – both for people who were at risk of leaving the labour market early, but also for old age pensioners who have been unable to save for a second pension.

### Support for a review

- There were some concerns raised about the pension age increase being too high.
- Some felt that the increase in pension age adversely affected some more than others and that the States should compensate for this.
- Some felt there was a need for a transitional arrangement to support people as people got used to the new, higher, pension age.
- Some respondents felt that it would be unfair to ask a person to re-train to a different career if they had become unable to continue in their original career.
- Several respondents were clear that they would only support financial assistance for people who were genuinely in need and were below a means-test threshold.

### Arguments against undertaking a review

- Some felt that people in this age group should not be treated any differently from other benefit claimants if they were in need of support and could have access to invalidity benefit or other incapacity benefits if they were unable to continue to work. Benefits should provide a 'safety net'.
- There were concerns about the costs of investigating this option.
- There were also concerns about the cost of delivering this option given the existing sustainability issues with public finances.
- There were concerns that benefits could impact a person's incentive to save if too generous.
- One respondent was concerned about universal benefits giving money to those who do not need it.
- Some felt strongly that people should be re-employed wherever possible before considering providing benefits.

It was suggested that support for people unable to work up to State Pension Age should include alternative employment, voluntary work, community service or 'time banking'.

There was a suggestion that it would be better to focus on prevention of people ending up in the situation where they were unable to work than to need to provide support for people through benefits.

Some respondents felt strongly that financial support for those most affected and unable to continue working should be a priority.

One respondent suggested lower retirement ages for manual workers.

There were concerns about the current rate of benefits paid being insufficient.

Some respondents suggested their support would depend on which options were being reviewed and for whom.

One respondent suggested that: *“There needs to be a much wider review of welfare/pension reform that also includes the impact of technology on employment and the health consequences of a penal welfare system. We need to have a more generalised basic income pilot and a huge focus on how we can use things like the sharing economy to reduce cost of living to tackle this in a much more progressive way than this. The challenge is much bigger than we realise.”*

## Retirement Planning

There were comments suggesting that an easier way to access pension statements should be made available, preferably via the internet. It was suggested that a good time of year to publish statements would be just before most people completed their tax returns.

Pension education for people throughout their lives was felt to be key as well as better public understanding of how the UK and Guernsey pension systems interact.

There were some comments about people not understanding their social security contributions.

## Self-employment

There were concerns that self-employed people had less access to health insurance or private pension schemes and were often less able to save for their retirement. This means they could be disproportionately affected by increases in State Pension Age and could face challenges if the State Pension were not sufficient to live on.

One respondent felt that *“The big issue is the penal rates of tax/social security self-employed face post retirement (if before statutory OAP age) should they try to work on their own account.”*

There were suggestions that there should be more support for people going into self-employment and support for older people to start up businesses.

# Comments and concerns about other policy areas and workstreams

These concerns connect to other work that is underway and have been grouped approximately according to Committee mandate.

## Committee *for* Economic Development

### Economic Development

**Job creation** - Some respondents highlighted the needs for more of the ‘right kind’ of jobs to be available for people to work in if people were to continue to work into their late 60s.

The need to address the **cost of living** in order to ensure that services and housing were affordable was highlighted as being important to enabling people to retire comfortably.

The general **need for a strong economy** to allow for growth and job creation was highlighted.

There was some concern that the ageing workforce would affect some industries more than others, and **industries which could not attract younger people** into them would suffer.

## Committee for Employment & Social Security

### Financial education

The need for good quality **financial education**, not only about pensions, but also about mortgages, taxation, social insurance, credit cards and banking was suggested as being important and it was suggested that there was a lack of impartial advice and guidance at present.

### Secondary Pensions

Supporting people to **take out pensions** in order to support them to have a better retirement income and have more choice over when to retire was suggested (N.B. the Committee is currently developing a Secondary Pension scheme – [www.gov.gg/secondarypensions](http://www.gov.gg/secondarypensions)).

Good information about the secondary pension scheme and about additional contributions were thought to be key.

#### Upper income limit for the State Pension

One respondent suggested introducing an **upper income limit for the State Pension** which would mean that people with annual income over a certain threshold could not receive the pension.

It was also suggested that people be given the opportunity to **permanently waive their right** to a State Pension if they did not need the income.

#### Workforce maximization and unemployment

Some suggested that they would like the States to focus on getting **unemployed people (under 65) into work** rather than trying to maximize the workforce by increasing pension age.

#### Claiming benefits

There were concerns about the stigma associated with claiming benefits. There was also a feeling that people unable to work beyond 65 should **not be judged** and that *'unfortunately Social Security has a poor reputation and are seen to look down on people out of work'*.

#### Contribution period for full State Pension

Some respondents commented on the fact that the **45 years of contributions** made it difficult for people to get a full State Pension. It was suggested that at the least there needed to be wider public understanding of this and the ability to make up missed contributions.

There were some concerns that more people did not **start paying** in to the insurance scheme until later than in previous years (due to spending longer in education) and that this had an impact on the sustainability of the scheme. Some suggested that people who started paying into the scheme earlier should be able to stop paying into the scheme sooner. One respondent suggested that people should be expected to work 50 years and those starting sooner should be able to finish sooner.

There were concerns raised about the difference between the employee and **self-employed contribution rate**.

There were concerns raised about whether **refunding contributions** to those who were working in the island temporarily was appropriate.

There were suggestions that the Social Insurance system should be opt-in and that **contributions should be voluntary**.

Equality and Rights organization

*“there have been no programmes by the States to train / raise awareness of diversity initiatives with local employers. This is fundamental. Until people can see and understand how a diverse workforce might look, feel, behave and perform, there is no perceived need to change. And until change happens there will remain a significant and useful chunk of the population which is underutilised.”*

Sufficiency of State Pension

It was suggested that older pensioners had been led to believe that the State Pension would provide sufficient income to live from and that they may need **additional support** due to lack of preparation for retirement.

There were general concerns raised about the State Pension being **insufficient to live on** and that this would leave people feeling that they were required to continue working, even after State Pension Age.

It was noted that **not being able to afford health insurance or private pensions** was common and it was argued that this was not the fault of individuals, but that the increase in the State Pension Age gave them less choice about when to retire.

Primary Care and Health insurance

**Health insurance costs for people over 65** were a concern, particularly given the impact this had on employers remuneration packages and the perceived costs of employing older workers.

The cost of access to Primary Care was suggested to be a barrier to the continuation of working. There was felt to be a contradiction in messages coming from the Committee due to the discussion to simultaneously suggest that they wished people to work for longer alongside speaking about **the removal of the consultation grant**.

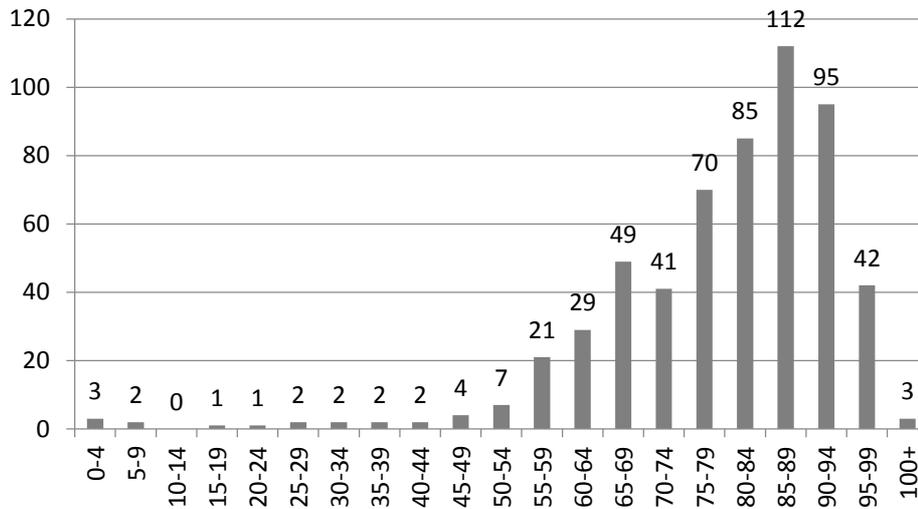
It was suggested that the States stop funding health care provision where people are being treated for illness related to smoking or drinking.

## Pension age

A number of respondents commented on the previous decision to increase the State Pension Age which the States has legislated for. Comments included:

- A feeling that people were **entitled to a reward for working long and hard** and that this was being taken further away.
- Concern that by increasing the State Pension Age the States was **transferring cost to private business**
- Concerns that increasing the pension age was **not fair on younger islanders** if the deficit in the fund was caused by older islanders not having paid in enough over their life-times.
- It was suggested that **increasing pension contributions** would be preferable to increasing pension age.
- General objections towards the increase in pension age
- Objections that pension age was being increased and that a **perception that this was to subsidise life choices of people who were claiming benefits**. Suggestions that benefits be stopped or cut in order to protect the pension.
- Concerns that **not everyone would be able to continue** until 70.
- Concerns that increasing the pension age would **reduce morale** which would affect health and productivity.
- *"70 would make retirement age in Guernsey the oldest in Europe"*
- It was suggested that pension age be made *"20 years below Guernsey's life expectancy"*
- Concerns about **people dying before they reach pension age**. This included a request for data on age of death. Of the 573 deaths of Guernsey residents who died in Guernsey registered at the Greffe in 2016 the age profile was as follows:

**Age at death, 2016 -  
Guernsey residents who died in Guernsey**



It should be noted that the following caveats apply.

- This is only one year's data and may not be representative.
- The profile of age at death may change significantly by 2049 when the pension age reaches 70. It is difficult to take all factors into account to do this accurately (changes in lifestyle, developments in medicine etc.).
- Retirement age may sometimes influence age of death.
- Deaths of people resident in Guernsey is not the same as deaths of people eligible for a State Pension – some people may be resident without being eligible for a pension, others may live elsewhere in the world and be eligible for a Guernsey pension.

Information for people who have pensions in other jurisdictions

It was felt that there should be better information about how pensions worked for people who had spent some time working in the UK, Jersey or elsewhere.

Concerns were also raised about the fact that some women expected to retire at 60 in Guernsey and their pension age had now been raised beyond 65 – more than a five year increase. It should be noted that the state pension age for men and woman has always been the same in Guernsey (it was originally 70, was reduced to 65 and is being gradually increased from 2020 to return to 70). It used to be different in the UK where women could retire at 60 and men at 65. Women who have spent some of their working lives in the UK may have their UK pensions, administered by the Department for Work and Pensions, affected by the decisions on state pension age made by the UK government. This might mean that women who have moved to Guernsey from the UK may have a more complicated picture with regards to accessing their pensions.

You can find further information about UK State Pension age here:

<https://www.gov.uk/state-pension-age>

The pensions team can assist with enquiries around how the UK and Guernsey state pension link (01481 732506; socialsecurity@gov.gg).

### Equality and Rights Programme

Some consultees noted the importance of **Disability Discrimination** Legislation in supporting people to work for longer.

Some consultees felt that there was a need for comprehensive anti-discrimination legislation to be brought forward.

### SLAWS / Long-term Care insurance

Some respondents objected to the fact that if they worked hard for longer they may then have to use their savings or property assets **to pay for long-term care** and would not benefit because the States would meet the cost otherwise.

One respondent suggested they were concerned about the profit levels of care homes on the island.

## Policy & Resource Committee

### Cost of government

There was the suggestion that the States could **operate more efficiently** to reduce tax spending. It was suggested that by efficiency savings enough could be gained to prevent the need for a pension age increase to sustain the pension fund.

Others felt **tax increases** were necessary to support public services.

There were concerns raised about the States of Guernsey **employee's pension scheme** being more generous than those available in the private sector.

A **Guernsey University** was suggested as a way to bring more younger people onto the island.

#### Revenue impact of career change

There was some concern that if people were changing career more frequently in their working lives then this would **affect tax revenue** as they were likely to go through periods of earning less.

#### Tax on pension contributions

It was noted that under the current system people contributing to a pension fund must claim from that fund and ceased to be eligible for tax-relief on contributions at the age of 75. It was queried whether, in future, this age would be too low.

#### Carers Strategy

One person who had experience of being a carer highlighted that flexible working was not enough to prevent a carer from approaching burn out and that there was a need for more professional/social care support. They also highlighted that *“I was in no state to search out [support] by the time I was in most need”*.

One person queried whether there should be a *‘top up on the pensions contributions of someone who leaves work to become an unpaid carer’*. In response – it should be noted that if that carer claims Carers Allowance from Social Security, they will receive a credit towards their pension at present.

#### Committee *for* Health & Social Care

##### Diet

It was suggested that to support people to live longer healthier lives the States should **increase the cost of unhealthy goods** and encourage people and communities to **grow and share food**.

##### Mental Health

It was suggested that Guernsey **trial using psychoactive drugs** to treat mental health conditions.

## Committee *for* Education, Sport & Culture

### Childcare provision

Some respondents highlighted the **high cost of childcare** and its impact on the workforce availability.

### Technological capability

It was felt that the issues to do with **older workers struggling with new technologies** was likely to be ongoing and not necessarily limited to this generation of older people as technology was constantly developing. Ongoing support for people to keep their tech skills up to date was suggested. It was also highlighted that many older workers had good skills when it came to using smart phones and it would be helpful for training to build on this.

It was suggested that it was worth finding ways to use the skills that older people do have in ways that complement the skills of younger workers.

## Committee *for* Environment & Infrastructure

It was suggested that **public transport links** were key to support people to work for longer.

### Overseas Aid Commission

One respondent was concerned about the fact that money was allocated to the Overseas Aid Commission and was not used in the local community.

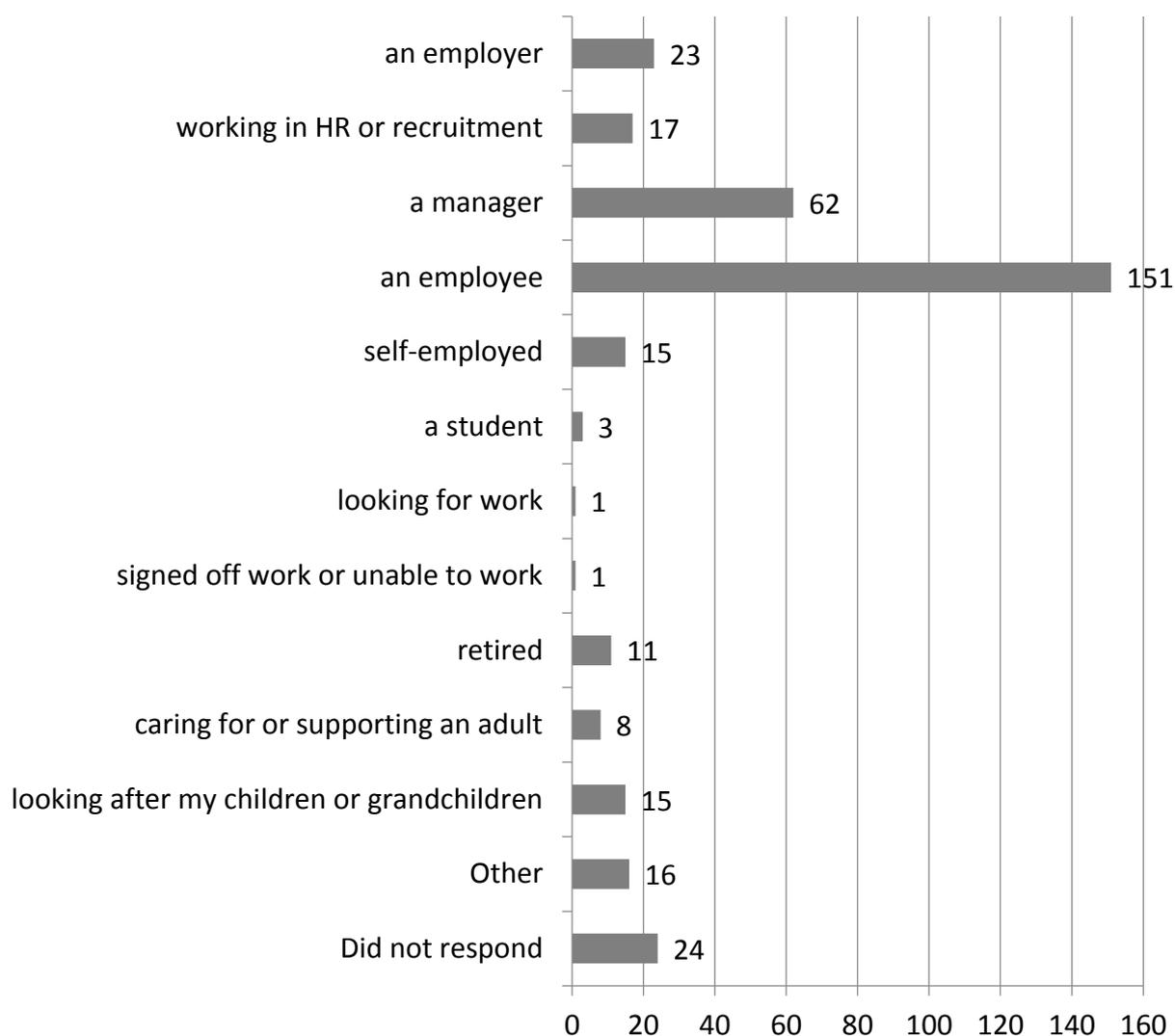
## Profile of online respondents

The majority of online respondents were middle-aged employees who work primarily in offices, but responses were received from a range of others.

### Economic activity of respondents

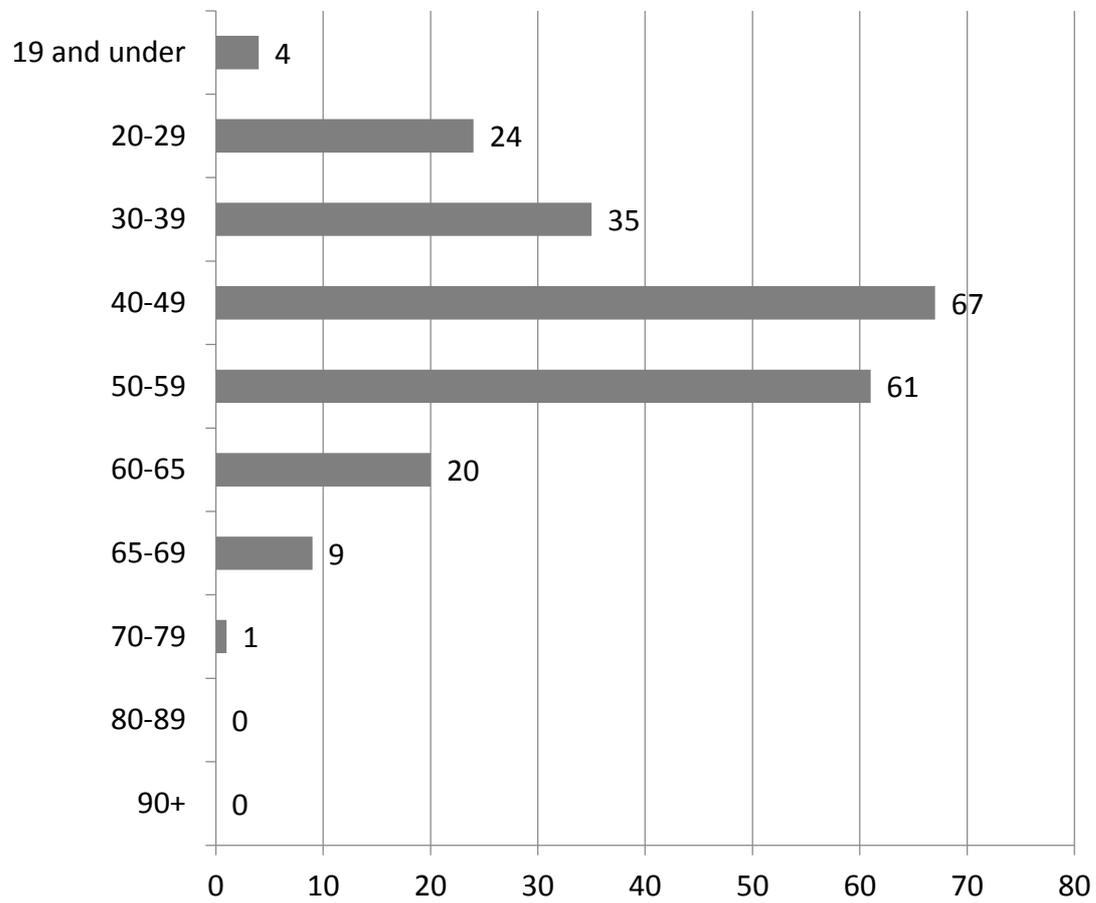
*Respondents selected all that applied.*

*(no. of respondents out of 248)*



## Age of respondents

(no. of respondents out of 248)



## Type of work

(no. of respondents out of 248)

