

Age Discrimination in the Workplace

Age discrimination, or ageism, in the workplace involves treating an applicant or employee unfavourably because of their age.

The Canadian Human Rights Act forbids age discrimination against an individual who has not reached a minimum age or has reached a maximum age in all aspects of employment, including hiring, firing, pay, job assignments, promotions, layoffs, training and benefits.

This article discusses the growing issue of age discrimination, the cost of claims and ways organizations can prevent ageism.

The Growing Issue of Age Discrimination

In the past two decades, the number of workers over the age of 55 has increased significantly, according to the Insights on Canadian Society. In fact, the portion of workers aged 55 and older increased from 24 per cent to 38 per cent between 1996 and 2016. As more people live longer and healthier lives, many have plans to work well past the age of 65.

With the workforce continuing to grow older, data suggests there may be more instances of age discrimination. Access Work Service reports that an estimated 60 per cent of Canadians aged 45 and older have experienced age discrimination in the workplace.

The Cost of Age Discrimination Claims

Age discrimination claims can be costly for employers. According to the Canadian Association of Retired Persons, courts are more likely to reward larger severance amounts to employees, especially to those with less opportunity for new employment due to their age.

Employers also lose valuable employees to ageism. As experienced employees are pushed out or leave jobs due to unfavourable work environments, companies lose employees who possess valuable knowledge and experience while incurring the cost of recruiting and training new talent. Age discrimination may also cause companies to suffer from a decline in employee motivation, resulting in decreased productivity and reduced work quality.

How to Prevent Age Discrimination

In addition to the cost of reduced worker productivity and loss of experience, age discrimination can lead to legal, regulatory and settlement fees. Since these costs can be detrimental to a business, organizational leaders should act to prevent age discrimination in the workplace. The following are suggestions for combatting ageism:

- Assess organizational culture, practices and policies. By evaluating current culture, practices and policies, organizations can eliminate outdated assumptions about older workers and foster a multigenerational culture that rejects age stereotypes and embraces employees of varying backgrounds.
- Examine recruitment practices. Recruiters and interviewers should be trained to avoid ageist assumptions, such as the belief that an older candidate will not remain on the job for long. Applications should also eliminate age-related information—such as date of birth or when a person graduated—and interview panels should include people of all ages.
- Include age in diversity and inclusion efforts. As with existing diversity and inclusion initiatives, workforce training is critical to educating employees about ageism in the workplace. Since age discrimination often goes unreported, spreading awareness may increase the likelihood that employees who witness instances of ageism will report it.
- Respond to claims immediately. Ageism complaints should be handled swiftly and seriously. Investigations should include interviews with all parties connected to the complaint and a review of other relevant evidence.
- Purchase employment practices liability (EPL) insurance. EPL insurance provides coverage for employers when employees allege discrimination based on age and can limit employer liability if an age discrimination claim is filed.

Conclusion

As the workforce continues to age, business leaders should be proactive in recognizing and preventing age discrimination in the workplace. For more risk management guidance, contact us today.



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