



17035636309070
48478375393933
5789099988889
94571835718943
70985497165995
338571497934759
356344355145252
194571835718943

Age discrimination regulations fail to excite

Christine Walsh, Director of Scottish based HR solutions business 'PeopleXtra' has carried out an independent survey amongst SME's (small and medium sized Enterprise organisations) to discover the challenges faced by these organisations since the latest Age Discrimination updates back in early October 2006.

What is it about age discrimination regulations that just turn us off? In the celebrity world, age is fascinating – witness the great splash in the newspapers last month when David Bowie turned 60. In addition, how to avoid ageing, covers acres of print in both male and female magazines. It is an inevitable fact of life and standing up against age discrimination should be close to all of our hearts, even if only from a selfish point of view. Despite this, for employers, learning about, and more importantly taking action on, the age discrimination regulations have proved to be a tedious, boring task put to one side "for later".

We know this is true, particularly for SMEs. PeopleXtra sent questionnaires on the age discrimination regulations to over 100 SMEs to establish how ready Scottish employers are to meet the challenges posed by these new age discrimination regulations and to determine what action, if any, has been taken.

The Federation of Small Businesses had warned that many smaller companies were unprepared for the new regulations on age discrimination which came into force on 1 October 2006 and, certainly, the results of this survey tend to bear this out.

Although most employers were aware that the regulations had come into force, none were sure about how they would affect their business nor had taken any advice. Consequently no changes had been made by SMEs to their policies and procedures although there was general appreciation that the regulations would affect at least their recruitment and retirement practices. However when asked about specifics, only just over half of employers knew that upper age limits for unfair dismissal and redundancy rights had been removed, giving older workers the same rights to claim unfair dismissal or receive a redundancy payment as younger workers, unless there is a genuine retirement.

Around the same number were aware that, in the majority of cases, compulsory retirement below age 65 would now be against the law but less than half were clear that, again in the

majority of cases, compulsory retirement at age 65 would be lawful and there was general confusion about the minimum notice, after 1

April 2007, that employers will be required to give employees of their intended date of retirement.

Beyond these areas of employment, the survey suggested there was little understanding of any specific impact these regulations might have elsewhere. The effect on training, performance management and salaries and benefits had all been overlooked. Less than half of employers knew that, the generally accepted time over which employers will be able to continue to offer different benefits to employees based on length of service, was five years, unless objectively justified. In the wider context the survey also confirmed that few employers knew what effect the new age discrimination regulations had on state pensions, the minimum wage or goods, facilities and services. The only conclusion that can be made is that, despite the deluge of articles in the press on the introduction of the regulations in October 2006, there is very little understanding of them amongst SMEs and very little, if any, action has been taken to address the new environment in which we work.

Whatever the appetite for these new regulations, experience in other countries, notably Ireland, where 22% of employment cases at tribunals cite age discrimination, suggests that we will not be able to ignore them for long.

Although these regulations will apply just as much to young people, the focus has tended to be at the older end of the workforce purely because of the demographic time bomb that awaits in the future. For instance it is predicted that the number of over-65s will exceed the number of children under 16 by the end of this year. There are many that believe that the regulations were brought in by the government to act as a lever to help a greater number of older workers to stay in employment, thus reducing the burden of paying pensions on both state and private schemes. From the point of view of older workers (under 65) these new regulations also represent, in normal circumstances, an opportunity to remain in work if they wish but given the lack of action by employers and the need for changes in attitude, it remains to be seen whether fundamental change will really take place.

www.peoplextra.co.uk

