

The Utilization of the Older Workers in Israel

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ABSTRACT

Questions of employer practices and policies towards older workers have only recently become part of the public agenda in Israel, and research in this area is at its beginning. In this paper we present some background data on late middle-aged and older persons in Israel and their patterns of labor force participation, and cite data on their attitudes towards employment. Work arrangements for older workers in the kibbutzim are described and their innovative nature noted, while raising the question of their applicability to the non-kibbutz sector. These topics serve as a back drop for the discussion of various aspects of employer attitudes, practices, and policies vis-a-vis older workers. The discussion is based on relatively scarce empirical materials from studies conducted in the past in Israel and on some preliminary findings from a current research project in this area. Informality seems to be the dominant feature of the way the Israeli workplace deals with older workers. There seem to be few - if any - formal programs for encouraging continued employment after the accepted retirement age or for returning retirees to paid employment. Arrangements which do exist seem to be informal and ad-hoc. Economic exigencies linked to the nature of Israel's economy were often cited by employers as rendering early retirement, reduced working hours, job sharing, *etc.* as "luxuries" which the economy cannot afford and which the Israeli worker does not desire.

INTRODUCTION

Despite the fact that only very recently have questions of employer policies and practices towards older workers become part of the public agenda in Israel, initial efforts have been made in researching the various dimensions of this issue.

It has been remarked that the issue of employment of older workers seems to be an ambivalent one, subject to conflicting forces regardless of the specific social setting (Schrunk & Waring 1989). Conflicting forces are evident in almost all the significant contexts implicated in this issue - that of social and macro-economic conditions, employer attitudes and policies, technological progress and innovation, and the personal characteristics and attitudes of the older workers themselves.

With regard to macro-economic and labor market conditions, on the one hand, unemployment generates pressure for early retirement of older workers. On the other hand, in countries in which a labor shortage is developing (for example, in the United Kingdom and in Eastern Europe), an extension of work life seems to be called for.

Employer attitudes and employer policies towards older workers also seem to be somewhat paradoxical. While employers often express their need and desire for trained and experienced personnel, in light of the sometimes urgent need to streamline their work forces and cut expenses, they often adopt a tactic of dismissing seemingly costly older workers. For the same purpose, employers may offer generous retirement conditions for early retirement but often express the difficulties they face in financing these benefits.

Innovation and technological progress in the workplace may also have contradictory implications for the older worker, often rendering work physically easier and at the same time, leading to skill obsolescence.

At least in the Israeli context changes in the personal characteristics of older workers may also be associated with conflicting trends. Relative to the past, more and more older workers are characterized by better education and better health and by having had accumulated work seniority in Israel, these being factors contributing to continued employment. At the same time, the growing number of workers eligible for work pensions contributes to the likelihood of earlier retirement.

Finally, research on attitudes towards retirement and the implications of retirement for the individual points in different directions, some studies focusing on the crisis quality of retirement and others - indicating a smooth and easy adjustment to this transition and a lack of interest in returning to work among retirees.

The purpose of this paper is to focus on the employment of older workers in the Israeli setting, specifically, on employer attitudes, practices, and policies on such issues as the hiring of older workers, the extension of the work life of older employees by means of innovative adaptation and modifications of work arrangements and by retraining programs, in the context of the ambivalence characterizing the various aspects of employment of older workers. This is an area of concern somewhat new to the Israeli labor market and very new to the Israeli public and research agenda, for reasons we will note later on.

In the paper we present some background material on older persons in Israel, the patterns of their labor force participation, and the empirical evidence available on their attitudes towards employment. These topics serve as a backdrop for the discussion of employer attitudes, policies and practices towards older workers based on relatively scarce empirical materials collected over the years in Israel and on some first and preliminary findings from a current research endeavor in this area.

THE OLDER ISRAELI POPULATION

Understanding the issue of employer practices and policies towards older workers necessitates some acquaintance with the socio-demographic characteristics of the older population in Israel in general.

Israel has been characterized by a rapid growth of the older Jewish population. At the time the State of Israel was established, the elderly (65 +) constituted about 4% of the total Jewish population. In the sixties and seventies the population of elderly rose considerably, and since the early eighties has stabilized at around 10%.

The process of population aging in the Jewish population has been very different than the demographic processes characterizing non-Jews. Among the latter, the

proportion of elderly in the total non-Jewish population has not grown in this period, is currently about 4% and is expected to grow only in several decades (Noam & Sicron, forthcoming).

Older Israeli Jews are in overwhelming numbers immigrants. Only about 4% of the elderly Jewish population (age 65 +) are Israeli born; about three-quarters (72%) of the elderly were born in Europe or America and almost a quarter were born in the traditional societies of Asia and Africa. The characteristics of the late middle-aged population (aged 55-64) hint at the changes we can expect in future elderly populations. While the percentage of Israeli-born in this younger age group is still small (about 8%), it has risen considerably over time, and in the future, we can expect a more and more "native" population. The fact that such large proportions of older Israelis were born abroad implies that their educational attainments very often reflect the opportunity structures of their countries of origin. Thus, for example, 1983 Census data indicate that about 12% of Jewish men age 65 and over and about 22% of Jewish women of this age group have had no formal schooling whatsoever. While percentages of those with no schooling are lower among those in late middle age (55-64), 9% and 18% respectively, they still imply that a considerable number of older workers bring to the labor market quite modest educational resources.

With regard to the older population's economic status it should be noted that the Israeli pension system is comprised of two tiers - (1) the old age and survivors' pension paid to eligible insured persons or their survivors on a statutory basis by the National Insurance Institute and which provide flat-rate minimum income benefits regardless of work histories or previous income levels; and (2) pensions based on collective agreements and paid to employees after retirement or withdrawal from employment. The latter are intended to provide retired workers with income support related in a stable way to the income levels they had when employed (Habib & Matras 1987). About 45% of the elderly qualify for the National Insurance Institute's low income supplement and thus must make do with incomes at 25% of the mean income level in Israel (if they are single-person households) or 38% of the mean income level (for elderly couples). A major factor leading to the high proportion of elderly qualifying for this supplement is the fact that even today, no more than one third of retirees receive employment-based pensions from their places of work (Zipkin & Morgenstein 1989) and many of these have only minimal pension rights.

THE LABOR FORCE PARTICIPATION OF OLDER PERSONS

The discussion of employment at later ages relates to employment conditions, retirement age, pension entitlements, current levels of labor force participation, trends in such participation over time, the functional ability of older workers (particularly as perceived by potential employers) the attitudes and desires of older workers themselves towards continuation of employment, and the needs of society and constraints of the economy.

In Israel an additional perspective assumes particular significance as a backdrop for both employment trends and attitudes on this issue - that is, the ideological component referring to both the general emphasis of Zionism on the intrinsic value of work and productivity and to the commitment to absorption of immigration. In

this context and with particular reference to older workers, we may note that about 15% of the population age 55-64 immigrated to Israel after 1964. In other words, they have immigrated at relatively older ages and so have accumulated only limited pension rights, so that withdrawal from employment for this group implies particular economic difficulties (King 1989).

Rates of labor force participation of Israeli men - both late middle-aged (55-64) and elderly (65 +) and both Jewish and non-Jewish have been higher than corresponding rates in industrialized countries, but have declined in the last two decades. While in 1964 the labor force participation rate for late middle-aged (55-64) Jewish men was about 92%, by 1986 it had declined to 75%, and during that time the labor force participation rate of elderly (65 and over) in the labor force declined from 44% to 24%. Moreover, an increasing percentage of these older workers were employed in part time jobs only - 16% of those age 55-64 and 59% of those 65 and over (Israel CBS, Labor Force Survey 1988). Nevertheless, the labor force participation rate for older Jewish males (55-64) remains higher than that for males those ages in the United States and in most Western European countries. The labor force participation rate for elderly Israeli Jewish males is higher than the rates in any of the western industrialized countries except for Japan (OECD 1979).

There has not been a systematic analysis of the causes of the decline in labor force participation but it would seem to be related to a basic shift in Government policy with respect to the subsidization and protection of employment. In turn, this may create a change in the social contract, such that workers who had not considered the possibility of job insecurity may be experiencing increased anxiety in this regard or actually may be finding themselves unemployed.

LABOR FORCE PARTICIPATION AMONG POPULATION SUBGROUPS

Within the major age groupings (55-64 and 65+) there is a dramatic and positive relationship between levels of educational attainment and rates of labor force participation. Thus, among late middle-aged men, less than two-thirds of those with no or with very little formal schooling, but more than 85% of those with post-secondary level schooling, were in the labor force in 1986. Similarly, among the elderly men, only 11% of those with 0-4 school years, and 20% of those with 5-8 school years, were in the labor force in 1986, compared to more than one-fourth in the labor force among those with at least some post-primary (9 years or more) schooling (Israel CBS, Labor Force Survey 1988).

Geo-cultural origin differences in labor force participation are also considerable. At each age the participation rates of men born in western countries (Europe or America) or born in Israel are very substantially higher than those of men born in Asia or Africa. These geo-cultural origin differences are evident within each age and educational attainment subgroup as well, so that even controlling for differences in educational attainment and for differences in period of immigration or duration of residence in Israel, those born in Asia or Africa have much lower participation rates.

For non-Jewish men, labor force participation rates are considerably lower than for any subgroup in the Jewish population. In 1983, 60% of non-Jewish males (as

compared with 83% of Jewish males) ages 55-64, and 15% of non-Jewish males (as compared with 34% of Jewish males) ages 65 and over were employed.

Recent decades have been characterized by a dramatic increase in the labor force participation of Israeli women. In 1955 just over one-fourth (26.5%) of Israeli women aged 14 and over were in the labor force, and by 1988 this percentage increased to 40%. The increase in labor force participation of married women has been even more dramatic: For example, among married women aged 35-54, the percent in the labor force increased from 25% in 1955 to 54% in 1987, while at ages 55-64 the percentage increased somewhat less spectacularly from 17% to 26% (Israel CBS 1988, 1989a).

In 1986 some 16% of Israeli women aged 55 and over were in the labor force. These were almost exclusively Jewish women, since the rate of labor force participation among non-Jewish women in this age group was only 1%. As among men, among Jewish women the participation rate differs sharply by age and by ethnic origin. More than one-third (34.2%) of Jewish women aged 55-59 were in the labor force, compared to 16.2% of those aged 60-64 and to less than 8% at older ages. Labor force participation at all age levels after age 55 is less than half as frequent among the Asian- or African-born women than among the others.

ATTITUDES TOWARDS EMPLOYMENT AMONG OLDER PERSONS IN ISRAEL

Policies and practices with regard to employment of older workers clearly should take into account the attitudes and preferences of persons in the relevant age categories - whether employed or not.

A large-scale Israeli study in 1982 based on a national sample of male workers ages 25-60 examined changes over the life cycle in the perceived quality of employment and changes in strategies adopted by workers to improve their employment conditions (Habib and Spilerman 1982). In this study, a distinction was drawn between dissatisfaction with the present work situation accompanied by optimism about the possibilities for change and dissatisfaction accompanied by a sense that few prospects exist for change. The former type of dissatisfaction does not appear to change with age, while the latter increases significantly. Workers were also questioned as to whether they thought their jobs suitable for a person aged 60, and about a third of the workers aged 55-60 viewed their jobs as unsuitable.

Compared to younger workers, those aged 55-60 more often reported considerations of physical conditions and of pressure and fatigue as important aspects of the work situation, and less often reported considerations of interest in the job, independence, wages, job security, and advancement opportunities as important.

Another finding of the Habib and Spilerman study indicated that older workers less frequently reported recent vocational training than did younger workers, although relatively large percentages of high level personnel did report such training. More than a third of the older workers (37%) aged 55-60 had nevertheless participated in vocational training at some point in time. Older workers expressed lower levels of expectations of acquiring new training, claimed to have fewer opportunities to do so, and in general, were less concerned with the issue of training opportunities on the job than younger workers.

With regard to mobility on the job, older workers were much more likely than younger workers to view issues such as pension rights, difficulties in finding alternative employment, and absence of needed training as obstacles to job changes. Nevertheless even among workers ages 55 and over, 30% of white collar workers and 42% of blue collar workers expressed their desire to change jobs.

A more recent study surveyed men and women employees in ten work places in Jerusalem who were within five years of retirement (Biber 1990). About two-thirds favored postponing their retirement beyond the mandatory or conventional retirement age (60 for women and 65 for men at the time of the study), and many of these expressed their desire to continue working "as long as I am healthy" without denoting a desired retirement age. On the other hand, about 17% of the employees were generally in favor of retirement earlier than the mandatory age. About two-thirds of the respondents expressed their desire for employment after retirement, and interestingly, no differences between men and women were found in this regard, but rather, differences between white and blue collar workers, indicating the greater prevalence of the desire to work among the former. No evidence of a more favorable attitude towards retirement among women was indicated in the study's findings, in contrast with the findings of various studies (Blau, 1973; Price-Bonham & Johnson, 1982) and consistent with the findings of others (Streib & Schneider, 1971; Szinovacz, 1987). Biber concludes that the majority of older employees, regardless of their sex, are in favor of continuing work beyond the mandatory retirement age, and that the major factor affecting this desire is that of education.

In a larger-scale national survey of persons aged 60 and over conducted in 1985 by the Israel Central Bureau of Statistics, those not employed at the time of the survey were asked if they would accept appropriate employment if it were offered them "now." About 7% were so favorably inclined towards such a possibility that they responded without any qualifications, *i.e.*, they responded, "Yes, in all instances." An additional 15% responded affirmatively but qualified this somewhat by stating that they would accept employment "under certain conditions." More than one-fourth (28%) indicated that they would not be interested or prepared at all to accept employment; and half (50%) of those not currently employed responded that they are "unable to work." Of those expressing interest in employment, virtually all (94%) indicated a preference for part-time employment.

Analyses were conducted on the desire to return to work according to whether retirement was voluntary or not. Only a small minority (16%) of those who retired voluntarily report that they would accept employment if offered. More surprisingly, even among those whose last employment was terminated involuntarily, only a minority (44%) indicated that they would accept appropriate employment if offered now; and of those two-thirds would accept employment "under certain conditions." The majority of those retiring or terminating previous employment involuntarily report that they would not accept appropriate employment now (14%) or that they are unable to work (43%).

Such findings should be interpreted cautiously. On the one hand, we do not know the extent to which expressed desire for employment would ultimately be expressed in actual behavior. On the other hand, at least some of those responding that they do not wish to work, have been out of the labor force for a considerable

period, and may be skeptical about their chances of finding work and thus respond negatively. However, their reactions might be different if presented with a concrete opportunity for employment.

Among the 60-74 age group those employed or interested in employment are a substantial and important minority, and their needs, preferences, quality of life, etc. must be addressed. But among those not currently employed, we have not yet identified any characteristic clearly associated with desire for return to employment, nor any subgroup so characterized. We do not yet know in any systematic way just who is waiting at the door for employment opportunities we wish to generate or promote.

EMPLOYER ATTITUDES, POLICIES, AND PRACTICES WITH REGARD TO OLDER WORKERS

Although employment in later life is more frequent in Israel than in Western Europe and North America, work among Israelis at mid- and later life has been studied, besides in the kibbutz context, only in the general context of the ongoing description of the labor force in Israel carried out by agencies such as the Israel Central Bureau of Statistics, the Ministry of Labor and Social Welfare, the General Federation of Labor (Histadrut) and other public bodies. While, as noted above, some data exist on employer attitudes with regard to older workers, little systematic attention or empirical research has been addressed to the study of actual policies and practices of Israeli employers with respect to the employment and working conditions of older workers.

One Israeli study (Shnit & Eran 1981) used content analysis of "help wanted" advertisements in order to focus on possible age discrimination in recruitment of workers and found that in about one-third of these advertisements, candidates aged 45 and over were ruled out; in a fifth, candidates aged 50 and over, and in about a tenth, candidates aged 55 and over.

By contrast, in an earlier study carried out for the Ministry of Labor and Social Welfare, Lieber and Cohen (1978) surveyed more than 200 employers in relatively large firms in private, manufacturing, and service sectors and found high levels of willingness to employ older persons, both in continuation of their previous employment beyond retirement ages or as new employees. Indeed, almost three-quarters of the firms studied were actually employing elderly persons.

Hendels (1982) interviewed industrial plant managers on their perceptions of the work performance of the older workers he studied in the same plants. He found that high percentages of the managers reported that, compared to younger workers, older workers produced higher quality output (56%), are better able to fill positions of responsibility (62%), have lower absenteeism (63%), have fewer work accidents (54%), have greater work responsibility (84%) and greater work commitment (73%), and are better able to get along with supervisors (56%). On the other hand, older workers are perceived as less able to perform physical activity (76%), less able to work at a rapid pace (59%), less able to adjust to work changes (61%), and less able to learn new skills (66%).

In interviews of personnel managers, social workers and members of workers' committees in ten Jerusalem workplaces, Biber (1990) collected data both on attitudes towards the quality of the work of older workers and on the retirement

policies characteristic of these places of employment. She notes that such data reflect the social climate of the various workplaces with regard to older workers and, as such, may have an impact on older workers' desire to continue their work in these contexts. With regard to almost every indicator of work quality, more than three-fourths of the respondents expressed their belief that older workers' performance is as good as that of younger workers. In certain specific areas, the respondents rated the performance of older workers as even superior to that of their younger counterparts, for example, as having less absenteeism (73%), greater work commitment (69%), better ability to fill positions of responsibility (53%). However, in three-fourths of the interviews, older workers were perceived as having less ability to learn new skills in the work setting. While in response to a general question on the quality of older workers' performance, an overwhelming majority (95%) responded by rating it on the same level as that of younger workers, almost half (45%) noted that there are specific problems which arise in the employment of older workers, particularly, health problems, feelings of being unjustly treated with regard to their status in the workplace and difficulty in adjusting to new conditions. Low productivity and low motivation of older workers were noted only by about 22% of the respondents.

With regard to attitudes on retirement policy, over 60% opposed a fixed retirement age. Of the 40% who did favor such a policy, about 60% viewed 65 as the appropriate age, 13%, older ages, and 27%, ages below 65. The personnel interviewed were also questioned on their attitudes towards the dismissal of older workers at times when cutbacks are called for. A bit less than half (43%) support such a policy, but about 22% felt that the unemployment problems should not be resolved "on the backs" of older workers.

A survey conducted by Bergman (1979) of 248 firms and organizations specifically focused on retirement policies rather than only on attitudes. Three general types of retirement policies were delineated in this study:

i. Firms and organizations with rigid retirement policies: These comprised some 23% of the total of the organizations analyzed, characterized by compulsory retirement at a fixed age, with no exceptions entertained or allowed.

ii. Firms and organizations with flexible retirement policies: These comprised some 73% of the total, and they included organizations with compulsory retirement at specified ages but with exceptions allowed (55% of the total); organizations in which workers could continue in employment as long as they are able, and retire thereafter (15% of the total); and organizations in which some groups or categories of workers could continue in employment at their choice or discretion while others are obliged to retire at fixed ages (about 3% of the total).

iii. Firms and organizations with no clear retirement policies at all, comprising about 4% of the total of the organizations analyzed and including mostly quite small organizations.

Unfortunately, the 248 employing firms and organizations surveyed comprise less than one-third of the 788 firms initially approached, and there is no analysis of the possible bias introduced by the selectivity of the responses.

In summarizing actual policies and practices towards older workers, we may note that, with the exception of some provisions for extra holidays, the employment conditions of older workers in Israel are neither specifically regulated by law nor

governed by collective agreement but, rather, are generally subject to the discretion of employers. In a pioneering study of problems of employment after retirement age, Avineri (1974) pointed out the absence in Israel of any law regulating employment of the elderly or retired and the fact that collective agreements in Israel do not cover, for the most part, the employment of retired workers. At this writing, this is still the case in Israel (Ori 1988). Moreover, retired persons usually cease to be members of their trade unions upon retirement; their rights, entitlements, and conditions of employment or re-employment are often not protected in collective agreements; and they and their interests are not represented by the trade unions.

On the other hand, retirement age and pension entitlements are determined by law for workers in the public service and covered elsewhere by industry-wide and sometimes nation-wide collective agreements or compacts. Civil servants are required to retire at age 65, except insofar as the Civil Service Commissioner, with the agreement of the Civil Service Commission and of the employee, may extend employment beyond that age (Shnit 1980). There are also legally mandated retirement ages for military personnel. In most collective agreements, and consistent with the arrangements of the largest pension funds, the mandatory retirement ages which previously were 60 and 65 for women and men respectively are now 65 for both sexes, though women have the option of receiving a pension as early as age 60 (Avineri 1974; Habib & Matras 1987). Pension entitlements of public servants, which are financed by general revenues, are "retirement-tested," i.e. reduced if the beneficiaries are re-employed and earn more than specified amounts of income. If the employee continues to work part time beyond the conventional retirement age, his or her pension is calculated on the proportion of the job that was pensioned (Nachman 1988). Pension entitlements of other employees financed by the employment-based funds or by fully-funded private pension schemes may or may not be retirement-tested. Retirement benefits paid by the National Insurance Institute to women are retirement-tested until age 65, and those paid to men are retirement-tested until age 70. For workers whose wage income is less than 50% of the national average wage, payment of National Insurance Institute pensions begins at age 65 to men and at age 60 to women; those earning higher income qualify for NII pensions only at age 70 or 65, for men and women respectively. Persons with property income amounting to, but not more than, 100% of the national average wage are entitled to NII pensions at ages 65 (men) or to 60 (women) respectively (Nachman 1988).

POLICIES ON THE UTILIZATION OF OLDER WORKERS IN THE KIBBUTZ

One sector in Israeli society which is conspicuously unique with regard to attitudes and policies towards older workers and their employment conditions is the kibbutz. While clearly the Israeli kibbutz - a form of communal settlement to be described below - differs in many ways from large industrial societies, it seems that the policies and programs adopted within this social setting towards older workers may be instructive for other social contexts, as well both in terms of organizational planning and adaptation and in terms of the light they shed on the potential contribution of the older worker and even of the very elderly.

Kibbutzim are ideologically-oriented communal settlements, ranging in size from several dozen members in the newest kibbutzim to about 2000 in the largest veteran settlements. They are committed to communal ownership of all means of production and all property, to communal decision-making on various aspects of kibbutz life including the determination of priorities for the use of resources. A basic guiding principle is equality both in need fulfillment and in the sharing of effort, *i.e.*, to each according to his needs from each according to his capabilities. Economically, the kibbutz is based on both industry and agriculture, and, as a "self-contained" society, assumes collective responsibility for its members' welfare.

The demographic history of the settlement of the kibbutzim is such that aging within them is a relatively new phenomenon to be dealt with. The veteran kibbutzim were founded by groups of "pioneering" youth over 50 years ago, these youth being today's elderly. Thus today in veteran kibbutzim often more than 25% of the members are age 65 and over. In the past the ideological emphasis on youth and productivity also relegated aging and the aged to a secondary position in terms of social concerns. Nevertheless, the kibbutz has made serious efforts to develop services for the elderly. The sphere of work is a conspicuous example of innovative thinking and planning geared to maintaining older persons as integral parts of kibbutz society. Work in old age is acknowledged to be a right rather than an obligation. There is no mandatory retirement, and indeed almost 90% of elderly kibbutz members are working (Matras, forthcoming).

Several alternative paths for the continuation of work have been developed. First, there is a policy of gradual reduction of work hours from age 50 for women and age 55 for men, whereby the work-day is reduced by an hour daily every five years until reaching a four hour work-day. Second, what may be termed "adapted workplaces" have been developed for the older population. Some have been established as subdivisions within existing industrial plants while others function as separate and new facilities in which the elderly engage in the assembly, finishing, and packaging of products. Others have been integrated into the central production lines in existing industrial plants or within various service branches of the kibbutz. In addition, even a considerable proportion of the impaired elderly are engaged in work, and for them sheltered workshops have been developed in which most work is either in handicrafts or in the provision of assistance in various tasks to the kibbutz industry.

It should be noted that in many ways the organizational features of these sheltered workshops resemble those characteristic of a "regular" workplace: For example, in 70% there is a process of inspection of finished products, in 60% there are fixed work procedures, and in 55% - fixed work hours (Atar 1987).

In a recent study of aging on the kibbutz (Bergman et al. 1988) it was found that of those elderly with at least two ADL impairments who were working, 45% did so within a sheltered workshop or industry subdivisions, while the others were working in the regular branches of kibbutz work - 26% in services, 16% by having work brought to their homes, 7% in administrative and clerical work, and 6% in other types of work. A particularly striking finding indicated that even among the disabled elderly, very considerable percentages were at work - 70% of those with 3-4 ADL impairments, 60% of those with 5-6 impairments, and 45% of those with some level of cognitive impairment.

It should be noted that the innovativeness and openness to adaptation characteristic of kibbutz policies on older workers are not surprising, since in a sense they are in the spirit of the broader norms governing work in the kibbutz. These include the encouragement of job changes over the worklife, with the aim being to achieve an optimal fit between job demands and the individual's changing skills and capacities. By age 65 the average kibbutz member will have worked in four or five different occupations (Leviatan 1983) and thus both the individual and the social system are probably more receptive to further adaptations in later life than might be the case in other social settings. Another kibbutz norm is that older workers voluntarily step down from managerial and leadership positions in favor of younger members. This is another way in which the kibbutz setting facilitates continued employment, since such employment is not necessarily associated with maintaining a particular job and permits a form of phased retirement in which both job responsibilities and time spent at work are reduced.

Work at older ages in the kibbutz is viewed as a right rather than an obligation. While some kibbutzim have institutionalized work as optional beginning at age 70, only few older persons indeed choose this option. The commitment of older workers in the kibbutz is evident from data both on their work hours and on the place which work plays in their lives. Approximately 56% of the older workers work more hours than stipulated according to the norm of reduction of work hours. Almost 90% view the domain of work as very significant in their lives -more so than family (79%) and leisure (73%) spheres. About 42% of the kibbutz elderly oppose work becoming optional, some because of their belief in work as a cherished value whether in and of itself or as a central feature of kibbutz, Zionist, or Socialist ideologies. Others note that working is essential to anyone who wishes to be involved and active in the kibbutz community.

Lest we conclude that the kibbutz has arrived at all the answers with regard to the employment of older workers, Leviatan (1983) notes that while the jobs offered older workers seem appropriate in light of their reduced physical demands, they do not utilize the intellectual resources or the work experience of the older worker. Indeed Leviatan presents data showing that to some extent the elderly resent existing arrangements. He is critical of the way the kibbutz has organized itself vis-a-vis the older worker, noting that the founding generation which has worked mostly in agriculture (the men) and education (the women) has not been given the opportunity to acquire those skills or technologies needed by the industries to which most of them are ultimately transferred. Leviatan believes that the timing of this transfer occurs too late in the work life and should be pushed up to age 45-55, thus still allowing for the learning of new skills.

THE CURRENT STUDY OF ISRAELI EMPLOYERS

In the context of the Brookdale Institute's interest in the social roles of the older population, a research agenda is being developed on various aspects of the employment of older persons. In this context, a study of employer practices and policies is being designed and the interview questionnaire which serves as the basis for the study is being pretested. Since the research is in such an early stage, for purposes of today's discussion, we are able to cite only some very preliminary impressions and findings.

The study entails interviewing owners or personnel managers in a sample of approximately one hundred firms and organizations, varying in size and economic sector. Informants are interviewed concerning policies, practices, training and advancement opportunities, and midlife job options in their own firms, as well as on their knowledge about or familiarity with policies, practices, or options in place or proposed elsewhere, and on attitudes and predispositions to innovations in these areas.

The interview covers a wide range of issues related to the hiring, placement, and treatment of older workers. Many of the questions are left open, in an attempt to discover the various types of arrangements which exist in Israeli workplaces or whether employers would consider implementing them. The questionnaire concentrates on the following questions:

1. Where are older workers concentrated in the workplace and where are they excluded?

Questions are included on the jobs which as a matter of policy are filled primarily, or not filled at all, by older workers. Previous studies have found that older workers, especially women, are often in unskilled and entry-level jobs requiring minimal training, and are often excluded from jobs that require a high level of technical expertise (Lieber & Cohen 1978).

2. What is the employer's policy on retirement and work after the official retirement age?

These questions (adapted from Bergman 1979) focus on retirement policy and policy for continued work after the retirement age, in order to determine the firm's degree of flexibility vis-a-vis retirement, and its general procedure for employing workers who have passed the retirement age.

3. How are new older employees hired?

This group contains questions on methods of recruiting new employees, the total number of people hired in the last year, the number of men and women over 50 hired in the last year, and the firm's policy for hiring older workers: Are they hired on special contracts with different terms or given the same treatment as younger hired persons.

4. What kind of retirement preparation does the employer provide?

Questions (adapted from King 1987) are included on the existence of retirement preparation programs, their format and duration, eligibility requirements, and whether programs are scheduled during work hours. Pre-retirement programs may be seen as an indication of employer sensitivity and may provide an opening for introducing job alternatives for older workers.

5. What types of early retirement arrangements exist?

This section includes questions on recent layoffs, financing of early retirement benefits, and the workers who actually retire early. The goal is to see if early retirement is offered as an option, and is dependent on eligibility requirements such as age and seniority, or if it is primarily a method for making personnel cuts.

6. Could older workers be placed in "hard to fill" positions?

These are questions on the existence of "difficult to fill" positions in the firm and the feasibility of placing older workers in them.

7. How aware are employers of alternative options for older workers, which ones do they provide, and what are the terms?

This group contains 10 eight-part questions: five on alternative work options job redesign, transfer from night to day shifts, transfer from shift work to regular hours, flextime, and transfer to lighter work; four on hours reduction schemes such as direct cuts in work hours, transfer to part time work, job sharing, and phased retirement; and one question on retraining to update the skills of older workers. Employers are asked whether they are familiar with each option, whether they provide it, and if so which workers may participate, how many workers do participate, how workers are informed of the option, and if so, what are the advantages and disadvantages involved to the company. Those employers who do not provide the option are asked if it sounds feasible and whether they are interested in trying it.

In addition to the above, the questionnaire includes open questions on issues such as: How the existence of alternative work arrangements affect the atmosphere and productivity of the workplace; whether any of the above-mentioned arrangements were offered previously, and if so why they were terminated; whether the workplace maintains different policies for older men and women with respect to hiring terms, work conditions and/or retirement terms; and whether the respondent thinks any special problems arise in the employment of older workers.

As noted above, we are in the very preliminary stages of pretesting the interview questionnaire with an eye to obtaining some first feedback on the degree to which Israeli employers are sensitive to the situation of older workers, and are aware of - and indeed make use of - various adaptive strategies in order to extend the worklife or are open to the possibility of using them in the future. We have interviewed the personnel managers of two major banks, a large municipality, a major shipping company, a private pharmaceutical firm, a defense industry plant, a national utilities company, a national fuel company, and a major university. These constitute only a very limited sample so far, but the public and private sectors, industry and services are included in this group. At this point, the findings with regard to the seven major areas included in the questionnaire can be summarized as follows: In response to our attempt to map out the location of older workers in the workplace, we may note that most employers claimed that older workers are concentrated on both ends of the occupational continuum-either in high-level managerial or in relatively lowlevel positions. Employers strongly resisted the notion that older workers might be systematically excluded from certain positions, and claimed that the fact that they fulfill or do not fulfill certain jobs is "natural," rather than the result of policy.

Employer policies on retirement seem to be primarily expressed in a fixed retirement age but with some exceptions made. Usually, if a worker reaching retirement age continues to be employed, it is for a relatively short period of time and usually with a change of status, mostly as an independent contractor.

The ways in which new older workers are employed are quite mixed. A minority of the firms report that new older workers are employed under the same conditions as younger ones, but the majority reported that the conditions differ and that the major factor differentiating between older and younger workers was that the former cannot receive tenure.

Most retirement-preparation programs are quite short-term, conducted during several workdays and during work hours. The emphasis in these programs seems to be on adjustment to retirement in the sense of use of leisure time, family

relationships, *etc.* The introduction of job alternatives or the provision of information on re-training programs seems to be conspicuously absent from these programs.

Older workers were not generally viewed as a possible manpower reservoir for hard-to-fill positions. According to the employers, these are generally physically strenuous jobs for which older workers would not be suitable, and, in any case, contracting out such jobs seems a cheaper way to solve the problem.

Optional early retirement was not viewed by the employers as a viable option. Overwhelmingly, employers are convinced that workers do not and would not choose to retire early because of the reduction in pension that this would entail. They claim that in the Israeli context the economic consideration prevails over all others, and that the Israeli worker is not willing or able to make a trade-off of economic benefits for those implied by increased leisure. The employers also noted that trade unions and workers' committees oppose such a tactic for personnel reduction on the part of employers and thus exert pressure for granting improved conditions and benefits to the early retiree beyond what he rightfully deserves. Thus, the employer must weigh these costs against those incurred in the continued employment of an inefficient employee. Indeed any intervention such as reduction of work hours for the older worker was deemed unrealistic in the Israeli setting because of the economic losses to the worker.

We find that there are arrangements for the continued employment of certain public employees who wish to delay their retirement or return to work in the public service after retirement, while relinquishing part of their pensions. Usually such arrangements allow workers to continue working in the jobs they held before reaching retirement age, although often on a part-time basis.

Except for the above and the arrangements made in the kibbutz sector for the employment of older persons, in other sectors there seem to be no formal organized programs for encouraging continued employment after the accepted retirement age or for returning retirees to paid employment. In this connection, it is easy to understand why retirement preparation programs focus almost exclusively on the psychological difficulties attributed to retirement, and make almost no mention of continued employment and opportunities for second careers. Arrangements with regard to continued employment beyond retirement age seem to be informal, ad-personna, and ad-hoc. Furthermore, within government institutions there do not seem to be any special agencies for dealing with this problem. There do not seem to be training programs designed for workers of older ages and virtually no government intervention on this matter.

Of all the firms, the defense industry stands out as the most developed with regard to the actual utilization of various job adaptation strategies such as skill updating, flextime, and job redesign and by the greatest familiarity with others. However, the personnel manager at the defense industry claimed that such adaptations were utilized not specifically with regard to older workers, but rather whenever the direct supervisor of an individual worker - regardless of his age - felt that this would improve productivity or increase the effectiveness of his subordinate's performance.

Some of our findings at this point may be distinctive of the Israeli social and economic milieu. For example, virtually all respondents stressed that the economic

exigencies which Israelis face both limit the options which employers can offer and often render such options unattractive to workers who can not afford to avail themselves of such "luxuries" as early retirement or reduced working hours inasmuch as these imply reduction in economic benefits. One employer told us that in his firm, the workday is reduced by one half hour, from age 57 for women and age 63 for men. However, the overwhelming majority of employees in this age category nevertheless choose to work this half hour and receive overtime pay for it.

A second possibly peculiarly Israeli feature of the employment of older workers is the preferential treatment which army retirees are accorded in recruitment to civilian jobs. Generally at about age 45 standing army officers retire from military service and despite the Israeli media's focus on the difficulties they are reported to face in absorption into the civilian labor market, the employers we interviewed often noted that army retirees constitute a manpower pool favored by potential employers. No employer reported the existence of any special formal arrangement for the hiring of army veterans, but rather noted that often these veterans' personal "connections" increased their chances of being hired.

Another context in which the military was mentioned was that of reserve duty. It was often noted that a major advantage in employing older workers is that they are exempt from reserve duty and so have better attendance records than their younger counterparts. Israel's security situation and the public's sensitivity to it find yet another expression with regard to older workers - parents who have lost a son in military service are permitted to work until age 70 in the public service.

Finally, informality is a very prominent feature of Israeli society possibly as a result of its small scale. This informality was repeatedly stressed and praised as a virtue, with regard to the treatment of older workers. Employers claim that on the one hand they, and the direct supervisors of older workers, are very much aware of and sensitive to the latter's needs and try - whenever possible - to respond to them. On the other hand, the employers strongly oppose the development of a formal system of labor agreements on this matter and perceive such a system as having only disadvantages. They feel that it might create a large-scale demand for special treatment to which employers will not be able to respond because of economic constraints. In addition, overwhelmingly the employers felt that such formal agreements would have the effect of stigmatizing older workers as a group, and so would ultimately be to their disadvantage. In this, these laymen are consistent with recent professional or "scientific" opposition (see for example Schrank & Waring 1989) to policies specifying interventions on behalf of older workers per se, indicating that they are "probably neither necessary nor wise." Furthermore, such a stance is also consistent with the generally positive attitudes towards older workers found in the earlier studies we have cited. Such opposition is based both on the danger of reinforcement or even creation of stereotypes of older workers - a danger to which our respondents are sensitive - and on the evidence that chronological age alone is not a reliable indicator of physical or intellectual capacities, and certainly that "there is no uniformity of deficit with age."

On the one hand, our interviews indicate that the Israeli workplace possibly lags its European or North American counterparts in the sense that interventions and adaptations specifically on behalf of older workers, are - at least in the formal sense - only very rarely part of the organizational structure. However, at least according

to the reports of the personnel managers we interviewed, the work place is characterized by sensitivity to the needs of the individual worker, regardless of his age and attempts as much as possible to effectively respond to them. The Israeli employer's reluctance to organize such responses formally and his fear of stigmatizing the older worker may actually represent a progressive age-neutral stance and may be interpreted as recognition of the need to enhance the quality of worklife for all workers regardless of their age. Clearly, we are only at the beginning of studying these questions both from employer and employee vantage points. As these questions become more and more a part of the public agenda we can hope for a greater and more in-depth understanding of this complex issue and its manifold implications - for employers, for older and other employees, and for the labor market and society as a whole.

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