

## PROTECTING OLDER PEOPLE IN THE WORKPLACE IN THE ERA OF DISRUPTION: INSIGHTS FROM THAILAND AND IMPLICATIONS FOR BUILDING WELCOMING ENVIRONMENTS FOR OLDER WORKERS

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### Abstract

The era of disruption has challenged the wellbeing of older workers, particularly issues related to welfare at work, discrimination, and decent work. This paper provides a narrative review of older person protection policies in Thailand and global countries in order to enable policymakers to timely respond to the changes of disruption. Thematic and content analysis were adopted by using data that were collected from peer-review references and were conducted during 2012-2022. Inconclusive legal framework is considered as a serious threat to the successful functions of social protection regimes. Preferred conditions on this matter are recommended.

**Keywords:** Older protection, Workplace, Social policy

### Introduction

In 2040, Thailand's population structure will change dramatically. There will be a population aged 60 and above up to 32.1%, while the proportion of the working age population 15-59 years will decline from 64.1% to only 55.1% (Department of Economic and Social Affairs Population Division, 2017). Future fiscal obligations will challenge various forms of welfare of the country, especially social protection regimes related to pensions and medical care for the older adults (Asavanirandorn et al., 2020).

Adults aged 60 and above have the ability and potential to contribute to the economy from their accumulation of experience (Fujioka & Thangphet, 2009). This might be witnessed in countries that have begun attracting older persons back to the labour market (e.g. Handley & den

Outer, 2021; Noone et al., 2018). In Thailand, the country has implemented return-to-work policies in order to encourage the employment of the older worker who are in retirement or over 55 years old. While on the one hand, this is an attempt to mitigate labor shortages in domestic production, on the other hand, some of them are not yet prepared for retirement owing to a lack of stability in their lives, primarily due to their being stuck in a "poverty trap" (Asavanirandorn et al., 2022). The opportunity to continue working would help them have income, thereby becoming less of a burden on their children or family.

However, the disruptive era has posed critical issues for employing older adults in a workplace. The disruptive era might be referred to changes in patterns of economic activity, powers in global politics, globalization, digitization, or technological progress (Bughin & Woetzel, 2019;

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Pechdin et al., 2023). This disruption has resulted in problems, particularly as a result of changes in employment characteristics impacting capacity of older worker which ultimately affect the wellbeing of older people. These problems include ambiguous pension benefits (Been et al., 2018), unfavored attitudes towards older dignity in the workplace (S. Jecker, 2022), or overlooking of the older workers' work safety conditions (Varianou-Mikellidou et al., 2019). Due to this, certain older workers may be exploited in the workplace and become vulnerable to discrimination and some may have less ability to keep up with the rapid pace of disruptive environments.

In order to address these issues, many governments have created social protection policies that suit the needs of older workers (Neumark et al., 2019; Van Dalen & Henkens, 2019). These policies strive to provide a conducive and inclusive atmosphere for older employees by ensuring that they receive the same rights and benefits as their younger colleagues. They also symbolize the employer's recognition and appreciation of their older employees. In addition, these plans can uplift their morale and mental health while they are in the labor market, especially in an economy that is based on market competition (Pechdin et al., 2023; Van Dalen & Henkens, 2019). This can create a more inviting atmosphere for older people, as they are no longer seen solely as an economic asset, but as valuable members of society blessed with distinctive skills and experience that are beneficial to their employer (Fishman, 2016; Gonzales et al., 2015).

However, this circumstance requires effective social protection reflecting new environments to protect those older workers (Asavanirandom et al., 2023). However, success in inaugurating social protection policies for older workers in the workplace needs the framework that is prepared and attentive that can meet the needs of a diverse older adult. For this study, we conducted a narrative review of social

protection regimes in Thailand. This provides an academic contribution to emerging issues of concerns for social protect issues for older worker in the workplace, particularly in providing a deep insight on the challenges to the development of the national policy. The rest of the study is followed by five sections. Firstly, we provide a conceptualization of social protection and demography of older worker in Thailand and social protection regimes in global countries, respectively. Then, the study discussed emerging issues of concern to Thailand older workers, followed by discussion and recommendations in the last section

### **Conceptualization of Social Protection**

Social protection is a conceptual framework that has been presented as a guideline for enhancing the lives and wellbeing of individuals in society. The notion emphasizes preventing, managing, and overcoming risks to the quality of life in a society. The majority of initiatives aimed at boosting social protection in the workplace are mostly found in improving the efficiency of the labor market, the capacity to adjust to a change in economic and social situations, and the security of expressing one's opinions. Social protection and its functions and benefits plays an important role in income security and health care for the population in a workplace, (International Labour Organization, 2014).

However, the significant disparity in working age may impact the interaction between social protection and labor institutions, according to Freeman (2010). The study identified two primary means of disparity. First, the close interaction between the two institutions will distort labor demand in the case of unbalanced work allocation, such as social protection will allow labor allocation that is incompatible with the production capacity or quota of labor input. This causes inefficient production costs and a decline in worker productivity. The second concern is discrimination

against certain employee categories, especially young workers and those nearing retirement. Workers nearing retirement require a secure retirement income. Consequently, the social protection institution may provide them with more benefits than younger workers. This might increase discrimination among employees.

More considerations on claims making for social protection in the workplace and institutional order is important. The fact is that success in claimsmaking is influenced by the power of dominant groups (Drover & Kerans, 1993). As long as the hegemonic order is presented, it is rare for a dominant group's claims to be questioned. It could be inferred that institutional orders could influence the response to claims rising in the workplace (Pechdin et al., 2023). Where older workers are in subordinate groups in the workplace, their claims for protections in the workplace might not be achieved unless there is acceptance of hegemonic groups in the workplace. This concept could describe why older workers struggle with successfully making claims.

### Research Design

This study utilizes a narrative review which is a method of research that takes a holistic approach to the subject matter as a tool for an investigation into the objectives. It involves the examination and synthesis of multiple sources of information, such as scholarly articles, books, and other data sources. This lets helps us gain a deeper understanding of the topic by capturing the nuances of the data.

Data was gathered from various prominent online databases including Scopus, Web of Sciences, and Google Scholar between the period of 2012 to 2022. All references selected had to have gone through the initial peer-review process. The first step of this literature review process was identifying the area of interest. This was done by searching for general keywords and considering the

contents of the abstracts. Following this, the documents were narrowed down in accordance with the thematic areas of the study; keywords were used for this prescreening procedure. Lastly, the references that had been selected in the previous step were examined and other references/materials were looked at to make sure they supported the thematic area. Additional references outside of the 2012 - 2022 time period were also considered to ensure correct interpretation and comprehensive communication of information.

According to the analysis, trends and correlations in the scope of challenges of older workers in the era of disruption will be analyzed by contents analysis according to the concept of social protection as mentioned in previous sections. In addition to the analysis, a thematic analysis based on findings of Braun and Clarke (2006) is also adopted. Its concept comprises of six steps; (1) familiarizing with data collected (2) generating initial codes, (3) searching for themes, (4) reviewing themes, (5) defining and naming the themes, and (6) producing the report. If there was an overlapping theme, we adjusted it to cohere around a single theme or concept to capture the majority of the information.

### Results

With the adoption of the contents and thematic technique, three themes of challenges of older workers in the era of disruption were generated: 1) demography trend of older worker in Thailand, 2) Working time and regulations, and 3) Thailand's Social Protection Policy in Workplace.

#### *1) Demography trend of older worker in Thailand*

In 2021, around 4 million older adults in Thailand were employed, representing 34.5% of the entire population. 60% of the older adults are employed in agriculture, followed by 30% in the commerce and service sector and 10% in the

manufacturing industry (National Statistics Office, 2021). In terms of the working situation of the older adults, it was determined that more than 65% of them were self-employed in positions (without employees), such as trading or agriculture, followed by around 19% in home businesses and approximately 13% as private workers (National Statistics Office, 2021). This 13% might be the group of people who the company has continued to employ despite their age reaching retirement. Approximately 3.4% of the rest of the older worker are working in an enterprise.

Taking working hours of older worker into consideration, this aspect is significant in determining the length of working hours for older workers since it pertains to the health or physical limits of older workers. Currently, it has been determined that the average number of working hours per week is around 40 hours. The biggest percentage of older persons worked between 40 and 49 hours per week (38.6 %) (National Statistics Office, 2021). If compared to hours per day, this indicates that the older workers work around 6-7 hours per day, which is considered to be the same as general employees/younger workers. This is likely due to the fact that the majority of the older workers are informal agricultural workers. Therefore, it is difficult to accurately specify the work timetable. In addition, by comparing the work hours of older men and women, it can be found that older women work less hours than older males, particularly 40-49 hours per week, and 50 or more hours per week. In addition, while considering the motivations of the older worker, it was shown that good health (47.3%) and the need for money (44.6%) were primary motivations (National Statistics Office, 2021). This indicates that almost half of the older may have financial difficulties.

More importantly, in Thailand, the majority of the new recruits of older employees are found in part-time employment. The employment does not set constraints on the level of education, but

the health and experience of the older persons do (Asavanirandom et al., 2020). The employment contract will be mutually agreed upon, with the majority of contracts being yearly. 5 to 6 days a week and 7 to 8 hours per day are the typical number of working days and hours. The older employees continued to receive work benefits such as re-skilling or up-skilling training, remuneration that does not fall below the legal minimum.

## *2) Working time and regulations*

One concerns of older employment in Thailand that should be highlighted is the issue of the working time, particularly the amount of working hours per day, from both the individual and the older workers' perspectives. There is agreement that the most suitable work arrangement for older persons is a flexible or part-time arrangement that allows both the older worker and the employer to select the number of working hours each day. This issue is challenging in Thailand. By a reasonable number of working hours each day, between four and six hours should be sufficient, according to Asavanirandom et al. (2020). This study pointed out that some organizations that employ older persons on a part-time basis are obligated to hire them for more than six hours every day. According to the Labor Protection Act (No. 6) B.E. 2560, wages cannot be less than the minimum pay rate determined by the country's Wage Committee ranging from 313 to 336 baht. Employers engaged with government's effort to encourage and support the employment of older adults are required to pay older workers the normal rate of around 45 baht per hour and to employ them for no more than four to six hours each day. When calculating the daily salary, it will be around 250 Baht less than the legal minimum. To comply with the labor legislation, it is required to hire older individuals to work longer than six hours, which exceeds the permissible total working hours. Currently, the Thai government attempts to

improve the relevant law and regulation. However, this issue still lacks an effective solutions.

### *3) Thailand's Social Protection Policy in the Workplace*

Thailand has been updating and amending social protection regimes into national aging policy to encourage the employment of older workers for a lengthy amount of time. These have been included in The National Elderly Act B.E. 2546 (Revised Edition B.E. 2553), the Aging Society Civil State policy for society (Pracharat E6), and the National Economic and Social Development Plan since 2012. However, those initiatives exist focusing on pension regimes. Policy supporting older worker wellbeing in the workplace remains ambiguous.

In Thailand, the Labour Protection Act of 1998, which was amended in 2017, and other related laws, regulations, and policies, provide protection for older workers. Specifically, the Act requires employers to provide social security benefits to employees of all ages, prohibits discriminatory practices and sets a minimum retirement age of 60. Additionally, the Social Security Act of 1990 and its subsequent amendments, including from the Thailand Social Security Office, provides pensions, health care, and other benefits. To provide even more protection, the Ministry of Social Development and Human Security has implemented an Older Fund to support older workers who are unable to work due to age-related disabilities or chronic illnesses, as well as providing job training and employment services. Although these policies initiate a level of protection for older workers, they do not specifically provide protections and are incomplete and inconclusive, representing a challenge that Thailand faces in promoting older employment (Asavanirandorn et al., 2020).

Table 1 summarized social protection policies between Thailand and other countries facing an aging society. It could be observed that most of the countries already have pension regimes to protect income insecurity for older adults in later life. A flexible working basis is already provided. However, it is interesting to point out that there is no strong protection supports of Thailand's public policy on promoting decent working environments for older workers, particularly incentives for improving older-friendly workplaces (Asavanirandorn et al., 2020). This leaves the older worker more vulnerable to physical injury while at the workplace.

In looking at South Korea, which has the same rate of aging society, the country has significantly prepared social protection regimes for older workers, especially legal protection and health insurance (Asavanirandorn et al., 2020). However, progress in promoting decent work for older adults in Thailand might be found in a Memorandum of Understanding (MOU) between the Thai Government and private companies under the project "Pracharat (E6)". The project was implemented in 2017 to provide work opportunities and decent work for older people in Thai society (Asavanirandorn et al., 2022). However, these initiatives remain uncertain as some integration of domestic law and regulations are still in progress.

Table 1

*Comparison of Social Protection Policy between Thailand and Other Nations*

Key Social Protection Policy	Complete-aged (% of population with 65 years and older)					Super-aged (% of population with 65 years and older)			
	Thailand (14%)	Singapore (14%)	South Korea (16%)	Canada (18%)	UK (19%)	French (21%)	Germany (22%)	Finland (23%)	Japan (28%)
1. Employee pensions/Mutual aid pension/welfare pension	✓		✓	✓	✓	✓	✓	✓	✓
2. National Pension System: NPS			✓						
3. Incentives for construction /improvement of facility/environment for older-friendly workplace		✓	✓	✓		✓	✓		
4. Law enforcement for employer contributions of pension funds for older workers after retirement age									
5. Law enforcement for minimum older employment/quota in workplace		✓	✓						✓
6. Flexible working hours for older employment	✓		✓						✓
7. Employment Insurance Program for older worker			✓						
8. Incentives specific for high-skilled employment for older workers					✓				

**Source:** summarized from Asavanirandorn et al. (2020)

## Discussion

In the era of disruption, economic activities of production and consumption will be affected by the change of production technology as well as by the customer behaviors as a result of progress in technological recognition (Bughin & Woetzel, 2019). This impacts workplaces ability to be adaptable. However, while the workforce has been increasingly aging, the need to motivate older workers to return to work must be addressed. Protection regimes must be clear in order to promote decent work to them. This section provides discussion based on evidence from Thailand and provides ideas to implement social protection for older workers.

### *Welfare at work*

New technology development offers a gig economy benefitting older adults seeking flexible working hours (Cook et al., 2019; Yuan et al., 2022). However, welfare provided to those older workers are challenging.

Welfare at work might be introduced by either the public or private sector. In reality, however, it is likely neglected by private ownership. Social protection by private ownership has posed a problem for the claims-making process within the context of economic competition. Increasing welfare for working labor will increase costs of production to the private enterprises and it mostly discourages the employer from providing additional benefits apart from labor law to their employees (De Haan & Schreiner, 2018). Therefore, in developing countries, including Thailand, most welfare benefits have been introduced by the government rather the enterprises. This offers less protection regimes for older worker workers from the private side. Roles of the government in enhancing social protection in workplace keep increasing.

However, in Thailand, the social protection augurated by the government is still unclear. This might be due to inconclusive law and regulation. Although the Labor Protection Act (No. 6) of B.E. 2560 made it possible for older adults to work on an hourly basis, it still struggles in practical application. An example of evidence is from pension benefits. The protection act may be suitable for companies that require older employees to assist in a particular time or for a few hours each day, such as afternoons, evenings, or in a rush hour. However, it has not functioned with the major prior laws and regulations, such as the Labor Protection Act B.E. 2541, the Labor Relations Act of B.E. 2518, and the Social Security Act B.E. 2533. Those primarily safeguard the daily and monthly rights of individuals which does not account for older hourly workers. Other than that, the Social Security Fund, in particular, is the fundamental assistance that employees should get, but older persons cannot apply because of age restrictions. This demonstrates that the social protection in workplace, particularly with increases in the age of workers and the conditions of a gig economy would not be addressed without clear direction from the government.

Due to the lack of legal protection specifically addressing the needs of older workers as required by employment laws, it is essential for social policymakers to create a framework that caters to this particular age group. To do this, it is important to include older workers in the decision-making process when formulating laws and policies that govern their employment. This would ensure that their needs and rights are appropriately represented and taken into account. As such, it is pivotal to the protection of older workers to have a legal framework that encompasses their specific needs (Carney, 2015; Spencer, 2013).

### *Discrimination among ages*

It is essential to highlight the issue of discrimination between those of retirement age and those of working age in a workplace. In general, younger workers can perform with greater vigor and dexterity than older individuals, but older workers have more experience that might contribute to an excellent work performance. This difference can trigger negative attitudes in the younger workers towards the older adults, especially among those who view older workers as unproductive, difficult to communicate with, slow to comprehend the material of their work, and whose work is frequently delayed when working alongside older adults (Fasbender & Wang, 2017). This will be a difficulty for older workers in the disruption period, since most of them may not be able to rapidly keep up with technology advancements. Some older workers might be left behind, which would severely harm their mental health. Preparedness mechanisms for the discrimination among ages should be addressed.

### *Decent work for older worker*

As individuals grow older, their abilities to learn new things decreases. This is both in fluid intelligence, which is driven by genetics and bodily characteristics, and in crystallized intelligence, which comes from accumulating experience (Baltes & Rudolph, 2012). Many older adults who decided to work tend to contribute their knowledge and experiences rather than labor-intensive performing (Neugarten, 1968; Schroots, 1997). In Thailand, we observed in existing studies that this suggestion is already found in the private enterprises particularly in service sectors. According to Asavanirandorn et al. (2022), the study found older workers with high productivity when working in intensive communication and coordination due to stability in emotion and rationality. Therefore, one

approach for increasing productivity would be to allocate that tasks to older workers that allow them to focus on communication or coordination, such as sales, or customer service. Then, the social protection should be to support those work characteristic to match with the older worker skills. Many countries such as Australia, Bolivia, Japan, have developed databases of older skills to facilitate job-matching between the older workers and the employers (United Nations Population Fund, 2012). This would reduce the impacts of job mismatching, which would protect older workers from an accusation of low productivity.

### **Conclusion and Suggestions**

Obviously, success in introducing social protection is being influenced by inconclusive legal frameworks in the era of technological disruption. This produces new challenges and difficulty for older workers in welfare claiming, work discrimination, and mismatch of decent work with the skills of the older workers. This is useful information for policymakers. Preferred settings for introducing social protection, such as inclusive laws and regulations, mechanisms against discrimination in workplace, and a database of older workers and their skills may offer a potential to increase the effectiveness of protection regimes for older workers in the workplace.

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