

Older People and Employment in Scotland

August 2017



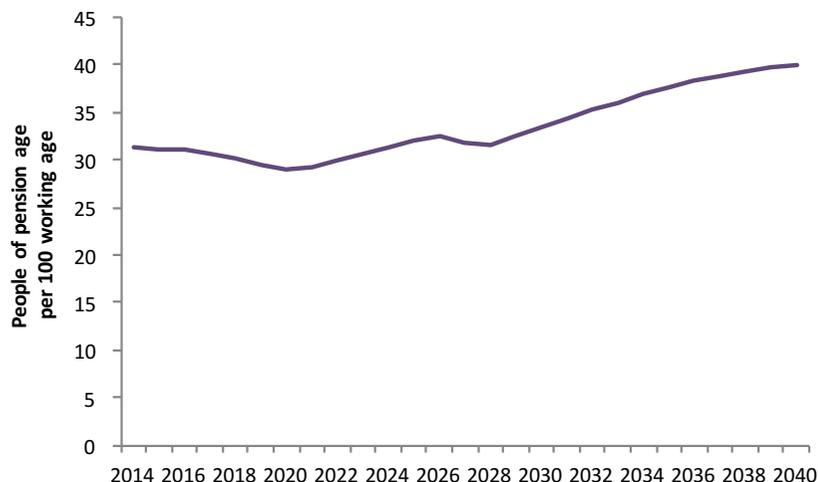
UNIVERSITY OF EDINBURGH
Business School



Scottish Government
Riaghaltas na h-Alba
gov.scot

Population ageing can offer opportunities for supporting longer and more fulfilling working lives

Projected old-age dependency ratio in Scotland 2014 - 2040



The old age dependency ratio (number of pensionable age people per 100 working age people) in Scotland is projected to increase from **31%** to **40%** between 2014 and 2040.

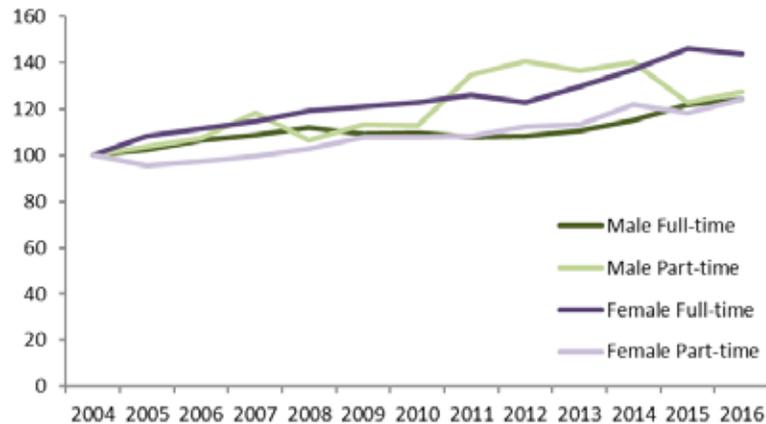
This demographic change has prompted much policy attention on extending working lives beyond traditional retirement ages.

Promoting fair work opportunities for an ageing population could:

- Encourage older people to work longer
- Support older people to achieve a good balance between their employment and other important aspects of their lives

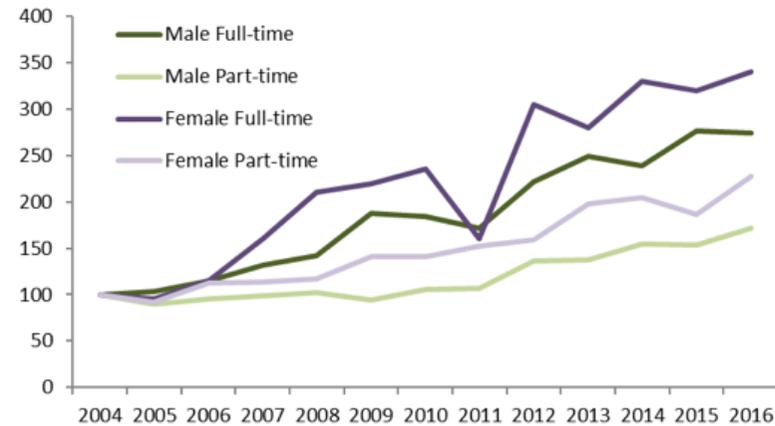
Employment among older people in Scotland is increasing

Employment of people aged 50-64



Employment rate has increased from **61.9%** in 2004 to **68.8%** in 2016

Employment of people aged 65+

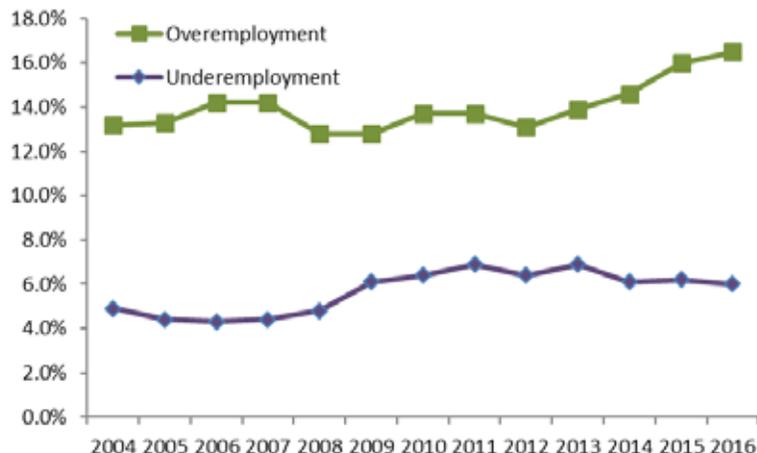


Employment rate has increased from **5.2%** in 2004 to **9.1%** in 2016

So.... there is significant potential for growth in the employment rate of older people

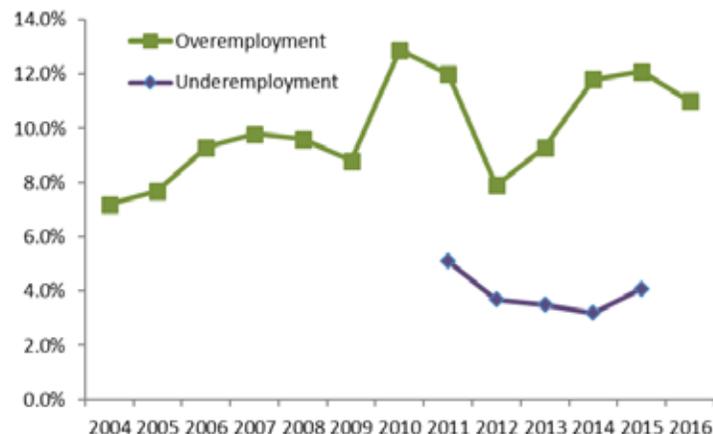
Overemployment and underemployment of older people

People aged 50-64



Overemployment of older people aged 50-64 has been steadily increasing. This suggests that older people may wish to reduce their working hours while remaining in employment.

People aged 65+



In recent years, overemployment of people aged 65+ has been falling and underemployment has been increasing. Despite this, the number of over-65s who would like to work fewer hours remains greater than the number of over-65s who want to work more hours.

Overemployment - looking to work fewer hours (for less pay)
Underemployment - looking to and able to work more hours (for additional pay)



This study explored opportunities and challenges related to the employment of older people

This study is a research commitment in the Fairer Scotland Action Plan.

Older People's perspectives



42 interviews across central Scotland.

Mix of employed, self-employed and unemployed participants.

Participants aged between 50-71.

Range of sectors, occupations and financial circumstances.

Scottish Employers' views



21 employers participated.

Mix of focus groups and telephone interviews.

Range of sectors and sizes.

Key findings from older people

To be honest
I don't really need
to work just now,
but I'm doing it for
company and for
getting a purpose
to get up.

(male employee,
aged 70)

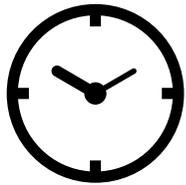
For financially secure older people,
working longer is a **choice**.

It feels a wee bit
like an anchor or ball
and chain, work at
the moment. And it's
purely financial.

(female employee,
aged 62)

For poorer older people,
working longer is a **necessity**.

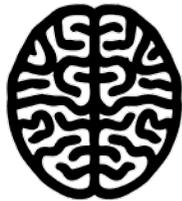
Key findings from older people



Many older people wanted to work part-time

BUT

They lacked awareness of flexible working options



Older people felt that work could be good for mental well-being

BUT

Physical health problems could be a barrier to working longer



Women's caring responsibilities affected their past and present employment

AND

Presented a potential barrier to working longer

Key findings from older people

I don't think they recognise or respect the experience and skills that you come with at this age.

(female employee, aged 62)

Older people were proud of their skills and experience **yet** feared potential age discrimination from prospective employers.

I've got bits of pensions all over the place... I need to just get my head down and pull them together, and find out exactly where I am with them and when I can retire.

(female employee, aged 53)

Many people faced uncertain futures, with insecure jobs and a lack of information about options for work or pensions.

Key findings from employers

Employers valued the skills and experiences of older people **BUT** were concerned about adopting specific policies or practices for older workers, for fear of being viewed as ageist.

Employers focused most attention on retaining existing older workers for longer **BUT** paid little attention to recruiting new older workers or (re)training employees to engage in longer working lives.



**There's nothing
specific in place
but it would just be
open to everyone
of all ages.**

(National public body)



Good practice amongst employers in the study

- Offering flexible working to help balance work with other commitments or facilitate phased retirement
- Older employees passing on knowledge and experience through mentoring younger colleagues
- Younger employees mentoring older colleagues in new technologies
- Adapting forms of training to suit different age groups
- Removing age discrimination in recruitment process through training of staff in unconscious bias

**Additional actions
to help older
people extend
their working lives**



What do older people need?

- **More pension-related information, presented in clear and easy-to-understand formats, to aid better planning around later working life and retirement.** Most information is currently available online BUT a significant number of older people would prefer traditional paper-based communication.
- **Greater awareness of flexible working opportunities and the right to request flexible working.**
- **Increased recognition of the lifetime income and pensions penalty experienced by many women, often due to time spent caring for dependents.** More support could be offered to women returning to the labour market after taking time out to look after children, grandchildren or elderly relatives.
- **Job-seeking support that is tailored to meet the needs of older people.** Job centre staff need to recognise the considerable skills and experience of older people and suggest appropriate employment opportunities.

Actions for Employers

- **Ensure all line managers are trained in communicating flexible work opportunities** and are equipped with knowledge to deal with requests from older workers. This will help to achieve consistency of practice.
- **Implement unconscious bias training** for all recruitment managers.
- **Actively include age considerations in all workforce planning, resourcing and career development strategies.**
- **Engage in conversations about later-life working or retirement and ensure initiatives are sufficiently broad to allow for a range of later-life working paths.**
- **Introduce mid-career reviews** to recognise that employees' needs will differ with life and career stage and prevent a downward trajectory after the age of 50.

How older people and employers thought the Scottish Government could help

- **Devise and run a publicity campaign to promote the potential benefits of longer-life working, alongside the promotion of job opportunities for the over-50s.** This would increase the visibility of older workers in Scottish society. It would also help employers attract more mature workers.
- **Lead a series of events and workshops for employers across Scotland to share good practice and to discuss adoption of more age-inclusive working practices.**
- **Review and promote opportunities for life-long learning alongside Further and Higher Education providers in Scotland.** This could be focused on upskilling older workers in new technologies. It could also usefully address the preferences and expectations of older workers themselves around continued learning across a longer working lifecourse.

experience

perspective

work ethic

commitment

lifelong learning

teamwork

social responsibility

communication

self direction

loyalty

leadership

problem solving

professionalism

critical thinking

wisdom





Scottish Government
Riaghaltas na h-Alba
gov.scot

© Crown copyright 2017

OGL

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at
The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

ISBN: 978-1-78851-167-4

Published by The Scottish Government, August 2017

Link to full report: www.gov.scot/olderpeople-employmentscotland

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS283326 (08/17)

W W W . g o v . s c o t