

# Older People and Employment in Scotland

August 2017



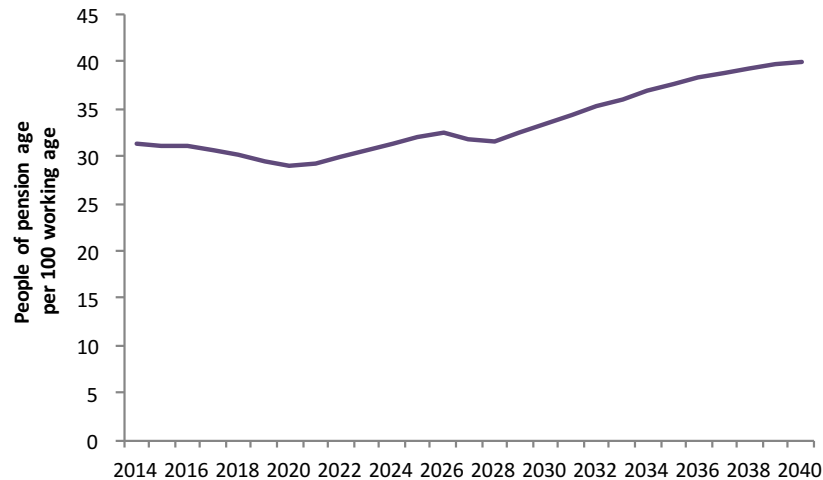
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## Population ageing can offer opportunities for supporting longer and more fulfilling working lives

### 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.

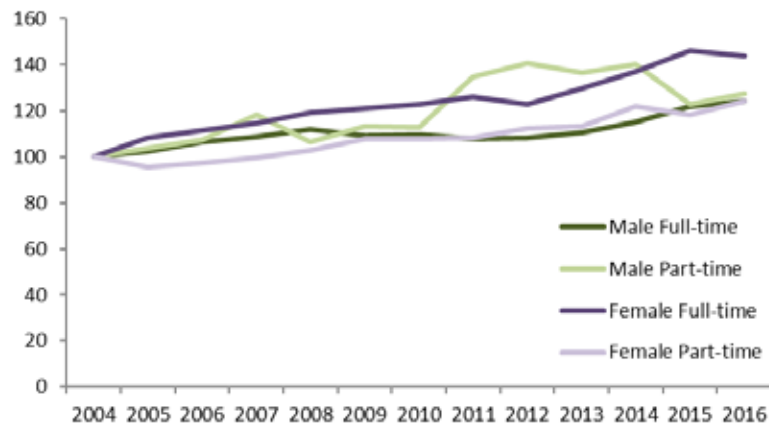
This demographic change has prompted much policy attention on extending working lives beyond traditional retirement ages.

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

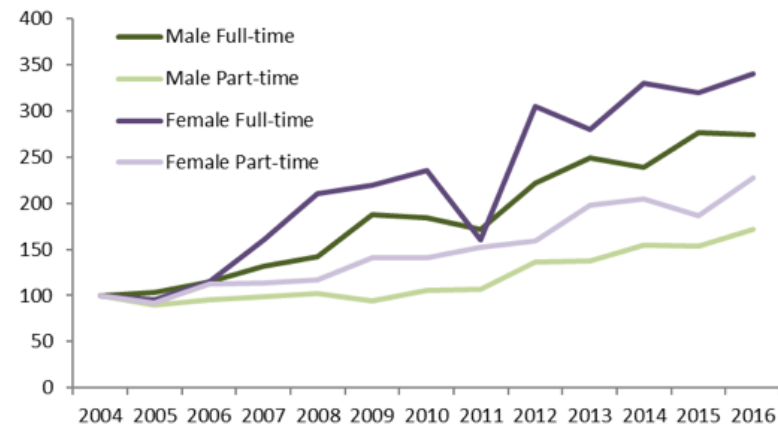
## Employment among older people in Scotland is increasing

### 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+

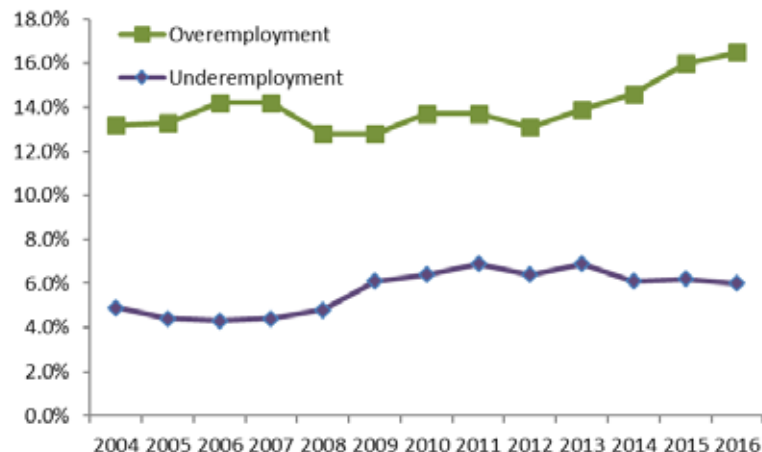


Employment rate has increased from **5.2%** in 2004 to **9.1%** in 2016

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

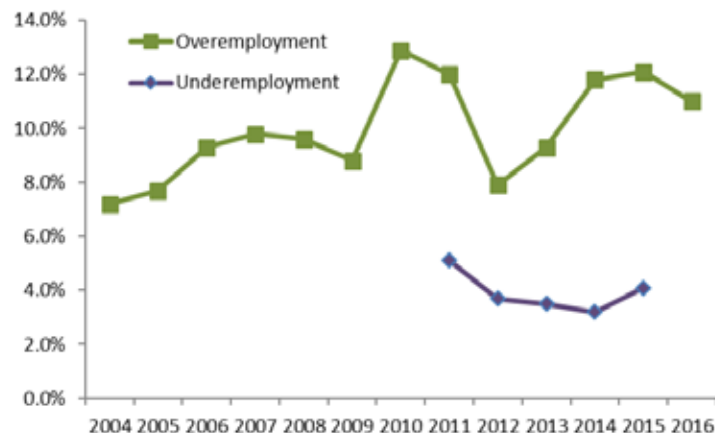
## Overemployment and underemployment of older people

### 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)

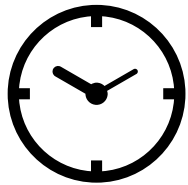
For financially secure older people,  
working longer is a **choice**.

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**.

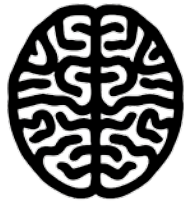
## Key findings from older people



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





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