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# The Ageing Workforce

# UNISON Scotland

# BARGAINING BRIEFING

#### Introduction

In 1917, the first year centenarians were acknowledged, King George V sent 17 messages. Last year, the Queen sent 6,405 congratulatory cards. 50% of babies born in 2007 are predicted still to be alive at 103.

Plenty of attention has been given to the fact that we are on average living longer, even if averages hide huge inequalities. However, we are also working longer and the workforce is getting older. By 2020, one in three workers in the UK will be over 50 and the number working past the State Pension Age (SPA) has doubled since 2000.

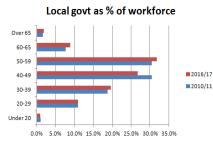


In this briefing we report on our latest research on this issue and outline some of the actions we need to consider to address demographic change in the workplace.

#### **Scottish Public Sector Workforce**

The average age of the public sector worker in Scotland is 45. There has been a small increase in the number of staff working past the State Retirement Age. The largest growing age band as

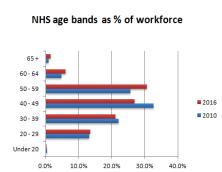
a proportion of the workforce is the 50-60 age group. This means that around 40% of the public sector workforce in Scotland is likely to retire within ten years. That has huge consequences for service delivery.



Local government has borne the brunt of austerity with nine out of ten job losses coming from the council workforce. It is therefore not surprising that this is an ageing workforce.

There is a similar age profile in Non Departmental Public Bodies with 40%

of the workforce over 50. The youngest sector is universities and colleges with 33% of workers over 50 years of age.



Staffing numbers in NHS Scotland have just returned to pre-crash levels. However, the age profile has also increased, which implies that younger staff are not attracted to work for the NHS. This may be a consequence of pay restraint, job demand, shifts and working conditions in the NHS.

#### **KEY POINTS:**

- The workforce is getting older. 1 in 3 will soon be over 50.
- The impact on the workplace has not been given significant attention.
- 40% of the Scottish public sector workforce is likely to retire within 10 years.
- This ageing is happening even in sectors without major staff cuts.
- Few organisations have strategies for addressing the ageing workforce.
- Action is needed on pensions, health and safety, training and workforce planning.



For further Information contact:

Dave Watson d.watson@unison.co.uk

#### **Pensions**

The Cridland review of the State Pension Age (SPA) has recommended a further increase in the SPA to 68 in 2037/39. This is based on predictions that average life expectancy will continue to increase. However, averages hide huge variations in life expectancy, between affluent and deprived areas and between occupations. It also fails to take into account healthy life expectancy, which also varies between these groups and impacts on the health of the workforce. Fewer than half of those reaching the SPA today, are in work.

Access to pension schemes has improved recently, largely as a result of auto-enrolment, particularly for older women. However, many of these pensions will not provide an adequate income in retirement, not least because of the shift from quality Defined Benefit pension schemes to poor quality Defined Contribution schemes.

#### **Health and Safety**

As the workforce gets older there is an increasing likelihood of burnout due to physical and emotional stress. Workplaces need to get a lot healthier if we are address this issue and jobs will need to be re-designed to reflect age factors.

The number of people with dementia is forecast to increase to over 1 million by 2025 and 2 million by 2051. It is estimated that 18% already continue to work after diagnosis, creating a new workplace safety issue that few employers are even recognising.

#### **Workplace and Policy Action**

It has been estimated that there could be 7.5m net job vacancies to be filled by 2022 and that doesn't take account of the impact of Brexit. One million unemployed 50-64 year olds want to work, bringing much needed skills to the workplace and adding £88bn to GDP.



Few employers have a strategy for dealing with an ageing workforce or are even discussing the issue. Despite legislative changes there remains significant age discrimination, not least over training and development.

Workforce planning and succession planning is limited,

although the Scottish Government is consulting over a new approach in the health and care sector. One of the more positive recommendations of the Cridland Review was the idea of a mid-life career/lifestyle MOT. This could include a range of wind down options as well as career changes.

Employers have begun to address flexible working for parents with children, but less consideration has been given to eldercare. This should also attract statutory carers leave. Income support should be addressed with changes to conditionality that recognises part-time work.

#### **Action for Branches**

UNISON branches are encouraged to put this issue on the agenda of negotiating committees. Firstly to raise awareness and secondly to develop an organisational strategy for the ageing workforce.

#### **Further information**

#### **Fuller Working Lives**

https://www.gov.uk/government/p ublications/fuller-working-lives-apartnership-approach

## Cridland Review of the State Pension Age

https://www.gov.uk/government/p ublications/state-pension-ageindependent-review-final-report

Cridland: UNISON commentary http://publicworksscotland.blogspot .co.uk/2017/03/predictable-statepension-review-lacks.html

ACAS: Employment relations challenges of an ageing workforce http://www.acas.org.uk/media/pdf/e/p/The Employment Relations Challenges of an Ageing Workforce.pdf

An Ageing Workforce
Parliamentary Office of Science
<a href="http://www.parliament.uk/pagefiles">http://www.parliament.uk/pagefiles</a>
/504/postpn391 AgeingWorkforce.pdf

### HR challenges of an ageing workforce

http://www.hrmagazine.co.uk/articl e-details/the-hr-challenges-of-anageing-workforce

Centre for Ageing Better
<a href="https://www.ageing-better.org.uk/">https://www.ageing-better.org.uk/</a>

Health & Safety for Older Workers http://www.hse.gov.uk/vulnerableworkers/older-workers.htm

#### **Workplace Dementia**

http://publicworksscotland.blogspot .co.uk/2016/09/workplacedementia.html

Enabling age as an asset
<a href="http://www.nes.scot.nhs.uk/media/476301/age">http://www.nes.scot.nhs.uk/media/476301/age</a> as asset -



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