

Ageing in a Rural Environment Workshop

Older Workers and the Local Economy

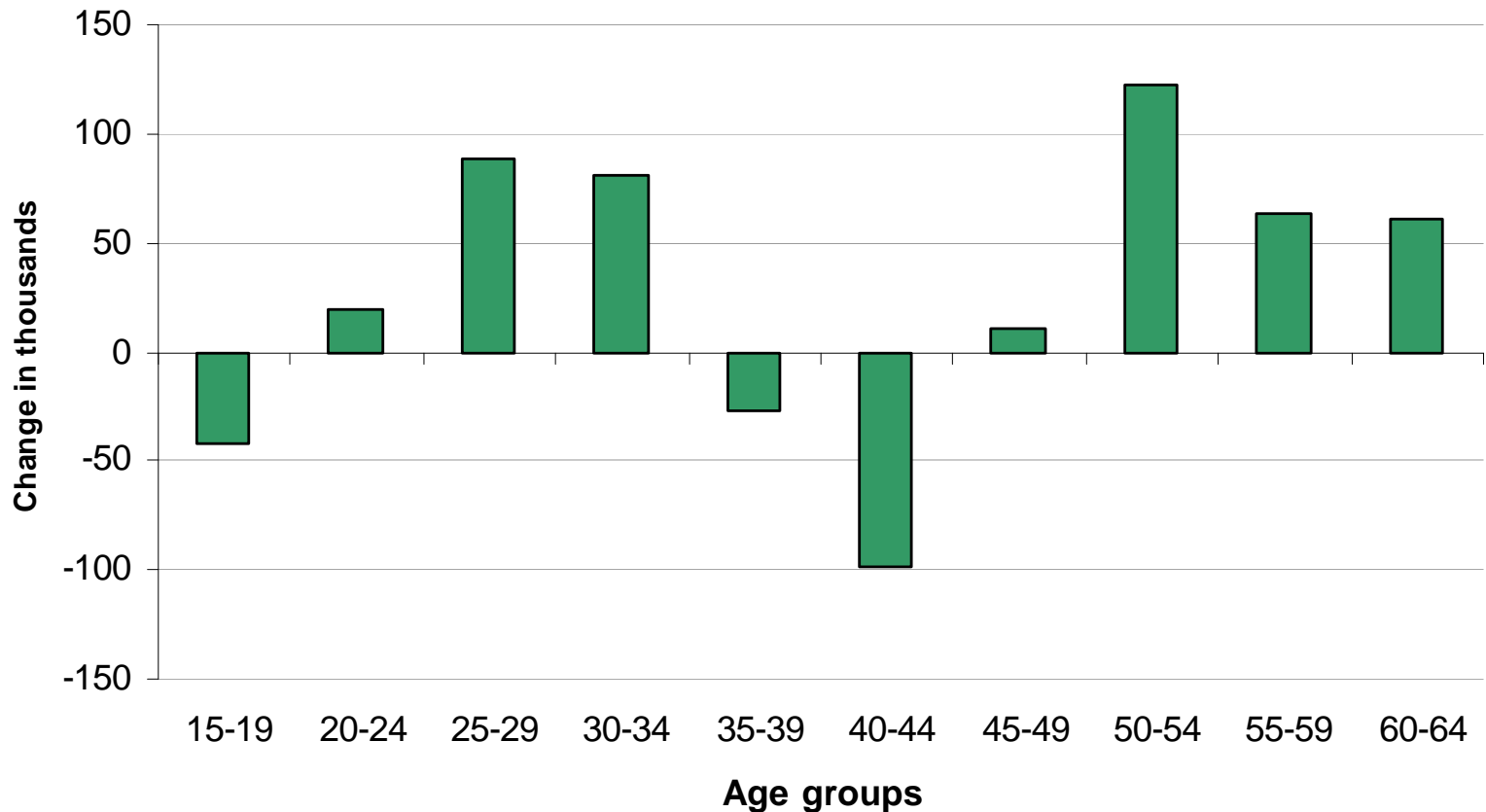
Nick Wilson, Partner Open Agenda
40-70 Tomorrow's Workforce Programme

40-70 Tomorrow's Workforce: Programme Aims

1. Retain employed older workers in active workforce by re-skilling, flexible employment and other means
2. Return unemployed older workers to active workforce who have left through redundancy, ill-health or other reasons
3. Build up a cadre of expertise in the region which will outlast individual projects
4. Contribute, drawing on lessons learned, to development of mainstream local, regional and national services

40-70 Tomorrow's Workforce Programme

An economic rationale



Missing middle of the workforce (2006 – 2020)

Labour market – by 2015

- 80,000 more jobs
- Fewer young entrants
- Probably fewer migrant workers
- 130,000 less 35-45 year olds
- 124,000 more 45-65 year olds

‘Opportunities for Older Workers in the South East’

SEEDA – March 2009

Untapped labour pool

- 140,000 aged 40-70 economically inactive but want a job
- 130,000 aged 45-65 claiming Employment & Support Allowance
- 450,000 retired in 50s and 60s

‘Opportunities for Older Workers in the South East’

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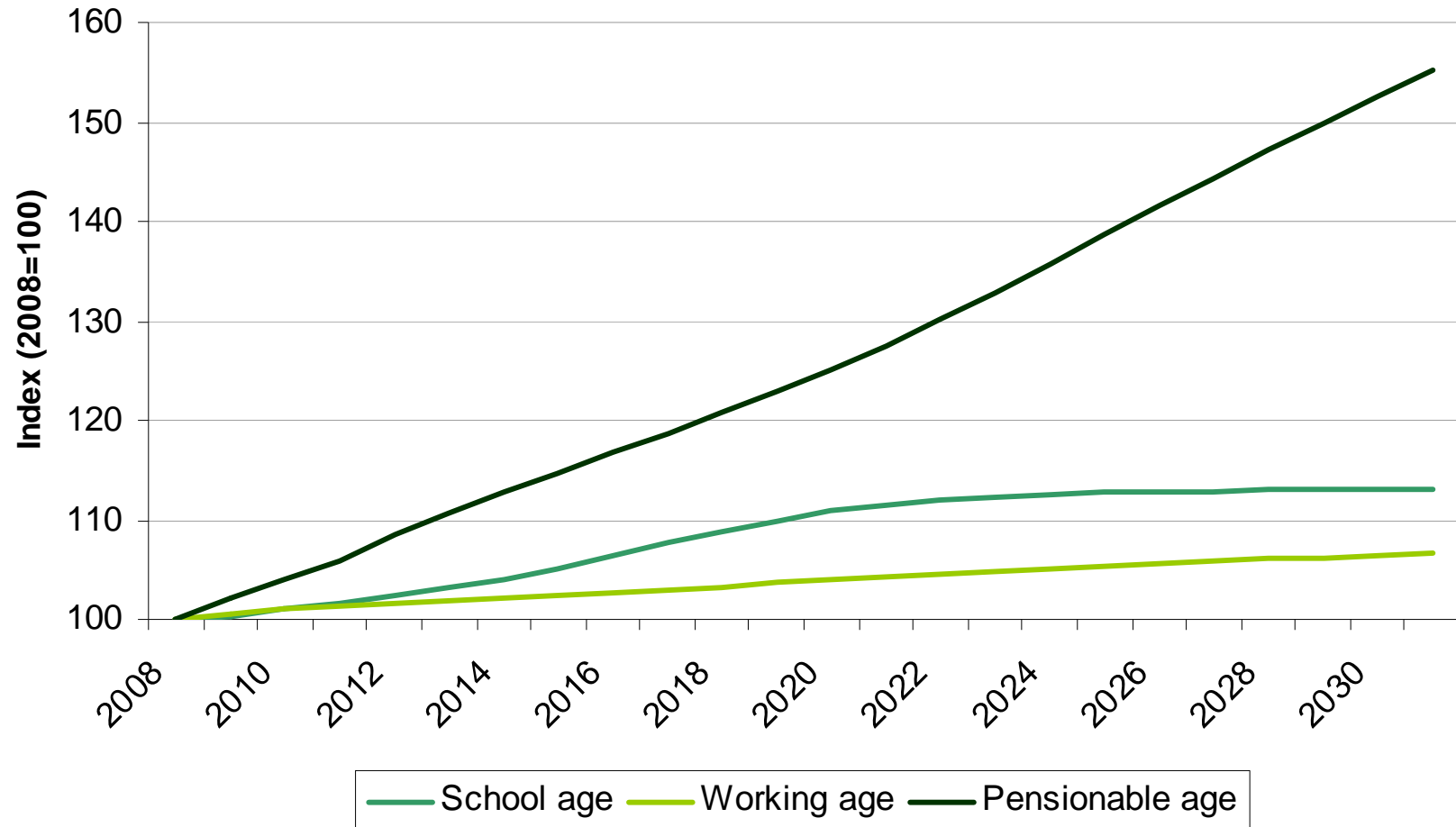
Source of regional wealth

- Over 40s: 1/2 economic output (£90 billion)
- Over 50s: 1/4 economic output (£45 billion)
- Past decade 130,000 more 50+ in work (£4 billion)
- RES goal of 30,000 net additional older people in work = **£1 billion**

‘Opportunities for Older Workers in the South East’

SEEDA – March 2009

Increasing pensioner population



Benefits for employers

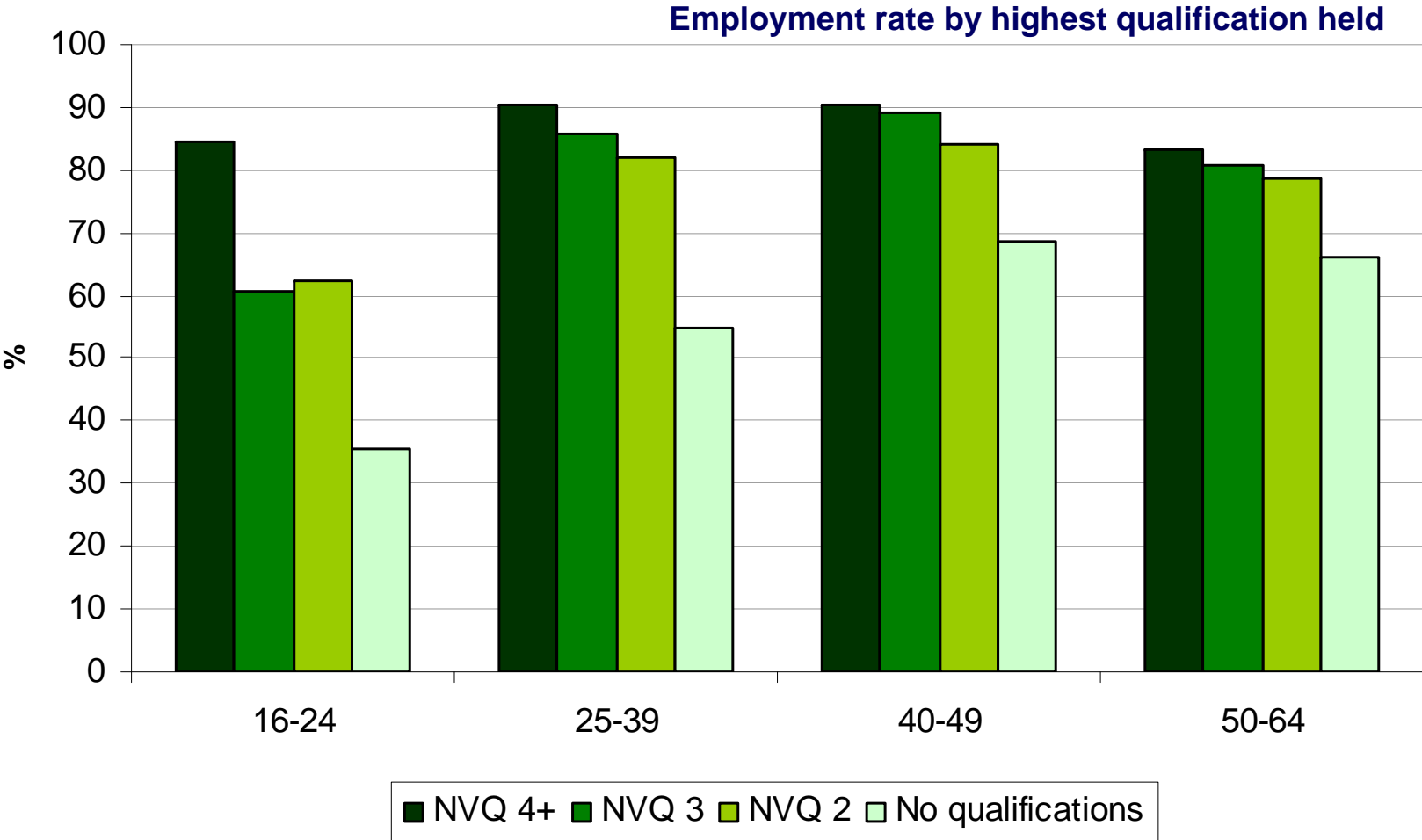
- **Lower absenteeism** – 39% lower among older people at B&Q
- **Lower turnover** – 4% for older workers v. 10% for younger workers at Nationwide
- **Redundancy savings** – £16,000 per person (CIPD)
- **Creativity & innovation** – 80% of most workable and worthwhile new production ideas come from employees over age of 40
- **Long term assets** – People recruited by Nationwide in 50s and 60s stay average 13 years

Attributes of older workers

- Reliability, loyalty, motivation
- Dedication, punctuality, flexibility
- Skills, knowledge, experience
- Attention to detail

- Maturity, confidence
- Organisational skills
- Communication skills
- Empathy, customer relations
- Mentoring, knowledge transfer

Employers value older workers' experience and 'softer' skills



But.....

- **Ageism the most common form of discrimination** – experienced by one in five over 50s in the workplace
- **Major barriers to re-employment** – particularly during a recession

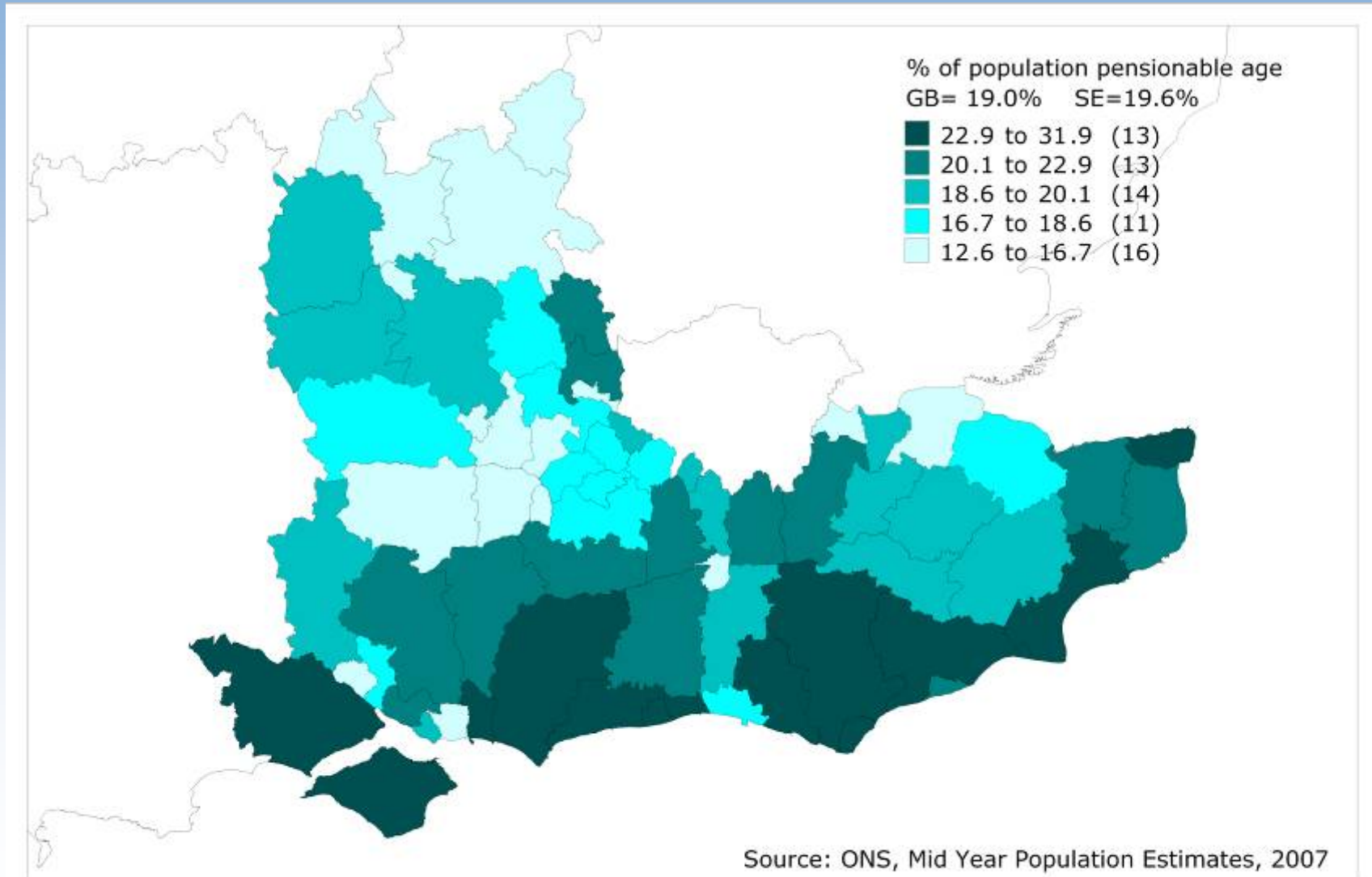
Barriers to re-employment

“In the last major recession, it was older workers who experienced the greatest difficulty in being re-employed, the longest unemployment and the highest levels of psychological stress. Many never got back into work and were unemployed for 10-15 years before reaching pension age.”

Professor Alan Walker, University of Sheffield,
speaking at Fairness in an Ageing Society Forum

Older workers and local rural economies: some thoughts

A big issue in rural (and coastal) areas



40-70 Tomorrow's Workforce Programme:

8 lessons to date

1. Advisers need empathy, expertise and ability to signpost to the right services
2. Tailored support (advice, short training, mentoring) not long training courses
3. Sectoral approaches (employers as customers)
4. Support to employers on recruitment and retention
5. Screening and preparation of candidates
6. Self-employment a good option for many
7. Higher skilled value peer support
8. Communicating to employers about how the workforce is changing and the benefits of employing older workers

Local drivers

- Public Service Agreement - PSA 17:
 - ‘Tackle poverty and promote greater independence and wellbeing in later life’
 - Economic indicator: difference between 50-69 and overall employment rates
- Local economic needs: growth, prosperity, tax revenues
- Local Area Agreements (LAAs)
- Employment and Skills Boards (ESBs)

Older workers and local rural economies: a starter for 10

1. Raise awareness: stakeholders & employers
2. Tackle isolation: economic, social, digital
3. Focus on opportunities:
 - Sectoral and occupational
 - Self-employment
 - Volunteering
4. Learn from other regions and countries

40-70 Tomorrow's Workforce

http://www.seeda.co.uk/Publications/Research_&_Economics/Docs/Older_workers_report_final.pdf

<http://www.carnewilson.org.uk/>

<http://www.open-agenda.co.uk/>