‘Fearful Forties’ Dread Old-Age Dole

Contributed by GfK NOP
Wednesday, 29 December 2010

Rise in retirement age may leave older workers stranded in unemployment

Government plans to increase the retirement age have most people fearing workers in their late fifties will be left stranded in unemployment, new research reveals (1).

The study, undertaken by GfK NOP, found that pessimism over the Coalitionâ€™s proposals to scrap the default retirement age was highest amongst those aged 45-54, a group that will be particularly hard-hit by the measures (2). This group â€“ dubbed the â€˜fearful fortiesâ€™ by experts â€“ represent a rapidly growing proportion of the workforce.

In fact, by 2020 more of the working population of the UK will be aged 40 and above than below 40. And by 2031, the working age population aged 40 and above will outnumber those below 40 by 1.4m (3).

Yet despite the growing numbers of older workers, this group are more likely to see a concern of unemployment in the long term compounded by unease over current job prospects.

One in five over 45s fear they will lose their job in the next year, a factor that presents challenges to employers both in the short and long-term (4).

Sukhi Ghataore, Employee Engagement Specialist at GfK NOP, said:
"The government moving the retirement goalposts has had a profound impact on people over the age of 45, who will be the first to feel the effects. These workers who had previously dreamt of retirement but now fear being stranded in unemployment present a challenge to employers in terms of maintaining engagement levels. As half the working population will soon be in this bracket, this problem will not go away â€“ employers need to prepare for this now before it has a significant impact.â€•

With a third of over-45s admitting that they see no opportunities for progression with their current employer, lack of employee engagement is a very real threat (5). Many of those in their late forties and early fifties feel uninspired by their current job, but unconvinced by their prospects of getting a position elsewhere - with only fourteen percent planning on leaving for another employer (6).

Ghataore added:
"The mixture of economic instability and plans to extend working lives has led to many over-45s suffering from a form of employment paralysis. These â€˜fearful fortiesâ€™ are increasingly disengaged with their current posts, hesitant to move in the present economic climate, and fearful that they will be made redundant as the tide of retirement goes out. Faced with this potentially disastrous recipe, it is vital that businesses work hard to ensure their most experienced employees feel valued and that they are an asset.â€•

About the survey
GfK NOP interviewed 2,114 British adults between 16th and 23rd November via an online survey.

1. 51% of respondents agreed with the statement that extended working lives legislation would leave people in their late 50s stranded in unemployment

2. 56% of respondents aged 45-54 agreed with the statement that extended working lives legislation would leave people in their late 50s stranded in unemployment

3. Office for National Statistics, â€˜UK population set to increase to 65 million over the next ten yearsâ€™, http://www.statistics.gov.uk/pdfdir/pproj1007.pdf

4. 19% ofÂ over 45s feel they are in danger of losing their jobs in the next 12 months

5. 33% of respondents aged 45-54 and 34% of respondents aged 55+ feel there will not be opportunities for progression with their current employer

6. 19% of respondents aged 45-54 say they plan to leave their jobs in the next 12 months, 8% of respondents aged 55+ say they plan to leave their jobs in the next 12 months

About GfK NOP
For more information please visitÂ http://www.gfknop.com/

London - 15 December 2010