

Women and Age

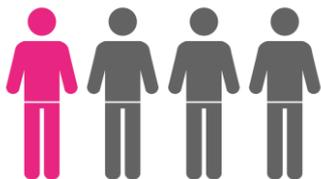
Why older women are worse off and what you can do about it

Advancing older women in the workplace

Not all women are the same. Today older women often lose out to younger counterparts and the disparities of gender inequality become exaggerated with age. Employers need to understand the needs of older women to advance and support them in the workplace.

An ageing population

The population of the UK is ageing. Today, over a third of the total UK population is aged 50 years and over and there are now more people in the UK aged 60 and above than there are under 18¹. This trend will accelerate in the coming years. By 2040, nearly 1 in 4 people in the UK will be aged 65 or over².



The gender pension gap

In 2010, the Default Retirement Age was scrapped. Thanks to this measure, employees cannot be forced to retire and may stay in work beyond 65 if they wish. The State Pension Age is currently in the process of being equalised to 65 for both men and women³.

Women are more exposed to poverty in old age. They make up more than two thirds (65%) of pensioners living at risk of poverty⁴. Their pension income is more than 40% lower than that of men – the 4th worst gap in the EU⁵ – and their retirement income is 25% lower than that of men⁶.



The pay gap in pensions reflects the gender gaps in remuneration and working hours that women face during their working lives.

The gender pay gap

The gender pay gap increases with age. In the private and voluntary sector, women at age 40 earn on average 27% less than men⁷.

At present, two thirds of women aged over 50 are employed in just three sectors: education, health and retail⁸. Men working later in life are more likely to be in higher skill roles, while more women who work for longer are likely to do so because they are trapped financially, clustered in lower skill roles such as administrative and secretarial jobs⁹.

This is likely to be connected to women working part time – the majority of women over 50 are in part-time work¹⁰ – and taking time out of the labour market because of family and caring responsibilities.

Women carers

1 in 4 women (24%) in the age group 50-65 have an informal caring responsibility for a sick, disabled or elderly person¹¹. Research estimates that 315,000 working carers have been forced to leave work and still remain out of employment¹².

A quarter of carers who do not work say they would like more paid work but think there are inadequate support services, insufficient flexible working or do not want to lose entitlement to benefits¹³. The public expenditure costs of carers feeling unable to continue working have been estimated at £1.3 billion a year¹⁴.

Older women in the labour market

Overall, the employment rate for women over 40 is rising and employment for older women has grown by more than any other age group in the labour market. However, women who do lose their jobs find it harder to get back into the labour market.

43% of unemployed people aged 50 or older have been unemployed for a year or longer and re-employment rates for those made redundant are lower for the over 50s¹⁵.

They are more likely to stay out of work and stop looking for work as their motivation falls over time¹⁶.

A higher risk of discrimination

57% of women and men aged over 50 feel that their age stops employers wanting to hire them¹⁷. Older women may face multiple discrimination based on age and gender.

Recommendations for employers

At BITC, we believe that employers are uniquely placed to help women reach their full potential by:

- Promoting age-friendly policies and flexible working arrangements so that they can juggle work with family/caring responsibilities
- Prioritising workplace and wellbeing policies on preventative action and reasonable adjustments for people with health conditions and/or disabilities
- Providing older women with opportunities to re-train or re-skill so as to retain their female staff
- Preventing gender and/or age discrimination and eliminating unconscious bias

¹ Age UK, *Later Life in the United Kingdom*, November 2015

<https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&ved=0ahUKEwjV1O7onanJAhXCPD4KHTICcdgQFggyMAI&url=http%3A%2F%2Fwww.ageuk.org.uk%2FDocuments%2FEN-GB%2FFactsheets%2FLater_Life_UK_factsheet.pdf%3Fdrk%3Dtrue&usq=AFQjCNFISRom9lcBhbYxQK-SHmlwnSIJw&sig2=h9sDfxx4YoVMBxjviAOK_Q&cad=rja>.

² Age UK.

³ Gov.uk, 'State Pension Age Timetable', 2014 <<https://www.gov.uk/government/publications/state-pension-age-timetable>> [accessed 27 November 2015].

⁴ LSE Commission on Gender, Inequality and Power, *Confronting Gender Inequality: Findings from the LSE Commission on Gender, Inequality and Power*, 13 October 2015

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⁵ European Union, *The 2015 Pension Adequacy Report: Current and Future Income Adequacy in Old Age in the EU. Volume I*, 2015 <http://europa.eu/rapid/press-release_MEMO-15-5770_en.htm>.

⁶ Prudential, 'Retirement Gap Narrowing...but Women Still Struggling to Keep Pace with Men', 2015

<http://www.pru.co.uk/guides_tools/articles/801779888-Retirement-gap-n/> [accessed 27 November 2015].

⁷ Equality and Human Rights Commission, 'Employment', 2010 <<http://www.equalityhumanrights.com/about-us/our-work/key-projects/how-fair-is-britain/online-summary/employment>> [accessed 27 November 2015].

⁸ Labour Market Division Ryan Pike, 'Annual Survey of Hours and Earnings, 2014 Provisional Results', *Office for National Statistics*, 2014 <<http://www.ons.gov.uk/ons/rel/ashes/annual-survey-of-hours-and-earnings/2014-provisional-results/stb-ashes-statistical-bulletin-2014.html>> [accessed 27 November 2015].

⁹ 'Video: Older Workers in the Labour Market', *Office for National Statistics*, 2012 <<http://www.ons.gov.uk/ons/rel/lmac/older-workers-in-the-labour-market/2012/video-summary.html>> [accessed 27 November 2015].

¹⁰ Equal Pay Portal, 'Older Women', 2015 <<http://www.equalpayportal.co.uk/a-new-act/older-women/>> [accessed 27 November 2015].

¹¹ Department for Work & Pensions, *Fuller Working Lives - Background Evidence*, June 2014.

¹² Linda Pickard and others, *Overcoming Barriers: Unpaid Care and Employment in England*.

¹³ Carers UK, *Supporting Working Carers: The Benefits to Families, Business and the Economy*, August 2013.

¹⁴ Carers UK.

¹⁵ Jill Inslay, 'Over-50s Hit Hard by Economic Downturn', *The Guardian*, 15 February 2011, section Money <<http://www.theguardian.com/money/2011/feb/15/over-50s-hit-economic-downturn>> [accessed 27 November 2015].

¹⁶ International Longevity Centre Business in the Community, *The Missing Million*, 22 April 2015 <<http://www.bitc.org.uk/our-resources/report/missing-million-recommendations-action>>.

¹⁷ Department for Work & Pensions, *Attitudes of the over 50s to Fuller Working Lives*, January 2015

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