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Baby boom Britain won't retire quietly

For the first time ever, the number of Britons over 65 exceeds those under 16. As the country grows older, the demand is growing for people to be able to work beyond pensionable age. And with advanced years comes growing political power - so the debate about retirement age is set to intensify

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'It seemed simply ludicrous for the MoD to throw me out at 56.' Bill Kennedy, aged 70, of Age Concern. Photograph: Guardian

With his Harley-Davidson, his motorbike leathers, his running and his hectic schedule, Bill Kennedy is not the stereotypical British pensioner. But at 70, in good health and with a lot to say, Kennedy is at the vanguard of a politicised and vocal generation of older people that is about to change the face of the nation.

With Britain's low birth rates and rising life expectancy, with 12 million people estimated to have saved enough for retirement, with an economic recession, a housing shortage and an NHS already under strain - a demographic time bomb is ticking away. A few months ago the number of people aged 65 and over in Britain exceeded those under 16 for the first time - a complete turnaround from 40 years ago when a quarter of the nation was under 16 and less than 15% were 65 or over.

Older people are fitter than ever before and many do not want, or cannot afford, to retire at 65. Last week there was a taste of the fights to come with a series of challenges to the government over age discrimination. At an industrial tribunal in Reading, two judges, Stuart Southgate and Jeremy Varcoe, brought a case against the Ministry of Justice over being forced to quit at 70. Hundreds of similar cases are said to be pending. And in Luxembourg on Thursday the European court of justice ruled, in a test case brought by the charity Age Concern, that while mandatory retirement at 65 is not breaking any European laws, the British high court will now have to decide whether the government is justified in enforcing it.

Kennedy is the chairman of the board of trustees of Age Concern in Bournemouth, the Dorset seaside town that has earned the label "God's waiting-room" because of the high proportion of over 65s; 23% of the population, compared with the national average of 19%. He believes the political clout of lobbyists for the elderly is rising dramatically and will put pressure on the government to rethink mandatory retirement.

"I was in the armed forces and I had to retire at 56," Kennedy said. "At that time I was

running three or four miles a day and was very, very fit and it seemed ludicrous for the MoD to throw me out. I wasn't ready to finish working. I ended up running my own consultancy and didn't actually finish paid employment until 2003 and, although I fondly thought that was retirement, with my voluntary activities I am still very much working.

"A heck of a lot depends on one's mental ability. If you really have something to offer, something to teach, at the age of 65 then why not keep going and give us the benefit of venerable intellects."

Kennedy wants those who do retire to take on voluntary work; otherwise, "old age is a hermit-like existence. It's hard to find volunteers for anything and getting harder. My view is that it's because of a selfish society. But we're going to have to change that, because with more and more older people, we are going to need all the help we can get."

About a third of British firms impose a retirement age on their workers. The employers' organisation, the CBI, argues a retirement age of 65 is an essential management tool.

But now the "bulge" is coming along, to swell the ranks of Britain's pensioners. The first wave of the babyboomer generation, taken as those born between 1943 and 1960, are hitting 65 and they are, according to feminist author and academic Professor Sheila Rowbotham, 65, nothing if not a vocal lot with high expectations. "My generation, those 1960s types, are aspirational, indefatigable Peter Pan types, refusing to acknowledge they are getting old," she said.

"They do have high expectations, confidence and a feeling that they ought to be able to carry on if they want to. The generation before us, who experienced 1930s unemployment and then the second world war, had a fatalistic approach, their lives were so much dictated by outside events beyond their control. But we won't accept unfeeling or harsh treatment."

Rowbotham was herself the subject of an outcry when Manchester University tried in vain to terminate her contract when she reached 65 last year.

But retirement has a class conflict, she said, between "the working classes who are rather glad to get out of jobs they didn't enjoy and the middle classes and people with more interesting jobs who are desperate to stay in".

The recession will add its own problems to the mix, with people losing out in worthless pension funds and investments or unable to release equity from houses they had hoped to downsize, having to work longer just to survive. "That will be quite problematic because unemployment among the young is rising and so it's quite bad if you have old people pitted against young people."

And an age-power shift will affect more than the economy and political lobbying. A grey pound will change consumer culture. Materialism and fashions dominated by youthful energy and sexual imagery could disappear under the weight of what economist George Magnus calls "boomerangst" - the interest of babyboomers in the implications of their ageing and an older society.

Magnus has published a book, *The Age of Aging*, looking at how demographics are changing the global economy as western and rich countries age, with not enough children being born to act as a workforce to support the elderly, and poorer, developing countries find themselves with a younger, thriving population and fewer older dependents.

Magnus, senior economic adviser at UBS investment bank, predicts the phenomenon will not be helped by trying to force people to retire at 65. "In a rapidly ageing society we need to scrap it by virtue of the economics alone," he said. "It's a hindrance to the kinds of changes we are all going through over the next few years and beyond ... It's probably not having any impact at the moment, but it most certainly will as the years go on," he said.

"The European court of justice's decision will probably catapult the debate forward and certainly all of a sudden we are starting to see people wake up to this, not just economists, but everyone."

In Japan, by 2050, 38% of the population will be over 60, and China is not far behind. In Britain at the moment we have four people of working age to support each person aged over 65 - by 2050 that will be two to one.

The median age of the world's population - where half are younger and half older - is 28. By 2050 it will be 38. And most of the babies will be born in the poorest parts of the world.

Centenarians are the fastest growing age group; in England and Wales their numbers have increased 90-fold in less than 100 years. In 2007 there were 9,300 people who reached their 100th birthday and by 2032 there are expected to be 58,400.

"Within the next five years more than half of the electorate will be aged over 50," said Magnus. "They are more vociferous and they will want their views heard and acted upon." The "bulge" is only going to last about 30 years before the demographics right themselves and the baby boomers all go to "the great retirement home in the sky" said Magnus. "By 2040 you will see the economic pressures diminish although we may have a few lingering social ones."

At a bus stop in Wimborne Road, Bournemouth, four pensioners with a combined age of 286 years are waiting in the shelter. Frank is going home after a fruitless trip to the bookies. He gestures to a sign above a charity shop across the road. "Brain injury, multiple sclerosis, cancer, dementia, Huntington's disease, stroke," it reads. "I was just looking at that and thinking, 'well, that about sums it up'," says Frank, 72, a retired butcher, "but I'm in that kind of mood with this cold weather; it can really get you down and makes you feel old."

"Cheery chappy," laughed a grey-haired woman of 66 who would rather not give her name. "I think positive and make sure I'm active and getting about town and such - I have to. I look after my mother and my grandchildren and I'm working, just not getting paid. Retirement doesn't really mean anything except money gets tighter. I don't think there's any rest for me in this world, but I'll get it in the next!"

A 69-year-old frail-looking woman is astonished at being asked her opinion on anything. The other man is 81 and, at first, did not want to talk. When everyone is finished he quietly agrees the buses are good and Bournemouth is fine, but his wife has recently died, he has no family to speak of, and he had to force himself to leave the house this morning.

Further along Wimborne Road, in the small and cramped Age Concern offices, head of community services Sarah Carroll and her staff are also facing some sobering issues. Health problems that come with old age are seeing a change. "There is a huge rise in the number of older people with depression. Why that is I don't know, but it's certainly increased hugely even in the last year," said Carroll. "We try to reach these people but there are huge waiting lists for our services. Isolation remains a problem. Generally people ... are unaware of their entitlements."

Services are stretched, though, and no matter how many new clubs and projects charities such as Age Concern start in communities, there are waiting lists for "absolutely everything ... And there is no funding for information and advice and that is fundamental to everything else we run. In January we had the highest number of calls on record over bills and fuel. People are taking more notice and becoming more aware."

But the workers are also finding that demand for the traditional elderly services, such as drop-in tea mornings and lunch clubs, are being equalled by demand for advanced yoga sessions and computer classes. "People are healthier and happier to work longer. If people's minds are active, people should be allowed to do that, feeling fulfilled," said Carroll. "We find a lot of retired people who volunteer here, people who want to pass on

their skills, find a lot of fulfilment. We never ask anyone how old they are, not our staff and not our volunteers. It's a model others could think about."

The DIY chain B&Q has made employing older people a deliberate aim. In 1990 it owned a store staffed entirely by over-50s and a study by Warwick University found the shop had higher profits and less absenteeism. Having recognised the benefits of working with people of mixed ages, B&Q employs 34,000 people, spanning 16 to 94 years of age, with more than 25% of its workforce aged 50 or over.

B&Q's diversity manager, Leon Foster-Hill, said: "There are clear business benefits to employing a workforce that is age diverse and reflects our customer profile. We have found that older workers have a great rapport with the customers, as well as a conscientious attitude and real enthusiasm for the job. We firmly believe that our active policy of recruiting older workers has directly contributed to the success of our business."

Flexible working is the key to keeping a diverse workforce, he said. Sydney Prior is 94 and works at the company's New Malden store in Surrey. He has worked for B&Q for more than 16 years, as a customer adviser. "Working gives me the chance to put my knowledge and experience to good use, advising customers on their gardens." It gave, he said, "youngsters the chance to learn a little from an old-timer like myself".

Case study

On 7 February, postman John Dixon was judged extremely capable of doing his job; he was fit, hard-working and a good employee, taking only three days off sick in five years' service. On 8 February, his 65th birthday, he was too old to continue and was forced to retire by the Royal Mail. With a 10-year-old son to support and a wife who worked only part-time, reaching his retirement had thrown Mr Dixon into a state of financial insecurity.

"I had been made redundant when I was 60 and had deliberately gone for a job at the Royal Mail because I thought my age wouldn't be an issue, but suddenly it was. I didn't want to retire because of the financial difficulties," he said. "I am unusual at my age in having such a young son to provide for and it's very frightening and very frustrating to find myself forced out of work. I am fitter than I have ever been and I don't see why age should come into it. I feel let down by my employers and by society.

"It has shaken my confidence. It's very hurtful to be the subject of what I think is definitely a prejudice - and a prejudice that doesn't carry the same weight as other prejudices.

"I am looking for a job now and I'm filling my time OK, although I have a huge fear of getting bored."

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