

Employment(UK)

December 2022

All older people who want to work must have the opportunity to do so. Someone's age alone should play no part in judging whether they are capable to do any job.

Key issues

The coronavirus pandemic has had a significant impact on the labour market for older workers. Since 2019, the employment rate for 50-64 year olds has declined, and currently stands at 70.4%, while the number of people 'inactive' – those not taking part in the labour market – has increased by 2.4% (400,000 people), a hugely significant rise. Among the 65+ group, employment declined during the pandemic but rebounded through 2022, with 1.4 million people now working.ⁱ

However, these statistics fails to give the whole picture – there are many other people who would like to work but are denied the opportunity because of caring responsibilities, age discrimination by employers, lack of training options, or because they do not get the back-to-work support they need. Working longer is important as it allows people to keep earning money and saving for retirement, while giving many a sense of purpose and enjoyment.

Age discrimination

With State Pension age having risen to 66 in recent years and rising further to 67 by 2028, many people are needing to work for longer. However, workers aged 50+ still face barriers in accessing work and training. Unjustified age discrimination is still rife, in spite of it being illegal under the Equality Act 2010, and a change in employer practices and attitudes is needed. Common stereotypes of older workers, for example that they are waiting to retire, inflexible, or regularly off sick, are still commonly believed, even though they are not applicable to the majority – a change in attitudes among employers and the public is needed if we are to make significant inroads into tackling ageism.

Carers and support for staying in work

As little as five hours of caring a week has a significant impact on someone's ability to stay in work, while 20-34 hours makes carers more than one third less likely to be in paid work than someone with no caring responsibilities.ⁱⁱ Far too many carers find they have insufficient support, both from their employer and the care system, to stay in work. For older workers who left work during the pandemic, many of whom did so because of caring responsibilities, access to flexible working (including flexible hours and working from home) is the most important pre-requisite for returning to work.ⁱⁱⁱ Far more needs to be done to ensure that this flexibility is available, in particular to those working in lower paid roles where access is often patchy.



Employment UK December 2022

Unemployment

Long-term unemployment remains a particular problem for people aged 50 and over, with 37% of those who are unemployed having been so for more than a year, higher than any other age group.^{iv} Although we believe support from Jobcentres and other services has improved in recent years, it is still insufficient and there is inadequate investment in training.

Public Policy Proposals

• The Equality Act 2010 needs to be properly enforced to ensure that age discrimination, particularly in the recruitment process, can be tackled more effectively.

• The Government should improve flexible working opportunities by abolishing the 26week waiting period for employees to request flexibility and introducing a system of 'flexible by default' as soon as possible.

• The Government should make good its commitment to legislate to create five days of unpaid carers' leave and set out a timetable to move to a system of paid leave.

• A full 'Career Review at 50', involving careers, pensions and personal wellbeing planning, should be introduced to help ensure people have the skills and knowledge to keep working, and retire in a way of their choosing.

• The support provided to older jobseekers by Jobcentre Plus must start from day one of a benefit claim and be better tailored to individual needs. All Work Coaches should be trained to address the age-related barriers faced by the over 50s.

• Support for the long-term unemployed should be better designed to meet the needs of 50+ jobseekers, and the private sector should be directly incentivised to help this age group.

• The Access to Work Scheme, which provides funding for reasonable adjustments to people with disabilities, should be promoted more widely among the 50+ age group.

• As State Pension age rises, people who are within three years of their State Pension age and realistically are unlikely to find paid work again – especially people claiming Employment and Support Allowance, Carers Allowance, or who are unemployed for 12 months or more – should have early access to their State Pension, at the full rate.

Want to find out more?

Age UK has agreed policy positions on a wide range of public policy issues. Our policies cover money, health and care, housing and communities, and crosscutting themes such as age equality and human rights.

www.ageuk.org.uk/ our-impact/ policy-research/policypositions/

ⁱ Office for National Statistics, Labour market statistics, Sept 2022. The figures used are a comparison between the May-July periods in 2019 and 2022.

[&]quot; Age UK (2016), Walking the Tightrope: the challenges of combining work and care in later life

ⁱⁱⁱ 54% named these two reasons as their priority, while 16% said a job that fits around their caring responsibilities, <u>Office for National Statistics</u> (2022)

^{iv} Office of National Statistics, Labour market statistics, Sept 2022