



The Missing Million:
**Pathways back
into employment**

A part of



Foreword from Stephen Howard, Chief Executive, Business in the Community

Over a million older people have been pushed out of the labour market for reasons beyond their control and are now struggling to find employment.

The Missing Million reports, led by Business in the Community (BITC) and research partner the International Longevity Centre – UK (ILC-UK), aims to raise awareness of the challenges facing older people in the workplace and explore solutions that address these barriers.

This report is the second of the series and help us better understand the pathways available to older workers who want to re-enter the labour market.

It finds that older workers are being failed at every turn. People over 50 find it harder to keep their jobs and harder to find suitable employment after job loss. The business case for supporting over 50s to stay in work has never been stronger. However our research shows that despite this, older people are finding it tough and where they do succeed, it is because of their own networks and efforts, not because they have accessed effective support.

We all need to rethink our support for older workers. If we get this right, it will not only benefit more than 1 million over 50s but will pay substantial dividends for the UK economy, businesses and local communities.

We believe that business has a powerful role to play to build a fairer society and more sustainable future and that employers are fundamental to supporting older people that simply want to stay in, or gain employment. That is why Business in the Community, in collaboration with our member companies is launching a new strand of work to develop innovative workplace solutions to extending working lives and make the most of the opportunity presented by intergenerational workplaces.

The third Missing Millions report, to be launched as a part of Responsible Business Week in April, will set out detailed recommendations for business and for government.

We encourage every business to consider how business and wider society can benefit from the enormous ambition, experience and skills that older people bring to the labour market.

BITC

Business in the Community (BITC) is a business-led charity committed to shaping a new contract between business and society.

We have over 30 years' experience forging better relationships between business and society, driven by a unique collaboration of business leaders. We stimulate action by challenging and supporting thousands of businesses to create a fairer society and a more sustainable future - through our local, national and international campaigns.

Business in the Community is one of The Prince's Charities, a group of not-for-profit organisations of which The Prince of Wales is president.

PRIME

Originally established as an independent charity to help unemployed people over the age of 50 into self-employment, PRIME is now a part of BITC. We campaign on behalf of the over 50s for a fairer labour market, free from age discrimination.

Our aim is to have more people over the age of 50 in good work. We want fewer people retiring involuntarily before pension age and more people able to work beyond pension age, and for these to be recognised as opportunities by employers & employees.

We achieve this through: promotion & advice to employers of the benefits of employing older workers; promotion to the unemployed aged 50+ of the opportunity for re-employment; and improving the understanding of the 50+ labour market and its actors.

ILC-UK

The International Longevity Centre-UK (ILC-UK) is the leading think tank on longevity, ageing, and population change. Independent and non-partisan, we develop ideas, undertake research and create a forum for debate. Much of our work is directed at the highest levels of government and the civil service, both in London and Brussels. We have a reputation as a respected think tank which works, often with key partner organisations, to inform important decision-making processes. We are aided in this work by our Chief Executive, Baroness Sally Greengross, former director-general of Age Concern and now a cross-bench peer. Our policy remit is broad and covers everything from pensions and financial planning to health and social care, housing design, and age discrimination. We work primarily with central government but also actively build relationships with local government, the private sector and relevant professional and academic associations.

Acknowledgements

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The case for working longer has never been stronger, yet – for far too many older people – the chance to enjoy meaningful employment in later life is denied. Despite an extensive body of knowledge on how to maximise the potential of the older worker and the business case for doing so, it appears that older workers are being failed at every turn. This is reflected in our key findings:

- Around one million people over 50 have been pushed out of work against their will and would like to be working if the appropriate opportunities were available. In addition, a greater number of older people are becoming jobless than finding work.
- Those who are able to find re-employment are more likely than younger people to end up in alternative roles to regular employment, such as self-employment and even unpaid work, but these positions may not actually fulfil their own desires or expectations.
- Older people who do succeed at finding work are doing it primarily on their own, with limited or inappropriate support from services.
- Many of the barriers that stand in the way of older people returning to work relate primarily to age, for example, in terms of health and care concerns in later life or the perpetuation of age-related stereotypes, and employers can play an important role in helping to change this situation in the future.

The first report in our series, *Older workers in the UK: A million people pushed out of work*, highlighted the large number of people aged 50-64 who are out of work involuntarily – pushed out through a combination of redundancy, ill health, or early retirement. This sizable cohort is still willing to work yet are prevented from doing so. And while this early exit can be of great cost to the individuals in terms of lost earnings, savings, and social connections, it also represents a waste of talent, skills, and expertise that could be of great economic and social benefit.

But what is needed to help older people return to work after they find themselves jobless? This report – the second in our series – examines the paths that older people take as they seek re-employment, shedding light on these journeys and identifying the predominant obstacles and barriers that continue to keep labour force participation so low among people aged 50+ in the UK.

We found that among people aged 50-64 in the UK:

- The vast majority had no change in economic activity over a three-month period – but around half a million (4.5%) did experience a change of some kind, offering insights into the kinds of opportunities available to this group and the kinds of pathways they follow.
- The most frequent change was from employment to inactivity (29.5%), and overall a greater number of older people lost work than found it (45.4% versus 30.5%). In contrast, younger people (16-29) were more likely to find work, while both younger and middle-aged (30-49) people were more likely to be actively looking for work than older people.
- At the same time, older people who lose their job are just as likely as other age groups to look for another one, and around a quarter of older people who lost their job and became inactive would prefer to still be working. This means that, across the three-month period, around 38,000 people aged 50-64 in the UK lost their job and did not look for work even though they had the desire to keep working, suggesting that older people feel a significant degree of discouragement with respect to their labour market prospects.
- Although more people ended up jobless, nearly a third of those who changed moved into employment from either unemployment or inactivity – around 161,000 people. Interestingly, a large proportion of these moved out of retirement.

This group of older people – those who successfully returned to work – provides particular insights into the kind of employment that older people tend to find. Just over half of those aged 50-64 who found work ended up working for an employer, compared to well over two-thirds of those in younger age groups. This suggests that traditional employment opportunities are less available to older workers, who may be forced to pursue other options in order to fulfil their own needs and desires related to work.

We found that older people were more likely than younger people to take up self-employment when leaving inactivity. Self-employment is an important avenue for work for older people, particularly as it can provide flexibility and freedom, the lack of which prevents them from taking up roles in other organisations. Yet it takes a particular set of skills to succeed, and many of the older people who embark on this path will already be in an advantageous position regarding the labour market. However, many entrepreneurial endeavours fail, and older people who are in need of work could be at risk of losing even more if they end up forced to start their own business due to lack of other income and work opportunities.








At the same time, a significant proportion of older people who ended up in work found themselves in neither regular employment nor self-employment, but participating in government training schemes or doing unpaid work in a family business. These categories of employment raise further concerns around whether the opportunities older people find for work are appropriate. Moreover, when nearly 11% of employment found by people aged 50-64 is unpaid, the stories of success for helping older people get back to work seem a bit exaggerated. Still, the fact that so many older people are engaging in unpaid work and activity shows there is a clear capability and desire among older people to be involved and active.

It is therefore crucial that those who want paid work are able to find it. Yet the path back to employment is not an easy one for many older people, as they face a number of obstacles along the way. In many respects, one of the most important factors that serves as an obstacle for re-employment among older people appears to be their age. Older workers are different from younger workers in many respects, but the myths stemming from age-based stereotypes continue to be perpetuated and can greatly impact older workers' positions in the workplace.

Older people who make it back to work also appear to do so through their own efforts, using personal resources and networks rather than of social support. Indeed, Job Centres were accused of being unhelpful for purpose in our focus groups, for example, by not offering information adequately tailored to the needs of older people or appropriate job opportunities. There is no one-size-fits-all approach to helping older people re-enter work, and support services should incorporate the particular needs, expectations, and limitations of the individual.

Overall, this report highlights the fact that older people, in their efforts to navigate opportunities for work, are being failed at every turn. They find it more difficult to keep their jobs and more difficult to find new work after job loss. When they do find work, they are more likely to take up alternative forms of employment that may not be the best fit for their needs and desires. Employers can thus play an important role in helping to ensure that traditional positions of employment are made available to older people when they look for work. At the same time, the job search among older people is often carried out by people on their own, so social support services also have a role to play in helping prepare older people for work and connecting them with appropriate job opportunities. Both stakeholders are key to keeping older people from experiencing lower confidence, frustration, and disillusionment with the process of getting back to work; only then can we fully take advantage of the economic and social benefits that can come from longer working lives.

This report is the second instalment in a series examining the labour market challenges of people aged 50+ in the UK. A primary objective of this series is to provide an evidence-based platform to raise awareness of the particular challenges that older people face with respect to work in later life and to contribute practical and tangible policy ideas to help improve the situation for older people.

The first report in the series,        0, highlighted the large number of people aged 50-64 who are out of work involuntarily – pushed out through a combination of redundancy, ill health, or early retirement – and how this sizable cohort is still willing to work yet prevented from doing so. This report – the second in our series – examines the paths that older people take as they seek re-employment, shedding light on these journeys and identifying the predominant obstacles and barriers that continue to keep labour force participation so low among people aged 50+ in the UK. Much of the evidence presented in the report is based on new analysis of a major national survey, supported by lessons gathered through focus groups and interviews with older people (see Box 1).

This report is structured in five primary sections:

Section 1 revisits the context of joblessness and age, highlighting the lessons of the first report around how people aged between 50 and State Pension Age too often fall out of work but would take a job if they could.

Section 2 examines the kinds of transitions older workers make with respect to their labour market activity. In doing so, it identifies some of the differences between age groups in their success at finding employment as well as their misfortune in losing work.

Section 3 looks more closely at the types of employment that older people found, noting the prevalence of non-traditional forms of employment, including self-employment, government schemes, and unpaid work in a family business.

Section 4 outlines the different barriers that continue to create challenges for increasing employment opportunities for older people, informed by previous literature, our focus groups, and the one-to-one interviews.

Section 5 provides concluding remarks, emphasising the key messages and learning points to emerge from the research.

Box 1: Notes on Data Sources

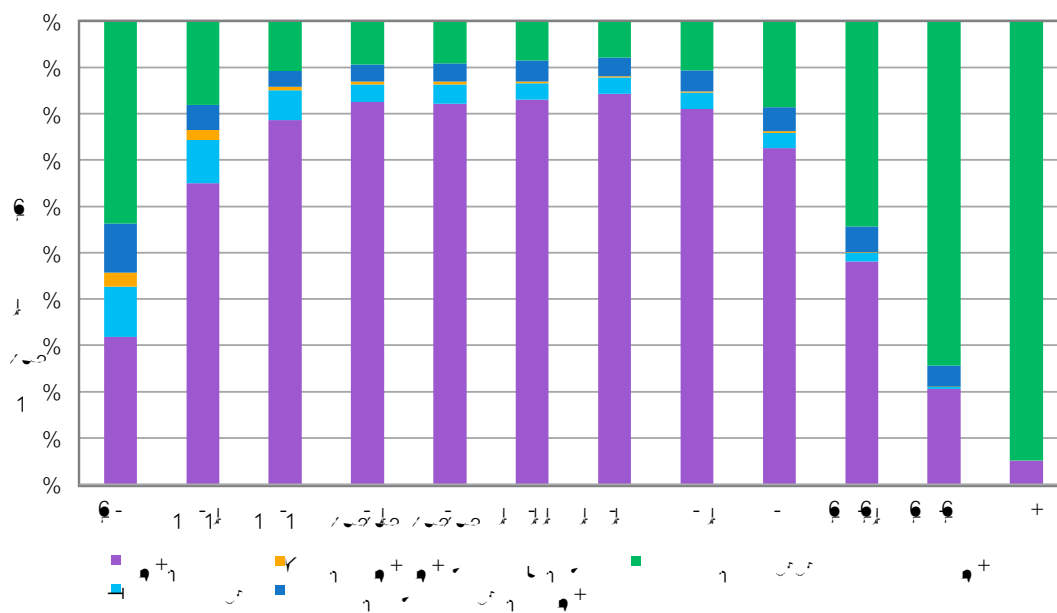
Our analyses first draw on secondary data made available from the Labour Force Survey (LFS). LFS is a survey of private households in the UK intended to gather information related to the labour market behaviour of the population. It collects information each quarter and follows the same people across five quarters, so patterns of change can be observed. It is the largest household survey in the UK and provides the official measures of employment and unemployment, making it the best data source for the kinds of analyses conducted here. See Appendix 1 for further details on the data and methodology used here.

We also provide information on the kinds of discrimination experienced by older people using the English Longitudinal Study of Ageing (ELSA), a nationally-representative dataset of the population

The first report in this series set out the case for the large cohort of older people who are out of work prior to State Pension Age (SPA), and how a large proportion of them can be thought of as involuntarily jobless, in that they would like to be back in work if possible. We briefly recap some of the headline findings that provided evidence for the report's conclusions in order to set the scene here, using more recently made available data from the Labour Force Survey.

Our first report highlighted the dramatic fall in employment rates as people approach SPA, noting that this steep decline diminishes older people's chances of remaining in work as they grow older. For this report, we maintain a primary interest in the kinds of economic activity in which older people find themselves, and we see the same progressive increase in inactivity levels from the age of 50, as shown in Figure 1. Although a majority of people in each 5-year age group from 20-59 are employed, the proportion employed begins to decline in each age group from the age of 50. While 81.0% of people aged 50-54 are employed, this percentage falls to less than half (48.1%) for those aged 60-64.¹ We also see that – excluding the age groups 16-19 and 20-24, where full-time education is likely to play a significant role – people not looking for work and not wanting work become proportionally greater from the age of 50.

Figure 1: Economic Activity by Age Group



Source: LFS Q2 2014

While we see a substantial trade-off between those employed and those not looking and not wanting work among people aged 50+, we should take a closer look at the other kinds of economic activity people report, which reflect those individuals who are open to work whether they are actively seeking it or not. As our first report highlighted, a notable proportion of people aged 50+ who are out of work would be keen to do so, yet a substantial proportion of them are actually inactive and not actively looking for work (i.e. unemployed), suggesting a silent cohort who could still make a significant contribution if the right support was in place. Looking across several age groups, Figure 2 shows that there is a higher percentage of people in each age band from the age of 40 that are not looking for work but would like a job than are officially unemployed.

¹ This decline in the 60-64 age group is partly explained by gender due to differences in State Pension Age. Appendix 2 includes charts with the breakdown of economic activity by age group and gender, showing that, among the 60-64 age group, 56.4% of men are employed compared to 40.1% of women.

Key points

- While the vast majority of people aged 50-64 reported no change in their employment position over three months, over half a million (4.5%) did, offering insights into the experiences of older people who experience job loss or pursue re-employment.
- The most frequent change was from employment to inactivity (29.5%), and overall a greater number of older people lost work than found it (45.4% versus 30.5%). This shows that there continue to be challenges in retaining and recruiting older people in work.
- In contrast, younger people were more likely to find work, while both younger and middle-aged people appeared more likely to be looking for work than older people. However, following job loss, older people were just as likely as younger people to look for a new job.
- Much of this difference relates to the relatively lower proportion of older people who started looking for work following inactivity. This, combined with the fact that a quarter of those who were inactive after losing their job would like to be working, suggests that older people feel a greater degree of discouragement with respect to their labour market prospects.

Our first report outlined the categories of economic activity in which older people found themselves, along with further detail related to the reasons they report being inactive and whether or not they would like work. However, this snapshot perspective cannot tell us much about the extent to which older people are successful in finding employment and returning to work. In order to understand information about transitions or changes in economic activity, we turn to the longitudinal datasets available from the LFS, the best data source in the UK for understanding the labour market behaviour of the population.

Table 1. Percentages of Change in Economic Activity by Type of Transition and Age Group Q4 2016-Q1 2017

Transition	Age Group	Q4 2016	Q1 2017
Employed	18-24	10.5	11.2
Employed	25-34	11.2	11.8
Employed	35-44	11.8	12.5
Employed	45-54	12.5	13.2
Employed	55-64	13.2	13.8
Employed	65+	13.8	14.5
Unemployed	18-24	14.2	15.1
Unemployed	25-34	15.1	16.0
Unemployed	35-44	16.0	17.0
Unemployed	45-54	17.0	18.0
Unemployed	55-64	18.0	19.0
Unemployed	65+	19.0	20.0

Differences between age groups

This disadvantage is further supported when we look at the differences between the age groups, as older workers were less likely to find work or be actively seeking it. We see that employment was the most likely outcome for those aged 16-29, as nearly 2 in 5 younger workers (38.1%) who experienced a change in their labour market status found work. A similar proportion (around a third) of those aged 16-29 and aged 30-49 found themselves unemployed, in contrast to only a quarter of those aged 50-64. As inactivity was the most likely outcome for those aged 50-64, this difference suggests that complete withdrawal from the labour market is a more likely result for older people than actively looking for work.

At the same time, in contrast to the other age groups, the people aged 50-64 who became unemployed had a larger proportion doing so after job loss compared to a period of inactivity. This partially reflects examples of younger people leaving full-time education and graduate studies at the end of 2013, thus moving from inactivity into an active job search. It also suggests that older inactive people are less likely to start looking for a job. Overall, however, similar proportions of people in each age group experienced a transition from employment to unemployment, meaning older people are just as likely as younger people to look for work following job loss.⁶

These two findings combined underscore the importance of keeping older people engaged in the labour market. They are just as likely as younger people to look for another job after they lose one, demonstrating their overall willingness to continue working. But once they become inactive, older people are less likely to start looking for work again. This is partially related to an overall sense of discouragement among

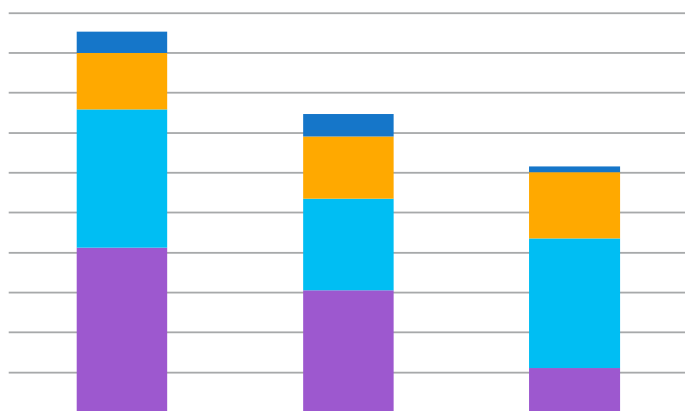
However, there are multiple reasons people leave the labour market following job loss. For those older people who left employment and became inactive, we see that the primary reason they gave for their inactivity was retirement (39.9%). After retirement, the two main reasons for inactivity – looking after home/family and sickness/disability – each account for around 15% of those who left the labour market. For

When I came back to work, I had a good wage back but no money and a lot of illness which meant a lot of time off, plus I missed the ban on smoking and the friendliness I could no longer afford because the money had gone because of the high inflation. I was ill and needed a good wage of £10 an hour. My wife and I needed no money which was going on for a long time. Linda (60-70 focus group)

The proportion stating retirement as their main reason for previous inactivity was almost significantly lower than those who stayed inactive and was lowest for those who had begun actively looking for work. This suggests that for those retired people willing to take up work, re-entering the labour market is more likely when an employment opportunity is clearly available. Their situation in terms of retirement may mean that engaging in an active job search without clear prospects or direction is less appealing.

Inactive people who found employment were also less likely to report sickness or disability as their reason for being out of the labour market. However, there was no significant difference among those who started looking for work. This implies that there are a number of older people with health concerns who feel capable of re-joining the workforce, but appropriate work may remain elusive. Greater efforts are therefore needed to ensure that people who have health issues that may impact their ability to work are provided the support and flexibility they require to do so.

Figure 8: Reasons for Inactivity at Q4 2013 by Economic Activity at Q1 2014 for People Aged 50-64



Paths into Employment

Key points

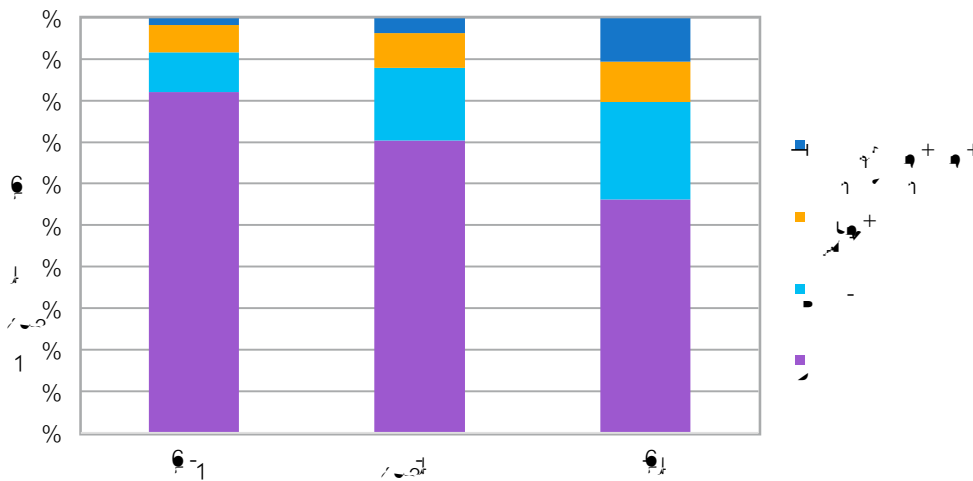
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Alternative types of employment

At the same time, a significant proportion of people who end up in work find themselves in neither regular employment with an employer nor self-employment – government training schemes and unpaid work in a family business are other options in the Labour Force Survey that are considered employment.

We found that government employment and training schemes were much more likely to be taken up by older people than younger age groups. Among those 50-64 who transitioned out of unemployment, 16.3% found a place on one of these schemes, in contrast to 11.1% of those 16-24 and 12.7% of those aged 30-49. For the groups leaving inactivity, 4.7% of those aged 50-64 ended up on these schemes, whereas only around 1% of the other age groups did (0.9% of those 16-29 and 1.1% of those 30-49). The higher uptake of these schemes by older people could suggest that they suit the needs of older workers rather well.

Figure 9: Types of Employment Found among People who Changed Economic Activity Status by Age Group



Source: LFS Q4 2013-Q1 2014

On the other hand, this could also reflect the increased barriers that older workers face in trying to find employment through more traditional routes. In fact, when we take a closer look at the types of employment for those who were employed across the three-month period, we see that not a single person aged 50-64 who was on a government employment or training scheme changed into paid employment or self-employment, although this did occur for younger and middle-aged people. This raises the question of how effective these schemes are for older workers.

The other type of employment, unpaid work for a family business, is reported at higher levels among the age group 50-64 compared to younger people, with around 10.6% of transitions ending there.⁹ The prevalence of shifts into unpaid work among this age group could reflect broader financial disincentives that relate to public policy. Penalties on benefits and other earnings when people receive income from work can discourage older people from entering formal employment when those penalties outweigh prospective earnings. But the fact that so many people are engaging in unpaid work shows there is a clear capability and desire for older people to be involved and active. It is therefore crucial that older people who want paid work are able to find it, and that the prospect of increasing one's earnings through work does not incur unreasonable penalties.

However, the fact that unpaid work represents 10.6% of employment for older people means that the success stories related to efforts to get people back to work are somewhat exaggerated. For most people, employment is often implicitly thought of as activity that involves earnings. While unpaid work can provide older people with the social interaction and sense of purpose they seek as they look to return to work, by definition it cannot address the financial reasons that motivate significant

Obstacles to Employment

Key points

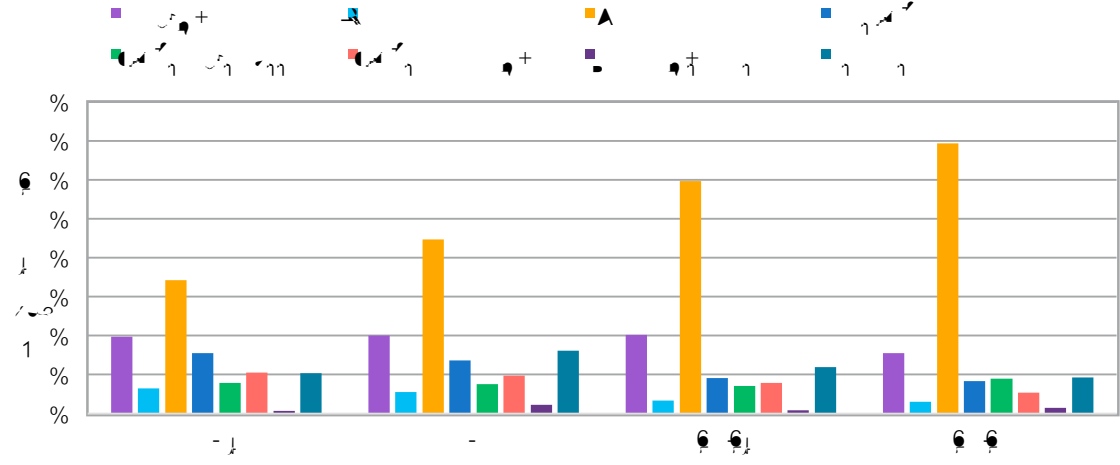
- Age-based stereotypes continue to impact the success of older people in the labour market, driving age to appear as the single most important factor that serves as an obstacle for re-employment among older people.
- Despite research showing no evidence to support the common myths related to age and work,

those are that older workers are too cautious, resent taking orders from younger workers, are unable to do heavy physical work, and are just biding their time until retirement.¹³ In addition, negative stereotypes are also applied toward older workers with respect to productivity and training.¹⁴ Older workers are thought to have lower job performance than younger workers, perhaps due to reduced physical or mental capacity or outdated skills. It is also assumed that older workers are uninterested in training and learning new skills, and that an investment of this sort by the employer will yield lower returns than on a younger employee due to reduced tenure.

The retention of older workers is critical when thinking about extending working lives, but stereotypes

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Figure 16: Reasons for Perceived Experiences of Discrimination by Age Group



Source: ELSA Wave 5

A significant barrier to re-employment for older workers relates to the attitudes held by employers, and when decisions are made based on the inaccurate application of stereotypes. These management decisions that are shaped by age-based stereotypes can affect older workers in a number of ways, leading to skills becoming obsolete, a sense of career immobility or plateau, less value placed on work, and lower self-esteem.²⁵ It can also impact the success of returning to work through influencing hiring decisions; a number of people in our focus groups felt they had been influenced by age-related stereotypes when making hiring decisions; a number of people in our focus groups felt they had been influenced by age-related stereotypes when making hiring decisions.

Access to such training is crucial, but research indicates there are challenges on two fronts. Some groups of older workers (e.g. temporary or part-time employees) tend to receive fewer opportunities, partly as employers' stereotypes reinforce lingering questions about investing in skills development for

The job centre is a complete waste of time for someone who has already had a lot of skill and experience and a demeaning [The] standard of going on training scheme is horrendous. I was out of school. On the day I went to the Job Centre I handed them my CV, did a bit of experience and gave a demonstration of things I could do in the field. I was told that they couldn't offer an idea for improvement as I had all been covered and from then on it was a waste of time. See page (50-59 focus group)

The challenges that older people experience in the job search suggests a role for support services to help them make transitions back to work and for these transitions to be more efficient and pleasant processes. However, of crucial support for returning to work appears to be unmet for purpose when it comes to older people.

As noted earlier, for people who stopped looking for work and became inactive, Job Centres were more often used by older people than younger people. At the same time, there were no age differences in job search method for those who found work after being unemployed. This implies that Job Centres may be playing a role in discouraging older people from looking for work. This is supported by findings from our focus groups, where Job Centres were accused of increasing pressure, guilt and anxiety, while not offering information adequately tailored to the needs of older people.

A one point for finding on a magic job stopped claiming, even though it means I had to eat food I couldn't eat from the machine. David (50-59 focus group)

I didn't go to a job centre because I found them unhelpful. The standard of giving advice on careers - I'd had a career. Barbara (50-59 focus group)

Essentially, there is no one-size-fits-all approach to helping older people re-enter work, and any support provided should incorporate the particular needs, expectations, and limitations of the individual. Individual needs assessments are critical to ensure that older people receive the support that suits them, including access to education and learning programmes.³¹ This call is also supported by findings related to the Mid-Life Career Review project, which looks to provide advice and guidance for people around the age of 50 related to the opportunities and risks they face with respect to their careers and working lives; results from the pilot project demonstrates that these types of reviews are welcomed by workers and carry strong potential to help people extend their working lives in a positive way.³²

Our focus group participants also emphasised the importance and benefits of individually tailored support, whether industry-specific or on general tasks like CV and application development. Without support that is shaped to fit individual needs, participants agreed that people were better off conducting their job search on their own, using family, friends, and ex-colleagues for support where possible. This underscores the idea that older people are being failed by support services, as they are left to navigate the labour market on their own, using personal resources and networks rather than of crucial support.

Previous government programmes to help people find work included a specific component targeting people aged 50+ (see Box 2). In the current scheme to provide support, work experience, and training to people out of work, the Work Programme, people aged 50+ are not specifically classified as a disadvantaged group (who receive faster referrals and support). However other qualifying criteria such as being a carer or disabled mean that many over 50s do qualify for enhanced support.

The number of older people starting on government-backed apprenticeship schemes to enter the workforce jumped in 2010/11 but recent figures for 2013/14 show that the proportion has begun to decline.³³ Still, over 45,000 people aged 45+ started funded apprenticeships in 2013/14, 10.1% of all new apprenticeships. For many older people, an apprenticeship can be used to gain employment in a skilled job, gaining new skills while receiving a wage. However, participants aged 19 and over only have to be paid £2.73 per hour during the first year, and this low wage may be a large deterrent for older people who have higher financial


³¹ Frerichs & Taylor (2005)




³² NIACE (2014)



³³ Skills Funding Agency & Department for Business, Innovation & Skills (2014)







needs and may have greater access to other income from home to that they could lose. More evidence is also needed to know whether these apprenticeships fit older people's desires and if they are also leading to more permanent employment.

Case Study 4: Lack of support and encouragement from employers

Sarah* (    0  ,  ,  )

For 26 years Sarah worked for Hansard. Due to budgetary constraints her section was closed. She was made redundant, along with everyone in her team. Although her editor told her there might still be some work, she felt what was offered was not a concrete job offer. “   ,  ,” Sarah says. She misses some of the people and access to the building and facilities. She is not working at the moment, as she is taking a sabbatical but will be looking for a part time job in 2015.

Sarah felt that her employer did little to help her stay in work after 26 years of service – “   .” She says she is now at the stage of her life where she is not looking for a career but just a reasonable job, with reasonable pay and reasonable hours. However she is mindful that due to her mother's health she may have some caring duties in the near future, which would mean a lot of travel.

She feels that there are specific challenges to an older job seeker. She got a little help from her ex-employer with updating her CV, as “   ,  2  .” Sarah feels that she has a different skills set to someone younger, “   ”. Sarah feels that there is a lack of encouragement from employers for workers to develop their careers as they get older. She completed an Open University course a few years ago, but she felt her employer did not really appreciate it. Career progression, Sarah feels, can sometimes be seen as only for younger workers.

Box 2: Previous Government Scheme to Help Older People Find Work: New Deal 50+

The New Deal 50+ was a voluntary programme aimed to help people over 50 who were looking for or considering returning to work. To be eligible for the scheme, participants had to be over 50, not in full- or part-time employment, and had to have received one of the following in the last six months: jobseekers allowance, income support, incapacity benefit, severe disablement allowance, or national insurance credit.

The scheme offered both financial incentives to re-enter the workforce and practical advice on how to find employment. People aged 50+ were offered one-to-one employment advice and help from a personal advisor at local job centres to help find suitable employment. A training grant of up to £1,500 was also available for participants of the scheme who started employment: £1,200 for improving existing skills and £300 for learning new skills. An employment credit to top-up earnings was also available for participants who found work earning under £15,000 a year, a feature found to be very well received.

New Deal 50+ was replaced in October 2009 by the Flexible New Deal, where Government paid independent providers such as charities and private companies to help people of any ages to re-enter the workforce. This scheme was compulsory for people claiming Job Seekers' Allowance for more than 12 months, and typically involved the participant undertaking a four-week work experience placement. Following claims that the scheme cost £31,870 for each person it helped re-enter the workforce, the scheme ended. However it is important to consider that the scheme was running for a relatively short period of time and that the data collected for the analysis of the cost-effectiveness of the scheme was taken between October 2009 and August 2010, a period of poor economic performance.

Sources: <http://www.delni.gov.uk/index/finding-employment-finding-staff/fe-fs-help-to-find-employment/newdeal/50-plus.htm>

Institute of Employment Studies (2001)  ,  ,          .

<http://blogs.telegraph.co.uk/news/neilobrien1/100064118/the-flexible-new-deal-was-it-really-a-disaster-and-what-can-we-learn-from-it/>

³⁴ <https://www.gov.uk/apprenticeships-guide/pay-and-holidays>

The impact of health and care

Issues related to ill health also limit older people's ability to find re-employment. These health concerns not only contribute to their early exit from the labour market, but severely limit the kinds of job opportunities they could subsequently take up if they wanted to return. But in fact, the largest proportion of economically inactive people who would like to work report permanent sickness or disability as the reason for their inactivity. We also saw earlier that the two main reasons given for inactivity following employment other than retirement were long-term sickness or disability and looking after the home or family.

This suggests that those who would be able to work in some capacity or another may be discouraged by low availability of jobs that are suitable (or perhaps are unaware of the opportunities that would help them in their journey back to work).

An individual's own health is not the only way that sickness can create an obstacle to re-employment. A growing number of older people provide care to older parents – and even sometimes also to grandchildren – as well as their partners who may be ill. For those that struggle to combine work and care, in these situations leaving work to provide care is generally the only acceptable option, even in cases where the financial resources from work are needed (particularly when the care is given to a partner also out of the labour market). Where home or family was reported earlier as the reason for inactivity, the need to provide care is likely to be a main driver for this transition.

For these people, returning to work is impossible if they cannot access the flexibility that their role as an informal care provider requires. And for those whose care responsibilities have ended, the unfortunate reality is that many of them continue to stay out of the labour market – sometimes because of the negative toll on their own health that informal care can take. For older people to have feasible opportunities to work in later life, adequate support to address the health needs of individuals as well as those under their care must be available.

Case Study 5: Disability as a barrier to employment

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Ian was a Ministry of Defence contractor for 20 years, before being headhunted in 1999, when he left to become operations director for a large company. He later set up his own successful company with friends, before moving into other roles. At 44 Ian had a stroke. For a lengthy period he was unable to walk or talk and was left unable to work. After learning to walk and talk again, Ian initially tried to re-enter the workforce, but heard a lot of excuses such as "you're too old", "you're not qualified" and "there's nothing out there for you".

With hindsight, Ian believes he faced specific challenges as an older job seeker. For example he was interviewed by the same company four or five times, each time being asked to complete different tasks to assess his skills. He realised afterwards that the company was interested in his ideas and

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Q4 2013 Status:	Inactive		Employed		Unemployed	
	%	95% CI	%	95% CI	%	95% CI
Retired	41.32%	(39.65%-43.02%)	39.89%	(32.14%-48.18%)	9.59%	(4.58%-18.98%)
Sickness/ Disability	34.91%	(33.24%-36.63%)	15.69%	(10.32%-23.14%)	41.25%	(29.30%-54.32%)
Looking after Home/Family	14.59%	(13.39%-15.87%)	14.66%	(9.63%-21.69%)	22.09%	(12.91%-35.16%)
Does Not Need/ Want Work	5.27%	(4.55%-6.09%)	8.39%	(4.80%-14.24%)	2.97%	(0.73%-11.24%)
Not Looking/ Discouraged	1.20%	(0.88%-1.63%)	7.92%	(4.31%-14.13%)	4.52%	(1.45%-13.20%)
Other	2.70%	(2.09%-3.50%)	13.45%	(8.51%-20.61%)	19.58%	(11.3%-31.76%)

Interest in Work among Inactive People Who Became Jobless at Q1 2014 by Age Group

Age Group:	16-29		30-49		50-64	
	%	95% CI	%	95% CI	%	95% CI
Would Like Work	28.06%	(19.40%-38.74%)	47.00%	(36.66%-57.60%)	24.42%	(17.75%-32.60%)
Would Not Like Work	71.94%	(61.26%-80.60%)	53.00%	(42.40%-63.34%)	75.58%	(67.40%-82.25%)
	Pop. Est.	95% CI	Pop. Est.	95% CI	Pop. Est.	95% CI
Would Like Work	40,966	(24,521-57,412)	61,038	(41,851-80,226)	37,991	(24,474-51,508)
Would Not Like Work	105,014	(76,832-133,197)	68,843	(49,025-88,662)	117,560	(95,265-139,855)

Types of Employment Found in Q1 2014 by Age Group among People Who Became Employed

Age Group:	16-29		30-49		50-64	
	%	95% CI 90% CI	%	95% CI 90% CI	%	95% CI 90% CI
Employee	81.98%	(75.82%-86.84%) (. % - .14%)	70.38%	(63.42%-76.51%) (4. % - . %)	56.17%	(48.43%-63.62%) (4 . % - 2.4 %)
Self-employment	9.68%	(5.82%-15.67%) (.32%-14. 3%)	17.56%	(12.75%-23.69%) (13.43%-22. 1%)	23.42%	(17.66%-30.37%) (1 . 1%-2 .1 %)
Government schemes	6.59%	(4.06%-10.54%) (4.3 % - . %)	8.25%	(5.01%-13.29%) (.43%-12.34%)	9.79%	(5.83%-15.97%) (.34%-14. %)
Unpaid work for family business	1.75%	(0.77%-3.94%) (0. % -3.4 %)	3.82%	(2.04%-7.02%) (2.2 % - .3 %)	10.63%	(6.88%-16.05%) (.3 % -1 .0 %)

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