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Evidence from NIACE Cymru – EOP 16

NIACE
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The National Voice
for Lifelong Learning

Y Llais Cenedlaethol
dros Ddysgu Gydol Oes

Employment opportunities for older people

Response to the Enterprise and Business Committee

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Introduction

1. The National Institute of Adult Continuing Education (NIACE) is an independent charity which promotes adult learning across England and Wales. NIACE exists to encourage more and different adults to engage in learning of all kinds. Through its research, development, publications, events, outreach and advocacy activity, NIACE works to improve the quality and breadth of opportunities available for all adults so they can benefit from learning throughout their lives. NIACE Cymru, the Welsh arm of NIACE, conducts work in Wales supported by a Strategic Group, which is made up of representatives of NIACE members in Wales. NIACE's work is driven by our strategic plan which is shaped by the needs of the adult learning sector. NIACE's current strategic priorities comprise:
 - improving the accessibility, range and quality of the life skills that underpin lifelong learning and enable adults to participate in society;
 - making learning in communities more diverse, sustainable, responsive, accountable and better connected with other types of learning; and
 - improving the range and quality of learning in and for work, in order that adults are best equipped to gain, sustain and progress in employment
2. NIACE produces high quality strategic and analytical work and has strong experience in research and development projects around learning that enhance social and economic well being. Since 1999, the Institute has worked on more than 1000 development and research projects in the UK across many fields including equality and diversity, literacy, numeracy, financial capability, digital learning, health, well being and pathways to employability for those furthest from the labour market. Further information on our work can be found at www.niacecymru.org.uk.
3. NIACE Cymru believes that adult learning – delivered across all sectors including further education, higher education, the workplace and in communities - plays a crucial role in supporting skills development and economic growth. However, there is much evidence that investing in adult learning does not only deliver educational benefits. It also improves health and well-being, assists in building strong communities, gives parents the vital skills to support their children's education, keeps an ageing population active and contributes to a prosperous and confident nation.

Employment opportunities for older people

4. NIACE Cymru welcomes the opportunity to respond to the National Assembly for Wales' Enterprise and Business Committee Inquiry into Employment Opportunities for Older People. This is an important topic, which has major consequences for the financial wellbeing of older people and future pensioner poverty levels.
5. NIACE Cymru uses the term 'adult learners' to mean those aged over 18. It is assumed that the Committee's Inquiry covers those aged over 50. The experience, life chances and background of those aged over 50 vary considerably and it is difficult to generalise for the age group as a whole. At that age, there are wide disparities in employment, income and health with those not in work having to compete for jobs with younger (and often cheaper) individuals and finding they do not have the skills to respond to the changing labour market. Various reports have shown that a person now starting work can expect to move jobs several times in their working life and that jobs will constantly change¹.

Employment, unemployment and employment support

6. Several factors, including the economic context, the increasing cost of living and the increase in the state pension age in recent years, have led to many older people remaining in work beyond the traditional age of retirement. Throughout the UK, people are continuing to work in older age, with just over 1.1 million people in the UK currently working beyond the traditional retirement age of 65.² In Wales, 52,000 people aged 65 and over are currently employed.³
7. However, Labour market statistics show that over 9,000 people between 50 and 64 claim Jobseekers Allowance in Wales, with 39% of those making long term claims (over 12 months).
8. Research carried out by the Centre for Economic and Social Inclusion – who recently formed a strategic alliance with NIACE – found that older people who

¹ Smith Institute Making It Better 2015

² http://www.ons.gov.uk/ons/dcp171778_385648.pdf

³ http://www.ons.gov.uk/ons/dcp171778_391464.pdf

are out of work face significant barriers in the labour market and spend longer unemployed than those under the age of 50.⁴

9. This research also showed that UK Government initiatives, such as the Work Programme move fewer people aged 50 and above into sustained jobs than younger people.
10. The proportion of people that are supported into sustained jobs by Work Programme providers generally declines with age, but drops steeply between the 45-49 age group and the 50-54 age group. The data does not show that this drop is caused by higher incidences of disability or long term health conditions among older people.
11. NIACE Cymru echoes the sentiments of the evidence to the Committee from Age Cymru, which suggests that older unemployed people have not been seen as a priority group for support. Jobcentre Plus advisers often lack the knowledge of specific issues facing older workers, including help with online job searches – an issue exacerbated by the focus on moving services online in line with the ongoing welfare reforms.
12. This lack of knowledge, and the fact that the need to prioritise support for older people is not recognised, could go some way to explaining the proportion of long term claims among older people, and the relative lack of success of the Work Programme with older claimants.
13. Welsh Government's Strategy for Older People in Wales says that 'a focus on retaining older workers is important for economic prosperity in Wales', with the intended outcome that 'older people who want to work are able to do so and access help with re-skilling and retraining.'
14. However, NIACE Cymru suggests that the lack of success of UK programmes is further exposed by the lack of a specific employment support strategy from Welsh Government. For example, Jobs Growth Wales – Welsh Government's flagship employment programme – is only available to young people.
15. Further to this, funding cuts made by Welsh Government to apprenticeship schemes, mean that there will be a steep decline in the number of apprenticeships offered to over 25s. The National Training Federation for Wales (NTFW) estimate that this will result in around 17,000 fewer apprenticeships for over 25s being offered in the next financial year.
16. Not only is this a significant reduction in the employment support available to older people, but it is a disincentive for employers to employ older people and help them retrain, further tipping the balance towards younger people, for whom there are a large number of employment support schemes.

Learning and skills

⁴ http://www.cesi.org.uk/sites/default/files/publications/Age%20UK%20Report%20FINAL_0.pdf

17. Lifelong learning for older people helps the individual and communities. Learning can enhance the employability of an individual, and thus reduce expenditure on out-of-work benefits, welfare payments and early retirement pensions. It is also in the interest of employers to retain older people who have developed a significant amount of knowledge and expertise.
18. Whilst the term 'NEET' – not in education, employment or training – has gained much political traction in recent times, it largely refers to young people. However, a report on community services by the Older People's Commissioner for Wales⁵ highlight the increasing number of people who may be referred to as 'NEETs' due to the necessity, largely for financial reasons, of working beyond the former State retirement age of 65.
19. The report cited above highlights the alarming number of older people not in education, employment or training. Indeed, it estimates that there are three times as many 'NEETs' aged over 50 as those aged under 25, and ten times as many as those under 19. Furthermore, it is also estimated that over 1 in 3 people between 50 and the state pension age are currently unemployed.
20. In her evidence to the committee, The Older People's Commissioner for Wales suggests that learning opportunities for older workers are now more readily supported than in the past, but we would echo her concern that part-time workers and job seekers over the age of 50 are less likely to be engaged in learning.
21. Digital exclusion presents a significant barrier to some older people retraining or re-entering the labour market, and it is crucial that digital learning opportunities are made available to upskill the estimated 42% of people over the age of 50 in Wales who are digitally excluded.⁶
22. With the economic downturn affecting the traditional models of retirement, older people must be able to access new learning and employment opportunities to remain in or re-enter the labour market. Older people require access to learning for a number of reasons. For example, with an increasing number of older people unable to afford retirement at State Pension age, the provision of learning and skill development opportunities to improve their employment prospects becomes ever more important.
23. Decreasing adult learning budgets present significant challenges to the delivery of education and training to older people. Responding to the Welsh Government's draft budget in September 2014, NIACE Cymru outlined our concerns over the £29m cut to further education⁷, which it has since been confirmed will heavily impact upon part time provision.

⁵http://www.olderpeoplewales.com/Libraries/Uploads/The_Importance_and_Impact_of_Community_Services_within_Wales.sflb.ashx

⁶ Welsh Government Digital Inclusion Delivery Plan 2014

⁷ <http://www.niacecymru.org.uk/news/draft-budget-sends-mixed-messages-adult-learning>

24. In this current context, education providers face enormous challenges in continuing to offer the same depth of learning opportunities to older people that has traditionally been available. Without these learning opportunities, many will face reduced employment prospects.
25. Between 2003 and 2013, there was an almost 50% drop, from 90,000 people to 48,000 people enrolling on part-time courses in Wales.⁸ Halting this decline could bring both economic and health benefits to many individuals in Wales, and especially to older people looking to upskill, retrain or re-enter the labour market.

Conclusions

26. NIACE Cymru recognises the financial pressures on education budgets in Wales. However, older people have traditionally been ignored in the development of education and employment policy. Now people are expected to change jobs frequently and the nature of work is constantly evolving. There is a skills gap amongst older workers which means they are disadvantaged in the jobs market. This is damaging to the Welsh Government, to business and local communities and particularly to individuals.
27. NIACE Cymru urges the Welsh Government to develop a policy that recognises the employment challenges facing older workers, the contribution that older workers make to the Welsh economy and the importance of having a highly skilled workforce covering young and older workers who are responsive to the needs of a global economy.

⁸ <http://www.walesonline.co.uk/news/wales-news/prince-wales-charity-calls-end-7210131>