

Enterprise and Business Committee

Meeting Venue:

Committee Room 3 – Senedd

Meeting date:

29 January 2015

Meeting time:

09.15

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



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Agenda

1 Briefing Session on the Inquiry (in private) (09:15–09:50) (Pages 1 – 17)

Attached Documents:

Research paper – Statistics

Research paper – Summary of written evidence

2 Introductions, apologies and substitutions

3 Office of the Older People's Commissioner (09.50–10.50)

(Pages 18 – 61)

Daisy Cole, Director of Wellbeing and Empowerment, Office of the Older People's Commissioner for Wales

Iwan Williams, Communities, Local Government and Wellbeing Lead, Office of the Older People's Commissioner for Wales

Attached Documents:

Research paper

EBC(4)-03-15 (p.1) Older People's Commissioner for Wales

Break (10.50-11.00)

4 Jobcentre Plus (11.00-12.00)

Huw Thomas, Senior Group Partnership Manager (Wales), Jobcentre Plus

Kevin Morgan, Group Partnership Manager (Wales), Jobcentre Plus

Break (12.00-13.00)

5 Age Alliance and Age Cymru (13.00-14.00) (Pages 62 - 78)

Graeme Francis, Head of Policy and Public Affairs, Age Cymru

David Pugh, Chief Executive, Age Alliance/Prime Cymru

Hayley Ridge-Evans, Director of Operations, Age Alliance/Prime Cymru

Attached Documents:

Research paper

EBC(4)-03-15 (p.2) Age Cymru

EBC(4)-03-15 (p.3) Age Alliance Wales

EBC(4)-03-15 (p.3A) Prime Cymru

6 Motion under Standing Order 17.42 to resolve to exclude the public from the remainder of the meeting (14:00)

De-brief (14.00-14.15)

7 Draft Report on Assisting Young People into Work (14.15-15.00)

(Pages 79 - 142)

Attached Documents:

Draft report

8 Papers to note

8.1 Follow-up Inquiry into Science, Technology, Engineering and Mathematics (STEM) Skills: Response from the Deputy Minister for Skills and Technology to the letter from the Chair on 27 November (Page 143)

Attached Documents:

EBC(4)-03-15 (p.4) Letter from the Deputy Minister for Skills and Technology

Agenda Item 1

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Agenda Item 3

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[National Assembly for Wales](#)

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[Employment opportunities for people over 50](#)

Evidence from Older People's Commissioner for Wales – EOP 05



Older People's Commissioner for Wales
Comisiynydd Pobl Hŷn Cymru

**Response from the Older People's
Commissioner for Wales**

to the

**National Assembly for Wales' Enterprise
and Business Committee Inquiry into
Employment opportunities for older people**

January 2015

For more information regarding this response please contact:

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About the Commissioner

The Older People's Commissioner for Wales is an independent voice and champion for older people across Wales, standing up and speaking out on their behalf. She works to ensure that those who are vulnerable and at risk are kept safe and ensures that all older people have a voice that is heard, that they have choice and control, that they don't feel isolated or discriminated against and that they receive the support and services they need. The Commissioner's work is driven by what older people say matters most to them and their voices are at the heart of all that she does. The Commissioner works to make Wales a good place to grow older - not just for some but for everyone.

The Older People's Commissioner:

- Promotes awareness of the rights and interests of older people in Wales.
- Challenges discrimination against older people in Wales.
- Encourages best practice in the treatment of older people in Wales.
- Reviews the law affecting the interests of older people in Wales.

Employment opportunities for older people

1. As the Older People's Commissioner for Wales I welcome the opportunity to respond to the National Assembly for Wales' Enterprise and Business Committee Inquiry into Employment opportunities for older people¹. I have outlined the Committee's terms of reference below.
2. This is a key issue for many older people and addressing employment opportunities for older people is welcomed. The recruitment and retention of older people in the workforce in Wales is a crucial issue that helps individuals, communities and economies. As I have previously said, it is essential that action is taken to address the growing number of older people not in education, employment or training (NEETs) in Wales and reduce the number of older people who are unemployed long-term and struggling to find work. Older people have a wide range of skills and expertise that could be better utilised by employers in Wales, however they must also be able to access opportunities to learn and develop new skills, vital to increase their employment prospects in an increasingly competitive jobs market².

Context

3. There are almost 800,000 people aged 60 and over in Wales, over a quarter of the population, and, in the next twenty years, this is expected to exceed one million people. The fact that Wales is a nation of older people should be seen as something positive.

¹ <http://www.senedd.assembly.wales/mgConsultationDisplay.aspx?id=153&RPID=546214&cp=yes>

² <http://www.walesonline.co.uk/news/wales-news/prince-wales-charity-calls-end-7210131>

4. Older people make a huge contribution to Wales' communities and economies. Many older people remain economically active past retirement age, participating in full or part-time employment and continuing to pay tax, volunteering and providing invaluable childcare services for friends and family. They have a wealth of knowledge, skills and experience and, provided with adequate services and facilities, they can continue to make a significant contribution to their communities and the wider economy³.

5. After accounting for costs relating to pensions, welfare and health, older people:

- Make a net contribution worth over £1 billion a year to the Welsh economy, almost £3 million a day;
- Their contribution will total almost £27 billion over the next twenty years;
- The value of volunteering by older people in Wales, the 'hidden army', is estimated at £469 million. Around a third of older people in Wales volunteer, and informal volunteering helps alleviate the demand on public services⁴. Together with childcare, the value is around £750 million per year⁵;
- A 2011 study suggests that by 2030, older people will benefit the economy by around £291.1 billion, compared to projected welfare costs of £216.2 billion.

6. Older workers' skillsets and experience is currently underappreciated and undervalued in the workplace. Provided with support and encouragement, flexibility and tailored skills and learning development opportunities, older people can contribute so much more to communities and economies at local and national levels through employment.

- **The barriers that face older people trying to re-enter the labour market**
- **The extent of age-discrimination and its impact on the recruitment of older people**
- **Whether there are any disadvantages to older people re-entering the labour market**

7. An increasing number of older people need to, or decide to, work for longer. Working beyond retirement age is a choice for some and a necessity for others: the 2011 abolition of the compulsory retirement age at 65 years has been a real positive step for older workers⁶. The introduction of the new State Pension in 2016 may impact on the need for older people to continue in employment, and removing National Insurance contributions and the promotion of flexible working arrangements may incentivise older workers to continue in employment⁷.
8. Working has a range of benefits for the physical and mental wellbeing of older workers. However, older people, and particularly those between 50 and State Pension age, face a number of barriers that prevent them from remaining in, or re-entering, the labour market. Some older workers have health issues, whilst others may need to update their skills to reflect the current work environment. Workers with caring responsibilities need flexible working practices to balance the demands placed on them.
9. With an ageing working population, workforces that span four generations ('4G' workforces) and people working into their seventies or even eighties will become a more common feature across Wales. It is crucial that Wales maximises the potential of the 'Boomerangst' generation⁸. By 2020 a third of the working-age population will be over 50 years old⁹. Despite these changes, the evidence suggests that older people face a number of barriers in remaining in or re-entering the labour market. For example:

⁶ <http://www.ageuk.org.uk/cymru/work-and-learning/default-retirement-age/>

⁷ <https://www.gov.uk/new-state-pension/overview>

⁸ <http://www.21stcenturychallenges.org/focus/britains-greying-population/>

⁹ <http://www.theguardian.com/society/2012/apr/15/unemployed-older-workers-struggle-to-find-work>

- Over 1 in 3 people between 50 and State Pension age in Wales are jobless. This amounts to over 214,000 people (an estimated 62,000 younger people are unemployed)¹⁰;
- Older jobseekers are more than twice as likely to still be long term unemployed than younger jobseekers: more than 40% of unemployed men aged over fifty are still jobless after a year compared with 18% of young men. It is suggested that older women are better skilled to 'bounce back' from job losses¹¹¹²;
- There are four times as many NEETs over 50 as there are under 25, and 10 times as many as there are under 19¹³;
- People in their fifties are more than twice as likely to have no qualifications compared with people under 35 years old: 15% of people aged 50 and over in Wales have no formal qualifications¹⁴;
- People made redundant after the age of 50 are more likely to die than find another job¹⁵;
- Research suggests that 60,000 older people could be assisted back to employment given appropriate support¹⁶.

Discrimination

10. A 2014 report found that more people over the age of 50 are involuntarily pushed out of work through a combination of ill health, redundancy and early retirement than any other age group, with potentially disastrous implications for their long-term financial wellbeing. Much of this labour market exit could be prevented through increased support from employers. Once out of work, people over 50 face a real struggle to 'get back in', meaning that

⁹ <http://www.primecymru.co.uk/older-jobseekers-discriminated-against-in-wales/>

¹¹ <http://www.walesonline.co.uk/news/wales-news/prince-wales-charity-calls-end-7210131>

¹² http://taen.org.uk/uploads/resources/Impact_of_the_recession_on_older_workers_media_briefing.pdf

¹³ <http://wales.gov.uk/docs/statistics/2013/130724-young-people-not-education-employment-training-year-31-march-2013-en.xls>

¹⁴ Annual Population Survey, accessed via NOMIS

¹⁵ <http://www.walesonline.co.uk/news/wales-news/prince-wales-charity-calls-end-7210131>

¹⁶ 'Improving Employment Prospects for the over 50s' (Prime Cymru, Smallwood (2008))

they never return to the workforce and consequently have an adverse impact on their wellbeing¹⁷.

11. Ageism and discrimination remains a key barrier for older workers and older entrepreneurs. Age-old stereotypes involving older workers, such as slower productivity compared with younger workers, resistance to management, and difficulty in adapting to technological change, persist. Research in 2009 suggested that 65% of older people believe age discrimination still exists in the workplace, whilst a survey undertaken by The Age and Employment Network (TAEN) found that 63% of older jobseekers believed that employers see them as 'too old' and only 9% could say they had not experienced age discrimination when seeking employment¹⁸¹⁹.

12. Providing people who are aged 50 and over with the same chances as anyone else to gain employment and retrain is crucial. The Equality Act 2010 and associated Public Sector Equality Duty (PSED) should ensure that older workers are not discriminated against on the grounds of age (further information may be found in Appendix A)²⁰. Regrettably, the labour market, employment training and skills programmes and schemes, careers advice and the whole discourse around employment focuses very much on young people at the expense of older workers.

13. Some good practice exists in terms of employers recognising the benefits of an age-diverse workforce. Large retail companies such as B&Q have led the way in terms of employing older workers and consider the needs of an age-diverse workforce²¹. Whilst such schemes and approaches are welcomed it is important to remember that older workers have a wide and diverse range of employment options to them to reflect their needs and skills,

¹⁷ <http://www.prime.org.uk/wp-content/uploads/2014/10/PRIME-report-the-missing-million.pdf>

¹⁸ <http://www.assembly.wales/Laid%20Documents/CR-LD7800%20-%20Report%20from%20the%20Equality%20of%20Opportunity%20Committee%20on%20Older%20People%20and%20Employment%20Discrimination-25112009-153959/cr-ld7800-e-English.pdf>

¹⁹ http://taen.org.uk/uploads/resources/Impact_of_the_recession_on_older_workers_media_briefing.pdf

²⁰ <http://www.equalityhumanrights.com/sites/default/files/documents/EqualityAct/employercode.pdf>

²¹ <http://www.cipd.co.uk/NR/rdonlyres/3648985D-87D5-4BC6-A2D9-DA565F0F4B3E/0/...>

beyond the retail sector and across the public and private sectors. Employers across Wales must consider older workers as valuable assets and recognise their positive attributes, such as a strong work ethic, reliability and loyalty, business experience and specialised skills²².

14. Tackling discrimination and out-of-date attitudes towards older workers and ensuring that employers across Wales are better prepared to manage an age-diverse workforce is crucial. However, a 2014 report found that only 31% of employers have an HR strategy for managing their ageing workforce despite recognition that the UK's working population is getting older²³. Working cultures need modernising: employers who promote generational diversity and develop a multi-generational workforce are more successful and better able to retain the skills of older workers, whilst also developing the younger workforce²⁴.
15. In order to fully derive the benefits of employing older workers, employees must fully consider the needs of an ageing workforce, including flexible working practices and hours for those with caring responsibilities, targeted learning and skills development opportunities to adapt to technological advances, and ensuring that working environments are adequate and inclusive e.g. health promotion schemes, appropriate light and noise levels through environmental assessments, and ergonomic changes to react to any postural, physical and functional needs.
16. With the public sector workforce in Wales shrinking by 40,000 over the past five years²⁵, employers need to be proactive and urgently consider ways of re-engaging with people aged 50 and over in the labour market. For example, with a third of the NHS workforce over 50 years old, a Working Longer Group has

²² Welsh Government Labour Market Intelligence Project: Opportunities for Learning and Employment amongst people aged 50+ in Wales (November 2014)

²³ <http://www.cipd.co.uk/pm/peoplemanagement/b/weblog/archive/2014/03/24/prepare-for-4g-age-diverse-workforce-now-cipd-urges-employers.aspx>

²⁴ Welsh Government Labour Market Intelligence Project: Opportunities for Learning and Employment amongst people aged 50+ in Wales (November 2014)

²⁵ <http://www.walesonline.co.uk/business/business-news/revealed-wales-shrinking-public-sector-7299498>

been established to address the twin challenges of potential staff shortages and the needs of an ageing population. Some of the Group's recommendations could be taken forward by other employers in Wales, such as advice and support regarding retirement decision making, the importance of appropriate working arrangements, and good practice occupational health, safety and wellbeing²⁶.

17. Far from being a burden on employers, evidence suggests that tapping into the talent pool of older workers is absolutely essential if businesses want to grow and thrive over the coming years rather than stagnate and decline. Older people want to work and contribute: across the UK, it is estimated that 1.2 million people aged over 50 would be willing to work if the right opportunities arose, adding around £50bn to the UK economy²⁷.
18. The Welsh Government could raise awareness amongst businesses and employers across Wales that discrimination on the grounds of age is unacceptable and highlight the benefits of a multi-generational workforce and employing people of all ages. Work remains to build on the recommendations issued in the National Assembly's 2009 report on Older People and Employment Discrimination, specifically the need for the Welsh Government to reduce the barriers to older people working and setting up businesses through the identification of their needs and provision of specifically tailored support, and address the lack of robust monitoring and evaluation of the extent of discrimination against older workers²⁸.
19. Furthermore, a consistent approach is required to measure and report the number of older NEETs in the same way as younger NEETs. Older NEETs are currently facing discrimination and their numbers and circumstances are not being fully captured,

²⁶ <http://www.nhsemployers.org/case-studies-and-resources/2014/07/working-longer-group-presentation-for-employers>

²⁷ <http://www.prime.org.uk/wp-content/uploads/2014/10/PRIME-report-the-missing-million.pdf>

²⁸ <http://www.assembly.wales/Laid%20Documents/CR-LD7800%20-%20Report%20from%20the%20Equality%20of%20Opportunity%20Committee%20on%20Older%20People%20and%20Employment%20Discrimination-25112009-153959/cr-ld7800-e-English.pdf>

leading to them being at the margins of employers' priorities and employment schemes and remaining as the 'forgotten' workforce²⁹.

20. With the focus on flexible working patterns, 'being your own boss', independence and doing something that appeals and matters to individuals, self-employment, business start-ups and encouraging entrepreneurship are important ways in re-engaging older workers in the labour market. Whilst it is encouraging that the number of people working for themselves after 65 has doubled over the past five years³⁰, it is crucial that older workers across Wales are aware of advice and information services such as Prime Cymru³¹ to help them with self-employment options. Mentoring schemes and appropriate quality training products and services can make a real difference in ensuring that older workers can navigate their way towards self-employment and start-ups.

21. Offering those over 50 with career reviews and digital learning, as proposed by the UK Government during a forthcoming trial in April 2015, could help in this regard, and I expect this trial to include an 'older worker champion' for Wales in order to fully address the needs and circumstances of older workers across Wales³².

Dispelling myths: Younger v Older Workers

22. Too often there is a misconception that employing older people means that younger people are missing out on much-needed employment. On the contrary, evidence suggests that employing older people does not mean that younger people are 'crowded out' of the labour market and that there is room in our labour market for a diverse, intergenerational workforce³³.

²⁹ <http://www.primecymru.co.uk/older-jobseekers-discriminated-against-in-wales/>

³⁰ <http://www.bbc.co.uk/news/uk-wales-29067642>

³¹ <http://www.primecymru.co.uk/self-employment/>

³² <http://www.bbc.co.uk/news/uk-30559219>

³³ <http://www.prime.org.uk/wp-content/uploads/2014/10/PRIME-report-the-missing-million.pdf>

23. Whilst myths remain that older workers are ‘desk-blocking’ younger people, there is much evidence that an age-diverse workforce is mutually beneficial: younger workers benefit from the skills and experience of older colleagues as mentors, whilst older workers can learn much from their younger colleagues in a rapidly-changing, technologically-driven working arena³⁴.
24. Furthermore, the contribution of older people to support younger workers is significant: research suggests that people over 50 supported 5.7 million jobs in the UK economy in 2013 through their expenditure, with some 878,000 full-time jobs for young people boosted by the spending power of those over 50³⁵.

Learning

25. Lifelong learning for older people helps the individual and the State: learning enhances employability and reduces expenditure in unemployment benefits, welfare payments and early retirement pensions. Having accumulated a significant amount of knowledge and expertise, it is also in the interests of employers to retain older people in employment, particularly in sectors such as manufacturing, education and healthcare, which are heavily reliant on older workers³⁶.
26. Whilst learning opportunities for full-time older workers are now more readily supported than in the past, part-time workers and job seekers over 50 are less likely to be engaged in learning. With working practices increasingly dependent on ICT and online services, digital learning is crucial to upskill the estimated 42% of people aged 50 and older in Wales who are digitally excluded³⁷. Learning opportunities that help older workers prepare for retirement or semi-retirement should be more widely available, especially for those whose jobs are physically demanding. These

³⁴ <http://www.theguardian.com/society/2014/aug/05/case-for-age-diverse-workforce>

³⁵ The Saga Generations: Supporting employment across the UK economy (June 2014)

³⁶ http://www.olderpeoplewales.com/en/Publications/pub-story/14-02-25/The_Importance_and_Impact_of_Community_Services_within_Wales.aspx

³⁷ Welsh Government Digital Inclusion Delivery Plan 2014

opportunities can lead to further learning and wider economic activity beyond their chosen career path. However, few employers offer such courses, especially for lower paid and less skilled staff.

27. It is good for the individual, the community and the economy for older people to be engaged in some form of employment, education or training. Learning for older people has a range of benefits, such as promoting full economic and societal participation, contributing towards personal wellbeing and fulfilment, and increasing efficiency as workers or volunteers. This complements the Welsh Government's Programme for Government, ensuring that all people have relevant skills for employment³⁸.
28. 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.
29. I am however very concerned about the future of adult learning in Wales: reducing the budget for post-16 education by £29m in 2015-16 will mean fewer lifelong learning opportunities for older people, which will have an adverse impact on their employment prospects³⁹. Whilst more than 90,000 people over fifty enrolled on part-time courses in Wales in 2003, this figure dropped to fewer than 48,000 by 2013⁴⁰. Furthermore, with students over 60 years old representing only 1.8% of all enrolments in 2012/13⁴¹, every effort must also be made to increase the numbers of older

³⁸ <http://cynnalcyrmru.com/sites/default/files/Programme%20for%20Government.pdf>

³⁹ <http://www.niacecymru.org.uk/news/draft-budget-sends-mixed-messages-adult-learning>

⁴⁰ <http://www.walesonline.co.uk/news/wales-news/prince-wales-charity-calls-end-7210131>

⁴¹ <https://stats.wales.gov.uk/Catalogue/Education-and-Skills/Post-16-Education-and-Training/Higher-Education/Students/Enrolments-at-Welsh-HEIs/HEEnrolmentsAtWelshHEIs-by-Gender-Age-Level-Mode>

students attending Welsh Higher Education Institutions as a route to gain relevant qualifications and learning for employment.

- **The effectiveness of the Welsh Government's Strategy for Older People 2013-23 in assisting older people into work**
- **The support that is most effective for older people trying to re-enter the labour market**

30. I welcome the references in the Strategy to the barriers that older workers face, and the importance of retaining older workers for economic prosperity in Wales. For Wales to remain competitive, it is indeed crucial to provide people who are 50 years and older with the same chances as anyone else to gain employment and retrain. I also welcome the reference that older people want more opportunities and support to find new employment. The Strategy states the harsh reality that faces older workers: older people who are unemployed are more likely to be long-term unemployed; around 45% of unemployed people aged 50-64 have been unemployed for a year or more compared to 30% of 18-24 year olds and 38% for 25-49 year olds⁴².

31. A key outcome in the Strategy is that by 2023 older people who want to work are able to do so and can access help with reskilling and retraining. Given the current situation and the numerous barriers that older workers continue to face, much more needs to be done if the Welsh Government is to achieve this employment outcome. Through a joined-up, integrated approach across Government, the Strategy must be complemented and supported by a range of schemes and Programmes that recognises the immense benefits of recruiting and retaining older workers.

⁴² <http://wales.gov.uk/docs/dhss/publications/130521olderpeoplestrategyen.pdf>

32. The Strategy mentions the key policies and strategies to achieve this employment outcome, including the Wales Economic Growth Fund, Skills Growth Wales, Workforce Development Programme, Carers Strategy⁴³, and Health Work and Wellbeing Action Plan for Wales 2011-15⁴⁴. Although the Carers Strategy does recognise the value and contribution of older carers, I express concern regarding the relevancy of some of the other Programmes:

- Applications for the Wales Economic Growth Fund closed in 2013, whilst new applications for Skills Growth Wales and the Workforce Development Programme are currently closed or on hold;
- The Health, Work and Well-being Action Plan for Wales 2011-15 makes no reference to the specific challenges and circumstances of older workers;
- In addition, the Older People's Skills Strategy, a much-needed document to address the importance of skills in ensuring that older people remain in or re-enter work, has yet to be published.

33. Furthermore, whilst the Welsh Government's 2014 Policy Statement on Skills⁴⁵ and Skills Implementation Plan⁴⁶ may apply to people of all ages, it makes no reference to the specific skillsets that older workers need to remain in or return to the workforce e.g. renewed qualifications, IT skills. A targeted programme for older workers, similar to the success in addressing youth employment via Jobs Growth Wales, is needed to utilise the largely untapped resource of unemployed people aged between 50 and the State Pension age. Alternatively, and as suggested by Prime Cymru, the Welsh Government could open up Jobs Growth Wales to people of all ages, ensuring equal treatment and access to employment opportunities.

⁴³ <http://wales.gov.uk/docs/dhss/publications/130613strategyen.pdf>

⁴⁴ <http://wales.gov.uk/docs/phhs/publications/110517actionplanency.pdf>

⁴⁵ <http://wales.gov.uk/docs/dcells/publications/140129-policy-statement-on-skills-en.pdf>

⁴⁶ <http://wales.gov.uk/docs/dcells/publications/140714-skills-implementation-plan-en.pdf>

34. Helping older people to return to work is a key issue. The longer a person aged 50 and over remains unemployed, the more likely it is that he/she will never return to the labour market. Numerous rejections and unsuccessful applications and a labour market that is geared towards young people can have a devastating impact on an older person's mental health, leading to a loss of confidence, stress, a feeling of uselessness and depression⁴⁷. In order to re-engage the 'forgotten' workforce, persistent long-term unemployment among people aged 50-64 is an issue that employers urgently need to address⁴⁸.
35. It is crucial that the Welsh Government and employers in Wales learn from good practice in other regions and countries where the value of older workers and the need to prevent involuntary exits from the labour market is recognised e.g. BMW in Bavaria where working environments have been adapted to accommodate older workers, meaning relatively little investment for considerable return in productivity and economic output⁴⁹, and the development of comprehensive programmes, targeted skills and training and a commitment to flexibility in working practices to achieve longer working lives in Finland⁵⁰.

Ageing Well in Wales

36. I am proud to chair Ageing Well in Wales, the five year national partnership programme launched in October 2014 to improve the wellbeing of people aged 50+ in Wales⁵¹. Opportunities for Learning and Employment is one of the Programme's five priority networks, and key partners, including the Welsh Government, the National Partnership Forum, Wales Council for Voluntary Action, Prime Cymru and Niace Dysgu

⁴⁷ <http://www.theguardian.com/society/2012/apr/15/unemployed-older-workers-struggle-to-find-work>

⁴⁸ <http://www.saga.co.uk/money/news/2014/january/employment-boost-for-the-over-50s-but-it-is-still-hard-for-older-people-to-find-a-job.aspx>

⁴⁹ Welsh Government Labour Market Intelligence Project: Opportunities for Learning and Employment amongst people aged 50+ in Wales (November 2014)

⁵⁰ <http://eurofound.europa.eu/observatories/eurwork/comparative-information/national-contributions/finland/finland-the-role-of-government-and-social-partners-in-keeping-older-workers-in-the-labour-market>

⁵¹ <http://www.ageingwellinwales.com/Libraries/Documents/AWFinalEnglish.pdf>

Cymru, will be working together over the next five years to achieve the network's overarching aim: to ensure the experience of older people in Wales is optimised through continued learning and employment.

37. Tackling age discrimination and recognising the value and worth of older people in Wales will be a key feature in the work of this network. The network will aim to increase the recognised value of older people through further learning, employment and volunteering opportunities. By achieving its aims and outcomes, the network will also address another of the Programme's networks, Loneliness and Isolation.
38. The network can also help develop any pilots or programmes in Wales that helps in re-engaging older people with the labour market. With very few economically inactive people over 50 claiming Jobseeker's Allowance (JSA) (it is estimated that 1.5% of people aged 50-64, fewer than 9000 people, claim JSA in Wales⁵²), the network can support new approaches to helping older people back into work, focusing on key barriers such as health issues and caring responsibilities, and encouraging the take-up of part-time work and mentoring roles better suited to the circumstances of older workers⁵³.
39. I am keen to ensure that Ageing Well in Wales maximises funding opportunities from domestic and European funding streams across the five priority networks. The Programme, through its links with the European Innovation Partnership for Active and Healthy Ageing, will look to access funding from the EU Structural and Investment Funds, particularly the emphasis on tackling poverty through sustainable employment and skills for growth in the European Social Fund (ESF) for Wales' regions in the 2014-2020 programming period⁵⁴. This emphasis must improve employment opportunities for people of all ages across Wales.

⁵² <https://www.nomisweb.co.uk/reports/lmp/gor/2013265930/report.aspx>

⁵³ <http://www.ftadviser.com/2014/12/29/regulation/eu-legislation/governments-must-rethink-retirement-altmann-iliuDD5ROjXESHGxN39iAJ/article.html>

⁵⁴ <http://wefo.wales.gov.uk/programmes/?lang=en>

Conclusion

40. The case for recruiting and retaining older people in the workforce is compelling, and the case for working longer has never been stronger. As the evidence suggests, employment opportunities for older people benefits the individual, the community and economies at local and national levels. With an ageing population and increased longevity, more and more older people across Wales will need to work for longer to make ends meet. Engaging with older workers and ensuring they have the right skills, qualifications and experience to remain in or re-enter the workforce is no longer a choice but a necessity: UK employers are expected to need to fill around 13.5 million vacancies in the next ten years but only 7 million young people will leave education over that period⁵⁵. Furthermore, evidence suggests that reinforcing the workforce with older workers could boost economic output by up to 5.6% of GDP (an additional £88.4bn in 2014)⁵⁶.
41. I look forward to working with the Welsh Government and other key partners to ensure that the employment prospects for older people are improved, and that the advantages of an age-diverse workforce are recognised, benefiting the wellbeing of the individual and improving Wales' economic performance and workforce in the process.

⁵⁵ <http://www.theguardian.com/society/2012/apr/15/unemployed-older-workers-struggle-to-find-work>

⁵⁶ <http://www.prime.org.uk/wp-content/uploads/2014/10/PRIME-report-the-missing-million.pdf>

Appendix A: Equality Act, Declaration of Rights for Older People in Wales, UN Principles

Equality Act

Under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011⁵⁷ the Specific Duties in Wales set out the steps that listed bodies must take to demonstrate they are paying due regard to the General Duty under the Act.

Employment Information must be collected and published by public bodies as part of these requirements. This information must include:

- people who have applied for jobs with the authority over the last year;
- employees who have applied to change position within the authority, identifying how many were successful in their application and how many were not;
- employees who have applied for training and how many succeeded in their application;
- employees who completed the training;
- employees involved in grievance procedures either as a complainant or as a person against whom a complaint was made;
- employees subject to disciplinary procedures;
- employees who have left an authority's employment.

There would still seem little understanding of the implications of the inclusion of age as a protected characteristic under the law. The Older People's Commissioner for Wales is not convinced that the public sector in Wales is complying with the statutory commitments to guard against age discriminatory practices.

⁵⁷ <http://www.legislation.gov.uk/wsi/2011/1064/contents/made>

Indeed, there is anecdotal evidence that older workers employment opportunities are being adversely impacted as they are targeted for early retirement by public sector employers as part of austerity measures. The extent to which effective Equality Impact Assessments are conducted to inform these policies and procedures is also questionable.

The Declaration of Rights for Older People in Wales

The Declaration was launched by the Older People's Commissioner for Wales and the then Welsh Government Deputy Minister for Social Services in July 2014⁵⁸. Although it has no statutory basis, the Declaration offers a clear commitment on the part of Welsh Government and another example of the policy divergence in terms of how we treat older people in Wales.

The Declaration includes the following statement:

“I have the right to work, develop, participate and contribute
My life does not come to an end because I have reached a certain age. I have a right to work. I have a right to full involvement in my own community. I have a right to thrive and to continue learning, developing and growing. I have a right to support so I can continue contributing. I have a right to explore new things.”

UN Principles

The United Nations Principles for Older Persons were adopted by the UN General Assembly (Resolution 46/91) on 16 December 1991⁵⁹. Governments were encouraged to incorporate them into their national programmes whenever possible. There are 18 principles, which can be grouped under five themes: independence, participation, care, self-fulfilment and dignity.

The Principles acknowledge:

1. the tremendous diversity in the situations of older persons, not only between countries but within countries and between individuals;
2. that individuals are reaching an advanced age in greater numbers and in better health than ever before;

⁵⁸ <http://wales.gov.uk/topics/health/publications/health/strategies/rights/?lang=en>

⁵⁹ <http://www.ohchr.org/EN/ProfessionalInterest/Pages/OlderPersons.aspx>

3. that scientific research disproves many stereotypes about inevitable and irreversible decline with age;
4. that in a world characterized by an increasing number and proportion of older persons, opportunities must be provided for willing and capable older persons to participate in and contribute to the ongoing activities of society;
5. that the strain on family life in both developed and developing countries requires support for those providing care to frail older persons.

The Older People's Commissioner for Wales is legally obliged to have regard to these Principles and is pleased to do so. They are Principles which should be considered by all organisations and regarded as a framework for their treatment of older people.

Independence

1. Older persons should have access to adequate food, water, shelter, clothing and health care through the provision of income, family and community support and self-help.
2. **Older persons should have the opportunity to work or to have access to other income-generating opportunities.**
3. **Older persons should be able to participate in determining when and at what pace withdrawal from the labour force takes place.**
4. **Older persons should have access to appropriate educational and training programmes.**
5. Older persons should be able to live in environments that are safe and adaptable to personal preferences and changing capacities.
6. Older persons should be able to reside at home for as long as possible.

Participation

1. **Older persons should remain integrated in society, participate actively in the formulation and implementation of policies that directly affect their well-being and share their knowledge and skills with younger generations.**
2. **Older persons should be able to seek and develop opportunities for service to the community and to serve as volunteers in positions appropriate to their interests and capabilities.**

3. Older persons should be able to form movements or associations of older persons.

Self-Fulfilment

1. **Older persons should be able to pursue opportunities for the full development of their potential.**
2. Older persons should have access to the educational, cultural, spiritual and recreational resources of society.

Agenda Item 5

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[National Assembly for Wales](#)

[Enterprise and Business Committee](#)

[Employment opportunities for people over 50](#)

Evidence from Age Cymru – EOP 02

1. Introduction

1.1 Age Cymru is the leading national charity working to improve the lives of all older people in Wales. We believe older people should be able to lead healthy and fulfilled lives, have adequate income, access to high quality services and the opportunity to shape their own future. We seek to provide a strong voice for all older people in Wales and to raise awareness of the issues of importance to them.

2. Context

2.1 We are pleased to respond to the Enterprise and Business Committee's inquiry into employment opportunities for older people. This is an important topic which has major implications for the financial wellbeing of older people and future pensioner poverty levels.

2.2 More people are working for longer than ever before. For some this is through choice, while for others a combination of economic factors and policies such as the raising of the State Pension Age mean that continuing to work is a financial imperative. Following the abolition of the default retirement age in 2011, employees can no longer be forced to retire just because they turn 65.

2.3 Nevertheless, remaining in work or finding new employment once considered 'older' is still a significant challenge for many people. Despite being illegal under the Equality Act 2010, age discrimination is still rife and older workers – typically those aged 50 and over – still face barriers in accessing work and training.

2.4 An ageing population may bring challenges but it is also a notable success and a significant opportunity. To fully grasp this opportunity we must put aside outdated assumptions and recognise the skills and value that older people bring as employees and contributors to wider society and to the economy.

2.5 Older workers may also need to think differently about work and their own retirement aspirations than they would have done in the past. This might include consideration of their motivation to continue in work and where their skills could best be used. Because individual motivation will vary, the same roles, salaries and training or re-training opportunities will not be appropriate for everyone. Employers and governments should resist focusing on generic working practices or development programmes, such as assuming older employees will need to improve their I.T. skills.

3. Employment and unemployment rates

- 3.1 Because of a combination of factors more people are continuing to work in older age with just under 1.1 million people currently working past this age in the UK.¹ In Wales, 53,000 people aged 65 and over are currently employed, an increase of 14% over the year to March 2014. Just over 9% of this age group is in employment in Wales.²
- 3.2 Over recent months the employment rate in the UK has increased significantly to the highest level since early 2005. However, over the same period the unemployment rate for men aged 50 and over fell by several percentage points less than for men in younger age groups and the number of unemployed women aged 50 and over was largely unchanged.³ This suggests particular difficulties in finding work for these groups and for older women in particular, though the gradual increase in female State Pension Age may also be having an effect.
- 3.3 People aged 50 and over also tend to be unemployed for longer than other age groups. Data on the number of people claiming Job Seekers Allowance (JSA) in Wales (the 'Claimant Count') shows that 41% of people in this age group have been claiming for more than 12 months, compared to 34% of those aged 25-49 and 18.5% of people 18-24.⁴ The average spell of unemployment for someone aged 50-59 lasts 3.4 months longer than for someone aged 18-24, and 2.1 months longer than for a 35-49 year old.⁵
- 3.4 The reasons for this are individual and varied. They include ageism among employers, outdated qualifications, and for some people a lack of IT skills or declining self-confidence. For the country this is a waste of skills, and for the individual it is often devastating in relation to personal finances, health and self-esteem.

4. Employment support

- 4.1 Part of the picture is that older jobseekers often find they are unable to access adequate back-to-work support. Until recently, older unemployed people have not been seen as a priority group for support and Jobcentre Plus advisers have lacked knowledge of the specific issues facing older workers, for example how to minimise the effects of age discrimination or help with online job searching. However there are now indications that the DWP is broadening its focus and putting more emphasis on older workers. For example, in Blaenau Gwent Job centre Plus has been working with older people as part of an 'entrenched worklessness' programme.
- 4.2 Nevertheless figures show that the Work Programme, the UK Government's main back-to-work scheme for the long-term unemployed is failing older job-seekers. 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. This group has fewer successful job outcomes than younger workers, with the over

¹ Office for National Statistics, Labour market statistics August 2014

² Office for National Statistics, Regional Labour Market Statistical Bulletin, August 2014

³ Office for National Statistics, Labour market statistics August 2014

⁴ Office for National Statistics, Regional Labour Market Statistical Bulletin, August 2014

⁵ Economic & Labour Market Review (2010), Explaining exits from unemployment in the UK, 2006-9

50s in Wales experiencing 6.5% success rates compared to 11% for the whole population and 15% amongst the 18 – 24s.⁶

- 4.3 This disparity is the case across the UK as a whole, and overall older participants' rates would have to improve by over 90% in order to match the under 55s average.⁷ The data does not suggest that the low performance is caused by higher incidence of disability or particular health conditions among older people, and research analysis has concluded that age is in itself a barrier to work.⁸
- 4.4 The same research made recommendations about the support requirements of older jobseekers. Because they are a diverse group, with varied skills, employment histories and no typical journey into long-term unemployment, they have a diverse range of support needs and require tailored provision. However, there are also some cross-cutting issues identified which affect many older jobseekers. The research found that changes in health circumstances were common and could affect the type of work older jobseekers could consider. Ageism and the competitive nature of the job market both present overarching barriers to employment. Overall, it concluded that older jobseekers often face amplified barriers as compared to other jobseekers and so benefit from more intensive employment support.⁹
- 4.5 There is no specific employment support available to older people from the Welsh Government. The flagship Jobs Growth Wales programme is only available to young people and we have concerns over recent changes to funding for apprenticeships which have further disadvantaged older workers. Earlier in the year organisations which provide apprenticeships were informed that over 25's are no longer eligible for fully funded Level 2 and Level 3 apprenticeship programmes from the Welsh Government.
- 4.6 There is a need for the Welsh Government to target its resources, and we do not dispute the need to provide support to younger job seekers, but we question whether this needs to be to the disadvantage of other age groups. The withdrawal of funding for apprenticeships is especially lamentable as it introduces a disincentive for employers to employ some older people and will make it more difficult for older workers to retrain and learn new skills.
- 4.7 The Strategy for Older People in Wales recognises that “*a focus on retaining older workers is important for economic prosperity in Wales*”, and sets the following outcome for 2023: “**Employment** - older people who want to work are able to do so and can access help with re-skilling and retraining.” It is difficult to square this with the withdrawal of access to funding for some apprenticeships in the absence of any alternative targeted support.

5. Age discrimination in employment

⁶ Welsh Affairs Select Committee (2013), The Work Programme in Wales

⁷ Age UK analysis of the DWP's Work Programme data, published September 2013

⁸ Age UK & Centre for Economic & Social Inclusion (2014), Employment support for unemployed older people.

⁹ Ibid.

- 5.1 There are indications that age discrimination in employment remains widespread despite the introduction of the Equality Act 2010 (which absorbed the Employment Equality (Age) Regulations 2006). 40% of workers aged 50 and over in the UK believe they have been disadvantaged at work for appearing too old.¹⁰ Polling by Age Cymru in 2010 found that 71% of people in Wales believed older people were discriminated against on the grounds of their age in employment, while 1 in 5 people (21%) between the ages of 50 and 64 believed they had personally experienced discrimination in employment because of their age.¹¹
- 5.2 The abolition of the Default Retirement Age (DRA) by the UK Government in 2011 was a major step forward in providing equal rights for older employees. The DRA allowed employers to force people to retire at age 65 regardless of their wishes, competency and performance. It also served to illustrate the accepted nature of age discrimination in this aspect of life.
- 5.3 However, despite these legislative changes, taking age into account in employment decisions is still not certain to be illegal. The law allows for age discrimination where it can be 'objectively justified' by an employer as '*a proportionate means of achieving a legitimate aim*'. Legal judgments have also found that when employees are treated differently because of their age, the employer's actions must support a social policy objective, rather than simply their own private interests. Although this is intended to be difficult to prove, and should only happen rarely, it effectively means that the employee's interest can be overruled in some circumstances.
- 5.4 A common misconception which is one of the causes of age discrimination is that people become less productive in the workplace as they age. However, a growing evidence base increasingly proves this view as erroneous. The majority of research finds either a lack of relationship between productivity and age, or that older workers are at least as productive as their younger colleagues. Even in physically demanding situations, for example on a factory production line, a number of studies have found older workers to be just as productive.¹²
- 5.5 A final challenge in relation to age discrimination is the decision taken in 2013 to introduce fees in Employment Tribunals for the first time. People bringing an age discrimination claim now have to pay an initial fee of £250, followed by £950 if the claim goes to a hearing. This has the potential to price people out of the justice system, and allow employers to evade punishment for discriminatory acts. Though this is not devolved we believe the Committee should consider the impact this could have on eliminating age discrimination in employment.

6. The Strategy for Older People

- 6.1 As discussed elsewhere in this response, the Strategy for Older People in Wales (SfOP) acknowledges employment as an issue, sets tackling this by 2023 as an outcome and

¹⁰ CIPD/CMI (2010), Managing an ageing workforce.

¹¹ ICM Opinion poll for Age Cymru, February 2010.

¹² Age UK (2014), Productivity and age briefing

[http://www.ageuk.org.uk/PageFiles/12808/Age%20and%20productivity%20briefing%20\(March%202014\).pdf](http://www.ageuk.org.uk/PageFiles/12808/Age%20and%20productivity%20briefing%20(March%202014).pdf)

outlines policy and strategy drivers which will help to achieve it. Employment and skills have been included in the Strategy since it was first developed in 2003 and are a major reason why it uses an entry age of 50.

- 6.2 The SfOP refers to an Older People's Skills Strategy being developed which could be a positive development, though it has not yet been published. It also sets a number of indicators which the Welsh Government will monitor through the life of the Strategy in relation to employment, and we would like to see the first update on these since the launch of this iteration of the SfOP (in May 2013) will be published during 2015.
- 6.3 The reality is that the SfOP has no resources of its own and relies on shared commitment from other departments of the Welsh Government to realise its aims. This is a consistent barrier to the implementation of the Strategy across a number of policy areas. Therefore it is difficult, and potentially unfair, to evaluate the effectiveness of the SfOP in assisting older people into work. What recent policy decisions around funded apprenticeships, and the wider lack of coverage of older people in employment schemes and economic policies such as the Tackling Poverty Action Plan, demonstrate is that the SfOP is often hindered or undermined by the decisions and prioritisation of other Welsh Government departments.
- 6.4 This is a challenge faced by all cross-cutting government strategies without significant resources of their own. It demonstrates the importance of aligning the priorities and resources of different departments and achieving their buy-in to delivering key outcomes.
- 6.5 Unfortunately, the recently published (and delayed) delivery plan for the Strategy adds very little of the detail on how outcomes will be achieved that we had hoped for, and notably lacks actions in relation to employment of older people to match the commitments and outcomes set by the original Strategy document published in 2013.

7. The impact of working on individuals

- 7.1 When working is a positive choice made by an individual there are generally few disadvantages. In fact, various sources of evidence show that remaining contributors to the economy or labour markets, through employment or in a voluntary capacity, is linked to a range of health and social benefits for individuals in later life. However, a combination of economic factors and policies such as the raising of the State Pension Age has meant that continuing to work is a financial imperative for some people who had hoped to retire earlier. Where people are forced to continue working for purely financial reasons, sometimes in inappropriate jobs or without appropriate support from their employer, the outcomes are unlikely to be so beneficial.
- 7.2 Employer support will be important for some older workers. Flexible working practices are increasingly important to older workers and the economy as a whole because of increased caring responsibilities or health needs as the UK population becomes older. Some workers also indicate a preference to wind down to retirement by working part-time or flexible hours, which can benefit both individuals and employers if they use the opportunity to use existing employees to mentor and train other staff. The proportion of workers aged

50 and over using some form of flexible working rose from 30% to 38% between 2005 and 2010.¹³

- 7.3 As the workforce ages more people will need to use differentiated working patterns, so increasing awareness of the benefits of flexibility among employers and individuals is important. These include increased productivity and improved employee retention.
- 7.4 An additional factor to consider is the 'family care gap', as identified by the Institute for Public Policy Research.¹⁴ By 2017 there will be more people needing care than the number of adult children able to provide it. This additional strain on relatives' time and resources emphasises the importance of ensuring that everyone has access to flexible working.
- 7.5 We welcome the legal change enacted by the UK Government in June 2014 which means that all employees (with more than six months' service) now have the right to request flexible working. Previously this legal right had existed only for parents and carers.
- 7.6 We believe that all jobs should be 'flexible by default' by 2020. This means that employees could assume they can work flexibly unless the employer can justify otherwise, using the existing business reasons for rejecting requests for flexibility. We believe this would change attitudes towards flexible work.

8. Impact on other groups

- 8.1 At the time the Default Retirement Age was abolished opponents of the move cited a common misconception that longer working lives would prevent younger people from gaining employment and progressing their careers. Known to economists as the 'lump of labour fallacy', the view that older workers 'block' the employment chances of younger people is based on a false assumption that there is a fixed number of jobs in the economy. This assumption has previously been used to argue against the entry of women into the labour market or to shorten the working week in order to reduce unemployment (a government policy in France in the 1990s). However there is no evidence to support this view. The reality is that more individuals working for longer results in growing consumer spending power and economic activity, which feeds through into the creation of more jobs in the economy.¹⁵
- 8.2 This is not to say that it is not legitimate to seek to address youth unemployment. It is clearly the case that younger workers have had a difficult time in the labour market during the economic downturn since 2008. However, this is not caused by older workers or delayed retirement. In fact, there is often a correlation between high employment rates for older and younger workers, and the truth is that, regardless of the type of work, a strong economy is the key ingredient for anyone to be in employment. In reality older and younger jobseekers are unlikely to be in direct competition for the same jobs and the majority of older people continuing working are remaining in their existing jobs rather than

¹³ Age UK (2012), A means to many ends: older workers' experiences of flexible working

¹⁴ IPPR (2014), The generation strain: Collective solutions to care in an ageing society

¹⁵ Saga and Cebr (2014), The Saga Generations: Supporting employment across the UK economy.

seeking new ones.¹⁶ A 2011 article from The Economist on this subject concluded: “*The idea that society can become more prosperous by paying more of its citizens to be idle is clearly nonsensical.*”¹⁷

¹⁶ ONS (2012), Older workers in the labour market.

¹⁷ The Economist (9 April 2011), p.13

Age Alliance Wales

Response to National Assembly Committee Inquiry Employment Opportunities for Older People



Age Alliance Wales would like to make the following comments and recommendations in response to the issues raised by the Committee:

- **Availability and sustainability of local job opportunities**
Incentives for employers to take on older workers are needed such as a Jobs Growth Wales style programme.
- **Need for relevant support and skills training**
PRIME Cymru, the only Wales based charity dedicated to supporting people aged 50 and over should be supported to become and remain economically active. PRIME Cymru supports over 1000 individuals every year, and that is just the tip of the iceberg.

A particular barrier faced by older people with sight loss can be the reliance on web-based advertisement of opportunities and online recruitment processes which are often not compatible with accessibility software such as screen magnification or screen readers. As a result, they often need one to one support in assisting people to locate job opportunities and apply for them.

- **Transport difficulties, including availability and cost (especially in rural areas)**
Supplemented travel where public transport is available would enable more people in rural areas to access work. Incentives for employers could be used to enable them to either provide a pick up/drop off service, or to reimburse employees with travel costs for a time limited period.
- **Lack of confidence (for example, following redundancy)**
Tailored support is needed to help individuals to improve their confidence and self-esteem, and to understand how low self confidence affects people when looking for and finding employment.

Older people with sight loss require access to information in their preferred format (eg braille, large print); confidence and ability to travel independently using public transport; confidence and competence using computers adapted with appropriate assistive technology and software; the skills and confidence to communicate their needs and associated workplace adjustments to employers in a positive way.

- **Assisting and supporting people with additional challenges (for example, those with a disability)**

Address the challenges/barriers which are most relevant to the individual – ONE SIZE DOES NOT FIT ALL. 18% of the clients supported by PRIME Cymru have a disability or work limiting health condition, but they have requested support because they feel their age is the biggest barrier/challenge to finding and securing employment.

Employers have low awareness of how older people with sensory loss can be supported into work. Employers sometimes have a perception that older people with sensory loss will be expensive employees. Increased awareness of Access to Work particularly would help with this. This also applies to volunteering opportunities for older people with sensory loss, where Access to Work doesn't apply and so people with sensory loss are disadvantaged if they want to volunteer in their community. This can then reduce their opportunities to find employment.

Around a third of blind and partially sighted people are in employment; 27 per cent of blind and partially sighted people leave work because of the onset of sight loss or deterioration of their sight. An improvement in the support available to enable those who are blind or are partially sighted to stay in work is needed.

- **Potential barriers to older people accessing employment owing to caring responsibilities (for example, caring for elderly parents)**

People aged 50 and over are being relied upon by both parents and children to provide care, hence the term 'sandwich carers'. Although this may be seen as a potential barrier, it can also mean that older workers are more flexible about when they work such as early mornings and evenings when those with young families may be less able.

- **The role of older people in mentoring younger workers and passing on their skills and knowledge**

There are things both younger and older workers can learn from one another, younger workers can share their knowledge and experience of social media and modern technologies for example, whilst older worker can share their general life experiences and skills as well as any specialist skills they may have which can be passed on.

- **How older people re-entering the labour market can affect the number of jobs and career progression opportunities available to younger workers**

Not all older people finding employment are re-entering the labour market, there are a considerable number who have never worked, and are finding employment for the first time in their 50's and beyond. The balance needs to be re-dressed across all age groups, and opportunities should be equal for all.

- **Assisting those from areas of high unemployment**

It is important to identify whether high unemployment in a certain area is historical, and if so, is it a case of breaking the cycle. Case studies can be effective in demonstrating the positive difference being in work makes to individuals but need to feature people who can be identified with. It is also important to highlight the health benefits of being in work.

- **The impact and value-for-money of European funding**

To date there has been an inequality in the amount of money invested on older peoples programmes compared to those for the younger age group.

We would like equality of opportunity for all age groups, and it would be good if Wales took the lead on this.

Background to PRIME Cymru

PRIME Cymru (The Prince's Initiative for Mature Enterprise in Wales) was founded by HRH the Prince of Wales in 2001 to provide advice and support to individuals over the age of 50 who are economically inactive, under employed or at risk of redundancy and potentially be at risk of being marginalised and facing older age poverty.

“In 2001 I founded PRIME Cymru because I felt that the experience and skills of many older people were being wasted..... Society is worse off by not using the skills and experience of older people to fullest advantage.... PRIME Cymru is determined to develop new ideas and approaches to enable older people in Wales to remain economically active” HRH The Prince of Wales

Since its establishment in 2001 PRIME Cymru has been, and still remains, the only organisation in Wales dedicated to providing tailored advice and support to the economically inactive 50 plus age group. We provide one-to-one support to individuals to develop self-employment opportunities, secure sustainable employment, provide opportunities for skills, confidence and qualification development together with volunteering opportunities for those furthest from the labour market as a stepping stone to more formal economic activity. The charity now runs the largest mentoring programme in Wales with over 360 volunteer mentors. All of the volunteer mentors have been recruited because of their skills, knowledge and expertise to be able to support our clients on a one-to-one basis offering a sounding board and acting as a critical friend in the clients' travel towards employment or self-employment. All mentors complete a professionally designed training programme and are supported by staff employed by the charity.

Achievements and Impact

The charity has been very successful in engaging with over 25,000 individuals in Wales providing bespoke practical tailored support, advice and guidance to assist them with remaining in or returning to economic activity.

Since being established in 2001, the charity has supported:

- Over **8,500** individuals to return to sustained economic activity
- In excess of **2,800** individuals to take-up volunteering opportunities to develop skills and confidence to move closer to the labour market
- More than **2,500** individuals to undertake training or further learning opportunities
- Many others to reconsider their long-term futures and recognise their transferable skills which are much needed in new employment markets

Each year the charity contributes greatly to the Welsh economy by:

- Providing in excess of **42,000** hours of volunteer mentoring time which is valued at over **£1.1m** to the economy
- Providing a Social Return on Investment (SROI) of an estimated **£2.4m** in the reduction of payments out-of-work benefits per annum
- Operating a low cost high impact programme where the average cost of assisting an individual to return to economic activity is less than **£750**

Without the support of PRIME Cymru many of our clients say that they would have been consigned to the “scrapheap” and would have faced health issues related to inactivity and definite older age poverty. They have said -

“...without PRIME Cymru I was facing a dismal future where my age was over shadowing my skills They helped me realise my dream of starting a business and I can’t thank them enough” Bridgend area client

“...when I thought there was no hope of finding a job again at my age PRIME Cymru helped me realise there were opportunities out there and how to maximise my potential....I am now fully employed once again providing for my family and my future!” Flintshire area client

“...being well over 50 and out of work for a number of years my confidence had hit rock bottom and I didn’t know which way to turn....I was given a flyer about PRIME Cymru and made contact....with the help and support of their outreach worker I undertook some volunteering which helped build my confidence again and made me realise that I can still contribute – job next! Carmarthenshire area client

“PRIME Cymru’s mentor smoothed the choppy waters of starting up a business, offering valid and supportive advice and guidance” Cardiff area client

The Need

In Wales over 1 in 3 of all older people aged 50 to retirement age are currently not working. This is a total of around 240,000 people. Of these, around two thirds are registered for incapacity or other benefits. These figures are continuing to increase as a result of the current economic climate where research has shown that a person over the age of 50 is 5 times more likely to be made redundant and is 8 times less likely to find alternative employment than a person in the 18-30 age group. In addition, the number of people over the age of 50 who are considered as NEETS (Not in Education, Employment or Training) is over 4 times the number of those in the 16-24 age group.

Research carried out by the Office of National Statistics and others shows that around one third of all those currently inactive would like to work. Changes to the rules governing incapacity benefit will mean that older people with a health problem will be encouraged to return to work – this is likely to increase the number of older people having to seek employment/self-employment by up to an additional 30,000. However, bespoke services for the 50+ cohort to assist with addressing their often multiple barriers to returning to economic activity in Wales are not provided by the mainstream statutory provider network.

With the population living longer, and with the pension age steadily increasing, more people will need to continue to earn a living into their 60s and maybe 70s to reduce the impact of older age poverty. The 2006 Age Discrimination legislation will help older people who wish to continue to work, but this needs to be complemented by practical support and help from various quarters, including the voluntary sector. It is imperative that PRIME Cymru plays a leading role in this by being an enabler, innovator and advocate of schemes to provide practical help to support older people by utilising its many years of valuable experience.

Agenda Item 7

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Julie James AC / AM
Y Dirprwy Weinidog Sgiliau a Thechnoleg
Deputy Minister for Skills and Technology



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: SF/JJ/4155/14

William Graham AM
Chair
Enterprise and Business Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

14 January 2015

Dear William

SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS (STEM) SKILLS

Thank you for your letter of 27 November 2014, following the Plenary Debate on the Enterprise and Business Committee's Inquiry into STEM skills.

You suggest the development of an action plan to set out the range of work that is being taken forward on the STEM agenda. I entirely agree that a more co-ordinated and holistic approach should be taken to monitoring and reporting on the wide range of actions that are in train in this area. I have therefore asked my officials to work with those in the Department for Economy, Science and Transport to develop a delivery plan.

If you are content for me to do so I would propose to send the draft plan to the Enterprise and Business Committee for comment in March.

Yours sincerely

Julie James AC / AM
Y Dirprwy Weinidog Sgiliau a Thechnoleg
Deputy Minister for Skills and Technology