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Enterprise and Business Committee

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Discussion on the Welsh Government's Co-investment in Skills Framework

Evidence from Older People's Commissioner for Wales - CIS @ambrian Buildings

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Enterprise and Business Committee National Assembly for Wales Cardiff Bay Cardiff CF99 1NA

4th June 2015

Dear Committee,

Welsh Government's Co-investment in skills framework

Thank you for the opportunity to respond to your consultation on the Welsh Government's Co-investment in Skills framework¹. I fully support all efforts to ensure that the Welsh Government is investing in Wales' skills infrastructure, and that more employers are investing in the skills of their workforce. By shifting the emphasis from a government-led approach to skills investment, to a system influenced and led by employers, it is crucial that employees of all ages are supported to improve their skills. With increased life expectancy and the need to supplement incomes affecting traditional models of retirement, older people must be able to access new skills opportunities to remain in or re-enter the labour market.

That said, and as I emphasised in my response to your Inquiry into Employment Opportunities for People over 50², and in my response to the Welsh Government's 'Aligning the apprenticeship model to the needs of the Welsh economy' consultation, older people, and particularly those

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http://gov.wales/docs/dcells/publications/141120-framework-for-co-investment-in-skills-en.pdf http://www.senedd.assembly.wales/documents/s35635/EBC4-03-

aged between 50 and State Pension age, face a number of barriers that prevent them from remaining in, or re-entering, the labour market.

Ageism remains a key barrier for older workers:

- Policy strategies, delivery plans and the whole discourse around employment and skills initiatives largely focus on those under 25 years old. For example, the Welsh Government Policy Statement on Skills³ and Skills Implementation Plan⁴ make no reference to the specific skillsets that older workers need, to remain in or return to the workforce. Such skillsets include digital skills to reflect modern working environments and need to be complemented by flexible working practices that accommodate older workers' caring responsibilities for their own parents and/or grandchildren.
- Employers are not incentivised to employ older workers and utilise the wealth of knowledge, skills and experience they possess. For example, whilst the framework mentions that support for apprenticeships up to level 3 for those under 25 years old comes from the Welsh Government (P5), the training costs for those 25 years and over falls on the employer (P6).
- Older workers should be able to access the same support as everyone else. Regarding equality and equity, although the framework mentions supporting a wide range of individuals to access training opportunities in their workplace (P7), there are no references to exploring the impact of the framework on different age groups, nor any references that the framework has been ageproofed.

An example of unequal opportunity to access support is the situation facing older workers in the care industry. Funding reductions by the Welsh Government means that only people aged 25 and younger are supported for the Level 2 Qualification and Credit Framework (QCF), the main qualification for carers⁵. As the qualification costs between £750 and £1,200, older people who wish to enter the care industry are prevented

³ http://wales.gov.uk/docs/dcells/publications/140129-policy-statement-on-skills-en.pdf

⁴ http://wales.gov.uk/docs/dcells/publications/140714-skills-implementation-plan-en.pdf

 $^{^{5} \ \}underline{\text{http://www.niacecymru.org.uk/en/content/niace-cymru-urges-welsh-government-maintain-all-age-investment-skills}$

from doing so without much-needed support⁶. Relying on employers and individuals over 25 to fund their own training has the potential of disadvantaging older workers⁷. The implications are far-reaching both to the individual and the industry, with individuals losing out on opportunities to further their incomes, careers and skillsets, and the industry losing out on a wealth of knowledge, skills and experience.

The need to modernise working practices and environments and open up employment schemes and skills strategies to people of all ages in Wales is crucial now more than ever: over 1 in 3 people between 50 and State Pension age in Wales are jobless (around 214,000 people), whilst it is estimated that there are four times as many older people not in education, employment or training (NEETs) as there are under 25 years old⁸⁹. At the UK level, whilst there will be 13.5 million job vacancies in the next decade, only 7 million young people will leave education over that time¹⁰. Initiatives such as the skills framework must therefore maximise the potential of older workers and re-engage with the 'forgotten workforce'.

As mentioned in my response to the Welsh Government's apprenticeship model consultation, I expect that the framework for co-investment will encourage employers to invest in skills for people of all ages from the outset. Ensuring that older workers benefit from government-led, joint action and employer-led approaches benefits the individual, the workforce and local/national economies.

With an ageing population and a wealth of knowledge and experience currently underused, it is crucial that employers recognise the benefits of employing a diverse, multi-generational workforce and invest in skills to retain or re-engage with older workers.

Yours sincerely,

⁶ http://www.quantumskillsacademy.com/courses

Sarah Rochei,

⁷ http://www.ccwales.org.uk/uploads/Council Members/29.01.15/N. Item 14 Coinvestmenmt Framework.pdf

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

 $[\]frac{9}{\text{http://wales.gov.uk/docs/statistics/2013/130724-young-people-not-education-employment-training-year-31-march-2013-en.xls}}$

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

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