the Government reviews the Work and Health Programme to ensure it is more effective than its predecessor scheme.

As the Government conducts its review of the abolition of the Default Retirement Age, it should carefully consider the challenges facing older workers in the labour market and consider how it can work with businesses to improve practice around discussions of the future of work. Any moves to re-instate protected conversations should be resisted. We recommend that either this Committee or the Education Select Committee examines the impact of 24+ Advanced Learning Loans in more detail, as they appear to have had a negative impact on participation in Further Education.

There is also currently an ongoing debate about job quality. It is important that the barriers facing older workers are also considered as part of this, as it is an issue that affects many workers and needs wider attention.

There is little evidence that financial subsidies for employers are successful in boosting labour market participation, at least a macroeconomic level. We believe there are more cost-effective measures that can be used, and money is better spent on labour supply (i.e. training for individuals) rather than subsidising demand.

1. Introduction

- 1.1 This is a timely inquiry and Age UK is pleased the Committee is examining this subject in more detail.
- 1.2 Helping people stay in the workforce for longer is becoming an increasingly important issue, in particular with the rising State Pension age (SPA), which is scheduled to increase to 67 from 2026-28, and possibly to a higher age in future.
- 1.3 However, there are still significant barriers facing many older workers, often preventing people from remaining in or re-entering employment. Our response discusses many of these in more detail.

2. Inquiry questions

Q1 – Is the Fuller Working Lives strategy a comprehensive response to the issues identified in the Altmann Review?

Q2 – What progress has been made to date by the Government's employer-led approach, and what are its strengths and limitations?

- a job. However it is more common that ageism is very subtle, for example selecting older workers for redundancyⁱⁱⁱ, or takes place at a subconscious level, for example when abratanager unthinkingly relies on a negative stereotype in making a decision.
- 2.11 Since the introduction of the 2006 regulations, there has been an impact on employer behaviour. The Government commissioned two Surveys of Employers Policies Practices and Preferences Relating to Age known as SEPPP1 (2006) and SEPPP2 (2010). An Age UK comparison of the two found there was some positive change leading to a reduction in advertised age-based job criteria (e.g. maximum recruitment ages), but more limited attitudinal changes, with older workers still often looked on unfavourably. The Default Retirement Age (DRA) was still in operation at this time and we believed this was acting as a drag on employer practice. Since being scrapped, and with other changes such as the FWL strategy and extension of the right attitudes have improved further.

We would welcome a third SEPPP survey to investigate this further, especially as the Department for Business, Energy and Industrial Strategy is currently reviewing the abolition of the DRA.

- 2.12 We also welcome the Supreme Cou Employment Tribunal fees. The fees were clearly restricting access to justice and reducing incentives for employers to comply with discrimination laws.
- 2.13 While we do not believe the age discrimination legislation needs to be changed at this point, there are measures that could make it tighter and improve compliance. For example, the early conciliation regime for employment disputes run by ACAS should be reviewed to ensure it operates in a balanced way that does not disadvantage employees. Also, (as discussed in Q4) age discrimination is most likely to occur in recruitment. The Government should look at how the FWL strategy can become more focussed on improving recruitment practice and breaking down the unconscious bias that often occurs against older job applicants.
- 2.14 The Government should also monitor case law emerging from the Tribunal system and courts, and seek to identify any emerging issues that may need legislative action.

Career MOT at 50

2.15

could be created, building on the successful Mid Life Career Reviews that were piloted by the Business Department from 2013-

vision of how they can retire. To achieve the latter point, it also looks at ways in which a pension savings their saving is on-track.

2.16 We believe that this service should be offered to everyone at age 50, while there is still a considerable amount of working life ahead make a difference

policies, and train line managers, with a particular focus on low-skilled and routine employees.

Carers

2.21

website,^v

to stay in work, while more than ten hours has a marked negative effect. This illustrates the need to ensure that support from employers underpinned by strong statutory rights is available for people even with low level caring responsibilities

2.22 While carers may benefit from flexible working, there is more that can be done. We have argued for at least five days of paid emergency carers leave, with a longer period of subsequent unpaid leave; and to improve the support available for out-of-work carers, for example by better equipping JobCentre Plus Work Coaches to recognise the barriers to work that relate to caring.

Training

- 2.23 It is very important that people have the opportunity to re-train throughout their working lives, for example if they need to change careers due to a health condition. Over recent years, public expenditure on training and skills has declined and refocussed on apprenticeships, to the exclusion of other options. This has led to reduced take-up of training by older workers, which is inconsistent with Government policies aimed at extending working lives.
- 2.24 Older workers do want to progress and learn new skills^{vi}. However often people do not take up the training that is on offer, largely because it does not meet their needs training is often designed for younger people and older people appreciate learning in a different way, for example placing less emphasis on gaining formal qualifications.
- 2.25 We are concerned about the negative impact 24+ Advanced Learner Loans appear to have had on participation. In 2012/13, the year before they were introduced, there were 713,000 learners aged 45-59. By 2015/16 this has fallen to 467,000. This has steepened the fall in participation it is not clear why, but perhaps could be connected to older people being more averse to debt. We would like to see either this Committee or the Education Committee investigate their impact in more detail.

recommendations on reforming Jobcentre Plus and welfare-to-work services bee	n
implemented?	

2.31 Previous Government policies on helping older jobser jos

Q6 - Is there a place for employer incentives?

2.36 This is a good question. Employer financial incentives, which can take several forms such as a direct payment, a reduced National Insurance contributions linked to hiring or continuing to employ a particular group, or a training subsidy, seem superficially appealing. However, the evidence is far less clear cut, and on balance we conclude (somewhat regretfully) that there are more worthwhile

- 2.43 The inverse of many of these financial incentives is the Apprenticeship Levy, as it penalises (large) employers who do not use apprentices. The impact on employer behaviour, in particular whether if affects the number of older apprentices.
- 2.44 A different type of non-

considered. We believe there would be value in developing a kite mark for flexible working, which could advertise on a neutral basis that the employer welcomed requests for fle

alone would be helpful, as it could have the unintended consequence of reinforcing negative stereotypes of older workers.

How should Government and employers respond to and improve age diversity in the workforce? How could the prospects of older workers be improved in the context of the Taylor review of modern working practices?

- 2.45 A multi-faceted approach is needed. Many of the negative stereotypes are self-reinforcing, for example if an employers does not offer good quality training the older worker is less likely to take it. Improving age diversity should focus on overcoming stereotypes, with different approaches such as training managers.
- 2.46 It is also helpful if employers can create a positive, open culture. Some discussions for example many report not wanting to talk about future working plans with someone approaching SPA. The Government and its agencies need to help normalise these discussions and encourage employers to follow should be resisted.
- 2.47 The Taylor Review focussed on the so-called gig economy, but has wider implications for the debate about job quality. It is important that discussions about older workers are considered a core part of this discussion this rarely happens at presen-3(u)-3(I 0 0 1 283.01 5i)8(jo)-30tBed inTf1 eW*nBT/ reW*nBT/F5 12 Tf1 0 0 1 76.944 330.

2.48 Each of the groups identified in the question face specific challenges in working strongly than others, and we would like to see specific outcomes monitored across all disadvantaged groups.