



Age and Employability: the Challenge for the South West

The season of good cheer is here, or so they say - are you, like me, hurtling headlong towards Christmas with more than a faint sense of dread? Endless queues to buy things your friends and family will probably hate. Squinting to get the merest glimpse of your child as he puts in yet another high profile performance as an elf's second assistant at the back of school Xmas concert. And office Xmas parties better resembling a wake (not ours of course). If the answer to these questions is yes, you may well be in need a bit of light relief. So take time out of that busy schedule, relax and enjoy a brief journey through the complex maze that is "age and employability" in this our introduction to the forthcoming Learning Theme. Or you could do some Christmas wrapping of course!

In our lead article, Simon Mauger, takes us seamlessly through the web of issues we inevitably face when we consider how age impacts on a person's employability. Mapping the terrain, exploding myths and prejudices, and generally putting the world to rights, Simon's article sets the scene for our Learning Theme.

The policy world is currently preoccupied with talk of the ageing society, the pensions crisis and the fact that we'll all have to work longer. Those are the headlines, and they are stark enough, but underlying these is a real sense that we need to grab the nettle and start to tackle some of the issues faced by older people in seeking and retaining employment and being productive in the workplace. Many barriers stand in their way and, as Simon's article points out, only a holistic response will do. Like no other, this is an issue where prejudice and misinformation reign. Cultural change is needed so that the contributions of older workers are recognised and valued. That of course never happens quickly, but there are some very practical things that we can do to start to overcome these barriers. To help support this, the Marchmont Observatory/SLIM has, in partnership with other key players, successfully bid for an Equal project which will look at this issue.

In our interview with Chris Pitura, South West Consultant of the Third Age Employment Network, who works actively in the region raising the profile of age and employment issues, we hear about the work of TAEN and her views on the critical issues facing us in the region.

So, having introduced you to our learning theme, what can you expect? A learning theme provides an opportunity to focus on a specific issue, draw on latest research and share best practice. Through research briefs, on-line moderated discussions, case studies and a workshop, we will bring practitioners and policy makers together to discuss the issues and develop recommendations for action.

If you'd like to get involved, either as a passive recipient of information, or more actively through the debates and workshop discussions, then just complete and send us the 'faxback' on page 6 and away you go.

So Merry Xmas to all and I look forward to you joining us in the New Year when the Learning Theme will get into full swing.

Skills & Learning Intelligence Module
The Marchmont Observatory, University of Exeter,
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Age and Employability:

by Simon Mauger, NIACE and Learning Consultant

This is an edited version of Simon's article, the full version of which can be downloaded from the SLIM website's Learning Theme section.

'As the retired proportion of the population rises, boosting activity rates among those of working age becomes increasingly important. With the share of younger workers set simultaneously to decline, low participation rates at the older end of the age range - which, in the context of longer active lives, is no longer as old as it once was - are a luxury the economy cannot afford.'

HM Treasury Report to the European Commission July 2002.

Introduction

It is curious that those areas of experience that are universal are often the most complex to address politically. Over the past two or three years, we have observed two issues drawing increasing political attention - the environment and the ageing society. In one sense these are not really 'issues', but 'states' which we all experience. We may have *differing* experiences of them but, just as the medieval world acknowledged death as the great leveller, so the environment and ageing are now beginning to stalk our modern society with increasing visibility as ultimately affecting each of us.

The implications and effects of an 'ageing society' are recognised as requiring attention right across the political activity spectrum, involving a plethora of social and financial factors. In public policy, two perspectives seem to be at play:

- Old age as 'passive', with age as a question of social care on the part of the community and an economic burden on the state.
- Old age as an opportunity for further economic, community contribution and personal fulfilment.

In introducing this Learning Theme, perhaps we need to hold on to the idea that what we are exploring is the idea of 'value' - and that will enable us to introduce, debate and progress a wide variety of thematic strands. For alongside the common experience of ageing there appears to be a common need to be both valued and valuable, whether that is as an individual, a member of the community or an employee.

The Demographic Position

Across the OECD countries over the latter half of the 20th century, there has been a developing pattern of increased life expectancy, changes in fertility rates and in population distribution so that the UK's population and those of many of its trading partners will 'age' noticeably over the first half of the 21st century. The proportion of the UK population over the age of 65 will have risen from 15.6% in 2000 to 20.23% in 2025 and to 24.9% in 2040. Projections for some of the EU countries are even more striking: in Germany and Italy over this period, the proportion of over-60s will rise to over 50% of the population. But in the context of age and employability in one sense the problem is particularly acute for the UK, as by continental European standards we already have a more substantial participation rate for the over 50s and we have already reached the EU Commission employment participation rate target - a good example of achievement of targets not solving the problem.

The issue is even more stark for the South West of England, which has an older age profile than England as a whole, with a greater proportion of its population in each ten year age band from 50 years onwards¹.

The Key Challenges

The *complexity* of the problems posed by the ageing population is itself a challenge. If we look specifically at employment, how do we ensure that:

- Older people have the opportunities for accessing guidance, learning and skills that enable them to continue to be of value to the workforce?
- Older people have access to learning that supports a view of active life not only defined by a capacity to work but also through personal and community engagement and fulfilment?

While the first of these appears to relate to the issue of employability, it is the second that may underpin personal and community factors profoundly affecting the 'state' of the individual's sense of 'employability'.

In understanding what is involved with creating responsive conditions that help to address the challenges we have defined, look at some of the barriers to employment that people aged 50 plus experience²:

- Health condition or disability
- Caring responsibility
- Relevant work experience
- Benefit disincentives
- Lack of qualifications and vocational skills
- Low basic skills
- Transport difficulties
- Lack of confidence
- Local labour market condition
- Employer perceptions and age discrimination.

It won't surprise you to find that a total of 7 separate Government Departments are involved in tackling these barriers.

But while it is the scale and complexity of the ageing society and the political mechanisms involved that can dominate, it may in fact be other factors that are instrumental in really characterising what is going on.

The Wood, Trees and Myths

The issue of the ageing society is one in which anecdote and prejudice thrive. Let's take a few examples:

Older workers are a poor investment

- 'Older workers are slow to learn': in fact studies show only a negligible loss of cognitive function of people under 70.
- 'Training older workers is a lost investment because they will not stay in the job long': in fact the average time spent in the same job by a worker over 50 exceeds that of someone aged 25.
- 'Older workers are not as productive as younger workers': in fact overall productivity does not decline as a function of age and older workers production levels are steadier than other age groups.
- 'Older workers are less flexible and adaptable': in fact older workers are just as adaptable but need to understand the reason for change and are more likely to ask 'why?'
- 'Older workers are not as creative or innovative': in fact 80% of the most worthwhile new production ideas are produced by employees aged over 40.
- 'Benefit and accident costs are higher for older worker': in fact total sick days per year of older workers is lower than other age groups.

Economic change is about 'out with the old and in with the new'

Far from removing older workers from the workforce, mentoring and coaching techniques, managed as a contribution from older workers, have been shown to be key in the successful development of organisational change³.

Economic inactivity among older people is always an issue of people losing their jobs

In fact there has been something of 'two nations' associated with exit from permanent full-time employment. Some people leave their work as a positive choice. These are often well-qualified, higher status individuals who can carry with them significant amounts of 'tacit experience and knowledge' that constitute a significant loss to the economy. For others, leaving employment is likely to be the result of an inability to stay in employment for a wide range of reasons. In both scenarios the probability of leaving work increases sharply with age. Could age discrimination be the cause?⁴

Flexible employment would be the answer to retaining older workers:

This is too simplistic as the quality and appropriateness of flexible employment varies according to its type.

The principle problem regarding older worker engagement and a responsive labour market is in age-related prejudice

Serious as this prejudice is, there are other areas of prejudice that may prove just as problematic. Racial prejudice and fears of cultural difference and increasing anxiety regarding social disorder in the UK seems likely to inhibit open attitudes towards labour migration on the kind of scale required to stimulate the kind of growth and prosperity that characterised the US's management of inward migration in the 1990s.

Further labour market regulation, for example the European Age Legislation coming into force in October 2006, will simply make job creation, recruitment and retention less flexible and less successful.

In fact there is no correlation between social regulation governing labour markets and net employment growth.

Another area of the wood to explore is the extent to which current policy and related publicity linked to age issues is effective. To take a few examples:

Participation rates among older learners are good and increasing.

Quantitatively this is true - between 1995/96 and 2002/03 the number of learners aged 60 and over on FEFC/LSC courses increased by 267% or from 91,100 to 334,400; this compares with an increase of 28% in the overall number of learners.

However, this disguises what is occurring *within* that overall age range - for example, a severe decrease in non-vocational learning participation for those aged 70 plus and an even more dramatic drop in vocational learning for those in the 60-69 age group.

There is no upper age limit on the provision of Information and Advice.

This is true, but the reality is that the newly contracted LSC integrated IAG services are placing emphasis on younger people and promoting progression to Level 2 programmes in order to address those priority targets.

There is no upper age limit to Access to Higher Education.

This is true, but the overall approach of the Government reads as if the older learner is absolutely not a priority - with Government targets for 50% participation addressing only 18-30 year olds; the 10% extra funding to support part-time (usually the mode for the older learner) students going to institutions with no direct redress to the conditions of the part-time older learner themselves; and the incoming OFFA body constraining individual HE institutions' ability to 'manage markets' that may be age-related.

There is no upper age limit for Career Development Loans (CDL).

This is true, but the new product being developed will be focused on Level 2 and 3 and is far less likely to support the broader approach to learning and personal development favoured by older applicants to the CDL programme.

In examining each of these it becomes apparent that we need to create a regulatory environment that supports cultural and attitudinal change and provide those 'closer to the ground' with a structure supporting action to address key levers for change. It would appear particularly timely that the Regional Skills Partnerships are now being developed and launched. It is the responsibility of those agencies working at regional and local level to understand their markets and communities so that they can develop appropriate strategies.

Approaches to the Challenges and Problems

Given what has been said, what sort of approaches might one wish to see Government taking? Here are some ideas:

- Age-proof all those policies relating to employability, skills and learning and community-based learning and development.
- The deepening dissatisfaction with work increasingly evident amongst the over-50s⁵ is being made more acute by the pensions crisis which is being shown to be a closer prospect than anticipated. We need to understand the reasons for this and possible solutions need to be firmly linked with the more flexible fiscal arrangements that the pensions situation will have to call up.
- 'Ageism' is endemic, yet set against this is the fact that older workers aged 50 and over who are employed in small firms and establishments will increasingly determine the future development of the British labour market. Let's support a positive portrayal of small businesses and enterprise. The skills and learning industry must formally acknowledge, support and deploy the value of tacit knowledge and informal learning and establish the role of older workers therein.
- Regional Development Agencies, LSCs and Sector Skills Councils need to be encouraged to address the needs of older people more explicitly but given the freedom to work with the labour market and skills and learning providers to develop provision that is more responsive to this context.
- The idea of funding accompanying those accessing services, rather than funding the services, needs to be explored in the context of the older worker/learner.
- Why not consider fiscal incentives directly related to the over 50s accessing skills and learning, staying employed and developing with employers flexible retention/retirement contracts?
- Why restrict the economic case for learning to vocational factors? Use the increasingly robust evidence of the links between learning and health and community well-being establish more definitive and dependable cross-Departmental measurement.
- To what extent are influences, other than policy and legislation, being examined to see to what degree they influence perceptions of the problems and opportunities related to the ageing society?

The South West Equal Project

The University of Exeter's Marchmont Observatory, provider of the Skills and Learning Intelligence Module, is leading a Round 2 Equal project examining key issues around age and employability and the nature of the difficulties and barriers that surround those issues.

The project will also develop methodologies to inform and assist actions for the South West region's agencies to adopt, adapt and further develop. The project's Development Partnership is broad, reflecting the systemic nature of the issues. There are also European Union partners in France and Finland.

The project believes that its progress is as much about actively engaging its partners as it is about targeting its 'citizens'⁶. In fact, we would like to blur the distinction simply for the reason given earlier in this article - the ageing society is a wholly inclusive issue. The project has also provided focus on four areas, each of which will have an Action Project rooted in practical activity:

- *Regional level policy and strategy*: it is essential that from the start the project understands this 'environment' and then seeks to influence it. This will be achieved through engaging (not simply representing) the key regional agencies in the Development Partnership.
- *The effectiveness of information, advice and guidance services*: to what extent do current IAG contracted services give older workers and learners genuine equal opportunity for choice, on all factors influencing access to lifelong learning and employment?
- *Challenging, informing and assisting change in employers' attitudes to age discrimination*: to what extent do employers understand the value of, and have capacity for, age-friendly staff recruitment, selection and development practice?
- *Supporting older workers and learners to represent and further develop their employability strengths*: to what extent

could the innovative development of e-portfolio tools help both older workers and employers in reflecting on the nature of employability and in representing real employability strengths more accurately and comprehensively?

While each of these 'action areas' will benefit from having its own distinct focus, the project is clear that there will be a whole range of interfacing activity. It is hoped that a proposed Community of Interest Platform will prove a powerful instrument for enabling this interface.

The project runs until the end of 2006. Over the next two years it is clear that the issues around our ageing society and the particular implications for the older worker and learner become higher and higher profile. It is essential this does not become simply a litany of problems but that we direct our thinking and efforts to understanding and solutions.

Abstracts/Reports for Age Bulletin

Measuring flexibility in the labour market: employment trends survey 2004

CBI (Sept 2004)

This annual report is the seventh report in this series and provides an insight into the labour market, covering all major issues from pensions to employee involvement, from job security to equal pay and highlights the trends and major challenges which are key to business competitiveness.

<http://www.tso.co.uk/cbi/>

[bookstore.asp?FO=1153079&DI=537986](http://www.tso.co.uk/cbi/bookstore.asp?FO=1153079&DI=537986)

English Regions and Population Ageing - Information for policy and governance: requirements and availability

Age Concern England, March 2004

Commissioned as part of the Regions for All Ages programme, it aims to highlight the importance of population ageing to the economic and social development of the English Regions.

The report reviews information on: forecasts of change in the population of regions; regional impacts of population ageing across a range of policy areas; and changed circumstances, expectations, problems and needs of people at different ages and at different stages of the life course

[http://www.ageconcern.org.uk/AgeConcern/](http://www.ageconcern.org.uk/AgeConcern/about_2217.htm)

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Age matters: a review of existing survey evidence

Department of Trade and Industry (DTI), Feb 2004

The main objectives of this study are to identify available datasets on the age dimension of various labour market indicators, and carry out basic secondary analysis to provide a descriptive account of the labour market profiles of different age groups.

<http://www.dti.gov.uk/er/emar/errs24.pdf>

Employment transitions of older workers: The role of flexible employment in maintaining labour market participation and promoting job quality

Joseph Rowntree Foundation (March 2003)

This report studies the role of 'bridge jobs' in the lives of people leaving work between 50 and state retirement age. Using national survey data, the research examines the characteristics and experiences of those leaving permanent jobs, factors associated with moving to temporary, part-time or self-employment and the qualities of alternative forms of work.

[http://www.jrf.org.uk/knowledge/findings/](http://www.jrf.org.uk/knowledge/findings/socialpolicy/343.asp)

[socialpolicy/343.asp](http://www.jrf.org.uk/knowledge/findings/socialpolicy/343.asp)

Good practice in the recruitment and retention of older workers: Case studies

Department for Work and Pensions/AgePositive (2001)

This Good Practice Guide has been developed to provide positive examples of the benefits of recruiting and retaining older workers. It presents examples of positive action that promote the recruitment of older workers and encourage their retention.

<http://www.agepositive.gov.uk/template6.cfm?recid=137>

New policies for older workers

Joseph Rowntree Foundation (Dec 02)

A review of developments in several countries on policies for older workers. This report - part of the Transitions after 50 series - reviews developments in several countries and offers recommendations for public policy. The full report can be ordered from JRF. The Findings are available separately at <http://www.swslim.org.uk/downloads/sl2031.pdf>

Taking Account of Age: Retaining older people in the workforce - training and retaining older workers

Third Age Employment Network (Aug 2002)

This research was carried out for the South West Regional Assembly to map current activity in the South West and to report on models of best practice. 20 businesses took part, ranging from large and small employers in the public and private sector. The report also reviews some local organisations such as Prime Initiative, LSCs and IAG, and best practice in other regions.

<http://www.swslim.org.uk/downloads/SL1298.doc>

Challenging Age: information, advice and guidance (IAG) for older age groups

Third Age Employment Network (April 2003)

Aimed at helping older job-seekers successfully re-engage with the job market, the data gives an insight into the reasons behind the low employment figures for older people, and provides a model of best practice for use by the network of information, advice and guidance partnerships across the country.

<http://www.taen.org.uk/Publications/Challenging%20age.pdf>

Factors affecting the labour market participation of older workers

Department for Work and Pensions (Nov 2003)

Explores the factors that affect labour market participation amongst people aged 50 to 69 and in particular the impact on continued labour market participation of health, caring, income and assets, pension provision, qualifications, occupation and factors influencing retirement.

<http://www.dwp.gov.uk/asd/asd5/summ2003-2004/200summ.pdf>

Interview ...

Chris Pitura is South West Regional Consultant for the Third Age Employment Network (TAEN). Here she talks about her work with the TAEN and the more general issue of age and employability.

Hi Chris, can you tell me a little about yourself and how you got involved with the Third Age Employment Network?

I have been involved in the whole 'age agenda' as a self-employed consultant for the past twelve years. Prior to that I was responsible for Personnel, Training and Development in an engineering company, and had a spell teaching in further education in the field of training and development. This enabled me to become more involved in adult career guidance. In 2001 the South West Regional Development Agency acknowledged the importance of demographic change and the need to ensure that the regional plans take account of older people's views. A partnership called Taking Account of Age was developed and led to my work with TAEN.

What is the role of the Third Age Employment Network nationally and in particular locally? How is it structured and how is it funded?

TAEN is recognised as a centre of expertise on the age and employment agenda, engaging with public policy makers and influencers. TAEN acts as a 'change agent' working in partnership with others to cause labour markets to work more effectively for people of all ages - but especially for those in mid or later working life.

Our goals are:

- to promote a labour market which works for all ages
- resources for advice and learning in mid-life career
- an ending of age-bias employment decisions

As South West Regional Consultant, I engage with all key labour market partners and intermediaries in the region to raise awareness of age, employment and demographic issues.

What do your day-to-day activities involve and in what range of circumstances should people contact you?

My activities include supporting our members within the region and involvement with SWESA, GOSW Regional Intelligence Group, and I represent age on the Equality South West Shadow Board. Whether it is an organisation or an individual wanting information or advice on the age dimension, I am willing to help!

SLIM is about to launch a new Learning Theme on Age and Employability? What should be the focus?

To really make a difference, the key is to work alongside employers, individual older workers and our government agencies. How will we achieve equality in participation, retention and achievement if older learners/workers are excluded from provision, i.e. no funded guidance for above Level 2/modern apprenticeships discriminate currently, career development loans are offered up to age 55. Our National Skills Strategy did not specifically mention the skills needs of older learners. Our Regional Economic Strategy states: 'increasing the region's employment rate will only be achieved by drawing in disadvantaged groups, including older people'. How can we put this theory into practice?



Clearly there is new legislation to tackle discrimination against older workers - what will this really mean for employers and can it make a difference?

We have had the voluntary code of practice since 1999 whereby employers should:

- recruit on the basis of the skills and abilities needed to do the job
- select on merit
- promote on ability, or demonstrated potential to do the job
- decide on redundancy based on objective, job-related criteria
- ensure that retirement schemes are fairly applied, taking individual and business needs into account

The Government's timetable in terms of producing the draft regulations has gone out of the window. Legislation on age should be in place by autumn 2006 under the EU Directive. The Government had promised that employers and employees would have a two year run-in period between passing the legislation and it's coming into force. When decisions are made on the issue of fixed or mandatory retirement ages, we should see the green light, probably early in 2005.

Having legislation on age discrimination will make a difference, but we also need a change in attitude to create a real culture change to overcome age discrimination. Employers who might still believe that this legislation is just about removing age from job adverts and date of birth from their application forms are in for a rude awakening!

You are the Chair of a new EQUAL Project in the Region - the South West Forum on Age and Employability. How important a project could this be and what would you like to see it do?

I believe this could be one of most important projects for the region. It will be a huge opportunity to acknowledge and build on some of the previous and existing work such as 'Taking Account of Age' and 'Challenging Age'. The Development Partnership has the right mix of partners who want to make a difference in the South West. I would like to see 'joined up' thinking that will influence the policy makers and to ensure that people are not excluded on account of their age.

The organisations working within this project already recognise the huge impact that demographic change is having, and will continue to have, on our economy and our community. The challenge is how we will use this project to impact upon other influential bodies to encourage a greater focus on third age guidance, learning and employment issues.

For more information on TAEN, see www.taen.org.uk.

¹ State of the South West 2004; South West Observatory.

² Welfare to Work: Tackling the Barriers to the Employment of Older People; National Audit Office, adapted from the Third Age Employment Network.

³ Survey, Management Training magazine; 1997.

⁴ For example, the loss of tacit knowledge when workers leave is causing

considerable concern in EU regions with a high level of smaller SMEs where longer-term succession planning is recognised to be a business survival issue. Working in Britain Survey; the Office for National Statistics.

⁵ The Development Partnership would prefer to use 'citizens' rather than 'beneficiaries' although the latter terms is that used in Equal projects.

Register your interest here:

Please use this form to indicate how you would like to participate in the **SLIM Learning Theme** -

Age and Employability: the Challenge for the South West

The form can be returned to SLIM by fax or post.

Workshop details

Dillington House, Ilminster,
Friday 11 February 2005
10am - 4pm
(lunch included)

Please Note

There is a charge of £50 per person for those attending the workshop. The research brief, report and on-line discussions are all *free of charge*.

We will invoice in advance for those registering to attend the Workshop.

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