

West Midlands Local Skills Report

Supporting Evidence
2022



West Midlands
Combined Authority

Local Skills Report Supporting Evidence

This document includes the thematic papers that were commissioned as part of the WMCA's Local Skills Report update for 2022.

BME Employment and Skills Analysis

This paper is produced by Professor Anne Green at WMREDI¹ for the WMCA's Skills Advisory Panel and Jobs and Skills Delivery Board. It should be used to inform thinking around education, skills and employment policy and programmes in the region, specifically the adult education budget and inform the update of the 2021/22 Local Skills Report.

This paper focuses on (BME) Black, Asian and minority ethnic employment and skills, including comparisons with the experience of white ethnic groups. Much of the analysis focuses on trends at national level, given the focus of academic and policy analysis at this scale and the availability of more robust data than at regional and local scales. National level analysis is likely to be pertinent to the West Midlands, although it is worthy of note that analyses of poverty and ethnicity prior to the pandemic identified Birmingham as an area where unemployment rates for some BME groups were particularly high.

The paper sets out the context by presenting key trends in education, skills and employment by ethnic group. It highlights barriers faced by different ethnic groups in learning and employment, identifying sub-groups facing particular barriers. It explores the implications of the trends in learning and employment identified, particularly those associated with the labour market challenges experienced by some BME groups and generally poorer returns to education than for the white majority. It concludes by presenting implications for stakeholders in the West Midlands, including WMCA programmes.

Headlines

- Overall, BME groups perform well in education and are characterised by relatively high rates of participation in post-compulsory education, but success in education does not translate to success in employment – in terms of both employment rates and types of jobs.
- In aggregate, BME groups have higher unemployment rates than white groups and are characterised by lower pay in work. Their employment has been disproportionately negatively impacted by the Covid-19 pandemic.
- There are important differences between BME groups in terms of educational participation and economic position (i.e. employment, unemployment and inactivity rates). Cultural issues play a role here; for example, women from Pakistani and Bangladeshi groups have high rates of inactivity which are, in part, associated with care responsibilities.
- Structural issues also help explain differences in the labour market position of BME groups. Evidence indicates that, on average, individuals from BME groups make more applications to get a job than their white counterparts. This means that once unemployed, the duration of unemployment tends to be longer for individuals from BME groups, and this is associated with wage penalties and cumulative disadvantage.
- While a focus on increasing participation in training will help those from all ethnic groups with poor skills who face the greatest barriers to employment, it will not address the labour market disadvantage faced by many people from BME groups. Rather the main focus needs to be on tackling discrimination, speedy access to good quality jobs, addressing under-employment and enhancing skills utilisation.

¹ With acknowledgements to Alex Smith for his inputs on FE and apprenticeships data.

Employment and Skills

Context

- In general, BME groups fare well in terms of educational attainment

On a variety of indicators BME groups in aggregate fare relatively well in education, but some inequalities and disadvantages compared with the white group persist. Analyses using linked Census data to track outcomes across generations within families indicate that second-generation ethnic minority adults, who were born and brought up in the UK, did much better in the education system than the white majority despite much less advantaged economic backgrounds. This was true, albeit with variations between BME groups, for all the main minority groups². Overall, nearly 60% of second-generation Indian and Bangladeshi men and around 50% of Indian, Bangladeshi and Caribbean women have tertiary qualifications, compared with under 30% of their white majority comparators.

However, BME students are less likely to attend higher tariff universities³. Analyses indicate that BME students applying to Russell Group universities in 2016 faced significantly lower odds of receiving an offer compared to white applicants⁴, even after accounting for prior attainment. Once at university, BME students are 13% less likely to get a first or upper second degree than white students⁵. This has implications for employment outcomes given that in their selection processes some employers specifically seek students with higher classes of degree or from specific institutions.

Although educational achievement is associated with positive labour market outcomes, the educational success of BME groups does not translate fully into success in the labour market.

Pakistani, Bangladeshi and black Caribbean second-generation men and women are all more likely to be highly educated than their white majority counterparts, but they are less likely to be employed⁶.

- BME groups have lower employment rates and higher unemployment and inactivity rates

Employment rates are consistently lower than average, while unemployment rates and economic inactivity rates are consistently higher for BME groups. Figure 1 illustrates the trend over recent years for the West Midlands Combined Authority area.

Employment rates are lower for BME groups than for white groups. The difference in the employment rates for White people and those from all other ethnic groups combined decreased from 16 percentage points in 2004 to 11 percentage points in 2019. The biggest increases were in the combined Pakistani and Bangladeshi ethnic group (from 44% to 56%) and the White Other ethnic group (from 71% to 83%), while the smallest increase was in the White British ethnic group (from 74% to 77%).

For most ethnic groups, employment rates are lower in the West Midlands⁷ than at UK level (see Figure 2); the exceptions are the Indian and White Other groups where the employment rate is slightly higher in the West Midlands than the UK average.

Inactivity rates remain higher for BME groups than for white groups in the WMCA (7-Met) area, with 22.5% of White UK-born and White UK nationals economically inactive in the year ending June 2019, compared with 28.9% of UK born ethnic minorities and 29% of ethnic minority UK nationals.

² Platt L. and Zuccotti C.V. (2021) Social mobility and ethnicity, IFS. <https://ifs.org.uk/uploads/Social-mobility-and-ethnicity.pdf>

³ Higher tariff universities are those which have higher entry requirements. OFS. (2019). Topic briefing: Black and minority ethnic (BME) students. Office for Students.

⁴ Boliver V. (2016) 'Exploring Ethnic Inequalities in Admission to Russell Group Universities', Sociology 50(2) 247–266.

⁵ Universities UK and NUS (2019).

⁶ Platt L. and Zuccotti C.V. (2021) op cit.

⁷ Defined here as the NUTS 1 region.

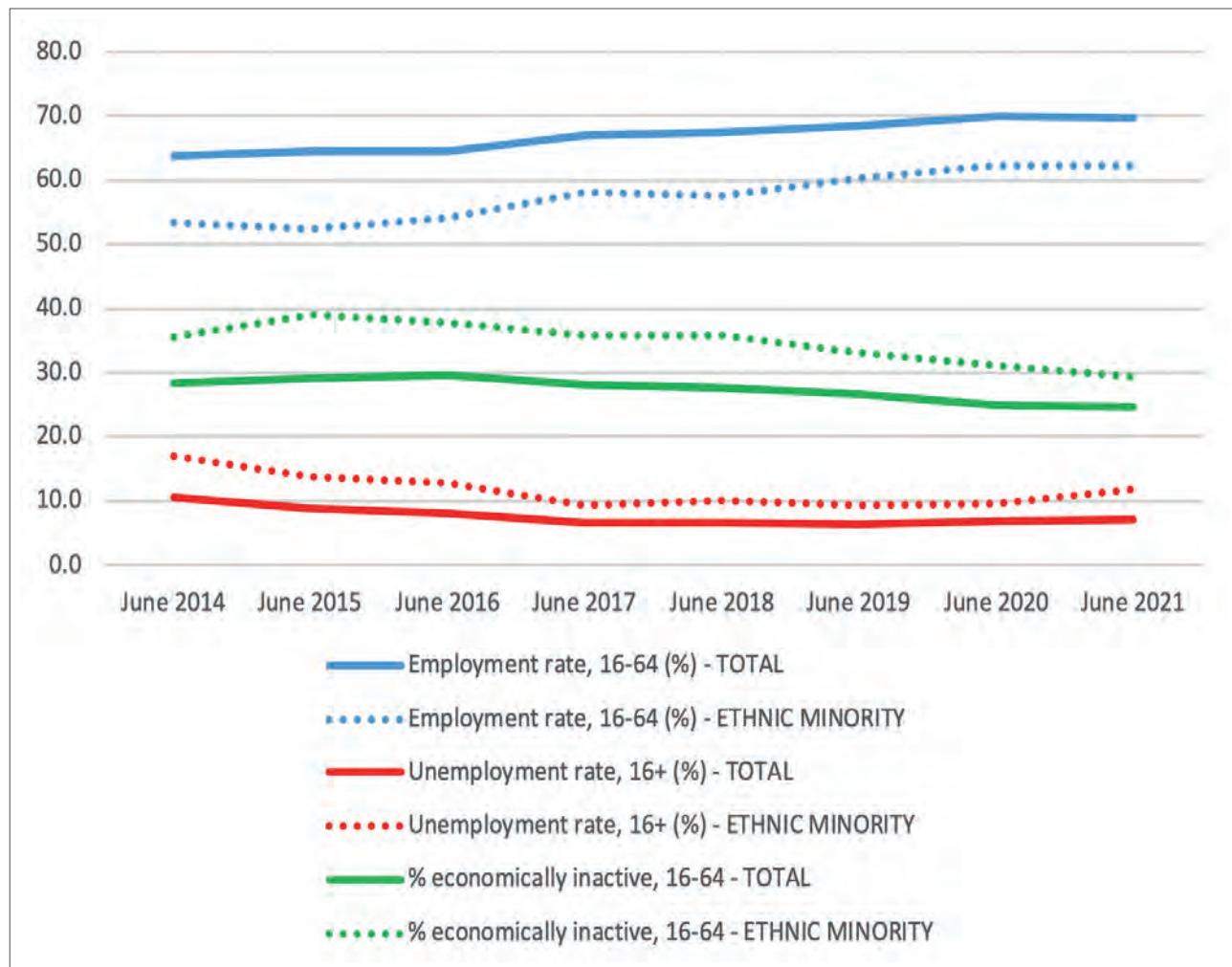


Figure 1: Employment, unemployment and inactivity rates (%), 2014-2021, WMCA area
(source: Annual Population Survey)

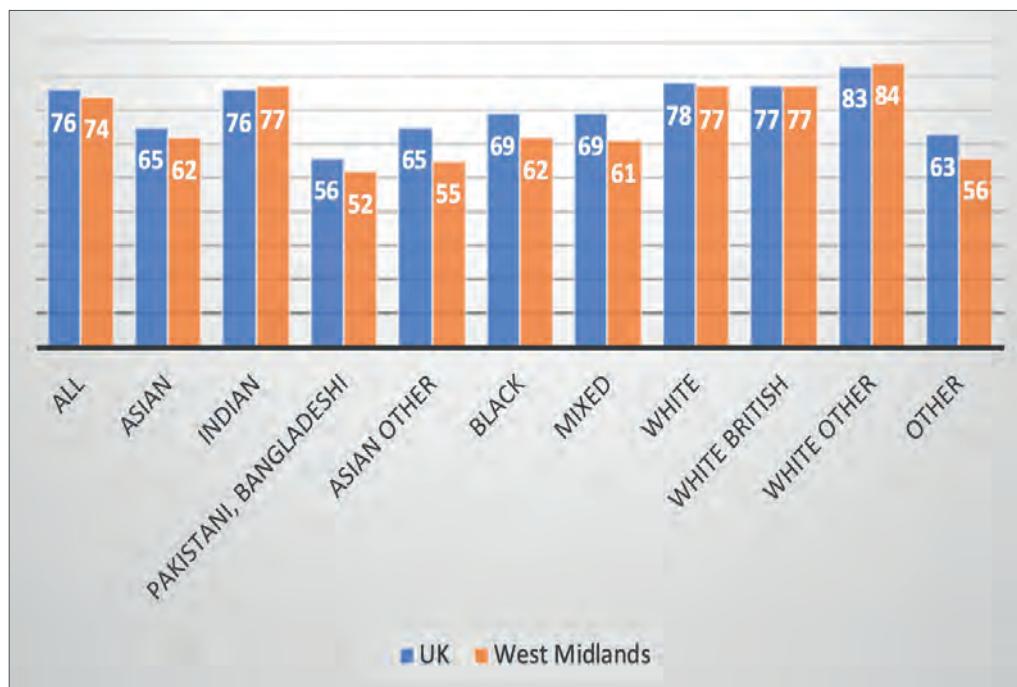


Figure 2:
Employment rates (%) by ethnic group, 2019
(source: Annual Population Survey)

- BME groups are disproportionately concentrated in low paying jobs

BME groups (in aggregate) are more likely to receiving low pay in work.⁸ This is in part because of their concentration in low-paid occupations and sectors with limited prospects for progression.⁹ Examples for women include sales, catering, hairdressing, textiles and clothing, while for men there is an over-representation relative to the average in sectors such as hospitality and transport. A lack of movement out of low pay increases the risk of poverty.

In employment overall, Bangladeshi and Pakistani people have the lowest rates of employment, and face the highest ethnic pay gaps (compared with white workers) and highest rates of in-work poverty. Ethnic disparities in low pay have been exacerbated during the Covid-19 pandemic: in July 2020 during COVID-19, BME workers had suffered an average drop in earnings of 14% from February compared to a 5% drop for white workers.¹⁰

- BME groups have been hit disproportionately hard by Covid-19

A review of recent evidence suggests that workers who are from a BME background have been one of the groups most negatively impacted economically by the Covid-19 outbreak. Analyses of Labour Force Survey data for the period of the first national lockdown in 2020¹¹ show that decreases in employment during widened the employment rate gap from 22 percentage points to 26 points for Black people and to 25 points for Asian people. Young people have been especially hard hit: the reduction in employment rates was four times greater for young Black people than for young white people, while the fall for young Asian people has been nearly three times greater. This comes on top of fewer BME young people being in employment prior to the Covid-19 pandemic (in

part because of higher participation in education). It is likely that occupational and sectoral factors are key drivers here, with people from BME groups losing out more where employment contracted (e.g. in hospitality).

The lack of new job openings in many (but not all) occupations and sectors during lockdown has a negative effect on individuals' career paths and overall productivity. While from summer 2021 vacancies have recovered in aggregate terms, the profile of vacancies is different from the picture before the pandemic. Taking account of individuals' current and previous occupations and individuals' pre-pandemic patterns of movement between occupations, analyses from the Institute for Fiscal Studies¹² shows that new opportunities are strongest in lowest-paying occupations, but a large share of workers still face reduced opportunities compared with before the Covid-19 pandemic. Within all sub-groups of the population this translates into increased opportunities for some and decreased opportunities for others. Figure 3 shows that groups more likely to see increased opportunities than average (based on pre-pandemic employment patterns) are those qualified to GCSE level or below (especially compared with graduates who are more likely to see reduced opportunities), young people and the Black ethnic group. Figure 4, showing changing job opportunities by job quality (measured according to pay, with the lowest third of the pay distribution being deemed 'low' quality, the middle third 'medium' quality and the top third 'high' quality). This shows that BME groups do not appear to be disadvantaged overall in terms of new opportunities relative to the White group. However, it needs to be borne in mind that for 64% of unemployed workers competition for relevant job openings is at least 10% greater than before the Covid-19 pandemic.

⁸ Brynin M. and Longhi S. (2015) The effect of occupation on poverty among ethnic minority groups, Joseph Rowntree Foundation, York; Catney G. and Sabater A. (2015) Ethnic minority disadvantage in the labour market: participation, skills and geographical inequalities, Joseph Rowntree Foundation, York.

⁹ Weekes-Bernard, D. (2017) Poverty and ethnicity in the labour market, Joseph Rowntree Foundation, York.

¹⁰ Bracke P., Croxson K., Leary J. and Wood J. (2021). Covid-19 and the UK's BME communities – an economic perspective. FCA Insight.

¹¹ Wilson T. and Papoutsaki D. (2021) An unequal crisis: the impact of the pandemic on the youth labour market, IES, The Youth Futures Foundation, The Blagrave Trust.

¹² Costa Dias M., Johnson-Watts E., Joyce R., Postel-Vinay F., Spittal P. and Xu X. (2021) Job opportunities during the pandemic, IFS Briefing Note BN335, Institute for Fiscal Studies.

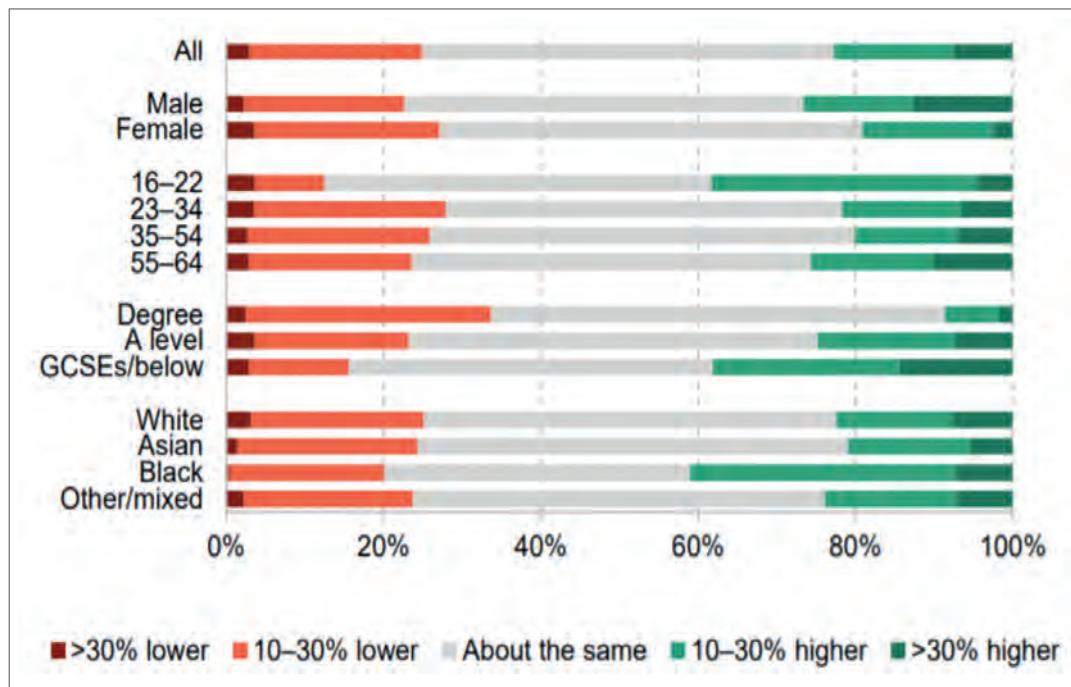


Figure 3: New job opportunities relative to pre-pandemic levels (June 2019), by demographic group, in June 2021 (source: Figure 2.7 from Costa Dias et al. [2021])

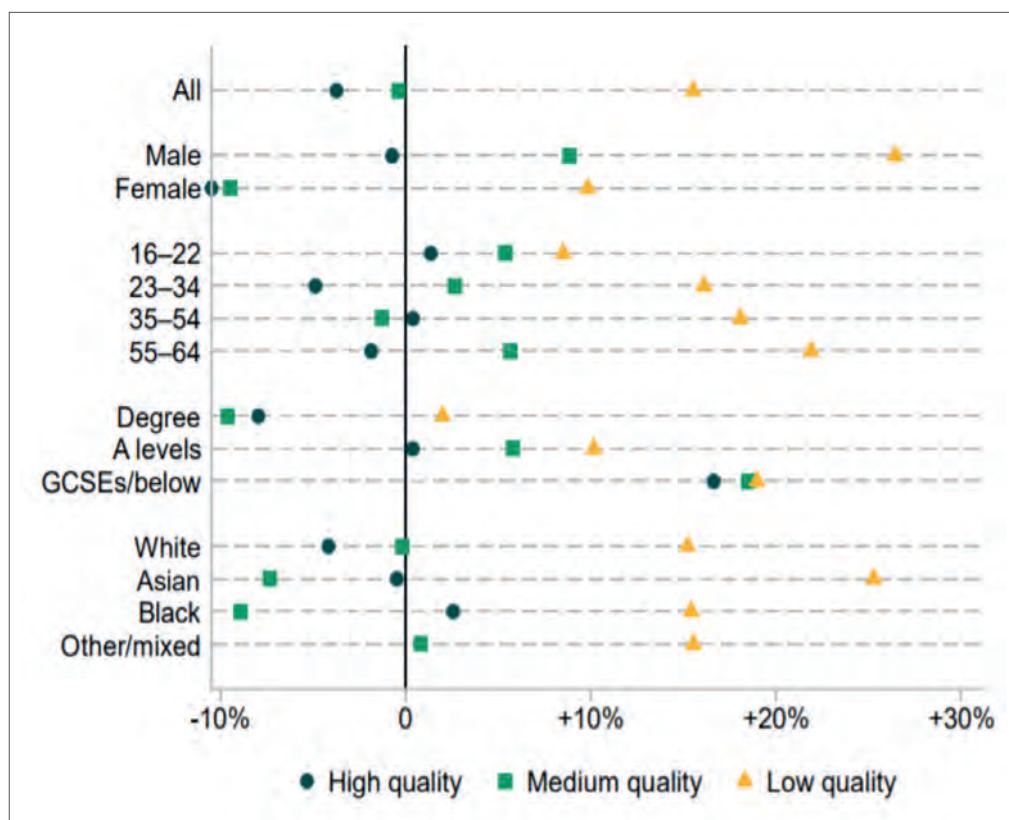


Figure 4: Change in opportunities relative to pre-pandemic (June 2019), by job-quality and demographic group, June 2021

A report from Public Health England¹³ found that BME individuals are more likely to work in occupations with a higher risk of COVID-19 exposure (such as care workers, taxi and cab drivers, security guards and sales and retail assistants),¹⁴ and 15% of workers in the sectors most affected by the pandemic are from a BME group, compared to 12% of all workers. A survey by the Runnymede Trust found people from a minority ethnic background are 'consistently more likely' than people from a White background to have experienced negative financial impacts due to Covid-19 and lockdown: 32% of people from BME groups reported losing 'some income', compared with 23% of people from a white background.

Barriers facing BME working age adults to accessing/participating in learning and employment

- Cultural and structural issues can post barriers to accessing/participating in learning and employment

Cultural issues include expectations about whether and what work is appropriate (including work alongside education which may help in gaining workplace skills and experience), and also non-work responsibilities, notably caring for other household members. First generation from BME groups may face barriers in the labour market because of limited/ low levels of English language proficiency and lack of knowledge about how the UK (and local) labour market operates.

Structural issues include living in deprived/ economically weak areas where there are deficiencies in the quantity and quality of jobs; living in poverty – with implications for constraints on costs for transport, broadband, etc.; access to networks which may be helpful in accessing work and learning; and racism and associated discrimination. BME groups are twice as likely

to be living in an area of high deprivation than white groups,¹⁵ which ceteris paribus tends to be associated with poorer literacy and numeracy skills. Some access to useful labour market experience and recruitment to jobs takes place through informal networks, so lack of access to relevant networks by some individuals and sub-groups can create barriers to job entry (at various skill levels) and progression.¹⁶

- In aggregate, BME groups face greater challenges in transitioning from unemployment to employment

In aggregate, unemployment rates are higher for most BME groups than the White British majority. However, analyses using the UK Household Longitudinal Study suggest that for most BME groups there is almost no difference in the probability of transitioning from a paid job into unemployment (suggesting that the productivity of BME workers is no lower than for the white majority). However, amongst those who transition into unemployment, most BME groups experience unemployment durations that are longer than those of White British majority.¹⁷ These differences remain largely unexplained after the inclusion of various individual and household characteristics, so highlighting that it is the duration of unemployment that is a key factor in ethnic unemployment differentials. This suggests that discrimination may be a factor in ethnic unemployment differentials.

Another study¹⁸ adopting a longitudinal perspective investigates lower employment rates amongst BME groups than their white majority counterparts, likewise finds that ethnic differentials are reduced, but not eliminated, when taking account of disadvantaged family origins. This suggests some of the employment gap is driven by the disadvantages faced by their parents that persist across generations and are reduced, but not eliminated, by educational success.

¹³ Public Health England (2020) 'Beyond the data: Understanding the impact of COVID-19 on BME groups', 16 June.

¹⁴ House of Commons Library (2020) Coronavirus: Which key workers are most at risk? 2 June 2020.

¹⁵ CoDE (2013) Ethnicity and deprivation in England: How likely are ethnic minorities to live in deprived neighbourhoods? University of Manchester.

¹⁶ Hudson M., Netto G., Sosenko F., Noon M., de Lima P., Gilchrist A. and Kamenou-Aigbekeen, N. (2013) In-work poverty, ethnicity and workplace cultures. Joseph Rowntree Foundation, York.

¹⁷ Longhi S. (2020) 'A longitudinal analysis of ethnic unemployment differentials in the UK', Journal of Ethnic and Migration Studies 46(5), 879-892.

¹⁸ Platt, L. and Zuccotti, C.V. (2021) op cit.

A further longitudinal study using data from the UK Household Longitudinal Study for the period 2009 to 2014 also points to the cumulative nature of BME disadvantage (in aggregate).¹⁹ Further disaggregation shows that this is especially pronounced for Black African, Black Caribbean, Pakistani and Bangladeshi groups facing higher risks of unemployment – including due to delayed re-entry to the labour market once unemployed (even with similar levels of prior unemployment) – and lower levels of earnings than do their White British counterparts over the life course.

- In aggregate, BME graduates are more likely to face delays gaining employment after graduation

BME groups are more likely than the white majority to gain university qualifications, but experience worse labour market outcomes on average. Analyses of employment and earnings of BME graduates with those of White British graduates suggest that a substantial part of persistent ethnic differences in earnings can be explained by differences in parental background, local area characteristics or differences in university careers.²⁰

Gaining relevant employment relatively quickly after graduation seems to be crucial to the future prospects of BME graduates. The analysis finds almost no earnings differences by ethnicity between graduates six months after graduation, and when continuously employed over the next few years there is little difference in earnings growth. But there are substantial inequalities in the probability of being employed, with BME graduates much less likely to find employment six months after graduation.

The importance of local area characteristics and parental background in explaining part of the ethnic differences in earnings and employment suggest that some BME groups may face a deficit in networks and support which could help facilitate the transition to the labour market. This highlights a role for careers advice for students from disadvantaged areas to help reduce ethnic differences in employment as they transition to beginning their careers. Other policies that might help include encouraging participation in extra-curricular activities to help develop soft skills. Likewise, evidence of workplace-relevant hard skills could be helpful for labour market access.

The hiring practices of large employers may also indirectly discriminate against ethnic groups through hiring practices focusing on universities with fewer BME graduates.

- The role of ethnic penalties and discrimination in understanding the labour disadvantage of some BME groups

In aggregate, BME groups are less likely to be employed or to have good jobs than the white majority group. This difference has been attributed to ethnic penalties:²¹ the difference between the measured effect (e.g. the (un) employment rate) between various BME groups compared with the majority group once other differences have been controlled for (e.g. location, age, human capital, social capital, etc.). Ethnic penalties are not necessarily the result of discrimination (i.e. where employers are less likely to hire an ethnic minority applicant than a majority applicant with identical credentials and a very similar CV), but it would be expected that higher ethnic penalties are associated with discrimination.

¹⁹ Li Y. and Heath A. (2020) 'Persisting disadvantages: a study of labour market dynamics of ethnic unemployment and earnings in the UK (2009–2015)', *Journal of Ethnic and Migration Studies* 46(5), 857–878.

²⁰ Zwysen W., and Longhi S. (2018) 'Employment and earning differences in the early career of ethnic minority British graduates: the importance of university career, parental background and area characteristics', *Journal of Ethnic and Migration Studies* 44, 154–172.

²¹ The opposite of an 'ethnic penalty' is an 'ethnic premium', which describes the case where a minority group fares better than a majority group.

A recent academic article has connected results from two UK-based field experiments (where similar applications with different names associated with different ethnic groups are sent to employers) with ethnic penalties estimated from comparable samples of the UK Labour Force Survey and Understanding Society to show the relation between hiring discrimination and labour market penalties for several BME groups.²² The results of the analyses suggest that higher hiring discrimination is associated with ethnic employment penalties, and generally groups that experience worse hiring discrimination have higher ethnic penalties in employment.

It identifies variations between ethnic groups. First, Black African, Pakistani/Bangladeshi, Middle Eastern and North African, and Black Caribbean applicants display high employment penalties and relatively severe hiring discrimination. Secondly, Other White minorities face low employment penalties in line with lower hiring discrimination. Thirdly, Chinese and Indian groups display lower employment penalties than the hiring discrimination they face would suggest. The results also suggest that the highly qualified are more resistant to hiring discrimination, while those with low and middle level qualifications face greater challenges in finding appropriate work.

This evidence points to the need to tackle hiring discrimination. In large organisations there is a clear role for HR in terms of raising issues regarding conscious and unconscious bias and ensuring relevant guidelines are in place for those staff involved in recruitment and selection of potential workers. In small

organisations there is less likely to be a dedicated HR function to devote responsibility to this. There are also broader issues about how and where opportunities are advertised, which may result in some groups being more likely to see adverts than others. This highlights the value of organisations reviewing and assessing the recruitment channels that they use. Recruitment through networks is likely to accentuate homophily (i.e. to result in recruits similar to the existing workforce, given that contact amongst similar people tends to occur at a higher rate than amongst dissimilar people).

There are a number of ways that BME groups (and indeed individuals in all groups) can be supported to behave strategically to reduce the impact of hiring discrimination on ethnic (or other) penalties. The way an application is presented to an employer is important, and all candidates can gain from focusing on employer requirements and what candidates can bring to a role. Job search strategy is important too; job seekers may benefit from advice on the relative merits of a targeted vis-à-vis a scattergun approach to job search, which may involve changing the number and quality of jobs applied to. It is notable that discrimination appears to be lower in the public than in the private sector; hence for some groups facing hiring discrimination including applications to the public sector (as applicable) may be appropriate. For all individuals, searching through social networks rather than through more formal methods is one way of seeking knowledge about upcoming opportunities and also intelligence about what is required from candidates. Some individuals avoid

²² Zwysen W., Di Stasio V. and Heath A. (2021) 'Ethnic Penalties and Hiring Discrimination: Comparing Results from Observational Studies with Field Experiments in the UK', *Sociology* 55(2), 263–282.

Demographics – differentials by sub-group and gender

- Disadvantaged White British pupils perform poorly at school

Across ethnic groups, pupils eligible for Free School Meals underperform compared to their more affluent peers. However, White British and White Other children from low income homes are the lowest performing groups at primary school.²³ White British pupils also make the least progress throughout secondary school, ranking in the lower half of achievement rates for GCSE (five A*-C grades by age 19 years), A levels (2 or more A levels by age 19 years) and permanent exclusions. Despite having amongst the lowest higher education participation rates, white graduates have amongst the highest rates of high skilled employment and white adults have high employment rates.

Gypsy Roma students have the lowest educational attainment levels and also the highest permanent exclusion rates.

- Black pupils achieve less

Analyses of ethnic inequalities from 2015 to the eve of the Covid-19 pandemic²⁴ show that ethnic inequalities in the proportion of children achieving good level of development (measured by the Early Years Foundation Stage profile) have narrowed for most ethnic groups, but increased for Black children. Although not starting school in a disadvantaged position in terms of prior attainment, Black children in aggregate fall behind relative to other ethnic groups in terms of achievement. Black boys

tend to have lower levels of achievement in education than Black girls.

Evidence suggests that Black pupils and BME students more generally, are more disadvantaged by inadequate careers advice. This impacts on transitions from school to higher education and the labour market. Girls are also disproportionately affected.²⁵ This has been attributed partially to the fact that BME students rely on official routes of careers guidance more than their white peers.²⁶ It points to the importance of a well-functioning publicly funded system of careers advice, especially for those individuals/groups who lack access to social networks that can help them in education and employment.

- Indian and Chinese students perform well Indian and Chinese students remain the most advantaged ethnic groups across educational measures. Ethnic inequalities in education have increased at GCSE and A Level for students from most ethnic backgrounds compared to Chinese and Indian students who have the highest achievement rates. Indian and Chinese workers on average earn more than white workers.

- Further education (FE) and apprenticeships

Latest data from the ESFA for the West Midlands 7-met local authority area on new apprenticeship and FE course starts between August and January (2020/2021) suggests that different ethnic groups are well-represented by the system, with Black and Asian ethnic minorities both represented at a level greater than their percentage share of the population

²³ Shaw B., Menzies L., Bernardes E., Baars S., Nye P. and Allen R. (2016) Ethnicity, gender and social mobility, Social Mobility Commission.

²⁴ Cooper K. (2021) Ethnic inequalities in England on the eve of the pandemic, Centre for Analysis of Social Exclusion (CASE), London School of Economics and Political Science.

²⁵ Moote J. and Archer L. (2016). 'Failing to deliver? Exploring the current status of career education provision in England', Research Papers in Education 33(2), 187-215.

²⁶ Beck V., Fuller A. and Unwin L. (2006) 'Safety in Stereotypes? The impact of race and gender on young people's perceptions of their post-compulsory education and labour market opportunities', British Education Research Journal 32(5), 667-686.

²⁷ At the time of writing data from the 2021 Census is not available and the BME share of the population is likely to have increased since 2011.

²⁸ Murphy H. and Jones E. (2021) Apprenticeships at Level 4 and above, Learning and Work Institute, Leicester.

in the 2011 Census.²⁷ National level analysis highlights that there are differences by level between ethnic groups, with greater representation of BME individuals on Level 4 and above apprenticeships (16%) than at Levels 2 and 3 (13%).²⁸ The analysis found that apprentices from BME backgrounds accounted

for 20% of those on Level 7 programmes. Apprentices from Asian backgrounds were more likely than people from any other background to be on a Level 7 programme, while apprentices from Black backgrounds were more likely than people from any other background to be on Level 5 programmes.

Ethnicity	WM Pop (2011)	Apprentices	Further Education
Asian/ Asian British	14.20%	12.1%	25.0%
Black/African/Caribbean/Black British	4.40%	5.6%	14.3%
Mixed/ Multiple Ethnic Group	2.90%	4.3%	6.6%
Not App/Known	0%	2.0%	3.8%
Other Ethnic Group	1.20%	1.1%	5.2%
White	77.50%	74.9%	45.0%

The slightly greater participation of women in FE is consistent across ethnic groups, suggesting that no specific gender-ethnicity combinations are uniquely overlooked in FE provision.

Ethnic group	Female	Male
English / Welsh / Scottish / Northern Irish / British	51,510	49,510
Pakistani	15,627	13,995
African	9,991	7,677
Any Other White Background	7,989	5,650
Indian	5,991	4,993
Caribbean	4,758	3,988
Not Provided	4,578	3,782
Bangladeshi	4,338	3,210
White and Black Caribbean	3,850	3,198
Any other Asian Background	3,042	3,018
Arab	3,252	2,380
Any other ethnic group	2,920	2,499
Any other Black/African/Caribbean Background	2,465	2,069
Any other Mixed / multiple ethnic background	1,893	1,640
White and Asian	1,518	1,390
White and Black African	705	719
Irish	426	390
Chinese	359	225
Gypsy or Irish Traveller	97	108

More detailed information by gender is provided in the tables below, first for females and then for males. Salient points emerging from the analysis include the relatively large

proportion of Bangladeshi females who are on Entry level courses. By contrast, relatively high proportions of White British and Black Caribbean females are on Level 2 courses.

Row Labels	Entry	1	2	3	4
FEMALE					
Asian/ Asian British					
Any other Asian Background	45.5%	16.7%	18.5%	9.0%	0.5%
Bangladeshi	41.7%	13.2%	16.5%	16.8%	1.3%
Chinese	38.6%	13.9%	16.7%	13.2%	0.5%
Indian	23.6%	15.7%	26.3%	15.0%	0.6%
Pakistani	25.3%	14.5%	25.8%	19.9%	0.4%
Black/African/Caribbean/Black British					
African	39.3%	17.1%	22.8%	11.8%	0.8%
Any other Black/African/Caribbean Background	21.5%	19.1%	30.0%	16.0%	1.2%
Caribbean	10.1%	19.4%	34.9%	18.6%	1.3%
Mixed/ Multiple Ethnic Group	13.9%	17.5%	33.1%	21.2%	0.8%
Not App/Known	27.6%	16.7%	24.0%	15.1%	0.6%
Other Ethnic Group	45.8%	15.5%	18.6%	9.9%	0.4%
White					
Any Other White Background	30.3%	16.3%	26.4%	12.5%	1.6%
English / Welsh / Scottish / Northern Irish / British	8.0%	16.0%	33.7%	20.3%	1.0%
Gypsy or Irish Traveller	23.6%	23.9%	26.2%	10.0%	0.5%
Irish	6.4%	14.1%	33.5%	13.4%	1.7%
MALE					
Asian/ Asian British					
Any other Asian Background	39.4%	16.6%	23.4%	10.8%	0.7%
Bangladeshi	23.0%	15.5%	27.0%	21.4%	2.8%
Chinese	28.7%	12.9%	17.9%	23.9%	1.3%
Indian	16.1%	17.2%	32.6%	18.5%	0.8%
Pakistani	12.4%	17.2%	34.5%	23.2%	0.8%
Black/African/Caribbean/Black British					
African	30.7%	18.1%	27.2%	13.8%	0.9%
Any other Black/African/Caribbean Background	18.9%	20.9%	32.4%	13.7%	1.0%
Caribbean	11.2%	24.6%	36.8%	12.7%	1.1%
Mixed/ Multiple Ethnic Group	13.6%	21.7%	34.3%	15.6%	0.8%
Not App/Known	23.5%	15.9%	24.2%	24.7%	1.5%
Other Ethnic Group	41.2%	15.8%	22.8%	10.8%	0.5%
White					
Any Other White Background	23.2%	16.8%	30.1%	13.5%	2.4%
English / Welsh / Scottish / Northern Irish / British	10.1%	20.8%	34.3%	14.8%	1.0%
Gypsy or Irish Traveller	23.7%	25.1%	32.8%	3.6%	0.2%
Irish	8.8%	23.0%	33.9%	10.8%	0.5%

Looking at the proportion of different ethnicities who take different courses reveals some modest differences. Most significant are the greater proportion of Black African/Caribbean and Other Ethnic Group (which includes people of Arab descent as well as unclassified) who take the Preparation for Life and Work course, an introductory course meant to support employability and to enable access to other programmes. This may indicate a lower level of preparation for the workforce for these ethnic groups when coming out of school.

BME groups in general are under-represented in Construction, Planning, and the Built Environment, while students of Arab descent are specifically under-represented in Health, Public Services, and Care. National level research²⁹ with providers and employers suggests that the traditional cultural acceptability of certain occupations is a factor here. This is exemplified by one provider delivering digital degree-level apprenticeships reporting that half of their intake was from BME backgrounds, predominantly Asian, while most apprentice on construction sector higher-level apprenticeships were White.

²⁹ Murphy H. and Jones E. (2021) op cit.

Course	Asian/Asian British	Black/African/Caribbean/Black British	Mixed/Multiple Ethnic Group	Other Ethnic Group	White
Preparation for Life and Work	39.8%	43.6%	36.5%	57.8%	35.0%
Science and Mathematics	14.7%	12.2%	12.7%	10.7%	10.3%
Health, Public Services and Care	8.2%	8.9%	9.0%	4.7%	9.0%
Languages, Literature and Culture	7.0%	6.8%	7.2%	5.6%	6.9%
Business, Administration and Law	7.7%	5.7%	5.7%	4.2%	5.6%
Construction, Planning and the Built Environment	2.5%	3.0%	5.0%	1.8%	5.5%
Arts, Media and Publishing	2.4%	2.9%	4.4%	1.8%	5.0%
Retail and Commercial Enterprise	2.0%	2.3%	3.8%	1.6%	4.9%
Information and Communication Technology	4.7%	4.4%	3.5%	4.9%	4.4%
Engineering and Manufacturing Technologies	3.3%	3.0%	2.9%	2.2%	3.4%
Leisure, Travel and Tourism	1.3%	2.5%	3.0%	1.1%	2.7%
Social Sciences	3.2%	2.4%	3.0%	1.8%	2.6%
Agriculture, Horticulture and Animal Care	0.1%	0.2%	0.6%	0.1%	1.2%
Education and Training	0.8%	0.5%	0.7%	0.5%	0.9%
History, Philosophy and Theology	1.2%	0.7%	0.8%	0.5%	0.8%

Looking at FE by level of study, students of Black Caribbean/African or Arab descent are under-represented in Level 3 studies, and over-represented at Entry Level. Students of Asian descent were over-represented at both extremes, being more likely to study at Entry Level or at Level 3 compared to the average. White students were least likely to be studying at Entry Level, and most likely to study at Level 2.

Given that Level 2 qualifications are in higher demand than levels 1 and 3, this indicates

some advantage to white students in attaining qualifications more likely to lead to employment. The total sample sizes for Level 4 and 5 (1,915 and 191) are too small to draw any conclusions about the greater representation of white students at these levels. An important caveat however: though there is a clear inequity in terms of level of study, the drop-off at higher levels is not dramatic, making it clear that FE is an important source of social mobility for BME groups, though it could be better in this respect.

Ethnicity	Entry level	Level 1	Level 2	Level 3	Level 4 (original)	Level 5 (original)
Asian/ Asian British	20.8%	15.4%	34.4%	28.5 %	0.8%	0.1%
Black/African/Caribbean/Black British	24.4%	17.9%	34.3%	22.4 %	0.9%	0.1%
Mixed/ Multiple Ethnic Group	13.4%	18.1%	40.6%	27.2 %	0.8%	0.0%
Other Ethnic Group	41.7%	15.7%	26.3%	15.8 %	0.5%	0.0%
White	11.7%	16.8%	42.5%	27.4 %	1.5%	0.2%

- Higher education

As noted above, while BME groups attend university in large numbers, they are less likely to attend high tariff universities and are less likely to get a first class or upper second class degree than white students. This suggests that success in higher education may be less salient for the job market for some BME groups than for their white peers, even though on aggregate they are attaining tertiary qualifications at higher rates. This is the case even though students from BME groups are more likely to study subjects that normally bring higher earnings returns.³⁰

Interestingly, Pakistani graduates have the lowest earnings at the age of 30 years of all ethnic groups, at £23,000 for men and £19,000 for women. However, their returns from going to university are the highest of any ethnic group; Pakistani graduates would have earned much less had they not gone to university.

- Age and gender

Young people (aged 16-24 years) have the lowest employment rates in 2019³¹. Variations by ethnic group are particularly pronounced in this age group, with the highest rates for the White Other (59%) and White British groups

³⁰ Britton J., Dearden L., and Waltmann B. (2021) 'The returns to undergraduate degrees by socioeconomic group and ethnicity', Department for Education Research Report.

³¹ Data are from the Annual Population Survey – see Employment - GOV.UK Ethnicity facts and figures (ethnicity-facts-figures.service.gov.uk) (accessed 7/11/21).

³² Dey, M., White, C. and Kaur, S. (2021) The pay and progression of women of colour, Fawcett Society.

³³ Data are from the Annual Population Survey – see Employment - GOV.UK Ethnicity facts and figures (ethnicity-facts-figures.service.gov.uk) (accessed 7/11/21).

(58%), and lowest rates for the Other (30%) and Other Asian groups (31%). Employment rates are highest amongst those aged 25-49 years but ethnic differentials in employment rates are least pronounced in the 50-64 years age group (see Figure 5).

A major study of 'women of colour' in the job market³² finds that compared with white women and white men, women from BME groups are less likely to be in paid work. At UK

level, Pakistani and Bangladeshi women aged 16-64 years had the lowest employment rate in 2019³³ at 39%, compared with 78% for White Other women, 74% for White British women, 69% for Indian women and 67% for Black women and for women from Mixed ethnic groups, and 73% of Pakistani and Bangladeshi men. The gender gap in employment rates was smallest in the Black ethnic group, with an employment rate of 67% for women and 71% for men in 2019 (see Figure 6).

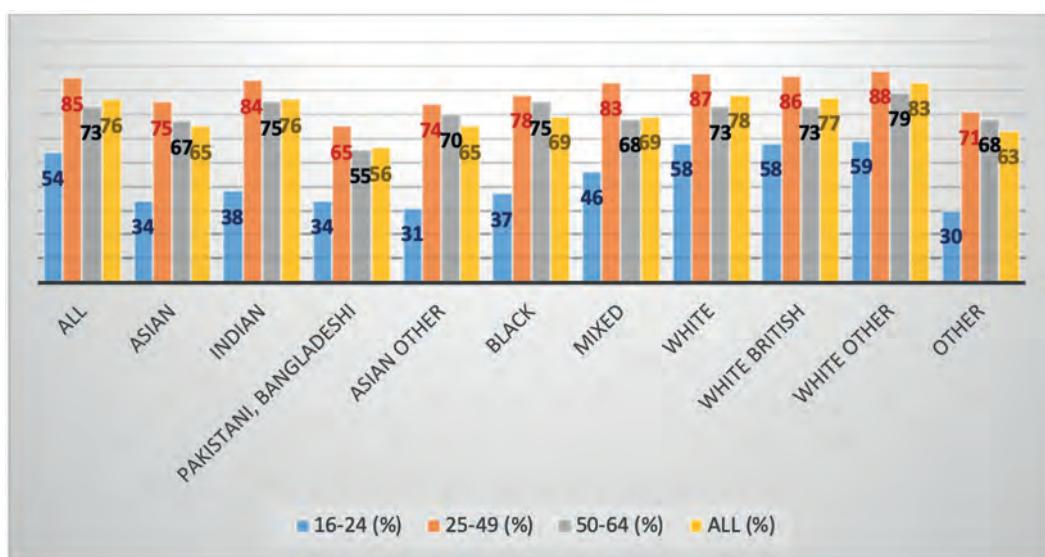


Figure 5: Employment rates (%) by ethnic group and age group (UK), 2019

(source: Annual Population Survey)

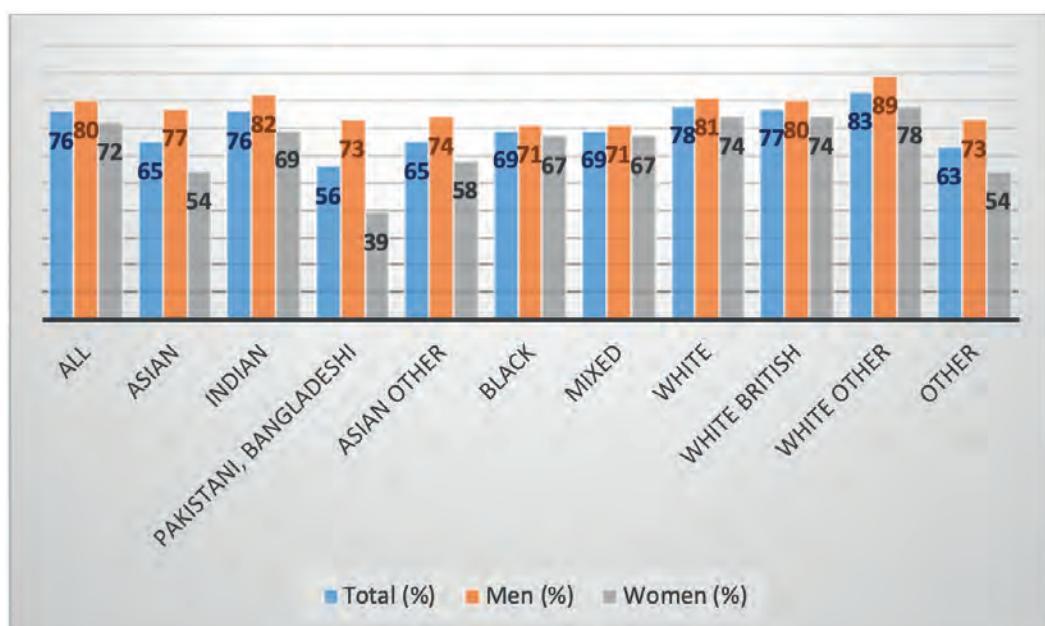


Figure 6: Employment rates (%) by ethnic group and gender (UK), 2019

(source: Annual Population Survey)

Compared with White British men, in aggregate women in BME groups consistently earn less per hour with pay gaps ranging from 10% for Indian women to 28% for Pakistani women. A range of factors contribute to these pay gaps, including location (i.e. a greater likelihood of living in deprived areas);³⁴ unpaid caring responsibilities - 14% of economically inactive White British women do unpaid care in the home compared with 49% of Bangladeshi and 47% of Pakistani women and 25% of Somali women, while Black Caribbean women are particularly likely to use formal childcare services in order to access work; occupation³⁵ and contract-type.³⁶ Analyses suggest that pay penalties for BME women persist when age, occupation and location are controlled for.³⁷

As noted above, pre-existing inequalities between white and BME groups have been accentuated by developments during the Covid-19 pandemic and this is evident for women. During COVID-19, BME mothers had been furloughed at a higher rate (48%) compared to white mothers (34%) and nearly half of BME mothers had lost working hours or their jobs compared to a third of white mothers.³⁸

Employment penalties are also identifiable on ethno-religious grounds. Analyses using Labour Force Survey data with a sample of women aged 19–65 years, shows that most Muslim women face significant penalties compared with their White-British Christian counterparts. The penalties are greater for Pakistani, Bangladeshi and Black Muslim women than for Indian and White-Muslim women.³⁹

Opportunity cost – what is the implication of not having more BME residents in learning and employment?

Key findings highlighted in this review are:

- In aggregate, most BME groups perform well in the education system – at all levels. Black boys and the Gypsy and Roma

group are exceptions here. Otherwise White British pupils from disadvantaged backgrounds are amongst the poorest performers in the educational system. The generally favourable educational performance of BME groups in aggregate is not necessarily translated into labour market performance. The Indian and Chinese groups stand out as displaying high educational achievement at all stages and strong labour market outcomes.

- The evidence suggests that durations of unemployment tend to be longer for BME groups than for the White British group. This suggests that a focus on earlier assistance with job search for BME groups might be appropriate, given the cumulative implications of longer durations spent out of employment for lifetime earnings.
- The main opportunity cost for BME residents lies in not being in employment reflective of educational levels. This is the case for many BME groups, but is the case particularly for Pakistani and Bangladeshi groups. As a consequence, BME residents in aggregate are concentrated in low-paid sectors with limited prospects for progression.
- Sub-optimal returns to qualifications are evident in under-employment following participation in higher education. BME residents are more likely to be over-qualified for the jobs they work in. This is especially the case for Black African and Bangladeshi graduates.

The ‘Race in the Workplace’ McGregor-Smith review of BME talent and progress at work published in 2017 estimated that having full representation of BME workers in the labour market, through improving both their rates of progression out of low-paid roles and increased access to higher paid and more senior jobs, would benefit the UK economy by £24 billion a year.⁴⁰

³⁴ Jivraj S. and Khan O. (2013) Ethnicity and deprivation in England: How likely are ethnic minorities to live in deprived neighbourhoods. CoDE, University of Manchester.

WMCA programmes – what does access look like for these

The WMCA is setting up a Race Equalities Taskforce focusing on improving equality of opportunity – looking at the extent to which different ethnic groups (including White groups) experience different social and economic outcomes and concentrate on developing policy solutions in areas which the WMCA has roles and responsibilities in delivering, enabling and influencing.

It will be important for the Taskforce and wider WMCA to consider how WMCA programmes impact different groups across the region. From an employment and skills perspective BME enrolment onto WMCA programmes is above that of White residents in many cases. For example, in 2020/21 60% of enrollees on AEB courses were from BME backgrounds compared to 35% for those from White backgrounds. However, when looking at progression into employment 54% of BME residents on WMCA programmes employment and skills programmes progressed into employment compared to 44% for white residents. There are nuances that should be considered when reviewing these figures, including the motivation behind learning for individuals/groups and the reasons for not progressing into employment, however, the data should be used by employment and skills leads to inform skills provision and programme leads should work understanding the aspirations of learners that engage with its programmes.

Observations

- The positive performance of many (but not all) BME groups in education demonstrates what is achievable through commitment and

motivation. The national evidence suggests that particular attention at school needs to be focused on those children from deprived backgrounds. White British children eligible for free school meals are one group deserving of particular attention. Black boys are another group who are underperforming.

- The analyses suggest that particular attention needs to focus on helping the more disadvantaged BME groups to access good quality stable employment. This is important given the longer average durations of unemployment suffered by BME residents and how cumulative ethnic disadvantage can become entrenched.
- The role of structural barriers in shaping employment opportunities points to a need to focus on systematically identifying and changing aspects of the education and employment infrastructure to address discrimination.
- The evidence suggests that BME residents with poor skills suffer the acutest ethnic penalties. Hence, a focus on improving basic skills – and English language skills – remains important.
- Likewise, it is important to focus on those BME residents facing particular challenges. Women from Pakistani and Bangladeshi groups are characterised by high inactivity rates associated with traditional expectations about staying at home and caring for family members. There is scope to learn from previous Jobcentre Plus initiatives involving provision of community support to provide a social situation where women are enabled to take steps towards employment – including developing skills, as appropriate - and familiarise themselves with the job market.⁴¹

³⁵ Henehan K. and Rose H. (2018) Opportunities Knocked? Exploring Pay Penalties among the UK's Ethnic Minorities. Resolution Foundation.

³⁶ Judge L. and Tomlinson D. (2016) Secret agents. Agency workers in the new world of work. The Resolution Foundation.

³⁷ Henehan K. and Rose H. (2018) op cit.

³⁸ Women's Budget Group (2021). Pushed to More Precarity: The uneven impact of lockdowns on mothers and low-income parents. Pushed to More Precarity: The uneven impact of lockdowns on mothers and lower income parents - Womens Budget Group (wbg.org.uk)

³⁹ Khattab, N. and Hussein, S. (2018) Can religious affiliation explain the disadvantage of Muslim women in the British labour market?, *Work, Employment and Society* 32(6), 1011-1028

⁴⁰ McGregor-Smith, R. (2017) Race in the workplace: the McGregor-Smith Review. Department for Business, Energy and Industrial Strategy, London.

⁴¹ Department for Work and Pensions (2019) Interventions supporting ethnic minority labour market participation: part one.

- There is a role for policy to address deficits in support networks that can help residents access work experience and job opportunities. The evidence suggests that BME residents rely more on formal sources of careers advice than their White British peers. Alongside evidence for hiring discrimination (which is more acute for some sub-groups than for others), this highlights the particular need to ensure that BME residents are able to access timely advice services in order to make positive transitions from education to work.
- At a time of labour and skills shortages the time is ripe for employers to explore new/ non-traditional recruitment channels, reconsider their selection practices and redesign jobs on offer (as appropriate) to enhance their quality and attractiveness. This provides a step change in opportunities to challenge hiring discrimination and reduce ethnic penalties in employment. Bringing the voice and experience of BME residents to employers facing skills shortages and to other stakeholders designing employment and training policies would be helpful here.
- The employment and skills team should consider how this, and other analysis can inform skills provision for specific groups and how intelligence on the aspirations of learners can be gathered to support provision and procurement decisions.

Furlough Briefing

- This briefing note presents some potential implications for the West Midlands because of the Coronavirus Job Retention (furlough) scheme ending on 30 September 2021. Analysis from think tanks such as the Resolution Foundation, Institute for Fiscal Studies and the New Economics Foundation is used to provide a framework for considering the impact of the scheme ending. Local furlough data analysis produced by the Office for Data Analytics

and Economic Intelligence Unit and other labour market intelligence is then used to supplement this and outline potential issues for the region.

Key Headlines

- The **National Institute for Economic and Social Research** recently estimated that there could be a 0.06 percentage point rise in the national unemployment figures by the end of the year. If this same proportionate increase is applied to the unemployment figures in the region the increase would be close to 9,000 extra people being unemployed after September.
- It is estimated that 10% of the region's employees are on low pay and when applied to furlough figures this amounts to 16,000 workers in the region who could struggle if their employment conditions change (i.e. reduced hours) following the ending of the furlough scheme.
- Birmingham is the main outlier in the region for furlough, with 34,400 people accessing support, this is at least three times higher than any other local authority area in the region and is more than both the BCLEP and CWLEP areas.
- **Research by the International Monetary Fund** suggests that there could be up to a 50% change in people's social mobility (voluntary social distancing) because of a rise in COVID-19 cases. This voluntary social distancing is perhaps linked to a 2% fall in retail footfall seen across the UK in August 2021.
- There are 4,770 furloughed employees in the arts, entertainment and recreation in the region which is 6% of the total number of people employed in the sector – lower than the 15% furloughed workers in the sector nationally.

- **Some of the furlough impact on manufacturing can be attributed to a global semiconductor shortage** and other issues such as Brexit. In the region, as of 30 June 2021 21,000 (10%) of the region's manufacturing employees are still on furlough.
- Modelling by New Economics Foundation estimates that 830,000 jobs could be at risk nationally following the ending of the furlough scheme.

The impact on people

- Commentators are currently assessing the potential impact of the furlough scheme ending. The National Institute for Economic and Social Research recently estimated that there could be a 0.06 percentage points rise in the national unemployment figures by the end of the year. If this same proportionate increase is applied to the unemployment figures in the region the increase would be close to 9,000 extra people being unemployed after September. Furthermore, there could be additional financial difficulties for the 455,000 and 358,000 Universal Credit claimants across the West Midlands three LEP and MET areas respectively as the £20 uplift comes to an end.

- The furlough data produced by the ONS does not provide a breakdown by income bands, however the Resolution Foundation's Low Pay Britain report shows that 10% of the region's employees can be classed as being on low pay. If this figure is used as a proxy it can be estimated that 10% (16,000) of those currently on furlough are potentially on low pay, and they could become reliant (at least in the short term) on Universal Credit if job conditions changes, i.e. reduced hours or if employers decide not to retain them. Furthermore, the Institute for Fiscal Studies recently produced a paper which notes that there are two types of furloughed employees who are going to see big drops in the amount of support that they get from the government if they become unemployed after the furlough scheme ends:
 - High earning spouse and savings: The first are those who, whatever their previous earnings, have a relatively high earning spouse or significant level of savings, meaning they will qualify for little to no UC.
 - Middle/higher income earners: The second type are middle or higher earning individuals. Under CJRS they got more support (in cash terms) than furloughed lower earners. But under UC, their (previous) higher levels of earnings do not make them eligible for any extra support.

In considering the national context and the proxies above it is important to note that Birmingham is the main outlier in the region, with 34,400 people on furlough, this is at least three times higher than any other local authority area and is more than both the BCLEP and CWLEP areas.

Local Authority Area	Total Employments Furloughed	Total Eligible Employments	Take Up-Rate
Birmingham	34,400	413,000	8.3%
Bromsgrove	2,800	42,800	6.5%
Cannock Chase	2,800	44,400	6.3%
Coventry	9,200	144,800	6.4%
Dudley	8,500	131,800	6.4%
East Staffordshire	3,300	55,300	6.0%
Lichfield	3,100	45,300	6.8%
North Warwickshire	2,000	29,200	6.8%
Nuneaton and Bedworth	3,600	60,000	6.0%
Redditch	3,100	39,800	7.8%
Rugby	3,000	53,800	5.6%
Sandwell	9,700	132,900	7.3%
Solihull	7,400	91,800	8.1%
Stratford-on-Avon	4,000	58,100	6.9%
Tamworth	2,200	36,100	6.1%
Walsall	8,000	110,600	7.2%
Warwick	4,100	66,000	6.2%
Wolverhampton	6,900	107,000	6.4%
Wyre Forest	2,500	41,100	6.1%
WM 7 Met.	84,000	1,132,000	7.4%
Black Country LEP	33,100	482,300	6.9%
Coventry & Warwickshire LEP	25,900	411,900	6.3%
Greater Birmingham & Solihull SLEP	61,600	809,600	7.6%
WMCA (3 LEP)	120,600	1,703,800	7.1%
West Midlands region	159,400	2,424,300	6.6%
United Kingdom	1,857,400	28,692,200	6.5%

Scenarios

The New Economics Foundation think tank has produced a briefing note which outlines a number of scenarios that could occur following the ending of the furlough scheme. This note considers some of these scenarios and uses regional data to supplement the analysis.

Scenarios 1: Cautious public attitudes to social mixing and mobility

New Economics cites a number of sources which have modelled scenarios where the public continue to persist with social distancing measures after the July lifting of lockdown and ending of the furlough scheme in September. Research by the International Monetary Fund suggests that up to a 50% change in people's social mobility (voluntary social distancing) is down to a rise in COVID-19 cases. Furthermore, the latest Weekly Monitor produced by the Office for Data Analytics shows that, in the week to 21 August

2021, the volume of overall retail footfall in the UK decreased by 2% from the previous week (week to 14 August 2021). This is the first week to see a decrease in footfall across the UK since the week to 19 June 2021. In the latest week, footfall in high streets saw the greatest decrease of 2%, while footfall in retail parks and shopping centres both saw slight decreases of 1%, compared with the previous week.

New Economics notes the London School of Hygiene and Tropical Medicine scenario which suggests that mobility in retail and recreation (i.e., travel to places such as restaurants, shopping centres, museums, and cinemas) and public transport sectors will only reach 95% and 80% of pre-pandemic levels respectively following unlocking on 19 July. ONS data suggests that, between 14 and 27 June, 15% of the arts, entertainment and recreation workforce, and 11% of the transportation

workforce, were still furloughed. Regional analysis by the Economic Intelligence Unit provides a breakdown of furlough numbers by sector. The data shows that 4,770 furloughed employees in the arts, entertainment and recreation which is 6% of the total number of

people employed in the sector – lower than the 15% furloughed employees nationally. However, 7% (17,650) of employees in the wholesale and retail trade sector are still furloughed in the region.

Broad Sector	Furloughed 30 June 2021
Manufacturing	21,000
Construction	6,730
Wholesale and retail; repair of motor vehicles	17,650
Transportation and storage	8,410
Accommodation and food services	19,530
Information and communication, Financial and insurance & Real estate	6,260
Professional, scientific and technical	9,250
Administrative and support services	11,860
Education	3,540
Health and social work	4,840
Arts, entertainment and recreation	4,770
Other service activities	5,180
Other	1,550
Total	120,600

Total employments furloughed by broad sector for the WMCA (3 LEP) as of 30th June

Further work is needed to understand the regional picture, however these estimates have potential implications for some sectors, especially those that operate in our towns and centres.

Scenarios 2: Factors outside the pandemic

New Economics also considers potential non-pandemic-related economic issues that are also appearing to be driving demand for the furlough scheme. The think tank states that furlough rates in manufacturing and states that these no longer appear to be linked to the level of public health restrictions, with the rate actually increasing slightly in June to around 4.8% of the workforce. The automotive sector provides the strongest example, as it has seen rates rose from around 7% during the January 2021 peak in virus cases, to 21% in late June. It is said that these changes appear to be linked to international trade issues – notably a global semiconductor shortage and potentially also to Brexit-related impacts. In the region, as of 30 June 2021 21,000 (10%) of the region's manufacturing employees are still on furlough.

Scenarios 3: Jobs at risk after September

Modelling by the New Economics Foundation

estimates that 830,000 jobs could be at risk nationally following the ending of the furlough scheme. There is said to be significant variations by sector, although this analysis isn't provided. In considering the risk in the region HR1 notifications can be used help understand the outlook. In the latest analysis for July 2021, the data shows that there are variations in the number of HR1 notifications seen per sector. For example:

- The ICT sector had the most notifications in the BCLEP area in July 2021, whilst CWLEP and GBSLEP saw no ICT notifications.
- Admin and support services accounted for the most notifications across CWLEP in July 2021. The numbers were significantly lower in this sector across the GBSLEP and BCLEP areas.
- Manufacturing had the most notifications by sector across GBSLEP in July 2021, the figure was double the amount seen in the BCLEP and CWLEP areas combined.

Longer term analysis is needed to support a fuller picture and information from businesses organisations would also be helpful in highlighting any sectoral risks post September.

Observations

- The ending of furlough comes at a challenging time for the region, given the challenging position around unemployment, question over why people are not accessing the over 100,000 plus vacancies available.
- It should be noted that not all the risk around redundancies and job losses can be attributed to the pandemic. For example, there are other structural issues in the manufacturing sector at play as noted.

Women in Learning

This paper is produced by Professor Anne Green at WMREDI⁴² for the WMCA's Skills Advisory Panel and Jobs and Skills Delivery Board. It should be used to inform thinking around education, skills and employment policy and programmes in the region, specifically the adult education budget and inform the update of the 2021/22 Local Skills Report.

This paper focuses on women in learning and explores the barriers women face to accessing and participating in learning (especially for women in low paid and insecure employment), the implications for women post learning, sectoral issues (with a particular focus on STEM) and the implications of not having more women in learning. It concludes by presenting implications for stakeholders in the West Midlands.

Headlines

- Women perform well in the education system, so issues concerning women's position and performance in the labour market are not just about encouraging an increase in learning.
- A focus on the supply-side is insufficient – a demand-side policy of promoting good quality jobs, open to flexible working is important if women are to have enhanced opportunities to participate in learning and utilise their skills in employment. The availability of affordable transport is also

important to enable women to participate in many learning and employment opportunities.

- There is an ongoing issue about subject choices and the relatively low uptake of maths-based STEM subjects by women. Given developments in the economy and the growing importance of the digital economy, this is an issue meriting continuing emphasis – but attitudes to STEM are evident prior to the post-16 learning stage. Emphasis on ensuring that women have a stake in the digital economy is important for the West Midlands (as elsewhere). Role models and mentors demonstrating what can be achieved, and how, are also important in encouraging women's participation in STEM learning and jobs.
- Women caring for children (especially lone mothers with small children) face particular barriers to participation in learning. Structural issues - such as available and affordable childcare - are of fundamental importance for participation in learning and take up of employment utilising that learning.

Outlook for women

The barriers women face to accessing/participating in learning – particularly women in work in low paid and insecure employment. Access to training is highly unequal - between and within businesses – with low paid, low qualified workers less likely to have opportunities to develop their skills, so widening inequalities and skill gaps.⁴³ The Covid-19 pandemic has exacerbated divides in access to and uptake of learning and training. This is evident at school level where children from poorer families have been particularly hard hit by disruption to schooling, with potential long-term effects on their educational progression and labour market performance.⁴⁴ This underlines the importance of long-term investment in schools to help catch up for lost learning, as well as assistance for recent

⁴² With acknowledgements to Alex Smith and Abigail Taylor, WMREDI, for their inputs.

⁴³ Clayton N. and Evans S. (2021) Learning at work: Employer Investment in Skills, Learning and Work Institute. <https://learningandwork.org.uk/resources/research-and-reports/learning-at-work-employer-investment-in-skills/>

⁴⁴ Blundell R., Cribb J., McNally S., Warwick R. and Xu X. (2021) Inequalities in education, skills, and incomes in the UK: The implications of the COVID-19 pandemic, Institute for Fiscal Studies.

education leavers who were particularly negatively impacted by the Covid-19 pandemic.

The 2020 Adult Participation in Learning Survey⁴⁵ found that during the 2020 lockdown those who would most benefit from training, were the least likely to participate. For example, one in 20% of adults who left school at the first opportunity took part in lockdown learning, compared to 57% of adults who stayed in education until the age of 21 years. Only 29% of adults in lower socio-economic groups took part in lockdown learning compared to 57% of adults in higher socio-economic groups. 34% of adults who were out of work took part in lockdown learning, compared to over 52% of those who were in employment.

Sector and establishment size matters – analysis of Employer Skills Survey data for 2019 (and previous years) shows that employers in lower wage, lower productivity sectors (e.g. retail and hospitality) are less likely to provide training and investment in training has fallen most in these sectors; (these are important sectors for women and for young people).⁴⁶ Higher value, more knowledge-intensive sectors have increased investment in training. Employer investment in training fell sharply during the pandemic, but employer investment in skills was declining before this; in the 2019 Employer Skills Survey 61% of establishments reported providing training over the last 12 months, in comparison with 66% in 2017. Training days and training expenditure per employee has declined consistently since 2015. Nearly three-quarters of employers who do not offer training do not see the need to do

so. This underscores the fact that a ‘low skills equilibrium’ (sometimes called ‘low skills traps’) exists in some local areas and some low-skill sectors (such as hospitality and retail). Here the potential for supply-side action on skills is limited as there is not impetus to invest in skills.⁴⁷

Progression in work – and learning for progression – needs to be viewed in a broader context of prior experience of education, family lives and financial circumstances (i.e. ‘context’ is important). Progression in work is often measured on the basis of increases in earnings, although non-monetary definitions such as the number of hours worked, job titles, job security, skills levels and career development are relevant too. Whatever measure is used, a key point is that some women prioritise other issues over work and training. For example, some parents – and single parents in particular (albeit they are not a homogenous group) – may prioritise the needs of their children.⁴⁸ In general, single parents face particular issues in relation to participation in learning and the labour market; they are more likely to be low-paid and less likely to progress out of low-paid work than other working parents. Barriers limited their progression in work include lack of flexibility, part-time working, level of education, and time out of the labour market. More generally, working part-time is associated with poorer progression outcomes than working on a full-time basis – in part due to a lack of quality part-time jobs. Evidence suggests that parents with the youngest children are amongst the least likely to access learning. They may also struggle to retain engagement in learning once they commence.

<https://ifs.org.uk/inequality/wp-content/uploads/2021/03/BN-Inequalities-in-education-skills-and-incomes-in-the-UK-the-implications-of-the-COVID-19-pandemic.pdf>

⁴⁵ Aldridge F., Jones E. and Southgate D. (2020) Learning through lockdown: Findings from the 2020 Adult Participation in Learning Survey, Learning and Work Institute. <https://learningandwork.org.uk/resources/research-and-reports/learning-through-lockdown/>

⁴⁶ Winterbotham M., Kik G., Selner S., Menys R., Stroud S. and Whittaker S. (2020) Employer Skills Survey 2019: Research report, Department for Education. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/955172/Employer_skills_survey_2019_research_report.pdf

⁴⁷ Green A. (2016) Low skill traps in sectors and geographies: underlying factors and means of escape, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/593923/LowSkillsTraps_final.pdf; Green A., Sissons P., Broughton K. and Qamar A. (2021) ‘Public policy for addressing the low-skills low-wage trap: insights from business case studies in the Birmingham city-region, UK’, *Regional Studies* 55(2), 333–344.

⁴⁸ Clery E., Dewar L. and Bivand P. (2020) Untapped talent: single parents and in-work progression – the national picture, Gingerbread. <https://www.gingerbread.org.uk/wp-content/uploads/2020/02/Gingerbread-Untapped-Talent-Report-D2.pdf>

The level of education is an important factor for women (and men) for progression in work. There is consistent evidence that progression is harder to achieve with lower levels of education. This underlines the importance of educational levels achieved during compulsory education and in subsequent further and higher education.

While individual experience and attainment in education matters, once in work managerial decisions matter too. Managerial decisions regarding training of different groups of workers can contribute to reproduction of traditional gender divides in training - so disadvantaging women. Analysis of data from the European Sustainable Workforce Survey (including the UK), drawing on data from over 228 organisations and focusing on older workers, shows that in comparison with men of the same age, older women on average work for organisations that are more likely to offer training for their staff (the public sector) but within these organisations they tend to have jobs that make them less likely to receive training.⁴⁹ This underscores the point that workplace dynamics and managerial decisions are important in understanding gender divides in access to training.

The implications for women post learning

A review of the literature suggests that the gender pay gap is multi-dimensional and complex in its causes and consequences.⁵⁰ The gender pay gap is relatively small for young and single people, and increases with age, marriage and parenthood. Disparities in pay and progression accumulate to affect women's

income not only in work but also over their life course.

The gender pay gap is also associated with the types of occupations (often low-paid) in which women are traditionally concentrated – e.g. care, catering, cleaning, etc. It is also noteworthy that private sector gender differentials in pay are higher than in the public sector.

In general, qualifications have a particular significance for ethnic minority women (and men) in the labour market; with those with no qualifications and non-UK qualifications being the most disadvantaged. However, there are variations in experience between ethnic minority groups – in part reflecting sectoral (and associated occupational) differences in employment between ethnic groups.

There is an apprenticeship pay gap that negatively impacts on women. Apprenticeships offer paid employment, on-the-job training and a qualification. National and regional data indicate that women are well represented in apprenticeships.⁵¹ The latest figures (covering the period from August 2020 through to April 2021) on apprenticeship completions in the West Midlands metropolitan area show a larger number of women completing apprenticeships overall. This is the case across all levels of apprenticeship study, with a greater number of women having taken higher apprenticeships, though with higher apprenticeships comprising a slightly smaller share of the total when compared to men (see the Table below).

GENDER	FEMALE	MALE
ADVANCED APPRENTICESHIP	2990	2110
HIGHER APPRENTICESHIP	2160	1680
INTERMEDIATE APPRENTICESHIP	1690	1330
PROPORTION HIGHER	46%	49%
TOTAL AWARDED	6840	5120

⁴⁹ Lössbroek J. and Radl J. (2019) 'Teaching older workers new tricks: workplace practices and gender training differences in nine European countries', Ageing and Society 39(10), 2170-2193.

⁵⁰ Bosworth D. (2015) Opportunities and outcomes in education and work: Gender effects, UK Commission for Employment and Skills. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/477360/UKCES_Gender_Effects.pdf

⁵¹ Davies C. (2019) Exploring positive action as a tool to address under-representation in apprenticeships, Equality and Human Rights Commission. <https://www.equalityhumanrights.com/sites/default/files/research-report-123-positive-action-apprenticeships.pdf>

The gap in apprenticeship completions (also original uptake) between women and men differs markedly between ethnic groups. The gap is slightly narrower for White people (as shown in the Table below).

Ethnicity	Female	Male	Difference
Asian/ Asian British	1040	790	-24%
Black/African/Caribbean/Black British	500	280	-44%
Mixed/ Multiple Ethnic Group	310	110	-65%
Not App/Known	150	140	-7%
Other Ethnic Group	30	30	0%
White	4960	3910	-21%
Total	6990	5260	-25%

When breaking down apprenticeships by subject, the gender gap is striking. Women make up a negligible share of construction, engineering, and manufacturing apprenticeships, and are a distinct minority in ICT. They are, however, greatly over-

represented in education and health and care, the latter sector being particularly important because it takes such a large absolute number of apprentices. Women also comprise a larger share in business, administration, and law (see Table below).

Row Labels	Female	Male	Difference
Construction, Planning and the Built Environment	30	620	1967%
Engineering and Manufacturing Technologies	100	1230	1130%
Leisure, Travel and Tourism	10	40	300%
Information and Communication Technology	140	340	143%
Arts, Media and Publishing	30	40	33%
Agriculture, Horticulture and Animal Care	50	60	20%
Retail and Commercial Enterprise	600	420	-30%
Business, Administration and Law	2440	1690	-31%
Education and Training	270	80	-70%
Health, Public Services and Care	3320	740	-78%

These differences are significant given the different earnings prospects they confer, and because they reinforce structural differences in the workforce in which occupations and sectors which employ more women often pay less.

Women in senior positions experience a gap in their pay compared with men. This may

be a function of bias resulting from skills and attributes traditionally associated with men (for example, risk-taking) being recognised in recruitment and reward structures, while characteristics associated with women (such as communication skills and team-working) may be less well recognised. So, this highlights the importance of behaviours and cultural norms impacting on gender differences in experience.

Sectoral implications – with a particular focus on STEM

Women perform well in the education system – at primary, secondary and higher education levels.⁵² This favourable educational performance. But the qualifications that they achieve are not necessarily translated into labour market performance. In part this relates to employment choices that women make relative to men and also to confidence in their own abilities in technical and STEM subjects. It also reflects cultural expectations and gender stereotypes that are evident from a young age.

Men routinely self-report more skills than women in LinkedIn.⁵³ This correlates with women's lower confidence in their own technical abilities. There is evidence that even very high achieving women are held back by shortcomings in their confidence/ self-efficacy in particular subjects. This is already evident at secondary school age, and suggests that tackling 'attitudes' to STEM subjects is important. There is a large gender gap in the likelihood of taking maths and physics at A-level, even among high-achieving pupils.⁵⁴ Girls perform as well as boys in STEM subjects at GCSE level, and more girls than boys rate science as a favourite subject. However, far fewer girls and women study STEM at further education (FE) and HE level.⁵⁵

The number of women taking STEM based subject has increased and in some STEM subjects (e.g. biological sciences, life sciences) women outnumber men.⁵⁶ But this has not been the case in maths-intensive science

fields – including subjects such as computer science (and also AI and data science which are becoming increasingly important) and engineering which remain male dominated. Within STEM fields of work there are also differences in the types of jobs where women are concentrated (e.g. in data science and AI women are more likely to occupy a job associated with less status and pay – usually within analytics, data preparation and exploration, than in more prestigious jobs in engineering and machine learning).⁵⁷

There is a good deal of up-to-date evidence on gender equality in STEM and what works at different educational stages to include engagement in a range of STEM-based activities; increase confidence and motivation to pursue STEM study; creating gender inclusive learning environments; providing positive role models/ mentors; targeting parents as key influencers.⁵⁸ At post 16 and higher education levels project-based, authentic subject-specific activities can positively impact engagement of women in STEM, as can using positive media portrayals of women in STEM and implicit affirmation training can contribute to improving women's perceptions of STEM careers. The support of a female mentor improves retention of women in STEM subjects. Peer-led and small group working have proved successful, as have teams composed of only female members. Using an online virtual learning environment can encourage women's participation in STEM learning and improve diversity on courses.

⁵² British Council (2016) Gender Equality and Employment of Women and Girls in the UK: Meeting the challenge of the Sustainable Development Goals. https://www.britishcouncil.org/sites/default/files/gender_equality_and_empowerment_in_the_uk.pdf

⁵³ Young E., Wajcman J. and Sprejer L. (2021) Where are the Women? Mapping the Gender Job Gap in AI. Policy Briefing: Full Report, The Alan Turing Institute. https://www.turing.ac.uk/sites/default/files/2021-03/where-are-the-women_public-policy_full-report.pdf

⁵⁴ Cassidy R., Cattan S., Crawford C. and Dytham S. (2018) How can we increase girls' uptake of maths and physics A-level? Institute of Fiscal Studies. <https://ifs.org.uk/uploads/R149%20with%20cover.1.pdf>

⁵⁵ McNally S. (2020) 'Gender Differences in Tertiary Education: What Explains STEM Participation?', CEP Discussion Paper 1721, Centre for Economic Performance, London School of Economics. <https://cep.lse.ac.uk/pubs/download/dp1721.pdf>; Armitage L., Bourne M., Di Simone J., Jones A. and Neave S. (2020) Engineering UK 2020: educational pathways into engineering, Engineering UK. <https://www.engineeringuk.com/media/196594/engineering-uk-report-2020.pdf>

⁵⁶ McNally S. (2020) op cit.

⁵⁷ Young et al. (2021) op cit.

⁵⁸ Arad Research (2020) Baseline evidence and research project for gender equality in STEM: final report 1 – literature review. Report for Welsh Government Office for Science. <https://gov.wales/sites/default/files/publications/2020-11/baseline-evidence-and-research-project-for-gender-equality-in-stem-final-report-literature-review.pdf>

It is clear that the gender gap in tertiary education in maths-based STEM subjects results partly from factors that are evident before that time and which influence 'educational preparedness'. This encompasses general educational achievement, achievement in mathematical subjects (which are important for many STEM programmes), comparative advantage in subjects requiring mathematical versus literacy proficiency and course-taking in upper secondary influencing field of study and/or 'educational preparedness' for subsequent choices. As these factors work cumulatively and in combination, there is no single factor that can be recommended to change these patterns in a substantial way.

The implications of not having more women in learning

It has been noted above that women perform well in the education system – at primary, secondary, further and higher education levels. A key issue is that favourable educational performance is not necessarily translated into labour market performance. In part this relates to employment choices. But training has a role to play too. A study investigating the role of training over the lifecycle for women (using longitudinal panel data) finds that training can play an important role in reducing the wage gap that arises from part-time work post children, especially for women who left education after secondary school.⁵⁹

The choices currently made by some women – in terms of participation in learning and about employment – results in an under-utilisation of skills in the economy, which in turn results in a loss of productivity. Some of the choices made by women relate to differential opportunities (and constraints) for flexible working across sectors and occupations, and here a salient

point is that there is growing demand for flexible working across genders and age groups.⁶⁰ Under-utilisation of skills also results in a shortfall of spending in the economy (as a result of women being on lower wages than if their skills were fully utilised). At an individual level it means greater insecurity and unfulfilled potential for some women themselves.

There are also implications for families, including on children. Educational achievement across different groups is complex, and different social, economic and cultural factors contribute to this: parental income levels, parental career and educational achievement, geography, family structure, and attitudes towards education within the family and wider community.

Evidence on early years points to family and parental background, geography and poverty having a strong influence on outcomes. It highlights the contribution of parents to supporting a child's learning is significant and a stable home provides a supportive context for children to complete homework, ask for assistance and develop their confidence and wellbeing. This can be provided by different sorts of family units but of key importance is the need for stability and resilience.⁶²

Among the core dimensions of socio-economic status, maternal education is the most strongly associated with children's cognitive development, and is a key predictor of other resources within the family that strongly predict children's well-being. Existing research demonstrates a strong relationship between maternal education and family circumstances, and between family circumstances and children's development, establishing the importance of both material resources and family relationships for children.⁶²

⁵⁹ Blundell R., Goll D., Costa-Dias M. and Meghir C. (2019) 'Wages, Experience and Training of Women over the Lifecycle', IZA Discussion Paper 12310.

⁶⁰ Timewise and EY (2017) Flexible Working: A Talent Imperative Research Study into the UK Workforce: Who wants flexibility, For what reasons, and How much it matters to them. https://timewise.co.uk/wp-content/uploads/2019/06/Flexible_working_Talent_Imperative.pdf

⁶¹ Commission on Race and Ethnic Disparities (2021) Independent Report: Education and Training.

⁶² Jackson M., Kiernan K. and McLanahan S. (2017) 'Maternal education, changing family circumstances and children's skill development in the United States and UK', Annals of the American Academy of Political and Social Science 674(1), 59-84.

WMCA interventions

WMCA adult learning interventions shows that female uptake is higher than male for three of the four interventions listed in the table below. The biggest gap between male and female uptake is for community learning, where

female uptake is three times that for males at 76%. There is also a notable difference for AEB enrolment at 63% and 37%, whilst Level enrolment is similar at 49% and 51%. Male enrolment onto AEB stood at 64% compared to 36% for females.

WMCA interventions	Female	Male
Community learning enrolment (19/20)	76%	24%
SWAPs enrolment (20/21)	36%	64%
Level 3 enrolment (20/21)	49%	51%
AEB enrolment (19/20)	63%	37%

Observations

- Gender-inclusive labour market policies need to be implemented and enforced across sectors. One option for consideration here is to develop ambitious gender-specific targets for increasing learning/ training and good quality job outcomes (in addition to aggregate targets). More nuanced targets could be relevant for specific sectoral initiatives (such as Sector-Based Work Academies) given the current patterns of sectoral and occupational segregation.
- Paying attention to gender-inclusivity is particularly important with regard to women's ability to participate in the digital economy on the same footing as men, as well as being important for accessing training and retraining more generally. The role of Digital Bootcamps is particularly important here – given the flexibility of provision that they offer. The specific targeting of women⁶³ (and other under-represented groups in tech sectors) as part of this provision is in line with the wider evidence base on 'what works' in terms of opening up opportunities for women in STEM. It is important to continue to monitor outcomes from this initiative and to evaluate what elements of provision are attractive to whom and why. In order to gain insights into gaps in current provision, it would be

informative to analyse how participants found out about Digital Bootcamp opportunities and (if possible) to collate and analyse information on those individuals registering initial interest who subsequently did not meet eligibility criteria for free provision or who otherwise decided not to undertake training.

- On employment support and training programmes the evidence points to the importance of women role models in demonstrating what might and can be achieved. Evidence from the Connecting Communities initiative emphasises the role of coaches/ mentors in listening to participants and understanding the specific demands of different training schemes/ job roles in the context of wider challenges particular sub-groups of women face in participating in learning and employment.
- There is a need to work to influence the demand-side of the labour market – for instance, by increasing the number of 'good jobs' offering flexible and part-time work in order that individuals have greater opportunities to utilise their skills. Local employment charters, promoted by local/ regional stakeholders, can play a role here in badging employers who have made a commitment (or are committed to working towards) to improving

⁶³ In the case of TechTalent Academy.

- characteristics of good employment,⁶⁴ so making them more identifiable as ‘employers of choice’. There is also scope here for working with organisations such as Timewise/ Women Like Us who have a track record of experience on such issues. (However, it should be noted that the demand for flexible working is not gender specific – it is influenced by work/life balance, commuting issues, leisure or study interests, etc. – and has become more prominent in debates about hybrid working.)
- Job redesign is an important factor – it has the potential to open up possibilities for progression. In the context of growing labour and skills shortages there is an opportunity for regional stakeholders to work with employers (particularly in sectors facing most recruitment [and retention] challenges to consider how jobs might be redesigned and/or current recruitment/employment practices revised (especially in sectors where employment is heavily dominated by one gender) to attract a wider base of applicants than they typically consider. Once in the workplace managers’ decisions are important in opening up opportunities for training and progression. Enhanced managerial awareness of perceptual and objective barriers women face in putting themselves forward for such opportunities would be beneficial here.
- There is scope for greater attention to be paid to making more information available about the transferability of skills across sectors and also about progression routes in different sectors. Linked to this is the importance of targeted and timely careers support, recognising that aspirations regarding progression evolve over time. For mothers such aspirations are often related to children’s ages and school stages, with many mothers being most open to learning/progression when the youngest child starts primary school/ secondary school.
- For many parents cheaper and more accessible childcare would open up opportunities to engage in a wide range of learning/ training and employment. For some help with transport costs might also help overcome barriers to participation. Policies to subsidise training for recent mothers can increase their disposable income and overall welfare – albeit policies that lessen incidence of part-time work (e.g. improved childcare availability) may be more important.
- Cultural expectations and gender stereotypes are pervasive and being at a young age. In STEM in post 16 and higher education evidence points to the importance of the following points related to delivery of training:
 - - Project-based, authentic subject-specific activities can positively impact female engagement in STEM;
 - - Using positive media portrayals of females in STEM and implicit affirmation training can contribute to improving females’ perceptions of these types of careers and developing ‘a sense of belonging’;
 - - The support of a female mentor improves retention rates of women in STEM subjects;
 - - Using an online/ virtual learning environment to deliver STEM subject content can encourage more female participation and increase diversity on courses;
 - - Peer-led tutoring and small group working have proved successful;
 - - Short/ limited interventions can positively impact women’s engagement in STEM; Single-sex STEM programmes have the potential to increase females’ sense of belonging.
- In strategically important sectors for the future proactive steps are needed to ensure the inclusion of women in design and development of key technologies. (This would be a UK government requirement to scrutinise and disclose the gender composition of R&D teams rather than an action to be taken regionally).

⁶⁴ Characteristics can include secure work, flexible work, the real living wage, engagement and voice, recruitment, people management and health & well-being (taken from the Greater Manchester Good Employment Charter – see <https://www.gmgoodemploymentcharter.co.uk/the-charter/>).

Over 50s in the Labour Market

This paper is produced by Professor Anne Green at WMREDI for the WMCA's Skills Advisory Panel and Jobs and Skills Delivery Board. It should be used to inform thinking around education, skills and employment policy and programmes in the region, specifically the adult education budget and inform the update of the 2021/22 Local Skills Report.

This paper focuses on people aged 50 years and over and their labour market experience. It explores broad features of demographic change – notably the ageing of the population – and implications for individuals' working lives. It summarises the age profile of sectors and occupations and associated implications for worker retention and future labour supply. It identifies barriers facing people aged 50 years and over in learning and employment, and the challenges that they face if they lose their job in searching for new employment. It addresses the implications of not having more people aged 50 years and over in learning and employment, both for the individuals themselves and for the broader economy and society. It presents insights into the role of policy to help over 50s in the labour market, including the role for place-based policy. It concludes by presenting implications for stakeholders in the West Midlands.

Headlines

- There is a general trend of population ageing which has contributed to a growth in people aged 50 years and over in employment, albeit this trend is less marked in the West Midlands CA area than nationally. In the next ten years all of the large post World War II 'baby boomer' generation will have reached State Pension Age.
- Until the Covid-19 crisis there was a trend towards increasing labour market participation of the over 50s – particularly amongst people in their 60s. However, the long-term trend towards more years of healthy life in retirement is now stalling and there are marked inequalities in the economic and health experience of the

over 50s; the over 50s are a heterogeneous group with some much more able to support themselves in retirement than others. Nationally, the Covid-19 pandemic has had a disproportionate impact on older (as well as younger) workers, with a particularly marked reduction in the employment rates of older women, but this is less evident in the West Midlands than nationally. Formerly their employment rates had been increasing, alongside the rise in the State Pension Age for women amongst the younger member of the 'baby boomer' cohort.

- Sectors such as Education and Manufacturing have a 'top heavy' age structure. This highlights the importance of replacement demand considerations as workers retire. Some occupations in the construction sector and HGV drivers, as well as skilled trades, secretarial & administrative and elementary occupations also have a disproportionate share of older workers, accentuated by a reduction in migrant worker in-flows, given that migrant workers tended to reduce the average age of these occupations.
- The over 50s face a range of barriers in accessing learning and employment. Employers are less likely to train older than younger workers. If older workers are made redundant or become unemployed they are likely to take longer to find employment than younger age groups. A lack of up-to-date skills and qualifications hampers some (but by no means all) older job seekers. The over 50s are also more likely to lack experience of recent job moves and job search. A substantial proportion of the over 50s perceive age discrimination as a factor in their difficulties in finding employment. Evidence suggests that flexible working practices and part-time employment play a key role in keeping older workers in the workforce for longer. Moves towards enhanced emphasis on the quality of jobs are likely to benefit all labour market sub-groups, and the economy as a whole, at a time of labour and skills shortages.

- Evidence suggests that the over 50s benefit from targeted employment support initiatives addressing the distinctive challenges that they face; they tend to be less well catered for by generic programmes. There is scope for personalised, segmented and place-based support, delivered by advisers of a similar age.

Demographic change and implications for working lives

Age structure and projections

The West Midlands 7-Met area's age structure in 2020 is shown by the blue bars in Figure 1, while the orange line shows the age profile of the population of England. It is apparent that the age structure of the WMCA area is younger than that for England, but the relative sizes of different age cohorts in the WMCA area follows the national pattern, with a large cohort aged in their 50s, followed by a smaller cohort aged in their early and mid 40s. This indicates that national analyses of over 50s in the labour market will have resonance for the West Midlands.

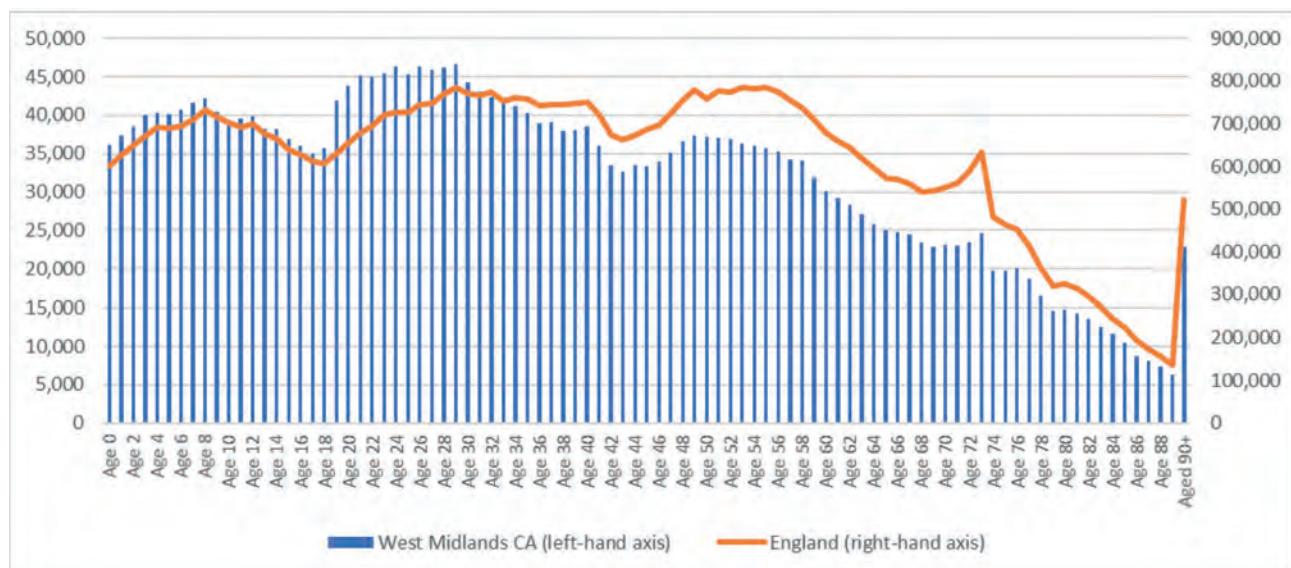


Figure 1: Age profile of the population by single year of age, WMCA 7 Met area and England, 2020

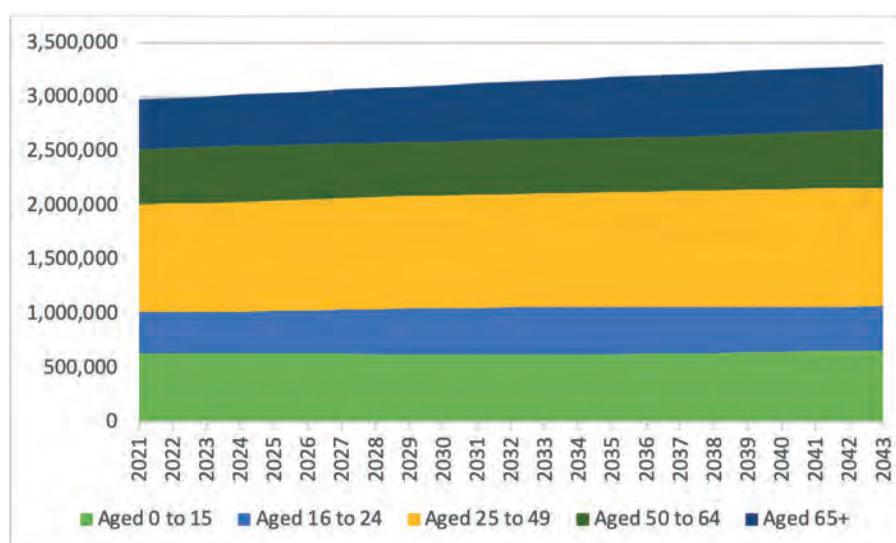


Figure 2:
Population
projections by
broad age group,
WMCA 7 Met area,
2021 to 2043

Figure 2 shows population projections by broad age group for the WMCA area. The number of people in the 50-64 age group is set to peak in the next few years and then reduce, before rising again in the latter part of the period shown. Meanwhile, the number of people aged 65 years and over is projected to increase throughout the period, while the numbers aged 25 to 49 years increase marginally.

Nationally and regionally, the patterns of work amongst older workers and the demographic bulge of the 'baby boomer' generation, coupled with rising employment rates amongst the over 50s prior to the Covid-19 crisis (outlined in more detail below), in the current context of labour and skills shortages highlights the importance of placing policy emphasis on over 50s in the labour market. It is also pertinent to note that reduced immigration in the context of Brexit and the Covid-19 pandemic is enhanced population ageing.

Trends in labour market participation for the over 50s

Nationally, from the 1970s until the mid 1990s there was a decrease in employment rates for the over 50s, driven by early exit from the labour market of older men⁶⁵ from declining industries (i.e. major job losses in mining and manufacturing), especially in the first part of the 1980s. Government policy played a role here, with the Job Release Scheme (JRS) from 1977 to 1988 discouraging employment amongst older adults in the face of concerns about youth unemployment. The JRS paid 'released' older workers an allowance that was higher than the state pension and unemployment benefits and was linked to the employer hiring a young unemployed

person in their place. Hence, older workers were seen as fulfilling a 'buffer' role in a slack labour market. Analysis suggests that the JRS reduced employment amongst older adults but had no positive effect on youth employment.⁶⁶ From the mid 1980s onwards movement onto Invalidity/Incapacity Benefit amongst people aged 50-64 was a major pathway for early exit from the labour force.

By contrast, from the mid 1990s until 2019 there was a strong increase in employment rates, mainly driven by increases in employment amongst older women. In 2019 the national employment rate for people aged 50-64 years reached a record high of 73%.⁶⁷ A key factor underlying this increase was the rise in the state pension age (SPA) for women from the age of 60 to 65 years over the period from April 2010 to November 2018. This impacting on women born in the 1950s. Currently pension ages for men and women are equal at 66 years, with further legislative provision to increase the SPA in stages to 68 years.⁶⁸ Between 1992 and 2020 the average age of retirement entry rose by 1.9 years for men (to 65.2), and by 3.6 years for women (to 64.3). This marked a reduction in the gender gap in age of retirement. The increase in employment rates to the start of 2020 was evident in all over 50s age groups up to 74 years, but was most marked amongst those aged 60-64 years.⁶⁹ International analyses for the 55-74 age group highlights that this rise in employment rates is a broader international phenomenon, but the increase is attributable to an increase in retention rates of older workers within firms rather than an increased willingness for employers to hire older workers.⁷⁰

⁶⁵ Cominetti N. (2021) A U-shaped crisis: The impact of the Covid-19 crisis on older workers, Resolution Foundation.

⁶⁶ Banks J., Blundell R., Bozio A. Emmerson C. (2008) 'Releasing Jobs for the Young? Early Retirement and Youth Unemployment in the United Kingdom', IFS Working Paper W10/02.

⁶⁷ Cominetti N. (2021) op cit.

⁶⁸ Thurley D., Mackley A. and McInnes R. (2021) 'Increases in the State Pension age for women born in the 1950s', House of Commons Library Number 7405.

⁶⁹ Cebr (2021) Over 50s in the labour market: A report for Legal & General. Cebr.

⁷⁰ Martin J.P. (2018) 'Live longer, work longer: the changing nature of the labour market for older workers in OECD countries', IZA Discussion Paper 11510.

The Covid-19 crisis has brought a reduction in employment rates, with older and younger workers affected more than people in the middle age groups.⁷¹ Analysis conducted a year into the Covid-19 crisis (in April 2021) showed that employment rates had declined by 2 percentage points for both men and women.⁷² Comparisons with previous economic crises in the 1980s and 1990s indicated that at a similar stage of the crisis women in their 50s had been more adversely affected by the Covid-19 crisis,⁷³ while for older men the impact was similar to that in previous crises. Nationally, the Covid-19 pandemic has seen the employment rate for women in their 50s fall by 2.1 percentage points, with two-thirds moving into economic inactivity rather than unemployment.⁷⁴

More generally, there is increasing concern about the rise in inactivity, driven by fewer older people in the labour market, especially in the context of very high levels of vacancies.⁷⁵

Analyses by the Office for National Statistics⁷⁶ at UK level for workers aged 55 years and over on the economic position of those who were in employment 12 months previously who are now unemployed or economically inactive show an increase in early retirement and in redundancies (see Figure 3). The number giving up work for health reasons was higher in 2020 (coinciding with the start of the pandemic) than in 2019 or 2021. The other single largest reason provided was retirement at or after state pension age.

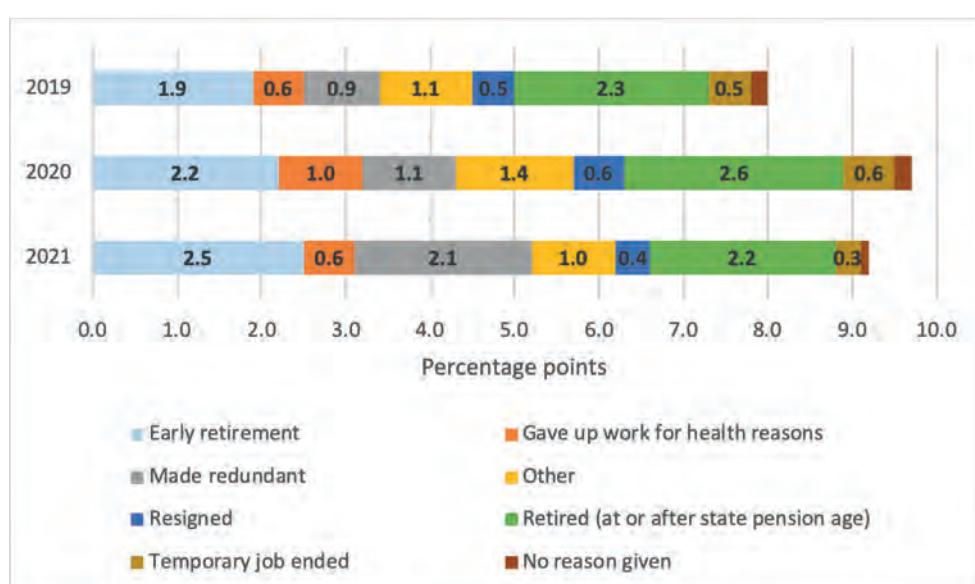


Figure 3:
People aged 55 years and over in employment 12 months previously who are now unemployed or inactive, UK, April-June

Source: Labour Force Survey, April-June (from Casey and Murphy [2021])

Figure 4 shows employment rates for 50-64 year olds disaggregated by gender for the WMCA 7-Met area, the Black Country LEP area, GBSLEP and the UK from 2005 to 2021. The downturn in employment rates for women aged between 50-64 that is evident at national level between 2020 and 2021 is also evident in the Coventry & Warwickshire LEP area, but not in the Black Country or GBSLEP areas. In the WMCA area the employment rate for

women aged 50-64 years remained virtually unchanged. However, the confidence intervals for sub-national areas are greater than at the national scale so caution should be emphasised in interpretation. Increasing employment rates are evident across all areas shown for this age group between 2011 and 2020, with the narrowing of the gender differential between females and males indicating a greater increase for the former than for the latter.

⁷¹ Brewer M., McCurdy C. and Slaughter H. (2021) Begin again? Assessing the permanent implications of Covid-19 for the UK's labour market, The Economy 2030 Inquiry, The Resolution Foundation, London.

⁷² Cominetti N. (2021) op cit.

⁷³ Institute for Employment Studies (2021) Labour Market Statistics, December 2021 – IES Briefing, IES, Brighton.

⁷⁴ Brewer M. et al. (2021) op cit.

⁷⁵ Institute for Employment Studies (2021) op cit.

⁷⁶ Casey A. and Murphy R. (2021) Changing trends and recent shortages in the labour market, UK: 2016 to 2021, Office for National Statistics.

Figure 5 shows employment rates by age group and gender for the WMCA 7-Met area and the UK from 2005 to 2021. In the WMCA 7 Met area employment rates for both males aged 50-64 years and females aged 50-64 years

employment rates converged over the period from around 2013 to a level similar to those for all 16-64 year olds. In the UK employment rates for 50-64 year olds remained below those for 16-64 year olds.

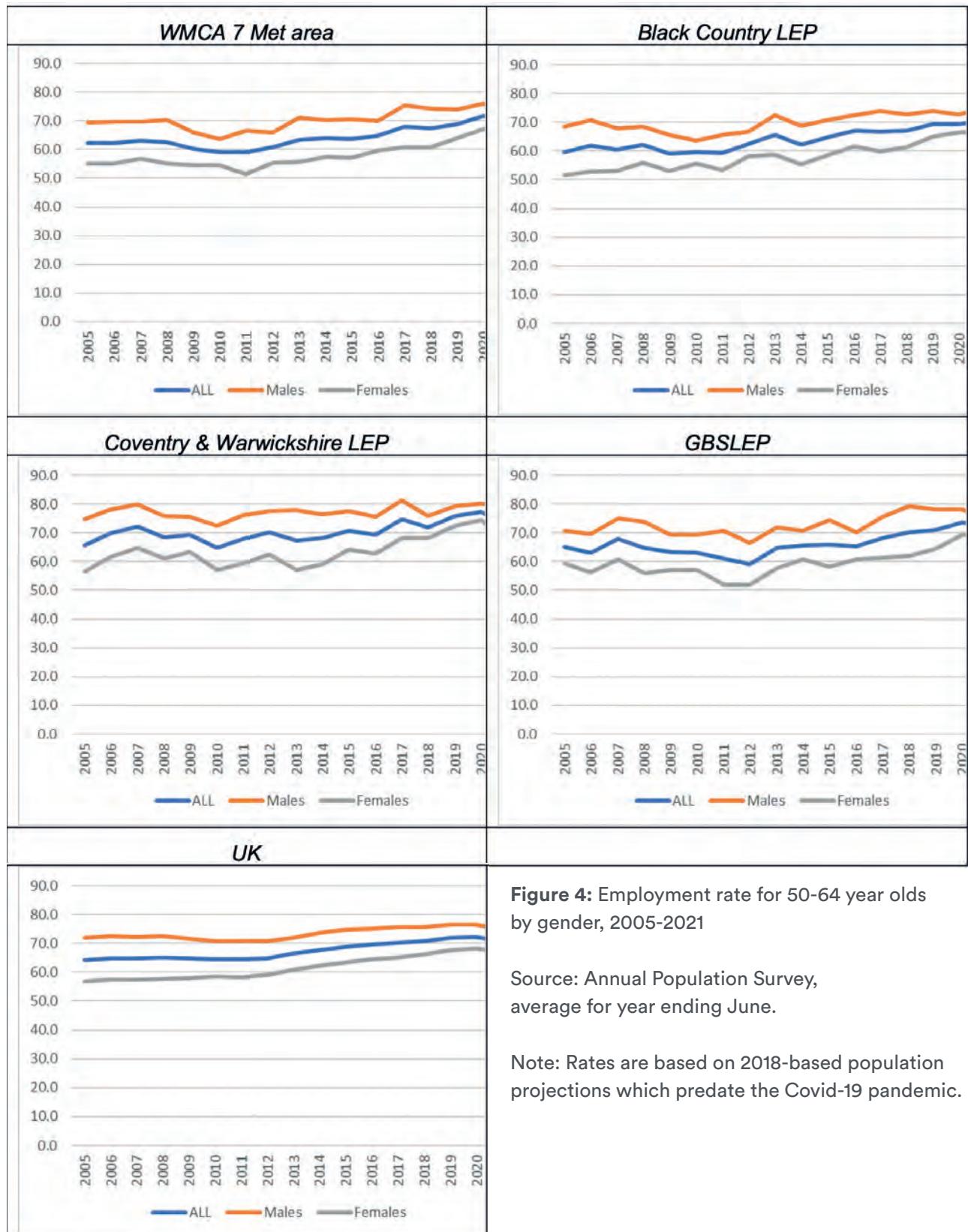


Figure 4: Employment rate for 50-64 year olds by gender, 2005-2021

Source: Annual Population Survey, average for year ending June.

Note: Rates are based on 2018-based population projections which predate the Covid-19 pandemic.

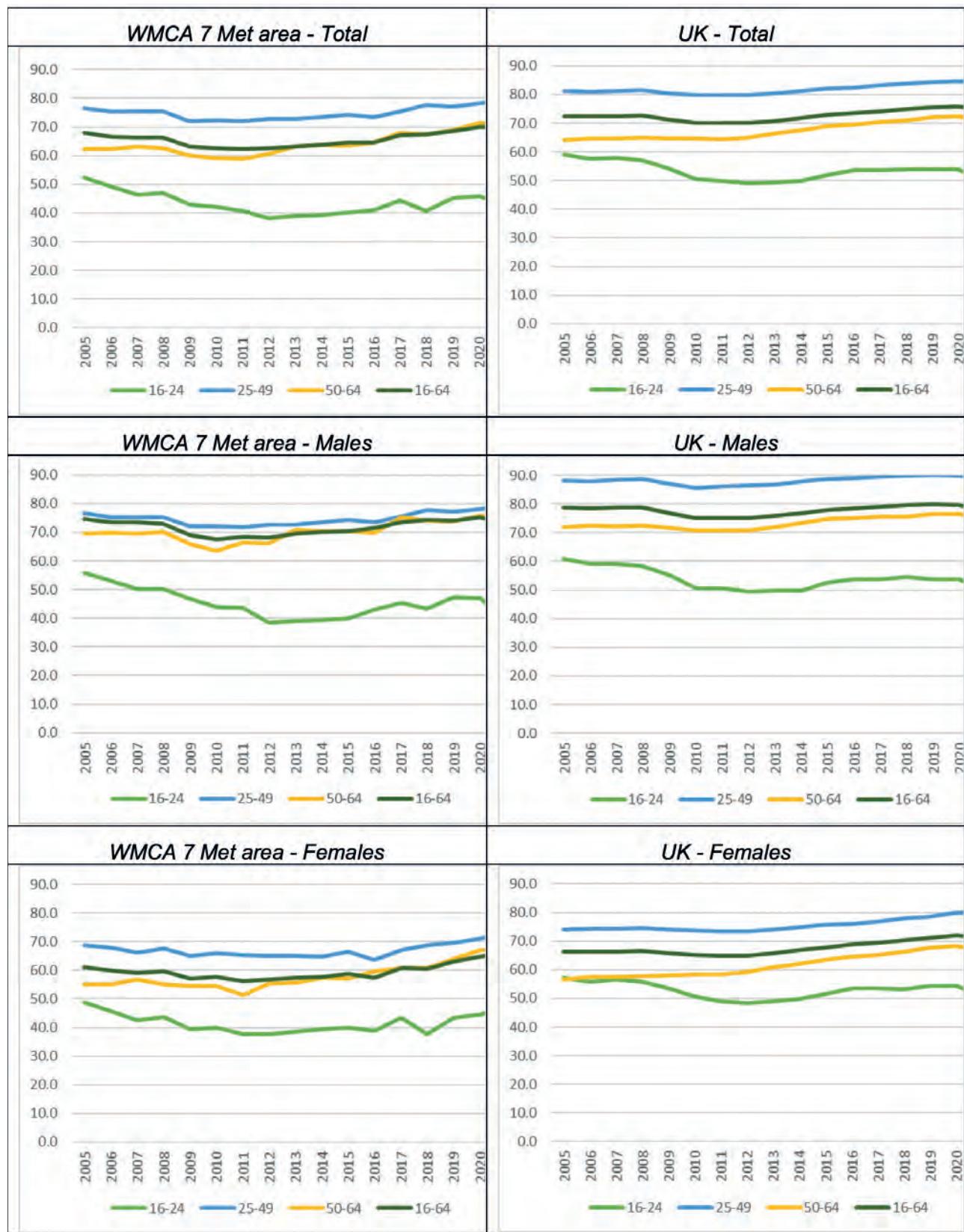


Figure 4: Employment rates by age group and gender, WMCA area and UK, 2005-2021

Source: Annual Population Survey, average for year ending June.

Note: Rates are based on 2018-based population projections which predate the Covid-19 pandemic.

Confidence intervals are largest for the 16-24 age group and in 2021 compared with previous years.

Throughout the period the UK employment rates for 16-24 year olds and 25-49 year olds were higher than in the WMCA 7-Met area, whereas for 50-64 year olds employment rates were more similar in the WMCA 7-Met area and the UK, with the rates being virtually the same in 2021. There are a number of possible reasons why this could be the case, including that older workers in the WMCA 7-Met area have fewer financial resources to retire early than those elsewhere.

Analyses suggest that moves of the over 50s out of employment are not concentrated amongst the hardest hit sectors or those with lower skills, but that workers in the public sector have had the biggest risk of moving out of work. Older workers have also been hit disproportionately by furlough, particularly those aged over 65 years,⁷⁷ with sector of employment being a key factor here. A survey commissioned by the Resolution Foundation in January 2021 (with a sample of 6,389 adults aged 18 to 65) found that of those who were

employed in February 2020, 25% were either no longer working by January 2021, were employed but furloughed, or were employed but had seen their earnings fall by at least 10 per cent compared to February 2020. However, among sample members aged 55 to 59 years 27% were in this category, as were 35% of those aged 60 to 65 years.⁷⁸

The employment characteristics of workers over 50, and more especially those over 60, are rather different from those of younger workers. In particular, older workers are more likely to work part-time, have low weekly (and hourly) pay than all but the youngest workers. They are also more likely to be self-employed, with the increase in self-employment being particularly marked for those in their 60s (see Figure 6). While the share of older men who are self-employed has remained relatively stable over time, there has been an increase in self-employment amongst older women over the last decade.⁷⁹

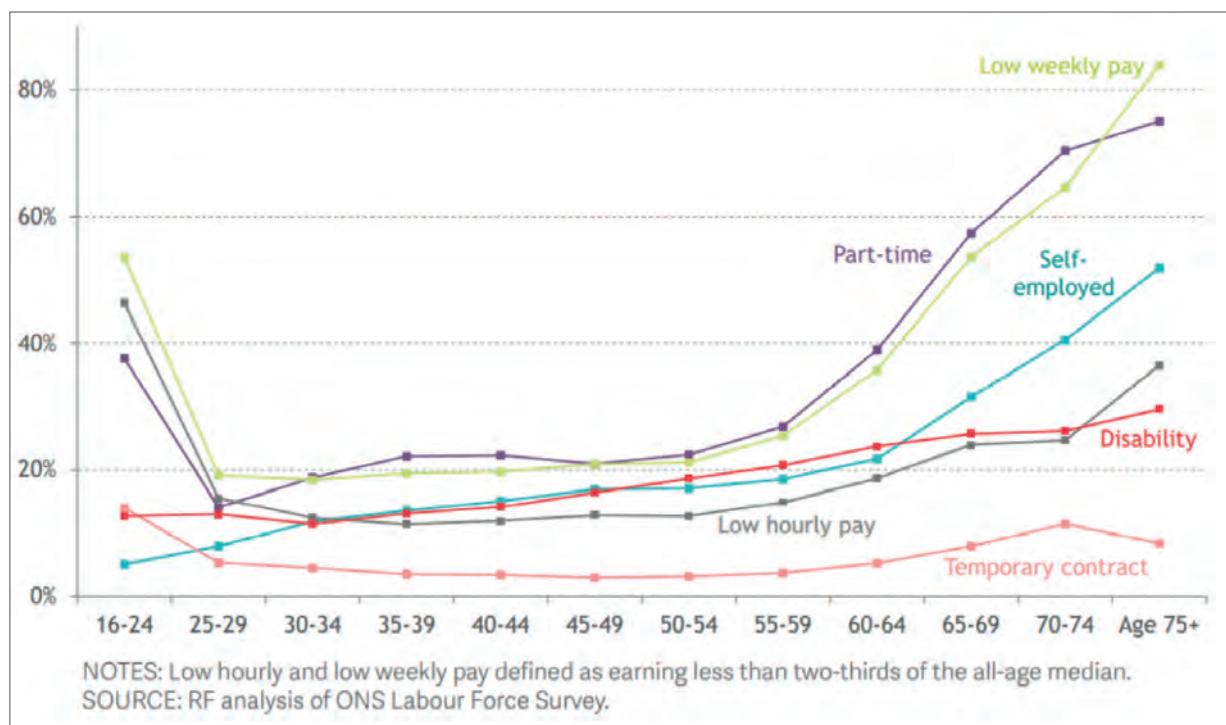


Figure 6: Employment characteristics by age band, UK, 2019-20

⁷⁷ Crawford R., Cribb J., Karjalainen H. and O'Brien L. (2021) 'Changing patterns of work at older ages', IFS Report R192, Institute for Fiscal Studies.

⁷⁸ Cominetti N. (2021) op cit.

⁷⁹ Crawford R. et al. (2021) op cit.

Table 1 shows the labour market status of 50-64 year olds in the West Midlands (NUTS 1) region in the year ending June 2021, together with a comparison with the UK. 50-64 year olds in the West Midlands (NUTS 1) region were slightly more likely to be economically active (74.8%) than in the UK (73.6%), were more likely to be employees and less likely to be self-employed. Of those in employment, 74.0% in the West Midlands NUTS 1 region were working full-time compared with 73.3% in the UK.

The three right-hand columns compare the labour market status on 50-54 year olds, 55-59 year olds and 60-64 year olds in the West Midlands NUTS 1 region. Economic inactivity increases with age: just over 40% of 60-64 year olds are economically inactive, compared with 24.4% of 55-59 year olds and 13.6% of 50-54 year olds. As indicated at the national scale in Figure 3, part-time employment increases with age, from 16.0% of 50-54 year olds, to 20.7% of 55-59 year olds and 31.0% of 60-64 year olds.

	WM 50-64 (n)	WM 50-64 (%)	UK 50-64 (%)	WM 50-54 (%)	WM 55-59 (%)	WM 60-64 (%)
All persons	1,117,300					
Economically Active	835,500	74.8	73.6	86.4	75.6	59.7
Employed	804,600	72.0	70.7	83.9	73.2	56.2
Employee	667,100	82.9	81.9	85.0	83.2	78.6
Employee : Full-time	497,000	61.8	61.0	69.0	62.5	47.6
Employee : Part-time	170,100	21.1	21.0	16.0	20.7	31.0
Self Employed	134,900	16.8	17.7	14.8	16.6	20.7
Self Employed : Full-time	97,800	12.2	12.2	11.5	12.0	13.5
Self Employed : Part-time	37,100	4.6	5.5	3.2	4.5	7.2
Other (Government trainee or unpaid family worker)	2,600	0.3	0.4	0.2	!	0.7
Other : Full-time	700	0.1	0.1	!	!	!
Other : Part-time	1,900	0.2	0.2	!	!	0.7
Total Full-time	595,600	74.0	73.3	80.7	74.6	61.1
Total Part-time	209,100	26.0	26.7	19.3	25.4	38.9
Unemployed	30,900	3.7	3.9	2.9	3.2	5.9
Economically inactive	281,800	25.2	26.4	13.6	24.4	40.3

Table 1: Labour market status of 50-64 years olds in the West Midlands NUTS 1 region, year ending June 2021

Source: Annual Population Survey, June 2020-June 2021

Note: Employment, economic activity and economic inactivity rates are the percentage of the age group population. Unemployment rates are the percentage of the age group economically active. Employment sub-type rates (e.g. employee or full-time) are a percentage of age group total employment. Respondents who did not state whether they were full-time or part-time have been included with full-time categories to

It should be noted that transitions into retirement need not be one way and that flexible working plays an important role in ‘unretirement’. Analyses using data from the British Household Survey to examine unretirement using a survival analysis, which is defined as reporting being retired and subsequently recommencing paid employment or beginning full-time work following partial retirement, showed that around 25% of

people experienced a retirement reversal.⁸⁰ ‘Unretirement’ is more common for males, the higher educated, those in better health, those who owned a house with a mortgage and those with a partner in paid work. This suggests that this is a strategy used by those who are already advantaged. It also indicates that some retired people may be open to returning to the labour market to address labour and skills shortages.

⁸⁰ Platts L.G., Corna L.M., Worts D., McDonough P., Price D. and Glaser K. (2019) ‘Returns to work after retirement: a prospective study of unretirement in the United Kingdom’, Ageing and Society 39(3), 439-464.

Age profile of sectors and occupations

The sectors with the oldest average workforces at national level are primary industries, real estate and transport and storage (see Figure 7).⁸¹ However, the largest absolute numbers of workers aged 50 years and over are in education, health & social work, manufacturing and wholesale & retail; together these sectors account for nearly half of older workers.

Figure 7:

Mean age of worker by sector against numbers of workers aged 50+

Source: Boys (2019), Figure 9

It would be expected that the patterns for the West Midlands would be similar, and it is notable that these are all important sectors for the region. The former three sectors, in particular, with their older mean ages, are likely to face particular replacement demand requirements as older workers retire.

Construction accounts for the next largest share, but public administration (which also has a sizeable number of workers aged 50 years and over) displays a higher average age than construction. Hospitality stands out amongst all of the sectors shown with easily the lowest average workforce age.

Workers aged 50 years and over are more likely to work in machine operative and elementary occupations, skilled trades occupations, administrative and secretarial

occupations, and caring, sales and customer service occupations than those aged 35-49 years. They are less likely to work in managerial and professional occupations and associate professional and technical occupations. In part this occupational pattern reflects structural changes in the occupational composition of employment, with skill trades occupations and administrative and secretarial occupations in long-term decline. Earlier-born generations are less well represented in higher level non-manual occupations have increased in importance.⁸²



Source: CIPD analysis of Annual Population Survey⁸¹

⁸¹ Boys J. (2019) Megatrends: Ageing Gracefully – the opportunities of an older workforce, CIPD, London.

⁸² Crawford R. et al. (2021) op cit.

Analyses from the Office for National Statistics identify the proportion of employees accounted for by people aged over 55 years at Standard Occupational Classification (SOC) 3-digit code. Table 2 shows the 'top 20' occupations in rank order. At least 44% of managers & proprietors in agricultural related services and of people in housekeeping & related services are aged over 55 years. Skilled

trades occupations related to sectors in long-term employment decline also display amongst the largest proportions of workers aged over 55 years, including textiles & garments trades, agricultural & related trades and printing trades. More than one in three road transport drivers are aged over 55 years. Various senior managerial occupations also display high proportions of employees aged over 55 years.

	WM 50-64 (n)	WM 50- 64 (%)	UK 50- 64 (%)	WM 50- 54 (%)	WM 55- 59 (%)	WM 60- 64 (%)
All persons	1,117,300					
Economically Active	835,500	74.8	73.6	86.4	75.6	59.7
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Self Employed : Part-time	37,100	4.6	5.5	3.2	4.5	7.2
Other (Government trainee or unpaid family worker)	2,600	0.3	0.4	0.2	!	0.7
Other : Full-time	700	0.1	0.1	!	!	!
Other : Part-time	1,900	0.2	0.2	!	!	0.7
Total Full-time	595,600	74.0	73.3	80.7	74.6	61.1
Total Part-time	209,100	26.0	26.7	19.3	25.4	38.9
Unemployed	30,900	3.7	3.9	2.9	3.2	5.9
Economically inactive	281,800	25.2	26.4	13.6	24.4	40.3

Table 1: 'Top 20' 3-digit occupations with the highest proportion of employees aged over 55 years, UK, 2021

Source: Labour Force Survey year ending September 2021, April-June (from Casey and Murphy [2021])
maintain additivity.

The top panel of Table 3 shows the 'top 20' 3-digit occupations ranked on the percentage point change in the proportion of employees aged over 55 years over the year ending September 2021 compared with the year ending September 2016. The majority of these occupations with the highest percentage point changes have a greater than average share of employees over 55 years. Conservation & associated professional occupations head the list, along with textiles & garment trades and financial institution managers & directors.

Various elementary occupations (including elementary process plant occupations and elementary administration occupations), skilled trades occupations (including metal forming,

welding & related trades and printing trades) and occupations related to driving (including mobile machine drivers & operatives and road transport drivers) are amongst those occupations displaying amongst the greatest increases in the proportion of employees aged over 55 years. Occupations related to construction are also prominent in the list, including building finishing trades and elementary construction trades. Exceptions to the general tendency for the occupations listed in the top panel of Table 3 to be those with an older than average share of older workers include hairdressers & related services where numbers of young people entering into the occupation may have been disrupted in recent times, and also sports & fitness occupations.

<i>3-digit SOC Group</i>	<i>% point change in over 55 years</i>	<i>% over 55 years</i>
<i>'Top 20'</i>		
355 Conservation and environmental assct professionals	24.8	42.5
541 Textiles and garments trades	13.6	38.7
115 Financial institution managers and directors	12.3	25.3
822 Mobile machine drivers and operatives	10.8	26.1
913 Elementary process plant occupations	10.1	25.9
921 Elementary administration occupations	9.2	28.5
521 Metal forming, welding and related trades	8.8	29.7
542 Printing trades	8.6	33.4
923 Elementary cleaning occupations	8.0	33.2
532 Building finishing trades	7.9	29.0
624 Cleaning and housekeeping managers and supervisors	7.1	23.6
622 Hairdressers and related services	6.8	14.5
912 Elementary construction occupations	6.7	20.3
523 Vehicle trades	6.6	21.9
116 Managers and directors in transport and logistics	6.4	21.2
344 Sports and fitness occupations	6.4	17.6
821 Road transport drivers	6.3	35.1
223 Nursing and midwifery professionals	5.8	23.9
812 Plant and machine operatives	5.7	25.0
118 Health and social services managers and directors	5.6	31.9
<i>'Bottom 20'</i>		
525 Skilled metal electrical & electronic trades supervisors	-9.2	21.2
212 Engineering professionals	-2.5	16.7
246 Quality and regulatory professionals	-1.5	17.2
241 Legal professionals	-1.4	17.0
353 Business, finance and related associate professionals	-1.4	14.5
312 Draughtspersons and related architectural technicians	-1.3	18.0
511 Agricultural and related trades	-1.1	36.6
122 Managers & proprietors in hospitality & leisure services	-0.9	21.2
524 Electrical and electronic trades	-0.8	18.6
356 Public services and other associate professionals	-0.7	20.5
311 Science, engineering and production technicians	-0.7	18.2
211 Natural and social science professionals	-0.7	13.6
342 Design occupations	-0.4	13.2
924 Elementary security occupations	-0.3	24.2
231 Teaching and educational professionals	-0.2	19.2
111 Chief executives and senior officials	0.1	42.0
911 Elementary agricultural occupations	0.1	26.7
222 Therapy professionals	0.2	18.3
119 Managers and directors in retail and wholesale	0.4	20.7
113 Functional managers and directors	0.5	21.6

Table 3: 'Top 20' and 'Bottom 20' 3-digit occupations ranked on percentage point change in the proportion of employees aged over 55 years, UK, 2016-2021

Source: Labour Force Survey year ending September 2021, April-June (from Casey and Murphy [2021])

The bottom panel of Table 3 shows the 'bottom 20' 3-digit occupations ranked on the percentage point change in the proportion of employees aged over 55 years over the year ending September 2021 compared with the year ending September 2016. The largest reduction in over 55s is accounted for by skilled metal, electrical & electronics trades supervisors, followed by engineering professionals. Associate professional & technical occupations and professional occupations which have seen medium-term increases in employment are quite prominent in the rankings - for example, legal professionals, business finance & related associated professional and design professionals.

Barriers facing over 50s to participating in learning and employment

Extant research shows that barriers faced by older workers in finding employment include individual and household characteristics such as poor health and caring responsibilities, and more structural issues including a lack of incentives for employers to take on older workers, age discrimination, poor access to flexible working, low confidence and aspirations, and a lack of employment support.⁸³ These challenges remain pertinent in the context of the Covid-19 crisis, but a recent survey of 2,000 over 50s which examined their experiences and challenges faced in participating in employment, also highlights qualifications, skills and flexibility of work.⁸⁴ Qualifications, skills and the structural issues identified here are examined below.

Importantly, not all barriers faced by the over 50s are age-related. Although often overlooked in analyses of barriers facing older job seekers in seeking employment, labour demand is also a factor. The survey of over 50s cited above found that 44 per cent of recent over 50s job seekers in the West Midlands cited insufficient job opportunities; this was the highest for any region and compares with 33% nationally.⁸⁵

Qualifications, skills and training

Formal qualifications help individuals in the labour market: older jobseekers with higher education are 5 percentage points more likely to have found work one year later than otherwise similar jobseekers with lower levels of formal education (at GCSE level or lower).⁸⁶ The upper panel of Figure 8 shows the proportion of 50-64 year olds with a degree level qualification (i.e. NVQ4+) in the WMCA 7-Met area and the three West Midlands LEP areas compared with England. In 2020 30.7% of those aged 50-64 years in the WMCA 7-Met area had such a qualification, up from 18.8% in 2004; this was substantially below the England average (39.1% in 2020, up from 24.6% in 2004). Coventry & Warwickshire LEP displayed a proportion similar to the England average, with the Black Country having a lower than average share of people aged 50-64 years with degrees. Amongst 25-49 year olds the proportion with degree level qualifications is considerably higher (around 13 per centage points) than for 50-64 year olds: at 42.9% in 2020 in the WMCA 7-Met area and 51.9% in England. The lower panel of Figure 8 shows the proportion of 50-64 year olds and 25-49 year olds with no qualifications. In 2020 14.4% of 50-64 year olds in the WMCA 7-Met area had no qualifications compared with 8.2% of 25-49 year olds. The respective shares for England were 8.1% for 50-64 year olds and 4.5% for 25-49 year olds. For both age groups and across all areas shown there has been a long-term decline in the proportion of the population with no qualifications. (Qualifications for 16-24 year olds are not shown here because many people in this age group are still in the process of studying for formal qualifications.)

⁸³ Cory G. (2012) *Unfinished Business: Barriers and opportunities for older workers*, Resolution Foundation, London; Centre for Ageing Better (2017) *Addressing worklessness and job insecurity amongst people aged 50 and over in Greater Manchester*, Centre for Ageing Better.

⁸⁴ Cebr (2021) op cit.

⁸⁵ Cebr (2021) op cit.

⁸⁶ Crawford et al. (2021) op cit.

However, there is evidence that some older job seekers feel that they are over-qualified for jobs on offer and that this counts against them in job search.⁸⁷ Having a limited time left in the workforce before retiring also means that some of the over 50s are resistant to, or unsure about, exploring retraining, especially in new areas where they do not feel confident, even

if this is likely to result in more job opportunities.⁸⁸ It is clear that IT skills are increasingly needed for a wider variety of jobs and there is some evidence that age-based stereotypes about older workers being likely to lack necessary digital skills and/ or display less adaptability in this respect can be problematic.⁸⁹

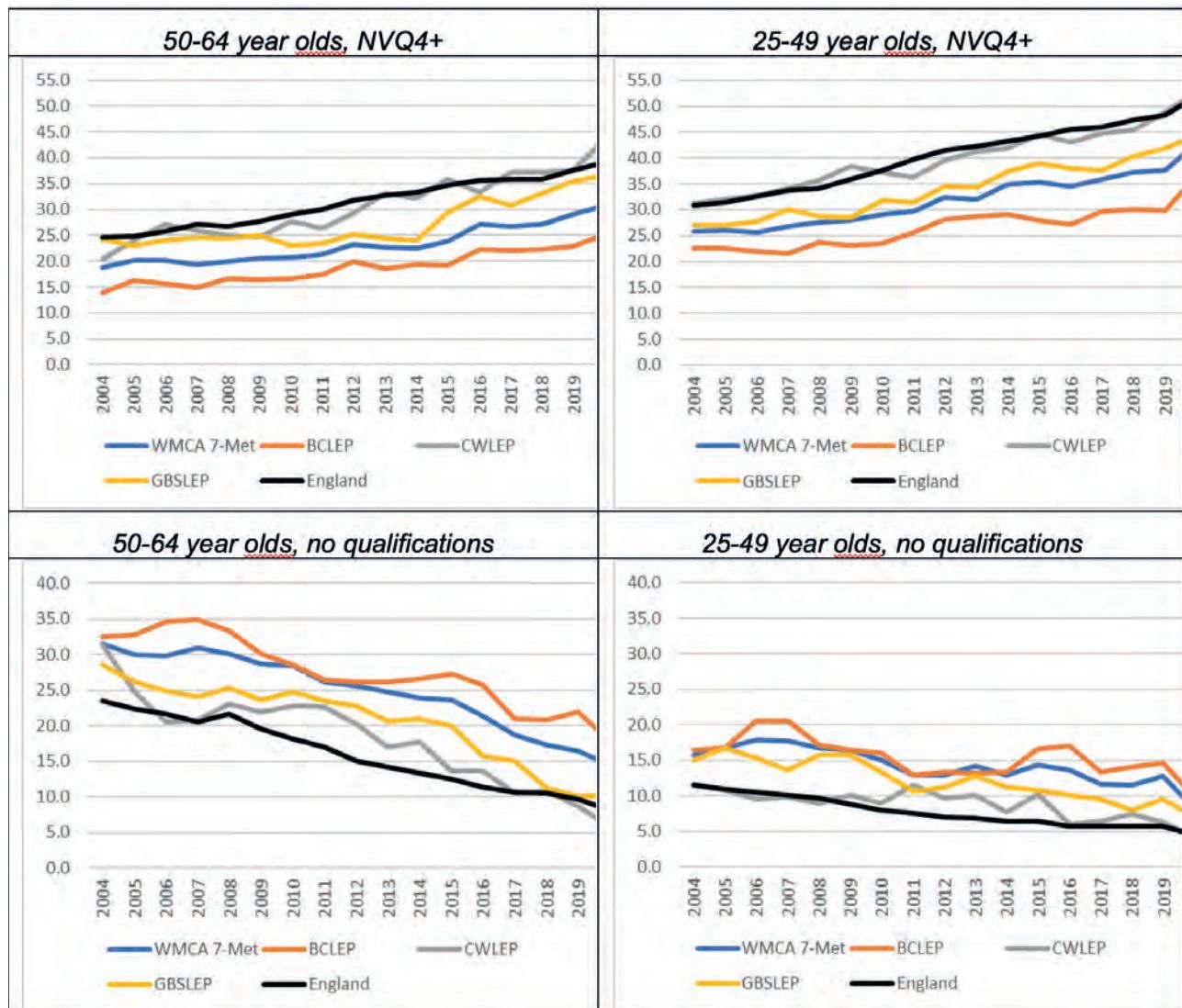


Figure 8: Selected qualification levels for 50-64 year olds and 25-49 year olds, WMCA 7-Met area, LEP areas and England, 2004-2020

Source: Annual Population Survey, average for year ending December.

Note: Rates are based on 2018-based population projections which predate the Covid-19 pandemic.

⁸⁷ Ageing Better (2021) Too much experience: Older workers' perceptions of ageism in the recruitment process, Ageing Better.

⁸⁸ Shift (2021) Redundancy and retraining research by Shift for Ageing Better.

⁸⁹ Centre for Ageing Better (2021) Shut out: How employers and recruiters are overlooking the talents of over 50s workers.

Access to training is important for progression in employment and such access is unequal. International evidence from the European Sustainable Workforce Survey 2015 and 2016 suggests that older women are more likely than older men to work for organisations that offer training (notably in the public sector), but that within these organisations they are more likely to occupy job roles that make them less likely to receive training. It also shows that within organisations managers play a key role in decisions on who receives training.⁹⁰ Access to retraining is a key factor in helping job re-entry and inter-industry moves. Analyses suggest that older non-graduate men received a particularly large boost to the odds of returning to work from training.⁹¹ Generally, the evidence suggests that older people tend to perceive (re)training and other support services as being targeted towards people with limited experience or who are disadvantaged rather than people like them.⁹² This is particularly the case for the apprenticeship 'brand', even though on-the-job learning in the workplace and real-life application of skills can improve the employment and progression prospects of older, as well as younger, people.⁹³

Commentators have pointed to a need for greater investment in training tailored to helping older workers move back into work. They have suggested that adult skills funding should be extended to give all older workers funding for a qualification up to and including level 3.⁹⁴ They have also highlighted that there is merit in tailoring support to specific sectors⁹⁵ and in fast-tracking furloughed workers/ those made redundant to retraining opportunities.⁹⁶ The provision of modular learning has also

been identified as helping take up by the over 50s.⁹⁷

Difficulties in finding quality employment after job loss

Older workers are more likely to face redundancy than younger workers, with analyses revealing that the redundancy rate was higher for over 50s than younger workers in 49 out of 57 quarters (i.e. 86% of the time) since 2007.⁹⁸ Moreover, older workers take longer to return to employment after becoming unemployed than younger people, with those with lower levels of education and women being less likely to find employment after unemployment; indeed, women aged 50-69 years are 4 percentage points less likely to move from unemployment back into work than men with otherwise similar characteristics.⁹⁹

Over 50s who are unemployed are twice as likely to be out of work for 12 months or more as younger workers and almost 50% more likely as workers aged 25 to 49.¹⁰⁰ As the duration of unemployment lengthens, so the probability of finding employment reduces. On average across the 2008 to 2020 period, two quarters after becoming unemployed, 62% of the over 50s had returned to employment, compared with 72% of 30-49 year olds and 74% of 16-29-year-olds.¹⁰¹ Analyses by the ONS¹⁰² also indicate a disadvantage faced by older workers that remains once unemployment duration and personal characteristics have been accounted for: unemployed individuals in their 50s and those in their 60s are 3 percentage points and 7 percentage points, respectively, less likely to move into work in the next quarter compared with those in their 30s (see Figure 9).

⁹⁰ Lössbroek J. and Radl J. (2019) 'Teaching older workers new tricks: workplace practices and gender training differences in nine European countries', *Ageing and Society* 39(10), 2170-2193.

⁹¹ Henehan K. (2020) Can training help workers change their stripes? Retraining and career change in the UK, Resolution Foundation.

⁹² Shift (2021) op cit.

⁹³ Murray M. (2017) Spotlight on lifelong learning for an ageing workforce, Skills Commission.

⁹⁴ Learning and Work Institute (2020) op cit.

⁹⁵ Shift (2021) op cit.

⁹⁶ Evans S. and Aldridge F. (2021) Fast forward? Where next for the labour market, Learning and Work Institute.

⁹⁷ Petrie K. (2020) Work, education, skills and the 100-year life: how can policymakers ensure the workforce is ready for extreme longevity? Social Market Foundation.

⁹⁸ Cebr (2021) op cit.

⁹⁹ Crawford et al. (2021) op cit.

¹⁰⁰ Learning and Work Institute (2020) A mid-life employment crisis: How COVID-19 will affect the job prospects of older workers, Centre for Ageing Better.

¹⁰¹ Cominetti et al. (2021) op cit.

¹⁰² ONS (2021) Which groups find it hardest to find a job following a period out of work?

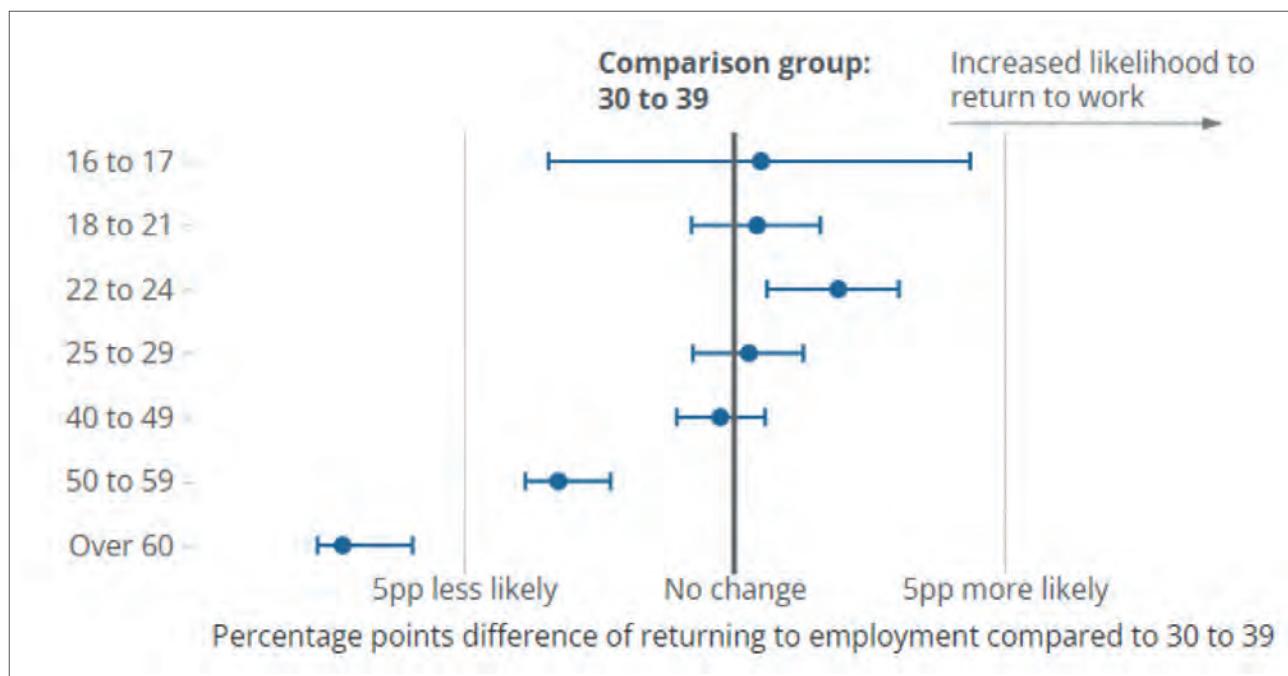


Figure 9: Percentage point difference in likelihood of returning to work in the next quarter by age, 2007-2020

Source: Source: ONS (2021). Longitudinal Labour Force Survey.

Also, on average, the over 50s who find employment after job loss earn substantially less than they did in their previous job, including when compared to those who are younger. Working lower hours is one factor here, but the median change in weekly pay is substantial at 17%.¹⁰³ The urgency to move into work as quickly as possible when redundant/unemployed has been identified as one factor that can lead to rushed decisions and lower quality employment outcomes, characterised by low pay and unfulfilling work. Conversely, others amongst the over 50s who are made redundant may delay finding work and take money from pensions and/or retire early, leaving less money for later in their lives.¹⁰⁴

Compared with younger workers, older workers are less likely to have recent experience of job moves or of job search. Analyses based on the Labour Force Survey and the English Longitudinal Study of Ageing

show that the probability of changing occupation declines with age: 4% of workers in their 50s and 1% of workers in their late 60s change their occupation over the course of a year, compared with 6% of workers aged 35 year. Only 4% of older workers typically change employer in a single year; at the age of 55 years 69% of workers have been with their employer for at least five years. Longitudinal analysis of occupational changes of older workers on their pathways to retirement shows that workers aged 50 and over in the public sector, and those with defined benefit pensions, are less likely to change occupations.¹⁰⁵ This means that when it comes to job search they are likely to be less well equipped than those with more recent experience of current methods of job search. As a result, they may rely on informal help from family and friends to navigate the job market, as part of a general tendency amongst the over 50s for self-reliance in job search.¹⁰⁶

¹⁰³ Cominetti et al. (2021) op cit.

¹⁰⁴ Shift (2021) op cit.

¹⁰⁵ Crawford et al. (2021) op cit.

¹⁰⁶ Shift (2021) op cit.

Age discrimination

Legally employers cannot ask for a date of birth on a job application unless there are specific age requirements for the job in question. Yet a sizeable proportion of older workers perceive that they are subject to age discrimination, negative stereotypes and prejudice. Perceptions can have real impacts on behaviour. This is revealed by findings from a mixed method research project on ageism in the recruitment process from the perspective of older workers (here defined as those aged 50 to 69), involving interviews with 55 individuals aged 50 to 69 from a range of different sectors in different regions of England with recent experience of the recruitment process, together with a nationally representative survey of over 1,500 adults.¹⁰⁷ The results show that 17% had experienced age discrimination in the recruitment process. 52% had been unable to find a job that met their needs. 76% were put off applying for jobs, 68% said their experience had undermined their confidence and 43% said that their health and wellbeing had been affected. 25% said that they had wanted to move jobs but felt unable to do so because of their age, and 33% felt stuck in insecure work.

International evidence suggests that a combination of factors, including ageism in the workplace, seniority pay out of line with older worker productivity and relatively low digital skills contribute to an unwillingness amongst employers to hire older workers.¹⁰⁸ Polling evidence from the UK suggests that senior managers are divided in their opinions about challenges associated with an ageing workforce. However, they were most concerned about increased pension contributions as people near retirement

and about longer periods of time out of the workforce due to sickness/illness. They were equally worried and not worried about younger workers leaving due to a lack of progression, the implication being that if older workers stay in the labour market for longer this could impact the progression of workers through the workplace hierarchy.¹⁰⁹

Just as perceptions held by older workers and job seekers can influence their behaviour, so negative perceptions of older workers held by managers/ members of a recruitment panel can potentially influence outcomes of the recruitment process. Examples of negative perceptions include: older workers 'not tending to want to work in junior roles', 'having poor IT skills' and being 'more likely to have issues with their fitness levels, impacting their effectiveness in physical roles'. Contrastingly, younger people may be 'more flexible to the needs of the business, particularly in terms of working patterns' and be more 'presentable' for customer-facing roles.¹¹⁰

Evidence from the 2019 Employer Skills Survey¹¹¹ indicates that 31% of all recruiting employers had recruited someone aged 50 or over in the 12 months prior to being surveyed. On the whole, experience of recruiting an older worker was favourable, with 95% of recruiting employers finding that found older recruits were prepared for their job role. The sectors where recruiting employers were most likely to take on workers aged 50 years and over were those identified above as having relatively large proportions of older workers: Public Administration, Transport and Storage and Health and Social Work.

¹⁰⁷ Centre for Ageing Better (2021) op cit.

¹⁰⁸ Martin (2018) op cit.

¹⁰⁹ Petrie K. (2020) op cit.

¹¹⁰ Centre for Ageing Better (2021) Shut out: how employers and recruiters are overlooking the talents of over 50s workers, Centre for Ageing Better.

¹¹¹ Winterbotham M., Kik G., Selner S. and Whittaker S. (2020) Employer Skills Survey 2019: Summary report, Department for Education.

Poor health

Evidence on transitions of older workers out of employment shows that those reporting a long-standing and work-limiting health problem are almost 5 percentage points less likely to still be in work a year later compared with those not reporting such a health problem.¹¹² The likelihood of poor health affecting the over 50s' continuation in work varies by the type of work that they do. For example, only around one in 20 of those aged 60-65 in professional occupations have been forced out of the labour market because of poor health, compared with one in three of those in elementary occupations or process, plant and machinery operatives who have left work and become economically inactive because of poor health.¹¹³ Given that the health impact of Covid-19 has generally been more severe amongst older people, it might be considered that employers' concerns about the health of older workers/ recruits might have increased. Yet there are also adverse physical and mental health implications of job loss and involuntary retirement at older ages.

The role of part-time and flexible working

Flexible working can help older people stay in employment for longer (as suggested by the trends by age shown in Figure 6); it may help fit around caring responsibilities and health problems, which are major reasons for early retirement.¹¹⁴ Relatedly, some commentators suggest that social prescribing of workplace health support, or more general advice and support, is one way of enabling people to stay in the workplace.¹¹⁵

Evidence suggests that part-time working acts as a way of making a gradual transition towards retirement for older workers, particularly amongst those with higher levels of education and living in less deprived areas –

so suggesting a degree of positive choice and opportunities available for part-time working. While 16% of those 50-69 years in employment would like to work fewer hours, there are some who would like to work longer: 7% of older workers in 2019 wanted to work more hours, with the latter group tending to be more likely to have low earnings and shorter job tenures (i.e. those who have a more precarious labour market position).

What works in helping the over 50s into employment

Evidence suggests that generic employment support programmes have tended to be less effective at supporting older people than their younger counterparts back into work. For example, data on Work Programme outcomes shows that older workers were far less likely to achieve a sustained employment outcome; just one in five individuals in their late 50s achieved a sustained employment outcome, compared with two in five of those aged 18-24 years. Over 50s jobseekers were less likely to experience continuity of support from job advisers, less likely to have frequent meetings, and less likely to view the support they received as helpful.¹¹⁶

More customised support programmes focusing on the distinctive challenges facing older people are likely to be helpful.¹¹⁷ The success of the former New Deal 50 plus programme (focused specifically on the over 50s) highlighted the voluntary nature of the scheme and the personalisation of support offered, in recognition of the different motivations and barriers to work of participants, as key success factors.¹¹⁸ Policy also needs to recognise the heterogeneity of older job seekers, accounting for how close they are to the labour market, the relevance of their current skills for available job opportunities, their health, care responsibilities

¹¹² Crawford et al. (2021) op cit.

¹¹³ TUC (2021) Extending working lives: How to support older workers, TUC.

¹¹⁴ International Longevity Centre (2014) The Missing Million: Illuminating the employment challenges of the over 50s, Business in the Community, London.

¹¹⁵ Petrie K. (2020) op cit.

¹¹⁶ Parsons D. and Walsh K. (2019) Employment support for the over 50s: Rapid Evidence Review, Centre for Ageing Better.

¹¹⁷ Learning and Work Institute (2020) op cit.

¹¹⁸ Hasluck C. and Green A.E. (2007) 'What works for whom? A review of evidence and meta-analysis for the Department for Work and Pensions', Department for Work and Pensions Research Report 407.

¹¹⁹ Parsons D. and Walsh K. (2019) op cit.

Together these factors highlight the need for a segmented approach. A review conducted for the Centre for Ageing Better¹¹⁹ indicates that advisors should be trained to deal with the full range of older job seekers they might face, including those from managerial or professional backgrounds. Motivational, asset-based support to develop positive attitudes and expectations about job search and employment appears to be a strong predictor of success in employment outcomes for the over 50s. The evidence highlights that job seekers might benefit from being supported by an advisor of a similar age (and perhaps gender and ethnicity). It also suggests that it may be appropriate to provide employment support (both voluntary and mandatory) outside of Jobcentres and alongside other services in order to provide integrated local support across agencies; and that advisors should fully recognise an older job seeker's skills, experiences and prior learning.

For older workers made redundant, rapid responsive action is important. More generally, the TUC has called for workers to have a right for a mid-life career and skills review to help take stock of their skills and working lives, and to plan for the future, taking account of challenges faced and opportunities for progression.¹²⁰

In the context of the Covid-19 crisis and the impact it has had on working lives, it has become more pressing to understand financial well-being amongst older people (given that some may be able to afford to retire early, whereas for others this is not an option), what challenges they face and how best to support them.¹²¹ Again this calls for cross-agency working.

The quality of work available makes retention of older workers easier and also helps attract those seeking to move into employment. The availability of flexible working is a key feature here, including as a tool for businesses to retain

staff, as are opportunities for lifelong learning and retraining.¹²² The relatively large share of older workers who are self-employed may be indicative, at least in part, that employers are not providing the flexibility in work that older people desire.

The majority of people believe that good quality work is good for physical and mental health, and that it fulfils psycho-social needs in addition to providing an income.¹²³ Work plays an important role in individuals' finances, health and wellbeing and social connections.¹²⁴ Recursively, good health helps workers aged 50 and over to stay in work for longer and good quality work can help improve health and well-being.¹²⁵

Redundancy has impacts on finances of older workers: analysis suggests that those who were recently made redundant saw an average reduction in their expected retirement savings of 8% compared to those who were not made redundant, leading to an average 18% reduction in the annual retirement-savings surplus.¹²⁶ This highlights that supporting people to be in good quality work for as long they want to is critical for their financial security.

Universal credit claimants

The most up-to-date data on the labour market position of older people at the local and neighbourhood level is from the claimant count. Under Universal Credit (UC) a broader span of claimants is required to look for work than was the case under Jobseeker's Allowance, and the claimant count will include people in work as well as those out of work. For the maps below the claimant data has been extracted from Nomis and only includes those records containing full information. The data presented relate to the position in November 2021, which is the latest available data at the time of writing.

¹²⁰ TUC (2021) op cit.

¹²¹ Learning and Work Institute (2020) op cit.

¹²² Parsons D. and Walsh K. (2019) op cit.; Business in the Community (2016) Age in the workplace: retain, retrain, recruit. Business in the Community.

¹²³ Boys J. (2019) op cit.

¹²⁴ Centre for Ageing Better (2017) op cit.

¹²⁵ Parsons D. and Walsh K. (2019) op cit.

¹²⁶ Cebr (2021) op cit.

Figure 10 uses proportional circles to show the absolute number of claimants aged 50 and over in November 2021 at ward level. The largest numbers were in Alum Rock, Sparkbrook & Balsall Heath East and Sparkbrook.

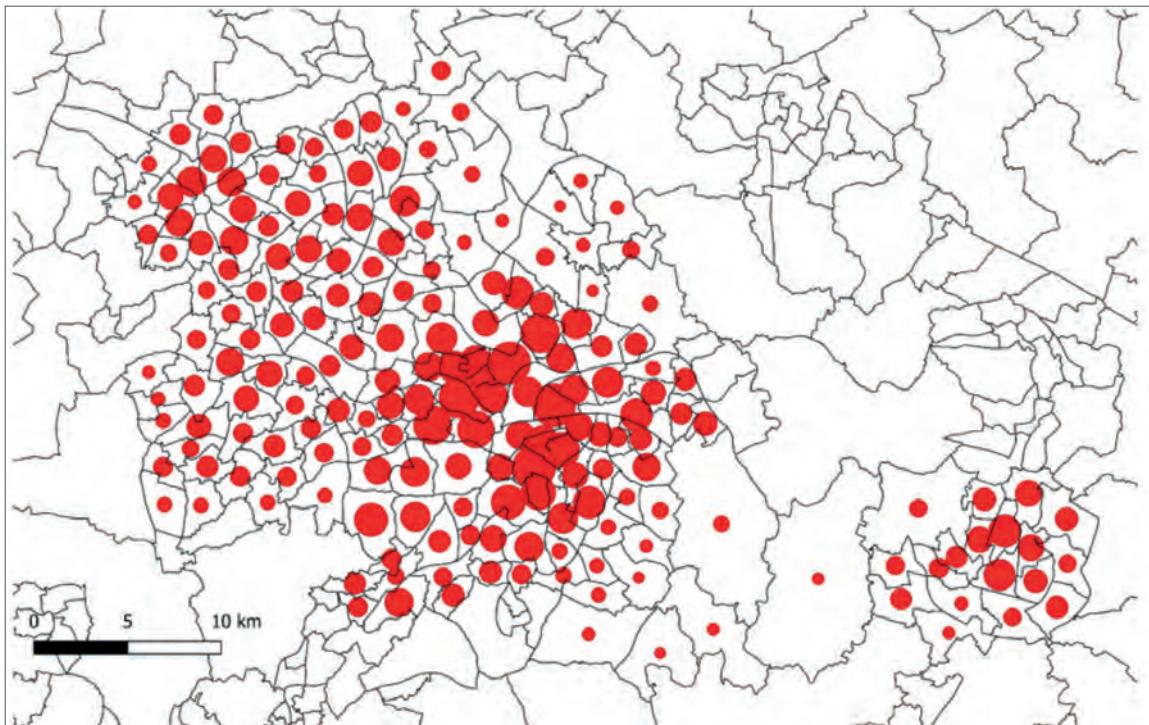


Figure 10: Number of claimants aged 50 years and over, November 2021

Source: Claimant count, via Nomis

Figure 11 shows that the claimant count rate for those aged 50 and over was highest in inner urban areas characterised by deprivation, with the highest rates in inner Birmingham.

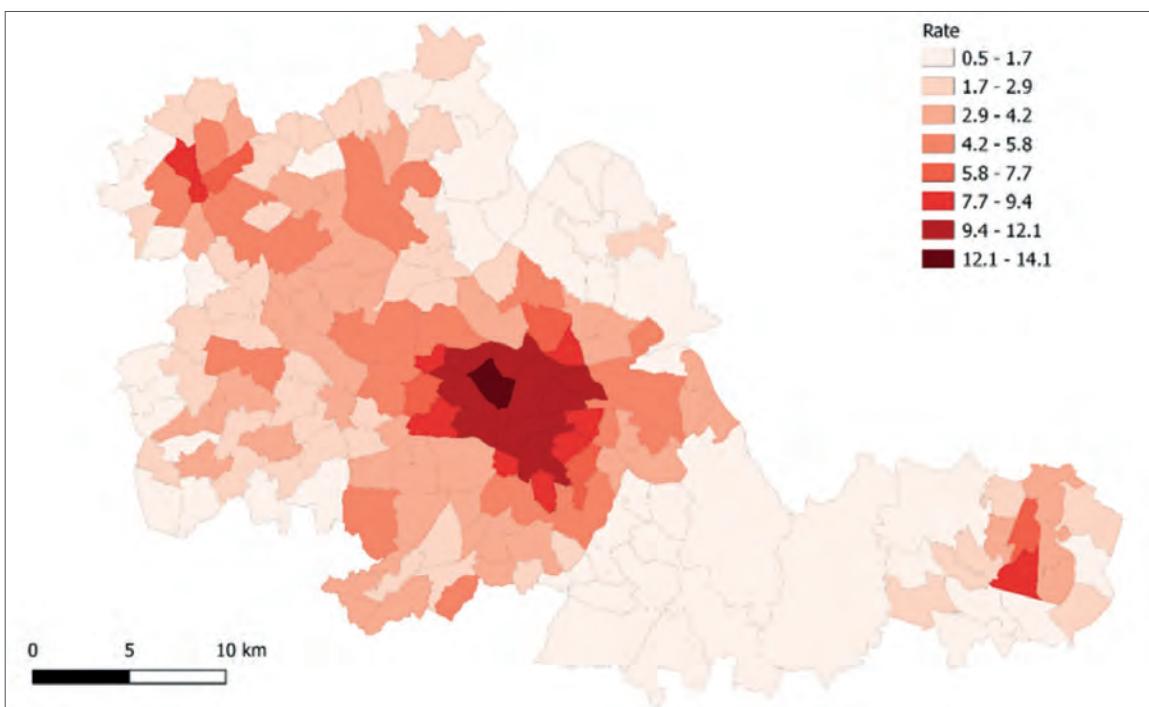


Figure 11: Percentage of residents aged 50 and over on claimant count, November 2021

Source: Claimant count and population estimates, via Nomis

However, the percentage of total claimants accounted for by those aged over 50 years tends to be greatest in outer areas with relatively low claimant rates (e.g. Knowle and parts of Sutton Coldfield (see Figure 12.)

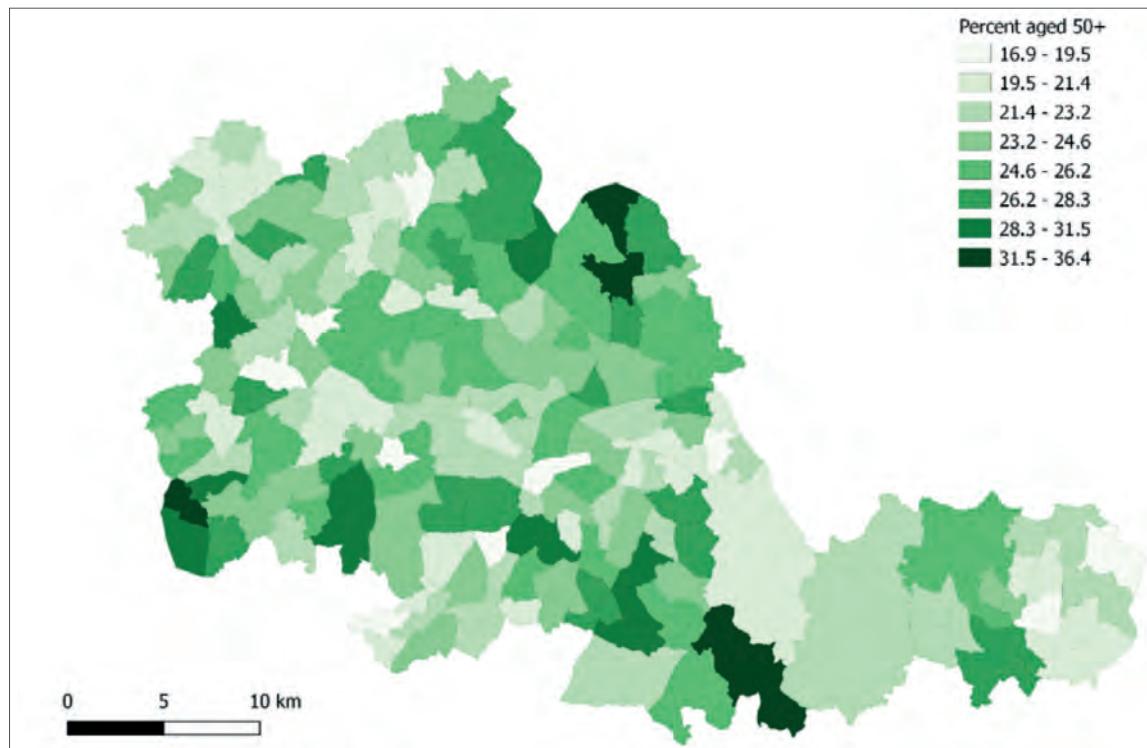


Figure 12: Percentage of those on the claimant count aged 50 years and over, November 2021

Source: Claimant count, via Nomis

Table 4 shows the number of UC claimants seeking work in March 2021 and November 2021. For all age groups there was a considerable increase in the number of such claimants seeking work, with the relative increase greater (at over 60% for workers aged 50-54 and 55-59 years) than the average across

all age groups (at over 50%). Those aged 50 years and over accounted for nearly 20% of UC claimants seeking work in March 2020 and over 21% in November 2021. The fact that older claimants account for one in five of all claimants seeking work indicates the need to take account of their requirements.

Age Group	WMCA 7-Met			WMCA 3 LEP		
	Mar-20	Nov-21	% change, Mar-20 – Nov-21	Mar-20	Nov-21	% change, Mar-20 – Nov-21
16-19	5180	6407	23.7	6225	7710	23.9
20-24	13666	18399	34.6	15997	21821	36.4
25-29	12527	18042	44.0	14793	21486	45.2
30-34	11837	18562	56.8	13973	22226	59.1
35-39	10013	16543	65.2	11855	19789	66.9
40-44	7924	13491	70.3	9413	16106	71.1
45-49	7065	11133	57.6	8448	13303	57.5
50-54	6300	10195	61.8	7557	12351	63.4
55-59	5382	8692	61.5	6537	10658	63.0
60-65	4902	8451	72.4	5993	10473	74.8
over 65	61	327	436.1	66	414	527.3
Total	84857	130242	53.5	100857	156337	55.0

Table 4: Universal Credit claimants seeking work by age group, March 2020 and November 2021

Source: DWP (via Sta-Xplore)

Note: Data for November 2021 is provisional, but values are similar to revised values for October 2021.

	50-54	55-59	60-65	Over 65	Total 50 & over
WM 7 Met.	10,195	8,692	8,451	327	27,665
WMCA (3 LEP)	12,351	10,658	10,473	414	33,896
Cannock Chase	179	184	158	10	531
East Staffordshire	210	158	198	11	577
Lichfield	166	159	154	7	486
Tamworth	135	136	154	6	431
North Warwickshire	104	103	89	5	301
Nuneaton and Bedworth	297	242	255	8	802
Rugby	155	155	172	5	487
Stratford-on-Avon	217	167	207	13	604
Warwick	218	190	180	8	596
Birmingham	5211	4370	4129	182	13892
Coventry	978	782	678	24	2462
Dudley	775	650	674	21	2120
Sandwell	1056	976	941	36	3009
Solihull	413	336	361	17	1127
Walsall	818	695	765	21	2299
Wolverhampton	944	883	903	26	2756
Bromsgrove	127	135	127	..	389
Redditch	163	158	151	5	477
Wyre Forest	185	179	177	9	550

Table 5: UC claimants aged 50 and over seeking work by local authority area, Nov 2021

Source: DWP (via Sta-Xplore). Note: Data for November 2021 is provisional.

	50-54	55-59	60-65	Over 65	Total (all ages)	Over 50s as % of total
WM 7 Met.	8,848	7,516	7,135	265	108,730	21.9
BCLEP	3,080	2,701	2,715	90	39,202	21.9
CWLEP	1,710	1,362	1,307	51	19,609	22.6
GBSLEP	5,936	5,080	4,747	187	71,423	22.3
WMCA (3 LEP)	10,726	9,143	8,769	328	130,234	22.2
Cannock Chase	155	151	116	5	1,825	23.4
East Staffordshire	177	128	156	7	2209	21.2
Lichfield	151	136	137	7	1,499	28.8
Tamworth	113	118	130		1,624	22.2
North Warwickshire	86	93	72	5	950	26.9
Nuneaton and Bedworth	258	192	196	5	2,995	21.7
Rugby	142	125	132	5	1,822	22.2
Stratford-on-Avon	191	142	185	8	1,693	31.1
Warwick	191	152	148	8	1911	26.1
Birmingham	4,562	3,860	3,537	143	55,012	22.0
Coventry	842	658	574	20	10,238	20.5
Dudley	689	559	568	13	8137	22.5
Sandwell	896	831	777	38	11,616	21.9
Solihull	364	297	309	12	4,278	23.0
Walsall	678	557	618	15	8,807	21.2
Wolverhampton	817	754	752	24	10,642	22.1
Bromsgrove	118	114	108		1,414	24.0
Redditch	135	129	120	5	1,747	22.3
Wyre Forest	161	147	134	8	550	24.8

Table 6: UC claimants aged 50 and over seeking work 6 months and over by local authority area, Nov 2021

Source: DWP (via Sta-Xplore). Note: Data for November 2021 is provisional.

Table 5 shows the geographical disaggregation of UC claimants aged 50 years and over seeking work by local authority area. Birmingham, with 13,892 UC claimants over 50 seeking work accounts for 50% of the total in the 7-Met area, which in turn comprises 81% of nearly 34 thousand such claimants across the 3-LEP area. The local authorities with the next largest counts are Sandwell with 3,009 and Wolverhampton with 2,756. Table 6 shows the number of UC claimants aged 50 years and over who have been seeking work for 6 months and over. Comparisons with the counts shown in Table 5 indicate that 86% of UC claimants aged 50 and over in the 7-Met area have been seeking work for at least 6 months, as have 85% across the 3-LEP area. Claimants seeking work for at least 6 months aged 50 and over account for approximately 22% of all UC claimants seeking work for at least 6 months across the 7-Met area and the 3-LEP area. The proportions of all UC claimants seeking work for at least 6 months who are aged 50 years and over are highest in areas traditionally characterised by relative prosperity: Stratford-Avon (31.1%), Lichfield (28.2%), North Warwickshire (26.9%) and Warwick (26.1%).

Place-based interventions

So, what is the role for place-based interventions in addressing the challenges facing the over 50s in accessing learning and employment?

A rapid evidence review of employment support for the over 50s notes:¹²⁷ “the evidence leads to the conclusion that place-based interventions need not just to improve job-search and training activity and support, but to work with employers to challenge age-bias and stereotypical attitudes towards older workers”. An earlier review, highlighting the mix of economic and socio-demographic influences on older people’s decisions about labour market participation and employment, also noted that decision-making is located in social networks within which personal ties are embedded, meaning that local, social norms matter.¹²⁸

This evidence points to a role for local initiatives – including place-based hubs – drawing on local networks and referrals from housing associations and other local service providers outside the employment and skills domain, perhaps drawing on the experience of Connecting Communities in the WMCA area. Research with the over 50s suggests that existed trusted relationships with family and friends and local services play an important role in where and how employment support is accessed.¹²⁹ Given the role of employers and the importance of quality work, job design and opportunities for flexible working, it also emphasises a role for local Good Work Charters¹³⁰ (albeit at a larger spatial scale than neighbourhood/ local hubs).

¹²⁷ Parsons D. and Walsh K. (2019) op cit. page 8.

¹²⁸ Hasluck C. and Green A. (2007) op cit.

¹²⁸ Shift (2021) op cit.

¹³⁰ Hurrell D.L., Hughes C. and Ball E. (2017) Local employment charters: case studies from the UK. Manchester: University of Manchester, Joseph Rowntree Foundation and Oxfam; Evans S. and Aldridge F. (2021) op cit.

Observations

- Nationally, the demographic bulge of the ‘baby boomer’ generation, coupled with rising employment rates amongst the over 50s prior to the Covid-19 crisis, has led to a greater share of employment being accounted for by older workers. In 2020, 21% of the workforce was aged 55 years and over, compared with 13% in 2000. In the next ten years all of those in the large ‘baby boomer’ generation will have reached the state pension age. Replacement demand will result in relatively high net requirements in sectors such as education, health and manufacturing which are large employment sectors with an older than average age structure.
- Currently there is policy concern about the rise in inactivity – including amongst older people and particularly amongst older women – in the context of record vacancies. This means there is a need to focus on the experiences of, and prospects for, older people and what might help them to remain in employment for longer or to return to the labour force.
- Age-related and other factors impinge on over 50s’ participation in learning and employment. Demand-side matters as well as supply-side issues. The quality and flexibility of employment are important in retaining and attracting older workers. Promoting ‘Good Work’ is also beneficial for other labour market sub-groups, especially in the current context of labour and skills shortages.
- Job seekers’/workers’ and employers’ perceptions impact on behaviour. A substantial proportion of older people feel that they are subject to age discrimination, with consequent implications for their health, confidence and job search activity. Although some employers have concerns about recruiting older people, the experience of hiring older workers is overwhelmingly positive amongst recruiting employers.
- Once unemployed, older people tend to take longer to move into work than those in younger age groups. The over 50s are less likely to have recent experience of job moves and job search than younger workers and are less likely have knowledge of the contemporary job search process. Yet they are more likely to shun available support feeling that it is ‘not for them’ and to instead rely on family and friends. This highlights the importance of customised support focusing on the particular challenges faced by older people with different characteristics.
- Qualifications and skills help older people in transitioning into employment from unemployment and economic inactivity, but some over 50s feel overqualified for jobs on offer. Yet (re)training can be helpful in such transitions, especially for those made redundant – where early intervention is helpful – and for non-graduate men for whom the odds of increasing to work following (re)training are highest. Modular training and sector-specific training may be particularly valuable. For older people in work managers play an important role in decisions about training, suggesting that the value of (re)training for the business and for the individual need to be emphasised.

- There is considerable heterogeneity amongst older workers in terms of the challenges and constraints they face, and their ability to deal with them. The evidence suggests that generic programmes tend to be less effective at supporting older people and instead points to the value of a personalised support and an asset-based approach, taking account of the value of over 50s' existing skills, instilling positive attitudes and expectations, and considering issues of pay, fulfilment through work and flexibility to fit with non-work responsibilities and interests, and health challenges. Place-based multi-agency support from different policy domains can play an important role here. There is a danger for some older people that hasty decisions about taking any available job, rather than reconsidering their options more fully, may result in low earnings and unfulfilling work.
- While various challenges facing the over 50s in the labour market currently are likely to remain relevant in the future, it is also the case that different generations face some unique challenges. For example, amongst the current generation of over 50s, many women might have expected to retire at the age of 60 years. Future generations are likely to expect to retire later. Their experience of the labour market will also be different, with many more having higher education qualifications and working in managerial, professional and associate professional occupations. Future generations are also less likely to have defined benefit pensions; and this may mean that they have less financial security and face fewer options in the run up to retirement.



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