

The 50+ Employment Commitment

If employment opportunities stagnate for people after 50, so too will the UK economy



What is the Commitment?

We are calling on all parties to drive the employment rate of people in their 50s, 60s and beyond.

That includes ensuring that the employment rate for people aged 50-64 should rise above 75% by 2030.

What are the benefits?

This could increase GDP by £9bn and increase Income Tax and NICs revenues by £1.6bn a year, new Ageing Better modelling reveals.*

The target

Two decades of improvement in the employment rate of older age groups stalled at the beginning of the pandemic. While we have seen a complete recovery in employment rates for those aged 35-49, the 50-64 age group still lags behind. The current employment gap between those aged 35-49 and those aged 50-64 is 14 percentage points (85% vs 71%).

By the end of the next Parliament, the State Pension Age is set to rise to 67. It is imperative that we act now to reignite the pre-pandemic momentum and ensure that no segment of our workforce is left behind. As part of the 50+ Employment Commitment, we are asking for parties to commit to the following target:

By 2030, the employment rate for people aged 50-64 should rise above 75%.

Progress towards this ambitious but achievable target will give the next government a clear indication of their progress on improving 50+ employment over the next Parliament.

This target does not include people age 65-66 – whose employment rates lag even further behind, but will all be considered ‘working age’ by the end of the next Parliament. We urgently need better publication and consistent monitoring of employment rates among people age 60-State Pension Age, as the pension age rises, and a specific target for this group. For now, the next government should adopt a target of 12% employment among the 65+ group by 2030.

If an economic downturn makes this target unachievable, we recommend reverting to a target of reducing the employment rate gap between 25-49s and 50-64s to below ten percentage points.

Understanding the major challenges

Workers aged 50 and over are a hugely diverse group, but all are at heightened risk of facing particular barriers to employment (which intensify with age). These barriers fall into two groups.

There are practical barriers which can occur at any age, and which do not impact everyone, but are particularly likely to impact people in their 50s and 60s. Specifically, those are: having a caring responsibility, and/or a work-limiting health condition. Between 55-64 is [the peak age for unpaid caring](#), and [over half of all people](#) out of work due to their health are age 50-64.

Secondly, attitudinal barriers limit our opportunities to get into and on in work in our 50s, 60s and beyond. Ageism and age bias are rife in the labour market, with almost [one in three](#) workers aged 50-70 who left their position during the pandemic saying they experienced age discrimination when looking for work.

Wasted potential

The impact of these challenges is clear. People in their 50s and 60s are nearly [twice as likely](#) as younger adults to become long term unemployed once out of work. Just [one in ten](#) disabled people and people aged 50-64 who are out of work engage in back-to-work support and, when they do, their outcomes are significantly worse than the all-age average, with the likelihood of getting a job from employment support [declining steadily with age](#).

Not focusing on this age group has wide ranging economic impacts. OECD research shows that a firm that has a [10% higher share](#) of workers aged 50 and over than the average is 1.1% more productive. There are [700,000](#) people age 50-64 in this country who would like to be in work but are not.

The Six Pillars of the 50+ Employment Commitment

To help achieve the proposed target of the 50+ Employment Commitment we are calling on all parties to commit to the following six pillars:

1. Commit to raising the performance of employment support for people age 50-66 to the level of people in their 40s.

Existing employment support services [underperform for the older age groups](#). 28% of 50-54 year olds, 25% of 55-59 year olds, and 19% of people aged 60 and over achieve a positive outcome on the Work and Health programme, significantly below the all-age average. We cannot accept this while continuing to increase our expectation on people to work into their late 60s.

We need a clear and ambitious performance target for 50+ participants on government-funded employment support. Transparent publication of performance metrics and rigorous evaluations will also be fundamental if we want to improve these numbers and support more people over 50 into work.

2. Increase investment in employment support for people in their 50s and 60s, ensuring that targeted support is available across the country to all people out of work over 50.

There are different ways this support could be delivered, depending on the shape of the employment support system. Whatever the overall delivery model, Centre for Ageing Better research suggests that targeted outreach for this group is needed, alongside a strong programme of employer engagement to tackle age-bias, and close integration with local community activities.

The 50 Plus champions programme in JobCentre Plus should be extended, evaluated and improved. But employment support services will also need to meet the needs of a broader range of workers than currently access services through JobCentre Plus – an approach currently being trialled by Greater Manchester Combined Authority through their [Support to Succeed programme](#).

3. Deliver an awareness and information campaign, directed at employers of all sizes, to champion the value of good work for people in their 50s and 60s.

The Centre for Ageing Better have created a voluntary movement of over 300 employers who are committed to improving the recruitment, retention and development of workers over 50 – via the [Age-friendly Employer Pledge](#). But there is more to do to raise the profile of this issue, and create more good work for people in their 50s and 60s.

[Most employers want to know more about age-friendly employment, and the largest group \(40%\)](#) say they want information on age-inclusive practices to come from the government. We need a government-backed awareness and information campaign for employers – covering flexible working, all-age career development, recruitment practices, health and work support and tackling ageist work cultures.



4. Create new opportunities for people to upskill, reskill and develop in their 50s and 60s – including through the expansion of the current mid-life review pilots.

Older workers receive [significantly less opportunities](#) for training and development in the workplace. As a result, they [miss out on the economic benefits](#) that come with career change and development, while employers miss out on the benefits of upskilling their most loyal employees. [International evidence shows](#) that this is not inevitable.

DWP's current trialling of Midlife MOTs should be expanded further to other employers and those who are out of work, giving more people access to a comprehensive check-in for everyone to start thinking about their future finances, work and health – and to further understand how to do this effectively.

5. Consult on the introduction of paid carer's leave, extended unpaid carer's leave, and a default right to flexible work from day one.

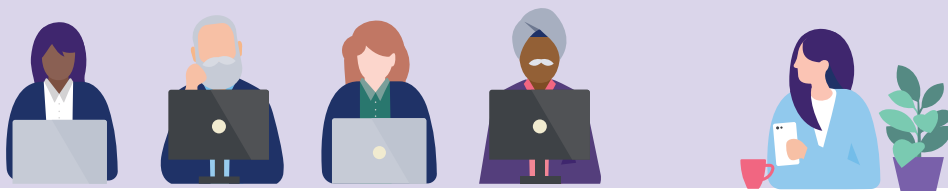
Progress has been made on extending rights at work to flexibility and carer's leave – but this legislation could go further. The next government should move swiftly to consult on paid carer's leave, extended carer's leave and a default right to flexible working (through, for example, mandatory inclusion in job ads for large employers) – with a view to enhancing these rights through new legislation by the end of the next Parliament.

6. Before the State Pension Age reaches 67, conduct a review of DWP's employment and benefits approach to all people in their 60s: recognising that retirement has fundamentally changed over the last twenty years.

[Nearly a quarter of those aged 60 to 65 live in poverty](#) (1.4 million), the highest poverty rate of any adult age group – and some of them will never return to the labour market. At the same time, there are growing numbers of people over State Pension Age who are working, in many cases out of financial necessity, but who have no access to employment support.

Where retirement was once generally a 'cliff-edge' – from full-time work to no work – transitions are becoming ever more diverse and complex. The state's approach to this life stage does not recognise this fundamental shift.

Before any further changes are made to the State Pension Age, the next government should undertake a holistic review of DWP's approach to people in their 60s – considering both enhanced financial support to those who are in their mid-60s and unable to work, and access to employment support for those beyond State Pension Age who want and need to work.



The 50+ Employment Commitment is endorsed by the following organisations:



**Full methodology of Centre for Ageing Better analysis of economic benefits of increased older worker employment rate available on request.*

The economic benefit calculation is based on the 50-64 employment rate rising to 75%, and the 65+ employment rate rising to 12%.

Calculation based on assumption average wages of this group stays the same, and does not account for inflation.

Let's take action today for all our tomorrows.
Let's make ageing better.

The Centre for Ageing Better is pioneering ways to make ageing better a reality for everyone, including challenging ageism and building an Age-friendly Movement, creating Age-friendly Employment and Age-friendly Homes. Ageing Better is a charitable foundation.