

NETER: a New Labour Market Measure

August 2026



About us

Centre for Ageing Better

The Centre for Ageing Better is an independent centre of excellence on ageing and demographic change.

We work with national and local government, industries, businesses, and community organisations to improve how people experience ageing. Our work focuses on creating better workplaces, homes and communities, while tackling ageism and addressing inequality in later life.

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Executive summary

What is the NETER measure?

- In 2025, 2.9 million people aged 50-state pension age (SPA) were not in employment, training, education or retirement (NETER). This is 21% of people aged 50-SPA.
- This new measure developed by the Centre for Ageing Better provides insight into the labour market status of people aged 50-SPA, specifically highlighting the large and growing numbers of this age group who are unemployed or economically inactive but not retired.
- Tracking the number and rate of older working age people (50-SPA) who are NETER is vital to understanding their position in the economy, identifying where support is needed, and providing insight into the overall health of the labour market.
- This measure will be updated on a quarterly basis by the Centre for Ageing Better moving forward.

Who is NETER?

- Long-term illness or disability is the largest reason for being NETER, accounting for 55% of the group, equivalent to 1.6 million people.
- The other primary reasons for falling into the NETER group are caring responsibilities (17% of NETERs, 490,000 people), other reasons for economic inactivity (16% of the NETERs, 460,000 people) and unemployment (11% of NETERs, 310,000 people).
- In 2025, nearly 925,000 people aged 50-SPA were interested in or actively seeking work. This is the largest that this sub-group of NETERs has been since 2020.
- NETER rates and numbers are subject to considerable regional variation, reflecting varying local factors and labour markets. People aged 50-SPA are most likely to be NETER in the North East (24%), while London stands out for having both a relatively high NETER rate (23%) and a large NETER population of more than 350,000 people.

- The NETER measure highlights gender disparity in economic activity among the 50-SPA group. There are more women (1.7 million) than men (1.2 million) in the NETER group and women make up nearly four-in-five (78%) of NETER carers.
- There is substantial variation in NETER rates across different ethnic backgrounds and by gender within those groups. The ethnic background with the highest NETER likelihood is ‘Other’ (33%). This category includes people from a range of ethnic backgrounds, including Latinx, Polynesian, Irish Traveller communities, as well as people who felt none of the other available categories represented them. This is followed by the combined Indian/Pakistani/Bangladeshi category (28%), which displayed a substantial gap between men (18%) and women (41%).

What action should be taken about this issue?

- To tackle the challenges NETERs presents and make the best use of the insights it provides, we recommend the following steps to government:
 1. **Use the NETER measure to drive a new strategy for longer working lives.** Government should use this new insight to develop a dedicated strategy for longer working lives, bringing together employment, skills, health, care and pensions policy.
 2. **Adopt NETER as a national measure of progress.** Government should adopt NETER as a headline measure for people aged 50 to SPA and publish it regularly alongside other labour market indicators. It should be used as an intermediate outcome measure within Get Britain Working, helping national and local leaders track progress and identify inequalities.
 3. **Use NETER to support good growth in every postcode.** As employment and skills powers are devolved, NETER data should be used to help local and national leaders identify where barriers are greatest and where interventions are succeeding.

- Given the urgency of this issue, we would like to see a commitment to support older working age people (50-SPA) who are NETER at the Autumn Budget scheduled for October 2026.
- The Centre for Ageing Better will be releasing a new NETER data dashboard in the Autumn, which will allow people to engage directly with the data, to build their own understanding of this issue and how it affects different groups in our society.

What is the NETER measure?

The NETER measure tracks labour market outcomes among people aged 50-SPA. It is a measure of people not currently working, not considering themselves to be retired nor in the process of upskilling (in education or training). In essence, it puts a number and rate to people aged 50-SPA who are not working but also not retired.

Why do we need this measure?

People aged 50-SPA are a substantial part of the labour market, yet the experiences of those who are neither in work nor retirement are often poorly understood. The NETER measure helps fill this evidence gap, providing policymakers with a clearer picture of this group's position in the labour market.

There are 14.8 million people aged 50-SPA, 34% of the working age population. By 2046, when the SPA reaches 68, this will be 17.0 million people, or 37% of the working age population based on current projections.¹ Given its size and projected growth, this group warrants greater policy attention.

This group's position in the economy has been subject to profound change over the past two decades. Increases to the SPA, greater pension freedoms, the end of compulsory retirement and the expansion of flexible working rights have all encouraged people to stay in work later in their lives.

Just as work in later life has changed, so too has retirement. People today are retiring at different ages compared to past generations,² with most people expecting that retirement will be a process of transition rather than a hard stop.³ Taken together, these changes

1 The Office for National Statistics (2026), National Population Projections

2 The Centre for Ageing Better (2026), A Tale of Two 60s: Work in a Decade of Transition

3 The Standard Life Centre for the Future of Retirement (2024), How our perceptions and expectations of retirement and work are changing

mean that work, retirement and the transition between them look very different today than they did a generation ago.

There is a growing disconnect at the heart of the UK economy. As people live and work for longer, understanding the challenges they face in later working life is becoming increasingly important. Yet too many people aged 50 to SPA continue to encounter barriers to work, including age bias in recruitment and employment practices.⁴ This ageism is felt strongly, with 69% of 50-66 year olds saying older age is a disadvantage in the UK labour market.⁵ Alongside this, people aged 50 and over are the most likely age group to have unpaid caring responsibilities⁶ and to have a work limiting health condition.⁷ These challenges are likely to become even more significant if healthy life expectancy continues to fall.

All of this points to a need to track and understand a growing and disadvantaged group with a changing relationship to the labour market. The NETER measure provides this ongoing insight.

4 The Centre for Ageing Better (2021), Good Recruitment for Older Workers: Shut Out

5 The Centre for Ageing Better (2025), Supporting Disabled Older Workers

6 The Office for National Statistics (2023), Unpaid care by age and sex, England and Wales

7 The Health Foundation (2024), Health conditions among working-age people

Discussion

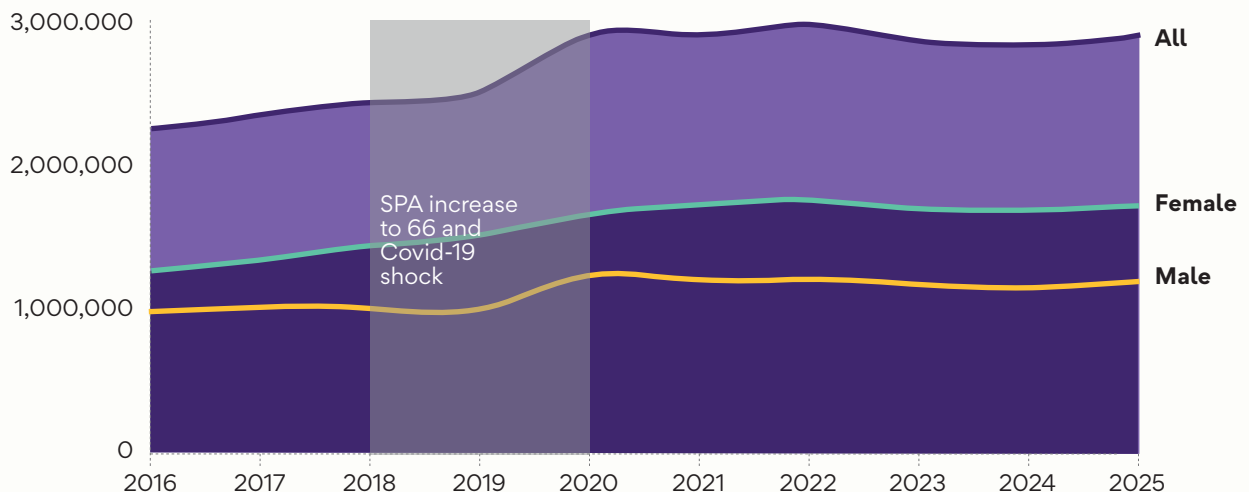
The following section explores who NETERs are and the factors that contribute to them being neither in work nor retired.

Today, NETERs account for 2.9 million people aged 50 to SPA in the UK, just over one in five (21%) of this age group. Figure 1, below, shows the size of the NETER population aged 50-SPA since 2016. As the SPA increased to 66 and the onset of Covid-19 in 2020 there was a substantial jump in the number of NETERs, from 2.4 to 3 million between 2018 and 2020. It has remained largely consistent, just under 3 million, since.

Figure 1: NETER numbers by gender over time

2.9 Million people aged 50-SPA are NETER in the UK

There was a 500,000 increase in the number of NETERs during the Covid-19 shock and SPA rise to 66



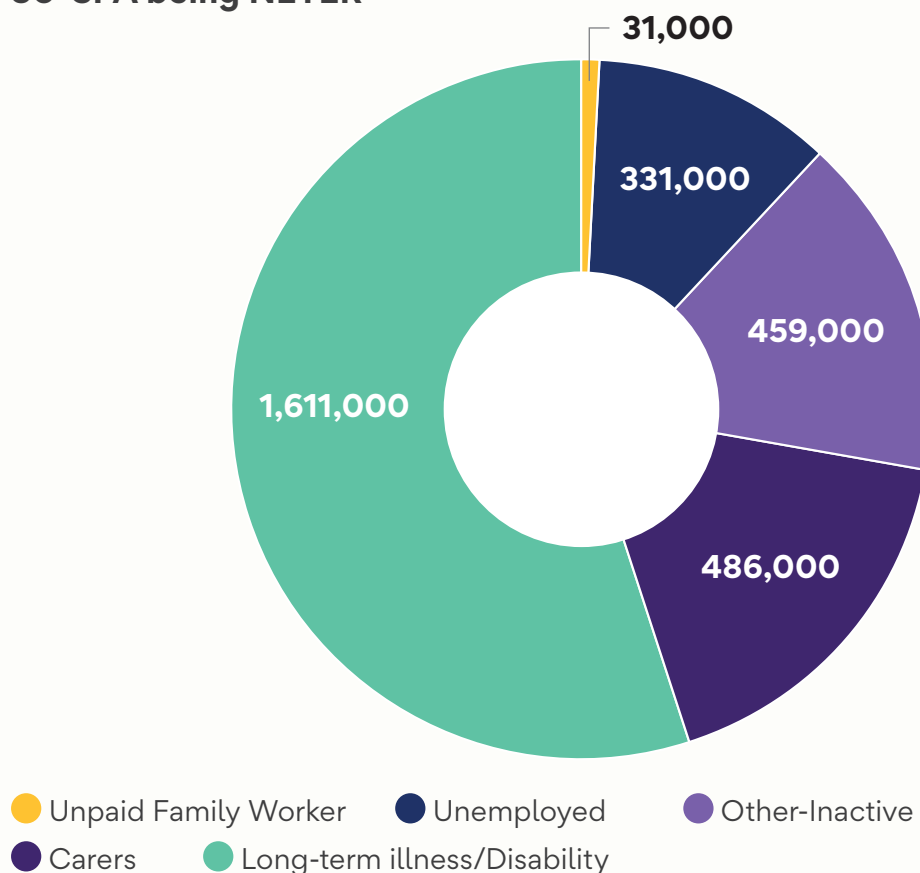
Source: Office for National Statistics Labour Force Survey 2016-2025

Figure 1 also highlights a sizeable gender gap between women and men. There are more women (1.7 million) in this group than men (1.2 million). This is because women are around three times as likely to be economically inactive due to caring responsibilities than men. Caring accounts for 22% of women NETERs compared to just 8% of men. The gender gap in caring responsibilities may contribute to differences in economic security between women and men, with 36% of women 50-SPA saying they cannot meet their economic needs compared to 29% of men.⁸

More than half of NETERs (55%, 1.6m people) have a long-term illness or are Disabled. This highlights the important relationship between health and labour market participation in later life.

Figure 2: Primary activity among people aged 50-SPA in the NETER category in 2025

Long-term illness or disability is the largest reason for people aged 50-SPA being NETER



Source: Office for National Statistics Labour Force Survey Oct-Dec 2025

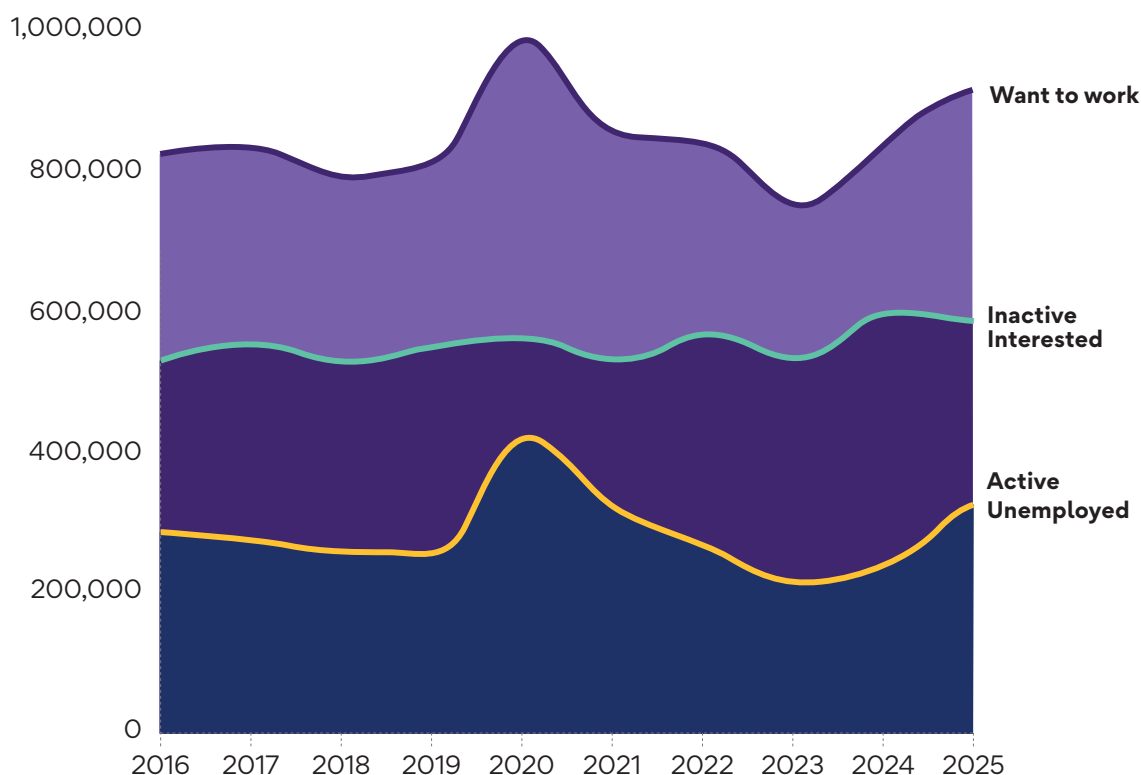
⁸ English Longitudinal Study of Ageing (2025)

The next largest group is carers (17% of NETERs, or 490,000). Nearly four in five (78%) NETERs carers are women, demonstrating the unequal gender distribution of care. In their later careers women must often seek to combine working with caring for their parents, children and partners who may become ill as well. In many cases, they are excluded from work as they take on this responsibility and find it difficult to return to work when their caring responsibilities ease.

A further 16% of the NETERs group (460,000 people) fall into the ‘Other and inactive’ category. People in this group are not working, but also not retired, ill, Disabled or caring. This is a catch-all category that includes people who have stopped looking for work but are still interested, and those who have withdrawn from looking for work for any other reason. Around 11% of NETERs (310,000) are unemployed, meaning they are actively searching for work. The smallest group is unpaid family workers, making up just 1% of NETERs (31,000 people).

Figure 3: NETERs that want to work over time

Nearly 1 million NETERs are interested in or actively seeking work



Source: Office for National Statistics Labour Force Survey 2016-2025

By the end of 2025, nearly 925,000 people aged 50-SPA were interested in or actively seeking work, as shown in Figure 3. This was its highest level since 2020, which saw a spike in unemployment (420,000) and overall people wanting to work (985,000) during the Covid-19 economic shutdown. This number will likely be subject to further increase in the coming years as the SPA increases to 67 leaving thousands more without the economic security they need.

There is considerable regional variation among NETERs. The region where people aged 50-SPA are most likely to be NETER is the North East, where almost one in four (24%) people aged 50-SPA are NETERs. London also stands out, combining a relatively high NETER rate (23%) with a large NETER population of more than 350,000 people.

Figure 4: NETER rate and numbers by region of England

NETERs rates and numbers show substantial regional variation

Older people in the North East, West Midlands and London are most likely to be NETER



Source: Office for National Statistics Labour Force Survey Oct-Dec 2025

Although the South East has the highest number of NETERs in the UK, people in the region are less likely to be NETER than in many other parts of the country. This reflects the size of the South East's 50-SPA population, which is the largest in the UK.

The regional pattern of NETERs shares some similarities with its younger equivalent NEETs, likely reflecting the state of the local labour market. The North East and East Midlands both have above average NETER and NEET rates, while rates of both tend to be lower across southern England. London stands out as an exception to this; it has the second-highest NETER rate but a relatively low NEET rate.⁹ This suggests that this labour market is more challenging for people aged 50-SPA than their younger counterparts and points to a high level of deprivation among Londoners in this age group.

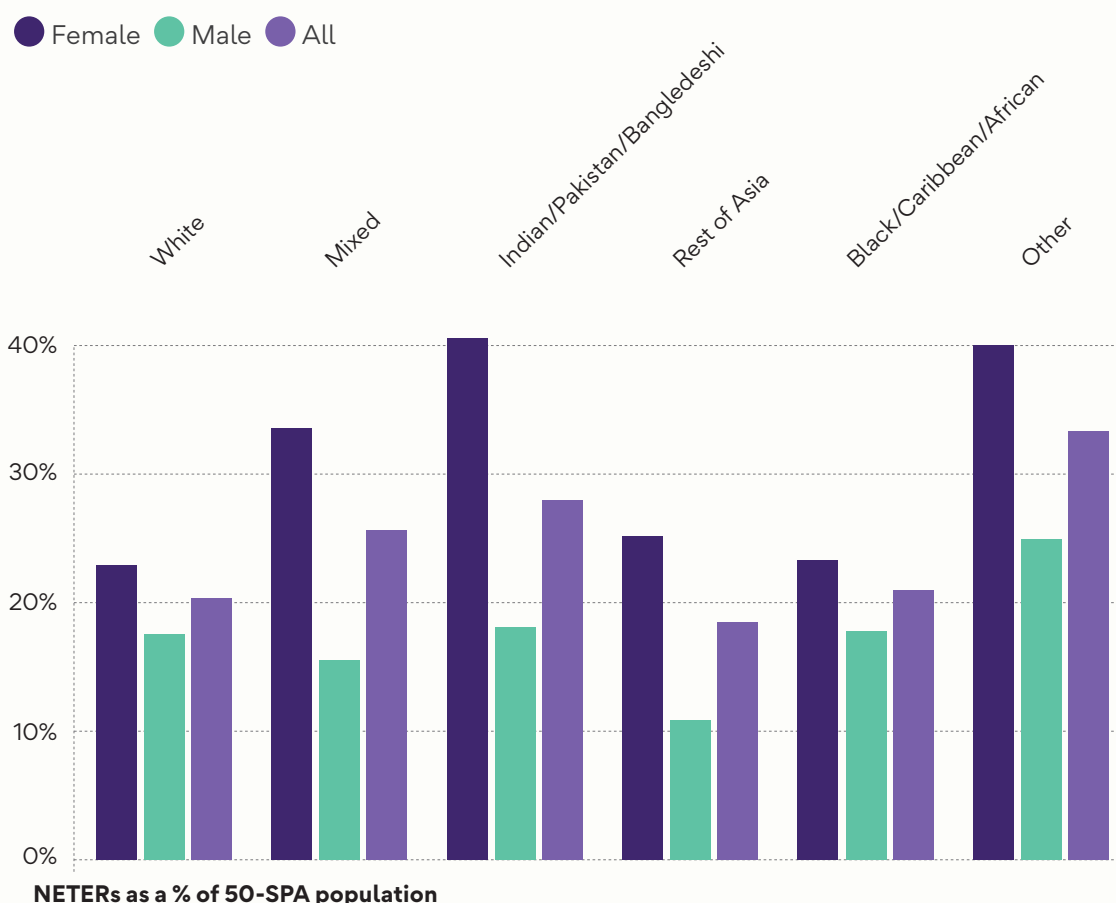
NETER rates show considerable variation between different ethnic groups. Figure 5 shows NETER likelihood across gender and ethnicity. Although the broad grouping of ethnic backgrounds is not an ideal standard of analysis, it was necessary due to sample size constraints of the NETER group.

⁹ Youth Futures Foundation (2026), NEET Data Dashboard.

Figure 5: NETER rates by ethnicity and gender

NETER rates show considerable variation ethnicity and gender

Women of South Asian, mixed ethnic background and other ethnicities most at risk



Source: Office for National Statistics Labour Force Survey Oct-Dec 2025

The ethnic background with the highest NETER likelihood is ‘Other’ (33%), which includes Latinx, Polynesian, Irish Travellers and anyone who felt none of the other categories represented them. This is followed by the combined Indian/Pakistani/Bangladeshi category (28%).

The NETER rates by gender and ethnic background were highest among Indian/Pakistani/Bangladeshi women at 41%, ‘Other’ women 40% and women from the mixed ethnic background 33%. This intersectional analysis gives some indication of how gender and ethnicity can interplay to create barriers to work.

Ethnic backgrounds with the highest NETER rates for women all exhibited significant gender gaps: a 23-percentage-point difference between Indian/Pakistani/Bangladeshi women and men, a 14-percentage-point difference between 'Other' women and men, and an 18-percentage-point difference between women from the mixed ethnic background and men. Interestingly, the Rest of Asia ethnic background also showed a 14-percentage-point difference between women and men. This was despite the NETER rate for Rest of Asia women (25%) not being significantly higher than that for White women (23%) or Black/African/Caribbean women (23%).

There is also a comparatively small but still significant NETER gender gap between White and Black/African/Caribbean ethnic backgrounds, both at 5 percentage points.

Conclusions and recommendations

The NETER measure shines a light on a group that is largely invisible in existing labour market statistics: people aged 50 to SPA who are neither in work, education or training, nor retired. By bringing this group into focus, it provides a new perspective on labour market participation in later life.

This measure also highlights inequalities in the labour market and experiences of people aged 50-SPA. Differences by region, gender and ethnicity show that opportunities and barriers are not shared equally across the population.

The widespread use of NEET statistics has shown how a clear measure can drive understanding, accountability and action. Experiences of being NEET can shape employment outcomes later in life, and some of the NEETs of today may be the NETERs of tomorrow. However, the NETER measure also demonstrates that exclusion from work among people aged 50 to SPA is a significant challenge in its own right, and one that requires action today.

By bringing this often-overlooked group into focus, the NETER measure creates an opportunity to build understanding and drive action around a growing and economically important part of the population. We recommend the following actions to begin tackling these challenges and making the most of the insight this measure provides.

– Use the NETER measure to drive a new strategy for longer working lives

The NETER measure highlights a large group of people aged 50 to SPA who are neither in work, education or training, nor retired. Government should use this new insight to develop a dedicated strategy for longer working lives, bringing together employment, skills, health, care and pensions policy. With the SPA rising and major

employment reforms underway, now is the right time to set out a clear vision for supporting people to remain in work, return after leaving, receive support when they cannot continue, and transition into retirement. This should be made through firm commitments outlined as part of the 2026 Budget.

– Adopt NETER as a national measure of progress

The widespread use of NEET statistics has helped drive understanding, accountability and action on youth employment. Government should adopt NETER as a headline measure for people aged 50 to SPA and publish it regularly alongside other labour market indicators. NETER should also be used as an intermediate outcome measure within Get Britain Working, helping national and local leaders track progress and identify inequalities between different groups and places.

– Use NETER to support good growth in every postcode

NETER rates vary significantly between regions, highlighting how opportunities to work and retire differ across the country. As employment and skills powers are devolved, NETER data should be used to help local and national leaders identify where barriers are greatest and where interventions are succeeding. This would support a more place-based approach to longer working lives and help ensure that growth is shared across all parts of the country. If, as the Chancellor has outlined, the upcoming Budget *“is a Budget that moves money and power out of Westminster”* then NETERs must be part of this strategy to ensure prosperity is shared across all ages as well as postcodes.

Given the urgency of this issue, we would like to see a commitment to support older working age people (50-SPA) who are NETER at the Autumn Budget scheduled for October 2026.

Next steps

This measure offers important insight into the story of people aged 50-SPA in the labour market, but it is not the full story. There is more data that sits behind the headline figures included in this report.

Ageing Better will be releasing this in the Autumn, through our new NETER data dashboard, which will allow people to engage directly with the data, to build their own understanding of this issue and how it affects different groups in our society. Crucially, we will also be delivering further research into the issues that sit within this measure to understand the specific and nuanced challenges that people face in accessing work and retirement.

NETERs Measure

Technical Appendix

This document outlines the key aspects of the approach to building the NETER (not in education, training, employed or retired) measure. It outlines the quantitative methodology to building a robust measure and the lived experience consultation used to ensure this measure and the framing around was considerate of the views of those it described.

Quantitative methodology

The methodology behind building the NETER variable uses the Office for National Statistics (ONS) quarterly Labour Force Survey (LFS). The data used in this publication is the October-December 2025 edition, with the preceding October-December surveys used for the time series analysis.

Under the current definition, NETERs comprise people who are unemployed; inactive due to caring responsibilities; inactive due to illness/disability; and inactive for other reasons. While NETERs interested in work are those who have said in LFS that they are interested, seeking or unemployed. Interested/seeking work are for those who are inactive meaning they are not spending their time applying for work. While unemployment requires active job searching. The NETER statistics are calculated rates across key characteristics from the labour force: sex, marital status, region, ethnicity.

Table 1: LFS variables that feed into the NETER measure

Category	Variable
Unpaid family worker	Unpaid family worker
Inactive other	Inactive - not seeking, not like work, other reason
	Inactive - not seeking, not like work, believes no jobs available
	Inactive - not seeking, not like work, does not need or want employment
	Inactive - not seeking, not like work, no reason given
	Inactive - not seeking, not like work, not yet started looking
	Inactive - not seeking, not like work, waiting results of job application
	Inactive - not seeking, would like work, believes no jobs available
	Inactive - not seeking, would like work, does not need or want employment
	Inactive - not seeking, would like work, not yet started looking
	Inactive - not seeking, would like work, waiting results of job application
	Inactive - seeking, unavailable, no reason given
	Inactive - seeking, unavailable, other reason
Looking after family	Inactive - not seeking, not like work, looking after family, home
	Inactive - not seeking, would like work, looking after family, home
	Inactive - seeking, unavailable, looking after family, home
Sickness / disability	Inactive - not seeking, not like work, long term sick or disabled
	Inactive - not seeking, not like work, temporarily sick or injured
	Inactive - not seeking, would like work, long term sick or disabled
	Inactive - not seeking, would like work, temporarily sick or injured
	Inactive - seeking, unavailable, long-term sick or disabled
	Inactive - seeking, unavailable, temporarily sick or injured

Lived experience consultation

The lived experience consultation was delivered through Ageing Better's lived experience network, Ageing Better Voices. This is a group of people aged 50+ that Ageing Better are able to consult with on specific issues. In this way, Ageing Better is able to pull in the lived experience of older people to its work.

We spoke to the group at two separate points. In April 2026, when analysis and construction of the measure was still in its infancy, and in August 2026, when we were developing the framing of communications around the launch of the measure.

We spoke to five members of the group in April 2026 and two members of the group in August 2026.

Group members were selected on the basis of their having fallen into the NETER group at some point.

Three key messages emerged from these conversations:

- Having a term could be helpful and validating. There was general agreement that having a term would help make this issue more visible, raise its profile and validate people's experiences.
- If a term is used, it must be the right one. Carefully choosing a term that is neutral or positive in tone is essential, avoiding blame, stigma or 'othering' and clearly signalling that people still have value to offer.
- Whatever the output, the narrative around it must clarify the lack of choice for this group of people. Whether that be a term or fuller description, this needs to be clear that this describes people who are out of work involuntarily – those who want and/or need to work but face barriers beyond their control.



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

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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. It is a charitable foundation and part of the government's What Works Network.

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