The UK Labour Market and its Significant Features for Social Dialogue on Active Ageing.

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# Introduction: European policy context – active ageing and social dialogue

# Evolution of active ageing in European policy

Most developed countries are experiencing significant challenges of population ageing – an issue which has for long been a concern to the European Union ([High Level Group chaired by Wim Kok, 2004](#_ENREF_19)). On the one hand, the European working-age population has started to shrink, while on the other, the over-60 population is growing by about two million people a year ([Bijak, Kupiszewska, Kupiszewski, Saczuk, & Kicinger, 2007](#_ENREF_4)). These pressures are increasing as the ‘baby-boomer’ generation moves into retirement - a situation which presents challenges for sustainable public finances, in particular, the financing of health care and pensions. The ageing of societies could weaken the solidarity between generations, particularly if economies are unable to provide full employment and if younger and older people are seen as “competing” for life opportunities and jobs.([Spengler](#_ENREF_48)), ([Minkler, 1986](#_ENREF_30); [Walker, 1990](#_ENREF_58))

Against this policy background, in September 2010 the European Commission decided that the year 2012 should be designated as the ‘European Year for Active Ageing’. This in a very real sense was the precursor of our project, *ASPIRE – Active Ageing through Social Partnership and Industrial Relations in Europe*. The idea of *active ageing* has been explored through numerous EU funded projects, resulting in insights on how we may best maintain activity across multiple dimensions of human existence as societies and individuals age. There were literally hundreds of separate initiatives in the European Year of Active Ageing and Solidarity Between Generations (EY2012), including conferences organised by the European Commission ([Tymowski, 2015](#_ENREF_54)), projects which engaged a large number of EU member states and research outputs that will continue to stimulate still more policy debate and yet more research in future. In these ways and through the widespread dissemination of ideas informally and through the media, the value of active ageing and the need for solidarity between the generations have been promoted. Devising and putting measures into place to promote active ageing in workplaces and communities through active discourse between social partners, remains a major goal of European policy and captures, briefly, the essence of the ASPIRE project.

# Research and social dialogue projects relevant to active ageing

## MOPACT

Several research and partnership projects launched in 2012 have left a legacy on which it is possible to draw. For example, the MOPACT project[[1]](#footnote-1), (Mobilising the Potential for Active Ageing in Europe) comprises a multi-disciplinary team of 29 partners in 13 European countries, working over nine research themes in a four-year project period 2014-2017. The research themes comprise; *‘Active and Healthy Ageing as an Asset,’ ‘Economic Consequences of Ageing,’ Extending Working Lives,’ ‘Biogerontology,’ ‘Enhancing Active Citizenship,’ ‘Built and Technical Environment,’ ‘Creation of a European Active Ageing Resource,’ ‘Health and Wellbeing,’* and *‘Pension Systems, Savings and Financial Investment.’* The project has adopted a strong commitment to stakeholder engagement and delivery of research across a broad field encompassing all the strands of “the active ageing agenda.”

## EIP on AHA

The European Innovation Partnership on Active and Healthy Ageing (EIP on AHA)[[2]](#footnote-2) was launched in 2011, aiming, as its name suggests, to promote the goals of active and healthy ageing through pilot innovations, mostly at local or regional level. The project’s strategic plan focuses mainly on activities such as encouraging independent living and the social inclusion of older people. Nevertheless, it identified innovative practices of benefit to work age people including the Lombardy Workplace Heath Promotion Programme, which has a strong regional focus for health protection and improvements at work. The Lombardy project’s leaders claim that its main objectives were firstly, the promotion of organizational changes in the workplace in order to provide accessible working and secondly, support for adoption of healthy lifestyles which would help in prevention of chronic diseases. Improving work organization and environment were seen to have an impact on active and healthy ageing, whilst also supporting older workers and those with chronic diseases or disabilities, to remain in the workplace ([EC, 2016](#_ENREF_10)).

## Work Age

In Work Age, a project supported by the European Union Programme for Employment and Social Solidarity - PROGRESS (2007-2013), researchers worked with employers and employees in workshops, adopting a consultancy approach. The research sought to test the hypothesis that targeted interventions to improve job design and work organisation could have an impact on workers’ future plans in relation to work and retirement. It postulated that sustainable work and workplaces would become possible when ‘innovative’ changes had been introduced, such innovations being generated through a process of discussion facilitated by the project. Researchers worked directly with managers and employees in an intensive series of workshops, supported by hands-on consultancy style interviews and surveys. In this way they encouraged workers and managers in two public sector organisations (one a local authority the other a National Health Service maternity trust) to share their views and feelings in situations where entrenched ways of working were contributing to older workers exiting the workforce early. The project was supported by a steering group including employer representatives and representatives of the unions and the TUC as well as various other stakeholders including TAEN – The Age and Employment Network, ACAS, the Department for Work and Pensions, the Involvement and Participation Association and a number of experts in health and work. The project demonstrated that changes, introduced through engagement with employees at all levels in the organisation, could indeed break down barriers and benefit the organisation through streamlined methods making efficiencies possible. This in turn, it was argued, could lead to higher productivity as well as more job satisfaction for the worker, influencing plans regarding retirement or continued employment. ([Baguley, 2016](#_ENREF_1))The project was specifically directed at the goal of *extending working lives* (as opposed to *active ageing*) and while the active ageing agenda is broader, Work Age is clearly a useful example on which to draw, noting in particular its use of what could be seen as a novel form of supported social dialogue.

## Other research

Through EY2012 and EU programmes immediately following it, more developments occurred that should widen understanding and provide more conceptual tools to support discourse around active ageing. An Active Ageing Index ([Zaidi et al., 2013](#_ENREF_63)) has been developed to provide a framework within which to cast policy reforms and evaluate progress. A *Covenant on Demographic Change* ([Zaidi et al., 2013](#_ENREF_63)) has been launched to bring together local and regional authorities and other stakeholders in order to support active and healthy ageing and develop age-friendly environments.

## Meaning of active ageing

Despite all the foregoing work, there remains a danger that European countries may not all be “singing from the same hymn sheet” on active ageing. The World Health Organisation formula provides a useful point of reference to establish common ground; “Active ageing is the process of optimizing opportunities for health, participation and security in order to enhance quality of life as people age.” ([WHO, 2002](#_ENREF_61); [World Health Organization, 2002](#_ENREF_62)). This has been interpreted by Alan Walker (2012) as referring to a “A comprehensive strategy to maximise participation and well-being as people age (which) should operate simultaneously at the individual (lifestyle), organizational (management) and societal (policy) levels at all stages of the life course”.

The writers of a MOPACT project paper on active ageing and extending working lives point out, “no general definition of ‘active ageing’ can be found… the term is of different relevance in different countries.” While in Poland discussion of active ageing started relatively late, in the Netherlands and Germany, at least initially it was understood as referring mostly to labour market participation. In Italy, in contrast, policies to support active ageing were mainly focused on pension reforms to extend working lives and in Denmark a broader understanding of active ageing embracing third age career activities has begun to emerge ([Naegel & Bauknecht, 2013](#_ENREF_31)).

## Social dialogue as an instrument of change

In the belief that independent employers’ and employees’ organisations can assist and collaborate in the achievement of outcomes furthering the economic and social agendas of Europe, the EU, through its Directorate General for Employment Social Affairs and Equal Opportunities, has encouraged social dialogue. The concept of social dialogue put forward by the European Commission embraces different forms of discussions, consultations, negotiations and joint actions representing the two sides of industry and sometimes public authorities. One form of social dialogue is through the cross industry sectoral committees and social dialogue committees established by the EU, but other forms include country level, regional, local or workplace discussions. It is obvious therefore that much of the activity that continues daily as part of the normal industrial relations and problem-solving activity in organisations, can be described as “social dialogue.” Social dialogue has provided a route to progress in fields such as the elimination of discrimination and promotion of worker equality, promotion and protection of health, safety and well-being, protection against unemployment, the support of vulnerable workers and in many other spheres. There is little new in the idea of employees being consulted, but properly used, social dialogue can do more than simply exchange information. It can produce joint recommendations, generate guidelines and good practice examples and lead to recommendations and opinions that may influence all of the actors in the social dialogue process as well as national and European institutions. Outcomes of social dialogue discussions can be seen in autonomous action by one side or the other and can be expressed in the form of binding agreements that may in due course have the force of legislation. Since the initiative to foster social dialogue was launched in 1985 by the then President Jacques Delors, the process has been seen as crucial to foster competitiveness, fairness, economic prosperity and well-being. It is logical therefore that the same model should be used to explore, inform upon and develop best practices that encourage active ageing.

## Framework agreement on active ageing

In March 2017, organisations of workers and employers across the EU concluded a significant and ground breaking “framework agreement on active ageing and an intergenerational approach.” In order to embrace and drive forward changes to support active ageing, it was felt that the social partners needed to engage with the issues. The new “framework agreement” attempts to support such engagement by laying the basis for constructive discussions on population ageing, including on the impact it will have on people in work. The agreement seeks to establish a framework in which there will be “…increased awareness and understanding of employers, workers and their representatives of the challenges and opportunities deriving from demographic change…” The same framework is put forward as helping to provide workers and employers with practical measures and approaches, “…to manage active ageing in an effective manner.” Healthy, safe and productive working environments and innovative life-cycle approaches to creating productive and quality jobs that will enable people to remain in the workforce until legal retirement age, are all part of the vision offered by the agreement. *Active ageing* is recognised as something that will not simply happen of its own accord, but must be *made* to happen. This aim is to be achieved is through a partnership approach in which discussion and exchanges of different kinds are central. The panel below provides the text of the introductory section of the framework agreement.

**EUROPEAN SOCIAL PARTNERS’ AUTONOMOUS FRAMEWORK AGREEMENT ON ACTIVE AGEING AND AN INTER-GENERATIONAL APPROACH 8 March 2017**

“In response to the challenges deriving from demographic change, the European social partners, Business Europe, UEAPME, CEEP and the ETUC (and the liaison committee EUROCADRES/ CEC), agreed in the context of their 2015-2017 Work Programme to negotiate an autonomous framework agreement on active ageing and an inter-generational approach.

The European social partners note that measures need to be implemented, where necessary at national, sectoral and/or company levels, to make it easier for older workers to actively participate and stay in the labour market until the legal retirement age, and at the same time make sure that measures are taken in order to ease inter-generational transitions in the context of high youth unemployment.

Such measures should be aimed at significantly improving the ability of workers of all ages to stay in the labour market, healthy and active until the legal retirement age, as well as strengthening a culture of responsibility, commitment, respect and dignity in all workplaces where all workers are valued as important irrespective of age.

This framework agreement constitutes the contribution of the social partners to the EU policies (including non-discrimination legislation) and actions which have already been developed to support active ageing and the intergenerational approach. This agreement therefore aims to build upon and enhance the existing measures and approaches that are in place in different contexts across Europe. It outlines tools/measures to be taken into account by social partners and/or HR managers in the context of national demographic and labour market realities, and in accordance with national practices and procedures specific to management and labour.

The framework agreement is based on the principle that ensuring active ageing and the intergenerational approach requires a shared commitment on the part of employers, workers and their representatives.

The social partners are aware of the fact that successfully addressing the challenges deriving from demographic change does not depend exclusively on their action. EU and national public authorities and other actors have responsibilities in terms of ensuring that there is a framework which encourages and promotes active ageing and the inter-generational approach.”

*Source:* European Social Partners autonomous framework agreement on active ageing and an intergenerational approach 8th March 2017, Signed by the European Trade Union Confederation (ETUC), Business Europe, The European Centre of Employers and Enterprises providing Public Services (CEEP), and UEAPME (the employers’ organisation representing interests of European crafts, trades and SMEs at EU level).

The ASPIRE project will explore best practice approaches in support of active ageing, through research and social dialogue workshops. It will produce outputs that support through information and training, future social dialogue around active ageing. This paper begins this process by providing an evidence base relating to workforce and societal ageing in the UK. It will describe various aspects of current UK policy and practice and hopefully lay the basis for creative comparative exchanges as part of the project.

# The UK Labour Market

# Executive summary

Like other European countries, the UK is an old population having gone through the Demographic Window in the mid-1990’s. The economy is facing significant skills and labour shortages. Older workers’ participation rates have been steadily rising since the start of the millennium, especially the 65+ workforce. However, the workforce is stratified with clear winners and losers. Many older workers who are in work are able to negotiate accommodations from their line managers. Older unemployed people however find it difficult to get back into work, with 42% of 50+ unemployed out of work for over a year. There have been a number of relatively high profile innovative approaches to workplace active ageing which we cite in this report- the Mid Career Review, NHS Working Longer Review Group and Barclays’ Bolder Apprenticeship programme. Many of these programmes have developed with the active involvement of social partners but are outside the formal collective bargaining structures.

* The current government programme on ageing workplaces, *Fuller Working Lives*, is focused on providing incentives to employers to “Recruit, Retain and Retrain”. It is mainly based on presenting a business case for employers to retain older workers supported by a series of pilot studies and a process of gathering good practice examples through a partnership with the Centre for Ageing Better (a National Lottery funded foundation) and a large employer oriented charity, Business in the Community. The Government’s approach is best seen as facilitating a process of employer led engagement with the ageing workforce. While some limited funding has been made available for specialist, sector based back to work support of older benefits claimants and encouraging the Government agency Jobcentre Plus to identify local Older Workers’ Champions to support older people back to work, there is no major “free standing” pot of funding to make things happen.
* A coalition of trade unions, national career services and other stakeholders to pilot a ‘mid-life career review’ for older workers to support job transitions. The pilot, held in 2014-15, offered career advice to nearly 3,000 workers aged 45 to 64 covering future employment, training, financial planning and health issues. It was particularly focussed on people out of work, facing redundancy, or wanting to adapt to a new way of working. It supported those seeking a job change either within or outside their organisations. The initiative was very positively received by all involved, including the Government, but has not at this point been rolled out as a national programme.
* In order to address chronic skills shortages, an employer levy has been introduce to fund workplace apprenticeships. A small but growing number of apprenticeships are going to older apprentices- mostly older workers in work (leading to criticism that employers are using apprenticeships to fund workplace training), but with some older workers using apprenticeships to make changes to occupations or careers.
* Local Enterprise Partnerships are developing programmes to manage regional older workforce issues, particularly focused on hard to employ groups such as older migrants, low skilled and those with a history of precarious work. LEPs in the North are coordinating activities through the Northern Powerhouse to promote regional economic development.

The UK represents a liberal market economy/liberal residual safety net welfare state. The UK government prides itself on taking a light touch/business friendly approach to employment regulations. In relation to active ageing, the LME framework is on display as follows:

* The Employment Equality (Age) Regulations 2007 were written to have a light regulatory approach, prohibiting workplace ageism but giving employers some scope to maintain age related Human Resource Management (HRM) practices where the practice meets a legitimate business aim and is a proportionate means of achieving it.
* Government focus in regulating workplace ageism has been to remove barriers faced by older workers in maintaining employment. In 2010, government abolished the ‘Default Retirement Age. With a few exceptions (like fire services), employers cannot lawfully dismiss workers solely on the basis of age. They can however dismiss older workers on the basis of performance and/or capabilities.
* The Employment Equality (Age) Regulations 2007 were consolidated with other anti-discrimination regulations into the Single Equalities Act 2010. The present consolidated law was introduced in part to address intersectional discrimination.
* The government’s light touch approach is exemplified by the Right to Request flexible working, first offered to people with childcare and eldercare responsibilities, but now extended to all staff. Although the regulations only give employees the right to have a conversation with their employers, most requests have led to a negotiated accommodation.

The UK welfare state can be considered a basic safety net in which most social welfare (including pensions) is privatised with the government providing a minimal amount of support to the individual with the expectation that most provision will come from employers, families or personal savings.

* The first-tier pension is a basic Beveridgian pension: universal for everyone with 30 (recently raised to 35) years contribution, but with a pension well below the poverty line. Retirement savings therefore depend on employer pension provision and personal savings. In order to address old age poverty, government introduced a ‘triple lock’ which guarantees annual pension increases of at least inflation, average earnings or 2.5% whichever is highest.
* A new basic pension was introduced in 2015 which provides a universal pension of £155 for individuals but eliminates means-testing and state second pensions. One of the knock on effects of the introduction of the basic pension has been to phase out ‘contracting out’ of employer national insurance contributions for employers who provide occupational pensions, thus making second tier pensions more expensive to provide.
* State pension ages are rising: Women’s pensions are being equalised to 65 by 2018, then pension ages for both genders will rise to 66 by 2020, 67 by 2028, and 68 by 2046. The largest public sector occupational pension schemes have linked their pension ages to SPA for all new employees and existing employees who were 50 or younger from 2014.
* There is a significant divide between public and private sector employees in terms of pension entitlements. Only a minority of private sector employees have access to an employer funded pension scheme. Many employers are closing their pension schemes for new employees.
* In order to address under-saving toward retirement, the government has introduced the National Employment Savings Trust (or Workplace Pension), an opt-out, jointly funded, defined contribution pension. Contributions into the scheme are made by employers and employees. Initially the minimum joint contribution into the scheme is 2 per cent of an employees’ “qualifying earnings” – qualifying earnings falling between £5,876 and £45,000 per annum. Of the 2% legal minimum, the employer must pay at least 1% (more if they wish) whilst the employee pays at least the other 1%. The pension scheme is currently being rolled out and will eventually result in contributions equivalent to 10% of the average employees’ salary.
* The Government’s main services for job seekers are delivered via Jobcentre Plus (JCP). While there are presently no separate, government funded jobseeker support services targeted at older people, people aged below 65 can access the main support services by enrolling as “jobseekers” and signing a claimant’s agreement to actively seek work. Long term unemployed are assigned to contracted-out “Welfare to Work” programmes operated by private “providers”. The main current programme (the Work Programme) and the special programme for people with health conditions and disabilities (Work Choice) are being replaced by a new programme called the Health and Work Programme in 2018. There may be some limited special focus on older job seekers in this as well as a possibility of limited targeted support for older workers in the European Social Fund, so long as it continues to be available to the UK.
* Industrial relations is voluntary (although a statutory procedure for gaining union recognition was introduced in 2000). Trade unions operate an agency model meaning their primary responsibility is to bargain for members to receive maximum remuneration for their skills and labour. Unions are also defensive organisations, focused primarily on protecting existing rights of active members over promoting new rights.
* Unions have traditionally discouraged extended working life in order to prevent employers from tamping down wages of working age members; protecting younger workers from being crowded out; and protecting the right to retire. Macnicol and Blaikie (([Macnicol & Blaikie, 1990](#_ENREF_28)) p38) described post-industrial industrial relations as ‘confirming the economic uselessness of older people.’
* As union membership bases have aged, unions have shifted their focus toward both protecting the right to retire and preventing workplace ageism. The union movement has worked with age charities and like-minded employers to promote more robust age discrimination regulations and the abolition of the default retirement age.([Flynn, Upchurch, Muller-Camen, & Schroder, 2013](#_ENREF_14))
* In the health sector, prolonged discussion with unions from 2011-2012 resulted in changes to pension arrangements and a new scheme to be phased in from April 2015. Part of the agreement included the establishment of an “Working Longer Review Group,” established on a partnership basis with employer and union representation ([NHS Working Longer Review Group, 2014](#_ENREF_33)). The group commenced work in March 2012. In October 2014 it was commissioned to deliver a body of work including an age awareness toolkit, guidance on the pension scheme and a library of resources for managers, staff and union representatives on the challenges and impact of an ageing workforce. It has now completed its remit.
* Other collective agreements include BAE Systems where a phased retirement programme was developed to in part help the organisation workforce plan.

# Institutional models

## Varieties of Capitalism/Business Systems

The UK labour market is a liberal market economy (LME) ([Hall & Soskice, 2001](#_ENREF_18)) or regulatory regime ([Whitley, 2008](#_ENREF_60)) and is characterised by its relative lack of regulation (compared with the markets of European countries, e.g. France and Italy, where the costs of hiring and firing employees are greater.) It has been described as ‘the least regulated in Europe’ (([Nicoletti, Scarpetta, & Boylaud, 2000](#_ENREF_34)) para 75) taking a ‘light touch’ approach (([DTI, 2006](#_ENREF_8)) para 6.3.3) While relatively light regulation has ensured that the UK has been more effective in keeping people in work than economies of many other European countries, there is less social protection for those in work. Casualization, low pay and the growth of the pseudo self-employed gig economy are among its negative features. There is also more variance in organisational practices both within and between industrial sectors as there is less employer coordination than in coordinated market economies ([Flynn et al., 2013](#_ENREF_14)).

Older British workers have fewer social protections to insulate them from job loss during organisational change or performance. ([Foster, 2014](#_ENREF_16)) However, relative to Europe, there are also fewer *formal* institutional barriers to prevent older workers who want to stay in work beyond their planned retirement age or who want to make a change of employer. This is due in part to both regulations prohibiting age discrimination in recruitment and the abolition of the default retirement age.

## Industrial relations

Hyman ([Hyman, 2001](#_ENREF_20)) provides a framework for understanding historical strategic orientations of European trade unions. He suggests that union strategies are shaped by three orientations: promoting *class interests* by organising and mobilising labour; acting as constituent workers’ agents in maximising remuneration for their labour in the *market*; and playing a *societal* role with responsibility for governing a civil society. British unions fall on the class-market axis. Their orientation is geared toward giving workers the “material basis for resistance to the priorities of the capitalist mode of production” (([Hyman, 2003](#_ENREF_21)) p41) and within this framework, union strategies are built around conflict rather than co-operation on workplace issues, including ageing workforces. National collective bargaining is limited for the most part to the public sector where Whitleyism (quasi works council structures) were adopted during the interwar period. Because of the lack of formal structures for negotiating on workplace level issues, unions have taken on both organising models (i.e. mobilising members against substantive threats to their employment rights and terms and conditions) and a campaigning orientation akin to the membership based older people’s interest group, AARP. In relation to age, the campaigning role has played out in terms of the union movement working with age advocacy organisations, like-minded employers, and other non-governmental organisations in campaigning for improvements in older workers’ employment rights like the Single Equalities Act and abolition of the default retirement age. It should perhaps be remembered that a large proportion of British trade unions’ members typically fall into the category of “older workers,” and this includes many who as retired members hold some kind of union branch office or remain active in other ways. Given this and the fact that many unions have retired members’ sections, there would seem to be substantial potential for them to pursue policies supportive of an active ageing agenda.

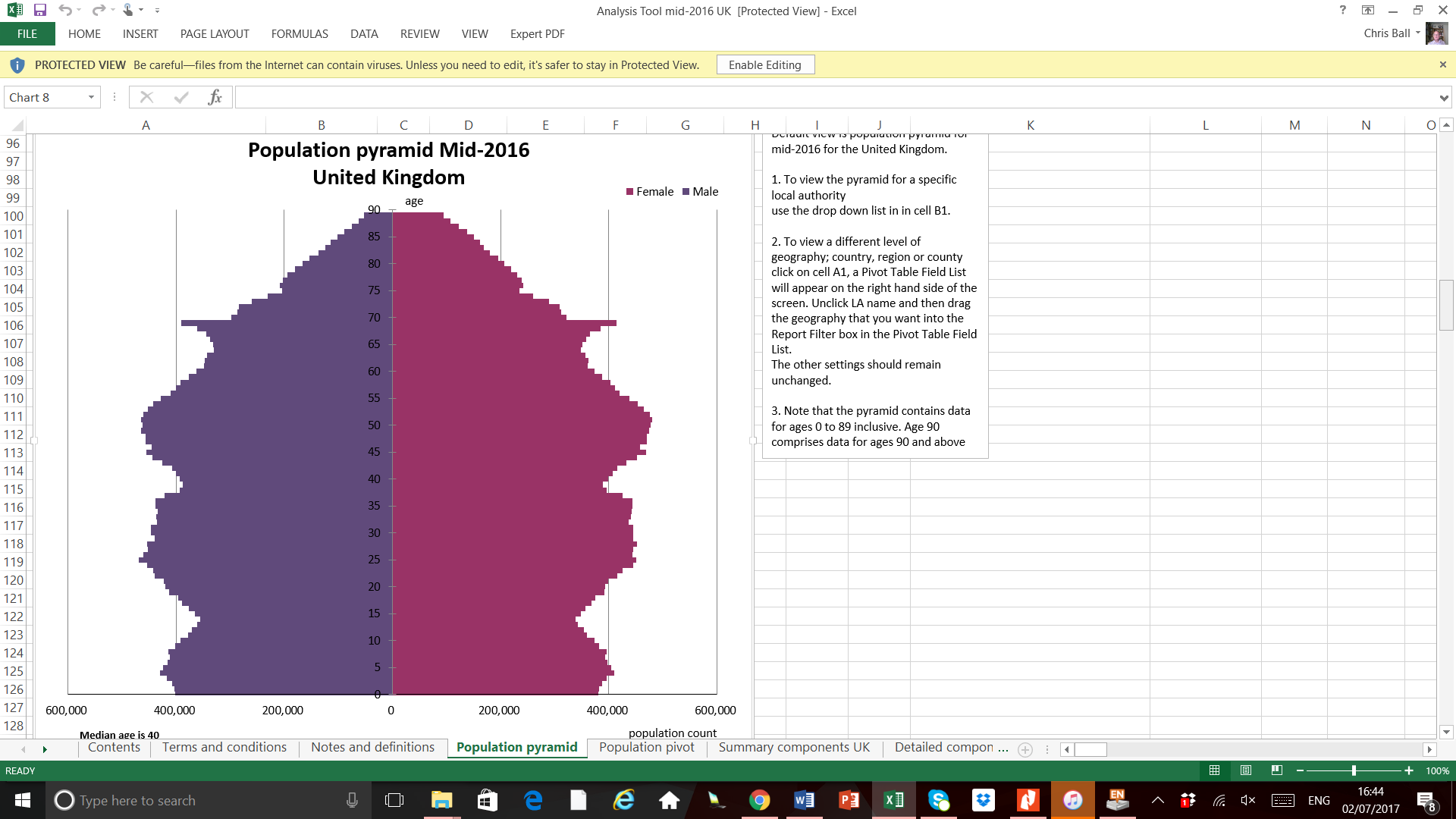
## Welfare state

The UK institutional regime has been characterised as a ‘liberal-residual’ welfare state ([Esping-Andersen, 1990](#_ENREF_11)) with a Beveridgian state pension system which provides a flat pension for those who have contributed National Insurance for a set period (currently thirty five years with pension credits for people out of work for reasons of unemployment or full-time caring responsibilities. It also, however, has low replacement rates.

# Demographic Dimensions

## Size of population and demographic structure

The UK’s population has undergone a 'demographic transition' from a pre-industrial population with high birth and mortality rates and only slow population growth, through a stage of falling mortality and faster rates of population growth, to a stage of low birth and mortality rates with, again, lower rates of population growth. The current (2016) population of the UK is 65.1 million of which 54.8M are resident in England, 5.4M in Scotland, 3.1M in Wales and 1.9M in Scotland.



Population pyramid mid-2016, United Kingdom. Source: Office of National Statistics, June 2016.

## Ageing

The older population of the UK is growing, with over 11.6 million (17.8% of the population) aged 65 and over and 1.5 million (2.3% of the population) aged 85 and over in mid-2015. Since mid-2005, the UK population aged 65 and over has increased by 21%, and the population aged 85 and over has increased by 31%. The number of males aged 85 and over has increased by 54% since mid-2005, compared to a 21% increase for females. The population increase of the UK in the year to mid-2015 included natural growth (more births than deaths) of 171,800 people and net international migration of 335,600.[[3]](#footnote-3)

## Old age dependency ratio

The UK, like most European countries, passed through the ‘demographic window’ (i.e. the period of time in which the working age population grows as a proportion of the overall population) in the mid-nineties ([UN Department of Economic and Social Affairs, 2004](#_ENREF_57)). The old age dependency ratio represents the number of people over state pension age as a ratio of those of working age (16-64). In 1999 the Old Age Dependency Ratio for the whole of the UK was 299 retired age people for every 1,000 people of working age. By 2011 this had increased to 319 retired age people per 1,000 of working age. By 2050, it is projected that the 65+ population will be 500 for every 1000 working age people ([NAO, 2012](#_ENREF_32)). It should be pointed out that the old age dependency ratio ignores the fact that people over 65 are not necessarily ‘dependent’ (an increasing proportion of them are working) while many of those counted as being of 'working age' are actually not working. Including people between 16 and 22 as of ‘working age’, when many of them are students, is also a source of inaccuracy. Migration of younger people into the country, with few older dependents and of child bearing age, serves to reduce the Old Age Dependency Ratio.

## Life expectancy

There is an important difference between “life expectancy” and “healthy life expectancy.” Both can be counted from different ages, typically at birth and at the age of 65. In 2012 to 2014, males *at birth* in England could expect to spend a higher proportion (79.7%) of their remaining lives in “Good” health, compared with females (76.9%) (ONS various tables.)

At the same time, men *at age 65* had a further 18.8 years life expectancy (LE) with 10.6 of these years spent in “Good” health or healthy life expectancy (HLE). On the other hand, women at 65 had a further 21.2 years of LE of which 11.5 years were in HLE. Hence, both men and women could expect to live over *half of their remaining lives* at age 65 in “Good” health (56.3% and 54.2% respectively).

Total fertility rates have declined and risen somewhat in the UK over the past thirty years, falling to 1.63 children per woman in 2001/2002 and rising to 1.92 in 2010, dropping again to 1.82 in 2014. The fertility rates of women born outside the UK are consistently higher than those of UK born women. (In 2015 they averaged 2.06 for women born outside UK compared with 1.75 for women born in this country.)

## Local variations in Life Expectancy and Healthy Life Expectancy

At birth, males in Wokingham (the South East of England) had 70.5 years of healthy life expectancy (HLE) compared with males in Blackpool (the North West) who at birth had an HLE of 55.0 years – a 15.5 years difference. At birth, females in Richmond upon Thames had an HLE *17.8 years longer* than that of females in Manchester (72.2 years HLE in Richmond compared with 54.4 years HLE in Manchester). Women at age 65 and living in London had significantly *lower* HLE than the England average of 10.9 years at age 65. (This is despite London women having a *higher* overall life expectancy than any other part of the country. Hence, London women are living longer than any others in the UK, but have *fewer* years in a healthy state than any others.)

# Economy and labour market

## Sectoral Composition

Over past decades, the industrial make-up of the UK has changed. In 1990, manufacturing industry contributed 18% of UK total economic output falling to 10% by 2015, while the service industries contributed 69% of the total in 1990, rising to 80% by 2015. Between 1990 and 2015, economic output from the service industries grew by 88% or £608 billion in real terms.

In 2014, financial and related professional services employed 2.2 million people - over 7% of the UK workforce - and contributed £190M to the UK economy, producing nearly 12% of total economic output. ([The City, 2016](#_ENREF_50)) More than two thirds of employees in this sector work outside London. Despite the importance of the financial and professional services sector, the largest services sub-sectors are the government, health, education and defence sectors, which contributed £295 billion or 18% of the total in 2015.

In contrast, the value of the manufacturing sector fell by 2% or £4 billion between 1990 and 2015 in real terms. The growth of other industries in the meantime has meant that the manufacturing sector’s share of the whole economy has fallen from 18% in 1990 to 10% in 2015. (Manufacturing remains significantly larger than financial and professional services). In 2014 the service industries as a whole employed 23.8 million people, 85% of UK workers. Manufacturing employed 2.4 million people, 8% of the total. The construction industry employed 1.3 million people, 4% of the total.

## Balance of public and private sector employment

Estimates of the number of private sector businesses in the UK vary between 2.8M and 4.9M. If all forms of small business are included the total could be as high as 6.3M of which 1.3 M have employees (as opposed to being vehicles for self-employment in some form). In 2016 the total employment in the SME sector was 15.7 M amounting to 60% of all private sector employment. SMEs account for 90 per cent of employers in every major industrial sector.

Out of a total of 31.84M people in employment in the UK[[4]](#footnote-4), a total of 5.4M were employed in the public sector in December 2016. Public sector employment is shrinking (in 2016 it was 8,000 less than the previous year). Local Government employment is shrinking fastest, experiencing a record low of 2.15M in 2016. Central Government employment is actually *increasing* and at 2.98M, is the highest since 1999.[[5]](#footnote-5) Among public listed company employers, Royal Mail (161,396 employees), G4S (585,000 worldwide, 34,000 UK and Ireland), Tesco (472,000) and the Compass Group (500,000) are the largest. Among private employers, the John Lewis Partnership (89,000 employees), the Swire Group (129,800) and the Boots partnership are among the largest employers. Roughly 2.7M people work in retail in the UK making it the largest employer of labour. Manufacturing companies in total employ 2.7M people in the UK and contribute 10% of gross added value to the UK’s economy, 45% of exports and 68% of business research and development.[[6]](#footnote-6)

# Skills and Training

A skilled and trained workforce is a pre-requisite for a successful economy and having no skills or qualifications makes it much more likely that one will be unemployed or economically inactive. (According to the UK 2011 census, 48.5% of people aged 25-64 with no qualifications were in employment compared with 85.3% of those with a degree or above. The unemployment rate for men with no qualifications was more than double the rate for those with at least one qualification.([ONS, 2014](#_ENREF_37))) Estimates for European countries show that a 1 per cent increase in training days leads to a 3 per cent increase in productivity, and the share of overall productivity growth attributable to training is around 16 per cent (CEDEFOP, 2007). There is widespread acknowledgement of the value of education and training both to national economies, employment levels and human happiness. For example, an ILO report for the G20 nations commented that, “…good education and good, relevant training, …empowers people to develop their full capacities and to seize employment and social opportunities, raises productivity, both of workers and of enterprises, contributes to … innovation and development, encourages … investment and job growth, lowers unemployment and underemployment… leads to higher wages… expands labour market opportunities and reduces social inequalities.” ([ILO, 2010](#_ENREF_22)) Despite this, practices that might encourage training and retraining *specifically* of older members of the workforce, are not common.

## Concerns over skills shortages

Government ministers and other policy commentators regularly emphasise the importance of Britain being a high skilled economy, but UK employers frequently report skills gaps and hard-to-fill vacancies caused by skills shortages. In April 2017 a report by the Chartered Institute of Personnel and Development (CIPD) found that "…two decades of under-investment has contributed to the country lagging behind its competitors in Europe and most of the Organisation for Economic Co-operation and Development (OECD) countries on at least four key measures, including literacy and numeracy, learning and development and digital skills…**..**The UK lies fourth from the bottom on the EU league table on participation in job-related adult learning, with evidence showing a deterioration since 2007.” ([CIPD, 2017](#_ENREF_6)) A survey by the British Chambers of Commerce conducted in January 2017 found that, “76 per cent of businesses …have a shortage of digital skills in their workforce, ranging from 52 per cent at a slight shortage to three per cent at a critical one.” ([BCC, 2017](#_ENREF_3))

According to one survey, vacancies due to skills shortages made up 2.5 per cent of the total volume of jobs in the UK and accounted for a rising share of *hard to fill* vacancies (22 per cent of all vacancies in 2011) ([UKCES, 2014](#_ENREF_56)). In large measure, skills shortages had been caused by the failure of employers to engage apprentices and train their employees generally.” ([UKCES, 2013](#_ENREF_55)) These skills shortages are giving rise to fears that, “Britain’s industrial growth plans could be endangered by a chronic lack of skills and an ineffective education system… Currently companies can plug the gap by hiring EU workers but that option may soon be limited by Brexit, worsening the shortage.” ([Wallace & Tovey, 2017](#_ENREF_59))

A further study by the Institution of Mechanical Engineers suggests, “…the government’s policy of encouraging industry to train more skilled people, is likely to fail because Britain’s education system is unable to turn out enough people with the correct skills.” ([Tovey, 2016](#_ENREF_51)) Research by Engineering UK found [an additional 1.8m engineers and technically qualified people are needed](http://www.telegraph.co.uk/business/2016/04/23/brexit-will-widen-18m-engineering-skills-crisis-industry-heavywe/)by 2025. Currently there is a 20,000-a-year shortfall in the number of these people being produced by Britain’s education system.

Projections by the now disbanded UK Commission for Employment and Skills suggested that in 2020 the UK would rank 22nd on low skills, 28th on intermediate skills and 7th on high skills. This picture is positive for high skills, but suggests that our progress on low and intermediate skills is not keeping pace with international competitors. Other countries seem to be investing more effectively in intermediate level skills. It is estimated that over the next decade, thirteen million vacancies will open with only seven million school leavers available to fill them ([UKCES, 2013](#_ENREF_55)).

## Trade union education

UK trade unions have a long tradition of supporting education and training of their members. In 1998 the Labour Government established a Trade Union Learning Fund which disbursed money to the individual unions to support courses and learning activities. ([TUC, 2017](#_ENREF_53)) Much of the funding was used to support projects entailing the training of union learning representatives (ULRs) who worked closely with their members to identify education and training needs and opportunities. In some unions, union learning centres were established, often at branch level, as well as distance learning courses often in conjunction with other organisations such as the Open College. Unions, though not always successfully, began bargaining around the skills agenda in response to insecurity and fears of redundancy faced by many of their members.

Today, Unionlearn exists as the learning and skills organisation of the TUC. As well as providing comprehensive information on a wide range of subjects from apprenticeships to dealing with issues around learning, it encourages the adoption of skills audits, leads campaigns on issues such as digital inclusion and many other matters. Unionlearn and ULRs in the individual unions work with employers and local colleges. Through the Regional TUCs, full time union learning organisers in the individual unions and with a small team at TUC Headquarters, innovative and different approaches to learning are devised. One example of this was in 2013-2015 when UnionLearn collaborated with 17 partner organisations led by the Learning and Work Institute, in a Government financed project to deliver mid-life career reviews to some 3,000 people in the 45-64 age range. The project evaluation report is not only extremely positive in its assessment of the mid-life review concept, but is clear that the experiment in trained ULRs delivering reviews to individuals in workplace other settings, is regarded as an outstanding success story. ([TUC, 2014](#_ENREF_52)) With high awareness of the necessity to enhance the skills of British workers and the value which ULRs and UnionLearn can add in campaigns to this end, a number of elements needed for tri-partite partnership working around the skills agenda, seem promisingly present.

## Policies on skills training

The most common types of skills shortages across all occupations are for *Technical, practical or job specific skills* which are best gained by training in a workplace setting. This fact alone illustrates the critical role that employers have to play in overcoming skills shortages and building the pipeline of skilled labour. Increasingly Government policy has focused on an apprenticeship approach to training, but the apprenticeship training system is in a state of flux (see paragraph iii on page 6 for more detail).

Where training is provided, there is evidence that both the qualifications it leads to and the training itself are not fully meeting the needs of employers. Many employers see recruiting migrant workers who already possess the skills in question, as the easiest solution to skills shortages. Migrants occupy both high skilled and low skilled jobs in the UK and tend to be more highly skilled than UK-born employees in comparable roles ([Reed, Cooley, & Sriskandarajah, 2005](#_ENREF_45)).

## Apprenticeships

From May 2017, a new system of funding apprenticeships has been introduced in which larger firms will pay a levy related to the number of workers they employ. The Government has a target of 3M people taken into apprenticeship places by the end of the Parliament. The main reason for the levy system is to encourage employers to pay their way in generating the skills base of the country. Private companies with a wages bill of £3M or more will now have to pay the apprenticeship levy of 0.5% of their pay costs into the apprenticeship fund. Funds will be available in the form of vouchers which will have to be used within 24 months towards the cost of apprenticeship training. Accordingly, firms will be entitled to draw from their levy payments to fund apprenticeship places, but some firms may be unable to spend their allowances within the time limit or may prefer to spend some of this money on training for adults. These considerations have made the idea of an *adult apprenticeship* or *senior apprenticeship* more relevant. The idea of an ‘adult apprenticeship’ is not new but in the past has referred to people beginning apprenticeships over the age of 24. A “senior apprenticeship for people in their forties, fifties or sixties is a newer idea.

There are a few examples of companies that have developed apprenticeship training for older age groups in this way. Barclays Bank has adopted the name ‘Bolder Apprenticeships’ for its older or senior apprenticeship programme. In November 2014 the Department for Business Innovation and Skills released figures showing that “…more than 350,000 of the UK’s 851,000 apprentices were over 25 with more than 50,000 over 50.” ([Pegg & Ball, 2014](#_ENREF_43)) In the past, when senior apprenticeships of this kind began to emerge, there were concerns about quality and doubts were expressed as to whether government apprenticeship funds should really be being spent on training adults, many of whom already worked for the company concerned. A spokesperson for the Association of Colleges, representing many of the organisations providing the college based training in apprenticeships, commented, “The fact there are 50,000 apprentices aged over 50 is not a bad thing in itself but the government needs to be sure that the training being provided is genuinely meeting the needs of the individual as well as their employer … Apprenticeships should be about providing worthwhile training, not hitting Whitehall targets.” ([Pegg & Ball, 2014](#_ENREF_43))

The Institute for Public Policy Research, also observed that successive governments had, “…got into a numbers game on apprenticeships.” ([IPPR, 2011](#_ENREF_23)) The severe skills deficits facing many British employers provides a political justification for setting ambitious targets. However, getting young people to buy into the apprenticeship idea as a career choice is not always easy. There is therefore money available some companies may use for training older people. An IPPR spokesperson said, “Our worry is that these people aged 25 and over are not new to the job market and certainly aren’t completing their education. It’s just paying for on-the-job training for existing workers,”([Pegg & Ball, 2014](#_ENREF_43)) though it remains to be seen whether the changes in accreditation and inspection of apprenticeship programmes will address such concerns. Many of the concerns about the quality and depth of training offered in apprenticeships should be tackled by a series of changes the Government has introduced. The Institute for Apprenticeships has been set up to monitor standards and the term “apprenticeship” is now legally protected and cannot be used to “badge” low quality courses.

Apprenticeship programmes can provide substantial subsidies to businesses for training, offering the full cost of training for 16- to 18-year-olds, and up to 50% of the cost for older workers. There is a view that such subsidies risk wasting public money if they merely fund training that employees would be providing anyway, rather than establishing skills that would help workers through their careers. Many of the apprenticeships for over-50s are classed at the most basic level – confusingly known as “intermediate level” – a qualification roughly equivalent to five GCSE passes. The fact that these apprenticeships are being offered at an intermediate level rather than advanced or higher poses the question of what skills they are offering in the apprenticeship and whether the tax payer is not simply being taken for a ride as large numbers of employers are providing basic training in ‘skills’ as demanding as flipping burgers, to employees on low pay and conditions. On the other hand, if a ‘bolder apprenticeship’ can be offered that genuinely provides an older person with a new career opportunity by giving them a chance to acquire real skills, this would be a positive development.

The Conservative Government committed itself to dramatically increasing the numbers of apprentices to achieve a target of 3 million, particularly aiming for younger people in the lifetime of the last parliament. This policy is likely to continue in the Theresa May Government elected in 2017. Encouraging larger numbers of older people to take up apprenticeships may well help to inflate the numbers following apprenticeships to the 3 million target. However, it seems likely that a large number of these apprenticeships for older people are being offered in sectors such as hospitality and social care and take the form of introductory training courses. The National Minimum Wage for apprentices aged over 19 and in the first year of their apprenticeship is set at the lowest *apprentice level*, £3.50 per hour compared with the normal level for a 19 year old, £5.60 an hour. A person aged 22 in the first year of their apprenticeship would only be entitled to a wage of £3.50 per hour - being the National Minimum Wage which applies to apprentices. For older apprentices (over the age of 25) the National Living Wage of £7.50 an hour applies.

# Regional development and active ageing

## Regional governance

Political and economic decision making is far more centralised in the UK than in other developed countries, and a far greater share of taxes are spent by central government (as opposed to locally). ([OECD, 2015](#_ENREF_36)) Although elected Parliaments or Assemblies (and Governments) were established following referendums in Scotland and Wales following the election of the Labour government in 1997, and in Northern Ireland under the Belfast agreement in 1998, there is no separate English Parliament or Government nor separate governments or assemblies for the Regions that make up England. For many years there has been a growing view that Britain is too centralised and that there needed to be a greater element of regional control of the economy.

More recently, regional policies have sought to combine regional and sector analysis of needs with a strong local dimension in both ownership of the policies and determination of priorities. In large measure these have been both facilitated and supported by European Social and Structural Investment Funds. It should be understood that while Regional Development and Regional Government in the UK are subject to party political decisions there is a distinct mood in the country in favour of greater autonomy from the controlling power of Central Government in Whitehall. Opportunities would seem ripe to use the following developments in some form of social dialogue with public authorities, though precisely how this will be accomplished will need careful consideration.

## Establishment of Local Enterprise Partnerships (LEPs)

In 2015, 39 new Local Enterprise Partnerships (LEPs) were established, all being smaller and more locally based than the RDAs. At the time of their closure the RDAs were participating in a total of 110 corporate bodies and managing 9683 projects. In 2008/9 they employed a total of 3,470 staff. Several of the RDAs developed strands of activity in relation to the ageing workforce.

The LEPs assumed responsibility for significant amounts of government funding, including a new £12 billion Local Growth Fund for the period 2015-16 to 2020-21. ‘Growth Deals’ were agreed between the Government and each of the LEPs. The rationale for establishment of Local Enterprise Partnerships was to harness the support of business and local Government on issues concerning economic development. The following are some of their areas of activity.

* ***Skills training***LEPS have gathered momentum and are working with local authorities, employers and other agencies, for example those involved in skills training. LEPs have important roles in monitoring the skills needs of employers in their areas and ensuring the provision of training places and apprenticeships. Distribution of around £5bn from the European Structural and Investment Fund, the European Regional Development Fund, the European Social Fund and the various other European Funds is supported by the LEPs, enabling them to support projects and provide training and technical support by working through a range of organisations (colleges, welfare to work agencies, training organisations etc).
* ***Growth hubs*** Among LEP’s activities are a network of 38 Growth Hubs, to promote sustainable economic growth in the LEP area by joining up national and local business support so that businesses can more easily find the help they need.
* **Enterprise zones**A series of 48 Enterprise Zones have been created, which offer incentives to businesses to locate in the zone area, including by offering business rate relief and enhanced capital allowances. 17 Enterprise Zones have been announced in the Northern Powerhouse (see below for more details).
* **Transport** Allowances for the establishment of *transport links* and the encouragement of sustainable transport are distributed by the Department for Transport. Local Authorities are encouraged to work with LEPs in bidding for this money, thus encouraging consideration of the economic developmental issues in planning transport links.

## Combined Authorities and Northern Powerhouse

Combined Authorities have been established as new, larger and more powerful and highly resourced bodies harnessing the resources of large city regions in a single planning framework and harnessing the greater part of public sector services in the area. The move towards regionalism and localism has gathered pace. In 2014 a series of think tank reports were published ([Blond & Morrin, 2014](#_ENREF_5)) which called for more radical devolution of powers to local areas to help them grow their economies. Also George Osborne, the then Chancellor of the Exchequer, in June 2014 announced that he was willing to start a conversation about ‘serious devolution of powers and budgets’ for any city willing to move to a new model of city government and have an elected mayor. He called for the establishment of a “Northern Powerhouse,” that would bring together the Northern cities to provide jobs and opportunities and foster economic growth and innovation across the North. Soon after this, in November 2014, a landmark devolution deal between Greater Manchester and the Treasury was agreed.

Such developments have opened significant possibilities for regional, supra-regional and local initiatives of various kinds.

## Greater Manchester Combined Authority

In Greater Manchester, where the new Combined Authority is made up of the ten Greater Manchester local councils together with the newly elected Mayor of Greater Manchester, a “City Deal” has been struck including agreements for the Government to devolve £6.2 billion for budgets in health and social care, clinical commissioning groups and the public health system. A number of initiatives catch the eye. *The Greater Manchester Strategy*, which is jointly owned by the Combined Authority and the Greater Manchester LEP, aims to secure “Greater Manchester’s and the North West’s place as a major centre for the life sciences; enhance further education to create more apprenticeships and maximise skills investment; secure major investment in public transport and highways; reform public services so that they reduce duplication and are designed around the needs of residents; and provide better business support services.” ([GMCA, 2013](#_ENREF_17))

## Greater Manchester’s collaboration with Centre for Ageing Better

With the support of a National Lottery funded foundation, the Centre for Ageing Better, the Greater Manchester Ageing Hub has been established. A number of work streams are under way; *Ambition for Ageing* is a Lottery funded programme to reduce the isolation of older people and create age friendly neighbourhoods. A business report has been produced which deals with the *Economic Opportunities of Ageing in Greater Manchester,* and sets out the significant economic opportunities for the conurbation as the population ages. These include investment in age-friendly design; supporting older entrepreneurs; commercialisation opportunities; and extended healthy working lives. The recommendations will provide support for the GM Ageing Hub’s continuing work; an evidence base around unemployment and worklessness among 50-64 year olds has been developed and proposals for pilot projects are likely to include expansion of an existing project called *Working Well Manchester*, working with employers, supporting mid-life transitions and other measures and support for extended working lives.([Lightfoot, 2016](#_ENREF_26))

## Using Regional Development to support active ageing

A report published by the research agency/ think tank IPPR North in 2017, ([Round, 2017](#_ENREF_47)) provides a comprehensive analysis of demographic change in the Northern part of the country, which coincides with the geography of the Northern Powerhouse, Northern Authorities and LEPs. It highlights issues such as the relatively older age of the Northern population, the relatively higher rates of early retirement and inactivity, the relative disadvantages facing Northern people (people who face greater barriers because of health, skills and financial issues) which will give rise to uneven impacts of raising state pension ages and the expectation of working longer. Recommendations in the report include supporting life course approaches to policies for extending working lives, including policies in training, work and preparation for retirement; developing regional intergenerational accounts as a basis for evaluating interventions and forms of “generational accounting” to support investment and saving; and the establishment of “life-course work centres” to coordinate opportunities local opportunities for older workers. This would include leading action on policies and practices for older workers and acting as the voice of older workers through engagement with a range of stakeholders including employers, trade unions and community groups. Creating an age friendly alternative to Jobcentre Plus, is one of the strands mentioned.

# Employment

## Employment, unemployment and economic inactivity

The UK unemployment rate is low relative to other OECD countries (currently 5.6%) and only behind Germany in terms of large EU economies. In the three months to March 2017 there were 31.95 million people in work, 381,000 more than a year earlier. The employment rate of people aged from 16 to 64 was 74.8%, the highest since comparable records began in 1971. There were 1.54 million unemployed people, 53,000 fewer than for October to December 2016 and 152,000 fewer than for a year earlier. The unemployment rate was 4.6%, down from 5.1% for a year earlier and the lowest since August 1975. 8.83 million people aged from 16 to 64 were economically inactive. The inactivity rate was 21.5%; lower than for a year earlier (21.8%) ([ONS, 2017e](#_ENREF_42)). Paid hours of work have increased *somewhat* - from 37.8 hours per week in 1997 to 38.2 hours per week in 2016 ([ONS, 2017d](#_ENREF_41)).

## Full time, part time and non-standard working

In January to March 2017 there were 23.5 million people working full-time (20M of them being employees, 3.4M self-employed) and 8.5 million people working part-time (7M of them employees, 1.4M self-employed). 1.1M workers were recorded as having second jobs; 1.6M people (nearly 6 per cent of all employees) are employed as temporary workers of which 441,000 (28%) were temporary because they could not find a permanent job and 110,000 because they were employed in a traineeship capacity of some kind. Of the 8.3M people working part time, 1.03M (12.4%) could not find a full time job while 5.9M did not want a full time job ([ONS, 2017b](#_ENREF_39)).

## Pay

In April 2016 median gross weekly earnings for full-time employees were £539, up 2.2% from £527 in 2015. Weekly earnings of part time employees grew by 6.6%. Adjusted for inflation, weekly earnings increased by 1.9% compared with 2015. In April 2016 the gender pay gap (for median hourly earnings) for full-time employees decreased to 9.4%, from 9.6% in 2015 ([ONS, 2017a](#_ENREF_38)). From April 2017 the National Living Wage to which everyone over the age of 25 is entitled, is £7.50 an hour. There is also an independently calculated Living Wage (which in fact preceded the Government’s present National Living Wage.) Currently the independent Living Wage is £8.45 an hour. In London, the Mayor has promoted a London Living Wage of £9.75 an hour. According to the Trust for London, there are 720,000 low paid jobs in London, being jobs below the £9.75 an hour.

## In work poverty and unemployed families

Of the 20.7 million households in the UK where at least one member is aged 16 to 64, 11.9 million (57.6%) had all household members aged 16 and over in employment. There were 5.7 million households (27.6%) with a mix of at least one working and one workless adult, while 3.1 million households (14.9% of total households) had no family members in work. Around 10% of people aged 16-64 live in families where there is no family member in work. An analysis of people in poverty in 2013 showed that 8% of people in employment were classified as being in “in-work poverty” with 70% of those leaving “in-work poverty” following an increase in their hourly pay ([ONS, 2017c](#_ENREF_40)).

## Employment of older people

A total of 8.71 million people aged 50-64 were in employment in the period to April 2017 (4.57 million men and 4.14 million women). The employment rate for this group was 70.9% overall (75.8% men and 66.2% women). 3.29 million in the 50-64 age range were economically inactive – a rate of 26.8% or 21.4% for men and 32.1% for women. The 50+ unemployment rate was 2.9% (3.3% men, 2.3% women) accounting for 294,000 people overall. Of the 50+ unemployed, 105,000 (35.7%) had been unemployed for more than 12 months. 1.203M people over 65 were in employment in the UK in the same period – an employment rate of 10.4% (13.8% men and 7.5% women). Older men are concentrated in banking, public services, manufacturing, and construction. Older women are concentrated in public services. After 65, public sector employment drops for both men and women, most likely because many start to draw their occupational pensions. Catering services are significant employers of women 65+.

Since the 1990’s, the number of older people in work has grown, especially amongst the 65+ population. Older women’s participation has steadily grown since the mid-eighties. Men 55-64 saw a dip in their participation from mid-1980’s to mid-1990’s as high pay/low skilled blue-collar jobs reduced and older men in those jobs permanently left employment either through redundancy or early retirement. As better education ‘baby boomers’ entered late career stages, participation rates had started once again to increase ([McNair, Flynn, Owen, Humphreys, & Woodfield, 2004](#_ENREF_29)).

The workforce profile by occupational group shows significant gender differences. Using data from the Labour Force Survey, we can see that older men are concentrated in managerial and professional positions, but there are also significant cohorts in manual jobs and in self employment/contract work. These two latter groups are at risk of old age poverty as they often both lack retirement savings and pathways to sustainable work and require support in terms of training, career support and health interventions in order to maintain work ([Lain, 2012](#_ENREF_25)). The largest group of older women in work are also in managerial positions. However, as women approach their sixties, managers/professionals start to exit the workforce, and those in administrative positions remain longer, thus comprising a rising proportion of older working women. Older women are concentrated in the public sector where up until reforms in 2014, occupational pension ages have been between 60 and 65.

Labour Force Survey October to December 2012

# Government Policies in relation to age and work

## Jobcentre Plus

Government support for unemployed people in the UK is delivered through a twin-track approach. The first of these limbs is the support they receive from Jobcentre Plus, while the second is provided by independent welfare to work providers, delivering support for the long term unemployed or more difficult to place in work. Jobcentre Plus (JCP) is responsible for distributing benefits to the unemployed, most importantly the Job Seekers Allowance (JSA). JCP is also responsible for the overall customer experience and for supporting people in finding work in the early stages of their benefit claim. JCP Managers have a degree of autonomy to shape services locally and work with teams of employment advisers who have some limited flexibility to personalise support for each individual claimant.

## Unemployment benefits

Unemployed people must register with their local job centre in order to claim benefits. Benefits, in the form of the Jobseeker’s Allowance, are paid only if they are available for work. A single person aged 18-24 may receive a JSA weekly amount of up to £57.90; a person aged 25 or over may receive up to £73.10 a week while a married couple, both registering as Job Seekers and over the age of 18, may receive £114.85 a week. Payments are made every two weeks, usually by a building society or bank transfer. The basis of calculating JSA is changing with entitlement to the old style JSA being based on National Insurance contributions paid in the two years prior to the current tax year though this is being replaced by Universal Credit as part of a “new style” approach to JSA. People who work less than 16 hours a week and whose partner (if they have one) works less than 24 hours a week on average may be entitled to a different form of JSA, known as an income based JSA.

## Job search with Jobcentre Plus

Applicants for JSA are required to attend a JSA interview at their local Jobcentre Plus (JCP) office. Providing an individual fulfils the technical conditions to be eligible for receipt of the JSA, he or she will be asked to sign an agreement (a “claimant commitment”) that sets out the steps they will take to find work, such as making a given number of job applications or registering with recruitment agencies. They will be allocated to a Work Coach who supports them in setting out these actions. Claimants are expected to demonstrate a serious intention of finding work and the claimant commitment is supposed to reflect both the abilities and circumstances of the claimant, for example taking into consideration any disability or caring responsibility.

The job search support offered by JCP may include activities such as attendance at a group workshop on compiling a CV, short courses on how to deal with an interview, instructions on the use of on-line job searching and various other approaches. The onus is really on the job seeker to go and find himself or herself a job. Job search processes focus heavily on computer based searches, all customers being introduced to the Government’s own job-search website, Universal Jobmatch[[7]](#footnote-7) as well as dozens of other websites offered by agencies, individual employers, local authorities and so on. As already mentioned, the onus is on supportive self-help, though the possibility of having one’s benefits withdrawn for not being available for work or not striving sufficiently seriously to find work, inevitably provides an element of compulsion. Such claimants may risk being sanctioned (having their JSA suspended).

Many public and private sector employers use the services of their local Jobcentre to gain introductions to unemployed people (advertising them on jobs boards such as Universal Jobmatch). However, vacancies are often filled through other routes (independent press and website advertising or agencies, for example) - Jobcentre Plus has no monopoly of vacancies to be filled. Unfortunately, the IT dominated approach to the labour market leaves some people struggling to find work, particularly if they are not fully computer literate.

Various additional measures are introduced from time to time to enhance the support to jobseekers. Since 2011, when the financial crisis seemed to hit young people particularly hard, many of the Government’s additional targeted measures have been focused on young people.

## People with limiting health conditions

People with health conditions or disabilities which may prevent them from working, are asked to undergo a Work Capability Assessment. This takes the form of an interview with a health practitioner, generally a nurse or physio therapist who has been trained to administer the interview using a structured questionnaire. If the assessment results in a finding that the claimant is ‘fit for work’ he or she will be obliged to fulfil all the requirements of the “claimant commitment” to continue receiving the JSA. Claimants judged to be not presently fit for work may be entitled to a different benefit, the Employment and Support Allowance (ESA).

Individuals who are believe they are not fit enough to work may claim the ESA rather than the JSA. Decisions on eligibility to receive the ESA follow an “assessment period,” generally thirteen weeks. During this assessment period the ESA is paid at the same rate as the JSA - £57.90 for people under the age of 25 and up to £73.10 a week for those over 25. After the assessment period the claimant is either described as “fit for work” (in which case the only route to benefits is by claiming the JSA), or is allocated to one of two groups of ESA – the *Work Related Activity Group* (for those adjudged potentially capable of working but in need of additional support and time before they are ready for serious job search activity) or the *Support Group* (for those who are judged not capable of working). The ESA payment for those in the Work Related Activity group is at the same level as JSA while for those in the Support Group it is £109.65 a week, presumably on the basis that those who can work may be better encouraged to find jobs if they are otherwise obliged to live in financially straightened circumstances.

## Welfare to work programmes

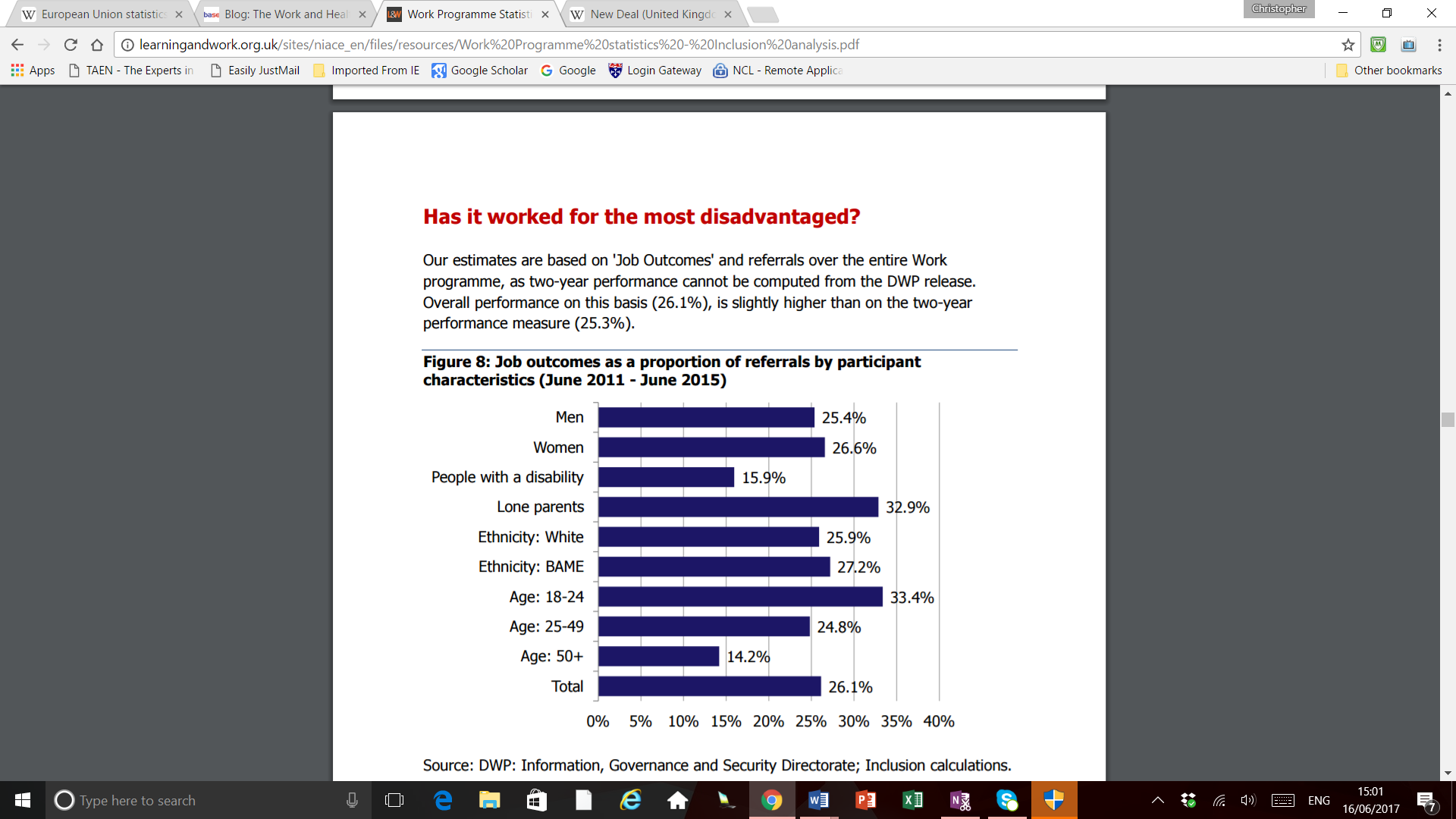
The second limb of the twin track approach to getting people back to work in the UK is the Welfare to Work support system for the unemployed provided via the Government’s main private sector contracted out welfare to work schemes. Currently the Work Programme is the main scheme with Work Choice as a scheme especially structured to support people with disabilities. Work Choice is the Government’s welfare to work programme intended specifically for people with recognised disabilities and requiring specialised support to get back into work. It is delivered by specialist welfare to work providers and includes help and advice to get into a job for up to six months as well as specialised in-work support to start work and stay in a job. It is a voluntary scheme – refusal to participate does not affect one’s benefits. However, both these schemes are currently drawing to a close and in 2018 will be replaced by a single all-purpose scheme called ‘the Health and Work Programme’. Resources put into welfare to work will be significantly reduced and a new focus on support for the “hard to help”, including the long term unemployed and people with disabilities. Older people will be one of the categories supported. The Work and Health programme is not yet with us however and in explaining the nature of welfare to work support, it may be more useful to consider the current programmes.

Both the Work Programme and Work Choice follow the established pattern of payment by results contracts awarded to private, public and voluntary sector organisations - the “welfare to work providers.” The DWP maintains some prime 40 contracts in 18 different geographic areas across England, Wales and Scotland. Organisations awarded these contracts are Prime Contractors. Currently there are 18 different prime contractors and some 700 sub-contractors nationally, providing various kinds of support, generally of a specialised nature. Typically, prime contractors establish sub-contractual arrangements with their own supply chain of smaller, locally based specialist providers, who in turn support clients with specialised services of different kinds. These may cover issues from health and housing to training, employability skills, or support in making applications including writing application letters and CVs.

The principal role of the welfare to work provider is to give more intensive support for the unemployed person who has not succeeded in finding work independently. These people may be in danger of slipping into long term unemployment. They may have a range of problems and barriers including health and well-being issues or be handicapped by a lack key skills. Apart for a small start fee, service providers are rewarded only when a customer (job-seeker) secures a job-outcome. Sustainment payments can be claimed every four weeks that a claimant remains in the job, hence the longer the customer remain in the job, the more income the provider secures. Providers have substantial discretion in designing the kind of support they believe will be most effective in helping the job seeker to both secure and remain in a job. As has been explained, the current Work Programme is intended as a *flexible* programme covering nearly all benefits claimants, including young people, lone parents and people with limited capability for work because of sickness. A substantial proportion of those helped by the Work Programme include the long term unemployed and older people.

It is debateable whether unemployed people are best served by generic programmes like the Flexible New Deal and the Work Programme, or the more highly targeted programmes which grew out of the 1997-2002 Labour Government’s New Deal programmes. (The original New Deal targeted people aged 18-24. In due course a series of New Deals emerged – the New Deal for Young People, New Deal 25+, New Deal for Lone Parents, New Deal for the Disabled, the New Deal 50+ (aimed at older job seekers) and the little known New Deal for Musicians (aiming at unemployed musicians). ) The Work Programme delivery contracts awarded from 2011 incorporate different levels of payments for supporting no fewer than nine categories of claimants, making it more lucrative, for example, to support a disabled person into a job than a non-disabled person – reflecting the additional time and effort required to overcome the significant barriers facing a disabled person seeking work. Significantly, in this system of differential payments to support the ‘hardest to help groups,’ there is no separate category of payment for the older job seeker. The figure below shows relative performance in “job outcomes” of participants with stated characteristics.

**Figure: Job Outcomes as a proportion of referrals by participant characteristics June 2011 – June 2015**



As may be seen, according to the data in the above table, 50+ job seekers are the least successful in the work programme. Older unemployed people perform relatively poorly in the welfare to work system, are more likely to be long term unemployed and yet are not part of any designated priority group ([LWI, 2015](#_ENREF_27)).

## Older people getting back to work

While more people remain in their jobs beyond state pension age, getting back into a job can seem progressively harder as people approach their sixties (as we have seen above). Older people are more likely than younger people to remain unemployed for longer. In May 2015 ONS statistics recorded that around 46% of unemployed people aged over 50 had been unemployed for 12 months or more compared with around 30% of Jobseeker’s Allowance claimants aged 18 or over. Numerous reports record the experience of older job seekers that they are placed at unfair disadvantages, suffer from outmoded prejudice and suffer from the neglect of former employers to train and equip them for the modern labour market ([TAEN, 2013](#_ENREF_49)).

## Age discrimination and the default retirement age

The European Employment Equality Directive 2000/78/EC introduced requirements on member states to introduce domestic legislation prohibiting a range of forms of discrimination in relation to employment and occupation, vocational training and membership of employer and employee organisations. The strands of discrimination identified were discrimination by reason of religion or belief, disability, age, or sexual orientation. Various concessions were made concerning the implementation time table and in the case of the UK this resulted in the Employment Discrimination (Age) Regulations 2006 coming into force on 1st October 2006. The Regulations did not ban age discrimination in all circumstances, notably exceptions being made in relation to pensions and retirement. Moreover, they allowed both direct and indirect discrimination to be justified by the possession of a legitimate aim, providing that the act of discrimination was deemed proportionate. Discrimination in relation to retirement was however outlawed where it had previously entailed compulsory retirement below the age of 65 and employers adopted the age of 65 as a new default retirement age, (DRA). Enforced or mandatory retirement thus continued to be implemented at the age of 65 and above. While employers could lawfully compulsorily retire employees 65+, they were required to have discussions with employees who wanted to delay retirement after 65. Modelled on regulations which had given employees with caring responsibilities the right to request flexible working, the right to request delayed retirement sought to facilitate longer working lives through light touch regulation. While the regulations may have enabled some individual accommodations, it failed to foster organisational level HR policies to enable longer working lives ([Flynn, 2010](#_ENREF_12))

Following a strong campaign by stakeholder organisations, unions and progressively minded employers to abolish the DRA, it was phased out amidst continuing controversy between 6th April and 1st October 2011. From this date, compulsory retirement has become unlawful in the UK and the continued employment of people beyond the age of 65 has slowly increased in consequence. One unexpected result of the abolition of fixed retirement ages however, is that some employers appear to feel reticent about discussing retirement plans with employees for fear that they may be interpreted as discriminatory. Despite the fact that the independent Advisory Conciliation and Arbitration Service advises employers to discuss career development issues with employees regularly to overcome this problem, it seems many employers do not do so. Some concerns have been expressed that older employees are sometimes pushed out of their jobs to make way for younger workers, but despite these negative tendencies, working beyond the present state pension age of 65 has become more common[[8]](#footnote-8).

## Older workers views on working longer

Whilst the ending of the default retirement age has made it easier for an older person to *remain* in a job, it may not have made a corresponding difference to the ease with which older people can re-enter the workforce once unemployed. A survey of older job seekers in 2013 found that 34 per cent of the older jobseekers were ‘desperate’ to get jobs, while a further 21 per cent were ‘keen but not worried.’ The largest proportion of jobseekers were recovering from redundancy (40 per cent having been made involuntarily redundant and a further eight per cent having accepted voluntary redundancy.) Asked about the factors contributing to difficulties in finding work, 83 per cent said they thought that being ‘seen as too old by recruiters’ was ‘important’ or ‘very important’ with 72 per cent citing ‘being seen as too experienced or over qualified’. ([TAEN, 2013](#_ENREF_49))

The inconsistency in UK policy on support for older people in the labour market has not gone unnoticed. In 2012 the OECD reported on actions taken by the UK Government in response to a series of recommendations (issued some eight years previously) to improve the position of older workers. Out of six of these earlier recommendations only two received the grade, *“some action taken but more could be done,”* while in respect of the four other recommendations, the OECD commented, *“no relevant action* *taken”.* Recommendations on the use of training pilots, a work experience programme, work-based learning and improvement of the then *New Deal 50 plus* programme were all either overtaken by events or had not been responded to sympathetically ([OECD, 2012](#_ENREF_35)). Welfare to work contracts specifically supporting older job seekers are infrequent ([Ball, 2015](#_ENREF_2)). The official Government Department for Work and Pensions website, whilst encouraging a positive view towards the employment of older people, lists a limited menu of support for the individual older job seeker and nothing is offered comparable to the former *New Deal for the 50 plus* which came to an end in 2010. Training is offered with IT literacy and English language skills but older people who need new skills will often be disappointed to find training costs are not met other than for basic skills at the first and second levels.

## Inequalities in active ageing

There has been some research in the UK which has explored differences in employment opportunities of different groups of older workers and the stratification of the older workforce. For example, managerial staff and professionals are significantly more likely than elementary workers to be employed between the ages of 55 and 64 (72% to 61% respectively, according to the 2016 UK Autumn Quarterly Labour Force Survey) while the latter group is twice as likely to be unemployed or inactive but wanting to work (5% to 13%). Qualitative (Vickerstaff 2006, Owen-Hussey, McNair & Flynn 2006) and quantitative studies (McNair et al. 2004, AARP 2002, EFA 2002) have demonstrated that people in high status jobs are in occupations more conducive to healthy work; have more support from managers; and greater autonomy in terms of career planning. Further, studies on the impact of gender on retirement outcomes have demonstrated that, while care giving has a negative impact on career progression, which in turn reduces choice, or agency, at the point of retirement (Green et al. 2004, Smithson et al. 2004, McKie, Bowlby & Gregory 2005), women tend to be somewhat more adaptable than men in terms of adjusting working hours to their personal needs (Robeyns 2003b). This might be because flexible working has a longer tradition among women than among men (Stewart, Rowlatt 2011).

## New Enterprise Allowance – Self Employment

The New Enterprise Allowance was introduced in January 2011 to support people wishing to start their own business. It is aimed at people aged 18+ and is available to everyone, including the 50+, on JSA. The scheme includes encouragement and information on self-employment, a mentor for up to 52 weeks to help individuals to develop business plans and support to get a loan to cover start-up costs. Out of 181,290 starts on the programme between April 2011 and December 2016, 15,110 (21%) were from people in the 18-24 age range, 125,000 (69%) from the 25-49 age range and 39,700 (21%) from the 50+ age group. In conversion from initial participation in the scheme to making a business start-up, the 50+ age group performed best with nearly 60% of starters actually launching a new business, compared with 55% of the 25-49 age group and 48% of the 18-24 age range.

## Fuller Working Lives

Since its formation in 2001, a prime focus in the DWP was captured in the phrase *Extending Working Lives*. With the election of a ‘hung parliament’ in 2010, and the establishment of a Conservative/ Liberal Democrat Coalition Government, policy towards older workers and the ageing of society was led by Steve Webb (Liberal Democrat) the Minister of State for Pensions. Webb, together with Minister of State for Employment Esther McVey (Conservative) re-launched a modified version of the Government’s policy on older workers under the title *Fuller Working Lives*.

The new policy was launched in June 2014 ([DWP, 2014](#_ENREF_9)). Its essence was to stress the importance of people remaining in the workforce without leaving as a result of unexpected circumstances such as ill-health, redundancy or taking on a caring role. The case was argued that premature withdrawal could be catastrophic for individuals, particularly if they had not made adequate arrangements regarding their pensions. The emphasis was to re-emphasise the issues for people in the 50 to state pension age range as opposed to those who might wish to extend their working lives beyond it. In many respects the document was more of a summary of existing policies rather than the announcement of something new. Connections were made with Government policies in relation to disability and health. As befitted the Government’s policy of austerity and public sector cuts, a number of small scale projects and pilots were announced but there was no bold new programme costing any significant new money. However, the document put the case for remaining in the labour market and accepting the idea that people needed to work longer in their own interests and those of the economy. It argued that by the mid-2030s people aged 50 and over would comprise more than half of the UK’s adult population and that it was therefore important that people kept working right up to state pension age if they possibly could. Ministers and some business leaders set out the social and health benefits of working longer, highlighting the need for businesses to ‘retain, retrain and recruit’ older workers. The strategy outlined how a coalition of jobcentres and businesses could combine to support older workers to continue in their careers or take a new direction.

Measures planned or adopted by the Government, included a plan to encourage employers to employ older workers, by appointing a voluntary, unpaid and non-political Business Champion of Older Workers. Specific actions included a mixture of small scale trials; one comparing the performance of Employment and Support Allowance claimants with long term health conditions, following different support regimes to determine which approaches were most effective. Another was a Psychological well-being and work project, which would test the effectiveness of different approaches to deal with mental health issues including different forms of psychological counselling. A new guidance toolkit was promised for employers, developing existing Age Positive guidance to help employers to support older workers in the workplace. In presenting the case for the strategy, strong emphasis was placed on the costs to the economy of early exits from the workforce and the ‘business case’ for employers to make better use of and embrace older workers. “One in six men and one in four women who have recently reached state pension age have not worked since at least 55,” and “An average earner retiring 10 years earlier, could see their pension pot shrink by a third and spread over a much longer retirement,” were examples of the arguments put forward for keeping people in the workforce up to state pension age ([Robinson & Wasden, 2014](#_ENREF_46)). Employers needed to embrace older workers as a growing segment of the workforce.

Whilst the *Fuller Working Lives* strategy showed an awareness that health, skills, employability support, working conditions, management and much more must be woven into an interconnecting narrative to adequately support the older worker, in important respects it was ‘old wine in new bottles.’ The case made on behalf of the older worker and for businesses to value him or her, was not new and bore a striking resemblance to arguments used in many Government papers since the nineteen nineties and earlier. Most of the promised initiatives have not since resulted in significant visible large scale changes being made in support for older job seekers. The numbers of 50-64 people who are economically inactive, have not changed hugely, some three years after the publication of the *Fuller Working Lives* report.

That said, there has been *some* change. In July 2015 3.37M (28.4%) of people aged 50-64 were economically inactive. In June 2017 the inactivity figure was 3.29M (26.8%). In July 2015 312,000 (3.2%) of people between 50 and 64 were registered unemployed, 39.6% of them being long term unemployed. By June 2017 the number of unemployed had fallen to 294,000 (2.9%), 35.7% of them being long term unemployed. The ‘tailored provision’ for older jobseekers (promised to be held in some Jobcentres through the Flexible Support fund) has proved to be small scale, restricted to a small number of areas and of short duration. Some other initiatives and activities listed in the document seem to amount to pre-existing plans thrown into the strategy as ‘make-weights.’ There is still no targeted programme for the older job seeker, even though he or she is achieving significantly fewer ‘job outcomes’ than average. It would be wrong to suggest that the Government is not aware of the additional challenges older job seekers face but a tight rein on resources and failure to apply positive lessons of previous initiatives (including the New Deal for the 50+), have contributed to an absence of measures which might have made a difference.

# Portrait of the 50+ Generation

## Wealth and savings

In comparing the wealth of different generations four components of wealth are used; property wealth, financial wealth, physical wealth and private pension wealth. The Office of National Statistics Wealth and Assets Survey shows that the majority of personal household wealth is owned by older people, which is not altogether surprising as the accumulation of property wealth (by mortgages paid off over many years) and private pension entitlements of various kinds, is a direct function of age. Table 1 below summarises ownership of total wealth by wealth category and age band of household heads. It should be noted that the figures in respect of property wealth exclude households with zero property and in respect of pension wealth, households with zero pensions wealth are excluded, so this is by no means a complete picture of the distribution of wealth.

People in the 45-54 age range possess median financial wealth of £3,600 while those in the 55-64 age range are more likely to have accumulated a modest nest egg, achieving median financial wealth of £15,100. People in the 65-74 age range (overwhelmingly retired), possess median financial wealth of £22,700. Some of this increase may have arisen from the amortisation of property wealth as a proportion of this age group downsize their homes in favour of somewhat greater personal wealth. In the age ranges 75-84 and 85 and over, financial wealth declines somewhat - people over 85 have median personal financial wealth of £15,000. Taking everything into consideration including property wealth, total wealth figures of the 45-54 age cohort (at a median of £297,000) the 55-64 age cohort (£471,000) and the 65-74 cohort (£432,000) seem impressive but by far the largest share of these wealth figures is taken up in by property. Property accounts for over half of the total wealth (including pension wealth) of the 45-54 age group, and forty two per cent of the total wealth of the 55 – 64 age group.

1. Pensions wealth

The size of people’s pension pots varies hugely. While the directors of the UK’s top firms have average savings of £4.3m, research has suggested that one in seven people retiring in 2015 will do so with no personal pension whatsoever. Currently, the average British worker retires with a pension pot worth around £40,000. But how much money is it necessary to have to live comfortably in retirement? Surveys have suggested that most people significantly misjudge how long they’ll live for, and how much cash they’ll need to get them through retirement.[[9]](#footnote-9)

# Pensions

## Structure of pension provision

Unlike some other countries, pensions in the UK are not wholly, or even mainly provided by the state scheme. For many years UK workers have been obliged to retire on pensions significantly lower than in most other European countries. The present basic state pension in the UK is around £6,300 per annum compared with £25,000 in Sweden.

## The basic state pension

The state provides a basic pension provision intended to prevent poverty in old age. Until 2010 men over the age of 65 and women over the age of 60 were entitled to claim the state pension; from April 2010 the age for women is gradually being harmonised to match that for men. Men and women will have the same state pension age of 65 by the end of 2018. According to present plans the state pension age for both men and women will eventually rise in steps (66 by 2020, 67 by 2028) to 68 by 2046, but a review of the state pension age by John Cridland, the former Director General of the Confederation of British Industry, has recommended that this rise to 68 should be brought forward to 2039 ([Cridland, 2016](#_ENREF_7)). The Government has not yet announced its decision in response to this recommendation but it seems likely to accept it.

The basic state pension or "Old Age Pension" was introduced in the United Kingdom in January 1909. State pensions were from the outset set at a very modest level and were barely sufficient to stave off poverty. The qualifying age at the time was 70, and the pensions were subject to a means test. The full basic state pension at the present time is £122.30 per week, usually paid in arrears every four weeks. Depending on one’s personal circumstances, including any income from other sources, one may pay tax on the basic state pension.

Under new rules introduced in April 2016, a new basic state pension is being introduced. The new state pension will be payable to women born on or after 6th April 1953 and men born on or after 6th April 1951. The full new basic state pension will be £155.65 per week and is based on National Insurance records. (National Insurance contributions or credits on the National Insurance record before 6 April 2016 will also count towards the new State Pension.) For those who have reached state pension age before 6th April 2016 the Government has a top up scheme allowing them to top up their state pension.

At the present time pensions are increased according to a formula known as “the triple lock,” that is to say in line with average increases in earnings, the Consumer Price Index or 2.5% - whichever is the higher.

## Additional state pension

There are state schemes for the payment of additional pensions on top of the basic state pension. These are, *the graduated retirement benefit*, earned between 6th April 1961 and 5th April 1975; the *state earnings related scheme (SERPS)* which ran from 6th April 1978 to 5th April 2002; and *the state second pension (S2P)* which was introduced on 6th April 2002 to provide a more generous pension for low or moderate income earners. S2P is being phased out with the introduction of the new basic state pension.

Another change resulting from the introduction of the new basic pension is the elimination of ‘contracting out’. Up until this point, employers whose employees pay into an occupational pension (and therefore have contracted out of S2P or its predecessors) reduced their National Insurance salary contributions by 3.4%. This change has increased the cost for employers in maintaining occupational pension schemes. Although there is a twenty-five year guarantee from government not to reduce pension benefits, it has recommended private sector employers to offset costs in this way.

## The National Employment Trust (NEST) and Automatic Enrolment

For many years there has been concern that large numbers of workers are not covered by occupational or company pension schemes in addition to the basic state pension. In an attempt to fill this gap, the Coalition Government, under the leadership of Steve Webb, Minister of State for Pensions, introduced the Pensions Act 2008. This provides that every employer must give their employees the right to belong to a workplace pension scheme in order to make sure they save for their retirement. The company scheme will have to meet certain minimum standards. While many employers already have pension schemes in place, those that do not are now obliged to join either the new NEST (National Employment Savings Trust) pension scheme or an alternative scheme providing similar benefits. On January 1st 2017 the deadline passed so that all employers must now comply with these provisions. There are a number alternative schemes to NEST, such as Smart Pension and the People’s Pension. These and the NEST scheme will provide a guarantee of a second pension for the majority of employees, though it should be stressed that the benefits of these schemes are set at a basic level and will not compare with those offered by the better company or occupational schemes which have been in force for some time. Accompanying this right to a second pension will be the provision of *automatic enrolment.*  Under the 2008 Act, employees above the age of 22 and up to state pension age and who are earning more than £10,000 a year, will be automatically enrolled into either NEST or their employers’ scheme if there is one.

Whichever second pension is adopted, employers must make a minimum contribution into the employee’s retirement pot. This will be supplemented by a contribution from the Government and from employees earning over a certain amount, in all totalling a minimum of 2 per cent of the employee’s pay up to April 2018, increasing to 5 per cent from April 2018 and 8 per cent from April 2019. Minimum contributions are based on what are known as ‘qualifying earnings’, being a section of a worker's pay- defined by the Government annually. For the 2017/18 tax year qualifying earnings will be earnings over £5,876 and up to £45,000. (The qualifying earnings band may well be expanded over time to cover a larger proportion of actual total earnings.) Workers who earn at least as much as the lower threshold of qualifying earnings each year are entitled to a minimum contribution into their retirement pot.

## Private sector occupational pension schemes

According to the DWP Employer Pension Provision survey, 76% of private sector employees work for an organisation which provides a workplace provided pension scheme, but only 29% have access to one which attracts an employer contribution ([Forth, 2014](#_ENREF_15)). 16% of the entire private sector workforce are active members of a pension scheme (6% in defined benefit schemes; 7% in a private scheme and 4% in a hybrid scheme). Employers in the manufacturing sector is most likely to provide an employer funded pension (51%) with the hospitality sector least likely to do so (17%).

Further, half of all private pension schemes are closed to new members. Only 29% of private sector employees work for organisations which have open schemes which are available to all employees. Of these, 10% have access to defined benefit schemes; 16% to defined contribution and 6% to hybrid schemes. Usually, closed schemes are defined benefit and replaced by defined contribution schemes. That said, there have been successful union campaigns to preserve DB pension schemes including in steel and retail sectors.

Whilst there are still examples of defined benefits schemes, particularly in the public sector, many such schemes have been closed to new entrants and replaced by defined contributions schemes of different kinds. Sometimes where the defined contributions scheme has been retained it remains for existing employees only or sometimes for specific categories of staff, or it may have been replaced by an average salary scheme in which the pension is related to salary over the total period of the employee’s service, rather than the *final* salary or salary in the last five years of service. Occupational schemes based on these defined benefits principles have often provided a reasonably generous pension and income security for the employee in retirement, though in practice there have been many short comings associated with them, including the fact that early leavers (that is people leaving before retirement) have not always received a fair share of benefits. Rules about transferability from one scheme to another have tended to improve the position somewhat.

In addition to defined benefits schemes there are also defined contributions schemes, which are also subject to the tight financial controls but because there is no firm commitment on the level of benefits paid they provide a far less certain future for the employee. According to the insurer Prudential, annuities from DC schemes are on average 28% of pensions paid under final salary schemes.

## Public sector pensions

The public sector has retained defined benefit pensions, although there have been signification changes over the past decade. These reforms which have significantly reduced pension entitlements were carried out in two traches In 2006-2007, pension ages were raised from 60 to 65 for new entrants in the largest four public sector pension schemes (Local Government, Civil Service, National Health Service, and Teachers). Local government and NHS pensions also had so-called 85 year rules whereby employees could retire on a full pension once their age and length of service added up to 85. This rule was eliminated in 2007. The Civil Service pension *final* salary scheme was closed to new members and replaced by one which based entitlements on average earnings. Enhancements were introduced for delaying retirement including actuarial enhancement and some flexibility to allow employees to draw their pensions while phasing into work. More stringent rules were applied to ill-health retirement benefits. According to the Pensions Policy Institute (PPI), the 2006-7 reform reduced the value of public sector pensions by an average of between 21% and 24% of gross salary. Public sector unions held a one-day strike against the changes.

More significant changes to public sector pensions were introduced by the Coalition government from 2010. This followed a government commissioned review ([IPSPC, 2011](#_ENREF_24)) First, the review changed the way in which pensions are uprated for inflation from the Retail Price Index to the less advantageous Consumer Price Index. Second, employee contributions were raised to on average 5.6% of gross income ([PPI, 2013](#_ENREF_44)). Third, the largest pension schemes switched from final salary to career average revaluation as the basis for calculating entitlements both for new and existing employees. Finally, and most importantly within the context of work, occupational pension ages are now linked to SPA for public sector workers under 50 as of 2015. Taken together, PPI estimated that the value of pensions in the big four schemes would fall to 15% of salary.

A series of public sector strikes have occurred since 2011, the largest being 30 June 2011 (organised by PCS, NUT, UCU and ATL resulting in 750,000 public servants striking); 30 November 2011 (co-ordinated by the TUC and involving 30 unions including UNISON, Unite, GMB and the above mentioned, resulting in two million public servants striking); and 10 May 2012 (involving PCS, health workers in Unite, UCU and RMT and resulting in up to 400,000 striking). Regional strikes have also occurred in education, health, and the civil service.

Although public sector pensions have reduced by almost 40% in value since 2006, they still remain significantly more generous than those provided in the private sector. The then prime minister David Cameron and his allies used the term ‘pensions apartheid’ to suggest that public servants are over-compensated in their pension rights relative to their private sector equivalents.

# Industrial Relations and Ageing

## Bargaining and setting employment conditions

Generally, in UK private sector employment, conditions for workers are determined at the level of the individual firm. Where unions are recognised in the private sector, there is variety in the *depth* of collective bargaining – in other words, whether or not specific employment terms are co-determined through a collective process.[[10]](#footnote-10) (Aspects of company pay grading, performance related pay and pensions are examples of HR policy areas that may or may not be covered by agreements).[[11]](#footnote-11) Most larger employers have mechanisms for some limited formal consultation with employees even where there is no formal union agreement.

In the private sector, only around one sixth of employees are covered by collective agreements[[12]](#footnote-12) with trade unions, whilst in the public sector union coverage is more widespread with 63.7% of employees covered by collective bargaining.[[13]](#footnote-13) Some industries (textiles, parts of the construction sector, transport, electrical contracting for example) still have long established arrangements and “National Joint Councils” (mostly established in the 1920s and 30s) for bargaining with multiple employers at sector level, though the trend has been against such sector or local area level bargaining for many years.[[14]](#footnote-14) Today, employers compete in the relatively free labour market to attract and retain the skills and talent their business requires, with considerable scope to vary terms and conditions according to the needs of their business.

In contrast, industry wide bargaining is widespread in the public sector. Some parts of the public sector do not negotiate pay and conditions of employment with trade unions but instead a system of Pay Review Bodies is used. (The Pay Review Body recommends pay awards which are generally applied by the Government and the public authority concerned.) Teachers, the police, doctors, nurses and other professions ancillary to medicine are examples.[[15]](#footnote-15) Even where this happens, unions are often involved in individual employee matters, representing them in grievances etc. Where there is no collective recognition of a union, individuals are still free to join and may receive a measure of support with their individual problems, but the incentive to belong to a union is much less.

Employment in small and medium-sized enterprises (SMEs) accounts for 15.7 million employees (60% of all private sector employment) in the UK. There 5.4 million SMEs comprising over 99% of private sector businesses. Most older workers (5.2 million out of 8 million total) work for small businesses ([Flynn, 2015](#_ENREF_13)). Although statutory employment rights such as equal pay, the minimum wage and protection against unfair dismissal apply irrespective of the size of organisations, trade union recognition is far less in SMEs than in larger organisations. The difference between public and private sector employees’ propensity to join unions is further illuminated by the fact that the legal route gaining employer through a claim to the Central Arbitration Committee, does not apply to the smallest organisations with fewer than 21 workers.

## Bargaining on age related issues

There are numerous examples of unions bargaining with employers over age related issues in the UK. In this section we will provide some examples, whilst lacking fuller information which might provide a broader statistical picture.

BAe

This company has a long standing phased retirement policy which allows employees to reduce their working weeks within their last two years of work. With management discretion, employees could also adjust their work responsibilities within five years of retirement, spending more time in mentoring and training roles. The phased retirement policy had been negotiated over a decade earlier at a time in which the company was managing job attrition. As an alternative to redundancy, the social partners agreed the policy so as to introduce flexibility at the older end of the workforce. The company was able to reduce headcount without relying on compulsory retirement, and it was able to retain in-house knowledge by redeploying older workers to train younger ones. The policy has continued for over a decade, through peaks and troughs of demand. According to the union Prospect, the policy has been successful not only at an individual level (employees are making better transitions into retirement) but also in terms of workforce planning. The company can better manage workforce numbers by having systems in place to facilitate job change for workers who are approaching retirement age.

BT

Similar phased retirement options are available in British Telecom in which employees are given the opportunity to “wind down” (reduce working hours); “ease down” (reduce work responsibilities); become “helping hands” (take time volunteering); or “step down” (take a job with less responsibility).(Parry and Bown-Wilson, 2010) As with BAE Systems, the BT policy was developed at a time when the company was managing job attrition and had a large cohort of older workers who had been recruited pre-privatisations. (McNair and Flynn, 2005)

National Health Service

During 2011 a remarkable campaign was initiated affecting workers in several parts of the public sector. Different pension schemes and retirement arrangements were involved, but an informal element of co-ordination and backing for strike action occurred, together making a significant political impact. Occupation groups included teachers in public sector schools and colleges and health service workers in the many different NHS professions who were all facing similar challenges. These took the form of imposed delays in their retirement ages, increased pension contributions and moves to cut the cost of their pensions by moving to different schemes.

In the health sector, prolonged discussion between management and unions came to a head after the unions formed a joint campaign group including unions representing all grades of staff from doctors and managers to manual workers. Negotiations continued over 2011-2012 eventually resulting in acceptance of a package of such changes including higher pension ages / later retirement. A new pension scheme was to be phased in from April 2015. Part of the agreement included establishment of a “Working Longer Review Group,” on a partnership basis with employer and union representation. (Department for Health, Reforming the NHS Proposed Final Agreement Appendix C, March 2012) The review group gathered evidence from various sources and the unions contributed information on the retirement patterns within different occupational groups. It was noted that data on death in service, pensions and workforce in the NHS were gathered by different systems, and to get a clear picture of when NHS employees were leaving work and why, such information needed to be better collated. The review paid particular attention to health related job risks faced by different occupational groups. It was tasked to first identify ways in which such health risks could be minimised and second to consider whether normal pension age rules should be adjusted for specific occupational groups. The working group also set out to identify effective HR practices for supporting older workers to delay retirement. The group commenced work in March 2012. In October 2014 it was commissioned to deliver a body of work including an age awareness toolkit, guidance on the pension scheme and a library of resources for managers, staff and union representatives on the challenges and impact of an ageing workforce. The review group has now completed its remit - its achievements are innovative and potentially far reaching. A number of “task and finish” groups commented on issues and made recommendations. These included proposals around career and retirement; variations in the use of flexibilities to retirement and later working in the NHS (such as ‘retire and return’ and ‘step down’) which it was agreed should be more widely used to retain people in the workforce for longer; an information pack explaining the NHS pension scheme fully so that it could be better used as a strategic workforce planning tool; an age awareness toolkit for employers to help them assess their organisational readiness for an ageing workforce and identify priority actions they should take. Finally, a task and finish group was established to develop resources on career pathways including redeployment, flexible working and other forms of development. Whilst the review group as such has now ended, its work seems likely to exert an influence for many years into the future.

## 4.Retail

Some programmes have been developed at a local level help older displaced workers find re-employment. As the USDAW respondents noted, the major retailers frequently work with local job agencies to fill posts with local workers. These programmes are not specifically targeted to older workers, but rather to people who have been unemployed for over a year. USDAW workplace representatives frequently provide support for such programmes by helping new recruits who may have problems with employability. For example, learning reps may help employees gain access to training.

## Statutory employment regulation and Employment Rights

Numerous employment *rights* (in the sense of *positive* rights rather than protections from negative actions) have been enacted under the influence of EU Directives. However, rights to gender equality, equal pay, non-discrimination on racial grounds, the right to receive a redundancy payment and claim unfair dismissal were all introduced in the UK before any European initiatives. Similarly, health and safety legislation was well established as were the Common Law principles which underlie the employee – employer relationship and the mutual duties of these parties to the employment contract. Many other aspects of employment law have been shaped by EU Regulations and Directives. That said, there are many other areas of employment law where the UK worker receives a different deal from his or her cousin in mainland Europe.

The general approach of UK legislators has been to introduce rights in Europe shaped with the onus for enforcement placed on the individual employee to bring a claim before an Employment Tribunal – a costly and frightening challenge for many workers. Hence, under the British system there is considerable freedom for employers to hire workers on temporary and non-standard contracts and impose hours and working conditions that may suit the needs of the business with little regard for how far this is to the employee.

The British system allows employers to shape working hours and pay to non-standard patterns. The decline in coverage of collective bargaining and new ideas of Human Resource Management have encouraged the growth of non-unionised workforces.

## Recognition and membership of trade unions

Historically the recognition of unions in specific industrial sectors was achieved by dealing with employers’ associations (for a given industry). Trade unions achieved local or national agreements between the association and unions in the sector. Employers and unions were expected to respect and adhere to these industry wide agreements. However, strong trade union organisation in some localities and companies, often supported by local industrial action, sometimes raised the bar with supplementary pay deals. Industry level bargaining in which employers exercised a collective discipline while workers were happy to receive “the rate for the job” began to break down.

Parts of the private sector where industry wide bargaining still exists include segments of the furniture and textile industries, large civil engineering projects, the building, construction and allied industries, electrical contracting, road transport, agriculture and a number of others. Other sectors see bargaining between unions and individual employers but there remain large gaps where there is no independent collective employee voice. The public sector is quite different however, with unions being well established and bargaining across most parts of the National Health Service and National and Local Government. White collar workers such as teachers and the various professions allied to medicine are among the most densely unionised. Some of these occupations are covered by collective agreements whilst a system of “Pay Review Bodies” has been established, supposedly to take conflict out of pay and conditions setting in a range of professions. Currently there are six such Pay Review Bodies; for Doctors and Dentists, the Armed Forces, Nurses and Other Health Professions, the Prison Services, School Teachers and finally there is a Senior Salaries Review Body.

Quasi-public sector industries and most parts of the now privatised former public sector have carried forward forms of union recognition. Hence in the UK, working conditions are largely a matter between the individual employer and his or her employees. Employees are protected by basic employment rights established by statute law though such standards are on the whole treated as *minima* and commonly exceeded. The costs and risks associated with hiring and firing employees are regarded as low compared with some countries in the rest of Europe and this fact is often advanced to explain the UK’s relatively high employment levels – it being argued that entry into employment or downsizing by employers can happen relatively freely and in consequence employers have fewer reservations about taking on new employees. Employers seeking to be seen as “good employers,” commonly craft employment packages exceeding some element of the basic minimum terms in holidays, pensions and other benefits as well as competing on pay levels in the labour market.

The relatively deregulated nature of the UK’s labour market is often offered to explain the UK’s ability to generate employment and its record in avoiding the high levels of youth unemployment, seen in some other European countries (e.g. France, Italy, Greece and Spain).

## Trends in trade union recognition

From the mid-1960s onwards the prevailing pattern of industry level bargaining began to give way to a mixed picture. Today, where unions are recognised in the UK private sector company level bargaining between single employers and unions is the norm. On the other hand, the public sector is mostly covered by common standards covering the whole sector or group of occupations or disciplines. Conditions are not always established by union agreements. As we have seen, Pay Review Bodies and imposed settlements are widespread.

Figures from the Labour Force Survey show that less than a third (29%) of all employees in the UK are covered by collective bargaining through trade unions. In the private sector, only around one sixth of employees are covered by collective agreements. Industry wide agreements are much rarer than they were thirty or forty years ago. The “Wages Councils,” set up to control conditions in low paid and dispersed sectors from 1909 onwards, were dismantled by legislation in 1993.[[16]](#footnote-16) (Academic research suggests that this has not had the desired effect of creating more employment in these sectors but has increased the incidence of low pay among these already low pay sectors.[[17]](#footnote-17))

In the private sector, most company level bargaining occurs directly between unions and the employers with little involvement of employers’ federations. Whilst there are legal avenues that support unions seeking recognition from individual employers for collective bargaining, the legislation is not very widely use. Union recognition and bargaining is more common in public sector employment and the formerly public utilities.

## Collective bargaining

Negotiated agreements are almost always non-legally enforceable by the parties directly involved in the negotiation, though they may be enforced at the level of *individual employees’* contracts of employment. In most cases, this is no more than a technical nicety. Most unions and most employers are not interested in legally enforcing collective agreements. Mostly, they are adhered to voluntarily because this suits the interests of both the union and the employer.

Hence, the British tradition of voluntary (largely company level) collective agreements, a mixed pattern of union and non-union presence in the private sector, and industry level agreements with good union coverage in the public sector means that employers have considerable freedom in setting their employees’ terms of employment, taking into account their competitive position in the recruitment and retention of employees.

## Legal employment rights

Until the mid1960s British employees benefited from few positive rights beyond what was specifically stated or implied in their contracts of employment. Gradually, the picture began to change as Parliament intervened to establish basic minimal standards in key areas. The Industrial Training Act 1964 established a system of Industrial Tribunals to deal with disputes concerning allocation of training grants from a levy-grant system of industrial training established for different industrial sectors. In 1965 the Redundancy Payments Act was passed, giving individuals the right to claim a redundancy payment when made redundant from a job. The Industrial Tribunals were given jurisdiction to decide in disputes of entitlement. In 1971 the Conservative Government introduced a law allowing individuals to claim unfair dismissal. Later issues of Equal Pay for men and women, Sex and Race Discrimination all came under the jurisdiction of the Industrial Tribunals (later renamed, “Employment Tribunals). Progressive changes influenced by European Directives have further added to their jurisdiction and the positive rights which workers now enjoy.

At the extreme, an individual can bring an action in an Employment Tribunal, though in practice, this is relatively unusual and most employers and employees would prefer to avoid such scenarios. Trade unions, where they exist, provide a valuable role in “policing” employment rights. The state apparatus to monitor standards, is thus relatively weak, relying as it does on applicants bringing claims. A new system of charges to bring Employment Tribunal claims has acted as a strong disincentive to applicants. There *is* protective legislation for example on equal pay for men and women, the establishment of minimum pay and working time arrangements - all issues that can affect vulnerable employees strongly - but the system depends largely on the readiness of employers to voluntarily apply the law.

Regulation social dialogue and “collective voice”

Hence, pay and conditions are largely determined by agreement between the employer and the employee – in other words, “the market.” Most employers have policies and practices including pay structures that form a framework and where unions are recognised they can play an active part in negotiating on the issues and conditions affecting employees. The depth of involvement in joint regulation can vary, with some issues being “off limits,” in a practical sense. The extent and patterns of involvement of unions in the management of change and the regulation of conditions, varies considerably, not only between private and public sectors, but between different industries and between employers. In small and medium sized enterprises in particular (but also more widely in the private sector) non-unionism is common and employers deal with employees without any “collective voice” or perhaps with the support of an in house employee forum or staff association. Where unions are recognised in the private sector, the prevailing form of recognition is (as has been explained) is through company level bargaining. While sector or industry-wide collective agreements in the private sector cover only a minority of employers, public sector employment is well covered by collective agreements or codes setting out pay and conditions across a wide range of issues from job grading to hours of work and the many details of shift patterns, holidays and so on.

All of the political parties in recent years have voiced a degree of support in favour of removal of business unfriendly regulations - one example of this was to discourage “unnecessary” individual claims against breaches of employment rights, by imposing fees on individuals bringing claims to the Employment Tribunal. Employers are free to hire people at any age above 16 years with no maximum age and there are few rules that prevent their adopting working patterns and arrangements that are deemed to suit the needs of the business.

# Conclusion and next steps

In the UK, there are important drivers for workplace active ageing initiatives at the organisational and workplace levels. The most prominent drivers are a) skills and labour shortages; b) rising pension ages and under-saving toward retirement. Both older workers’ participation rates and real retirement ages have been rising in the UK since the beginning of the millennium, and participation rates (especially amongst those 65+) are amongst the highest in Europe. On a societal level, the main challenge has been supporting unemployed, self-employed and precarious workers in getting back into or maintaining work. Such workers often need support in terms of skills development, career support and accommodations for managing health conditions and disabilities.

Unlike other parts of Europe, the UK lacks formal institutional structures for social dialogue and collective bargaining outside the public sector. Union membership has been declining in both the public and private sectors. Unions act to promote the market interests of their members. In relation to ageing workplaces, the agency model has meant that unions have traditionally discouraged extended working life in order to protect pension rights for older workers and avoid the dilution of the labour market for younger ones. However, as unions’ members become older, pension ages are set to rise and the number of older union members who need to work longer and are ready and able to do so is likely to increase. Given these trends, unions have a growing interest in expanding work rights for older workers. In fact, unions have for some years pursued their objectives by campaigning jointly with pressure groups and social organisations including age charities and employers. At the same time, they have increasingly been using traditional measures such as collective bargaining and industrial action to pursue goals that resonate with some of the aims of campaigning charities, including those representing older people.

Unions have been using ‘cycles of contention’ for the defence of pension rights and in order to mobilise members in pursuing new workplace rights ([Flynn et al., 2013](#_ENREF_14)). New regional based governance forms, especially in the North of England and in Scotland and Wales can sometimes provide the locus of joint activities of unions, employers, government and other stakeholders on ageing workplaces. These initiatives’ are focused on the hard to reach older workers.

At the next stage, we will be focusing on social dialogue within two LEPs: North East and Humber to develop regional approaches to ageing. Both LEPs are developing programmes to support older unemployed/inactive workers back into work; promote skills development and provide tools to small businesses to better manage age in their own workplaces. These initiatives are taking forward recommendations from IPPR to develop coalitions of stakeholders (which include social partners) in developing regional based approaches to work and age ([Round, 2017](#_ENREF_47)). These initiatives are typical of the organic way in which industrial relations activities have developed.

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1. http://mopact.group.shef.ac.uk/ [↑](#footnote-ref-1)
2. <https://ec.europa.eu/eip/ageing/home_en> [↑](#footnote-ref-2)
3. All figures taken from ONS estimates June 2016. (Ibid) The size and composition of the UK’s population is shown in the interactive population pyramid showing the age structure of the population of the UK by country, English region and county or UK local area in the following link: <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesanalysistool> . [↑](#footnote-ref-3)
4. Total in the quarter to February 2017 ONS [↑](#footnote-ref-4)
5. ONS Release March 2017 <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/publicsectorpersonnel/bulletins/publicsectoremployment/dec2016> [↑](#footnote-ref-5)
6. UK Manufacturing Statistics [↑](#footnote-ref-6)
7. See Universal Jobmatch <https://jobsearch.direct.gov.uk/register.aspx?redirect=http%3a%2f%2fjobsearch.direct.gov.uk%2fhome.aspx> [↑](#footnote-ref-7)
8. Initial evidence from extending working lives research at the University of Kent shows that few employers presently seek out the views and retirement plans of employees, apparently fearing the accusation of ‘age discrimination’ [↑](#footnote-ref-8)
9. Nutmeg Savings and Investment <https://www.nutmeg.com/nutmegonomics/are-you-saving-enough-for-your-retirement/> [↑](#footnote-ref-9)
10. Check a reference for this – WERS?? [↑](#footnote-ref-10)
11. Authors experience insert reference LRD??? [↑](#footnote-ref-11)
12. Labour Force Survey ONS [↑](#footnote-ref-12)
13. Insert ref https://www.worker-participation.eu/National-Industrial-Relations/Countries/United-Kingdom/Collective-Bargaining [↑](#footnote-ref-13)
14. Reference to Donovan or date trend away from sector bargaining and Whitley ism ?? [↑](#footnote-ref-14)
15. See paper by Keith Ewing and Anne Hock – check for more up to date information <http://www.popularis.org/downloads/execsumm.pdf> [↑](#footnote-ref-15)
16. Through the 1993 Trade Union Reform and Employment Rights Act [↑](#footnote-ref-16)
17. Dickens, Richard, Gregg, Paul, Machin, Stephen, Manning, Alan and Wadsworth, Jonathan (1993) Wages councils: was there a case for abolition? British Journal of Industrial Relations, 31 (4). pp. 515-530. ISSN 1467-8543 [↑](#footnote-ref-17)