



BRIEFING

1 MILLION MORE OLDER WORKERS BY 2022: UPDATE ON PROGRESS TOWARDS OUR TARGET

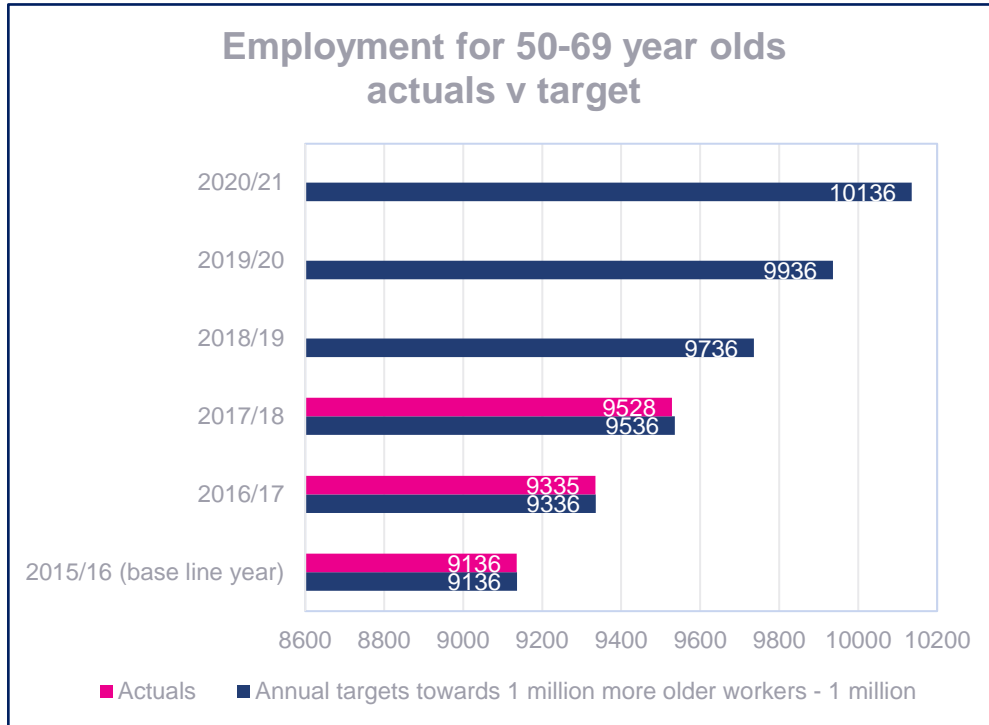
The UK population is ageing. By 2020 1 in 3 workers will be over 50 and by 2030 half of all adults in the UK will be over 50. It is vital that people are helped to work for longer. To encourage businesses to get involved and seek to retain more older workers in their workforces, Andy Briggs, Chair of the BITC Age Leadership Team and Government Business Champion for Older Workers, set an ambitious target in February 2017 of an increase of 1 million workers age 50 to 69 by 2022.

What progress has been achieved so far?

- Record numbers of older workers are now in employment. It is good news that the last 2 years have seen 0.4 million extra older workers and so, on the second anniversary of setting our target, we are on track towards 1 million more older workers.
- Our target tracks from July to June. For the year ending June 2018, older workers were on target at 9.5 million. Since then growth has continued and latest published figures, for the year ending September 2018, show another 0.1 million 50 to 69 year-olds in work. Plus there are an extra 0.5 million over 70s working too, giving a total of 10.1 million over 50s in the workforce.
- It is interesting to see that the growth in older workers has included increases in both men and women and has been reflected in both full time and part time work.
- Progress has also been made on employment rates, both for older workers and closing the gap between older & peak employment from age 45 to 49. These improvements have been driven by factors such as demographics, reductions in unemployment and policy changes.
- However, changes in employment rates are not quite on track to hit our aspirations.
- So employers need to do more to retain older workers and benefit from multi-generational workforces.



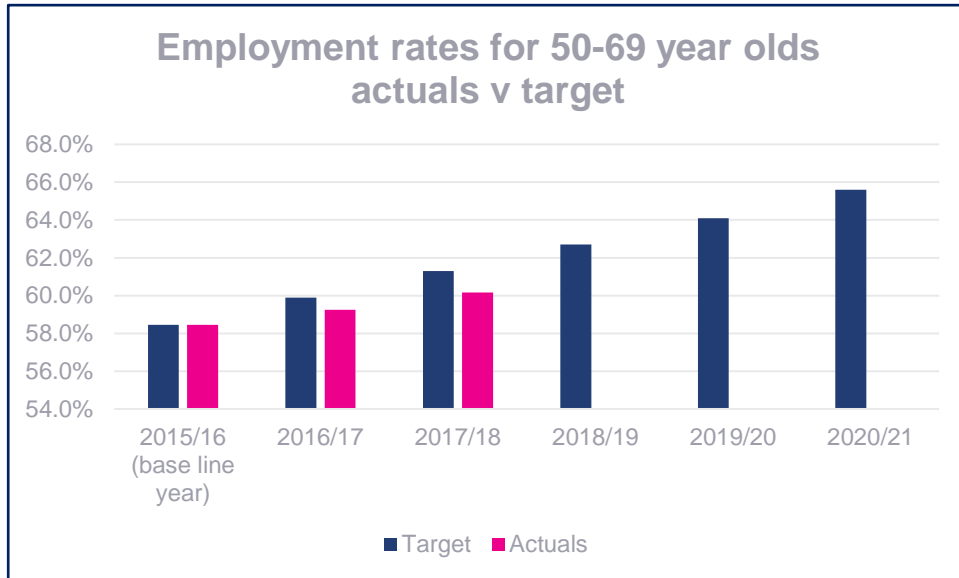
Progress towards 1 million more older workers by 2022 target



Commentary

- At June 2018 (target review date) there were 9.5 million people aged 50 to 69 in work. There were also 0.5 million people over 70 still working, giving a total of 10 million over 50s in work.
- Employment growth for 50-69 year olds outstripped population growth of this age group of 1.3%. Growth was also driven by factors such as reductions in unemployment and changes in government policy.
- Total numbers of older workers have increased by 4.3% (0.4 million) over the last 2 years.
- Growth in employment for 50-69 year olds, up 0.4 million (4%) exceeds growth in employment for the working population as a whole, up by 0.7 million (2%) over the last 2 years.
- There are more men aged 50 to 69 in work, but the growth rate for female employment was higher than for men. The rate of female employment increased by 1.6% compared with a 0.1% increase for men.
- At the 2 year point, we are on track to reach the target of 1 million more older workers in employment by 2022, although about 50,000 behind our original target of 1.1 million more.
- Growth has continued through 2018 with 9.6 million older workers aged 50 to 69 in work in the latest published figures (Annual Population Survey at September 2018).

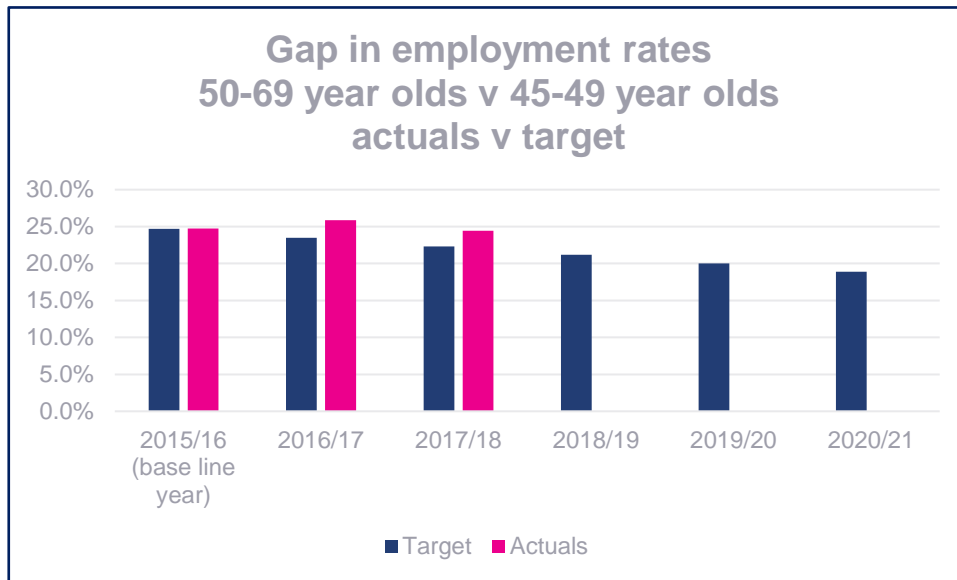
Progress towards the Employment rate target



Commentary

- The percentage of people in work aged 50-69 is increasing year on year.
- Over the 2 years since the target was set, the employment rate for 50 to 69 year olds has increased by 1.7% from 58.5% to 60.2%.
- At June 2018, there were 60.2% of people aged 50 to 69 in work. This is tracking just behind the target of 61.3%.
- In the year July 2017 to June 2018, growth in the employment rate for older workers at 1.0% exceeded that for the workforce as a whole at 0.7%.

Progress towards the Employment rate gap target 50-69 v 45-49 year olds



Commentary

- The gap between the rate of employment of older workers and workers aged 45-49, who have the highest employment rate, has decreased.
- In the year July 2017 to June 2018, the gap in the rate of employment between people 50-69 and people 45 to 49 narrowed from 25.9% to 24.4%, an improvement of 0.6%.
- The change reflects both an increase in the rate of employment of older workers and a decrease in the rate of employment for people aged 45 to 49.
- This was a welcome improvement after the gap widened slightly in the previous year.
- However, we are tracking slightly behind our target of a gap this year of 22.3%.

For more information about the million more older workers target and Business in the Community's age campaign, visit our website.



Appendix Methodology

Changes in the way we track the target

We have moved to track our target using data from the Annual Population Survey (APS) rather than the Labour Force Survey (LFS).

- Analysis using the APS is more robust as the survey includes data from the LFS, but is much bigger in size involving around 320,000 individuals compared with 40,000.
- This method removes the potential for some sampling bias arising from how the LFS was used in the original modelling.
- The APS data is publicly available which increases transparency.
- The published LFS data, including the monthly UK labour market statistics, does not include data for 65-69 year olds.
- The APS uses the 12 month average figure compared to the latest quarterly figures used by the LFS.

The original targets have been recalibrated using the equivalent APS data as the baseline. However, we have retained the targets for rates of growth across the 5 years for consistency. We have also moved to track progress against 1 million more rather than the original 1.1 million more (calculated as a 12% increase). This recognises that the rationale for the 1.1 million more target was complex and difficult to communicate.



Data Tables

1 Million more older workers by 2022 target

Year	Original target (000s)	Target 1m more (000s)	Actuals (000s)	Variance from 1m target (000s)	Cumulative change over 2 years (000s)
2015/16 base case	9136	9136	9136	N/A	N/A
2016/17	9358	9336	9335	(1)	200
2017/18	9579	9536	9528	(8)	392
2018/19	9800	9736			
2019/20	10022	9936			
2020/21	10243	10136			
5 year total increase	1107	1,000			

Data source: APS annual figures measured July – June for people aged 50-69 years old.

Employment rate target

Year	Target	Actuals	Variance from the target (%)	Year on year change (%)
2015/16 – base case	58.5%	58.5%	N/A	N/A
2016/17	59.9%	59.2%	(0.7)	0.7
2017/18	61.3%	60.2%	(1.1)	1.0
2018/19	62.7%			
2019/20	64.1%			
2020/21	65.6%			
5 year total increase	7.1 percentage points increase			

Data source: APS annual figures measured July – June for people aged 50-69 years old.



Employment rate gap target 50-69 v 45-49 year olds

Year	Target (% gap)	Actuals (% gap)	Variance from target (% gap)	Change against 2015/16
2015/16 – base case	24.7	24.7	N/A	N/A
2016/17	23.5	25.9	(2.4)	(1.2)
2017/18	22.3	24.4	(2.1)	0.3
2018/19	21.2			
2019/20	20.0			
2020/21	18.9			
5 year total decrease	6.0 percentage points			

Data source: APS annual figures measured July – June comparing the difference in employment rates for 50-69 year olds with 45-49 year olds (the peak employment rate age band).

