

Mature Workers Come of Age – Returnerships to Keep Economy Afloat

Associate Professor Beverley Nielsen is Director of the Institute for Design, Economic Acceleration and Sustainability (IDEAS) a multidisciplinary think tank, and Senior Fellow at the Centre for Brexit Studies as well as Fellow at the Centre for Applied Finance and Economics (CAFÉ). She is also a Councillor in Worcestershire, chairing two social enterprises based there. Her latest book, 'India at 75, thoughts and reflections', includes contributions from all four of BCU's faculties, highlighting the University's wide-ranging relationships and productive collaborations with its higher education institutes, educational and community organisations and leading businesses.

The Chancellor was clear about one thing during yesterday's budget: "No country can thrive if it turns its back on such a wealth of talent and ability", he stated, adding that for too many hitting 50 was more about facing the cliff edge of retirement rather than "a moment of anticipation about another two decades of fulfilment".

It was in this context and given reports that [3 in 5 over 50s](#) have retired since the pandemic, that he floated the new 'returnerships', an apprenticeship-style programme which, together with skills bootcamps would work alongside sector skills academies. They are due to offer skills training focussed on "flexibility" and to take "previous experience into account, shortening the length of time the returner needs to be in training".

Along with expanded 'Midlife MOTs' for Universal Credit recipients – due to expand fivefold from 8,000 to 40,000 a year – these measures were aimed at helping people, 50 and over, to learn new skills and return to work.

Announced under one of the Chancellor's four 'Es', 'Employment', this was part of the plan to encourage some of the 7m or so people who are not in work, back into the workplace where employers are struggling with 1m vacancies.

However, the returnerships remain largely an unknown quantity. They were flagged up by the Chancellor in January when he noted that he was keen to introduce a 'slightly shorter type of apprenticeship to encourage older people back to work'. But we still don't know some of the basics: how much funding is committed, or even which government department will be responsible for them.

Talent retention isn't just a problem for the UK, as [Shruti Singh](#), Project Lead Aging and Employment Studies at OECD, explained during a presentation I attended earlier this week organised by [ProAge](#) and [Membership World](#).

Economic inactivity has also been rising in the USA, Switzerland and Italy to name a few. [According to OECD surveys of more than 40,000 employers across all industry sectors in 40 countries, labour shortages had increased from 34% in 2012, to 55% in 2019, prior to the pandemic, to 75% in 2022.](#)

Job tenure continues to fall, job mobility to increase, a trend evident since 2013, with mature workers (aged 55-64) more likely to leave a job and become unemployed compared to younger workers. This is making for a big challenge as baby-boomers reach retirement age and population growth is insufficient to generate full replacement. In fact, the primary working age population, aged 20-64, has been falling as a share of the total population across OECD countries since 2010, declining from an average of 60% in 2010 to 58% in 2021, and projected to fall to 53% by 2060.

The OECD report, '[Retaining Talent at all Ages](#)', shows that retaining an age-diverse workforce can increase productivity and lower staff turnover rates whilst also reducing training investment

associated with higher staff churn. The report highlights available policy levers to reduce loss of older workers, including importantly, a focus on job quality, health, ongoing skills training and greater flexibility. Interestingly, Shruti Singh noted that working from home on a regular basis was estimated to be worth about 21% of annual salary for women but only 7% for men.

For employers, enabling flexible working and providing flexible hours was therefore an important policy lever in keeping mature workers, along with access to health services. Training line managers about how to manage multigenerational workforces was another. For government, the OECD recommends policies favouring caregiving leave, allowing the combination of pension and labour income, as well as affirmative action through information campaigns to change cultures which are often widely biased against older workers.

[According to the European Social Survey](#), Britain has one of the worst records in Europe on age discrimination with only Russia, Ukraine, Romania, the Czech Republic and Slovakia having more people who felt ignored or patronised because of ageism. Nearly two out of five people claimed a lack of respect shown to them due to their age. A [further study](#) found perceptions of age discrimination were significantly higher in England than the United States, with 34.8% of men and women in England reporting age discrimination compared with 29.1% in the United States.

In terms of continued upskilling, 41% of workers aged 45+ had not done any recent training but were keen to, with OECD data showing mature workers were half as likely as workers aged 25-34 to participate in job-related training even though these younger age groups were twice as likely to leave. Government subsidies to support 45+ training were recommended along with knowledge transfers through competence centres which had been successfully trialled in Finland and Holland.

[Alice Kinder](#) of [Bexley Beaumont](#) noted that between 2020-21 there had been 15,336 age discrimination claims in the UK – higher than any previous year – with this category higher than for any other protected characteristic, with 90% of claims settled prior to tribunal.

Whilst age discrimination could be legal in certain circumstances, for example, when it could be ‘objectively justified’, or where an employer shows ‘good reason for discriminating on the basis of age’, to avoid claims on the basis of age bias employers needed to ensure they didn’t treat anyone less favourably on the basis of age, apply policies which disadvantage those who are older, make an older worker feel humiliated or simply treat someone unfairly because of age with much [case law](#) on age discrimination available for employers to learn from.

With over half of older workers feeling overlooked and undervalued and with surveys indicating time and again the need for greater flexible working and good employee benefits packages, the Chancellor has addressed one part of this problem: upskilling. It will take employers and society to shift to tackle the cultural bias leading so many older workers to feel excluded and become ‘erased’ from their workplaces as the country continues to turn its backs on the ‘talent and experience’ highlighted in the budget yesterday.