Call for Evidence

Review of Digital Innovation for the Economy
and the Future of Work in Wales
Welsh Government
November 2018

Introduction

Age Cymru is the leading charity working to improve the lives of all older people in Wales. We believe older people should be able to lead healthy and fulfilled lives, have adequate income, access to high quality services and the opportunity to shape their own future. We seek to provide a strong voice for all older people in Wales and to raise awareness of the issues of importance to them.

We are pleased to respond to the Welsh Government's call for evidence for the Review of Digital Innovation for the Economy and the Future of Work in Wales. Digital technology offers opportunities as well as challenges for older people.

Perceptions on digital technology in Wales

3. Which parts of the Welsh economy have found it relatively easy to adapt to digital technological change and which parts have found it relatively difficult?

Contribution of older people

Older people make a significant contribution to Welsh life and the Welsh economy. Age Cymru believes that all people have an innate value in themselves, regardless of their age or other personal characteristics. Nevertheless, it is sometimes helpful to quantify the size of the contributions that are made by older people in order to combat ageist assumptions or negative attitudes.

More people are working for longer than ever before. For some this is through choice while, for others, a combination of economic factors and policies such as the raising of the State Pension Age mean that continuing to work is a financial imperative. More people are continuing to work in older age with just over 1.2 million people currently working past this age in the UK. In Wales, 61,000 people aged 65 and over were employed in March 2016, an increase of 23% over three years (though the number of

older people has also increased in this time). 10% of this age group is in employment in Wales.

A common misconception and cause of age discrimination is the belief that people become less productive in the workplace as they age. However, a growing evidence base increasingly proves this view as erroneous. The majority of research finds either a lack of relationship between productivity and age, or that older workers are at least as productive as their younger colleagues. Even in physically demanding situations, for example on a factory production line, a number of studies have found older workers to be just as productive.

Age discrimination in employment is now illegal and the Default Retirement Age was abolished in 2011. However perceptions and stereotypes of older workers – usually negative – are still held, and challenging these is of great importance. Ensuring that older workers are not forced out of the labour market, including by technological change, and providing appropriate support to those who do find themselves unemployed, is increasingly crucial as a result of demographic change and the rising State Pension Age.

Many people who did not acquire digital technology skills in school do so in the workplace. They then carry these skills with them into life after work, where they serve to keep people independent, active and connected, and living full, socially productive lives. It is therefore essential, both for older people themselves and for the economy, that digital technology evolves in a way that supports them to do so.

All older people, whether they are employed or not, also make a large contribution to the wider economy as tax payers and consumers. The sum of taxes paid by older people is significant without even taking account of previous individual contributions. Furthermore, as a result of demographic trends and government policy, the net financial contribution from older people is set to increase over the next two decades. Estimates have indicated that the overall value of the economic contribution of older people will reach around £82 billion by 2030.

Unemployment in later life

While many older people continue to enjoy fulfilling careers, and despite its being illegal under the Equality Act 2010, many older workers – typically those aged 50 and over - face discrimination and find they are unable to continue in their job or find new employment. Rapidly evolving technology, in which IT skills quickly become out of date, plays a part in that dynamic, although it is not the only factor.

When people aged 50 are unemployed they tend to remain so for longer. Data on the number of people claiming Job Seekers Allowance (JSA) in Wales (the 'Claimant Count') shows that 39.7% of people aged 50+ have been claiming for more than 12 months, compared to 33% of those aged 25-49 and 26.7% of people 18-24. The differences are starker for men than women, and 42.4% of unemployed men aged 50

and over have been so for longer than 12 months.   The reasons for this are believed to include ageism among employers, outdated qualifications, a deficit of skills required in today's job market (such as IT) and declining self-confidence. For the country this is a waste of skills, and for the individual it is often devastating in relation to personal finances, health and self-esteem.

Part of the picture is that older jobseekers often find they are unable to access adequate back-to-work support. Jobcentre Plus advisers tend not to be trained on the specific issues facing this age group, for example how to minimise the effects of age discrimination or help with online job searching.

The Work Programme, the UK Government's previous flagship back-to-work programme for the long-term unemployed, is considered to have failed older job-seekers. The proportion of people supported into sustained jobs generally declines with age, but drops steeply between the 45-49 age group and the 50-54 age group. The percentage of Work Programme participants in Wales aged 50 and over who had secured sustained employment was 13% in June 2015 (17% in England) compared to 23% overall and 29% of the 18-24 age group. Other analysis has suggested that the low performance is not caused by higher incidence of disability or health conditions among older people, and research analysis has concluded that age is in itself a barrier to work.

The same research made recommendations about the support requirements of older jobseekers. Because they are a diverse group, with varied skills, employment histories and no typical journey into long-term unemployment, they have a diverse range of different support needs and require tailored provision. However, there are also some cross-cutting issues identified which affect many older jobseekers. The research found that changes in health circumstances were common and could affect the type of work older jobseekers could consider. Ageism and the competitive nature of the job market both present overarching barriers to employment. Overall, it concluded that older jobseekers often face amplified barriers as compared to other jobseekers and so benefit from more intensive employment support.

Addressing the changing technological environment therefore cannot be disconnected from these wider issues in the case of older workers. Conversely, digital technology may itself offer innovative ways of overcoming these barriers.

Flexible working

Flexible working practices are increasingly important to older workers and the economy as a whole because of increased caring responsibilities or health needs as the UK population becomes older.

The 'family care gap', identified by the Institute for Public Policy Research, means that, in theory, there are now more people needing care than the number of adult children

able to provide it. This additional strain on relatives' time and resources emphasises the importance of ensuring that everyone has access to flexible working.

Some workers also indicate a preference to wind down to retirement by working part-time or flexibly, which can benefit both individuals and employers if they use the opportunity to use existing employees to mentor and train other staff. The proportion of workers aged 50 and over using some form of flexible working rose from 30% to 38% between 2005 and 2010.[1]

As the workforce ages more people will need to use differentiated working patterns, so technological developments which facilitate this, (as well as assistive technologies which enable people to live independently for longer and need less care), and increasing awareness of the benefits of flexibility among employers and individuals, are both important. The benefits include increased productivity and improved employee retention. Around 60% of over 50s say they would like to continue working after state pension age on a part-time basis. Some 40% would like to stay in their current job, but have greater flexibility in their working pattern.[2]

We welcomed the legal change enacted by the UK Government in June 2014 which means that all employees (with more than six months' service) now have the right to request flexible working. Previously this legal right had existed only for parents and carers. However, there are also instances of employers forcing 'flexibility' on their employees. Flexible working is often at the employer's discretion and used primarily as a workforce management tool, paying little regard to the individuals' needs. Employers are often likely to consider 'flexible working' differently from employees, hence there is a danger that public debate around 'workforce flexibility' can be a euphemism for reducing employment rights.

Employers should embrace the opportunities created by workplace transformation through digital technology to offer a wider spectrum of flexible working options to their employees.

Volunteering

Volunteers make a significant contribution, in unpaid hours, to the economy of Wales. It is estimated that every year volunteers contribute 145 million hours, which is worth £1.7 billion. This is equivalent to 3.1% of Wales GDP. A review of evidence in 2011 found that older people are responsible for nearly half (46.5%) of the value provided by volunteers. Indeed many community groups are almost totally dependent on older people's contributions.

In 2011, RVS evidence suggested that older volunteers are providing considerable hidden value to the UK economy:

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[1] Age UK (2012), A means to many ends: older workers' experiences of flexible working
[2] EHRC (2010), Working Better – The over 50s, the new work generation

• An annual average of 104.6 hours of informal volunteering effort per person aged over 65

• An annual average of 54.5 hours of formal volunteering effort per person aged over 65.

Volunteering does not just play an important role in delivering services, but also in improving the lives of the volunteers themselves; improving physical and mental health; combating loneliness and personal isolation; boosting independence; providing satisfaction; and empowering people.

In spite of the positive figures above, older people do face some potential barriers when volunteering, not least upper age limits imposed by some organisations. There may also be physical challenges for older people with visual, auditory and cognitive impairment, or it could be something as simple as a lack of transport, or the timing of a meeting (if it is held late at night, many older people may be reluctant to attend it).

It is therefore essential that digital technological transformation should enhance older people's ability to volunteer, for the benefit, of others, themselves and the economy.

Caring

The economic value of social care provided by older people is considerable. It has been estimated that unpaid carers currently provide 96% of community care in Wales, with the majority of those providing care aged 50 and over. Without this care, many older people would be left isolated with little or no support, and pressures on state care provision would significantly increase.

The Office for National Statistics (ONS) has reported data from the 2011 Census, which shows that 370,230 people in Wales provide unpaid care. People aged between 50 and 64 provided the greatest proportion of unpaid care, with 47% of those with caring responsibilities falling within that age group in England and Wales. In Wales the provision of unpaid care was greater than in England, with 18.7% of men and 25.5% of women aged 50 - 64 taking on unpaid caring roles. In Wales, approximately 14,300 of these people worked full-time while providing 50 hours or more in unpaid care.

The number of carers over the age of 65 is increasing more rapidly than the general carer population. Comparisons between the 2001 and 2011 censuses showed that whilst the total number of carers has risen by 11% since 2001, the number of older carers rose by 35%. The average number of care hours provided also increases with age, and people aged 65 and over provide the highest number, with 7.8% of men and 7% of women providing 50 hours or more each week.

When cuts take place to care and support services, unpaid carers are forced to work harder, often sacrificing their own health and wellbeing and their own identity as an independent person. Research by Carers Wales has found that over half of carers in Wales (51%) have given up work to care and 14% have retired early to care. Of those

who gave up work, retired early or reduced working hours, 64% said the stress of juggling work and care was a contributing factor, 32% said it was because there are no suitable care services and 21% said care services are too expensive. 18% said that the leave available from work was insufficient to be able to manage caring alongside work and 12% were unable to negotiate suitable working hours. A further 23% of working carers are worried about their ability to remain in work over the next year.

Unpaid carers are effectively propping up our current social care system and it is essential that they are given the support they need to enable them to continue caring and maintain an acceptable quality of life. This includes assistive technology which improves the independence and wellbeing of the person being cared for, reduces the need for care by the carer, and enables the carer to have a life of their own.

Many older people also provide vital childcare for their grandchildren and other relatives, with the value of this across the UK recently being estimated at £7.3billion. 15% of all children aged 0 – 14 received grandparental childcare in 2010/11. Increasingly, the grandparents providing this care are also not the oldest members of their families, with 62% having an older relative: either their own parents, or an aunt or uncle. Now sometimes described as the 'stretched generation', increasing numbers of people are caring both up and down the age range. Many older people are now expected to spend time caring for their grandchildren, as well as potentially working for longer, whilst needing to care for their partner or older relatives too.

There is therefore an opportunity to promote inter-generational learning of digital technology skills.

The challenges and opportunities of digital technologies

5. What do you see as the major challenges presented by digital technologies? [Please list up to 5]

1.   Digital exclusion is a major challenge for older people. As digital technology transforms the world of work, and as more information and services are made available mainly or exclusively online, there are real risks of increasing unemployment and exclusion amongst older people. Technology can offer a vital portal to information and advice for older people but access and take-up remains low amongst older age groups. The National Survey for Wales 2017-18 highlights that only 40% of people aged 75 or over used the internet.[3]

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[3] Welsh Government (2018) Statistical Bulletin. National Survey for Wales, 2017-18. Internet use and digital skills. https://gov.wales/docs/statistics/2018/180822-national-survey-wales-2017-18-internet-use-digital-skills-en.pdf

2.   Organisations are increasingly operating and providing services online, but for many older people who are not online, reductions in the amount of information available in traditional formats has created barriers in being able to access key services and information.

3.   Older people must be supported and encouraged to acquire digital skills and get online, if they are able to and can afford to do so. Those who cannot or do not want to do so should continue to be able to work and to access services and support in a way that best suits them. Services provided online need to be high quality and easy to use, whilst offline services should be of equal quality and fully accessible. Service providers must ensure that the provision of online information is not to the detriment of the provision of information in other formats.

4.   Libraries are places where older people can access computer technology and learn new skills, so they have an important role in promoting digital inclusion. However, public library services are under pressure in many areas in Wales.[4] We believe that the vital role of library services in facilitating digital inclusion must be protected and extended to ensure that such services are accessible to older people.

5.   Financial scams have been a particular concern in recent years. We believe that there should be improved measures to ensure greater protection for people from online scammers by improving online security.

6. What do you perceive to be the biggest opportunities presented by digital technologies? [Please list up to 5]

1.   An ageing population may bring challenges but it is also a significant opportunity. To fully grasp this opportunity we must put aside outdated assumptions, recognise the skills and value that older people bring as employees and contributors to wider society and to the economy, and harness the benefits of digital technologies to enable them to continue to work for as long as they wish or need to do, improving their job and career prospects and delivering a wider range of flexible working options;

2.   Many people learn their IT skills in the workplace. Digital inclusion can provide older workers with transferrable skills for use in life after employment, eg the ability to access to online services, practical help (e.g. online shopping and finding information); staying connected by, for example, using social media and services such as Skype

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[4] BBC Wales news online (2017) What next for libraries as scores are shut and out-sourced. 17 February 2017 https://www.bbc.co.uk/news/uk-wales-38654997

outside work. Evidence suggests that internet use can help older people combat social isolation.[5]

3.   Unpaid carers are effectively propping up our current social care system, often to the detriment of their own ability to earn a living and to their own health and wellbeing. It is essential that they are given the support they need to enable them to continue caring and maintain an acceptable quality of life. There is an opportunity for assistive technology to improve the independence and wellbeing of the person being cared for, reduces the need for care by the carer, and enables the carer to have a life of their own;

4.   Many older people are now expected to spend time caring for their grandchildren, as well as potentially working for longer, whilst needing to care for their partner or older relatives too. There is therefore an opportunity to promote more inter-generational learning of digital technological skills.

The future of digital innovation in Wales

8. What actions are needed to future proof Wales' workforce in response to changes presented by digital technologies?

Age Cymru believes that everyone should be able to remain in work as long as they desire and are capable of doing so, and that no-one should be disadvantaged because of their age. Tackling prejudice and discrimination is an essential part of making work better, as is helping older people equip themselves with the technological skills they need to remain in employment.

Just as the nature of work and the workplace evolves through technological change, older workers may also need to think differently about work and their own retirement aspirations than they would have done in the past. Digital technology may well open up new opportunities for older workers. Employers and governments should resist focusing on generic working practices or development programmes, such as assuming older employees will need to improve their I.T. skills alone. This might include consideration of their motivation to continue in work and where their skills could best be used in the evolving workplace. Because individual motivation will vary, the same roles, salaries and training or re-training opportunities will not be appropriate for everyone.

- Employers should consult older workers about their hopes and aspirations. Employees may not welcome the thought of continuing in their current role for a few more years, but might be open to new ideas and new opportunities.

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[5] Age UK (2013) Digital inclusion evidence review. https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/active-communities/rb_sept13_age_uk_digital_inclusion_evidence_review.pdf

- Employers and training providers should ensure that older workers have sufficient digital skills to be successful in modern workplaces.
- The support provided to older jobseekers through Jobcentre Plus (JCP) must be better tailored to individual needs, recognise the barriers to returning to work often faced by those aged 50+, and enable older job seekers to respond to new opportunities created by evolving technology.
- JCP must ensure all its advisers are trained to address the particular barriers and opportunities facing older jobseekers.
- More must be done to tackle age discrimination in the workplace. This includes through educating employers and managers to avoid discriminating and to challenge stereotypes; and by improving access to redress where people are treated illegally.
- The UK and Welsh Governments and the Equality and Human Rights Commission should make the case for employing older workers more effectively, including improving awareness of age discrimination.
- Given the UK's ageing workforce, employers must recognise that older workers often have the skills and expertise necessary to add value to their business, and judge people on their individual attributes rather than their age.