

WHY WE NEED TO SUPPORT OLDER WORKERS TO PREVENT PENSIONER POVERTY

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The collapse in the older workers job market post pandemic

- Becoming unemployed as an older person is tricky – getting a job back in the labour market post covid is notably more difficult
- Older workers are less likely to return to work after spells of unemployment than younger workers
- The exit from the labour market is unequal
- The exit highlights the lack of training and skills for older workers

The “great retirement” – growing economic inactivity : the new problem

- Post Covid number of economically inactive 50- to 64-year-olds—neither working nor job-hunting – has shot up by 375,000. In total, 27.6% of this age group are now inactive
- Reasons for leaving mixed: health, caring, long covid, ageism, as well as retirement
- Many not receiving job centre support so outside the support system
- At odds with a buoyant job market – some may return but not the majority
- Many are using savings or dipping into pension pots, savings or relying on a partner’s income.

Pressures on poverty approaching retirement

- Those who enter poverty in older age tended to have a lower income when they worked
- 40 per cent of those in poverty have no occupational or personal pension
- 1 in 4 workers not confident of their ability to secure work
- 40 per cent people say they are not confident about savings in later life
- Work can help with wellbeing and health in later years

The solutions to prevent future hardship

- We urgently need an ageing workforce strategy
- Better bespoke employment support and advice for older workers
- Need to tackle drivers of economic inactivity
- We need to get support to those outside of the DWP system
- Employers need to have age friendly employment policies
- Tackling ageism in employment – the elephant in the room
- Better training for older workers
- Better financial advice for older workers