

Women and Equalities Committee

Oral evidence: [Older People and Employment](#), HC 359

Wednesday 21 March 2018

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Members present: Mrs Maria Miller (Chair); Tonia Antoniazzi; Eddie Hughes; Jess Phillips; Tulip Siddiq.

Questions 204–255

Witnesses

I: Alok Sharma MP, Minister of State for Employment, Department for Work and Pensions; Duncan Gilchrist, Deputy Director, Fuller Working Lives and State Pensions Policy, Department for Work and Pensions; Andrew Griffiths MP, Parliamentary Under-Secretary of State, Department for Business, Energy and Industrial Strategy; Mark Holmes, Deputy Director, Labour Market Directorate, Department for Business, Energy and Industrial Strategy.

Written evidence from witnesses:

– [HM Government](#)

Examination of witnesses

Witnesses: Alok Sharma MP, Duncan Gilchrist, Andrew Griffiths MP and Mark Holmes

Q204 Chair: Good morning. Could I start by welcoming our witnesses. I know how much time it takes to prepare for evidence sessions like this, so we are immensely grateful to Ministers and their advisers for coming along today, and to everybody who is watching in the public gallery and also online.

Today is the final oral evidence session in our inquiry into older people and employment. We have heard a great deal of really interesting evidence already about the issues, including age discrimination, retention, retraining and how workplaces can become more age-friendly. We have looked in detail at the Government's Fuller Working Lives programme and we have heard views on its effectiveness.

Today, we are hearing from Ministers in both the Department for Work and Pensions and the Department for Business, Energy and Industrial Strategy. After this session, the Committee will begin to prepare its final report on this topic. The evidence we hear today will help us understand the Government's current policies before we form our recommendations for the future. Before we move on to the usual process of colleagues asking their questions, could I ask each member of the panel to say their name and their job?

Duncan Gilchrist: Duncan Gilchrist. I am responsible for the state pension and for Fuller Working Lives in DWP.

Alok Sharma: Alok Sharma, Minister for Employment.

Andrew Griffiths: Andrew Griffiths, Small Business Minister.

Mark Holmes: Mark Holmes. My responsibilities include policy on flexible working, leave and pay entitlements and some contributions to industrial strategy.

Q205 Tonia Antoniazzi: What has been the Government's most successful intervention to enable more older people to remain in the workforce?

Alok Sharma: Chair, can I say it is a pleasure to be here? The piece of work that you are doing is going to be incredibly important. With an ageing population, one of the things we realise is that Government do not have all the answers. Getting feedback from others as well is very helpful.

In terms of what is working, as you all know, we have a strategy called the Fuller Working Lives strategy that was published last year. The precursor to that was a piece of work that was done by my Department; we set up a business strategy group with Baroness Altmann who, at the



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time before she became a Pensions Minister, was the champion for older workers. The work that she did and the group did then led to this Fuller Working Lives strategy. The mantra of the strategy has very much been, "Retain, retrain and recruit". That is the basis on which BITC has been approaching this, and the business champion for older workers, who I know you have also had discussions with, Chair, has gone out with his team and engaged with businesses.

The question is: is any of this working? If you look at the latest stats that have come out, we are at record levels of employment of older workers. The stats say it is 71.3%. That is up 44,000 on the last set of figures. The other thing that is really important is that the attitude of businesses has also started to change in terms of how they look at older workers. Back in 2004, if you were looking at the policies of individual businesses when it came to equality issues, only around 40% would have mentioned age as an issue. If you fast forward to 2011 or 2012, almost 60% of those businesses were starting to talk about age. What I cannot offer you is a silver bullet of what has worked, but what we are seeing is a gradual change taking place that is then leading to more older workers being in work.

Q206 **Chair:** Would this have happened anyway, even if the Government had done nothing?

Alok Sharma: It is a very interesting point and it is one that we have debated quite a lot in the Department. I would go back to the evidence that Andy Briggs gave to you; one of the things that he has asked his group to do is to work to increase by a million. That is the figure that he has used in terms of the number of older workers who are actively coming into the workforce. On his own figures, what he said to you was that on the baseline there has been an improvement of about 200,000 over the past year, in terms of extra people coming into the workforce.

It is working, but we are certainly not complacent. We need to keep looking at what we can do to encourage people. We may come to talk about this, but that also includes the careers advice that we are giving to people in the mid-life career reviews they are getting. Those sorts of issues are really important as well, in terms of what Government can do.

Q207 **Tonia Antoniazzi:** You talked about measuring progress. You had statistics. Are there any other ways you are measuring progress?

Alok Sharma: The most definitive way of measuring progress is the number of people in work. That is up. The other way you can measure progress is in terms of how individual companies are looking at the whole issue of recruitment. The third thing that you can do is look at how individual businesses are interacting. Again, one of the things Andy Briggs will have told you about is that they have asked businesses to publish the number of older workers that they have and in fact the number of people they perhaps interview as well. You are starting to see change in that as well. As I said, there are a range of things that are



happening together that I think are going to lead to our creating a better environment for older workers to come back into the workforce.

Q208 **Tonia Antoniazzi:** Are there any areas where action is lacking behind?

Alok Sharma: I am not complacent. If your Committee was to say to us, as part of your deliberations, that there are certain areas that Government should be looking at, of course we would look at them. I will give you one example, which Andrew may want to touch upon as well, which is returners. The Government have recognised that there is a case for helping those, particularly women, who may have been out of the workforce due to caring responsibilities for a period of time back into the workforce. The Government have made £5 million available to have pilots both in the public and the private sector to help people back into the workforce.

Andrew Griffiths: First of all, can I thank the Committee for inviting me along today? This is week nine for me as the Small Business Minister.

Jess Phillips: You should know everything by now.

Andrew Griffiths: Mark, on my left-hand side, is the ministerial equivalent of training wheels and stabilisers. If I begin to wobble, he will step in. I am grateful to give evidence to the Committee because it has allowed me to focus, in a big portfolio, on this particular issue and spend some time thinking about it. From a BEIS perspective, there are a number of things the Government have done that have had an influence on the way business operates. First of all, the extension of the right to request flexible working has been hugely important. Extending that from just mums to the whole workforce has made a big difference in the acceptability of flexible working.

Part of this is about how Government can send signals to business to change culture. We are reviewing the right to request flexible working in 2019. Anecdotally, it seems to have had a big influencing effect in relation to culture. Of course, it is not a right to flexible working but a right to request. What it has done is to force and encourage businesses to look at the way they employ people and begin to realise that flexible working can be a good thing for their businesses.

Perversely, the decision by the Government to end the mandatory retirement age also helped in that; it ended that stigma of saying, "You reach a certain age, you are on the scrapheap and are no longer good for work". Previous decisions in relation to age discrimination laws all help to build this message to workers and employers that older people in the workplace are a force for good.

Madam Chairman, I can testify to this myself. In my constituency office, I employ a 68-year-old on flexible working hours. I can say that it works brilliantly for me. The benefits are the experience and the flexibility in the way they operate. I am, as are lots of businesses, understanding that this can be a huge benefit to employers.



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Q209 **Tonia Antoniazzi:** The public sector employs 5.49 million of the roughly 32 million people employed in the UK. What action is being taken to ensure that the public sector is leading the way in becoming age-friendly as employers?

Duncan Gilchrist: The champion for older workers is offering to work with the public sector on this. That is one area. The second area is that within DWP itself, we obviously already offer flexible working. We are now looking at doing a midlife review, which is where we pull together the different elements—someone's health, financial prospects and career aspirations—in a way that allows people, at the midpoint of their career, to decide how they can best plan things to get the sort of length of working life that they want and that will give them the financial wherewithal to have the retirement they aspire to.

Q210 **Tonia Antoniazzi:** What has been the Government's most successful intervention to support the recruitment of older workers?

Alok Sharma: From my perspective, there is not one particular thing but it is an issue of the way things have moved forward. Andrew talked about the fact that, first, we brought in the Equality Act in 2010. That has played a key role in this, and I suspect we may have a chance to talk about this later as well. We have talked about flexible working as well. A legislative framework has been put in place by the Government on the one side. On the other side, this is a question of businesses playing their part. It is the case that businesses increasingly recognise that a diverse workforce is good for them.

All the statistics show that when you ask businesses why it is that they think there is a value in having older workers, there are two key reasons people will give you. One is, of course, experience but the other is retention. There may be a view that you are more likely to retain a younger person than an older person, but statistically that is not the case. The other thing that businesses are also recognising, in terms of a diverse workforce, is that having older workers who effectively act as mentors for younger employees works pretty well in the workforce.

Q211 **Tonia Antoniazzi:** Data from 2015-16 shows that there were nearly a million older people not in work who wanted to be. How many of these people have been able to re-enter the workforce?

Alok Sharma: As I said, we are at record levels of employment of older workers; 71.3% are the stats from today. The key point that you are making is that there is a set of people who are currently economically inactive who perhaps want to get into work. What are we doing to help them? This is the piece of work that I briefly mentioned, which is work in the National Careers Service. The service is DFE-funded and historically the focus has very much been on younger people. There has also been a recognition that we need to be looking at older workers. The National Careers Service is now focusing on that. NCS is co-located 90% with job centres as well. That means that when somebody goes into a job centre



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looking for work, they can also be directed to the National Careers Service.

What we also have, in recognition of the fact that people need to be effectively championing the case for older workers, is older worker champions in the job centre districts around the country. They then provide the support to the work coaches who have that face-to-face interaction with older workers. Do we want to see more of these people coming into work? Yes. What are we doing to support them? It is through a range of tools, but it is very much about making sure that we get them career support and help. If, as part of the discussion they have with their work coach, they need to have a particular piece of training, of course that is something we would encourage.

Lifelong learning, again, is a key issue for us. We are currently trialling a number of pilots to see what works. In the 2017 Budget about £40 million was allocated for trialling what might work in terms of lifelong learning. Those are pilots that will run over the next couple of years. Hopefully what will emerge from that is an offer to older people as they may want to retrain or, indeed, upskill.

Duncan Gilchrist: On the numbers, it is very difficult to say how many of that million group have got into work. We are doing two different things here. On the one hand, we are trying to get those people who want to work into a job. On the other hand, there are 3 million-ish economically inactive people over 50. Not all those people are going to have all the money they are going to need for their retirement. We are trying to raise financial awareness as well among people, so that those who may need to re-enter the workforce do so. We have various flows going on in that pool of a million. It is not simply a matter of getting them into jobs.

Q212 **Chair:** Can I ask a couple more very specific questions? It might be Duncan who wants to answer these. Is the increase in the number of older workers that the Minister was talking about amongst those who are over 65 as well as those who are aged between 50 and 65?

Duncan Gilchrist: Yes. We have had a small increase. I think the over-65 rate has gone from about 7% to about 10%.

Q213 **Chair:** How does this relate to the change in the pension age? Is it due to an increase in the pension age? On the last set of figures, employment rates were going down for over-65s. What is the interaction with the change in the pension age?

Duncan Gilchrist: The over-65s, of course, have not yet been affected by those changes. For women in the 60 to 65 age group, who are currently being affected by a rise in pension age, employment rates are certainly rising, and I think are at the highest they have ever been. For the over-65s, certainly over the last five years, as I say, there has been a rise from 7% to 10%. Though no one can say anything definitively, it



seems likely that the main driver of those figures is the increasing lifespan and health of at least a portion of that population; that must be playing some part.

Q214 Tonia Antoniazzi: The Fuller Working Lives strategy was adopted by your predecessor. Do you plan to make any changes to the approach taken or the policies pursued in the strategy?

Alok Sharma: That is a very relevant question. One of the things I have done in the last two weeks is to have a roundtable, chaired jointly with Andy Briggs. He may have mentioned that we had a session on this. We brought together businesses and organisations that represent businesses: the British Chambers of Commerce and the Federation of Small Businesses. I said to the group that we need to work out what is working in different sectors in terms of positive interventions to get people, older workers, into work and retrained. They have gone away to look at this in individual sectors. After recess, we will sit down again and have a look.

I am a great person for not wanting to reinvent the wheel, quite frankly. If there are things that are working in particular sectors and industry has trialled them and they work, we ought to be helping to disseminate that information and making sure others are made aware of that. That very much fits in with the work Andy and his team are doing anyway. For me, it is very important to capture those case studies and then make sure that others are doing the same thing.

Q215 Tonia Antoniazzi: We have heard both support for and critiques of the employer-led approach taken by Fuller Working Lives. Where do you see the balance of responsibility between Government and employers?

Alok Sharma: This is a joint initiative, at the end of the day. There is clearly a benefit for employers in having a diverse workforce and making sure they are keeping the good people they have got. From our perspective, making sure that people are employed is a good thing. It seems to be working well. There is a value, quite frankly, in having a certain independence, if I can say, that Andy and his team have in the sense that, yes, they come and talk to us, but they are not beholden unto Government. I want him to be able to feel that he can make suggestions to us that we may not initially be 100% happy with, but I want him to feel able to say that. The way that we have the set-up now allows him to do that.

Q216 Tonia Antoniazzi: How does this partnership approach reach beyond the usual suspects of large employers with large human resources teams? How can we have the London head office take the message to smaller regional employers?

Alok Sharma: This is exactly what I was saying. What we had around the table a few weeks ago was the Federation of Small Businesses and the British Chambers of Commerce, which obviously represent smaller businesses. You are absolutely right. Quite a lot of the time when we talk about employers we mention the big names, but very large amounts of



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people in the country are employed by small and medium-sized businesses. We need to be able to reach them. That is why I think, after the recess, we will sit down again and see how we can disseminate information to them.

Andrew Griffiths: You absolutely hit the nail on the head when you talk about big businesses having the resources and capabilities to be able to do this. They have the HR Departments, et cetera. There is more of a challenge for small businesses. As the Small Business Minister, I recognise that. What you also find when you talk to businesses—and we probably see this in our constituencies—is that lots of small businesses do it naturally. They have more of a close relationship with their workforce and will keep people on for a longer period of time or, just as a matter of fact, develop flexible working around their members of staff, because they recognise, if you are a one-man band or there are three or four of you in your business, how much of a lynchpin one individual is. You will work around them to try and keep them in the workplace. There is no doubt that this is a greater challenge for SMEs.

In BEIS we see the importance of the work Andy Briggs is doing as well. It is interesting. Last year, Andy called on more businesses to take on older workers and commit to that. Eight companies agreed to do that, including big companies, as you said, like Barclays, Boots and Aviva. They committed to targets. They committed to increase their number of older workers by 12% by 2022. If we can challenge business in that way, and get somebody to take responsibility and sign up to those kinds of targets, it is hugely helpful, not just in focusing people's minds on the challenge but in terms of having some accountability within a business or organisation, with somebody who will champion this—raise it in the board room and raise it in the management meetings. Trying to change that thinking and culture is an important solution here.

Q217 **Eddie Hughes:** An ageing workforce is one of the grand challenges of the industrial strategy. What actions do you plan to take to meet that change?

Andrew Griffiths: Thank you, Eddie. The one thing I realise as a BEIS Minister is that I cannot ever make any speech without mentioning the words "industrial strategy". It is like a stick of Blackpool rock; it has to run through everything we do. It is an important document. It has five foundations: ideas, business environment, infrastructure, places and people. People are at the heart. We all recognise that if we are going to have the kind of economy we want to see, one of the most important things for the country and for businesses is the value of their workforce. One of the grand challenges we have is the older people grand challenge. We are putting £300 million of Government funding into the grand challenge. It looks at a number of things. It looks at the challenge of healthy ageing and how, as a business and as an economy, we can develop ways to help people age healthier. That is in terms of aid and



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support to keep people at home and keep them healthy. We are looking at that element of the grand challenge.

Secondly, there is a huge potential for this. If you think from a business perspective, as the population ages and that cohort of people increases quite dramatically, as we have heard today in terms of numbers, that is a huge marketplace. We hear of the grey pound. That kind of marketplace, to develop innovative products from insurance policies to aids in the home to fitness technology to keep people healthier, is a great potential for British business.

Thirdly, the ageing workforce and adapting that is a hugely important part. We have to make sure that the UK economy taps into that talent pool and nugget of skills. We all recognise that the skills market is becoming more and more of a challenge for UK businesses. Being able to tap into that is an important part of the industrial strategy. We are very shortly due to announce from BEIS a business champion for that ageing challenge, to make sure that there is somebody, in the same way that in the Department for Work and Pensions there is an older persons champion. We need a business champion for that ageing challenge, to make sure it is driven through.

Q218 Eddie Hughes: Your Department will have been analysing the skills shortages and training needs for the future. What will be the implications of that analysis for older workers?

Andrew Griffiths: We all recognise that in this country we have seen a jobs miracle. We have created 3 million jobs. We have a record number of people in employment, with the lowest unemployment for 40 years. The pool of unemployed people that businesses can tap into has reduced dramatically. Part of the response to that is to see how we can upskill those people who are currently unemployed to make them work-ready and fit for the marketplace. Looking at it through the other end of the telescope, the clear evidence shows BEIS that the need to keep those skills in the marketplace for longer is hugely important. We look, for instance, at things like manufacturing. We look at the construction industry, for example. These are sectors where we are losing skills. If we can keep people in the labour market for longer, not only do we maintain those skills but we allow that trickle-down of talent and that mentoring that we heard Alok talking about earlier, which is so important for the future viability of the UK economy.

Q219 Eddie Hughes: On your stick of rock, what is the relationship between the industrial strategy and Fuller Working Lives strategy?

Andrew Griffiths: They overlap. They are complementary. What has been really interesting about preparing for this Select Committee hearing today is that, while within the Department we do not have a work stream that says "older people", if you look at many of the interventions and the policies that come forward, they clearly help and assist older workers. It



is really useful to shine a spotlight in this way and see exactly what we are doing for this cohort of people.

The thing that has surprised me in my nine weeks in the Department is just how much cross-governmental working there is on these kinds of things. I always assumed that Government worked in silos—and I criticised Government for that—with people working within their environment, office or ivory tower, and not working more cross-governmentally. In the nine weeks, I have been to the employment task force, the carers action plan group, the panel to get a million disabled people into work and the loneliness group. All of these groups are working on specific issues, but they all very greatly touch on older people in the workplace. I can reassure you that, in terms of the industrial strategy and Alok's policies across Government, we are working closely together to focus on outcomes.

Q220 Eddie Hughes: Who co-ordinates that with the Venn diagram of overlap? Who is responsible for the stuff in the middle?

Alok Sharma: The reality is that, at the end of the day, individual Departments are responsible for their own policies. As Andrew said, what we do have, as the Chairman will know very well—she probably chaired a whole bunch of these when she was in Government—is a whole bunch of these ministerial working groups and task forces. At those, we will collectively discuss individual pieces of policy, and input from various partners will go into that. What emerges in terms of policy at the other end is hopefully something that everybody has had an opportunity to discuss.

One of the things people always ask about Government is, "You have all these people running around and doing lots of things; who is actually accountable?" On your point about who puts the pressure on us to make sure that we have done something, I think the Chair will know from sitting in ministerial working groups. I will give you a very clear example. We have an inter-ministerial working group that looks at the race disparity audit work that is now being followed up. It is very clear that this is something that the Prime Minister is absolutely committed to and all of us, across Departments, have had to put forward plans for what we are going to do to make sure, in our case, that we get more women, for instance, from Pakistani and Bangladeshi backgrounds into work. You are held to account at these groups. You set out what you are going to do, and the next time you get together you have to explain to your peers and the Chair what your Department has achieved. There is rigour in this, both in terms of the policy-making but also in terms of actual pieces of work that see their way through the system.

Q221 Jess Phillips: Many of the witnesses who have come in front of us have called on the Government to adopt a national skills strategy to enable people to train and upskill throughout the whole of their lives. Are there any plans to introduce this?



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Alok Sharma: In terms of skills, I talked about two aspects of this from the older workers' perspective. One was the careers advice that people get. I talked about the fact that we are working together with the National Careers Service. The other piece of work that is also going on in Government is working together with the National Careers Service and local enterprise partnerships so that we can get support to people who are already in work, through the LEPs and with employers, but who may benefit from getting careers advice. That is one side of it.

The other side of it is this lifelong learning that I talked about. Duncan may want to elaborate, but we have this £40 million, which was announced in the Spring Budget, to look at pilots on effective career learning initiatives across the piece. Do you want to elaborate on that, Duncan?

Duncan Gilchrist: There are two initial pilots. We have put £30 million into looking at digital skills and £34 million into looking at the construction industry. There are two pilots running there. There was a further set of pilots launched in November. There were about seven, I think. I cannot reel off the places we are doing them. Effectively, these are what is going to, in the end, become the national retraining scheme.

Q222 **Jess Phillips:** That will essentially be a national skills strategy.

Duncan Gilchrist: I would not want to commit myself, but effectively, yes. It is a mechanism to try to make sure that, of our skills base, the people who do not have current, relevant skills are able to go into sectors where there are current, relevant skills gaps.

Q223 **Jess Phillips:** Do you know when the seven pilots will report? Do not feel that you have to rush. I am just interested.

Duncan Gilchrist: The period to build-up of the scheme itself is around two years. BEIS, as well as us, are working on that. I do not know if any of my colleagues have anything further to add.

Alok Sharma: Let me elaborate on this, looking at the notes I have in front of me. You asked about the second set of pilots. They were launched on 3 November last year. They are running in Leeds, Devon, Somerset, Lincolnshire, Stoke-on-Trent and the West Midlands, looking at what is the best way of reaching working adults and incentivising them to take up training. As Duncan said, the piece of work that is going on is the pilots running over a two-year period, after which we will see what works. What works is what will then be applied.

Q224 **Jess Phillips:** Do we have any idea what "good" looks like—lots of people in the area retrained, elevated their wages and went on to flexible working? Is there a matrix for what looks good?

Duncan Gilchrist: Because older working is quite a new thing, we only really began to get away from the idea that you got to retirement age and then you stopped and that was it within the last 10 years. At the



moment, we are making the initial steps to try to work out what works. What do the people who are looking to train want and therefore how do we bring them in most successfully?

Alok Sharma: Perhaps I can answer this in a more pragmatic way. You asked how we will assess what works. We will look, exactly as you have said, at whether, as a result of the training we have offered, we have helped people move on. At the end of the day, what is the experience of the individuals that have taken part? If they tell us that there is a piece of work we have done with them that has helped them, that is a positive and you would want that repeated. If they tell us, "This piece of work, I am afraid, was of no use whatsoever", then obviously that is not something we want to do.

Q225 **Jess Phillips:** The issue with older workers, though, is how long into the future we test. If somebody retrain, how long do they then work? It is a very longitudinal study to check whether, if you retrained somebody when they were in their 50s to do something, they are still working in their 60s. Because we are specifically interested in older workers in this particular thing, I wonder how we are going to assess.

Duncan Gilchrist: The trouble is that there are three bits to Fuller Working Lives, really. There are the skills and keeping them relevant, but we also need to think about health. As colleagues from BEIS were saying, we need to work at getting people fit enough to work for longer. Finally, there is probably something about flexible working, because there is something in the notion that, as people get later in life, they just do not want to do as much because they have other commitments. It is a matter of what the mix of those things is that gives the best results and enables people to work for as long as they want to work.

Q226 **Chair:** Duncan, can I ask you a very specific question? You said you were having a pilot on construction. Presumably you are looking at the industry, which is an important industry because we are building lots of houses. What might that look like, if you have people involved in the construction who are perhaps in their early 50s? What might you be trying to do to make sure that they were working 10 years later?

Duncan Gilchrist: Again, colleagues in BEIS might have something to say about this but, from our point of view, one of the key bits, as the Minister was saying, is mentoring younger people. We all recognise that some people doing hard, physical jobs get to a point where the sharp end of that job is not something they can do for ever. They will have valuable skills that need to be passed on in some way.

Chair: Almost like apprenticeship schemes within the workplace.

Duncan Gilchrist: Exactly.

Chair: That is helpful. I just could not quite visualise it.

Q227 **Jess Phillips:** I was with people from Rolls-Royce yesterday, and they



were saying that within the defence section there are now two or three people in their 50s who have all of the skills and are without contracts and things, and young people are now no longer going to be able to learn the skills in defence industries without those older people being kept at work.

Mark Holmes: It is probably also worth mentioning the sector deal being developed in the construction sector in relation to the industry strategy. Recruitment and retention of appropriately skilled people is one of the issues facing the construction sector. Retraining people, including the older workforce, during their careers is naturally one of the issues that would fit in that kind of a sector deal that we are actively talking to industry about.

Andrew Griffiths: Just to clarify, sector deals are a new thing as a result of the industrial strategy. We are working with various sectors to see how we can tailor government support and government help to those particular sectors with particular offerings. In response, the sectors are stepping up to the plate and accepting challenges. Within the construction sector, as I say, getting a more diverse workforce and getting more people into the workforce is a particular element of the sector deal we have done with those. What you may well see, as we do more of these sector deals, is that the issue of older people in the workplace could be something we look at further.

Q228 **Jess Phillips:** The Centre for Ageing Better told us that they were working with your Department, Alok, to develop a midlife MOT. What will this entail and what outcomes are you hoping for?

Alok Sharma: A mid-life MOT is something that John Cridland has raised in the piece of work he has done for Government. It goes back to what Duncan was talking about: saying to people that what you want to look at when you get to a particular juncture of your life is, yes, your career and how long you want to work going forward, how your health is at this particular point and how you might want to stay healthy. The final piece of this is your finances. The three need to interact for you to be able to have a comfortable life in retirement. You will have heard from Andy Briggs that companies like his, Aviva and John Lewis are already offering these midlife MOTs to their employees.

What we are doing at DWP is looking to trial some of this work. We are taking a very much test-and-learn approach. I hope, towards the end of this year, we will have something a bit more definitive in terms of the piece of work we have done. The key challenge in this midlife MOT is that, if you offer this, a lot of the time the people who will take it up are those who are already thinking about issues such as their finances, health and where they are going in the next 20 years. The people we actually need to be able to reach are perhaps people who are in manual work; for them, continuing to do that type of work for the next 20 years may become increasingly difficult. Being able to interact with those individuals



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is going to be a key piece of the thinking that we need to do from a Departmental perspective.

Q229 Tulip Siddiq: Minister, you have already mentioned Andy Briggs a few times. My question is about the fact that he was initially appointed as a volunteer and then gradually had support from the Business in the Community leadership team. Is there a reason why his position is not a formal public appointment?

Alok Sharma: There are lots of people within Government who are employed to handle these interactions. We have colleagues in both our Departments. There are others who are effectively paid by Government to do this. The uniqueness of the role that he has is that he is a businessperson. Some of what he and his team come up with he tries out in his own business as well. Having this individual as a quasi-independent individual is a good thing, because it provides challenge back to Government, but it also means that people who are looking at this are very much tied into industry and are talking on a day-to-day basis with industry. Having this as a voluntary role is a positive thing.

Q230 Tulip Siddiq: Do you think he would be able to perform his role better if he had more support from Government? I suppose my question is about what support you think the Government provide for him doing his role and publicising his work? For instance, I notice that there is not a formal page on the gov.uk website for the champion. Do you think he would perform his role better if you did have him formally appointed, had a page on the website and gave him more support, or do you feel you give him enough support? If so, what is it?

Alok Sharma: In terms of the work the group is doing, it is a very good piece of work. They are not held back by the fact that he is effectively a voluntary individual. In terms of support, of course we do provide resources where they are required from within DWP. We have a convening power, as of course he and his team do. They are able to come and use our locations in terms of the meetings. We do work very closely with them. In a few weeks, I will be sitting down again with the team and having that discussion.

Fundamentally, it is a good thing to have a set-up with people who are involved in business and people who are talking to others who run businesses and have a self-interest in making sure policies are being pursued to get older workers into the workplace. I have not heard Andy Briggs say to me or the Department that we need to have a formal role and that this is something where it would make sense for this person to effectively be employed by the Department. That would be detrimental.

Q231 Tulip Siddiq: It is not really his role; it is our role to ask that question. Do you think he would perform his role better if you did make him a public appointment, or do you think it makes no difference? You have said you think it would be detrimental. I do not know what the other Minister thinks.



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Alok Sharma: From my perspective, he and his team are doing a pretty good job. He has a role. It depends what you mean by a formal role, but there is a clearly a role and he is performing it. I do not think that giving him a different title or somehow changing that is going to make any fundamental difference to the piece of work that he and his team are doing.

Andrew Griffiths: What I have seen in the short period of time I have been a Minister is that there is something very powerful about somebody from the outside, not from Government, championing these things—somebody who has access and clout, and can make Ministers sit up and listen about things, but is one of them, not one of us. Somebody from industry, lobbying Government, taking this issue seriously in their own business and acting as a champion, if you like, or an advocate, can be much more effective than somebody who is doing it because they are paid to do it and are just another arm of Government.

Q232 **Tulip Siddiq:** Surely you are not saying Government is not popular. I am just kidding. I could not resist. I am going to go back to Andy Briggs and say that he has called for employers to publish data on the age demographics of their workplace. We have noticed that only nine employers have actually done so. Some witnesses have suggested this should be mandatory. Do you have any plans to require employers to publish the age profile of their workforce? Are there any plans to make it mandatory in the future?

Mark Holmes: I am conscious that the question of publishing data has come up in a number of the Committee's inquiries. It can be a powerful change in terms of diversity and valuing particular parts of the workforce. The challenge can be sometimes in the volume of data that results and the number of requirements on the same business to publish a number of things. There is a degree of care needed sometimes, both in terms of the burdens that can arise to the employers and also the realism and the expectation that people will consume and make use of the data. The value of the signal that it sends, that, as you say, some employers have already started publishing data in this way, is certainly there. I can see the point that the fact that employers are doing it voluntarily in some respects speaks louder. There is certainly more to be done to encourage more employers to follow in that vein.

Q233 **Tulip Siddiq:** The figure is quite low, is it not, if only nine have done so?

Alok Sharma: There are surveys of course—all sorts of surveys—that my Department and other Departments run. In one of the surveys that we run, one of the questions that we have asked of employers is, "Do you monitor the age profile of your employees?" In 2016, over half of employers said they monitored the age profile of their workforce and 22% monitored the age of candidates during recruitment. I do not know what the stats were 15 or 20 years ago, but I would intuitively think they were significantly lower. There is a clear recognition from employers



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already that this is something that they need to be doing. The fact that over half of them are monitoring this is a good thing.

The other piece of work that we have put in train is looking at Government publishing statistics as well. As part of the Fuller Working Lives strategy, we have committed to publish on an annual basis three sets of stats. The first is looking at the employment rate of people over 50 broken down by five-year age bands and gender; then we are looking at the employment-rate gap between 50-to-64-years-olds and 35-to-49-year-olds; and, finally, we are looking at the average age of leaving the labour market. The reason we are doing this is to allow us also to monitor the changes that are happening and to see whether the policies that we as Government have put in place, or indeed the work that is going on through others in influencing business, is having a positive impact in terms of more older workers staying in the workforce or indeed coming back into the workforce.

Q234 Tulip Siddiq: I recognise the value in what you are saying, and I think it is important but, as you said, Mark, there is a call for employers to publish quite a lot of data now. Would it make sense for employers to publish diversity data across the board, and all the data they have, of all protected characteristics, rather than doing it as a piecemeal approach? Do you think that would be beneficial?

Mark Holmes: It is an interesting suggestion. I know that the Financial Reporting Council is consulting at the moment on changes to the corporate governance code, which includes references to companies' diversity policies and the degree of transparency and emphasis that should be put on that. That provides one interesting vehicle to look at those transparency points.

Q235 Tulip Siddiq: Do you think it would be a good idea—either of the Ministers—to publish something like that?

Alok Sharma: What is very important here is to first ensure, whichever pieces of information there are that we collectively may think are important to publish, that businesses recognise the value of doing it and to voluntarily do it. You see that happening over a period of time. There is a culture issue here as well. Over a period of time, I am sure you will see more businesses collecting this information and then looking to publish it. In terms of saying to businesses that there is a huge plethora of information that you must publish immediately, I wonder whether all that would lead to was information overload, having lots of information out there but, at the end of the day, what you are then not doing is focusing on the bits of information that are most important.

Q236 Chair: We were over in New York last week at the UNCSW, and we were hearing from a number of Governments about the work they do in this area. Have you looked at all at the work of the Australian Government in collecting data in this way?



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Alok Sharma: I am not aware that is something we have done in the Department.

Chair: Maybe I could write to you for more information about that. That is helpful.

Q237 **Tulip Siddiq:** I am going to shift focus slightly to the quality of work for older people and health. Is the Government taking into account the fact that older workers might not want to return to employment because their jobs are not fulfilling or because it is physically challenging for them to return to work?

Andrew Griffiths: I had better at this stage put on record my apologies to Linda in my office for divulging to the world how old she is. Let me put that on record. In week one in BEIS as a Minister, I was told I was responsible for the collapse of Carillion. In week two, I was told I was responsible for the Matthew Taylor review and Government's response to that. This is very apposite to the question that you ask. The Government have always been interested in the number of jobs. Understandably, we are looking to create more and more jobs and get more people into work. What the Matthew Taylor reports looks at and what Government have agreed to do is to look for the first time at the quality of work. Greg Clark, as the Secretary of State, has taken on responsibility within Government for ensuring this happens.

As our response to the Matthew Taylor review, we have agreed to do this. As part of the consultation now, we are looking at how we can measure the quality of work. Those are not just things like people's pay, whether they feel safe and secure, whether they have progression, whether they are free from harassment and whether they feel fulfilled. We are looking at those sorts of metrics to understand that. If we want to keep older people in the workplace, one of the most important things is that they feel happy, fulfilled and are making a contribution. Hopefully, the work of the Matthew Taylor review and Secretary Clark taking this on means that we will have a much greater understanding and, as a result of that understanding, we will be able to change the way that we employ people in order to keep them contented and happy in the workplace.

Q238 **Tulip Siddiq:** That sounds like you have taken into account the quality of jobs available for older people. One of the things that John Cridland argued is that the Government should look at what could be done to support unemployed people who have not yet reached state pension age but who have health conditions that mean they are unlikely to be re-employed. Do you have any plans to act on this, as Ministers?

Duncan Gilchrist: There are a couple of things. The first is that John's review was primarily forward-looking. He is focusing on the changes to the state pension age that have not yet happened, in around 20 years' time. We already have a pretty comprehensive welfare safety net that is designed to support people up to the point of state pension age. The examples there are that, on the disability side, you have a series of



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benefits. The highest rate of employment support allowance is over £170 a week. That is more than the full rate of the new state pension. You have things to look after people who cannot work due to disability. On carers, you have carers' allowance and various premiums within other working age income replacement benefits. You have things to look after carers.

The group you are left with after that are the people who traditionally, it has been felt, even though they are fit and would like to work, cannot get work. There are some old statistics that I have been quoted that say once you are over 50 and drop out of the labour market for a certain length of time then your chances of getting a job are less than your chances of dying. That is the old world, as it were.

Jess Phillips: There is a 100% chance you will die though, to be fair. Everybody dies.

Duncan Gilchrist: That is true. I think we are talking periodically. We are doing two things there. We are working with employers. We have talked a bit about things we are doing with employers to make them realise that the future that is coming is one in which there will not be lots of young people to employ, so they need to look at this particular pool of labour again and they need to get these people in. Part of the role of Andy Briggs has been to promote the fact that a lot of the myths there are around older people working simply do not apply. To give just one example, older people who go into employment are likely to remain in that job for longer than a younger person. All the talk about why you would invest in this older person is essentially a myth.

The second one is in trying to help those older people. We already have the Jobcentre Plus network. What we are doing there is trying to help people with digital skills and CV writing skills. You have people who, because they have been in a job for a long time, are not used to applying for jobs. The Jobcentre Plus network is designed to increase their ability to do that.

Finally, you have the retraining that is going on to make sure that they have the skills that there is a demand for out there.

Q239 **Tulip Siddiq:** So you think that Jobcentre Plus is a crucial lifeline for older people.

Duncan Gilchrist: Jobcentre Plus is focusing increasingly on older people. We have put quite a lot of effort recently—and I have folk in my team who do this—into working with the Jobcentre Plus operational people at the front line, making sure they understand what best practice is around older people and how we can tailor the Jobcentre Plus offer, which may have been considered quite generic in the past, so that when we are dealing with older people we are making things specifically suitable for them.



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Mark Holmes: There is also a very significant piece of work going on across Government, led by a joint unit across the Department of Health and the Department for Work and Pensions, on the “Improving lives” White Paper, which is all about the overlap of health and work, considering the impact of the benefits system but also what employers can do and the way in which statutory sick pay incentivises some type of behaviour. None of that is unique to older people but, as you were saying, as people get older they often have more health issues. It can be of particular significance to them. There is a lot going on in that space to enable people to stay in work with health issues more easily, and for those with health issues to come back into the workplace.

Q240 **Jess Phillips:** Lots of people who have been in front of us have told us of the significant problem of age discrimination, both conscious and unconscious. Despite a ban against age discrimination having been in place for about a decade, it seems that that is not effective. What are your Departments doing to collect information about the prevalence of age discrimination and how to tackle it? What are you doing to tackle it?

Alok Sharma: First, in terms of age discrimination, we are not routinely monitoring individual cases. That is not something that we are doing. What we did, of course, is introduce the Equality Act in 2010. We looked again in 2015, and we reviewed it to see whether it or not it was working. The conclusion of that piece of work was that the Equality Act was working as intended.

You are right. Some of the areas that we encourage employers to look at include name-blind recruitment and making sure that people’s ages do not have to be disclosed when they are applying for jobs. Ultimately, this is an issue about culture change within business itself. I gave you some stats earlier about equalities and opportunities policy and the number of mentions of age in that. That has gone up significantly within employers’ own policies. There is a clear recognition by employers themselves that discriminating on the basis of age is completely unacceptable. It is illegal, but the fact that within their own policies internally they are setting this out as a key issue is also quite important.

Q241 **Jess Phillips:** Sticking with the Equality Act, it has long been accepted that equal access to work for disabled people may require reasonable adjustments to workplace policies and practices. Would there be similar support for the same to be made for older workers, and should the Equality Act therefore be amended to extend that duty?

Duncan Gilchrist: It is probably fair to say that we cannot assume that older workers will need reasonable adjustments.

Jess Phillips: I would like some now.

Duncan Gilchrist: If they are disabled, that is already covered under disability law. If they are a carer, then we have some best practice out there. If, as I was saying earlier, they have just reached that stage of life



where they want to work a bit less, then we have the right for them to ask for flexible working. It feels like the framework is there.

Q242 **Jess Phillips:** You do not think the Equality Act should be amended to extend the duty to make reasonable adjustments.

Duncan Gilchrist: I am not sure how you would amend it in a way that would apply it simply to older people. Of course, there are some older people who are probably fitter than you or me.

Q243 **Jess Phillips:** No doubt, but not necessarily around disability. I know, just from being a constituency MP and from what we have heard on this Committee, that older people do not necessarily identify with being disabled, or they will not ask for help and support, so there potentially is a need for some sort of instigation in organisations to make sure we are adjusting for what we could call the broad-brush, general lifestyle needs of older people.

Alok Sharma: When you had Andy Briggs come to give evidence, you had this discussion about reasonable adjustments. He set out the proposition that lots of businesses recognise that, just for their own business's success, it makes sense to make changes for workers. For instance, he gave an example of BMW making adjustments to their production line to make it physically more workable for older workers. We have had this discussion about how in certain skilled sectors, a lot of that skill resides with older workers. There is a case here for businesses themselves recognising where there is a need in their business to make adjustments and doing so. Legislating for that in a very specific way would be quite tricky.

Q244 **Jess Phillips:** We have changed other legislation about flexible working, maternity and paternity.

Mark Holmes: The question of adjustments and flexible working do start to overlap. I would have thought a good employer, even at line management level, would want, just as the Minister was saying earlier in the case of a small business, to adjust the work around the people who are available.

Q245 **Jess Phillips:** That is a triumph of hope over experience, is it not? Have you ever had a bad line manager? The trouble is that expecting goodness from the goodwill of people would eliminate the need for Government entirely.

Mark Holmes: Legislation, at the end of the day, is a fairly blunt instrument. I am not absolving ourselves of the responsibility of looking after it. From my own experience in the workplace, small adjustments are made all the time for all kinds of people's needs, whether it is to do with caring responsibilities or child pick-up times.

Alok Sharma: From a business perspective, what I think you are saying to us is that not every business is run as an altruistic organisation. Of



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course that is true. At the end of the day, businesses are there to make money for shareholders as well as employees. However, where, as in this case with BMW, there is a business imperative and a business can demonstrate to itself that by making adjustments it is going to be better for that business's bottom line, I think you will find most businesses behave very rationally.

- Q246 Jess Phillips:** Moving away from the Equality Act and my desire to use a stick rather than a carrot, we have heard that older workers face discrimination on the basis not only of age but where it intersects with race, gender, and disability. That is a constant issue that gets raised to this Committee in all areas that we work in. Are you making any assessments of how to deal with that? If you go back to what you were saying about construction and how we are going to do things on construction or how we are having returners to work, are we making any specific assessment of how, for example, gender and age or race and age might intersect?

Duncan Gilchrist: The statistics on that would probably be quite difficult. Building up the initial evidence base is not something we currently do. There may be a need to do it.

- Q247 Jess Phillips:** Being responsible for the state pension, as you have already said, there is one particular group who have been affected by the changes in the state pension where there is an intersection in that. Is there any assessment done on that?

Duncan Gilchrist: Indeed. There was an assessment on that particular thing because that was done in primary legislation, and therefore we had to do an impact assessment, which looks at these things in really quite a lot of detail. We are talking here about something much more general, which is that we would need to be looking at employment rates by age, gender and ethnic group. We may have those, but I am certainly not aware of it.

Jess Phillips: Could you let us know?

Duncan Gilchrist: Absolutely.

- Q248 Jess Phillips:** One thing that we have heard is concerns that employers are eager not to be accused of age discrimination, which obviously we are pleased about, and so therefore they shy away from legitimate and helpful discussions about career, retirement and planning for older workers. What can be done to overcome this?

Alok Sharma: That is where there are these myriad conversations that people like Business in the Community have and we, through the Jobcentre Plus network, will also be having with people. There is a clear difference between discrimination and saying to someone, "Okay, let us sit down and have a discussion about a career review in terms of where you need to be going and the whole midlife MOT issue." Those are all positive things. There is a piece here for us to be saying to businesses,



"Do not shy away from this. This is a positive thing that you ought to be doing and talking and engaging with your employees about".

Andrew Griffiths: You hit the nail right on the head when you talked about a reticence and nervousness to talk about and confront these issues, just for fear of saying the wrong thing. The Committee will know that we had an independent review by Baroness Ruby McGregor-Smith on issues relating to developing black and ethnic minority talent in the workplace. I spoke at an event for them just a few weeks ago. They have produced a very good document, "Let's talk about race", just to try to arm people, and inform people that you can have a very sensible and straightforward conversation without getting yourself into trouble. One of the things we need to look at is removing that stigma and just having genuine, honest conversations about these things. A lot of it is about communication.

In relation to diversity, we have a diversity and inclusion group, where I try to bring together leaders in this field. There was the John Parker review of ethnic minority representation on boards. There was the Hampton-Alexander review on FTSE women leaders.

Jess Phillips: All seven of them.

Andrew Griffiths: The statistics are not good in relation to boards, but the number is up. It is moving in the right direction. The FTSE 100 is 28.7%, up from 27.7%. The FTSE 250 is 23.3%, up from 22.8%. It is slow, it is not enough and we have to turbocharge this. We have to make sure we are acting as a catalyst to drive this kind of change. It is no lack of effort within the Department. I am personally responsible for this and I am determined to try to do something about it. What businesses are beginning to learn is that actually they make better decisions as a business if they have a diverse board than if they have 20 white males around a boardroom table. That kind of understanding, knowledge and experience, which comes from having diversity in the boardroom, improves business decision-making and therefore the success of the business and the return to shareholders.

Q249 **Chair:** Going on to the final section, I wanted to talk about flexible working. When I was perhaps sitting where you are now, rather than here, we were talking about flexible working. That is four or five years ago. There is rarely a report that goes by out of this Committee that does not become a focus on flexible working as being an important way to get women back into work and to deal with the gender pay gap. It is no different when it comes to older workers. Flexible working is so important; you said earlier that flexible working can be important for older workers to stay in work. We know that just one in 10 decently paid jobs in the UK mentions flexible working as an option when it is advertised. If you look at the education sector, it is just 13% of jobs. That is something you control. When you look at the health sector, just 20% of jobs are advertised as flexible; again, that is something that you as a Government control.



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The Prime Minister said that she wanted to make flexible working a reality for all advertised jobs from day one. Given that we have been talking about it for the best part of half a decade and it has not happened, when does the penny drop that we have to legislate for it to make it happen because, as much as employers like me and perhaps you—and certainly Andrew was talking about it earlier—understand you get better workers, the vast majority of people do not get that and do not do it? Why do you not just legislate?

Alok Sharma: Chair, I will ask Andrew if he wants to come in on this.

Andrew Griffiths: Perhaps I could take this because this does fall within my bailiwick. The first thing to understand is that we have extended the rights to request flexible working throughout the workforce. The requirement for that, or the obligation for that, is that you have to have been in work with the same employer for 26 weeks. You know more about this than I do, Chair. That currently encapsulates 90% of all the workforce; 90% of all workers already have this right to request flexible working. We now have to look at what we can do for that remaining 10%.

You are right that the Prime Minister very clearly said, back in October of last year, that she wants to see flexible working a reality for all employers by advertising all jobs as flexible from day one. We come at it from two different ends of the telescope, if you like. One is where the Prime Minister is saying, "Let us encourage businesses and have them offering that flexibility". I am beginning to go through the very influential and important report that the Committee published on fathers, which also touches on this. There is the requirement to legislate from day one. You say, "What is the Government doing and should you not be getting on with it?"

The Government is doing a number of things on this. I am pleased to tell the Committee, as I am sure you will be aware, that we have set up the flexible working task force. That brings together business, is chaired by the chairman of the Chartered Institute of Personnel and Development, Peter Cheese, and brings together Governments and groups like Working Families, Age UK and Carers UK. The first task that they have been tasked with is to look at how we can deliver that. That is due to meet later this month. Its number one priority is to address this. What I hope is that very quickly, hopefully by the summer, we will be in a position to report on this and come forward with very concrete proposals about how we can make that flexible working a reality in the workplace from day one.

Q250 **Chair:** You understand that, otherwise, we leave workers trapped in jobs, because they cannot move to new jobs because they do not have a right to request flexibility from day one. This is a huge problem for older workers and many other groups.

Andrew Griffiths: I do. With my small business hat on, I have had this conversation with employers who will say, "Look, if an employee needs



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day one rights to flexible working, why are they not raising those issues with me at the interview and talking to me about how we can make this job more flexible from the very beginning?" I understand that. The culture change and culture shift amongst business to make them understand the very hard-nosed business case for flexible working earlier is something the Government have to take responsibility for. I do not think that anyone has ever ruled out the possibility that, as a backstop, we may have to legislate on these things, but the preferred approach from the Government and the Prime Minister is to find a way that we can practically deliver this by getting businesses to change their culture.

Mark Holmes: I see a real opportunity for a consensus on this area. I will be co-chairing this task force alongside Peter Cheese, as the Minister said. We have spoken to all of the organisations that we have invited to join the task force. They are all really very keen to find ways of making the case to employers that, as you have already said, Madam Chairman, it makes business sense to them, to the workforce and to the economy as a whole for flexible working to be even more prevalent than it is now. It is already quite prevalent. Even the quite old statistics that we have from 2011 say that 60% of employers said that they had undertaken flexible working in the last 12 months. It is safe to assume that will have gone up since then.

We will of course get much better data this year in preparation for the evaluation of the statutory right to request flexible working in 2019. Among different Government Departments, tackling different parts of the agenda amongst different interest groups, such as Age UK, Carers UK, Working Families and Timewise, and amongst business groups and the TUC, there is a great deal of common interest in this subject. I am generally optimistic that we will be able to find concrete ways of speeding up the change in employers' behaviour on this front.

Q251 **Chair:** As part of your review of the operation of the right to request flexible working in 2019, which I understand is happening, you will be looking specifically at how it affects older workers.

Mark Holmes: We are at the stage of beginning to commission the survey work and the data that will feed into that evaluation. We are doing it in such a way that we will be able to pull out the impacts on older workers.

Q252 **Chair:** Do you already collect the data on the number of older workers in different types of employment who are currently able to work flexibly, or is that something you are going to start to collect?

Mark Holmes: We have in the past collected data on flexible working, specifically every few years. As I said, the last data we have is getting quite old now, which is exactly why we need an update.

Andrew Griffiths: If you think about it, Madam Chair, the change in people's circumstances when they request and are then provided flexible



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working is a discussion between the employer and the employee. It is not as though Government are notified that there is some strategy obligation. We can only ascertain this information through surveying, through requests, et cetera. It is not something we are physically able to mandate an employer to provide to us without it being overly burdensome, but we are attempting through the review in 2019 and in advance of that to get as much quality data as possible so we can judge it on its successes or failures.

Q253 Chair: Within that, will you also look at the reasons why older workers need flexible working—the driving reason and the driving force?

Mark Holmes: I cannot remember exactly how we are planning to frame the work, but one of the important points of the change to the legislation back in 2014 was that employees do not need to have a particular reason in order to request flexible working.

Chair: No, but it might be useful for you.

Mark Holmes: Absolutely. I can see the reasons. We will certainly be looking to see what the barriers are. In order to do that, we will need to understand the reasons why people are looking for flexible working.

Q254 Chair: We know the main driver for women falling out of the labour force is caring responsibilities. That would potentially be a huge driver for women wanting flexible working, for instance, who are older.

We have heard considerable support for dedicated carers' leave to prevent older workers with caring responsibilities from leaving employment. Some argued for the right to have paid leave; others called for extended periods of unpaid leave. Do you have any plans to tackle this or particularly to introduce carers' leave? What work have you done to assess the costs and benefits of this sort of a policy because of its potentially very beneficial impact of keeping more people in the labour market for longer?

Andrew Griffiths: I absolutely agree with your analysis of the benefits of carers' leave. There are two drivers to this. The first is the manifesto commitment of the Conservative party at the last election to bring forward carers' leave. Secondly, the EU work-life balance directive proposal is currently being discussed in Brussels for five days of paid carers' leave. We are keen to have a clearer picture of the needs of carers so that we can tailor support in terms of carers' leave. It may well be that five days of carers' leave would be hugely beneficial to somebody who has caring responsibilities for a parent because they need to put them in residential nursing care, for instance. It may be that five days' paid leave is hugely beneficial to a parent who has a sick child and they need to be in hospital.

On the other side of the coin, it may be people with caring responsibilities who need the ability to step out of the workplace for a longer period of time in order to deal with a particular caring need, with the intention that



they would like to, after that long period of time, return to the workplace and not be disadvantaged by that.

What I can tell the Committee is that the Government are doing a great deal of work on this. We have brought together a cross-Government approach. It is led by Caroline Dinenage and we are developing a carers' action plan—a specific set of proposals in order to address the need not just for carers' leave but more widely to support carers. As a Government, we recognise the valuable contribution that carers make, not just in terms of the cost of that care were it a necessity for Government to provide it but also the important role that they play in the workforce. I can make a clear commitment that, in the very near future, we will be coming forward with an action plan. In addition to that, we are working to develop our policy in relation to carers' leave.

Mark Holmes: You asked about the costs and benefits of carers' leave. It may sound like a statement of the obvious, but it very much depends on how it is approached and what kind of a model is adopted. There is active discussion across Government about those alternative options, considering questions like what employers already provide and, as the Minister has already said, the different needs of different types of carers. For instance, the statistics tell us that most carers in employment provide one to 19 hours of care a week. What does that tell us about what kinds of leave might be most valuable to them? Why is it that carers leave employment and when do they do that? We should then assess what the costs and indeed the benefits would be of all those different kinds of things, and how each of them would help us deal with the challenges of a growing demand for social care as well, rather than just looking at the workforce impact. There is lots to look at and that is all under active consideration.

Q255 **Chair:** Can I just ask one final question. We face a pretty significant skills gap in this country already. The analysis that we have seen suggests that that will only become more acute as we leave the EU. Given that we know the employment market does not react quickly to these things—and I have just talked about the fact we have been talking about flexible working since there has been a Conservative-led Government—do you not think that time is not really on your side? Should you really be looking for some very urgent action to make sure we can keep more older people in the workplace for longer? Indeed, I could also talk about women in the workplace and other groups. Has the time for looking at pilots and carrots passed, and do you need to realise that perhaps more stringent action is needed to really get businesses to take seriously using pools of labour that are currently underutilised? It feels like we have been talking about quite a lot of these measures for a number of years without them having much effect.

Andrew Griffiths: The reality is, Madam Chair, that this is as much a challenge, if not a greater one, for business as it is for Government. As a Government, we recognise that ticking time bomb, if you like, of skills



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shortages. Businesses will have been reassured by the transitional period that has been negotiated as part of the withdrawal negotiations. That gives a little more certainty in relation to access to workforce, but that is very short term. Anybody who looks at the demographics and the statistics here recognises that there is a very hard-nosed business case to recognise that businesses will be chasing an ever-decreasing number of talented workers. Good businesses recognise that their number one asset is their workforce. What we are trying to do in BEIS is work with business to get them to put in place the measures. They need to take the actions on this, and understand the importance of this. They need to recognise the business case for getting more older workers into their businesses. As much as it is a challenge for us, it is also a challenge for business.

Chair: That is a very good place to end. Can I thank you all very much for taking the time to come along this morning? We are really grateful for all of the evidence you have given us. I look forward to hearing your response to our report when we publish it. Thank you very much.