

## New 'reskilling era' needed to boost lifelong learning for older workers as career options stall and pension savings fall, says CIPD

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New analysis from the CIPD reveals an urgent need for greater investment in lifelong learning to help older workers stay in employment and build long-term financial security.

The CIPD warns that older workers are particularly exposed to the megatrends reshaping the labour market — from rapid advances in AI to the transition to a net zero economy. With fewer opportunities to develop, retrain or switch careers, many risk being left behind as roles evolve or disappear entirely.

The report highlights that around 6.3 million workers will see their jobs change due to the effects of net zero transition in the economy by 2050, while it's estimated almost a third of jobs are exposed to AI and likely to change significantly, and two million jobs could be displaced by 2035 due to technological change\*. Older workers are disproportionately affected and least likely to have access to training to enable them to adapt to these challenges, compared to other workers.

In response to these challenges – and new UK Government data showing that nearly 45% of workers aren't contributing to a pension – the CIPD is calling for a 'new era of reskilling' to help older workers remain in work, build long-term financial resilience and stay adaptable and competitive in a changing labour market.

The CIPD's latest report – Lifelong learning in the reskilling era: From luxury to necessity – explores key megatrends that are reshaping the UK labour market: the ageing workforce, the transition to a net zero

economy and AI. It also outlines the steps employers and Government can take to help people develop new skills and pivot into new roles and sectors.

The CIPD's analysis found that:

- Older workers now make up a growing share of the workforce. In England, employment among 50-64-year-olds has increased by 40% over the past 20 years — nearly three times faster than overall employment growth, which rose by just 14%. In contrast, the number of 16-24-year-olds in work has fallen by 13% over the same period.
- Despite making up a growing proportion of the workforce, CIPD data shows just 47% of over-55s feel that their current role offers good skills development in their current roles – compared to 73% of younger workers (18-24 year olds).
- More than a third (37%) of older workers said they have skills that could be used in a more demanding role.
- Furthermore, job moves amongst this age group are less common compared to other age groups. Just around one in four workers (24%) aged over 55 said their job offered good prospects for career advancement, compared to 39% of workers overall and 59% of those aged 18-24.

With less training and job mobility as people age, the CIPD says there's a risk that older people may become trapped in unsuitable roles or fall out of the labour market entirely if their jobs are displaced or no longer fit their mobility needs, impacting their earning potential and wellbeing.

Lizzie Crowley, skills advisor for the CIPD, the professional body for HR and people development, said: "Our analysis, and latest projections from Government on a pensions crisis, paint a bleak picture with profound implications for individuals as well as economic and social policy. If changes to retirement age and the pensions crisis mean we're all going to work for longer, we urgently need to usher in a new era of reskilling to help people develop into new roles and sectors. The reskilling imperative isn't just an economic necessity – it's a social contract. By reimagining how we support people to learn and adapt throughout their lives, we can build a more resilient, equitable and prosperous future for everyone."

The analysis also confirms a 27% fall in the amount spent on workforce training in the UK over the last ten years from £4,095 per trainee in 2011 to just £2,971 per trainee in 2022, and that participation in training falls with age. The decline in investment in training by employers has fallen with a decrease in public spending on adult learning, which has fallen by 31% in real terms since its peak in 2003/4.

The CIPD is calling for the following support from the UK Government and employers to boost lifelong learning:

- In workplaces, boosting training budgets and improving internal skills development alongside reskilling and redeployment opportunities should be a priority, exposing people to new skills and different roles. Flexibility over working hours and location as well as mid-career reviews and conversations can help to assess and fulfil older workers' ambitions and development needs.
- Time and cost are frequently cited obstacles to the take up of adult learning, especially for those balancing work, caring responsibilities or other commitments. A greater focus on 'micro-credentials' and modular learning pathways will help open up opportunities to those balancing life and work or

looking to transition into a new role or sector.

- The Government should consider specific measures for individuals such as training vouchers, building flexible individual learning accounts to help people think about their learning long term and providing paid educational leave so employees can be released to upskill/reskill without a full loss of income.

[Read the report](#)