

Learning and Work Institute's Employment and Skills Convention speech - 10 July 2018

I'm delighted to be here today. My Department has enjoyed a long and rewarding relationship with the Learning and Work Institute, and it's great to see so many working towards a world where everyone can achieve their potential at work - no matter what their background or individual characteristics.

This is a vision I share. And we've made some great progress towards this goal:

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- 3.3 million more people are employed than in 2010. The employment rate of 75.634% is the seventeenth new record set in that time.
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- The unemployment rate has fallen to 4.2% - a 42-year low.
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- And there are now a near record 818,000 vacancies across our economy.
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While it's true that we've seen growth in different types of employment, around 70% of this growth is in higher skills occupations, which generally pay higher salaries. Three quarters of the employment growth has been from fulltime work. And over 70% are permanent workers.

I want to thank all the businesses and organisations which have created these jobs. These are not just dry economic statistics. Good work can transform lives and is the best answer to poverty.

We're seeing significantly improved outcomes for some groups historically underrepresented in the labour market, but we want to go further. I am particularly passionate about inclusion and social mobility and so I want to talk to you today about the work the Department is doing to make sure everyone can benefit, no matter who they are or where they come from.

DISABLED PEOPLE AND THOSE WITH HEALTH CONDITIONS

Around 1 in 6 working age people reports having a disability – a surprising and important statistic that shows how health and disability affect the working lives of millions.

I've mentioned our historically high employment rate overall – and we have seen great progress for disabled people, too. The number of disabled people in work reached **3.5 million** in 2017, having increased by nearly **600,000** since 2013.

Despite this, though, only around half of disabled people are in work – but we know that many others want to work. Too many people are missing the opportunity to develop their talents and connect with the world of work, and the range of positive impacts that come with it – including good health and social outcomes.

That's why in our manifesto, we pledged to see one million more disabled people in work over the next ten years. This isn't just about supporting disabled people and those with health conditions to get into work, but also focusing on supporting them to stay in work and progress.

Employers clearly have a role to play here. Imagine what it would be like if all employers behaved like the best employers: offering flexible working, implementing reasonable adjustments, proactively managing sickness absence, putting in place inclusive recruitment and HR policies, and having constructive and supportive conversations with their staff.

Through our **Disability Confident** scheme, we're working with employers to challenge attitudes and increase understanding of disability, removing the barriers to disabled people and those with health conditions in employment and ensuring that they have the opportunity to fulfil their potential and realise their aspirations. **Over 6,500** employers are now signed up to the scheme – when you get back to the office, why not see if yours is one of them?

But if we want all employers to be like the best employers – we need to ensure they have the right expert advice and support to create healthy and inclusive workplaces, provide excellent common sense support, and manage sickness absence effectively. This is why **occupational health** is so important – and at the heart of our reform programme, too.

Working with experts like you is so important to get big reforms like this right – for example, I'm very grateful to the Learning and Work Institute for the work they've led for us recently co-designing with users, employers, and local providers some of the potential building blocks of a new integrated work and health support offer.

We'll be setting out more detail on the actions we'll be taking to support employers and increase access to good quality occupational health in due course.

People from ethnic minority backgrounds

There are over 3.8 million people from ethnic minorities in work today - an increase of 1.1 million people since 2010.

However, the Race Disparity Audit in October 2017 shone a spotlight on the differences in outcomes across ethnicities. It revealed an 11.8 percentage point employment gap between ethnic minority and White groups. This gap exists despite the fact that ethnic minority groups in

general are much more likely to progress to Higher Education than White groups, and on average do at least as well as White pupils at GCSE and A-level.

Whilst we are making good progress with ethnic minority employment there is more we can all do. In DWP for example we are working with Business in the Community to deliver mentoring circles in twenty ethnic minority challenge areas, with the highest employment gap and ethnic minority population. We are already getting excellent feedback from the employers leading the mentoring and the jobseekers they are working with.

People with complex needs

The Government is supporting people who are likely to face complex additional barriers. And who as a result are most at risk of being in severe and long-term low income; people whose ability to work is frustrated by issues like a disrupted education, cultural and language barriers, addiction, insecure housing, serious problem debt or a history of offending. Our Work Coaches offer individualised, tailored support. For example:

- For **care leavers**, who often face a difficult transition to adulthood, the Government is from August introducing a £1000 bursary payment to support 16-24 year olds in the first year of their apprenticeship.
- We are committed to getting **ex-offenders** into work and recognise employment is a crucial part of rehabilitation. Our Prison and Jobcentre workcoaches work with local partners and employers to secure training, work experience and employment during sentence and after release.

Young people

Youth unemployment is at a near record low. Over 6 million young people are either in work or full time education – this represents 86.2% of all young people. In contrast 5.0% of young people aged 16-24 are unemployed and not in full time education.

The Government remains committed to providing targeted support for young people so that everyone, no matter what their start in life, is given the very best chance of getting into work. This is critical if we are to improve productivity and reduce intergenerational disadvantage and poverty.

Employers tell me they would love to give young people the opportunities that seasonal or short-term jobs offer. They say that with such high employment rates and low unemployment rates, filling jobs over the summer is getting harder.

This is why we are launching a #Summerjobs campaign, to raise awareness of the jobs that are out there.

Our 'Find a Job' online service shows nearly 25,000 adverts for summer jobs in a range of industries, including: logistics, warehousing, creative industries, healthcare, retail, hospitality and construction. Connecting jobseekers and employers is a key role that our Work Coaches play in 650 locations around the UK.

Opportunity Areas target intensive support at 12 areas of entrenched low social mobility and educational underperformance. They are at the heart of the Government's ambition to drive up social mobility and make sure that all young people get the chance to go as far in life as their talents and hard work will take them. The government has committed £72m to these areas over three years.

Older workers

At the other end of the generational spectrum, it is heartening to see the number of older workers in employment at a record high. In June there were 10.2 million people aged over 50 in employment. But there is still more to do to challenge the irrational perceptions and stereotyping that is holding back some of our most experienced and talented workers.

The perception of age discrimination in recruitment is just one area that through our Business Champion for Older workers we are looking to address. Andy Briggs is leading these business to business conversations. His call for business to recruit one million extra older workers by 2022 is an ambitious target that I applaud and am keen that we support.

I'm delighted that over the next few months the Learning and Work Institute is supporting us as we develop thinking around the mid-life MOT. I look forward to hearing about progress.

Women / parents

I am pleased that the employment rate for women is at a new record high of 71.3%.

However we recognise that people need additional support with living costs. High childcare costs can affect parents' decisions to take up paid work or increase their working hours. This is why by 2019-20 we will be spending around £6bn on childcare support – a record amount of support.

This includes 30 hours free childcare for working parents of 3 and 4 year olds. We are also championing shared parental leave. And we have introduced the right to request flexible working.

And Universal Credit, which provides up to 85% of childcare costs for eligible claimants.

Claimants with a firm job offer can claim Universal Credit Childcare costs up to 1 month prior to starting work to enable their children to settle into a new routine.

The outcome from independent evaluation in areas of early introduction show that with increased childcare support parents are able to work more flexibly and increase their hours.

UC and Progression

I also want to support people in employment to progress and realise their potential. An important transformational element of UC is that for the first time, we will be supporting and encouraging claimants who are in low-paid work, or in low income households, to earn more, become more self-sufficient and, ultimately, to become financially independent.

Our change to the taper rate from 65% to 63% in April means that as people progress they get to keep more of what they earn.

And we are building our evidence base to help understand how to support people. We have already conducted a large Randomised Controlled Trial of in-work support from Jobcentre Plus and will publish the results later this year, then carry out further research, analysis, tests and trials over the next 4 years.

I know that this is an area of particular interest to many of you here today. I want us to work in partnership to develop our evidence about what works to help people earn more and progress in work and I am looking forward to continuing our dialogue and sharing our learning.

Conclusion

In conclusion, the recent trends in employment are very positive. But we want to go further. Working in partnership we can achieve a shared ambition of enabling everyone to go as far as their talents will take them, regardless of where they start.
