

Data Research

Understanding recent trends in ill health-driven fallout from the UK job market



Content

1

Background

Page 3

2

The wider context

Page 6

Reflections on the UK vs. OECD inactivity rate

Trends in economic inactivity

3

Causes of ill health-driven fallout

Page 17

Demographics

Population health & access to care

Industry, occupation & skills

4

Getting back to work

Page 57



Background

Aim was to define policy by better understanding the causes of ill health-driven fallout from the UK job market.



Research objectives

The primary objective of this research was to understand:

What factors cause, or correlate with, an increase in ill health-driven fallout from the UK job market?

....while also trying to understand:

Why did the UK see a rise in inactivity rate compared to other OECD countries?

Why is it difficult for people to return to work?

Research methods

To prepare this research, data from public data sources was collated and analysed, primarily:

- The Office of National Statistics (ONS)
- The Organisation for Economic Co-operation and Development (OECD)

As well as reviewing the existing research and literature conducted on this matter by institutes and public bodies, including:

- The Bank of England
- The Learning & Work Institute
- The Joseph Rowntree Foundation
- The Health Foundation
- The Institute for Social and Economic Research
- The King's Fund

Executive Summary

The overall UK inactivity rate fell between 2011 and 2020 due to long-term social and economic trends, as fewer people took early retirement or looked after family and the home. This trend was reversed by the impact of the Covid-19 pandemic, driven by a net increase of 400k people who became inactive due to long-term sickness – which is now the dominant reason for inactivity. However, the rise in inactivity due to long-term sickness was a long-term trend that was rising prior to 2020. The data shows that this is being driven by several factors, including demographic changes, population health and lifestyle factors and access to health and social care, and skills readiness and the adaptability of certain occupations and roles.



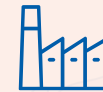
Demographics

- The UK workforce is aging and thus more prone to developing work-limiting conditions, putting more strain on public services.
- Economic inactivity has been falling for women for the last 3 decades, driven by fewer women looking after family/home or taking early retirement (before age 64).
- Despite gains in female workforce participation, there is an alarming trend (starting 2014) in women becoming inactive due to long-term sickness that exceeds men.



Population health & access to care

- The UK has high rates of excess weight and obesity, high alcohol consumption and a legacy of smoking, and long-term physical and mental health problems.
- Pressures on the health and social care infrastructure, including the impact of the Covid-19 pandemic, has led to backlogs for treatment and worsening outcomes, as well as pressure on unpaid carers.
- 1 in 5 people who are inactive due to long-term sickness were previously inactive & temporarily sick or injured (ONS).



Industry, occupation & skills

- What people do, where they live, and the qualifications they have affects people's ability to adapt to living with a long-term physical or mental health illness, and reflects the mix of industry, occupation and pay available.
- Occupations with a low ability to work from home are more likely to lose people to long-term sickness.
- There is a privilege of choice in whether people with a long-term illness retire or leave work due to workplace support, socioeconomic disparities, or personal circumstances.

2

The wider context

1. Trends in economic inactivity
2. Reflections on the UK vs. OECD inactivity rate





The wider context

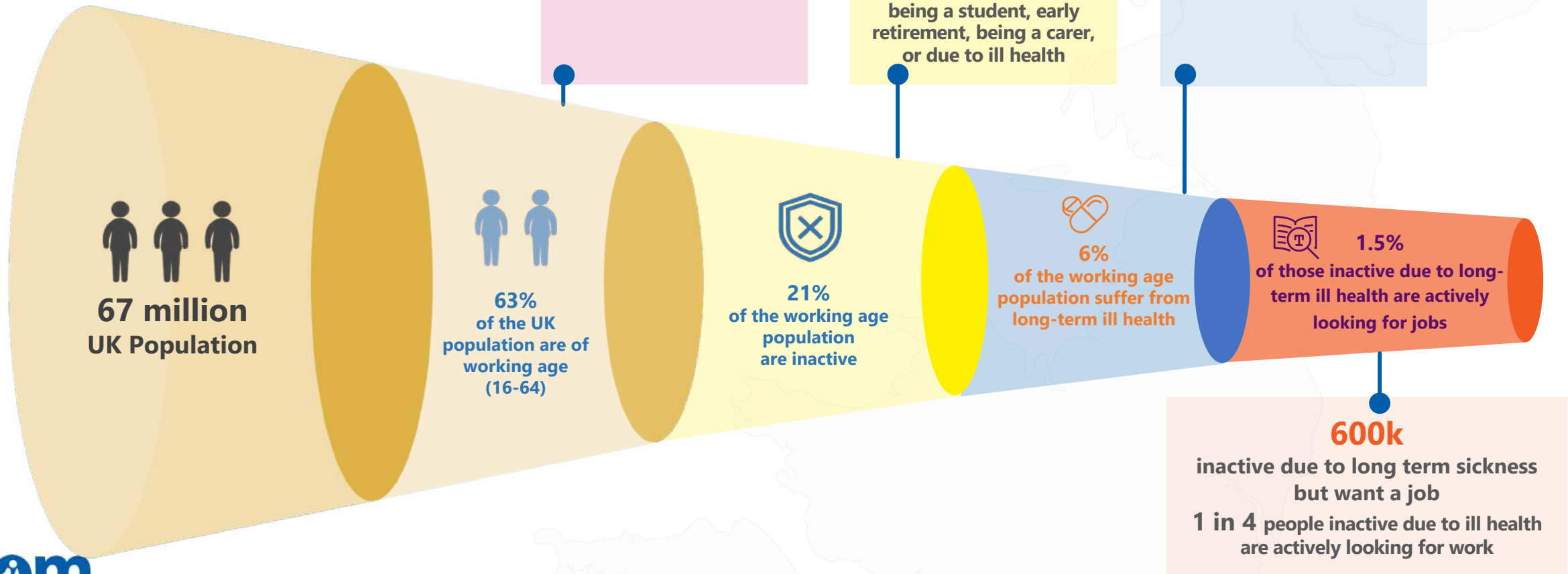
2.1 TRENDS IN ECONOMIC INACTIVITY



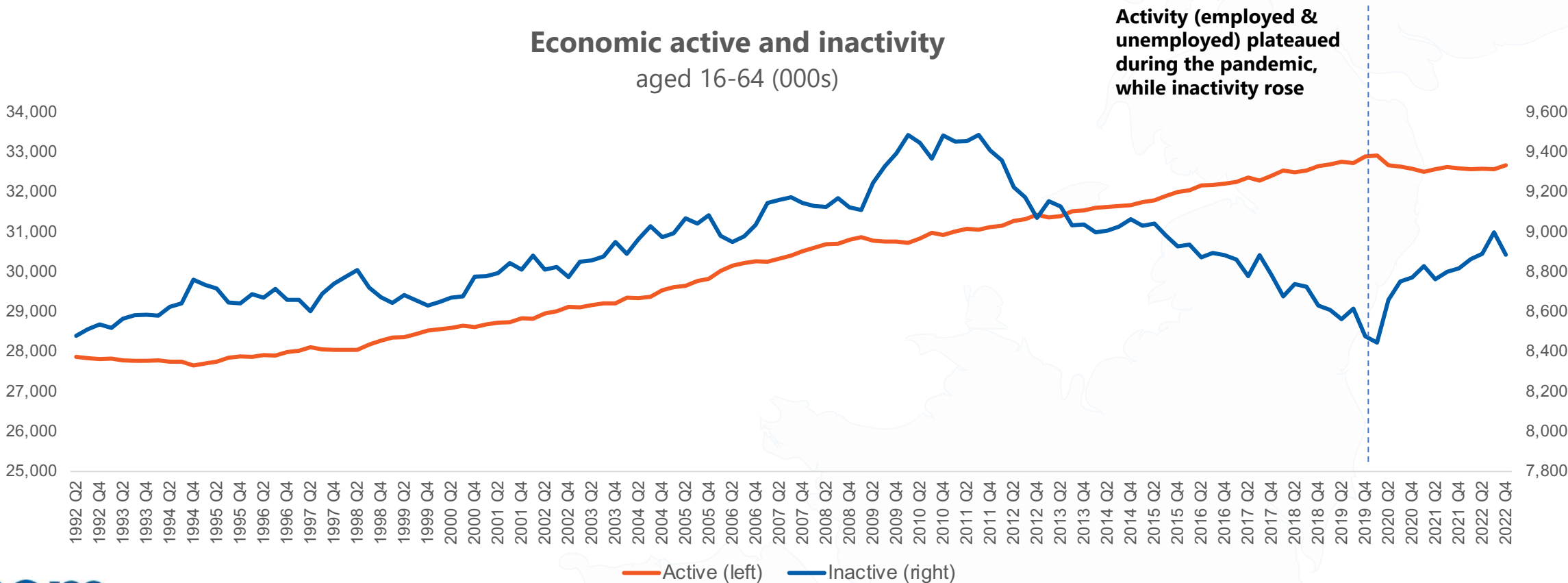
2. The wider context

2.2 Trends in economic inactivity

The UK workforce in detail



The overall UK inactivity rate fell between 2011 and 2020, but was reversed by the social and economic impact of the Covid-19 pandemic



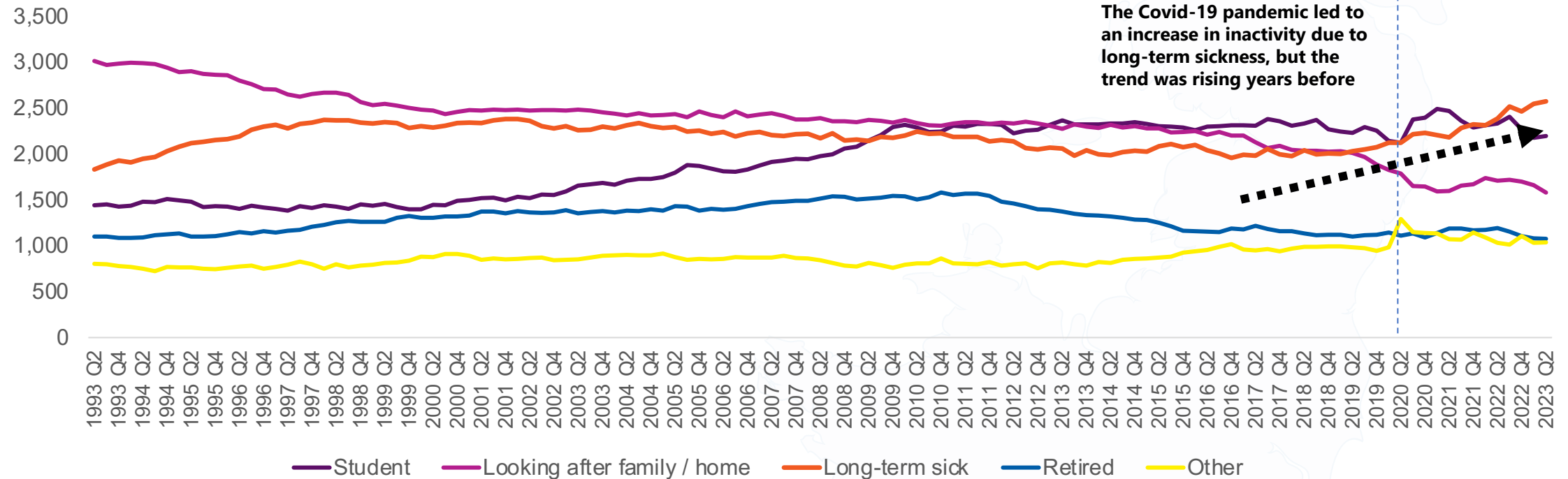


2. The wider context

2.2 Trends in economic inactivity

Downward trends in inactivity relate to fewer people looking after family & home or taking early retirement, but long-term sick were rising pre-pandemic

Economically inactive by reason
Aged 16-64 (000s)



Source: Office for National Statistics (ONS), Economic inactivity by reason (seasonally adjusted)

Note: 'Other' reasons include people who (i) are waiting the results of a job application, (ii) have not yet started looking for work, (iii) do not need or want employment, (iv) have given an uncategorised reason for being economically inactive, or (v) have not given a reason for being economically inactive.

The pandemic drove a net increase of 400k people inactive due to long-term sickness

The pandemic drove up the inactivity rate due to long-term sickness. Net ~400k additional people aged 16-64 became economically inactive due to long-term sickness compared to before the Covid-19 pandemic started.

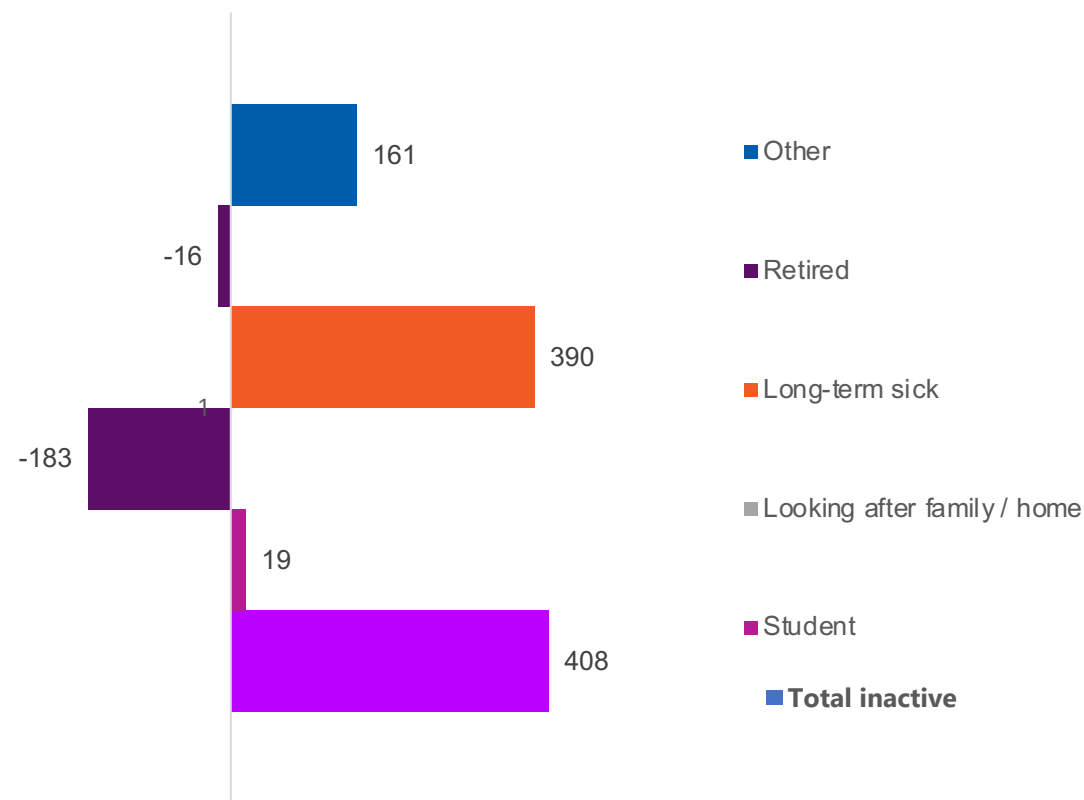
Long-term sickness accounted for 28% of total inactivity at the end of January 2023, and is the most common reason for economic inactivity.

Although there was significant coverage in the media about the 'great retirement', we can see that this period saw a net reduction in people taking early retirement between 2019 -and 2022.

Long-term sickness is defined as a period of continuous absence from work of four weeks or more, and can include mental ill health, physical disabilities or illness, learning difficulties and developmental disorders.

Actual change in economic inactivity

Aged 16-64, Q4 2019-2022 (000s)



Source: Labour Force Survey Economic inactivity: People aged 16 to 64 by reasons for inactivity (seasonally adjusted)

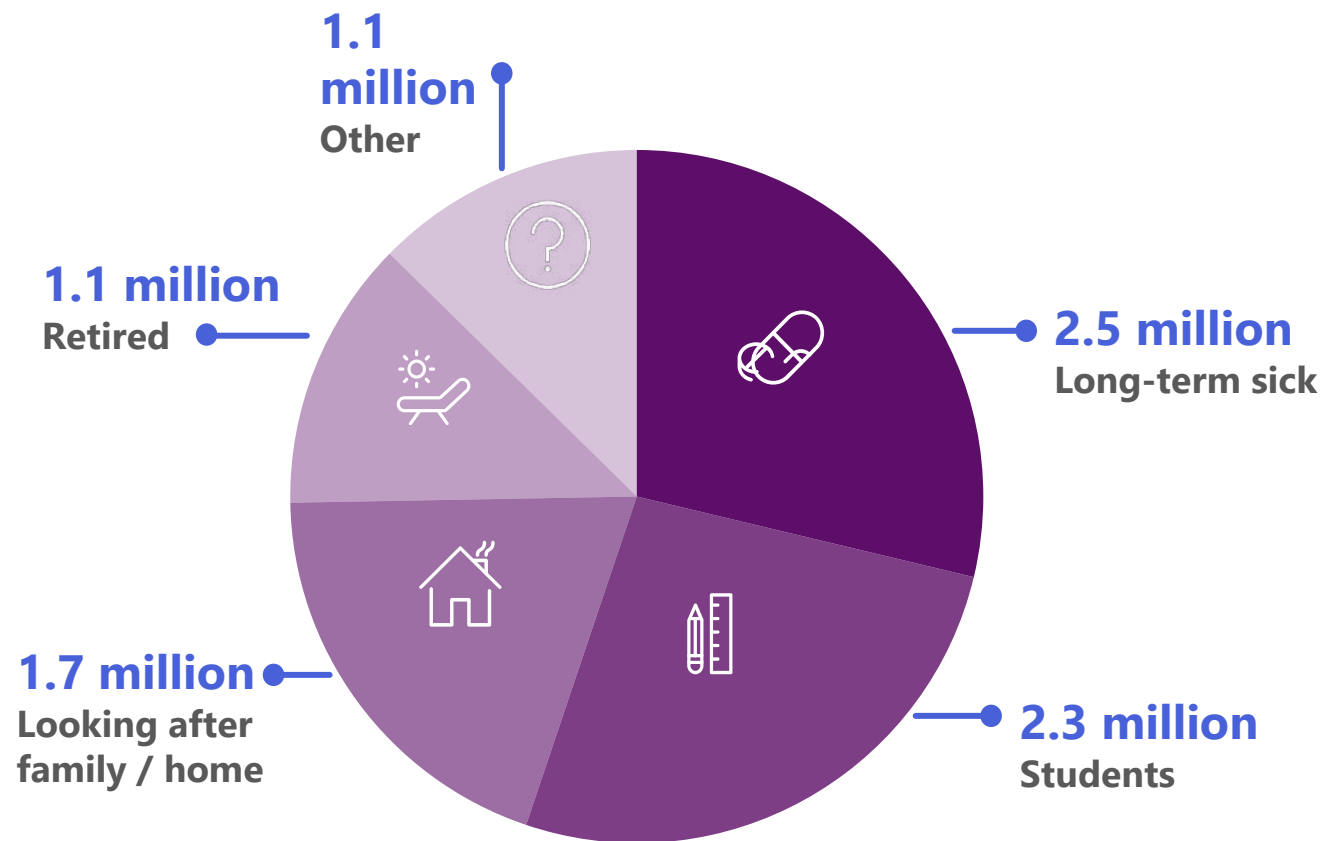
Note: 'Other' reasons include people who (i) are waiting the results of a job application, (ii) have not yet started looking for work, (iii) do not need or want employment, (iv) have given an uncategorised reason for being economically inactive, or (v) have not given a reason for being economically inactive.

More than 2.5 million people are primarily economically inactive due to long-term sickness

8.6m people are economically inactive. The biggest reason is due to long-term sickness.

This number has been rising, with an additional c.400,000 inactive due to long-term sickness since the Covid-19 pandemic started.

However, this data represents the primary reason for inactivity, not the only reason. People who become inactive may be affected by multiple factors in their lives that make working difficult or unsuitable.



The 'Other' category includes those who:

- (i) are waiting the results of a job application,
- (ii) have not yet started looking for work,
- (iii) do not need or want employment,
- (iv) have given an uncategorised reason for being economically inactive, or
- (v) have not given a reason for being economically inactive.

Source: Office for National Statistics (ONS), Economic inactivity by reason (seasonally adjusted)

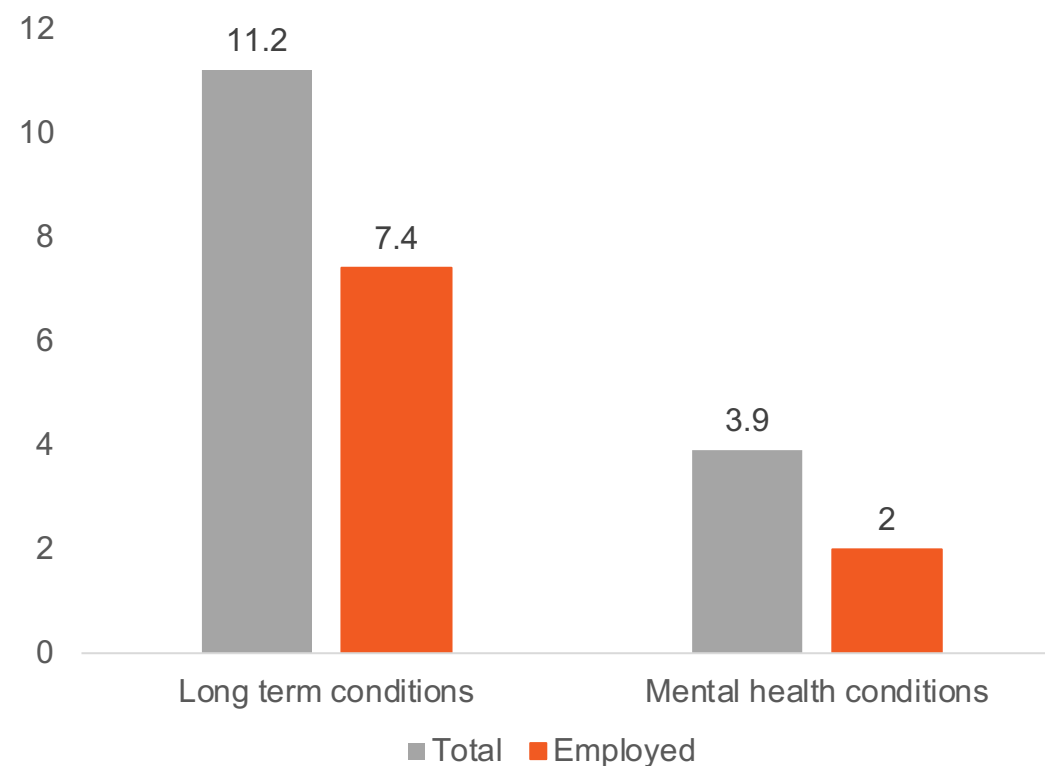
The UK has a high number of people living with long term conditions that can affect their ability to work

More than 11 million people are living with long-term health conditions, of which 7.4 million (66%) are employed.

4 million people are living with mental health conditions in the UK, of which only 2 million (52%) are employed.

Mental health issues, such as anxiety and nervous disorders, can cause someone to lose concentration and stamina, making it harder to multi-task, meet deadlines, work closely with others, and stay motivated. According to the World Health Organization, of all disabilities, severe mental illness is associated with the highest rates of unemployment.

Total count and employment rate for people living with long term and mental health conditions (millions)



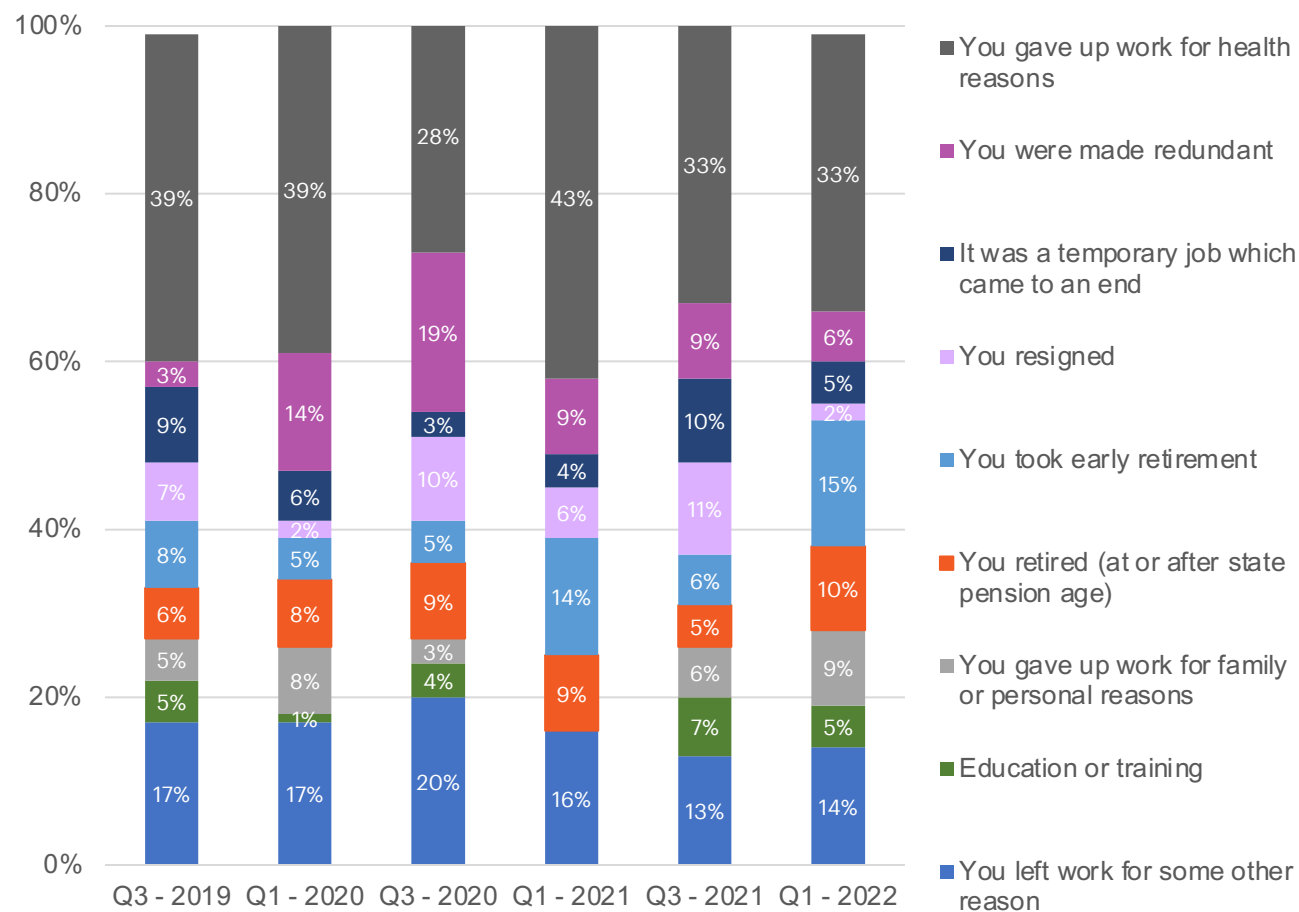
Source: ONS Labour Force Survey (based on 2018 data)

People's decisions to leave work are influenced by several factors in addition to their health

Focusing on the main reason alone masks the degree to which other factors impact on whether people leave the labour market – or choose to 'retire'.

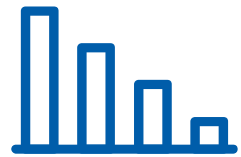
In total, nearly 60% of people who are economically inactive and left work in the last 2-3 years (2019-2022), for a variety of reasons, have a work limiting health condition, including one third of people who took early retirement.

Reasons for leaving employment into economic inactivity for those with a work limiting health condition



6 months **starting** at...

Source: Learning & Work Institute analysis of the Labour Force Survey, two quarter longitudinal, ONS



The wider context

2.2 REFLECTIONS ON THE UK VS. OECD INACTIVITY RATE



2. The wider context

2.1 Reflections on the UK vs. OECD inactivity rate

Comparing economic inactivity between the UK and OECD

The UK's economic inactivity rate was falling until the Covid-19 pandemic. The long-term trend was driven mostly by women's increased workforce participation, including fewer people looking after family and home as a primary occupation, and policy successes that increased employment in older people by tackling age discrimination and scrapping the default retirement age. The pandemic temporarily reversed these gains due to a rise in long-term ill-health and economic uncertainty that drove redundancies and reduced working hours.

Most OECD countries were also reducing their inactivity rates, experienced a reversal during the pandemic, before falling rapidly after the initial pandemic shock. The concern highlighted was: why did the UK not bounce back like other comparable nations?

Although this was cause for alarm, there are two considerations:

1. Trends are comparable but be careful of data ranges. The UK already had one of the lowest rates of inactivity (<21%) compared to other nations analysed.
2. Since the middle of 2022, the UK's inactivity rate has been consistently declining across factors - except long-term ill health, where rates continue to rise.

The UK is the only developed country where the share of working-age people outside the labour force has kept rising after the initial pandemic shock

Share of people aged 15-64 who are neither employed nor seeking work (%)



Source: FT analysis of OECD figures, 2022

3

Causes of ill health-driven fallout

from the UK job market

1. Demographics
2. Population health & access to care
3. Industry, occupation & skills





Causes of ill health-driven fallout

3.1 DEMOGRAPHICS



3. Causes of ill health-driven fallout

3.1 Demographics

Executive summary

The UK workforce is aging, putting more strain on public services. **1.4 million people aged 50-64 are inactive due to long-term ill health**, representing 54% of the 2.5m people inactive due to ill health. Although initially attributed to the 'great retirement' during the Covid-19 pandemic, implying older workers were leaving the workforce primarily out of choice, it is now clear that older people were also leaving due to rises in sickness, including long-term sickness.

In terms of gender, **economic inactivity has been falling for women for the last 3 decades**, driven by fewer women looking after family/home or taking early retirement (before age 64 in ONS data). However, Covid-19 halted this downward trend temporarily – this may be because women disproportionately took on unpaid care roles when children were unable to attend school in-person and loved ones became sick.

Despite the gains in women's workforce participation, we identified a **long-term trend in women citing inactivity due long-term sickness that has been rising since 2014**, whereas the trend for men only started increasing in 2019. This may be for a number of reasons: women who previously would have been inactive for another reason, like early retirement or looking after family and home, or claiming ill-health benefits.

We also see an **increase in gender pay disparity from 2013 for women under 40 years old**, indicating a correlation between gender pay disparity and long-term sickness. Women take on the disproportionate burden of care for children, the elderly and the sick. **Increases in long-term sickness are impacting women's economic prospects long-term.**

Conversely, **men are increasingly inactive across all factors**, with increases in early retirement and looking after family/home, although long-term sickness is now the leading cause of men's inactivity.

Challenge statements

- How might we better support women who are affected with severe symptoms of the menopause, especially women with disabilities?
- How might we enable older workers to reskill and adapt to their changing physical capabilities?
- How might we help young people to manage mental ill health (i.e. anxiety, depression) that leads to long-term inactivity?
- How might we enable women to return or remain in the workforce when they take on the responsibility of care for children, the elderly, and long-term sick?
- How might we reduce the carer and motherhood penalties that have been driving up gender pay disparities?

Areas for further study

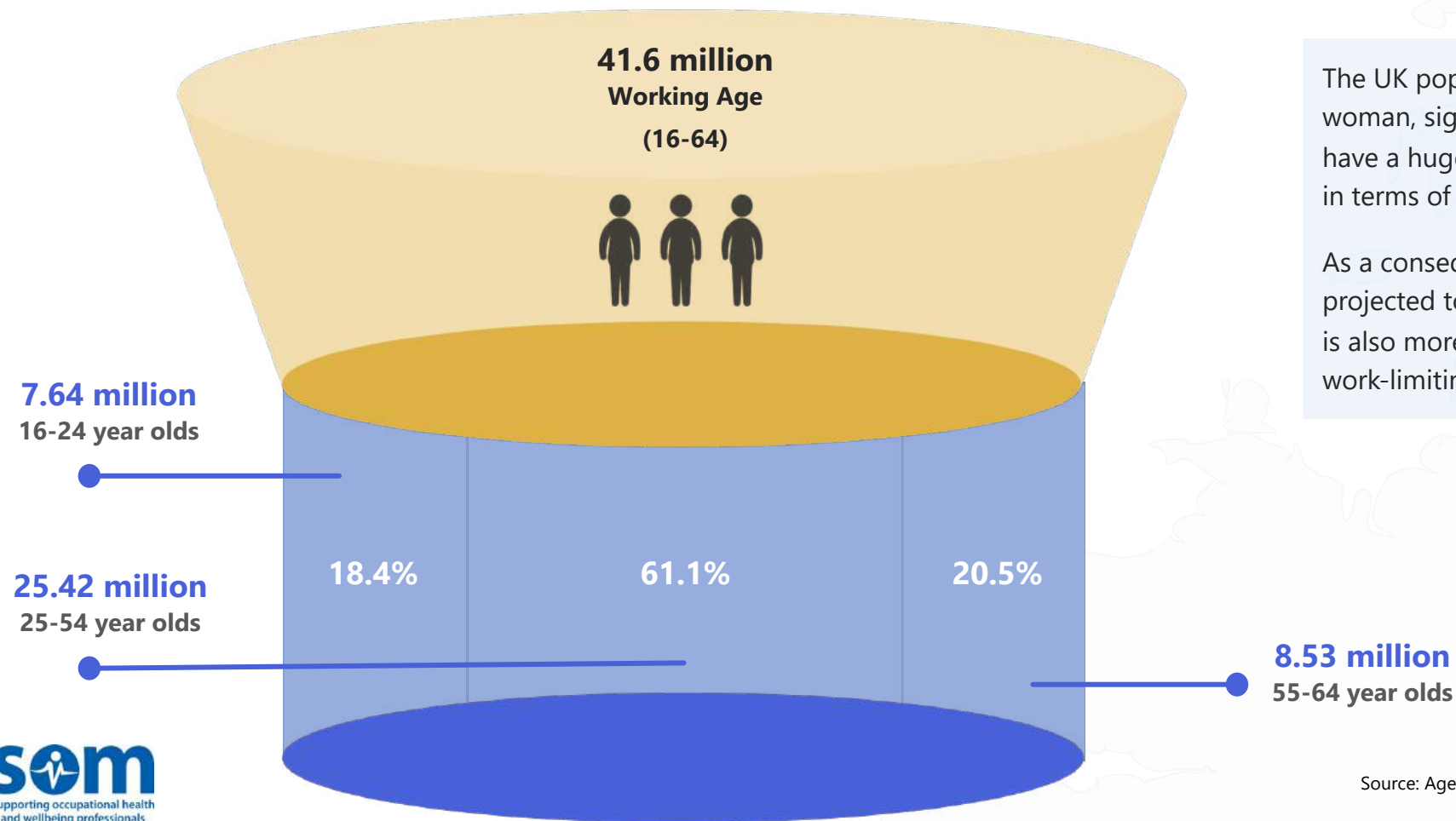
- Investigate the long-term ill health factors that have driven the rise in women's inactivity since 2014 to determine if there is a shortfall in care and diagnosis for female-specific illnesses.



3. Causes of ill health-driven fallout

3.1 Demographics

The UK workforce is becoming proportionally older and thus, more disposed to work-limiting conditions



The UK population is in decline, with 1.6 births per woman, significantly below replacement (2.1). This will have a huge impact on the working age population, both in terms of numbers and productivity.

As a consequence, the proportion of 55-64 year olds is projected to grow as the UK workforce ages. This group is also more prone to age-related conditions that can be work-limiting.

Source: Age band data percentages taken from ONS 2023 projections (from 2018 dataset) and adjusted with actual 2023 working age data



3. Causes of ill health-driven fallout

3.1 Demographics

The UK's workforce is aging and more vulnerable to health-related shocks

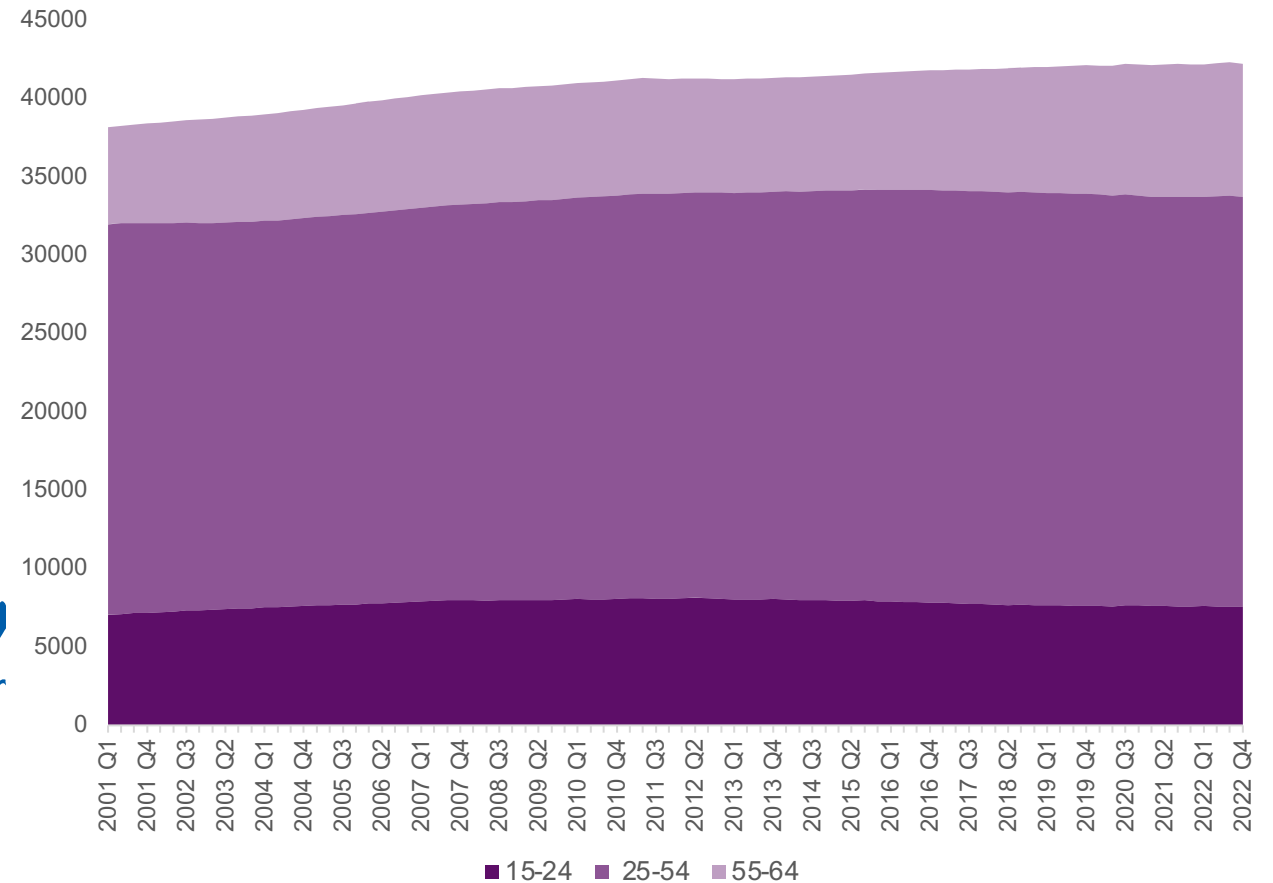
The UK's workforce (15-64) has grown by 11% since 2001, from 38m to 42m. But the largest proportional growth has been in the 55-64 age group, which has increased by 37%.

This means our workforce is more vulnerable to age-related illnesses and chronic conditions, especially if not managed with appropriate support and care.

Older workers are more likely to experience periods of temporary or long-term ill health (more than 4 consecutive weeks), and may struggle to re-enter the workforce due to ageism, low confidence, or a lack of relevant skills.

Population trends for working age people

People aged 15-64 (000s)



Source: Office for National Statistics - Labour Force Survey



3. Causes of ill health-driven fallout

3.1 Demographics

Economic inactivity has been falling for women but rising for men over the last 30 years

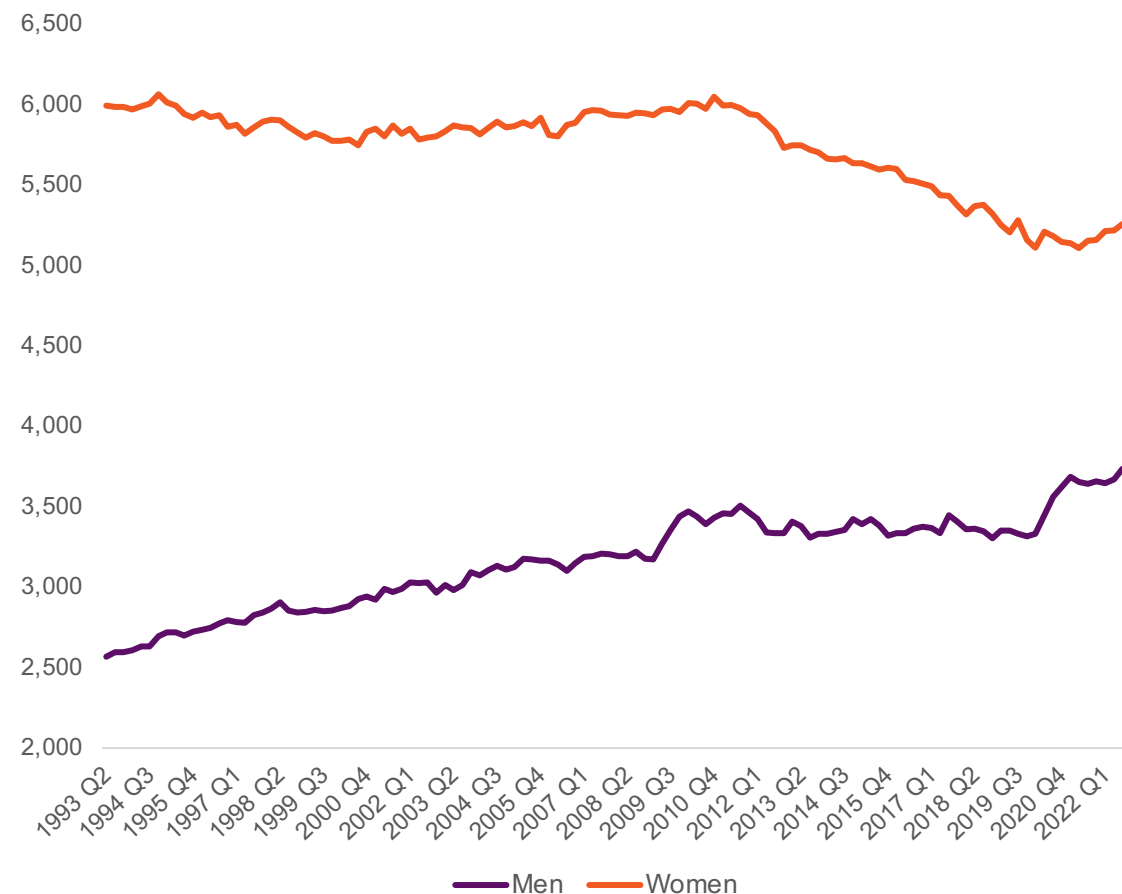
Women's participation in the workforce has been increasing for the last 30 years, leading to lower rates of inactivity. The number of working women has now reached 15.7 million – a rise of 2 million since 2010, with more women progressing into senior, higher-skilled jobs.

This change in workforce participation is connected to fewer women caring primarily for family and home or retiring early.

Meanwhile, inactivity has been rising for men over the same period. This is due to increases in young men entering higher education and older men taking early retirement.

Despite gender trends running in opposite directions, both saw substantial increases in inactivity due to long-term sickness in the last 10 years.

Total economic inactivity by gender
(000s)



Source: Office for National Statistics - Labour Force Survey



3. Causes of ill health-driven fallout

3.1 Demographics

The rise in women's inactivity due to long-term sickness tracks with population trends of women aged 55-64

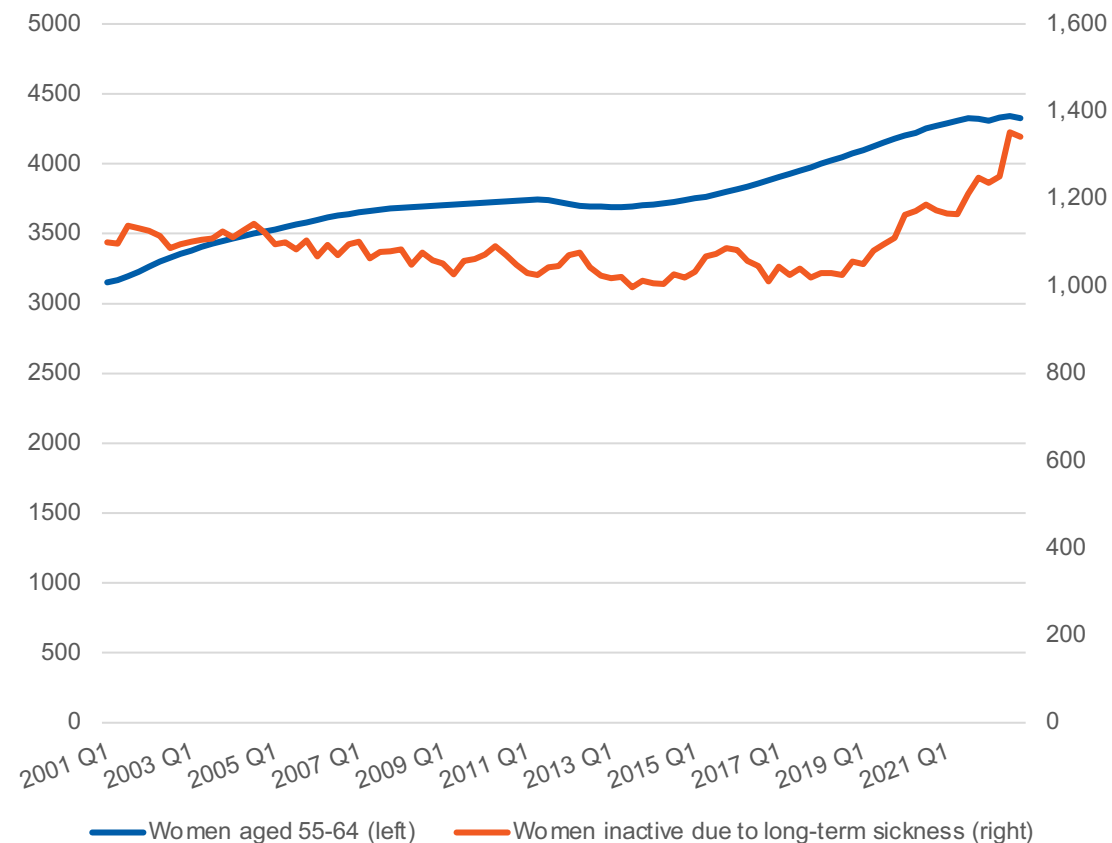
We know that the UK population is aging, which comes with a growing instance of age-related illnesses and injuries that impact workforce participation, including arthritis, diabetes, and respiratory diseases.

1 in 5 working age women in the UK is 55-64.

The number of working-aged women in the 55-64 age group has increased 27% in the last 20 years by 1 million. In the same period (2001-2022), the number of women who became economically inactive due to long-term sickness rose by 18%.

Inactivity due to long term sickness vs. population trends

Women aged 55-64 (000s)



Source: ONS Labour Force Survey, March 2023



3. Causes of ill health-driven fallout

3.1 Demographics

Women's inactivity due to long-term ill health will soon overtake looking after family and home

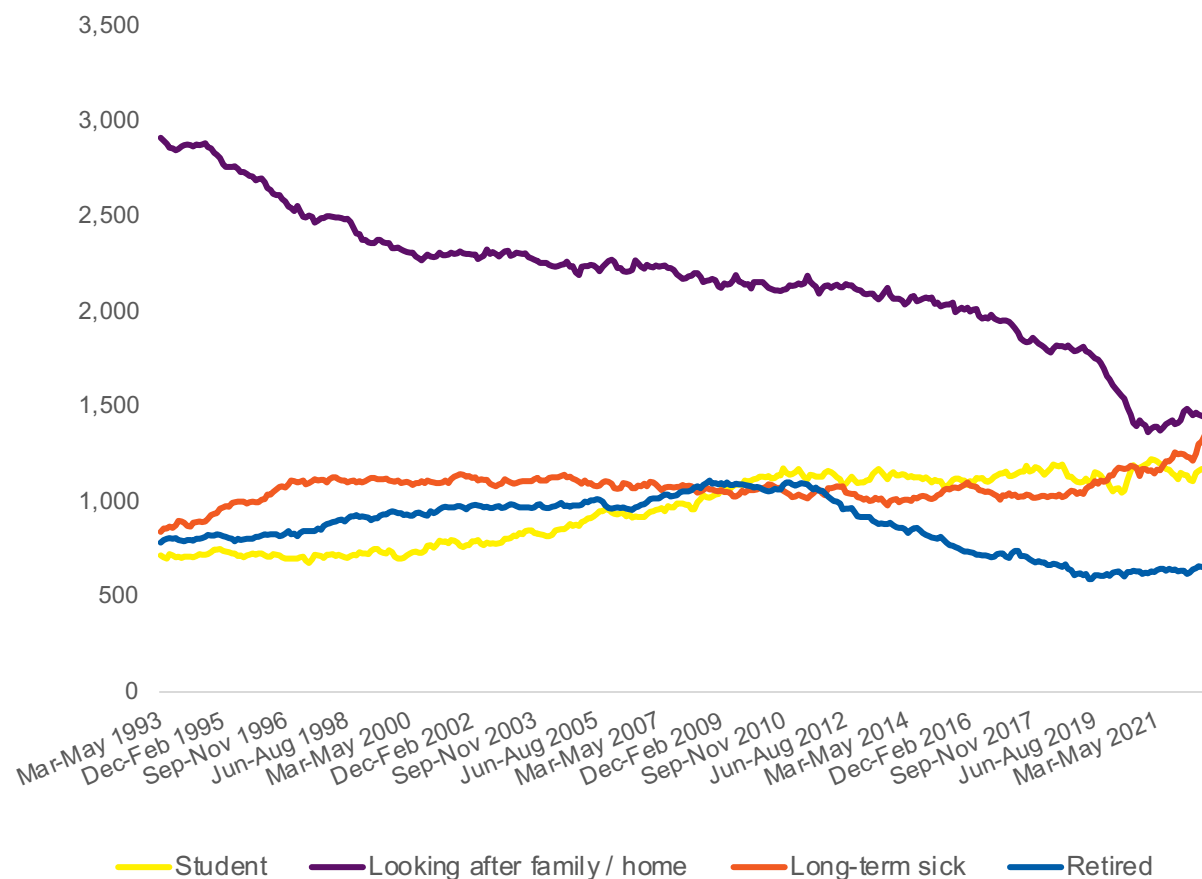
Historically the most common reason for inactivity was looking after a family or home, which has been declining for the past 30 years due to changes in gender roles and inclusion in the workforce.

This trend was reversed during the pandemic, which may be because women were more likely to take on care responsibilities, and thus been prevented from returning to full-time work.

But long-term sickness is rising as a cause of inactivity, and will likely become the leading cause in 2-3 years.

Women are working for longer, shown in the decline in retirement before age 64. This trend moderately reversed during the pandemic as women exited the workforce, most likely due to health reasons and looking after family.

Economic inactivity by reason
Women aged 16-64 (000s)



Source: Office for National Statistics - Labour Force Survey



3. Causes of ill health-driven fallout 3.1 Demographics

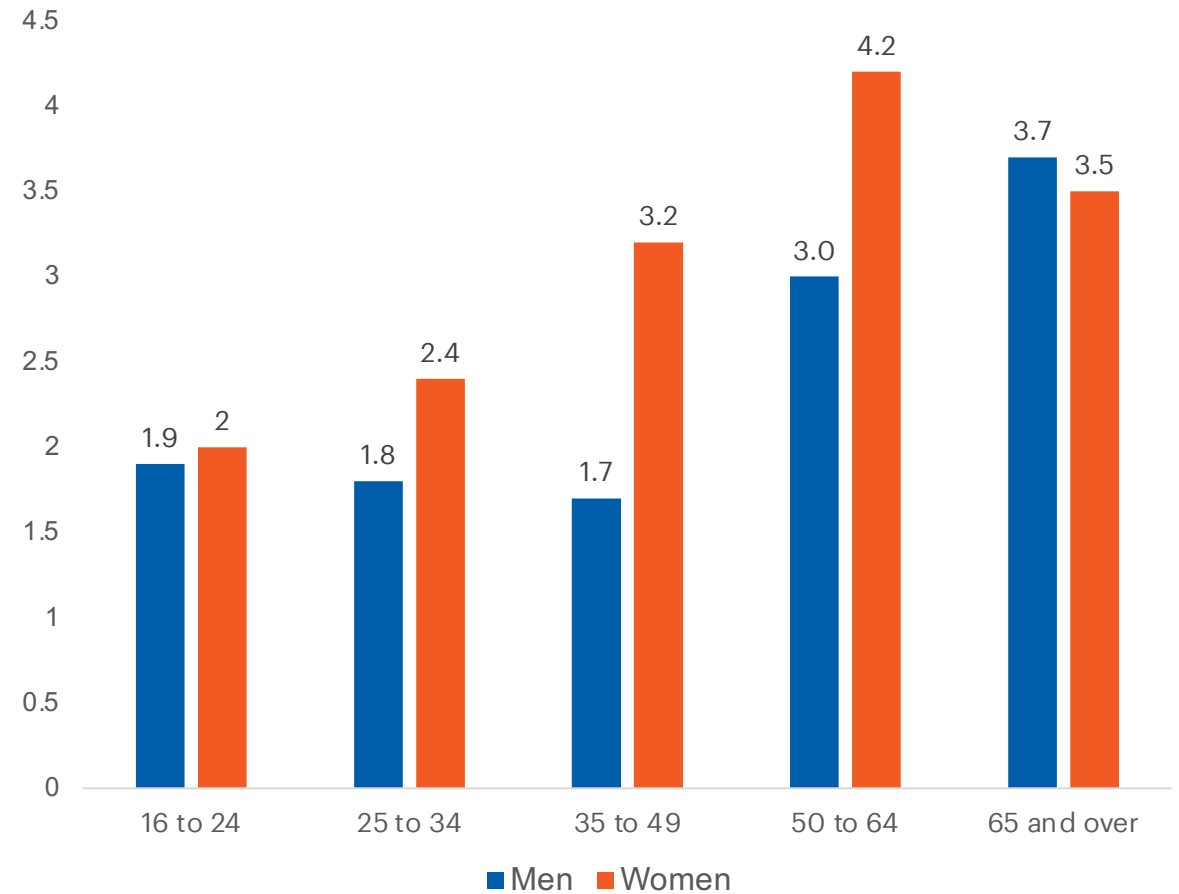
The sickness absence rate is higher for women in most age groups

Women and older workers have the highest rates of sickness absence.

Overall, an estimated 185.6 million working days were lost because of sickness or injury in 2022.

The most common reason for sickness absence was minor illnesses, accounting for 29.3% of occurrences.

Sickness absence rate
Men and women by age group, 2022 (%)



Source: Office for National Statistics - Sickness absence in the UK labour market: 2022



3. Causes of ill health-driven fallout 3.1 Demographics

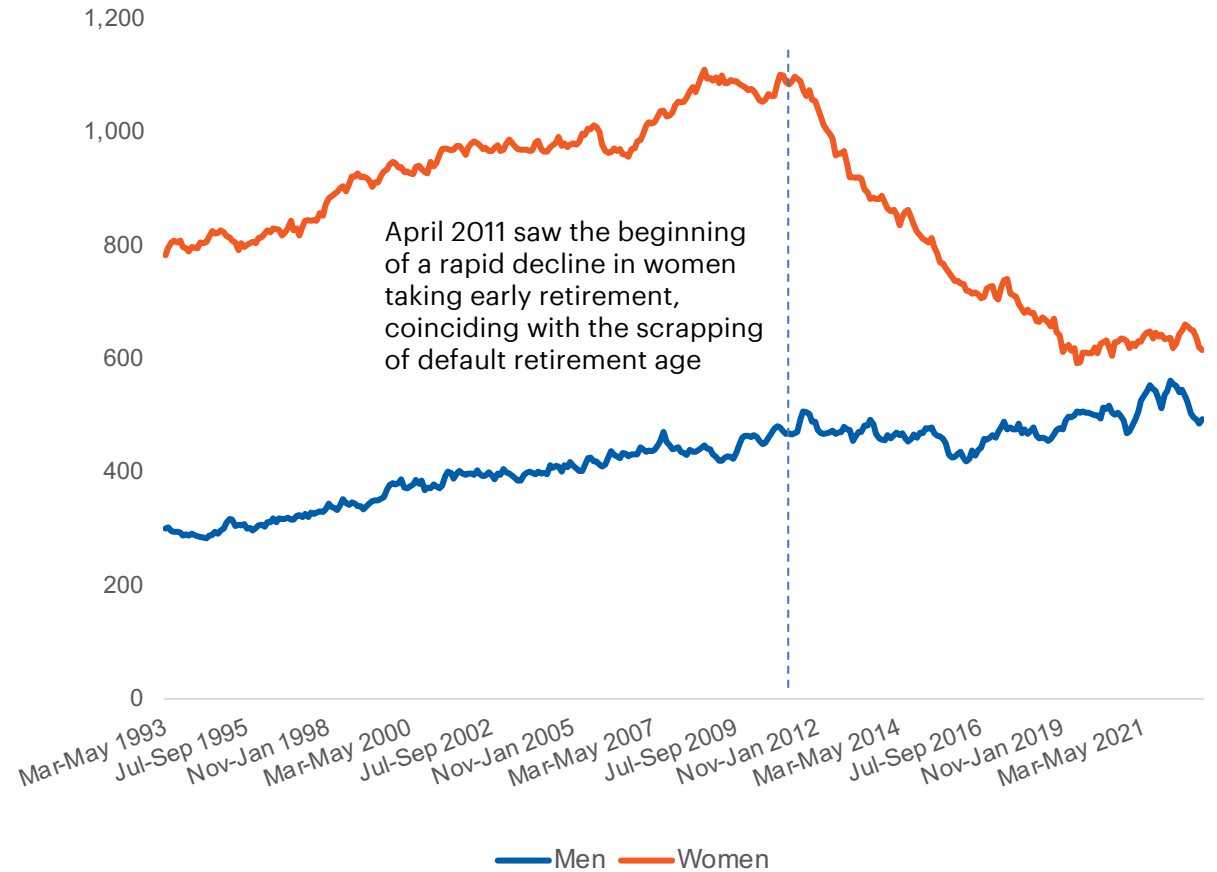
Older men and women are changing when they choose to take retirement

Over the last 30 years we see that men are increasingly opting for early retirement.

Whereas women have been drastically reducing their decision to retire before the age of 64, with the numbers rapidly declining since early 2011.

We believe this may be connected to the end of the Default Retirement Age law in April 2011, following a campaign by Age UK to reduce discrimination.

Economic inactivity due to early retirement Men and women aged 16-64 (000s)



Source: Office for National Statistics - Labour Force Survey



3. Causes of ill health-driven fallout 3.1 Demographics

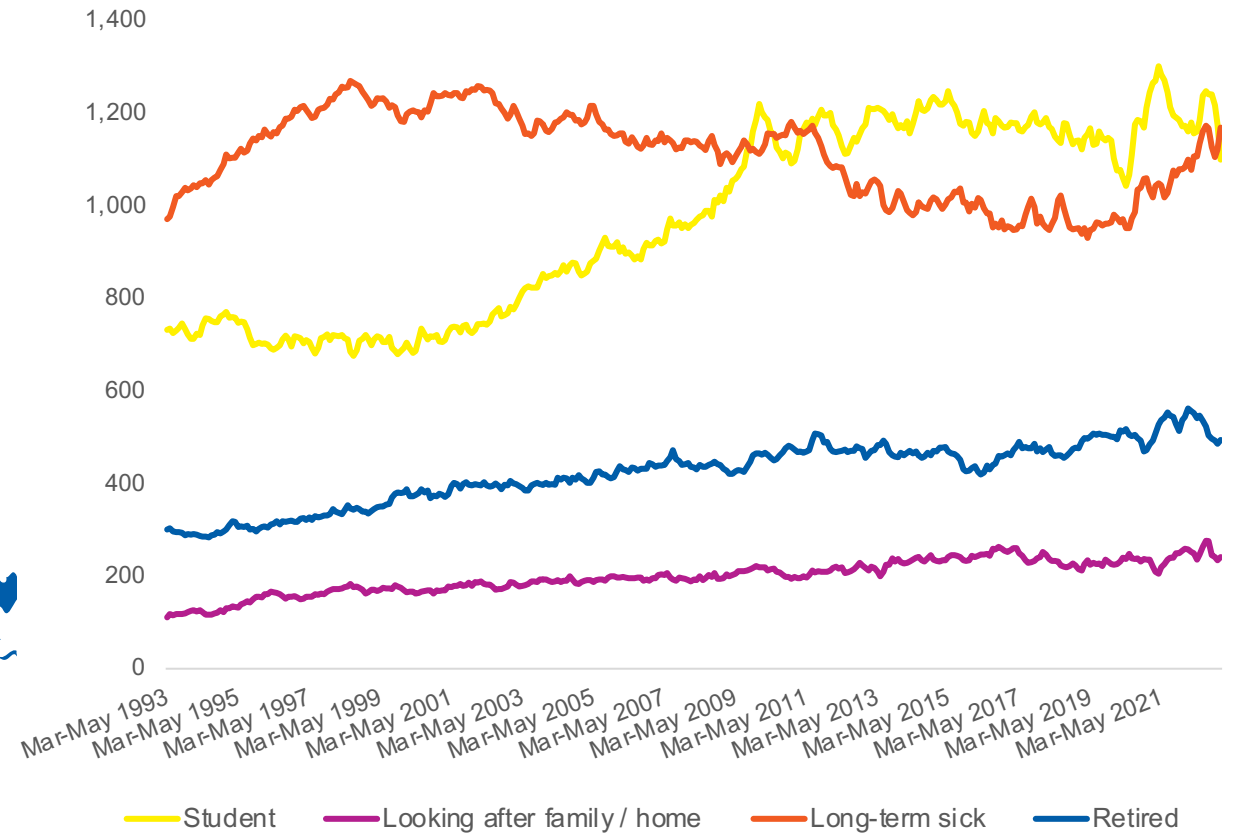
Long-term sickness is now the leading cause of inactivity for men under the age of 64

As of 2023, long-term sickness is the leading cause of inactivity for men, overtaking being a student.

Men are also increasingly likely to become inactive due to taking early retirement or looking after family and the home before the age of 64.

Economic inactivity by reason

Men aged 16-64 (000s)



Source: ONS Labour Force Survey, March 2023



3. Causes of ill health-driven fallout 3.1 Demographics

Youth inactivity has risen, but at higher rates for young men

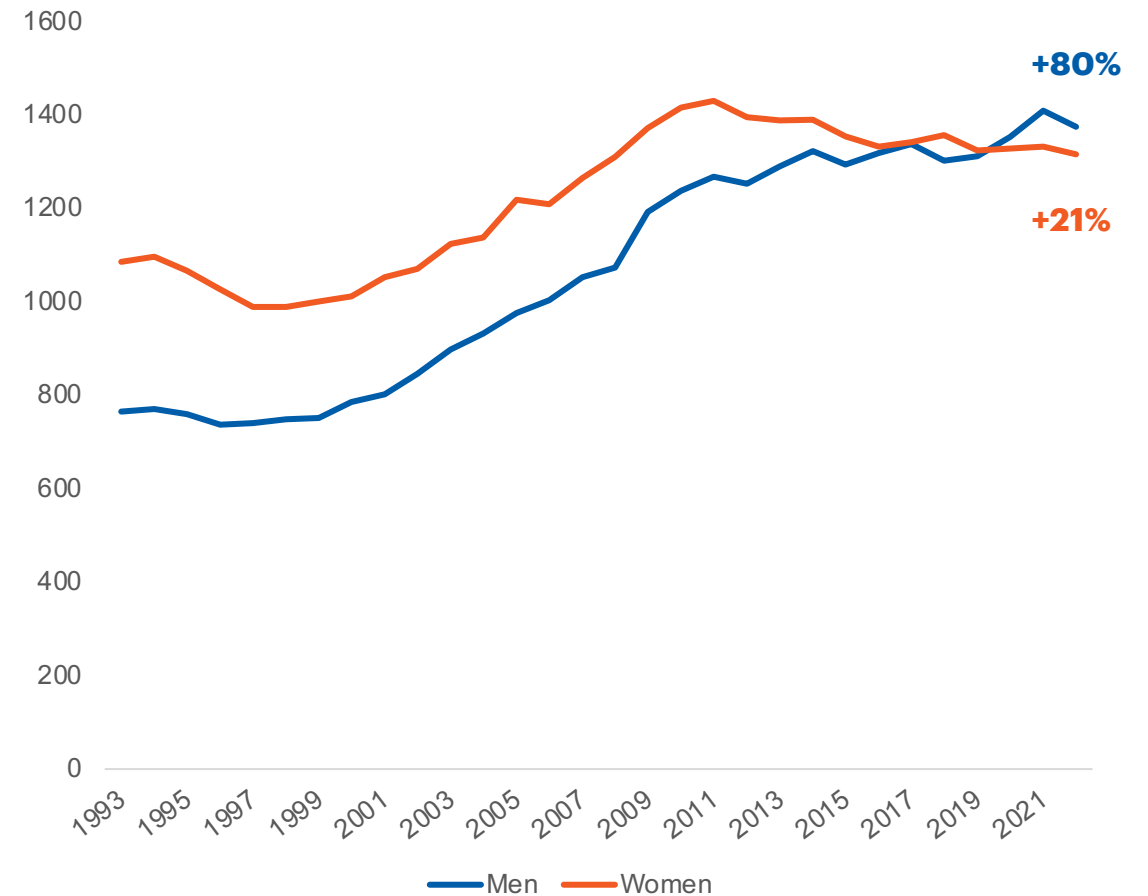
The rate of young men's (age 16-24) inactivity has risen by 80% in the past 30 years, compared to young women, which rose by only 21%.

Roles have reversed. Since 2020, there are now more young inactive men than women under the age of 24.

This is partially due to higher rates of secondary and university education, but also rising levels of long-term sickness for both genders, particularly mental ill health.

Economic inactivity by gender

Aged 16-24 (000s)



Source: Office for National Statistics - Labour Force Survey



3. Causes of ill health-driven fallout

3.1 Demographics

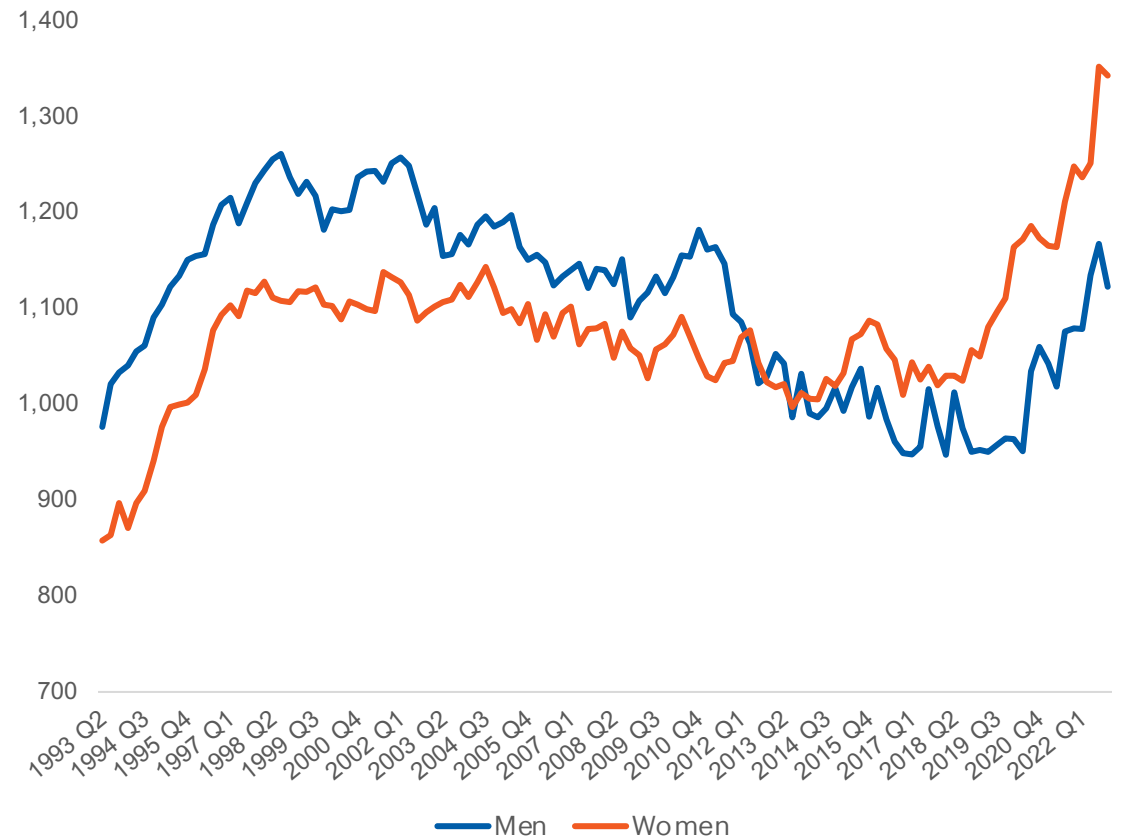
Women's inactivity due to long-term sickness has been rising since 2014, predating the pandemic

Despite years of decline, where long-term sickness was declining among men, the trend reversed in 2019, coinciding with the Covid-19 pandemic. This trend continues to climb.

Women are increasingly inactive due to ill health. Unlike men, the trend for women significantly predates the Covid-19 pandemic and has been rising since 2014.

It is not clear why women have been reporting inactivity due to long-term sickness since 2014, or why the numbers have been climbing so much faster than men.

Economic inactivity because of long-term sickness by gender (000s)



Source: Office for National Statistics - Labour Force Survey



3. Causes of ill health-driven fallout

3.1 Demographics

Women's pay is still affected by the responsibility of care

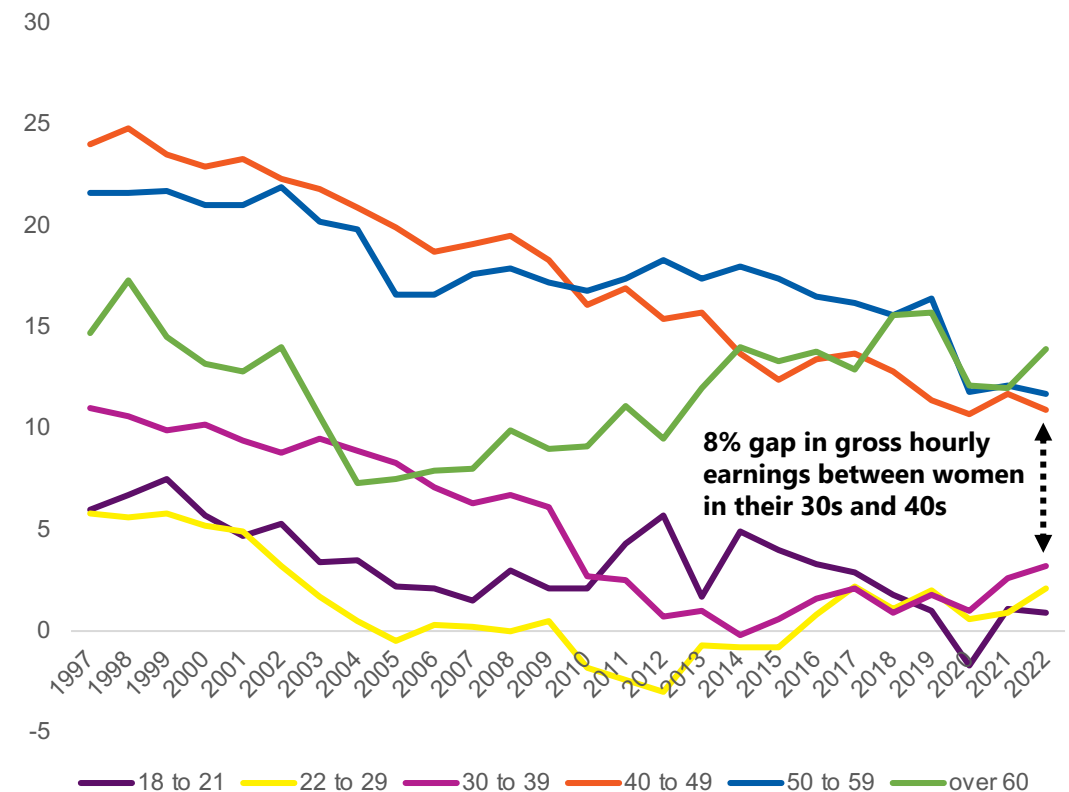
Overtime, the gender pay gap has been reducing. This is partly due to changes in workforce participation, education, and pay transparency.

However, the motherhood penalty is still evident in the data - there is still an 8% gap in gross hourly earnings between women in their 30s and 40s. The data also shows concerning upward trends in pay disparity for women who are 60+ since 2004, as well as younger women aged 22-39 since 2013. This trend coincides with the rise of women becoming economically inactive due to long-term sickness since 2014, indicating a correlation between gender pay disparities and trends in long-term sickness.

Gender pay disparity is typically linked to a lower incidence of women moving into higher-paid managerial occupations compared to men as they age. Women overall disproportionately take on the burden of care for loved ones, including children, the long-term sick, and elderly. Working women who become mothers or carers can face hurdles in progression when they temporarily leave the workforce, sometimes deferring promotion, changing career tracks or industry, or reducing their hours to balance care.

Gender pay gap for full-time median gross hourly earnings (excluding overtime) by age group

1997 to 2022 (%)



Source: Office for National Statistics – Annual Survey of Hours and Earnings (ASHE)



3. Causes of ill health-driven fallout

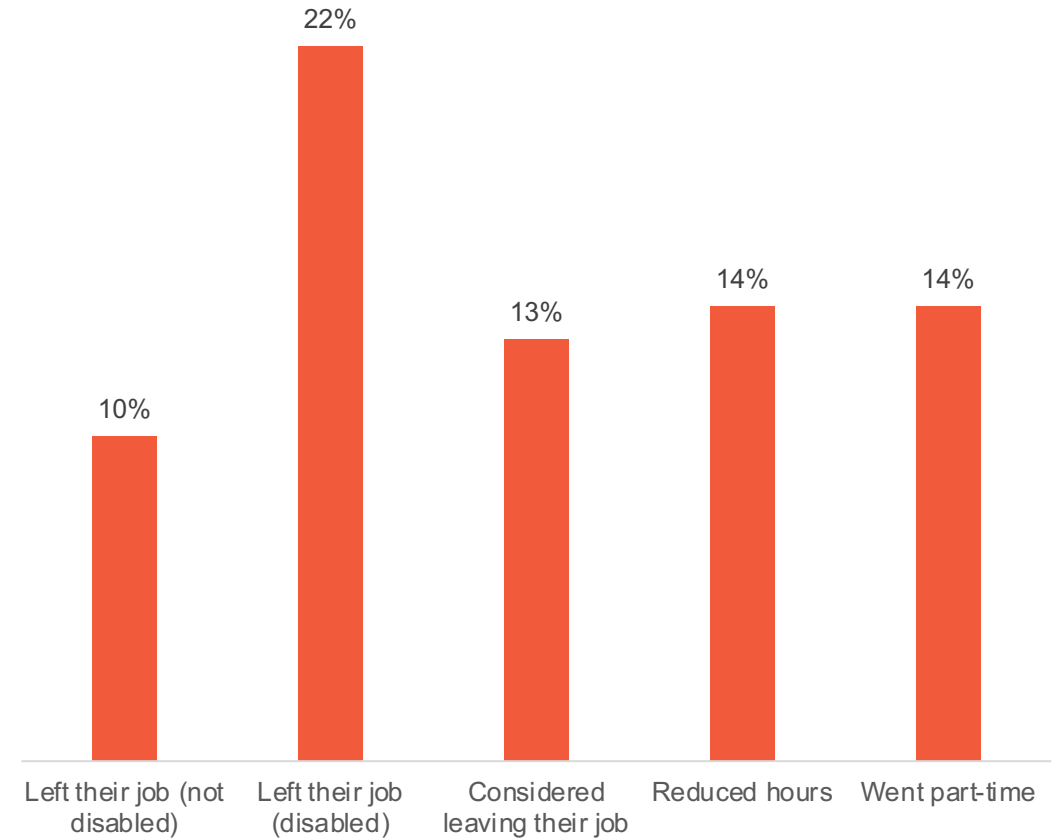
3.1 Demographics

Women are working until later in life, but have more healthcare needs than men

Women are vital to the workforce, but are not adequately supported by employers and health services for female-specific issues that can come with limiting symptoms; they are often misdiagnosed, untreated, and given inadequate support to stay in work.

A survey of 4000 women aged 45-55 conducted for a Channel 4 documentary in 2022 found that 1 in 10 women had quit their job due to symptoms of menopause, while some had reduced hours or gone part-time. Women with disabilities were twice as likely to leave their job.

Impact of menopause on women's jobs (%)



Source: Savanta ComRes survey of 4000 women aged 45-55



3. Causes of ill health-driven fallout

3.1 Demographics

Older women are more likely to become inactive due to ill health than older men

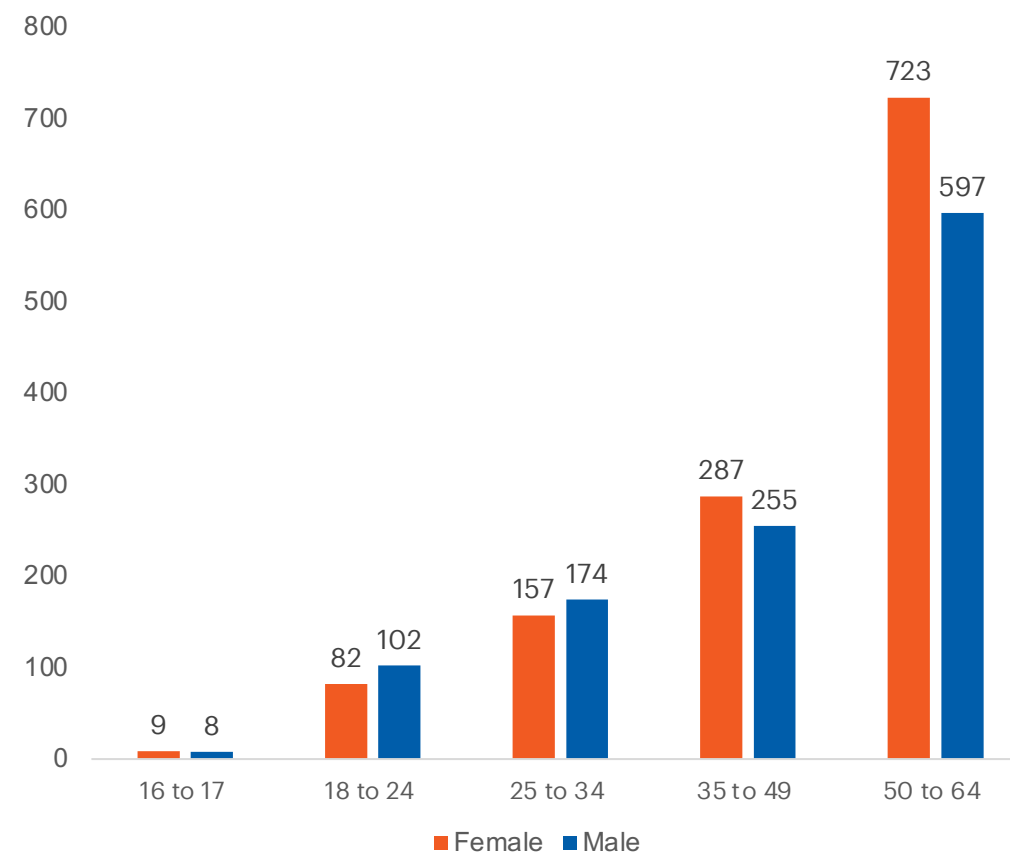
This may explain why older women are more likely to become inactive due to ill health than older men.

Research by Bupa Health Clinics found that women took an average of 32 weeks off work over their career due to female health issues like menopause which, although temporary, can last years, affecting mental health, sleep, energy, and quality of life.

The Government Equalities Office has estimated a total of £7,276,334 absence-related costs annually for UK women with severe symptoms of menopause. Despite this, employers do not typically acknowledge or offer support for female-specific healthcare needs.

Economic inactivity due to long-term sickness by age bands and sex

Apr-June 2022 (000s)



Source: ONS, Economic inactivity due to long-term sickness - 2019 to 2022



3. Causes of ill health-driven fallout

3.1 Demographics

50-64 year olds represent the highest rate of inactivity due to long-term sickness

Over the past three years, there has been a significant increase in inactivity due to illness, particularly among older age groups. 1.4 million people aged 50-64 are inactive due to long-term ill health, representing 54% of the 2.5m people inactive due to ill health.

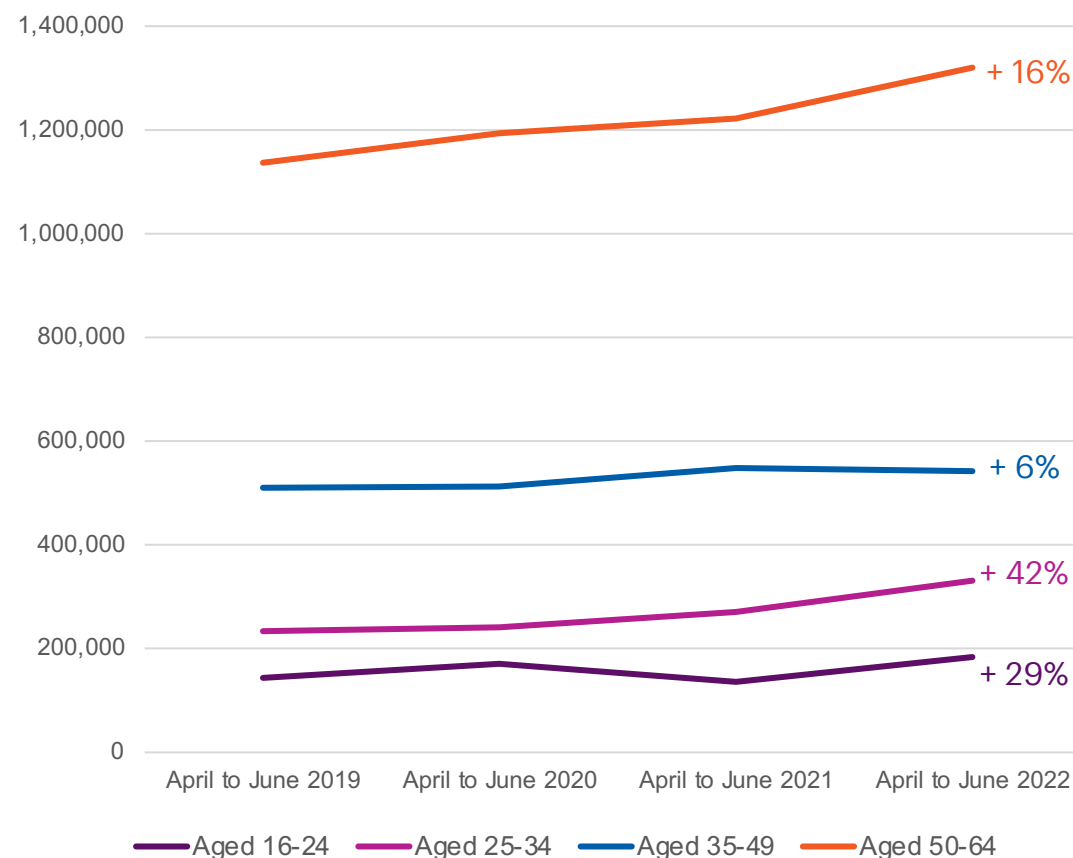
This figure rose by 16% during the pandemic, with 184,000 additional 50-64 years olds becoming inactive due to ill health.

Not only are older individuals more vulnerable to long-term symptoms of Covid-19, they also would have been unable to receive screening, preventative care, and treatment for conditions that arise in older age, such as diabetes.

But people under 34 years of age saw the largest relative increase in long-term sickness 2019-22.

Younger people were more affected by declining mental health during the pandemic, for whom loneliness was particularly acute during lockdown as they were often isolated from friends and family.

Change in economic inactivity owing to long-term sickness by age 2019-2022



Source: Office for National Statistics - Labour Force Survey



3. Causes of ill health-driven fallout

3.1 Demographics

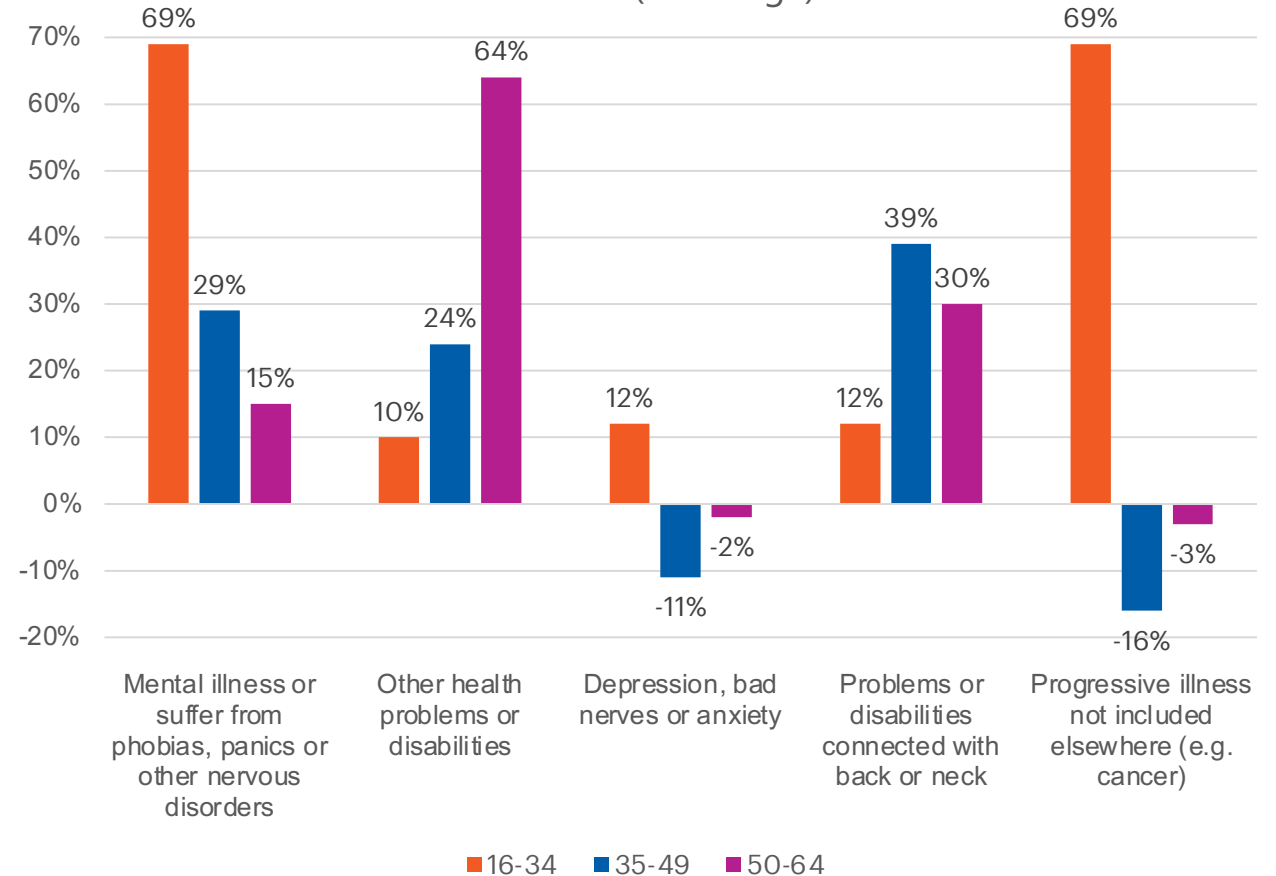
50-64 year olds saw major increases in 'other' health problems during the pandemic

'Other' includes people with long-Covid symptoms, including post-viral fatigue syndrome. People aged 50-64 saw the greatest increase (64%) in 'other' health problems (2019-2022). In total, 340,000 people cited 'other' as their reason for inactivity in April-June 2022.

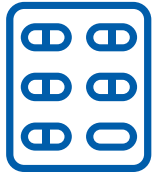
Mental illness as a cause of inactivity rose across all age groups.

The greatest drivers of inactivity for younger groups was mental illness and progressive illness, such as cancer. An additional 20,000 people aged 16-34 cited mental illness as the reason for inactivity, a 69% increase since 2019.

Economic inactivity due to long-term sickness by main health condition by age bands
2019-2022 (% change)

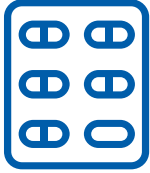


Source: Office for National Statistics - Labour Force Survey



Causes of ill health-driven fallout

3.2 POPULATION HEALTH & ACCESS TO CARE



3. Causes of ill health-driven fallout

3.2 Population health & access to care

Executive summary

The UK has several **health indicators that negatively impact overall population health**, including high rates of excess weight and obesity, high alcohol consumption, a legacy of smoking, and long-term physical and mental health problems.

1 in 5 people who are inactive due to long-term sickness were previously inactive & temporarily sick or injured.

This indicates a lack of intervention or lifestyle factors that drove people to become inactive long-term due to their ill health.

The UK was affected by **delays to timely healthcare** during the Covid-19 pandemic

due to infrastructure capacity and staff burnout, leading to both **known and hidden backlogs in diagnosis and treatment.**

A shortfall in hospital beds has led to longer waiting times for elective care, putting downstream **pressure on limited adult social care infrastructure and people providing unpaid care** to loved ones affected by long-term sickness.

These factors depress both the sick and the well from maintaining full-time employment and quality of life, and results in a **carers penalty** in terms of pay and life satisfaction. This falls disproportionately on women and deprived households.

Challenge statements

- How might we better support unpaid carers and help them maintain employment?
- How might we reduce barriers to working while having a chronic condition?
- How might we improve health indicators for weight, alcohol consumption and smoking?

Areas for further study

- Determine to what extent government policy and major NHS reorganisations impacted employment outcomes for people living with long-term illnesses, to improve policy making in the future.



3. Causes of ill health-driven fallout 3.2 Population health & access to care

Health indicators that impact population health

Long-standing health problems

Almost half of the UK population is living with a long-standing health problem; most common chronic conditions were allergy, high blood pressure, low back disorder, and depression.

Delays in getting healthcare

Delays in healthcare lead to worsening conditions that can result in workplace absences. 1 in 4 women and 1 in 5 men reported experiencing a delay in getting healthcare in the past 12 months (ONS, 2019-20) because the time needed to obtain an appointment was too long.

Overweight

The UK has one of the highest obesity rates in the world, due to lifestyle factors. 4 in 10 men and women have a healthy BMI, between 18 and 25. Men (40%) and women (29%), have a BMI score ranging between 25 and 29.9, indicating obesity or overweight.

Alcohol & smoking

Poor lifestyle factors include high alcohol consumption and smoking. Men (28%) and women (24%) reported drinking alcohol 1-2 days a week, while men (9%) and women (5%) reported drinking alcohol every day or almost every day.

Unpaid care

Many people provide unpaid care for loved ones, which indirectly results in further reduced workforce participation. Men (17%) and women (23%) reported providing informal care or assistance, primarily to family members.



3. Causes of ill health-driven fallout 3.2 Population health & access to care

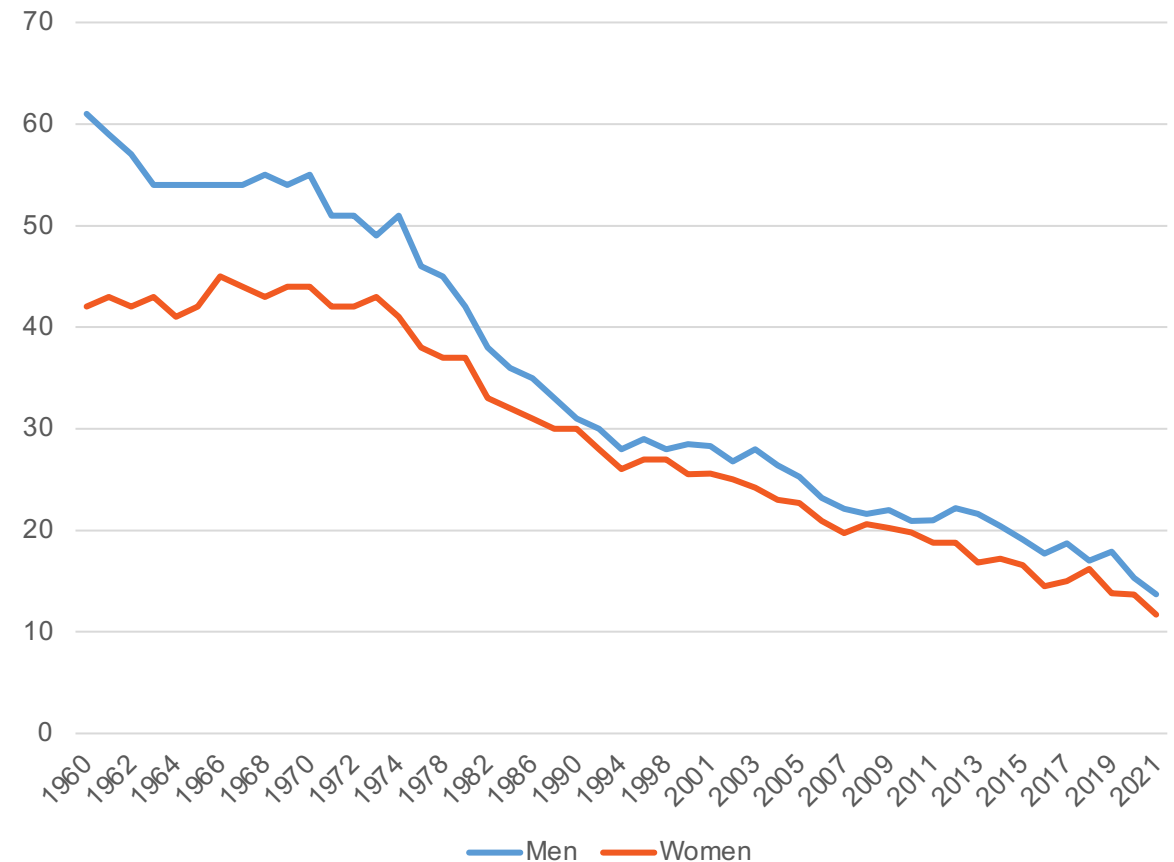
Smoking rates have been in decline since the 1960s, but the legacy of long-term ill health remains

Smoking is the leading cause of preventable death and disease in the UK, and is the cause of 15% of deaths for people over the age of 35 in England (2019), according to the Global Burden Study of Disease.

About half of all life-long smokers will die prematurely, losing on average about 10 years of life. Smoking kills more people each year in the UK (~120k) than all other indicators combined, including high body mass index, alcohol consumption, low physical activity and drug use.

Smoking is a major risk factor for at least two of the leading causes of premature mortality - circulatory disease and cancer, increasing the risk of heart attack, stroke, lung cancer, and cancers of the larynx and mouth.

UK daily smokers by gender
Aged 15+ (%)



Source: OECD Daily Smokers



3. Causes of ill health-driven fallout 3.2 Population health & access to care

The UK is consuming 40% more alcohol per year than in the 1960s, leading to a rise in long-term health conditions

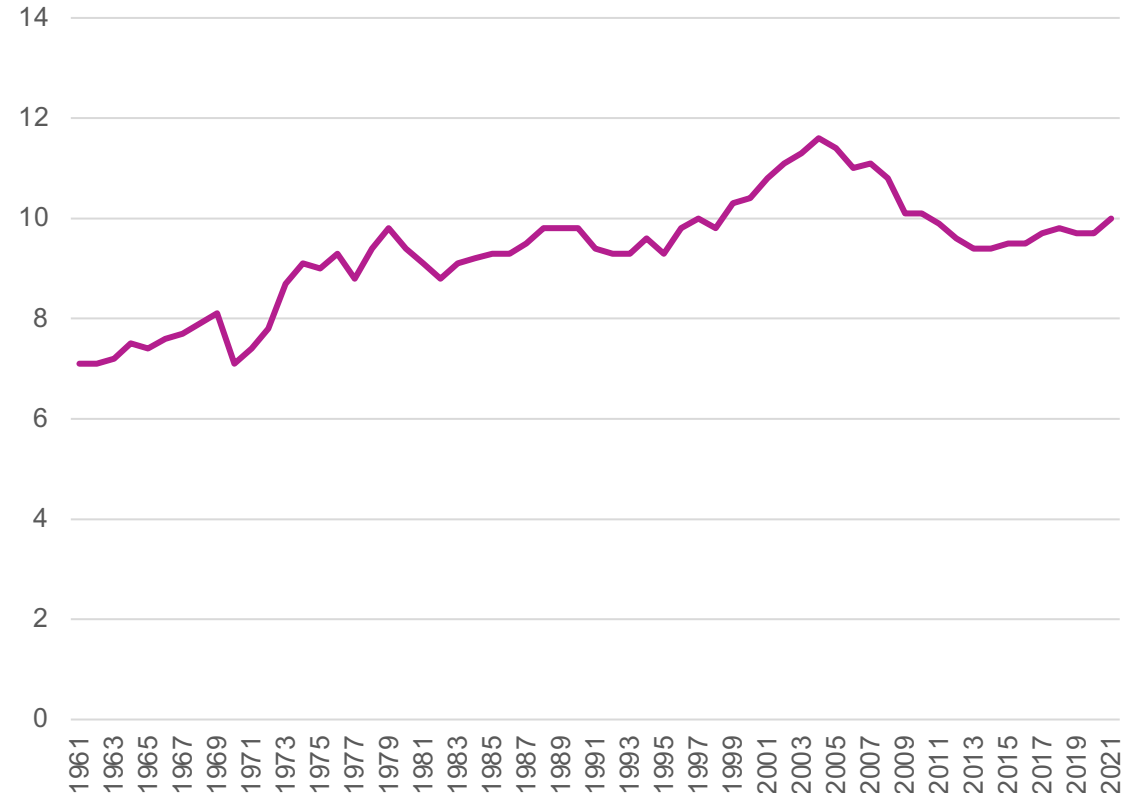
Despite recent trends towards consuming non-alcoholic drinks and the decline of British pubs, the UK's alcohol consumption has been increasing overall since the 1960s.

Consumption, which is measured by litres consumed per year for people aged over 15, peaked in 2004. The current rate of 10 litres per person, per year (2021) reflects a 40% increase since the 1960s, although declines since 2004 show that the UK is consuming the same volume of alcohol as the late 1990s.

Over time, excessive alcohol use can lead to the development of chronic diseases and other serious problems including high blood pressure, heart disease, stroke, liver disease, and digestive problems. In England, rates of admission to hospital for alcoholic liver disease in 2021 were the highest (45.5 per 100,000 population) they have been since 2011. Rates are twice as high for men vs. women, and much higher in areas of high deprivation.

[Source: ONS - Liver disease profiles, January 2022 update]

UK alcohol consumption
People aged 15+ (litres per capita per year)



Sources: OECD Alcohol Consumption



3. Causes of ill health-driven fallout 3.2 Population health & access to care

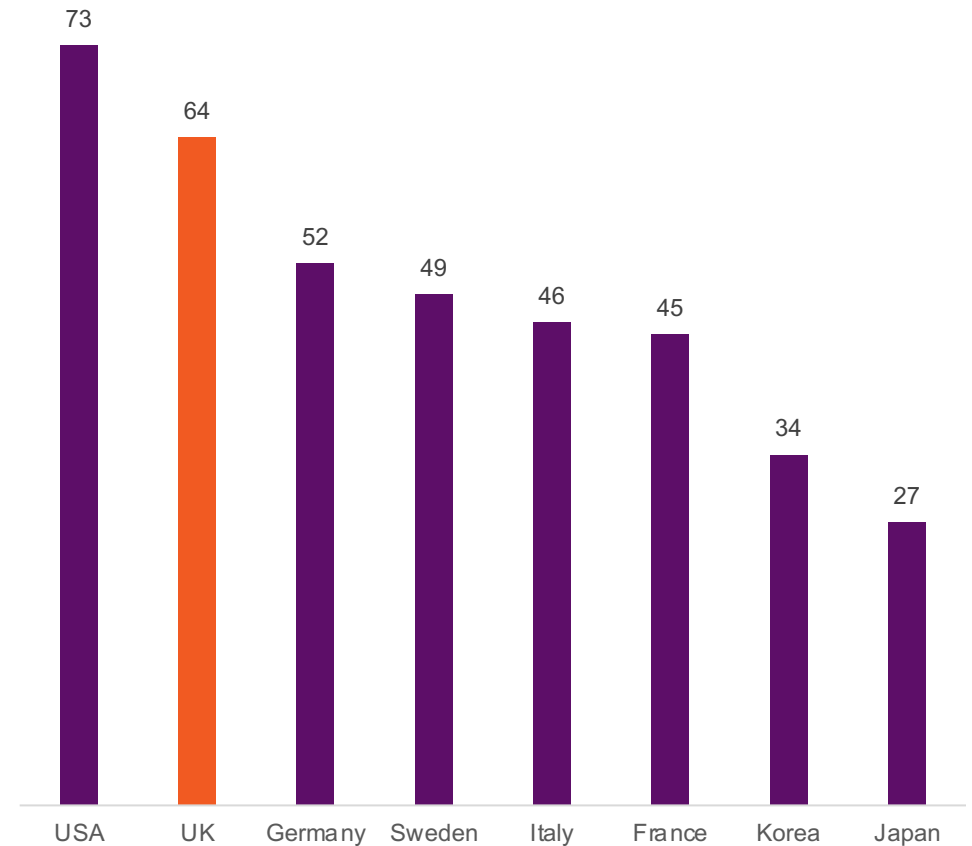
The UK population has one of the highest obesity rates of developed nations

64% of the UK is overweight or obese. The high obesity rate means the UK population is more vulnerable to developing other long-term conditions, such as diabetes, and to become less able to work as they age.

Obesity may be the cause or the result of physical inactivity and ill health that leads to an inability to work in some industries.

For example, a lifestyle leading to being overweight can increase the likelihood of developing diabetes and arthritis in later life. People with these conditions and are overweight are more likely to have challenges staying in the workforce due to reduced mobility and fatigue, particularly in blue collar roles that are labour-intensive.

Overweight and obesity rate
Aged 15+ (%), 2019



Source: OECD Overweight or obese population



3. Causes of ill health-driven fallout 3.2 Population health & access to care

Mental ill health is one of the main causes of inactivity

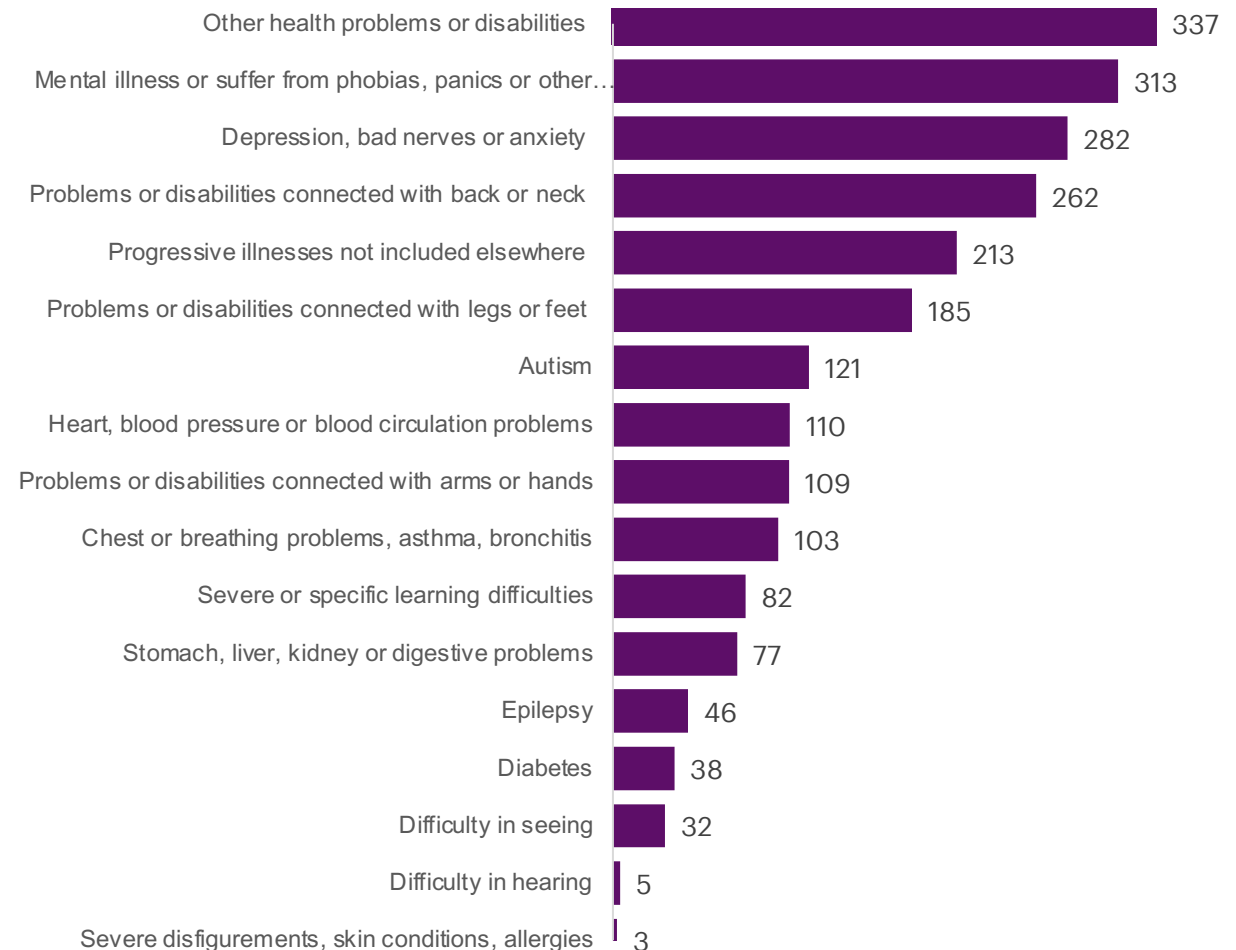
The primary long-term health conditions leading to economic inactivity are 'other health problems or disabilities' and mental ill health, including panic disorders, depression and anxiety.

Between April-June 2019 - 2022, the biggest increases in conditions leading to inactivity have been:

- Problems or disabilities connected with legs or feet (+31,000)
- Problems or disabilities connected with back or neck (+62,000)
- Mental illness or suffer from phobias, panics or other nervous disorders (+56,000)
- Other health problems or disabilities (+97,000)

Economic inactivity due to long-term sickness by main health condition

April - June 2022 (000s)



Source: ONS, Economic inactivity due to long-term sickness - 2019 to 2022



3. Causes of ill health-driven fallout 3.2 Population health & access to care

Long-term mental and physical illness have lower rates of employment

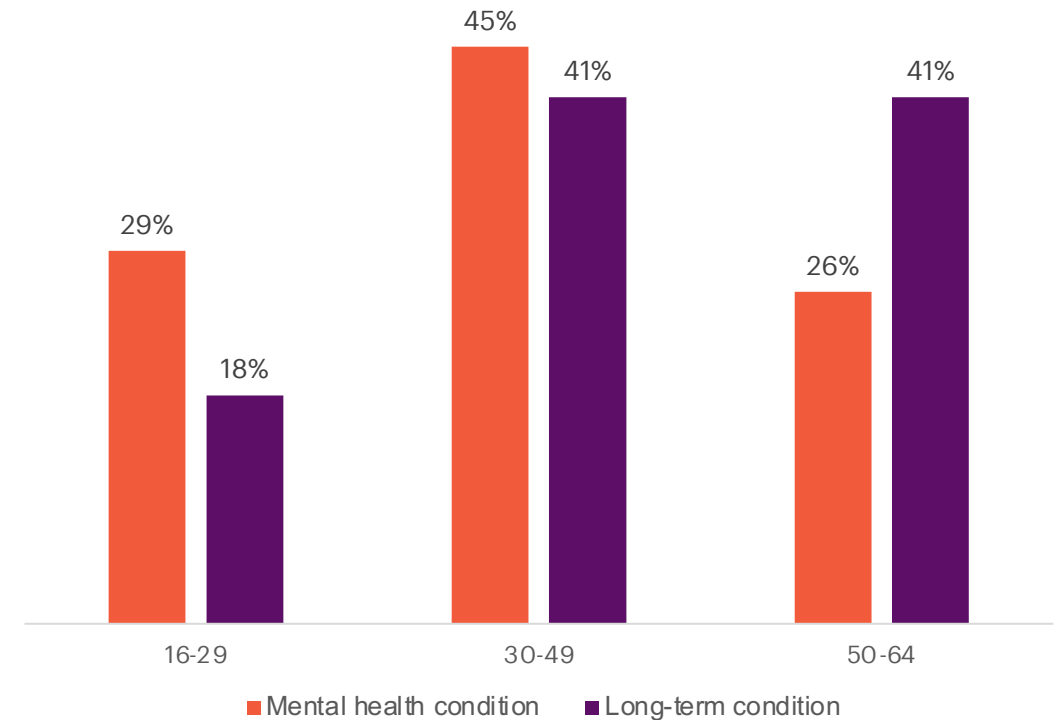
More than 11 million people are living with long-term health conditions (2020), of which 43% (4.8m) are over the age of 50 and 66% (7.4m) are employed.

4 million people are living with mental health conditions in the UK, of which 52% (2m) are employed.

The employment rate for people with mental health conditions is significantly lower than for people with other long-term health conditions.

Chronic illness can reduce a person's capacity to work or be productive for sustained periods of time, such as fatigue and pain that may vary day-to-day. It can be hard to be consistent.

UK population with a long-term health or mental health condition who are employed by age group (%)



Source: ONS Labour Force Survey (based on 2018 data)



3. Causes of ill health-driven fallout 3.2 Population health & access to care

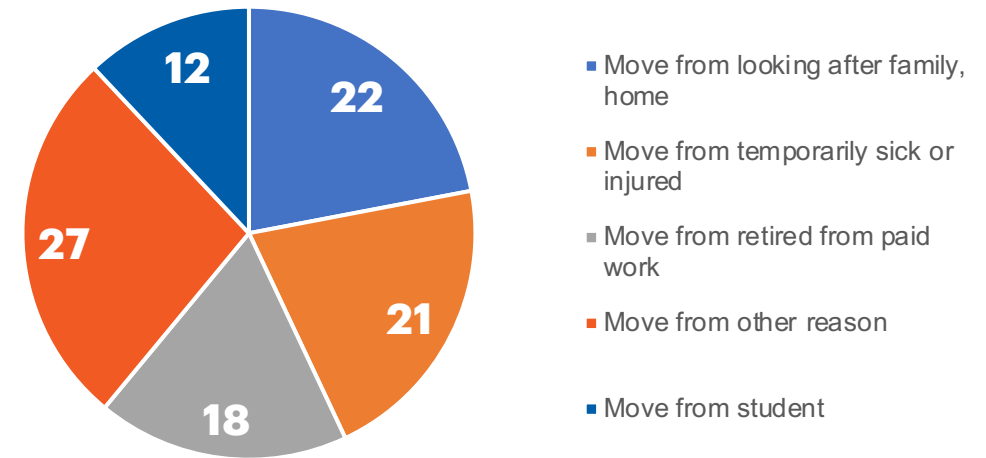
1 in 5 people who are inactive due to long-term sickness were previously economically inactive and temporarily sick

69% of people who become inactive due to long-term sickness were previously inactive for another reason (170,000 people out of 250,000 who became sick, 2021-2022).

Of those 170,000, 21% were previously listed as temporary sick or injured, indicating a lack of medical intervention was a factor and may have been preventable.

This data excludes people who move from being active to inactive due to long-term sickness.

Inflows from inactive (not long-term sick) to inactive (long-term sick) Average between 2021-2022 (%)



Note: 'Other' reasons include people who (i) are waiting the results of a job application, (ii) have not yet started looking for work, (iii) do not need or want employment, (iv) have given an uncategorised reason for being economically inactive, or (v) have not given a reason for being economically inactive.

Source: ONS, Economic inactivity due to long-term sickness - 2019 to 2022



3. Causes of ill health-driven fallout

3.2 Population health & access to care

Hospital and social care infrastructure is driving a healthcare crisis

The UK has only 2.4 beds per 1000 inhabitants, one of the lowest rates of developed nations.

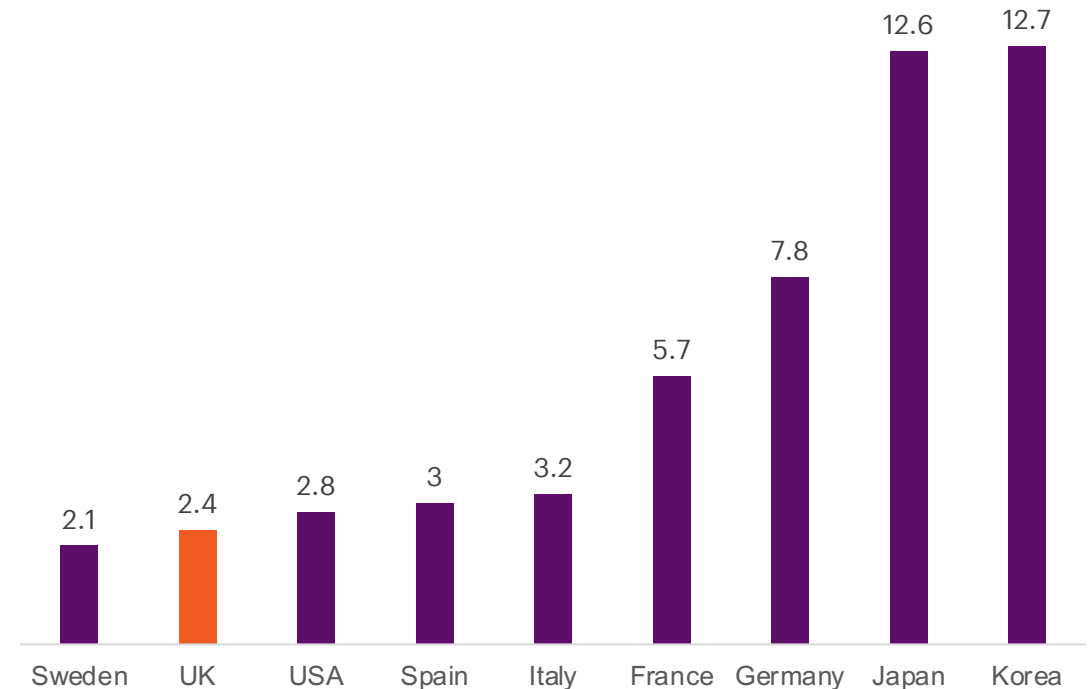
Up to 1 in 3 English hospital beds is occupied by patients medically fit for discharge but remain in hospital as there is no space for them in the adult social care system.

An insufficient core bed stock means hospitals are less able to cope with seasonal and sudden demand, combined with staffing shortages due to Covid-19 pandemic-related burn-out.

[Source: BMA – NHS hospital beds data analysis].

This has impacted hospitals and social care facilities to provide safe and timely care, and led to delays, stress on staff and patients, and new physical and mental illness resulting from prolonged hospital stays.

Hospital beds per 1,000 inhabitants: UK and OECD EU nations 2020 data or latest available



Total hospital beds refers to number of beds that are maintained, staffed and immediately available for use, and includes acute care beds, rehabilitative care beds, long-term care beds and other beds in hospitals.

Source: OECD (2023), Hospital beds



3. Causes of ill health-driven fallout 3.2 Population health & access to care

More patients than ever are waiting for treatment – leading to worsening outcomes

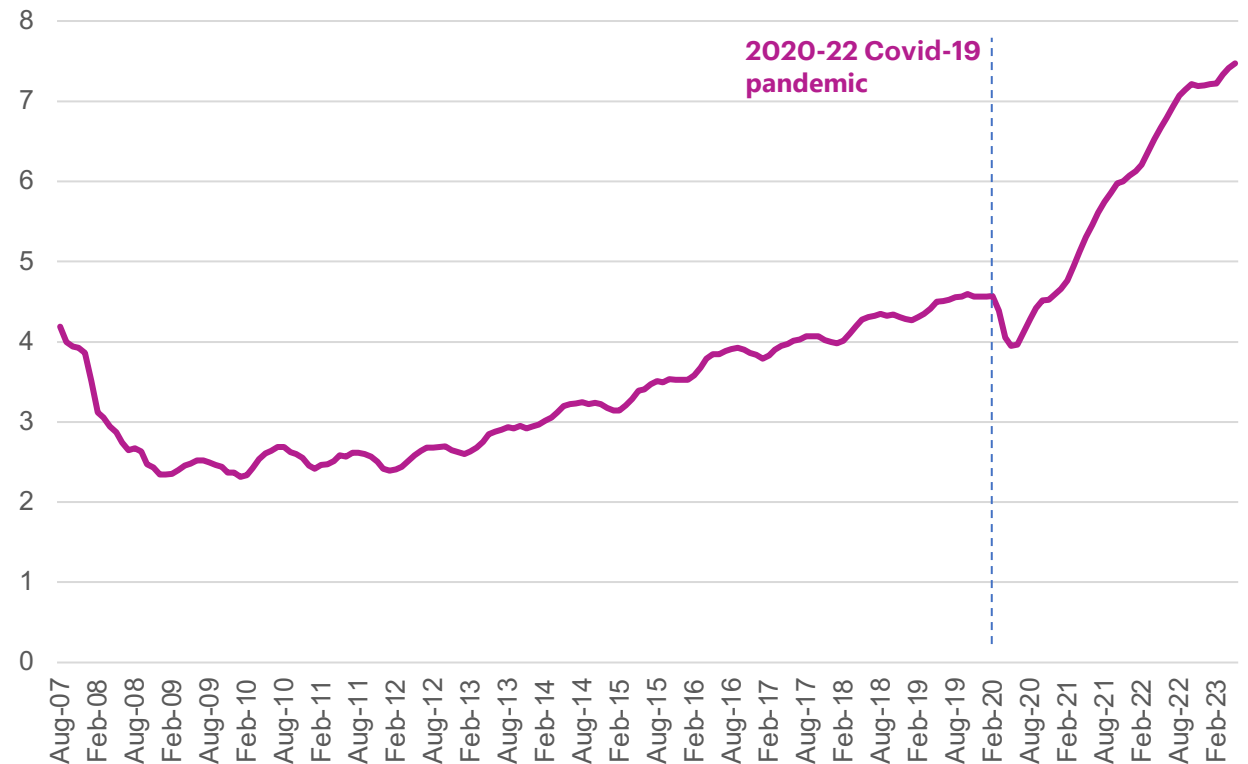
As of May 2023, there are 7.4 million people waiting for treatment in England, a 68% rise from 4.4 million at the start of the pandemic (March 2020). 3 million people have been waiting more than 18 weeks, and around 385,000 people have been waiting more than a year.

There is also a hidden backlog of people due to an inability to get an appointment with a GP or get a referral for elective or outpatient treatment, leading to worsening conditions that carry into the future.

Inevitably, the Covid-19 pandemic has been a major contributor to the known and hidden backlog:

- The % of people waiting <4 hours to be seen for major A&E cases dropped from 88% (Q120) to 57% (Q4 22).
- Once admitted, patients waiting in trolleys >4 hours increased from 18% (Jan 2020) to 28% (Jan 2023)
- The % of patients with an urgent referral having their first cancer consultation within 2 weeks fell from 92% (Q1 2020) to 55% (Q1 2022), with some waiting >100 days.

Consultant-led Referral to Treatment (RTT) Waiting Times in England 2007 – 2023 (millions)





3. Causes of ill health-driven fallout 3.2 Population health & access to care

Caring for others also impacts care-giver employment and quality of life: the caring penalty

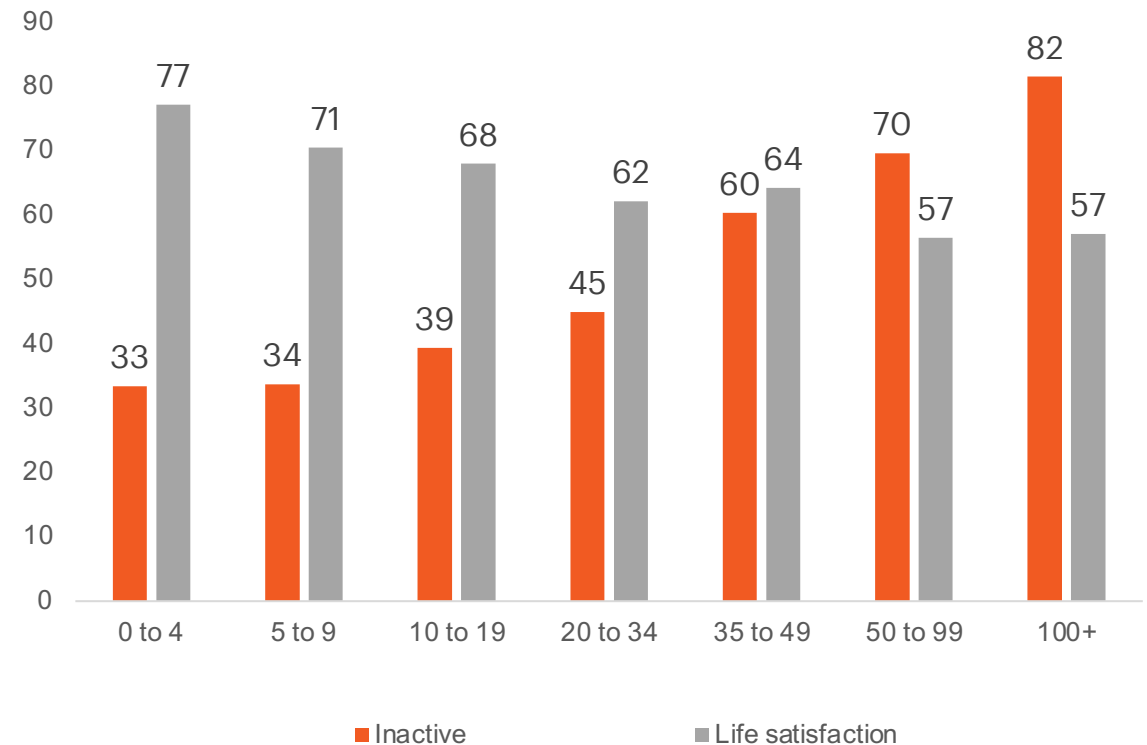
An estimated 6% of the UK population is providing informal care to a relative or friend due to illness, disability or mental health condition (2020/21.) A lack of social care infrastructure puts more pressure on families to care for sick and elderly relatives at home, reducing capacity for employment. [Source: [Family Resources Survey](#)]

Caregivers typically opt for part-time work, which offers less job security and lower pay, and fewer remote work opportunities that would give them flexibility to work and meet unpaid care responsibilities.

The hours of care provided directly correlates with higher economic inactivity and lower life satisfaction for carers compared to non-carers.

Unpaid carers are more likely to be dissatisfied with their own health and leisure time. They are more likely to leave employment and not return, and more than twice as likely to retire than non-carers. [Source: [Understanding Society](#)]

**Economic activity and life satisfaction of carers
by hours of care provided**
Jan-Mar 2019 (%)



Sources: Office of National Statistics - Characteristics of unpaid carers, March 2020; Understanding Society research



Causes of ill health-driven fallout

3.3 INDUSTRY, OCCUPATION & SKILLS



3. Causes of ill health-driven fallout

3.3 Industry, occupation & skills

Executive summary

What people do and where they live affects people's ability to adapt to living with a long-term physical or mental health illness. South and Eastern parts of the UK had the highest employment rates for those living with long-term ill health, which are also areas with high levels of white-collar jobs.

Blue collar jobs that rely on manual labour with machinery or people are harder to adapt when someone experiences a long-term illness, which means people are more likely to leave their employment. **People working in retail were nearly 4 times as likely to drop out of work due to long-term sickness than people working in IT.**

The result is that people in typically lower paid manual labour jobs were more likely to leave work for health reasons, while people in typically higher paid white-collar jobs are more likely to take early retirement –

suggesting **a privilege of choice** due to workplace support, socioeconomic disparities, or personal circumstances.

People with higher qualifications (degree or equivalent) are significantly more likely to be in jobs that allow them to home or hybrid work. **People with qualifications below degree level are far more likely to have to travel to work, which makes it harder for them to stay in work when they develop limiting conditions.**

People with disabilities are more likely to work in low skill, low pay and part-time work, making them more vulnerable to income shocks, and less likely to be working in jobs that can support their needs, such as flexible or remote working.

Challenge statements

- How might we identify ways for people in blue collar jobs to transition their role or responsibility with an employer while living with long-term sickness?
- How might we better support people leaving blue collar jobs due to long-term sickness to enter new occupations where they can work more flexibly?
- How might we increase educational attainment of skills that enable remote working?
- How might we offer people with disabilities additional support to acquire the skills to work in higher paid or full-time roles that offer more workplace protections?

Areas for further study

- Understand the needs and challenges of people living with various disabilities to attaining higher education and higher paying jobs.

Where people live impacts their employment rate when living with long-term ill health

South & Eastern parts of the UK had the highest employment rates for people with long-term health conditions

There are significant differences in employment for people with long-term sickness depending on region.

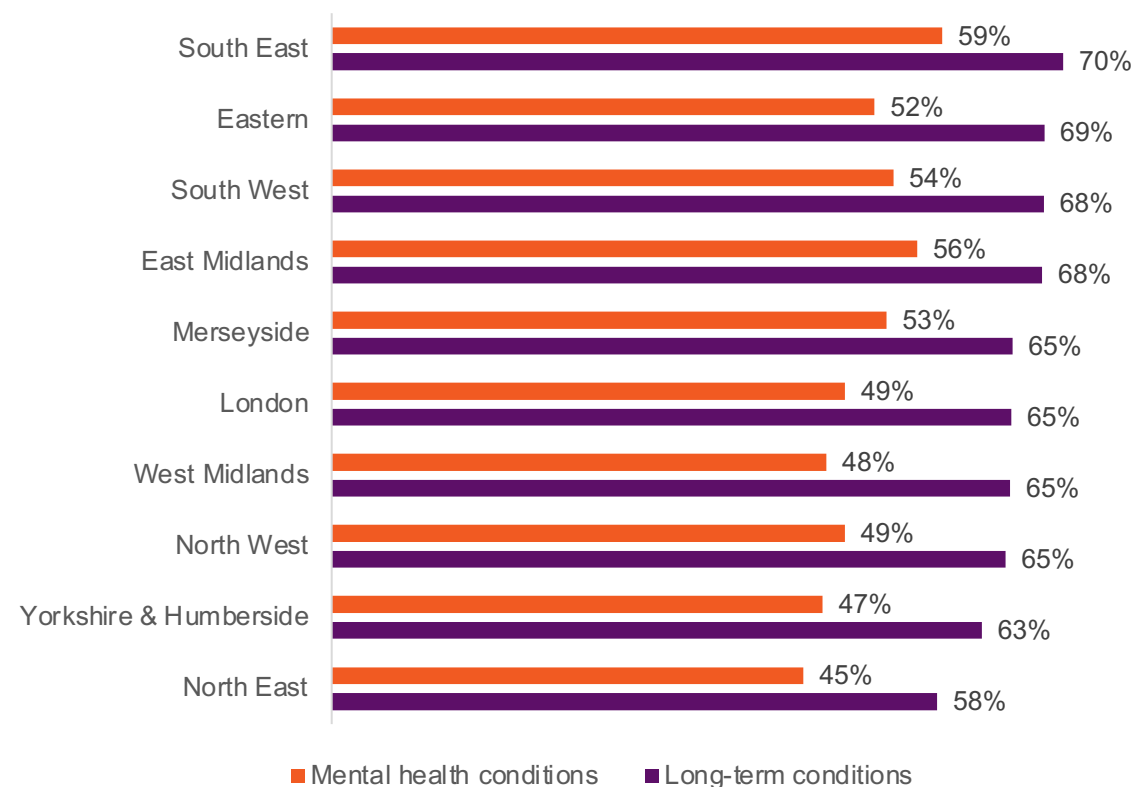
People living in the North and Central regions showed lower employment rates for both mental health and other long-term conditions.

People living in the South and East had the highest rates of employment while living with long-term and mental health conditions.

This may be related to the employment opportunities in these areas, with the South and East having more white-collar jobs that offer greater flexibility, i.e. remote work.

Employment rate for people with long-term and mental health conditions by region

Aged 16-64, Jan-March 2020 (%)



Source: Office for National Statistics - Labour Force Survey



3. Causes of ill health-driven fallout

3.3 Industry, occupation & skills

Where people work affects their adaptability to long-term sickness

Some industries may be less supportive or adaptive to a change in long-term health circumstances.

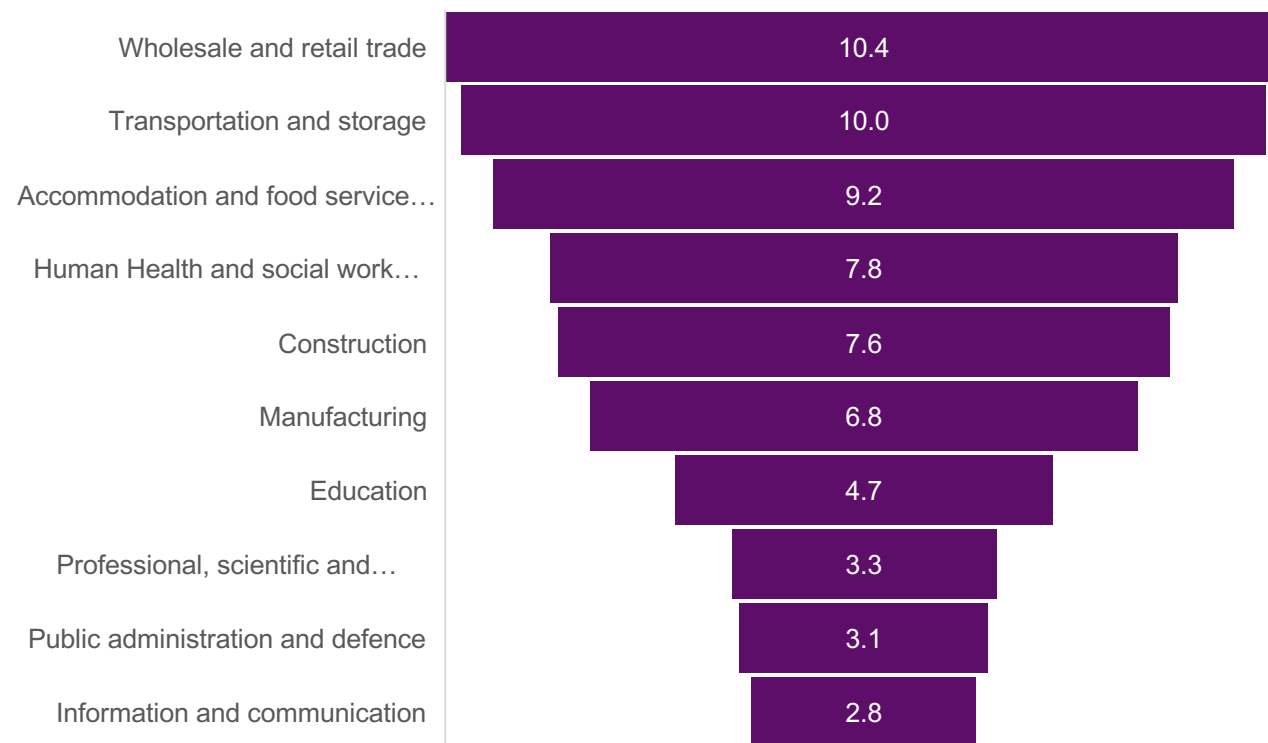
People were more likely to drop-out of work due to long-term sickness in industries where physical labour, human interaction (retail, transport, hospitality, and social care), and specialist tools (construction, manufacturing) are required.

People working in retail were nearly 4 times as likely to drop out of work due to long-term sickness than people working in IT.

White collar jobs, such as in IT, public administration, and professional roles that allow for flexible and remote working with technology had the lowest drop-outs from employment due to long-term sickness.

Previous industry of those economically inactive due to long-term sickness

2021 to 2022 (rate per 1000 workers)



Source: Office for National Statistics - Labour Force Survey

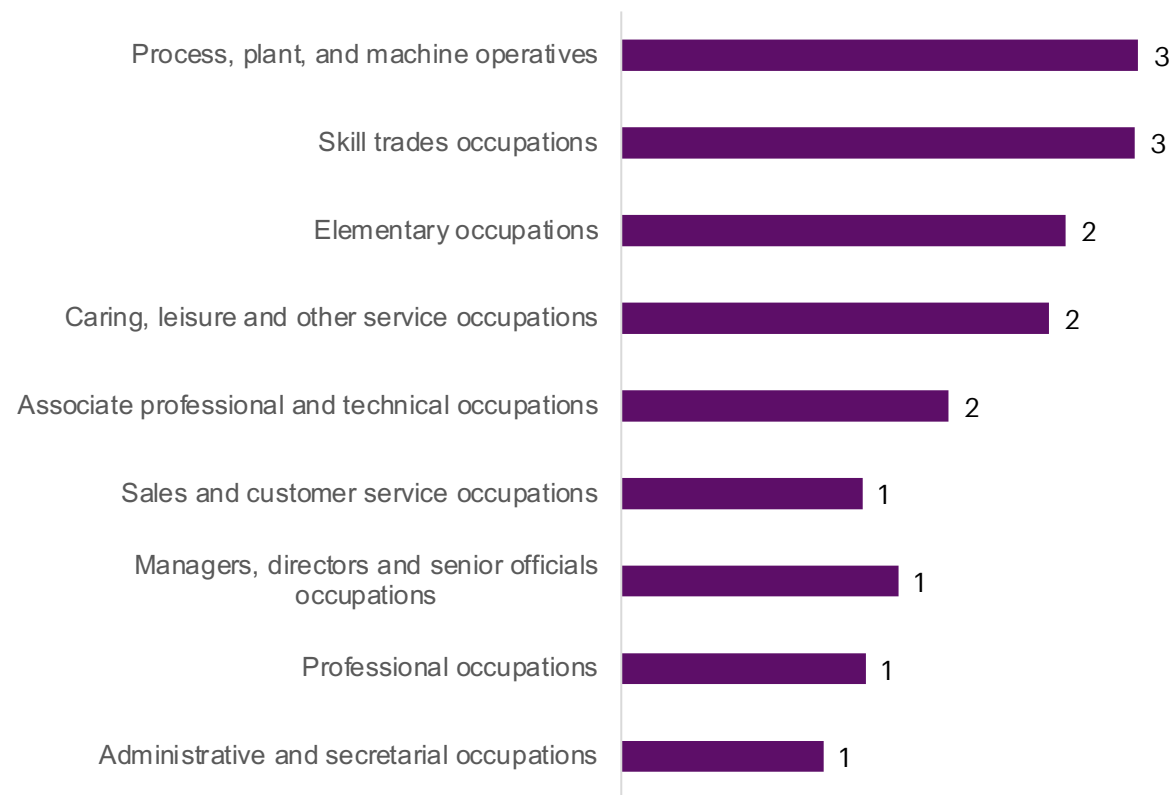
Remote working ability varies by occupation and seniority

Some jobs cannot be adapted to working remotely from home, which can often be a helpful adaptation for someone with additional health needs and symptoms.

Professional, administrative, and managerial positions offer the highest ability to work from home, likely due to the digital nature of the work being conducted. These are also the professions with the higher incomes - 8 out of 10 workers in the highest income band (£50k+ in annual earnings) reported home or hybrid working (ONS - Opinions and Lifestyle Survey, 2022-23).

Sales, caring, elementary (i.e. agricultural workers, cleaners, waiters), and machine operators had a poor home-work score, most likely due to the need for physical presence in the workplace and the manual nature of work.

Ability to home-work score (0-3)



Note: Home-work score based on exposure, location, interaction, physical activities, tools / protective equipment. Higher scores indicate a lower ability to home-work

Source: ONET - US Department of Labor

Occupations with a low ability to work from home are more likely to lose people to long-term sickness

Occupations with a good work from home score (1), such as professional, administrative, and managerial positions, had fewer people becoming inactive due to long-term sickness.

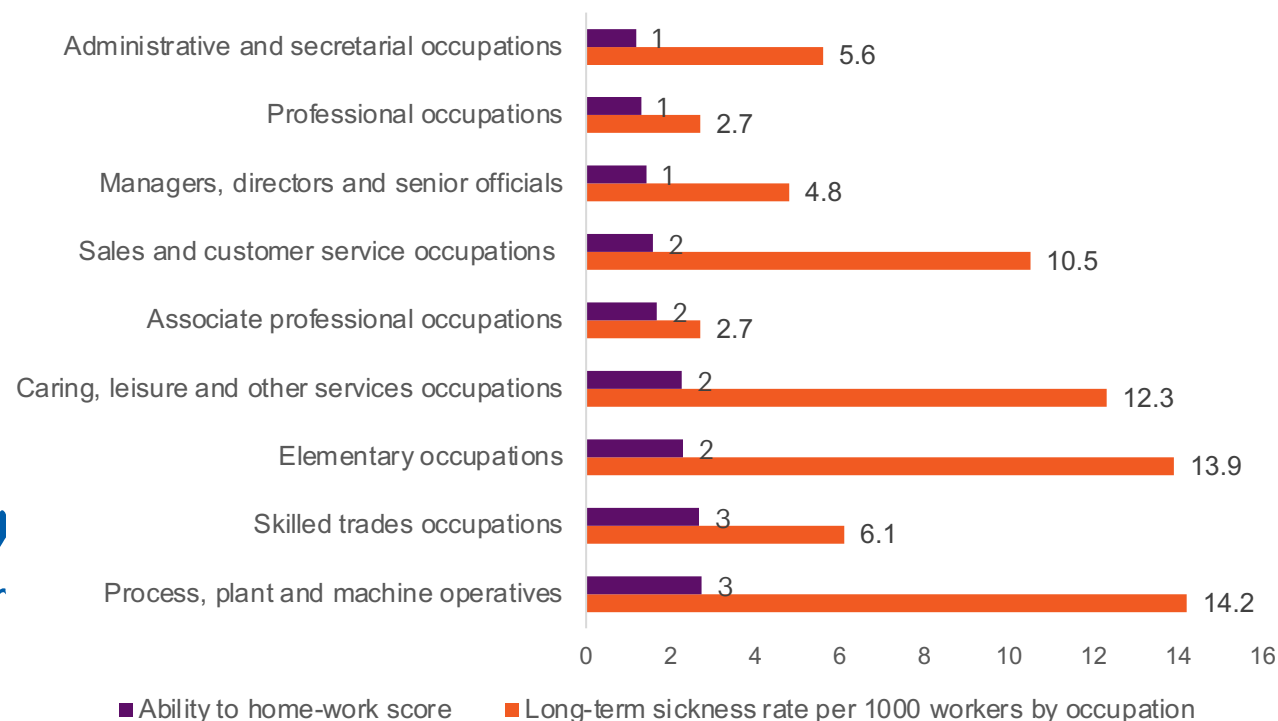
Skilled trades (i.e. farmers, engineers, chefs) also had lower numbers of drop-outs per 1000 people, but a poor home-working score. This may be due to some working as sole traders, allowing for flexible hours.

Occupations with a poor work from home score (2 or 3), such as sales, paid care, elementary (i.e. agricultural workers, cleaners, waiters), and machine operators, have a higher rate of drop-outs due to long-term sickness.

At the greatest extreme, we can see that process, plant and machine operatives were 5 times more likely to become inactive due to long-term sickness compared to people in professional occupations (14.2 vs. 2.7 per 1000 people).

Ability to home-work score (1-3) compared to previous industry of those economically inactive due to long-term sickness

rate per 1000 people, 2021-22



Note: Home-work score based on exposure, location, interaction, physical activities, tools / protective equipment. Higher scores indicate a lower ability to home-work.

Source: ONET - US Department of Labor; Office for National Statistics (ONS) - Annual Population Survey, Annual Survey of Hours and Earnings, Labour Force Survey 2019-2022.

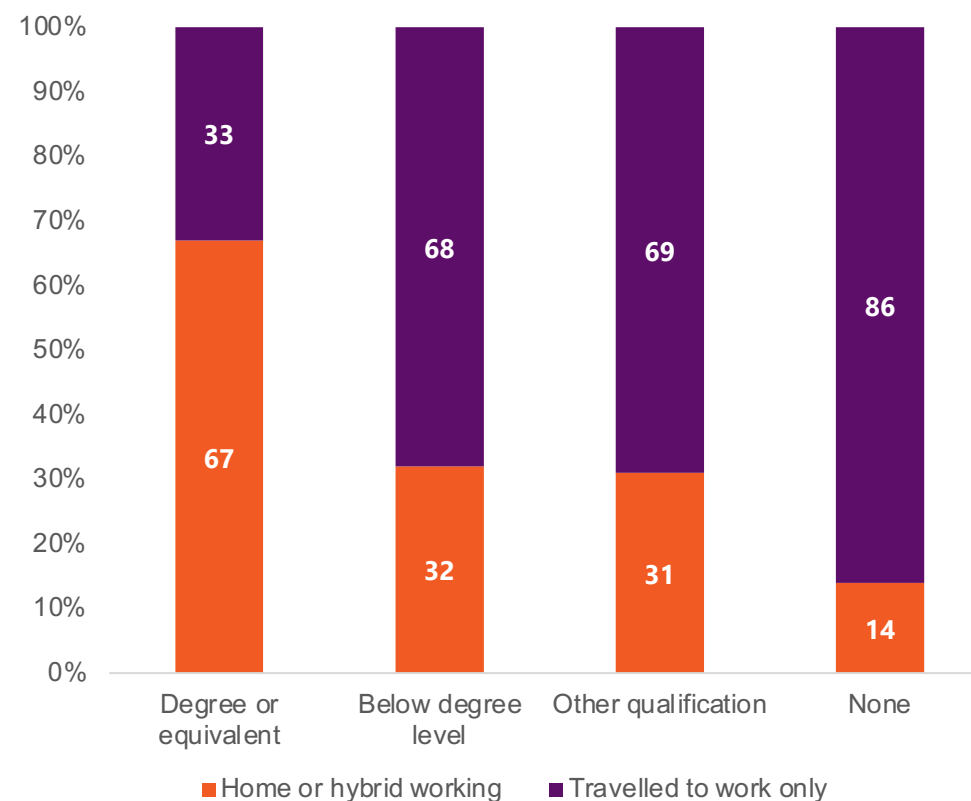
The level of educational attainment is a determinant of ability to work remotely

People with higher qualifications (degree or equivalent) are significantly more likely to be in jobs that allow them to home or hybrid work. People with qualifications below degree level are far more likely to have to travel to work.

While homeworking could be a solution to retain people with long-term sickness in the workforce, this option is not always available to people as they may lack the skills to exploit remote roles.

The long-term sick over index in low paid, low skill jobs, i.e. care, leisure, customer service, sales, elementary occupations in health and social care, arts, retail, hospitality, and administration industries, and are under-represented in higher paid and skilled professional and technical occupations in finance, professional services, IT, manufacturing and mining.

Location of work by highest education level, in the last 7 days
September 2022 to January 2023 (%)



Source: ONS, Characteristics of homeworkers, Great Britain: September 2022 to January 2023

People in manual labour jobs were more likely to leave work for health reasons

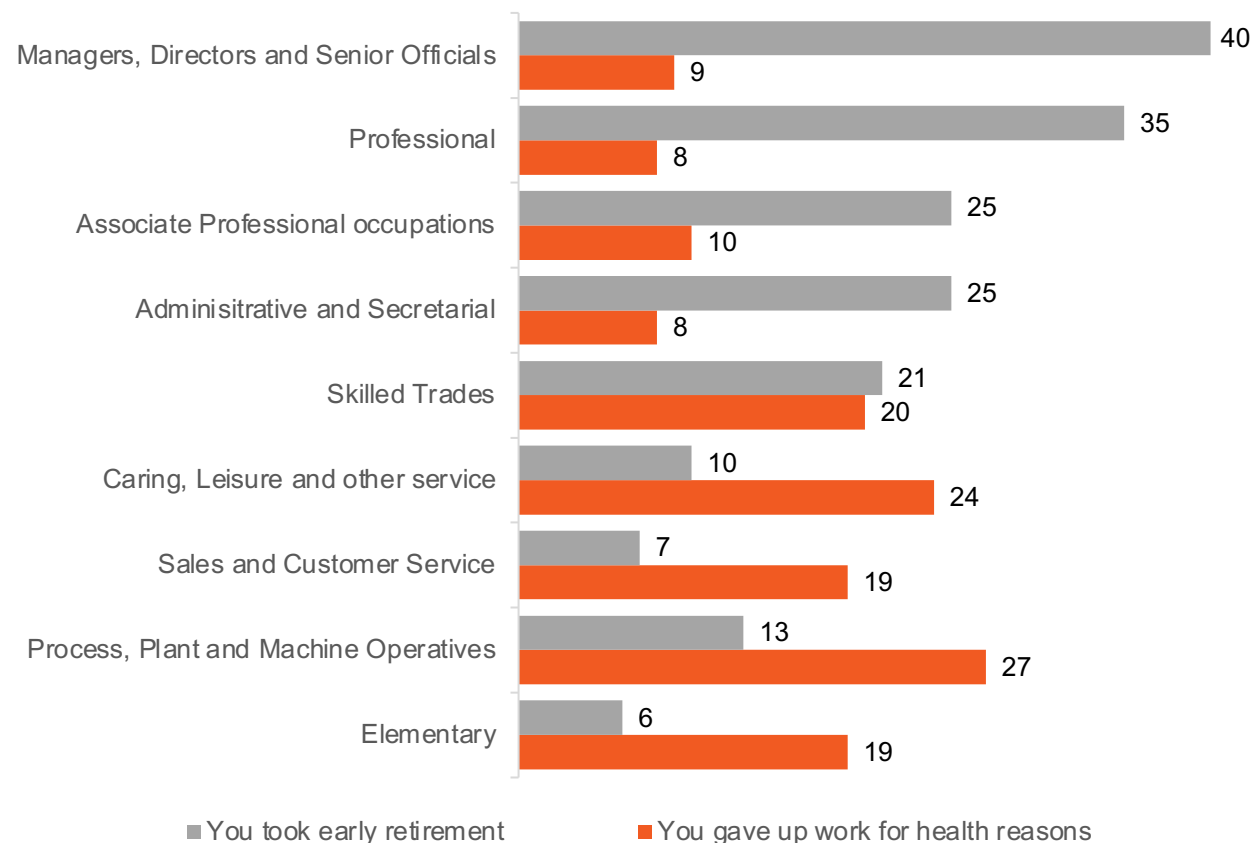
People working in professional roles are more likely to cite early retirement as the reason for leaving the workforce, while people in manual and skilled trades were more likely to cite health reasons.

More than 1 in 4 of people who were working as process, plant and machine operatives left their last job due for health reasons. Whereas fewer than 1 in 12 people previously working in professional occupations left their job for health reasons.

This indicates that people in manual labour roles were more likely to have to give up their job due to ill health, in part due to not being able to complete the activities required for the job, whereas people in professional roles were able to make a choice when to leave. Professional and managerial roles are better paid and have more flexibility in how and when the job can be delivered.

Proportion of economically inactive people who left a job in last two years either due to long-term sickness or early retirement

2021 – 2022 (%)



Source: ONS - Annual population Survey, Oct 2021 - Sept 2022. Working age only

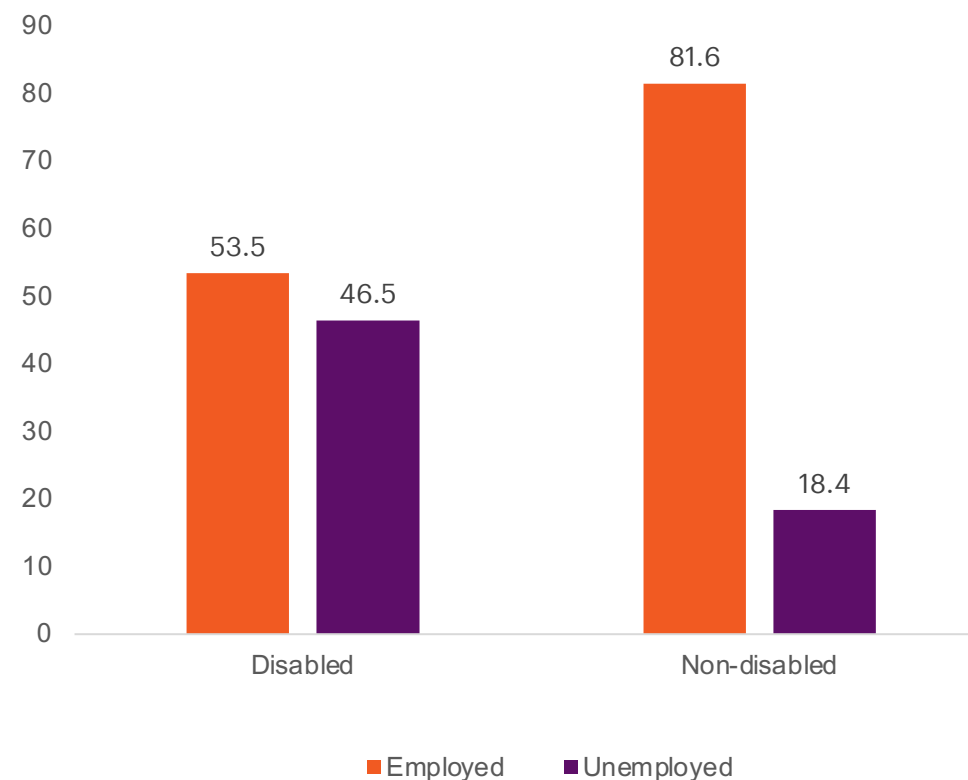
Disabled people are less skilled and under-employed

There are huge disparities in employment outcomes for people living with disabilities. 53.5% of people with disabilities are employed compared to 81.6% of non-disabled people.

Disabled people are a core subset of the long-term sick and face considerable barriers to entry for the job market.

- One-quarter (24.9%) of disabled people aged 21-64 years in the UK had a degree as their highest qualification compared with 42.7% of non-disabled people.
- 13.3% of disabled people had no qualifications compared with 4.6% of non-disabled people (year ending June 2021).
- Disabled people with severe or specific learning difficulties, autism and mental illness had the lowest employment rates.
- Around half of disabled people aged 16 to 64 years (53.5%) in the UK were in employment compared with around 8 in 10 (81.6%) for non-disabled people (July to September 2021)

Employment level disparity between disabled and non-disabled people July – September 2021 (%)



Source: ONS Outcomes for disabled people 2021

Disabled people are more likely to be in low skill, low pay and part-time jobs

People living with disabilities are more likely to be in lower paid jobs compared to non-disabled people:

- Elementary occupations
- Sales and customer service
- Caring, leisure, and other services
- Admin and secretarial roles

They are also more likely to be in part-time work (32% vs. 21% of non-disabled people, 2021).

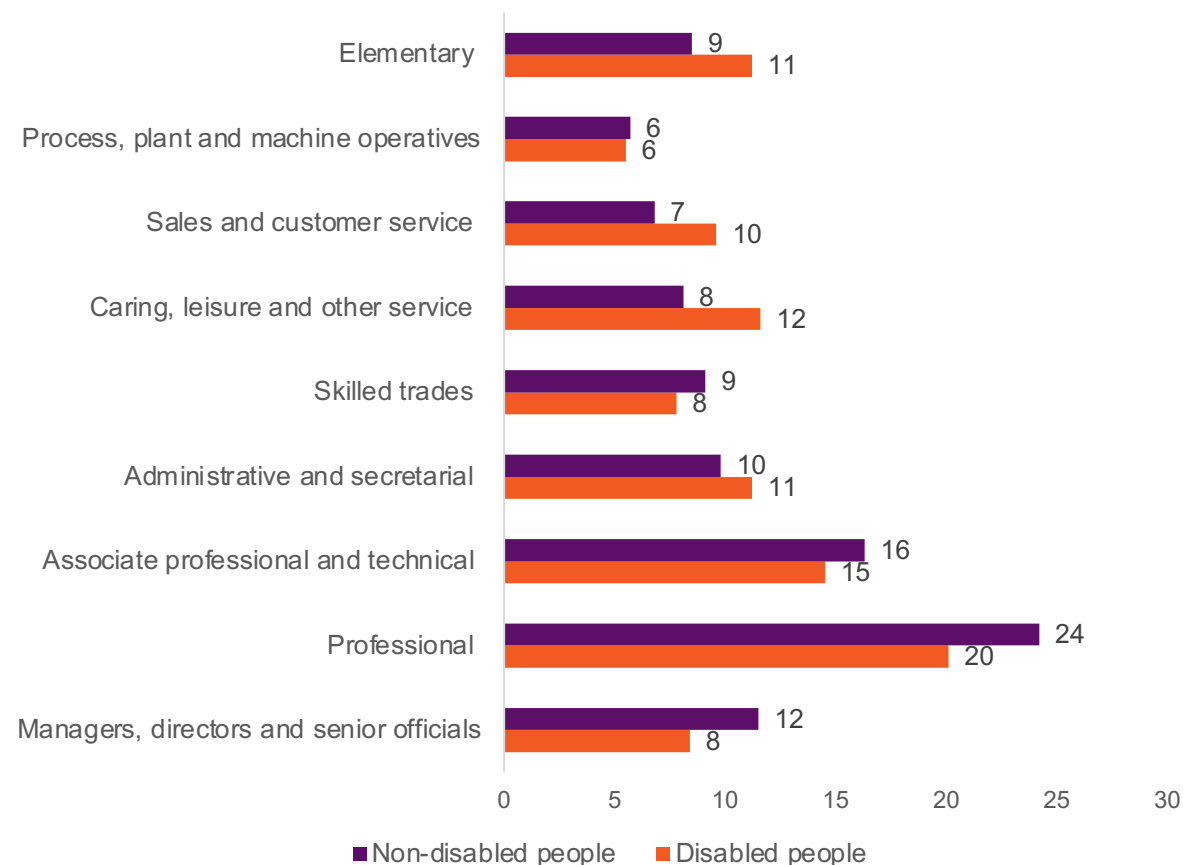
This means disabled people are more vulnerable to economic shocks (i.e. lay-offs, reduced hours) and less likely to be able to take advantage of flexible working options, such as remote work and flexi-time.

A higher proportion of non-disabled people were in higher paying jobs, including:

- Professional occupations
- Associate professional and technical roles
- Managers, directors and senior officials.

Occupation group by disability status

Aged 16-64, year ending June 2021 (%)



Source: Office For National Statistics - Disability and employment, 2021

4

Getting back to work





4. Getting back to work

Being long-term sick makes it harder to become re-employed, in part due to a gap in skills and lower confidence. **Less than 50% of people who were employed before becoming long-term sick are returning to employment after becoming well again.**

Two thirds of people who are inactive due to long term sickness were already inactive for another reason, such as being a student or retired. **Only one third (31%) were previously employed or unemployed and then became inactive due to long-term ill health.** This shows that the overall trend in inactivity due to long-term ill health will be addressed with employer-related policies.

8.5 million people in the UK work part-time, a number that is increasing at nearly twice the rate of those working full-time (42% vs. 26%). People who work part-time are less protected from redundancy and changes to working hours, which means the UK workforce is increasingly vulnerable to economic and personal health shocks.

Although this rise is in part related to a cultural shift, it is also strongly linked to the number of people living with long-term ill health. **The number of people citing that they work part time due to an illness or disability has risen by 300% in the last 30 years.** While both men and women show increases in part-time work, the data shows a sharper rise for women since 2014.

Challenge statements

- How might we bridge the skills and confidence gap for people re-entering the workforce after a long absence due to illness?
- How might we ensure that people working part-time are supported and protected when they experience long-term illness?

Areas for further study

- Investigate why more women are entering part-time work due to ill health than men since 2014.



4. Getting back to work

Long-term sickness can lead to long-term inactivity

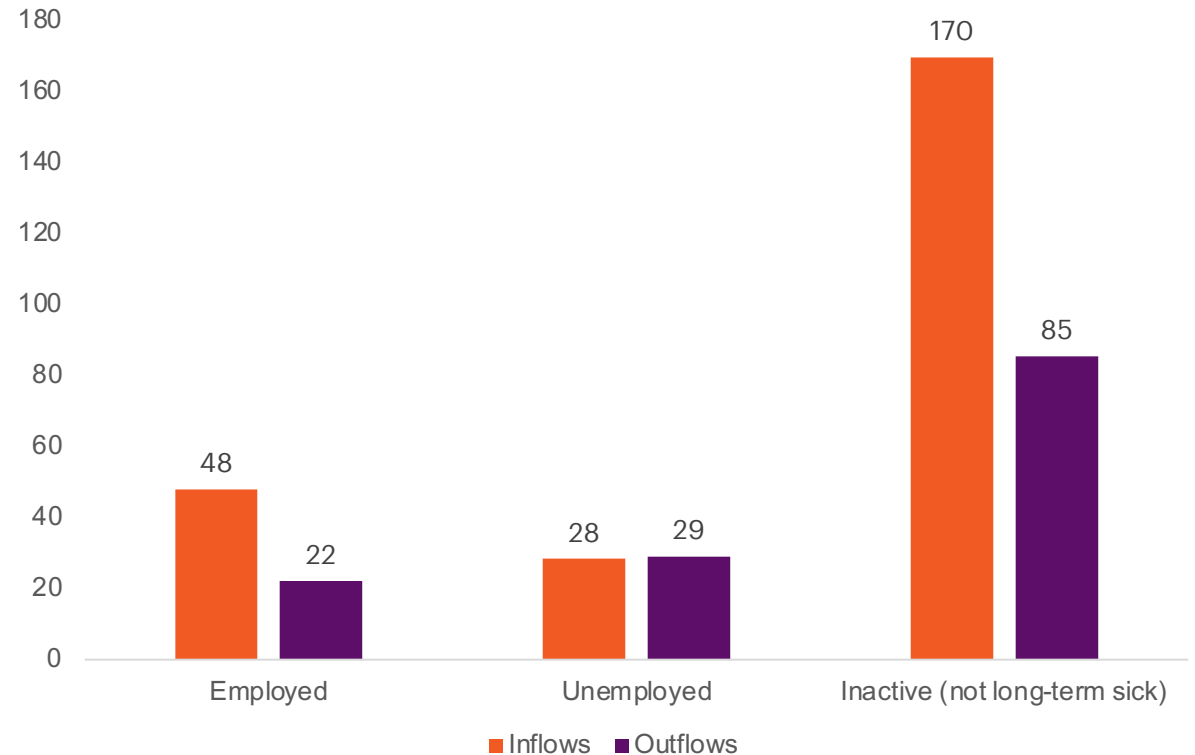
Once people have been off sick long-term (>4 weeks), their likelihood of returning to work falls. 21% of people coming back to the workforce after long-term illness go on to become unemployed, nearly twice as many as were unemployed before becoming inactive due to ill health.

In the period 2021-2022 shown in the chart, 48k people left employment due to long-term sickness, while only 22k people re-entered employment after becoming well enough – this is less than 50%.

Long periods of absence from the workforce can be because different types of illnesses require different lengths of treatment periods and care, such as stroke and cancer, and have different likelihoods of relapse.

Inflows to & outflows from inactivity due to long-term sickness

Jan-Mar 2021 to Apr-Jun 2022 average (000s)



Source: ONS, Economic inactivity due to long-term sickness - 2019 to 2022



4. Getting back to work

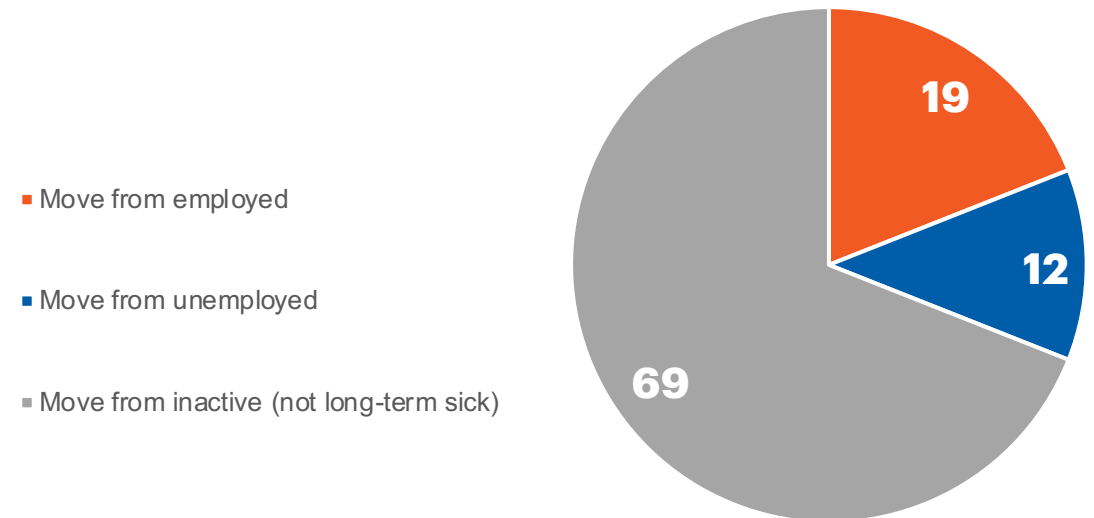
The majority of people who become inactive due to long-term sickness are already inactive for another reason

Two thirds of people (69%) who became inactive due to long-term sickness were previously inactive for another reason, such as being a student, looking after family/home, or early retirement, but not sick in the previous quarter (3 months).

Only one third (31%) were previously employed or unemployed and then became inactive due to long-term ill health.

This means that employer engagement policies to support companies to retain employees who develop a long-term sickness (lasting more than 4 weeks) will have a meaningful impact, but it is not the only support needed. People who were inactive for another reason before becoming sick may need other types of support to become employed, such as education and relevant skills development.

Inflows into economic inactivity due to long-term sickness by employment status 2021 to 2022



Source: ONS, Economic inactivity due to long-term sickness - 2019 to 2022



4. Getting back to work

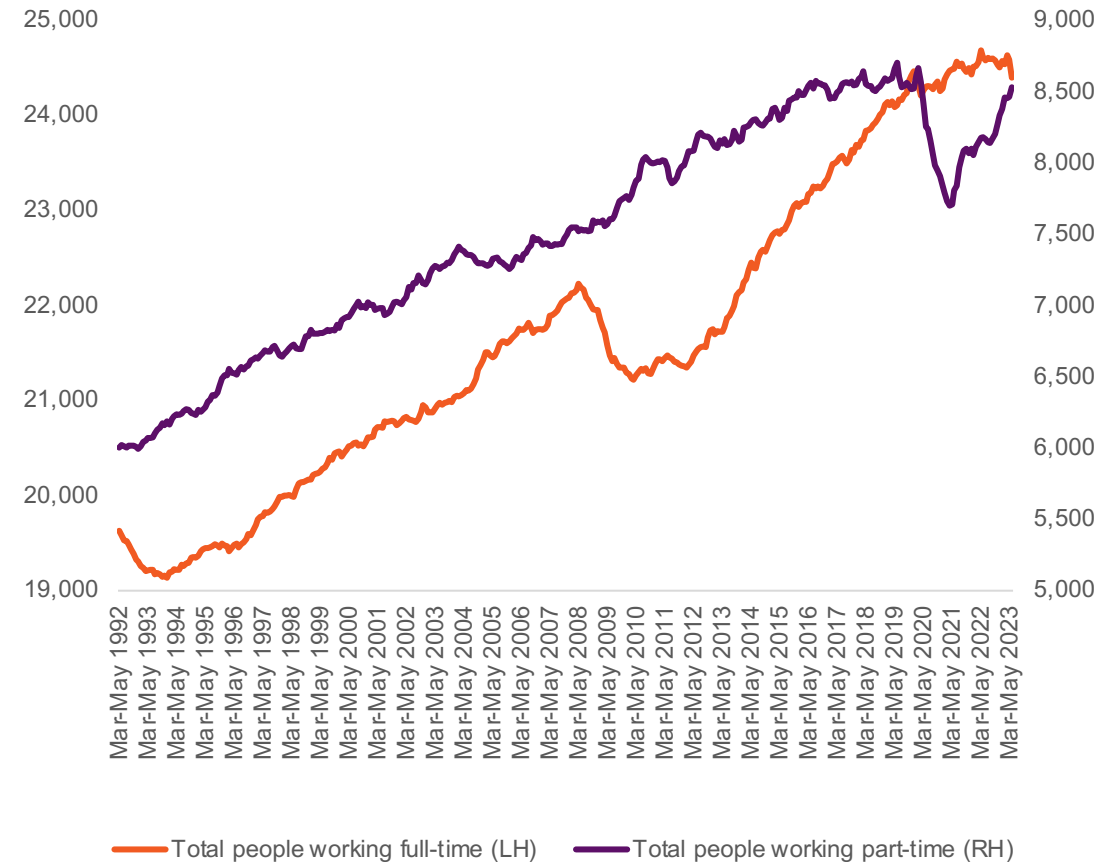
Part time work is on the rise, increasing the UK workforce's vulnerability to health shocks

8.5 million people in the UK work part-time, compared to 25 million people who work full-time, including employees and the self-employed.

Since 1992, the number of people working part time has increased by 2.5 million people, a 42% increase, while the number of people working full time has increased by 5 million, a 26% increase.

People working part-time were severely affected by the Covid-19 pandemic, with 1 million people falling out of work between January 2020 and May 2021. People in part-time work were more likely to face redundancy or reduced hours, making them more vulnerable to health and economic shocks.

**Total people working full-time
and part-time
1992-2023 (000s)**



Source: ONS, Labour Force Survey
Full-time, part-time and temporary workers



4. Getting back to work

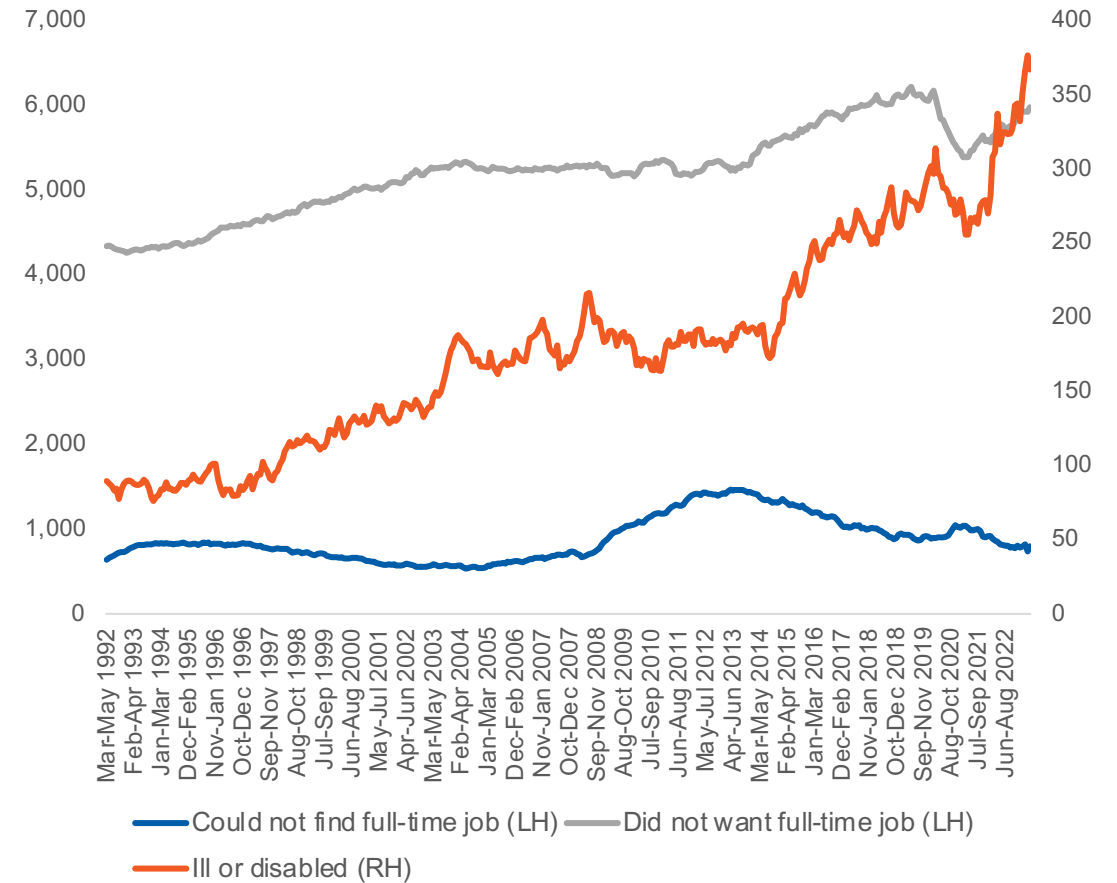
Part-time work is driven by rising ill health and disability, as well as a preference for flexibility

The increasing desire to work part-time is driven by several factors, including managing the symptoms and tasks of an illness or disability, as well as providing unpaid care to children and sick loved ones.

There is also a cultural shift in the workforce. Part-time work is increasingly seen as a preference and a choice, with fewer people citing that they could not find a full-time job as a reason, and more people citing that they did not want a full-time job.

However, the number of people who cite that their reason for choosing to do part time work was due to illness or disability has increased by more than 300% since 1992 [please note the different axes on the chart when comparing the datasets].

Reasons for working part-time
1992-2023 (000s)



Source: ONS, Labour Force Survey
Full-time, part-time and temporary workers



4. Getting back to work

Gender plays a role in the reason to work-part time due to ill health or disability

Both men and women are increasingly citing that they are working part-time due to ill health or disability.

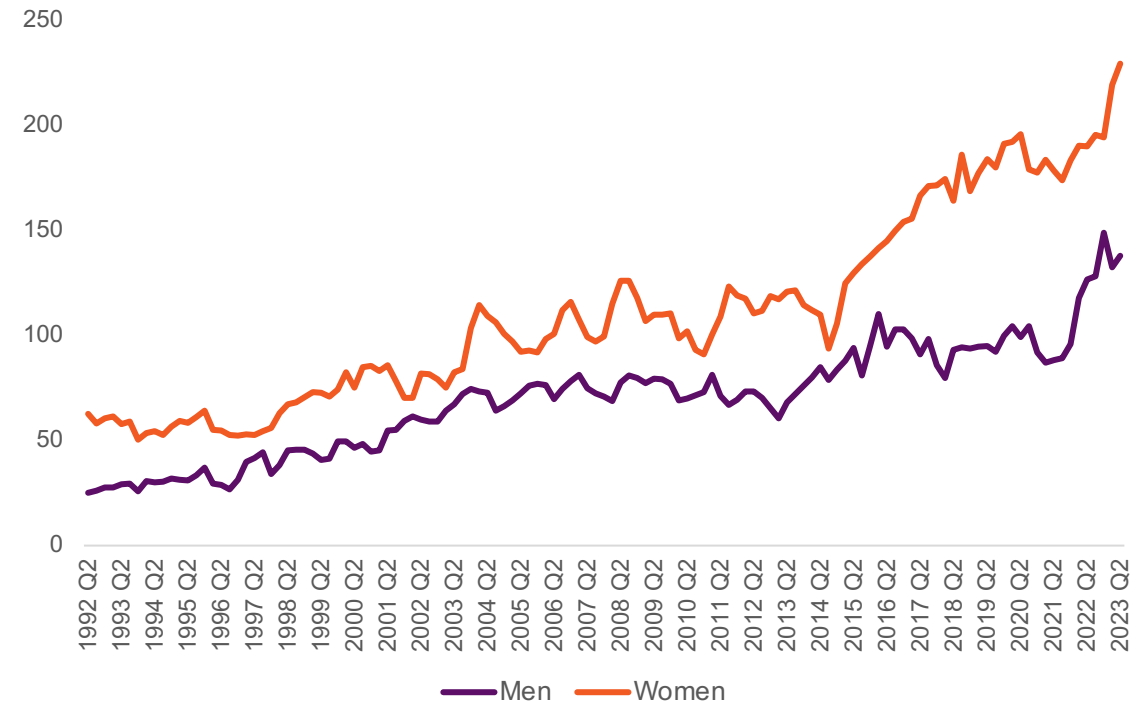
However, since 2014, the number of women working part time due to ill health or disability has more than doubled and increased considerably more compared to men. In the same period, men were relatively constant, rising mostly during the pandemic (2020-2022).

This rise is not connected to the overall number of women working part-time – women's workforce participation for full and part time work has risen in the last 30 years but reduced overall during the pandemic (2020-2022).

Women typically work in occupations with less flexibility to work from home.

Men and women citing 'ill health or disability' as the reason for working part-time

1992-2023 (000s)



Source: ONS, Labour Force Survey
Full-time, part-time and temporary workers



4. Getting back to work

Motivations to get a job may be affected by socio-political events

A prolonged absence from employment can negatively impact the confidence and motivation of the long-term sick, implementing even more barriers to entering the world of work.

More than 30% of people who are inactive and are long-term sick want a job. The number of people with long-term sickness who want a job has been consistently higher than those who don't want a job for decades but may be affected by socio-political shocks and upheaval. The trends are volatile and appear to have been particularly sensitive in 2016-17 and 2019-2020, potentially relating to major UK political and health events.

Interestingly, the number of people who are 'inactive but doesn't want a job' and are long-term sick seems less volatile and connected to socio-political events compared to those who do want a job. However, the trend in people not wanting a job has been increasing since 2014.

Preference for employment of the
economically inactive and long-term sick
1993-2022 (%)

