



Department
for Work &
Pensions

Extending Working Life

Sector Initiative Analysis

January 2013

Background

This ad-hoc analysis contains key labour market statistics relating to the employment of older workers in a number of industrial sectors. The analysis is linked to the Extending Working Life Sector Initiative. Further information about the Sector Initiative is included at Annexe A.

A number of the sector lead organisations across the nine sectors that had been involved in the Sector Initiative have asked DWP to keep them updated with information to support their on-going work encouraging the employment of older workers with employers across their sectors.

This ad-hoc release presents the following;

- Tables 1 & 2: Volumes and proportions of employees and workers (employee and self-employed) for all the nine sectors covered by the Initiative for people aged 50 and over, compared to other age groups (18-24 and 25-49).
- Tables 3 & 4: Age distributions (full-time/part-time) for employees aged between 40 and 70.
 - For national level by gender.
 - For the nine sectors;
- Table 5: Proportions of employees who would prefer shorter hours than at present in their current job, for all nine sectors, split by age group (18-24, 25-49, 50-64 and 65+).

Technical Overview

Sector Breakdowns

The Sector Initiative focused targeted information on nine sectors:

- Construction,
- Retail,
- Hospitality,
- Public administration,
- Manufacturing,
- Transport,
- Health and Care,
- Finance, and
- Education.

To be included within the Sector Initiative work, a sector had to recognise itself as a sector and communicate as a sector with a set of traditions, culture and infrastructure. Because of this the Standard Industrial Classification (SIC) codes allocated to each sector reflect the employer occupations verified by the leading business organisations in the nine large

occupational sectors. These do not necessarily correspond to standard definitions used for National Statistics.

This means that some major SIC codes are excluded from the analysis, for example: Professional and Technical Services (which includes solicitors, scientists etc.) is a major SIC code. However, there was no network or infrastructure linking all of these professions. For the purposes of the Sector Initiative Public administration includes local authorities but not central government departments as it was felt that it would be a better use of money to target those outside of central government.

Detailed definitions of the Standard Industrial Classifications used for each category are shown in Annexe B. Together, these sectors constitute around 74% of all workers. For completeness figures are also presented for “other” sectors, and all workers.

Labour Force Survey

All figures quoted are derived from the Labour Force Survey (LFS). The LFS is a representative sample survey of around 60,000 private households in Great Britain & Northern Ireland. As it is a household survey, people in communal establishments (e.g. hostels or medical and care institutions) are not included in results.

Data is self reported – meaning answers may be subject to respondents’ bias (some may display a willingness to respond in a way they believe would be viewed favourably by others) and ability to recall information correctly. For more detailed information on the LFS please refer to ONS Labour Force Survey guidance (<http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/labour-market-statistics/index.html>)

Some of the results in the tables have been omitted where the sample on which they are based is too small. The conventions that have been applied differ as tables 1-2 are based on a single quarter of LFS data whereas tables 3-5 are based on a four quarter average.

Results

Table 1 shows numbers and proportions of workers in each age group for the nine sectors. It suggests that older workers are the least strongly represented in the hospitality and finance sectors. Although people aged 50-64 comprise 27% of the whole population aged 18-69, people aged 50-64 make up only 16% of the hospitality sector and 18% of the finance sector.

Table 1: Numbers and proportions of workers by age group in the nine sector initiative sectors (April –June 2012, LFS)

	Number of people (000s)					Percentages				
	18-24	25 - 49	50 - 64	65 - 69	18 -69	18-24	25 - 49	50 - 64	65 - 69	18 -69
Total population	5,810	21,554	11,355	3,234	41,953	14%	51%	27%	8%	100%
All Employees	3,081	14,992	6,031	401	24,505	13%	61%	25%	2%	100%
Finance	148	965	204	10	1,328	11%	73%	15%	1%	100%
Construction	177	762	312	21	1,273	14%	60%	25%	2%	100%
Manufacturing	219	1,623	749	38	2,628	8%	62%	28%	1%	100%
Public Admins	41	911	382	15	1,349	3%	68%	28%	1%	100%
Health & Social care	299	2,138	1,035	56	3,529	8%	61%	29%	2%	100%
Hospitality	443	700	175	17	1,335	33%	52%	13%	1%	100%
Retail	790	1,914	750	59	3,513	22%	54%	21%	2%	100%
Education	180	1,738	842	50	2,810	6%	62%	30%	2%	100%
Transport	70	636	308	21	1,035	7%	61%	30%	2%	100%
Other sectors	715	3,604	1,274	114	5,706	13%	63%	22%	2%	100%
All Workers (employees and self-employed people)	3,258	17,227	7,443	614	28,543	11%	60%	26%	2%	100%
Finance	150	1,043	267	18	1,478	10%	71%	18%	1%	100%
Construction	228	1,286	565	38	2,117	11%	61%	27%	2%	100%
Manufacturing	222	1,705	814	51	2,793	8%	61%	29%	2%	100%
Public Admins	41	921	391	19	1,371	3%	67%	28%	1%	100%
Health & Social care	304	2,288	1,135	67	3,795	8%	60%	30%	2%	100%
Hospitality	446	783	235	28	1,493	30%	52%	16%	2%	100%
Retail	807	2,119	892	82	3,900	21%	54%	23%	2%	100%
Education	192	1,830	917	61	3,000	6%	61%	31%	2%	100%
Transport	75	782	393	37	1,287	6%	61%	31%	3%	100%
Other sectors	792	4,470	1,834	213	7,309	11%	61%	25%	3%	100%

Table 2 shows the proportion of each age group employed in each sector. It shows that older workers are half as likely to be employed in the retail sector as their younger counterparts, as around 12% of workers aged 50-64 are employed in the retail sector compared to 25% of workers aged 18-24. Older workers are one fifth as likely to be employed in the Hospitality sector as their younger counterparts (3% of 50-64 year-old workers compared to 14% of workers aged 18-24).

We should be careful not to interpret the under-representation of older workers in particular sectors as evidence of age discrimination. There are a number of factors which determine the age profile in certain sectors (e.g. unsociable hours or qualification requirements).

Table 2: Proportion of employees and self-employed people across the nine Sector Initiative sectors in different age groups (April – June 2012, LFS)

Background Details:	Employees					All workers (employees and self-employed people)				
	18-24	25 - 49	50 - 64	65 - 69	18 -69	18-24	25 - 49	50 - 64	65 - 69	18 -69
Number of people (000s)	3,081	14,992	6,031	401	24,505	3,258	17,227	7,443	614	28,543
Finance	5%	6%	3%	2%	5%	5%	6%	4%	3%	5%
Construction	6%	5%	5%	5%	5%	7%	7%	8%	6%	7%
Manufacturing	7%	11%	12%	9%	11%	7%	10%	11%	8%	10%
Public Admins	1%	6%	6%	4%	6%	1%	5%	5%	3%	5%
Health & Social care	10%	14%	17%	14%	14%	9%	13%	15%	11%	13%
Hospitality	14%	5%	3%	4%	5%	14%	5%	3%	5%	5%
Retail	26%	13%	12%	15%	14%	25%	12%	12%	13%	14%
Education	6%	12%	14%	12%	11%	6%	11%	12%	10%	11%
Transport	2%	4%	5%	5%	4%	2%	5%	5%	6%	5%
Other sectors	23%	24%	21%	28%	23%	24%	26%	25%	35%	26%
All	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 3 shows the age distribution (full-time and part-time) for employees aged between 40 and 70. It shows that female employees are significantly¹ more likely to work part-time, and for both men and women, the prevalence of part time work increases with age, particularly around the State Pension Age².

Table 3: Number of employees (000s) aged between 40 and 70 (full-time/part-time), male and female respectively (4 quarter average 2011, LFS).

	Male			Female		
	Full-time	Part-time	% Part-time	Full-time	Part-time	% Part-time
40	315	18	5%	185	139	43%
41	316	18	5%	174	132	43%
42	298	19	6%	177	131	43%
43	308	11	4%	177	130	42%
44	297	15	5%	188	134	42%
45	291	12	4%	186	138	43%
46	298	16	5%	199	132	40%
47	303	14	4%	208	135	39%
48	299	16	5%	198	124	39%
49	271	16	5%	192	120	38%
50	269	13	5%	188	123	40%
51	260	12	4%	176	118	40%
52	238	13	5%	179	103	37%
53	249	15	6%	171	111	39%
54	217	16	7%	159	118	43%
55	204	14	6%	134	107	44%
56	192	18	8%	129	92	42%
57	174	18	9%	121	99	45%
58	163	21	11%	110	88	44%
59	156	21	12%	98	84	46%
60	124	23	16%	70	75	52%
61	119	22	16%	47	67	59%
62	115	30	21%	34	69	67%
63	105	28	21%	30	68	70%
64	90	35	28%	24	54	69%
65	28	28	50%	12	39	76%
66	21	23	52%	9	36	81%
67	17	23	57%	8	27	78%
68	12	20	63%	4	23	86%
69	8	12	62%	3	19	87%
70	3	11	77%	1	14	92%
Total	5,762	571	9%	3,588	2,850	44%

Table 4 overleaf provides more details by individual age (full-time and part-time) for employees aged between 40 and 70 for all nine sectors. It shows that for all the nine sectors, the prevalence of part time working increases with age. Of all the sectors, Manufacturing, Construction and Transport (traditionally with more male employees), have the smallest proportion of part time workers, and Education and Health and Social Care (with larger numbers of female employees), the greatest.

¹ Statistical tests suggest that there is overwhelming evidence ($p < 0.0001$, chi squared test for independence) of association between gender and working part time.

² In 2011 – when the LFS data used was collected - State Pension Age was 65 for men, and around 61 for women. The State Pension Age for women began gradually increasing from 60 in 2010, and is due to equalise with the male SPA of 65 in 2018

Table 4: Number of employees (000s) aged between 40 and 70 (full-time/part-time) for all nine sectors (4 quarter average 2011, LFS).

	Construction		Education		Finance		Health & Social care		Hospitality		Manufacturing		Public Admins		Retail		Transport		Other service	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
40	30	4	55	32	33	7	56	32	16	11	61	7	33	10	55	26	24	3	137	26
41	27	5	47	32	32	7	61	34	16	11	67	5	34	8	52	23	28	4	127	20
42	29	5	47	32	29	7	61	29	15	7	64	7	33	8	52	27	30	4	115	23
43	34	5	44	30	31	5	58	31	10	7	73	5	41	8	51	25	28	3	114	23
44	22	2	49	31	30	6	70	36	9	9	67	4	39	8	49	26	27	3	121	23
45	37	4	52	36	26	5	60	34	13	12	65	6	34	9	46	23	36	2	108	19
46	36	3	49	34	26	5	68	38	12	9	64	4	41	8	54	21	28	3	118	23
47	34	4	51	30	20	7	78	41	13	8	78	2	39	8	46	24	28	3	124	23
48	33	3	48	26	21	6	66	39	10	7	76	4	39	10	53	22	33	3	117	20
49	32	3	44	34	20	3	64	35	13	9	68	2	37	6	51	19	34	4	100	20
50	26	1	53	34	24	4	67	34	9	7	68	3	39	8	52	18	24	4	95	22
51	26	2	50	31	16	3	65	32	11	7	67	3	35	7	45	22	27	3	94	19
52	23	2	47	25	20	3	68	31	11	5	60	4	32	7	45	17	22	2	88	21
53	25	-	48	25	14	3	70	37	11	7	62	2	32	7	46	21	22	4	91	20
54	20	1	47	33	16	3	60	31	14	7	49	3	34	6	35	26	20	2	82	23
55	20	2	49	26	17	3	51	29	8	4	49	2	23	4	35	24	19	4	69	22
56	19	1	43	17	11	2	46	27	5	5	49	2	21	4	36	26	16	5	74	19
57	20	-	37	24	9	2	47	30	5	4	42	2	18	7	31	21	17	5	69	22
58	15	2	34	22	9	3	45	28	7	5	42	5	18	4	32	18	16	4	55	19
59	14	3	34	23	10	3	35	25	5	3	40	3	17	3	30	20	14	3	55	19
60	14	3	21	18	6	2	25	23	4	5	32	4	13	5	25	17	12	3	42	18
61	15	3	15	18	7	2	16	21	2	3	31	4	9	5	16	14	11	3	44	17
62	11	4	11	19	5	2	16	25	4	4	30	5	7	7	18	15	14	3	34	16
63	11	3	12	17	2	2	15	23	4	4	24	5	7	5	14	17	11	1	34	18
64	12	3	11	15	3	2	11	18	2	4	21	3	3	4	15	15	11	3	25	21
65	3	2	3	10	1	-	4	16	2	1	5	4	3	4	6	11	2	2	10	17
66	2	2	2	12	1	3	3	10	-	1	4	2	-	4	2	11	2	1	11	13
67	3	-	2	7		-	4	11	1	2	3	3		2	2	10	2	3	7	10
68	1	-	-	5		-	2	9		2	2	3		1	2	10	-	3	6	8
69	-	-	1	4			1	8		2	1	-		2	-	5	2	2	3	7
70		-	-	3				3		2		-		2		4	-	2	2	6

DEFINITIONS AND CONVENTIONS: "-" Nil or Negligible (the un-weighted population is less than 10)

For employees aged 18-64, interest in working fewer hours increases with age. Table 5 shows that in manufacturing and finance, almost a half of the workers aged 50-64 say they would prefer shorter hours than at present in their current job. The proportion who wish to reduce their working hours decreases largely in the 65+ age group, as the prevalence of part-time work increases. However, it remains relatively high in some sectors, notably Construction, Manufacturing and Transport which were shown by table 4 to have low proportions of part-time workers.

Table 5: Proportions of employees who say they would prefer shorter hours than at present in their current job for all nine sectors (4 quarter average 2011, LFS)

	18-24	25-49	50-64	65+
Construction	19%	36%	44%	26%
Education	19%	29%	32%	10%
Finance	23%	42%	48%	10%
Health & Social care	15%	28%	33%	14%
Hospitality	10%	22%	27%	20%
Manufacturing	23%	37%	49%	31%
Public Admin	19%	37%	43%	9%
Retail	12%	30%	37%	19%
Transport	16%	38%	43%	25%
Other sectors	17%	35%	41%	17%

Annexe A: The Extending Working Life Sector Initiative

The Extending Working Life Sector Initiative was a contracted programme of support designed to help sector bodies³ (such as Sector Skills Councils, trade and professional bodies) to identify the issues of an ageing workforce for their sectors and communicate help to their members with employing and retaining older workers as part of a mixed age workforce.

This programme worked with nine largest distinct occupational sectors:

- Construction,
- Retail,
- Hospitality,
- Public administration,
- Manufacturing,
- Transport,
- Health and Care,
- Finance and
- Education.

The Sector Initiative built on the work of the Department's Age Positive initiative which provides guidance to employers on the business benefits of employing older workers as part of a mixed age workforce. However Age Positive tended to offer generic support rather than sector specific.

Following the work of the Age Positive Sector Initiative over 40 of the sector lead organisations across the nine sectors that had been involved in the initiative, asked DWP to keep them updated with information to support their on-going work on encouraging the employment of older workers.

³ Sector bodies are those skills bodies, trade and professional associations who: are arbiters of good practice; understand and translate legislation and provide regulation and standards.

Annexe B – Details of Sectors included

The following list shows details of the Standard Industrial Classification (2007) codes used to identify each sector.

Transport

- 49 Land Transport (including via pipelines)
- 52 Warehousing and support for transport
- 53 Postal and Courier Activities

Construction

- 41 Construction of buildings
- 42 Civil Engineering
- 43 Specialised Construction Activities

Manufacturing

- 10 Manufacture of food products
- 11 Manufacture of beverages
- 13 Manufacture of textiles
- 16 Manufacture wood and wood products
- 17 Manufacture paper & paper products
- 18 Printing and recorded media
- 20 Manufacture of chemicals
- 21 Manufacture of pharmaceuticals
- 22 Manufacture rubber plastic products
- 23 Manufacture non-metallic mineral products
- 24 Manufacture of basic metals
- 25 Manufacture fabricated metal prods, ex machinery
- 26 Manufacture computers, electronic & optical
- 27 Manufacture of electrical equipment
- 28 Manufacture of machinery and equipment n.e.c.
- 29 Manufacture vehicles and trailers
- 30 Manufacture of other transport
- 31 Manufacture of furniture
- 32 Other manufacturing
- 33 Repair and installation of machinery

Finance

- 64 Financial ex insurance and pension
- 65 Insurance, reinsurance and pension
- 66 Auxiliary to financial and insurance
- 69.2 Accounting and auditing activities

Public Administration

- 84.11 General public admin activities
- 84.12 Regulations of activities of providing health care, education, cultural services and other social services, excluding social security
- 84.13 Regulation of and contribution to more efficient operation of businesses
- 84.24 Public order and safety activities

84.25 Fire service activities
84.30 Compulsory social security activities

Retail

45 Wholesale retail trade repair vehicles
46 Wholesale trades, except vehicles
47 Retail trade, except vehicles

Health & Care

86 Human health activities
87 Residential cares activities
88 Social work activities without accommodation

Education

85 Education

Hospitality

55 Accommodation
56 Food and beverage service activities
79 Travel, tour operator, reservation

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