



Department
for Work &
Pensions

Employment statistics for workers aged 50 and over, by 5-year age bands and gender

From 1984 to 2015

November 2015

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Summary

- Employment of workers over the age of 50 has grown significantly over the past decades.
- The employment rate for people aged 50 to 64 has grown from 55.4 to 69.6 per cent over the past 30 years, an increase of 14.2 percentage points.
- The employment rate for people aged 65 and over has doubled over the past 30 years, from 4.9 to 10.2 per cent, an increase of 5.3 percentage points.
- The largest increases in employment rates over the last 30 years were for two groups: for women aged 60-64 the rate grew from 17.7 to 40.7 per cent; and for women aged 55-59 it grew from 48.6 to 68.9 per cent.
- The employment rate gap between men aged 50-64 and women of the same age dropped from close to 28 percentage points 30 years ago to 10.9 percentage points in 2015.
- The proportion of people aged 70-74 in employment almost doubled over the past 10 years (from 5.5 to 9.9 per cent), and numbers in employment more than doubled from 124,000 to 258,000.
- Part of the increase in the numbers of workers over 50 can be explained by demographic changes, but growth in employment rates shows that the number of people over 50 in employment has risen faster than the population over 50.

Background

In the last few years there has been growing interest in the subject of later life working. DWP has published a number of reports on older workers, including Fuller Working Lives: Background Evidence¹. This publication takes a closer look at employment trends for people over 50, providing finer breakdowns than the ones routinely published by the Office for National Statistics².

To put recent trends in employment into context we must consider the increases in State Pension Age (SPA) for women. Since 2010 it has been gradually increasing from 60 years of age, rising to 65 by November 2018, at which point it will be equal to men's SPA. After this point, SPA for all people will increase to 66 by October 2020 and to 67 by 2028, under the schedule established by the Pensions Act 2014.

Academic research³ has so far explored the impacts of SPA equalisation on women aged 60 and 61 and has found that these SPA increases have caused a statistically significant boost to employment. However, the increased female state pension age is not wholly responsible for increased labour force participation of women over 50, as the average age of exit from the labour market has been rising for both women and men since before the changes to female SPA.

¹ <https://www.gov.uk/government/statistics/fuller-working-lives-background-evidence>

² <http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcm:77-21589>

³ "Labour supply effects of increasing the female state pension age in the UK from age 60 to 62" J. Cribb, C. Emmerson and G. Tetlow (IFS 2014). "Incentives, shocks or signals: labour supply effects of increasing the female state pension age in the UK" J. Cribb, C. Emmerson and G. Tetlow (IFS 2013).

Methodology

This publication is based on data from the Labour Force Survey (LFS), which contains quarterly information from a representative sample of around 45,000 private households in the UK. As it is a household survey, people in communal establishments (e.g. hostels or medical and care institutions) are not included in results.

The LFS has a large sample size which allows us to track the trends for finer breakdowns by 5-year age bands. As it is a sample survey any estimates produced from it are subject to some uncertainty so all figures for numbers of workers are rounded to the nearest 1,000; for this reason totals in table 2 may not exactly add up.

The employment rates provided go back to 1984 and there is a break in the series between the years 1991 and 1992. Up to 1991 the LFS datasets collected data for the March-May quarter, whilst from 1992 onwards the definition of the quarters changes and the closest equivalent is the April-June quarter, which is used for every year since 1992 in the series. This break, however, does not have a significant effect on the long-term trends.

For the years 1992-1994 this transition from March-May to April-June quarters is not available for Northern Ireland, so the statistics in this publication refer only to Great Britain.

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>)

Results

The full data on both rates and levels of employment over the last thirty years can be found in the accompanying tables of this statistical release. Tables 1 and 2 show the changes in rates of employment and levels of employment over the past five, ten, twenty and thirty years for men and women by five-year age bands. Chart 1 below shows employment rates of people aged 50-64 and over 65, and Charts 2 and 3 then show these rates broken down by 5-year age bands for men and women.

Employment of workers over 50 has grown significantly over the past decades. The employment rate for people aged 50 to 64 has grown from 55.4 to 69.6 per cent over the past 30 years, an increase of 14.2 percentage points. And the employment rate for people aged 65 and over has doubled over the past 30 years, from 4.9 to 10.2 per cent, an increase of 5.3 percentage points. When looking at the data by sex and age group two broad trends stand out.

As can be seen in Chart 1, the first trend is a persistent increase in the employment rates of women in the three 5-year bands between 50 and 64 (over the past 30 years the employment rate of women aged 50-64 rose by 22.3 percentage points to a rate of 64.2 per cent). This has reduced the employment gap between women and men aged 50 to 64 from almost 28 percentage points 30 years ago to 10.9 percentage points in 2015. This can be explained because although employment rates for men started at a higher level they have not exhibited the levels of growth amongst women: between 1984 and the mid 1990s employment rates for men decreased, followed by a gradual rise over the last two decades. It is also worth pointing out that though the employment rate gap between men and women has also been reduced for younger workers, this is particularly notable for the 50-64 age group.

The second, more recent, trend is the rise in employment rates of men and women over the age of 65. Charts 2 and 3 show that for the 65-69 age group, employment rates started growing around the early 2000s and continued to do so until the present, reducing the employment gap between people aged 65-69 and younger age groups. Additionally, though employment rates for men and women aged 70-74 started at a low level, they have almost doubled over the last 10 years: the employment rate for men aged 70-74 increased by 5.5 percentage points, from 6.9 per cent to 12.4 per cent, and the employment rate for women aged 70-74 increased by 3.3 percentage points, from 4.3 per cent to 7.6 per cent.

The largest increases in the rate of employment over the last 30 years have been for women aged 60-64 and 55-59. For women aged 60-64 the employment rate

increased by 23.0 percentage points to a level of 40.7 per cent and for women aged 55-59 the employment rate increased by 20.3 percentage points to a level of 68.9 per cent.

Notable increases also occur for women aged 50-54 and for men aged 65-69. For women aged 50-54 the employment rate increased by 16.9 percentage points to 78.3 per cent and for men aged 65-69 the employment rate grew by 13.1 percentage points from 12.8 per cent to 25.9 per cent in 2015.

The number of people aged 50 and over in employment has grown strongly in recent years: overall employment in this group grew by 593,000 for men and 601,000 for women over the past 5 years leading to an increase of about 1,194,000 extra workers aged 50 and over in work, bringing the total number to 9,140,000 in 2015.

When discussing increases in employment levels (rather than rates) it is important to consider the underlying demographic effects, which is why employment rates are a better indicator of structural change over long periods. For example, though the largest increases in the numbers of workers in employment occur for the 50-54 age band, this is partly because the UK had a baby boom at the end of the second world war and a second baby boom in the 1960s, with a large number of births; this means the cohort of people reaching ages 50-54 in 2015 is naturally larger than the one it is replacing, which partly explains the large increase in numbers of workers in employment for this age group.

Tables 1 and 2 jointly show that alongside the increases in employment levels, employment rates also keep rising, which means employment of older workers grew at a faster pace than the actual population of older workers. The example of the 70-74 year age group is particularly notable: as highlighted earlier over the last 10 years the employment rate for this group has almost doubled, increasing by 4.4 percentage points to 9.9 per cent for 70-74 year olds overall. This represents a doubling in employment levels from 124,000 to 258,000. More recently over the past 5 years the employment rate for 70-74 year olds overall has increased by 2.7 percentage points to 9.9 per cent. This represents an increase in employment levels of 86,000 to 258,000.

Another notable group to highlight is that of women aged 60-64, who are directly affected by the Equalisation of State Pension Age. Over the past 5 years it is the group with the highest growth in its employment rate, which increases by 6.8 percentage points up to a rate of 40.7 per cent. This translates to an increase of 69,000 women in work in this age group bringing the total number of women aged 60-64 in employment to 701,000 in the second quarter of 2015.

Charts

Chart 1. Employment rates for people aged 50-64 and 65+ (men, women and all)

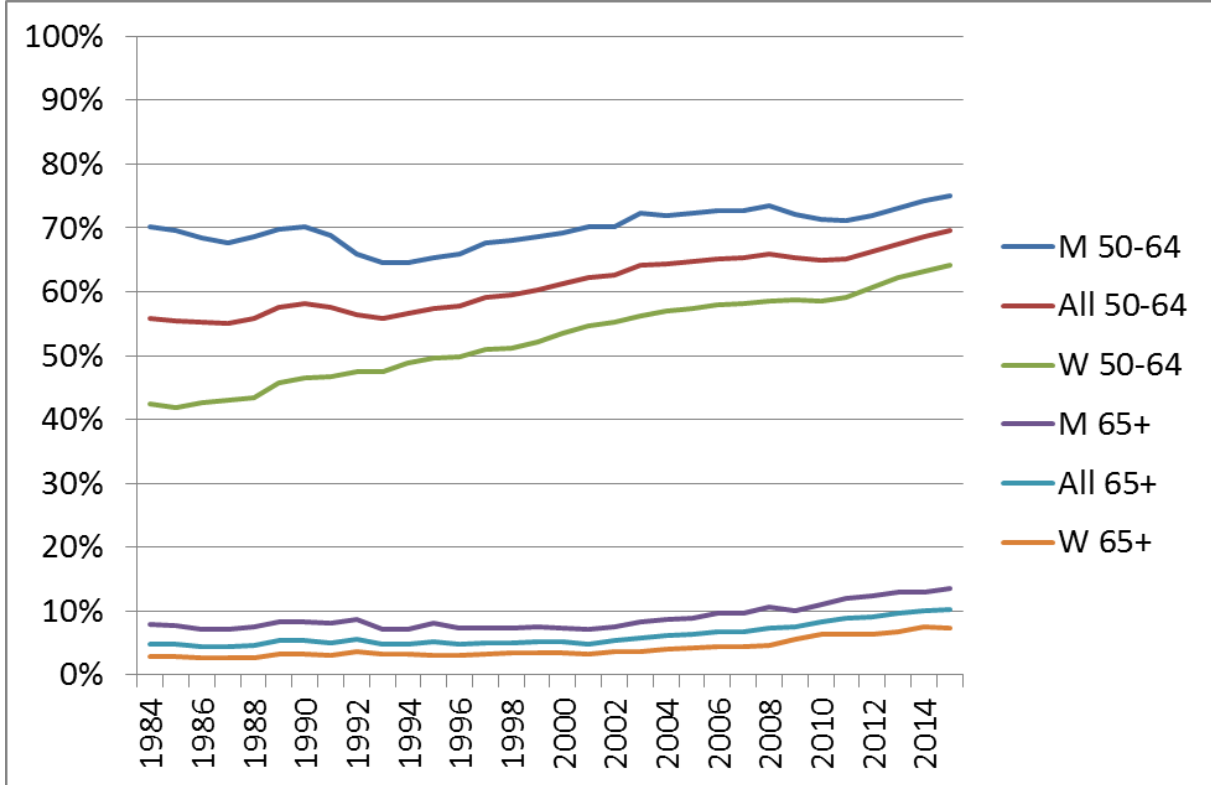


Chart 2. Employment rates by 5-year age bands, Women

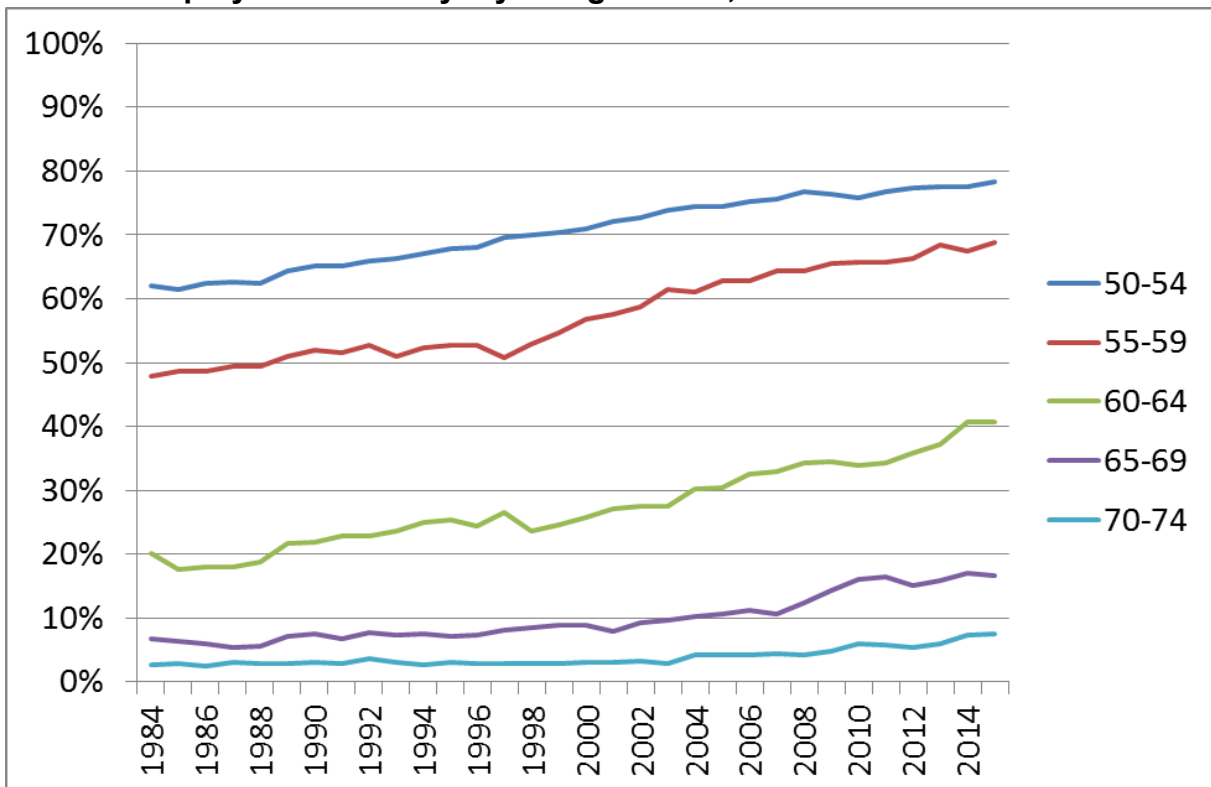
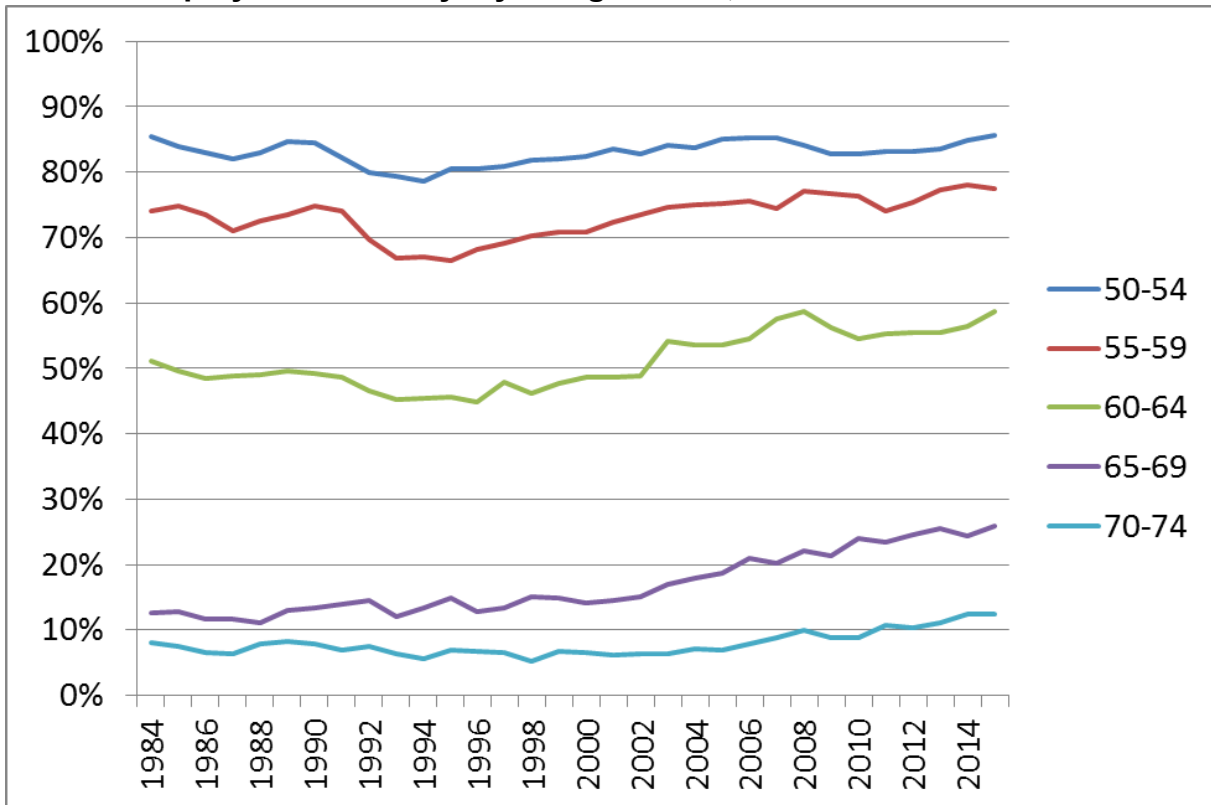


Chart 3. Employment rates by 5-year age bands, Men



Tables

Table 1. Changes in employment rates, expressed in percentage points

	Since 1985**	Since 1995	Since 2005	Since 2010	2015 rate
MEN					
50-54	*1.7	5.2	*0.6	2.9	85.7%
55-59	2.7	11.0	2.3	*1.2	77.5%
60-64	9.1	13.1	5.1	4.1	58.7%
65-69	13.1	11.0	7.3	*1.9	25.9%
70-74	4.9	5.4	5.5	3.6	12.4%
50-64	5.6	9.8	2.7	3.7	75.1%
65+	5.8	5.4	4.7	2.5	13.5%
50+	2.8	6.5	1.4	1.5	46.2%
WOMEN					
50-54	16.9	10.4	3.9	2.5	78.3%
55-59	20.3	16.2	6.1	3.2	68.9%
60-64	23.0	15.4	10.3	6.8	40.7%
65-69	10.2	9.5	6.0	*0.5	16.6%
70-74	4.8	4.5	3.3	1.7	7.6%
50-64	22.3	14.5	6.9	5.6	64.2%
65+	4.5	4.3	3.1	1.0	7.4%
50+	13.6	10.5	4.3	2.5	35.6%
ALL					
50-54	9.2	7.7	2.2	2.6	81.9%
55-59	11.7	13.6	4.2	2.2	73.1%
60-64	16.7	14.4	7.7	5.5	49.5%
65-69	11.8	10.3	6.7	*1.1	21.1%
70-74	5.1	5.1	4.4	2.7	9.9%
50-64	14.2	12.2	4.9	4.7	69.6%
65+	5.3	5.0	3.9	1.8	10.2%
50+	9.2	9.0	3.1	2.2	40.7%

* Changes marked with a star are *not* statistically significant.

** There is a break in the data between 1991 and 1992. (See methodology section).

Table 2. Changes in employment levels**

	Since 1985	Since 1995	Since 2005	Since 2010	2015 level
MEN					
50-54	616,000	561,000	352,000	265,000	1,848,000
55-59	355,000	484,000	36,000	139,000	1,445,000
60-64	249,000	366,000	177,000	-12,000*	967,000
65-69	296,000	259,000	205,000	109,000	439,000
70-74	81,000	81,000	83,000	56,000	154,000
50-64	1,219,000	1,411,000	565,000	392,000	4,260,000
65+	425,000	387,000	328,000	201,000	674,000
50+	1,645,000	1,798,000	893,000	593,000	4,933,000
WOMEN					
50-54	834,000	645,000	405,000	266,000	1,742,000
55-59	583,000	545,000	119,000	167,000	1,324,000
60-64	417,000	350,000	234,000	69,000	701,000
65-69	212,000	201,000	154,000	62,000	298,000
70-74	66,000	63,000	51,000	30,000	103,000
50-64	1,834,000	1,541,000	758,000	501,000	3,767,000
65+	297,000	284,000	219,000	101,000	439,000
50+	2,131,000	1,824,000	977,000	601,000	4,206,000
ALL					
50-54	1,450,000	1,206,000	757,000	531,000	3,590,000
55-59	937,000	1,029,000	155,000	305,000	2,769,000
60-64	666,000	716,000	410,000	56,000	1,668,000
65-69	509,000	460,000	359,000	171,000	737,000
70-74	148,000	143,000	134,000	86,000	258,000
50-64	3,053,000	2,951,000	1,323,000	893,000	8,027,000
65+	723,000	671,000	547,000	302,000	1,113,000
50+	3,776,000	3,623,000	1,870,000	1,194,000	9,140,000

* Though the number in employment has slightly decreased, the employment rate has increased for this group, as seen in the previous table.

** Figures should be read considering employment rates in Table 1, as comparisons of numbers in employment over time may be distorted by demographic changes.

*** The 50+ figures refer to all workers over 50, including those aged 75 and over.

Contact details

Press enquiries should be directed to the Department for Work and Pensions press office:

Media Enquiries: 0203 267 5129

Out of hours: 0203 267 5144

Website: <https://www.gov.uk/>

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This document was produced by

Ignatius de Bidegain (ignatius.de-bidegain@dwp.gsi.gov.uk)

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