

# Older Workers in the Labour Market, 2012

Coverage: **UK**

Date: **13 June 2012**

Geographical Area: **UK and GB**

Theme: **Labour Market**

Theme: **Population**

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## Animated YouTube video

A podcast explaining this story using audio commentary and graphical animations is available on [the ONS YouTube channel](#).

The video shows that:

1. The number of people of state pension age and above in employment has nearly doubled over the past two decades, from 753,000 in 1993 to 1.4 million in 2011.
2. Older workers are far more likely to be self-employed than their younger counterparts: 32 per cent compared with 13 per cent.
3. Around two-thirds of the older workers are part-time but they are generally doing this shorter roles with the same employer. Eight in every 10 of older workers have been with their employer for five years or more.
4. Men working later in life tend to stay on in higher skill roles while women tend to stay on in lower skill roles.
5. Just over a half (51 per cent) of older workers are in small organisations of fewer than 25 employees
6. Across the country, London and the South East have the highest percentages of people aged above state pension age in employment and the North East has the lowest.

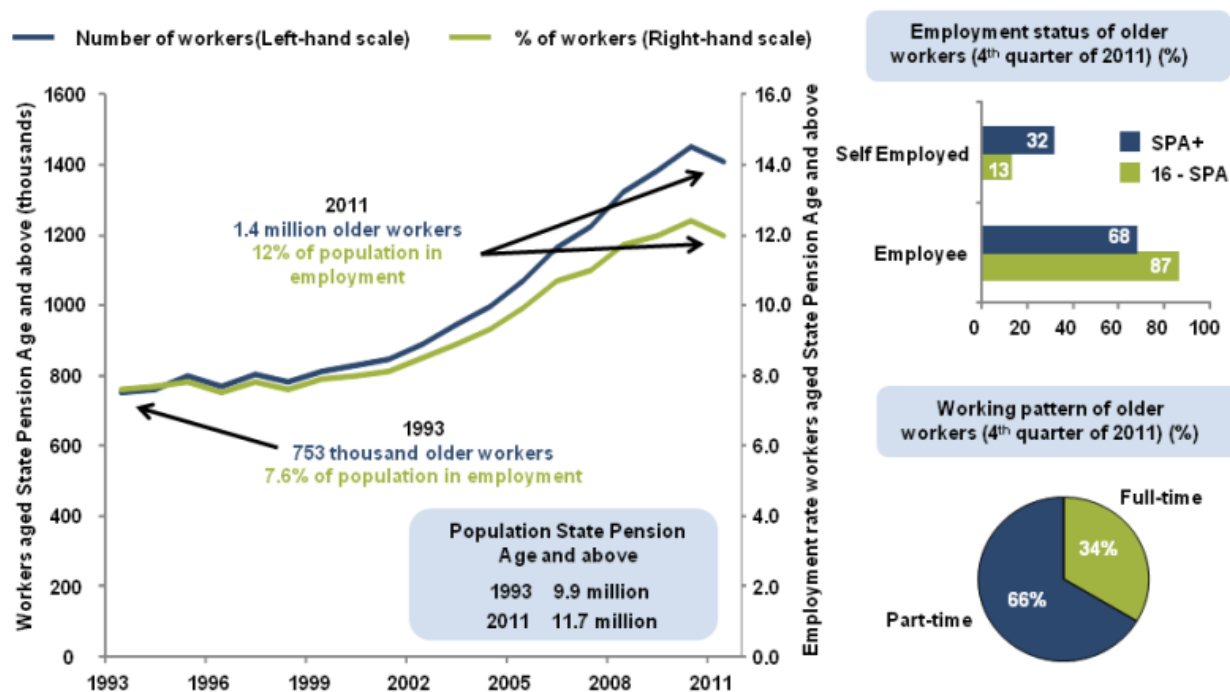
## Number working beyond State Pension Age doubles over past two decades

The number of older workers, defined here as those working beyond State Pension Age (SPA), has almost doubled from 753 thousand in 1993 to 1.4 million in 2011. Over the period, the number remained relatively flat between 1993 and 2000 but quickly rose to a peak of 1.45 million in 2010.

Over the period with an ageing population and with the post World War II 'baby boom' generation reaching SPA the population of older people has increased. Likewise, looking at the percentage of the older population in employment this too has increased from 7.6 per cent in 1993 to 12.0 per cent in 2011. This shows that the number of workers above SPA has risen at a faster rate than the population.

There may be many factors influencing the decision for more people to work past SPA such as the improved health and well-being of this group, financial pressures, people living longer and wanting to remain active in society and others.

## Employment levels and rates for older workers, annual averages 1993-2011, UK



Source: Labour Force Survey - Office for National Statistics

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(31 Kb)

Now focusing on the final quarter of 2011, workers over SPA were more likely to be self-employed than their younger counterparts (those aged between 16 up to SPA). Around 32 per cent of workers above SPA were self-employed compared to just 13 per cent of those below SPA.

Also, workers over SPA were twice as likely to be working part-time (66%) than full-time (34%). For those under SPA, three-quarters (75 per cent) worked full-time and the remaining 25 per cent worked part-time.

This shows that when working over the State Pension Age, those remaining in the labour market work fewer hours, possibly helped by the financial support of their state pension and other pension arrangements, which allows them to fit their work around other engagements.

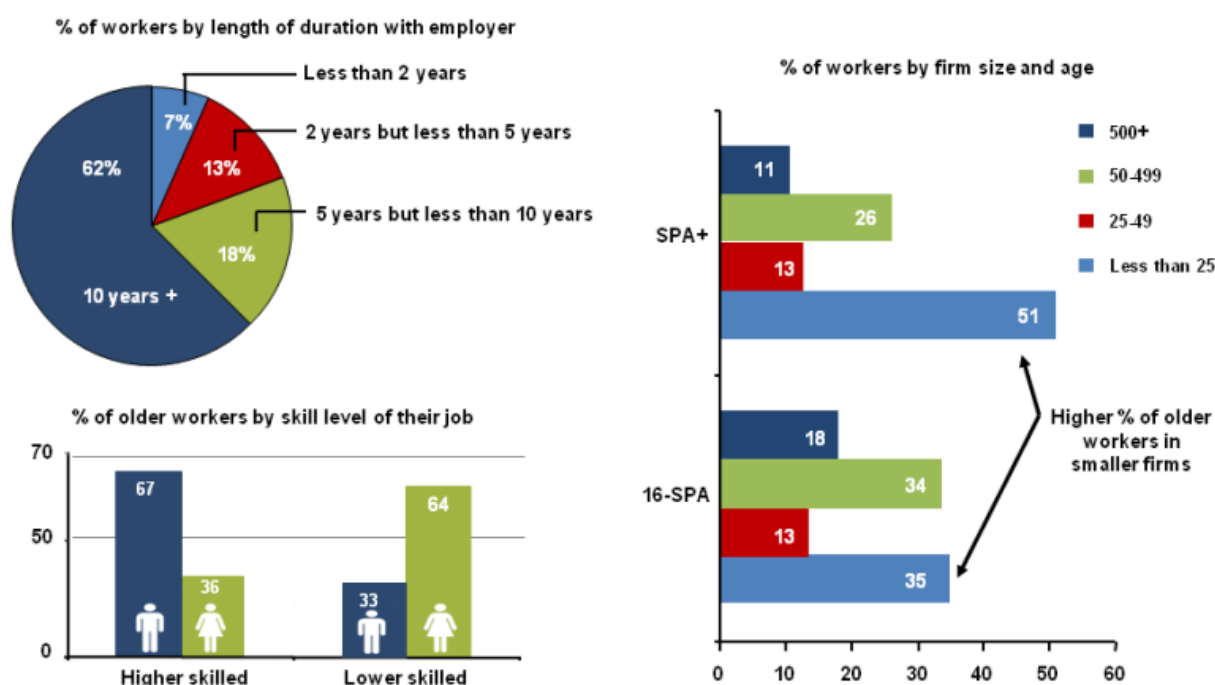
### Older workers more likely to stay on in smaller firms

As well as being more likely to work part-time, older workers are remaining with their same employer. 62 per cent had worked with their same employer for ten years or more and a further

18 per cent for between 5 and 10 years. This means that eight out of every ten indicated they had worked for the same employer for five years or more.

A higher percentage of older people work in smaller firms compared to workers below SPA. In the final quarter of 2011, over half (51%) of workers above SPA were in organisations with a workplace size of 1-24 employees. For those under SPA, 35 per cent worked in the smaller firms. There may be many factors for these differences such as the fact that smaller firms are less likely to offer a workplace pension than larger firms. This may result in individuals having to work longer in smaller firms for financial reasons.

### Older workers by duration with employer, skill level and firm size, Q4 2011, UK



Source: Labour Force Survey - Office for National Statistics

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#### Men do higher skilled roles while women do lower skilled

Of the 1.4 million older workers above SPA in the UK in the final quarter of 2011 around 39 per cent were men and 61 per cent were women. However, there is a difference between men and women when looking at the types of jobs that these workers carry out. Around two-thirds of men above SPA work in jobs classed as higher skilled but almost two thirds of women above SPA work in jobs classed as lower skilled.

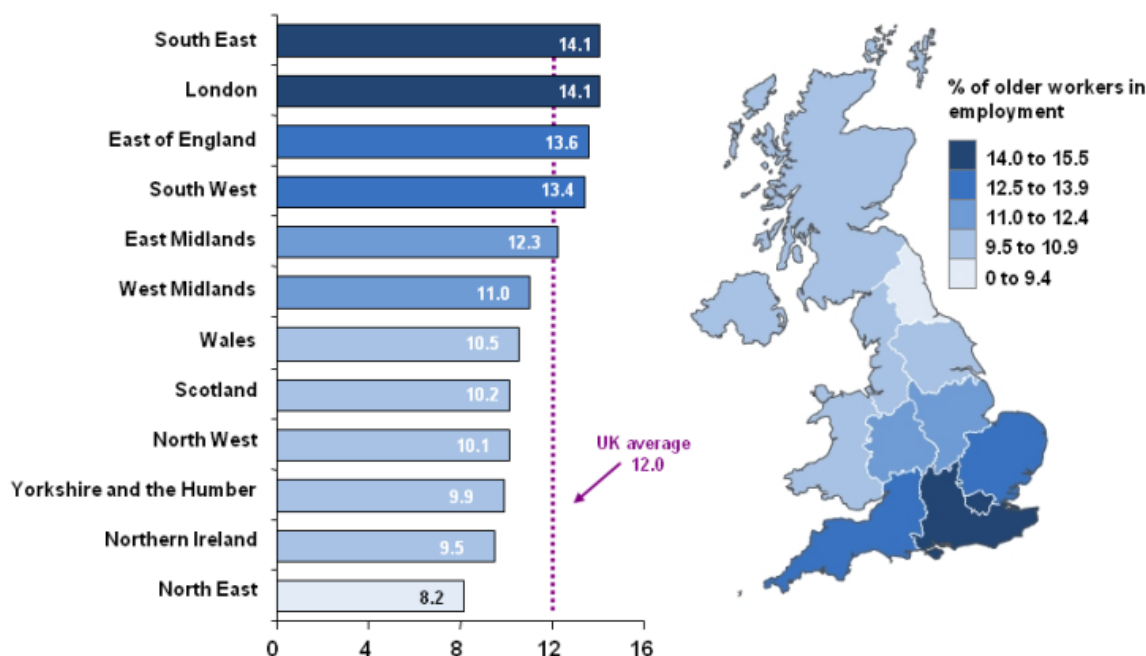
The higher skilled roles that men carry out include those such as property managers, marketing and sales directors, production managers and chief executives of organizations. Of all the jobs carried out by men, the two most common were farmers and taxi drivers. Looking at women, the most common job was cleaners, followed by administration assistants, care workers and retail assistants. Many of these roles for both men and women are characterised by their adaptability to flexible working patterns that allow workers to remain engaged in the labour market.

### Older workers across the country

Looking at the nine regions of England and the countries of Wales, Scotland and Northern Ireland, for workers below SPA, the South East, South West and East of England have the highest employment rates. A similar pattern is seen for the workers above SPA but with one exception – London. For the younger population, London only ranks 8th of 12 in terms of the employment rate but for older people it has the 2nd highest percentage in employment, behind the South East. This may reflect the higher cost of living and the greater variety of jobs in London which might provide an incentive for older workers to remain in the labour market rather than retire at the State Pension Age. Additionally, there tends to be a migratory drift out of London for the older population post retirement such that a higher proportion of those remaining are more likely to be economically active.

Looking more locally across the country and the sub-regions, Berkshire, Buckinghamshire and Oxfordshire have the highest percentage of older people in employment, at 17.2 per cent. The lowest percentage is in Tees Valley and Durham at 7.7 per cent.

### Older worker employment rates by region, 2010/2011, UK



Source: Annual Population Survey (APS) - Office for National Statistics

## Download chart

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## Background notes

1. The main analysis uses the quarterly LFS datasets to generate annual averages for the time series and the final quarter of 2011 for up-to-date analysis.
2. The regional analysis uses the October 2010 to September 2011 APS dataset.
3. The APS data gives more robust estimates but the LFS data was used for the main analysis as it is timelier and would allow analysis of a time series back to 1993. The APS could only go back to 2004.
4. Older workers are defined as those who are above the State Pension Age (SPA) which prior to 2010 was 60 years for females and 65 years for males. From 2010, in line with new legislation, female pension age is rising gradually to equalise with men at 65 years by November 2018. Hence, post April 2010, females of between 60-61 years will be included in the pre SPA group if they have not been flagged as having reached the SPA based on their date of birth.
5. Details of the policy governing the release of new data are available by visiting [www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html](http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html) or from the Media Relations Office email: [media.relations@ons.gsi.gov.uk](mailto:media.relations@ons.gsi.gov.uk)

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