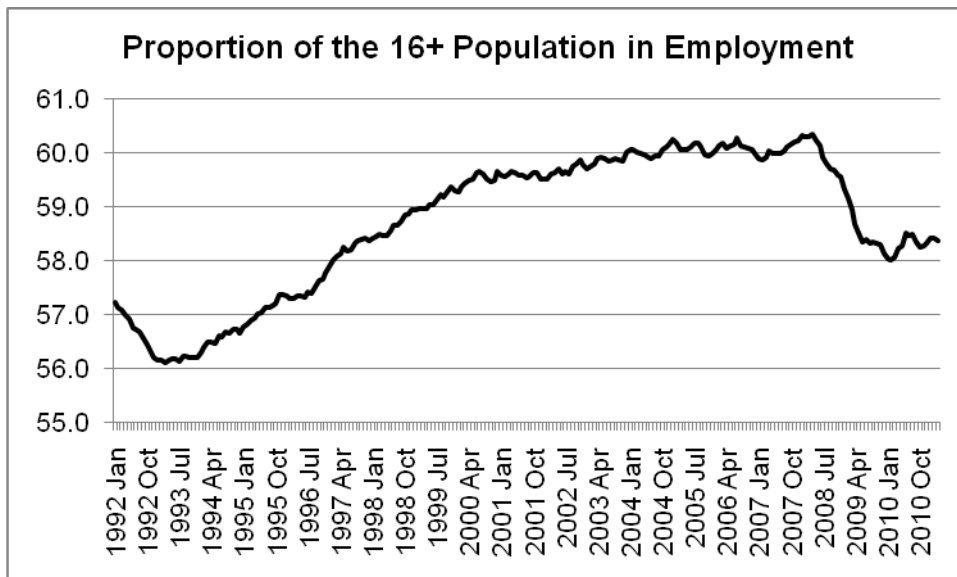


Age and gender: what has changed in the labour market in recent years?

This note looks at the population aged over 16 – that is, including people over retirement age. Some papers on the labour market concentrate on working age people, that is, excluding those over 65, but here we take a different approach for two reasons:

- The state pension age is rising, so analyses limited to 65 are becoming less relevant;
- A growing proportion of people aged over 65 are in employment already.

The proportion of the population aged 16 or over that is in employment has changed in the last 19 years: it rose from 57.2% in January 1992 to 58.4% in March 2011 (and in January 2008, on the eve of the recession, it was 60.3%).

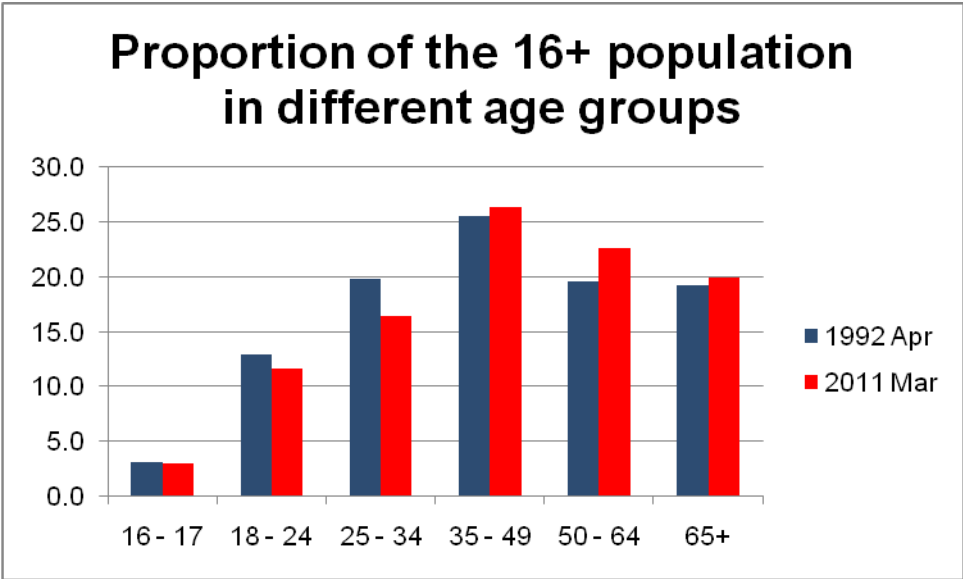


The proportion is still higher than in 1997, but still lower than in 2007.

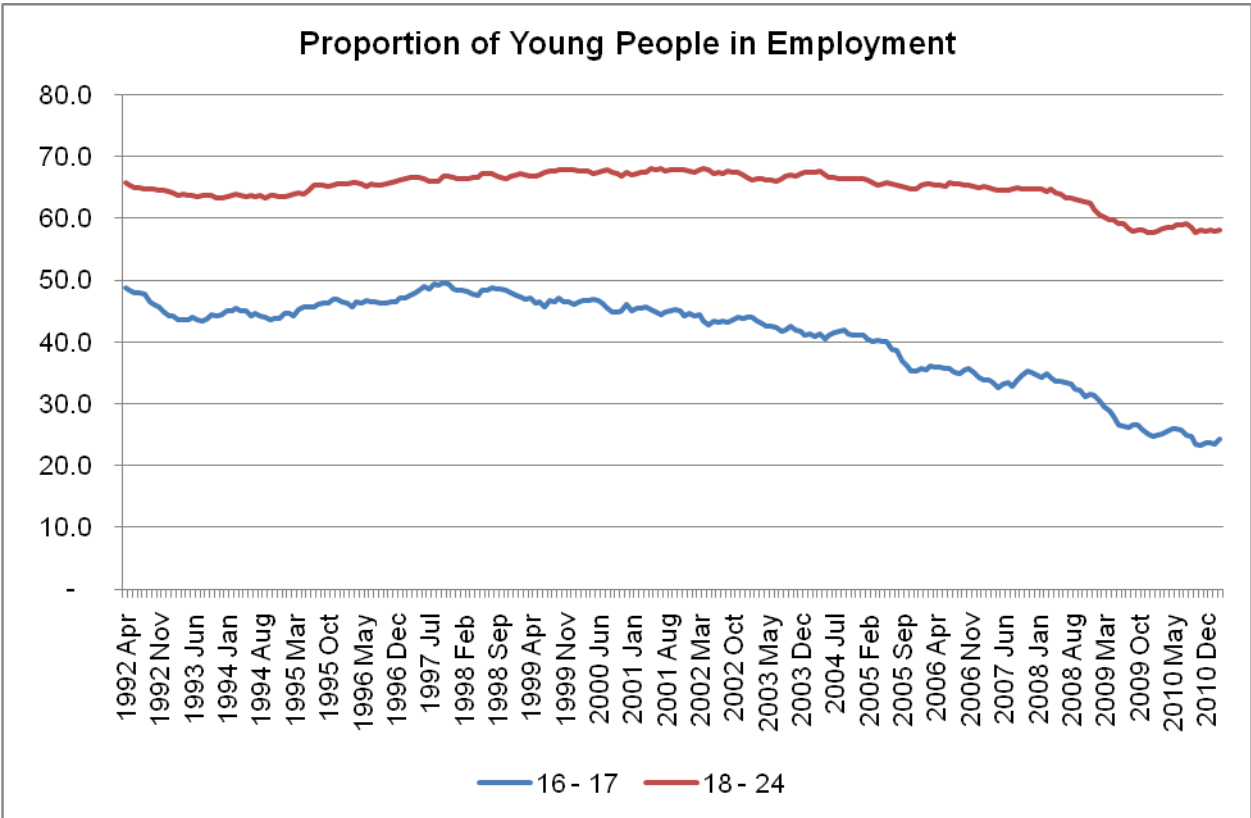
One of the clear trends has been the ageing of the population: since 1992 the proportion of the 16+ population aged under 35 has shrunk, the proportion aged over 35 has grown:

Proportion of the 16+ population in different age groups (%)

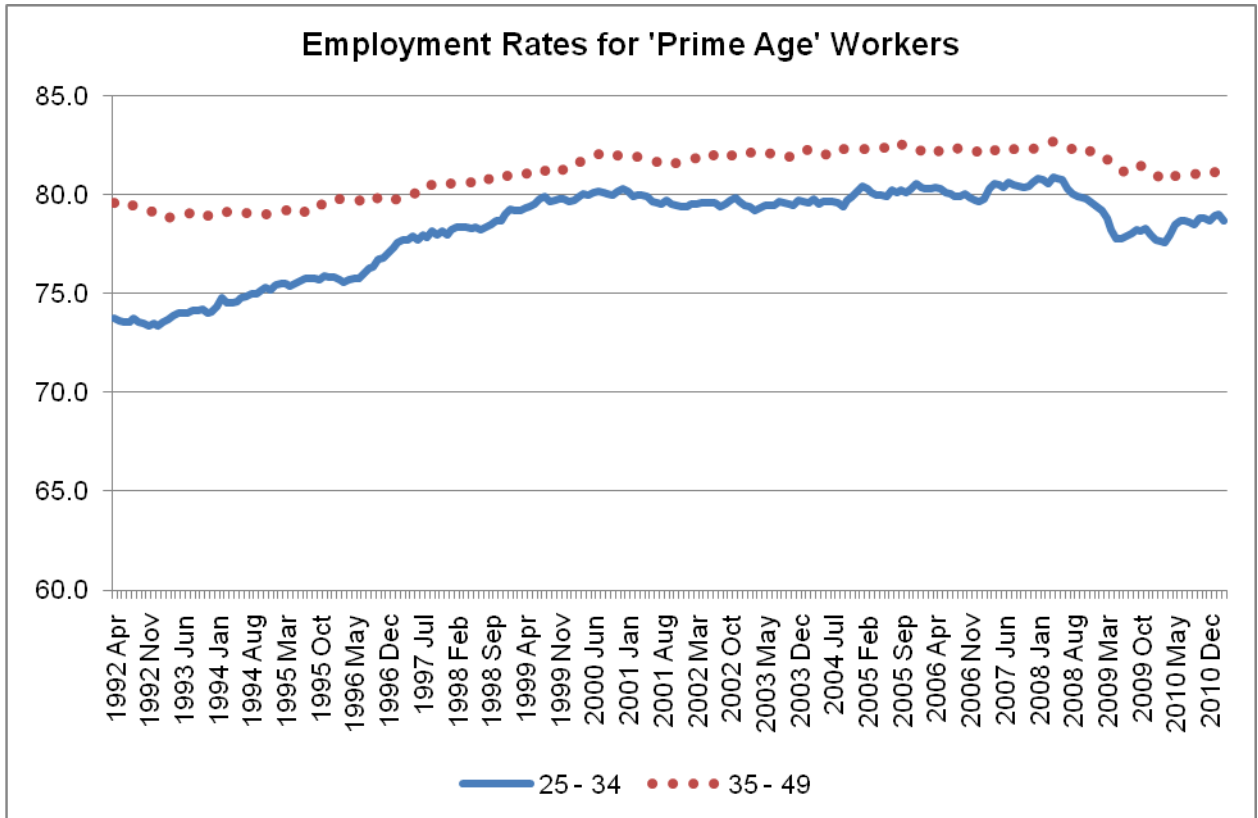
	16 - 17	18 - 24	25 - 34	35 - 49	50 - 64	65+
1992 Apr	3.1	12.9	19.8	25.5	19.6	19.2
2011 Mar	3.0	11.6	16.5	26.4	22.6	19.9



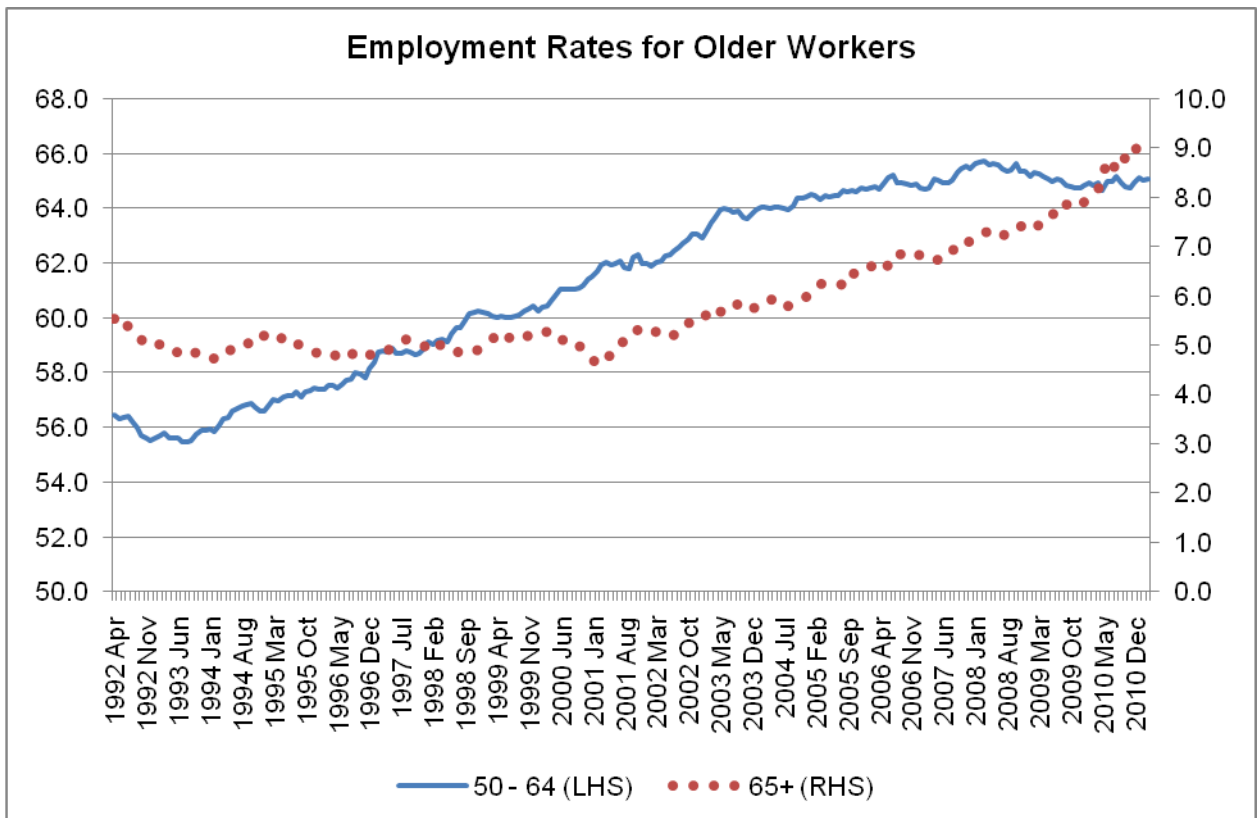
This change in composition has affected employment levels because different age groups have different likelihoods of being in employment. Young people have become less likely to be in employment (mainly because of the expansion of education):



For the time of life when people are most likely to have jobs employment rates have risen a little, despite the recession:

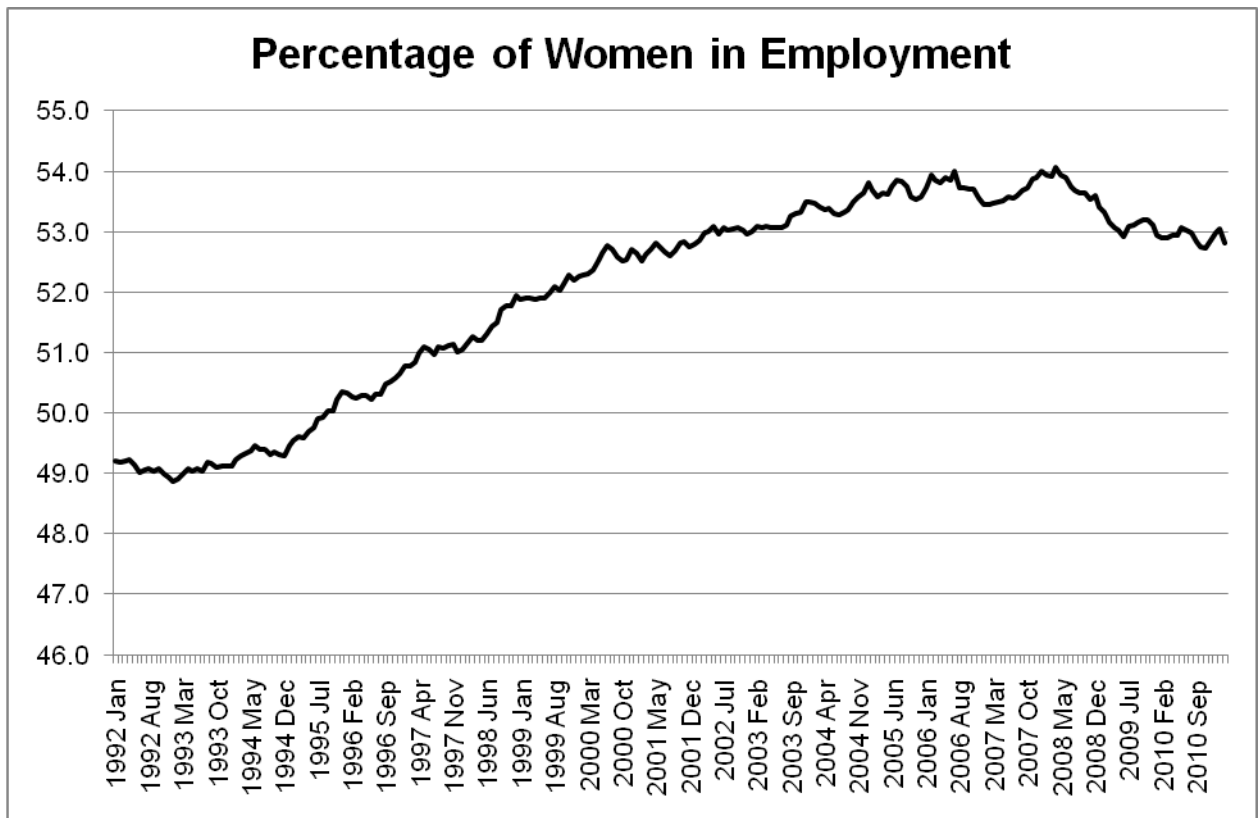


And there has been a significant increase in employment rates for over-50s and people over retirement age (though from from a very low base for the latter group):

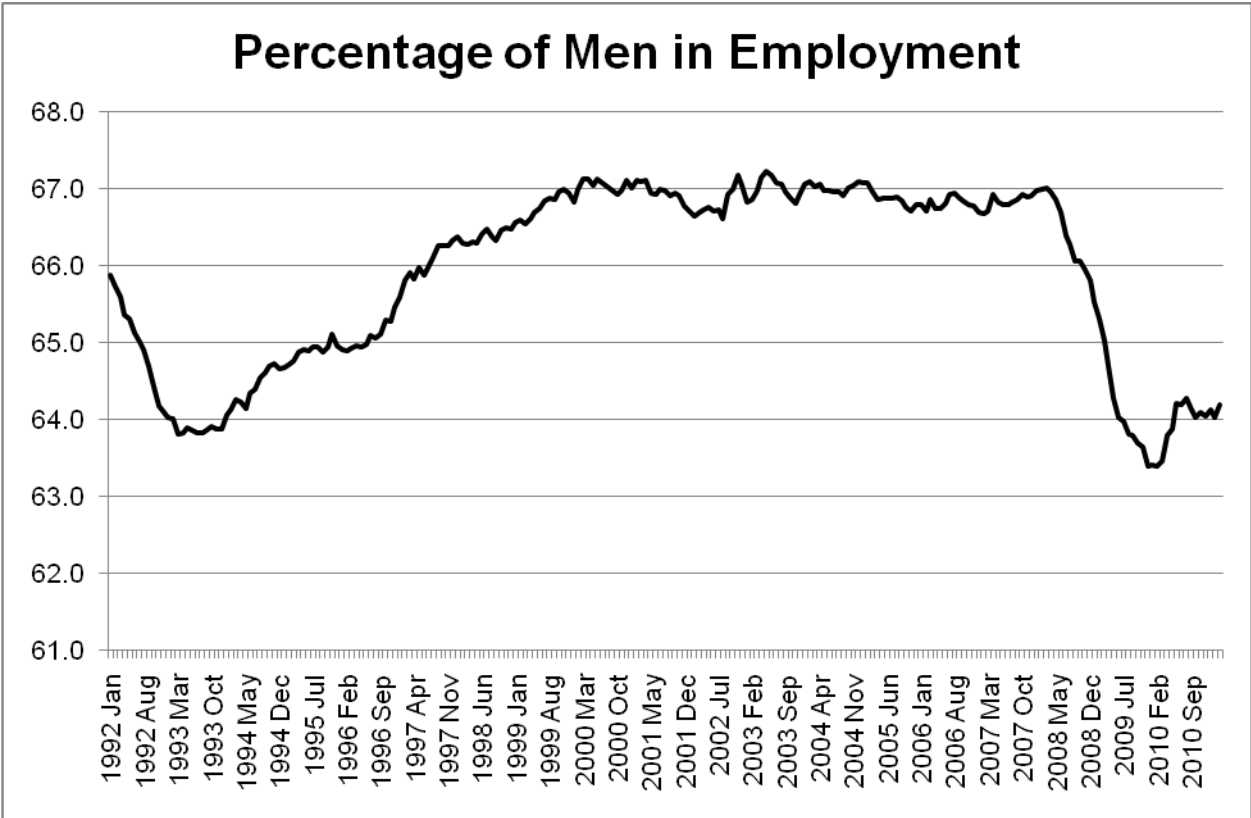


So the overall picture is composed of a significant fall in the employment rate for under-25s, but the share of the population accounted for by this age group is now smaller. At the same time, employment rates have risen slightly for 'prime age' workers and more significantly for older workers – who now make up a bigger share of the total population.

Another trend has been the rising proportion of women who are in employment, from 49.2% in January 1992, to 52.8% in March 2011:



At the same time the proportion of men in employment has come down, from 65.9% to 64.2%, though it was higher immediately before the recession:



As a result, the proportion of people in employment who are women has risen:

