

### OLDER PEOPLE IN THE LABOUR MARKET DURING THE EIGHTIES

- Evidence from the Community Labour Force Survey -



EUROPEAN YEAR  
OF OLDER PEOPLE AND  
SOLIDARITY BETWEEN GENERATIONS

1993

From 1983 to 1991 the number of persons in the Community aged 60 years or older increased by 8 millions while their number in the labour force decreased by 0.3 millions. Their share of the total volume of work in a week decreased by 10% for males and 20% for females.

During the eighties the composition of the population of the Community changed considerably. The number of children and young people decreased while the number of older people increased continually.

The period also witnessed changes in the labour market. The slow economic growth and high unemployment of the

early 1980s gave way to an upturn in the economy later in the decade which was in turn followed by a further recession at the beginning of the 1990s.

How these changes influenced the position of older people and their relation to the labour market is the subject of this Rapid Note.

Older people are for this purpose defined as persons aged 60 years or more but other age groups are also included in the analysis where relevant.

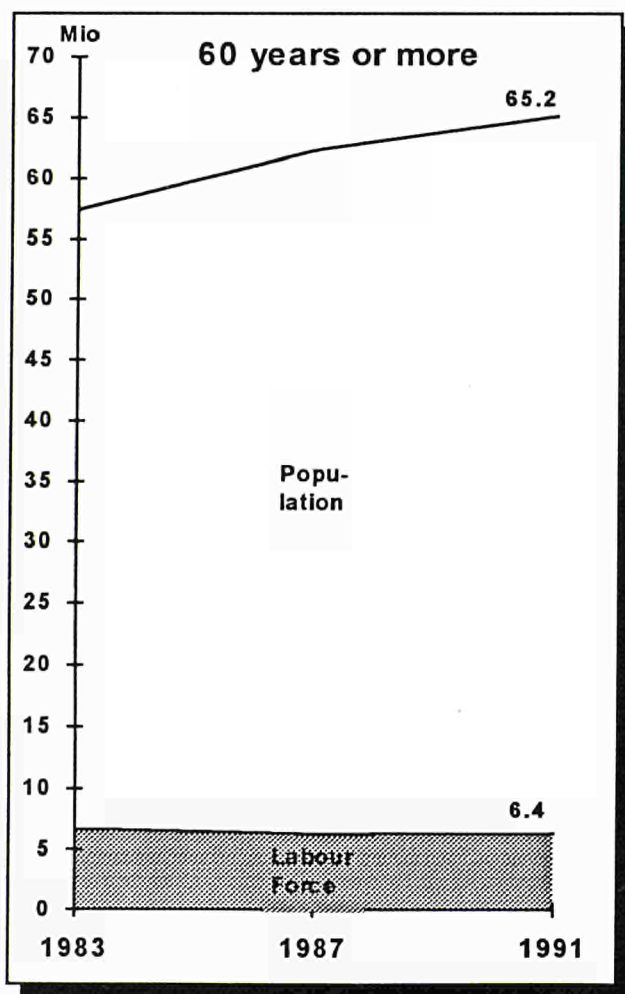
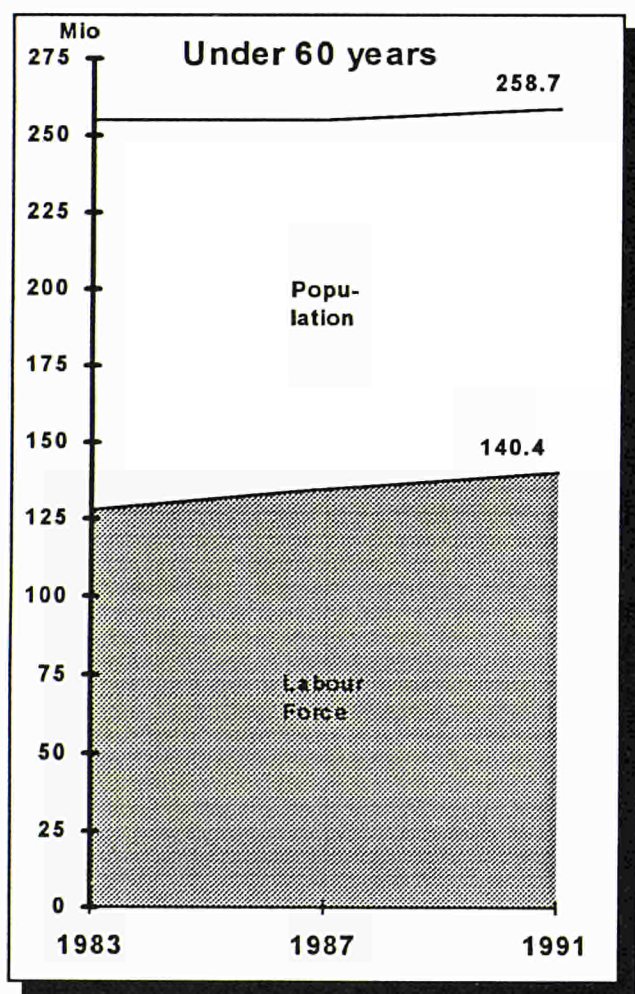
### Population and labour market trends in the period 1983-1991

In 1983, 57 million persons aged 60 years or older lived in private households in the 12 Member States of the Community. Eight years later in 1991 this number had increased by 13.5% to 65 millions. The increase in the total population in the same period was 3.6%

and for the population below 60 years only 1.4%.

Chart 1 shows that while the number of people aged 60 years or more has been increasing throughout the whole period their labour market participation has decreased. The total labour force increased in the Member States of the present Community (including Spain and Portugal) by approximately 12 million persons (3.3 million males and 8.7 million females) from 134.8 millions in 1983 to 146.8 millions in 1991, while the number of older people in the labour force decreased from 6.7 to 6.4 millions.

**Chart 1: Changes in the age composition of the population and of the labour force 1983-1991 (EUR-12)**



Source: Labour Force Survey, Eurostat

In other words, while in 1983 one in every eight persons in the age group 60 years or older had been active in the labour market, in 1991 this was the case for only approximately one in every ten.

### Differences between Member States

As Table 1 shows there was considerable variation between individual Member States regarding activity rates of older people both at the beginning and at the end of the period. Belgium, Luxembourg, Netherlands and France had the lowest activity rates throughout the period. Approximately every twentieth person in the age group 60 years or more was in the labour force in these countries in 1991. At the other

extreme, Portugal, Ireland and Greece had the highest activity rates throughout the eighties. In these countries about every fifth to seventh older person was in the labour force in 1991.

The years between 1983 and 1987 were characterised by greater and more uniform decreases in activity rates of older people than the years from 1987 to 1991, when trends were far from homogeneous. Activity rates increased slightly in Germany, Portugal and UK while in other Member States the decline continued but at a slower pace. Italy was characterized by a relatively high degree of stability, approximately every tenth older person belonging to the labour force throughout the whole period.

**Table 1: Older people in the population and in the labour force  
1983 - 1991**

X 1000	Eur 12	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
<b>1983</b>													
Population	57442	1641	988	11466	1677	6671	9238	479	10360	65	2149	1504	11224
Labour force	6712	91	158	1087	330	935	774	99	1031	4	181	387	1635
Activity rate (%)	11.7	5.5	16.0	9.5	19.7	14.0	8.4	20.7	10.0	6.2	8.4	25.7	14.6
<b>1987</b>													
Population	62346	1924	1070	12828	1881	7184	9853	499	11342	66	2315	1953	11433
Labour force	6311	81	152	988	313	814	676	87	1130	4	175	405	1487
Activity rate (%)	10.1	4.2	14.2	7.7	16.6	11.3	6.8	17.4	10.0	6.1	7.6	20.7	13.0
<b>1991</b>													
Population	65171	2049	1054	13320	2172	8057	10532	511	11384	74	2420	2050	11548
Labour force	6400	75	146	1126	308	836	536	81	1119	3	157	452	1560
Activity rate (%)	9.8	3.7	13.9	8.5	14.2	10.4	5.1	15.9	9.8	4.1	6.5	22.0	13.5

Source: Labour Force Survey, Eurostat & INE Spain and INE Portugal

### Differences between the sexes

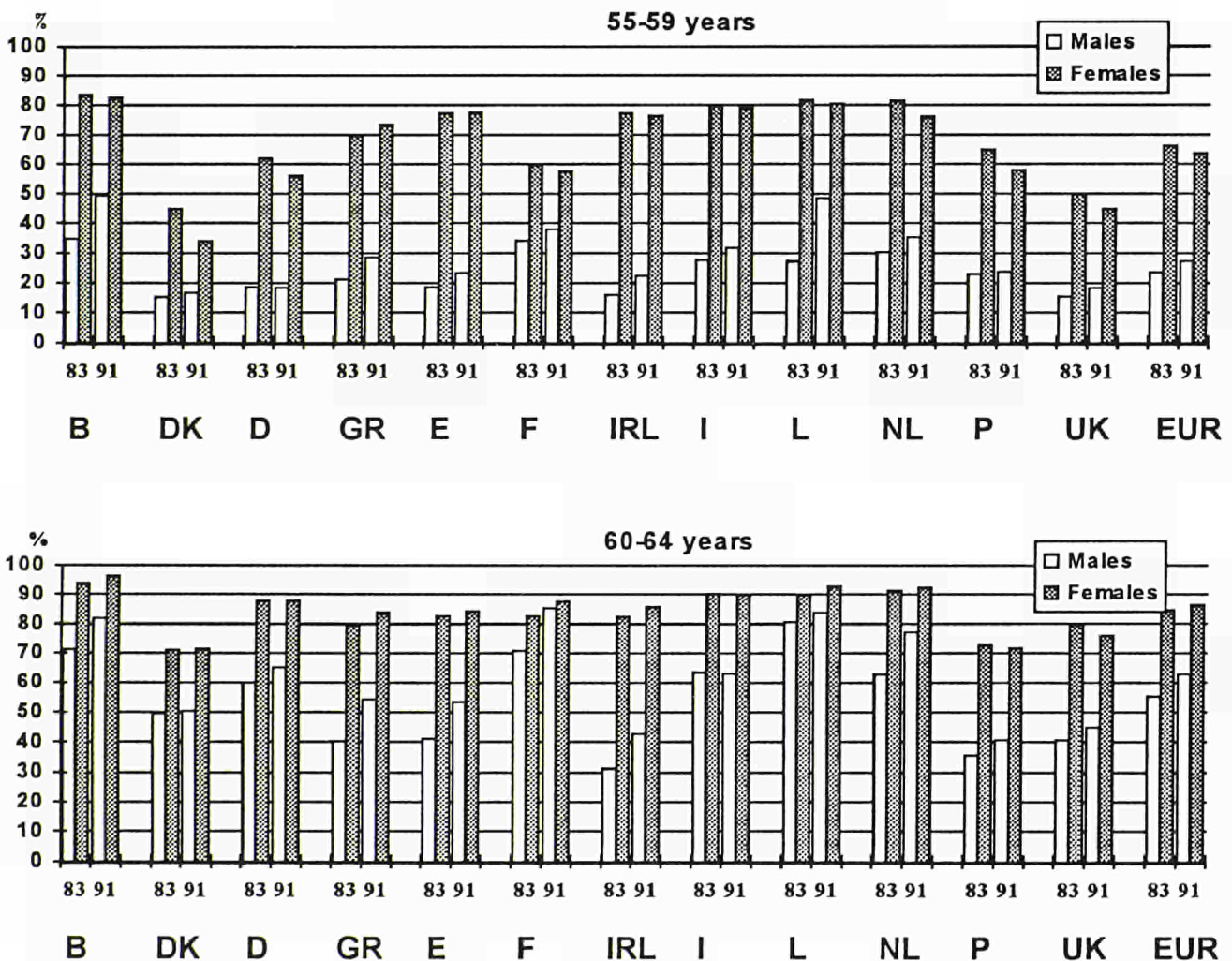
Chart 2 shows the proportion of males and females in the age group 55-59 years and 60-64 years who were not in the labour force in 1983 and 1991. It can be seen that:

- The proportion of inactive males increased throughout the eighties in both age groups in most of the Member States. This indicates that the age for withdrawal from the labour market had been gradually falling throughout the decade.
- The trend was the opposite for females in the age group 55-59

years in 10 Member States where the proportion of inactive decreased between 1983 and 1991. This development was most marked in Denmark, UK, Germany, Portugal and the Netherlands.

- Because of the contrasting trends for males and females aged 55-59 years the differences between their respective activity rates were smaller in 1991 than eight years earlier.
- The reduction in activity was similar for males in the 60-64 and 55-59 age groups while the changes were less pronounced and less uniform for females.

Chart 2: Inactivity rates 1983 and 1991



Source: Labour Force Survey, Eurostat

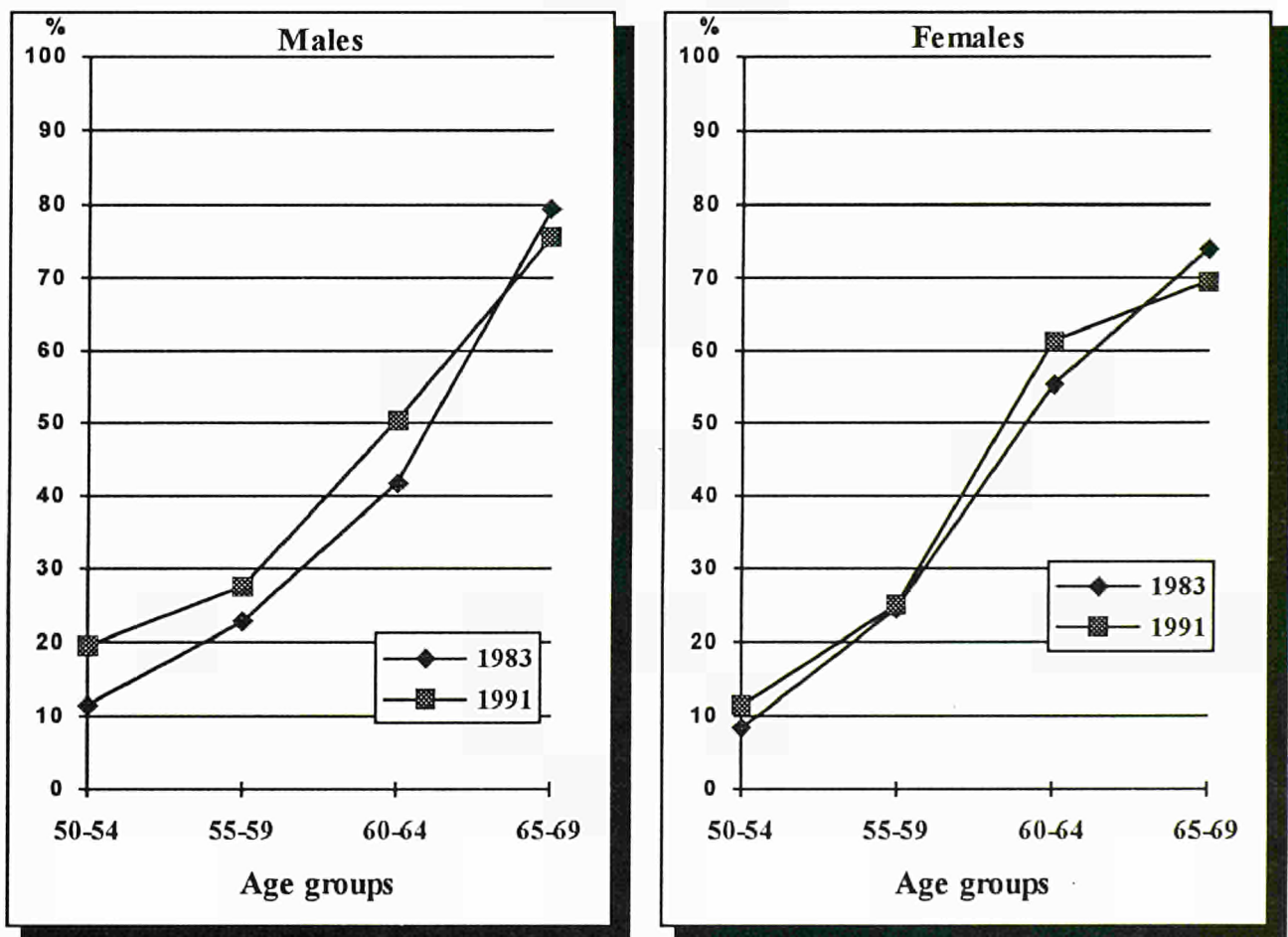
## Retirement patterns and retirement age

The Labour Force Survey contains information on the main reason for not being in employment for persons who did not have a job at the time of the survey but had one within the previous three years. Of the approximately 5 million persons over 50 years who belonged to this group in the 10 countries which were Member States in 1983, about 2 million, that is 41.5%, gave normal retirement as the main reason for not being in employment. In 1991, of the about 6 million persons belonging to the same group, nearly 2.7

million, that is 45.1%, gave this as the main reason.

Chart 3 shows the development of retirement patterns from 1983-1991 for males and females. The increase in the proportion of retirement was considerably greater for males than for females in every age group above 50 years. For males above 50 years as a whole the proportion mentioning retirement as the main reason for not being in employment increased from 41.1% in 1983 to 47.1% in 1991, while the corresponding proportion for females remained unchanged at 42.2% in both years.

**Chart 3: Normal retirement as a reason for leaving job by age 1983-1991 (Eur-10)**



Source :Labour Force Survey, Eurostat

**Older people in employment  
Economic sector**

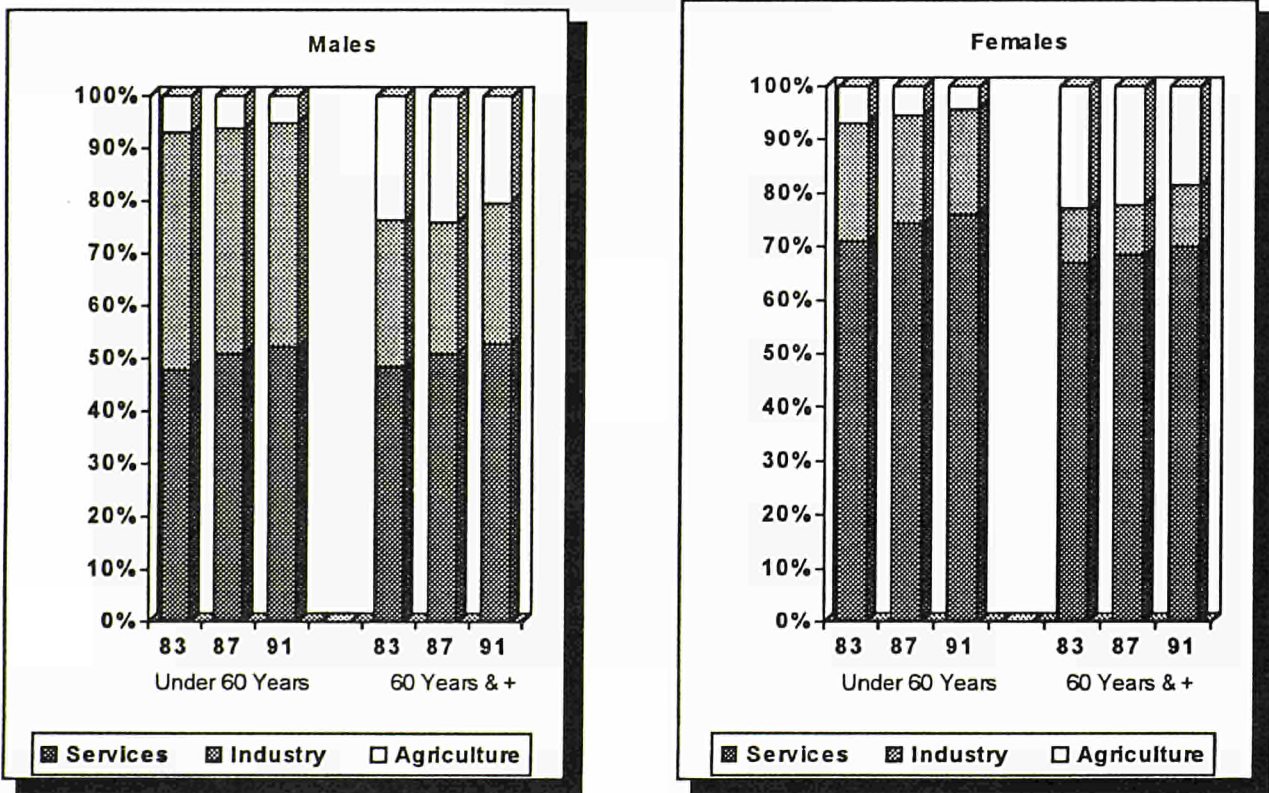
In 1991 approximately 1.2 million persons aged 60 years and over were in employment in the agricultural sector, and approximately 1 million (83%) of them were self-employed. As shown by Chart 4, the proportion of persons in employment in the agricultural sector was considerably greater amongst older people than in the age group under 60 years, both in 1983 and in 1991. In 1991 the proportion of the self-employed in the agricultural sector was twice as high amongst older people as amongst persons aged less than 60 years. But the decline of the agricultural sector and the growth of the service sector, has also influenced the employment pattern of the elderly. While for the age group under 60 years the decrease in

employment in the agricultural sector has continued throughout the whole period, the decline was greater for older persons from 1987 to 1991. This tendency has been characteristic for almost every Member State, though at very different levels.

Alongside decreasing employment in agriculture, employment in the service sector increased for both the younger and the older age groups of both sexes. Within this sector there is an over-representation of older persons in the category of domestic services and to some extent in public administration.

In the industrial sector older males are primarily under-represented in the building and metal manufacturing industries, while females above 60 years are under-represented in every branch of industry.

**Chart 4: Proportion in employment by sector of activity by age 1983-1991 (EUR-10)**



Source: Labour Force Survey, Eurostat

### Professional status

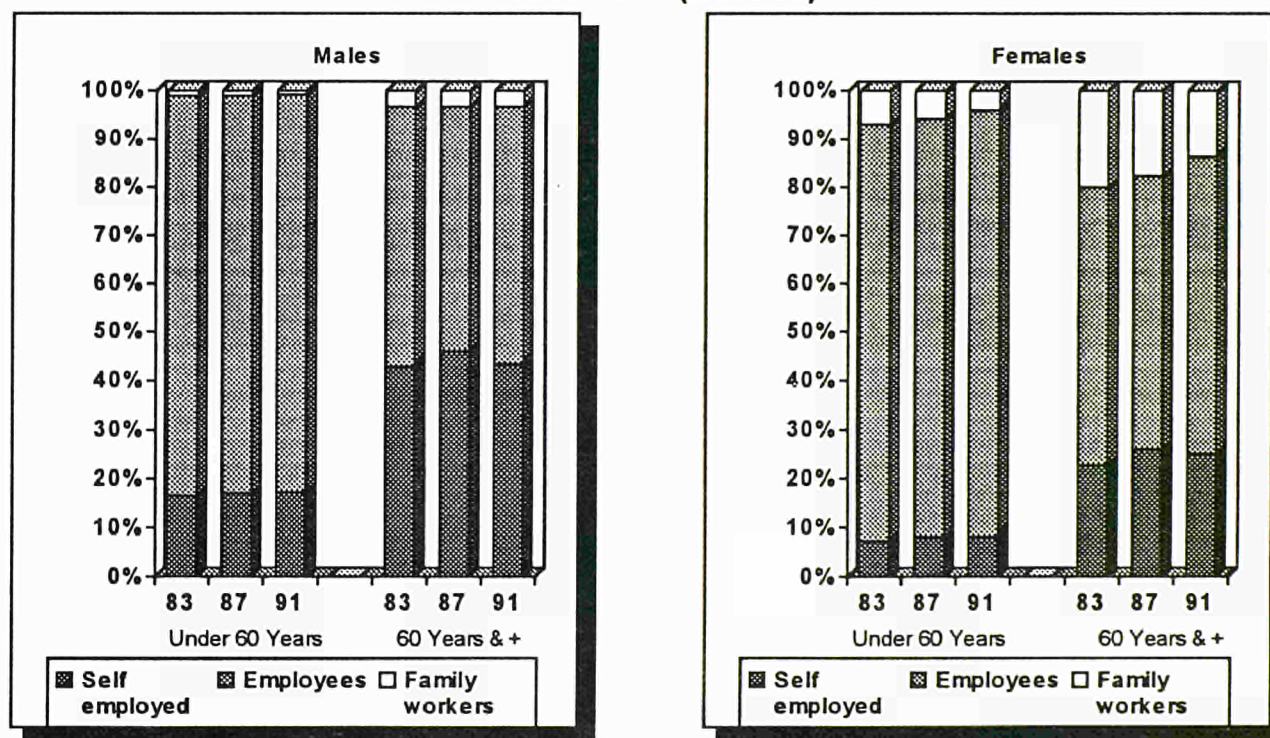
The change in professional status of older people corresponds partly to the shift in the structure of economic activity. Most noticeable is the decrease of the proportion of family workers amongst older females and the corresponding growth of the proportion of employees. The trend is observable in almost every Member State except Denmark and Belgium.

The distribution of occupational groups amongst older male employees differed little in 1991 from the age group under 60 years, apart from being under-

represented in certain occupations where physical strength is required, and being over-represented in some service functions, such as caretaking and cleaning.

Differences in the occupations of younger and older female employees are considerably greater. The proportion of older female employees was still in 1991 noticeably lower amongst professional, technical and clerical occupations, while the proportion of service workers related to housekeeping was more than twice as high as in the younger age group; this is presumably a consequence of the educational lag of older females.

**Chart 5: Proportion in employment by professional status and by age 1983-1991 (EUR-10)**



Source: Labour Force Survey, Eurostat

### Full-time/part-time work

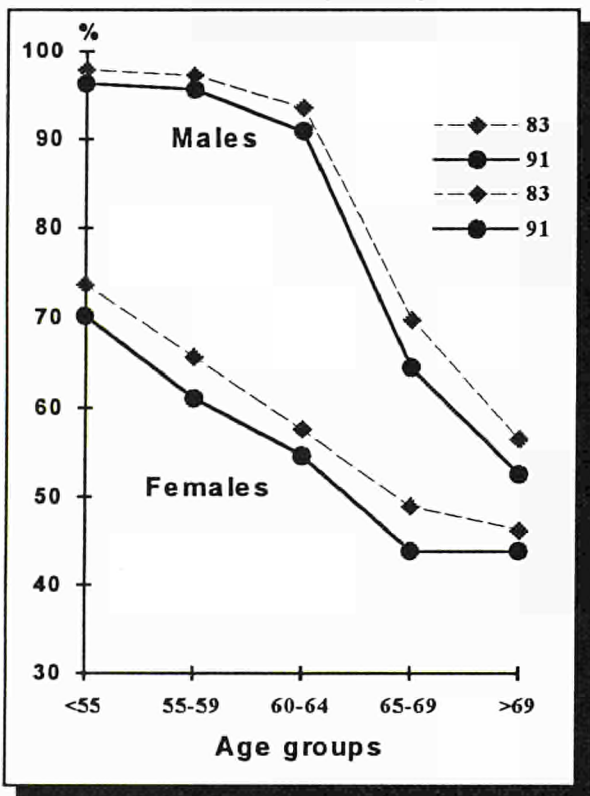
As shown by the distance between the lines in Chart 6, the proportion of persons in full-time employment decreased throughout the period in virtually every age group. For males up

to 64 years the decrease was greatest between 1983 and 1987 while in the following four years the changes were minimal. In 1991, 90% of 60-64 year old males in employment were still working full-time.

For the age group 65 years or older the decline of full-time employment was considerably greater throughout the period. A substantial decrease in full-time employment takes place at the age of 65 years. However, there are great differences between the Member States in this respect. In the Netherlands there is a reduction in male full-time employment in every age group, while in Denmark and France the phenomenon occurs only in the age group 60 years or older.

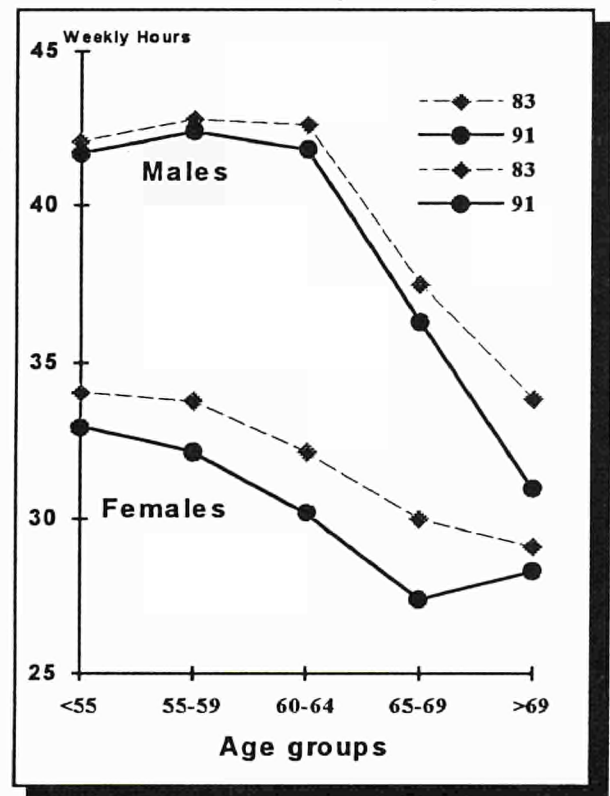
The slope of the lines show that for females the situation is different. The decline of full-time employment from one age group to the next is more evenly paced, and the decrease was more significant between 1987 and 1991. Differences between the Member States were also noticeable for women. While in the Netherlands a reduction took place in full-time employment in all age groups, the opposite trend occurred in Denmark where the share of full-time employment increased throughout the whole period in every age group.

**Chart 6: Proportion of full-time workers in total employment 1983-1991 (Eur-10)**



Source: Labour Force Survey, Eurostat

**Chart 7: Average actual working hours in the reference week 1983-1991 (Eur-10)**



Source: Labour Force Survey, Eurostat

**Average working hours**

The distances between the respective lines representing 1983 and 1991 in Chart 7 show that average weekly working hours have decreased for both males and females in all age groups, as a consequence of working time reforms

and the increase in the proportion of part-time employment.

For men under 60 years, age has little bearing on the length of the working week, but from the age of 60 onwards working hours decrease in line with increasing age.



For females this relationship exists for all age groups, and was more pronounced in 1991 than eight years earlier, which is presumably the consequence of the relatively fast growth of part-time employment amongst females. It explains also the fact that the reduction in length of the average working week has been far greater for females than for males, with the exception of the age group 70 years and older. For males in this age group the length of the working week decreased between 1987 and 1991 by 2.4 hours while the corresponding reduction for females in the same age group was only 0.8 hours.

### The contribution of older people to the volume of work

From the Labour Force Survey it is possible to calculate the volume of work carried out in the Community in the reference week by multiplying the number of persons in employment by the number of hours they worked in that week. The calculation shows that males

aged 60 years or over contributed 10% less to the total volume of work than eight years earlier in 1983. This corresponds to the fall in their proportion in the labour force. In 1983 5.1% of the total volume of work in the reference week was carried out by older males. By 1991 this proportion decreased to 4.6%.

There are great differences between the Member States with respect both to the level and to the changes in the input of older males to the volume of work. Generally the level is highest both at the start and at the end of the period in Member States with relatively large agricultural sectors. With the exceptions of Germany and Italy, where there was a slight increase in the contribution of older males to the volume of work between 1983 and 1991, the general trend is downwards. The decrease was greatest in France, the Netherlands and Luxembourg and smallest in Greece and Denmark. There were no changes between 1987 and 1991 in this respect in Portugal and Spain.

**Table 2: The share of the older people in the total volume of work, 1983 - 1991**

%	E10	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
<b>Males</b>													
1983	5.1	3.2	6.2	4.3	9.6	-	3.7	10.5	5.3	2.8	3.8	-	6.6
1987	4.7	3.0	6.4	3.8	9.0	6.5	3.3	9.9	5.8	2.4	3.4	9.4	5.5
1991	4.6	2.9	5.7	4.4	9.1	6.5	2.3	9.0	5.6	2.1	2.7	9.4	5.3
Changes in %	-9.8	-9.4	-8.1	+2.3	-5.2	0	-37.8	-14.3	+5.7	-25.0	-28.9	0	-19.7
<b>Females</b>													
1983	3.6	1.9	3.8	3.6	8.4	-	3.5	6.1	3.1	3.2	1.9	-	3.9
1987	3.2	1.5	3.2	3.0	7.6	6.9	3.2	4.7	3.6	2.7	1.6	8.2	2.8
1991	2.9	1.3	3.2	2.7	6.8	5.4	2.5	4.2	3.5	2.2	1.4	7.0	3.1
Changes in %	-19.4	-31.6	-15.8	-25.0	-19.0	-21.7	-28.6	-31.1	12.9	-31.3	-26.3	-14.6	-20.5

Source: Labour Force Survey, Eurostat

Older women's contribution to the volume of work declined by twice as much as men's, that is by 20%, although female activity rates decreased by less than those of men in this age group.

While the eighties witnessed a general reduction in the differences between the input of younger men and women to the

volume of work the opposite trend was observed for older persons aged 60 years or more. The original differences between the contribution of older males and females increased in the period from 1983 to 1991 mainly as the consequence of the growing number of younger women in the labour market.

**Table 3: Labour Force profile of persons aged 60 years or more in the Community**

X 1000	1983		1987		1991	
	E10	E12	E10	E12	E10	E12
Population	49267	57442	53209	62346	55064	65117
Labour Force	5390	6712	5092	6311	5112	6400
Unemployed	223	272	228	286	197	250
Employed (*)	5167	6435	4865	6025	4915	6150
in agriculture	1203	-	1138	1595	967	1423
in industry	1160	-	978	1176	1081	1296
in services	2787	-	2732	3237	2850	3414
self-employment	1898	-	1936	2533	1851	2466
family workers	433	-	372	437	318	395
employees	2832	-	2556	3050	2745	3285
Part-time workers	1268	-	1271	1417	1366	1533
Average actual working hours	38.0	-	37.5	38.2	36.9	37.2
Activity rate (%)	10.9	11.7	9.6	10.1	9.3	9.8
Employment/pop. ratios (%)	10.5	11.2	9.1	9.7	8.9	9.4
Unemployment rate (%)	4.1	4.1	4.5	4.5	3.8	3.9

(\*) includes also persons in employment who did not declare industry or/and professional status

Source: Labour Force Survey, Eurostat

### Technical notes and explanations

1. The main source of data for the present analysis is the Community Labour Force Survey which has been carried out regularly every spring since 1983 in each Member State. As Portugal and Spain only joined the Community in 1986 most of the calculations illustrating the development since 1983 include data from those 10 countries which were members of the Community in 1983. For some figures (population, labour force) the data from the Community Labour Force Survey is supplemented by the results of the Portuguese and Spanish labour force surveys from the second quarter of 1983.

2. The results of this publication refer to the territory of the Federal Republic of Germany before 3 October 1990 thus enabling comparisons to be made between the survey of 1991 and those of previous years.

3. The Labour Force Survey distinguishes between early and normal retirement. Because of differences between Member States with respect to the utilisation of the early retirement schemes, the calculation presented in the analysis includes only those giving normal retirement as the main reason for leaving last

job. More detailed information can be obtained from Labour Force Survey Methods and Definitions 1988, Eurostat.

4. Information about working hours refers only to the individual's main job and does not include hours worked in any other job.

5. The contribution of the elderly in the total volume of work is calculated as the number of actual hours worked by persons aged 60 years and more as a proportion of all hours actually worked in the reference week.

**Table 4: Activity rates by age group, 1983 - 1991**

	Eur 12	Eur 10	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
<b>Ages group</b>														
<b>MALES</b>														
<b>1983</b>														
50-54	-	91.1	87.5	90.6	93.2	88.9	-	90.9	88.7	90.3	84.8	84.6	-	92.3
55-59	-	75.5	65.0	83.8	81.2	78.7	-	65.7	83.6	72.3	52.8	69.4	-	83.9
60-64	-	42.3	28.6	50.1	40.0	59.8	-	29.2	68.7	36.6	(19.4)	37.2	-	58.9
65-69	-	13.1	5.1	26.6	10.3	34.2	-	8.0	33.0	15.3	(10.1)	7.3	-	13.5
70 +	-	5.3	2.0	5.1	5.1	13.1	-	3.5	14.5	6.0	.	2.8	-	5.5
<b>1987</b>														
50-54	89.2	89.4	80.7	89.6	92.8	86.2	88.7	88.9	88.1	88.4	91.6	84.9	86.0	89.7
55-59	72.7	72.1	53.3	83.8	79.3	74.3	76.8	61.5	80.9	69.5	55.4	65.8	71.8	80.0
60-64	38.7	36.6	20.1	50.4	32.8	50.2	49.1	20.8	62.6	36.7	21.3	28.8	54.8	55.2
65-69	11.9	11.7	3.8	23.0	8.1	24.6	8.3	6.8	28.4	15.0	.	8.7	28.9	13.5
70 +	4.3	4.3	(1.0)	5.4	3.7	8.9	2.0	2.7	11.9	4.9	.	4.9	14.3	4.8
<b>1991</b>														
50-54	88.9	88.9	80.2	93.2	92.5	86.4	88.8	88.4	87.5	87.0	86.3	83.3	87.9	89.0
55-59	72.7	72.0	50.5	82.7	80.2	71.5	76.3	61.9	76.6	67.9	51.6	64.6	75.9	80.8
60-64	37.1	34.8	18.1	48.4	34.7	45.6	46.5	14.6	57.0	36.8	16.1	22.8	59.3	54.3
65-69	11.3	10.9	3.4	26.1	7.6	20.5	7.6	5.3	27.3	13.4	.	9.0	34.4	15.2
70 +	3.8	3.7	(0.9)	4.5	3.3	5.7	1.5	1.8	11.5	4.4	.	4.1	14.7	4.9
<b>FEMALES</b>														
<b>1983</b>														
50-54	-	46.7	29.9	68.6	47.5	37.2	-	56.2	27.9	30.9	20.9	27.8	-	63.9
55-59	-	35.3	16.5	54.6	39.6	30.1	-	40.3	22.7	19.9	18.4	18.4	-	49.9
60-64	-	12.4	6.1	28.9	12.4	20.1	-	17.3	17.5	9.2	(10.1)	8.2	-	20.3
65-69	-	5.0	(1.8)	10.1	4.6	12.7	-	3.4	7.4	3.8	-	1.8	-	7.0
70 +	-	1.7	(0.7)	-	2.0	5.3	-	1.5	(2.8)	1.4	-	(0.6)	-	1.8
<b>1987</b>														
50-54	46.4	49.5	28.1	72.1	50.5	38.9	26.2	59.3	29.0	33.2	28.9	37.5	48.0	66.8
55-59	34.2	35.9	14.4	60.5	39.7	30.3	22.2	40.4	22.1	19.8	19.4	22.5	36.1	53.1
60-64	14.0	13.3	3.9	25.3	11.1	21.3	16.0	14.7	15.4	9.9	(10.2)	7.9	24.8	19.2
65-69	4.7	4.2	.	9.9	3.6	9.8	4.8	3.0	(5.7)	4.0	.	1.8	16.5	5.5
70 +	1.4	1.3	(0.5)	(0.8)	1.4	3.2	0.9	1.0	.	1.3	.	0.8	5.1	1.6
<b>1991</b>														
50-54	50.6	53.0	31.6	79.5	57.8	34.7	30.0	62.1	30.8	35.9	28.2	40.6	54.0	68.4
55-59	35.9	37.7	17.5	65.8	43.3	26.6	22.5	42.4	23.4	21.1	19.4	23.5	42.1	54.5
60-64	14.6	13.8	3.7	28.6	11.8	15.9	15.6	12.4	14.2	10.2	(7.4)	7.6	28.3	24.0
65-69	4.4	4.2	(1.0)	8.4	3.3	7.6	3.6	2.4	(6.1)	4.2	.	1.9	14.9	7.1
70 +	1.2	1.2	.	(1.1)	1.3	2.1	0.6	0.6	(1.7)	1.3	.	1.1	5.2	1.5

**Signs and abbreviations:**

( )	Unreliable data due to small size of sample
-	Zero or not available
.	Not zero but extremely unreliable
EUR 10	Community excluding Spain and Portugal
EUR 12	Community

This is the third of a series of rapid reports on older people in the European Community, which Eurostat is publishing in the series Population and social condition on the occasion of the European Year of Older People and Solidarity between Generations 1993.

Topics covered so far are:

<b>Population and employment</b>	<b>1993</b>	<input type="checkbox"/>	<b>1</b>
<b>Living conditions</b>	<b>1993</b>	<input type="checkbox"/>	<b>3</b>

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See also following publications from Eurostat:

- Labour Force Survey Results 1991
- Labour Force Survey 1983 -1991
- Labour Force Survey Methods and Definitions 1988
- Labour Force Survey Methods and Definitions 1992 series