

Changes in Employment at Older Ages Australia, 2006-2011

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McDonald and Kippen (1999) argued that labour force participation rates at older ages would increase in Australia irrespective of any policy interventions because:

Education levels were increasing with each cohort and education is correlated with continued employment at older ages.

Each successive cohort was less likely to have been employed in industries that had been subject to **restructuring in the 1980s and 1990s** (especially manufacturing). In particular, those at older ages who were not in the labour force because of retrenchment from these industries would age out of the main working ages.

Each successive cohort is more highly endowed with the skills required for a **knowledge-based economy** and these skills are increasingly important in continued employment.

Each successive cohort will have **commenced work at a later age** on average and therefore can be expected to work longer.

The nature of employment is moving **away from physically demanding jobs**.

Successive cohorts have **more experience of changing jobs** across their lifetimes and this may assist them to move into transition-to-retirement jobs in older ages.

Labour demand would be strong and this would encourage higher rates of participation at older ages. An implicit argument here is that employers prefer younger workers to older workers (discrimination) but that, in a tight labour market, employers' choices are more limited.

The lives of Australians are increasingly **work-defined** so that leisure alternatives would be less attractive for some. Multi-skilling also meant that for many people jobs were more interesting and more satisfying.

With the delay of child-bearing, many people would still have **responsibilities for children** at older ages.

Health status was improving and this would enable people to work longer.

For women, labour force participation would rise at older ages because it had already been rising when the same women were at younger ages – **a cohort effect**.

McDonald, P. and Kippen, R. 1999. 'Ageing: the social and demographic dimensions', in *Policy Implications of the Ageing of Australia's Population*, Canberra: Productivity Commission and Melbourne Institute of Applied Economic and Social Research. Pp 47-70.

Labour Force Participation Rates at Older Ages Australia 2000 and 2013 (month of April)

Year	Males			Females		
	55-59	60-64	65+	55-59	60-64	65+
2000	72.4	45.2	10.1	48.1	22.6	3.1
2013	81.3	63.9	17.1	66.2	46.3	8.1

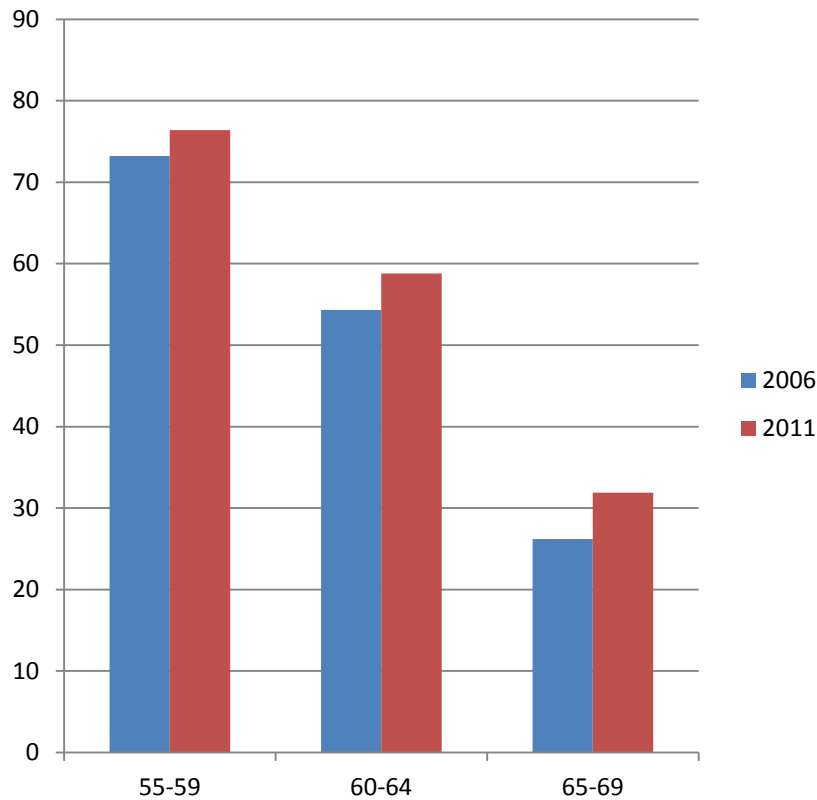
Source: ABS Labour Force Surveys.

Macroeconomic effect

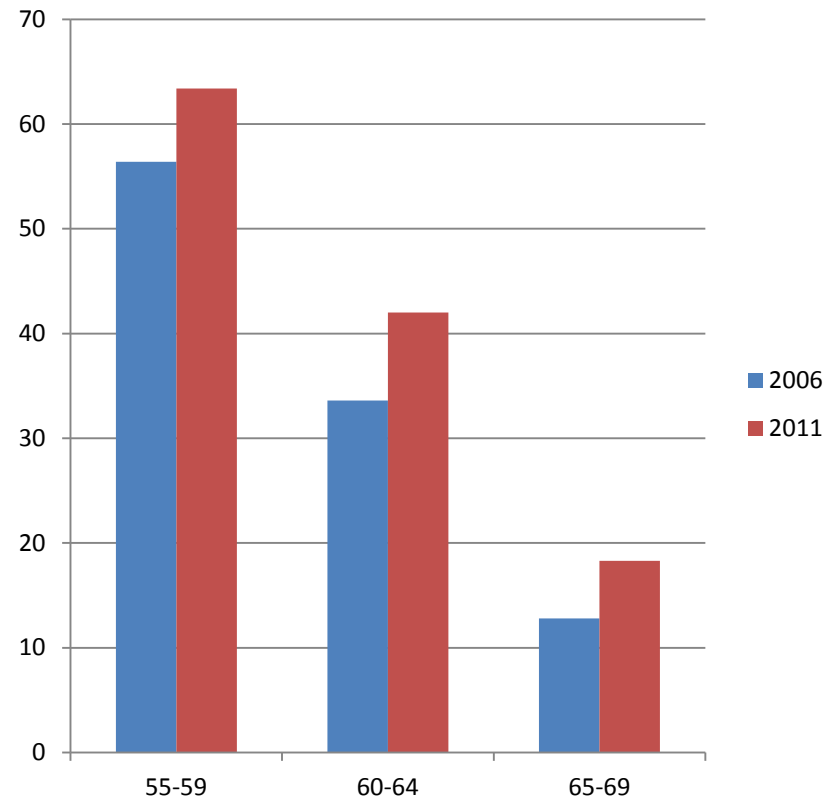
- Additional employment at older ages has led to a 2% increase in Australia's overall participation ratio, 2000-2010 (Cully).
- All else being equal, using the 3Ps model, this translates into a 3% impact on Australia's GDP per capita, that is, all Australians are 3% better off because older people are working longer.

% Employed by Age Group, 2006 and 2011

Males

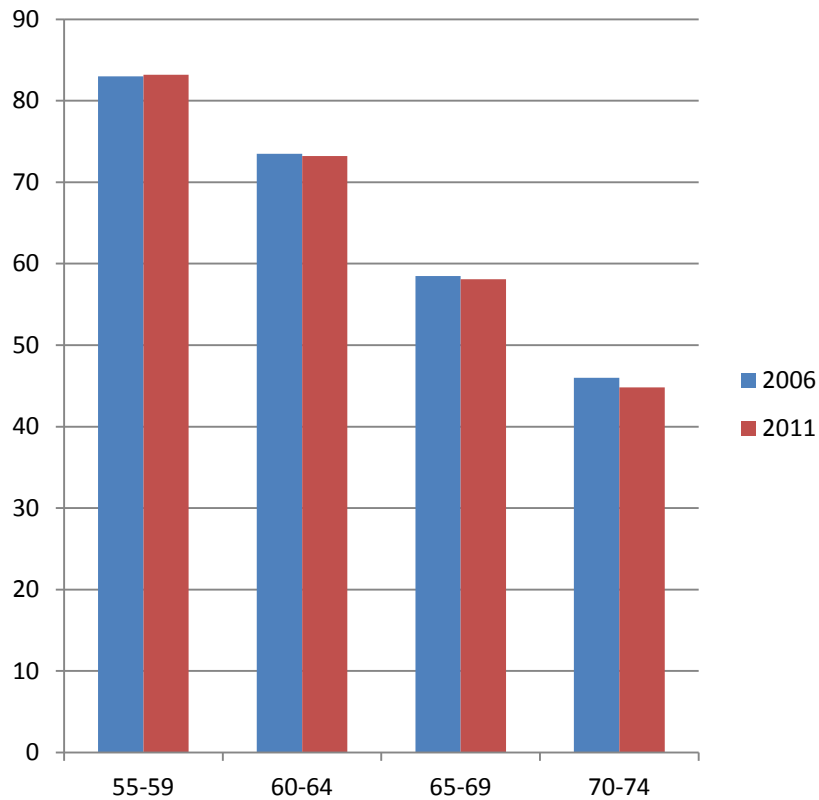


Females

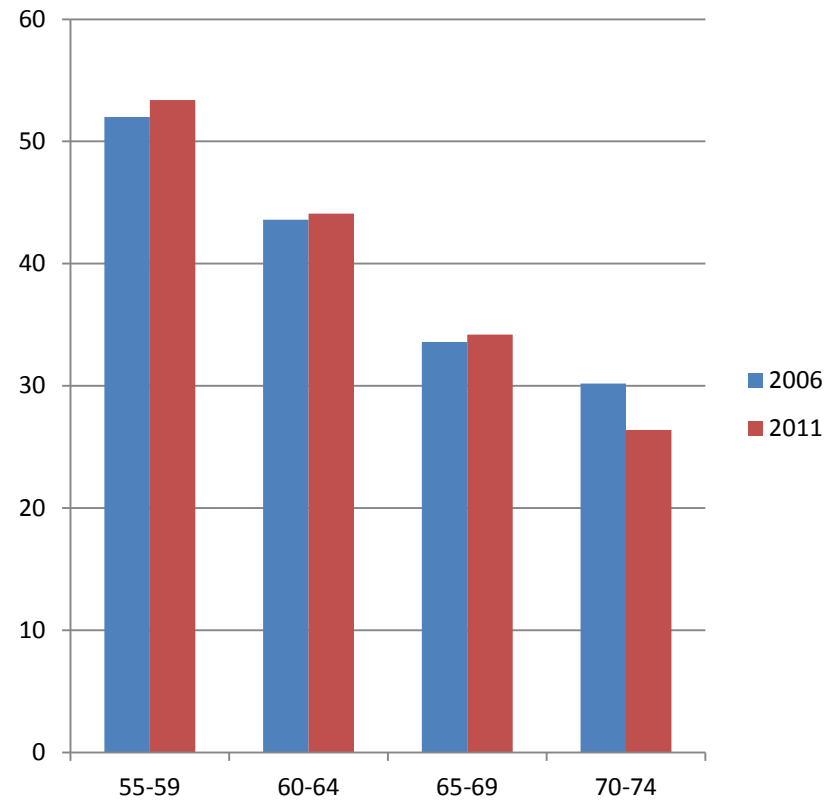


% Employed Full-time of Those Employed 2006 and 2011

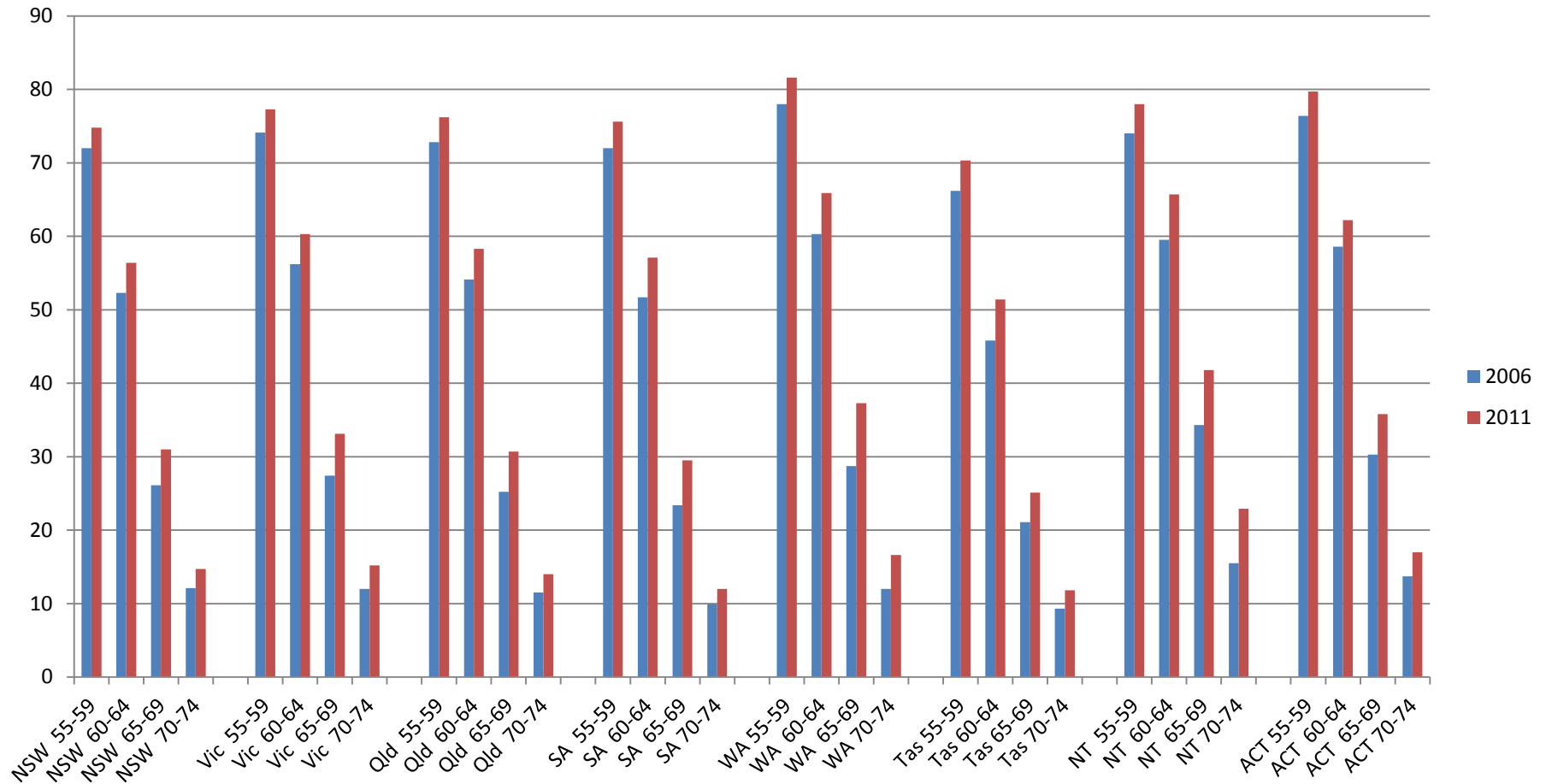
Males



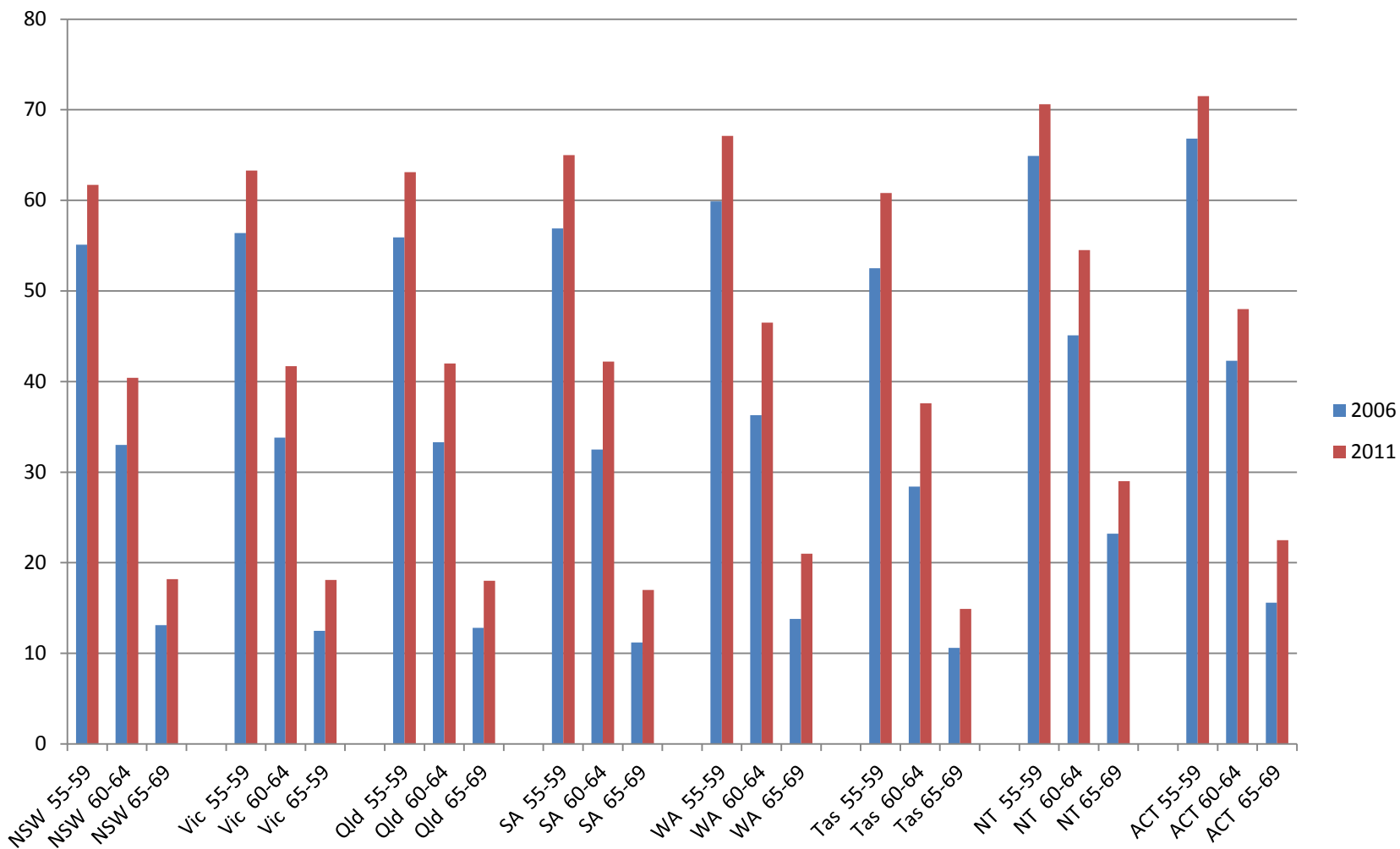
Females



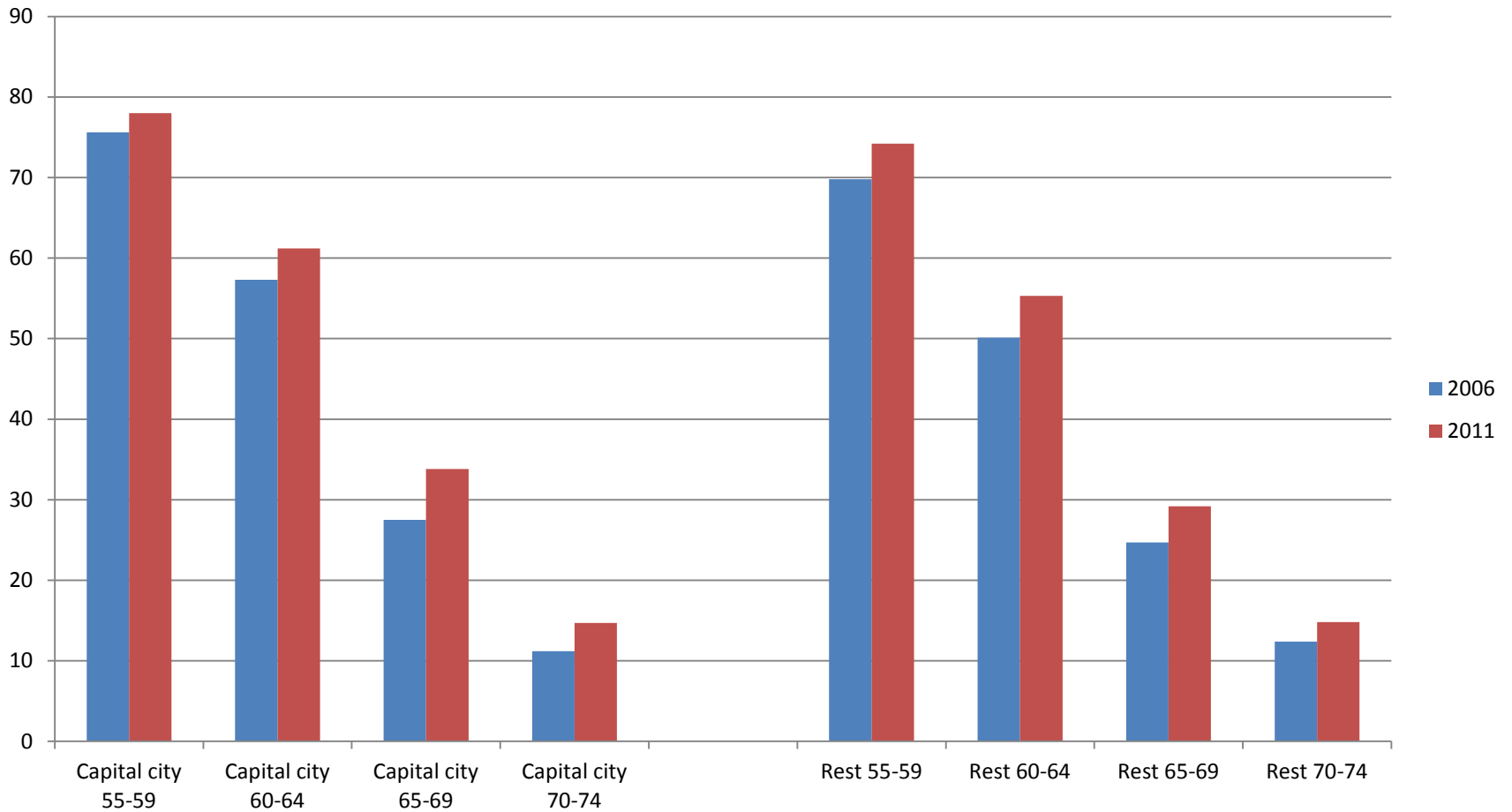
% Employed by State and Territory Males, 2006 and 2011



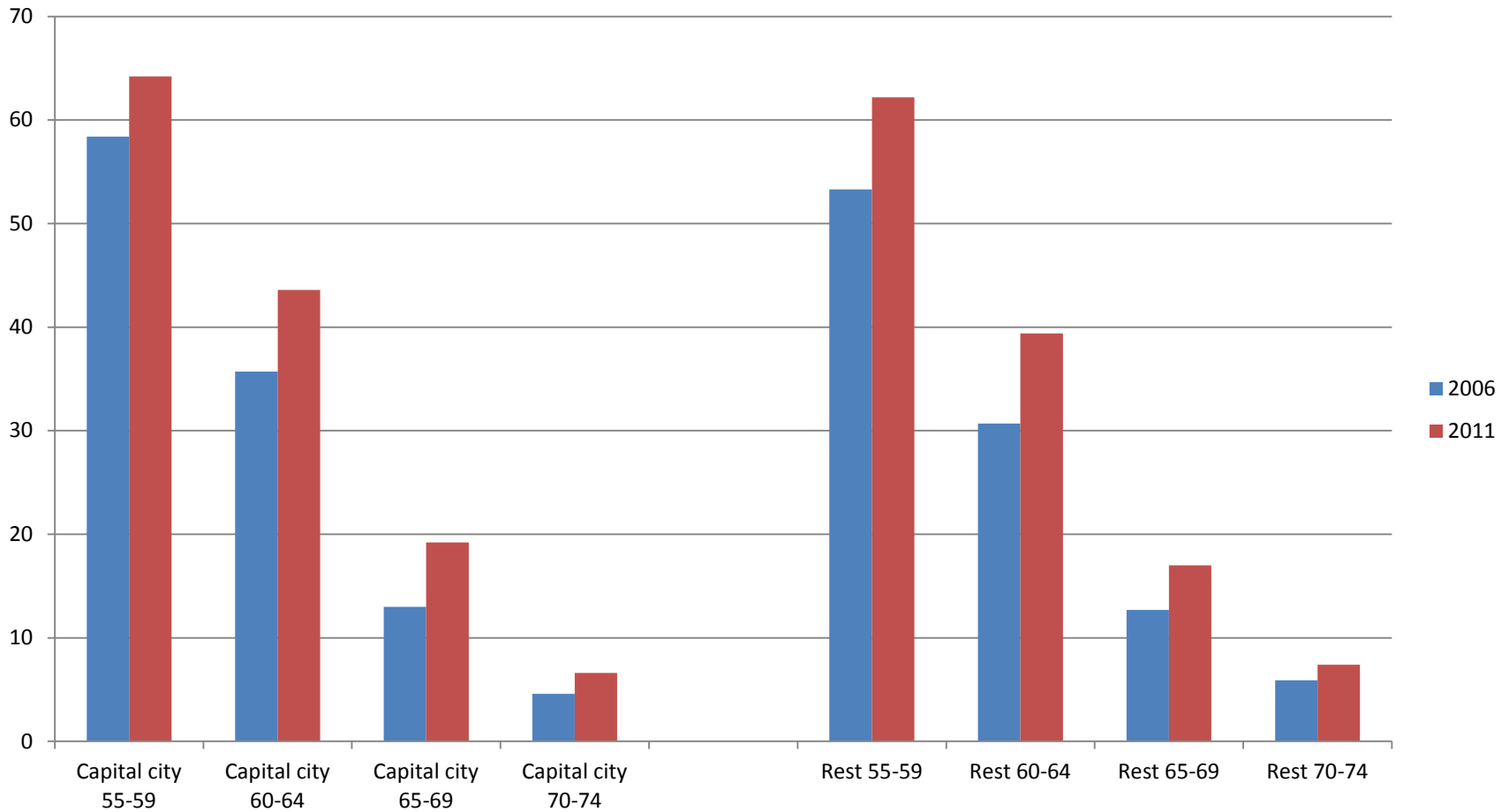
% Employed by State and Territory Females, 2006 and 2011



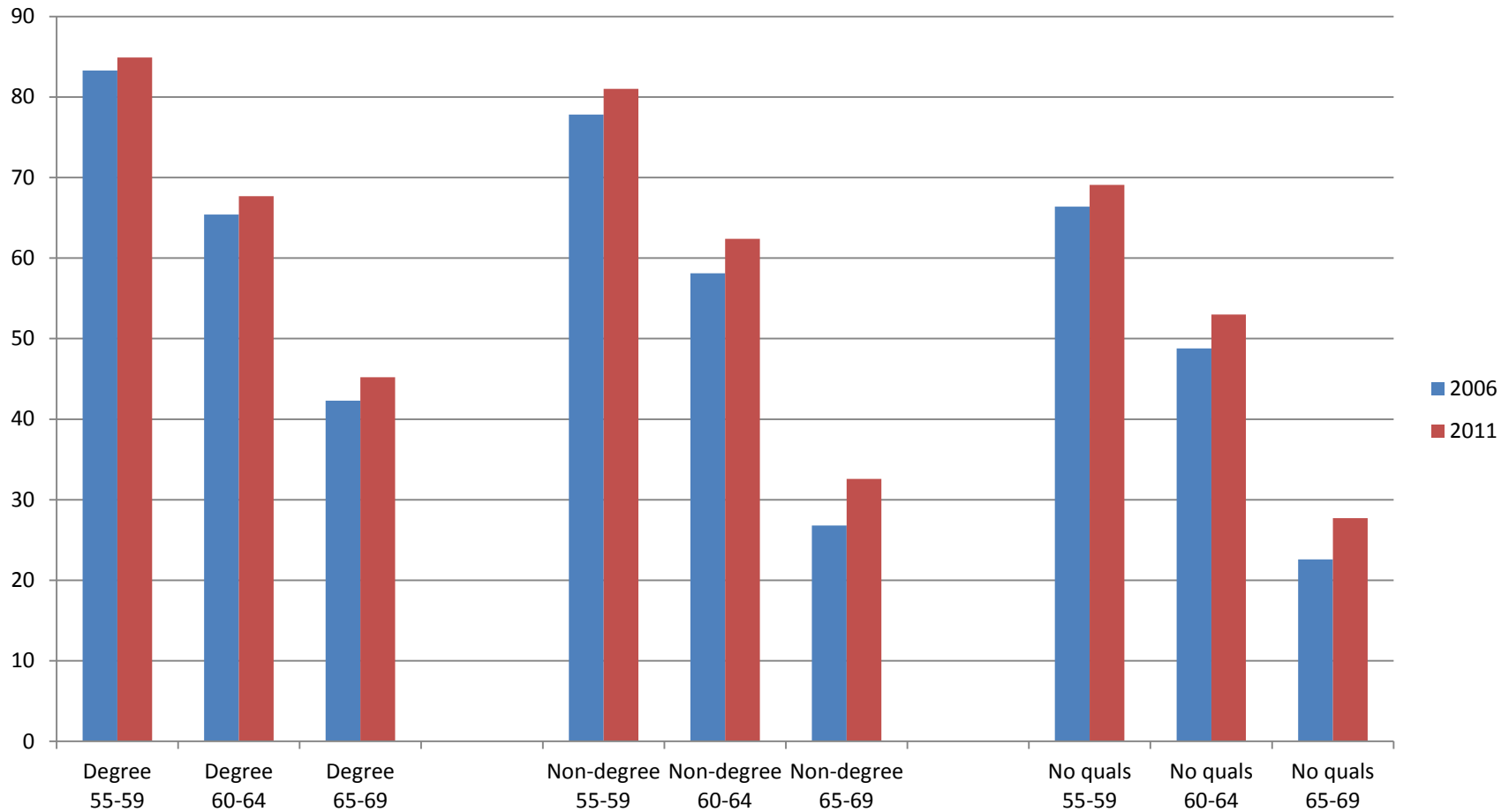
% Employed by Capital City/Rest of State Males, 2006 and 2011



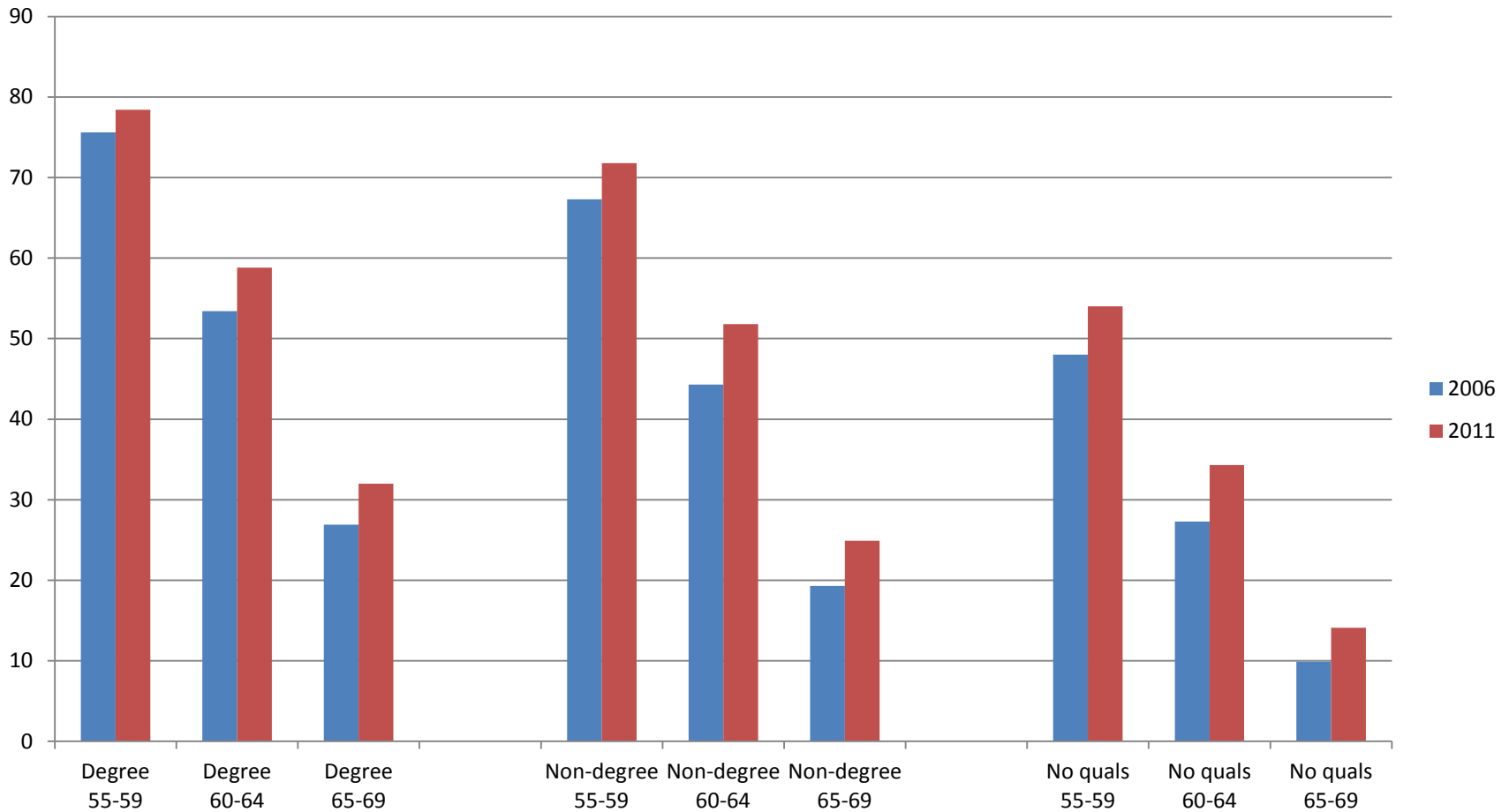
% Employed by Capital City/Rest of State Females, 2006 and 2011



% Employed by Post-School Qualifications Males, 2006 and 2011

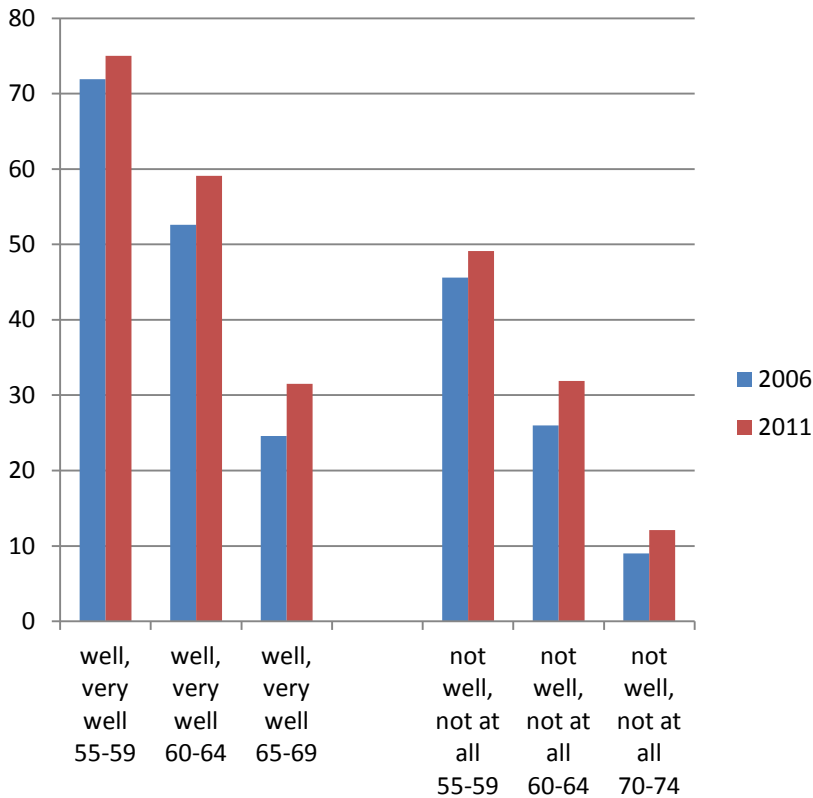


% Employed by Post-School Qualifications Females, 2006 and 2011

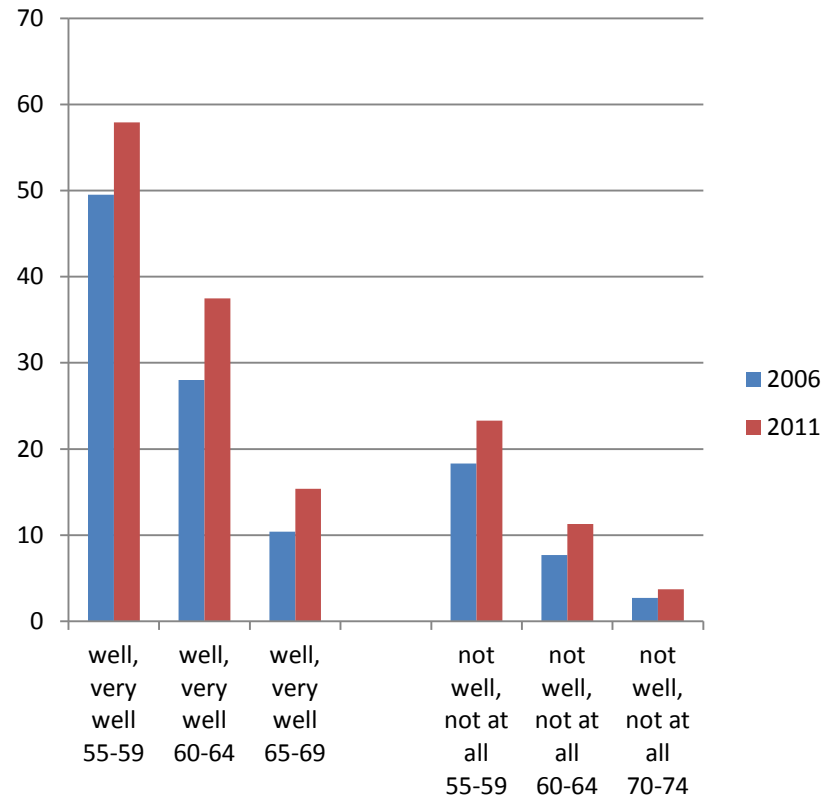


% Employed by English Capacity 2006 and 2011

% Employed, Males

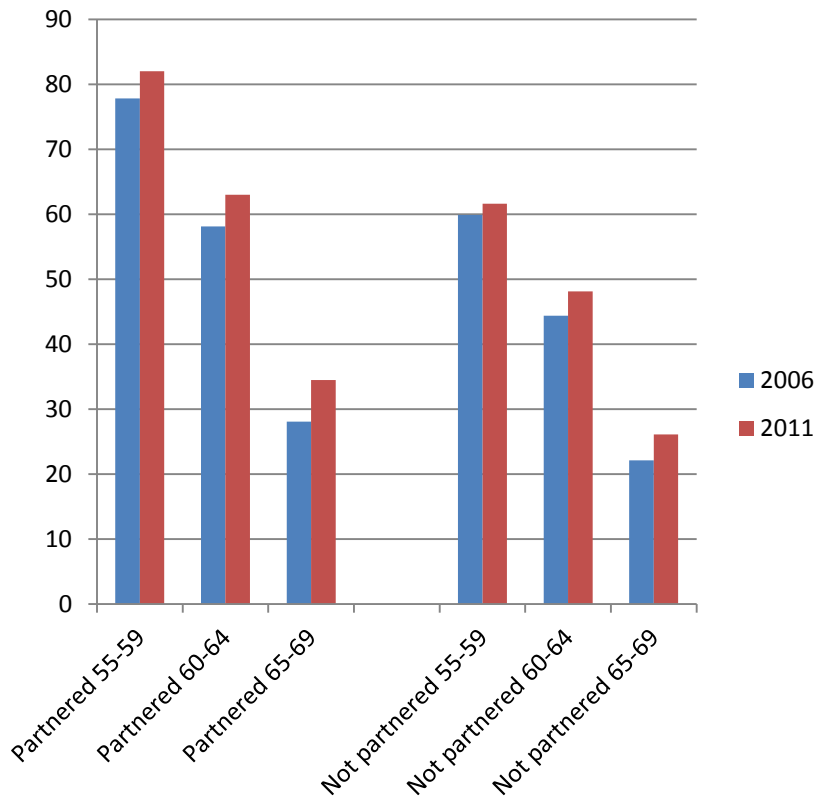


% Employed, Females

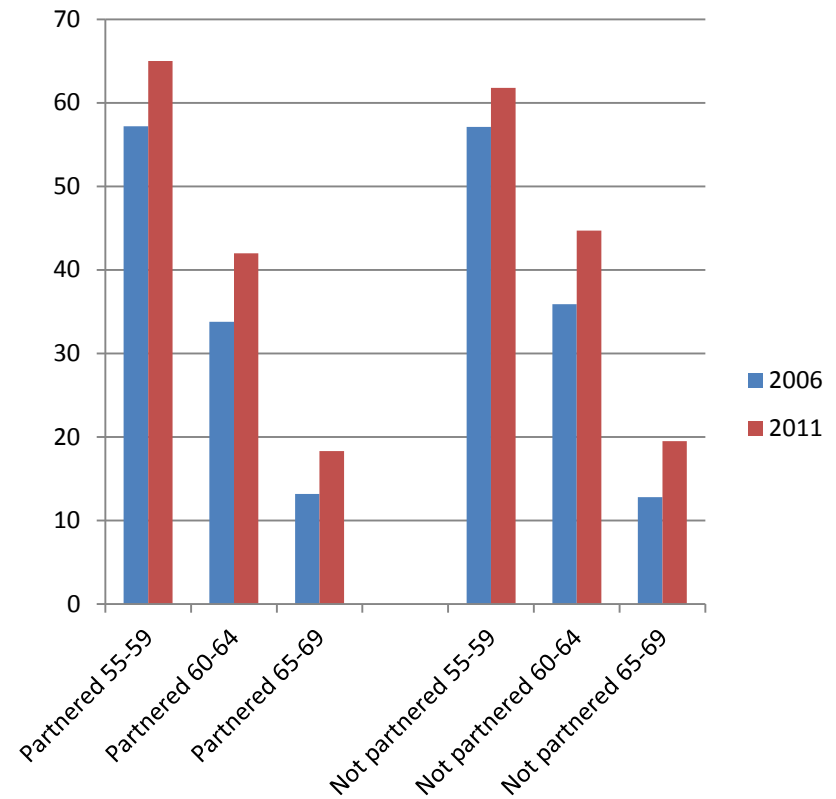


% Employed by Partnership Status 2006 and 2011

% Employed, Males



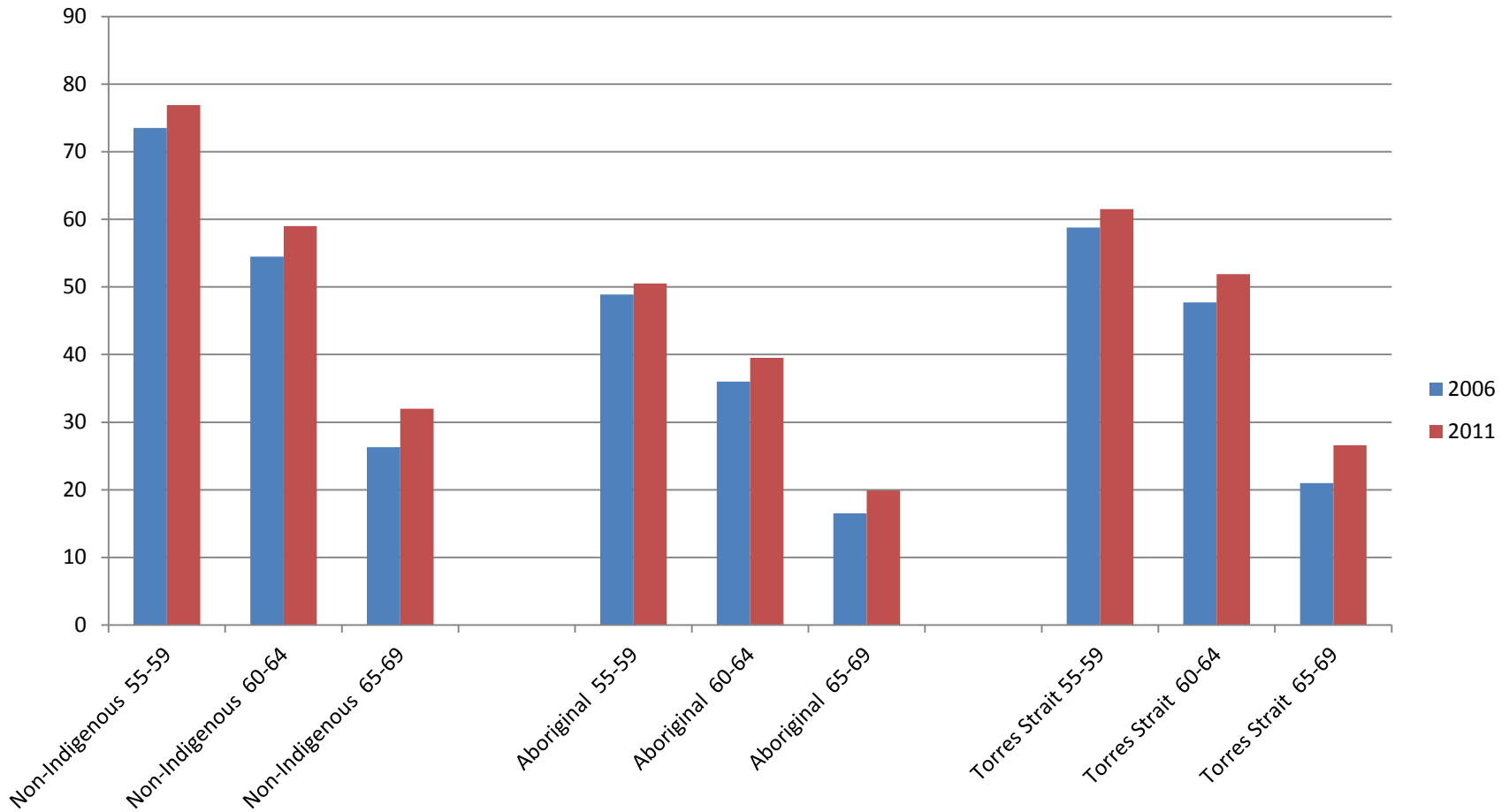
% Employed, Females



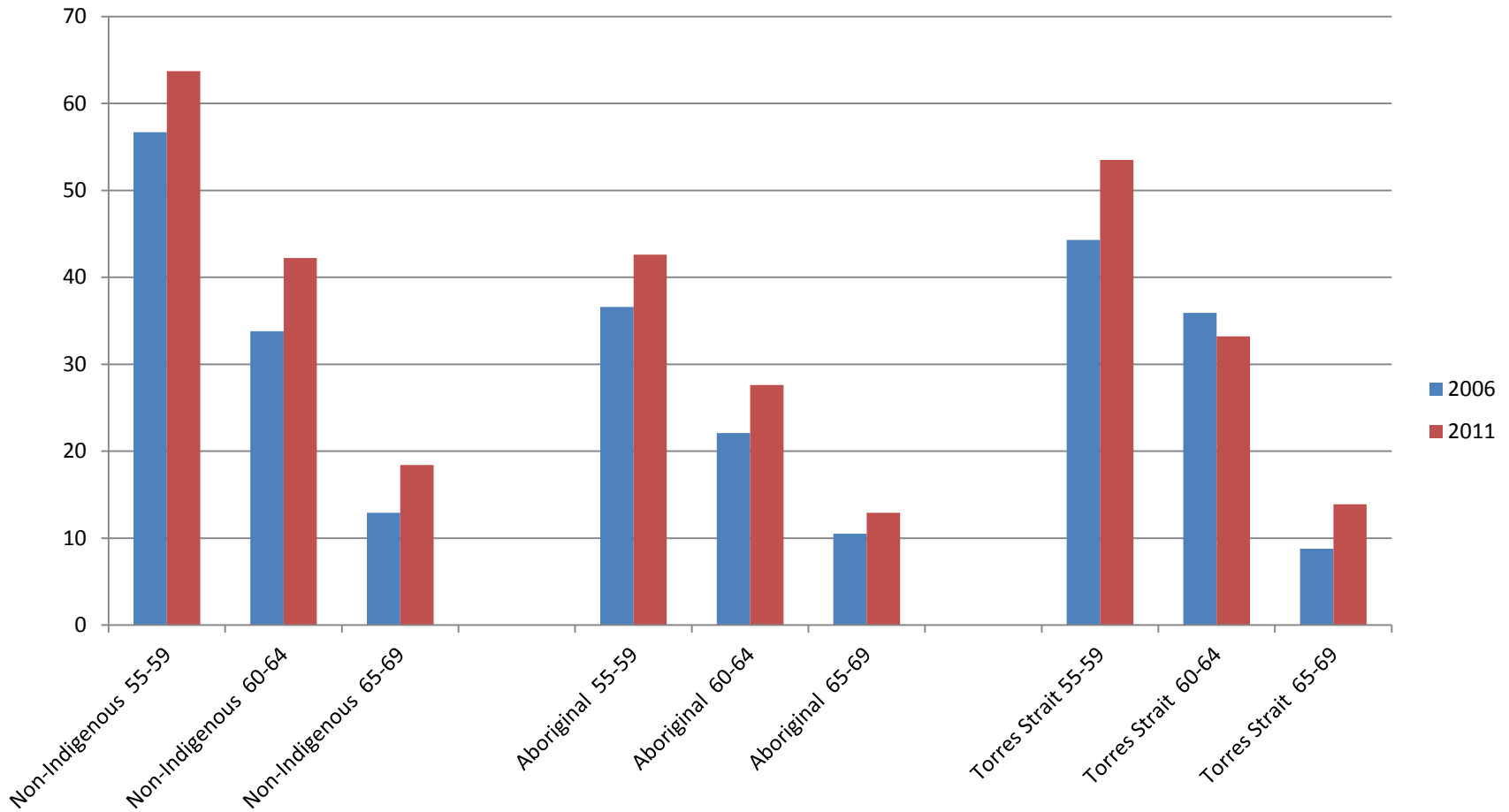
% Employed by Housing Tenure Males, 2006 and 2011



% Employed by Indigenous Status Males, 2006 and 2011

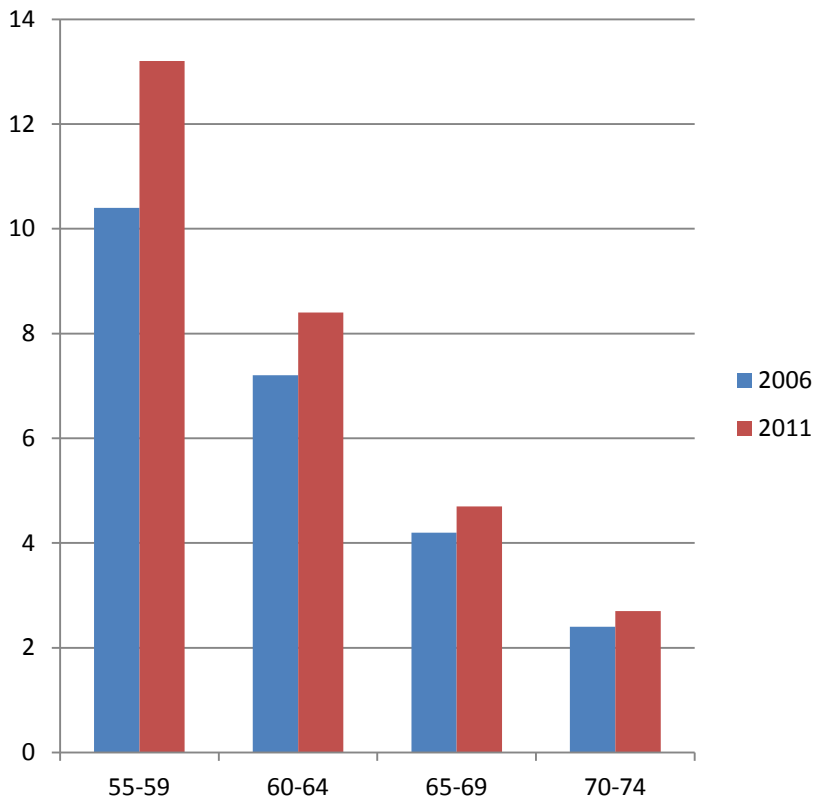


% Employed by Indigenous Status Females, 2006 and 2011

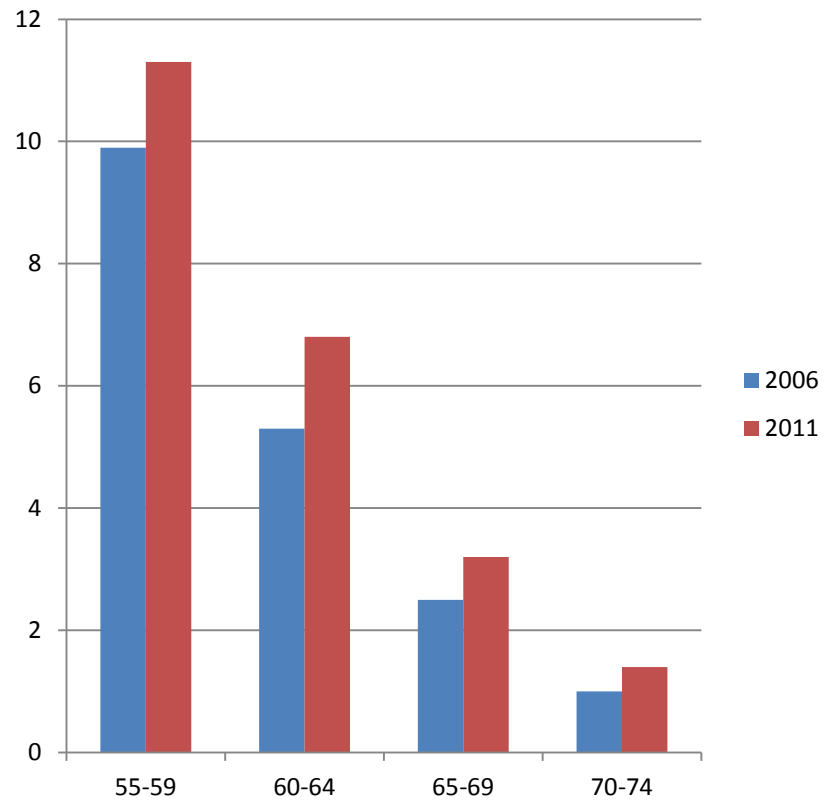


% Employed, Disabled, 2006 and 2011

Males

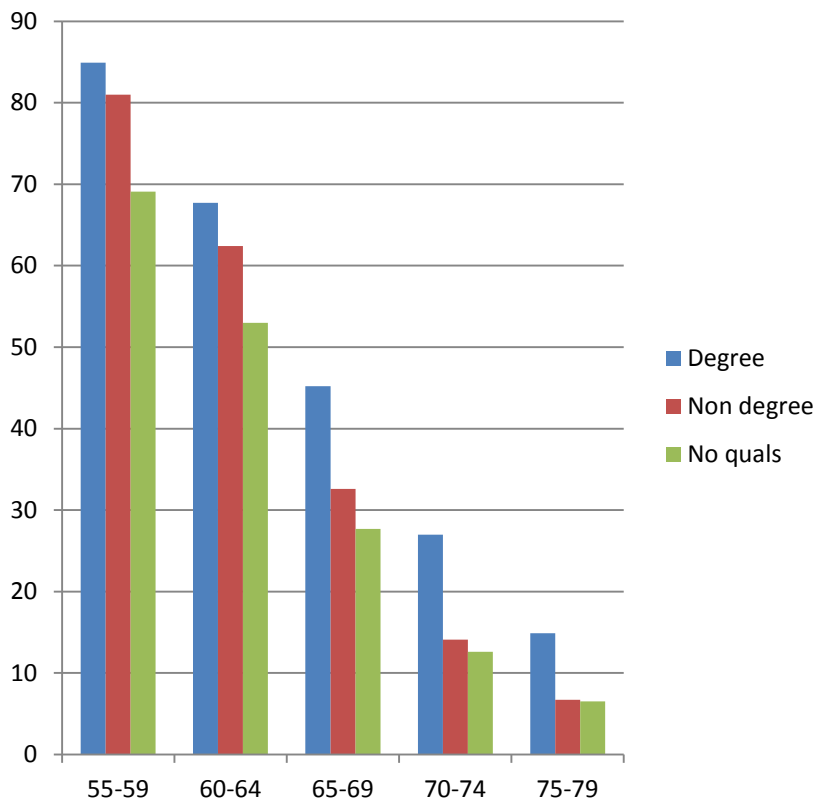


Females

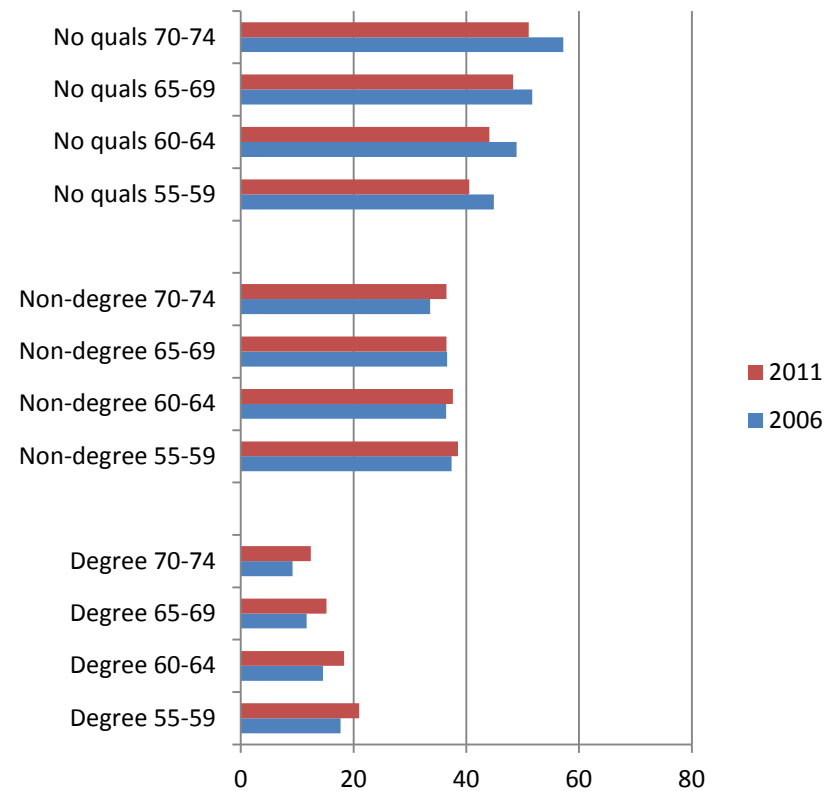


Employment and Post-school Qualifications Males

% Employed 2011



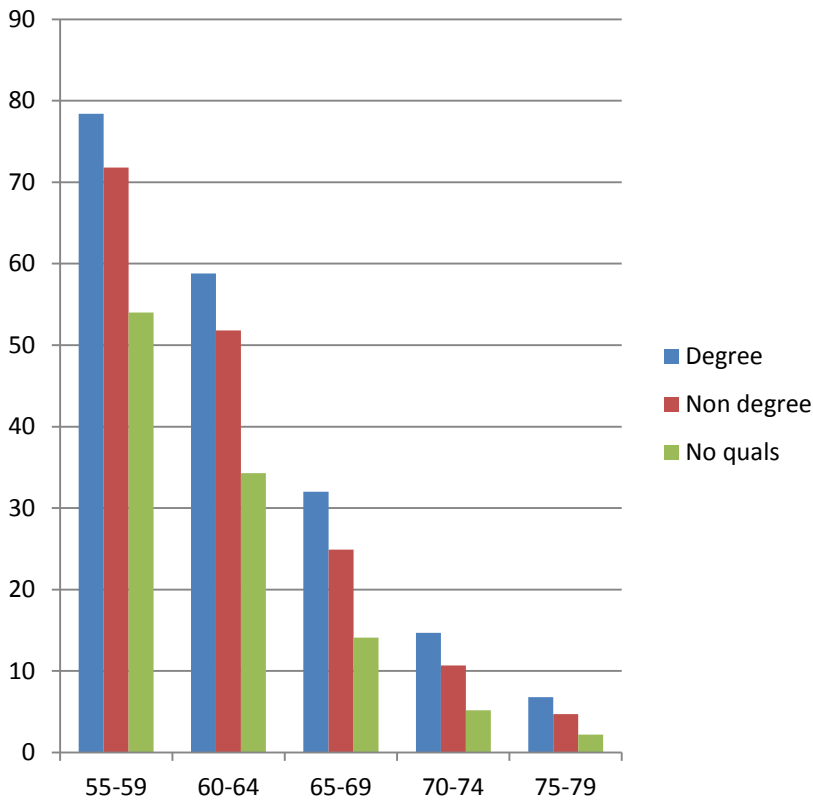
Population Composition 2006 and 2011



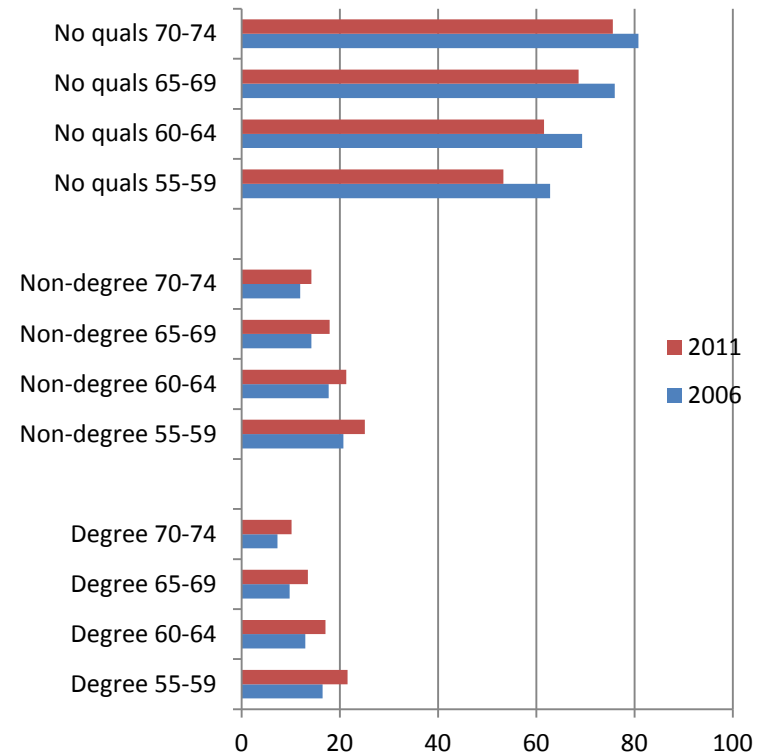
Moderately strong positive effect on employment trend

Employment and Post-School Qualifications Females

% Employed ,2011



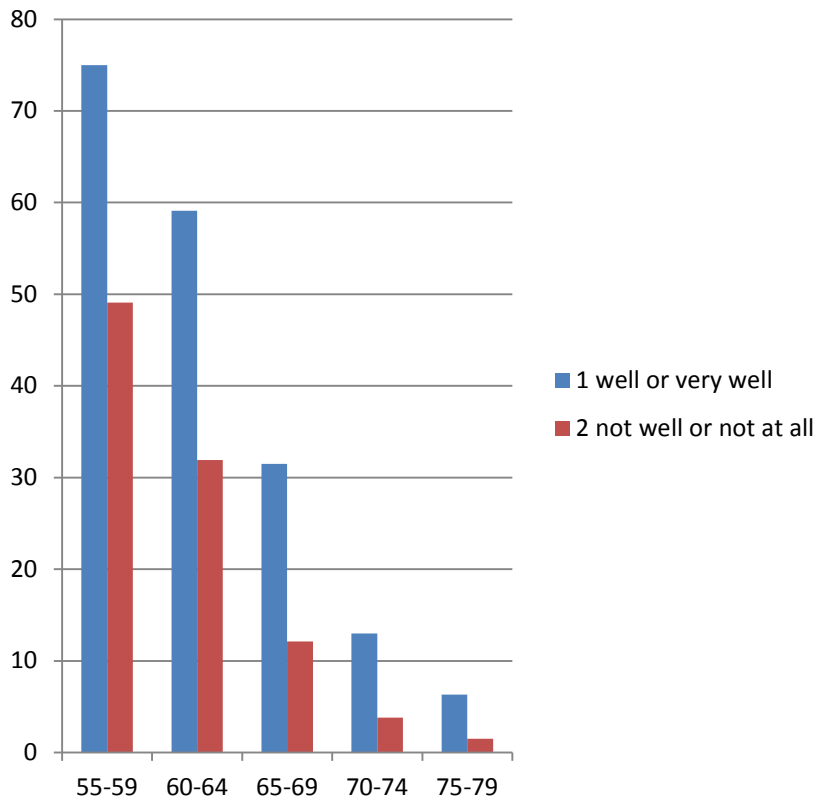
Population Composition 2006 and 2011



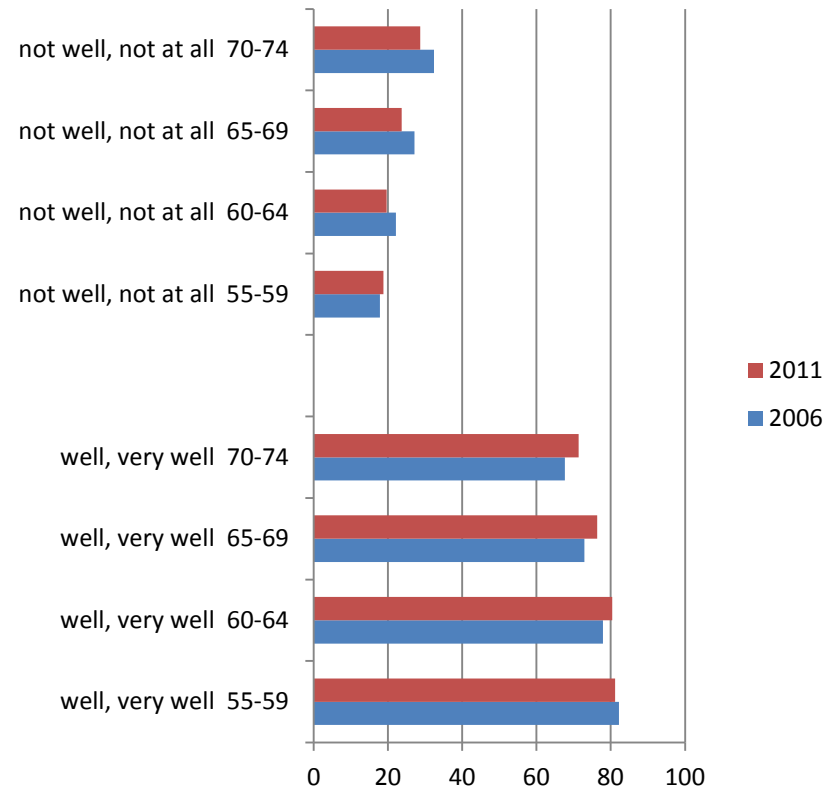
Strong positive effect on employment trend

Employment by English Capacity Males

% Employed, 2011



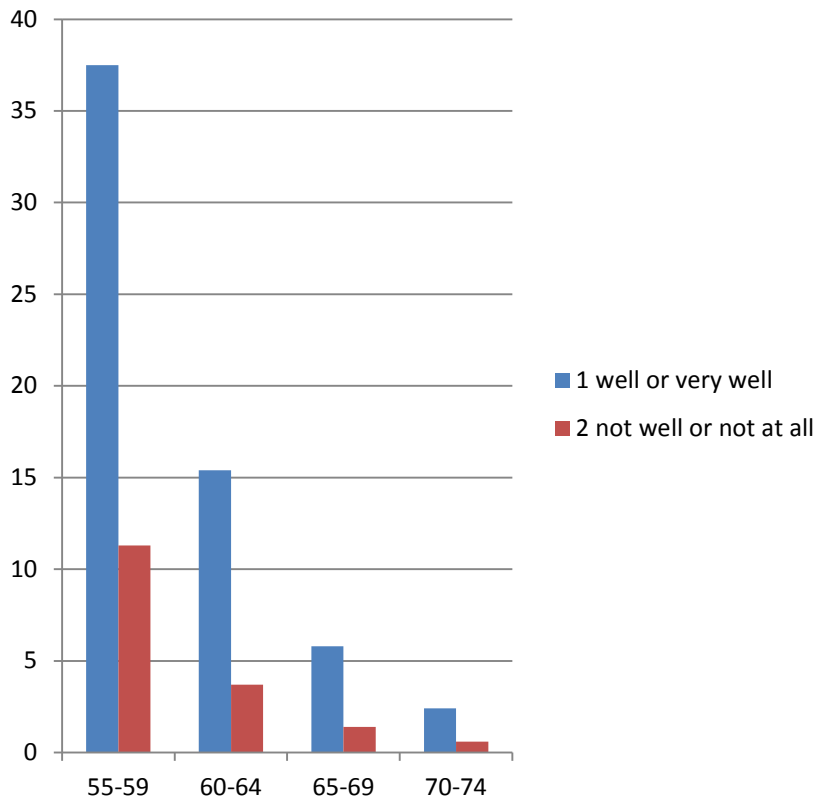
Population Composition 2006 and 2011



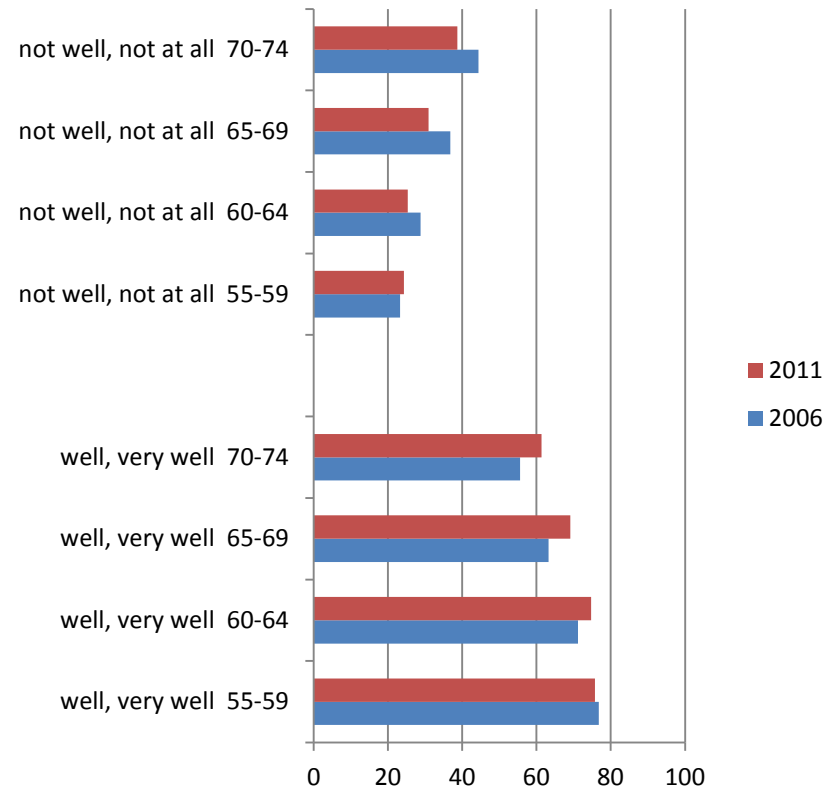
Moderate positive effect upon employment

Employment by English Capacity Females

% Employed



Population Composition 2006 and 2011

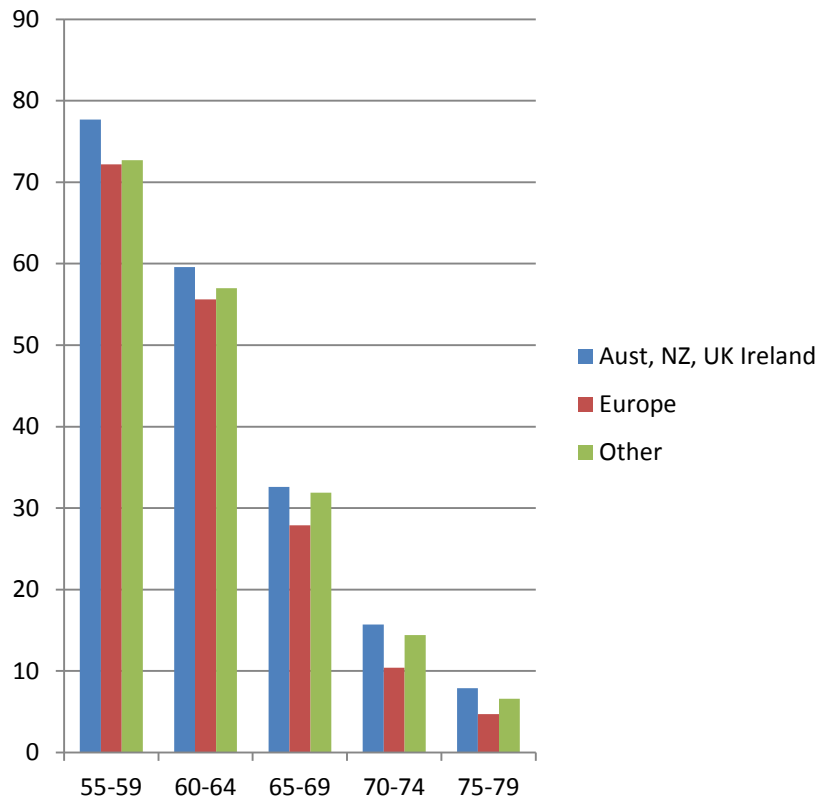


Moderate positive effect upon employment

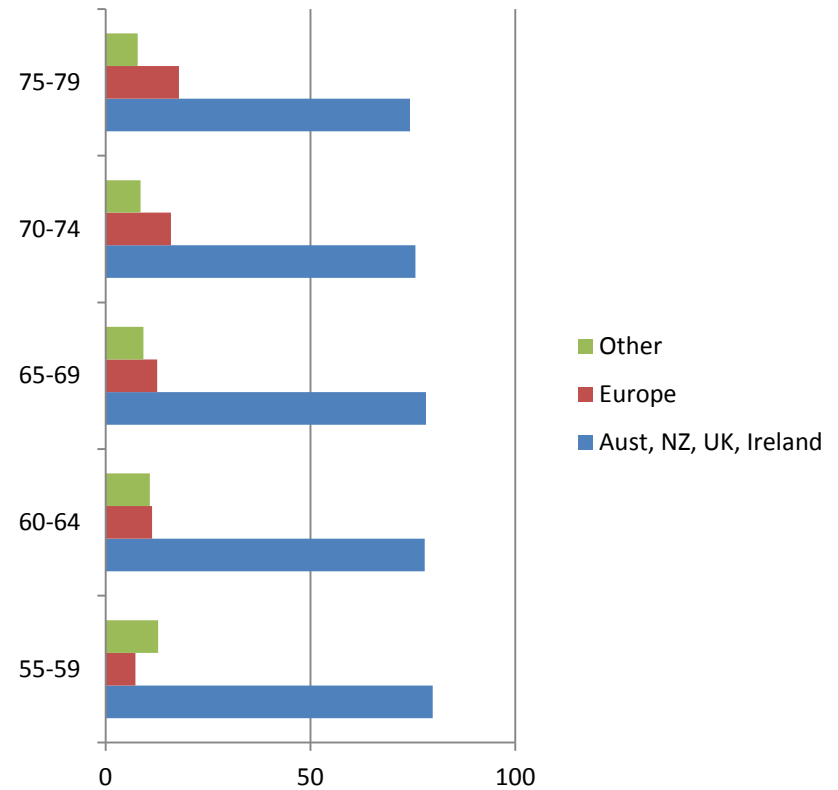
Employment by Birthplace

Males, 2011

Percentage Employed



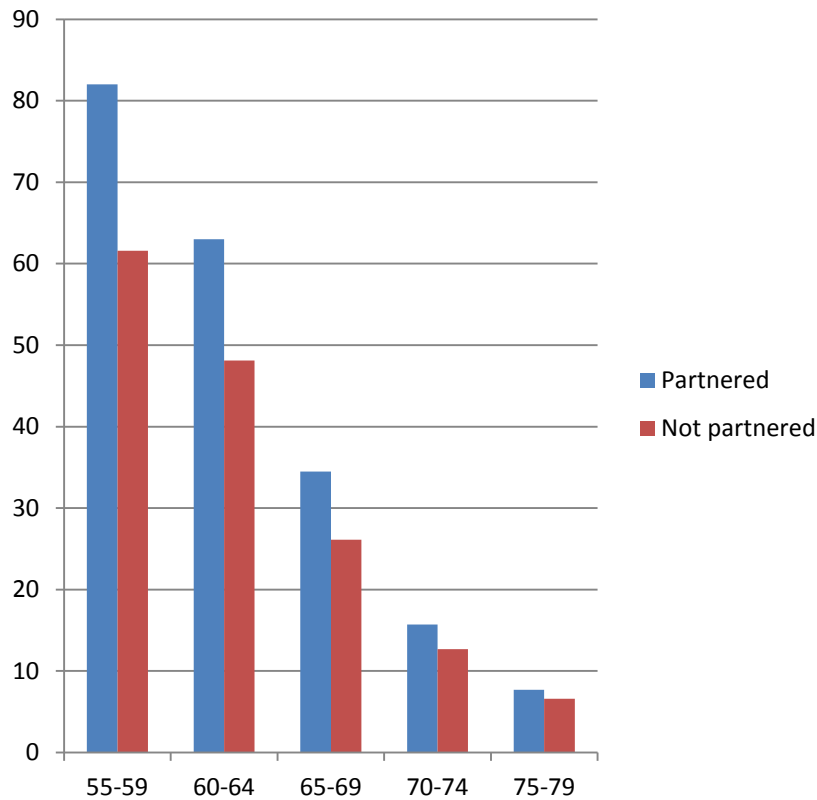
Population Composition



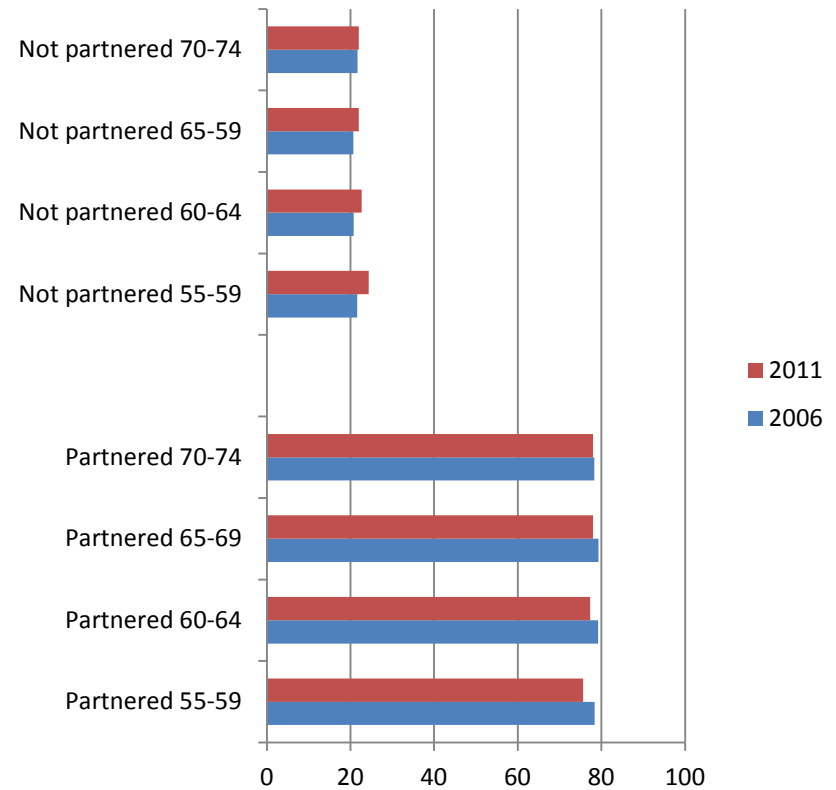
Small positive impact on employment

Employment by Relationship Status Males

Percentage Employed



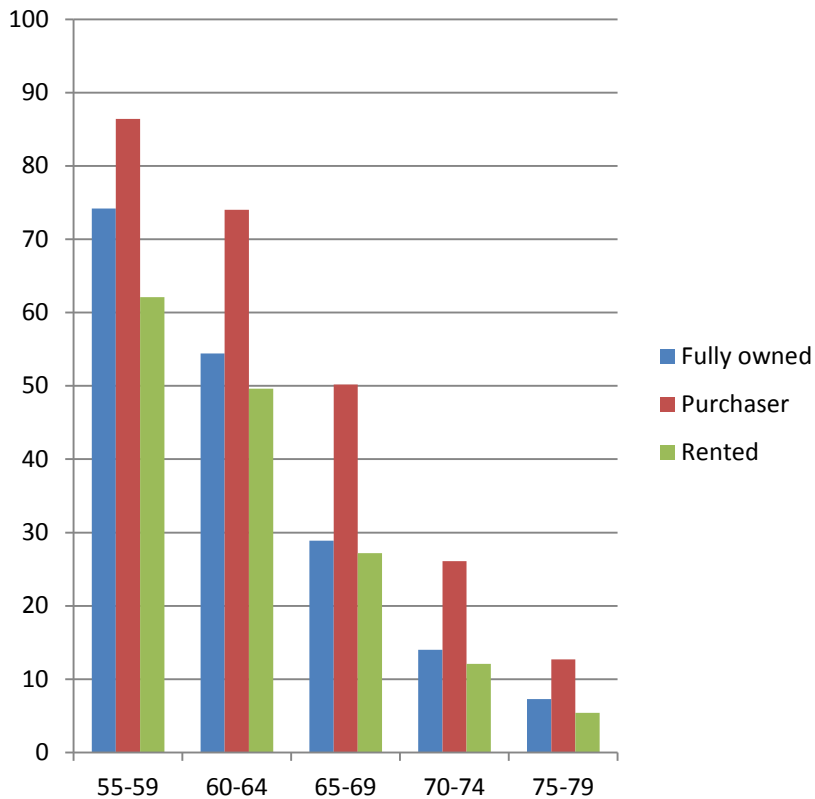
Population Composition 2006 and 2011



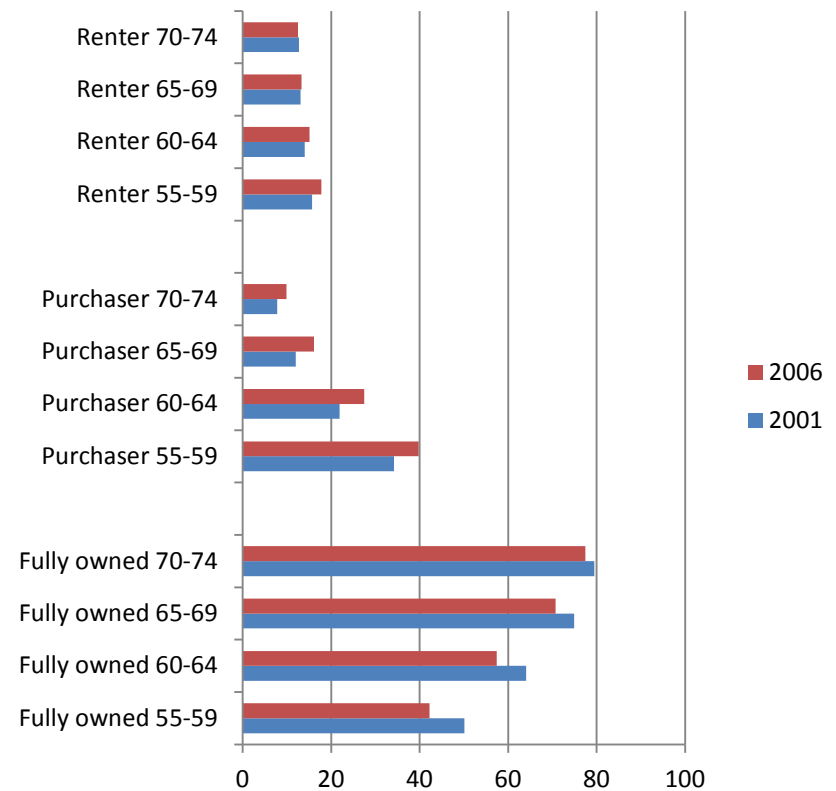
Very slight negative effect on employment trend

Employment by Housing Tenure Males

% Employed



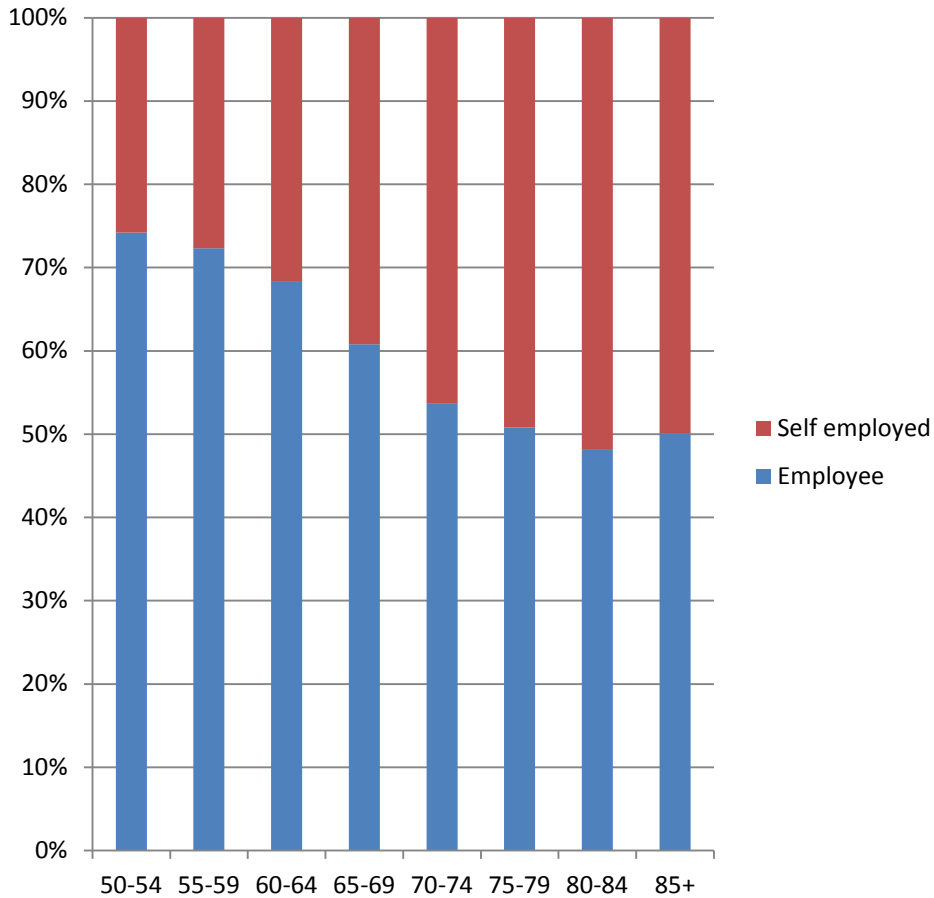
Population Composition 2006 and 2011



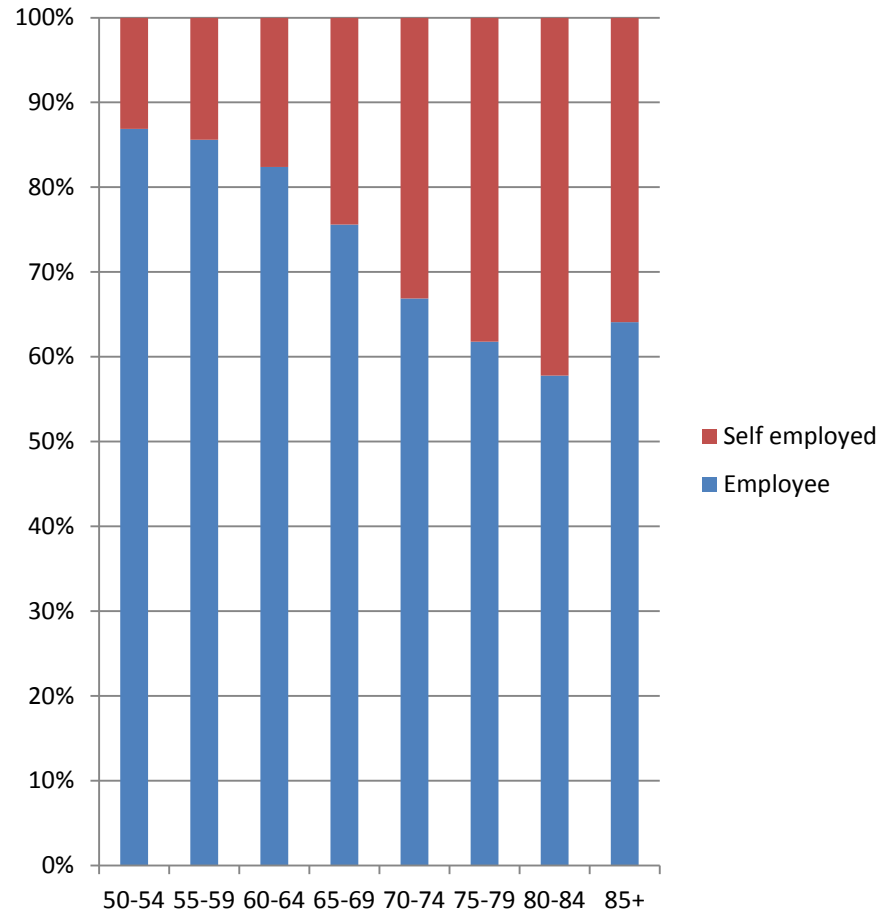
Positive effect on employment trend

Occupational Status, Age Groups 2011

Males

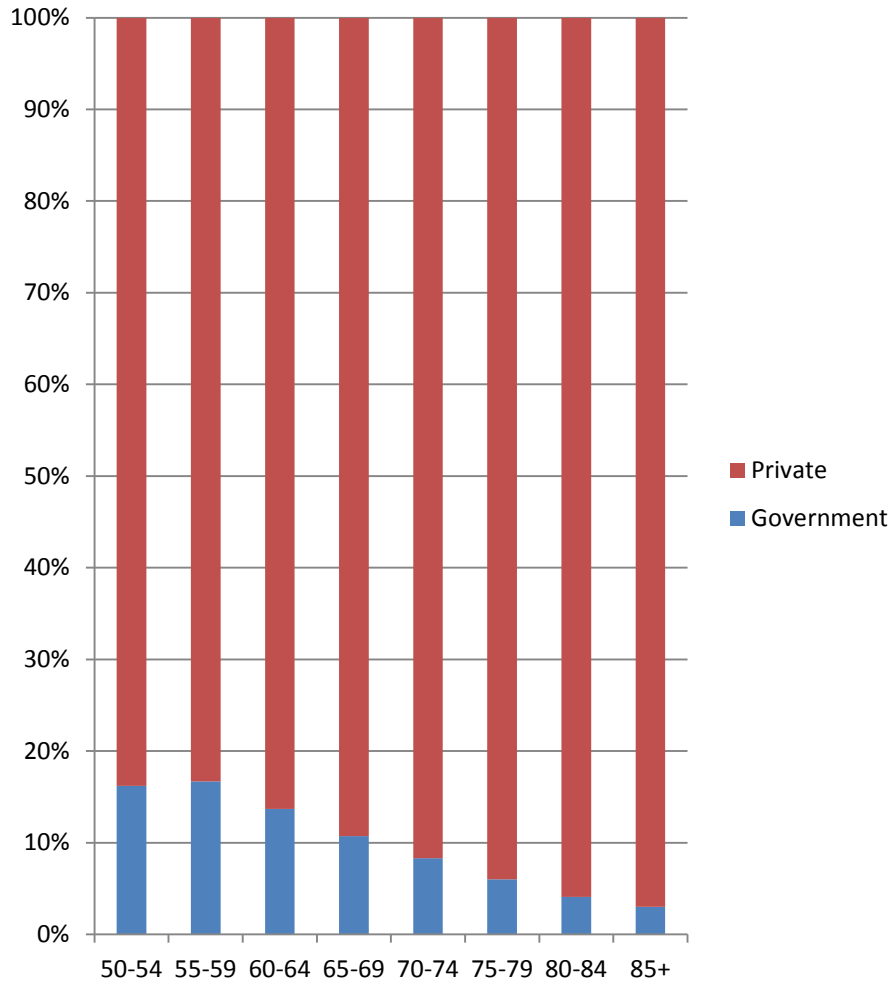


Females

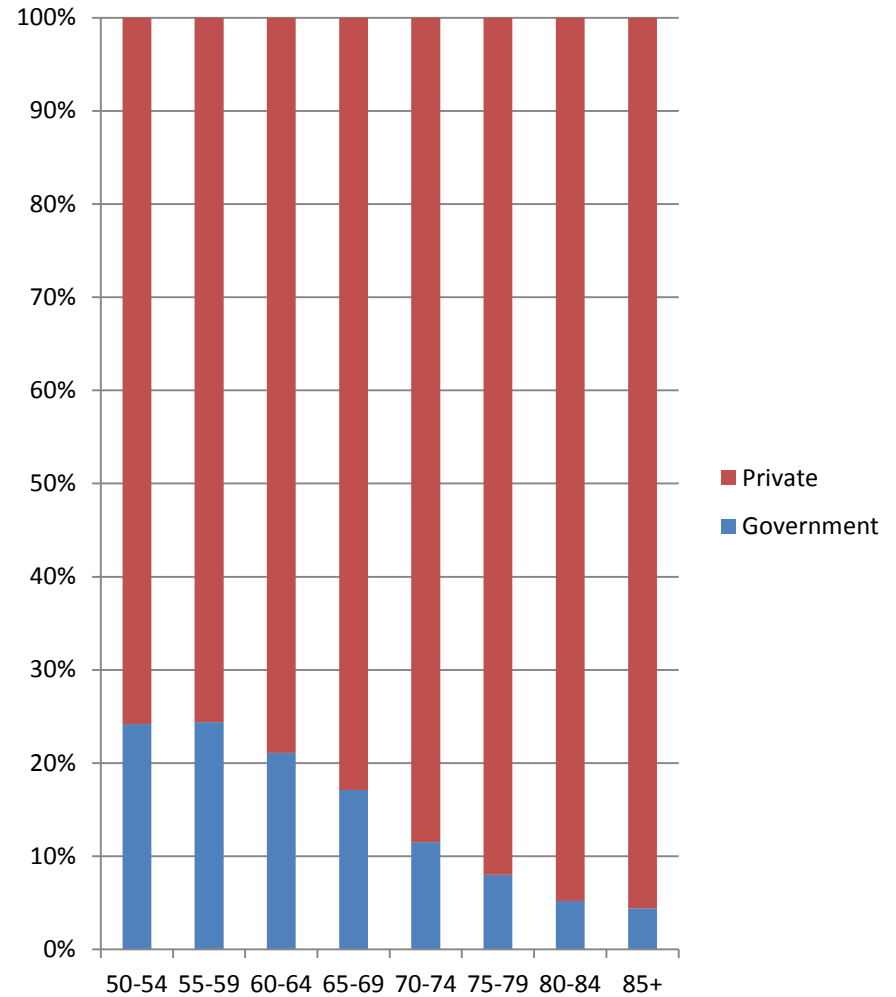


Sectoral Distribution of Employment, Age Groups 2011

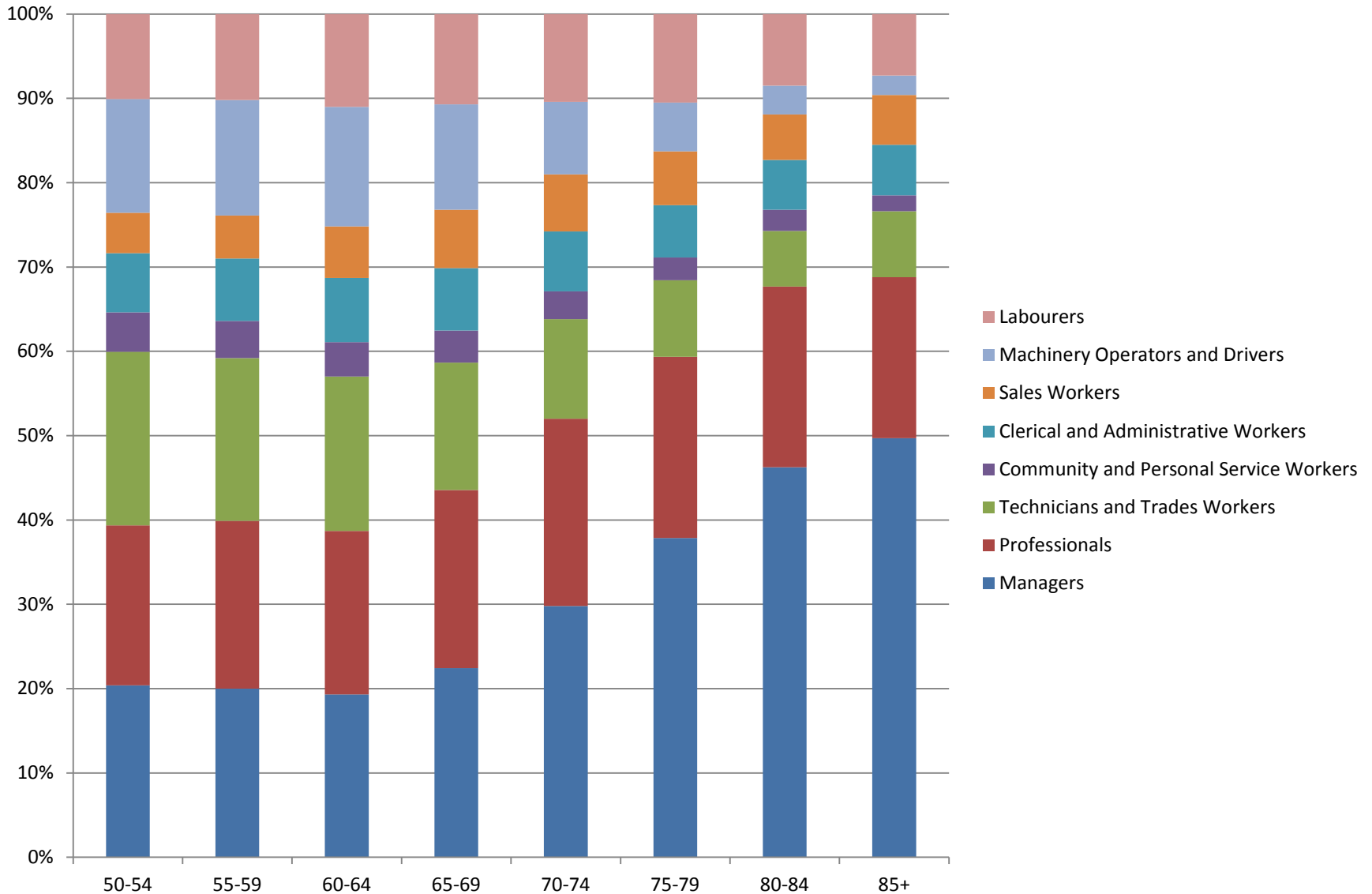
Males



Females



Occupational Distribution, Age Groups Males, 2011



Occupational Distribution, Age Groups Females, 2011

