

Labour Market Transitions

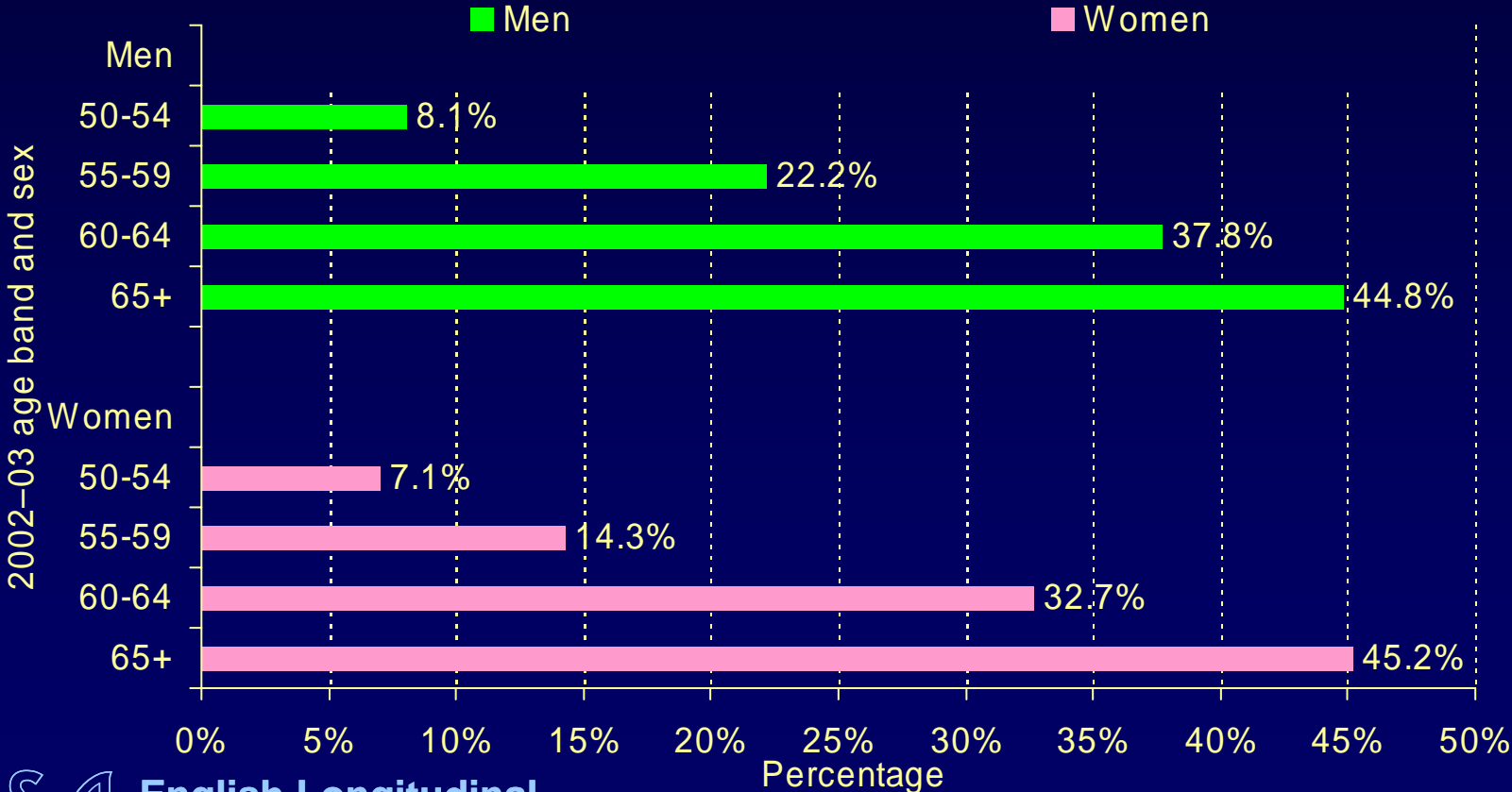
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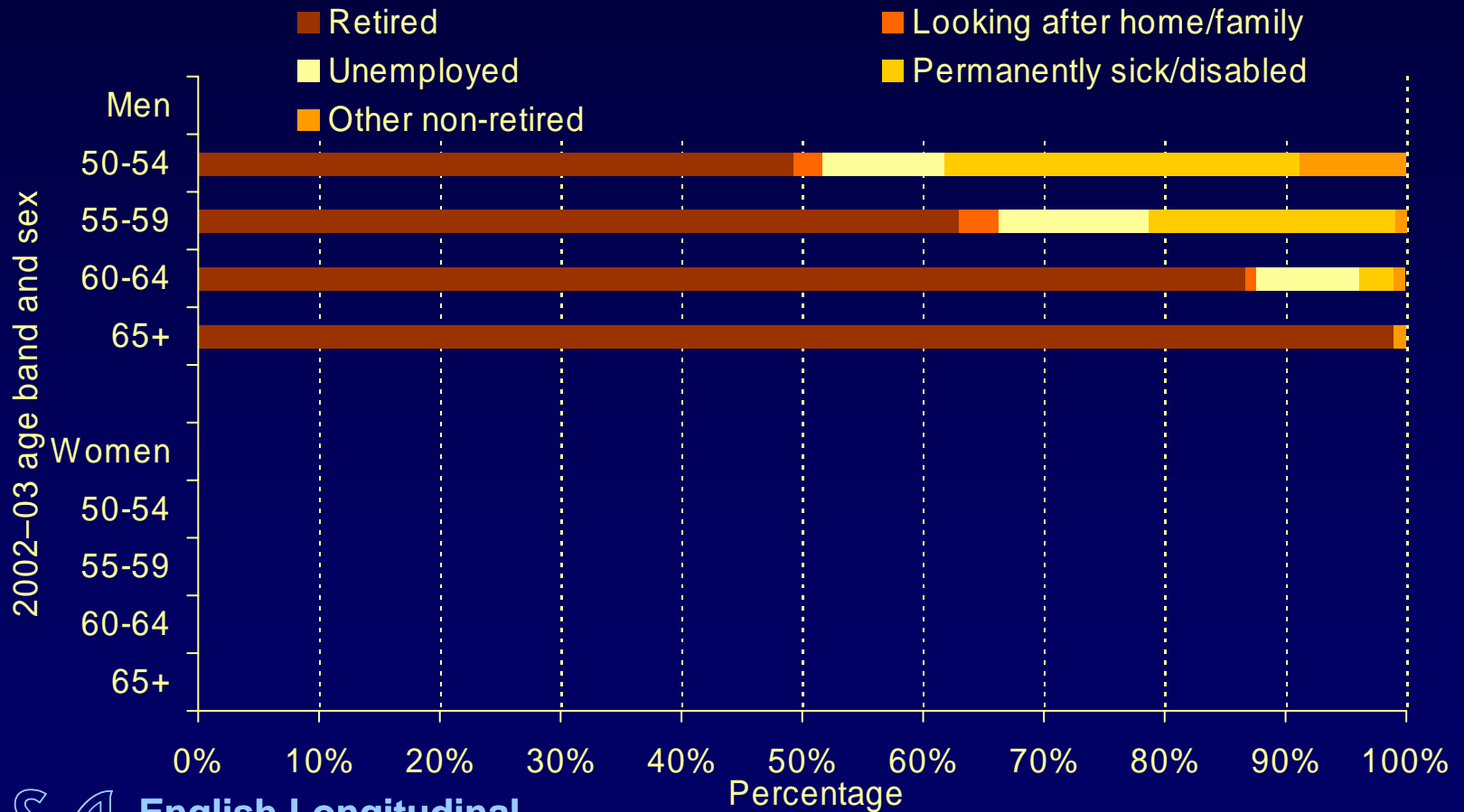
Overall changes in employment

- Changes in employment rates
 - 2002/03: 70.6% of men and 69.3% of women aged 50-SPA were in paid work
 - 2004/05: 62.6% of men and 62.2% of women in paid work
- 14.3% of those in paid work stop working
- 8.0% of those not in paid work start working

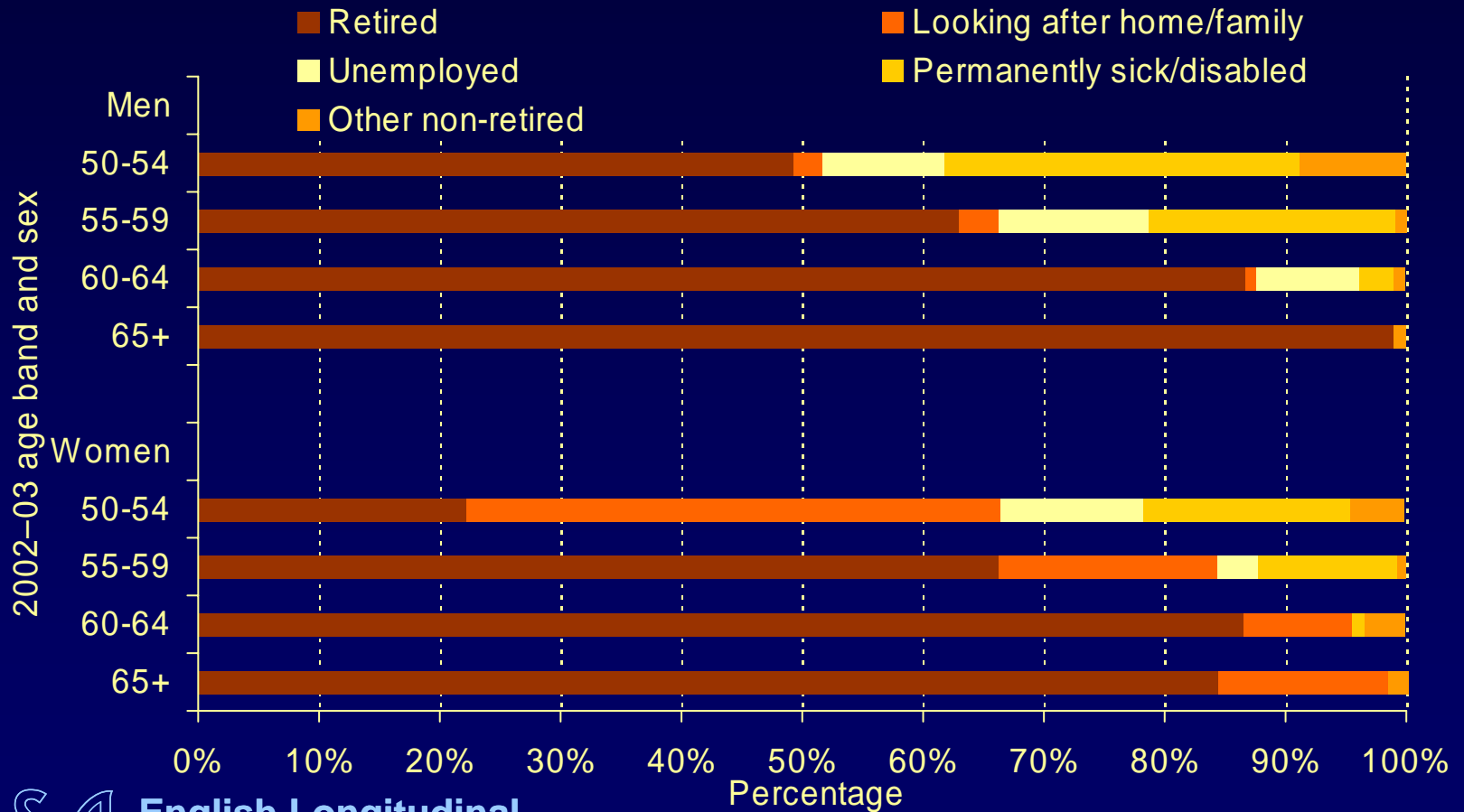
Labour market exits



Reported main activity of 'exitors'



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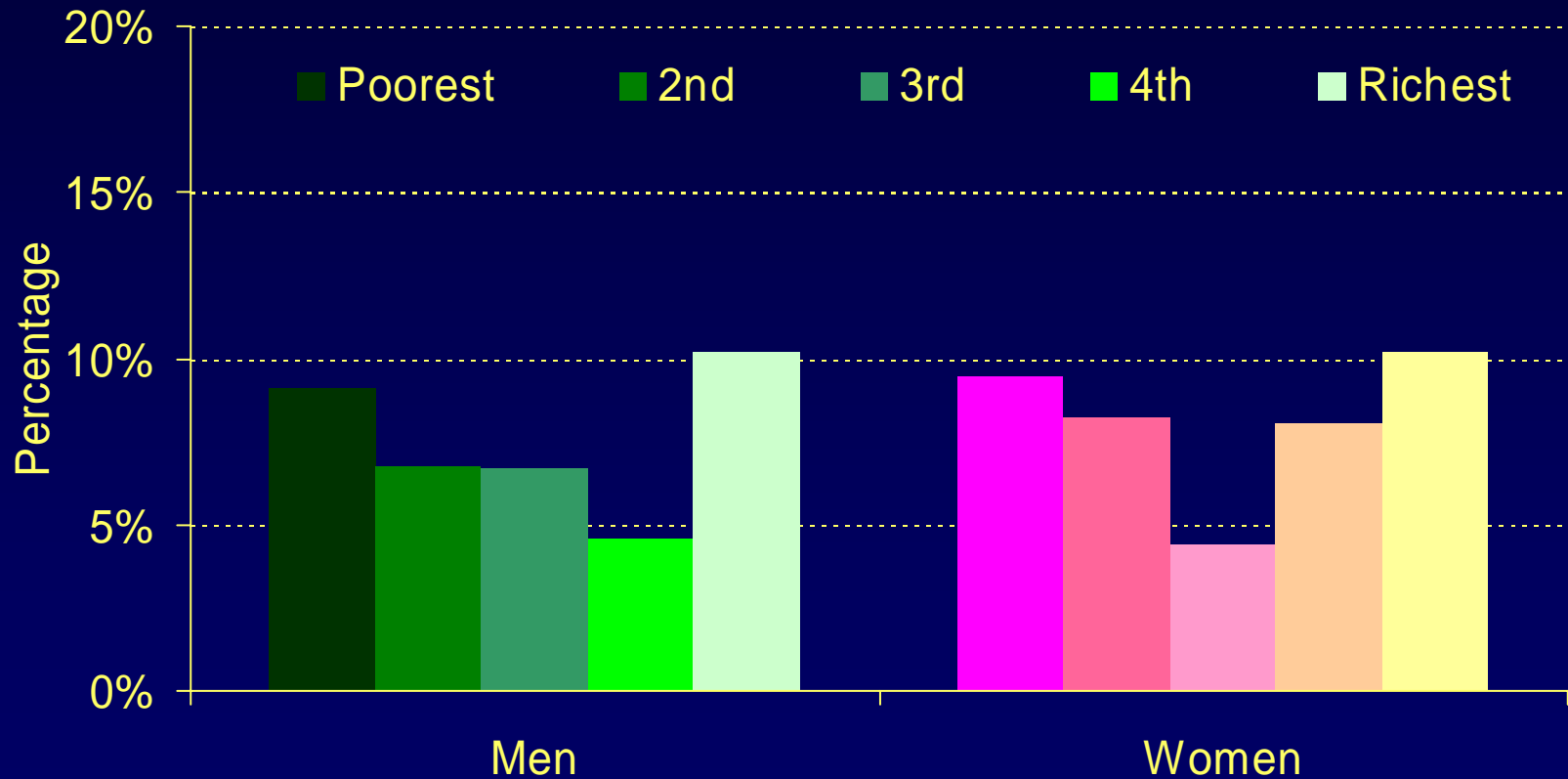
Who works and who retires?

- Wealth
- Pension type
- Health

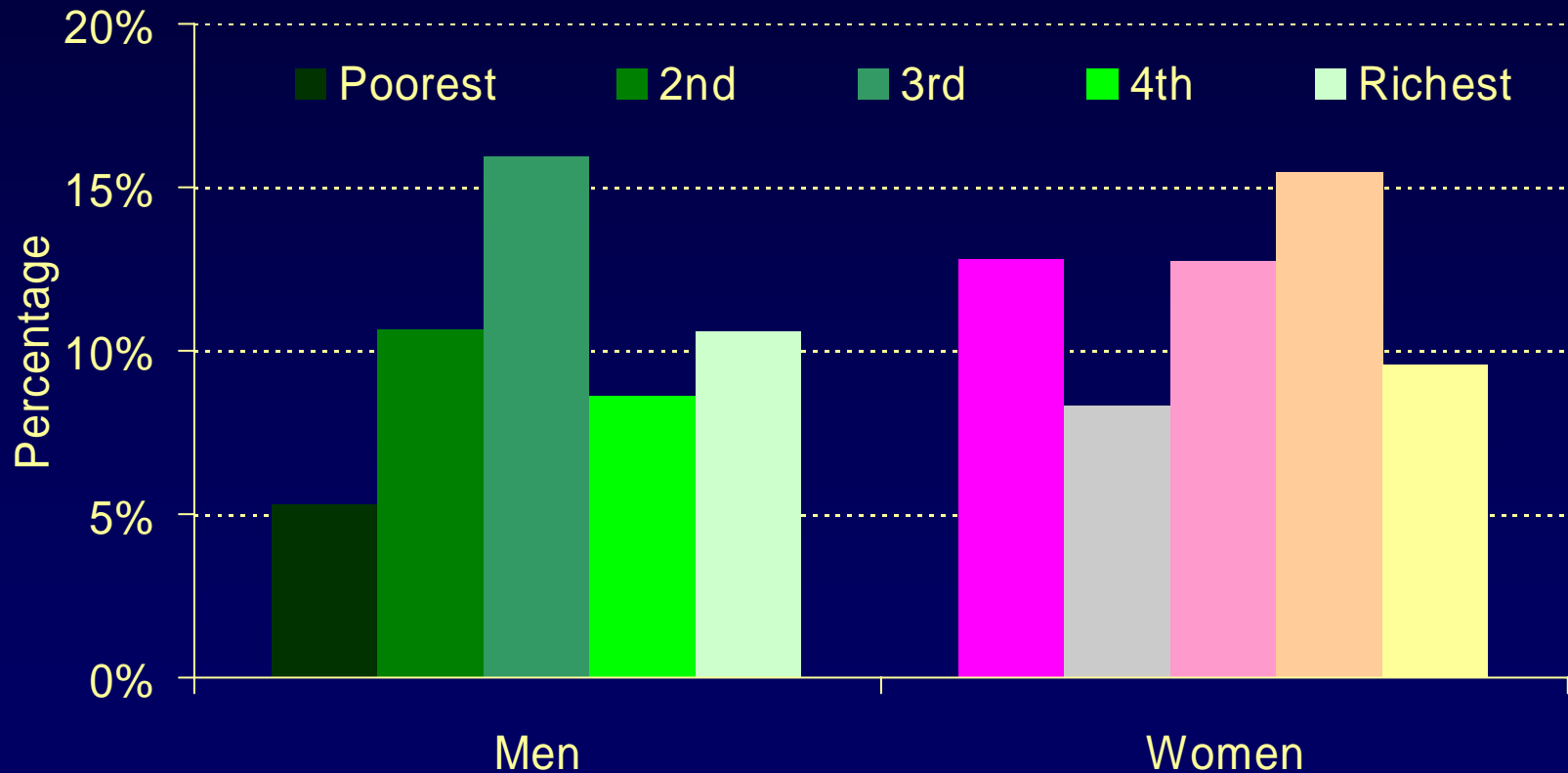
Who works and who retires?

- Wealth
 - Exits least common and entrances most common amongst middle wealth group
- Pension type
- Health

Labour market exits by wealth



Labour market entrances by wealth



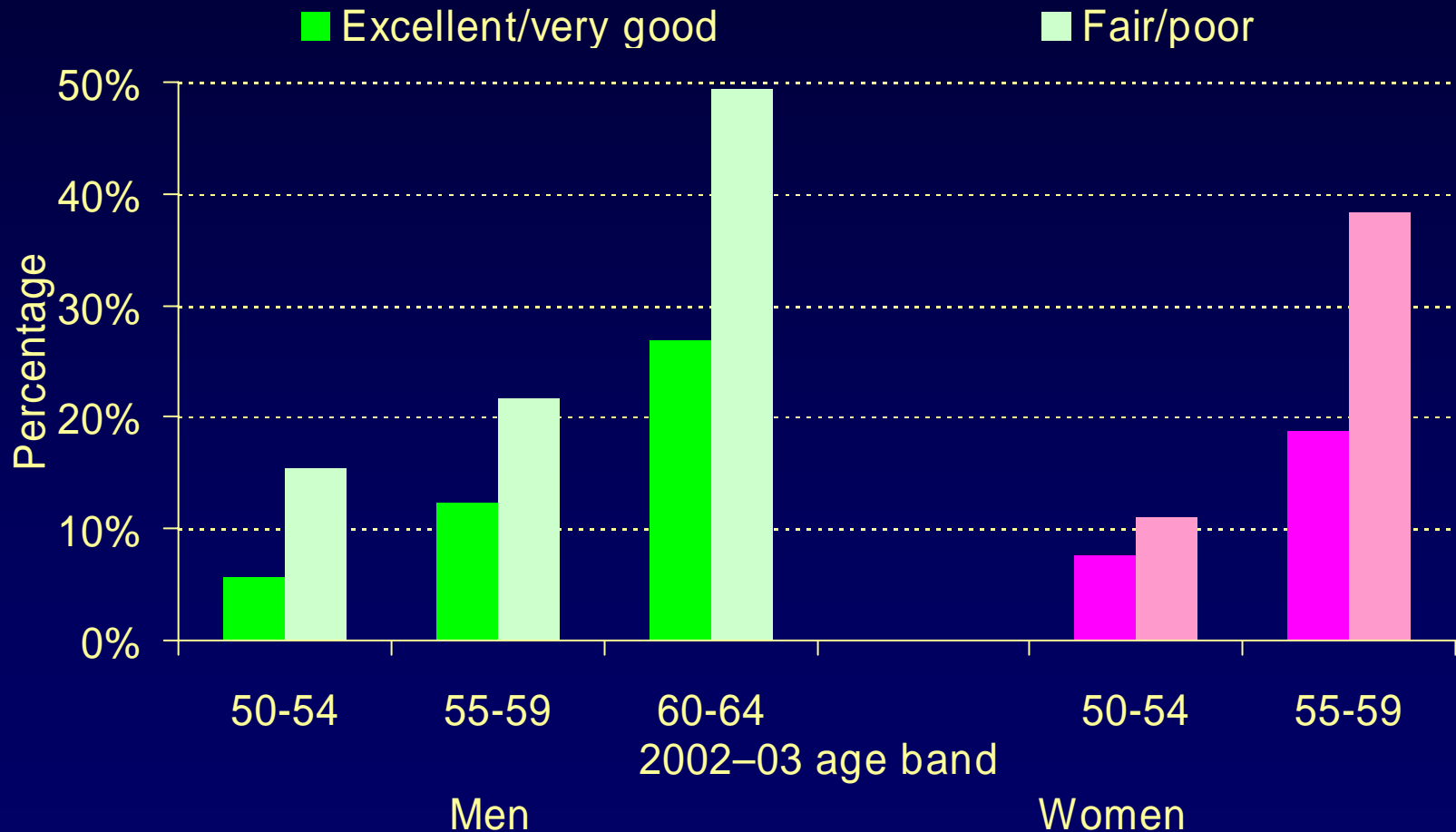
Who works and who retires?

- **Wealth**
- **Pension type**
 - Full time workers with DB pensions are more likely to stop working than full time workers with DC pensions
 - Amongst full time workers who leave full time work, members of DC pensions twice as likely to work part time (rather than stop work altogether) as members of DB pensions
- **Health**

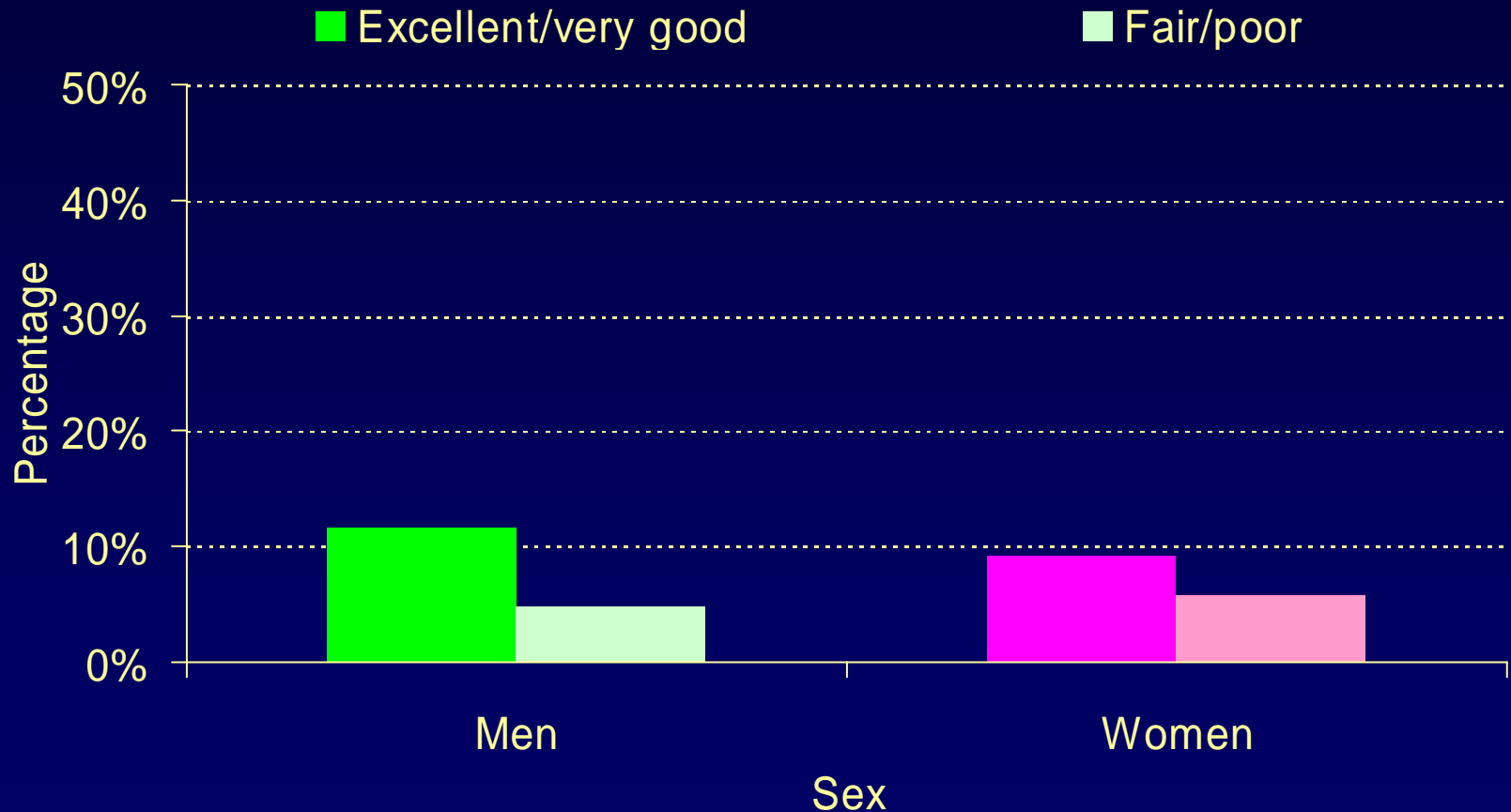
Who works and who retires?

- Wealth
- Pension type
- Health
 - Those in fair/poor health more likely to stop working and less likely to return to work

Labour market exits by health



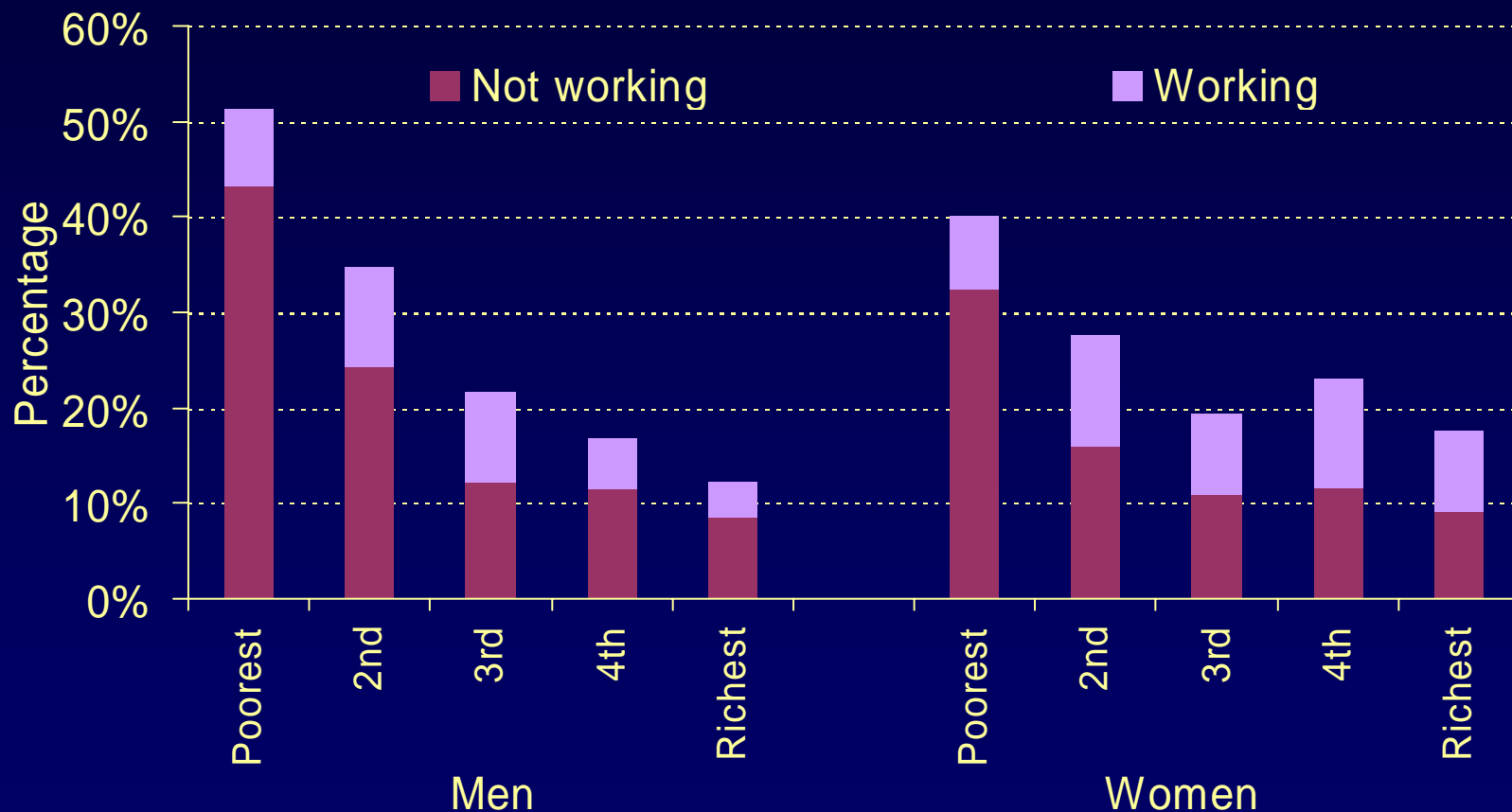
Labour market entrances by health



Employment and work practices

- Work-related disabilities
 - Wealthier much less likely to report having work-related disability
 - Over half of those out of work before the SPA report having a work-related disability

Work-related disability by wealth



Employment and work practices

- Work-related disabilities
 - Wealthier much less likely to report having work-related disability
 - Over half of those out of work before the SPA report having a work-related disability
- Few will benefit from new anti-age discrimination legislation
 - Only 7.5% of 52-59 year old employees face CRA <65
 - Of these, only 38.3% feel constrained by this

Summary

- Wealth and retirement
 - Middle wealth group have lowest chance of leaving work and highest chance of returning to work
- Health and retirement
 - Those in poor health much more likely to leave work and much less likely to return to work
- Work-related disabilities
 - Half of men and a third of women within 5 years of SPA already out of work
 - Of these, half report having a work-related disability

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Labour market entrances

