

Article

Living longer: older workers during the coronavirus (COVID-19) pandemic

The demographic and economic characteristics of older workers aged 50 years and over prior to the coronavirus (COVID-19) pandemic, and how the impact of the pandemic on older workers has varied based on these characteristics.

Contact:
Ngaire Coombs
pop.info@ons.gov.uk
+44(0)1329 444661

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1 . Main points

- While the impact of the coronavirus (COVID-19) pandemic has been greatest for younger workers, older workers aged 50 years and over have been affected to a greater extent than those in the middle age groups.
- In December 2020 to February 2021, those employees aged 50 years and over were more likely to report working fewer hours than usual (including none) in the past week because of the coronavirus than those aged under 50 years, with those aged 65 years and over the most likely to say they had worked reduced hours.
- Over a quarter of furloughed employments are people aged 50 years and over (1.3 million), with 3 in 10 of older workers on furlough thinking there is a 50% chance or higher that they will lose their job when the scheme ends.
- Older people who become unemployed are more likely to be at risk of long-term unemployment than younger people.

2 . Overview

Those aged 50 years and over make up an increasing proportion of the workforce in the UK. Prior to the onset of the coronavirus (COVID-19) pandemic, in 2019, almost a third of workers were aged 50 years and over.

The pandemic has had a marked impact on the labour market overall and working lives. Having previously explored the [impact of the coronavirus on younger workers](#), in this article we look at its impact on older workers.

Older workers are a very diverse group, in terms of age, sex, working patterns, employment type and industry.

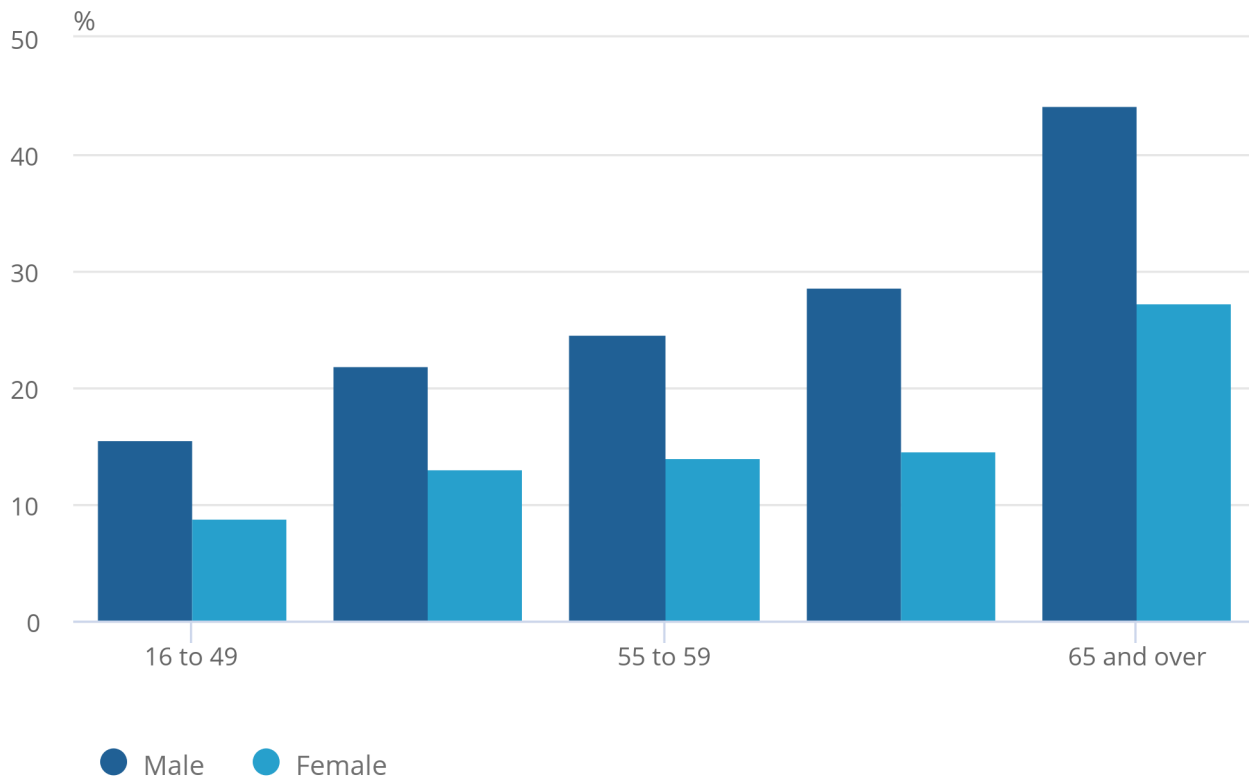
In 2019, prior to the start of the pandemic, 72.3% people aged 50 to 64 years were in employment, 2.0% were unemployed¹ and 25.7% were economically inactive. While the proportion of older people in work declines with age, 1 in 10 people aged 65 years and over were still working.

Figure 1: Older workers are more likely to be self-employed

Percentage of workers who are self-employed by age and sex, UK, 2019

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Percentage of workers who are self-employed by age and sex, UK, 2019



Source: Office for National Statistics – Annual Population Survey January to December 2019

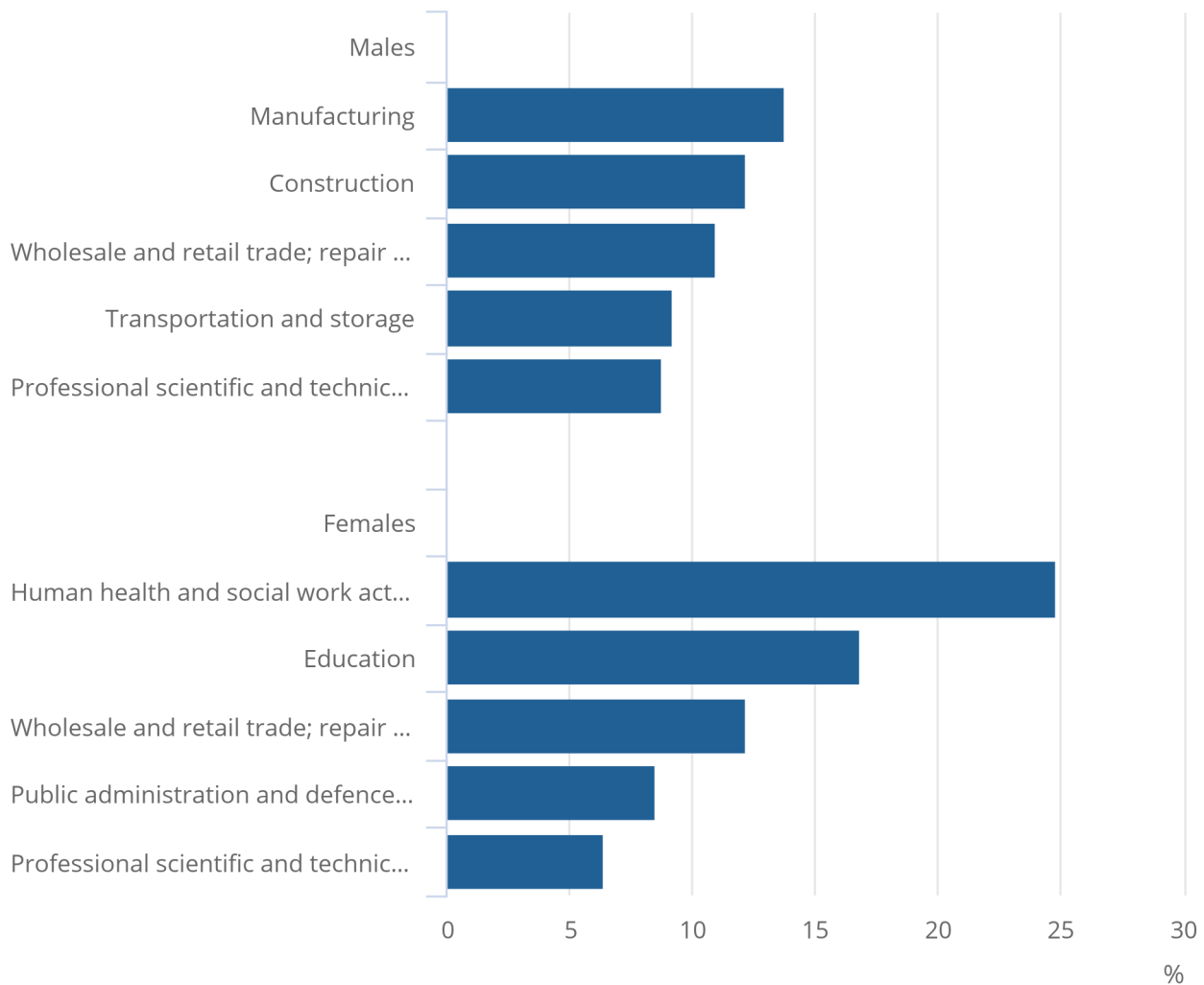
Older workers are far more likely to be self-employed than younger workers, with self-employment increasing with age and men being more likely to be self-employed than women in all older age groups.

Figure 2: Older men and women work in different industry sectors

Percent of those in employment aged 50 and over working in the five most common industry sectors, by sex, UK, 2019

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Percent of those in employment aged 50 and over working in the five most common industry sectors, by sex, UK, 2019



Source: Office for National Statistics – Annual Population Survey January to December 2019

For workers aged 50 years and over, men are most likely to be working in manufacturing, construction, and wholesale, retail and repair of motor vehicles, while for older women workers, the most common industries are health and social work, education, and wholesale, retail and repair of motor vehicles.

The impact of the coronavirus on older workers will have varied according to their different characteristics, leading to different experiences of the pandemic.

More about coronavirus

- Find the latest on [coronavirus \(COVID-19\) in the UK](#).
- [Explore the latest coronavirus data](#) from the ONS and other sources.
- All ONS analysis, summarised in our [coronavirus roundup](#).
- View [all coronavirus data](#).
- Find out how we are [working safely in our studies and surveys](#).

Notes

¹ This is the percentage of people aged 50 to 64 years who were unemployed in 2019, not the unemployment rate, which is calculated as a proportion of those economically active.

3 . Changes in labour market measures for older workers since the beginning of the pandemic

[Across almost all ages, employment rates have decreased, while unemployment rates and economic inactivity rates have increased over the period of the coronavirus \(COVID-19\) pandemic.](#) Workers in the youngest age groups (16 to 24 years) have been the worst affected compared with other ages. [While the impact of the pandemic has been greatest for younger workers, older workers have been affected to a greater extent than middle-age groups.](#)

Employment

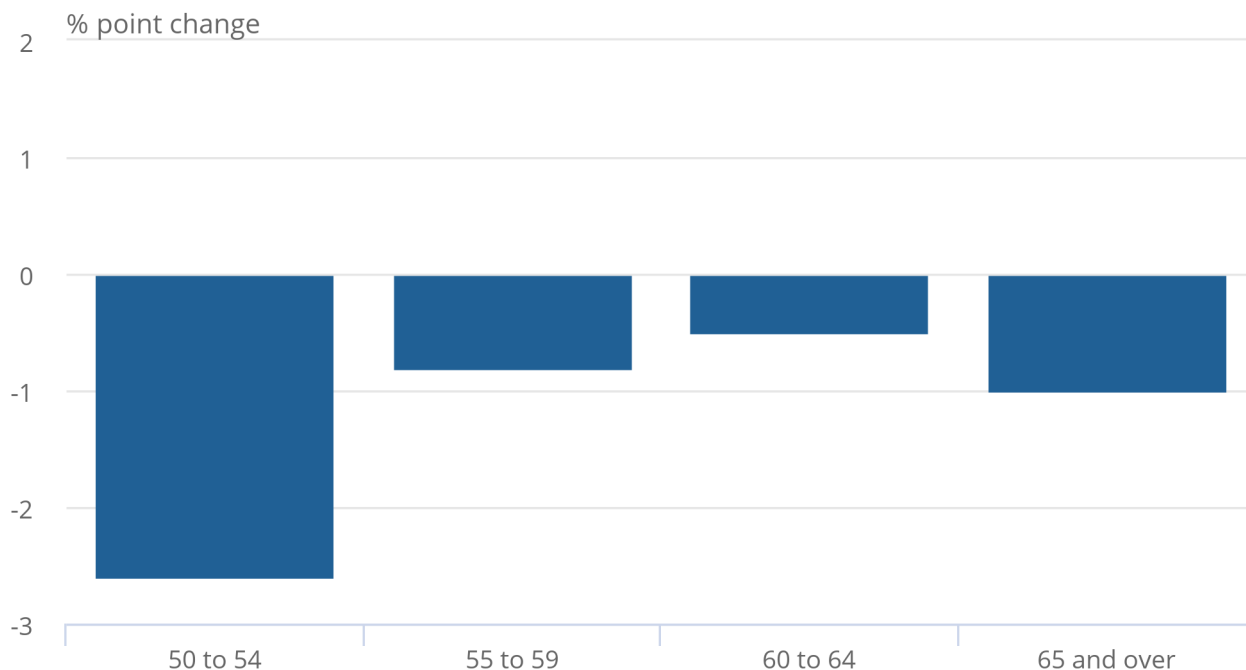
The seasonally adjusted employment rate for those aged 50 to 64 years fell from 72.6 to 71.1%, and for those aged 65 years and over fell from 11.5 to 10.4%, with broadly similar changes in employment rates seen for older men and women.

Figure 3: The decline in employment for older workers was driven by ages 50 to 54 years and 65 years and over

Percentage point change in employment rate, both sexes, UK, over year to December 2020 to February 2021

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Percentage point change in employment rate, both sexes, UK, over year to December 2020 to February 2021



Source: Office for National Statistics – Labour Force Survey

Notes:

1. Data is not seasonally adjusted.

There was a decline in the number of those employed aged 50 to 64 years over the year December 2020 to February 2021, despite an increase in the population aged 50 years and over in this period. This decline was driven by those aged 50 to 54 years and 65 years and over.

The proportion self-employed among older workers (50 years and over) fell by 2.0% over the period to 19.4%, with a corresponding increase in proportion who were employees to 80.0%¹. [Employment status is self-reported, some of this change has been driven by an increase in workers who have changed their self-classification from self-employed to employed even though they have not changed jobs.](#)

The fall in the number of self-employed aged 50 years and over was larger than the gain in the number of employees, leading to an overall seasonally adjusted net loss of 193,000 older workers (down from 10.7 to 10.5 million).

Hours worked

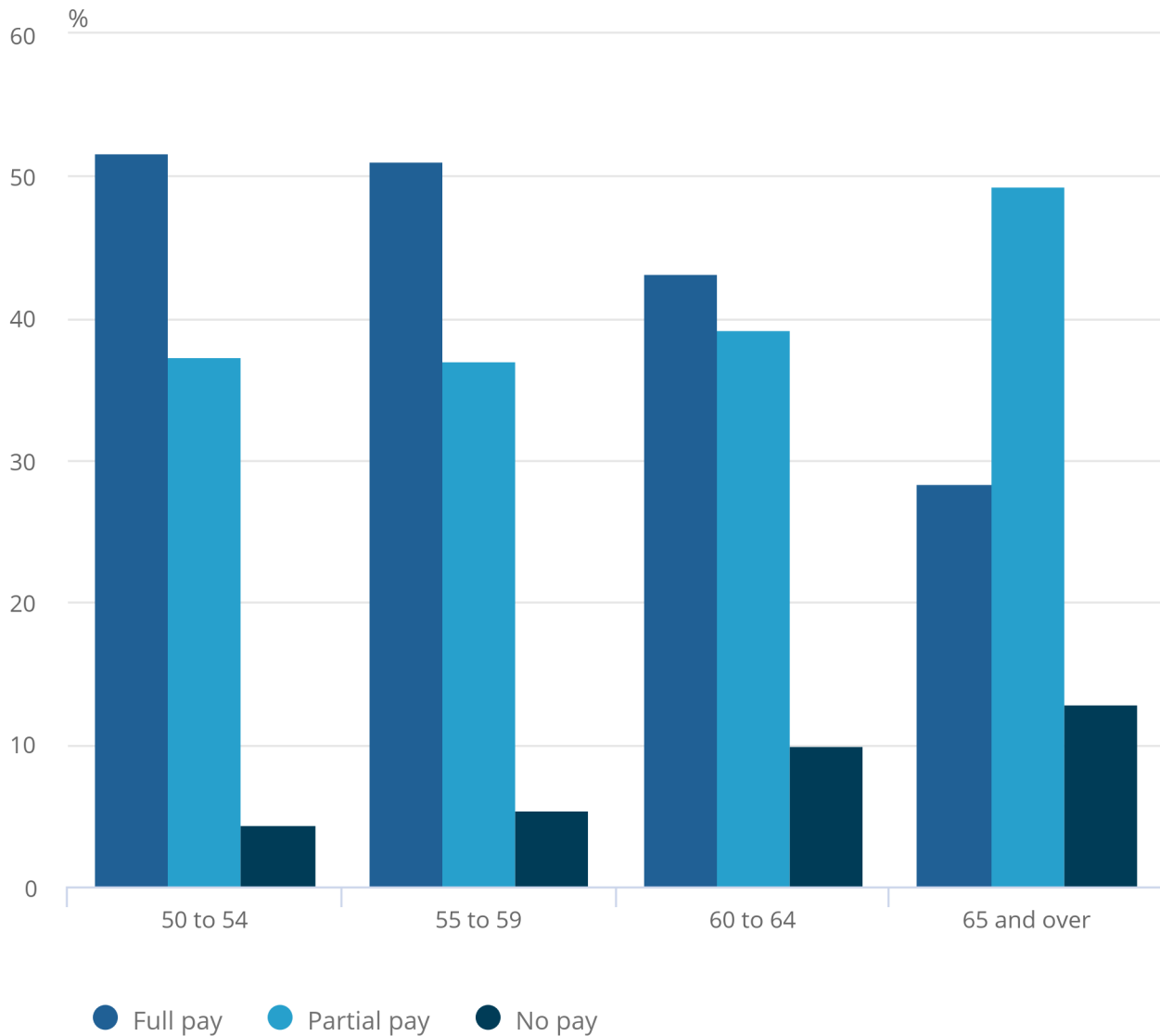
[The pandemic has impacted the weekly average hours worked for all ages.](#)

Figure 4: Among older employees working reduced hours because of the coronavirus, the percentage receiving full pay decreased with age, while the percentage on no pay increased

Percentage of employees receiving full, partial, or no pay in the last week while working fewer hours than usual because of the coronavirus, both sexes and selected ages, UK, December 2020 to February 2021

Figure 4: Among older employees working reduced hours because of the coronavirus, the percentage receiving full pay decreased with age, while the percentage on no pay increased

Percentage of employees receiving full, partial, or no pay in the last week while working fewer hours than usual because of the coronavirus, both sexes and selected ages, UK, December 2020 to February 2021



Source: Office for National Statistics – Labour Force Survey

Notes:

1. Data is not seasonally adjusted.
2. Reduction in hours (including no hours) in reference week due to coronavirus.

In December 2020 to February 2021, those employees aged 50 years and over were more likely to report working fewer hours than usual (including none) in the past week because of the coronavirus than those aged under 50 years, with those 65 years and over the most likely to say they had worked reduced hours.

Among older employees working reduced hours, the 65 years and overs were the most likely to receive no pay and the least likely to receive full pay.

Older women employees were more likely to have reduced their hours because of the impact of the coronavirus than men (14.8% of women compared with 12.1% of men).

Given that relatively high proportions of older people are self-employed this is likely to be an underestimation of reduction in working hours amongst older workers because of the coronavirus. There is evidence that those aged 50 years and over who are self-employed were more likely to have seen a reduction in hours than employees between January 2020 and January 2021 ([Understanding Society: COVID-19 Study, Wave 7](#)).

Furloughs

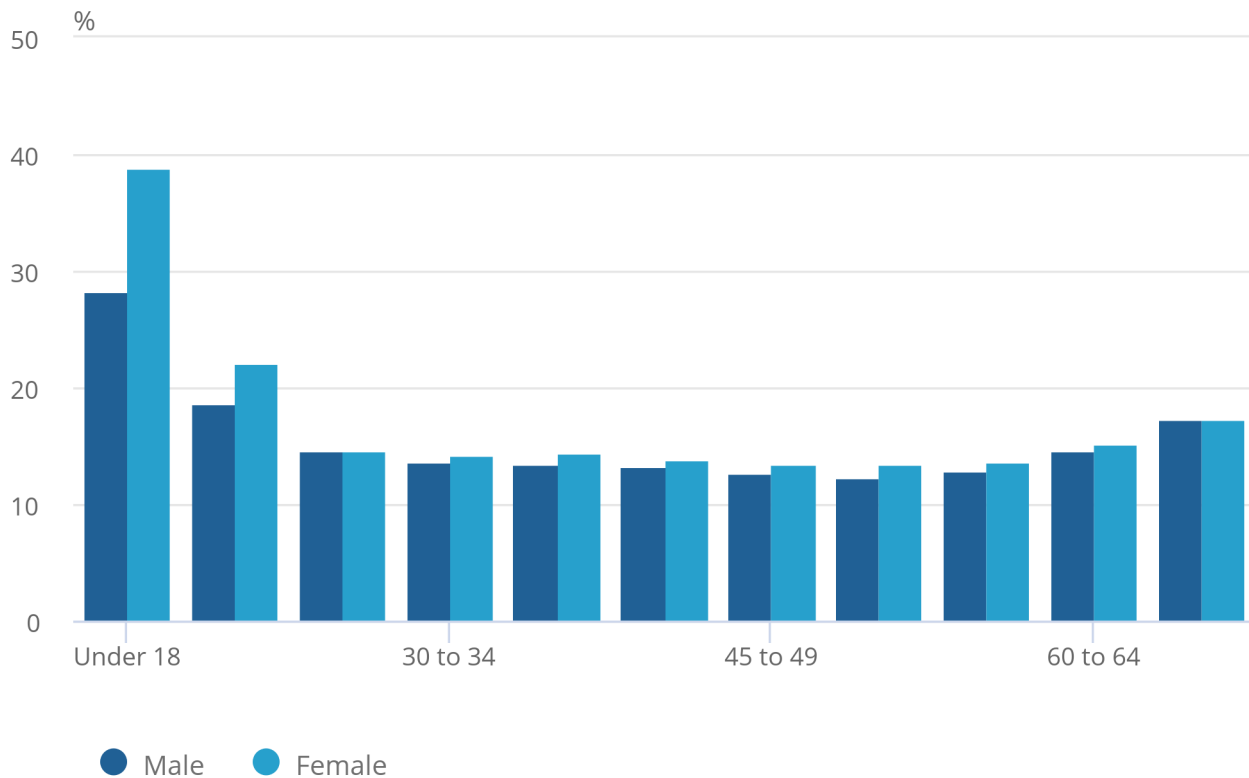
The government introduced the Coronavirus Job Retention Scheme (CJRS) (furlough) at the beginning of lockdown in March 2020 to support employers in paying their employees during the coronavirus pandemic. This will now continue until 30 September 2021.

Figure 5: Furlough rates have been highest at the youngest ages, but also pick up at older ages

Furlough take up rate under the Coronavirus Job Retention Scheme at 28 February 2021, by sex and age group, UK

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Furlough take up rate under the Coronavirus Job Retention Scheme at 28 February 2021, by sex and age group, UK



Source: HM Revenue and Customs - Coronavirus Job Retention Scheme (CJRS) Statistics: March 2021

Notes:

1. Age has been calculated as at 1 November 2020.

[There are 4.7 million furloughed employments \(February 2021\) with 27.9% \(1.3 million\) of these being aged 50 years and over.](#) While the youngest employees have the highest take-up rates there is also a small upward trend at the oldest ages.

Some furloughs may end in redundancy when the scheme ends. This may present more challenges for older people who, once they become unemployed, are more likely to be unemployed long-term than younger people; 3 in 10 of those aged 50 years and over on furlough think there is a 50% chance or more that they will lose their job when the furlough scheme ends ([Understanding Society: COVID-19 Study Wave 4](#)).

The government also set up an Income Support Scheme (SEISS) for those who are self-employed and whose trade has been adversely affected by the pandemic. This is of particular relevance to older workers, as a greater proportion are self-employed compared with younger workers. [For each of the SEISS grants to date the take-up rates for self-employed workers aged 55 to 64 years have been around the same as other age groups but those aged 65 years and over have had the lowest take-up rates of all age groups although they have had the highest average claim values.](#)

Unemployment

The seasonally adjusted unemployment rate for those aged 50 to 64 years increased from 3.0% in December 2019 to February 2020 to 4.1% in December 2020 to February 2021, with rates consistently higher for older men than women. The number unemployed in this age group increased by 109,000, to 394,000.

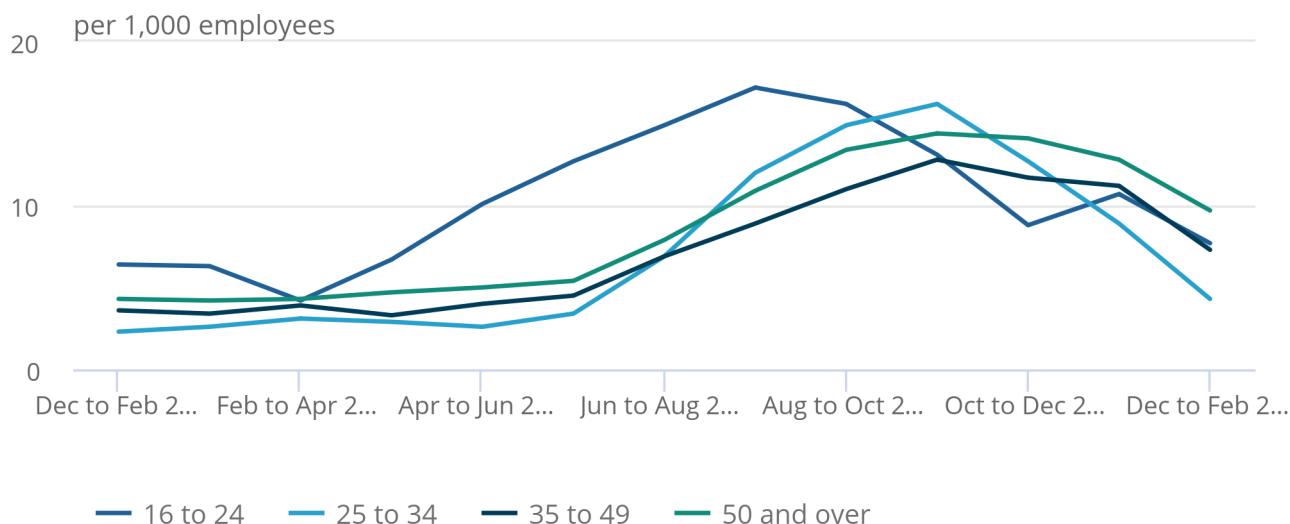
Redundancy

Figure 6: Younger and older workers have had different redundancy patterns over time

Redundancy rate per thousand, both sexes, by age group, over year December to February 2020 to December to February 2021

Figure 6: Younger and older workers have had different redundancy patterns over time

Redundancy rate per thousand, both sexes, by age group, over year December to February 2020 to December to February 2021



Source: Office for National Statistics – Labour Force Survey Table RED02: Redundancy rates

Notes:

1. The redundancy rate is calculated from reports of redundancy in the three months prior to interview and is the ratio of the redundancy level for the given quarter to the number of employees in the previous quarter, multiplied by 1,000.
2. Data are not seasonally adjusted.
3. Some rates are based on small sample sizes and should be used with caution. Details can be found in [table RED02](#).

Redundancy rates increased sharply across all ages following the onset of the pandemic, peaking at 14.2 per thousand in September to November 2020 before declining to 7.3 per thousand in December 2020 to February 2021. The pattern varied by age, with redundancy rates increasing first for those aged 16 to 24 years and also declining first for this age group.

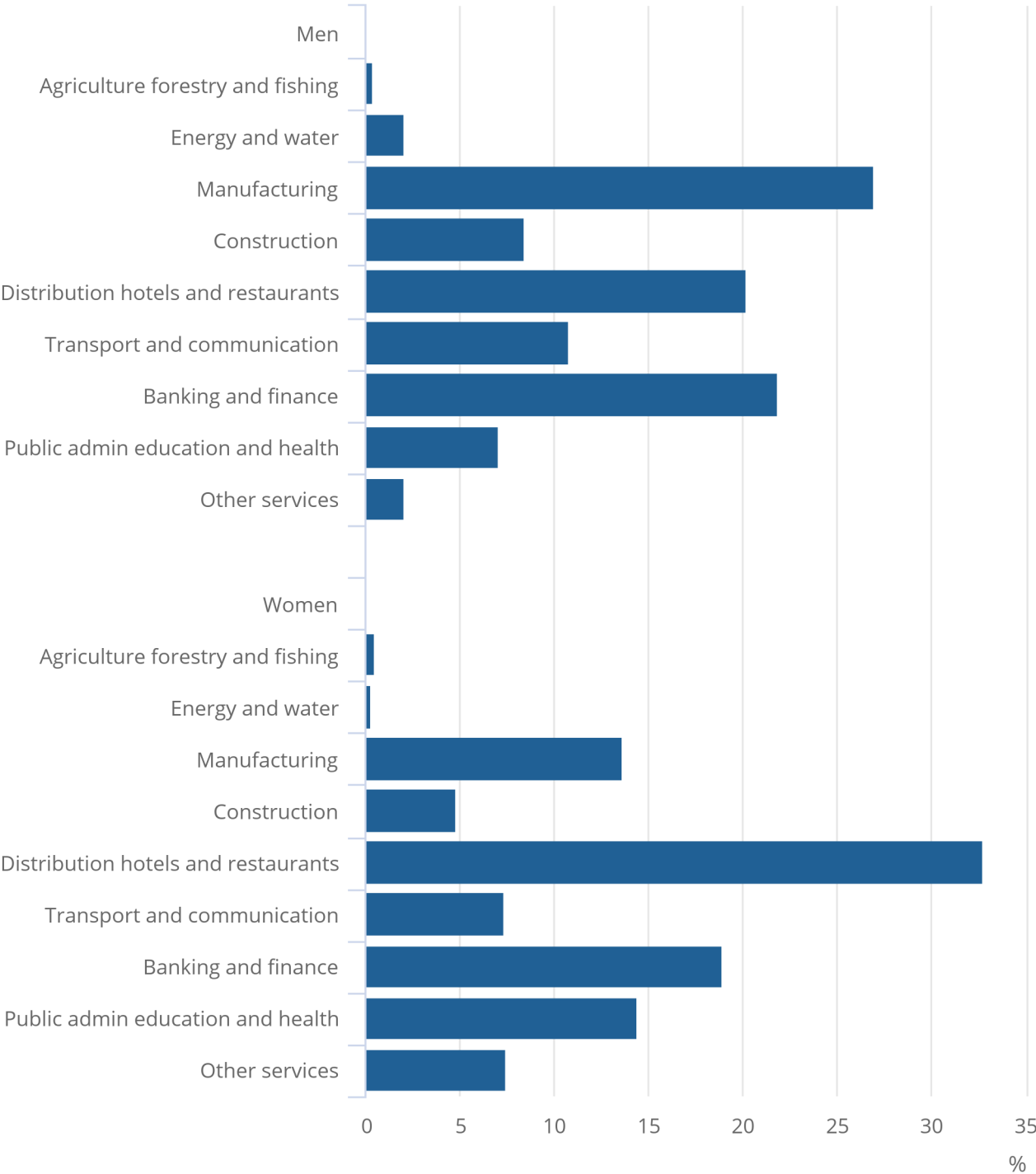
Those aged 50 years and over had the highest overall increase in redundancy rate over the year to December 2020 to February 2021, rising from 4.3 to 9.7 per thousand, up 5.4 per thousand on the year. This was the highest redundancy rate across age groups in the latest quarter.

Figure 7: Redundancies occurred in largely different industries for older men and women workers

Percentage of redundancies by industry sector, among men and women aged 50 years and over, UK, between March 2020 and February 2021 workers

Figure 7: Redundancies occurred in largely different industries for older men and women workers

Percentage of redundancies by industry sector, among men and women aged 50 years and over, UK, between March 2020 and February 2021 workers



Notes:

1. Not seasonally adjusted.
2. Respondents asked whether they were made redundant in the previous three months. As such the results presented will include some redundancies that occurred prior to March 2020.
3. The proportion of redundancies by industry sector was calculated using the weighted number of redundancies in the last 3 months by sector (of the redundancy), among men and women aged 50 and over. These weighted redundancy counts were summed across 4 consecutive non-overlapping quarters (MM20, JA20, SN20, DF21), then the proportion of these redundancies by sector was calculated.

Over a quarter of redundancies for men aged 50 years and over during the period of the pandemic were in manufacturing (one of the most common industries for older men to be working in). Around one-fifth of redundancies for men were in distribution, hotels and restaurants and a further fifth in banking and finance. Construction, which is the second most common industry for older men to work in had fewer redundancies at 8% of older male redundancies.

Around one-third of all redundancies for women aged 50 years and over were in distribution, hotels and restaurants, significantly higher than any other industry. Redundancies were also relatively high in banking and finance, accounting for around 1 in 5 redundancies, in manufacturing, and in public administration, education and health, each accounting for around 14% of redundancies for older female workers.

Those aged 50 years and over are more likely to be long term unemployed (for 12 months or more) than younger age groups. [In December 2020 to February 2021, 29.9% of unemployed 50 years and overs were long-term unemployed compared with 18.9% of those aged under 50 years \(seasonally adjusted\). Previous research has shown that the more time spent out of work, the less likely someone is to return to employment and the likelihood of returning to work decreases with age.](#)

Economically inactive

The seasonally adjusted economic inactivity rate of people aged 50 to 64 years increased from 25.2% to 25.9% between December 2019 to February 2020 and December 2020 to February 2021, the number of people increasing by 131,000, from 3.2 to 3.4 million. This increase has been primarily driven by increased inactivity rates at ages 50 to 54 years, the age group also primarily accounting for the drop in employment levels among older people.

Among those older people economically inactive who were not looking for work in December 2019 to February 2020 but said they would like to work, 2.3% said this was because they believed there were not jobs available at that time. A year later this had risen to 5.3%.

Notes

¹ The proportion of workers who are employees and self-employed do not add up to 100 because of the inclusion of people on government schemes and unpaid family workers.

4 . Changes to working lives and their effects on older workers

Working from home

Figure 8: There were only modest increases in the percentage of older workers working from home during the pandemic

Percentage of workers aged 50 and over working from home in their main job, in the 5 most common industry sectors for older men and women, UK, October to December 2019 to October to December 2020

[Download the data](#)

Notes

1. Not seasonally adjusted.
2. Respondents reporting usually working from home, or the grounds of their home in their main job.
3. October to December quarters are used due to a change in the wording of the question from January 2021.

Pre-coronavirus (COVID-19) pandemic, most employment occurred in the workplace with relatively low levels of working from home. As a result of the pandemic, working from home has become the norm where it is possible. However, in those industries that are most common for older people to work in, levels of working from home are still low with only very small increases over the period of the pandemic.

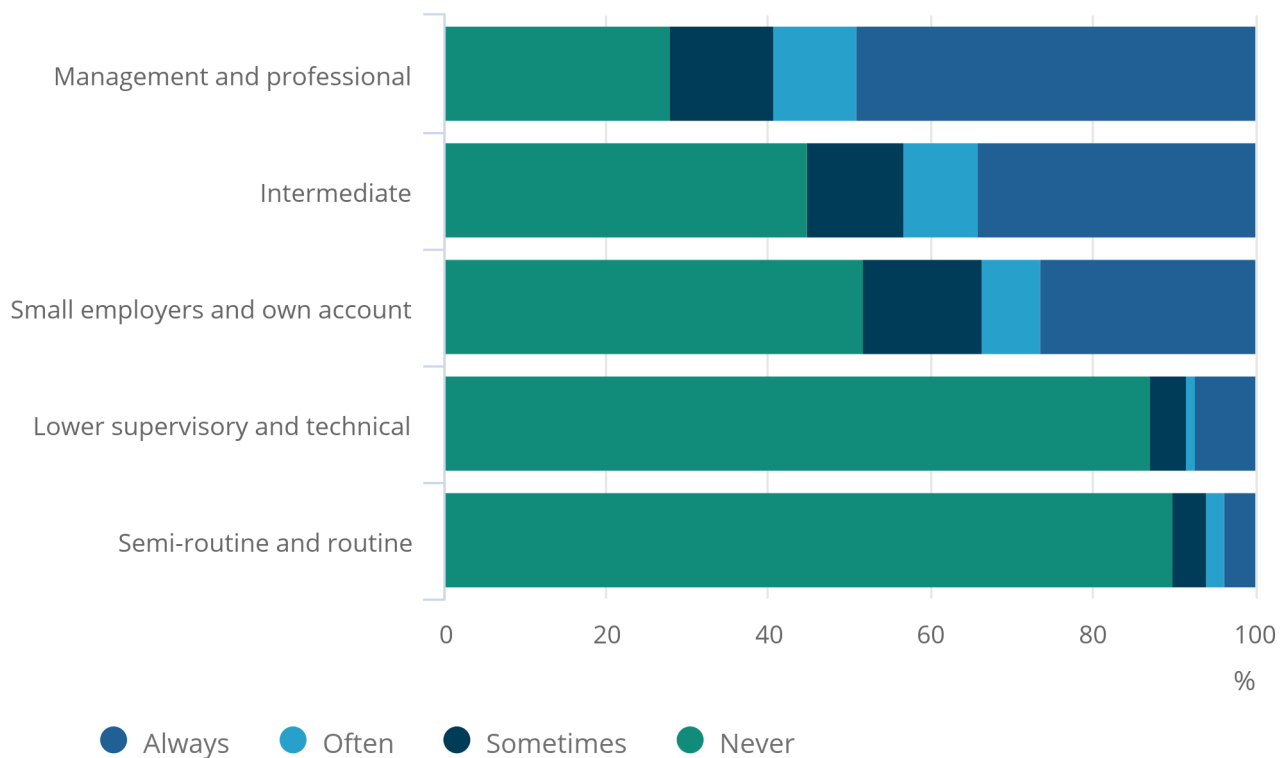
The exception to this is professional, technical and scientific activities, where working from home has increased sharply. Around a third of both men and women who worked in this industry predominantly worked from home by late 2020, an increase of approximately 10 percentage points.

Figure 9: Older workers with higher socio-economic classification were more likely to work from home

Percentage of workers aged 50 years and over by frequency of working from home by NS-SEC classification, both sexes, UK, January 2021

Figure 9: Older workers with higher socio-economic classification were more likely to work from home

Percentage of workers aged 50 years and over by frequency of working from home by NS-SEC classification, both sexes, UK, January 2021



Source: Understanding Society, Covid module Wave 7

Notes:

1. The percentage for often working from home among lower supervisory and technical workers is based on a small sample size and should be used with caution.

In January 2021, older workers with higher qualifications and in the managerial and professional socio-economic classification (NS-SEC) were the most likely to be working from home. Self-employed older workers were more likely to be working from home than employees; 8 in 10 older people working from home reported the same or increased productivity (compared with 7 in 10 aged under 50 years). The most common reasons older workers gave for reporting increased productivity were being interrupted less and not having to commute ([Understanding Society: COVID-19 Study, Wave 7](#)).

Life satisfaction

Changes to working lives brought on by the pandemic have negatively impacted the life satisfaction of some workers aged 50 years and over. Unemployed older people have lower levels of life satisfaction than older workers who have been furloughed or are not currently working, while those working have the highest life satisfaction.

Among those who are working, very high life satisfaction is equally likely for older workers who live alone as for those living with others. However, for those currently not working, those who live alone are less likely to have very high life satisfaction than those who live with others. Those living alone who have been made redundant, are on furlough or are unable to carry out their self-employment trade, have all lost the opportunity for daily workplace interactions.

Among those who are working, life satisfaction is higher for older workers who are not working from home compared with those who are working entirely from home. Again, this may be because of the opportunity they have for face-to-face social interactions in the workplace ([English Longitudinal Study of Ageing: COVID-19 Study, Wave 1](#)).

Job security

While two-thirds of workers aged 50 years and over feel there is a no chance of losing their employment in the next three months, a substantial minority feel their job is at some risk, with 12.5% feeling there is 50% chance or higher of losing their employment.

Of self-employed older workers, 76.1% say there is no chance of losing their employment in the next three months compared with 66.0% of employees. This may be related to perceived higher levels of control over their employment and job autonomy.

Older employees who have not been furloughed feel more secure in their jobs than those who have been furloughed, with around two-thirds saying there is no chance of losing their job compared with less than half of those who have been furloughed.

While the majority of older workers think they will not struggle to pay bills and expenses in the next three months, 1 in 12 think there is 50% chance or higher of struggling financially. Those who have been furloughed and those with a health condition are significantly more likely to feel uncertain about their financial security ([Analysis based on data from Understanding Society: COVID-19 Study, Waves 4 and 6](#)).

Changes to retirement plans

As a result of the pandemic, 1 in 8 (13%) of workers aged 50 years and over say they have changed their retirement plans, with 5% saying that they will retire earlier and 8% planning to retire later.

Older workers on paid or unpaid leave from employment, including furlough, were the most likely to say they have changed their retirement plans but were almost equally likely to say they were planning to retire earlier (10%) or later (9%).

Uncertainty around current employment and future employment prospects may have resulted in some older workers feeling they have to work longer than planned to achieve financial security in retirement; for others the uncertainty could have resulted in planning to retire earlier. This may particularly be the case for those nearing retirement age.

Those who have been working from home were more likely to say they were planning to retire later (11%) compared with those not working from home (5%). This may be because some of the benefits of homeworking (and the possibility of continuing to do so) have made the prospect of continuing to work into later ages more feasible. This option is more likely to be available to those working in managerial and professional occupations ([English Longitudinal Study of Ageing: COVID-19 Study, Wave 1](#)).

5 . Glossary

Employment

Employment measures the number of people in paid work or who had a job that they were temporarily away from (for example, because they were on holiday or off sick). This differs from the number of jobs because some people have more than one job. The employment rate is the proportion of people aged between 16 and 64 years who are in employment. A more detailed explanation is available in [A guide to labour market statistics](#).

Unemployment

Unemployment measures people without a job who have been actively seeking work within the last four weeks and are available to start work within the next two weeks. The unemployment rate is not the proportion of the total population who are unemployed. It is the proportion of the economically active population (those in work plus those seeking and available to work) who are unemployed.

Economic inactivity

People not in the labour force (also known as economically inactive) are not in employment but do not meet the internationally accepted definition of unemployment because they have not been seeking work within the last four weeks and/or they are unable to start work in the next two weeks. The economic inactivity rate is the proportion of people aged between 16 and 64 years who are not in the labour force.

6 . Data sources and quality

The Office for National Statistics is publishing more data and analysis than ever before. We are constantly reviewing our publications based on your feedback to make sure that we continue to meet the needs of our users. As a result, future editions of this publication may focus more strongly on headline indicators and main messages. Thank you for your continued support.

Unless otherwise stated all statistics in the article are from analysis of Labour Force Survey (LFS) data and the Annual Population Survey (APS).

LFS responses are weighted to official population projections. As the current projections are 2018-based they are based on demographic trends that pre-date the coronavirus (COVID-19) pandemic. We are analysing the population totals used in the weighting process and intend to make adjustments where appropriate. Rates published from the LFS remain robust; however, levels and changes in levels should be used with caution.

Unless otherwise stated, LFS data presented in this article are not seasonally adjusted, and may not match figures published in official labour market releases which use seasonally adjusted data.

All analysis is at UK level except analysis from the English Longitudinal Study of Ageing, which covers England only.

7 . Related links

[Labour market overview, UK: April 2021](#)

Bulletin | Updated 21 April 2021

Estimates of employment, unemployment, economic inactivity and other employment-related statistics for the UK.