

# Labour Force Participation of Women Over 45

## Key points

These key points were released with the [Labour Force Participation of Women Over 45](#) staff working paper on 17 January 2011.

- The contribution of mature aged women (aged 45 to 64 years) to total hours worked in the economy by people of working age has increased from 6 to 15 per cent over the past three decades.
  - Over 40 per cent of this growth has resulted from an increase in the share of mature aged women in the working age population; the rest is due mainly to a steady increase in the labour force participation rate. Work intensity has hardly changed.
- The share in employment accounted for by mature aged women has increased across nearly all industries, including those where they have traditionally not been employed in large numbers.
- Younger women today have both higher levels of education and labour force participation than mature aged women had when they were younger. It is likely, therefore, that participation rates for mature aged women will continue to rise as these younger women enter older age groups.
- A woman's health status and caring responsibilities also influence her likelihood of participating in the labour force in later life. A mature aged woman is more likely to be in the labour force the longer her previous period of labour force engagement.
- Currently, proportionately fewer mature aged women participate in the labour force than either mature aged men in Australia or mature aged women in similar OECD countries. However, the gaps in participation have narrowed considerably over the past three decades.
- Most mature aged women who are not in the labour force appear to prefer not to work.
- Around 7 per cent of mature aged women could potentially be induced to enter the labour force. However, the barriers or obstacles to participation of many in this group are significant and difficult to address.
- Almost one quarter of mature aged women working part time want to increase their hours of work. However, one half of women working full time want to work less hours. If all mature aged women were to work the hours they preferred, the net effect would be a fall in total hours worked of nearly 11 per cent.
- As in most OECD countries, women retire earlier than men, although the gap is narrowing.
  - The decision to retire is influenced mainly by considerations of financial security and health/physical ability.
- Over the next couple of decades, the contribution of mature aged women to total hours worked will continue to rise steadily. However, the potential for additional growth in participation and average hours worked for the *current* cohort of mature aged women appears limited.

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Background information

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<http://www.pc.gov.au/research/staffworkingpaper/women-over-45>