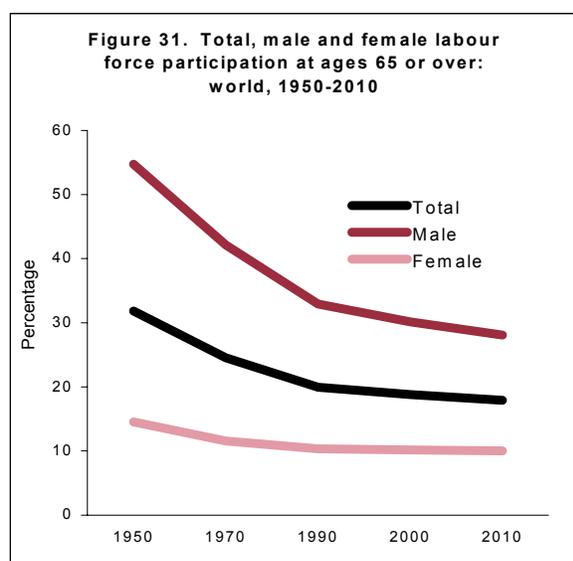


V. SOCIO-ECONOMIC CHARACTERISTICS OF THE OLDER POPULATION

A. LABOUR FORCE PARTICIPATION

Labour force participation of the older population has declined worldwide over the last decades

Older people today are significantly less likely to participate in the labour force than they were in the past. Over the past 50 years, labour force participation of persons aged 65 or over declined by more than 40 per cent at the global level. In 1950, about 1 in every 3 persons aged 65 or over was in the labour force. In 2000, this ratio decreased to just less than 1 in 5.

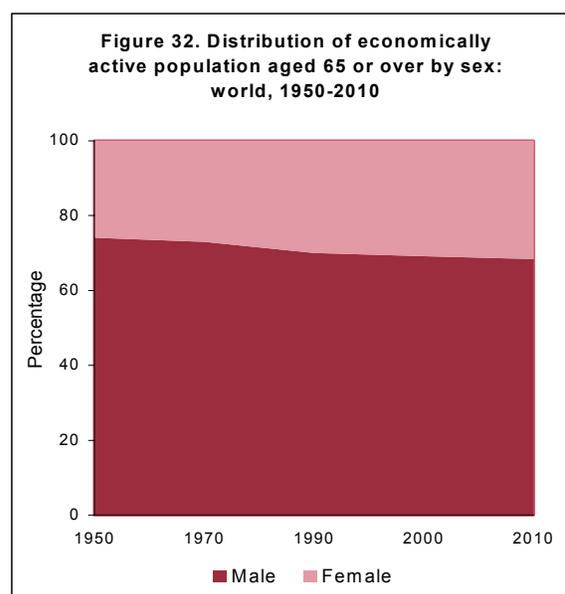


Among men, the reduction in labour force participation was from 55 per cent in the labour force in 1950 to 30 per cent in 2000. Among women, the reduction was considerably smaller, from 14 per cent in the labour force in 1950 to 10 per cent in 2000. By 2010, the total participation rate is projected to decrease slightly to 18 per cent, owing to the drop in the male rate to 28 per cent. Among older women, the participation rate is projected to remain stable over the next 10 years (figure 31).

The female share of the older work force is increasing

Traditionally, the proportion of older men who are economically active has been notably

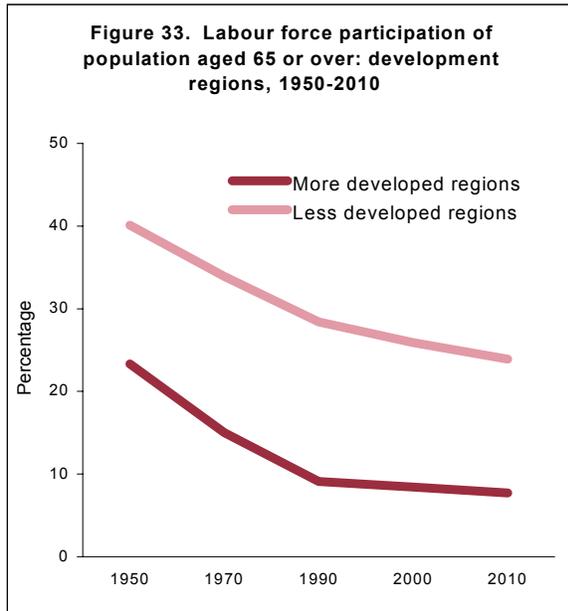
higher than the proportion of older women. However, as participation in the labour force at older ages has dropped faster among men than among women, the female share of the older labour force has steadily increased over the last decades, especially in the more developed regions. In 1950, 26 per cent of the workers aged 65 or over were women in both the more and less developed regions. By 2000, this proportion had increased to 29 per cent in the less developed regions and to 41 per cent in the more developed regions. At the global level, the percentage of older workers who were women increased from 26 in 1980 to 31 in 2000 (figure 32).



Participation rates of older persons are higher in the less developed regions

Old-age support systems in the form of pension and retirement programmes are much less prevalent in the less developed regions than in the more developed regions. It is not surprising, therefore, to find higher proportions of older persons in the labour force in the less developed regions. In 1950, the labour force participation rate among people 65 or older was about 40 per cent in the less developed regions and 23 per cent in the more developed regions. Over the following 50 years, the participation rate decreased considerably faster in the more

developed regions (by about 64 per cent) than in the less developed regions (by about 35 per cent). As shown in figure 33, by 2000, the rate in the less developed regions (26 per cent) was more than triple the rate in the more developed regions (8 per cent).

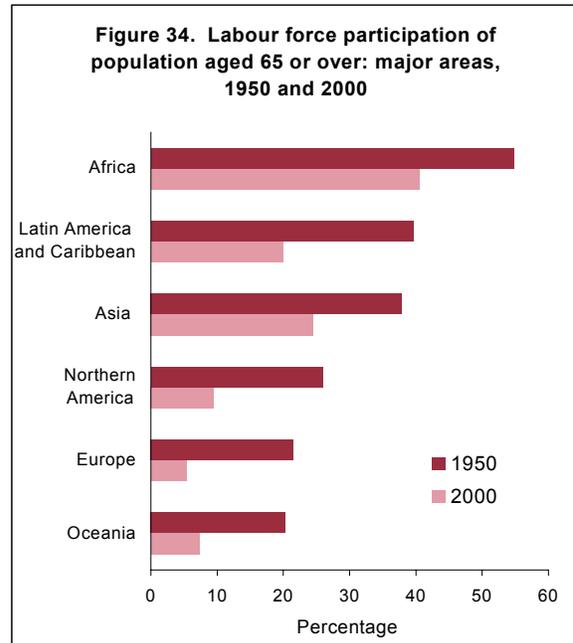


The employment rate is lowest in Europe and highest in Africa

Among the world's major areas, Africa has by far the highest proportion of economically active people among those 65 or older, while Europe has the lowest. Between these two extremes, labour force participation rates among the older population are lower in Oceania and Northern America and higher in Asia and in Latin America and the Caribbean.

Over the half-century from 1950 to 2000, the gap in participation rates between major areas has increased, as those with the lowest rates in 1950 have experienced sharper reductions (figure 34). In Europe, the rate declined by three fourths, from 22 per cent in 1950 to 5 per cent in 2000. The reduction between 1950 and 2000 was nearly two thirds in Oceania, (from 20 to 7 per cent) and Northern America (from 26 to 10 per cent). Over the same period, the participation rate decreased by half in Latin America and the Caribbean (from 40 to 20 per cent); by more than one third in Asia

(from 38 to 24 per cent) and by over one fourth in Africa (from 55 to 40 per cent). In all major areas, the reduction in labour force participation rates was greater for males than for females.



In some developed nations, fewer than 1 per cent of persons aged 65 or over are in the labour force

In at least 21 countries in 2000, fewer than 5 per cent of people over 65 were currently working; in two of them (Hungary and Belgium) this figure was under 1 per cent. At the other end of the scale, more than half of all people above 65 years continued to work in at least 24 countries. The participation rate in Mozambique was particularly high, where more than three in every four persons aged 65 or over were reported to be in the labour force.

For older men, the rates in the year 2000 ranged from less than 2 per cent in some European countries (Austria, Belgium, Hungary and Luxembourg) to more than 80 per cent in some African countries (Central African Republic, Guinea-Bissau, Malawi, Mozambique and United Republic of Tanzania). For women, the rates ranged from less than 0.5 per cent in Belgium, Hungary, Kuwait and Netherlands, to more than 60 per cent in Central African Republic, Ghana, Malawi and Mozambique.

Some countries show dramatic declines in the labour force participation of older people

Labour force participation of older people has declined in practically all countries of both more and less developed regions. In 35 countries, the participation rate of persons aged 65 or over dropped by more than 70 per cent over the last half-century; in 11 countries the reduction was over 90 per cent. The rate for Hungary dropped the most, from 39 per cent in the labour force in 1950 to less than 0.5 per cent in 2000. By contrast, the reported participation rates in 9 other countries increased over this 50-year period.

B. ILLITERACY RATES

Literacy among the older population is nearly universal in the more developed regions

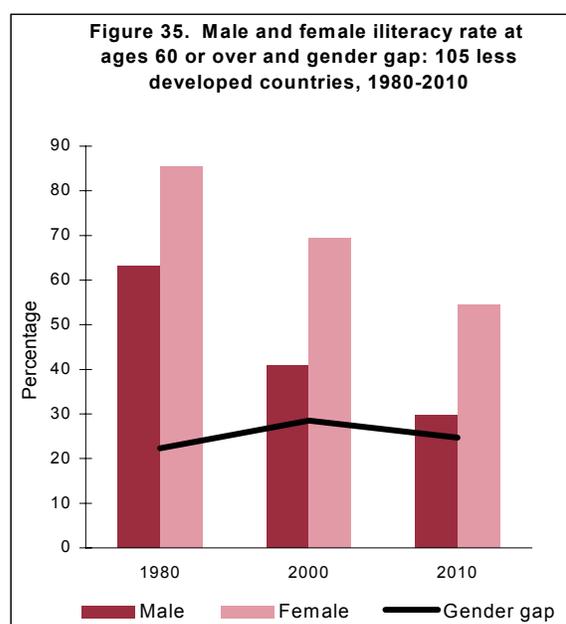
The widespread attainment of at least primary education has been established for a long time in the more developed regions. As a result, literacy in these regions is assumed to be nearly universal even among the older population, and most countries no longer produce statistical information on this subject. In some of the small number of developed countries for which age-specific data on literacy are available, however, the illiteracy rates are quite high at older ages. In Portugal, for instance, more than 1 in 4 persons aged 70 or over were illiterate in 2000, and for those aged 60 to 64 the ratio was more than 1 in 7. In Malta, the illiteracy rate in that same year was 14 per cent among those aged 60-64 and 23 per cent for those above 70. For the remaining developed countries with available data on illiteracy rates, the figures for 2000 ranged from 0.2 per cent in Latvia for both age groups 60-64 and 70 or over, to 5 per cent for persons aged 60-64 and 9 per cent for persons aged 70 or over in Greece.

Illiteracy remains high among older people, especially women, in the less developed regions

Although illiteracy among older persons has consistently declined in most of the less developed regions over the last two decades, it still remains generally high. Combining the data from the 105 less developed countries for which

information is available, 56 per cent of persons aged 60 or over were illiterate in 2000, down from 75 per cent in 1980. Over the decade 2000-2010, the illiteracy rate among older people is projected to continue decreasing in virtually all countries. By 2010, the aggregate rate for the 105 less developed countries with available information is expected to decrease to 43 per cent.

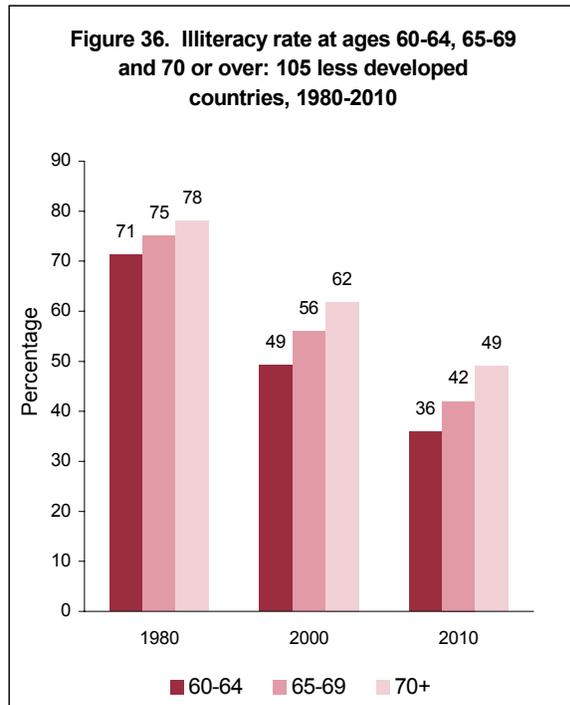
The reduction in illiteracy rates among older persons in the less developed regions was greater among males than females; as a result, the gender gap in literacy increased over the last 20 years. In 1980, the illiteracy rate among women aged 60 or over (85 per cent) was 22 percentage points higher than among men at the same age (63 per cent). By 2000, this difference increased to 28 percentage points as the aggregate rate decreased to 69 per cent among older women and to 41 per cent among older men (figure 35). Over the next decade, however, the gap is projected to decrease to 25 percentage points, as the aggregate rate decreases to 55 per cent among older women and to 30 per cent among older men.



Illiteracy among older people increases with age

In general, education levels have improved for each generation over the last century. Therefore, it is common to find important differences in the educational attainment of

younger and older segments of the older population. Not surprisingly, illiteracy among older people in the less developed regions is particularly high among those in the most advanced age groups.



Considering the aggregate population of the 105 less developed countries for which literacy rates are available, 62 per cent of persons aged 70 or over were illiterate in 2000, compared with only 49 per cent of persons aged 60 to 64. In 1980, the corresponding illiteracy rates were 78 per cent and 71 per cent. In 2010, the rates are projected to be 49 per cent and 36 per cent respectively for persons aged 70 or over and for persons aged 60 to 64 (figure 36).

Variations in illiteracy rates are marked within the less developed regions

Huge differences in illiteracy levels among older persons exist among the less developed countries for which information on illiteracy is available. In some African countries such as Benin, Burkina Faso, Gambia, Mali and Niger, more than 90 per cent of persons aged 60 to 64 and more than 95 per cent of persons aged 70 or over were illiterate in the year 2000, compared with less than 6 per cent of persons aged 60 to 64 and less than 8 per cent of persons aged 70 or over in such countries as Argentina, Tajikistan and Uruguay. This disparity between countries is expected to decrease in the future as educational attainment continues to improve.