

‘The decision to work after State Pension Age and how it affects Quality of Life: Evidence from a 6-year English panel study’

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Outline

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Background

- In response to population ageing, governments continue to implement policy changes designed to extend working lives, including raising State Pension Age (SPA).
- Increases in the pension eligibility age does increase the age at which workers retire. The trend toward working longer is relatively new.

Background /2

- Recent evidence suggests that those working past SPA are more likely to have more advantageous socioeconomic conditions and better physical and mental health.
- Being divorced/ separated and still having a mortgage are also associated with employment post SPA (particularly among women).

Background /3

- Little is known about why some people work beyond SPA and whether, and to what extent, this affects their quality of life (QoL).
- Most research focuses on reasons for retirement.
- Differential effect of work beyond SPA depending on whether respondents feel they 'have to' extend their working lives?

Aim & Objectives

Examine the effect of the reasons to work beyond SPA on well-being among English respondents.

- ❖ *Investigate both cross-sectionally and longitudinally the associations between motivations for working past SPA and QoL*

Data

- English Longitudinal Study of Ageing (ELSA), a multidisciplinary longitudinal biennial survey representative of individuals 50+ in England. Household response rate ~70%
- Waves 4 and 7 collected in 20**08/09** and **14/15**, respectively

Data /2

- Both Waves provide information on demographic and socio-economic characteristics; health and well-being; and social contacts and support.
- Wave 4 was the first wave to include also questions pertaining the reasons for working beyond SPA.

Sample

- We included men aged 65-74 and women aged 60-69 at W4 [SPA was 65 for men, 60 for women].
- We excluded respondents who were 'sick or disabled' or 'looking after home' at W4; those who had never worked; those who died between Waves
- In our final models we analysed 2,517 (cross-sectional) and 1,865 individuals (longitudinal).

Key Variables

We evaluated subjective quality of life using the CASP-19 scale, a 19-item self-completion questionnaire assessing control, autonomy, self-realisation and pleasure.

The possible range of CASP-19 scores is 0 to 57, with higher scores indicating greater well-being

Key Variables /2

What are your reasons for working after SPA?

1. Could not afford to retire earlier
2. Didn't know what to do after stopping work
3. Enjoyed job/working
4. To improve pension/financial position
5. To keep fit and active
6. To retire at the same time as spouse/partner
7. Persuaded by employer to stay on

Key Variables /3

Employment Status and reasons

1. In paid work for financial reasons
2. In paid work 'voluntarily'
3. 'Normal' retirement
4. 'Involuntary' retirement
5. 'Voluntary' retirement

Other covariates

We controlled for a range of variables known to be associated with QoL and work past SPA

- Health (long-standing illness; disability; depression)
- Education; housing tenure; wealth
- Informal care provision; volunteering
- Marital status; number of close relationships; frequency of contacts; presence of positive support

Analysis

Cross-sectional linear regression of reasons for work past SPA on QoL, controlling for demographic, socio-economic, health, and social support characteristics.

Conditional change linear regression to examine associations between changes in employment status and QoL at W7, adjusting for CASP-19 scores at W4.

Results, Descriptive

Table 1. Unadjusted CASP-19 score in ELSA Wave 4 by employment status

	N	%	W4 CASP-19 [Mean (SD)]
Retired at SPA	707	28.1	42.1 (0.30)
Voluntarily retired	708	28.1	44.5 (0.26)
Involuntarily retired	596	23.7	39.0 (0.36)
In work, financial necessity	175	7.0	41.0 (0.64)
In work, voluntarily	331	13.1	45.3 (0.36)

Source: ELSA Wave 4.

P value <0.001

Results, Descriptive /2

	Depressed	Limiting LS illness	ADL + IADL Limitation
Retired at SPA	16.4	29.4	17.8
Voluntarily retired	11.0	22.2	14.3
Involuntarily retired	27.7	52.0	38.3
In work, financial necessity	20.0	18.9	17.7
In work, voluntarily	12.7	15.0	8.4

Source: ELSA Wave 4.

Results, Key findings

Basic and fully adjusted B coefficients (with 95% CIs) for the relationship between employment status beyond SPA and Quality of life

	Model 1: Basic adjusted model	Model 2: Fully adjusted model
Retired at SPA	Ref	Ref
Voluntarily retired	1.71 (0.92; 2.50)	1.21 (0.51; 1.90)
Involuntarily retired	-2.03 (-2.85; -1.22)	-0.31 (-1.05; 0.41)
In paid work, necessity	-0.35 (-1.62; 0.93)	-1.13 (-2.25; -0.01)
In paid work, voluntarily	2.67 (1.66; 3.67)	1.77 (0.88; 2.66)

Source: ELSA Wave 4. Note: basic model only adjusts for socio-economic and demographic characteristics, whereas the fully adjusted model also accounts for health.

Results, Descriptive /3

Mean changes in CASP score by changes in employment between W7 and W4

	N	%	Δ in CASP [Mean (SD)]	CASP at W7
Still retired at SPA	531	28.2	-0.71 (0.31)	41.8
Still voluntarily retired	536	28.5	-1.24 (0.26)	43.5
Still involuntarily retired	422	22.5	-1.70 (0.37)	37.9
Still in work	50	2.7	-0.38 (0.49)	44.2
No longer in work, necessity	80	4.3	0.92 (0.76)	42.9
No longer in work, voluntarily	165	8.8	-0.01 (0.40)	45.2

Source: ELSA Wave 4 and Wave 7.

P value <0.001

Results, Key findings /2

Basic and fully adjusted B coefficients (with 95% CIs) for the conditional change model of CASP-19 score at Wave 7 compared with Wave 4

	Model 1: Basic adjusted model	Model 2: Fully adjusted model
Still retired at SPA	Ref	Ref
Still voluntarily retired	-0.04 (-0.80; 0.71)	-0.10 (-0.84; 0.64)
Still involuntarily retired	-1.59 (-2.41; -0.78)	-1.44 (-2.23; -0.64)
Still in work	0.64 (-0.52; 1.81)	0.49 (-0.64; 1.61)
No longer in work, necessity	1.10 (-0.08; 2.28)	0.69 (-0.67; 2.06)
No longer in work, voluntarily	1.14 (0.03; 2.26)	0.97 (-0.07; 2.01)

Source: ELSA Wave 4 and Wave 7. Note: basic model only adjusts for changes in socio-economic characteristics, whereas the fully adjusted model also accounts for changes in health between Waves.

Conclusions

- Among those employed past SPA, one in three reported financial circumstances as their main reason for being in paid work.
- The motivations underpinning the decision to continue working past SPA exert an influence on QoL.

Conclusions /2

- Those who work past SPA for positive reasons report higher QoL, and experience marginal improvements in QoL when they do eventually leave the labour market.
- In contrast, those in paid work out of financial circumstances report lower QoL, with no significant improvements upon retirement.

Limitations

- It was not possible to
 - i. Consider all possible work transitions between Wave 4 and follow-up;
 - ii. Explore whether the reasons for employment post SPA changed over time;
 - iii. Capture other key dimensions of work post SPA, including # of hours or physical demand, social class, and effort-reward imbalances.

Discussion

Reasons for extending working lives affect QoL. Those who do not exercise control over this decision have lower QoL than those who do so by choice, and this level is unlikely to rebound upon retirement.

Initiatives aimed at helping workers maintain control over the decision to extend their employment should be developed.

Questions



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