

Pathways into retirement and inequalities in post-retirement outcomes

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An ageing world

[Nothing] is more likely to shape economic, social, and political developments in the early twenty-first century than the simultaneous aging of Japan, Europe, and the United States ... The human life cycle is undergoing unprecedented change. To preserve economic security, we must adapt the social institutions built around it to these new realities.

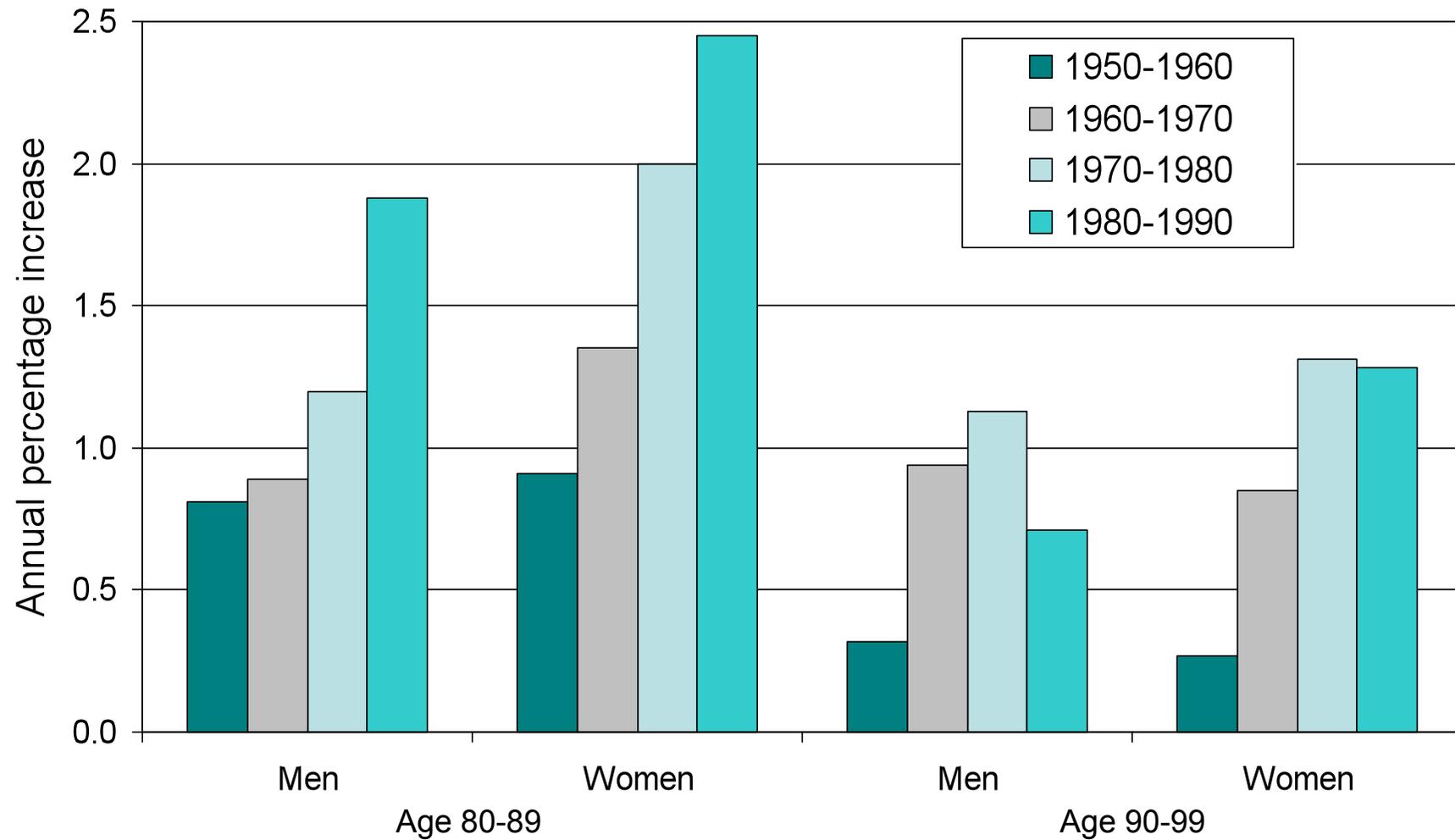
[But] aging brings with it a systematic transformation of all spheres of social life ... beneath the daunting fiscal projections, lies a longer-term economic, social and cultural dynamic ... What will it be like to live in societies that are much older than we have ever known or imagined?

Adapted from The Commission on Global Aging (1999)

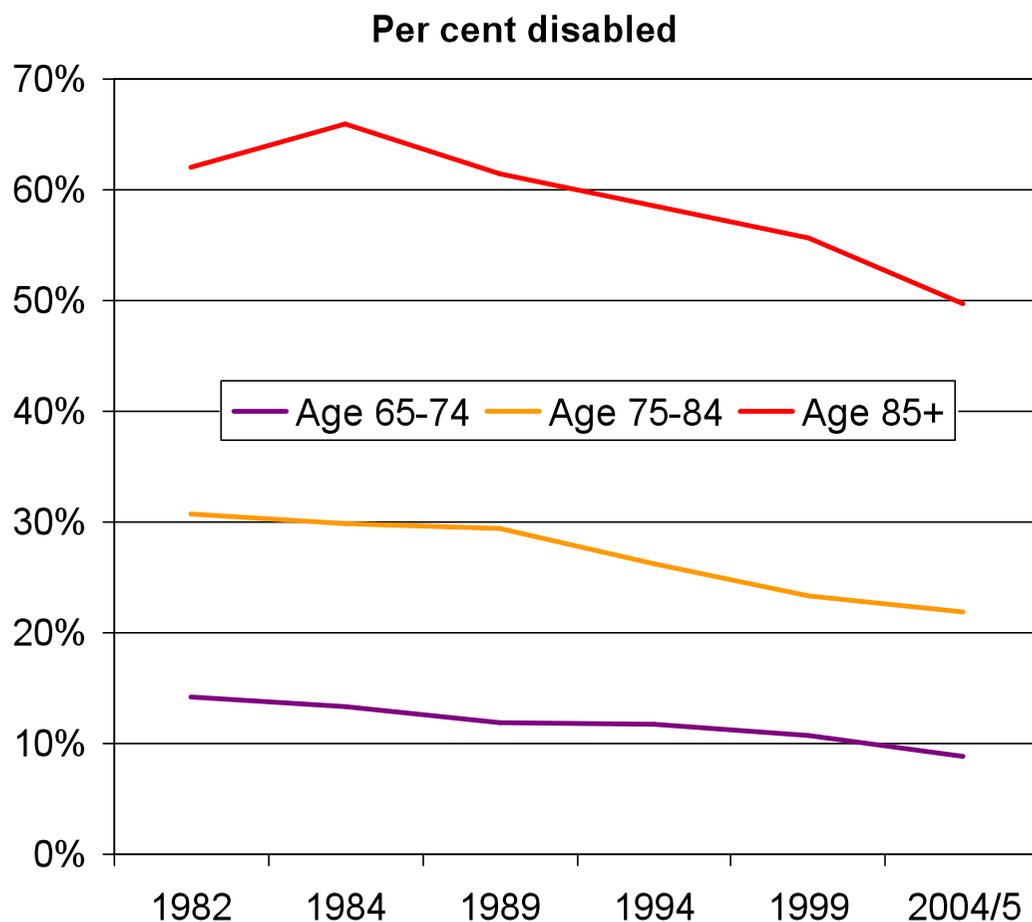
How the world is ageing

- Life expectancy has risen dramatically in the last 50 years, it continues to rise, and is not only improving annually, improvements are accelerating:
 - Worldwide the numbers of those 65-84 will grow threefold by 2050;
 - The numbers aged 85 and older are projected to grow sixfold; and
 - The numbers aged 100 and over are projected to grow sixteenfold.
- Death rates do not appear to be close to a biological maximum, those countries with the lowest current death rates continue to have large annual improvements in survival.

Changes over time in improvement in mortality for 19 countries



Accelerating improvements in disability rates that go with improvements in survival



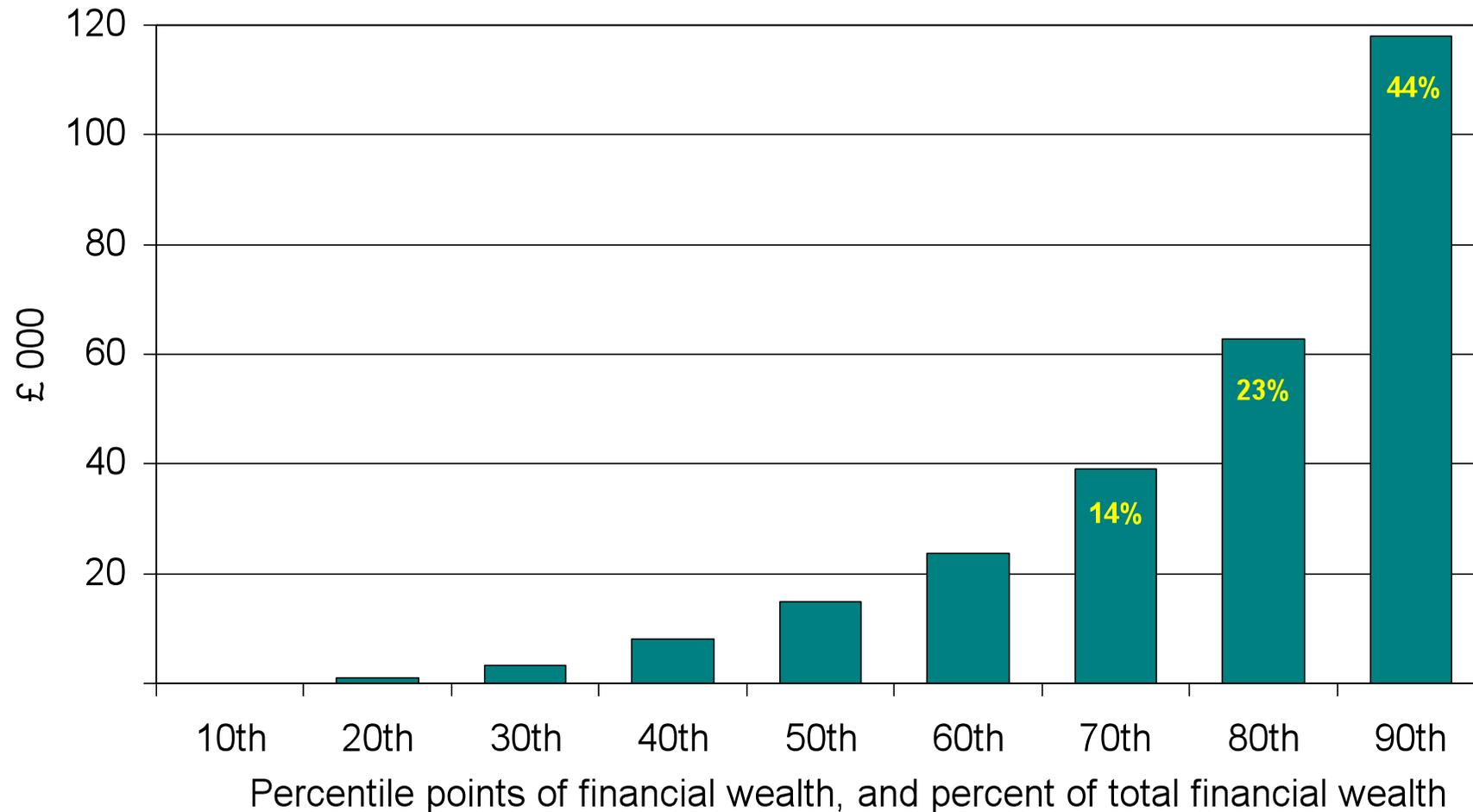
Not only are chronic disability rates declining, the rate of decline is accelerating, starting from 0.6% per annum in 1982-1984 and increasing to almost four times that level (2.2%) by 1999-2004/2005. And rates are decreasing more rapidly for older people.

Manton *et al.* 2006

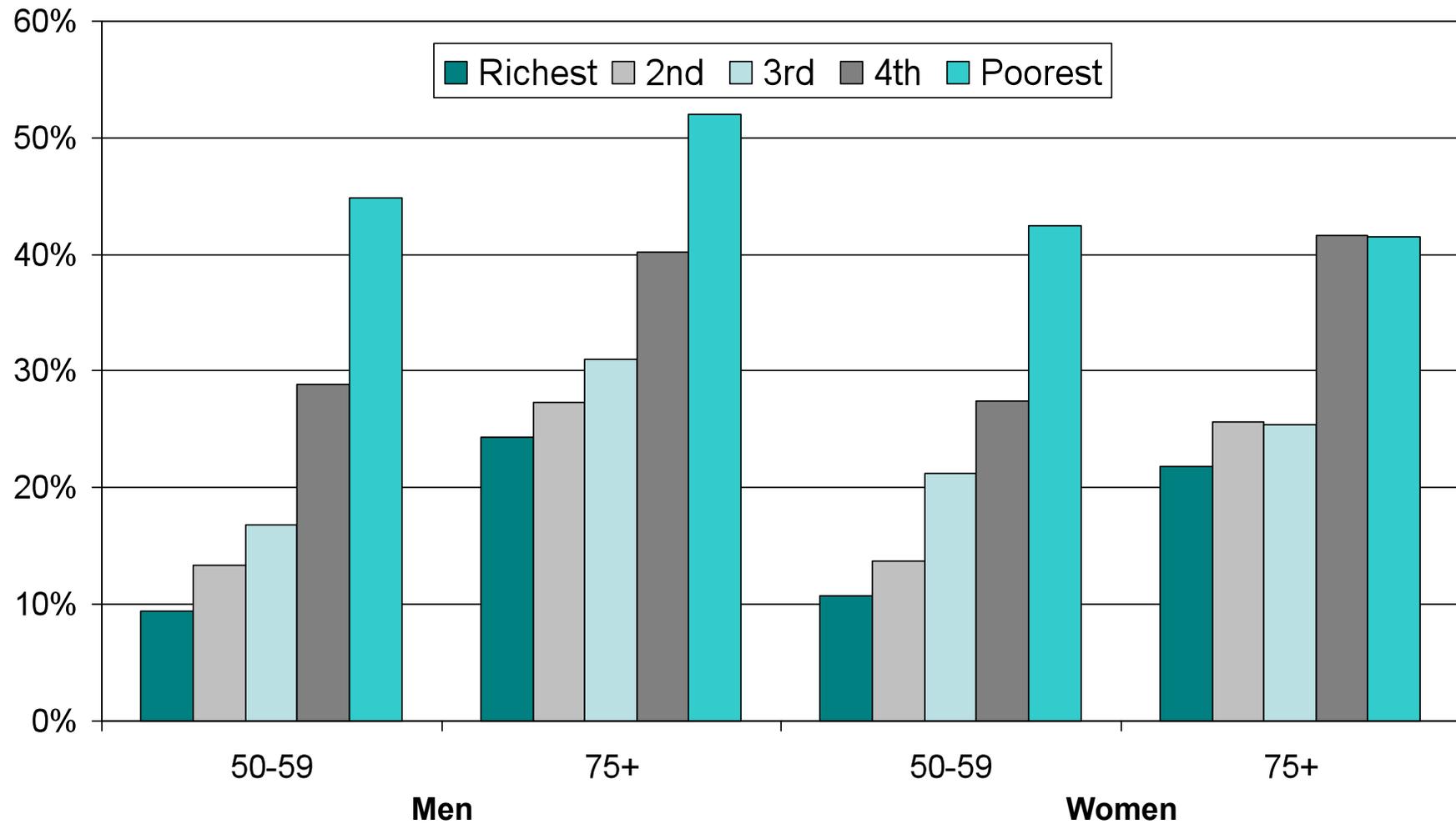
A Third Age

- Post-retirement, post-parenting, but pre-dependency.
- Contributing to society:
 - Voluntary/community activities;
 - Political/civic engagement.
- Consuming and enjoying life: leisure, cultural mainstream.
- Self-fulfilment:
 - Having a role;
 - Having status;
 - Having fun.
- But persisting class inequalities?

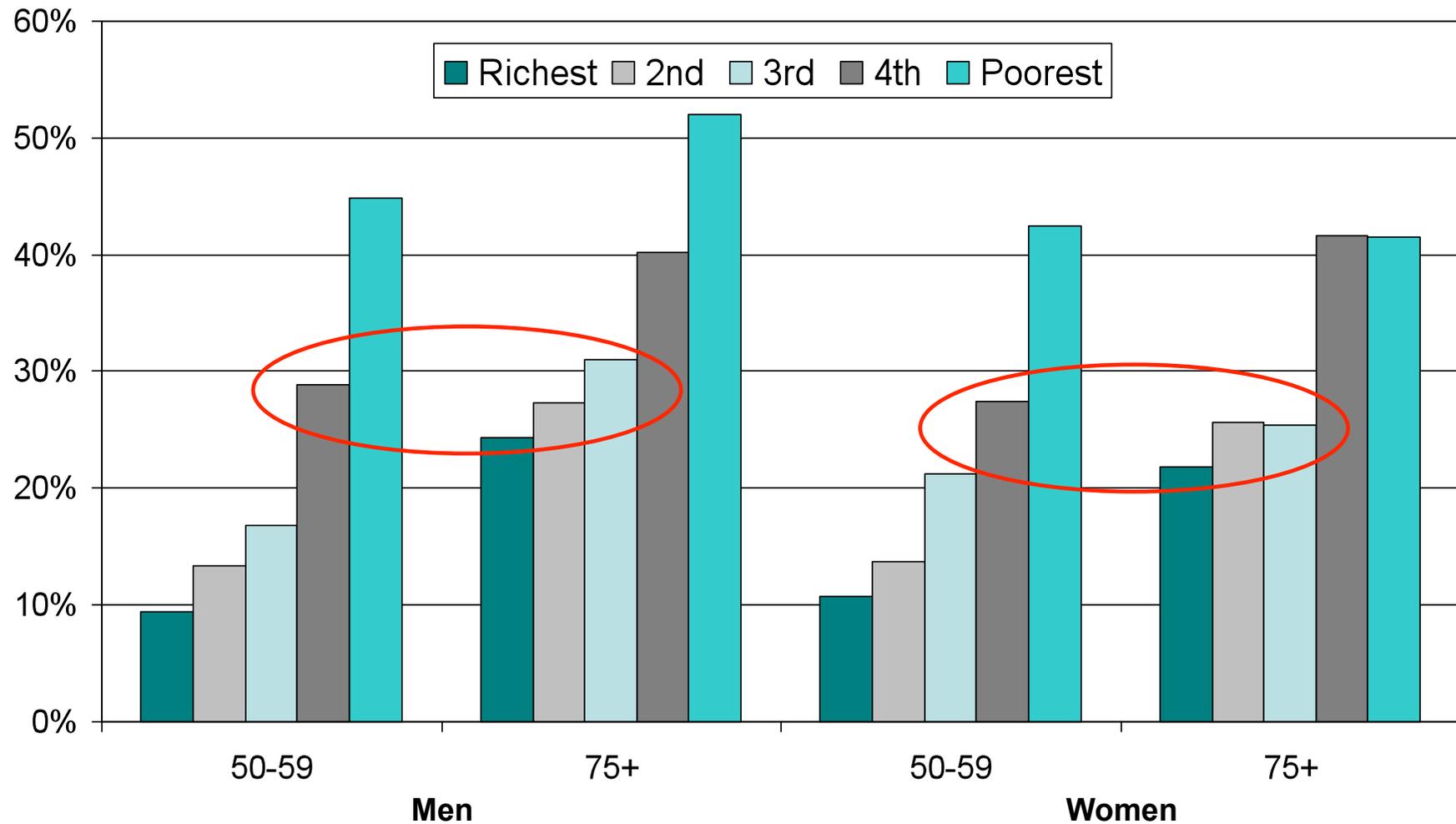
The distribution of financial wealth, age 60-74



Fair/poor self reported health and wealth



Fair/poor self reported health and wealth



The English Longitudinal Study of Ageing

www.ifs.org/elsa

A panel study of people aged 50 and older, interviewed every two years (since 2002), currently in its fifth wave of data collection.

- Sample at wave 1 is approximately 11,500 people born before 1st March 1952 who are in the private household sector at baseline. Refreshed with younger people at wave 3.
- Drawn from Health Survey for England (1998, 1999, 2001 years).
- Includes spouses outside the age range and partners who joined the household since the HSE baseline (giving 12,100 cases in total).
- Those incapable of doing the interview have a proxy interview.
- Interviewed every two years since 2002, with a biomedical assessment every four years.
- Exit interviews are carried out with the partners or carers of people who died after wave 1.

The English Longitudinal Study of Ageing

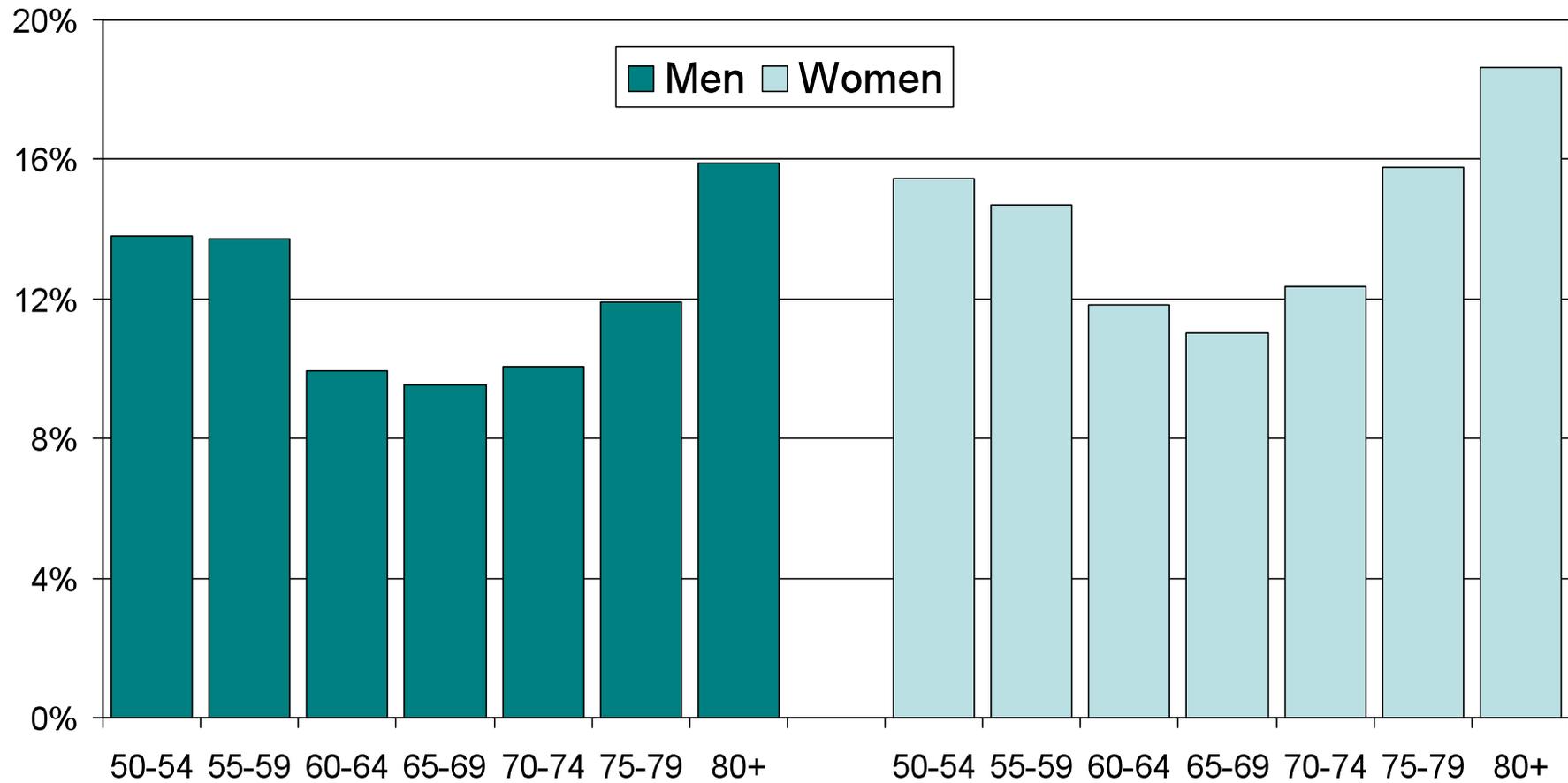
www.ifs.org/elsa

- Demographics
- Self-assessed health
- Diagnosed disease & symptoms
- Quality of received medical care
- Activities of daily living and Instrumental ADLS
- Eyesight, hearing, pain, falls
- Mental health
- Health behaviours
- Cognitive function measures
- Physical performance measures
- Biomedical measures
- Housing (tenure, quality and value)
- Household wealth and income
- Relative deprivation
- Pensions and retirement
- Employment status, earnings and job characteristics
- Consumption/spending
- Psychosocial factors and wellbeing
- Social, cultural and civic activities
- Expectations for the future
- Life histories
- Administrative data

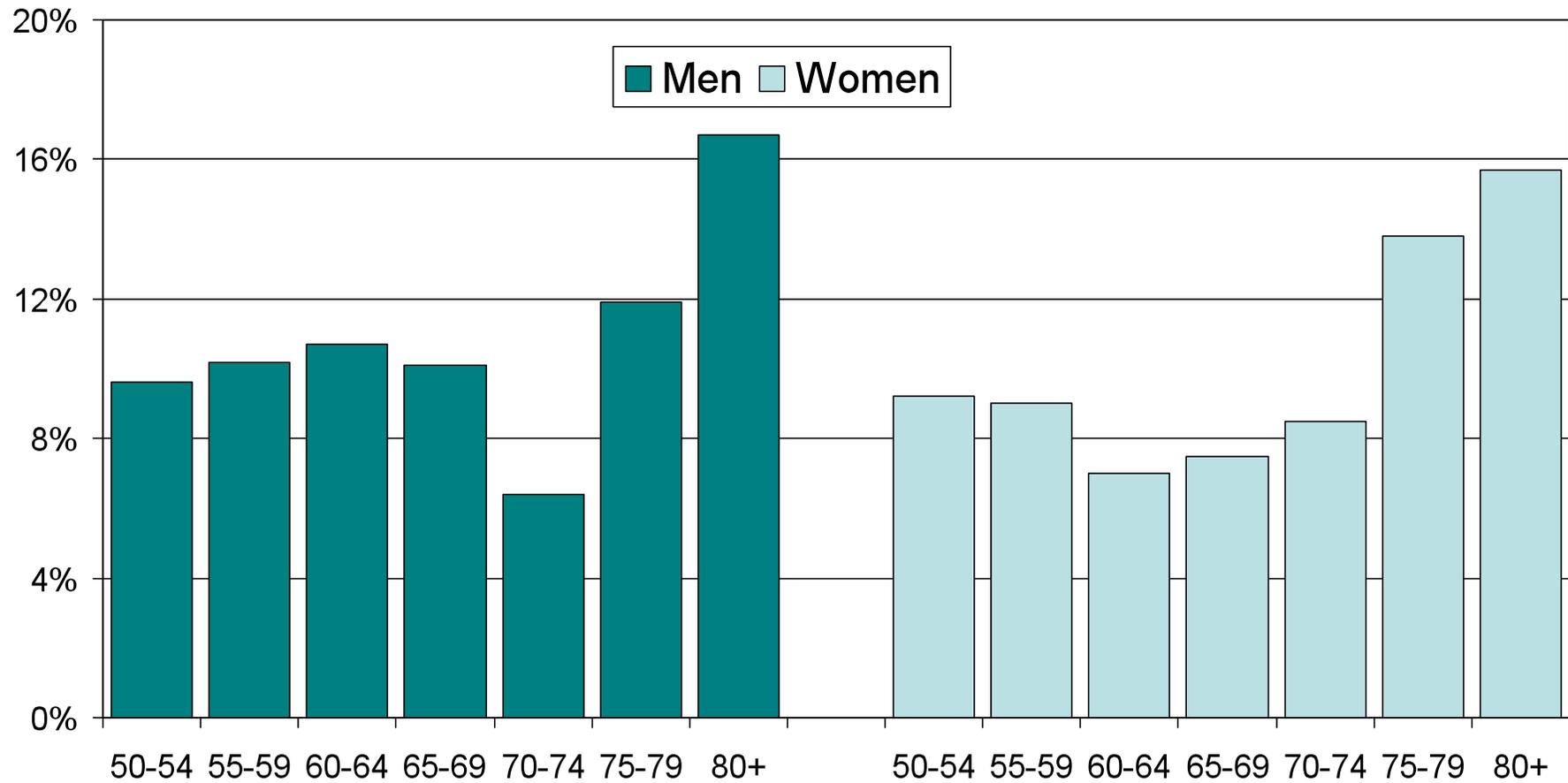
Well-being outcomes

- Psychological well-being
 - General Health Questionnaire (GHQ), 12 item version
 - Dichotomised at a score > 3
- Quality of Life
 - Control, Autonomy, Self-realisation and Pleasure scale (CASP-19)
 - Dichotomised at a score < 37
- Depression symptoms
 - Center for Epidemiological Studies Depression scale (CES-D), eight item version
 - Dichotomised at a score > 4

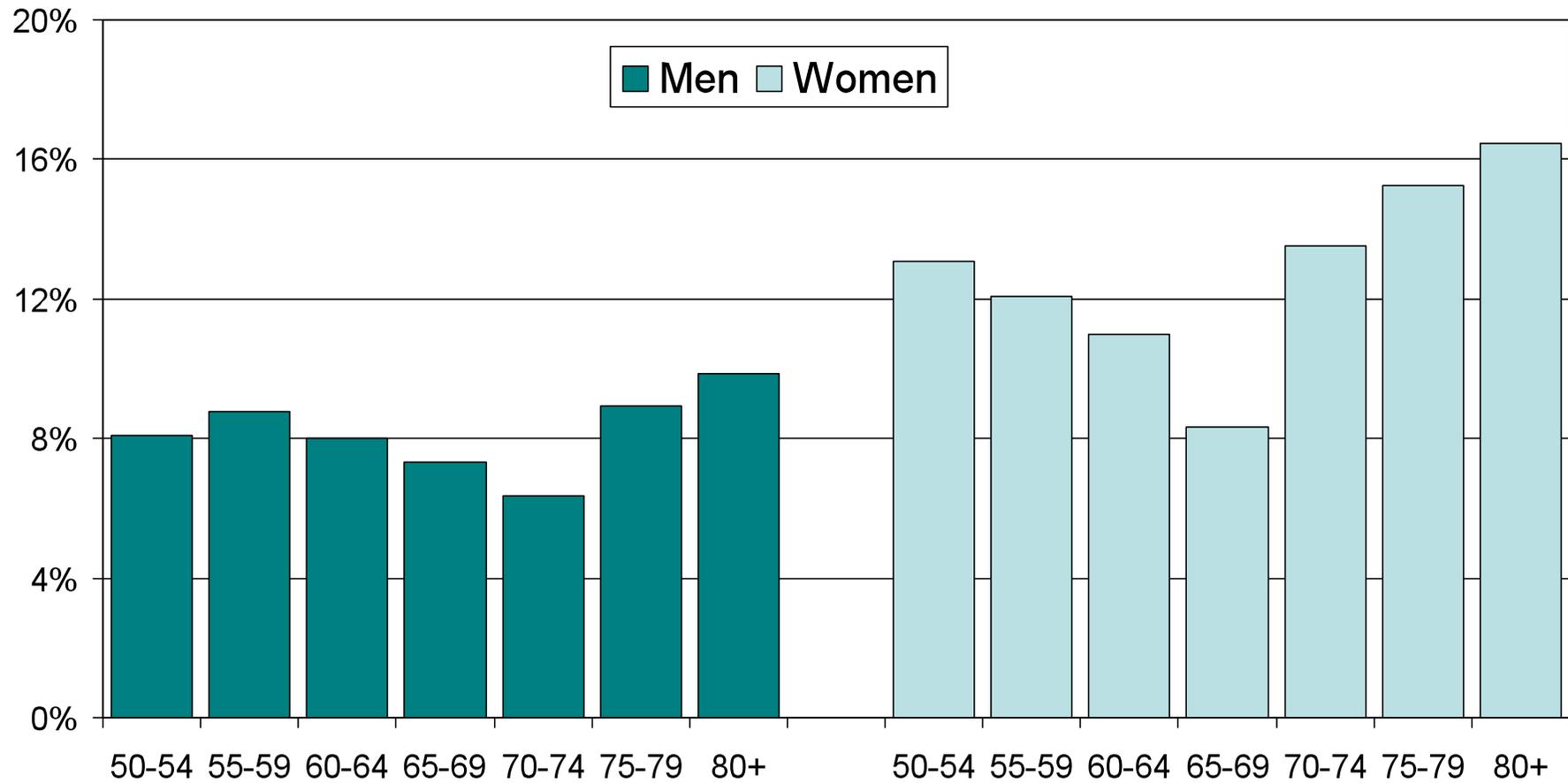
Age and psychological wellbeing (GHQ12)



Age and quality of life (CASP-19)



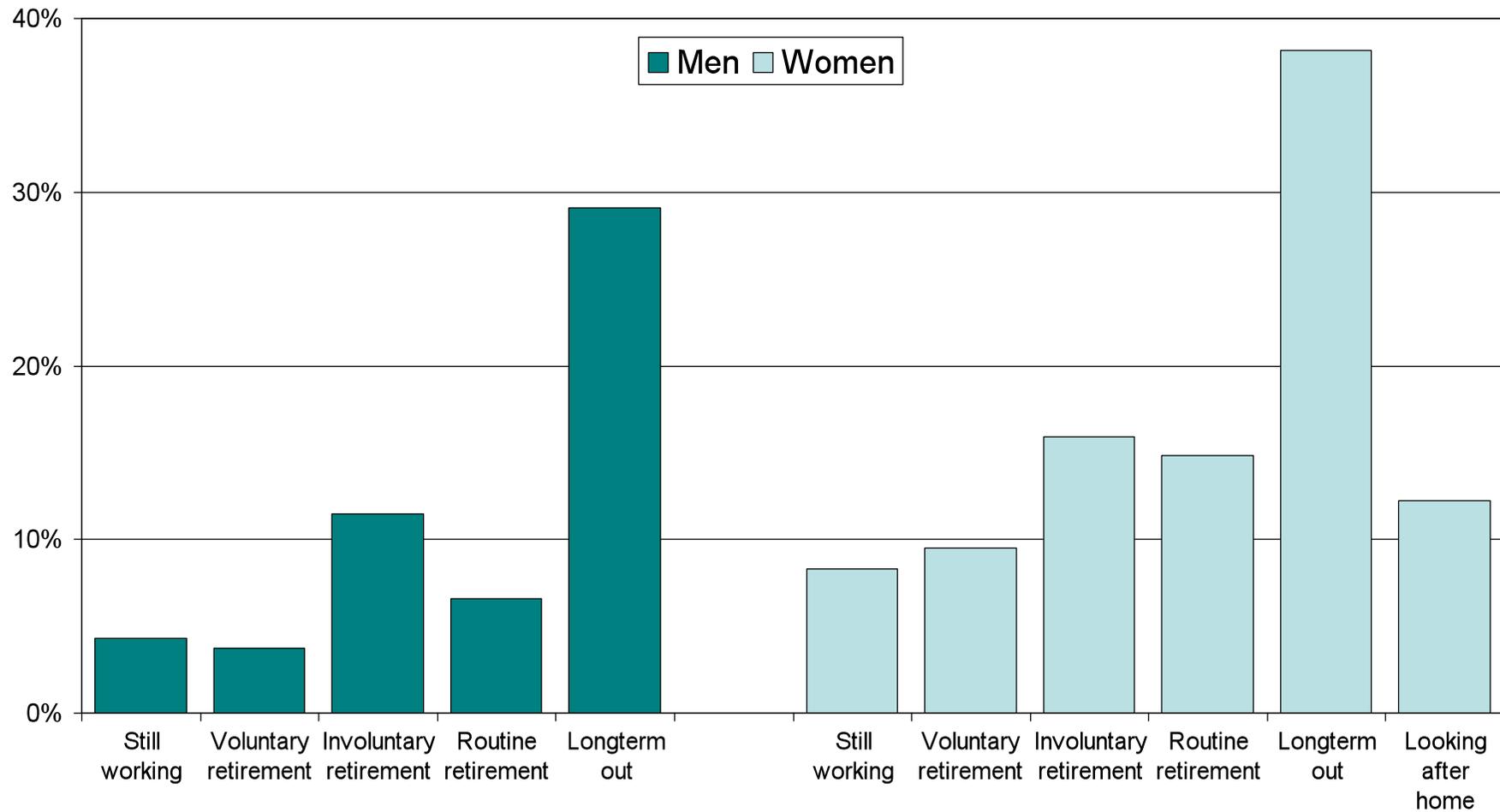
Age and depression (CES-D)



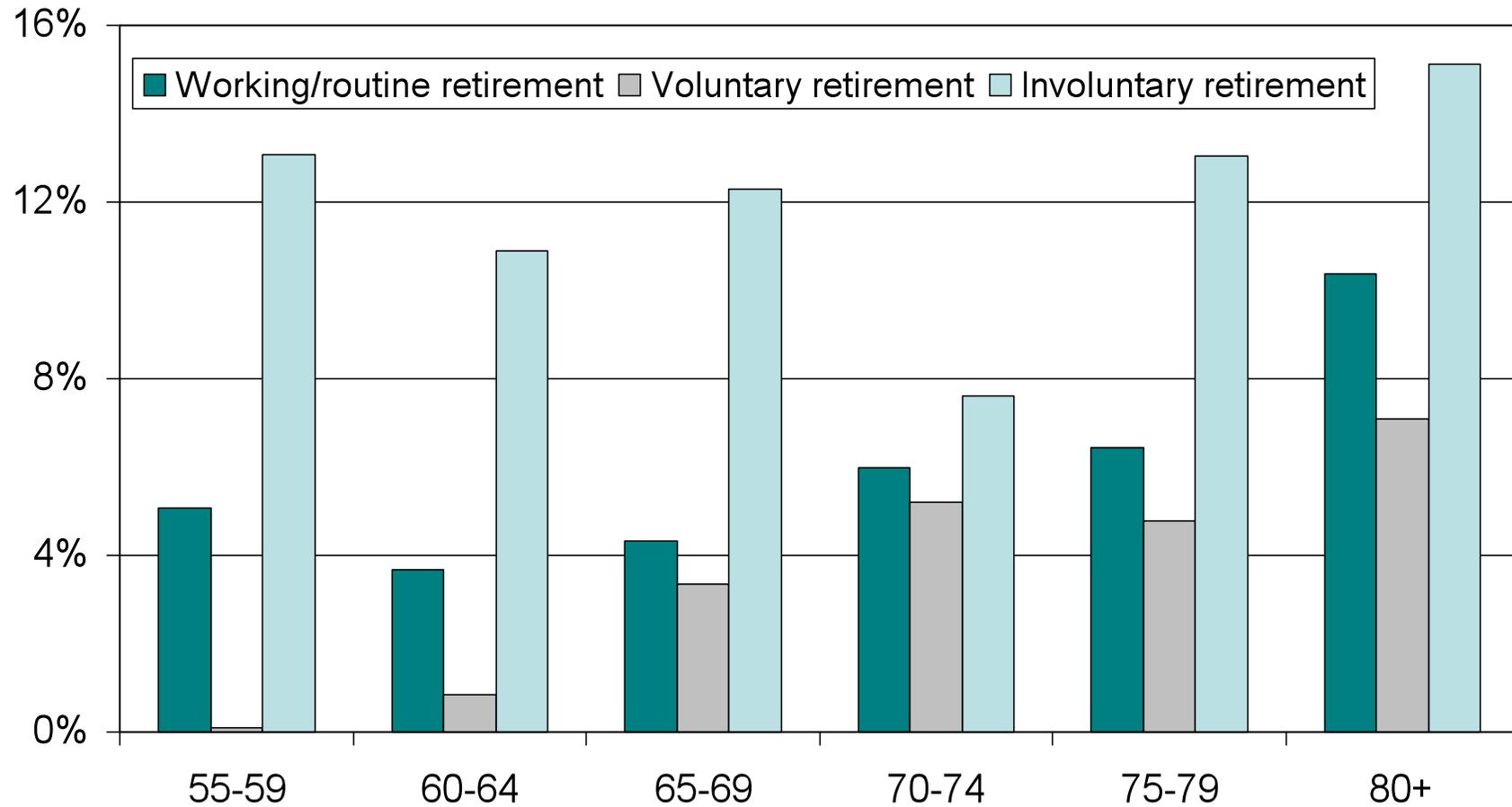
Categories of retirement status

- Routine, State Pension Age because 'reached retirement age'
- Voluntary
 - To enjoy life
 - To spend time with partner or family
 - Fed up with job and wanted a change
 - To give the younger generation a chance
 - Offered reasonable financial terms to retire early
- Involuntary
 - Ill health (own or of a relative/friend)
 - Made redundant
 - Could not find another job
- And those still working, longterm sick/unemployed, and looking after the home

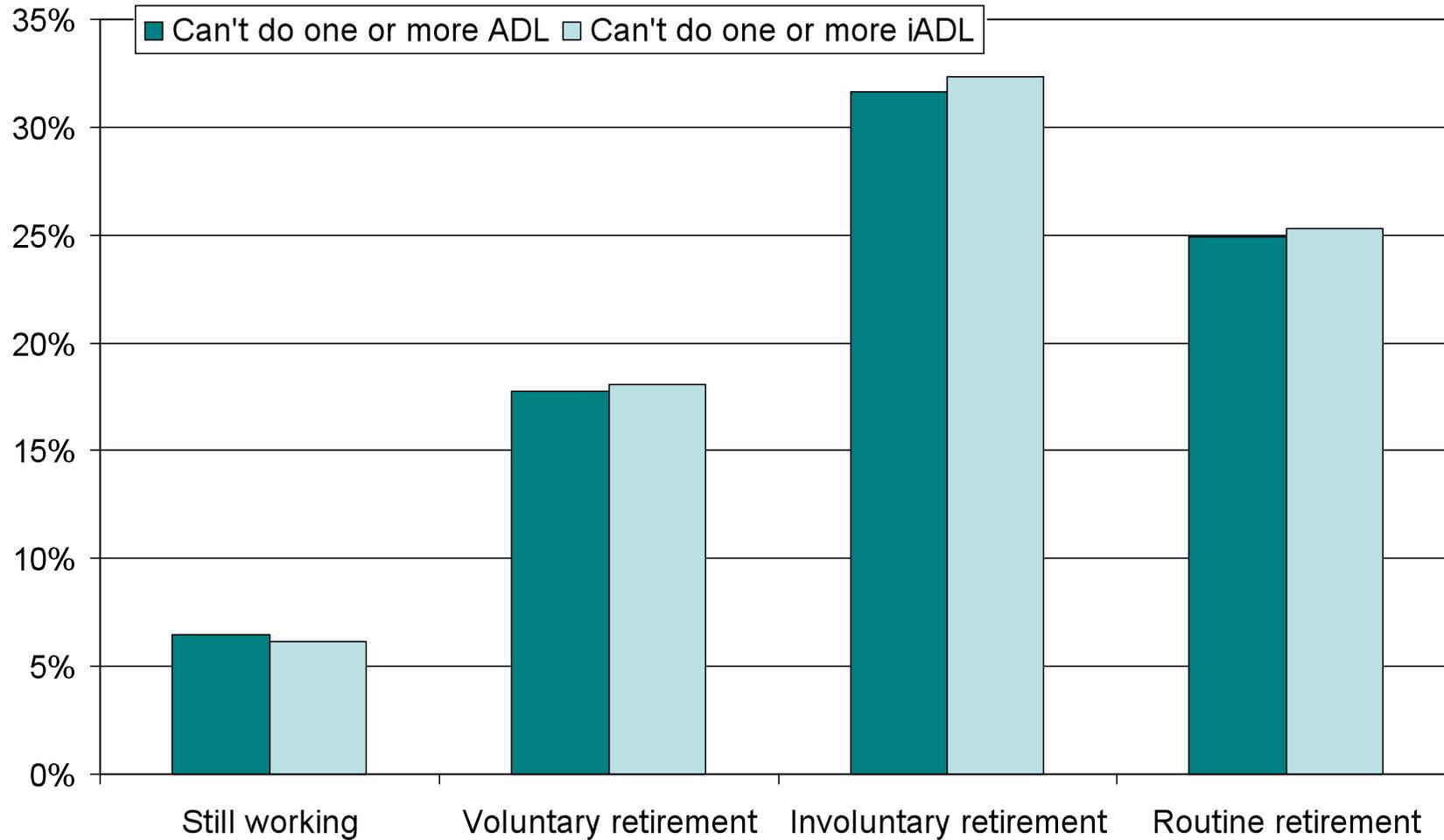
Retirement status and depression



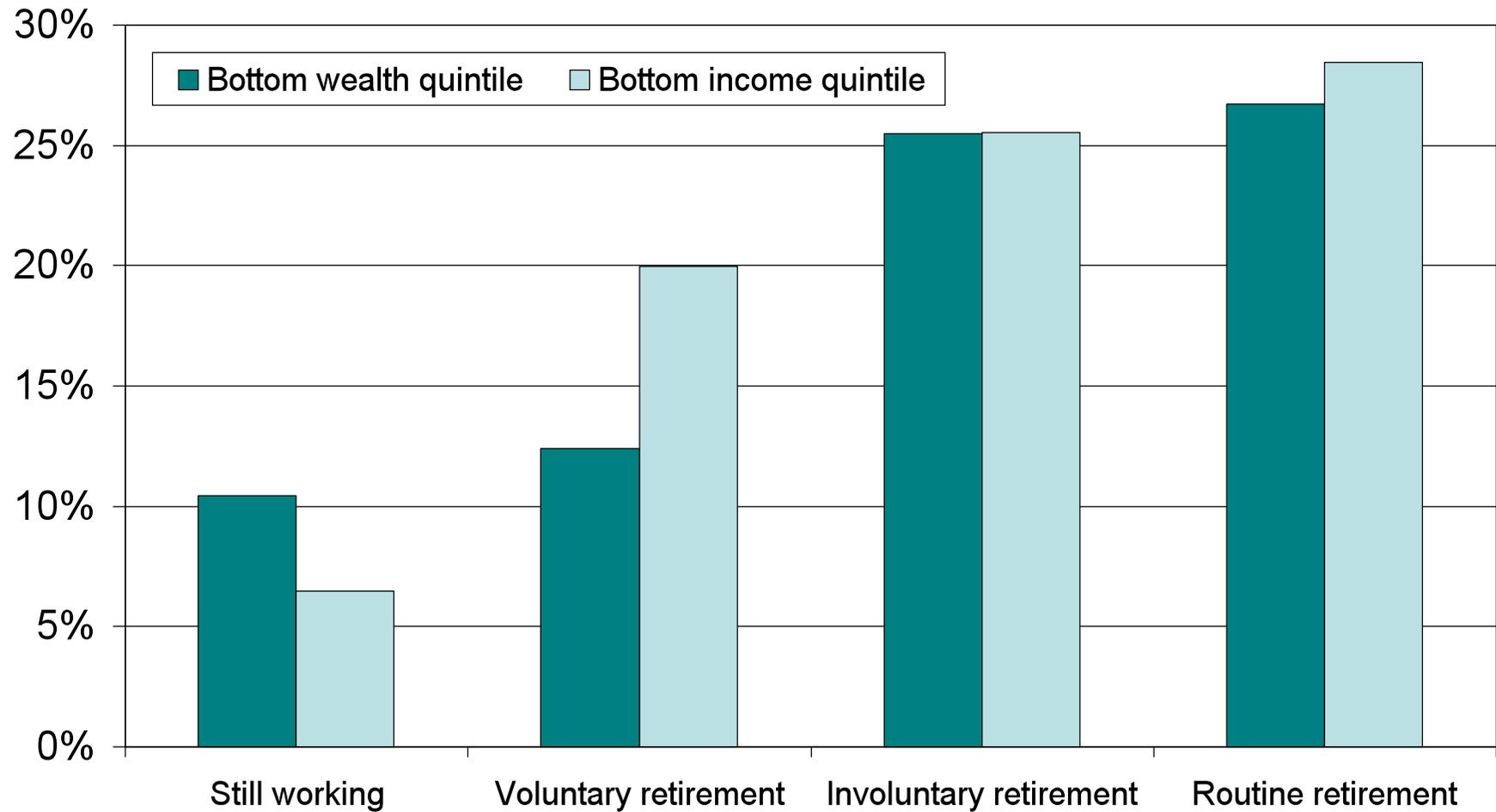
Retirement status, age and depression (men only)



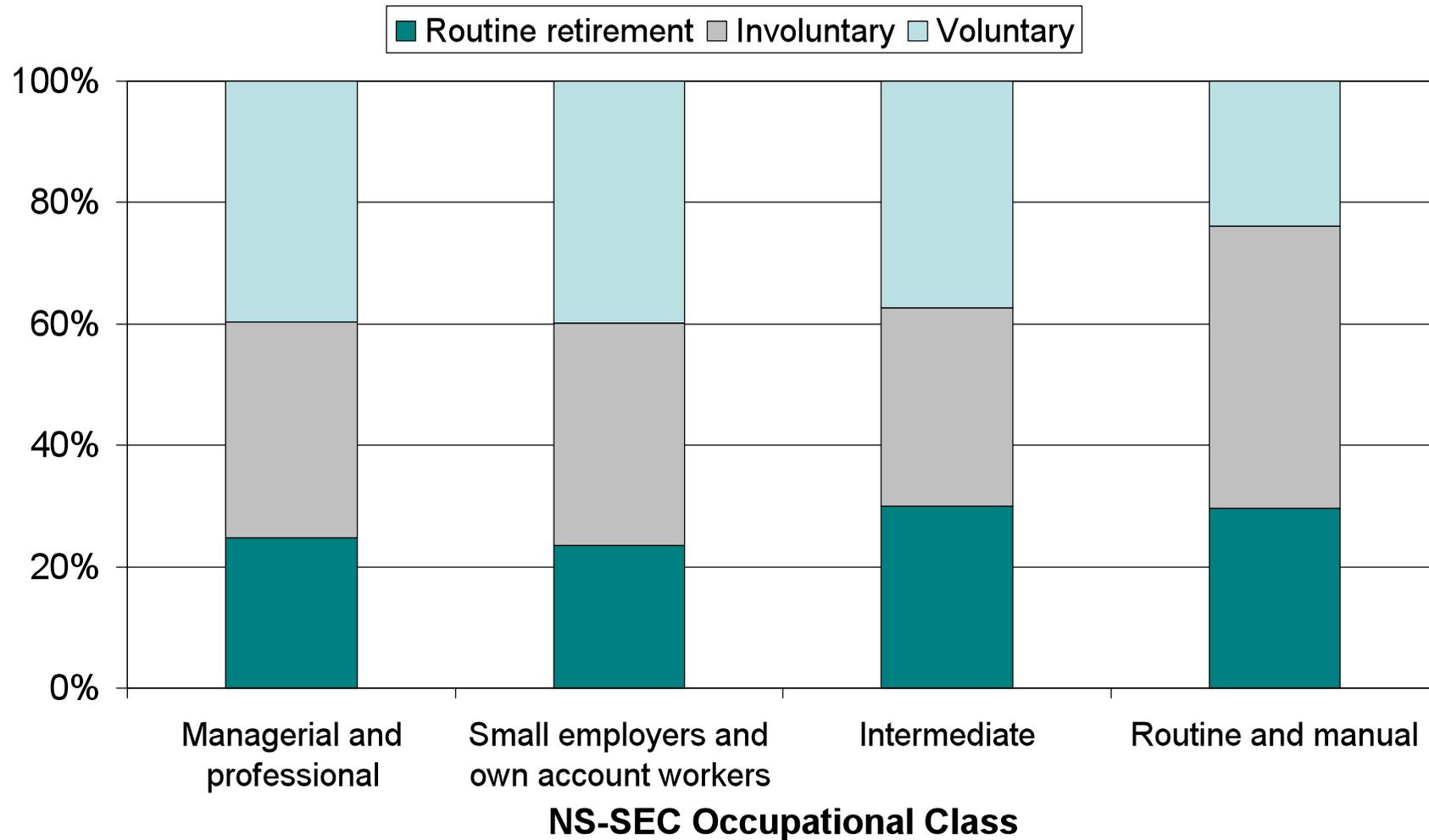
Retirement status and disability



Retirement status and economic position



Occupational class and retirement status



Retirement and depression

A transition model for those \leq state pension age

Modelling depression score at wave 2: ordinal logistic regression coefficients

Undifferentiated model

Remain working	0
Start working	0.02 (-0.40, 0.44)
Remain not working	0.44 (0.30, 0.60)
Become unemployed	-0.05 (-0.71, 0.62)
Stop working, sick	1.16 (0.66, 1.67)
Start looking after the home	-0.60 (-1.18, -0.03)
Retire	0.04 (-0.22, 0.31)
Retire wealthy	-
Retire not wealthy	-

*Models adjusted for gender, age and depression score at wave 1

Retirement and depression

A transition model for those \leq state pension age

Modelling depression score at wave 2: ordinal logistic regression coefficients

	Undifferentiated model	Differentiated model
Remain working	0	0
Start working	0.02 (-0.40, 0.44)	0.02 (-0.40, 0.44)
Remain not working	0.44 (0.30, 0.60)	0.46 (0.30, 0.61)
Become unemployed	-0.05 (-0.71, 0.62)	-0.04 (-0.71, 0.62)
Stop working, sick	1.16 (0.66, 1.67)	1.17 (0.66, 1.68)
Start looking after the home	-0.60 (-1.18, -0.03)	-0.60 (-1.17, 0.03)
Retire	0.04 (-22, 0.31)	-
Retire wealthy	-	-0.41 (-0.82, 0.01)
Retire not wealthy	-	0.37 (0.03, 0.70)

Retirement and depression

A transition model for those \leq state pension age

Modelling depression score at wave 2: ordinal logistic regression coefficients

	Undifferentiated model	Differentiated model	Differentiated model and health
Remain working	0	0	0
Start working	0.02 (-0.40, 0.44)	0.02 (-0.40, 0.44)	-0.12 (-0.55, 0.30)
Remain not working	0.44 (0.30, 0.60)	0.46 (0.30, 0.61)	0.19 (0.03, 0.35)
Become unemployed	-0.05 (-0.71, 0.62)	-0.04 (-0.71, 0.62)	-0.15 (-0.84, 0.54)
Stop working, sick	1.16 (0.66, 1.67)	1.17 (0.66, 1.68)	0.49 (-0.02, 1.00)
Start looking after the home	-0.60 (-1.18, -0.03)	-0.60 (-1.17, 0.03)	-0.61 (-1.19, -0.03)
Retire	0.04 (-22, 0.31)	-	-
Retire wealthy	-	-0.41 (-0.82, 0.01)	-0.46 (-0.89, -0.04)
Retire not wealthy	-	0.37 (0.03, 0.70)	0.29 (-0.04, 0.63)

*Models adjusted for gender, age and depression score at wave 1

White man, age 66, retired aged 58

We travel a lot. That's the other thing I do in my spare time, I do travel talks for the local hospice for charity. I did two last week actually. People like ... the groups like Probus ... retired businessman's association, and I talked to them about Japan where my daughter had lived for 4 years and we visited them quite a lot. So I do slide shows. And I did Peru on Friday ... I do those I suppose ... well once or twice a month I suppose. Have lunch and ... or evening sessions with different groups of people, talk to them about different places round the world that we've visited.

When I was at the county high school I looked after Modern Languages for a period of time as a governor. And so I had a talk about ... the area around Avignon. So I had some slides and did a talk in French ... we then set a test for the youngsters. And we tried to make the subject live rather than ... you know. So I could bring from something outside into the school. You know with my own knowledge of languages, which is reasonable, and with [the teacher's] expertise we could actually together make the language more interesting than just learning for the sake of learning.

White woman, age 68

R: We have a women's centre just down the road here about a mile away and I went there and asked them how I could help. And of course I never looked back, I've been at the women's centre ever since. And that again is helping women, sometimes in distress sometimes they're just lonely. I've had a lot of domestic violence training at victim support and we're now going to go through a new one in March this year at the women's centre because we do find that the police are very unsympathetic.

I: How often do you go there?

R: Only one day a week ... But it will become more because we're hoping to work with other organisations and have a crèche ... not a proper crèche, they're not childminders or anything but just to be there with mums who need some support in another building with another charity. That's going to happen soon. So it is becoming more and yesterday was my first attempt at organising a group for older women and that was interesting. So that's going to take off

White man, age 75, ex lorry driver, interviewed with his wife

R: I enjoy driving that's all there's to it ... Like as I say it's a bit rough at the moment with the cost of petrol and all that but we like to ... that's our pleasure getting around.

W: We only can go out say once fortnight or a month now, can't we?

R: If we can keep the car moving we're quite happy ... we bomb off to a different town nearly every week. When it's good weather we'll do over the mountain way to Aberystwyth and up round the dams (Laughs) some people think we're a bit crazy ... In the winter and that we're just the same, we go off out and ... the car's warm.

W: It's warmer in the car than in here because we can't afford to have our central heating on all the time, can we ... ?

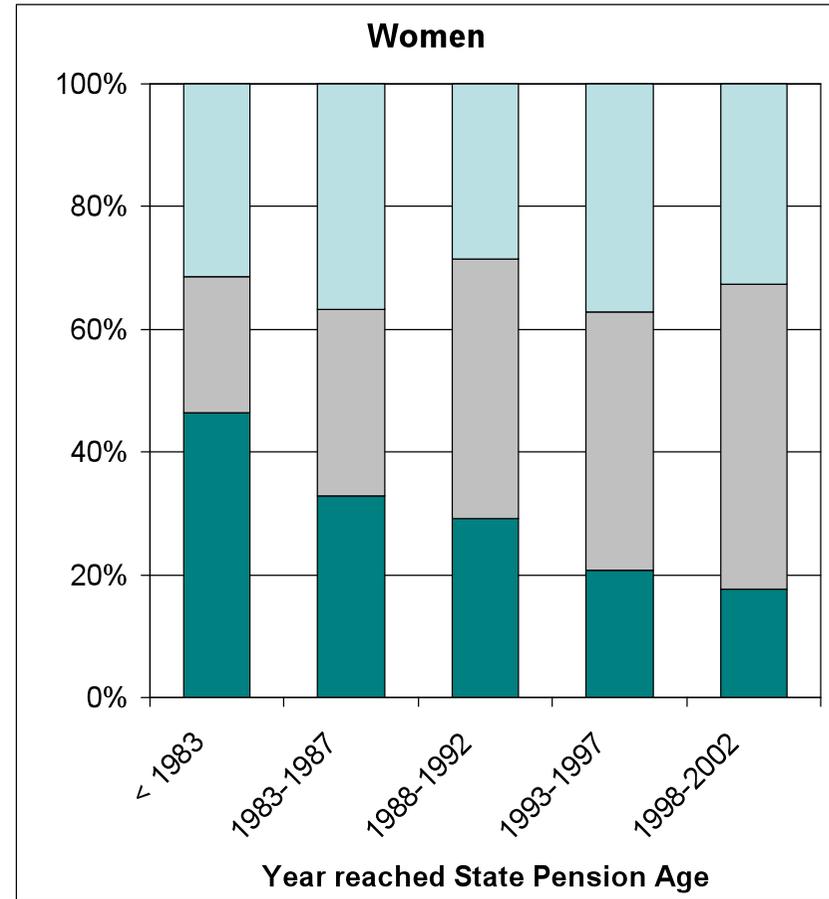
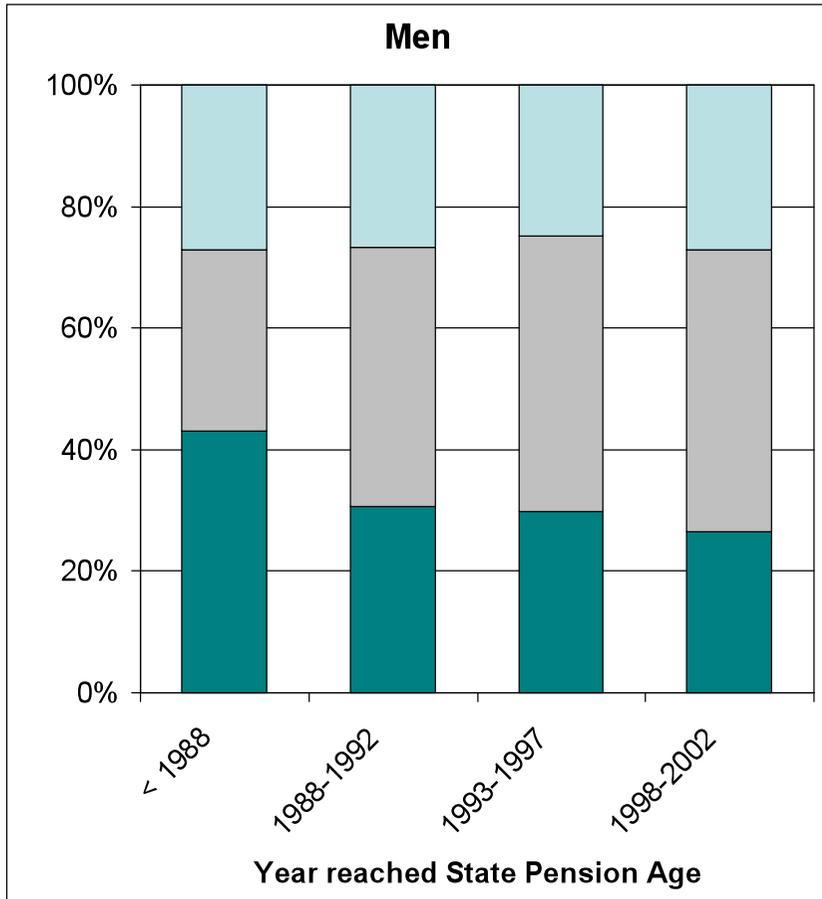
R: It don't matter who you vote for ... that's out of all sense and reason what they've done to it. If you work out you're paying above four pound a gallon. Four pound a gallon for blooming petrol.

Odds to be in professional/managerial class for five age cohorts

	<u>Year of birth</u>				
	< 1920	1920-29	1930-39	1940-45	1946-52
Class of origin					
Semi/un-skilled manual	1	1	1	1	1
Skilled manual	1.46	1.39*	1.35	1.51	1.26
Administrative/Skilled non-manual	1.86*	3.30	2.76	2.31	2.06
Manager/professional	2.76	4.94	4.02	3.40	3.32
Female	0.37	0.29	0.53	0.61	0.65

Bold figures $p < 0.05$, * $p < 0.1$

Retirement status and retirement cohort



Concluding comments

- Concerns about a rapidly ageing population
- But a need to consider how the economic, social and cultural dimensions of our societies are changing as a consequence of ageing populations, rather than assuming these dimensions of our lives will remain stable
- Although the context and meaning of later life might be changing, we continue to see significant and persistent class inequalities
- This is present for retirement route – the key marker of the transition into later life
- Reflected in levels of wealth, health and wellbeing
- The Third Age, while a useful analytic concept, needs to be considered in relation to class – the biographies illustrate this very clearly in relation to post-retirement activity and wealth
- Implications for social justice and policies to address ageing; the need to address proximal causes and inequalities within the post-retirement population
- And the need to pay attention to cohort/period differences and both gender and ethnicity