

Lifetime poverty and attitudes
to retirement among a cohort
born in 1958

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Lifetime poverty and attitudes to retirement among a cohort born in 1958

By JD Carpentieri, Alissa Goodman, Samantha Parsons, Praveetha Patalay and Jon Swain

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Executive summary

Chapter 1: Introduction

- This report explores attitudes to, and plans for, retirement among a large cohort of British men and women born in 1958, with a particular focus on those who have experienced poverty during their working lives.
- This cohort, part of the so-called “baby boomer” generation, is now in its late 50s, and can expect a longer life expectancy than previous generations. There has been increasing awareness within policy and research circles that with increased longevity comes the need either to save more money over the life course or work longer in order to finance retirement. The 1958 cohort has therefore been subject to significant pension and employment policy reforms designed to encourage longer working lives.
- In this report, we use the uniquely rich data available in a birth cohort study to explore the lifelong and current factors that impact on retirement plans and expectations. In doing so, we focus in particular on the attitudes, experiences, plans and expectations of cohort members experiencing low family income, poverty and/or worklessness in their adult lives.
- This mixed methods research project draws on quantitative and qualitative data from the 1958 birth cohort study (also known as the National Child Development Study, or NCDS). Quantitative data have been collected from study members throughout their lives, most recently at the age of 55 in 2013 when 9,137 individuals took part. By using this rich longitudinal data, we are able to explore how experiences throughout the working life are associated with retirement attitudes, aspirations, plans and expectations. The qualitative interviews were conducted specifically for this research project.

Chapter 2: Research design and methodology

In the **quantitative element** of this study we answer the following research questions:

- How much within-cohort variation is there in individuals’ expectations and attitudes to retirement at age 50 and age 55, and how are differences in these attitudes related to income and working life histories? In particular, how are retirement attitudes and expectations related to experiences of working life poverty and/or worklessness?
- How do other factors such as gender, education, health, caring responsibilities, partnerships and current labour market status relate to retirement expectations and attitudes, and are these pathways through which lifetime poverty and worklessness are associated with retirement attitudes and expectations?

- What factors are related to “early” exits from the labour market, i.e. exits between age 50 and 55?

The **qualitative element** of the study draws on semi-structured interviews conducted with 36 purposively selected sample members. In particular, the qualitative research explores individuals’ views and voices regarding their attitudes, aspirations, plans and expectations for retirement, and the factors – in the past, present and projected future – that cohort members themselves feel influence these.

Chapter 3: Context: Poverty and being workless in adult life

- In this chapter we illustrate patterns of economic activity among men and women, and show how levels of income and poverty have changed across their adult lives.
- The predominant economic status at each age for men is working full-time. Since their early 50s, increasing numbers of men have reported working part-time, or not working due to sickness.
- Women of this cohort have had a dramatically different working pattern. The rate of full-time working among women in this cohort has been much lower, while part-time working and full-time caring roles have made up much of the difference.
- Among those in the poorest fifth of lifetime income, more had entered the labour market at an earlier age; greater numbers of men had experienced unemployment over their lifetime; and more women had caring responsibilities and/or worked part-time from a younger age. Greater numbers of both men and women in this group were classified as permanently sick as they progressed through middle age.
- Members of this cohort have on average experienced rising living standards (in terms of income) as they have moved through their adult lives. There has also been increasing income disparity over time within the cohort.
- More than 4 in 10 study members have some experience of poverty (35% intermittent, 8% persistent) and a quarter have some experience of being part of a workless family unit (21% intermittent, 3% persistent) over their adult life. There was a strong overlap between poverty and being workless.
- There were major differences at age 55 between cohort members who have been in persistent poverty across their working lifetimes, those in intermittent poverty and those who have never been reported as poor. Those who have experienced persistent poverty are the most disadvantaged across the board. For example:
 - Partnership characteristics and home life: Fewer cohort members who experienced persistent poverty across their adult life lived with a spouse or partner at age 55, or owned their own home.
 - Education, employment and pay: Those experiencing persistent poverty had lower qualifications and were much less likely to be currently employed (at age 55).

- Paying into a pension: Few cohort members who had experienced poverty were currently paying into a pension scheme, and a majority had never paid into one.
 - Health and well-being: Those experiencing persistent poverty were more likely to report poor general health, being disabled or poor mental well-being.
 - Caring responsibilities: Among cohort members in persistent poverty, fewer had a parent still alive, but more helped look after a grandchild.
- In the qualitative interviews, individuals discussed the experience and impacts of working life poverty, while also highlighting supporting factors. For example, Gillian described a financially precarious but resilient life, observing, *‘I’ve got everything that should be construed as a reasonable life. I’ve got a roof, I’ve got a job, I’ve got money coming in, my bills are paid, I’ve got a daughter, I’ve got my health, my mum, my family.’*

Chapter 4: Expectations of working past the age of 60 or beyond State Pension Age

- There are very strong expectations of working past the age of 60 among both men and women in this cohort. A considerable proportion (35% of men and 26% of women) think it more likely than not that they would be working past age 66, the current State Pension Age (SPA) for this generation.
- Retirement expectations varied by experience of poverty across the working life. Men and women who had experienced persistent poverty were the most likely to report having no likelihood of being in work past 60, and the least likely to report that they would absolutely expect to be working. This pattern was largely driven by worklessness among this group, since those who were (or had been) working poor were more likely to report an expectation of working past the age of 60 than those who had not been poor. Differences by lifetime experience of poverty were similar in pattern but less pronounced for working after age 66.
- A number of different factors explain these variations in attitudes, and we examine these in multivariate analyses. One important factor was work: at age 55, cohort members in full-time employment reported the strongest likelihood of remaining in work. Those who were not in work at age 55 were the most likely to place a low probability of being in work past both ages 60 and age 66. Those who had experienced working life poverty were also more likely to report poorer health, lower likelihood of being in partnerships, and less likelihood of owning their own homes by age 55, all important factors in explaining these variations.
- In the qualitative interviews, cohort members provided their own views on retirement expectations, and the factors influencing those expectations. For example, Ian had begun taking his workplace pension early (at age 58), saying it is best to do so when *‘you’re fit, you’re healthy, you’re able to enjoy it’*. He added, *‘You don’t know what it’s going to be like when you’re 66, it’s--, you don’t know if you’re going to be the same or if your health’s deteriorated even more, where you’re not*

going to be able to have that get up and go and enjoy it. Despite this pension (which was from an earlier job), Ian continued to work. Like the majority of interviewees, he says he enjoys his job and intends to keep working until at least 66, and possibly beyond. He says he would particularly miss the routine if he were to stop work altogether. As he prepares to enter his 60s, however, he hopes to begin working part-time – an option he can afford because of his workplace pension, and one which would allow him more free time for activities such as visiting his grandchildren.

Chapter 5: Attitudes to living standards and savings in retirement

- Cohort members' experience of poverty throughout their adult lives was strongly associated with their retirement attitudes. Study members with lower lifetime income, or who had been persistently poor, were by far the most likely to say that they could not afford to put money aside for their retirement and that they worried about how much they would have to live on in retirement.
- Cohort members who had been poorest over their adult lives were the most likely to agree that retirement was too far off to worry about. Persistent poverty across adulthood had a stronger association with these attitudes than intermittent poverty.
- Qualitative interviewees reported doing little planning for retirement, in terms of putting money aside or looking forward to life after paid labour. They were generally accepting of the increased retirement age for their generation; even if they bemoaned its impact on their own lives, they said they understood the rationale behind it. For example, Anne said that while she was *'very annoyed'* by the higher SPA, she understood that *'It's because people are living longer, isn't it?'* Like most other interviewees, Ian felt there was no point getting angry about the SPA: *'You can't do anything about it... they've changed it so what can you do? There's nothing you can do about it, is there? So just go with the flow.'*

Chapter 6: Early labour market exits between age 50 and 55

- A relatively small number of cohort members had exited the labour market between ages 50 and 55. When grouped by lifetime income and working status, the poorest and the richest (based on lifetime income quintiles), and those who had more experience of being in a workless household, were the most likely to have exited the labour market between ages 50 and 55, while the middle income group was the least likely to have done so.
- The most important pathway between low income and early labour market exit was poor health. For example, cohort members in poor general or mental health at age 50 were around twice as likely as those with good or very good general health or with no symptoms of depression to not be working at age 55.
- The qualitative interviews highlighted the central role of health in influencing early labour market exits. While some health problems were severe enough to militate against any chance of labour market return, some health problems were more moderate. However, even these more moderate health problems could make labour market re-entry extremely difficult if individuals had limited skills and thus limited opportunities for non-physically demanding work. This could prove extremely frustrating for individuals who wanted to get back into the labour market. As Anne observed, *'You don't really want to be on the dole, you don't want to be unemployed. [But] sometimes your body puts you through these things and it's... annoying and upsetting... I could still be at work, if it wasn't for [my health].'* Anne also highlighted other challenges associated with looking for work in one's mid-50s, arguing that the older one grew, the harder it became to get a fair shot at employment. She was already *'too old now'*, she feared. And things would only get worse, she suspected, *'As I get older I'll struggle more, I think.'*

Chapter 7: Conclusions

- Our findings (both quantitative and qualitative) suggest that policies aimed at increasing older adults' employment rates need to start early to be most effective, particularly among the most disadvantaged. Improving the labour market attachment and health trajectories of those at greatest risk from early exit, when they are still in their early middle age, for example, is vital if a step-change in later life labour market participation is to be achieved.

Chapter 1: Introduction

This report explores attitudes to, and plans for, retirement among a large cohort of British men and women born in 1958, with a particular focus on those who have experienced poverty during their working lives. This cohort, part of the so-called “baby boomer” generation, is now in its late 50s, and has a longer life expectancy than previous generations. There has been increasing awareness within policy and research circles (e.g. the Department for Work and Pensions (DWP), 2014; Weyman et al, 2012) that with increased longevity comes the need either to save more money over the life course or to work longer in order to finance retirement. The 1958 cohort has therefore been subject to significant pension and employment policy reforms designed to encourage longer working lives.

In this report, we examine the extent to which this cohort is anticipating working beyond the State Pension Age (SPA), as well as expectations of ‘early’ labour market exits. New evidence published by DWP shows that on the one hand, new cohorts approaching retirement are expecting to work longer than previous generations (DWP, 2016). On the other hand, as people approach SPA, the rate of economic inactivity rises, with more than half of all men and women not in employment in the year before reaching SPA (DWP, 2017).

We draw on the richness of birth cohort study data to focus on the differences in expectations and attitudes to retirement among those who have experienced low family income and worklessness during their working lives. Our work adds to a growing body of research showing the importance of a wide range of contemporaneous circumstances, including socio-economic status (Scales and Scase, 2000; Banks *et al.*, 2005), health (Karp, 1989), pensions (Adams and Rau, 2011), gender (Pienta and Hayward, 2002), partnership status (Ho and Raymo, 2008), leisure interests (Gee, 1999), the economy (Szinovacz *et al.*, 2013) and changing cultural norms (Phillipson, 2004; Cribb *et al.*, 2013). It also builds on a literature showing how poverty impacts on the capacity or willingness to engage in forward planning, or even the rationality of doing so (Karelis, 2007, Aspinwall, 2007).

By using a mixed methods approach, combining both quantitative and qualitative approaches, we also explore how individuals within this cohort who have experienced poverty across their working lives conceptualise their retirement, and are planning for it. Retirement was once conceptualised primarily in terms of the loss of employment and as a period of dependency upon the state (Elliott, 2012). As longevity and levels of health rise, however, retirement is increasingly understood in terms of activity and productivity, and as a positive, dynamic phase of life (Gilleard and Higgs, 2000; Gilleard *et al.*, 2005), providing individuals an opportunity to enjoy a dynamic “third age” (Laslett, 1989), characterised by activity and social engagement (Johnson *et al.*, 2014). However, there is great heterogeneity in the amount of choice and agency that individuals have in their retirement planning (Vickerstaff and Cox, 2005), with poverty anticipated to be a key factor in the extent of choice and agency enjoyed.

Structure of the report

In this report we first provide an overview of the study's research design and methods (Chapter 2) and context about the patterns of income and economic activity experienced by cohort study members throughout their adult lives (Chapter 3). We then investigate the association between these outcomes and measures of poverty and worklessness (Chapters 4-6) by exploring these relationships descriptively with simple cross-tabulations and charts, and by using multiple regression analyses, which enable us to highlight other factors – such as health, caring responsibilities, cognitive function and personality – that may shape attitudes to and plans for retirement. Chapters 3-6 also include qualitative thematic analysis and narrative case studies drawn from interviews with a purposively selected sample of 36 cohort members. The report ends with concluding remarks (Chapter 7). Detailed results and additional information are provided in a separate appendix (available on request).

Chapter 2: Research design and methodology

This mixed methods research project draws on quantitative and qualitative data from the 1958 birth cohort study (also known as the National Child Development Study, or NCDS). The 1958 birth cohort study is a multi-disciplinary study of 18,558 individuals, born in a single week in 1958¹. Since the initial birth survey, there have been nine further “sweeps” in which quantitative data has been collected from participating study members, most recently at the age of 55 in 2013 when 9,137 individuals took part. Information has been collected from cohort members throughout childhood and adult life on a wide range of topics, including physical and educational development, economic circumstances, employment, family life, health behaviour, wellbeing and social participation². By using this uniquely rich longitudinal data, we are able to explore how experiences throughout the working life may affect retirement attitudes, aspirations, plans and expectations.

In the **quantitative element** of this study we answer the following research questions:

- How much within-cohort variation is there in individuals’ expectations and attitudes to retirement at age 50 and age 55, and how are differences in these attitudes related to income and working life histories? In particular, how are retirement attitudes and expectations related to experiences of working life poverty and/or worklessness?
- How do factors such as gender, education, health, caring responsibilities, partnerships and current labour market status also relate to retirement expectations and attitudes?
- What factors are related to “early” exits from the labour market, i.e. exits between age 50 and 55?

The **qualitative element** of the study focuses on cohort members’ own perspectives on these issues. In particular, the qualitative research explores individuals’ own discussions of their attitudes, aspirations, plans and expectations for retirement, and the factors – in the past, present and projected future – that cohort members themselves feel influence these.

Mixed methods research designs enable researchers to achieve descriptive, exploratory and explanatory power beyond that which would be possible with only quantitative or qualitative methods (Castro *et al.*, 2010). In this study, the research design was quantitatively-led, with the qualitative analysis serving to complement, illustrate and extend the quantitative findings (Bryman 2006; Greene *et al.*, 1989).

Further detail about each of the research elements is provided below.

¹ The full NCDS study consists of 18,558 individuals. Of these, 17,416 were recruited to the study at birth and represented 98.1% of all babies born in Great Britain in a single week in March 1958. An additional 1,142 immigrants into Great Britain born in the same week were added into the study during their childhood.

² For further information on the study see www.cls.ioe.ac.uk/ncds

Quantitative element

In the quantitative element of this study, we focus on three broad sets of outcomes:

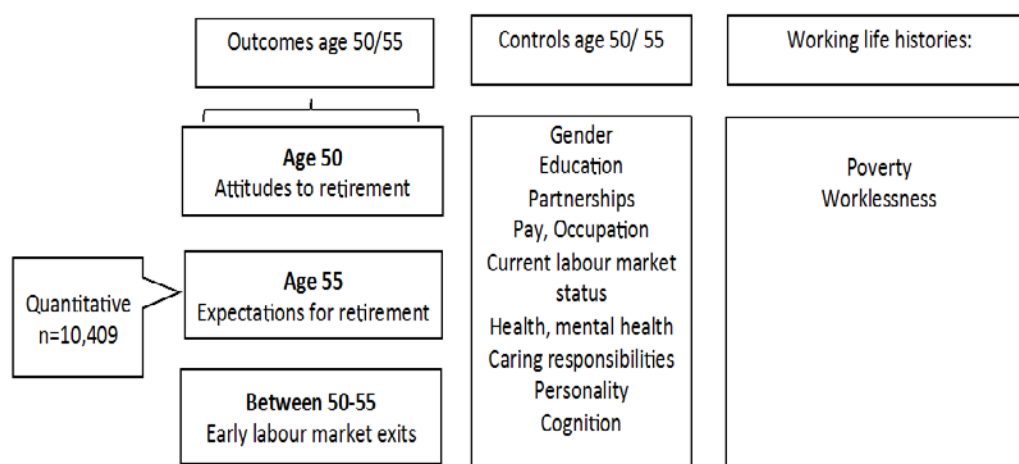
1. Expectations for working past the ages of 60 and 66. The latter is the SPA for this cohort.
2. Attitudes to living standards and saving for retirement
3. Labour market exits between age 50 and 55.

Data on the first outcome was collected when cohort members were age 55. Data on attitudes to living standards and saving for retirement were collected at age 50. The exact questions on which these outcomes are based are presented in Box 2.1.

In the quantitative analysis we consider how these outcomes are associated with the experience of poverty and worklessness, based on measures of net family income and employment taken across adult life at ages 23, 33, 42, 50 and age 55. These measures are used to construct a number of indicators of poverty and worklessness, which are set out in Box 2.2.

Figure 2.1 provides an overview of the quantitative research design. The controls used in the regression modelling reflect the study member's current situation at the time they answered the specific outcome question. A complete list of the control variables included in the analyses are provided in the separate Appendix (tables A4 – A6).

Figure 2.1: Overview of the quantitative research design



In our regression models we test the ways in which poverty and worklessness are related to retirement expectations and attitudes, and to labour market exits. We do so through a number of different specifications, listed below.

Lifetime income quintiles: Here the population is ranked by lifetime income and divided into five equally sized groups ranging from poorest to richest, with the bottom income quintile

defined as ‘lifetime poor’. These models test whether lifetime income rank is associated with retirement attitudes.

Intermittent vs. persistent poverty: These models test whether there are differences in attitudes amongst cohort members who have been persistently poor, those who have been intermittently poor, and a ‘never-poor’ group.

Each age in poverty: Here we include indicators of income poverty at each age (23, 33, 42, 50). These models test whether the experience of poverty at any particular age is associated with retirement attitudes. (For example, is more recent poverty more important than earlier poverty?).

Intermittent vs. persistent worklessness: These models test whether there are differences in attitudes amongst cohort members who have been persistently out of work, those who have been intermittently workless, and a ‘never-workless’ group.

In work vs out of work poverty at each age: These models test whether there are differences in attitudes between cohort members in poverty and in a working family (the ‘in work’ poor), and those in poverty and not working (the ‘out of work’ poor), at each age.

Box 2.1

How did we measure attitudes to retirement and early labour market exits?

The six outcome measures used in the quantitative element of this report are based on the following questions from the age 55 and 50 sweeps of NCDS.

Age 55: Likelihood of working after 60 and past State Pension Age

- On a scale from 0% to 100% what are the chances that you will be working after you reach age 60?
- In the United Kingdom, State Pension Age for those born in 1958 is now 66. On a scale from 0% to 100% what are the chances that you will be working after you reach age 66?

Age 50: attitudes to retirement (6 point scale: Strongly disagree – Strongly agree)

- **Worry:** I worry about how much I will have to live on in retirement.
- **Can't afford:** I can't afford to put money aside for retirement at the moment.
- **Too far off:** My retirement is so far off, it is not worth worrying about what I will live on.

How did we measure ‘early’ labour market exits?

Early labour market exits between age 50-55 (dichotomous 0-1 outcome)

- In employment at age 50, but not at age 55

The overall quantitative sample consists of 10,409 study members who gave an answer to at least one of the questions underpinning the outcomes set out in Box 2.1 (for more detail on exact sample numbers for each outcome, see Appendix, A2). As we use information from five interviews that have taken place since 1981 (when cohort members were age 23), there are some missing values in the other variables used in the analyses. To minimise bias in our analyses due to missing data, we use multiple imputation techniques to ‘fill-in’ values of any missing items in the wide range of variables selected for our analysis. These imputed data are used both for the descriptive analyses and the multivariate regressions. Further details on the imputation approach are provided in the Appendix (A2).

Box 2.2

How did we measure poverty and worklessness over the lifetime?

Income

‘Income’ is a measure of net family (own and partner) equivalised income available at each sweep (ages 23, 33, 42, 50 and 55), constructed by adding up reported income across a number of sources (including own and partner earnings and income from self-employment, benefits, and other sources), and equivalised using the modified OECD scale.

‘Lifetime income’ is taken as the average of family income across all present adult sweeps. This is then split into quintiles.

‘Poverty’: Being poor at any given age is defined as being in the bottom 20% of the income distribution *within the cohort* at that age (23, 33, 42, 50, 55). Note that this is a within-cohort definition of poverty (rather than being referenced for example against a national poverty line).

Intermittent/ persistent poverty:

Never poor = An individual has never been poor at any sweep at which income was reported.

Intermittently poor = Individual has been poor in <66% of observations (e.g. in poverty 1, 2 or 3 times if income was reported at all 5 sweeps).

Persistently poor = An individual has been poor in ≥66% of observations for which income was reported (e.g. 4 or 5 times out of 5 reports).

Worklessness

‘Workless’ at any given age is defined as being in a family where no one (self or partner) was in work at that age.

Intermittent/ persistent worklessness:

Never out of work = Someone in the family unit (i.e. the cohort member and partner) has never been out of work at any sweep in which working status was reported.

Intermittently workless = No one in the family unit was working in <66% of observations (e.g. not in work 1,2 or 3 times if working status was reported at all 5 sweeps).

Persistently workless = No one in the family unit was working in ≥66% of observations for which working status was reported (e.g. 4 or 5 times out of 5 reports).

In work / out of work poverty: A cohort member is defined as ‘in-work poor’ at any given age if they were classified as poor at that age, plus someone in the family unit (cohort member or partner) was in employment. By contrast, if the cohort member was classified as poor at that age and no one in the family unit was working, he or she would be classified as ‘out of work poor’.

Qualitative element

The primary aim of the qualitative aspect of this study was to produce an in-depth exploration of interviewees' own perspectives on their attitudes, aspirations, plans and expectations of retirement, and the factors that influence and shape these.

Qualitative sample

The qualitative study consisted of semi-structured interviews with 36 cohort members who were purposively sampled based on findings from the quantitative analysis. All interviewees were in the bottom quintile of household income at age 50 and at age 55. The interviews were carried out in 2016 when cohort members were age 58. 25 interviewees were in work at this age. The sample was geographically divided: 19 interviewees lived in the South East of England, including London, 17 lived in the North (North West, North East, and Yorkshire and Humberside). The gender split was 50-50. Further details of the sample are provided in the Appendix (A2).

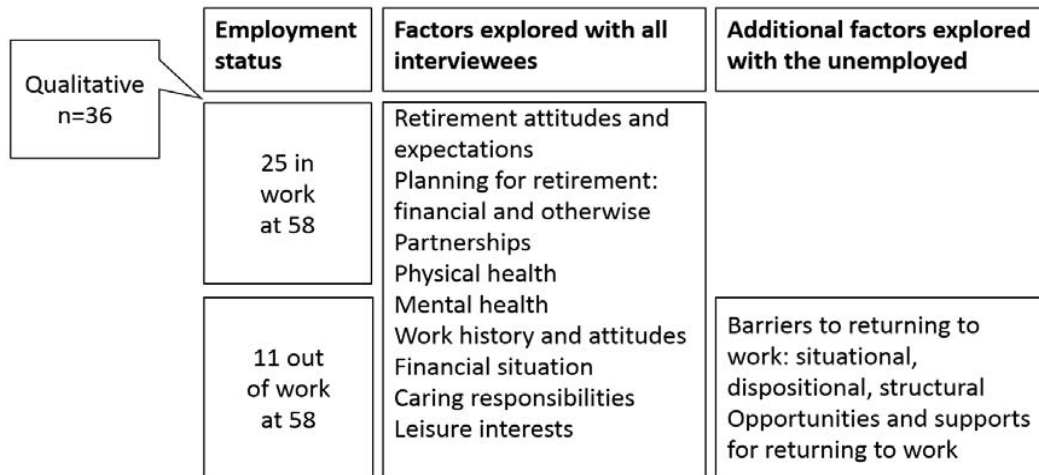
Qualitative data collection

Two semi-structured interview schedules were developed: one for interviewees who were in paid employment, and one for those who were not. The interview schedule questions were informed by early findings from the quantitative analysis, and by the literature on the factors that shape attitudes and expectations for retirement. The interview schedules were refined through five pilot interviews conducted between March and May 2016. The main fieldwork took place between May and September 2016.

Interviews were carried out by three experienced researchers in cohort members' homes. Mean interview length was 85 minutes. In addition to exploring interviewees' attitudes, aspirations, plans and expectations of retirement, the interviews covered a range of other factors potentially influencing these, such as: health (physical and mental); partners and familial relations; employment history and attitudes to work; social networks and friendships; caring responsibilities (for older and younger people); leisure interests and activities; and financial matters. The qualitative element of the study also sought to investigate a number of new themes not directly explored in the quantitative surveys, such as interviewees' perspectives on the barriers and enabling factors to continued employment, and their attitudes to age and aging. The interview schedules are included in the Appendix (A2.) As part of the interview, cohort members were also presented with eight trajectory diagrams, and asked to choose the trajectory that best represented their working life (see Figure 3.3 in the following chapter).

Figure 2.2 provides an overview of the qualitative research design. Further details on all stages of the interview process from piloting and fieldwork to transcription and analysis are provided in the Appendix.

Figure 2.2: Overview of the qualitative research design



Qualitative analysis and reporting

The interviews generated a large amount of potentially useful material. One of the primary challenges in a quantitatively-led mixed methods research project, such as the current study, is how to report on the qualitative material in a brief yet illuminating and useful manner. In this report, we have opted for two approaches: thematic analysis and narratively-focused case studies. The individuals selected as case studies have been given pseudonyms, and any identifying features of their stories have been suitably anonymised. In choosing these cases, we selected a range of relatively distinct “types” – e.g. males and females; Northerners and Southerners, a mix of individuals who were employed and unemployed; and those who expected to work past SPA and those who did not. However, it must be noted that such an approach can never fully capture the heterogeneity of the qualitative interviewees’ experiences, attitudes and responses. The narrative approach and its theoretical underpinnings are discussed in detail in the Appendix (A2).

Chapter 3: Context: Poverty and being workless in adult life

This chapter provides context on the working life histories of the members of the 1958 cohort study who were present at the age 50 or 55 sweep. In this chapter we illustrate patterns of economic activity among men and women, and show how levels of income and poverty have changed across their adult lives. As we shall see in Chapter 4, this context is important for explaining cohort members' retirement attitudes and labour market exits. The current chapter concludes with two qualitative case studies which exemplify some of these issues.

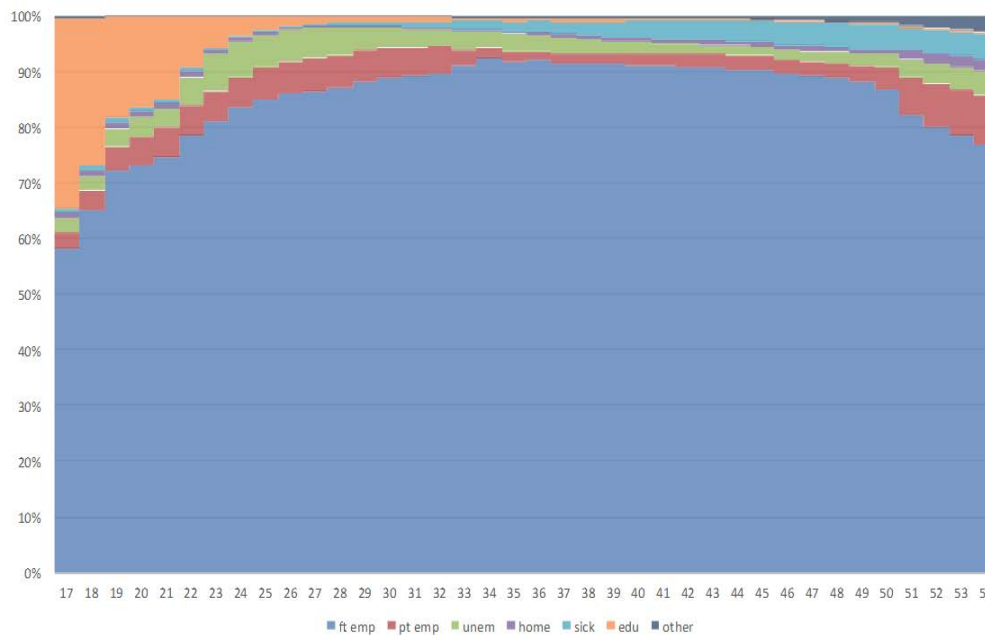
Working life histories

Each time a study member is interviewed, details are collected about every job (or other economic activity) they have engaged in since their previous interview, allowing a complete history of their working lives to be constructed. Figures 3.1 and 3.2 show the proportion of men and women reporting different economic activities in each year from 1975, when cohort members were 17 years old, up to 2012, when they were 54. (In these charts we did not include data for 2013 when the age 55 interviews took place, as the amount of information we had for each survey member varied depending on when – i.e. in which month – the age-55 interview had been completed.) We provide further information about age 55 activities in the text.

Among men, a number of patterns are apparent (Figure 3.1):

- The predominant economic status at each age for men is working full-time.
- The percentage of men in full-time employment increased from almost 60% at age 17 (1975) to a peak of over 90% when they were aged 33 (1991).
- The number of men in full-time employment has gradually declined since the cohort was in its mid-30s, to under 80% from their early 50s onwards. When interviewed at age 55, 79% of men were working full-time. This compares to a full-time employment rate among men aged 55 in the Labour Force Survey of 74%, showing that our sample is more likely to be in work at this age than a nationally representative group. This in turn is a reflection of the fact that attrition in longitudinal surveys is associated with disadvantage. Study members participating at age 50 or age 55 are therefore somewhat more likely to be more highly educated, be in better health and be employed (Power and Elliott, 2006).
- In their early adult lives, full-time education was the main non-working activity for men, while greater reported levels of unemployment can be seen in the recessions of the early 1980s, 1990s, and late 2000s. Since their early 50s, increasing numbers of men have reported working part-time, or not working due to sickness. When interviewed at age 55, 7% of men worked part-time and 5% of were off work due to sickness.

Figure 3.1: Working life histories for men: economic activity at ages 17-54 (January 1975 to December 2012)

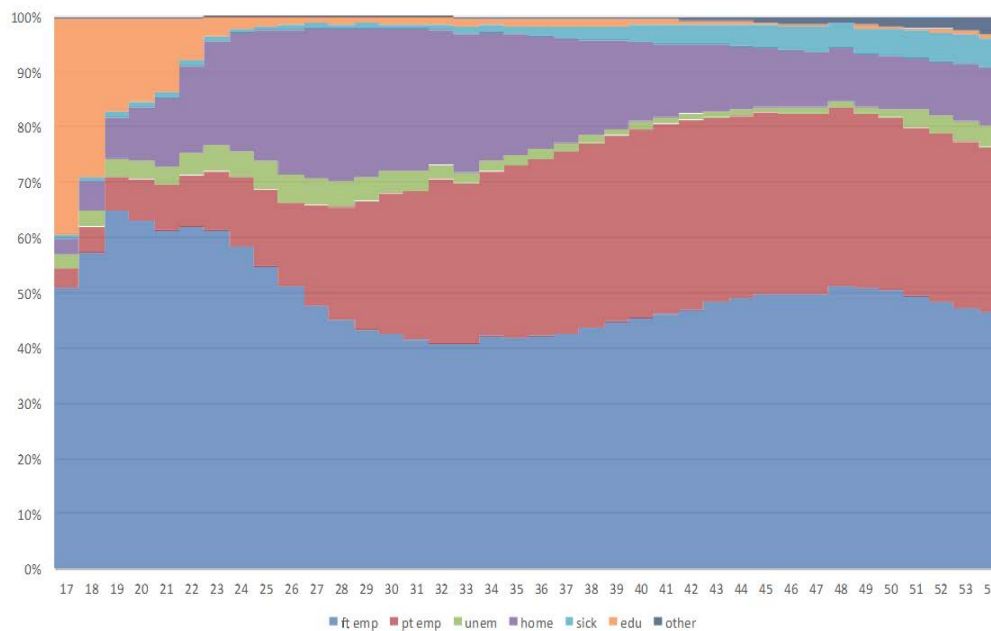


Women of this cohort have had a dramatically different working pattern (Figure 3.2):

- Although similar proportions of women had left full-time education by age 17 (as compared to men), the rate of full-time working among women in this cohort has been much lower, peaking at around 60% in their early 20s. Fewer than 50% of women were in full-time employment between the ages of 27 to 47 (1985 to 2005), dropping to 46% by age 54 (2012). When interviewed at age 55, 45% of women worked full-time. This compares to a full-time employment rate among women aged 55 in the Labour Force Survey of 42% - showing that our sample is more likely to be in work at this age than a nationally representative group.
- Part-time working and full-time caring roles have made up much of the difference. More than 10% of women were in a full-time home caring role at the age of 21 (1979), rising to a peak of 28% at age 28 (1986). More than 10% of women worked on a part-time basis at age 23 (1981), rising to around one-third at the age of 37 (1995). At age 55, 32% of women worked part-time and 11% had a full-time home-caring role.
- The proportion of the women in the cohort reporting being out of work for health-related reasons has gradually increased from the age of 40 (1998), rising from 3% at this age to nearly 6% by age 54 (2012).

In Box 3.1 we discuss how these patterns vary for men and women who were in the poorest fifth of the lifetime income distribution.

Figure 3.2: Working life histories for women: economic activity at ages 17-54 (January 1975 to December 2012)



Box 3.1

Working life histories among the poorest by lifetime income

We also looked at the working life histories of cohort members who were in the bottom quintile for lifetime income. Although the same general patterns were found as for the cohort as a whole, more of the 'lifetime poverty' group had entered the labour market at an earlier age; greater numbers of men had experienced unemployment over their lifetime; and more women had caring responsibilities and/or worked part-time from a younger age. Increasing numbers of both men and women in this group were classified as permanently sick once in their 40s: more than 1 in 10 from age 42 (2000) for men and from age 44 (2002) for women.

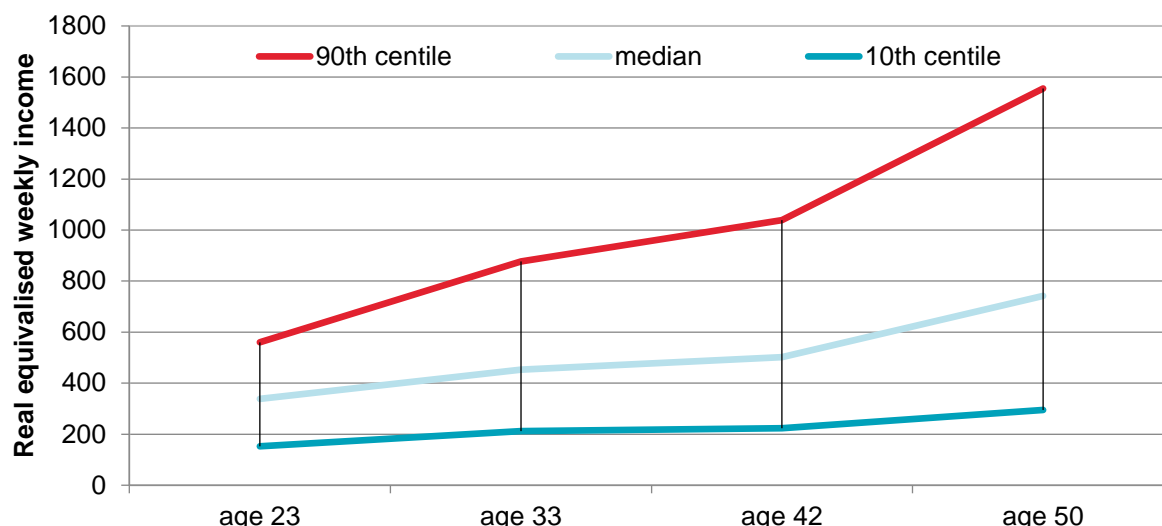
There were also sizeable differences in employment patterns according to the cumulative nature of the poverty experience. For example, men with no experience of poverty had spent 96% of their available working lives in employment, compared with 91% for men who had experienced intermittent poverty and just 64% of time for men who had experienced persistent poverty. For women, the comparable figures are 83%, 74% and 49%.

Rising incomes, and increasing disparity of income across the life course

Members of this cohort have on average experienced rising living standards (in terms of income) as they have moved through their adult lives. Figure 3.5 shows the median income (net equivalised family income, expressed in real terms) for study members at each age they were interviewed between ages 23 and 50. The median income for this cohort has increased over time, from around £300 per week at age 23 (expressed as the equivalent for a childless

couple), to around £700 per week at age 50. There has also been increasing income disparity over time within the cohort, with the value of the 90th percentile of income more than tripling in real terms between the ages of 23 and 50 (from £560 to £1777), while the 10th percentile of income grew by less than double over this time (from £152 to £295).

Figure 3.5: Real net equivalised weekly family net income age 23 to 50



Experiences of poverty and worklessness

More than 4 in 10 study members have some experience of poverty (35% intermittent, 8% persistent) and a quarter have some experience of being part of a workless family unit (21% intermittent, 3% persistent) over their adult life, as shown in Figure 3.6. (For how we defined these categories, see Chapter 2, Box 2.2). The relationship between the two measures is strong. More than 8 in 10 who have been part of a workless family also have experience of poverty; half of those with experience of income poverty also have experience of being in a workless family.

Amongst those in poverty at each age (i.e. the poorest fifth according to their income), Figure 3.7 shows that the in-work poor accounted for (roughly) one-third of the group at age 23 and two-thirds at each from age 33 to age 55.

Figure 3.6: Rates of poverty and worklessness over a lifetime: defined according to persistent or intermittent poverty

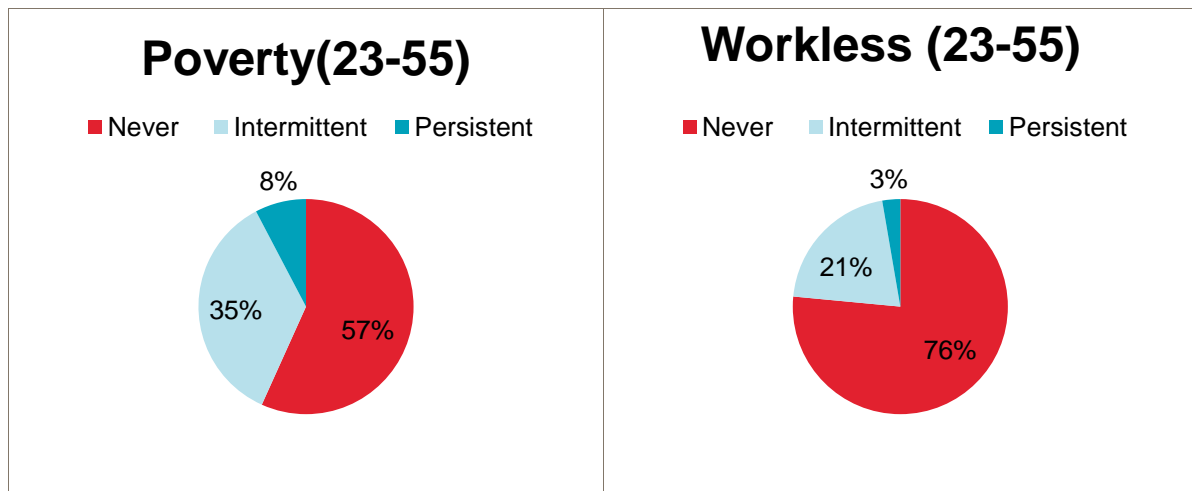
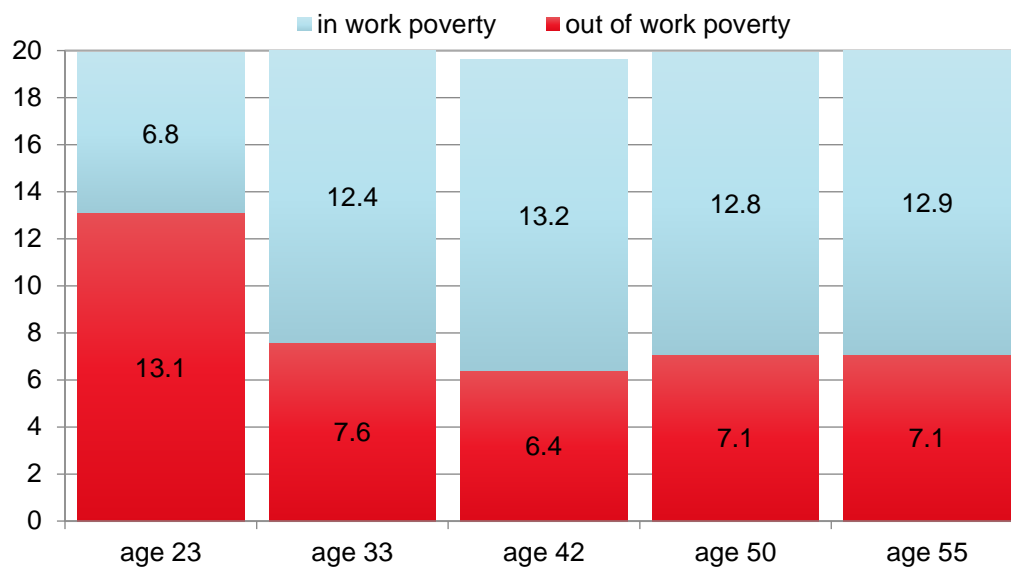


Figure 3.7: non-working and working poor



Other circumstances at age 55

In this section, we profile some of the characteristics (at age 55) that are included in our models explaining retirement attitudes and expectations among this cohort. These characteristics include: gender; education; health; partnerships; caring responsibilities for parents, children and grandchildren; and current labour market engagement. (The full set of characteristics included in our models are detailed in the following chapters). All of these characteristics and circumstances at age 55 have strong associations with cohort members' experience of poverty across the lifetime. Table 3.1 shows the major differences at age 55 between those who have been in persistent poverty across their working lifetimes, those in intermittent poverty and those who have never been reported as poor.

Those who have experienced persistent poverty are the most disadvantaged across the board, highlighting the multiple disadvantages across all domains of life that have to be navigated by the poorest in society.

Partner characteristics and home life

At age 55, 79% of study members lived with their spouse or partner, and 15% had a child under 18 living with them at home.

A quarter of study members owned their home outright at age 55 (25%), and more than half were still paying off a mortgage (56%). Less than one in five (19%) were in rented or other accommodation.

Among those in persistent poverty, only around half were living with a partner (53%) and many lived in rented housing (59%).

Education, employment and pay

More than one third of study members had a degree level or higher qualification (36%) and 8 in 10 (81%) were currently employed.

Among those in persistent poverty, few had a degree (14%) and almost half (46%) were not currently employed.

Paying into a pension

Although 42% were currently paying into a pension, more than a third (35%) had never paid into a pension scheme.

Among those in persistent poverty, just 18% were currently paying into a pension scheme. The majority (59%) had never paid into a pension scheme.

Health and well-being

The majority of study members reported being in good (34%) or very good to excellent (45%) health.

A significant minority reported poor or fair general health (21%), poor mental well-being (15%) and/or that they were disabled (21%).

Among those in persistent poverty, 45% reported poor or fair general health, 42% reported being disabled and nearly a third (32%) reported poor mental well-being.

Table 3.1: Characteristics at age 55 by lifetime poverty status

	All cohort	Experience of poverty (23 – 55)		
		No Poverty	Intermittent	Persistent
<i>Proportion who:</i>	(%)	(%)	(%)	(%)
Cohabiting	78.6	84.6	76.1	53.2
Children <18 at home	14.8	13.9	16.1	15.2
Parent(s) alive	77.8	81.1	76.2	65.3
Cares for grandchildren	24.0	19.9	27.6	34.6
Own home outright	25.4	27.2	25.4	14.6
Mortgage	56.0	63.0	52.8	26.8
Rent / Other	18.6	9.8	21.8	58.5
Degree or higher	36.0	42.1	32.2	14.0
Not employed	18.3	13.3	19.9	41.3
Self-employed	22.3	21.5	23.2	23.0
Never paid into emp pension	35.4	28.7	39.6	59.3
Currently pays into emp pension	41.7	48.4	37.4	18.4
Poor / Fair general health	20.6	14.7	23.4	45.1
Very good / Excellent health	45.3	51.3	41.9	23.3
Poor mental well-being	14.8	11.1	16.2	31.9
Registered disabled	20.5	15.9	22.1	41.7
N(100%)	10409	5715	3740	954

Caring responsibilities

Over three-quarters of cohort members still had at least one parent or parent-in-law alive (78%).

More than half spent time helping their parents or parents-in-law in some way every week, and a quarter (24%) provided care for at least one grandchild.

Among those in persistent poverty, fewer had a parent still alive (65%), but more helped look after a grandchild (35%).

The same patterns were apparent for both men and women by their experience of poverty (see Appendix, A3).

Qualitative analysis and case studies

Chapter 3 has focused on cohort members' working life histories, looking at changes in employment and income. In the final section of this chapter, we describe the working life trajectories collected as part of the qualitative interviews, and provide two individual case studies which illustrate differing experiences of working life and poverty. In both cases, the individuals have had low incomes throughout their lives. However, their sense of financial security differs due to family and housing situations.

Working life trajectories

A working life trajectory diagram (Figure 3.3) was completed by 35 cohort members during their qualitative interview. These trajectory diagrams enable each interviewee to provide an evaluative, narrative perspective on his or her working life, while also allowing for an aggregate (albeit small-N), quantitative summary of the interviewees' choices (Elliott *et al.*, 2010; Carpentieri *et al.*, 2017). There were eight trajectories to choose from, or study members could draw their own.

Table 3.2 provides an overview of interviewees' choices. A plurality (14) chose upward trajectories, six chose downward trajectories, three chose the single flat trajectory option and 12 drew their own. One interviewee did not complete this aspect of the interview. Following Table 3.2 we provide examples of interviewees' selections and their discussion of those selections.

Figure 3.3: Working life trajectory diagrams

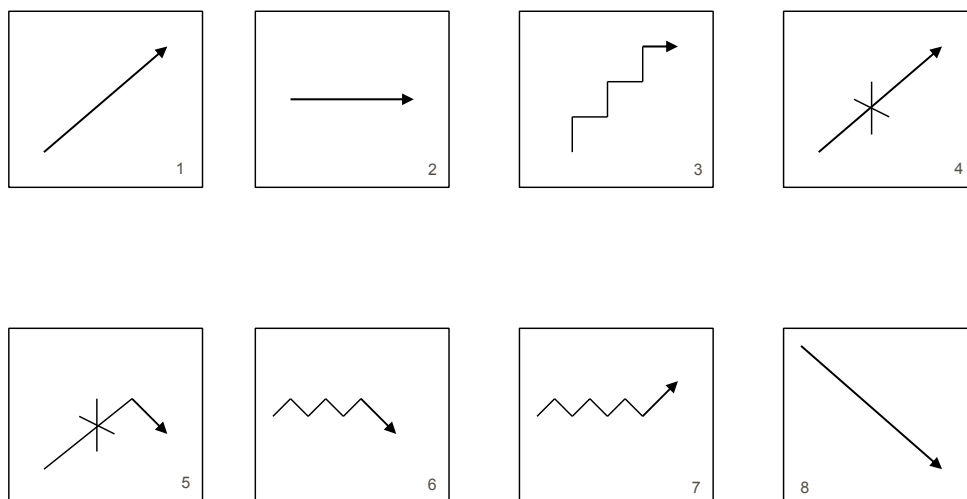


Table 3.2: Working life trajectory diagram choices

Trajectory	Number of interviewees choosing each trajectory
------------	---

Upward trajectories	1	1
	3	4
	4	0
	7	9
		<i>Upward subtotal = 14</i>
Downward trajectories	5	2
	6	4
	8	0
		<i>Downward subtotal = 6</i>
Flat trajectory	2	3
Drew own trajectory		12
Missing		1
<i>Total</i>		36

Upward trajectories

Diagram 7 was the most popular trajectory, both within the subset of upward sloping diagrams and overall. This trajectory shows a series of ups and downs, finishing on an upward slope. Nicola provides an example of a cohort member's reflections on why Trajectory 7 was chosen, and what it might imply for the future.

In her interview, Nicola described a life characterised and often dominated by mental health problems. Now in receipt of disability benefits related to those problems, Nicola works full-time as a volunteer gardener in a local park. She came to gardening relatively late in life, but believes it has played a central role in helping her to achieve a level of well-being and emotional stability that she would not have previously believed possible. Speaking of her working life, including her volunteer work, Nicola stated: *'Mine's gone up and down and up and down and now I'm on the up'*. Her goal, both in terms of employment and mental health, is to continue working as a volunteer gardener until she reaches retirement age, and to keep gardening (as a past-time) for the rest of her life. *'And then it [the trajectory] will go up to this, hopefully,'* she said, pointing to Diagram 1, which shows a completely upward trajectory, *'I like to think that that's where I'm going.'*

Flat trajectory

It is perhaps unsurprising that relatively few interviewees chose a flat trajectory, as such a trajectory implies a lack of the ups and downs typical of most individuals' working lives.

One person who did choose a flat trajectory was Charlotte, who plans to retire from work or go part-time in her early 60s when she qualifies for her workplace pension. Charlotte used her diagram selection to reflect on what she saw as her lack of professional ambition and

career progression. Saying she chose *'Number 2 because I've just sort of stayed more or less where I am along a steady line'*, Charlotte added:

Charlotte: I've never aspired to be..., I had a brief spell for a few years of being a supervisor and I hated it. I'm rubbish at telling anybody what to do.

Researcher: Okay, so you don't like being a manager?

Charlotte: So I don't like being a manager it's just... It's a temperament thing... I've sort of started at the bottom and pretty much stayed there.

Downward trajectories

The most common downward trajectory was Trajectory 6. Like Trajectory 7, this diagram shows ups and downs, but ends on a downward slope. Irene chose Trajectory 6 because of worries about her future employment. In addition to several spells of unemployment, she has worked in a number of different occupations throughout her life, including retail, offices and now, happily, in childcare. Discussing her fear of impending layoffs at her current employer, she said that the possibility of losing her job was *'a worrying thought'*, especially as that possibility was *'getting nearer and nearer'*. However, even though Irene chose a downward trajectory, she expressed hope for future employment, suggesting that she may be able to *'do a little office job or a little shop job, just something to tide me over... till I can retire'*.

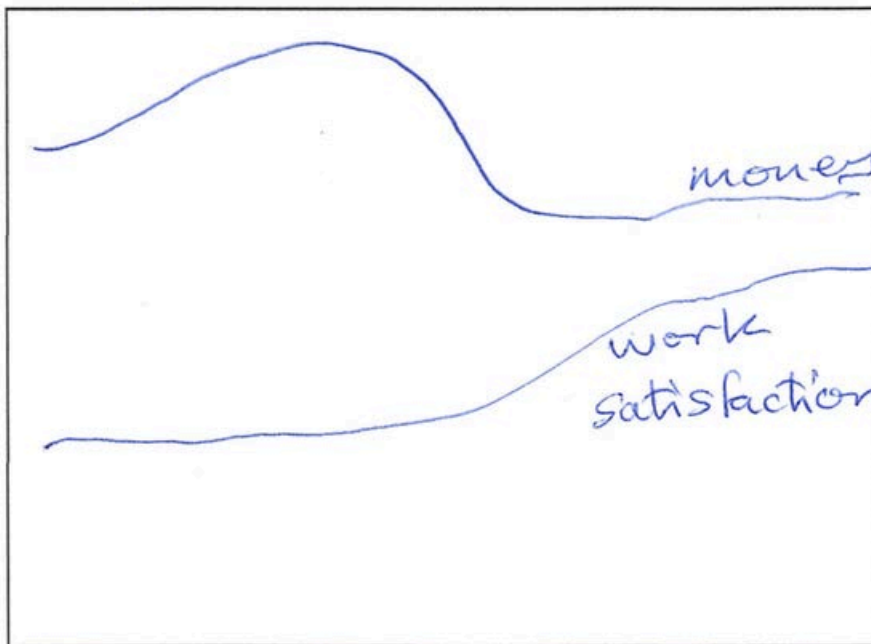
Self-drawn trajectories

Vera felt that the available trajectories were too uni-dimensional. How one depicts one's working life, she said,

depends how you categorise it – in terms of enjoyment or pay... The two don't necessarily go hand in hand.

Vera drew two lines, one depicting her wages over her working life, and the other depicting her *'work satisfaction'*. Vera's drawing (Figure 3.4) shows her recent wages stabilising after falling from an earlier peak, but also shows her work satisfaction steadily climbing, and having been near at its lowest when her wages were highest. It is no good, she added, if *'you're earning shed loads [but] you've got a miserable life'*.

Figure 3.4: Cohort member's self-drawn working life trajectory



Case studies

Jane: Low lifetime income but housing-related financial security

After having her first child in her late teens, Jane entered the labour market in her mid-20s, when her children were in school. Over the years she has worked in a number of jobs, some full-time and some part-time, but she does not feel that she has had any particular career. Currently, she is a part-time childminder, 'carrying out school runs and pick ups,' for three local families.

When asked to choose the working life trajectory that best represented her own employment history, Susan chose diagram 7, saying that the 'up and down' nature of that diagram represented the vicissitudes of her employment history – e.g. sometimes she was engaged in challenging, demanding work, and sometimes she had easier, less stressful jobs: 'That's just what [work] is like, isn't it? Up and down?' Overall, however, she says that she has enjoyed work over the course of her life, including her current job. She says that, 'I like to be busy – I like to be doing things.' If she wasn't working, she claimed, 'I'd probably get bored.' This self-appraisal is consistent with the responses of most interviewees, who typically reported that they liked working, enjoyed their current job, and appreciated the routine and the social engagement that comes with employment.

Jane does not think much about the future, and stated that 'I take each day as it comes'. Her main worry about growing older is her health, which 'you just don't know' about. Despite having a low income, little savings, no workplace pension and little expectation of a state pension (due to limited National Insurance contributions over her working life), Jane is lucky enough to have few financial anxieties. Having said this, she anticipates that she will

continue working till 66 as would not be able to *'live on fresh air'*. Her father died a few years ago and she currently lives with her healthy mother in a large five bedroomed house, which she expects to eventually inherit and live in for the rest of her life: *'I've got the house here and, you know, I don't think I'll have money worries.'* While not all homeowners (or prospective homeowners) were as sanguine about their finances as Jane, there was a clear sense throughout the interviews that home ownership brought with it an important element of financial security. As another interviewee, Jackie, observed when reflecting on her own situation: *'I'm not well off financially, but what I've got, it's all paid for.'* However, home ownership was lower amongst interviewees (61% had a mortgage or owned their home outright) than amongst the NCDS as a whole (76% of whom had a mortgage or owned their home outright).

Gillian: Financially precarious but adaptable and determined

Gillian's story presents a more precarious picture. Gillian lives with her 24-year-old daughter (who is independent and working) in private rented accommodation on the outskirts of a large city. She has moved nine times since her daughter was born and this makes her feel insecure: *I feel a bit like a nomad and I've learnt to feel insecure... so I've got used to the fact that I could be moved out at any time.'* Her biggest financial regret is not ever having enough money to buy her own property. Although Gillian lived with a partner for a number of years, she is currently single.

She passed the 11 plus and went to the local grammar school but, possibly because of her family's low expectations, left school at 15 and trained to be a hairdresser. Reflecting on her working life, she did not choose one of the eight available diagrams but drew her own. This showed a series of up and down trajectories (like diagrams 6 and 7) but ended in a flat trajectory, as in diagram 2. *'I've had so many different jobs,' she reflected, 'Zig zag all the way, all the way, all the way and I'm still going.'* These jobs have typically been low skill and low paid, but hairdressing has been her 'stock in trade' over her life, and has always fallen back on it in times of need.

I've always turned to that [hairdressing] and if not there's always something out there. When people harp on about they can't get a job [sighs] don't know, sometimes I think you can't get a job because it's a job that you want but there are things out there and you could probably get a job that would give you a little bit of extra money... you could do some cleaning or a bit of gardening or--, I don't know, do something....I delivered, erm--, my daughter was at school, junior school and I delivered free newspapers three pence a paper I got.

Gillian has four jobs and describes herself as 'Jack of all trades'. Despite this, money is tight. Her main occupation is working for a private company at the local swimming pool where she doubles up as receptionist and occasional swimming coach, although she is not fully qualified. She is not happy with the amount she gets paid:

... The girl that left was on the old contract and of course the minute she has left the contracts get downgraded. She was on about 11 pound an hour but they're going to downgrade my pay to probably between £7.50 and £8.50, disgusting.

Her other two sources of income come from caring for an elderly woman, for two or three hours a week, and from her hairdressing, which she carries out in people's homes for a few regular clients.

Gillian is independently minded, likes to be active, and dislikes any office-based employment. She says that her parents tried to inculcate a culture of saving but persistent low pay over her life has made this difficult. She has taken out a workplace pension, but this was only three years ago, and therefore the pay out when she cashes it in is likely to be negligible. She also has a few shares but, again, the financial return will not amount to very much. Her main source of money in the future is likely to come from her mother's house in which she has a quarter share. She has many close friends whom she socialises with regularly: as she works so hard she feels she has earned the right to enjoy herself. She does not have any high material expectations and pointed out that because she has never had any high value possessions she has nothing to compare anything against by not having them: *'I've never known it so what you don't have you don't miss'*. She has few regrets about her life:

I've got everything that should be construed as a reasonable life. I've got a roof, I've got a job, I've got money coming in, my bills are paid, I've got a daughter, I've got my health, my mum, my family.

Gillian enjoys her work, as it provides variety and she gains satisfaction from helping people; she also admits she would miss the routine and social interaction if she were to stop. Nevertheless, she still regards work as a means to an end. She feels that retirement is quite far off. She intends working until 66, and she has not seriously begun to envisage what she will do when she reaches SPA. She wants to have time to enjoy life while she is still physically and mentally able, but says that she also wants to keep her options flexible and that she would not rule out working part-time into her 70s, depending on her needs, and if the job was suitably satisfying. Gillian's main worry for her life beyond SPA is financial – will she have enough money to support her current life style – and she is not overly concerned about her health. She is a determined and resilient character and says that, if necessary, she could survive on the amount from the state pension, as long as her rent was paid. She has experienced tough times in her life, and therefore would know how to make adjustments.

Well I'd say I'd struggle but, you know what, I'm so good 'cause I can make something out of nothing in that cupboard. Give me three things and I will make you a blinding dinner. I could live on next to nothing. I'm really--, I can live frugally and I would live frugally.

Chapter 4: Expectations of working past the age of 60 or beyond SPA

In this chapter, we examine this cohort's expectations of working past the ages of 60 and the SPA of 66. We show that there are very strong expectations among this cohort of working beyond the age of 60, and that a significant proportion of cohort members anticipate working past 66. These expectations are strongly shaped by individuals' current working status, their lifetime income and experiences of poverty, and a host of other characteristics, such as their health and partnership status.

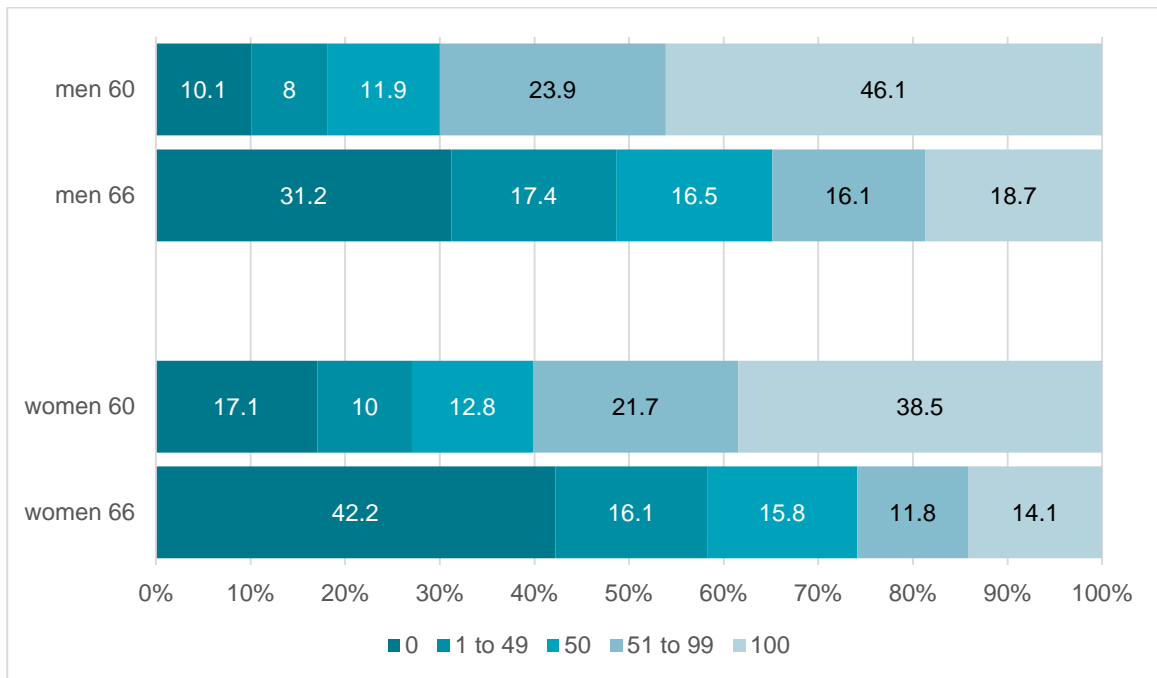
Measuring expectations for working after 60 and SPA

At age 55, study members were asked to state, on a scale of 0 to 100%, how likely it was that they would be in paid employment after they reached age 60 and after the age of 66, which is the current SPA for this cohort.

There are very strong expectations of working past the age of 60 among both men and women in this cohort. Almost half of men (46%) and 39% of women reported being absolutely (100%) certain that they would be working after age 60, and 70% of men and 60% of women thought it more likely than not (here defined as $\geq 50\%$ likely) that they would work past 60. Only 10% of men and 17% of women were certain that they would not be working past the age of 60. Such expectations appear realistic based on employment rates of 60 year olds taken around the time of the age 55 interview - figures for 2012 from the Labour Force Survey (LFS), averaged across quarters, show that among 60 year olds, 65% of men and 52% of women were in work.

A considerable proportion of men and women in this cohort expect to be working past age 66, the current SPA for this generation. For example, 19% men and 14% women were certain that they would remain in employment after this age, and more than a third of men (35%) and a quarter of women (26%) thought it more likely than not that they would be working past age 66. Only 31% of men and 42% of women reported that they were certain that they would not be in paid employment after the SPA of 66. Again, such expectations appear realistic benchmarked against employment rates at the time of the age 55 interview - employment rates among 66 year olds from the LFS in 2012 show that 25% of men and 16% of women were in work.

Figure 4.1: Expectations of working after age 60 and S (66)



A major focus of this report is on how lifetime income and poverty are related to retirement expectations at this age. Figures 4.2a and 4.2b illustrate how these expectations vary by the cohort members' quintile of lifetime income, showing that those in the lowest quintile of lifetime income were the least likely to expect to work past the age of 60 or 66 (men only), while those in the middle (2nd and 3rd quintiles) of the lifetime income distribution reported a stronger likelihood of working past 60 and 66. For women, those in the richest quintile were the least likely to expect to work past 66.

Figure 4.2a: Men: Expectations of working after age 60 and SPA by lifetime income quintiles

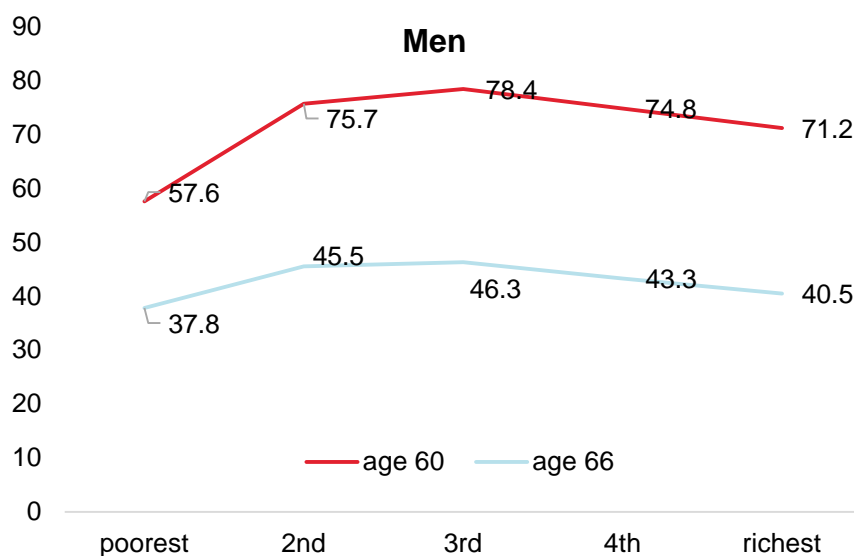


Figure 4.2b: Women: Expectations of working after age 60 and SPA by lifetime income quintiles

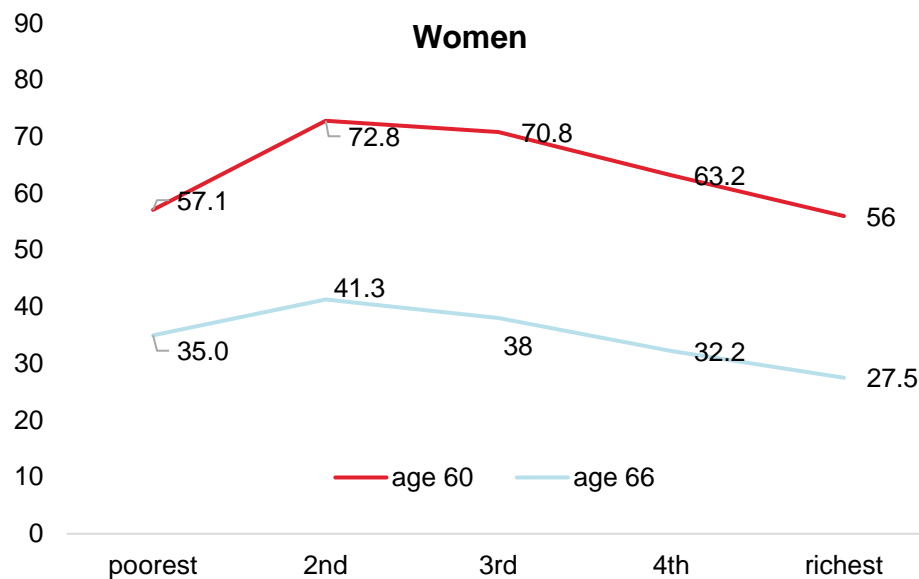
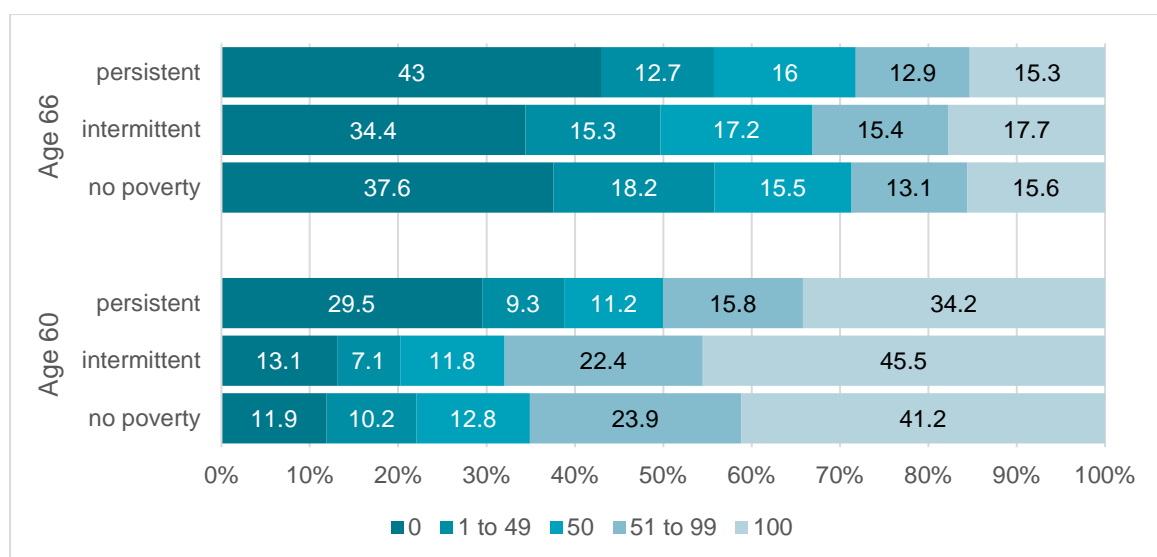


Figure 4.3 shows how retirement expectations vary by experience of poverty across the working lives. Men and women who have experienced persistent poverty were the most likely, at 30%, to report having no likelihood of being in work past 60, and the least likely to report they would absolutely (100%) expect to be working: 34%, compared to 46% of those who have experienced intermittent poverty and 41% who have experienced no poverty³. Differences by lifetime experience of poverty were similar in pattern but less pronounced for working after age 66.

Figure 4.3: Expectations of working after age 60 or SPA by experience of poverty



³ Differences here were most apparent for men – 33%, compared to 49% intermittent poverty and 46% no poverty. Comparable figures for women were 35%, 43% and 36% respectively.

A number of different factors explain these variations in attitudes, and we examine these in multivariate analysis below. First, however, we highlight the bivariate analysis between current employment status and retirement age expectations. At age 55, cohort members in full-time employment reported the strongest likelihood of remaining in work. Those who were not in work at age 55 were the most likely to place a low probability of being in work past both ages 60 and age 66. These patterns were very similar for men and women (Figures 4.4a and 4.4b).

Figure 4.4a: Men: How likely they are to be working past 60 and SPA (mean proportion) by current employment status

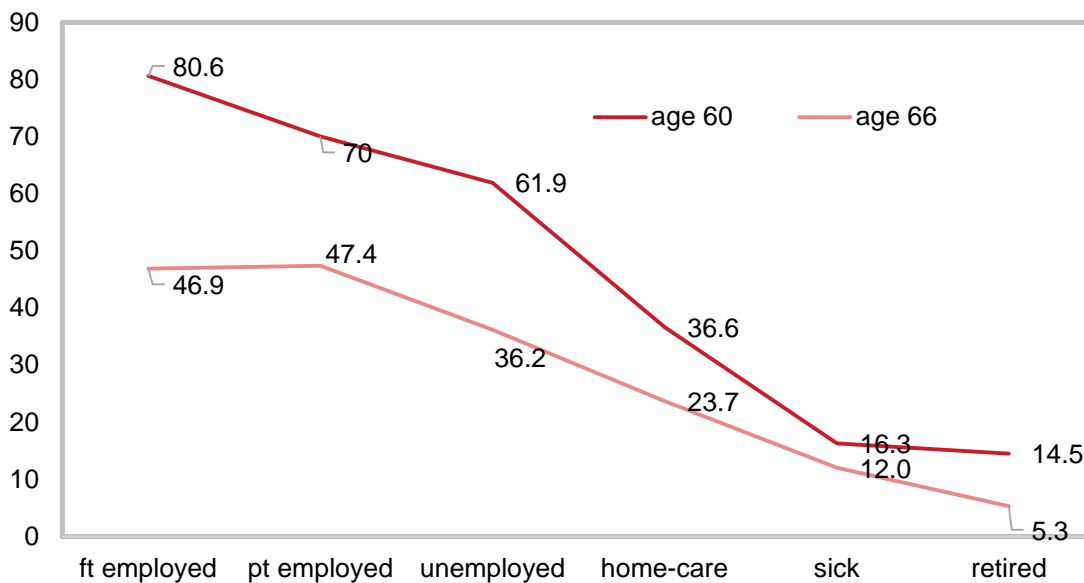
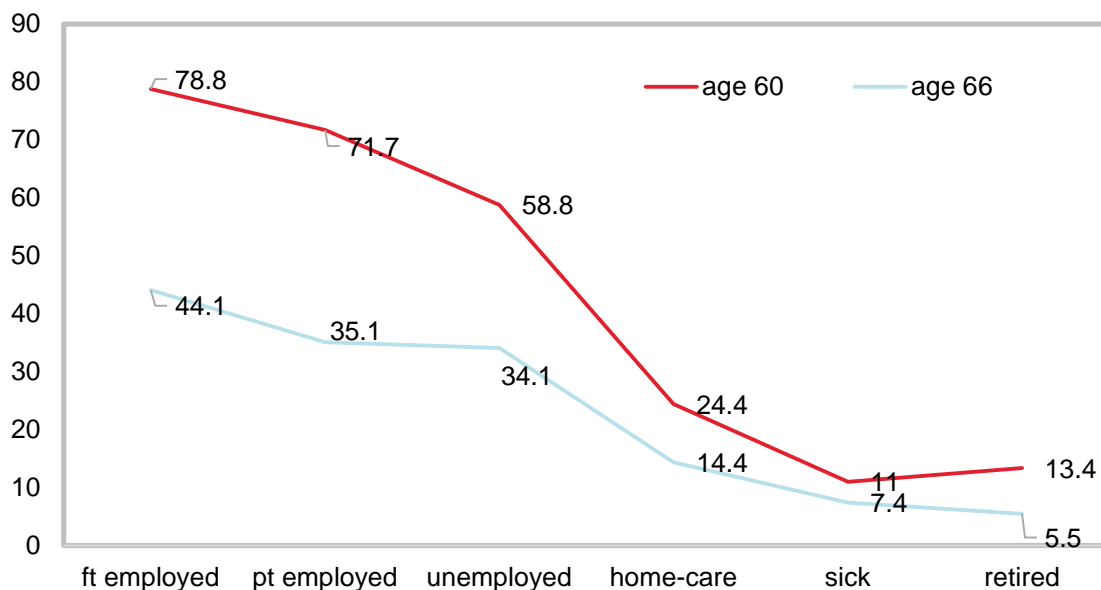


Figure 4.4b: Women: How likely they are to be working past 60 and SPA (mean proportion) by current employment status



Multivariate analysis

We undertook a series of multivariate analyses in which we examined the relationship between expectations for retirement, lifetime income and poverty status, and a host of other factors. We first assessed how lifetime income, poverty, and worklessness (measured in a number of different ways, as set out in Chapter 2) are associated with retirement expectations in models where there were no other controls. We then examined these relationships controlling for a number of other factors representing possible pathways through which lifetime income, poverty and worklessness may affect retirement expectations.

How were measures of income, poverty and worklessness across the lifetime associated with expectations for working past 60 and SPA reported at 55?

In general, having been in poverty across a working life is associated with a lower expectation of working past the age of 60, or past the SPA. Cohort members who had been *out of work and in poverty* had the lowest expectations for longer working lives, while those who had been *in poverty but also in work* often had higher expectations for working longer. We explored the nature of these relationships through a number of different specifications, as follows:

Lifetime income

Compared to those in the top (richest) quintile, men and women in the 2nd and 3rd income quintiles were more likely to expect to work past 60 and past 66. Compared to the top income quintile, men in the lowest income quintile were significantly less likely to expect to work past 60 (Table 4.1a).

These associations remain statistically significant once we adjust for current circumstances, suggesting that the effects of lifetime income on retirement attitudes are only partly explained by current circumstances. After adjusting for current circumstances, the men in the poorest income quintile are also significantly more likely to expect to work past 60 and SPA than the richest. (Below we show more about which current circumstances explain retirement attitudes.)

Lifetime poverty

A similar pattern is revealed when we define income according to persistence of poverty (rather than by income quintile). Men and women who had experienced intermittent poverty (and were thus typically in the middle of the lifetime income distribution) reported a higher likelihood of working past 60 and past 66 compared to those who had experienced no poverty. Men and women who experienced persistent poverty (typically the poorest over their lifetimes) were the least likely to think they would be working past 60. Men, but not women, who experienced persistent poverty were also less likely than those who experienced no poverty to expect to be working past SPA.

Once we adjust for current circumstances, both intermittent and persistent poverty were significantly associated with the expectation of working past 60 and SPA, again suggesting that the effects of lifetime poverty experience on retirement attitudes are not entirely explained by current circumstances.

Table 4.1a: Lifetime income quintiles and working past 60 and past SPA (units: self-reported expectation, in percentage points out of 100)

	Past 60					
	All		Men		Women	
	u	a	u	a	u	a
Lifetime income Ref cat: richest quintile)						
Poorest	-6.69***	7.37***	-13.57***	3.04	1.07	11.17***
2 nd	10.17***	9.16***	4.53**	4.39**	16.78***	13.46***
3 rd	10.40***	7.73***	7.29***	5.45***	14.65***	10.19***
4 th	4.74***	3.11**	3.59*	3.77**	7.15***	2.33
R ²	.02	.35	.03	.31	.03	.38
N	8710	8710	4241	4241	4469	4469
	Past 66					
	All		Men		Women	
	u	a	u	a	u	a
Lifetime income Ref cat: richest quintile						
Poorest	1.88	6.63***	-2.66	4.01	7.53***	9.17***
2 nd	8.90***	7.89***	5.00**	4.75*	13.78***	10.84***
3 rd	7.60***	6.65***	5.82***	6.11***	10.47***	7.89***
4 th	3.18**	3.59**	2.78	4.42**	4.74**	2.65
R ²	.01	.18	.00	.18	.02	.17
N	8697	8697	4242	4242	4455	4455

Note: Regression coefficients, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. u=unadjusted, a= adjusted

Adjusted models include measures of: gender, occupation, gross weekly pay, hours worked, self-employed, proportion of time spent employed (17-55), has paid into a pension, general health, disability status, mental well-being, cognitive score, highest qualification, personality ('Big Five'), housing tenure, lives with a partner, partner's occupation, age of partner, age partner left full-time education, number of children <18 in household, parent(s) alive, time spent caring for parents, time spent caring for grandchildren.

Table 4.1b: Lifetime poverty and working past 60 and SPA (units: self-reported expectation, in percentage points out of 100)

	Past 60					
	All		Men		Women	
	u	a	u	a	u	a
Lifetime experience of poverty (23 to 55)						
Ref cat: no poverty						
Intermittent	2.04*	4.03***	0.54	2.67**	3.71**	5.18***
Persistent	-14.21***	3.51*	-20.00***	3.00	-8.60***	3.37
R ²	.01	.35	.02	.31	.01	.37
N	8710	8710	4241	4241	4469	4469
	Past 66					
	All		Men		Women	
	u	a	u	a	u	a
Lifetime experience of poverty (23 to 55)						
Ref cat: no poverty						
Intermittent	4.22***	3.41***	3.62**	2.93*	5.04***	3.88**
Persistent	-1.43	4.09*	-5.30*	3.60	2.65	4.22
R ²	.00	.18	.00	.18	.00	.17
N	8697	8697	4242	4242	4455	4455

Note: Regression coefficients, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. u=unadjusted, a=adjusted
See Table 4.1a for details of all measures included in the adjusted models.

Each age in poverty

In general, the most recent experiences of poverty for men and women were associated with lower expectations of working past age 60, whereas earlier experiences of poverty (particularly among women) were associated with an increased likelihood of working longer.

Once current circumstances are taken into account in the adjusted models, the experience of poverty measured at the different ages does not have a strong association with the expectation of working longer, suggesting that the impact of these measures of poverty at different ages works through their impact on current circumstances at the age of 55.

Table 4.1c: Each age in poverty and working past 60 and SPA (units: self-reported expectation, in percentage points out of 100)

	Past 60					
	All		Men		Women	
	u	a	u	a	u	a
In poverty at each age						
Ref cat: not in poverty						
In poverty (55)	-8.60***	1.32	-10.10***	-0.92	-7.61***	3.12*
In poverty (50)	-6.67***	0.17	-8.16***	-0.59	-4.99**	0.74
In poverty (42)	1.36	2.11*	-0.53	1.41	3.74*	2.70
In poverty (33)	-0.35	1.54	-0.65	0.91	0.48	1.85
In poverty (23)	0.47	2.15*	-0.16	3.69*	0.36	0.53
R ²	.01	.35	.02	.31	.01	.37
N	8710	8710	4241	4241	4469	4469
	Past 66					
	All		Men		Women	
	u	a	u	a	u	a
In poverty at each age						
Ref cat: not in poverty						
In poverty (55)	-2.93*	1.28	-4.01*	0.42	-2.31	1.80
In poverty (50)	-0.20	1.29	-0.35	1.17	0.35	1.41
In poverty (42)	2.83*	2.33	1.20	1.02	4.94**	3.47*
In poverty (33)	0.48	1.19	-0.67	-0.29	2.10	2.30
In poverty (23)	1.25	1.18	1.43	3.18	0.30	-0.83
R ²	.00	.18	.00	.18	.00	.17
N	8697	8697	4242	4242	4455	4455

Note: Regression coefficients, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. u=unadjusted, a=adjusted
See Table 4.1a for details of all measures included in the adjusted models.

Lifetime workless

Being in a household where no one was in work on an intermittent or persistent basis reduced the expectation of longer working for both men and women. Even after adjusting for lifetime income and current circumstances, women who had been persistently in workless households were less likely to expect to work past 60 or SPA, compared to those who had not been persistently workless.

Table 4.1d: Lifetime being workless and working past 60 and SPA (units: self-reported expectation, in percentage points out of 100)

	Past 60					
	All		Men		Women	
	u	a	u	a	u	a
Lifetime of no work (23 to 55)						
Ref cat: no poverty						
Intermittent	-16.75***	0.20	-14.53***	2.19	-17.78***	-1.44
Persistent	-50.51***	-5.33*	-53.36***	-2.23	-47.70***	-7.61*
R ²	.07	.35	.08	.31	.07	.38
N	8710	8710	4241	4241	4469	4469
	Past 66					
	All		Men		Women	
	u	a	u	a	u	a
Lifetime of no work (23 to 55)						
Ref cat: no poverty						
Intermittent	-7.57***	-0.53	-6.55***	1.22	-7.61***	-2.33
Persistent	-24.66***	-6.83*	-28.99***	-6.04	-20.35***	-8.46*
R ²	.02	.18	.02	.18	.01	.17
N	8697	8697	4242	4242	4455	4455

Note: Regression coefficients, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. u=unadjusted, a=adjusted
See Table 4.1a for details of all measures included in the adjusted models.

Working poor vs. non-working poor at each age

Cohort members who were 'working poor' (i.e. in poverty and in work) at each of ages 33, 42 and 50 were more likely to expect to work longer than those who were not 'working poor'. By contrast, the 'non-working poor' (i.e. in poverty and not working) at age 50 and 55 were less likely to expect to work longer.

Table 4.1e: Each age in work / in poverty and working past 60 and SPA

	Past 60					
	All		Men		Women	
	u	a	U	a	u	a
In work / in poverty at each age						
Ref cat: in work/not poor						
Working poverty (55)	-1.38	1.60	-4.18*	-1.03	1.02	3.97*
Not working poverty (55)	-34.72***	2.01	-35.15***	-0.45	-33.15***	3.43
Working poverty (50)	4.44**	2.58*	2.40	1.33	6.47***	3.36*
Not working poverty (50)	-24.24***	-11.99***	-24.76***	-12.16***	-23.92***	-11.45***
Working poverty (42)	4.91***	2.36*	3.96*	1.61	6.33***	3.11*
Not working poverty (42)	0.26	2.38	-3.59	0.51	3.45	2.84
Working poverty (33)	3.55*	2.49*	3.81*	1.32	3.74	3.31*
Not working poverty (33)	0.86	0.34	0.42	0.83	1.60	-0.56
Working poverty (23)	0.94	1.14	1.45	2.34	0.78	-0.20
Not working poverty (23)	2.99*	2.94*	2.52	4.66*	2.65	1.12
R ²	.12	.35	.12	.31	.11	.38
N	8710	8710	4241	4241	4469	4469
	Past 66					
	All		Men		Women	
	u	a	U	a	u	a
In work / in poverty at each age						
Ref cat: in work/not poor						
Working poverty (55)	1.91	2.26	-0.35	0.49	3.67	3.83
Not working poverty (55)	-18.24***	0.17	-17.28***	1.83	-17.62***	-1.18
Working poverty (50)	7.51***	3.94**	7.70***	3.63	7.73***	4.09*
Not working poverty (50)	-13.05***	-9.83***	-15.47***	-12.00**	-11.31***	-8.89**
Working poverty (42)	5.00***	2.57*	4.18*	1.31	6.27***	3.59*
Not working poverty (42)	1.62	1.77	-2.22	-2.02	5.11	3.93
Working poverty (33)	2.84	2.03	2.72	0.56	3.47	3.09
Not working poverty (33)	2.01	0.36	-0.91	-2.03	4.71	1.57
Working poverty (23)	1.29	0.09	4.46	2.98	-0.54	-2.14
Not working poverty (23)	2.65	1.70	2.24	3.07	1.90	-0.23
R ²	.04	.18	.03	.19	.04	.17
N	8697	8697	4242	4242	4455	4455

Note: Regression coefficients, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. u=unadjusted, a=adjusted
See Table 4.1a for details of all measures included in the adjusted models.

Table 4.2: Summary of poverty measures significantly associated with expectations of working past 60 and SPA

	Past 60			Past SPA		
	All	M	W	All	M	W
	u a	u a	U a	u a	u a	u a
Lifetime income						
Ref cat: richest quintile						
Poorest	- +	-	+ +	+ +		+ +
2 nd	+ +	+ +	+ +	+ +	+ +	+ +
3 rd	+ +	+ +	+ +	+ +	+ +	+ +
4 th	+ +	+ +	+ +	+ +	+ +	+ +
Lifetime poverty						
Ref cat: no poverty						
Intermittent	+ +	+ +	+ +	+ +	+ +	+ +
Persistent	- +	-	-	+ +	-	
In poverty at each age						
Ref act: not in poverty						
Poverty 55	-	-	- +	-	-	
Poverty 50	-	-	-			
Poverty 42		+ +	+ +	+ +		+ +
Poverty 33						
Poverty 23		+ +	+ +			
Lifetime of no work						
Ref cat: always in work						
Intermittent	-	-	-	-	-	-
Persistent	-	-	-	-	-	-
In work / in poverty at each age						
Ref cat: in work/not poor						
In work poverty 55		-	+ +			
Out of work poverty 55	-	-	-	-	-	-
In work poverty 50	+ +	+ +	+ +	+ +	+ +	+ +
Out of work poverty 50	-	-	-	-	-	-
In work poverty 42	+ +	+ +	+ +	+ +	+ +	+ +
Out of work poverty 42						
In work poverty 33	+ +	+ +	+ +			
Out of work poverty 33			+ +			
In work poverty 23						
Out of work poverty 23	+ +	+ +	+ +			

Note: 'u' = unadjusted, 'a' = adjusted; + = increases expectation - = decreases expectation

Once current circumstances were accounted for, these patterns remained broadly similar. Among men, after controlling for other circumstances, the non-working poor at age 23 were more likely to expect to work longer – perhaps reflecting longer educational participation in their early 20s.

Table 4.2 provides a summary of the significant results for these indicators of lifetime income, poverty and worklessness (Appendix A4 provides the full set of results). A ‘+’ indicates the measure significantly increases the likelihood of working, whereas a ‘-’ indicates that the measure significantly decreases the likelihood of working past 60 and SPA.

What other factors shape expectations towards working past 60 or SPA?

The multivariate analyses reported above also included a set of current circumstances at age 55 which were potentially associated with expectations for working past age 60 or SPA. We describe the findings from these analyses here. The results are summarized in Table 4.3.

Education, employment and pay

Our models include highest achieved qualification, how much time the cohort member had spent in work from age 17 onward, whether the cohort member was currently working or not (at age 55), and (if so) how many hours they worked, how much they earned, what their occupation was, and whether they were self-employed.

- Women with no qualifications were less likely to think they would be working after age 60 compared to those with formal qualifications at NVQ2 level, e.g. GCSEs A*-C.
- Cohort members employed at age 55, those who received relatively lower pay from their employment, and those who worked long hours, were more likely to expect to work past 60 and past 66 in all models. Those who were self-employed were more likely to expect to work past SPA..

Paying into a pension

- Those who paid into a pension at age 55 – either currently or in the past – were less likely to think they would be working past 60 or past 66.

Partner characteristics and home life

Our models included whether the study member had a partner in the household (defined as either married or cohabiting), and (if so) the partner’s age, when he or she left full-time education, whether the partner was in work, and (if so) the partner’s current occupation.

- Women who lived alone at 55 were more likely to expect to be working past 60. Women with a partner were more likely to expect to be working after age 60 if their partner was younger, self-employed or in a lower status occupation.
- Men with an older partner were less likely to expect to work after age 60.

- Living alone or having a younger partner increased the likelihood of working past the SPA for both men and women.
- The more children under age 18 in the household, the greater the likelihood of working past 60 and 66. Cohort members who are still paying off a mortgage or living in rented accommodation are also more likely to expect to work past 60 and 66.

Health and wellbeing

Our models included self-rated general health, disability status and symptoms associated with depression.

- Poor health and disability were both strongly related to study members being less likely to expect to be working after age 60 and 66, but particularly age 60. Poor mental health was related to men being less likely to expect to work past 60.

Cognitive skills and personality

Study members completed four cognitive tests covering a range of skills (including memory, fluency, visual scanning and recall)⁴ and an established set of questions to ascertain their personality types at age 50. The 'Big Five' personality traits are: extroversion, agreeableness, conscientiousness, neuroticism and openness to experiences (Goldberg, 1999)⁵. See Appendix (A4) for an overview of the characteristics associated with each dimension.

- Cohort members who were highly conscientious (organised, mindful of details) reported being less likely to work after age 60 and age 66, whereas being open to experiences increased the likelihood of expecting to work after 60 and the SPA. Being more extroverted (out-going, likes social situations) and less neurotic (stable, more emotionally resilient) were associated with being more likely to expect to be in work after age 66 among men.

⁴ For further details see Brown, M. and Dodgeon, B. (2010) *NCDS Cognitive Assessments at Age 50: Initial Results*. CLS Working Paper 2010/1. London: Centre for Longitudinal Studies.

⁵ The self-completion questionnaire included 50 questions from the International Personality Item Pool (IPIP). For further information see Goldberg, L. R. (1999). A broad-bandwidth, public domain, personality inventory measuring the lower-level facets of several five-factor models. In I. Mervielde, I. Deary, F. De Fruyt, & F. Ostendorf (Eds.), *Personality Psychology in Europe*, Vol. 7 (pp. 7-28). Tilburg, The Netherlands: Tilburg University Press.

Table 4.3: What else matters for working past 60 and past SPA?

	Past 60			Past SPA		
	All	m	w	All	m	w
Lower pay	+	+	+	+	+	+
Lower occupation	+	+	+	+		+
Not in work						
Hours worked per week						
<30	-	-	-	-		-
>45	+	+		+	+	+
Self-employed				+	+	+
Has a pension	-	-	-	-	-	-
Time spent employed (age 17+)	+	+	+			
General health						
Poor / Fair	-	-	-	-		-
Very good / Excellent						
Disabled	-	-	-	-	-	
Symptoms of depression		-				
Low qualifications	-		-			
Degree +						
Cognitive score						
Big Five personality traits						
Std. extroversion score					+	
Std. agreeableness score	+	+				
Std. conscientiousness score	-		-	-	-	-
Std. neuroticism score	-				-	
Std. openness to experience score	+		+	+		+
Mortgage/rent home	+	+	+	+	+	+
Living alone	+		+	+	+	+
Younger partner			+	+	+	+
Older partner	-	-				
Partner lower occupation	+		+			
Partner out of work						
Partner extended education						
Number of children <18 years	+	+	+	+	+	+
Parent or partner parent alive?						
Time spent caring for parent(s)						
Time spent caring for grandchildren						

Note: adjusted models; + = increases expectation - = decreases expectation
 Results reported for statistically significant coefficients only

Caring responsibilities

In addition to reporting on parenting responsibilities (see above), study members reported on whether they had caring responsibilities (and time spent on these responsibilities) for parents and grandchildren. At age 55, almost half (47.2%) of study members had some caring responsibilities for their parents, and 21.2% had caring responsibilities for their grandchildren.

- Study members, both men and women, who spent more than 10 hours a week caring for a parent (or a partner's parent) had a slightly lower likelihood of expecting to work past 60 or SPA. However, in multivariate models once other circumstances were taken into account, no direct relationship remained.

Qualitative case studies

In the following case studies, we explore qualitative interviewees' own perspectives on when they think they will retire and why. Looking across all 36 interviewees, there were a number of factors which cohort members reported played important roles in influencing individuals' retirement expectations. However, three themes stood out: health, money and the nature of one's employment. The two case studies in this section explore these themes through two different stories:

1. A male who would like to work until 66, or even beyond, and who, because of a good workplace pension, can afford to begin the transition to part-time employment in his early 60s.
2. A female who, due to health problems, feels that she needs a transition to part-time work, but who is not able to because of financial difficulties.

Ian: Low lifetime income but a good workplace pension

Like so many interviewees, Ian has had an eventful life, which has included difficult times, and he shows a resilience to overcome adversity. He had a terrible time around the early part of the century: his father died in 2000, his wife two years later, and then, later in the same year, he was made redundant. He left school at 16 and has only had two main jobs: a steel worker for 27 years, and a tram driver since 2004. Ian's stable employment history is reflected in his choice of working life trajectory: Ian selected diagram 3, which shows a series of upward steps. For Ian, these steps illustrate upward progression within one's occupation. For example, working on the trams, you start out *'conducting, then you progress onto driving, then you progress onto a bit of being what you call a mentor and that, so you do a bit of instructing'*.

Ian has recently taken advice from his sister, who has worked in the financial sector, and has been a key influence in his life. She advised him that is better to take your pension when you are healthy and able to enjoy life, rather than risk waiting till 66 when one's health might be worse.

So me eldest sister, as usual, she's--, she's brilliant, I love her to bits, she's bang down to earth and she just turned round and she says, look she says, I don't want to put mockers on it but, she says, you're due to retire when you're 66, I says right. She says who says you're going to be here when you're 66 [laughs], and I looked at her and I says well thanks. She goes no, she says, what I mean, she says, at this moment in time you're fit, you're healthy, you're able to enjoy it, when you get to--, you don't know what it's going to be like when you're 66, it's--, you don't know if you're going to be the same or if your health's deteriorated even more, where you're not going to be able to have that get up and go and enjoy it, she says, enjoy it now. So I thought right, so I drew a lump sum and I get a monthly pension and that'll take me right through and beyond retirement all being well.

In April 2016 he took his steel pension at the first available opportunity. He has also signed up for a pension scheme in the tram company, and feels that he will have enough money for a comfortable retirement. He says that the decision to opt into the pension scheme when he was younger was one of the best decisions he has ever made.

Well, it's just something I've always seen on me wage slip, pension, pension, and, you know, it's--, it goes oh, I don't miss it so let's carry on paying it and just hope I get something decent at the end of it, you know, yeah.

Ian has begun to think about retiring from the tram company and giving up paid labour altogether, but like the majority of interviewees, he enjoys his job and intends to keep working till at least 66, and possibly beyond. He says he would particularly miss the routine if he were to stop altogether. He would prefer to begin working part-time – an option he can afford because of his steel pension, and one which would allow him more free time for activities such as visiting his grandchildren. He has approached his employer about this possibility and he knows of other tram drivers who work one week on and one week off, and so believes this arrangement to be at least a feasible, if not certain, possibility. He does not expect this to happen though in the immediate future: *'I've put me name down and enquired, and there's like seven of us waiting on waiting list to go part time'*. He said he would start as soon as possible if this option came through.

Like so many interviewees, Ian has few material aspirations or expectations, and as long as he can pay his bills and pay his rent, he says he is content. Although he may not have the financial means to retire completely, he is potentially able to work fewer hours and maintain an amenable life style. Unlike some other interviewees who are struggling to balance work, health and finance, Ian feels in control of his life. He is working because he *wants* to.

It's your decision, it's not--, it's not that you've got to go to work, you want to go to work, you know.

He has no caring responsibilities (his parents are dead and his two children are independent), his steel pension, and his relatively modest lifestyle give him greater choice and agency.

Until he got a letter from the pension fund last year he maintained that he had not given retirement a single thought, but now he regards retirement as being quite near. He thinks it important to phase retirement in gradually, by working part-time for a proceeding period, rather than making a clean and stark break.

I think that would be worst thing you could do, just coming to a sudden stop. And I think--, and I think that's why a lot of people--, I mean I've known people retire and in 12 months they're dead. And I think what it is, it's such a shock to the system and it's--no, no, I just don't want to come to a sudden stop and think I'm on scrap heap, you know, I don't want that--, I don't want that.

Belinda: Tensions between health and work

Belinda, a female living in south-eastern England, offers a useful case study of the ways in which the factors discussed earlier in this chapter interact to influence individuals' expectations of working past ages 60 and 66. In this case study, we focus on three interrelated factors in Belinda's life: her financial situation, the demands of her job, and her physical health.

Belinda works full-time – *'very full-time'*, she says – as a teaching assistant in a primary school, a job she enjoys but which she finds physically and emotionally demanding. *'I enjoy it most of the time'*, she says, but some children can *'wind you up and grind you down'*. She expresses no desire to retire early, stating that she likes her job – *'I do enjoy it'* – and would miss several aspects of her work: *'I'd miss helping kids to achieve something... I'd miss my friends... The social interaction that you get.'* Ideally, she says, she will work until age 66 or even beyond: *'Part-time though. I wouldn't want to be working full time.'*

Belinda drew her own working life trajectory, highlighting a steady rise in her professional fortunes followed by a plateau when she was raising her children, then a second rise when she started her second career as a teaching assistant. In recent years, she felt that her career had plateaued, but not in a negative way. She simply did not expect much change between now and retirement.

For most of her adult life, Belinda was in excellent physical condition, participating in a range of sports including swimming, triathlons and mountain climbing. At school, she led several sport-focused after-school clubs. However, she has recently suffered from a debilitating hip problem that has greatly reduced her mobility, making it difficult to walk and impossible to carry even a pint of milk, and causing her to miss substantial periods of work. This most recent period of her life has *'been an absolute nightmare,'* she says. *'It's frightened me, the last seven months, it's frightened me... Not being able to do things for myself, not being able to look after myself as much as I want to.'*

She is also worried about her future, particularly the impact of her health on her ability to work. Teaching is a physically demanding job, she says – *'You're up, down, up, down'* – and her recent difficulties have given her a foreshadowing of the ways in which health problems may make it difficult to continue working, and may reduce her independence and quality of life. One potential solution, she suggests, is transitioning to part-time work. Doing so, she feels, might enable her to work to a later age. It would also allow her to pursue a range of leisure interests that she would like to devote more time to – she speaks enviously of friends who are able to work part-time: *'I've got friends who only work three days a week now and I'm quite envious that they can do what they like for the other two days of the week.'* Belinda is thus one of several interviewees who mentioned a desire to “phase down” their working lives by shifting from full-time to part-time employment. However, none of these individuals

had spoken to their employer about this possibility, and it is questionable the degree to which current government policy or employer attitudes would support such a transition.

In Belinda's case, she suggests that whereas phasing down to part-time work would help her cope with the physical demands of her job, doing so would be financially unrealistic: *'I cannot see me being able to financially'*. Describing her life, she says that she is just getting by on her full-time salary, and would not be able to survive on part-time pay. Nor does she have access to other sources of income: while her small home is almost fully paid for, she has no savings and a small workplace pension. She expects to receive only a small state pension. *'I would have preferred to have been putting more money away for my retirement,'* she says, but she was raising two children on her own after escaping an abusive relationship: *'If I'd been able to [put more money aside] I would have done.'*

This means that she faces a conundrum: while transitioning to part-time work would make her job more manageable, and may extend her years in employment, she would struggle to get by on the reduced income. Despite her financial anxieties, she says she worries about *'health more... because it's not important having lots of money if you can't actually do things'*. She feels that so long as she can remain at least moderately healthy, she will find a way to enjoy her eventual retirement, even in difficult financial circumstances: *'I'll find something to do. It costs nothing to go out for a walk, providing you can.'* In the meantime, however, she will continue to face the challenge of balancing health, work and financial necessity.

Chapter 5: Attitudes to living standards and savings in retirement

In this chapter we examine cohort members' attitudes to living standards and savings for retirement, expressed when cohort members were 50 years old. We show that many individuals were worried about their income in retirement. Many also expressed the view that they were not able to afford to save for their retirement. Only a small minority believed their retirement was too far off to worry about what they would live on. These attitudes were strongly shaped by lifetime income and experiences of poverty, as well as by current circumstances.

Measuring attitudes to living standards and saving for retirement

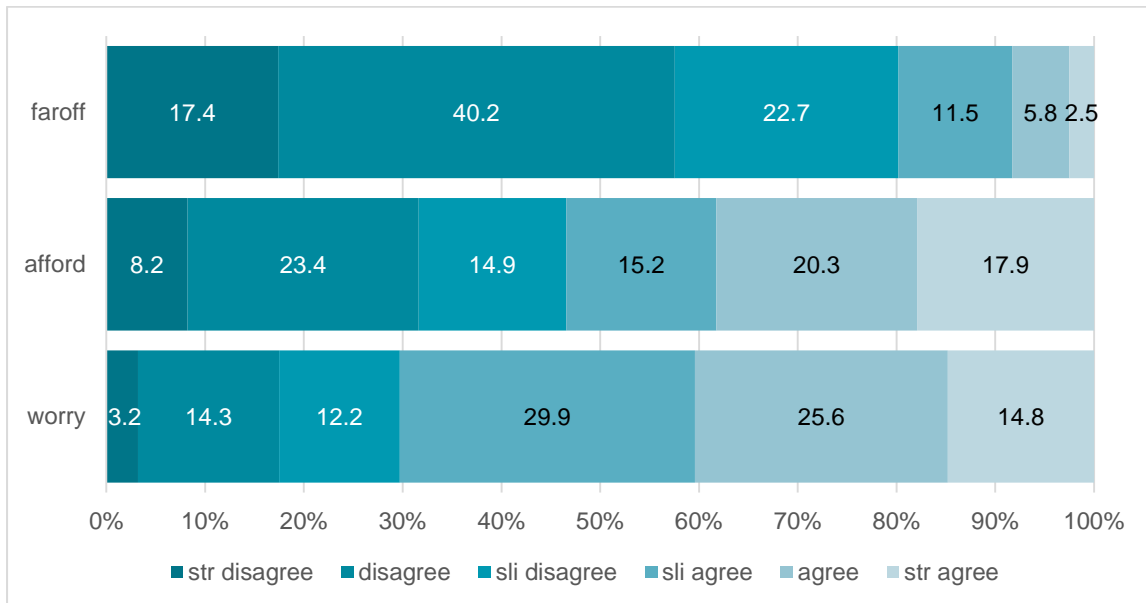
Attitude to retirement questions were asked when study members were age 50. These questions were on a six-point scale ranging from strongly disagree to strongly agree. The three questions were:

- **Worry:** I worry about how much I will have to live on in retirement.
- **Can't afford:** I can't afford to put money aside for retirement at the moment.
- **Too far off:** My retirement is so far off, it is not worth worrying about what I will live on.

At the age of 50, as many as four in ten men and women agreed or strongly agreed that they worried about how much they will have to live on in retirement. Similar proportions said that they could not afford to put any money aside for retirement. However, very few agreed or strongly agreed that their retirement was so far off they did not need to worry about it (8%). Retirement thus appeared to be on the minds of most study members, causing concern for a significant proportion of them (Figure 5.1).

Cohort members' experience of poverty throughout their adult lives was strongly associated with their retirement attitudes. Study members with lower lifetime income, or who had been persistently poor, were by far the most likely to say that they could not afford to put money aside for their retirement (Figure 5.2) and that they worried about how much they would have to live on in retirement (Figure 5.3). Cohort members who had been poorest over their adult lives were the most likely to agree that retirement was too far off to worry about: persistent poverty had the stronger association with these attitudes than intermittent poverty across their adult lives (Figure 5.4).

Figure 5.1: Overall level of agreement with attitudes to retirement questions at age 50



Worry: I worry about how much I will have to live on in retirement.

Can't afford: I can't afford to put money aside for retirement at the moment.

Too far off: My retirement is so far off, it is not worth worrying about what I will live on.

Figure 5.2: 'I can't afford to put money aside for retirement at the moment' by lifetime income quintiles

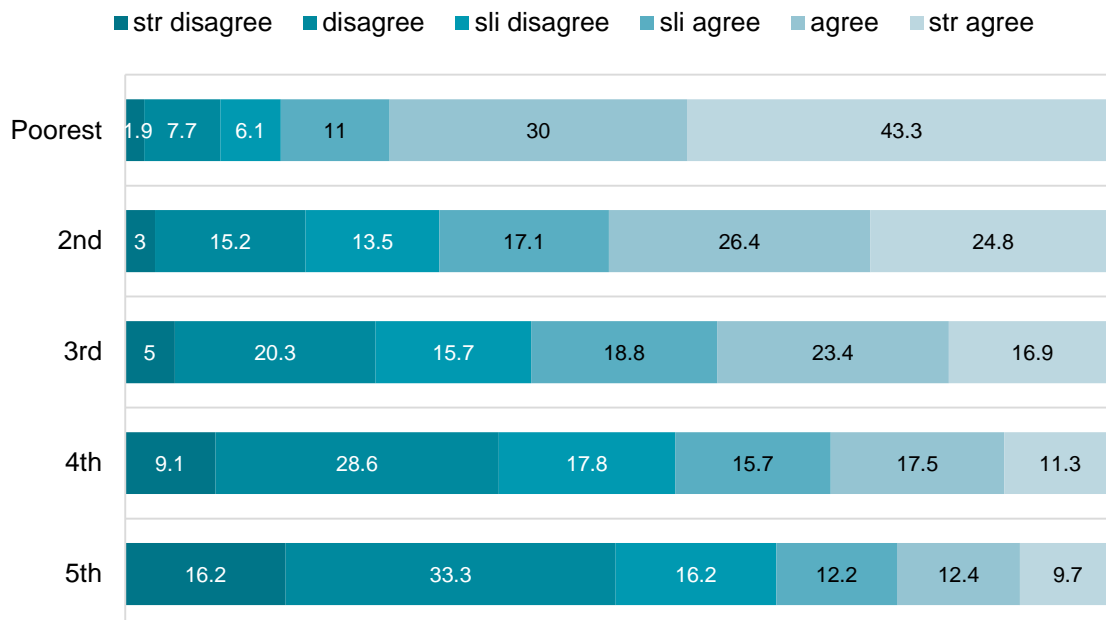
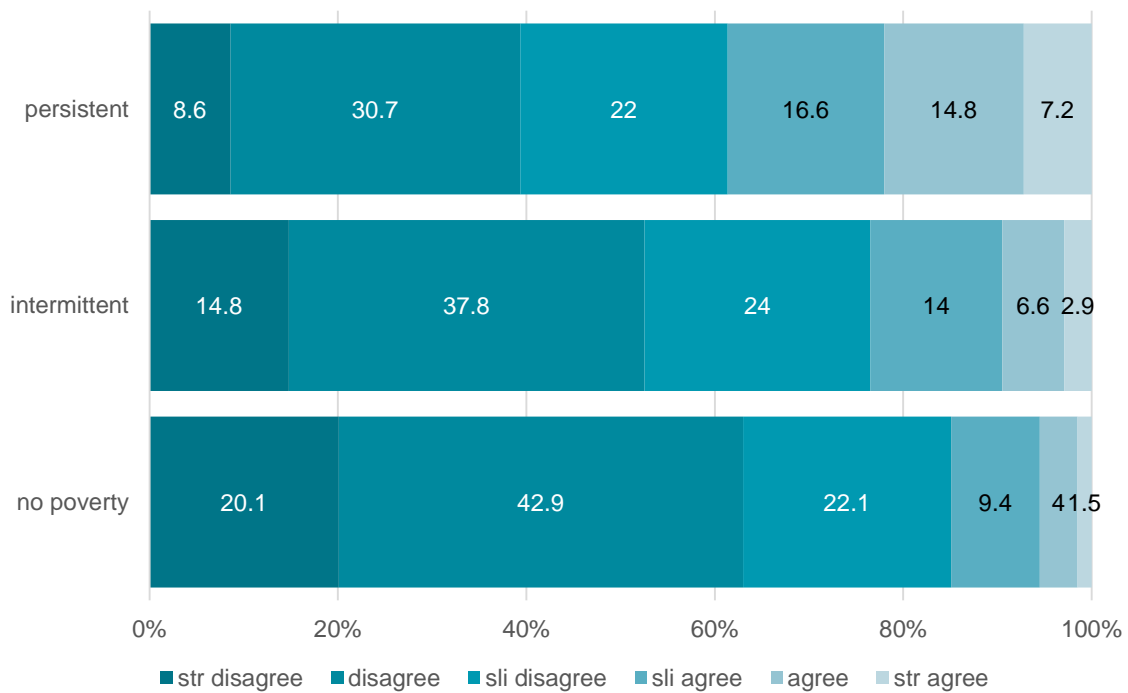


Figure 5.3: 'I worry about how much I will have to live on in retirement' by lifetime poverty



Figure 5.4: 'My retirement is so far off, it is not worth worrying about what I will live on' by lifetime poverty



Multivariate analyses

Table 5.1 provides a summary of the poverty and workless measures that are significantly associated with these attitudes in multivariate regression analysis. We present findings from models that are both unadjusted and adjusted for current circumstances. We discuss each of the poverty and workless measures below. The full sets of results are included in tables in the Appendix, A5.

- **Lifetime income:** Compared to those in the top quintile, men and women in all lower income quintiles were more likely to: be worried about how much money they would have to live on in retirement; feel they could not afford to put money away; and to think that retirement was too far off to worry about. This remained true even after we controlled for study members' current circumstances.
- **Lifetime poverty:** Similarly, compared to no experience of poverty, intermittent and persistent poverty were both strongly associated with not being able to afford to put money away, with being worried about how much money one would have in retirement, and with thinking retirement was too far off to worry about for both men and women. Once we adjust for current circumstances, intermittent and persistent poverty remained associated with all three attitudes, but particularly with not being able to afford to put money away.
- **Lifetime workless:** Compared to never having been part of a workless household, worklessness was related to all retirement attitudes for both men and women. Even after lifetime income had been included in these models, men and women who had experienced being intermittently or persistently workless were more likely than those who were never workless to report being unable to afford to put money away and to think that retirement was too far off to worry about.
- **Each age in poverty, and whether poverty was in-work or out-of-work:** Poverty at any age, whether study members were in or out of work, influenced attitudes to retirement, though more recent experience showed the strongest association. There were no meaningful differences between experience at each age of in-work poverty or non-working poverty, in terms of association with retirement attitudes.

Table 5.1: Summary of poverty measures significantly associated with attitudes to retirement

	Afford			Worry			Far off			
	All	M	W	All	M	W	All	M	W	
	u	a	u	a	u	a	u	a	u	a
Lifetime income (ref: richest quintile)										
Poorest	+	+	+	+	+	+	+	+	+	
2 nd	+	+	+	+	+	+	+	+	+	
3 rd	+	+	+	+	+	+	+	+	+	
4 th	+	+	+	+	+	+	+	+	+	
Lifetime poverty (ref: never in poverty)										
Intermittent	+	+	+	+	+	+	+	+	+	
Persistent	+	+	+	+	+	+	+	+	+	
Each age in poverty (ref: no poverty)										
Poverty 50	+	+	+	+	+	+	+	+	+	
Poverty 42	+	+	+	+	+	+	+	+	+	
Poverty 33	+	+	+				+	+	+	
Poverty 23	+		+				+		+	
Lifetime out of work (ref: always in work)										
Intermittent	+	+	+	+	+	+	+	+	+	
Persistent	+	+	+	+	+	+	+	+	+	
Each age in/out of work poverty (ref: in work)										
In work poverty 50	+	+	+	+	+	+	+	+	+	
Out of work poverty 50	+	+	+	+	+	+	+	+	+	
In work poverty 42	+	+	+	+	+	+	+	+	+	
Out of work poverty 42	+	+	+				+	+	+	
In work poverty 33	+	+	+				+	+	+	
Out of work poverty 33	+	+	+				+	+	+	
In work poverty 23			+				+		+	
Out of work poverty 23			+							

Worry: I worry about how much I will have to live on in retirement.

Can't afford: I can't afford to put money aside for retirement at the moment.

Too far off: My retirement is so far off, it is not worth worrying about what I will live on.

Note: 'u' = unadjusted, 'a' = adjusted; + = increases agreement - = decreases agreement

Adjusted models include measures of: gender, occupation, gross weekly pay, hours worked, self-employed, proportion of time spent employed (17-50), has paid into a pension, general health, disability status, mental well-being, cognitive score, highest qualification, personality ('Big Five'), housing tenure, lives with a partner, partner's occupation, age of partner, age partner left full-time education, number of children <18 in household, parent(s) alive, time spent caring for parents, time spent caring for grandchildren.

What other factors shape attitudes towards retirement?

A comprehensive summary of the other factors which had an influence on study members' attitudes in either a positive or negative direction is provided in Table 5.2 (and accompanying Appendix A5), and further discussion is provided below.

Education, employment and pay

The models included highest achieved qualification, how much time the study member had spent in work from age 17 onwards, whether they were currently working or not, and (if so) how many hours they worked, how much they earned, what their occupation was and whether they were self-employed.

- No or low level qualifications were associated with being worried about having enough money to live on in retirement and with feeling that retirement was too far off to worry about. Having a degree was associated with a lower likelihood of agreeing that retirement was too far off to worry about and with feeling that one could not put money aside.
- Lower status occupations, self-employment, working long hours and lower pay were each associated with not being able to put money aside for retirement and with thinking retirement was too far off to worry about.

Paying into a pension scheme

Study members who paid into a pension at age 50 – whether an employer or personal scheme – were more worried about having enough to live on in retirement, but were less concerned about not being able to afford to put any money away or that retirement was too far off to worry about.

Partner characteristics and home life

Our models included whether the study member had a partner in the household (defined as either married or cohabiting), and (if a partner was present) their age, when they left full time education, whether they were in work, and their current occupation.

- Cohort members with a non-working partner, or a partner who was self-employed or in lower status occupations, were more likely to agree that they could not afford to put money away for retirement. If their partner had some experience of tertiary education, study members were less worried about what they would live on, felt more able to afford to put money aside, and were less likely to say that retirement was too far off to be worried about.
- The more children under age 18 in the household, the greater the worry about what they would live on in retirement, and that they could not afford to put any money away. Still paying for housing was also associated with feeling retirement was too far off to be worried about.

Table 5.2: What else has a significant association with attitudes towards retirement?

	Afford			Worry			Far off		
	all	m	w	all	m	w	all	m	w
Lower pay	+	+	+			+	+	+	
Lower occupation	+	+	+		+		+	+	+
Not in work							+		
Hours worked per week									
<30					-				
>45	+	+							+
Self-employed	+	+	+				+	+	
Has a pension	-	-	-	+	+	+	-	-	-
Time spent employed (age 17+)									
General Health									
Poor / Fair	+	+	+	+	+	+			
Very good / Excellent	-	-	-	-	-				
Disabled							+	+	
Symptoms of depression	+	+	+	+	+	+	+	+	+
Low qualifications				+	+		+	+	+
Degree +	-	-					-	-	
Cognitive score				-		-	-	-	-
Big Five personality traits									
Std. extroversion score		+					+	+	+
Std. agreeableness score			+	+	+		-	-	-
Std. conscientiousness score	-	-	-						
Std. neuroticism score	-	-	-	-	-	-	+	+	
Std. openness to experience score	+	+	+				-	-	-
Mortgage/rent home	+	+	+	+	+	+	+	+	
Living alone									
Younger partner									
Older partner			+						
Partner lower occupation	+	+	+		-				+
Partner out of work	+		+						+
Partner extended education	-		-	-			-		
Number of children <18 years	+	+	+	+	+				
Parent or partner parent alive?									
Time spent caring for parent(s)									

Worry: I worry about how much I will have to live on in retirement.

Can't afford: I can't afford to put money aside for retirement at the moment.

Too far off: My retirement is so far off, it is not worth worrying about what I will live on.

Note: adjusted models + = increases agreement - = decreases agreement

Health and well-being

We also looked at general health, disability status and symptoms associated with depression.

- Poor general health was associated with greater concern about having enough to live on in retirement, and feeling that one could not afford to put money away for retirement, while very good health was associated with decreased concern about these issues. Disability was associated with agreeing that retirement was too far off to be worried about. Symptoms of depression were associated with agreement with all three factors: worries about having enough to live on in retirement, feeling that one could not afford to put money aside, and feeling that retirement was too far off to worry about.

Cognitive skills and personality

Study members completed cognitive tests and a set of established questions to ascertain their personality types at age 50. The 'Big Five' personality traits are: extroversion, agreeableness, conscientiousness, neuroticism and openness to experiences.

- Low cognitive scores were associated with being worried about not having enough to live on and with agreement that retirement was too far off to worry about.
- High agreeable scores and low neuroticism scores were associated with a higher level of worry about adequacy of resources to live on in retirement, and being unable to put money away for it. Being open to experience and less conscientious was associated with not being able to afford to put any money away for retirement. High extroversion and neuroticism scores and lower agreeableness and openness scores were associated with thinking retirement was too far off to be worried about.

Qualitative perspectives on pensions

In the qualitative interviews we were able to elicit cohort members' attitudes to a broader set of issues than the quantitative interviews had covered. In the following discussion we provide thematically-focused samples of interviewees' perspectives on two policy-related topics which were addressed in the qualitative interviews:

1. The higher state pension age for this cohort.
3. The question of whether workplace pensions should be mandatory.

This question drew on a recent UK policy reform which made workplace pensions 'opt-out' rather than 'opt-in'. We then turn to a more personal topic related to these issues: Interviewees' planning (or lack thereof) for retirement. In order to provide a broader spectrum

of perspectives on these three issues than would be possible in two to three case studies, we draw on a larger range of interviews in discussing these topics.

Higher State Pension Age

Generally speaking, interviewees understood why the State Pension Age (SPA) had risen. As Anne (who is again featured in Chapter 6) declared, *'It's because people are living longer.'* Most interviewees felt that extended working lives were an inevitable by-product of these longer life spans. As one (Charlotte) said of the retirement age going up:

I think it has to. I think it's--, there's no way out of it with the population growth... I mean at one time when the old age pension first came in the average age expectancy was probably about 63 or four or five maybe. Certainly 70 was a good age.

Like several other interviewees, Ian (featured in a case study in Chapter 4) thought that it would do little good to complain:

You can't do anything about it they've changed it so what can you do? There's nothing you can do about it, is there? So just go with the flow.

However, some interviewees expressed anxieties about the higher SPA, or even anger. For example, Anne stated that she was 'very annoyed' by the increased pension age: *'I mean, everybody says, "Oh, retirement's wonderful". [But for me] when will that day happen? I'll probably be dead before it gets here.'* If the pension age were to rise further, she added, she would *'Cry. I'd be devastated.'*

Belinda (featured in Chapter 4) concurred, saying that she had been *'gutted'* when her pension age rose to 66, pointing to the challenges of her job as a primary school teaching assistant. She felt that a higher pension age was unfair to individuals in physically demanding jobs:

Not just in my profession but lots of other professions, it's not practical... to continue... Roofers comes to mind, you know, once you get to 60 you may not be physically able to go up and down ladders and crawling around on roofs.

60 was a fairer age, she argued:

I think 60 was a good age because you'd put enough into society, you're entitled to get something back. 66 is just that bit further down the road and a lot of us might find that actually we're struggling in our jobs. Teaching, to keep on teaching to 66 I think is a hard ask, you know, it's such a physically demanding job and a mentally demanding job... I don't agree with the age being pushed [up]. We've paid our taxes. I know people are living generally a lot longer, but we're entitled to have a retirement.

Belinda concluded by saying that the higher retirement age made her:

Angry... I feel angry... I'm hoping to still be physically fit enough, but I'd like to be able to choose if I want to work longer, rather than it's actually you've got to keep on going.

Should workplace pension contributions be made mandatory?

Interviewees were asked if they agreed that people should make a mandatory contribution towards a workplace pension throughout their working life.⁶ Around three-quarters agreed with this proposition, although a few were more equivocal and thought that the area was too complex to have a definitive judgement, for example, if someone earned very low wages or was self-employed. Most interviewees believed that young people are spendthrifts who do not have a culture of saving; they saw a pension as being like ‘*an enforced savings account*’, and although they felt many youngsters would resent having part of their salary paid into a pension fund, if they tried to opt out, ‘*they would regret it later and then it’ll be ... they’ll be a financial burden to the state*’.

Most interviewees felt that people should not be given a choice. Gillian (mentioned in Chapter 3) was unequivocal:

I truly believe that everyone should pay it. I know it goes against the grain you look, you think, urgh, but it’s necessary, it’s part of life. That’s it, just get on with it and shut up.

A few people disagreed that workplace pensions should be mandatory, as they felt the decision should be down to individual choice. Terry, who was self-employed, pointed out the practical difficulties if all employers were asked to match pension contributions.

As a one-man band... if I took someone on there’s no way I could afford to give them a workplace pension... you know, because if I take somebody on I’d only take somebody on for say--, depending on the size of the job - I’d only take somebody on say three months so do I have to give them a workplace pension ... when I can’t afford to give myself a pension?

Interviewees’ planning (or lack thereof) for retirement

All interviewees were asked a range of questions about any planning or thinking they had done in anticipation of retirement. In addition to financial planning, this included issues such as coordinating retirement plans with one’s partner, thoughts about downsizing, and looking ahead to how one might spend one’s time after paid employment. In response to these questions, Gillian stated, ‘*I expect the majority of people do [plan for retirement, but] I’ll be the one that won’t. I just take every day as it comes.*’

In fact, Gillian’s attitude to retirement – i.e. the lack of forward planning or thinking – was true for the vast majority of interviewees. Despite being less than two years shy of their 60s, few of the interviewees reported having done any forward planning or thinking about life in retirement. This was true even for interviewees who were currently unemployed: almost all of these individuals saw themselves not as retired but as temporarily out of work, and thus potentially returning to the labour market at some point. This was the case even for people who appeared very unlikely to return to paid employment, for instance because of severe chronic health problems.

⁶ In pilot interviews, researchers compared a more general question on this topic (i.e. about mandatory workplace pensions) with a more policy-specific question on auto-enrolment (the current policy). Interviewees provided richer responses to the more general question.

This qualitative finding regarding a lack of forward planning or thinking matches the quantitative finding that lower income cohort members are more likely to report that retirement is too far off to worry about. A few interviewees felt that retirement was near – for example, Charlotte ruminated she had recently started thinking about retiring earlier than originally planned. This was stimulated, she thought, by her mother's recent ill health:

Once mum started being so poorly.... That was the trigger because [I started] thinking, right well you're getting older so I'm going to be your carer now.

Charlotte's decision about whether to retire early in order to be a carer was soon taken out of her hands: her mother suffered a severe stroke and had to be moved into a care home. However, Charlotte went on to say that this series of events had impressed upon her the fragility of health and indeed life, and had encouraged her to retire as early as feasibly possible. Most interviewees, however, maintained they focused on the here and now. They expected to work until the statutory retirement age, and felt that retirement was too far away to think about or plan for.

Chapter 6: Early labour market exits between ages 50 and 55

In this chapter we examine the factors associated with exiting the labour market between the ages of 50 and 55. We show that cohort members from the lowest and highest quintiles of lifetime family income are the most likely to have exited the labour market between these ages, but that these two groups appear to do so for different reasons. For those in the lowest quintile, 'push factors' appear to play the most important role: the strongest explanation of labour market exits between these ages for men and women in this group is poor health, as measured by self-reported general health status, mental wellbeing and disability status. Problems in these domains are far more prevalent among cohort members with experience of poverty and worklessness (see Table 3.1), and form an important pathway through which lifetime poverty leads to early labour market exits. Members of the most well-off quintile, in contrast, appear to exit the labour market early because they are more able to: whereas the lowest income quintile is pushed out of the labour market by health-related constraints, the highest quintile appears to be 'pulled out' by wealth-related opportunities.

How are labour market exits between ages 50 and 55 related to poverty and worklessness across life?

When study members were age 50, 85% were in work on a full-time or part-time basis. Of these, 9.4% (8.2% men, 10.6% women) were not in paid employment when interviewed five years later. Figure 6.1 shows that by lifetime income quintile, it is the poorest and the richest who were the most likely to have exited the labour market during this time, while the middle income group were the least likely to have done so. When the population is split by whether the cohort member has experienced no poverty, intermittent poverty or persistent poverty across their adult lives, it was those who had been persistently poor who were the most likely to have exited the labour market between ages 50 and 55 (Figure 6.2). Figure 6.3 shows that greater experience of being in a workless household is strongly associated with an early labour market exit: 11.4% who have experienced intermittent worklessness had exited the labour market, compared to 33.3% who have been persistently part of a workless household.

Figure 6.1: Labour market exits between ages 50 and 55 by lifetime income quintiles

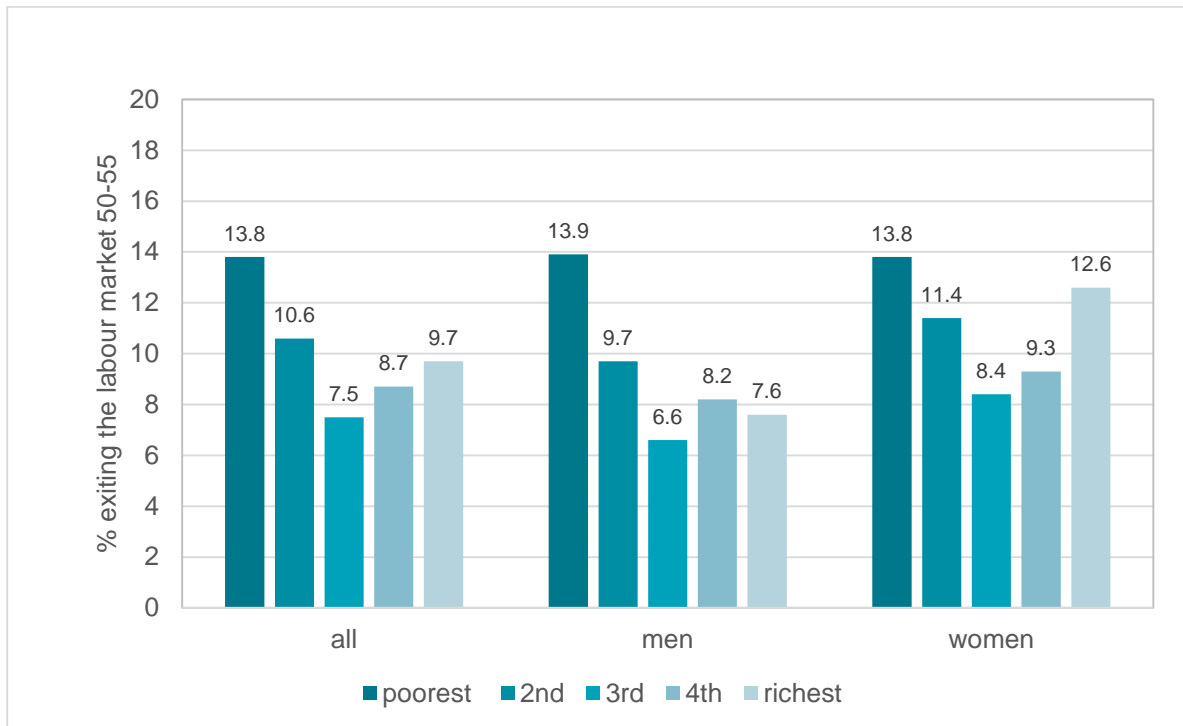


Figure 6.2: Labour market exits between ages 50 and 55 by lifetime experience of poverty

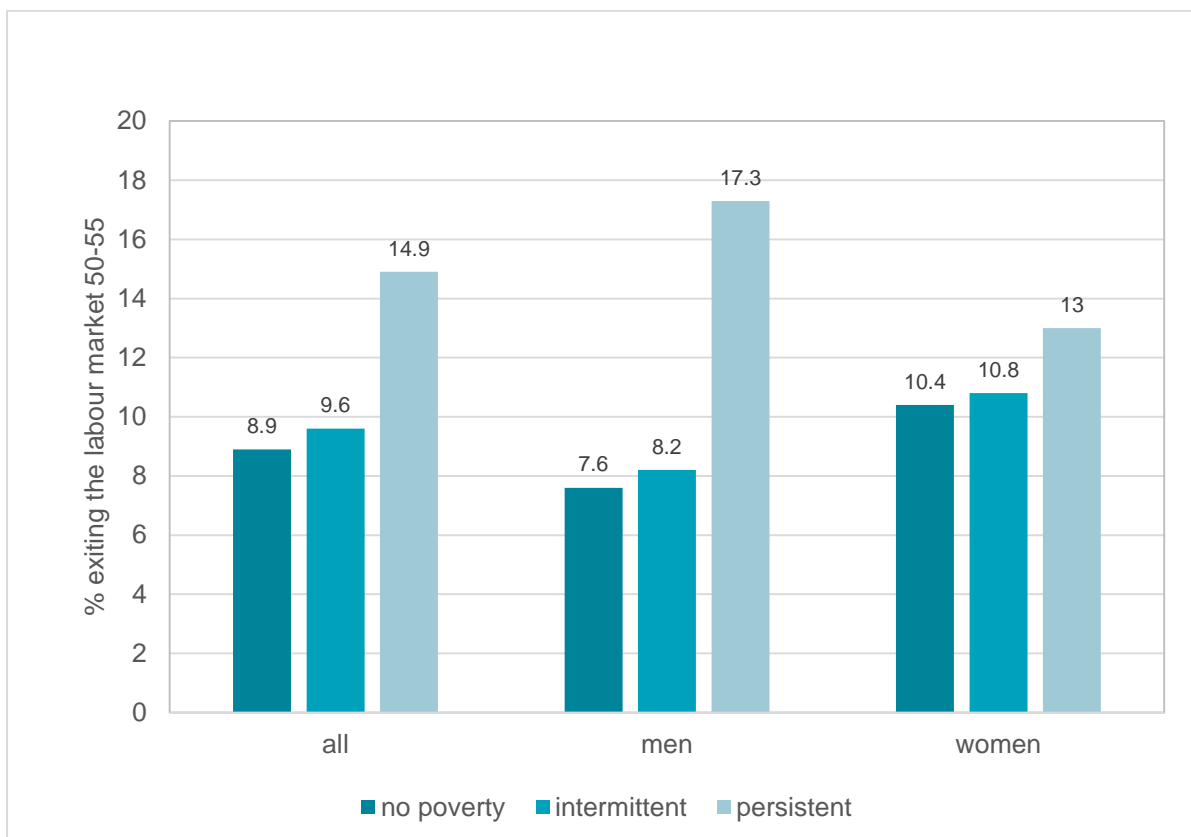
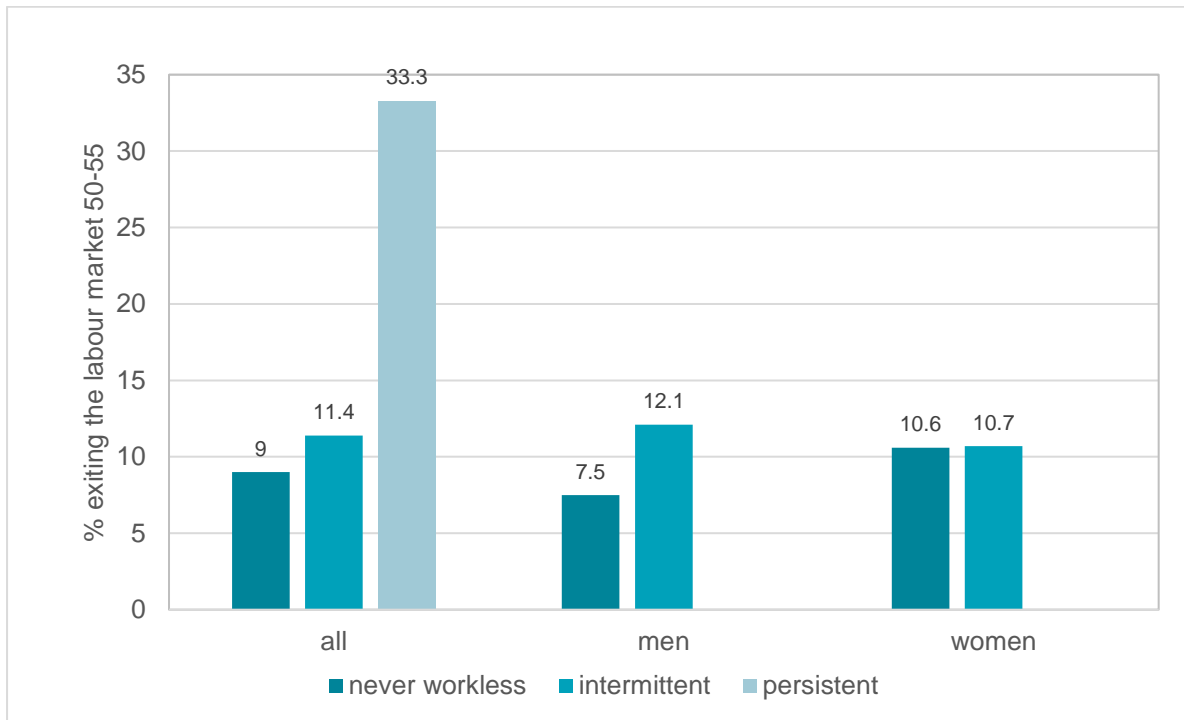


Figure 6.3: Labour market exits between ages 50 and 55 by lifetime experience of worklessness



Note: numbers too small (n=24) to show persistent workless households and labour market exits by men and women separately.

Multivariate analyses

As in our analyses in previous chapters, we also analysed the factors associated with labour market exits between ages 50 and 55 in multivariate models, by including measures of adult lifetime income, poverty and worklessness in models that were both unadjusted and adjusted for current circumstances (at ages 50 or 55). The full sets of results are included in tables in the Appendix, A6.

We find that in unadjusted models, lifetime income, poverty and worklessness measures are statistically significantly associated with early labour market exits (as indicated by Figures 6.1 to 6.3). In the adjusted models, most of these associations are reduced to statistical insignificance, suggesting that the effect of lifetime income and poverty on labour market exits at this age is largely explained by pathways included in our models, and especially via health status. However, the experience of both persistent and intermittent lifetime worklessness remains a significant factor for men exiting the labour market even after controlling for current circumstances such as health (see Table 6.1).

Unlike in our models for expectations and attitudes towards retirement, relatively few other factors have an association with labour market exits in either a positive or negative direction. Poor health and mental well-being are by far the strongest predictors of early labour market exits, with cohort members in poor general or mental health at age 50 being around twice as likely as those with good or very good general health or with no symptoms of depression to

not be working at age 55. Figure 6.4 shows exits were highest at 19.2% for women with poor or fair health at age 50. Figure 6.5 shows that women with poor mental well-being were the next most likely to exit (17.6%).

Apart from these measures of health and well-being, in the fully adjusted multivariate models having fewer children under 18 in the household increased labour market exits for both men and women. Other measures having some influence are: lower pay, hours worked, time spent employed over a lifetime and partner's work status. Table 6.2 summarises these results.

Table 6.1: Summary of poverty measures significantly associated with early labour market exits between ages 50 and 55

	All		Men		Women	
	u	a	u	a	u	a
Lifetime income (ref: richest quintile)						
Poorest	+		+			
2 nd						
3 rd	-	-			-	-
4 th					-	-
Lifetime poverty (ref: never in poverty)						
Intermittent						
Persistent	+		+			
Each age in poverty (ref: no poverty)						
Poverty 50			+			
Poverty 42						
Poverty 33						
Poverty 23						
Lifetime out of work (ref: always in work)						
Intermittent	+		+	+		
Persistent	+	+	+	+		
Each age in/out of work poverty (ref: in work)						
In work poverty 50			+			
In work poverty 42						
Out of work poverty 42	+		+			
In work poverty 33						
Out of work poverty 33			+			
In work poverty 23						
Out of work poverty 23						

Note: 'u' = unadjusted, 'a' = adjusted; + = increases exits - = decreases exits

Note to Table 6.1: Adjusted models include measures of: gender, occupation, gross weekly pay, hours worked, self-employed, proportion of time spent employed (17-50), has paid into a pension, general health, disability status, mental well-being, cognitive score, highest qualification, personality ('Big Five'), housing tenure, lives with a partner, partner's occupation, age of partner, age partner left full-time education, number of children <18 in household, parent(s) alive, time spent caring for parents, time spent caring for grandchildren

Figure 6.4: Labour market exits between 50 and 55 and general health status at 50

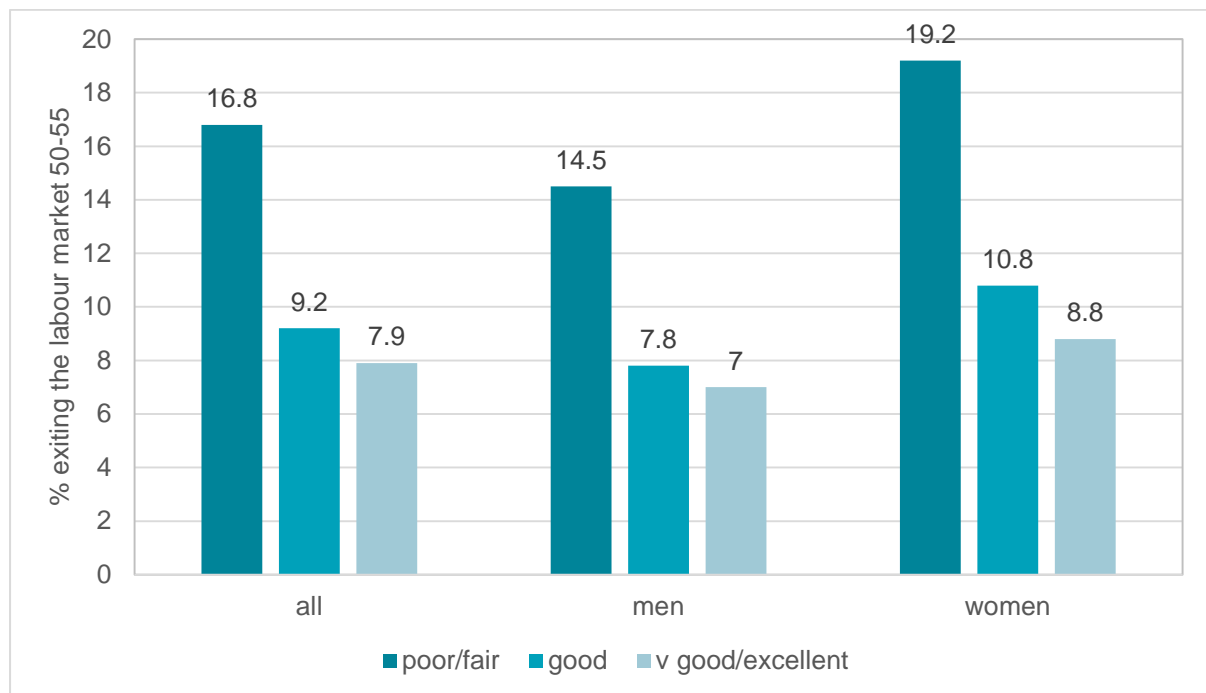


Figure 6.5: Labour market exits between 50-55 and mental well-being at 50

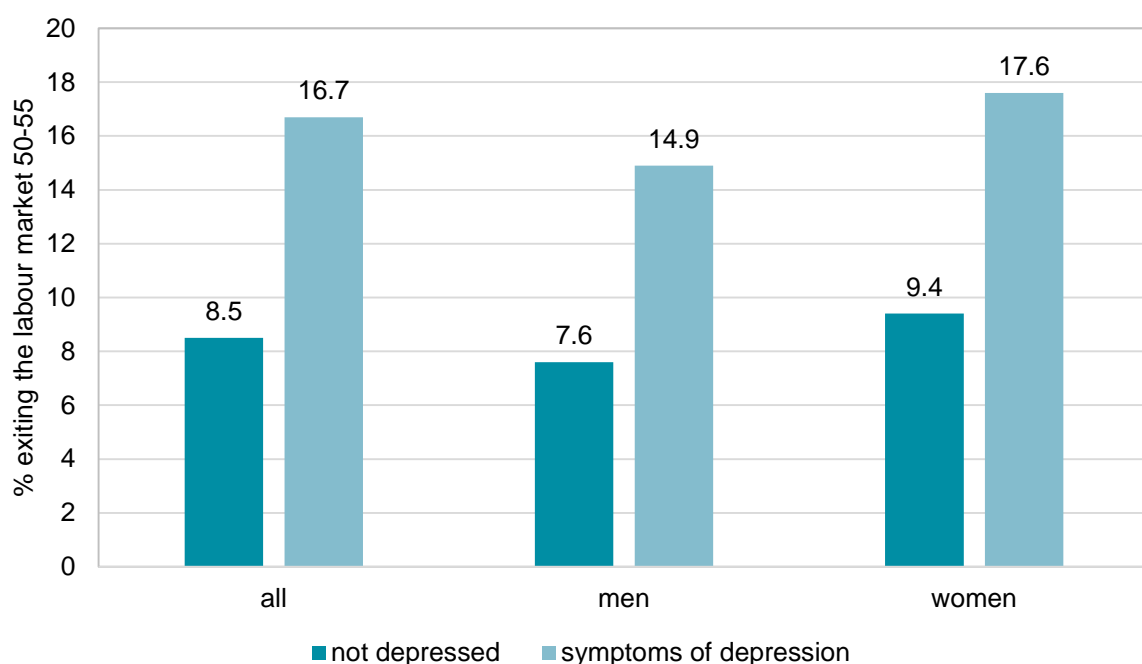


Table 6.2: What else has a significant association with early labour market exits?

	Labour market exits		
	all	m	w
Gender	-		
Lower pay	+		
Hours worked per week			
<30	+		
>45			+
Time spent employed (age 17+)	-	-	
General health			
Poor / Fair	+	+	+
Very good / Excellent			
Symptoms of depression	+	+	+
Big Five personality traits			
Std. neuroticism score	-		
Partner lower occupation	-		
Partner out of work		+	
Number of children <18 years	-	-	-

Note: adjusted models + = increases exits - = decreases exits

Adjusted models include measures of: gender, occupation, gross weekly pay, hours worked, self-employed, proportion of time spent employed (17-50), has paid into a pension, general health, disability status, mental well-being, cognitive score, highest qualification, personality ('Big Five'), housing tenure, lives with a partner, partner's occupation, age of partner, age partner left full-time education, number of children <18 in household, parent(s) alive, time spent caring for parents, time spent caring for grandchildren

Qualitative case studies

Eleven qualitative interviewees were unemployed at the time of their interview. Of this group, none considered themselves to be retired, but only one was actively looking for employment. The case studies in this chapter present the stories of two individuals who became unemployed because of health problems. One of these individuals, Mark, is not seeking employment and is unlikely to ever work again. The other, Anne, is desperate to find employment. A key difference in their situations is the severity of their health issues. As highlighted in the quantitative findings, poor physical health is predictive (in the cohort as a whole) of early labour market exit. One strength of the qualitative process was that the interviews allowed us to explore the nature and consequences of health problems, from individuals' perspectives. In this exploration, we identified three overarching categories of health issues:

1. Normal '**dys-appearance**': All 36 interviewees reported experiencing the aches and pains typical of the middle-aged body – for example, sore backs, stiff knees, and reduced energy levels, although the extent of these issues varied considerably across individuals. Such symptoms have been referred to as bodily 'dys-appearance' (Leder, 1990): bodies that in their youth may have been taken for granted and thus largely ignored, begin, in middle age, to become more apparent and impactful in our lives, through the presence of aches, pains, and general wear and tear. However, such aches and pains do not typically have a major influence on key aspects of individuals' lives in their late 50s, for example their ability to remain in paid employment.
4. **Severe** physical health problems: Several interviewees reported severe physical health problems that were likely to prevent any possibility of labour market re-entry. In several cases, interviewees reported comorbidities. For example, one male had suffered from debilitating arthritis since his mid-40s, severely reducing his mobility. This, in turn, had contributed to obesity and diabetes, further exacerbating his mobility problems. These physical health problems had, in turn, contributed to poor psychological well-being. This individual, like others suffering severe physical health problems, appeared very unlikely to return to the labour market.
5. **Moderate but limiting** problems: A small number of interviewees, including Anne, reported health problems that fell in between the above two categories. In principle, these more moderate health problems do not present an insurmountable barrier to employment. In practice, however, such problems could severely reduce the likelihood of employment, particularly when understood in the context of other factors, including the individual's occupational skills and age, and local labour market opportunities.

Anne: Desperate for employment

Anne provides an example of the potentially extensive negative impacts of seemingly moderate health problems, particularly for individuals with a limited range of occupational skills. After having been made redundant from her job as a chef due to severe back problems – *'They laid me off on the sick'* – she was briefly in receipt of disability benefits. However, she had then been assessed as being physically capable of work. This was on the rationale that, while her bad back made some jobs (such as cooking in a restaurant) impossible, she was still capable of performing other, less physically demanding work: *'They decided that I was fit enough for work, so they took me off the employment support allowance and said I had to go and look for a job. And I thought, "But I've just lost a job, because of my trouble."* Perhaps unsurprisingly following this series of events, Anne chose Trajectory 5, which shows a negative event followed by a downward slope, to represent her working life.

In order to continue receiving benefits, Anne was therefore required by UK law to actively and regularly seek paid employment. She was highly motivated to find a new job, even though doing so would leave her financially worse off, because she would lose her housing benefit. (She was seeking part-time work, because the childcare she provided to her grandchildren enabled her daughter to work. When she had been employed, she had *'worked round my daughter, so I did four days, she did three.'* Anne had a strong work

orientation, and maintained that she has *'loved every job I've had... because I just like to work'*, pointing especially to the social aspect of employment: *'I like talking to people... I totally miss it.'* This was true even though her jobs had typically been physically demanding, and she suffered a number of other health problems beside her bad back: *'I've got bad knees, I've got bad hips, just everything.'* Sometimes, she confessed, she was so tired, and in so much pain after work that she *'used to crawl up the stairs'* to get back into her flat. Despite this, she loved work and desperately wanted to find a job. But this was proving extraordinarily difficult, partly due to her limited range of occupational skills – in the last two decades she had worked only as a chef and on a checkout till – and partly because of the limited availability of jobs in the local area. Sometimes, she recalled, there *'could be 200 people going for... one job'*. She also felt *'my age is against me'* – employers want younger staff. This, she felt, was a mistake on their part as, by hiring someone her age, employers could be confident that the employee would remain in post until retirement: *'Eight years of having somebody on your books is better than having somebody who is going to be there six months and then leave and have a baby'*. Furthermore, she argued, *'older people are more committed'*, pointing out that at her most recent job, she had always been willing to come in at short notice, even very early in the morning.

Another barrier, Anne suggested, was the array of tests frequently employed as part of the modern job application process. Even to get a job on a supermarket till – a job she was experienced at, and which she would love to do again – *'you have to do the stupid question things and I fail every time,'* she said. *'If you get into [a supermarket] for an interview,'* she reported, *'you have to go do all these... games, [for example] build a house out of cards, I had to do [that], and then do a comment on how your house was surviving.'* Despite being sociable and intelligent, she confided that she just could not get the hang of *'these modern application tests': 'I'm too old now.'* Things will only get worse, she suspected. *'As I get older I'll struggle more, I think.'* Anne feels that, no matter how hard she tries, she is too old to stand a fair chance at a job: *'Unless it's someone who knows you and knows that you would be good at what you do. If you haven't got that word of mouth,'* she felt, you did not stand a chance, as a woman in your late-50s. A point she did not make, but which is also germane in her case, is the limited range of jobs open to individuals with narrow occupational skill sets. Now that one occupation (cooking) is closed off to her due to health problems, working on a checkout till appears to be her only viable route back into employment.

Despite having only worked 16 hours per week at her most recent job (in order to be able to provide childcare for her grandchildren) Anne now spends 20 hours per week looking for work, as required in order to receive Jobseeker's Allowance. She reported finding this process frustrating:

Reporting to people, saying, yes, you've looked for this and you've tried for that, and you've had an interview here and you've been turned down again. You send a CV and they'll send it back, not suitable, unsuccessful.

Even more than this, however, she found her dependence on government assistance to be:

Upsetting... to think that you've come to this, you know, in your life... You don't really want to be on the dole, you don't want to be unemployed. [But] sometimes your body puts you through these things and it's... annoying and upsetting... I could still be at work, if it wasn't for [my health].

What she wanted, she affirmed, was to find a job, work to retirement age, and then become *'an honest retiree instead of being an unemployed retiree'*. However, she worried that she would instead be forced to engage in this unsuccessful and emotionally draining choreography of jobseeking until she reached SPA nearly eight years hence.

Mark: Unlikely to work again, and comfortable with this

Mark has been out of work for about four years; he is not in good health and has mobility issues:

I've got two bad knees; I've got what they call rolling knee, so I've had problems with my mobility, especially carrying things. So like even going upstairs and stuff and things like that ... I'm in pain all the time. I mean, I've had physio and I take painkillers four times a day for it, and I'll be on them the rest of my life.

He also has high cholesterol and blood pressure, for which he has regular check-ups. He is worried about his health: his brother died of a heart attack in his early 50s, and both his parents died of cardiovascular disease in their early 60s. Mark's mental health is good at the moment; he has memory problems and, for example, has trouble remembering people's names or the ages of his grown up children. At the time of the interview he wasn't sure which month he had moved in to his current property, even though it seems to have been recently. He says he finds learning difficult, particularly when it concerns technology, and, for example, he can only carry out basic procedures on his mobile phone.

In many ways Mark appears to have had a difficult, and sometimes unhappy, life. He has had two marriages, from which he has had five children, although one died aged 11. He only sees two of his children, but not on a regular basis; he has no close friends and doesn't keep in touch with his sister. Until recently he lived with his second wife and one of his daughters, but he now lives alone.

I'm not really a mixer, what I would call a mixer. I don't go out drinking. To speak to somebody, I've got to really know them ... get to know them first.

He left school at 16 to join the army (three years), and has also worked (following his father) in a colliery (six to seven years), a fish-factory (two to three years) and as a security guard (ten years). Considering the various working life trajectories, Mark chose to draw his own: a flat line showing some breaks to represent periods of unemployment: *'I've always been in like just basic jobs, ... till I've become unemployed. It's basically always been like low paid jobs.'* Apart from Mark's most recent occupation, these jobs have always been physically demanding. He has not enjoyed the majority of his work and he particularly hated his last job, which he left in 2012.

I mean, some of the jobs I've gone into, I didn't enjoy them once you got into them, because some of the jobs, you were treated like muck. You were a number. They treated people--, like security, the way security did, they just treated you like a number.

He was made redundant, both from his mining job (when the pit closed after the miners' strike), and also from the fish factory, which also closed. He has had two spells of lengthy unemployment: the first began in the 1980s for around ten years, and then a second spell, beginning in the 1990s, for about six years, which means that over the course of his adult life he has been out of work almost as long as he has been in work.

Although one might think Mark may be depressed he expressed that he is very satisfied with life. Although he is concerned about his health, which he expects to slowly deteriorate, he feels optimistic about the future. He lives in a small rented sheltered flat where he feels content and secure. He receives a modest income but his rent and most of his utility bills are paid from his Jobseeker's Allowance, although he has to make a small contribution towards some amenity services. He has a small pension of £166 a month from his job as a colliery worker, which he took at 50, and from which he is able to save a few pounds most months.

He confided that he never wanted to own his own property as this would come with too much responsibility. He has few responsibilities now such as caring for older or younger people. He feels in control of his life after a recent divorce from his ex-wife, with whom he did not get along and whom he felt dominated him. He is happier than he has been for a long time.

I feel I've got my... more of my life ... the majority of my life now is the best time because I've now got my freedom, and that way.... I feel in more control of my life.

He has low aspirations and expectations, and is satisfied with a few material belongings. He doesn't have a TV, rarely drinks alcohol and spends most nights listening to music, watching DVDs or occasionally reading. He estimates he spends about £20 a week on food and drink.

I go for like cheap ... I don't go for, like, generally brands of food. I buy like what will be decent good food, but not high brands. I'll go for like the own makes and things.

He has never had much money anyway and so he claims he doesn't miss it.

As I said, I didn't have a lot anyway because when I was working.... what I was actually getting out of that pay really ... I wasn't getting it all anyway. It wasn't mine, because obviously I had to hand it over to the wife and I was only getting about ... very little money. So I've never really had a lot of money.

Mark is one of the very few of the 36 interviewees to be doing any voluntary work at the moment. He is currently volunteering for five days a week (until recently it was six) in a local charity shop, which has given him social access to a group of work colleagues and a sense of purpose and routine. He has also gained confidence from feeling needed. The manager of the shop is particularly kind and helpful to him, and he regards her as a good friend.

Mark says that he does not regard himself as being retired, declaring: *I'm definitely not retired. I would say I'm just not working*'. He says he doesn't enjoy taking *'the benefit payments'* and that he is interested in working again, and would like to work full-time, although, due to his poor health, he recognises that his employment options are restricted.

I am [looking] but I've had to change what I'm looking for now. Even then with my knees, it's going to be very doubtful whether I would manage, but I've got to look for something. Because I'm now looking for retail, warehouse and cleaning. Obviously warehouse ... a lot of warehouse ones, they say you've got to be physically fit, like.

Because of his frugal life style and low material expectations he can get by on his benefit payments. Due to his health and limited range of occupational skills, Mark may be unlikely to re-enter the labour market before he reaches SPA. Through his role as a volunteer, however, Mark is working and contributing to society.

Chapter 7: Conclusions

This report has analysed the retirement-related attitudes and plans of a large cohort of British men and women born in 1958, with a particular focus on those who have experienced poverty during their working lives. We have found that both the experience of ‘in-work’ (poverty coupled with work) poverty and ‘out of work’ poverty (poverty coupled with worklessness) have a substantial association with attitudes to retirement and plans for working past 60 and 66 (the State Pension Age for this cohort), and with ‘early’ labour market exits (between ages 50 and 55).

In this cohort, more than four in ten study members have some experience of poverty (35% intermittent, 8% persistent), defined by being in the poorest fifth among their cohort by family income in at least one study interview. A quarter have some experience of being part of a workless family unit (21% intermittent, 3% persistent).

We found that cohort members’ lifelong socio-economic activity profiles varied greatly by the experience of poverty. Over cohort members’ working lives, many more of those who had been persistently poor or experienced ‘lifetime poverty’ had entered the labour market at an earlier age, experienced more unemployment (men) or had caring responsibilities and/or worked part-time from a younger age (women). Compared to those who had not experienced persistent poverty, a small but increasing number of both men and women in this group had become classified as permanently sick from their 40s onwards.

Those who have experienced persistent poverty across their adult lives are also the most disadvantaged across a number of characteristics at age 55 in all domains of life. For example, among those who had been in persistent poverty during their adult lives, fewer lived with a partner at age 55, more lived in rented housing, almost half were out of work and/or in poor or fair health and very few had ever paid into a pension scheme: many of these factors were shown to be associated with lower expectations of working longer and an increased likelihood of ‘early’ labour market exit.

Men and women who had experienced the most poverty over their lifetime were the most likely to have no expectation of being in work past 60 or 66, though differences were less pronounced for working after the SPA. Indeed, once current circumstances (in particular, health) had been taken into account the poorest became more likely than the richest to expect to work past 60 or past 66. The ‘working poor’ were more likely to expect to work longer than the ‘not-working poor’.

In terms of retirement attitudes, study members with lower lifetime income, or who had been persistently poor, were by far the most likely to say that they could not afford to put money aside for their retirement and that they worried about how much they would have to live on in retirement. Cohort members who had been poorest over their adult lives were the most likely to agree that retirement was too far off to worry about.

A relatively small number of cohort members had exited the labour market between ages 50 and 55. When grouped by lifetime income and working status, the poorest and the richest (based on lifetime income quintiles) and those who had more experience of being in a workless household were the most likely to have exited the labour market between ages 50

and 55, while the middle income group were the least likely to have done so. The most important pathway between low income and early labour market exit was poor health. For example, cohort members in poor general or mental health at age 50 were around twice as likely as those with good or very good general health or with no symptoms of depression to not be working at age 55. When taken into account, these health factors explained away the direct association between poverty and an increased likelihood of early labour market exit, but not between prior experience of worklessness and increased labour market exits.

Our findings are supported by qualitative interviews conducted with a subsample of cohort members who have experienced low incomes, providing their own views and voices on these issues. These interviews have drawn out issues such as a typical lack of planning for retirement among this group, and interviewees' confidence in their ability to get by on relatively little in retirement, should that be required. For many interviewees, living frugally was seen as second nature, whether during the working life or in retirement.

The qualitative interviewees also voiced a strong expectation (and in many cases, desire) for continued employment until the SPA or even beyond. However, these expectations and desires were tempered by worries about health decline, and about the limited availability of opportunities to transition or 'ramp down' from full-time and/or physically demanding employment to part-time and/or less physically demanding work as cohort members age.

Our findings (both quantitative and qualitative) suggest that policies aimed at increasing older adults' employment rates need to start early and range across policy domains to be most effective, particularly for the most disadvantaged. For example, lower paid work may also be more physically demanding, lead to greater 'wear and tear' and thus prove harder to sustain over a long working life. Families experiencing poverty and/or worklessness also experience many other disadvantages over their lifetime. Improving the labour market attachment and health trajectories of individuals at greatest risk from early exit, when they are still in their early middle age (or younger), would appear to be vital if a step-change in later-life labour market participation is to be achieved.

As highlighted in the qualitative element of this study, employers also have a central role to play in the process of extending working lives – for example, through age-friendly policies such as part-time work and more equitable hiring practices. However, while these findings provide insights into some important policy points for intervention, it is important to acknowledge that even if employment practices and lifelong health trajectories can be improved, some people - for example those working in physically demanding jobs, and those who have disabilities, and/or caring responsibilities - will still be unable to extend their working lives.

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About the project

This project is based on data from the National Child Development Study (also known as the 1958 British birth cohort study). The project comprised of both quantitative and qualitative research. The quantitative element involved analysis of survey responses from the full sample of study members participating in the age 50 and age 55 interviews. The qualitative element was specifically designed and undertaken as part of this project. This involved in-depth analysis of information gathered from semi-structured interviews conducted with 36 purposively sampled study members.