

Later Life in 2015 data briefing

Work and retirement

Introduction

As we live longer it is likely many of us will have to work for longer. Our research [Later Life in 2015](#) found that the social benefits of work are also important; work gives meaning and purpose, provides social contact and keeps us active. Working in later life has wider economic benefits; reducing welfare costs, increasing tax revenue to Government, as well as enabling individuals to save for retirement.

The Centre for Ageing Better commissioned Ipsos MORI to investigate happiness in later life and identify the factors that make for a good later life. A mixed methods approach was used, involving analysis of existing data to identify groups of people with similar experiences of later life, in-depth interviews and visits with people in each group, and a survey of people aged 50 and over in England.

This briefing outlines some of the findings from the survey data related to work and retirement. In it we explore:

- 1. What do retired people miss about work?**
- 2. Why do people work for longer?**
- 3. Why do people retire when they do?**

1. What do retired people miss about work?

Our survey asked people aged 50 and over in England who are already retired what it is they miss about work.

Figure 1: What retired people say they miss about work

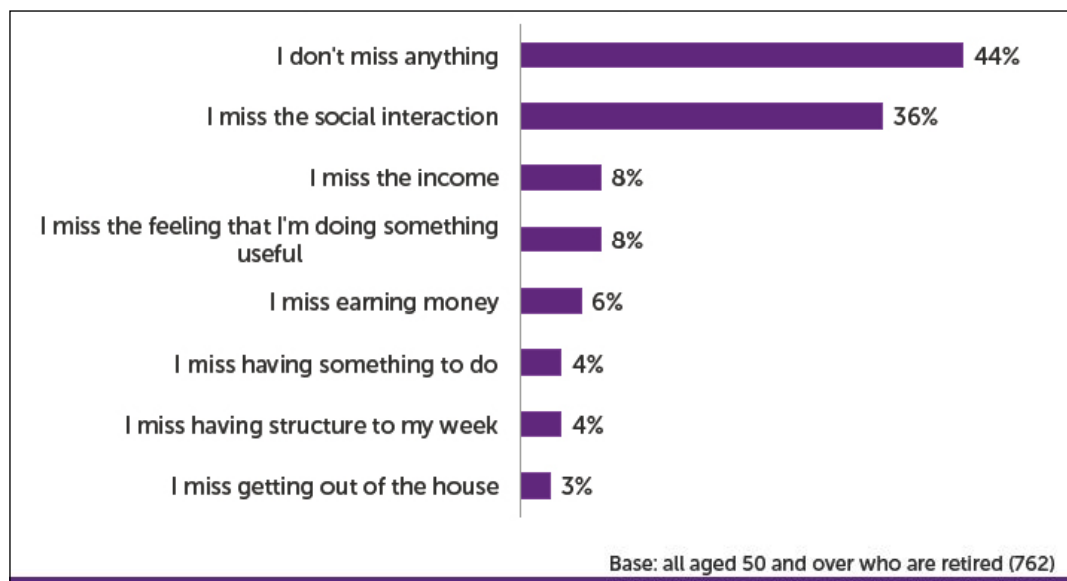


Figure 1 shows that retired people most frequently say that they 'don't miss anything' about work (44%). This could be for a range of reasons that are not explored in this survey. For example it might be that they didn't enjoy their previous work or that they prefer retirement.

If retired people do miss something about work, they are most likely to miss the 'social interaction' (36%). This is significantly higher than other financial factors (even when they are combined), such as missing 'the income' (8%) or missing 'earning money' (6%). It is also higher than other factors related to a sense of purpose such as 'the feeling that I'm doing something useful' (8%), 'having something to do' (4%), 'having structure to my week' (4%) and 'getting out of the house' (3%). The importance of social interaction from work fits closely with the findings from qualitative interviews in 'Later Life in 2015'.

One group identified in the research, the '[worried and disconnected](#)' particularly missed the social dimension of working and missed it in retirement. This was particularly the case among older men as their identity had been tied in to their job and they became increasingly isolated after retirement. This fits with findings from the Work, Health Retirement and the Lifecourse project which analysed the British Household Panel Survey and showed that one in five people who have been officially classified as 'retired' do return to some form of paid work within 5 years of 'retiring'. ('[Do people return to work after retiring in the UK?](#)' Loretta G. Platts, Laurie M. Corna, Diana Worts, Peggy McDonough, Debora Price & Karen Glaser)

2. Why do people work for longer?

Our survey asked people aged 50 and over in England who are not yet retired the main reason that they have not retired.

Figure 2: Reasons why people are not yet retired, by age

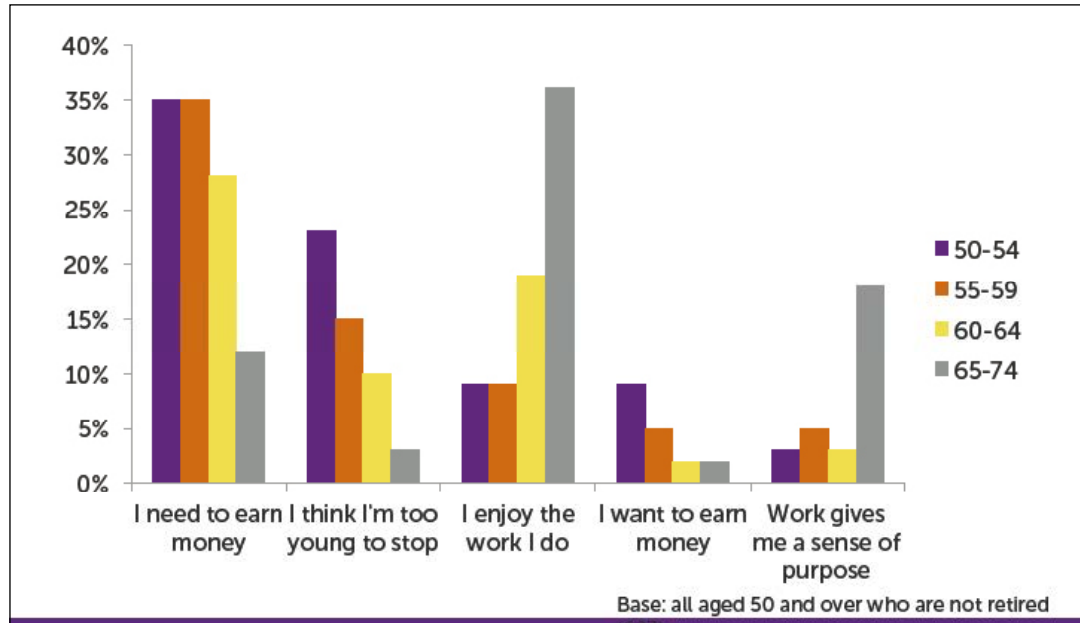


Figure 2 shows that people aged 50 and over continue to work for a wide range of reasons. Our survey shows that people in their 50s are most likely to say that they are not yet retired because they 'need to earn money' (35%). As people reach and pass state pension age this reason is less commonly given, with only 28% of 60-64 year olds and 12% of 65-74 year olds saying they 'need to earn money'. 23% of 50-54 year olds say they are 'too young to stop' working compared to just 3% of 65-74 year olds.

People aged 65 and over are more likely to give reasons such as enjoying their work or work giving them a sense of purpose as a reason for not retiring. 36% of 65-74 year olds say that they are not yet retired because they enjoy their work compared to just 9% of people in their 50s.

Eligibility for state or occupational pensions could be an influencing factor on decisions around whether or not to continue to work, however it could be for a combination of financial, personal and social factors.

Figure 3: Reasons why people are not yet retired, by socio-economic classification

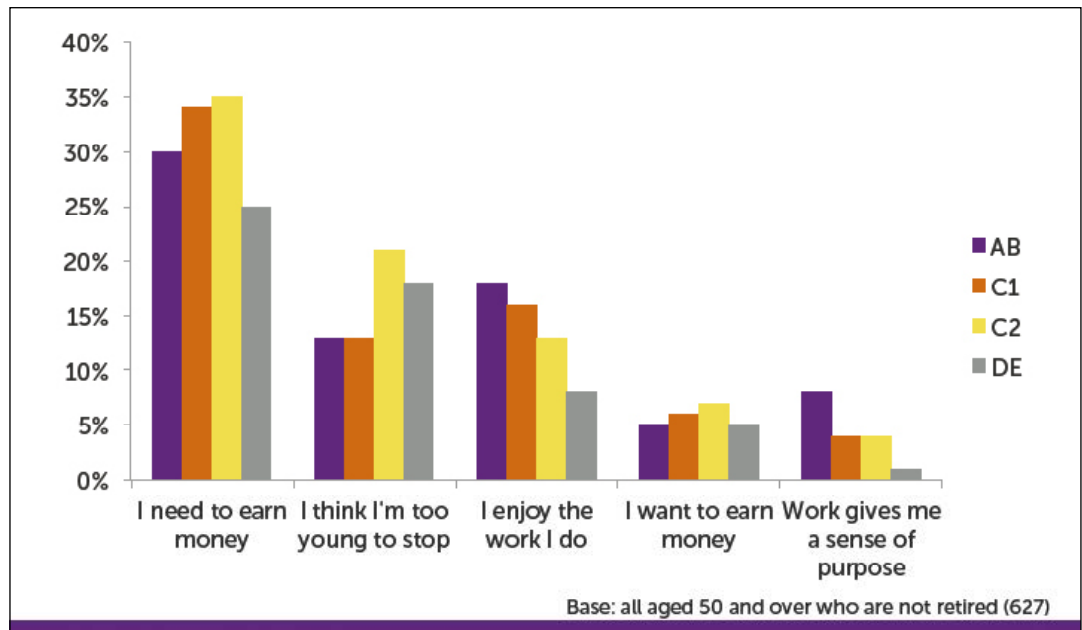


Figure 3 shows that reason for retirement vary with socio-economic classification and occupational history¹. People who have worked in skilled manual jobs (C2) are more likely to delay retirement primarily because they need to earn money (35%) compared to people working in managerial or professional jobs (30%).

People in higher skilled and professional jobs are also more likely to say that they are not yet retired because they enjoy the work they do. 18% of people in managerial or professional jobs are likely to say this compared to just 8% of people unskilled or casual jobs.

¹ Socio-economic Classification (SEC) show the occupation of the respondent: A - Higher managerial, administrative or professional; B - Intermediate managerial, administrative or professional; C1 - Supervisory or clerical, junior managerial, administrative or professional; C2 -Skilled manual workers; D - Semi and unskilled manual workers; E - State pensioners or widows (no other earner), casual or lowest grade workers.

3. Why do people retire when they do?

Our survey asked people aged 50 and over in England who are retired what the main reason was for them retiring when they did.

Figure 4: Reasons people retired when they did

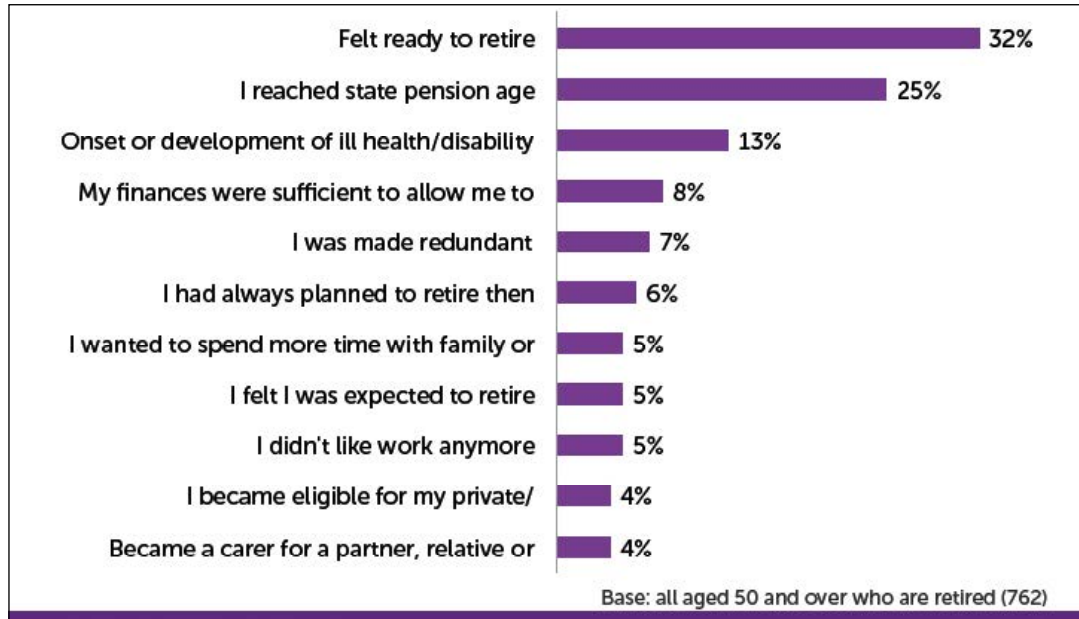


Figure 4 shows the three most common reasons given for retiring were 'feeling ready to retire' (32%), reaching state pension age (25%), or the onset of ill health or a disability (13%).

Decisions about the timing of, and reasons for, retiring vary considerably. There are a range of social factors such as the retirement status of a partner, the onset of a health condition or caring responsibility, financial eligibility for a state or occupational pension. In reality it is likely to be a combination of several of these factors.

Figure 5: Reasons people retired when they did, by socio-economic classification

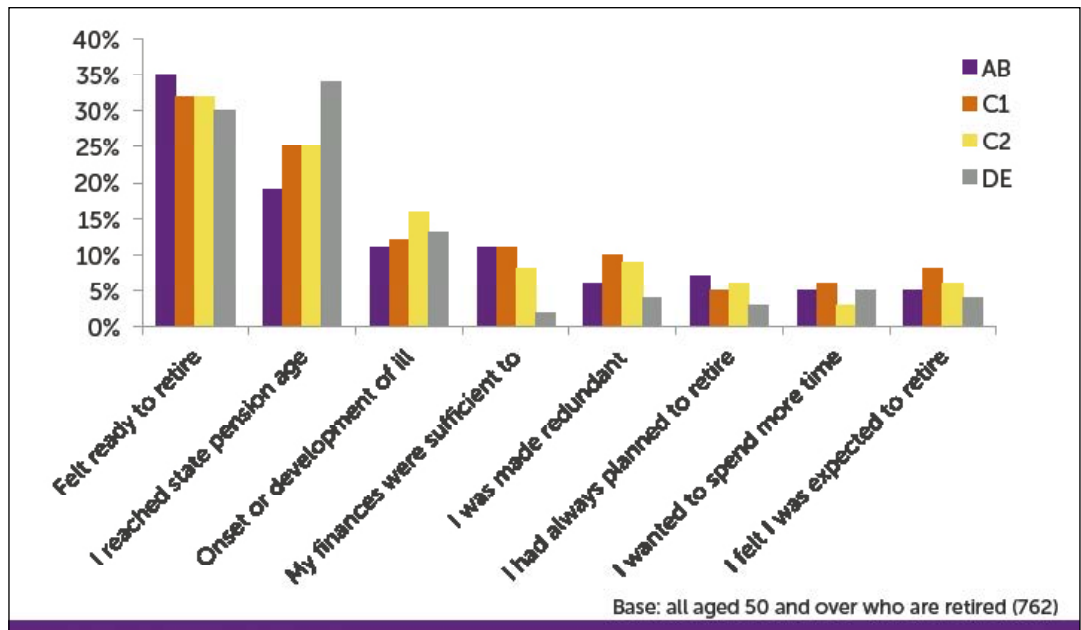


Figure 5 shows that there are differences in retirement decisions based on the type of occupations that people have worked in. Only 19% of people who have worked in managerial or professional roles said that reaching state pension age was the main reason for retiring compared to 34% of people who have worked in unskilled or casual jobs.

People who had worked in lower skilled manual jobs were the most likely to say that the onset of ill health or disability (16%) was the main reason for retiring.

Our qualitative research showed that this was often a factor for those in the [struggling and alone](#) group, who felt their long-standing health issues and their sporadic employment history counted against them.

Conclusions

- Retired people miss the social interaction of work more than anything else. (36% of retired people aged 50 and over).
- Up to the age of 64 people generally say that they work because they need to earn money or feel they are too young to stop. People aged 65 and over are much more likely to say they work because they enjoy it or because it gives them a sense of purpose.
- People who have worked in different occupations and job roles have different experiences of work and the transition to retirement:
 - People in managerial or professional jobs are more likely to say that they keep working because they enjoy their work and to retire when they feel ready to.
 - People in lower skilled or casual jobs are more likely to retire due to ill health, are more likely to continue in work primarily because they need the income and to retire because they have reached state pension age.

Background to the survey

The survey was designed by Ipsos MORI in collaboration with Ageing Better including defining older age, social, financial and health expectations and experiences of ageing, wellbeing and happiness, and community aspects of ageing. The survey questionnaire was 36 questions in length and ran at an average of 16 minutes per respondent. Ipsos MORI interviewed a representative sample of 1,389 adults aged 50 and over across England between 25th September and 18th October 2015. The data are weighted to indicators matching the profile of the population aged 50 and over living in England including age group, region, gender, social grade, employment status, housing tenure and ethnicity. The full data tables from the survey Later Life in 2015 are available [here](#).

This study, Later Life in 2015: An analysis of the views and experiences of people aged 50 and over, the full findings from which can be found here <http://laterlife.ageing-better.org.uk> was commissioned by the Centre for Ageing Better

Produced by Patrick Thomson, Centre for Ageing Better, 28th April 2016