

# Work Well: Retire Well

*Work, Care, Health and Retirement:  
Ageing Agenders Project*



University of  
South Australia

Business  
School

# Presentation Content

## Overview of the *Work, Care, Health and Retirement* Project

- Brief project background and context
- Main findings
- Where to from here?



# Acknowledgments

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# Project Aims

Specifically the project sought to identify:

- How Australian men and women configure (or plan to configure) work, retirement, superannuation, pensions, and other assets, in the context of their responsibilities for care and labour market participation
- The ways in which the health of older workers contributes to these retirement plans and the health consequences of such plans; and
- Potential actions that could enhance national capacity to effectively respond to an ageing population while improving gender equality, health and well-being.



# Project Methodology

- Analysis of longitudinal data from the Household Income and Labour Dynamics Survey (HILDA)
- National online survey of superannuation fund members, aged 45 years and older (two waves) (n=2,100)
- 100 semi-structured telephone interviews with survey participant sub-sample

# HILDA Analysis

- *Health or harm? A cohort study of the importance of job quality in extended workforce participation by older adults (2016). BMC Public Health.* Welsh, J., Strazdins, L., Charlesworth, S., Kulik, C.T, & Butterworth, P.
- *The labour market: How health impacts labour force exit in older workers.* Welsh, J., Strazdins, L., Charlesworth, S, & Kulik, C.T.
- *Who works longer?* Strazdins, L., Welsh, J., Kulik, C.T., Charlesworth, S.

# How does work affect us?

- Men more likely to work full time (74%) compared with women (47%)
- Greater *superannuation balances* are associated with being male, married, in better health, having a higher household income, working longer hours and being employed in the non-service industry
- Higher *household income* was associated with being male, working in a managerial or professional role, and being in good health
- People working in a *managerial or professional role* report being in better health, and having a higher income and superannuation balance than do people not in these roles

(n= 1,648 employed men and women)



# Why do we work and what will keep us working?

- Financial necessity is the primary reason we work (61%)
- Being too young to retire, personal enjoyment and job satisfaction are additional reasons people work
- Good physical health, reduced hours or days, work flexibility and continued job interest would influence retirement timing

*"I'm definitely financially driven. I really can't afford to retire. I never saved enough...If I had enough of a nest egg behind me, I'd be happy to put my hand up for retirement and enjoy these early youthful stages of old age."*

*Technician, male, 59 years*



# Who keeps working and why (65+)?



41%

Work for financial needs



15%

Work for personal enjoyment and satisfaction in the work



12%

Don't feel ready to retire



10%

Work to keep active and busy



10%

Work to make use of skills and experience

*"I tend to need that regular structure in my life...I like to feel as if I've actually achieved something for the day."  
Receptionist, female, 72 years*

# Beth, 68, Caterer



*"I think for one for me as a woman... we never had super in the beginning. I always tell all the young girls to do that, because that's not the case where I am. I have very minimal super."*

# How is our health?

- People married or in a relationship report better health than those not in a relationship
- Women report being healthier than men
- Employed and retired people describe better health than unemployed people

*“Up until 60 I have been fine. No problems. But now I at 63 years I am worn out by the long hours...I have been working in construction since I was 15. I am physically worn out.”*

*Crane operator, male, 63 years*



# Does our health impact our retirement?

- Men and women who retired *involuntarily* are more likely to report poorer health
- People with multiple health conditions retire earlier than those without health issues

*“I think health really and honestly is the thing that makes the difference between a good retirement and not...money is not the big deal for me, but definitely health is, definitely.”*

*Retiree, female, 64 years*





# Clifford, 53, Retiree

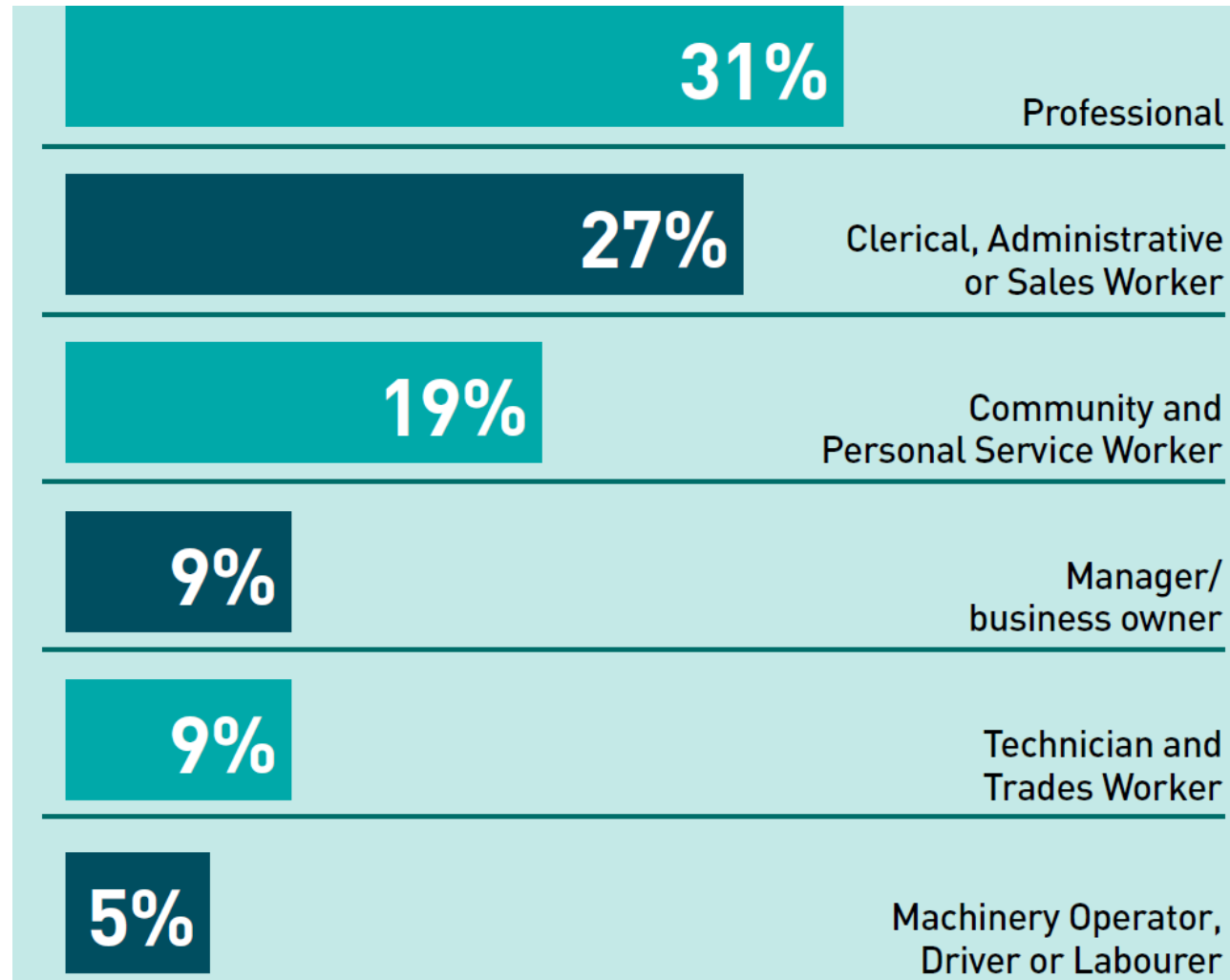


# Who cares?

Caregivers are more likely to:

- be women
- have lower household incomes and superannuation balances
- describe their financial situation as very poor to just managing

# Who cares?



# Tabitha, 63, Retiree



*"I was trying to manage it but it was very difficult...I wasn't going to retire that early, but I just had to...My whole life has completely changed"*



# Are we ready for retirement?

- People married or in a relationship or with a higher household income *expect to retire* earlier than their counterparts
- Most people anticipate living on superannuation and/or a government pension when they retire

*“I guess, if I felt that I wasn't doing a good job, if I felt that I was making too many mistakes and I wasn't doing a good job, then I would stop working.”*

*Educator, female, 67 years*



# Are we ready for retirement?

- Majority reported that their employer or business contributed to their superannuation scheme (87%)
- Approximately one third of men and women were making additional voluntary contributions (32% of men and 35% of women)
- The likelihood of making voluntary superannuation contributions increased with age, income and existing superannuation balances
- People who owned their own home without a mortgage, were married or in a relationship, or employed in a managerial or professional role *were more likely* to be making voluntary contributions



# How young is too old?

- Almost a third of the people aged 45 years and over reported some form of age related discrimination
- Most commonly these were negative assumptions regarding skills, learning abilities or cognition, limited or no opportunities for promotion or training, working within an organisation that undervalued older workers, and difficulty securing work due to age

*“I think the assumption is that you hit a certain age and all of a sudden you've got no brains...people don't look at the fact that you're older and maybe experienced and have more or different skills. They see an old person.”*

*Community worker, female, 63 years*

# How young is too old?

- People experiencing work related ageism report poorer health and financial situations, and lower household incomes and superannuation fund balances than those who have not
- Retirees who had experienced age related discrimination in the recent past were more likely to report involuntary rather than voluntary retirement

*“I would have loved to have stayed on until I was 70 and just keep working...I got a real buzz out of it...but didn't get the opportunity to-they finished me off when I was 64.”*

*Retiree, male, 67 years*

# Lauren, 63



*"I'm not picking salaries. I'm just trying to find work.  
Job services have never been able to find me a job. They just are hopeless...the  
very first statement that was made to me was, oh, you haven't a hope in hell of  
getting a job here."*



# Why do we retire?

- People in a relationship, with a higher household income, more comfortable financial situation or who formerly worked in a professional or managerial role *retired earlier* than people not in these situations
- People in better health reported *retiring later* than those in poorer health
- *Involuntary retirement* was more likely to be experienced by women, single, divorced or widowed people, those with poorer health, and lower superannuation balances and household incomes

n=310 retirees



# Why do we retire?

- The main reasons for completely retiring included sufficient money, ill health or disability, and stressful or demanding work
- Approximately one third of retirees felt their retirement timing was appropriate
- For others their move to stop working was in response to an event, circumstance or other work related or personal 'triggers'

# Where to from here?





# Extended workforce participation

- Employment in high quality work can support and protect the health of men and women as they age
- Older workers need equitable access to good quality jobs comprising employment security, appropriate autonomy and that which utilise workers' skills
- Enduring *good health* and *flexibility in working arrangements* are essential factors supporting ongoing workforce participation and delayed retirement
- The broad reaching and negative effects of *age related discrimination* whilst employed or looking for work needs to be addressed to support ongoing employment participation by mature age workers



# Caring for the Carers

- Men and women face increasing pressure to provide prolonged periods of caregiving to family members and friends
- Caregivers are concurrently expected to remain in paid work and to accrue sufficient retirement income for self sufficiency
- Greater policy focus is necessary to better address the work, physical, emotional and financial impacts of care of work and care combined. Options include:
  - increased access to formal care services
  - flexible hours and leave arrangements for working caregivers
  - employment re-entry strategies during and after significant caregiving responsibilities
  - 'carer' credits



# Can we afford to retire?

- There is ever increasing pressure to be self-sustaining during retirement, primarily through extended labour force participation and accumulation of sufficient resources
- Disrupted working lives due to child rearing, the gender pay gap, and dominance of women in lower paid jobs and part time or casual roles, continue to contribute to an imparity in the retirement resources of men and women
- Further to this point, the average page gap between the genders increases rather than decreases with age

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# Readiness for retirement

- Retirement income disparity between women and men will improve by first addressing the wider socio-economic inequities that result in women earning less income than men over their working lives
- In the more immediate term, low *superannuation* balances may be boosted by increasing the contribution levels of low income earners (many of whom are women) through:
  - Removal of the \$450 monthly superannuation threshold
  - Extending the superannuation guarantee to income replacement payments such as paid parental leave and workers compensation payments
  - Annual Government financial contributions for low income earners
  - Introducing limited exemptions from capping arrangements to enable women to increase their superannuation contributions and compensate for periods out of the workforce, changed family circumstances, including divorce and separation
  - Superannuation 'carer' credits based on minimum wage or former income or 'care bonus'

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