

**Psychological wellbeing and changing employment
statuses of older people in Australia: Evidence from the
HILDA survey¹**

Work Retirement and Wellbeing Working Paper 2

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Abstract

Using data collected over 13 waves of the Australian HILDA survey effects of different kinds of labour market transitions for psychological wellbeing are considered. Contrary to some recent studies it is found that paid work at older ages is not necessarily advantageous for older workers. Similarly, for some workers, while a transition to economic activity appears to be disadvantageous for psychological wellbeing, a transition to unemployment appears to have worse outcomes. Further analysis that considers occupational mobility finds that there are detrimental effects of downward occupational mobility at older ages but these are short lived, while the observed favourable effects of upward mobility are longer lasting. It is argued that amid present calls to prolong working lives an advocacy that presents this as a uniformly good outcome overlooks the consequences of different worker trajectories and preferences and that, from a wellbeing perspective, there are certain circumstances under which a transition to economic inactivity may be considered preferable to continued labour force participation.

Introduction

This article considers the relationship between the employment status of workers aged over 50 and their psychological wellbeing. Against a background of population ageing and current global economic uncertainty, and attendant warnings about the sustainability of social welfare systems and problems of falling labour supply, influential bodies such as the OECD (2006, 2015) are calling for efforts from nations to prolong working lives. Thus, it is important to understand the factors affecting choices concerning continued working, a reduction of working hours or retirement and the implications of these choices for worker wellbeing.

Demographic and economic changes are altering the retirement landscape. Individuals are healthier and living longer (United Nations 2015) and traditional life stage events are more variable, with an ‘Emphasis on a more blended lifecycle [which] can allow for integration and continuation rather than demarcation between phases of life’ (Curl and Hokenstad 2006, p. 87). Retirement in industrialized societies is changing (Marshall, Clarke and Ballantyne 2008), with the traditional linear path to retirement being replaced by more flexible processes (Brooke 2009; Contini and Leombruni 2006; Curl and Hokenstad 2006). Retirement, it is argued, no longer refers only to the ‘abrupt and total transition from full-time employment to zero-employment’ (Curl and Hokenstad 2006, p. 86), with retirement pathways significantly altered by the demographic, social and economic context. According to Wiatrowski (2001, p. 3) ‘The concept of retirement is not easy to define – it could imply eligibility for benefits, withdrawal from the labor force, changes in lifestyle, changes in family or living situations, or some combination of these characteristics’. The extent to which individuals now experience a traditional linear transition to retirement is questionable. Commentators are arguing that retirement processes are now more flexible and that “linear’ paths are a prerogative of just slightly over one half of today’s employees: most of those in the public sector, and roughly half of those in the private sector. The remaining half are individuals,

typically employed in small- to medium-sized firms, whose end-of-career is marked by irregular patterns of labour market activity that has serious negative impacts on their current earnings and pensions' (Contini and Leombruni, 2006, p. 360).

After a long period during which early retirement was strongly promoted (Kohli and Rein 1991), in recent years the public discourse has changed to one where the message is that later retirement is beneficial (Borowski *et al.*, 2007; Millward and Brooke 2008) and it is within this new context that decisions about and pathways to retirement are now taking place. The potential for extended paid working lives has particularly important consequences for women, notably in terms of their ability to balance paid work with other roles. However, while there have been notable recent exceptions in the Australian context (e.g. Warner-Smith, Powers and Hampson 2008) research has tended to focus on the labour market experiences of older men. As noted by Russell (2007, p. 175) the 'problem of old age' has historically been applied primarily to men because it was involved with ceasing work and losing identity, whereas women, it was expected, would continue in the domestic role. Here, there is evidence that working may provide potential health benefits for older women, along with supplementing superannuation balances that are generally smaller than those held by men (Warner-Smith, Powers and Hampson 2008).

Internationally, efforts are underway to push out the age of final labour market withdrawal. Public policy makers in Australia as elsewhere are concerned to prolong working lives against a backdrop of population ageing and with it the sustainability of social welfare systems and concerns about the availability of labour (Vargas *et al.*, 2013; Taylor, Earl and McLoughlin, 2016). In Australia, these have included the increasing of pension ages, legislation aimed at combating age discrimination in the labour market, wage subsidy

schemes, education and training programs targeting older workers and awareness raising programs targeting employers (Taylor, Earl and McLoughlin, 2016).

A central pillar of arguments for working longer is that this brings with it benefits for older workers. For instance, according to Roodin and Mendelson (2013, p. 214) ‘older workers who continue their employment welcome the chance to be productive, derive social support from longtime colleagues, are intellectually challenged, and have opportunities for both physical activity and exercise’. The Australian Human Rights Commission considers there to be an unequivocal link between working at older ages and good health. In its report *Working past our 60s: Reforming laws and policies* (AHRC 2012, p. 6) it states that ‘Data indicates that working is a protective factor against physical ill-health and poor mental health. The data show that people staying in the workforce past retirement age tend to have better health status compared with those not working’.

From a theoretical perspective participation in social activities, including work, have been postulated to be necessary in order to age successfully (Foster and Walker 2015; Hao, 2008; Rowe and Kahn 1997). According to Rowe and Kahn (1997) a component of successful aging, engagement with life, has two components: maintaining interpersonal relations and productive activities. Aspects of the former include social isolation and social support. Aspects of the latter include informal help giving, volunteering and paid employment.

A number of empirical studies have considered the relationship between employment status and older workers’ wellbeing. According to Staudinger *et al.* (2016) in reviewing the literature ‘Although there remains some doubt about the immediate health impact of employment among older people, there seem to be converging evidence documenting the

longer-term health benefits of employment for older adults' and by contrast, there is evidence for 'negative health effects of retirement'. For instance, Clarke *et al.* (2011) found that social status and role occupancy explained age-graded patterning of depressive symptoms over mid to late adulthood, concluding 'that if adults could remain married, in productive and socially connected roles, healthy and with adequate income, mental health has the potential to improve over the life course'.

However, while it has been concluded that economic activity at older ages may be protective of wellbeing there are reasons to suppose that there are subgroups of older people for whom this may not be the case. For instance, a return to work may be unexpected and therefore unwanted. Thus, Schellenberg, Turcotte and Ram (2005) in a Canadian study of participants in the 2002 General Social Survey who were classified as retired found that financial considerations were most commonly mentioned by those returning to work after retirement, followed by that they did not like retirement, and intrinsic rewards offered by work. In support of this a British survey of people aged 50-69 (Humphrey *et al.*, 2003) found that among those not in work, changed health, in particular, followed by financial or family circumstances were the primary reasons why an older person might look for work in future. It should be noted most cases of 'unretirement' appear to be anticipated prior to retirement, and thus not a response to financial shocks, poor planning or low wealth accumulation (Maestas 2010).

At the same time there is the question of whether job loss or gain is necessarily detrimental or beneficial to an older worker's wellbeing. For instance, Walker's (2000) study of redundant steel workers found two distinct pathways into early retirement: those who faced with redundancy chose early retirement as an alternative to unemployment and those who were

coerced into it due to a hostile labour market. Walker concluded that for the first group retirement was a welcome release from employment, whereas for the second group it acted as a refuge from a hostile labour market. Other evidence suggests that the nature of the employment transition is of significance for wellbeing. Strandh (2000) examined psychological wellbeing and new employment status after unemployment, finding that returning to permanent employment resulted in larger increases in wellbeing than one to temporary employment or self-employment. Similarly, Zhan, *et al.* (2009) found that secure bridge employment had beneficial health effects when compared with full retirement. Of note, career bridge employment, whereby an employee continued working in the same career field, appears to be more beneficial to mental health than working in a different field and also full retirement. Transitioning from working to full retirement, whether via a bridge retirement pathway or not, was found to be happier when chosen by, rather than imposed on, an older worker (Calvo, *et al.*, 2007). Thus, it appears that the consequences for wellbeing of employment transitions may depend on their precise nature.

Alongside notions of the general importance of work for people at older ages, providing older workers with the opportunity to downshift, by means of a change of working hours or levels of responsibility, is considered to benefit older workers (Johnson, Kawachi and Lewis 2009). However, in fact, for many workers such transitions may represent a narrowing of employment opportunities, resulting in employment with poorer terms and conditions and segmentation into lower quality jobs (Smeaton, Vegeris and Sahin-Dikmen 2009). This raises the question of the influence of occupational mobility on older workers' well-being. Are more flexible forms of employment necessarily beneficial as has been claimed (Foster and Walker 2015) or is there a need for a more nuanced consideration of older workers' transitions (Taylor and Earl, 2016). Thus, research suggests that that downward occupational

mobility in middle age has adverse consequences for women's health in later life (Wilkinson, Shippee and Ferraro 2012).

This study aimed to further understanding of the relationship between employment status, occupational mobility and psychological wellbeing, investigating the effects of different kinds of labour market transitions at different ages and for men and women. While workers aged over 50 are often considered and treated as a homogenous group within a 'one size fits all' policy approach there are reasons to believe that wide variations in terms of individual trajectories and differences in terms of life stage would render such a broad categorisation largely meaningless in conceptual and practical terms (Taylor *et al.*, 2016). Thus, different age groups of workers were considered. Added to this, as already noted the ageing workforce is increasingly a female one, and given 'women may have employment goals, career patterns, and work styles different from their male counterparts' (Hansson *et al.*, 1997, 221) it was considered necessary to treat men and women separately in the analysis.

Method

The association between different types of late career work transitions and psychological wellbeing was assessed using data drawn from 13 waves of the Household Income and Labour Dynamics in Australia (HILDA) study. Respondents over the age of 50 were included in the analysis, yielding a sample of 4364 participants. Two types of career transitions were considered: changes in employment status and changes in occupation type. Employment status changes refer to a broad range of transitions that reflect changes in the number of hours worked, starting a new business as a form of employment, disengaging from the labour market and entering retirement or inactivity or becoming unemployed. Occupation change

reflects a less frequently occurring employment transition where a respondent moved from employment in one occupation type to another, irrespective of the employment arrangement before and after the transition. These two transition types are described in more detail below. The Mental Component Summary (MCS) derived from the SF-36 (Ware and Sherbourne 1992) was used as an indicator of psychological wellbeing changes (Ware et al 1995). The SF-36 is one of the most widely used self-report indicators of health functioning and wellbeing (Charles, Karlsson and Marianne 2001) and the component summary measure is considered a valid and reliable indicator shown to delineate between clinically meaningful groups (Ware *et al.*, 1995). This measure has also been successfully applied to study differences among ‘healthy’ populations (Perneger, Etter and Rougemont 1997; Hopman *et al.* 2004). Low MCS scores indicate more frequent psychological distress, social and role disability due to emotional problems and ‘poor’ self-rated general health. High MCS scores indicate frequent positive affect, absence of psychological distress, absence of limitations in social or role functioning due to emotional problems and ‘excellent’ self-rated general health. Changes in the MCS scores, that is the difference between MCS scores from two consecutive survey waves (hereafter Δ MCS), were used to reduce the influence of pre-existing ill-health on the analysis of changes in MCS scores coinciding with late career work transitions. The suitability of difference scores as dependent variables in multivariate analysis is discussed elsewhere (for example see: Allison 1990). The Δ MCS was used to assess contemporaneous and lagged changes in psychological wellbeing when respondents’ employment arrangements or occupation changed.

Employment arrangement changes refer to a broad range of work transitions. The types of transitions that were considered are listed in Table 1 along with the percentage of all transitions that were of a specific type. Also presented are the percentages of transitions that

occurred for respondents separated into 5-year age groups. Across the 13 waves of the HILDA study almost 40 thousand transitions were categorised. Unsurprisingly, given the respondent age range, the most commonly occurring observation was the ‘inactive or retired with no transition’. This observation indicates that a respondent was not active in the labour market or was retired across two consecutive waves of the survey. This observation accounted for 14.7 per cent of transitions for respondents aged 50 to 54, increasing in an approximately linear trend to 76.6 per cent for respondents aged 65 to 69.

The three categories of employment considered; full-time (more than 30 hours per week) and part-time (less than 30 hours per week) salaried work and self-employment accounted for smaller proportions of transitions and this proportion diminished as respondents age increased. Continued full-time employment accounted for approximately one-fifth of all transitions. This observation type was the most common among the 50 to 54 age group (37.6 per cent) and the least common of the three employment types for the 65 to 69 age group (2.8 per cent). Part-time employment and self-employment were less common observations (8.9 per cent and 12.7 per cent respectively), proportions which also were smaller among the older age groups than the younger. Although meaningful proportions of respondents transitioned from the ‘employed’ categories to inactive or retired, incidence of transitions between full-time, part-time and self-employment were also evident. Respondents transitioned between full-time roles with different employers and to part-time roles with the same employer more frequently than to part-time work or self-employment. Each of these transition types were less common among older age groups. A similar pattern was observed for part-time work. Smaller proportions of self-employed respondents transitioned to either form of salaried employment but also had the lowest proportion of the three employment types transitioning to unemployment. For both part-time employment and self-employment, the proportion of observations did not decrease as sharply for older age groups, suggesting these forms of

employment may be preferred by older workers wishing to prolong their careers. Alternatively, this may reflect decisions driven by economic imperatives.

Very small proportions of respondents were continuingly unemployed and similarly small proportions transitioned to full- and part-time employment. Yet fewer transitioned to self-employment, suggesting that notions of supported 'senior entrepreneurship' as a means of redeploying older workers separated from the labour market may require extensive investment. Transitions from inactive or retired were most common to part-time employment followed by self-employment. Of concern was the small proportion transitioning to unemployment which was comparable to the proportion of unemployed transitioning to salaried employment and did not decline, as one may expect, meaningfully across the age groups considered.

Table 1 about here.

A second typology of late career transitions was also developed that focussed on the skill level of the occupation rather than the employment arrangements. Each transition from one employment type to another was classified as a change to an equal, higher or lower skill occupation. Using the ANZSCO (ABS 2013) coding included in the HILDA dataset, a change that shifted the occupation from one of the eight sub-major categories to another was classified as either upward or downward occupation mobility based on the relative skill level of the sub-major category. All other occupation changes were considered of equivalent skill level. This conservative classification strategy ensured that only large shifts in occupation skill level were identified. However, this also resulted in fewer upward or downward occupation skill level changes being considered than if another, less conservative, strategy

had been used. More than 1200 transitions resulted in an occupation change, approximately 80 per cent of which were transitions between occupations of equivalent skill level. The remaining 20 per cent were almost evenly split between upward and downward occupation transitions, identifying 120 upward and 106 downward transitions. These were used to test for associations between occupation mobility and changes in psychological wellbeing. Presented in Table 2 are the frequency and proportion of late career upward and downward occupation changes by gender and whether respondents changed employer or changed occupation with the same employer. It is evident from this table that more respondents, both male and female, changed employer when they changed occupation. Larger proportions of male respondents changed employer when transitioning to a higher or lower skill level occupation whereas this was only the case for transitions to higher skill occupations for women. These data perhaps indicate that both employers and older female employees were open to late career occupation downgrade, while retaining the older female worker, more so than older male workers and their employers.

Table 2 about here.

The Δ MCS was used to assess contemporaneous and lagged changes in psychological wellbeing when respondents' employment arrangements or occupation changed. Presented in Figure 1 are Δ MCS scores by age, averaged across 13 survey waves. It is evident from this figure that there was greater variability in Δ MCS scores at older ages, predominantly larger positive change scores. The Δ MCS scores were approximately normally distributed with a mean of 0.03 and a standard deviation of 2.1. These distributional and central tendency characteristics indicate the Δ MCS scores were suitable for multivariate analysis and were not unduly influenced by an imbalance of frequent or large positive or negative values. This

suggests these Δ MCS scores generally conform to expectations among a healthy population (Hopman *et al.*, 2004).

Figure 1 about here.

Results

The association between different types of late career work transitions and psychological wellbeing was assessed by first comparing the average Δ MCS scores at the time of transition for all respondents making each of the 17 employment arrangement transitions. These average scores were then compared across age by gender groups with one-sample t-tests using the average Δ MCS score of employed respondents making no transition as the critical value or reference value. The means and standard deviations for each of the age by gender by transition type groups are presented in Table 3. It is noteworthy that a range of these groups were omitted from analysis because of low frequencies (any group with fewer than 20 data points were excluded) and that in the case where a respondent had more than one instance of a specific transition across the waves of the survey, the Δ MCS was averaged across these transitions.

The pattern of significant mean differences in the Δ MCS scores associated with different late career transitions perhaps indicate that such transitions have a larger impact on the psychological wellbeing of men than women. Across the various age groups and transition types it is evident that late career transitions coincided with statistically significant changes (most frequently declines) in Δ MCS scores more frequently for men than women. Women

aged 55 to 59 who were inactive or retired had average Δ MCS scores significantly lower than the reference category, women in this age group who were employed and not making any employment transitions. This finding may suggest that women in this age group were experiencing declining psychological wellbeing due to factors such as ill-health or involuntary separation from employment, known sub-optimal conditions for successful transitions to retirement. The same pattern of declines in psychological wellbeing were observed for inactive or retired men in each age group. The consistency in this finding at older ages for male respondents may indicate an advantaged position of the reference category, that is those in employment not making any transitions, of secure employment in an arrangement that suits their career trajectory. This interpretation is considered somewhat unlikely as no evidence of an advantaged position of the reference category in comparison to other older workers who transitioned between employment arrangements, for example from part-time employment to full-time employment, were detected. As such it seems more likely that on average declines in psychological wellbeing may originate in drivers of decisions to retire, such as ill-health or involuntary separation from employment, that are known to be sub-optimal antecedents to successful retirement.

The remaining significant mean differences in Δ MCS scores across employment transitions were predominantly signalling declines in psychological wellbeing and were largely associated with transitions to and from inactivity or retirement. Men in either the 50 to 54 or 55 to 59 age groups experienced on average declines in Δ MCS scores when transitioning from any form of employment to inactivity or retirement. These average declines were of similar magnitude to those experienced by non-transitioning inactive or retired respondents which, as above, may be interpreted as signalling these declines in psychological wellbeing may be a latent consequence of the drivers of transitions to retirement or inactivity or perhaps

a struggle with changing social roles. In context of potential for declines in psychological wellbeing associated with the forced decision to retire it is noteworthy that largest average declines in psychological wellbeing were observed among respondents who were unable to secure employment after returning to the labour market from inactivity or retirement. Again, for men in either the 50 to 54 or 55 to 59 age groups, re-entering the labour market after a period of retirement at these relatively younger ages was associated with large on average declines in Δ MCS scores. This is interpreted as suggesting that for many older men the decision to return to work was driven by financial imperatives and the return to a labour market where they were unable to secure employment increased their experiences of psychological distress.

This finding may also be mirrored among older men (those in the 60 and over age group) who secured part-time employment after spending some time in retirement. These respondents also experienced on average declines in psychological wellbeing, though of a marginally smaller magnitude compared to their unemployed counterparts. This perhaps suggests that older workers driven by financial imperatives to re-enter employment face psychological challenges associated with financial uncertainty that are may be exacerbated by less marketable human capital or sub-optimal employment conditions. The only occasion of transition type being associated with on average increases in Δ MCS scores was observed among men aged 55 to 59 who transitioned from inactivity to part-time employment. Given that men in the older age group making this transition had diametrically opposed unfavourable outcomes it seems logical to conclude there is something qualitatively different about the type of employment or the drivers of the decision to return to paid employment for men in this younger age group. It is suggested that this favourable outcome of the decision to return to employment may result from (1) a decision to return to work driven by a desire to

contribute to the work rather than the need to secure resources for a well-funded retirement, (2) a return to a familiar and fulfilling social role or (3) this transition in fact reflects a form of phased retirement in which respondents are choosing to retire from their ‘career employment’ and transition to part-time employment after a period of inactivity. It is evident that in comparison to the range of respondents experiencing on average declines in psychological wellbeing, concerns about how transitions to retirement are executed and the support afforded older workers seeking to return to employment after a period of inactivity should continue to be a focus for public policy given the propensity for experiences of declines in psychological wellbeing associated with these experiences.

Table 3 about here.

The association between occupational mobility, that is transitions between occupations of increased, decreased or equivalently skill levels and psychological wellbeing, were assessed using two linear regression analyses. Two dependent variables were computed based on Δ MCS scores. The first was a Δ MCS score based on changes in the same survey wave as the occupation transition. The second assessed the change in Δ MCS scores, one year after occupation transition, hereafter referred to as lagged Δ MCS scores. For respondents who did not have occupation transitions, the average Δ MCS score was used to populate these dependant variables. Dummy coded variables indicating an occupation transition to a higher skill or lower skill occupation were then used to determine if these transitions were associated with favourable or unfavourable changes in Δ MCS scores and lagged Δ MCS scores, while controlling for age, gender, income (personal) and educational attainment. Presented in Table 4 are the standardised betas for occupation mobility variables and demographic control variables used to predict changes Δ MCS scores. These analyses

indicated that occupational mobility was associated with changes in Δ MCS scores while controlling for relevant demographic factors. Transitioning to a lower skill occupation was associated with a prediction of declines in Δ MCS scores at the time of the transition. This association only predicted a relatively small change in Δ MCS scores. However, this statistically robust association may exacerbate other factors such as ill-health or involuntary separation from employment which in concert could present meaningful challenges to psychological wellbeing. This negative effect on Δ MCS scores was not evident in analysis of the lagged Δ MCS scores, suggesting respondents acclimatised to lower skill occupations within the first year. These analyses also uncovered statistically significant associations between upward occupation mobility and increases in Δ MCS scores. These relatively small improvements in Δ MCS scores were sustained and increasing in the lagged Δ MCS scores suggesting that the benefits of upward occupation mobility may be ongoing, in direct contrast to the less favourable outcomes of downward occupation mobility that appeared to dissipate within the first year. These findings appear to support the notion that late career employment transitions are not universally ‘good’ for older workers and that the drive to redeploy older workers into ‘bridge jobs’ or ‘phased retirement’ programs need to be carefully constructed, consider older workers’ need for self-direction and the potentially deleterious effects of psychological wellbeing of consigning older workers to financially uncertain retirement or late career unemployment.

Table 4 about here.

Discussion

Amid present calls to prolong work lives the results of this study are suggestive of a need for a nuanced policy approach. In the case of men, working longer, or working less after the age of 50 are, it seems, neither necessarily beneficial nor detrimental to wellbeing. By comparison, inactivity, when contrasted with unemployment, may be considered the lesser of two evils in that it appears to have fewer adverse consequences for wellbeing. In the case of women, by contrast, the findings that no transitions were associated with psychological wellbeing is perhaps suggestive of women deriving less identity from their work or having the availability of more resources than men from which to replace paid work (Price and Nesteruk 2010). The findings of this study thus appear somewhat inconsistent with theories of ageing that stress the important role of social participation for a person's wellbeing. Being in work, it appears, is not necessarily beneficial for wellbeing and inactivity may have fewer deleterious consequences than unemployment for some workers. Notably, from this study it appears that it is the quality of an older individual's engagement with the labour market that is key, with both upward and downward occupational mobility predictive of psychological well-being.

In practical terms, this study points to the need for support mechanisms for those men transitioning to work after retirement. While such work, in one sense, may be beneficial for the over 60s, for instance that it might provide a financial bridge, it may, nonetheless, be resented for what has been taken away. As argued by Warr *et al.*, (2004) wellbeing at older ages is a function of personal role preferences, not only the role an individual occupies. On the other hand, work, it seems, may be promoted as bridge for men under the age of 60, perhaps restoring a sense of positive identity. The findings with regards to inactivity and unemployment under the age of 60 are interesting in that they are suggestive of the notion that early retirement may benefit some (or be less harmful) above unemployment. The

mechanism by which this might occur may be that it allows the individual to assume the role of retiree, thus avoiding the stigma that may be associated with assuming the unemployed role. It may be argued, therefore, that there are some circumstances in which early retirement may be considered a better alternative to that of job-seeking. However, such a perspective stands in clear opposition to present efforts to prolong working lives which have uniformly presented previous efforts aimed at the promotion of early retirement as being a serious mistake, with a range of adverse consequences for individuals and society. However, in a situation where older job seekers face a range of labour market barriers, the potential refuge to be found by some in early retirement might be considered.

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Table 1 Proportion of respondents who transitioned across employment arrangements in the 13 waves of the HILDA survey

	Percentage				
	All	50-54	55-59	60-64	65-69
Full-time wage-and-salary in wave t					
No transition	22.6	37.6	27.4	12.3	2.8
To another full-time job (different employer)	2.5	4.5	2.7	1.1	0.2
To a part-time job (different employer)	0.4	0.5	0.5	0.3	0.0
To a part-time job (same employer)	1.1	1.5	1.3	1.0	0.4
To self-employed	0.7	1.0	0.8	0.5	0.3
To unemployed	0.3	0.6	0.4	0.2	0.0
To inactive or retired	1.5	1.2	1.7	2.0	0.9
Part-time wage-and-salary in wave t					
No transition	8.9	10.8	10.0	8.7	4.1
To another part-time job (different employer)	1.2	1.7	1.4	0.8	0.4
To a full-time job (different employer)	0.3	0.5	0.3	0.3	0.0
To a full-time job (same employer)	0.9	1.4	0.9	0.6	0.2
To self-employed	0.4	0.4	0.5	0.4	0.2
To unemployed	0.2	0.4	0.3	0.2	0.1
To inactive or retired	2.1	1.5	1.9	2.9	2.2

Self-employed in wave t

No transition	12.7	14.4	15.2	11.5	7.4
To a full-time wage & salary job	0.7	0.9	0.8	0.5	0.2
To a part-time wage & salary job	0.5	0.5	0.5	0.7	0.3
To unemployed	0.1	0.1	0.1	0.1	0.0
To inactive or retired	1.2	0.8	1.3	1.6	1.3

Unemployed in wave t

No transition	0.4	0.6	0.6	0.3	0.1
To a full-time wage & salary job	0.3	0.5	0.3	0.2	0.0
To a part-time wage & salary job	0.3	0.5	0.4	0.2	0.1
To self employed	0.1	0.1	0.1	0.0	0.0
To inactive or retired	0.7	0.7	0.8	0.8	0.3

Inactive or retired in wave t

No transition	37.6	14.7	27.1	50.1	76.6
To a full-time wage & salary job	0.2	0.4	0.3	0.2	0.1
To a part-time wage & salary job	1.1	1.0	1.2	1.2	0.9
To self-employed	0.7	0.5	0.8	0.8	0.7
To unemployed	0.4	0.5	0.4	0.4	0.2

912

Total	n	39543	12433	10717	3	7270
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Table 2 Frequency and proportion of late career upward and downward occupation changes by gender and whether respondent changed employer or changed occupation with the same employer

		Skill level	Per cent	Count
Men	Different employer	Upward	14.4	59
		Downward	10.7	44
		No change	74.9	308
	Same employer	Upward	7.2	12
		Downward	6.6	11
		No change	86.2	144
Women	Different employer	Upward	9.2	38
		Downward	7.2	30
		No change	83.6	346
	Same employer	Upward	5.1	11
		Downward	9.8	21
		No change	85.0	182

Figure 1: SF36 Composite psychological wellbeing score by age averaged across 13 waves of the HILDA survey

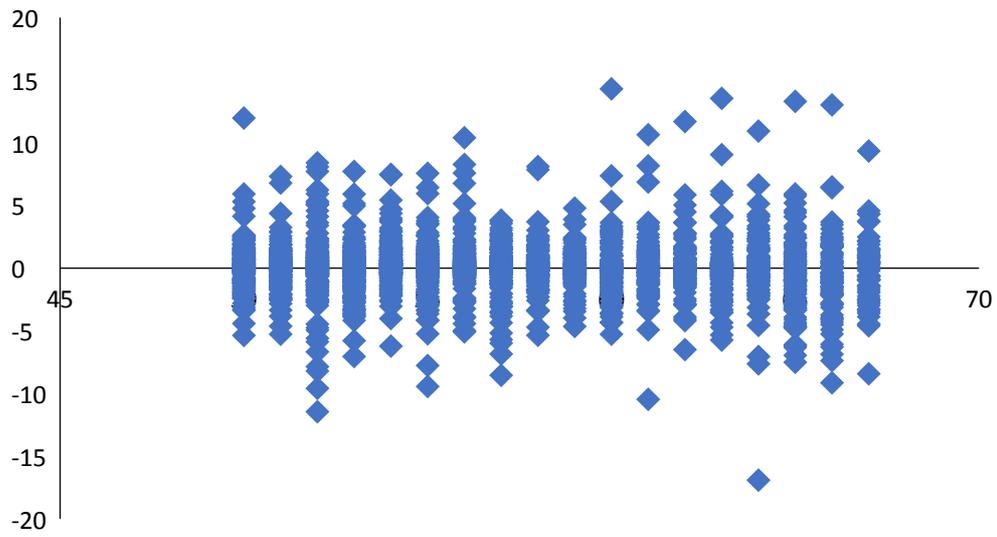


Table 3 Average Δ MCS scores for 17 transition types by age and gender

Transition type	Men						Women					
	50-54		55-59		60+		50-54		55-59		60+	
	Mean	Std.										
	difference	v	difference	v	difference	Dev	difference	Dev	difference	Dev	difference	Dev
Inactive to Self-employment	2.5	9.6	-8.7**	3	-0.1	8.6	2.0	5.6	0.8	10.3	-0.4	7.2
Inactive to Part-time	2.8	9.6	3.3†	9.5	-3.9*	9.9	0.6	12.9	1.5	8.0	-0.2	10.9
Inactive to Full-time	-2.1	3.0	3.1	5.6	-0.1	0.1	-5.3	13.8			10.5	15.2
Unemployed to Self-employment	-9.2†	10.3					2.3	5.4				
Unemployed to Part-time	-4.2†	7.4	-3.2	7	2.3	18.0	0.3	6.1	-5.3	10.1	-5.7	11.0
Unemployed to Full-time	-0.9	10.1	-1.1	14.1	9.0	12.0	0.8	12.6	-12.5	17.5		

		9		4									
Self-employment to Part-time	-2.8	9.5	0.0	8.5	0.5	10.1	-2.5	12.0	2.6	11.5	3.0	11.3	
Self-employment to Full-time	0.5	6.6	-3.5	10.	1	-0.2	4.5	2.7	20.0	-8.5	19.8	-9.3	11.2
Part-time to Self-employment	-3.5	8.8	-4.5*	6.5	-2.0	3.7	1.1	9.5	1.3	4.4	2.5	4.7	
		10.											
Part-time to Full-time	0.6	7	-0.4	7.8	-1.2	7.6	-1.9	7.9	-2.4	12.7	-2.2	6.0	
Full-time to Self-employment	-0.2	9.2	-2.5	11.	1	-1.4	10.9	0.4	11.3	-0.8	13.5	-1.8	9.4
		10.											
Full-time to Part-time	-0.7	3	1.1	9.7	0.7	8.1	-1.3	10.6	1.7	8.7	-3.0	8.9	
		11.		11.									
Active to Inactive	-1.6†	3	-1.8*	1	-0.9	10.1	-0.9	11.2	-0.4	11.0	0.2	9.7	
Active to Unemployed	-4.0*	12.	-5.4*	12.	-2.2	10.2	1.2	12.9	-2.8	11.5	0.9	8.4	

		4		2								
Active (reference category)	0.0	6.5	0.0	7.8	0.0	9.3	0.0	7.7	0.0	8.7	0.0	9.9
Unemployed	-0.1	8.6	-2.7	9.8	-0.2	10.4	-3.3*	4.0	-4.8	11.1	-0.1	5.9
		10.										
Inactive	-1.6*	2	-1.7**	7.0	-1.5**	5.8	-0.7	8.4	-1.1**	7.4	0.2	5.9

** $p < 0.01$, * $p < 0.05$, † $p < 0.1$.

Table 4 Standardised betas for occupation mobility variables and demographic control variables used to predict changes Δ MCS scores

	At transition	1 year lag
	Std. Beta	Std. Beta
Age	-0.025	-0.033
Income	-0.006	0.029
Educational attainment	-0.005	-0.046
Gender (Male)	-0.044	-0.062*
Upward occupation mobility	0.104**	0.125**
Downward occupation mobility	-0.082**	-0.024
R-squared	8%	7%

** $p < 0.01$, * $p < 0.05$