



RECENT CHANGE IN WORKING LIFE EXPECTANCY IN US ADULTS: 1998 AND 2008

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CAN THE US INCREASE AGE FOR SS?

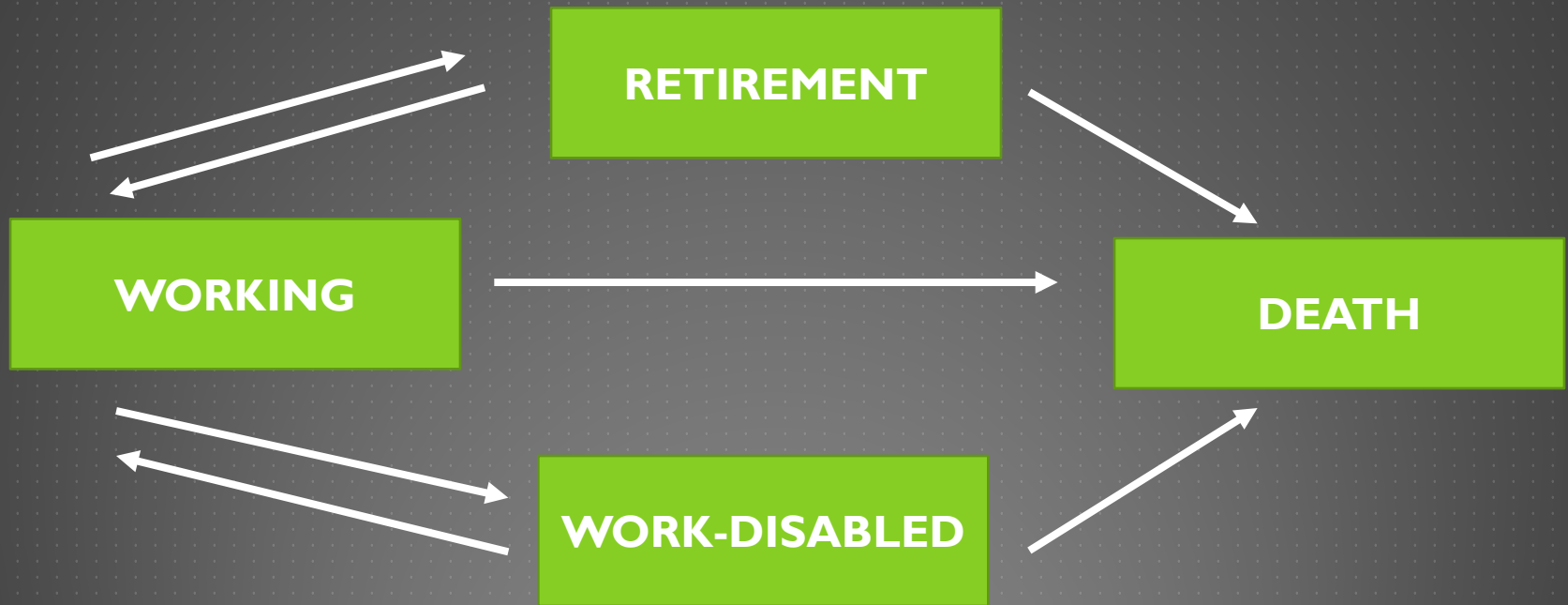
- ▶ Pressure on Social Welfare systems
 - ▶ All developed countries
 - ▶ US in particular
- ▶ Changes to SS Full Retirement Benefit
 - ▶ Originally age 65
 - ▶ 1983 Amendments to SS Act – age 66 for those born prior to 1960; age 67 otherwise

CRITICAL QUESTION:

- ▶ Can the age for full SS benefits be raised to age 70?
- ▶ TWO FACTORS:
 - ▶ CONTINUED ABILITY TO WORK (work disability)
 - ▶ DESIRE TO CONTINUE WORKING (retirement preferences)
- ▶ CHANGES IN WORKING LIFE EXPECTANCY
 - ▶ REALLY ONLY MEANT TO ADDRESS THE FIRST
 - ▶ SECOND IS INEXTRICABLY LINKED

WARNER, HAYWARD, & HARDY 2010

▶ RETIREMENT LIFE COURSE



PRIOR STUDIES – WORK DISABILITY

- ▶ CRIMMINS, REYNOLDS, & SAITO, 1999
 - ▶ Work disability trends, 1982-1993
 - ▶ Decreases across genders and races
 - ▶ Disparities @ start and end for African Americans
- ▶ REYNOLDS & CRIMMINS, 2010
 - ▶ Work disability, 1997-2007
 - ▶ Continued small decreases, significantly moderated by increased obesity in population
 - ▶ No race/ethnic subgroup analysis

PRIOR STUDIES – WORKING LIFE

▶ NURMINEN, HEATHCOTE, DAVIS & PUZA, 2005

- ▶ Examining data 1980-2001
- ▶ Finnish men and women
- ▶ Declining years working
 - ▶ Largely due to popularity of early retirement
 - ▶ Not to increase in disability

▶ LIEVRE, JUSOT ET AL., 2007

- ▶ Multi-country European data
- ▶ Healthy working life
 - ▶ 4 STATES: HW, nonHW, HnonW, nonHnonW
- ▶ Health status – ‘weak influence’ on WLE

BOTH STUDIES

- ▶ LONGITUDINAL DATA
- ▶ MULTISTATE LIFE TABLE, IMACH METHODS
- ▶ DEFINITIONS OF WORKING LIFE ARE DIFFERENT

- ▶ FINNISH STUDY:
 - ▶ 'employed' 'on disability pension' 'other alive'
- ▶ EUROPEAN STUDY:
 - ▶ 4 states constructed from 2 variables
 - ▶ Healthy/unhealthy – chronic physical or mental health problem...hampered in daily activities....
 - ▶ Working/notworking – in a job ...15 hours a week

DATA

- ▶ Current Population Surveys
 - ▶ March Demographic File (1998)
 - ▶ March Annual Social and Economic Supplement (2008)
- ▶ US Census Bureau
 - ▶ Life Tables, 1998 and 2008

CPS SAMPLE

- ▶ All ages
 - ▶ n=122,210 (1998, top coded at age 90)
 - ▶ n=134,163 (2008, top coded at age 85)

- ▶ Estimates for:
 - ▶ Ages 50, 55, 60, 65, 70
 - ▶ Men and Women
 - ▶ White Men and Women
 - ▶ Black Men and Women

MEASURES

- ▶ Labor Force Status
 - ▶ Out of the Labor Force – Disabled
 - ▶ Out of the Labor Force – Retired
 - ▶ Unemployed
 - ▶ Working, FT or PT
- ▶ OOLF-Disabled and OOLF-Retired as 2 non-working states

METHODS

- ▶ Sullivan Method Estimating
 - ▶ Total Life Expectancy (TLE)
 - ▶ Years OOLF due to disability (DLE)
 - ▶ Years OOLF due to retirement (RLE)
 - ▶ Years in Work Force (WLE)

TOTAL, DISABLED, RETIRED AND WORKING LE'S –MEN @ 55 AND 65

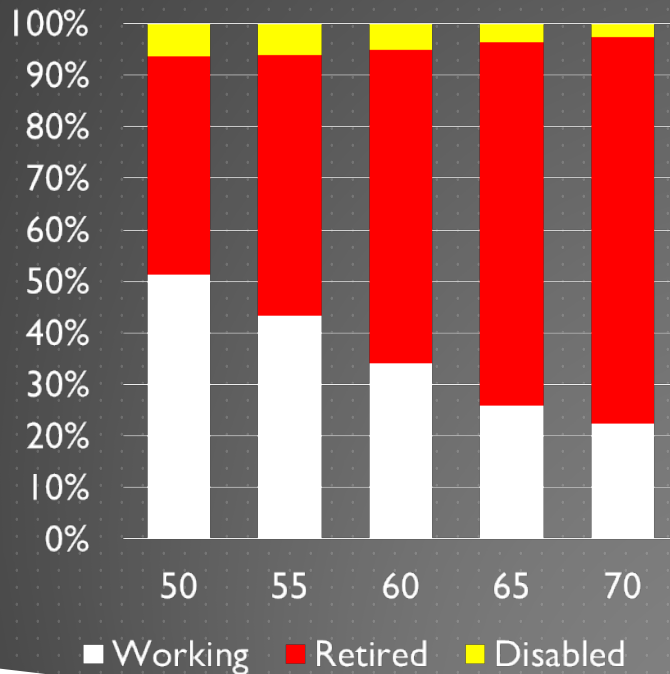
	55			65		
	<u>1998</u>	<u>2008</u>	<u>Change</u>	<u>1998</u>	<u>2008</u>	<u>Change</u>
Total	23.5	25.0	1.5	16.0	17.3	1.3
Disabled	1.5	1.5	0.0	0.7	0.6	-0.1
Retired	13.2	12.6	-0.6	12.6	12.2	-0.4
Working	8.8	10.8	2.0	2.7	4.5	1.8

TOTAL, DISABLED, RETIRED AND WORKING LE'S – WOMEN @ 55 AND 65

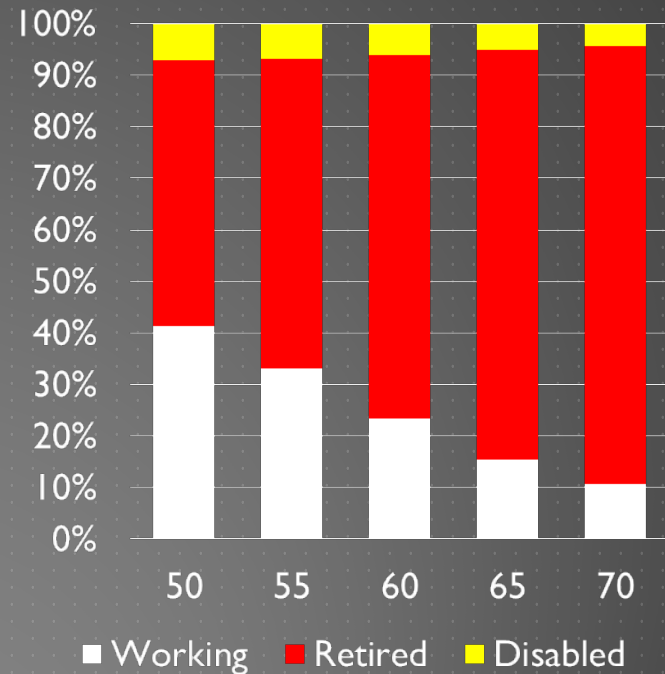
	55			65		
	<u>1998</u>	<u>2008</u>	<u>Change</u>	<u>1998</u>	<u>2008</u>	<u>Change</u>
Total	27.4	28.4	1.0	19.2	20.0	0.8
Disabled	2.0	2.0	0.0	1.2	1.0	-0.2
Retired	17.1	17.0	-0.1	15.6	15.9	0.3
Working	8.3	9.4	1.1	2.4	3.1	0.7

PERCENT REMAINING LIFE IN VARIOUS STATES BY GENDER – 2008

Men



Women



SUMMARY:

▶ MEN:

- ▶ Total Life Expectancy and Working Life Expectancy have increased 1.5-2.0 years between 1998 and 2008
- ▶ Increases in WLE result primarily from longer total life and slightly shorter retired life

▶ WOMEN:

- ▶ Story similar to men, but increased Total and Working Years are less – more like 0.5-1.0 years

▶ IMPLICATION – OK TO INCREASE SS FRA (BUT ANOTHER 3 YEARS?)

▶ WHAT ABOUT OTHER SUBGROUPS?

TOTAL, DISABLED, RETIRED AND WORKING LE'S – BLACK AND WHITE MEN – AGE 55

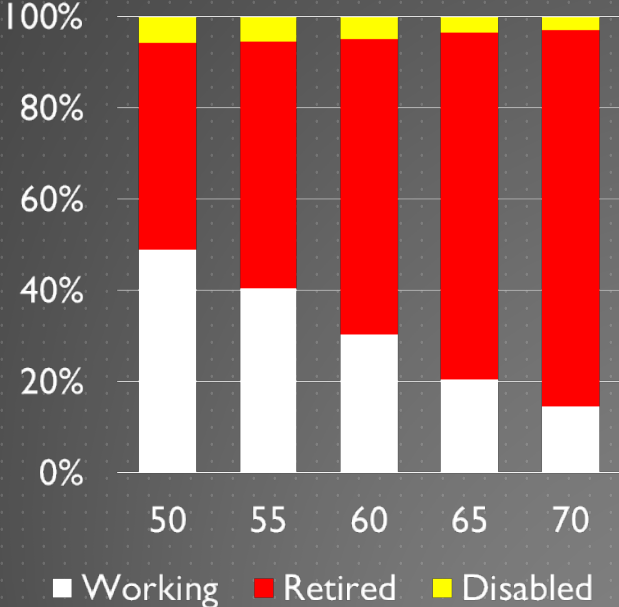
	Black			White		
	<u>1998</u>	<u>2008</u>	<u>Change</u>	<u>1998</u>	<u>2008</u>	<u>Change</u>
Total	20.4	21.9	1.5	23.7	25.2	1.5
Disabled	3.6	3.1	-0.5	1.3	1.4	0.1
Retired	10.8	11.3	0.5	13.4	13.6	0.2
Working	6.0	7.5	1.5	9.0	10.2	1.2

TOTAL, DISABLED, RETIRED AND WORKING LE'S – BLACK AND WHITE WOMEN – AGE 55

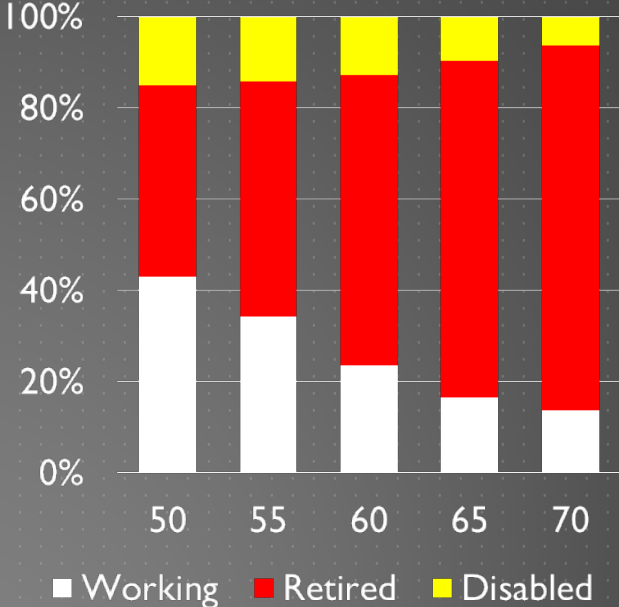
Age 55	Black			White		
	1998	2008	Change	1998	2008	Change
Total	24.8	26.5	1.7	27.6	28.5	0.9
Disabled	4.4	4.1	-0.3	1.7	1.7	0.0
Retired	13.5	13.4	-0.1	17.5	17.4	-0.1
Working	6.8	9.0	2.2	8.5	9.4	0.9

PERCENT REMAINING LIFE IN VARIOUS STATES BY RACE – MEN, 2008

Whites

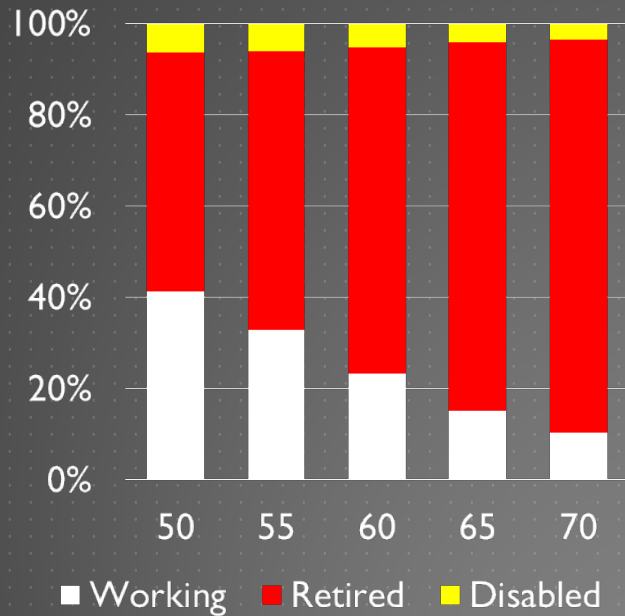


Blacks

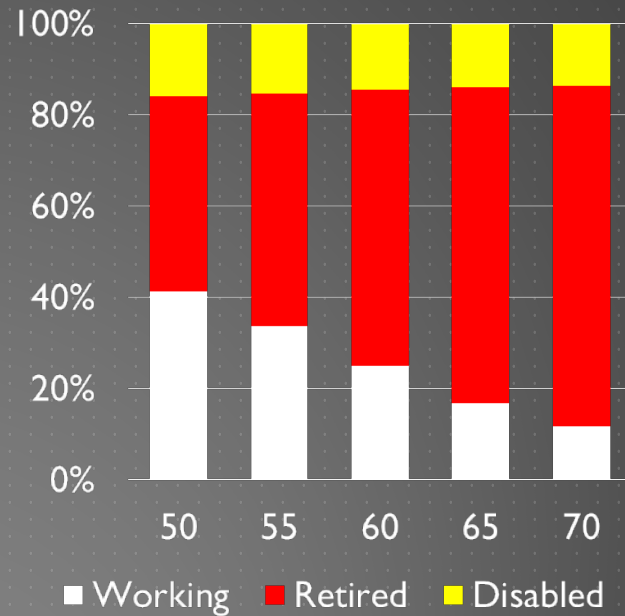


PERCENT REMAINING LIFE IN VARIOUS STATES BY RACE – WOMEN, 2008

Whites



Blacks

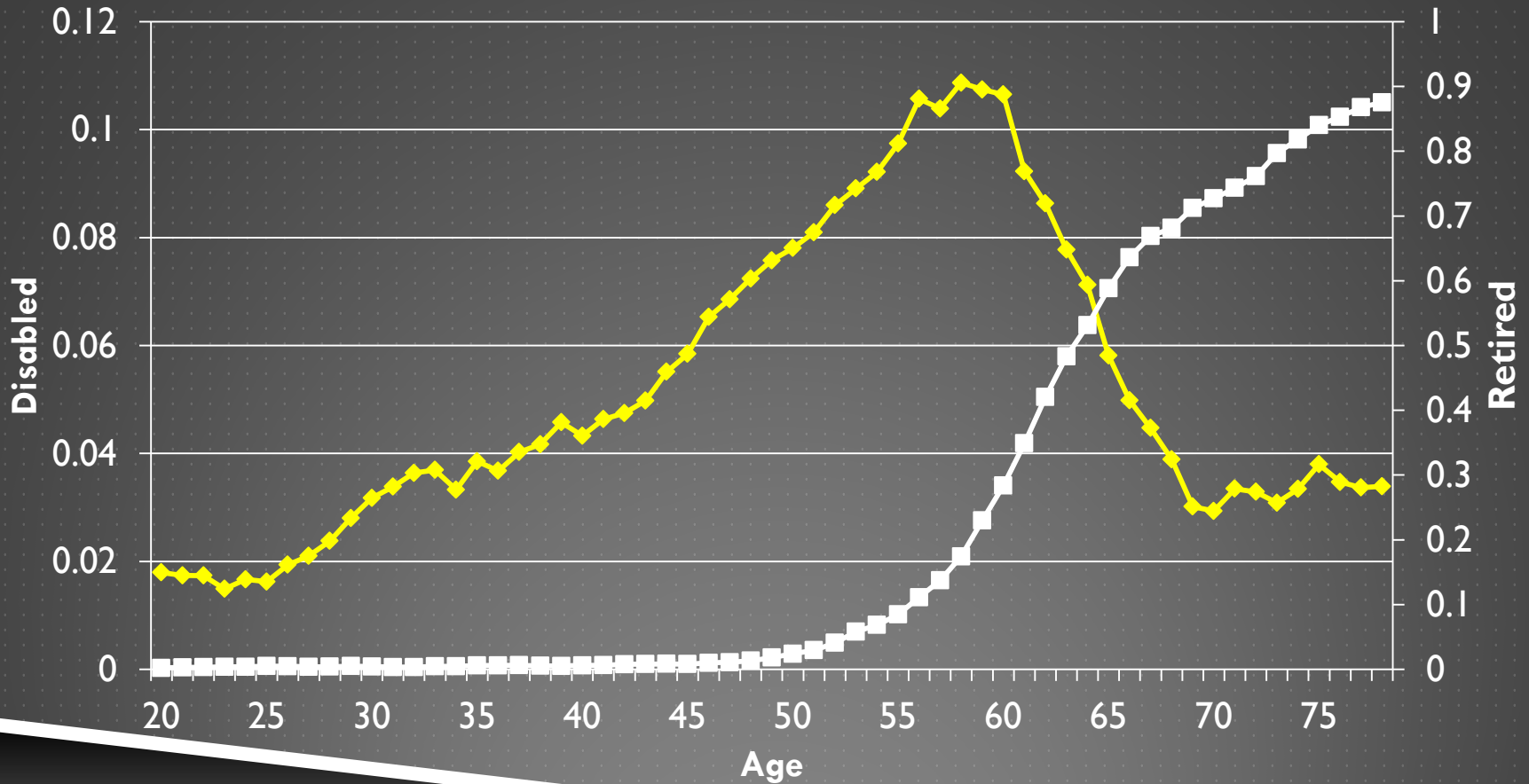


TRENDS – WLE IN ‘PRE-RETIREMENT’ AGES

	MEN				WOMEN			
	White		Black		White		Black	
Age:	<u>1998</u>	<u>2008</u>	<u>1998</u>	<u>2008</u>	<u>1998</u>	<u>2008</u>	<u>1998</u>	<u>2008</u>
50	63.2	64.4	59.3	61.0	62.7	63.6	60.4	62.6
55	64.0	65.2	61.0	62.5	63.5	64.4	61.8	64.0
60	65.2	66.4	63.4	64.4	64.8	65.6	63.8	65.6

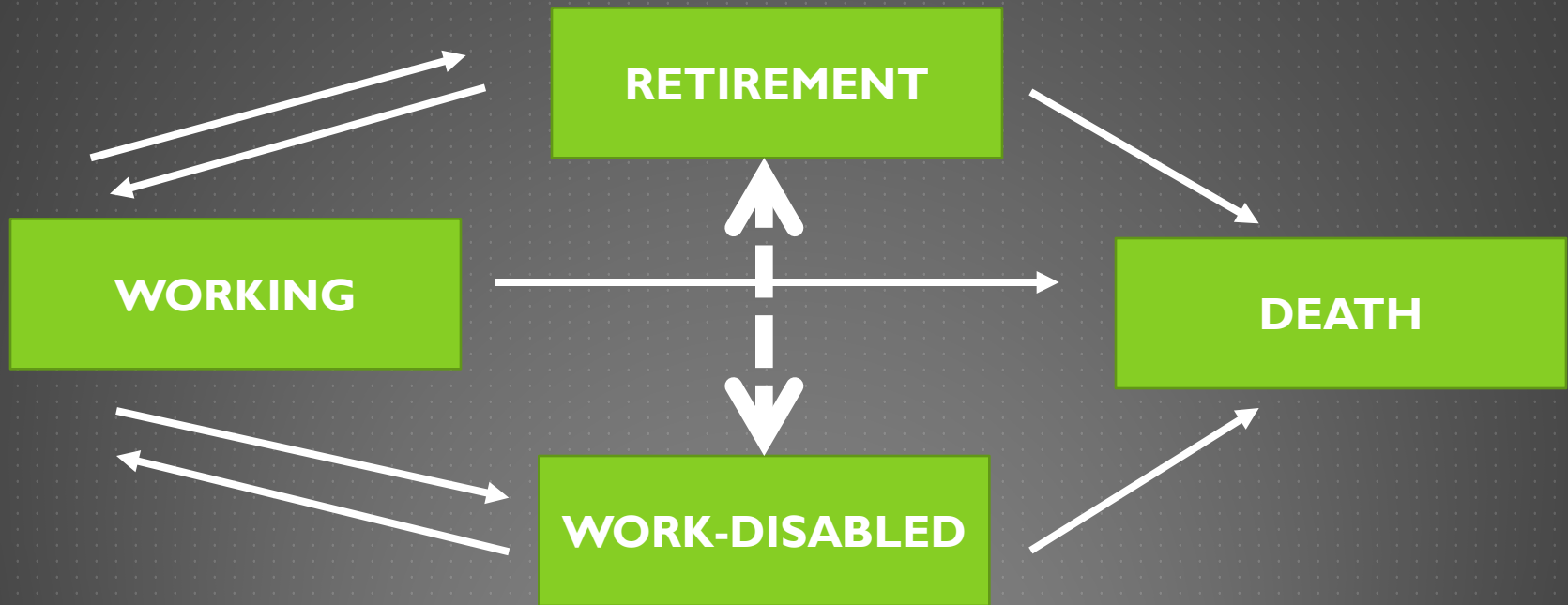
AGE-SPECIFIC PREVALENCE OF BEING DISABLED VS. RETIRED: MEN 2008

◆ Disabled ■ Retired



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UNFINISHED BUSINESS:

- ▶ Retirement in CPS?
 - ▶ Further analysis – any insight available on WHY retire? Voluntary, or another source of info on work disability?
- ▶ Work Disability in NHIS?
 - ▶ Also estimate these states using NHIS 1998 and 2008
 - ▶ Plawklim: Limited in amt/kind of work because of a health ... problem?
 - ▶ Whynowk: Didn't work because...(retired, unable due to health)
- ▶ Work Disability
 - ▶ Inherent difference between concept of WLE and DLE
 - ▶ WLE – element of “choice”
- ▶ 2 Policy Issues:
 - ▶ Trends in work disability
 - ▶ Trends in decision to leave/remain in the workforce



THANK YOU

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Carol Jagger

