

Financial Difficulties and Gender as Moderators of How Workforce Involvement and Transitions Affect the Health of Older Europeans

Introduction

Results (2)

A prominent demographic trend throughout the industrialized world is population aging (Cooke, 2006). Caused by lower fertility rates and rising life expectancies, population aging has led to concerns about economic growth and labour force shortages as larger proportions of the population are retired (Yenilmez, 2015).

In response, many European nations have enacted policies, including annulling early retirement options and increasing ages of eligibility for pension benefits, to keep older persons employed (Eurofound, 2019).

Accordingly, a pressing current research topic is whether and under what circumstances involvement and transitions in paid work are beneficial for older persons' health and well-being.

This study thus aims to uncover how workforce involvement/transitions are associated with health within a European sample from 50 to 75 years of age. Furthermore, it investigates heterogeneity in these associations by financial difficulties and gender.

Theoretical Perspectives

Activity theory of aging. Scholarship emphasizing that older persons are healthier and happier if they maintain high levels of activity (e.g., Bassett, Bourbonnais, & McDowell, 2007) follows from *Older People* (Havighurst & Albrecht, 1953/1980).

Theory of cumulative advantage/disadvantage. This theory proposes that advantages (and disadvantages) earlier in life beget later advantages (and disadvantages) (O'Rand, 1996). These include socioeconomic advantages, such as higher extents of education, income, wealth, and occupational prestige.

Current Trends

Concurrent with population aging, present-day Europeans are working until later ages than in the past (Eurofound, 2019). Furthermore, there is growing variability in workforce involvement patterns among those in their late middle-age and senior years. For example, many present-day Europeans are returning to paid work after some time spent in retirement (Dingemans, Henkens, & van Solinge, 2016).

Nonetheless, most studies of workforce transitions within this age group still focus only on retirement. Understanding present-day economic and labour market realities requires broader studies addressing the complexity of late-middle-aged and senior persons' workforce involvements.

The fact that older persons are more likely to work effectively (Platis, Reklitis, & Zimeras, 2015) and remain employed (Smeaton & White, 2016) if their paid work is not causing them harm highlights the importance of understanding how paid work affects health in later life.

Scholarship on the topic of the health impacts of older persons' paid work has produced mixed results. While some scholars argue for the benefits of employment among middle-aged and senior adults (e.g., Arpino & Solé-Auró, 2019), others suggest that it is generally detrimental to health and well-being (e.g., Neuman, 2008).

These mixed results suggest that further research on the associations of employment with health in the late middle-age and senior years is necessary, including interaction analyses.

The Importance of Financial Circumstances and Gender

Employment in the late middle-age and senior years that ameliorates financial difficulties might be especially health promoting. On the other hand, the typically less advantaged employment histories of late-middle-aged and senior adults in difficult financial circumstances might reduce opportunities for higher status and better paid work.

At the other end of the spectrum, late-middle-aged and senior persons experiencing financial ease might have more freedom concerning their employment and retirement decisions. Furthermore, in accordance with the theory of cumulative advantage/disadvantage, their more advantaged workforce pasts position them for finding high quality employment.

From the mid-1960s to the mid-1980s, women throughout the developed world joined in contesting and overcoming their restricted life circumstances and societal roles (Bruley & Forster, 2016). This social movement has been termed the 'women's liberation movement' and 'second-wave feminism' (Bruley & Forster, 2016).

Older women, however, came of age during times in which this progress was at an early stage. Accordingly, many have had fragmented work trajectories (Davis, 2003), including numerous spells of part-time and temporary employment (Quinn & Kozy, 1996), within workplaces marked by sex segregation, prejudice, and discrimination (Perkins, 1994).

In accordance with the theory of cumulative advantage/disadvantage, these fragmented work histories might disadvantage some late-middle-aged and senior women seeking high quality and well-paying employment favourable for health.

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Research Questions

- 1) Are employment and transition into employment beneficial for 50 to 75-year-old persons' health?
- 2) Does financial difficulty increase or decrease the health benefits of employment among those of 50 to 75 years of age?
- 3) Is there heterogeneity by gender in how financial difficulties interact with workforce involvement/transitions in affecting the health of adults from 50 to 75 years of age?

Methods

In addressing these research questions, this study employed waves six (2015) and seven (2017) of the Survey of Health, Ageing and Retirement in Europe (SHARE). This study's sample participated in waves six and seven, and were between 50 and 75 years of age at wave six.

All SHARE respondents meeting these sampling criteria resided in the following countries at wave six: Austria, Belgium, Croatia, Czechia, Denmark, Estonia, France, Germany, Greece, Israel, Italy, Luxembourg, Poland, Portugal, Slovenia, Spain, Sweden, and Switzerland.

Dependent Variable: Self-perceived health-W7: poor (1), fair (2), good (3), very good (4), excellent (5)

Central Independent Variable:

	Wave 6	Wave 7	Proportion % (no.)
Stably Employed (reference)	Working	Working	24.6% (9,545)
Stably Not Employed	Not Working	Not Working	66.1% (25,697)
Entering Employment	Not Working	Working	2.3% (902)
Entering Retirement	Working	Retired	5.1% (1,974)
Entering Unemployment	Working	Unemployed	0.7% (261)
Exiting Employment for 'Other' Reasons	Working	'Other' Exits	1.3% (505)

Interactants: Ability to make ends meet-respondents' households-W6 ("difficulty" and "ease" (ref.)). Gender (women and men (ref.)).

Control Variables (W6): self-perceived health, age, marital/relationship status, parental status, years of education, social connectedness, satisfaction with social networks.

Analysis: Five ordinal logistic regressions analyzed how workforce involvement/transitions, difficulty making ends meet, and gender interact in affecting 50 to 75-year-old adults' health.

Model 1 focused on workforce involvement/transitions.

Model 2 addressed the interaction between workforce involvement/transitions and difficulty making ends meet.

Model 3 focused on the interaction between workforce involvement/transitions and gender.

Model 4 addressed the interaction between difficulty making ends meet and gender.

Model 5 assessed a three-way interaction between workforce involvement/transitions, difficulty making ends meet, and gender.

- Final analytical sample: 38,884 respondents (21,880 women, 17,004 men).
- The SHARE calibrated longitudinal individual weights for waves six to seven were employed.
- Missing data addressed through multiple imputation using chained equations (ten imputed datasets).
- Standard errors were adjusted for clustering at the wave six country level.

Results (1)

Model 1: -Those stably not employed showed declining health compared with those stably employed (odds ratio (OR): 0.63, p<0.001).

-Both entering unemployment (OR: 0.48, p<0.001) and exiting employment for 'other' reasons (OR: 0.35, p<0.001) showed declining health relative to stable employment.

-A Wald test (t-test) showed that those entering employment (OR: 1.24) showed improved health (p<0.001) compared with those stably not employed (OR: 0.63).

- These results reveal benefits for health of involvement in paid work.

Model 2: -Compared with those stably employed, having difficulty making ends meet implied further disadvantages in health for those stably not employed (two-way interaction OR: 0.70, p<0.001) and those exiting employment for 'other' reasons (two-way interaction OR: 0.28, p<0.01).

-A Wald test (t-test) suggested that having difficulty making ends meet significantly accentuated the health benefits (two-way interaction: p<0.05) of entering employment (two-way interaction OR: 1.29) compared with being stably not employed (two-way interaction OR: 0.70).

- These interaction results imply that having difficulty making ends meet accentuates the value for health of 50 to 75-year-old adults' employment.

Model 3: -For women, compared with those stably employed, there were significant relative advantages to being stably not employed (two-way interaction OR: 1.25, p<0.05) or exiting employment for 'other' reasons (two-way interaction OR: 3.41, p<0.01).

- These results suggest that non-employment from 50 to 75 years of age is less detrimental for women than for men.

Model 4: -Insignificant interaction between ability to make ends meet and gender.

Model 5: -For women experiencing difficulty making ends meet, the disadvantage of being stably not employed

compared with stably employed was reduced (three-way interaction OR: 1.57, p<0.01).

-Furthermore, these women showed particularly strong detriments to health when entering unemployment compared with being stably employed (three-way interaction OR: 0.25, p<0.05).

- These results reveal that for women aged 50-75 years undergoing financial troubles, stable paid work is less beneficial for health, while entry into unemployment is more detrimental to health (compared to their male counterparts).

Discussion

Concerning the first research question, the findings indicate that employment from 50 to 75 years of age is beneficial for health. In accordance with the activity theory of aging, this might be because paid work helps maintain salubrious amounts of physical, cognitive, and social activity.

Concerning the second research question, the findings indicate that financial difficulties among those of 50 to 75 years of age increase the health benefits of employment as it helps improve financial circumstances.

Concerning the third research question, the results indicate that there is heterogeneity by gender in how current financial challenges interact with workforce involvement/transitions in affecting health.

Women from 50 to 75 years of age experiencing difficulty making ends meet profit less from stable employment and suffer worse consequences when entering unemployment compared to their male counterparts. Since these women came of age when the women's liberation movement was at an early stage, many have had fragmented work histories (Davis, 2003; Quinn & Kozy, 1996) within lower quality jobs marked by gender segregation and discrimination (Perkins, 1994).

Their stable employment from 50 to 75 years of age might thus be of lower quality and pay, reducing its effectiveness for managing household financial difficulties. Furthermore, a 50 to 75-year-old woman entering unemployment while undergoing difficulty making ends meet might thus be pessimistic about her chances of finding satisfactory employment that can alleviate her household's financial difficulties. Therefore, the theory of cumulative advantage/disadvantage helps explain these findings.

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