

## **Husbands' and wives' preferences for joint retirement: evidence from a multi-actor study among older workers**

Maria Eismann<sup>1,2</sup>, Kène Henkens<sup>1,2,3</sup>, Matthijs Kalmijn<sup>1,2</sup>

### ***Introduction***

In the light of general trends in the labour market, questions concerning older workers' participation in it are highly topical. In 2015 coupled patterns of employment are likely to be different from what they were only a decade ago. First, due to recent retirement and social security reforms workers are expected to work until older ages than before. The reforms aim to relieve the strains on pension and social security systems that result from increasing longevity and decreasing fertility rates (OECD, 2006; Wheaton & Crimmins, 2012). Second, there is a rapid increase in the number of dual-earner couples among older workers (Van Gils & Kraaykamp, 2008). This trend is due to a rising number of women – and married women in particular – who are in paid employment when reaching the public pension age.

Considering the two trends mentioned above, we aim to answer the following research questions: What are contemporary employment patterns in older couples? In the case of dual-earner couples, what are the preferences of husbands and wives for joint retirement and how can these preferences be explained? What are the most important barriers for joint retirement?

### ***The NIDI Pension Panel Survey***

Up-to-date information on retirement patterns of dual-earner couples is scarce. Fortunately, we are able to present first results from the NIDI Pension Panel Survey, which was conducted in 2015. The NIDI Pension Panel Survey is a multi-actor study of more than 6000 older workers (age 60-65) and their spouses. Data were sampled from a diverse (regarding occupation, education, gender, and organizational context) pool of older workers. In contrast to most other studies, we collected data of both spouses, which allows us to study employment patterns at the couple level, rather than compare men and women at the aggregate level. The data also offer the opportunity to study the determinants of preferences for joint retirement measured among both spouses, such as both spouses' attachment to the labour market and their attachment to their spouse.

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<sup>1</sup> Netherlands Interdisciplinary Demographic Institute

<sup>2</sup> University of Amsterdam, Faculty of Social and Behavioural Sciences

<sup>3</sup> University of Groningen, University Medical Center

### ***Contemporary employment patterns of older couples***

Due to the two general trends in the labour market mentioned above, employment patterns of older couples are likely to have changed substantially. Only a decade ago, no more than 13% of couples (age 15-64) could be classified as full-time dual-earner couples, and any combination of full-time and part-time work usually meant that the husband was working more hours than the wife (Portegijs, Hermans, & Lalta, 2006). For older workers, these patterns were probably even more extreme, as the increase in dual-earner couples is mainly due to cohort succession (Van Gils & Kraaykamp, 2008). In the current sample we find that about 50% of the couples are dual-earners (both partners work at least 12 hours per week). More detailed information on the contemporary prevalence of coupled full-time and part-time patterns and the retirement of one of the spouses is forthcoming.

### ***Husbands' and wives' preferences for joint retirement***

Our main research question involves husbands' and wives' preferences for joint retirement. Studies on joint retirement often focus on older workers' expectations or behaviour and assume that these are based on a preference to retire jointly (Blau, 1998; Curl & Townsend, 2008; Ho & Raymo, 2009). However, preferences for joint retirement do not necessarily coincide with expectations and behaviour. Moreover, they might be explained by unique factors and specific barriers might impede the translation of preferences into expectations and behaviour. It is therefore worth studying preferences and their determinants.

Per definition, joint retirement is only possible for dual-earner couples. As half of our current sample constitutes dual-earners and we collected data from both spouses, the data enable us to study preferences for joint retirement at the couple level and to investigate the determinants of husbands' and wives' preferences. Preliminary results show that a sizeable minority (30%) of dual-earner couples prefers joint retirement. In another 30% of dual-earner couples at least one spouse (15% men, 15% women) prefers to retire jointly. Possible determinants of these preferences are both spouses' attachment to the labour market (education, job level, psychological attachment to work) and their spouse (marital quality, marital conflict, interdependence in daily activities). We hypothesise that joint retirement is more likely the lower both spouses relative attachment to the labour force as opposed to their attachment to their spouse. Tests of this hypothesis are forthcoming.

The most important barriers for joint retirement are the age gap between spouses and the lack of opportunities to retire early. Conversely, either spouse not being able to stay on their job for longer than the – often mandatory – retirement age is not perceived as a barrier for joint retirement.

### **Conclusion**

Using recent data on older workers' coupled employment patterns and preferences for joint retirement we find that dual-earner couples are rather prevalent and that in the majority of these couples at least one partner prefers to retire jointly. Because we collected data of both spouses, we will be able to explain husbands' and wives' preferences and, more specifically, test the hypothesis that joint retirement is more likely the lower both spouses relative attachment to the labour force as opposed to their attachment to their spouse.

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