

Workers' Expectations about Retirement and Retired People Choices

Le Aspettative di Pensionamento dei Lavoratori e le Scelte dei Pensionati

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Riassunto: Il calo e l'invecchiamento della popolazione in età lavorativa e della forza lavoro all'interno della popolazione italiana pongono diversi problemi. Le alterazioni derivanti dal processo di invecchiamento richiedono una riprogrammazione delle risorse umane, fisiche e della struttura economico-produttiva. Il meccanismo finanziario del nostro sistema pensionistico di base crea un legame imprescindibile tra il sistema pensionistico stesso e il mercato del lavoro poiché si basa sull'equilibrio del rapporto tra lavoratori e pensionati. Tutte le riforme del sistema delle pensioni passano per il mercato del lavoro e occorre, dunque, considerare con attenzione gli atteggiamenti e la volontà dei lavoratori riguardo possibili cambiamenti del mercato stesso. Sul tema si presentano qui i risultati di una indagine campionaria ad hoc.

Keywords: Retirement, Labour market

1. Introduction

Population ageing is an inevitable and positive process, but at the same time it is a deceptive process. It gets into the society and changes population structure. In Italy, since over twenty-five years, this phenomenon is characterized by a high speed and intensity. It determined population age structure overturning. Currently nearly 19% of population is 65 and over years old, and in medium-term perspective population aged 65 and over will be 35%. At the same time, people aged less than 15 are about 14%.

Ageing process involves not only the overall population, but also all its segments, like working age population and labour force. In next 20 years, Italy will register a very intense fall of people aged 20-39 (4.5 millions, with a decrease of 26.7%), and on the other hand a less than proportional increase of people aged 40-64 (more than 3 millions, with an increase of 17%).

Today, Italy is in last ranks for activity rates of people aged 50 and more. In the age class 55-64, only 44 males and 20 females every 100 people with same age and sex are working.

We will assist to a complete and huge change of population in working age and, then, of labour force. These alterations that the ageing process determines, need a physical, human, and economic and productive structure resource planning policy.

The financial mechanism (pay-as-you-go system) that leads our pension system creates a strong link between the pension system itself and the labour market.

The labour market is the basis of the sustainability of the pension system and every reform and proposal about system re-equilibrium passes from the labour market that does not seem ready to deal with a so large ageing population yet.

The consequence is that the system needs a better and whole exploitation of aged workers.

To reach these goals, we also need to consider individuals' will and opinions about eventual labour market's reforms and changes. Studying of both the supply and demand sides of labour market becomes of primary importance.

We carried out a survey, which aims to analyse labour force ageing from the supply side. The main goal is to understand how individual choices and company's policies contribute to define the labour/retirement process, in order to provide instruments and indications that might help policies strategies.

2. Questionnaire

The questionnaire, submitted to people aged between 50 and 69, can be divided in two sections, perfectly symmetrical, for workers (generally aged 50-59) and retired people (generally aged 60-69).

The goal of the questionnaire is studying the workers path from work to retirement: their individual and familiar expectations; their actual and planned for the future behaviours and attitudes, also in the company's context in which they operate, or with regard to their professional position (dependent/autonomous). It is also studying retired people: their professional history, motivations, actual behaviours, with a special attention on their eventual working activity for the (official or not) market or for the third sector.

It aims to analyse the working and retirement choices of Italy's elderly people, the paths that determine the transition process from the active to the inactive status, but also to observe if and how perception of collective needs (i.e. the pension reform and the raise of retirement age) gets in to awareness and will of deal with these needs at individual level.

More, through this survey we tried to study if retirement choice is actually lived as a free choice or as a age's duty or as an imperative company's choice.

Many questions were done, in fact, about individual perception of people's working career; about their satisfaction for it; about people's ability and/or will to work over the legal retirement age, and about retirement age raise.

3. Data and results

The survey was carried out in co-operation with ISFOL (Istituto per lo Sviluppo della Formazione Professionale dei Lavoratori), with CATI method, on about 2.000 individuals sample, representative of reference universe, stratified according to the structural variables: sex, age, geographical division (North-West, North-East, Centre, South and Islands) and professional condition (occupied vs. retired).

Two different separated samples (about 1.000 individuals each) for quota were built, with a proportional dimension to the reference universe; 67% of occupied and 56% of pensioners are male. More than 50% of employed interviewed is in age class 50-54,

while between pensioners the biggest part (37%) of interviewed people is in age class 60-64.

Individuals seem to be aware of their capacity of working over the institutional pension age, encountering the need of increasing working life duration.

Indeed, between occupied people, as individual's age raises, also age of working capacity raises (table 1); between pensioners, more than 50% of interviewed people say they could have worked competently over their effective retirement age (table 2).

Table 1: *Workers' opinion about labour capacity over institutional pensionable age, by age group*

Age group	In your opinion, till what age could someone, in your age and working condition, work competently?						Absolute values		
	50-54	55 -59	60-64	65-69	70 and over	Total	No. of cases	Missing	Total
50-54	8.8	26.2	39.0	17.4	8.6	100.0	454	76	530
55-59	2.1	16.9	47.5	24.2	9.3	100.0	236	50	286
60-64	0.9	5.2	24.3	40.9	28.7	100.0	115	21	136
65-69	-	-	18.8	31.3	50.0	100.0	16	8	24
Total	5.6	20.1	39.0	22.9	12.4	100.0	821	155	976

Table 2: *Retired persons' opinion about labour capacity over institutional pensionable age, by age group*

Age group	In your opinion, could someone, in your age and working condition, have been working competently after retirement?				Absolute values
	Yes	No	I do not know	Total	
50-54	58.6	27.3	14.1	100.0	99
55-59	57.7	26.5	15.8	100.0	317
60-64	52.7	24.5	22.7	100.0	383
65-69	48.5	29.4	22.1	100.0	235
Total	53.9	26.5	19.6	100.0	1,034

But, actually, personal choices contrast with the described picture, because the majority of individuals (especially in the first age class), if they can choose, would retire as early as possible (table 3). This is confirmed by the basic reasons of retirement: more than 50% of interviewed people choose to retire, as he or she reaches one of the two required condition for it.

Table 3: *Workers' expectation about own retirement*

Age group	If you had possibility to choice, when would you prefer to retire?					Absolute values
	As early as possible	As late as possible	At the legal age	I do not know	Total	
50-54	51.9	14.0	25.1	9.1	100.0	530
55-59	50.0	17.1	26.2	6.6	100.0	286
60-64	40.4	25.7	26.5	7.4	100.0	136
65-69	41.7	37.5	8.3	12.5	100.0	24
Total	49.5	17.1	25.2	8.2	100.0	976

Table 4: *Retirement reasons, by retirement age group*

Retirement age group	Retirement reasons:								Absolute values
	Age limit	Maximum contribution reached	Age limit and maximum contribution	Company requirements	Uncertainty about retirement's rule	Health	Other	Total	
Up to 49	6.5	16.1	4.0	6.5	4.0	21.0	41.9	100.0	124
50-54	12.6	39.3	10.2	6.3	3.9	11.2	16.5	100.0	285
55-59	19.7	36.1	11.9	3.8	5.1	5.7	17.8	100.0	371
60-64	39.9	21.8	14.4	3.2	2.1	4.3	14.4	100.0	188
65 and over	61.3	9.7	16.1	-	-	9.7	3.2	100.0	31
Missing	17.1	22.9	2.9	-	2.9	22.9	31.4	100.0	35
Total	21.0	30.8	10.7	4.4	3.9	9.5	19.7	100.0	1,034

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