

**EAPS 2006. Module on the transition to retirement**

**One out of every three persons aged 50 to 69 has worked for over 35 years.**

**For half of the persons over 49 years of age, the main reason for working is to provide enough income for his/her household.**

**Six out of every 10 scientific and intellectual technicians and professionals receive their first pension at an age ranging between 60 and 64**

36.9% of the 6,708,800 persons aged 50 to 69, who are either employed or who have worked after turning 49, have worked for over 35 years, according to the results of the module for the transition to retirement in the Economically Active Population Survey (EAPS) for the year 2006, co-funded by INE and Eurostat. 43% have worked for a period spanning between 16 and 35 years.

**According to this module of the EAPS, exclusively referred to persons aged 50 to 69, who are either employed or who have worked after turning 49, men have a longer working life than women. In fact, 48.8% of men have worked for over 35 years, as compared with 17.3% of women.**

**Percentage of persons aged 50 to 69<sup>1</sup>, according to number of years worked in their working life, by sex.**

Year 2006

Sex and age	Aged under 16	Aged 16 to 36	Aged above 36	Does not know
Both sexes	10.17	43.25	36.93	9.65
Men	1.60	40.76	48.80	8.84
Women	24.39	47.37	17.25	10.99

<sup>1</sup> Occupied persons or persons who have worked after turning 49

On a sector basis, the longest working lives correspond to Industry (49% of persons aged 50 to 69 have worked for more than 35 years), Construction (42.5%) and Agriculture (40.1%). Regarding services, only 31.6% of the persons have exceeded 35 years of working life.

In as far as professional status is concerned, 50.1% of self-employed men and 47.7% of men employed by others exceed 35 years of working life. In the case of women, less than 17.4% have worked 36 or more years, either as employees for others or as self-employed workers.

### Retirement pensions

Three out of every four persons aged 50 to 69, who are either employed or who have worked after turning 49, do not receive any type of pension, a percentage that stands at 82.1% in the case of women and 70.7% in the case of men.

These percentages decline as the age of the reference group increases. Thus, **82.0% of the persons aged 65 to 69 receive a retirement pension**. In this age group women are also less favoured (68% of them receive a pension, versus 89.1% of men).

### Percentage of persons aged 50 to 69 <sup>1</sup> depending on whether they do or do not receive a retirement pension, by sex and age groups

Year 2006

Sex and age	Yes	No	Does not know
<b>Both sexes</b>	24.77	74.97	0.26
50-54	1.45	98.28	0.28
55-59	7.57	92.10	0.33
60-64	27.34	72.48	0.18
65-69	81.98	17.76	0.26
<b>Men</b>	29.06	70.69	0.25
50-54	1.49	98.38	0.14
55-59	9.63	89.92	0.45
60-64	32.08	67.72	0.20
65-69	89.11	10.67	0.21
<b>Women</b>	17.64	82.07	0.29
50-54	1.39	98.12	0.49
55-59	4.34	95.53	0.13
60-64	18.71	81.13	0.15
65-69	68.03	31.63	0.34

### Last occupation before receiving the first retirement pension

Analysing the different occupations, it is worth noting that 60.7% of scientific and intellectual technicians and professionals received their first pension at ages 60 through 64. This percentage exceeds by more than 20 points the total average (40.0%), and by 45 points the percentage of skilled workers in agriculture and fishing.

On the other hand, 68.5% of skilled workers in agriculture and fishing and 55.5% of business management and Public Administration workers received their first pension at ages 65 through 69. Both percentages stand well above the total average (33.7%).

## Percentage of persons aged 50 to 69 <sup>1</sup> according to the age at which they received their first retirement pension, and based on the last occupation they <sup>2</sup> worked in

Year 2006

Occupation	0-54	55-59	60-64	65-69
<b>Total</b>	11.62	14.75	39.97	33.66
Armed forces (*)	20.83	44.31	7.71	27.15
Business management and Public Administration	6.68	11.05	26.73	55.54
Scientific and intellectual technicians and professionals	6.32	9.50	60.69	23.49
Support technicians and professionals	16.06	20.21	45.96	17.77
Administrative-type employees	19.64	18.75	40.54	21.07
Catering, personal services, security and retail workers	6.96	13.58	36.43	43.03
Skilled workers in agriculture and fishing	5.26	10.57	15.68	68.49
Craftsmen and qualified industry workers, construction and mining workers, except operators	10.50	13.02	43.41	33.06
Facility and machinery operators; fitters	5.38	12.14	55.04	27.44
Unskilled workers	7.12	7.83	36.86	48.19
Not applicable**	20.13	21.38	38.98	19.52

1 Persons employed or who have worked after turning 49 and perceive a retirement pension

2 For employed persons, it makes reference to their current occupation

\* Disaggregate results by age groups for this occupation are not significant, due to the scarce representation of the collective.

\*\* Non-applicable makes reference to currently unemployed persons, who stopped working over 8 years ago, and therefore cannot be classified on a sector basis

### Estimated expected age for withdrawing from the labour activity

Out of the total number of persons aged 50 to 69 who are occupied or who have worked after turning 49, 4,486,800 intend to keep on working or to work again. 33.3% of these persons **will conclude their labour activity at 65 years of age**, 31.9% do not know when they will, 21.1% will do so at ages 60 through 64, 9.0% after age 65 and 4.7% before age 60. No significant differences are noticed between age groups on a gender basis.

Age 65 is preferred by these people to put an end to their working life in all sectors, except in Industry, where the majority chooses to stop working at ages 60 through 64.

### Reasons to continue working

The number of persons aged 50 to 69 who continue working, after having received a pension at any point in time, or who have a right to receive one is 1,178,500.

51.9% of this figure states the need to earn sufficient household income as the main reason to continue working, while for 24.3% the reason is to increase their pension earning rights, and another 19.7% argues non-economic reasons.

However, reasons vary by age groups. At lower ages, the importance of generating sufficient income becomes more relevant (67.7%). On the other hand, for 57.9% of persons aged 65 to 69 the main reasons to continue working are not of an economic nature.

### **Main reason to continue working, for persons aged 50 to 69<sup>1</sup> who have either received a retirement pension at some point in time, or who, not having received it, are entitled to it, by age group**

Year 2006. Percentages

Age	Earn sufficient household income	Increase retirement pension rights	Non-economic motives	Does not know
<b>Total</b>	51.87	24.33	19.71	4.09
50-54	67.72	15.43	12.99	3.87
55-59	54.94	26.91	15.20	2.95
60-64	36.73	34.33	23.61	5.33
65-69	23.31	14.11	57.87	4.71

<sup>1</sup> Persons employed or who have worked after turning 49

On a gender basis, there are no significant differences for this variable. However, differences do appear when analysing it on a sector or professional situation basis.

Thus, the percentage of persons employed in the Construction industry who continue working to earn sufficient household income reaches 63.0% (versus 50.7% in the remaining sectors). The percentage of persons who continue working in said sector due to economic reasons stands at 12.2%, versus 17.0% in Industry, 21.2% in Services and 24.6% in Agriculture.

Regarding professional situation, 63.0% of self-employed workers continue working to earn sufficient household income, versus 50.7% of workers employed by others. The situation differs when the motives are not economic. This is the argument 12.2% of self employed workers and 21.2% of workers employed by others claim as the reason to continue working.

### **Duration of the working day and extension of the working life**

Only 3.4% of the persons have agreed to reduce their working hours as a transitory measure prior to retirement. 72.5% of the remainder who have not done so, have not even considered reducing them.

Regarding factors contributing or that might contribute to the extension of the working life, three out of each four persons state that neither hour flexibility, continuous training, or safety conditions are useful at all to this regard.

## Reasons for retiring

For persons aged 50 to 69, the main reason for retiring is having reached retirement age, stated by 47.6% of the total. This percentage is 46.3% for women and 48.1% for men.

As a main motive for retiring, illness or disability lag way behind, with 16.0% of the total.

The greatest gender differences are noticed in connection with the responsibility for taking care of other persons (the percentage of women exceeds by more than 3 points that of men), and with incentives or economic conditions (the percentage of men exceeds almost by three points that of women).

## Persons aged 50 to 69<sup>1</sup> who retired after quitting their last job, according to the main reason for doing so, and by sex

Year 2006. Percentages

Reason for retiring	Both sexes	Males	Females
<b>Total</b>	100.00	100.00	100.00
Loss or disappearance of the job post	5.03	5.49	4.01
Reaching retirement age	47.55	48.12	46.26
Disease or disability	15.95	15.73	16.44
Responsibilities in taking care of other persons.	1.90	0.94	4.04
Problems related with the work position	2.47	2.92	1.45
Economic incentives or conditions favourable for retirement	6.37	7.26	4.37
Preferred to stop working due to reasons other than the aforementioned	12.79	11.71	15.22
Other reasons	6.35	6.38	6.27
Does not know	1.59	1.44	1.94

<sup>1</sup> Unemployed persons who stopped working after 49 years of age

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