



Workforce participation and non-participation among baby boomers in Australia

A PROFILE FROM HILDA DATA

PREPARED BY

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Brotherhood of St Laurence
Working for an Australia free of poverty

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FOREWORD

The questions raised by an ageing population are becoming important policy concerns both nationally and internationally. The fact that Australians are living longer and healthier lives is a testament to the success of the welfare state. However, it is also an unprecedented situation, for which many in society are unprepared. Successful adaptation requires new ways of thinking about the social contribution of older adults, the relationship between generations and the balance of risk between the individual and the state. Increasing the participation of older workers in productive life is one of the key routes available to policy-makers who are looking for answers.

This is the first of several papers, sponsored by the Brotherhood of St Laurence, that address factors affecting the mature age workforce. The authors pay particular attention to the situation of older adults not in employment, who nevertheless wish to continue working. Their findings suggest that, while the debate is often couched in terms of a seemingly homogeneous group, the 'baby boomers' workforce participation and non-participation reflects a complex combination of circumstances, with some unexpected differences and associations.

It is hoped that this body of work, which is itself a collaboration by the 'In and out of work' and 'Ageing and retirement' research teams at the Brotherhood, will contribute to an ongoing debate about the roles older people can play in society, and the directions that future policy might take.

Professor Simon Biggs
Senior Manager, Retirement and Ageing Research Team
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AUTHOR NOTE

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This paper uses unit record data from the Household, Income and Labour Dynamics in Australia (HILDA) Survey. The HILDA Project was initiated and is funded by the Australian Government Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) and is managed by the Melbourne Institute of Applied Economic and Social Research (MIAESR). The findings and views reported in this paper, however, are those of the authors and should not be attributed to either FaHCSIA or the MIAESR.

GENERAL CAVEAT

NATSEM research findings are generally based on estimated characteristics of the population. Such estimates are usually derived from the application of microsimulation modelling techniques to microdata based on sample surveys.

These estimates may be different from the actual characteristics of the population because of sampling and nonsampling errors in the microdata and because of the assumptions underlying the modelling techniques.

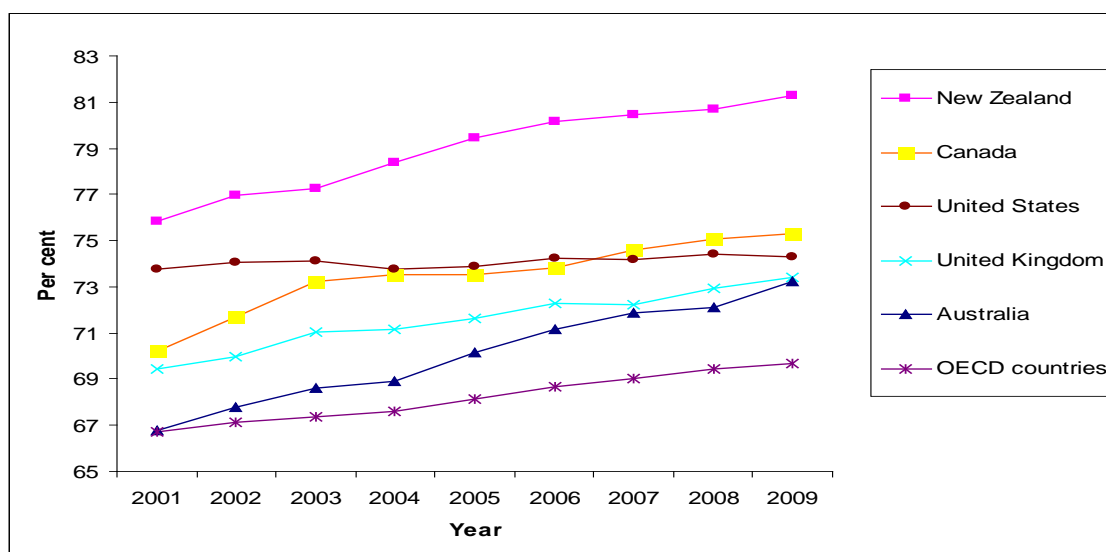
The microdata do not contain any information that enables identification of the individuals or families to which they refer.

1 BACKGROUND

Understanding and removing barriers to labour force participation for mature age people may be one promising way for countries with an ageing population to ensure continuing economic growth and financial security. Although participation in paid work for Australians in their middle years has increased dramatically in the last decade, much of this growth is due to the increased participation of women in the labour market, and represents part-time rather than full-time work (ABS, 2005), and Australian participation rates still lag behind those of many comparable countries.

Figure 1 presents the time trend of labour force participation of people aged 45–64 years for some selected OECD countries. In 2001, Australia had relatively low participation (about 67 per cent), similar to the average level of OECD countries, but much lower than the United Kingdom, Canada, the United States and New Zealand. However, Australia had the highest growth rate of participation from 2001 to 2009, followed by New Zealand and Canada, with growth (coming off a low base) much higher than the United Kingdom, the United States or the OECD average. By 2009, participation in Australia had jumped to a level similar to that of the United Kingdom (just above the OECD average), but was still lagging slightly behind the United States and Canada and much lower than New Zealand.

Figure 1 Labour force participation of people aged 45–64 years, selected OECD countries, 2009



Source: Data extracted on 12 Jul 2010 02:16 UTC (GMT) from OECD Statistics.

Australian policy makers are aware of the need to try and boost mature age labour force participation. The Productivity Commission argues sustaining and supporting workforce participation is a key solution to resolving labour force losses sustained as a result of the ageing population (Warburton and Bartlett 2004). The most recent Intergenerational Report from Treasury notes the complex nature of mature age labour force participation and suggests that policies which target ‘improvements in education, health and attachment to the labour market’ may be particularly important for improving participation rates,

including 'removing the barriers to workforce participation for mature aged people who want to work' (Treasury Intergenerational Report 2010, page xiv).

Some factors which may possibly influence workforce participation for older workers in Australia include physical and mental health; educational attainment; the possible impact of the tax-transfer and retirement income systems; cultural attitudes; workplace flexibility and access to retraining and support services (DOHA 1999; Treasury Intergenerational Report 2010; Cai and Cong 2009; Leigh 2010). For example, Cai and Cong (2009) find that both health status and chronic diseases have significant effects on labour force participation of older working-age Australians (aged 45–64 for males and 45–61 for females). Leigh (2010), in a paper focusing on informal caring, finds that carers are less likely to be employed, tend to work less and earn lower hourly wages. However, it is unclear whether these results reflect the effect of caring or simply individual characteristics that are more common among carers. In addition, hidden unemployment may be a particular problem for older Australians: a relatively high proportion of potential workers may become discouraged and drop out of the labour force altogether (Spoehr, Barnett and Parnis 2009). Such discouraged workers do not appear in official unemployment statistics, but nevertheless represent a group who may in fact want to be in work.

Understanding the diverse characteristics, labour market experiences and participation-related decision-making for mature aged people who are not working is a crucial issue for both Australian researchers and policy makers. This paper presents the first results of a larger project exploring these issues. Data from the Household Income and Labour Dynamics in Australia (HILDA) survey (Wave 8) is used to analyse the characteristics of those baby boomers who are currently not working, comparing their characteristics with those of their counterparts who are in paid work. We also focus on the nature of work for our target age group, and on differences between those who are voluntarily or involuntarily not working, and between men and women. These results are designed to build a preliminary profile of labour force participation and non-participation for this age group, and will form the basis for additional qualitative enquiry. The qualitative part of this project will allow us to gain a richer understanding of the barriers to participation for this group of mature Australians, and the diversity of their experiences and attitudes.

One issue we explore in this paper is differences in characteristics between baby boomers who are out of work but would prefer to be working (for whom we use the shorthand term 'involuntarily not working'), and those who are out of work and do not report a desire to get a job (whom we categorise as 'voluntarily not working'). Apart from the practical challenges of allocating survey respondents to one of these two groups – described in the next section – broader conceptual problems with these categories also exist. The ways in which people define their workforce participation, the social and psychological meaning of participating or not participating in paid work, the extent to which some individuals may find particular explanations for a withdrawal from the labour force more meaningful and acceptable than others, and how all these issues might differ by gender and age group, are extremely complex concerns. Hidden unemployment, for example, as discussed above, is likely to be present in this age group, and discouraged job seekers may well report that

they are not looking for a job, although in fact they might have had a preference for working had they not had sustained problems with finding a job. The categories we have developed here will not reflect the complexities and nuances of people's real-life experiences of labour force withdrawal. However, we were convinced that getting some sense of the differences between these two groups, despite the definitional difficulties, was an important part of beginning to understand the variety of experiences of those baby boomers who are not participating in the paid workforce.

2 DATA AND METHODOLOGY

The data presented in this paper come from the Household Income and Labour Dynamics in Australia (HILDA) survey. We used person-level data which was collected in 2008 in Wave 8 of the survey. All the tables and charts use data weighted by the HILDA person weights, which means that the results are representative of the total population of Australians aged 45–64 years. Where possible, we divide our sample into men and women, and into three age groups: 45–54 years, 55–59 years and 60–64 years. As this analysis is designed as only a preliminary profile of participation or non-participation in paid work of baby boomers, measures of statistical significance are not calculated, and it should be kept in mind when interpreting the results that not all differences that show up between groups will be statistically significant.

2.1 SAMPLE

Our total sample of men and women aged 45–64 years is 3999, of whom 2924 are in paid work, and 1075 are not. Once we further divide the sample into those who are defined as having voluntarily left the labour force, and those whom we define as 'involuntary', we have 810 individuals in the 'voluntary' group, 247 in the 'involuntary' group and 18 whose status cannot be identified. When we analysed these samples by gender and/or age group, low sample sizes within cells became an issue for some cross-tabulations. In the results presented below, we note those occasions on which our estimates are based on a low sample size of less than 30 – any such results should be interpreted cautiously.

2.2 DEFINITIONS OF VARIABLES

In this section, we provide some brief definitions of key concepts and variables. Of particular importance is our operationalisation of the notion of 'voluntary' and 'involuntary' non-participation in the labour market.

Baby boomers

People aged 45–64 years in the HILDA 2008 survey

Working

People who are working include those working full-time or working part-time in the week before the survey.

Not working

People who are not working include both those who are unemployed and those who are not in the labour force during the week before the survey.

Voluntarily/involuntarily not working

As noted above, teasing out the extent to which withdrawal from the labour force is a true choice or a forced choice is not straightforward. We have operationalised these variables with an aim of maximising sample size while maintaining as much accuracy as possible, using a number of variables in HILDA. However, it is almost certainly the case that some of the respondents whom we classify as 'voluntary' have withdrawn from paid work under constrained circumstances, and (probably to a lesser extent) some of the respondents whom we classify as 'involuntary' may in fact be happy with their withdrawal from the labour force. This is an issue that can be further explored in the qualitative component of this study, but should nevertheless be kept in mind when interpreting our results.

Our definitions are as follows:

Voluntarily not working

- (1) Not in labour force, and do not want a job; or
- (2) Not in labour force but report that they might want a job, AND they are not looking for a job mainly because of one of the following reasons: 'does not need to work/no time/prefers to look after children/not interested'¹;
- (3) Not in labour force, did not report whether or not they wanted a job, AND their main activity is one of 'retired/voluntarily inactive/study/travel/holiday/leisure/doing voluntary job'.

Involuntarily not working

- (1) Unemployed; or
- (2) Not in labour force, but want a job; or
- (3) Not in labour force but might want a job, AND they are not looking for a job because one of 'own illness, injury or disability/other childcare reason/health of someone else/too young or too old'²
- (4) Not in labour force and did not report whether they want a job, and their main activity is one of 'home duties/childcare/own illness, injury or disability/caring for ill or disabled person'.

Unable to determine

¹ Some other categories of reasons are included in the survey data but not represented in this sample.

² Some other categories of reasons are included in the survey data but not represented in this sample.

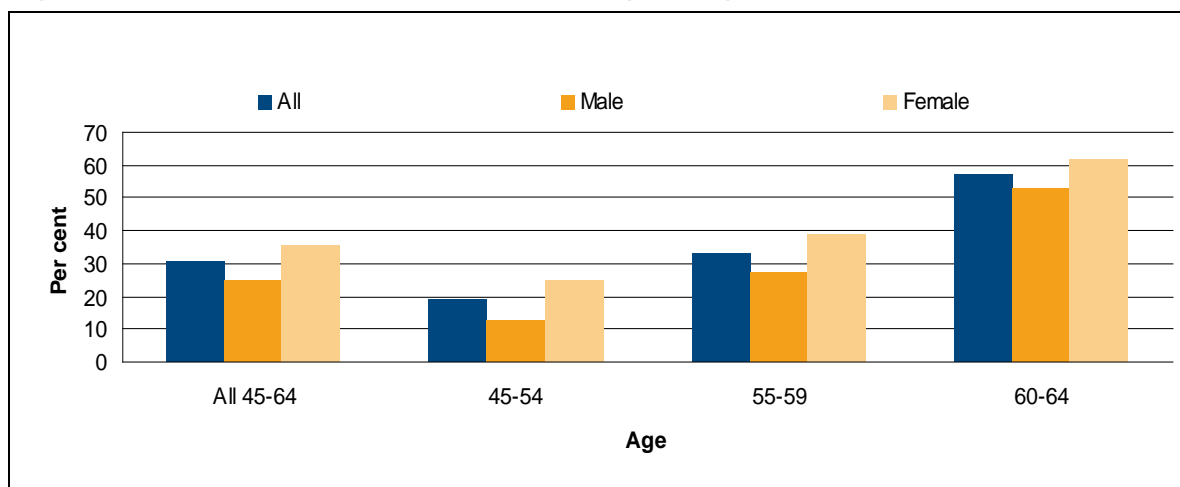
There was also a small 'unable to determine' group of respondents who did not report whether or not they wanted a job AND did not report their main activities.³

3 RESULTS

3.1 PAID WORK: PARTICIPATION PATTERNS

Our first step in profiling job participation and withdrawal among Australian baby boomers was to examine the gender and age profile of those who were and were not in paid work. These results are shown in Figures 2 and 3, and demonstrate that (as expected) the proportion of both men and women who move out of the workforce increases with age. In addition, differences in labour force participation between men and women narrow as people move through mid-life. For the 45–54 years age group, the proportion of women not in paid work (24.6%) is almost double that of men (12.8%), but for the 60–64 year olds this gap has narrowed somewhat. Perhaps what is particularly striking about the results in Figure 2, however, is the very large number of both men and women who are not in paid work just prior to the 'standard' retirement age of 65 for males. Indeed, over half of all 60–64 year old Australians are not in jobs.

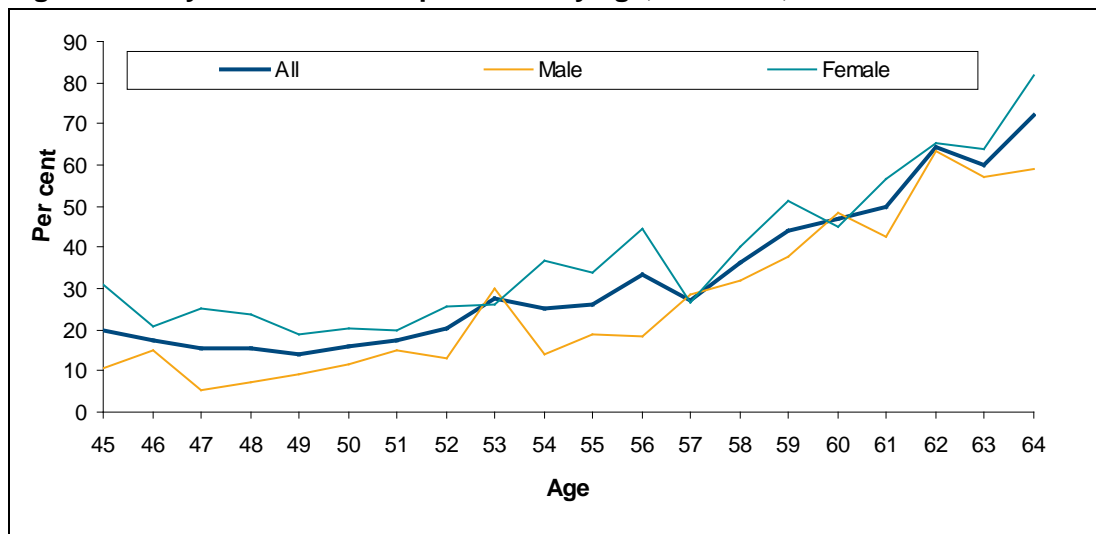
Figure 2 Baby boomers not in paid work, by age and gender, Australia, 2008



Source: HILDA Wave 8; NATSEM calculations.

Figure 3 presents further details of the age profile of the proportion of baby boomers not participating in the labour force before age 65. There is a strong trend for both male and female baby boomers to withdraw from the labour force as age increases.

³ Within the 'voluntary not working' group, 787 sample members are in subgroup (1), 17 in subgroup (2) and 6 in subgroup (3). Among the involuntary not working group, 73 are in subgroup (1), 137 in subgroup (2), 32 in subgroup (3) and 5 in sub group (4).

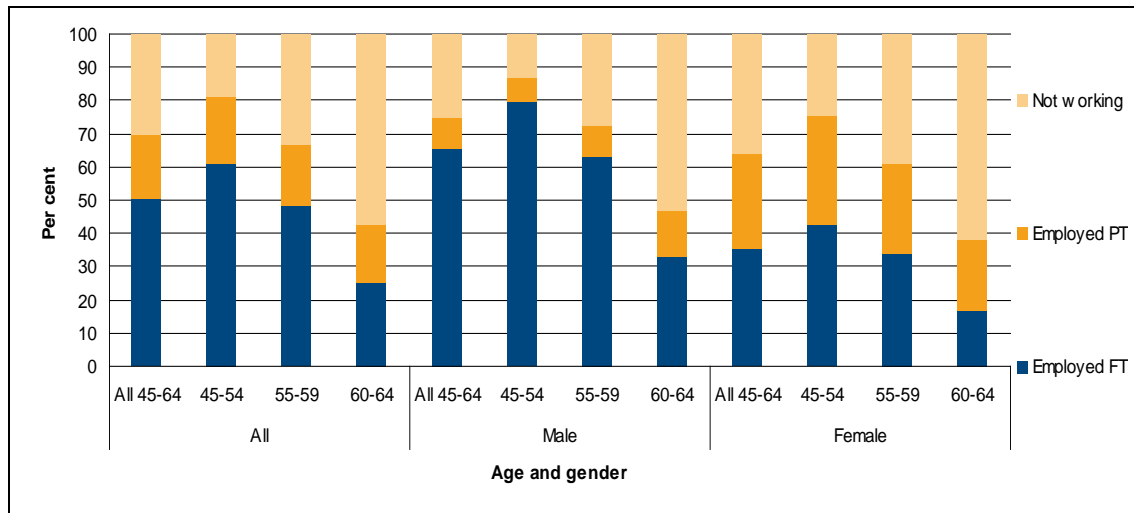
Figure 3 Baby boomers not in paid work by age, Australia, 2008

Note: The total sample size of baby boomers (including working and not working) is around 80–100 for each age group. Some fluctuations may be due to sampling, so it is important to focus on overall trends rather than point values.

Source: HILDA Wave 8; NATSEM calculations.

These findings about the relatively large numbers of baby boomers *not* in paid work reflect those presented in our introduction, and the remainder of our analysis explores the characteristics of both working and non-working baby boomers, in order to tease out the differences between these two groups.

First, we examine patterns of work among those baby boomers who *are* in paid work. Figure 4 shows that part-time work is much more common for women than men over each of the age groups examined, although part-time work becomes a little more common for men as they move towards retirement (ages 60–64), but this change is not evident for women. If we compare men and women for the 45–54 years cohort and the 60–64 years cohort, we can see that for the younger group, men and women's patterns of work are very different, while for the older age group, men's working patterns look much more like women's, with a larger group of part-timers than is the case for younger cohorts of men, and just over half of all men in this age group not in paid work.

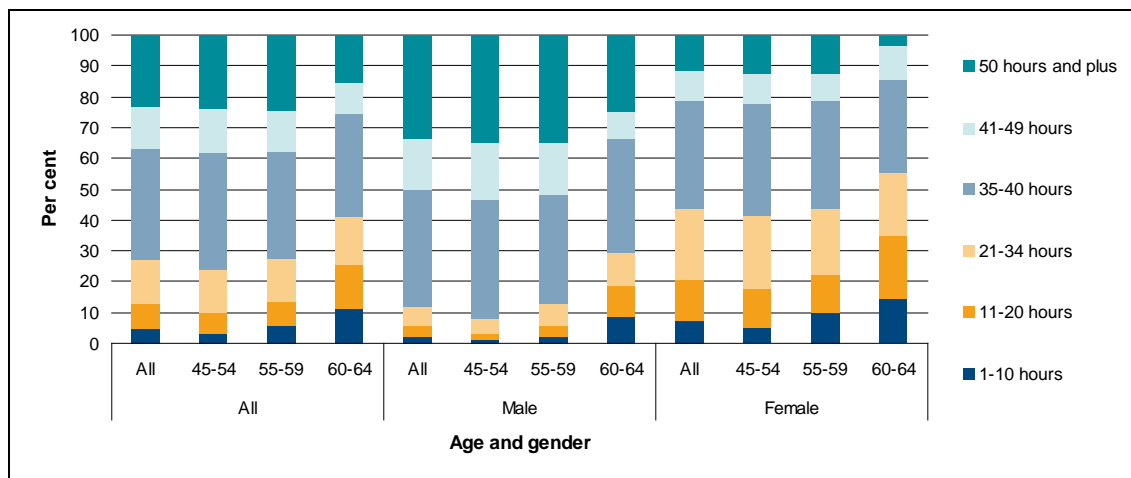
Figure 4 Labour force status of baby boomers, by age and gender, Australia, 2008

Source: HILDA Wave 8; NATSEM calculations.

Figure 5 presents the distribution of weekly working hours of baby boomers by age and gender. More than one-third (36.6%) of baby boomers are currently working within the range of full-time paid working hours (35–40 hours per week). Outside of this middle group, however, men are more likely to work long paid hours (over 50 hours per week) while women are more likely to be in paid work for fewer hours (21–34 hours per week). These differences may reflect the extent to which traditional male and female roles in regard to workplace and home are still prevalent in Australia, and women’s tendency to work fewer paid hours than men will be balanced by their larger contribution to household tasks and caring. The fact that over one-half of all men in our sample reported working more than a standard 40-hour week suggests that for many baby-boomer men, work must consume a very large amount of available time. Just over one-fifth of women in the sample also report working more than 40 hours per week.

There is a substantial change in working hours after age 60. The proportion of male and female baby boomers working very long hours (more than 40, and especially more than 50, hours per week) decreases quite sharply, while the proportion of baby boomers working relatively short part-time hours (less than 20 hours per week) increases substantially, indicating a significant transfer from patterns of more than full-time work to relatively low part-time hours for many baby boomers after age 60.

Figure 5 Current working hours of baby boomers, by age and gender, Australia, 2008

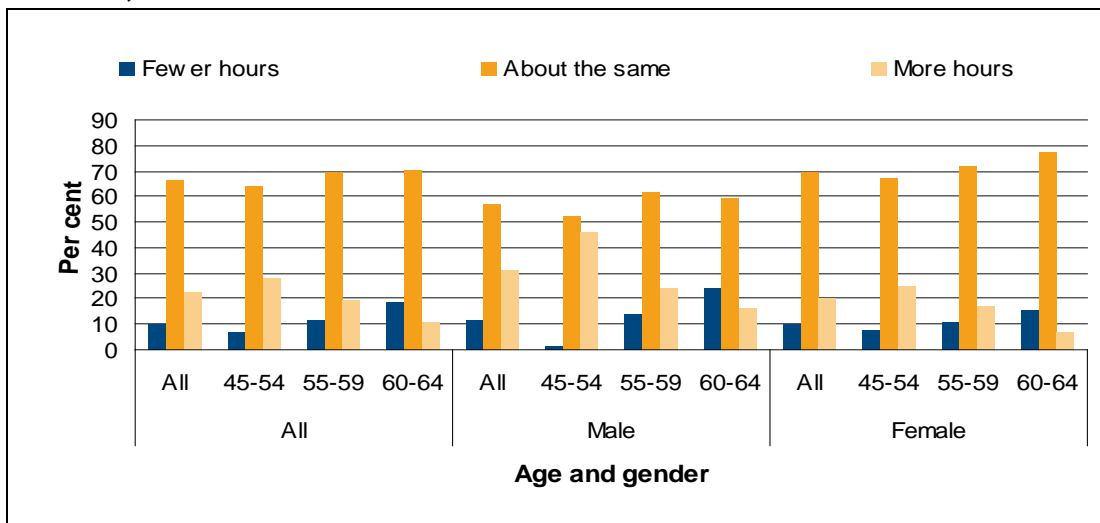


Note: the following results are based on sample sizes less than 30: males in each age group working 1–10 or 11–20 hours; males aged 55–59 and 60–64 working 21–34 hours; males aged 60–64 working 41–49 hours or 50+ hours; females aged 55–59 and 60–64 working 1–10 hours, 41–49 hours or 50+ hours; all 60–64 year olds working 41–49 hours.

Source: HILDA Wave 8; NATSEM calculations.

For those baby boomers who do work part-time, does this represent a clear preference for mid-life workers, or would they prefer to work more? The data in Figure 6 gives us an indication of what proportion of respondents working part-time would prefer to work more (or less) hours. It shows that most part-time baby boomers (about 66.7 per cent) are working about the number of hours they would like, while some would prefer to work less, particularly for the 60–64 age group, in which just under one-fifth of all those currently working part-time would prefer to work *fewer* hours. However, around 23 per cent of both men and women baby boomers working part-time report that they would like to work *more* hours. This finding is particularly striking for men, with 31.2 per cent reporting that they would like to work more hours, but even for women in this age group, around one-fifth (20.4 per cent) are working fewer hours than they would prefer. This suggests that barriers to additional labour force participation may exist, and that underemployment for mid-life Australians is an issue.

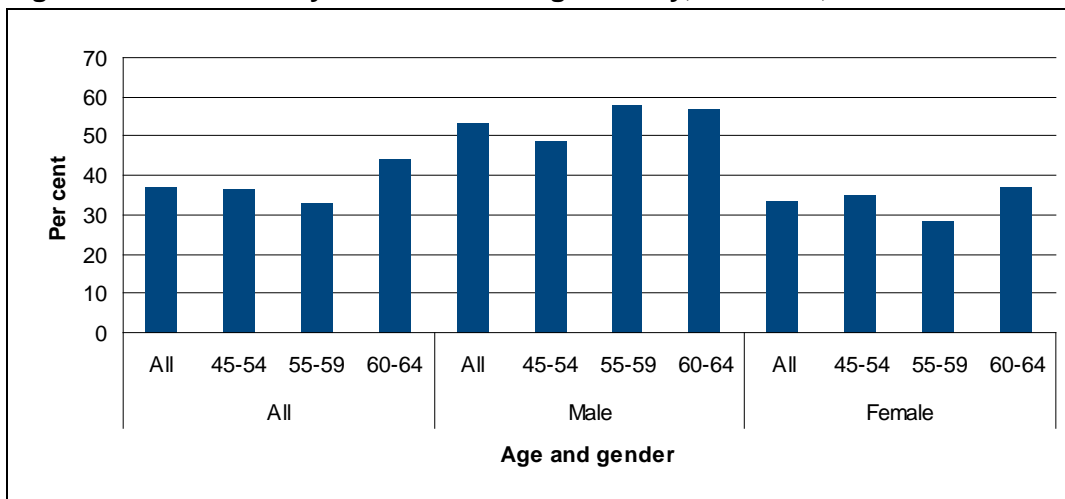
Figure 6 Part-time baby boomers preference for more/less work, by age and gender, Australia, 2008



Note: The following results are based on sample sizes less than 30: all age groups of part-time males wishing to work more hours, all part-time aged 50–59 and 60–64 wishing to work more, and part-time females aged 50–59 and 60–64 wishing to work more.
Source: HILDA Wave 8

Of additional interest is the type of contract under which part-time baby boomers are working. Figure 7 shows that very large proportions of part-time mature age Australian workers are employed on a casual basis, and this is particularly so for men. Over half of all male part-time workers aged 45–64 years were working on a casual basis in 2008, compared with around one-third of female part-time workers in the same age group. These findings may result from the different paths that men and women take to part-time work in mid-life, and exploration of these issues through qualitative enquiry is likely to throw considerable additional light on this phenomenon.

Figure 7 Part-time baby boomers working casually, Australia, 2008



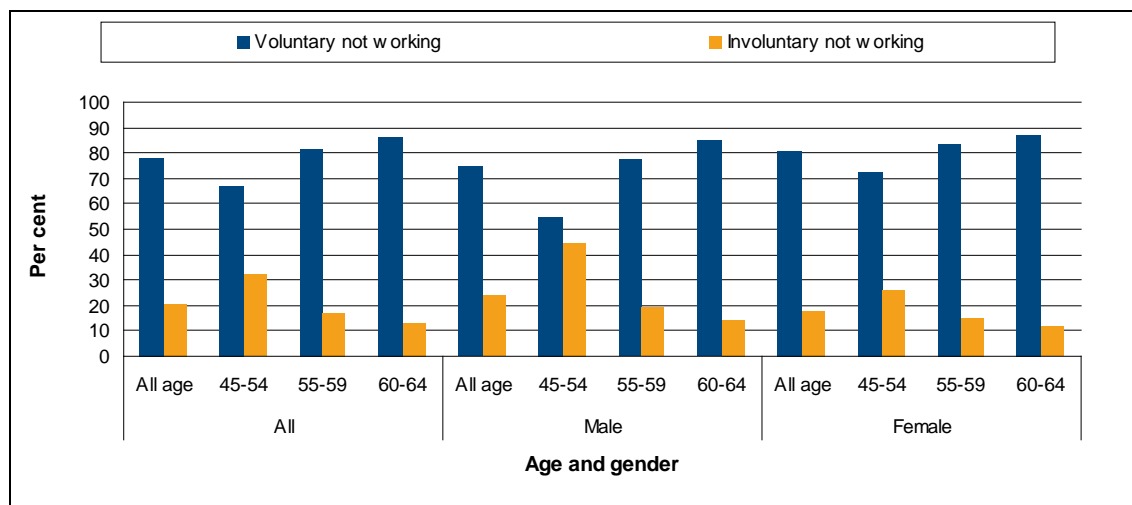
Note: the age breakdowns of male part-time casual workers are based on sample sizes of less than 30.
Source: HILDA Wave 8; NATSEM calculations.

3.2 VOLUNTARY OR INVOLUNTARY?

Once we divide our sample of baby boomers who are not working into two groups – those who are voluntarily out of the workforce, and those who would prefer to be working – we see some very sharp differences between these two groups. However, it is first important to note once again, as discussed earlier, that complexities around definitions of ‘voluntary’ and ‘involuntary’ mean that these results should be considered indicative only.

Putting these complexities aside, what do the data tell us about baby boomers who are voluntarily or involuntarily not working (using our definitions)? As shown in Figure 8, a substantial minority of baby boomers respond to questions about their labour force status in ways which suggest that withdrawing from the labour force is not a clear preferred choice. Particularly striking is the proportion of men aged 45–54 years who fall into our ‘involuntary’ group (44.3%). A large proportion of women aged 45–54 years (just over one-quarter of all women in this age group not in paid work) also fall into the ‘involuntary’ group. For both men and women, these proportions fall with age, and the gap between men and women narrows somewhat closer to retirement. While women make up more of the baby-boomer population not in paid work (as shown in the previous section), they are somewhat under-represented in the ‘involuntary’ group, although these differences are not as striking as might perhaps have been expected.

Figure 8 Baby boomers not in paid work by voluntary/involuntary status, age and gender, Australia, 2008



Note: Sample sizes for the involuntary group for males aged 55–59 and females aged 60–64 were less than 30.

Source: HILDA Wave 8; NATSEM calculations.

3.3 HOW DO THE GROUPS DIFFER?

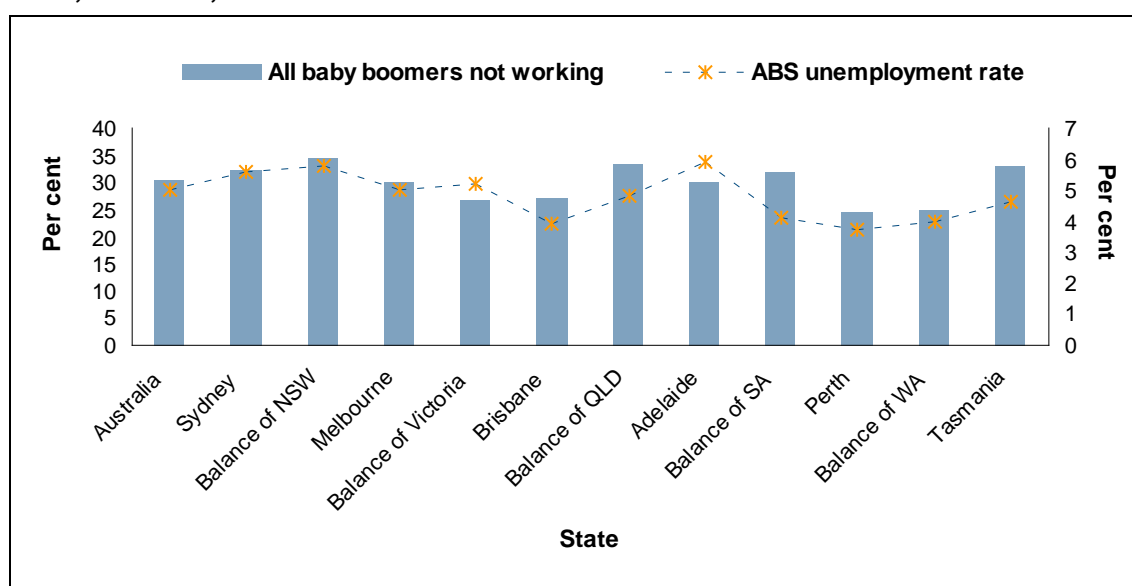
Our analysis in the section above shows substantial differences between men and women, and across age groups, in the likelihood of being in paid work or not during mid-life, and in work-related characteristics for those working. In this section, we present data about other characteristics of baby boomers, comparing those who are in paid work with those who are not, and also (where sample sizes allow) looking at differences in characteristics

between the 'voluntary' and 'involuntary' groups we have created from the total sample of those not in paid work.

Regional variations

First, we were interested to see if there was any regional variation in the distribution of paid work participation among baby boomers. We might have expected to see some differences across states and territories, or between regional and capital city areas. In Figure 9, the bars show the capital city / balance of state distribution of baby boomers not in paid work. While some differences are apparent, there is no clear pattern, although (with some exceptions) areas outside the capital cities tend to have somewhat higher proportions of baby boomers not working. The estimated headline unemployment rate for each of these regions based on Australian Bureau of Statistics (ABS) data is also shown in Figure 9 (see the dotted line). This shows that the proportion of baby boomers not in paid work is not necessarily lower in areas with lower unemployment rates (suggesting more job opportunities) or higher in areas with higher unemployment rates (and thus potentially fewer job opportunities). The participation of baby boomers is only moderately correlated to the ABS regional unemployment rate, with a correlation coefficient of 0.57 (results not shown). While the unemployment rate is only one measure of potential job opportunities in an area, and will not capture the presence of underemployment or discouraged job seekers, the relatively modest correlation we find does suggest that the reasons behind withdrawal of baby boomers from the labour force may be complex. It could be, for example, that the job opportunities available in some regions may not match the education or skills of those baby boomers not in paid work, or that other barriers to taking up particular types of jobs (e.g. health limitations) might be in place. Personal choice may also play a role, and further investigation of these issues could be very fruitful.

Figure 9 Baby boomers not in paid work, proportion by capital city and balance of state, Australia, 2008



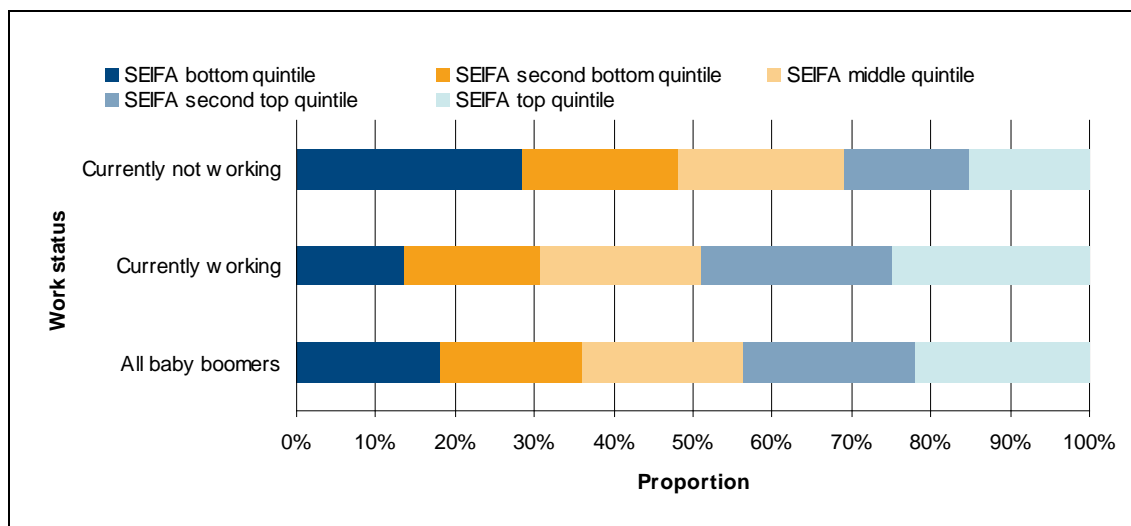
Note: Data are not presented for the ACT and NT due to low sample sizes.

Source: HILDA Wave 8; NATSEM calculations and ABS Labour Force, Australia, detailed-electronic delivery (6291.0.55.001).

A further regional breakdown is shown in Figure 10, which presents differences between baby boomers who are and who are not in paid work by their place of residence, with the latter variable divided into quintiles of socio-economic disadvantage. Quintiles of small area disadvantage are measured using the ABS Socio-Economic Indexes for Areas (SEIFA) that are provided within the HILDA data. The SEIFA index attached to the HILDA data was derived by the ABS from the characteristics of the residential area of respondents in the 2001 Census. There are a number of SEIFA indexes, but the one used here (and commonly used in studies related to inequality), is the Index of Relative Socio-Economic Disadvantage, where the variables of low income, low educational attainment, high unemployment and jobs in relatively unskilled occupations have large weights (Australian Bureau of Statistics 2008). A low score on the index indicates more disadvantage, while a high score reflects a lack of disadvantage.

In the chart, the bottom SEIFA quintile represents areas with the greatest disadvantage, while the top quintile represents those areas with the least disadvantage. As can be seen, baby boomers who are not in paid work are over-represented in disadvantaged areas, with over one-quarter of non-working baby boomers living in areas in the bottom SEIFA quintile, compared with only 13.6 per cent of currently working baby boomers. Conversely, those not in paid work are much less likely to live in Australia's least disadvantaged areas (15.2 per cent compared with 24.9 per cent of working baby boomers).

Figure 10 Baby boomers by SEIFA score of area of residence and labour force status, Australia, 2008



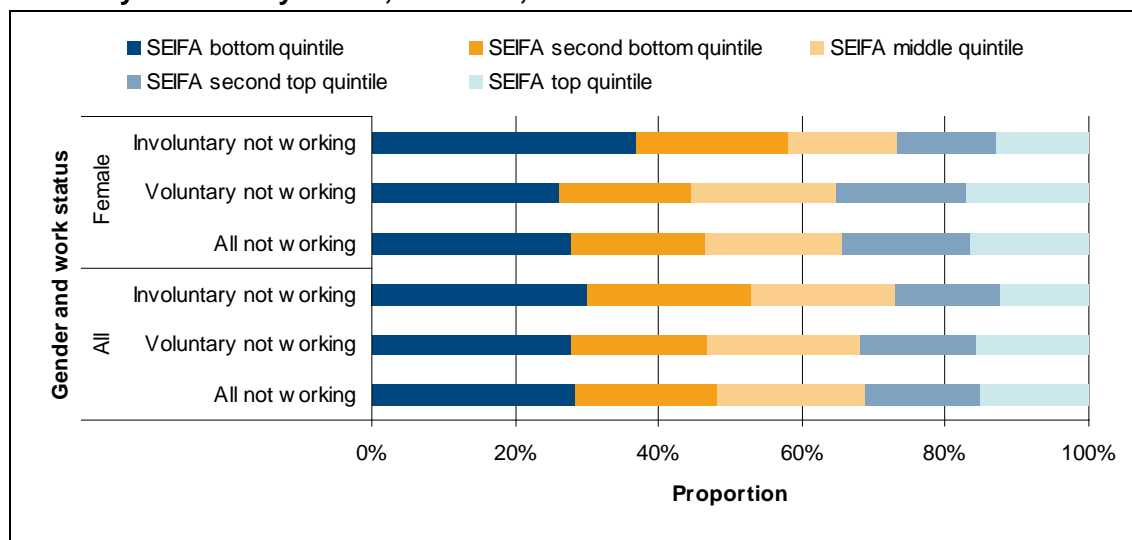
Note: SEIFA scores from HILDA are based on 2001 Census data

Source: HILDA Wave 8; NATSEM calculations.

We also examined regional differences between our 'voluntary' and 'involuntary' groups, and found some substantial variation between groups of women in terms of SEIFA scores. Figure 11 shows that 36.8 per cent of women in the 'involuntary' group live in an area which falls into the most disadvantaged one-fifth of small areas across Australia, compared with only just over one-quarter of women in the 'voluntary' group. Small sample sizes for men in the 'involuntary' group in the SEIFA quintiles mean that we have not presented

results for men in Figure 11, but it can be seen that patterns for the whole sample are not as well-defined as those for women only.

Figure 11 Baby boomers by SEIFA score of area of residence, gender and voluntary/involuntary status, Australia, 2008



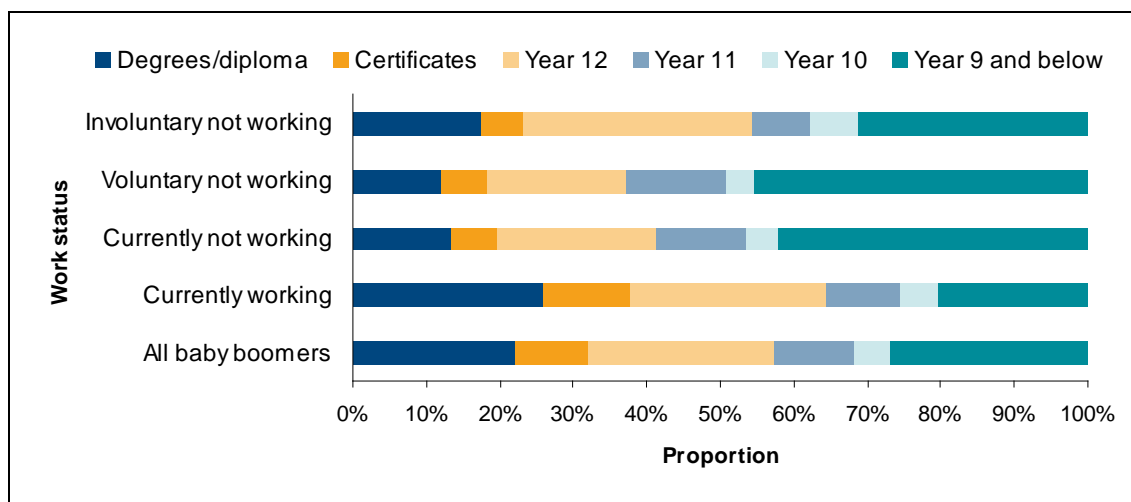
Note: Sample sizes for the involuntary group for males in each of the SEIFA quintiles were less than 30 so these groups are not presented here. SEIFA scores from HILDA are based on 2001 Census data.

Source: HILDA Wave 8; NATSEM calculations.

Education

Substantial differences in educational attainment exist between baby boomers who are in paid work and those who are not, and between our 'voluntary' and 'involuntary' groups. Figure 12 shows the results for all these groups. First looking at the differences between those in paid work and those who are not, it is clear that educational attainment is substantially higher among the working group, with over one-quarter of this group having a degree or diploma, compared with only 13.2 per cent of the non-working group. Conversely, around twice as many of the baby boomers not in paid work have only an educational attainment of Year 9 or below as of their in-work counterparts.

Turning to the differences between the voluntary and involuntary groups, we can see that while people who have not completed high school are more likely to be out of the paid workforce in mid-life, this group are somewhat *less* likely to report that they would prefer to be in work than out of work. Conversely, individuals with more qualifications are slightly over-represented in the 'involuntary' group. These findings are somewhat surprising, as it would be expected that barriers to work for more highly educated baby boomers might be lower than those for people with fewer qualifications. It is possible that the under-representation of people with lower education in the involuntary group may represent the presence of discouraged job seekers, who have given up aspiring to work. The high proportion of people with Year 12 or certificate qualifications in the involuntary group may perhaps be partly explained by the increasing emphasis in many fields of work on achieving tertiary qualifications, which may be limiting opportunities for mid-life workers without this level of education.

Figure 12 Baby boomers by highest educational achievement and labour force status, Australia, 2008

Note: Sample sizes for the 'involuntarily not working' group with certificates, Year 11 and Year 10 are less than 30.

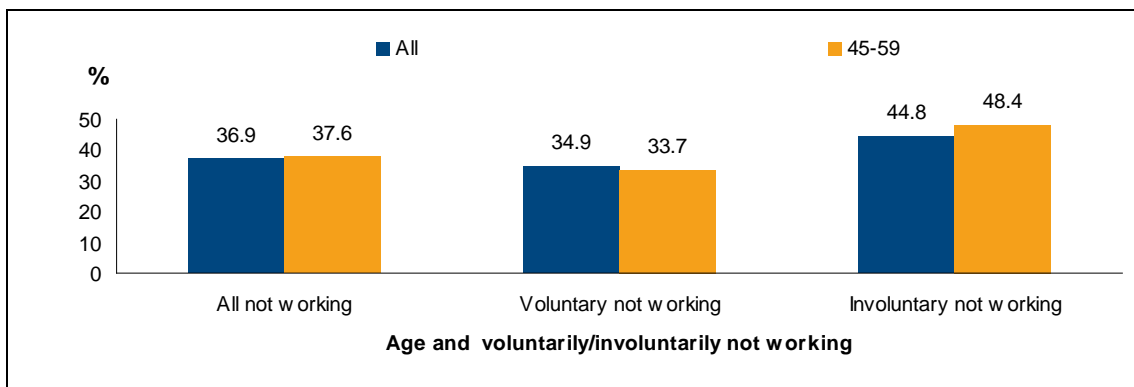
Source: HILDA Wave 8; NATSEM calculations.

Economic characteristics

The economic circumstances of baby boomers voluntarily and involuntarily out of paid work differ substantially. We examined these characteristics from two angles, using first a measure examining the main source of household income and then rates of home ownership.

Figure 13 presents the percentage of those baby boomers currently not working whose main source of household income is government transfers (that is, over half of their household income comes from pensions, allowances and other social security payments), divided into our voluntary and involuntary groups. We find that, on average, more than one-third (36.9 per cent) of baby boomers who are not in paid work have household income drawn mainly from government transfers, and, not surprisingly, that baby boomers who are involuntarily not working are more likely to rely on government transfers than those voluntarily not working (44.8 percent compared with 34.9 per cent). While we were not able to examine patterns for our older age group of 60–64 year olds due to sample size issues, we do present results separately for those aged 40–59 years. When we examine only this younger group, patterns are similar to those for the whole sample, with around one-third of the voluntary group and almost one-half of the involuntary group receiving more than half their household income in government transfers.

Figure 13 Percentage of baby boomers not in paid work with main source of income government transfers, by age and voluntary/involuntary status, Australia, 2008

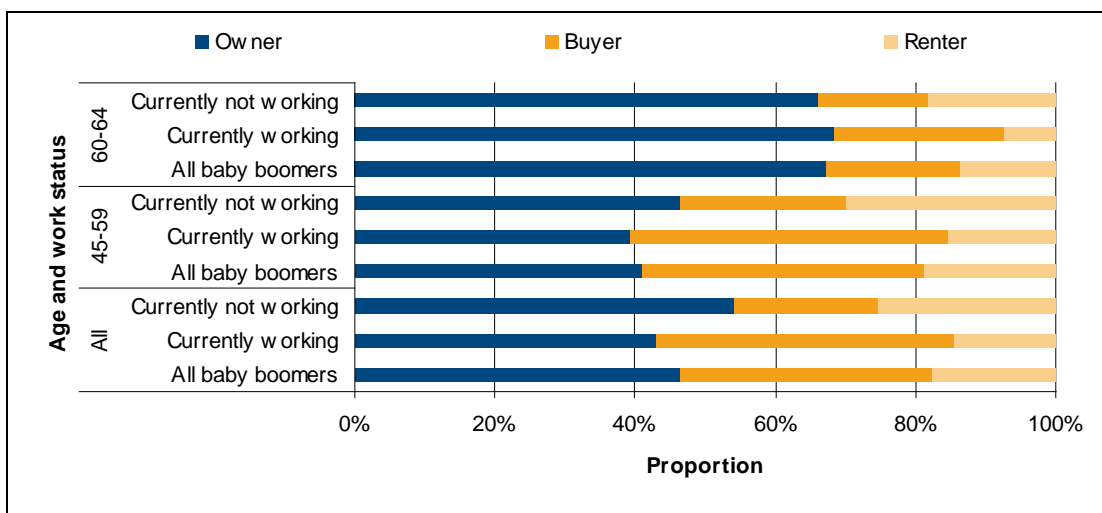


Note: Sample size for those aged 60–64 involuntarily not working by main source of income is less than 30, so results for this age group are not reported here.

Source: HILDA Wave 8; NATSEM calculations.

Turning to home ownership, we found some differences in terms of housing tenure between baby boomers in and out of paid work, at least for the 45–59 year old group.⁴ Figure 14 shows that both outright homeowners and renters in this age group are more likely to be not working, compared with respondents purchasing their homes. Unsurprisingly, the percentage of outright home owners is larger overall for the older age group than the younger. There is very little difference between working and non-working 60–64 year olds in terms of outright ownership, but many more renters appear in the former than the latter group in this age bracket.

Figure 14 Housing tenure of baby boomers by labour force status and age, Australia, 2008



Note: A small proportion of respondents had 'other' housing tenure, and these are not reported here

Source: HILDA Wave 8; NATSEM calculations.

⁴ In this paper, we use housing ownership as a proxy for proxy respondents' wealth, since data on wealth is not available in HILDA 2008 (Wave 8). For a future study, it might be possible to link the wealth data which is available in Wave 6 of HILDA with the 2008 labour force data.

We also examined differences in housing characteristics between our 'voluntary' and 'involuntary' groups of people not in paid work, and these results are shown in Table 1. Very sharp differences in housing tenure are revealed: only 59 per cent of our involuntary group own or are purchasing their home (compared with 77.6 per cent of the voluntary group), with around 40 per cent renting in the private or public market. For women, these differences are particularly marked, with only 54 per cent of the involuntary group owning or purchasing their home. While some of the remainder of these women (23.3%) are in public housing, some 20.7 per cent are renting in the private market, a tenure type which is associated with substantial instability, and which other research suggests is correlated with a range of risk factors, particularly for older women (Babacan *et al.* 2006; Jones *et al.* 2007).

Table 1 Housing tenure of baby boomers not in paid work, by gender and voluntary/involuntary status, Australia, 2008

	All not working			Males not working			Females not working		
	All	Voluntary	Involuntary	All	Voluntary	Involuntary	All	Voluntary	Involuntary
	%	%	%	%	%	%	%	%	%
Housing tenure*									
Owning or buying	73.6	77.6	59.0	74.1	77.9	64.0	73.2	77.4	54.4
Public renters	10.5	8.4	17.6	9.4	8.1	11.3	11.2	8.6	23.3
Private renters	14.5	12.6	21.9	14.6	12.1	23.3	14.4	13.0	20.7

*A small proportion of respondents also had 'other' housing tenure, and these are not reported here

Note: Shaded cells have sample sizes of less than 30.

Source: HILDA Wave 8; NATSEM calculations.

Other characteristics

Clearly, the factors discussed above present just a very small part of a complex picture of characteristics related to participation and non-participation in paid work in mid-life. In this final section of results, we examine several other issues, comparing working with non-working baby boomers. Comparing additional characteristics of the 'voluntary' versus 'involuntary' group was difficult due to problems with sample sizes when breaking these groups up into smaller categories. However, how such characteristics influence the nature of the decision to leave work, and how men and women define their own job aspirations, will be important questions for further qualitative enquiry.

With regard to comparisons between working and non-working baby boomers, long-term health conditions are much more likely to be reported by those out of work. The HILDA survey asks people whether they have a long-term health condition, and if yes, whether this health condition has any effect on their work. As shown in Table 2, in 2008 about 73.7 per cent of baby boomers reported no long-term health condition, 5.7 per cent reported a long-term health condition which had no impact on their work, 20.0 per cent reported a condition which limited the amount the type or amount of work they could do and 0.6 per cent reported being unable to work at all due to the health condition.

It is not surprising to find that people without a long-term health condition, or whose health condition has no effect on their work, are more likely to work, while people with

a long-term health condition which limits their work are more likely not working. For example, 84.8 per cent of working baby boomers have no long-term health condition, while for those currently not working, only 48.5 per cent have no long-term health condition. As age increases, some baby boomers without a long-term health condition may start to withdraw from paid work, and we might expect to see the proportion of baby boomers not in paid work without a long-term health condition increasing, but these changes are very modest: from 47.6 per cent for the 45–59 age group to 50.0 per cent for the 60–64 age group.

Table 2 Long-term health condition of baby boomers by labour force status and age, Australia, 2008

Baby boomers	Working or not	No long-term health condition	No impact on work	Limit type or amount of work	Cannot work
All	All baby boomers	73.7	5.7	20.0	0.6
	Currently working	84.8	6.1	9.1	0.0
	Currently not working	48.5	4.8	44.9	1.8
45–59	All baby boomers	76.7	5.2	17.5	0.5
	Currently working	85.5	5.6	8.8	0.0
	Currently not working	47.6	3.9	46.3	2.2
60–64	All baby boomers	62.4	7.3	29.6	0.7
	Currently working	79.7	8.8	11.4	0.0
	Currently not working	50.0	6.2	42.7	1.2

Note: Shaded cells have sample sizes of less than 30.

Source: HILDA Wave 8; NATSEM calculations.

Caring responsibilities are another key issue likely to affect baby boomers' participation in paid work. The HILDA survey asks people whether they have caring responsibility for their family members or others due to a long-term health condition, old age or disability, and if yes, whether they are the main carer. Based on these variables, we classify our sample into three different groups: main carer, carer but not main carer, not a carer. In 2008, 7.2 per cent of baby boomers reported being the main carer and another 5.7 per cent were classified as carers but not the main carer (Table 3). Only main carers are more likely to be not working than working. When age increases from 45–59 to 60–64, slightly more baby boomers become main carers, and more baby boomers who are not carers are not in paid work. Overall, these results suggest that a substantial minority (19.5%) of baby boomers not in paid work have some level of caring responsibility.

Table 3 Caring responsibilities of baby boomers by labour force status and age, Australia, 2008

Baby boomers	Working/not working	Main carer	Carer but not main carer	Not a carer
All	All baby boomers	7.2	5.7	87.1
	Currently working	3.9	6.1	90.0
	Currently not working	14.8	4.7	80.5
45–59	All baby boomers	6.8	5.8	87.3
	Currently working	3.7	5.9	90.5
	Currently not working	17.3	5.8	77.0
60–64	All baby boomers	8.7	4.9	86.4
	Currently working	5.5	7.6	87.0
	Currently not working	11.0	3.0	86.0

Note: Shaded cells have sample sizes of less than 30.

Source: HILDA Wave 8; NATSEM calculations.

4 CONCLUSION

Our analysis of HILDA data supports the notion that participation and non-participation in paid work for mid-life Australians is complex, with a great deal of heterogeneity in both these groups in terms of satisfaction with their work status and in relation to their socio-economic and personal characteristics. Differences between men and women, and across the age groups, are sometimes stark, and in other cases a *lack* of difference between groups is also revealing.

Some of our findings point to differences between men and women which support the gendered approach we have taken to this analysis, as well as highlighting areas which would benefit from further enquiry. For example, the tentative differences in area-level disadvantage we found between 'voluntary' and 'involuntary' not-in-work women were not present for our whole not-in-work sample (see Section 3.3). While small sample sizes for men in this breakdown make firm conclusions difficult to draw, it is possible that the barriers to labour force participation, or the risk factors which lead to workforce withdrawal, may be more linked to area-level (e.g. local economy) factors for women than for men. On the other hand, some of the differences we see between genders may be more to do with different ways in which men and women report wanting or not wanting a job. We also noted some differences in housing tenure between men and women not in paid work by voluntary/involuntary status. These differences suggest that it would be fruitful to explore how the wider contexts of a forced withdrawal from paid work may differ in some ways by gender.

Another example of findings which deserve further analysis relates to the strong patterns of increased age being associated with increasing part-time work for men. It would be very enlightening to explore this data further at an individual level, looking at movements during midlife into and out of full-time and part-time work, and what predicts such movements. Further contrasting the substantial group of baby boomers who work very long hours (particularly, but not exclusively, men) with those who work very few hours or not at all would be another important focus of inquiry. In an age group among whom intensive work is fairly common, what are the experiences of those who are unable to engage in paid work? And how do the characteristics of the 'working intensely' and 'working little or not at all' differ?

Numerous issues for further *qualitative* enquiry are suggested by the profile of baby boomers we have provided here. Key questions could include:

- how do men and women describe and view the circumstances which result in a withdrawal from the labour force? Do some themes emerge from these narratives which could inform our understanding of the 'voluntary' and 'involuntary' aspects of non-participation in the labour market? To what extent do social and personal perceptions of 'work' seem to influence their views, and how do these influences differ for men and women, and for younger and older baby boomers?

- what are some aspects of the lived experience of underemployment for baby boomers? What do they identify as the key barriers to working more hours, and what are their perceptions of the ways such barriers could be overcome?
- how well do casual contracts meet the needs of older part-time workers? Do they provide flexibility, or rather are they taken due to a lack of choice of other contract types? What do older workers perceive as the advantages and disadvantages of casual work?
- what types of flexible working practices, job support or search services or other policy interventions do baby boomers themselves identify as likely to help them stay in or return to paid work? Do different themes emerge for men and women, older and younger people, or for people with different educational or occupational characteristics?
- what are the particular vulnerabilities and life experiences of those baby boomers who are both out of paid work and without a stable housing situation?

Additional *quantitative* analysis would also help to further understand patterns of labour force participation and non-participation among Australian baby boomers. The analysis we have presented here is descriptive only, and cannot be used to make inferences about the causes of non-participation. The longitudinal nature of the HILDA data provides an excellent basis for using statistical techniques to find out what factors predict withdrawal from the labour force, and how these might differ for various groups of baby boomers. Building a strong evidence base for policy would be a key goal for further quantitative analysis, focusing on finding out which barriers to participation play the greatest role for which groups of mature age Australians, and thus what policy interventions could best address these issues.

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