

New findings show stark inequalities in aging as government encourages us to work longer

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Changes in pension and employment policies are making it increasingly necessary for older people in the UK to work beyond the age of 65. However, new research from the University of Surrey finds significant differences in the likelihood of employment and income levels of people beyond 65, depending on their gender and health.

Years of healthy life expectancy and the likelihood of disability in older age vary significantly, and as a result particular groups are going to find it hard to keep working beyond 65 and are more likely to be disadvantaged by a rise in the state pension age, than others.

The findings, due to be presented by Professor Sara Arber at the fourth annual Alf Adams Lecture, are based on data from interviews with over 11,000 men and women aged between 60 and 79 (source: Understanding Society Survey, University of Essex). Key findings are that:

- The income gap between men and women in later life is substantial: men's income is 70% higher than women's. For women, caring for children and families throughout their life often leads to lower pensions, high levels of poverty and lack of health resources in later life.
- Middle-aged women providing care for elderly parents and in-laws are less likely to find suitable employment in later life that can fit around their commitments, which reduces their own future pension income and financial well-being in later life.
- In the late 60s (age 65-69), 21% of women and 18% of men are

working, nearly half of whom are in self-employment, possibly due to the lack of available jobs for the over 65s.

- Older people employed beyond the age of 65 are often in part-time and precarious jobs. There is employment polarisation, with more part-time work, hourly (versus salaried) work, in sectors such as sales and services.
- Income inequality from employment in later life is high. The top 10% of employed men in their late 60s earn six times more than the lowest quarter of employed men, and the top 1% earn 15 times more than the lowest quarter.
- Self-employment is very diverse resulting in huge income inequalities - the top 10% of self-employed men earn 10 times more than the bottom quarter of self-employed men. While the top 1% earn 30 times more than the lowest quarter of self-employed men.
- Gender inequalities in self-employment earnings in later life are even more pronounced. The top 10% of self-employed men earn 19 times more than the lowest quarter of self-employed women. While the top 1% of self-employed men earn nearly 60 times more than the lowest quarter of self-employed women.

"Our results show that policies to increase employment in later life may be leading to a cumulation of advantage and disadvantage," said lead researcher Professor Sara Arber from the University of Surrey.

"The older population is growing in number and becoming more diverse every day. Not all pensioners are equal. A common misconception nowadays is that all older people are fit, healthy and able to keep working beyond 65, but this is not true and is heavily dependent on gender, class and wealth. It is essential that these factors are taken into account when considering access to pensions, as some groups may need pensions earlier than others. We need to address income inequality which may be compounded by continued working in later [life](#), as well as

ageism that is still prevalent among many employers."

Provided by University of Surrey

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