TRANSITIONS TO RETIREMENT IN EU15 COUNTRIES. AN APPROACH BASED ON THE COMPOSITION OF INCOME.
INTRODUCTION

- Germany, France, Sweden, United Kingdom
- ILO statuses (ILOSTAT – LFS)
- Income-based definition of Statuses
  - Full Statuses
  - Composite Statuses (*2 or *3)
- Gross and Net incomes and benefits
- Towards an income-based definition of Statuses on the labour market.
ILO STAT.

Employment:
- The employed comprise all persons of working age who during a specified brief period, such as one week or one day, were in the following categories: a) paid employment (whether at work or with a job but not at work); or b) self-employment (whether at work or with an enterprise but not at work).

The employment-to-population ratio (EPR) is calculated as the number of persons who are employed during a given reference period as a percent of the total of working age population in the same reference period.

Unemployment:
- The unemployed comprise all persons of working age who were: a) without work during the reference period, i.e. were not in paid employment or self-employment; b) currently available for work, i.e. were available for paid employment or self-employment during the reference period; and c) seeking work, i.e. had taken specific steps in a specified recent period to seek paid employment or self-employment. For purposes of international comparability, the period of job search is often defined as the preceding four weeks, but this varies from country to country.

The specific steps taken to seek employment may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land, building, machinery or equipment to establish own enterprise; arranging for financial resources; and applying for permits and licences.

The unemployment rate is calculated as the number of persons who are unemployed during the reference period given as a percent of the total number of employed and unemployed persons (i.e., the labour force) in the same reference period.

Inactivity:
Inactivity = N – (unemployment – employment)
Graph 1: ILO Statuses by age (Year 2010). From LFS microdata
INCOME BASED STATUSES

- Derived from SLIC micro data (2011, income statuses for 2010)
  - employee income (PY010G + PY020G + PY021G)
  - self-employed income (PY050G)
    - = Working
  - unemployment benefits (PY090G)
  - sickness benefits (PY120G)
  - disability benefits (PY130G)
  - education related allowance (PY140G)
    - = Allocation
  - old-age benefits (PY100G)
  - survivor' benefits (PY110G)
    - = Retirement

No income
Income-based

- Retired
- Working
- Allocation
- No income

**full statuses**
- Retired & Allocation

**double statuses**
- Working & Retired
- Working & Allocation

**triple statuses**
- Working & Allocation & Retired
FRANCE
SWEDEN
M/F
UNITED-KINGDOM
### COMPARISON SUMMARY

<table>
<thead>
<tr>
<th>Transition to retirement (sharp or progressive)</th>
<th>Germany</th>
<th>France</th>
<th>Sweden</th>
<th>United-Kingdom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sharp (standardized age)</td>
<td>Sharp</td>
<td>Progressive and, then, sharp</td>
<td>Sharp</td>
<td>Progressive</td>
</tr>
<tr>
<td>“Retirement reversal”</td>
<td>-</td>
<td>-</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Triple status “Work &amp; Allocation &amp; Retirement benefits”</td>
<td>no</td>
<td>no</td>
<td>yes</td>
<td>no</td>
</tr>
</tbody>
</table>
NET INCOMES (UK 2006)
NET INCOMES (GERMANY 2005)
NET INCOMES (FRANCE 2011)
TOWARDS AN INCOME-BASED DEFINITION OF STATUSES ON THE LABOUR MARKET