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# To Continue Working or not: The Case of Older Workers in Great Britain

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## Abstract

This paper examines the behaviour of older workers, aged 50 or over, in the labour market. Especially, we analyze the pattern of older workers when they approach the retirement age. Do they remain employed? Are

they encouraged to take early retirement? Are they more likely to lose job because of their age? This article

attempts to answer these questions using a panel data for Great Britain (BHPS). A discrete-time competing risks

model is used to analyse the patterns of elderly workers' labour market transitions from employment to three

destination states: unemployment, retirement or other states of inactivity including disability leave. We find

that workers with lower educational attainment, poor labour market experience and working in private sector

have higher risk of becoming unemployed late in their career. The decision to take early retirement is strongly

influenced by educational level, sector and size of firms, while the risk of becoming inactive for sickness or

family care is increased by precarious employment contracts and by occupying a low skilled position. We also

show that decisions to leave employment are not always a voluntary choice, but could also be involuntary. We

find that non-employment transitions are strongly and significantly related to involuntary exits, and this could explain the low employment rate of the older workers.

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